

[For Immediate Release]



(Incorporated in Hong Kong with limited liability)
(Stock Code: 119)

Poly Property Group Announced 2020 Annual Results

(26 March 2021 – Hong Kong) Poly Property Group Co., Limited (“the Group” or “Poly Property”; stock code: 119) is pleased to announce its annual results for the year ended 31 December 2020.

Financial Summary

In 2020, the Group recorded revenue of HK\$31.3 billion (2019: HK\$39.9 billion) and gross profit margin of 33.7%. Attributable net profit decreased 50.9% year-on-year to HK\$1.9 billion. The Board of Directors of the Group recommended the payment of a final dividend of HK12.8 cents per share. Such decrease is mainly attributable to the recognition of profit of a development project in Hong Kong in 2019.

As at the end of 2020, net assets per share was HK\$9.68, representing a year-on-year growth of 8.9%. The net gearing ratio grew 5.5 percentage points to 109.5%, while the average funding cost significantly declined 0.74 percentage points to 4.72%. The Group held total cash of HK\$43.7 billion. The coverage ratio of total cash to short-term debt was 1.55.

Property Sales

In 2020, Poly Property Group (together with its subsidiaries, its joint ventures and associated companies) recorded contracted sales of RMB52.1 billion, representing a year-on-year increase of 21%. The average selling price of contracted sales slightly increased by 1% to RMB18,411 per square metre. The contracted sales target for 2021 was RMB62.0 billion, representing a year-on-year increase of 19%.

The Group achieved remarkable results in destocking by successfully selling the commercial portions of several projects including Wuhan Poly Plaza, Guiyang Poly Phoenix Bay and Jinan Poly Hyde Mansion. The POLY LIGHT product system V3.0

was developed and launched during the year to further enhance product quality and consolidate brand position.

Land Bank

In 2020, 20 development projects were acquired by Poly Property Group in Shanghai, Suzhou, Ningbo, Guangzhou, Wuhan and other cities. The Group made business presence in Hangzhou and Kunshan. The planned total GFA of new land reserves was approximately 4,090,000 square metres. Land cost was considered reasonable.

As at the end of 2020, the Group had a total land bank of approx. 22.36 million sq. m. with average land cost of RMB6,781 per sq. m.. The percentage of attributable land reserves held by the Group in first-tier and second-tier cities further increased to 80% and the attributable land reserves in Yangtze River Delta and Greater Bay Area recorded a year-on-year increase of 10%

Mr. ZHANG Bingnan, Chairman of Poly Property Group, said, ‘In 2021, China will start to implement the “14th Five-Year Plan”. It is expected that China will continue to implement stable and consistent policies in general without abrupt changes. In spite of the complex and unstable global political and economic situations as well as the risk of recurrent epidemic outbreaks, there will be various favorable factors driving economic growth as China is able to maintain its effective social governance and carry out efficient pandemic control measures. It is expected that the economic growth rate of China will return to normal level.

Adhering to the goal of “Building another Poly Property within Next Five Years” under the “14th Five-Year Plan” of the Group, great efforts will be put in achieving strong growth, promoting high-quality development and ensuring effective risk management. Through further enhancing its comprehensive competitiveness, establishing delicacy management system and improving product and service quality, the Group aims to “become a first-class real estate developer in China and fulfill people’s yearning for better living environment” and maximise the values for its customers, shareholders, employees and the society.’

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About Poly Property Group Co., Limited

Poly Property Group Co., Limited is one of the foremost property developers in China as well as the real estate offshore listed flagship of China Poly Group Corporation Limited (a state-owned enterprise). Its major businesses include property development, investment and management. The Group develops residential and commercial properties in Yangtze River Delta, Pearl River Delta, Southwestern region, other regions and Hong Kong. The land reserves of the Group covered 27 major cities, including Shanghai, Hong Kong, Shenzhen, Guangzhou, Wuhan, Suzhou, Jinan, Harbin, Ningbo, Guiyang and Nanning, among others. The Group maintains a high-quality investment property portfolio in various cities comprising landmark properties such as Shanghai Poly Plaza, Shanghai Stock Exchange Building and Beijing Poly Plaza. As at the end of February 2021, the total gross floor area of the Group's land bank (including projects under construction and held for future development) amounted to approx. 22 million square meters.

For more information, please visit <http://www.polyhongkong.com>.

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