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**廣州富力地產股份有限公司**

**GUANGZHOU R&F PROPERTIES CO., LTD.\***

*(a joint stock limited company incorporated in the People's Republic of China with limited liability)*

**(Stock code: 2777)**

## **PROFIT WARNING**

This announcement is made by Guangzhou R&F Properties Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09(2)(a) of the Listing Rules.

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary review of the unaudited management accounts of the Group for the six months ended 30 June 2022 and the information currently available to the Board, the Group expects to incur a profit loss during the period.

Based on prior announcements dated 14 March 2022 and 28 April 2022, the Company announced disposal of assets that incurred combined losses of approximately RMB2.5 billion arising from projects in the United Kingdom. During the six months ended 30 June 2022, foreign exchange fluctuations impacted the Group’s USD denominated debt and offshore assets, leading to a foreign exchange loss of over RMB2 billion that may fluctuate from time to time. The combined effect of asset disposals and unforeseen exchange rate fluctuations have contributed to losses of approximately RMB4.5 billion alone. Furthermore, there was a decrease in average selling price, delivery area and income carried forward during the period caused by the continual slump of the China real estate industry and the delay in construction progress affected by COVID-19. Taking into account of the above, the Group is expected to record a net loss of approximately RMB7 billion for the six months ended 30 June 2022 as compared to a net profit for the six months ended 30 June 2021.

As the Company is still in the process of finalizing the interim results of the Group for the six months ended 30 June 2022, the information contained in this announcement is only based on the preliminary assessment by the Company’s management according to the unaudited management accounts of the Group which has not been reviewed or audited by the Company’s auditors or reviewed by the audit committee of the Company. Shareholders and potential investors of the Company should read the Group’s results announcement for the six months ended 30 June 2022 carefully, which is expected to be published on 31 August 2022.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.**

By Order of the Board  
**Guangzhou R&F Properties Co., Ltd.**  
**Li Sze Lim**  
Chairman

30 August 2022, Hong Kong

*As at the date of this announcement, the executive directors of the Company are Dr. Li Sze Lim, Mr. Zhang Li, Mr. Zhang Hui and Mr. Xiang Lijun; the non-executive directors are Ms. Zhang Lin and Ms. Li Helen; and the independent non-executive directors are Mr. Zheng Ercheng, Mr. Ng Yau Wah, Daniel and Mr. Wong Chun Bong.*

*\* For identification purpose only*