

[For Immediate Release]



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

Poly Property Group Announced 2024 Interim Results Climbed to 17th on the CRIC Sales List

(29 Aug 2024 – Hong Kong) Poly Property Group Co., Limited (“the Group” or “Poly Property”; stock code: 119) is pleased to announce its interim results for the period ended 30 Jun 2024.

Financial Highlights

In the first half of 2024, the Group recorded revenue of RMB12,457 million, representing a year-on-year decrease of 20.3%. Gross profit margin declined 10.9 ppts to 14.3%. Profit attributable to owners of the company decreased 41.6% to RMB373 million. Core net profit decreased 56.0% to RMB375 million with the core net profit margin of 3.0%.

The debt structure continues to improve, with the net gearing ratio decreased by 2.5 ppts to 90.5% compare to the end of last year. The ratio of cash to short debt stands at 1.49, the liability to asset ratio excluding presales deposits declined by 0.4 ppts to 72.2% as compared to the end of last year. The average funding cost has dropped by an additional 21 basis points to 3.67% compared to the end of last year.

Property Sales

In the first half of 2024, Poly Property Group (the Group, together with its joint ventures and associates) completed a contracted sales amount of RMB28.4 billion, representing a year-on-year decrease of 24%. As of the end of June, the Group ranked 17th on the CRIC list in term of the total sales amount, an increase of 10 places from the end of last year. In a difficult market environment, sales flow and cash collection were secured through strategic

investment and high-quality delivery.

Land Bank

The Group took a cautious approach to expansion during the year and placed greater emphasis on the quality of projects. Sluggish sales in the market, coupled with the tightened supervision of pre-sale fund, have led to greater challenges in cash flow management for real estate enterprises. On the other hand, local governments have tightened land supply to regulate market supply and demand, while enterprises have become more focused on their land acquisition, which has intensified competition. In the first half of the year, Poly Property Group acquired a total of 3 projects in Ningbo and Jinan, with newly acquired land reserve of approximately 668,000 square metres. Replenishing the high-quality saleable resources in areas that show relative resilience and brand development, helped to retain the margin of safety.

Mr. Wan Yuqing, Chairman of Poly Property Group, said, 'The Conference of the Central Politburo held in late July proposed to implement new policies to promote the steady and healthy development of the real estate market and accelerate the construction of a new model of real estate development. It is expected that policies in the second half of the year will focus on digesting existing stocks and optimizing increments, with efforts to prevent and resolve market risks. In the process of maintaining the bottom consolidation of the industry, the Group will continue to strive for the continuous improvement of asset quality and capital structure, actively explore high-quality real estate development paths, and strive to make long-term contributions.'

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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, as well as Hong Kong and Macau and overseas. Projects of the Group are located in 25 major cities within and outside China, 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.

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

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