

Newsletter

December 2021

Central China Real Estate Limited is one of the leading Henan-based property developers which focuses on developing high-quality residential properties. With 29 years of development history, CCRE is the pioneer in adopting a “Provincial Strategy” and has achieved full coverage in Henan province with presence in 18 prefecture cities and 104 county-level cities in 2019. In 2021, CCRE has embarked on a new development era by adopting the Great Central China Strategy and expanding outside of Henan to serve the Central China region. Known for its outstanding product quality, strong brand and experienced management team, the Company ranked first in terms of brand value among real estate companies in the Central China region by China Index Academy, and ranked 314th in the Fortune 500 China List in 2020.

LATEST NEWS

- ✓ **CCRE Achieved Contracted Sales of RMB49,741 mn for the First Eleven Months of 2021**
- ✓ **CCRE Won “Best in Sector” Award at IR Magazine Greater China Awards 2021**

For the eleven months ended 30 November 2021, CCRE achieved total property contracted sales of RMB49,741 million, representing a y-o-y decrease of 9.6%. The total contracted sales GFA achieved 6,670,760 sq.m., representing a y-o-y decrease of 4.0%. The ASP for the first eleven months of 2021 was RMB7,457 /sq.m., representing a y-o-y decrease of 5.8%. CCRE believed that the relatively mild decline in contracted sales for the eleven months is manageable and within expectations under current market conditions.

In the month of November, CCRE achieved property contracted sales of RMB2,737 million, representing a y-o-y decrease of 10.0%, with a contracted sales gross floor area (“GFA”) of 363,824 square metres (“sq.m.”), representing a y-o-y decrease of 2.9%, and with the ASP amounted to RMB7,522 /sq.m. representing a y-o-y decrease of 7.3%.

Stock Data (as at 14 December 2021)

Price/share: HK\$ 0.89	Market Cap: Approximately HK\$2.641 bn	52-Week Range: HK\$0.88 – HK\$4.56	Shares Outstanding: 2,967 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

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Contracted Sales in November were Supported by:

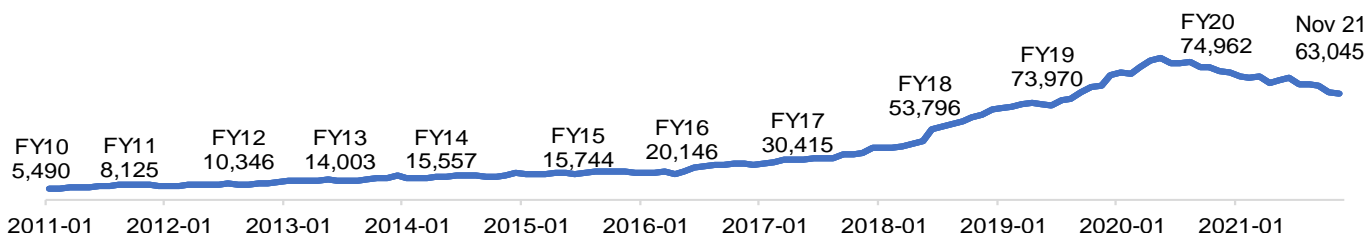
- i. Zhengzhou projects accounted for approximately 21% of the sales;
- ii. Tier 3 & 4 cities projects in Henan accounted for 49% of the sales;
- iii. County level cities projects in Henan contributed 30% of the sales;
- iv. Contracted sales continue to be diversified, with sales contribution from 248 projects/phases located in the tier 2,3,4 cities and county level cities in Henan;
- v. In November, 78% of contracted sales came from projects unaffected by HPR (HPR only in Zhengzhou)

Summary Breakdown of the Contracted Sales in November 2021:

City	Project Name	Contracted Sales (RMB mn)	Contracted Area (sq. m.)	ASP (RMB/ sq. m.)
Puyang	Puyang Sky Mansion	247	24,638	10,010
Luoyang	Luoyang Jianye Binhelong Mansion	89	9,144	9,685
Zhengzhou	Taihong Mansion	71	4,644	15,353
Zhengzhou	Cheng Yuan	63	4,232	14,788
Shangqiu	Chinoiserie Palace	62	7,969	7,722
Hainan	Hainan Jianye Shiji Dongfang	61	17,356	3,500
Jiaozuo	Jianye Mansion	53	7,346	7,194
Zhumadian	Boshan Mansion Phase I	47	6,914	6,796
Xinxiang	Xinfei Jianye Mansion	46	5,585	8,232
Zhoukou	Huaiyang Jianye Binhe Courtyard	45	7,731	5,792
Xinyang	Xinyang Mansion	43	5,420	7,970
Zhengzhou	Fuju Wulongku	42	953	44,339
Xinyang	Huaihe Courtyard	41	7,765	5,333
Zhumadian	Chinoiserie Palace	40	4,845	8,336
Luohe	Art Mansion	39	5,705	6,794
Zhengzhou	Wulong New City	38	335	112,697
Puyang	Jianrun Mansion	34	5,935	5,759
Shangqiu	Yuelong Mansion	34	4,593	7,298
Xinxiang	Gong Cheng Dong Wang	33	7,346	4,441
Nanyang	Dengzhou Jianye Qingyunli	31	5,263	5,890
	Others	1,580	220,104	7,178
	Total	2,737	363,824	7,522

12-Month Rolling Heavy Assets Contracted Sales Trend

Unit: RMB mn



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Major Project Launch

In the month of November, CCRE launched 4 new projects/phases. The aggregate saleable resources of the new launch is RMB473 mn. The first day of launch achieved an average sales/subscription rate of 26%, with sales subscription to be converted into contracted sales over the coming months.

A Summary of the Major Projects Launched in November 2021 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 (%)
Luoyang Jianye Binhelong Mansion	13/11/2021	178	35	20%	15,428	3,042	20%
Xinxiang New U-Town	20/11/2021	55	10	18%	6,871	1,211	18%
Hebi Jianye Taihe Mansion	20/11/2021	144	28	20%	21,306	4,140	19%
Huaibin Jianye Huaihe Courtyard	28/11/2021	96	48	50%	18,128	8,978	50%
Total		473	121	26%	61,733	17,371	28%

Henan Property Market Sales Up 0.1% y-o-y in 10M2021, CCRE Achieves Market Share of 6.9%

In the first ten months of 2021, the Henan real estate market contracted sales was up 0.1% y-o-y to RMB674.29 bn (10M2020: RMB673.49 bn), according to Henan Provincial Bureau of Statistics. CCRE's contracted sales (without light asset) for the first ten months of 2021 reached RMB46.22 bn, representing a market share of 6.9%¹ for the total Henan real estate market.

Henan transaction volume in the first ten months of 2021 reached 101.62 mn sq.m., representing a y-o-y decrease of 0.1% (10M2020: 101.70 mn sq.m.). In terms of contracted GFA (without light asset), as at the end of October 2021, CCRE accounted for 6.1%² of the overall Henan real estate market. The average transacted price for property sales in Henan for the first ten months of 2021 was RMB6,635 /sq.m., up 0.2% y-o-y (10M2020: ASP RMB6,622 /sq.m.).

*CCMGT completed its spin-off and separate listing on 31 May 2021.

Notes: ¹CCRE's contracted sales as at 31 October 2021/ Total contracted sales of Henan Province as at 31 October; 2021 from Henan Provincial Bureau of Statistics;

²CCRE's contracted GFA as at 31 October 2021/ Total contracted GFA of Henan Province as at 31 October; 2021 from Henan Provincial Bureau of Statistics.

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Land Acquisition

In November 2021, the Company did not acquire any new land.

By the end of November 2021, the Company acquired a total GFA of 8,090,056 sq.m. in 2021, with land premium of RMB11,512 mn. The land premium attributable to CCRE was RMB6,962 mn and estimated attributable GFA was 4,650,650 sq.m.. The average land cost was RMB1,423 /sq.m..

A Summary of the Land Acquisition in 2H2021 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.)	Attr. Land Premium (RMB Mn)	Attributable GFA (sq.m.)	CCRE Int (%)
02/07/2021	Yucheng Songshan Avenue (Songshan Mansion)	Shangqiu Yucheng County	Equity Acquisition	R, C, K	816	398,635	111	135,536	34%
02/07/2021	Hebi Taishan Road Project	Hebi	Equity Acquisition	R, K	1,627	116,599	66	40,810	35%
03/07/2021	Pingyu Yong Wang Road Project	Zhumadian Pingyu County	Cooperation	R, C, K	579	91,803	24	41,311	45%
30/07/2021	Jiyuan Blossom Garden	Jiyuan	Cooperation	R, C, K	946	36,755	12	12,184	33%
06/08/2021	Yucheng Songshan Avenue (Songshan Mansion)	Shangqiu Yucheng County	Equity Acquisition	R, C, K	817	199,317	55	67,768	34%
10/08/2021	Shangqiu Xingguang Road Project	Shangqiu	Equity Acquisition	R, K	1,531	85,744	53	34,298	40%
18/08/2021	Guandi Temple Residential Land	Zhoukou	Resources	R, C, K	893	264,025	120	134,653	51%
18/08/2021	Guandi Temple Commercial Land	Zhoukou	Resources	C, K	3,128	40,237	64	20,521	51%
30/08/2021	Luohe Blossom Garden	Luohe	Cooperation	R, C, K	1,341	23,146	19	13,888	60%
24/09/2021	Baisha Seven Parcels	Zhengzhou Xinyang	Cooperation	R, K	4,634	43,748	49	10,500	24%
27/10/2021	Huangchuan Jingjiu Avenue	Huangchuan County	Equity Acquisition	R, C, K	959	156,879	53	54,908	35%
Total					1,004	1,456,888	625	566,375	

Land Bank Summary as at 30 November 2021

As at 30 November 2021, the estimated total land reserve GFA for new development is approximately 54.88 mn sq.m., (with attributable GFA of 39.76 mn sq.m.) at an average cost of RMB1,344 /sq.m..

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

Company News

Jianye Group and Zhongyuan Bank signed an RMB10 billion strategic cooperation agreement

On 19 November 2021, Jianye Group and Zhongyuan Bank signed a strategic cooperation agreement. The two parties will establish a long-term strategic partnership in various areas, such as residential properties, property management services, construction and engineering, cultural tourism, capital markets, and cash management. Zhongyuan Bank intends to provide Jianye Group with comprehensive finance services of up to RMB10 billion.

CCRE won “Best in Sector” award at IR Magazine Greater China Awards

On 9 December 2021, CCRE has been nominated six awards in the IR Magazine Greater China Awards 2021. CCRE has been shortlisted as finalists in the following awards:

- “Best Overall Investor Relations (mid-cap)”
- “Best Investor Relations Officer (mid-cap)”
- “Best in Sector: Financials (including real estate)”
- “Best Investor Event (small to mid-cap)”
- “Best Use of Multimedia for IR”
- “Rising Star”

CCRE has carried off two awards, including “Best in Sector: Financials (including real estate)” under the Award by Research category; and “Rising Star” under the Award by Nomination category to Ms. Christine Yang, our Senior IR Analyst. The accolades represent the capital market’s recognition of the Group’s excellent performance in operation and investor relations work.

Upcoming IR Activities

Date	Event	Organizer	Location
28/12/2021	Extraordinary General Meeting	CCRE	Hong Kong
11/1/2022	2022 Asia Property Forum	BNP Paribas	Conference Call

Contact Us

Ms. Hazel Chan Investor Relations Manager

Tel 852 2992 7905

Fax 852 2620 5221

Email hazelchan@centralchina.com

Ms. Christine Yang Senior Investor Relations Analyst

Tel 852 2992 7911

Fax 852 2620 5221

Email christine@centralchina.com

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