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)

ANNOUNCEMENT

UNAUDITED FIRST QUARTER REPORT OF 2018 OF THE COMPANY

This announcement is made pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") (the "**Listing Rules**") and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as defined under the Listing Rules.

Guangzhou R&F Properties Co., Ltd. (the "**Company**") had issued medium-term notes and super & short-term commercial paper in the inter-bank bond market of the People's Republic of China (the "**PRC**"). Pursuant to the provisions of the Rules on Information Disclosure for Debt Financing Instruments of Non-financial Enterprises in the Inter-bank Bond Market (《銀行間債券市場非金融企業債務融資工具信息披露規則》), the Company must disclose its unaudited first quarter report of 2018 in Shanghai Clearing House (website: http://www.shclearing.com) and CHINAMONEY (website: http://www.chinamoney.com.cn).

The unaudited first quarter report of 2018 of the Company prepared in accordance with the Accounting Standards for Business Enterprises of the PRC, which are disclosed in Shanghai Clearing House (website: http://www.shclearing.com) and CHINAMONEY (website: http://www.chinamoney.com.cn) are attached hereto.

The announcement and the attached unaudited first quarter report of 2018 were originally prepared in Chinese and published in both Chinese and English. In case of any discrepancy, the Chinese text shall prevail over the English text.

CONSOLIDATED BALANCE SHEET

(All amounts in RMB Yuan unless otherwise stated)

ASSETS	31 March 2018	31 December 2017
Current assets		
Monetary assets	37,434,853,338.05	32,214,748,926.13
Financial assets at fair value through profit or loss	–	–
Notes receivable	–	–
Trade receivables	6,926,418,419.64	7,921,310,900.75
Contract assets	962,518,659.76	–
Prepayments	4,186,155,924.73	4,736,710,395.69
Interests receivable	–	–
Dividend receivable	–	–
Other receivables	19,495,260,167.55	20,391,336,266.18
Inventories	156,006,430,849.10	144,692,218,645.34
Non-current assets due within one year	–	–
Other current assets	3,606,695,723.42	3,681,648,232.38
Total current assets	**228,618,333,082.25**	**213,637,973,366.47**
Non-current assets		
Available-for-sale financial assets	–	527,650,000.00
Financial assets at fair value through other comprehensive income	527,650,000.00	–
Held-to-maturity investments	–	–
Long-term receivables	–	–
Long-term equity investments	7,733,439,809.77	7,625,037,060.64
Investment properties	24,814,322,800.00	24,814,322,800.00
Fixed assets	32,141,608,222.25	31,888,062,309.16
Construction in progress	2,525,364,876.16	2,346,031,146.94
Construction materials	–	–
Disposal of fixed assets	–	–
Intangible assets	9,888,989,245.08	9,780,688,371.50
Goodwill	503,749,725.78	503,749,725.78
Long-term deferred expenses	–	–
Deferred income tax assets	7,313,715,528.55	6,417,490,238.68
Other non-current assets	43,730,598.98	526,288,628.57
Total non-current assets	**85,492,570,806.57**	**84,429,320,281.27**
Total assets	**314,110,903,888.82**	**298,067,293,647.74**

CONSOLIDATED BALANCE SHEET (CONTINUED)

(All amounts in RMB Yuan unless otherwise stated)

LIABILITIES AND OWNERS' EQUITY	31 March 2018	31 December 2017
Current liabilities		
Short-term borrowings	19,771,148,976.76	15,360,224,137.27
Financial liabilities at fair value through profit or loss	–	–
Notes payable	413,476,271.09	–
Trade payables	10,966,731,376.32	14,566,400,544.66
Advances received	–	29,728,697,624.00
Contract liabilities	33,175,261,470.70	–
Salaries payables	220,235,135.44	492,310,210.03
Tax charges payables	5,138,268,865.11	5,930,921,549.94
Interests payables	2,206,110,440.62	1,790,673,938.87
Dividend payable	–	–
Other payables	17,427,652,688.76	19,747,448,798.14
Non-current liabilities due within one year	16,353,982,790.46	13,054,197,653.65
Other current liabilities	12,242,893,673.25	11,994,634,701.70
Total current liabilities	**117,915,761,688.51**	**112,665,509,158.26**
Non-current liabilities		
Long-term borrowings	65,033,757,115.59	54,977,264,451.38
Debentures payables	59,087,233,031.60	58,717,382,001.91
Including: Preference shares	–	–
Perpetual bonds	–	–
Long-term payables	112,552,947.73	134,764,788.45
Specific payables	–	–
Accrued liabilities	–	–
Deferred income	–	–
Deferred income tax liabilities	7,315,547,254.85	6,709,955,972.47
Other non-current liabilities	–	–
Total non-current liabilities	**131,549,090,349.77**	**120,539,367,214.21**
Total liabilities	**249,464,852,038.28**	**233,204,876,372.47**
Owners' equity		
Share capital	805,591,836.00	805,591,836.00
Other equity instruments	–	2,404,326,666.67
Including: Preference shares	–	–
Perpetual bonds	–	2,404,326,666.67
Capital reserve	3,707,403,939.53	3,707,403,939.53
Less: Treasury stocks	–	–
Other comprehensive income	296,131,298.03	262,269,265.23
Reasonable reserve	–	–
Surplus reserve	402,795,918.00	402,795,918.00
Retained profit	58,368,312,008.99	56,323,055,376.11
Total owners' equity attributable to the parent company	**63,580,235,000.55**	**63,905,443,001.54**
Non-controlling interests	1,065,816,849.99	956,974,273.73
Total owners' equity	**64,646,051,850.54**	**64,862,417,275.27**
Total liabilities and owners' equity	**314,110,903,888.82**	**298,067,293,647.74**

BALANCE SHEET

(All amounts in RMB Yuan unless otherwise stated)

ASSETS	31 March 2018	31 December 2017
Current assets		
Monetary assets	9,364,761,629.81	6,488,762,161.34
Financial assets at fair value through profit or loss	–	–
Notes receivable	–	–
Trade receivables	142,280,084.07	304,364,147.69
Prepayments	731,310,000.00	146,262,000.00
Interests receivable	–	–
Dividend receivable	–	–
Other receivables	63,896,571,122.50	62,571,028,976.38
Inventories	2,883,194,446.82	2,911,289,026.54
Non-current assets due within one year	–	–
Other current assets	2,709,721.87	28,696,809.14
Total current assets	**77,020,827,005.07**	**72,450,403,121.09**
Non-current assets		
Available-for-sale financial assets	–	400,390,000.00
Financial assets at fair value through other comprehensive income	400,390,000.00	–
Held-to-maturity investments	–	–
Long-term receivables	–	–
Long-term equity investments	27,677,805,444.52	27,681,627,535.83
Investment properties	145,153,000.00	145,153,000.00
Fixed assets	1,284,921,903.22	1,300,427,824.54
Construction in progress	238,708,418.90	220,484,431.64
Construction materials	–	–
Disposal of fixed assets	–	–
Intangible assets	189,424,757.27	186,020,860.24
Goodwill	–	–
Long-term deferred expenses	–	–
Deferred income tax assets	369,092,319.47	294,996,789.53
Other non-current assets	–	–
Total non-current assets	**30,305,495,843.38**	**30,229,100,441.78**
Total assets	**107,326,322,848.45**	**102,679,503,562.87**

BALANCE SHEET (CONTINUED)

(All amounts in RMB Yuan unless otherwise stated)

LIABILITIES AND OWNERS' EQUITY	31 March 2018	31 December 2017
Current liabilities		
Short-term borrowings	4,000,000,000.00	1,750,000,000.00
Financial liabilities at fair value through profit or loss	–	–
Notes payable	61,611,264.00	–
Trade payables	829,516,793.28	922,497,889.61
Advances received	–	–
Salaries payable	–	38,000,000.00
Tax charges payables	57,699,448.07	92,983,723.74
Interests payables	1,641,663,143.34	1,422,910,201.10
Dividend payable	–	–
Other payables	38,379,095,978.48	36,158,915,097.27
Non-current liabilities due within one year	583,000,000.00	898,000,000.00
Other current liabilities	1,031,212,716.81	1,070,394,624.34
Total current liabilities	**46,583,799,343.98**	**42,353,701,536.06**
Non-current liabilities		
Long-term borrowings	281,250,000.00	–
Debentures payable	50,901,767,673.25	50,859,102,768.35
Including: Preference shares	–	–
Perpetual bonds	–	–
Long-term payables	–	–
Specific payables	–	–
Accrued liabilities	–	–
Deferred income	–	–
Deferred income tax liabilities	–	–
Other non-current liabilities	–	–
Total non-current liabilities	**51,183,017,673.25**	**50,859,102,768.35**
Total liabilities	**97,766,817,017.23**	**93,212,804,304.41**
Owners' equity		
Share capital	805,591,836.00	805,591,836.00
Other equity instruments	–	–
Including: Preference shares	–	–
Perpetual bonds	–	–
Capital reserve	3,708,013,630.10	3,708,013,630.10
Less: Treasury stocks	–	–
Other comprehensive income	177,053,167.18	177,053,167.18
Reasonable reserve	–	–
Surplus reserve	402,795,918.00	402,795,918.00
Retained profit	4,466,051,279.94	4,373,244,707.18
Total owners' equity	**9,559,505,831.22**	**9,466,699,258.46**
Total liabilities and owners' equity	**107,326,322,848.45**	**102,679,503,562.87**

CONSOLIDATED INCOME STATEMENT

(All amounts in RMB Yuan unless otherwise stated)

ITEM	Three months ended 31 March 2018	Three months ended 31 March 2017
I. Total revenue	**9,919,846,604.90**	**4,654,054,893.09**
Including: Operating revenue	9,919,846,604.90	4,654,054,893.09
II. Total operating costs	**9,502,076,430.43**	**4,664,692,406.09**
Including: Operating costs	6,770,761,538.79	2,752,887,459.90
Tax and surcharges	749,662,075.61	431,488,237.07
Selling expenses	546,106,306.31	359,226,891.91
Administrative expenses	1,270,259,591.02	735,143,956.20
Finance costs	146,630,625.53	382,837,496.33
Impairment loss	18,656,293.17	3,108,364.68
Add: Fair value gain (A "-" sign preceding the amount indicates loss)	–	–
Investment income (A "-" sign preceding the amount indicates loss)	7,150,092.31	172,340,711.63
Including: Gain from investment in associates and joint ventures	-47,837,353.53	130,270,279.77
Gain from disposal of assets (A"-" sign preceding the amount indicates loss)	4,188,137.74	52,506,645.72
Other gain (A "-" sign preceding the amount indicates loss)	–	–
III. Operating profit (A "-" sign preceding the amount indicates loss)	**429,108,404.52**	**214,209,844.35**
Add: Non-operating income	353,543,754.36	14,871,387.23
Less: Non-operating expenses	16,343,715.98	6,974,817.05
IV. Total profits (A "-" sign preceding the amount indicates loss)	**766,308,442.90**	**222,106,414.53**
Less: Income tax expenses	64,965,809.33	1,791,289.26
V. Net profits (A "-" sign preceding the amount indicates loss)	**701,342,633.57**	**220,315,125.27**
(I) Categorized by operation continuity		
1. Net profit from continuing operations (A "-" sign preceding the amount indicates loss)	701,342,633.57	220,315,125.27
2. Net profit from discontinued operations (A "-" sign preceding the amount indicates loss)	–	–
(II) Categorized by ownership		
1. Non-controlling interests	7,434,825.80	-8,244,014.89
2. Net profit attributable to shareholders of the parent company	693,907,807.77	228,559,140.16

CONSOLIDATED INCOME STATEMENT (CONTINUED)

(All amounts in RMB Yuan unless otherwise stated)

ITEM	Three months ended 31 March 2018	Three months ended 31 March 2017
VI. Net other comprehensive income after tax	**33,862,032.80**	**-8,520,530.41**
Net other comprehensive income after tax attributable to equity owners of the Company	33,862,032.80	-8,520,530.41
(I) Other comprehensive income that cannot be reclassified to profit or loss in future	–	–
1. Change in net liabilities/net assets arising from the re-measurement of defined benefit plans	–	–
2. Share of other comprehensive income of investees that cannot be reclassified to profit or loss in future under equity method	–	–
(II) Other comprehensive income that will be reclassified to profit or loss in future	33,862,032.80	-8,520,530.41
1. Share of other comprehensive income of investees that will be reclassified to profit or loss in future under equity method	–	–
2. Gain or loss arising from changes in the fair value of available-for-sale financial assets	–	–
3. Gain or loss arising from the reclassification of held-to-maturity investments to available-for-sale financial assets	–	–
4 Effective portion of gain or loss arising from cash flow hedging instruments	–	–
5. Exchange differences on translation of financial statements denominated in foreign currencies	33,862,032.80	-8,520,530.41
6. Others	–	–
Net other comprehensive income after tax attributable to non-controlling equity owners	–	–
VII. Total comprehensive income	**735,204,666.37**	**211,794,594.86**
Total comprehensive income attributable to equity owners of the company	727,769,840.57	220,038,609.75
Total comprehensive income attributable to non-controlling equity owners	7,434,825.80	-8,244,014.89
VIII. Earnings per share		
(I) Earnings per share, basic (RMB Yuan/share)	0.20	0.06
(II) Earnings per share, diluted (RMB Yuan/share)	0.20	0.06

INCOME STATEMENT

(All amounts in RMB Yuan unless otherwise stated)

ITEM	Three months ended 31 March 2018	Three months ended 31 March 2017
I. Total revenue	**221,738,863.66**	**459,187,271.26**
Less: Operating costs	105,178,332.60	194,850,988.38
Tax and surcharges	27,576,107.87	43,422,063.65
Selling expenses	14,176,107.12	14,195,570.50
Administrative expenses	58,585,815.78	72,623,999.50
Finance costs	316,547,961.64	281,854,477.57
Impairment loss	-786,389.47	624,297.08
Add: Fair value gain (A "-" sign preceding the amount indicates loss)	–	–
Investment gain change (A "-" sign preceding the amount indicates loss)	315,093,163.12	164,970,610.66
Including: Gain from investment in associates and joint ventures	-4,906,836.88	133,133,414.95
Gain from disposal of assets (A "-" sign preceding the amount indicates loss)	496,332.49	723,947.57
Other gain (A "-" sign preceding the amount indicates loss)	–	–
II. Operating profit (A "-" sign preceding the amount indicates loss)	**16,050,423.73**	**17,310,432.81**
Add: Non-operating income	2,729,217.09	1,236,326.55
Less: Non-operating expenses	68,598.00	2,041,604.71
III. Total profit (A "-" sign preceding the amount indicates loss)	**18,711,042.82**	**16,505,154.65**
Less: Income tax expenses	-74,095,529.94	-21,631,790.45
IV. Net profit (A "-" sign preceding the amount indicates loss)	**92,806,572.76**	**38,136,945.10**
1. Net profit from continuing operations (A "-" sign preceding the amount indicates loss)	92,806,572.76	38,136,945.10
2. Net profit from discontinued operations (A "-" sign preceding the amount indicates loss)	–	–

INCOME STATEMENT (CONTINUED)

(All amounts in RMB Yuan unless otherwise stated)

ITEM	Three months ended 31 March 2018	Three months ended 31 March 2017
V. Net other comprehensive income after tax	–	–
(I) Other comprehensive income that cannot be reclassified to profit or loss in future	–	–
1. Change in net liabilities/net assets arising from the re-measurement of defined benefit plans	–	–
2. Share of other comprehensive income of investees that cannot be reclassified to profit or loss in future under equity method	–	–
(II) Other comprehensive income that will be reclassified to profit or loss in future	–	–
1. Share of other comprehensive income of investees that will be reclassified to profit or loss in future under equity method	–	–
2. Gain or loss arising from changes in the fair value of available-for-sale financial assets	–	–
3. Gain or loss arising from the reclassification of held-to-maturity investments to available-for-sale financial assets	–	–
4 Effective portion of gain or loss arising from cash flow hedging instruments	–	–
5. Exchange differences on translation of financial statements denominated in foreign currencies	–	–
6. Others	–	–
VI. Total comprehensive income	**92,806,572.76**	**38,136,945.10**
VII. Earnings per share		
(I) Earnings per share, basic (RMB Yuan/share)	–	–
(II) Earnings per share, diluted (RMB Yuan/share)	–	–

CONSOLIDATED STATEMENT OF CASH FLOWS

(All amounts in RMB Yuan unless otherwise stated)

ITEM	Three months ended 31 March 2018	Three months ended 31 March 2017
I. Cash flow generated from operating activities		
Cash received from sales of goods and provision of labor services	20,856,719,218.68	13,216,526,087.06
Tax refunds received	–	–
Cash received from other operating activities	658,953,134.01	1,268,746,510.30
Sub-total of cash inflow from operating activities	21,515,672,352.69	14,485,272,597.36
Cash paid for purchase of goods and engagement of labor services	18,638,792,424.46	11,395,027,460.01
Cash paid to and for employees	2,453,239,484.99	1,303,276,643.98
Payments of various taxes	2,605,111,158.05	1,755,520,111.29
Cash paid for other operating activities	6,201,407,865.64	3,395,571,119.49
Sub-total of cash outflow from operating activities	29,898,550,933.14	17,849,395,334.77
Net cash flow from operating activities	**-8,382,878,580.45**	**-3,364,122,737.41**
II. Cash flow generated from investing activities:		
Cash received from disposal of investment	117,627,500.00	–
Cash received from investment gains	3,534,650.57	42,070,431.86
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	48,551,527.90	91,322,857.76
Net cash received from disposal of subsidiaries and other business units	-8,700.00	–
Cash generated from other investing activities	–	–
Sub-total of cash inflow from investing activities	169,704,978.47	133,393,289.62
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	323,637,943.16	281,207,551.11
Cash paid for investments	187,688,127.16	306,678,000.00
Net cash paid for acquisition of subsidiaries and other business units	13,838,201.56	439,544,080.44
Cash paid for other investing activities	–	–
Sub-total of cash outflow from investing activities	525,164,271.88	1,027,429,631.55
Net cash flow from investing activities	**-355,459,293.41**	**-894,036,341.93**

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(All amounts in RMB Yuan unless otherwise stated)

ITEM	Three months ended 31 March 2018	Three months ended 31 March 2017
III. Cash flow generated from financing activities		
Cash received from investors	5,000,000.00	–
Including: cash received by subsidiaries from investment by non-controlling shareholders	5,000,000.00	–
Cash received on drawdown of loans	15,870,482,033.76	15,711,171,616.25
Cash received from the issuance of debentures	4,832,834,562.66	4,914,395,435.90
Cash received from other financing activities	–	–
Sub-total of cash inflow from financing activities	20,708,316,596.42	20,625,567,052.15
Cash paid for repayment of debt	3,307,845,325.88	15,753,188,457.26
Cash paid for distribution of dividend or profit or payment of interests	1,689,249,595.23	1,414,701,626.01
Including: dividend or profit distribution paid by subsidiaries to non-controlling shareholders	–	–
Cash paid for other financing activities	2,462,667,481.99	–
Sub-total of cash outflow from financing activities	7,459,762,403.10	17,167,890,083.27
Net cash flow from financing activities	**13,248,554,193.32**	**3,457,676,968.88**
IV. Effect on cash and cash equivalents from change of exchange rates	**-86,275,568.67**	**16,677,218.48**
V. Net increase in cash and cash equivalents	**4,423,940,750.79**	**-783,804,891.98**
Add: Balance of cash and cash equivalents at the beginning of the period	19,697,169,230.90	25,306,015,208.54
VI. Balance of cash and cash equivalents at the end of the period	**24,121,109,981.69**	**24,522,210,316.56**

STATEMENT OF CASH FLOWS

(All amounts in RMB Yuan unless otherwise stated)

ITEM	Three months ended 31 March 2018	Three months ended 31 March 2017
I. Cash flow generated from operating activities		
Cash received from sales of goods and provision of labor services	399,732,147.38	743,028,219.33
Tax refunds received	–	–
Cash received from other operating activities	9,897,737,023.36	2,659,445,574.08
Sub-total of cash inflow from operating activities	10,297,469,170.74	3,402,473,793.41
Cash paid for purchase of goods and engagement of labor services	164,705,928.92	205,805,669.33
Cash paid to and for employees	59,729,489.27	35,393,534.96
Payments of various taxes	94,055,258.25	91,836,739.46
Cash paid for other operating activities	9,625,843,169.69	264,376,082.77
Sub-total of cash outflow from operating activities	9,944,333,846.13	597,412,026.52
Net cash flow from operating activities	**353,135,324.61**	**2,805,061,766.89**
II. Cash flow generated from investing activities:		
Cash received from disposal of investment	–	–
Cash received from investment gains	3,534,650.57	31,837,195.71
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	3,376.00	725,620.00
Net cash received from disposal of subsidiaries and other business units	–	–
Cash generated from other investing activities	–	–
Sub-total of cash inflow from investing activities	3,538,026.57	32,562,815.71
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	27,117,870.84	42,042,198.36
Cash paid for investments	1,519,800.38	301,000,000.00
Net cash paid for acquisition of subsidiaries and other business units	–	–
Cash paid for other investing activities	–	–
Sub-total of cash outflow from investing activities	28,637,671.22	343,042,198.36
Net cash flow from investing activities	**-25,099,644.65**	**-310,479,382.65**

STATEMENT OF CASH FLOWS (CONTINUED)

(All amounts in RMB Yuan unless otherwise stated)

ITEM	Three months ended 31 March 2018	Three months ended 31 March 2017
III. Cash flow generated from financing activities		
Cash received from investors	–	–
Cash received on drawdown of loans	531,250,000.00	–
Cash received from the issuance of debentures	1,998,100,939.79	–
Cash received from other financing activities	–	–
Sub-total of cash inflow from financing activities	2,529,350,939.79	–
Cash paid for repayment of debt	315,000,000.00	844,330,000.00
Cash paid for distribution of dividend or profit or payment of interests	466,780,796.83	513,903,054.92
Cash paid for other financing activities	–	–
Sub-total of cash outflow from financing activities	781,780,796.83	1,358,233,054.92
Net cash flow from financing activities	**1,747,570,142.96**	**-1,358,233,054.92**
IV. Effect on cash and cash equivalents from change of exchange rates	–	–
V. Net increase in cash and cash equivalents	**2,075,605,822.92**	**1,136,349,329.32**
Add: Balance of cash and cash equivalents at the beginning of the period	1,700,585,261.79	3,418,850,924.09
VI. Balance of cash and cash equivalents at the end of the period	**3,776,191,084.71**	**4,555,200,253.41**

By order of the Board
Guangzhou R&F Properties Co., Ltd.
Cheung Sze Yin
Joint Company Secretary

30 April 2018, Hong Kong

As at the date of this announcement, the executive directors of the Company are Mr. Li Sze Lim, Mr. Zhang Li, Mr. Zhou Yaonan and Mr. Lu Jing; 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 purposes only*