

【For Immediate Release】

22 September 2020



Yuzhou Group (01628.HK)

Won the “China Property Award of Supreme Excellence 2020” Again

(22 September 2020, Hong Kong) **Yuzhou Group Holdings Company Limited** (“**Yuzhou Group**” or the “**Company**”, together with its subsidiaries, the “**Group**”, stock code: 01628.HK), one of China's top 40 real estate enterprises, is pleased to announce that with the highly recognized outstanding performance, Yuzhou Group was entitled the “China Property Award of Supreme Excellence 2020”, which has been won by Yuzhou Group for consecutive years.



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Ms Li Mui, Chairman of the Board Administrative Assistant, accepted the award on behalf of Yuzhou Group(01628.HK)

“China Property Award of Supreme Excellence”, sponsored by the Organizing Committee of China Property Award of Supreme Excellence, aims to honor benchmarking enterprises for their outstanding performances and contributions to the economic prosperity of Hong Kong and Mainland China. The judging panel is composed of the members from the Hong Kong Institute of Financial Analysts and Professional Commentators Limited and a number of experienced stock commentators. They conducted the reviews from six criteria including business performance, development prospects, corporate governance, project execution, brand image and corporate social responsibility, and selected the outstanding Chinese Real Estate Enterprises for the year. The award has become an indicator for investors to examine

high-quality mainland real estate enterprises of the year and is highly recognized by the industry.

Under the development strategy of “Leading with Locality Development”, Yuzhou Group continuously developed in the six major metropolitan areas, namely Yangtze River Delta Region, Bohai Rim Region, West Strait Economic Zone, Central China Region, Guangdong-Hong Kong-Macau Greater Bay Area (the “Greater Bay Area”), and Southwest Region. For the first eight months of 2020, Yuzhou Group’s contracted sales reached RMB65,406 million, up by 60.91% year-on-year, achieved 65.4% of the full year target. Contracted sales in August 2020 was RMB11,524 million, up by 88.55% year-on-year, leading the peers. At the same time, the Group accurately grasped favorable opportunities and absorbed high-quality land reserves with rigorous research and judgment by diversified means, laying a solid foundation for the Journey to RMB100 Billion. As of June 30, 2020, the Group had land reserves amounting to approximately 20.24 million sq.m. of aggregate salable GFA, nearly 90% located in tier-1 and tier-2 cities. The Group believes that its land reserves currently held and managed are sufficient for its development over the next three to four years. On the Journey to RMB100 Billion, the Group has increased regional layout and strategic upgrade, and established the other headquarters in Shenzhen in the first half of the year under the dual headquarters strategy, upgraded from the single-core location in Shanghai in the Yangtze River Delta Region to the dual-core layout of the Yangtze River Delta and the Greater Bay Area, further enhancing the growth rate.

The Group has always been keeping generous dividend payout in order to share its fruitful results with its shareholders while pursuing steady growth. As the constituents of Hang Seng China High Dividend Yield Index, the Group declared the interim dividend of HK12 cents per share in the first half of 2020, with a dividend payout ratio of 36.65%, also leading its peers with a dividend yield of 11%. In addition, the Group earlier announced contemplating a possible spin-off and separate listing of the property management services business and commercial operational services business of the Group on The Stock Exchange of Hong Kong Limited, which is expected to release the potential value of the business.

The group has been adhering to steady development and strict debt control. In the first half of this year, net gearing ratio was effectively controlled to 64%, representing a significant decrease from 73% for the same period of previous year, and a decrease of 1.92 percentage points as compared to that as of 31 December 2019. In terms of finance costs, as at June 30, 2020, the Group recorded a weighted average finance cost of 7.22%, which maintained at a reasonable level. In terms of cash position, the Group had RMB42,968 million of cash and cash equivalents, restricted cash and non-pledged time deposits with original maturity of over three months, up by 21.00% from RMB35,511 million as at 31 December 2019, which was sufficient for covering short-term debts. Cash to short-term debts ratio was 2.49 times. In the future, the Group will keep the balance among scale, profit and leverage control to deepen nationwide expansion and improve “Leading with Locality Development” strategy.

Mr. Lam Lung On, J.P., the Chairman of the Board of Directors of Yuzhou Group stated, “The year of 2020 marks the decisive year on the Journey to RMB100 Billion contracted sales. Yuzhou Group is very honored to gain this award again, which reflects the high recognition of the capital market to Yuzhou Group. In the future, the Group will firmly follow the operating principle of ‘Performance First, Efficiency First, Benefit First and Organization First’ in active response to the national regulation policies and industrial competition pattern. Under the rapidly changing market environment, the Group will firmly grasp new opportunities, work hard, create renewed vigour and make unremitting endeavor to build an evergreen century-old enterprise.”

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About Yuzhou Group Holdings Company Limited (01628.HK)

Established in 1994, Yuzhou Group is a property developer headquartered in Shanghai and Shenzhen with a national foothold. Adhering to its strategy of Cultivating in Regions Leading the Market, Yuzhou Group strives to develop residential and commercial properties which align with market trends in first-and second-tier cities. As at 30 June 2020, the Company had over 167 projects under various stages of development in Beijing, Shanghai, Tianjin, Nanjing, Hefei, Hangzhou, Suzhou, Foshan, Huizhou and Hong Kong and so on. The total construction area under construction and held for future development is 20.24 million sq.m. in aggregate GFA, accounting for about 45.2%, 21.5%, 16.3%, 7.3%, 6.4% and 3.3%, respectively in the Yangtze River Delta Region, Bohai Rim Region, West Strait Economic Zone, Central China Region, Guangdong-Hong Kong-Macau Greater Bay Area and Southwest Region. Renowned for its distinguished product quality, diversified product portfolio, strong brand awareness and seasoned management team, Yuzhou Group has been named “Top 100 China Real Estate Enterprises” for twelve years in a row; and Top 50 China Real Estate Enterprises from 2011 to 2019. Yuzhou Group was selected as the Hang Seng Composite LargeCap&MidCap Index Constituent Stocks, Shenzhen-Hong Kong Stock Connect, Shanghai-Hong Kong Stock Connect, and included in the constituents of MSCI China Index, Hang Seng China High Dividend Yield Index, Hang Seng Large-Mid Cap Value 50 Index and Hang Seng Large-Mid Cap Value Tilt Index. Yuzhou Group was rated as “BBB” by MSCI ESG Ratings, ranking the top among Chinese Properties Companies.

For more information of Yuzhou Group, please visit the company website:

<http://www.yuzhou-group.com>

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