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瑞安房地產
SHUI ON LAND

Shui On Land Limited
瑞安房地產有限公司*

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 272)

ANNOUNCEMENT
2022 INTERIM RESULTS PROFIT WARNING

This announcement is made by Shui On Land Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions (as defined under 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 (Cap. 571) and Rule 13.09(2)(a) of the Listing Rules.

The board of directors of the Company (the “**Board**”) wishes to inform potential investors and shareholders of the Company that, based on the information currently available to the Company, it is expected to record a net profit attributable to the shareholders of approximately RMB430 million for the six months ended 30 June 2022 (the “**2022 Interim Period**”) as compared to the net profit attributable to the shareholders of RMB1,082 million for the corresponding period in 2021 due to the following reasons, including but not limited to:

- a) Foreign exchange translation loss attributable to a 5.3% depreciation of Renminbi against United States dollars in the 2022 Interim Period;
- b) Lower revenue and profit recognized from property sales, partly due to the delay in construction and handover of residential units to buyers during the Covid lockdown in Shanghai in Q2 2022;
- c) Adverse impact to rental and related income from the Covid outbreak and lockdown in Shanghai in Q2 2022.

The Company estimates that as of 30 June 2022, the net gearing ratio of the Group will be at approximately 48% as compared to 30% as of 31 December 2021. The increase in net gearing is largely attributable to the reduction in equity when the US\$600 million 6.40% Senior Perpetual Capital Securities callable 2022 was redeemed by the Group's internal sources in June 2022, resulting in a 13% increase in net gearing. The Company also estimates that as of 30 June 2022, the Group's cash and bank deposits totaled approximately RMB12,900 million.

The Group's contracted property sales for the first half of 2022 increased by 55% to RMB18.7 billion compared with that for the corresponding period in 2021. As of 30 June 2022, the Group's total locked-in sales, including that of joint ventures and associates, were RMB43.7 billion, for delivery and to be recognized in the Group's financial results in the second half of 2022 and beyond.

The information contained in this announcement is based on a preliminary review and analysis on the internal management accounts available as of the date of this announcement, which have not been audited or reviewed by the auditors of the Company.

The Company is still in the process of finalizing the results of the Group for the 2022 Interim Period. Details of the Group's financial information for the 2022 Interim Period is expected to be disclosed in its interim results announcement on 25 August 2022.

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

By Order of the Board
Shui On Land Limited
Vincent H. S. LO
Chairman

Hong Kong, 5 August 2022

At the date of this announcement, the executive directors of the Company are Mr. Vincent H. S. LO (Chairman), Ms. Stephanie B. Y. LO, Ms. Ying WANG (Chief Executive Officer) and Mr. Douglas H. H. SUNG (Chief Financial Officer and Chief Investment Officer); and the independent non-executive directors of the Company are Professor Gary C. BIDDLE, Dr. Roger L. McCARTHY, Mr. David J. SHAW, Mr. Anthony J. L. NIGHTINGALE, Mr. Shane S. TEDJARATI and Ms. Ya Ting WU.

** For identification purposes only*