



DaFa Properties Group Limited

大发地产集团有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 6111.HK)

DaFa Properties Announces 2020 Annual Results

**Contracted Sales Increased Substantially by Approximately 44.3%
Amid Speed and Efficiency Enhancement**

DaFa Properties 2020 Annual Results Highlights

(For the year ended 31 December 2020)

- ✓ Contracted sales were approximately RMB30,320 million, representing a significant year-on-year increase of approximately 44.3%;
- ✓ The contracted GFA was 2,045,067 sq.m, representing a year-on-year increase of approximately 31.8%;
- ✓ Revenue was approximately RMB9,188 million, representing a year-on-year increase of approximately 24.2%;
- ✓ Profit for the year was approximately RMB715 million, representing a year-on-year increase of approximately 19.1%;
- ✓ Total assets were approximately RMB35,070 million, representing a year-on-year increase of approximately 26.6%;
- ✓ Net gearing ratio was approximately 61.2%;
- ✓ Total cash to short-term debt ratio was approximately 1.4 times;
- ✓ Liabilities to assets ratio (excluding receipts in advance) was approximately 68.6%;
- ✓ Declares a final dividend of RMB4.8 cents per share for the year ended 31 December 2020, including the interim dividend of RMB3.4 cents per share paid, the total dividend for the year amounts to RMB8.2 cents.

(Hong Kong, 25 March 2021) The board (the "**Board**") of directors (the "**Directors**") of **DaFa Properties Group Limited** ("**DaFa Properties**" or the "**Company**", together with its subsidiaries, the "**Group**"; Stock Code: 6111.HK) is pleased to announce the audited annual consolidated results for the Group for the year ended 31 December 2020 (the "**Reporting Year**").

In the Reporting Year, DaFa Properties achieved sustainable growth, performed excellently in multiple dimensions including contracted sales, land reserves, capital, and the financial structure, indicating increased speed and efficiency for good development momentum. Under the pandemic,

the Group launched a digitalized innovative marketing campaign that has driven outstanding sales performance, delivering growth in both sales and profitability during the downturn. The Group has been intensively penetrating the real estate market in the Yangtze River Delta Region. During the Reporting Year, the Group recorded accumulated contracted sales of approximately RMB30,320 million, representing a significant year-on-year increase of approximately 44.3%; the accumulated contracted GFA of the Group recorded a strong growth of approximately 31.8% to 2,045,067 sq.m. and the contracted average selling price was approximately RMB14,826 per sq.m, representing an increase of approximately 9.4% over the same period of last year. Among them, the contracted sales and contracted GFA in the Yangtze River Delta accounted for 88% and 81% respectively.

"Zero stepping" of the Indication of "Three Red Lines", Financial Structure Becomes More Stable

Benefited from the stable and healthy growth of sales, profitability of DaFa Properties has been further enhanced. During the Reporting Year, DaFa Properties recorded revenue of approximately RMB9,188 million, representing a year-on-year increase of approximately 24.2%. Gross profit was approximately RMB1,918 million, a year-on-year increase of approximately 13.0%. Profit for the year was approximately RMB715 million, a year-on-year increase of approximately 19.1%. The Group's assets scale has further increased, with total assets increasing by approximately 26.6% year-on-year to approximately RMB35,070 million. During the Reporting Year, total cash and bank balances (including restricted cash and pledged deposits) of the Group was approximately RMB7,276 million, representing a year-on-year increase of approximately 55.0% with the maintenance of abundant capital.

DaFa Properties strictly monitored each financial indication amid the stable and healthy growth of the performance, and the financial stability enhanced constantly. During the Reporting Year, the net gearing ratio of the Group has further decreased to approximately 61.2%; the Group's liabilities to assets ratio after excluding receipts in advance was approximately 68.6%; the total cash to short-term debt ratio remained at 1.4 times, and all met the "Three red lines" requirements of green category policy.

Deep Penetration of the Yangtze River Delta Region, Extends Presence into Chengdu-Chongqing Metropolitan Area

In the Reporting Year, DaFa Properties acquired high-quality land parcels in Wenzhou, Ningbo, Nanjing, Wuxi, Suzhou, Yangzhou, Wuhu, Changzhou and Nantong. While intensively penetrating the core areas of the Yangtze River Delta Region, the Group extended its presence into the Chengdu-Chongqing Metropolitan Area, and focused on cities in Western China such as Chengdu, Chongqing and Mianyang. The Group acquired 22 new land parcels in total, and the increase in total GFA reached 2,785,906 sq.m The Group also maintained its strategic focus on other key cities with high development potential, and actively penetrated the areas with reasonable and attractive land costs to ensure the sustainable development of the Group's land reserves. Currently, the Group has 83 projects under development and completed projects, 69 of which are located in the Yangtze

River Delta Region. The Yangtze River Delta Region accounted for 74% of the newly added total GFA of the Group's land reserves.

Healthy Financial Performance, As Affirmed by the Capital Market

DaFa Properties has always strictly controlled its financial indicators and continued to optimize financial stability. During the Reporting Year, DaFa Properties aggressively expanded diversified financing channels while maintaining a good relationship with numerous banks and financial institutions to exploit abundant and stable sources of funds for long-term development. DaFa Properties' healthy financial and capital level has been recognized by domestic and international institutions. During the Reporting Year, Moody's reiterated the corporate credit rating of B2 for the Company, with a stable outlook. In addition, DaFa Properties received positive reports from many major investment banks and institutions during the Reporting Year, recommending the Company's stocks and US dollar bonds, namely CMB International, Barclays, BNP Paribas, Bank of America, and CITIC CLSA.

On the other hand, the Group has always focused on brand building. During the Reporting Year, DaFa Properties won the "Stable Operation Enterprise Award", "Top 100 Listed Real Estate Enterprises of 2020", "2020 China Top 10 Listed Property Developers in China by Risk Control Capability", "2020 Golden Hong Kong Stocks Awards Best Small and Medium Market Cap Company", "Listed Company Awards of Excellence 2020", "2020 China Top 70 Listed Real Estate Companies in Competence" and other awards.

Mr. GE Yiyang, Chairman of DaFa Properties said: "Looking forward to 2021, China continues to face challenges and uncertainties brought by the weak global economy and external environment to achieve economic growth. In the real estate market, industry reforms and accelerated exploration of new opportunities in the real estate industry are imperative. Facing the new development trend, DaFa Properties will constantly improve in both speed and efficiency, following the national policies, continue to make efforts in and actively deploy resources to the product, marketing and investment sides. We will adhere to the strategy of comprehensive and deep penetration into the core areas of the Yangtze River Delta Region, Chengdu-Chongqing Metropolitan Area and other golden metropolitan clusters nationwide, and further increase the turnover rate in the targeted cities through the construction of integrating investment, financing, operation and marketing. Meanwhile, we will also adhere to the strategy of increasing operational profits, paying greater attention to the benefits of operating efficiency, management efficiency and per capita performance, in order to ensure the steady and balanced development of the enterprise. DaFa Properties will stick to steadiness and balance as its corporate core, maintain its comprehensive competitiveness, plan for a better future and constantly bring satisfactory return to shareholders."

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About DaFa Properties Group Limited

DaFa Properties Group Limited (DaFa Properties), incorporated in 1996 and headquartered in Shanghai, is a real estate developer specializing in developing and selling residential properties mainly in the Yangtze River Delta Region. The Group has vigorously practiced the brand positioning of "Design for Life" and upheld the business philosophy of "Integrity, Innovation, Pursuing Excellence" for years, provided customers with quality properties and created specific living scenarios through high-quality real estate properties. As of 31 December 2020, the Group, together with its joint ventures and associates, had 83 projects under construction and completed in total, of which 69 are based in the Yangtze River Delta Region. As a "pleasant living service provider", DaFa Properties has built its sound reputation, thanks to its 25 years of extensive industry experience, outstanding product quality, and product portfolios. It will continue to unremittingly dedicate itself to build better city life, improve living quality, and raise residential experience standards.

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