



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 2021 Interim Results

**Contracted Sales Increased Substantially by approx. 130%
Maintains Green-tier Operation
Revenue Grew by approx. 51% YoY
Net Profit Surged by approx. 154% YoY**

DaFa Properties 2021 Interim Results Highlights

(For the six months ended 30 June 2021)

- ✓ Contracted sales were approx. RMB 25.81 billion, representing a significant YoY increase of approx. 130%;
- ✓ The contracted GFA was approx. 1.59 million sq.m., representing a YoY increase of approx. 99%;
- ✓ Revenue was approx. RMB5.25 billion, representing a YoY increase of approx. 51%;
- ✓ Profit for the year was approx. RMB443.97 million, representing a YoY increase of approx. 154%;
- ✓ Total assets were approx. RMB39.55 billion, representing an increase of approx. 13% as compared to 31 December 2020;
- ✓ Net gearing ratio was approx. 56%;
- ✓ Total cash to short-term debt ratio was approx. 1.4 times;
- ✓ Liabilities to assets ratio (excluding receipts in advance) was approx. 69%;
- ✓ Declares an interim dividend of RMB4.8 cents per share for the six months ended 30 June 2021

(Hong Kong, 24 August 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 unaudited interim results of the Group for the six months ended 30 June 2021 (the "**Reporting Period**").

In the Reporting Period, DaFa Properties achieved sustainable growth, performed excellently in multiple dimensions including contracted sales, land reserves, financial indicators, and its capital

structure, indicating increased speed and efficiency to maintain good momentum. In the face of COVID-19, the Group continues to adhere to the "1+1+X" strategic guidance, actively deploy products and marketing, and delivering growth in both sales and profitability. The contracted sales of the Group were mainly generated from Yangtze River Delta Region and Chengyu Region where the Group has been intensively penetrating. During the Reporting Period, the Group recorded accumulated contracted sales of approx. RMB25.81 billion, increased by approx. 130% YoY; the accumulated contracted GFA grew by approx. 99% YoY to approx. 1.59 million sq.m. and the contracted average selling price increased by approx. 16% YoY to approx. RMB16,229 per sq.m..

Deep Penetration of the Yangtze River Delta Region, Positioned its Presence in the Golden Metropolitan Clusters Nationwide

During the Reporting Period, the Group adhered to the "1+1+X" strategic guidance, comprehensively deepen the development of golden metropolitan clusters nationwide such as the Yangtze River Delta Region and the Chengyu Region. At the same time, the Group enriched land reserves with a strategic land acquisition strategy and projects across different cities including Wenzhou, Ningbo, Hefei, Chengdu, Changzhou and Wuhu. Currently, the Group has 86 projects under development and completed projects, 71 of which are located in the Yangtze River Delta Region. First-and second-tier cities accounted for approx. 80% of the total saleable resources of the Group, reflecting our high quality and potential land reserves. DaFa Properties actively penetrated the presence with reasonable and attractive land costs to ensure the sustainable development of the Group's land reserves. The Group acquired seven new land parcels with a total GFA of approx. 1.14 million sq.m..

Outstanding Profitability with a Stable and Healthy Assets Scale

Benefited from stable and healthy sales growth, the profitability of DaFa Properties has been further enhanced. During the Reporting Period, DaFa Properties recorded revenue of approx. RMB5.25 billion, representing a YoY increase of approx. 51%. Gross profit was approx. RMB1.05 billion, representing a YoY increase of approx. 51%; Gross profit margin was approx. 20.1%; Profit for the period was approx. RMB443.97 million, representing a YoY increase of approx. 154%;The Group's assets scale has further increased, with total assets increased by approx. 13% to approx. RMB39.55 billion compared to 31 December 2020. Total equity increased by approx. 12% to approx. RMB9.87 billion compared to 31 December 2020.

Healthy Financial Performance, Adhering to "Green-tier Operation"

DaFa Properties has always strictly controlled its financial indicators while maintaining steady growth. The Group continuously managed its financial leverage and optimized its capital structure, adhering to "green-tier operation". As at 30 June 2021, the Group's net gearing ratio has further decreased to approx. 56%; the liabilities to assets ratio after excluding receipts in advance was approx. 69%; the total cash to current borrowings ratio remained at a sounded level of approx. 1.4 times.

Building Diversified Financing Channels Actively

During the Reporting Period, DaFa Properties actively expanded diversified financing channels while maintaining a good relationship with numerous banks and financial institutions. During the Reporting Period, the Group received new integrated credits by Ping An Bank and Agricultural Bank, exploiting abundant and stable sources of funds for long-term development. On 23 August 2021, DaFa received offshore commercial bank loans for the first time. The Group was granted a US\$30 million term loan facility from the Hang Seng Bank, fully demonstrating the recognition and confidence from the capital market to the Group.

Mr. GE Yiyang, Chairman of DaFa Properties said: "Looking ahead to the second half of 2021, 'Houses are for living but not for speculation' is still the main theme; the central and local governments have intensively introduced austerity policies to stabilise market expectations. However, with the continuous promotion of new urbanization with people as the core, the demand in the real estate market remains strong. In the face of the growth trend of ongoing upgrade, the Group will continue to adhere to the '1+1+X' strategic guidance, actively deploy products, marketing and investment, and comprehensively deepen the development of golden metropolitan clusters nationwide, such as the Yangtze River Delta Region and the Chengyu Region. At the same time, the Group will enrich land reserves with strategic land acquisition strategy and actively expand the diversified domestic and overseas financing channels, while continuously optimising the financial structure, reducing the financing costs, strictly managing the financial risks in adherence to 'green-tier operation'. The year 2021 marks the 25th anniversary of the establishment of DaFa Properties, and the Group will also usher in the third anniversary of listing in the second half of the year. While strengthening the concept of shareholder value management, we will integrate shareholder value throughout the whole cycle of investment, operation, budget and incentives, with a view to enhancing the overall competitiveness of the Group and ensuring its healthy and stable development."

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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 and Chengdu-Chongqing Metropolitan Area. 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 30 June 2021, the Group, together with its joint ventures and associates, had 86 projects under construction and completed in total, of which 71 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.

For more information:

Investor Relations Department of DaFa Properties Group Limited

Alice WANG

Tel.: (852) 3976 8600

Email: ir@dafaland.com

Citigate Dewe Rogerson

Linda PUI

Tel: (852)3103 0118 / 9700 0178

Email: dafa@citigatedewerogerson.com