

# Huijing Holdings Announces 2021 Annual Results

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**Steady Growth in Contracted Sales  
Maintains Healthy Financial Position  
Adheres to “One Focus, One Core and Two Wings” Strategy  
Actively Promotes Urban Value Upgrade**

30 March 2022, **Huijing Holdings Company Limited** (“**Huijing Holdings**” or the “**Group**”; Stock code: 9968), an integrated residential and commercial property developer in the PRC, with a strong presence in the Greater Bay Area, has today announced its annual results for the year ended 31 December 2021 (“FY2021” or “the Year”).

## **Continuous growth in contracted sales and steady improvement in results**

For the year ended 31 December 2021, the Group has maintained growth in its results by adhering to its precisely targeted “one focus, one core and two wings” quality property mix and professional services in the Greater Bay Area. Contracted sales have amounted to approximately RMB8.0 billion, representing a year-on-year increase of 3.9%. Contracted gross floor area (“GFA”) sold of approximately 981,997 sq.m., representing an increase of approximately 29.6% compared to the year ended 31 December 2020. Gross profit was approximately RMB1,666.9 million with gross profit margin at 31.4%. Net profit totaled approximately RMB550.4 million, with net profit margin at 10.4%. Basic earnings per share were RMB0.05. The Board of Directors (the “Board”) has proposed to distribute a final dividend of HK2.48 cents per share.

During the Year, the Group has recorded a revenue of approximately RMB5.31 billion, an increase of 3.0% from the corresponding period last year. Total GFA recognised has climbed over 30% to approximately 758,749 sq.m., mainly from projects including The 1<sup>st</sup> Mansion (壹號府邸), Nine Miles Bay (九里灣花園), Yongjinlan Bay (雍錦瀾灣), Huijing Yanhu International Resort (衡陽滙景·雁湖生態文旅小鎮), and Hefei Huijing City Centre (合肥滙景城市中心).

## **Expansion of land bank and progress in development of urban renewal projects**

During the Year, the Group continued to develop regions with high growth potential, such as Western and Northern China, and consolidated its market leadership position based on the strategy of “Maintain a foothold in the Greater Bay Area, penetrate Dongguan and sustain coverage in the Southern, Central and Eastern China areas”. As of 31 December 2021, the Group had land reserves with a total area of approximately 3,146,831 sq.m., with 21 projects and 4 parcels of land located in 11 cities all over Mainland China. During the Year, the Group added a total GFA of around 582,000 sq.m. to its land reserves, which were assigned to 5 projects. It also marked the first time that the Group penetrated Fuyang, Anhui and Chengdu, Sichuan, which has become an important pillar for expansion of its business presence.

The Group’s urban renewal projects have also realized good progress. During the Year, the Group has obtained the qualification of preparatory services provider for 9 urban renewal projects and is also working on a preparatory services provider qualification and promoting the change of land use for 9 projects. As of 31 December 2021, the Group met the land supply target for the Shatian Renzhou Area Project. The Zhangmutou Baoshan Area Project and Humen Xinwan Area Project were also proceeding well. Meanwhile, the Group also secured new projects, including the Hongmei Hongwugao Area Project and Wangniudun Project in Dongguan. The Group will continue to expand its land bank and advance the development of urban renewal projects so as to extend its brand influence and lay a solid foundation for its sustainable growth.

## **Breakthrough development of scientific and innovative technology industry towns drives regional economic development**

Amid the emerging trend of innovation ecosystems in the industry, the “scientific and innovative technologies industry towns,” an important part of the Group’s “one core, one focus and two wings” business strategy, also achieved breakthrough development in 2021. During the Year, Huijing·Greater Bay Area 5G Intelligent Manufacturing Park (滙景·灣區5G智造港) helped the enterprises to undergo transformation and upgrade, marking a new milestone for smart factories in the Dongguan Eco-Environmental Industrial Park (東莞生態

環保園區). Huijing Wisdom Valley (滙景產業·智匯谷) is to be built into an integrated scientific and innovative technology park and become a high-end innovative technology ecosystem with office space and commercial ancillary facilities.

In terms of new projects, the Group has entered into a letter of intent with the Shatian Town Government in relation to the development planning of an AI enabled smart town in Shatian alongside the Guangzhou-Shenzhen Science and Technology Innovation Corridor, and thereby construct an integrated industry and city through effective deployment of technology. The Hongmei Hongwugao Area Project is planned as an industry park with 5G at the core to promote the development of a new generation in the information technology industry and in intelligent manufacturing. These projects have demonstrated how the Group has established a presence in Dongguan over many years, and how it has gradually delivered results in its research on applying artificial intelligence in industrialization and innovative technologies, in its bid to achieve progress in high-quality development.

### **Healthy financial position and stable capital structure**

The Group benefits from a stable financial position, with a net gearing ratio of 42.6% and gearing ratio (excluding contract liabilities) of 54.4%. Thanks to its overall market analysis, the Group recorded a continuous improvement in revenue, with total assets increasing 19.2% year-on-year to RMB15.2 billion. Looking forward, the Group will continue to strengthen its cash flow management and boost the rate of capital turnover, so as to generate momentum for its growth across different industries with a stable capital structure.

### **Future strategies: To seize opportunities, make progress while maintaining stability, integrate industry and the city, and improve project quality**

**Mr. Lun Zhao Ming, CEO and Executive Director of Huijing Holdings**, said, “Leveraging our advantages in the Greater Bay Area, in 2021, the Group continued to execute the 'one core, one focus and two wings' strategy, with 'residential development as the main business, urban renewal as the core, and cultural tourism along with health care, and the science and technology sector as the two wings.' This was aimed at enriching the diversity of the profit structure and has continuously improved the capabilities of projects and services, thereby enhance the Group’s core competitiveness and capacity for sustainable development. Looking ahead, the Group will adhere to its business presence closely monitor changes in the market environment and proactively address policy changes. The Group is confident that it will continue to seize opportunities arising from urban development. By developing the projects on land parcels with strategic advantages and devoting greater effort to the layout of urban renewal projects, we remain committed to maintaining our leading position in the urban renewal industry across the Greater Bay Area, with the aim of adding value to cities there and bringing sustainable returns to our shareholders.”