

**Central China Real Estate Limited** is one of the leading Henan-based property developers which focuses on developing high-quality residential properties. With 27 years of development history, CCRE has adopted the “Provincial Strategy” and gradually expanded into prefecture and county-level cities in Henan. As of 31 December 2019, the Company had achieved full coverage with presence in 18 prefecture cities and 104 county-level cities and over 10% market share in Henan province. Known for its outstanding product quality, strong brand and experienced management team, the Company ranked 32nd on the “China Real Estate Listed Company Ranking List”, according to “Evaluation and Research Report on the Listed Real Estate Companies in the PRC in 2019” jointly published by China Real Estate Association and China Real Estate Appraisal. CCRE also ranked 4th among Hong Kong-listed mainland Chinese property companies in terms of performance and remains the top real estate developer in Henan province.

## LATEST NEWS

### CCRE Achieved Total Contracted Sales of RMB4,091 mn in Jan 2020, up 20.9% y-o-y

	Jan 2020	Jan 2019	Y-o-Y change
Heavy Assets Sales	3,270	1,795	82.2%
Light Assets Sales	821	1,589	-48.3%
<b>Contracted Sales Total (RMB mn)</b>	<b>4,091</b>	<b>3,384</b>	<b>20.9%</b>
Heavy Assets GFA	277,811	251,758	10.3%
Light Assets GFA	143,568	305,030	-52.9%
<b>Contracted Sales GFA Total</b>	<b>421,379</b>	<b>556,788</b>	<b>-24.3%</b>
Heavy Assets ASP	11,771	7,130	65.1%
Light Assets ASP	5,718	5,208	9.8%
<b>Average Selling Price per sq.m. (RMB) Total</b>	<b>9,709</b>	<b>6,078</b>	<b>59.7%</b>

In the month of January 2020, the Group achieved property contracted sales of Group’s heavy asset segment of RMB3,270 mn, representing a y-o-y increase of 82.2%.

### Stock Data (as at 13 Feb 2020)

<b>Price/share:</b> HK\$ 4.66	<b>Market Cap:</b> Approximately HK\$12.80 bn	<b>52-Week Range:</b> HK\$2.98 – HK\$5.11	<b>Shares Outstanding:</b> 2,739 mn shares
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Composition of Hang Seng Stock Connect Hong Kong Index; Hang Seng Stock Connect Hong Kong MidCap & SmallCap Index; Hang Seng Stock Connect Hong Kong SmallCap Index; Hang Seng SCHK Mainland China Companies Index and Hang Seng SCHK ex-AH Companies Index



## The monthly heavy assets contracted sales in January were supported by:

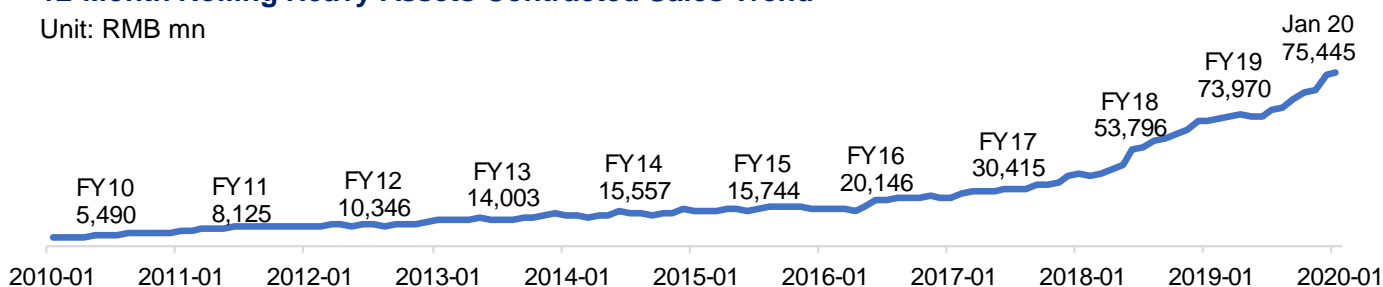
- i. Zhengzhou projects accounted for approximately 60% of the sales;
- ii. Tier 3 & 4 cities projects in Henan accounted for 31% of the sales;
- iii. County level cities projects in Henan contributed 9% of the sales;
- iv. Contracted sales continue to be diversified, with sales contribution from 137 projects located in the 2nd, 3rd, 4th tier cities and county level cities in Henan;
- v. 44% of contracted sales came from projects unaffected by HPR (HPR only in Zhengzhou)

## Summary Breakdown of the Heavy Assets Contracted Sales in January 2020:

City	Project Name	Contracted Sales (RMB mn)	Contracted Area (sq. m.)	ASP (RMB/ sq. m.)
Zhengzhou	North Longhu Financial Island	1,149	43,377	26,480
Zhengzhou	Intelligent Palace	438	16,940	25,864
Luoyang	The Source of Culture	144	10,658	13,500
Nanyang	Art Mansion	134	12,575	10,663
Zhengzhou	Gongyi Spring Time	132	15,203	8,681
Shangqiu	Chinoiserie Palace	85	15,034	5,670
Xinxiang	Chinoiserie Palace	67	7,693	8,715
Shangqiu	Life is Beautiful	61	10,570	5,764
Zhengzhou	Grand Mansion	60	1,135	52,705
Zhoukou	Chinoiserie Palace	57	8,144	6,954
Zhengzhou	Wulong City (Century New City)	48	3,140	15,262
Shangqiu	18 Cities	42	5,789	7,308
Zhengzhou	Triumph Plaza	38	2,176	17,523
Luoyang	Dingding Palace	29	3,393	8,461
Zhumadian	Spring Time	29	4,287	6,650
Zhengzhou	Metro Polis	29	2,385	11,954
Zhumadian	Chinoiserie Palace	28	3,430	8,275
Shangqiu	Hill Water Lake City	28	5,467	5,104
Xinyang	Gushi Jianye City	28	4,743	5,856
Zhengzhou	Art Mansion	26	1,422	18,333
	Others	620	100,254	6,185
	<b>Total</b>	<b>3,270</b>	<b>277,811</b>	<b>11,771</b>

## 12-Month Rolling Heavy Assets Contracted Sales Trend

Unit: RMB mn



## Major Project Launch

In the month of January, CCRE launched 2 new projects/phases. The aggregate saleable resource of the new launch is RMB 266 mn. The first day of launch achieved an average sales/subscription rate of 50%, with sales subscription to be converted into contracted sales over the coming months.

### A Summary of the Major Projects Launched in January 2020 is Provided Below :

Project	Launch Date	Saleable Contracted Sum (RMB Mn)	Amount Sold in the First Day of Launch (RMB Mn)	Sales / Saleable (%)	Saleable GFA (sq.m.)	GFA Sold in the First Day (sq.m.)	GFA Sold / Saleable (%)
Nanyang Xinzhu Phase I Bath I	18/01/2020	242	127	53%	22,107	11,869	54%
Nanyang Xinzhu Carpark	18/01/2020	24	5	23%	158	42	27%
<b>Total</b>		<b>266</b>	<b>132</b>	<b>50%</b>	<b>22,265</b>	<b>11,911</b>	<b>53%</b>

## Henan Property Market sales up 11.9% yoy in the full year of 2019, CCRE Achieves Market Share of 11.2%

In the full year of 2019, the Henan real estate market achieved strong growth with contracted sales of RMB900.99 bn, up 11.9% y-o-y (FY2018: RMB805.53 bn), according to Henan Provincial Bureau of Statistics. CCRE's contracted sales (included heavy asset and light asset) for the full year of 2019 reached RMB101.15 bn, representing a market share of 11.2%<sup>1</sup> for the total Henan real estate market.

Henan transaction volume in the full year of 2019 reached 142.78 mn sq.m., representing a y-o-y increase of 2.1% (FY2018: 139.91 mn sq.m.). In terms of contracted GFA, as at the end of 2019, CCRE accounted for 10.0%<sup>2</sup> of the overall Henan real estate market. The average transacted price for property sales in Henan for the full year of 2019 was RMB6,311 /sq.m., up 9.6% y-o-y (FY2018: ASP RMB5,758 /sq.m.).

Notes: <sup>1</sup>CCRE's contracted sales as at 31 December 2019 / Total contracted sales of Henan Province as at 31 December 2019 from Henan Provincial Bureau of Statistics;  
<sup>2</sup>CCRE's contracted GFA as at 31 December 2019 / Total contracted GFA of Henan Province as at 31 December 2019 from Henan Provincial Bureau of Statistics.



## Land Acquisition

In accordance with our development strategy, in January 2020, the Company acquired a total of 7 new land plots in Luoyang, Fengqiu County in Xinxiang, Zhoukou, Zhumadian, Qi County in Anyang and Xiayi County in Shangqiu with a land premium attributable to CCRE of RMB2,004 mn and an estimated attributable GFA of 1,590,992 sq.m. with average land cost of RMB1,227/sq.m..

### A Summary of the Land Acquisition in 2020 (as at 31 January 2020) is Provided Below:

Date	Project Name	City	Land Acquisition Method	Project Type (Residential=R, Commercial=C, Carpark=K)	Ave. GFA Land Cost (RMB/sq.m.)	Total GFA (sq.m.)	Attributable Total Land Premium (RMB Mn)	Attributable GFA (sq.m.)	CCRE Int (%)
02/01/2020	Shijiawan xi Project	Luoyang	Land Auction	R, C, K	2,274	244,487	556	244,487	100%
02/01/2020	Er Bang land	Luoyang	Equity Cooperation + Land Auction	R, C, K	2,281	241,704	336	147,439	61%
02/01/2020	Fengqiu No.15	Xinxiang Fengqiu County	Land Auction	R, C, K	766	91,466	70	91,466	100%
02/01/2020	Tai Qing Road Project	Zhoukou	Equity Cooperation	R, C, K	1,109	644,427	708	637,983	99%
03/01/2020	Pijiu Chang Project	Zhumadian	Equity Cooperation + Land Auction	R, K	1,008	222,489	114	113,469	51%
06/01/2020	Qi County Weier Road	Anyang Qi County	Land Auction	R, C, K	646	144,497	93	144,497	100%
20/01/2020	Xiayi Tianlonghu Project	Shangqiu Xiayi County	Equity Cooperation + Land Auction	R, C, K	599	415,000	127	211,650	51%
<b>Total</b>					<b>1,227</b>	<b>2,004,070</b>	<b>2,004</b>	<b>1,590,992</b>	

## Land Bank Summary as at 31 January 2020

As at 31 January 2020, the estimated total land reserve GFA for new development is approximately 52.91 mn sq.m., (with attributable GFA of 40.15 mn sq.m.) at an average cost of RMB1,279 /sq.m..

*(Note: estimated total land reserved GFA for new development may vary depending on the projects' final design)*





## Light-Asset Model Project

In accordance with the Group's "Blue Ocean Strategy" and to further promote the company's transformation into light-asset operating model.

As at the end of December 2019, there are a total of 172 light-asset projects under CCRE's Management Entrustment Contracts, with a total expected GFA of approximately 23.35 mn sq.m.. Under the management contracts agreement, CCRE will be entitled to a guaranteed base royalty/branding fee and a performance fee subject to the success of the projects.

## A Summary of the Light-Asset Projects Added in 2H2019 is Provided Below:

Signing Date	Project	Expected GFA (Sqkm)	
1	19/07/2019	Wuzhi High-speed Railway Station Project	139,113
2	19/07/2019	Luoning Xingning House Project	75,000
3	19/07/2019	Yichuan Luoyi House Project	140,581
4	26/07/2019	Sheqi County Changxing Road Project	114,000
5	26/07/2019	Luohe Green Diamond International Project	54,062
6	26/07/2019	Xinxian Shangcheng Impression Project	94,398
7	26/07/2019	Jun County Xiaohe Road Project	219,797
8	12/08/2019	Zhenping Construction Avenue Project	188,416
9	23/08/2019	Luyi Weizhen Road Project	86,040
10	23/08/2019	Luyi Zhiyuan Road Project	128,071
11	23/08/2019	Change City Getian Avenue Project	80,100
12	12/09/2019	Xiping County Construction Road Project	107,425
13	23/09/2019	Jia County Longshan Avenue Project	157,959
14	23/09/2019	Yiyang County Binhe North Road Project	163,925
15	23/09/2019	Huangchuan County Xiangyang Road Project	50,448
16	24/09/2019	Xi'an Ankang Project	223,522
17	18/10/2019	Shangshuiwei Third Road Project	127,047
18	18/10/2019	Hua County Hua County Avenue Project	243,556
19	01/11/2019	Yishuiwan Project	146,912
20	04/11/2019	Nanyang City Xuefeng Road Project	94,811
21	04/11/2019	Xinan Tieta Shan Project	240,073
22	11/11/2019	Yuanyang Wenyuan Road Project	125,982
23	18/11/2019	Keche Chang Project	71,769
24	29/11/2019	Yucheng zhichengqilu Project	173,330
25	29/11/2019	Yanzhou County Zhongzhou Road Project	143,398
26	29/11/2019	Henan Ribao Project	230,559
27	04/12/2019	Jianye Longcheng Project	306,500
28	17/12/2019	Huaiyang District Linghou Road Project	54,767
29	19/12/2019	Liyang City Lvcheng Road Project	230,547
30	19/12/2019	Weishi County Jianshi Road Project	100,296
31	19/12/2019	Huaiyang County Yudai Road Project	150,729
32	19/12/2019	Huichi County Huimeng Road Project	93,405
33	19/12/2019	Nanle County Changzhou Road Project	110,064
34	20/12/2019	Luohe City Huanghe Road Project	153,291
35	27/12/2019	Anyang South First Road Project	129,175
36	27/12/2019	Hebi City Jingtingshan Road Project	96,772
37	30/12/2019	Biyang Binhe North Road Project	173,710
38	30/12/2019	Xinyang Longjiang Dadao Project	65,000
39	30/12/2019	Hainan Danzhou Nada Project	52,737
40	31/12/2019	Wuzhi Anzhi Fang Project	66,666
<b>Total</b>		<b>23,353,197</b>	



## Company News in January 2020

### CCRE Successfully Issues USD200M 7.25% 4.5-year Senior Notes Due 2024

On 9 January 2020, CCRE successfully issued US\$200 million 7.25% 4.5-year senior notes due 2024. The deal achieved 12 times over-subscription, and was driven by institutional investors with 150 accounts, and the final allocation comprising of 89% Fund Managers, 11% Banks, Financial Institutions and Private Banks with 95% of Investors from Asia and 5% from Europe.

## IR Activities in January 2020

Date	Event	Organizer	Location
07/01/2020	BNP Paribas China Property Conference	BNP Paribas	Hong Kong
08/01/2020	DBS Vickers Pulse of Asia Conference	DBS Vickers Securities	Singapore
09/01/2020	Fixed Income NDR	Deutsche Bank	Singapore
14/01/2020	China Property NDR	Guoyuan Securities	Shenzhen

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