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 THIRD 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 third quarter report of 2018 in Shanghai Clearing House (website: http://www.shclearing.com) and CHINAMONEY (website: http://www.chinamoney.com.cn).

The unaudited third 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 third 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	30 September 2018	31 December 2017
Current assets		
Monetary assets	33,711,105,293.79	32,214,748,926.13
Financial assets at fair value through profit or loss	–	–
Held for trading financial assets	–	–
Notes receivable and trade receivables	7,278,268,268.07	7,921,310,900.75
Prepayments	7,712,534,325.20	4,736,710,395.69
Other receivables	19,013,182,703.34	20,391,336,266.18
Inventories	185,726,013,922.73	144,692,218,645.34
Contract assets	2,264,720,000.14	–
Assets held for sale	–	–
Non-current assets due within one year	–	–
Other current assets	6,361,316,778.60	3,681,648,232.38
Total current assets	**262,067,141,291.87**	**213,637,973,366.47**
Non-current assets		
Available-for-sale financial assets	–	527,650,000.00
Investment in other equity instruments	471,770,000.00	–
Long-term receivables	–	–
Long-term equity investments	10,610,771,305.27	7,625,037,060.64
Investment properties	25,052,412,300.00	24,814,322,800.00
Fixed assets	32,400,713,507.49	31,888,062,309.16
Construction in progress	2,398,954,464.51	2,346,031,146.94
Intangible assets	9,888,408,151.35	9,780,688,371.50
Goodwill	503,749,725.78	503,749,725.78
Long-term deferred expenses	–	–
Deferred income tax assets	7,993,900,927.96	6,417,490,238.68
Other non-current assets	43,978,628.57	526,288,628.57
Total non-current assets	**89,364,659,010.93**	**84,429,320,281.27**
Total assets	**351,431,800,302.80**	**298,067,293,647.74**

CONSOLIDATED BALANCE SHEET (CONTINUED)

(All amounts in RMB Yuan unless otherwise stated)

LIABILITIES AND OWNERS' EQUITY	30 September 2018	31 December 2017
Current liabilities		
Short-term borrowings	18,080,866,811.09	15,360,224,137.27
Financial liabilities at fair value through profit or loss	–	–
Notes payable and trade payables	21,070,823,314.83	14,566,400,544.66
Advances received	–	29,728,697,624.00
Contract liabilities	47,228,705,234.94	–
Salaries payables	222,892,825.86	492,310,210.03
Tax charges payables	5,902,267,894.68	5,930,921,549.94
Other payables	30,742,895,681.76	21,538,122,737.01
Non-current liabilities due within one year	19,177,111,318.48	13,054,197,653.65
Other current liabilities	13,180,995,750.26	11,994,634,701.70
Total current liabilities	**155,606,558,831.90**	**112,665,509,158.26**
Non-current liabilities		
Long-term borrowings	76,787,008,462.99	54,977,264,451.38
Debentures payables	46,694,088,916.10	58,717,382,001.91
Including: Preference shares	–	–
Perpetual bonds	–	–
Long-term payables	68,483,822.21	134,764,788.45
Accrued liabilities	–	–
Deferred income	–	–
Deferred income tax liabilities	7,165,385,328.59	6,709,955,972.47
Other non-current liabilities	–	–
Total non-current liabilities	**130,714,966,529.89**	**120,539,367,214.21**
Total liabilities	**286,321,525,361.79**	**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	3,707,403,795.91	3,707,403,939.53
Less: Treasury stocks	–	–
Other comprehensive income	298,206,085.11	262,269,265.23
Reasonable reserve	–	–
Surplus reserve	402,795,918.00	402,795,918.00
Retained profit	58,709,501,110.23	56,323,055,376.11
Total owners' equity attributable to the parent company	**63,923,498,745.25**	**63,905,443,001.54**
Non-controlling interests	1,186,776,195.76	956,974,273.73
Total owners' equity	**65,110,274,941.01**	**64,862,417,275.27**
Total liabilities and owners' equity	**351,431,800,302.80**	**298,067,293,647.74**

BALANCE SHEET

(All amounts in RMB Yuan unless otherwise stated)

ASSETS	30 September 2018	31 December 2017
Current assets		
Monetary assets	5,125,163,170.94	6,488,762,161.34
Financial assets at fair value through profit or loss	–	–
Notes receivable and trade receivables	104,343,408.50	304,364,147.69
Prepayments	922,494.00	146,262,000.00
Other receivables	63,264,911,400.84	62,571,028,976.38
Inventories	2,789,787,089.16	2,911,289,026.54
Contract assets	–	–
Non-current assets due within one year	–	–
Other current assets	66,193,893.45	28,696,809.14
Total current assets	**71,351,321,456.89**	**72,450,403,121.09**
Non-current assets		
Available-for-sale financial assets	–	400,390,000.00
Investment in other equity instruments	345,010,000.00	–
Long-term receivables	–	–
Long-term equity investments	28,184,160,086.13	27,681,627,535.83
Investment properties	145,830,700.00	145,153,000.00
Fixed assets	1,264,203,562.05	1,300,427,824.54
Construction in progress	266,394,482.68	220,484,431.64
Intangible assets	193,029,357.98	186,020,860.24
Goodwill	–	–
Long-term deferred expenses	–	–
Deferred income tax assets	472,262,737.10	294,996,789.53
Other non-current assets	–	–
Total non-current assets	**30,870,890,925.94**	**30,229,100,441.78**
Total assets	**102,222,212,382.83**	**102,679,503,562.87**

BALANCE SHEET (CONTINUED)

(All amounts in RMB Yuan unless otherwise stated)

LIABILITIES AND OWNERS' EQUITY	30 September 2018	31 December 2017
Current liabilities		
Short-term borrowings	7,170,000,000.00	1,750,000,000.00
Financial liabilities at fair value through profit or loss	–	–
Notes payable and trade payables	876,939,968.54	922,497,889.61
Advances received	–	–
Contract liabilities	52,750,356.47	–
Salaries payable	–	38,000,000.00
Tax charges payables	66,051,218.03	92,983,723.74
Other payables	53,372,441,695.15	37,581,825,298.37
Non-current liabilities due within one year	13,000,000.00	898,000,000.00
Other current liabilities	1,056,113,910.95	1,070,394,624.34
Total current liabilities	**62,607,297,149.14**	**42,353,701,536.06**
Non-current liabilities		
Long-term borrowings	2,173,800,000.00	–
Debentures payable	30,973,685,946.25	50,859,102,768.35
Including: Preference shares	–	–
Perpetual bonds	–	–
Long-term payables	–	–
Accrued liabilities	–	–
Deferred income	–	–
Deferred income tax liabilities	–	–
Other non-current liabilities	–	–
Total non-current liabilities	**33,147,485,946.25**	**50,859,102,768.35**
Total liabilities	**95,754,783,095.39**	**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	134,768,167.18	177,053,167.18
Reasonable reserve	–	–
Surplus reserve	402,795,918.00	402,795,918.00
Retained profit	1,416,259,736.16	4,373,244,707.18
Total owners' equity	**6,467,429,287.44**	**9,466,699,258.46**
Total liabilities and owners' equity	**102,222,212,382.83**	**102,679,503,562.87**

CONSOLIDATED INCOME STATEMENT

(All amounts in RMB Yuan unless otherwise stated)

ITEM	Nine months ended 30 September 2018	Nine months ended 30 September 2017
I. Total revenue	**45,112,426,869.00**	**27,557,373,008.43**
Including: Operating revenue	45,112,426,869.00	27,557,373,008.43
II. Total operating costs	**39,364,048,853.43**	**24,201,695,000.36**
Including: Operating costs	26,747,108,983.81	17,148,714,724.55
Tax and surcharges	3,206,397,323.23	2,264,864,701.19
Selling expenses	1,470,620,729.30	1,179,510,633.58
Administrative expenses	3,923,417,077.34	2,212,962,914.22
Finance costs	3,964,237,213.84	1,385,670,087.32
Including: Interest expense	2,214,066,808.53	2,137,477,642.78
Interest income	176,762,590.89	146,863,305.90
Asset impairment loss	–	9,971,939.50
Credit impairment loss	52,267,525.91	–
Add: Fair value gain (A "–" sign preceding the amount indicates loss)	238,089,500.00	479,259,964.00
Investment gain (A "–" sign preceding the amount indicates loss)	132,629,704.47	-15,618,395.00
Including: Gain from investment in associates and joint ventures	47,787,841.51	-12,393,075.27
Gain from disposal of assets (A"–" sign preceding the amount indicates loss)	54,118,032.72	51,782,698.15
Other gain (A "–" sign preceding the amount indicates loss)	–	–
III. Operating profit (A "–" sign preceding the amount indicates loss)	**6,173,215,252.76**	**3,871,102,275.22**
Add: Non-operating income	599,541,548.10	115,394,684.32
Less: Non-operating expenses	122,667,032.65	62,188,524.95
IV. Total profits (A "–" sign preceding the amount indicates loss)	**6,650,089,768.21**	**3,924,308,434.59**
Less: Income tax expenses	1,997,486,164.25	1,184,132,180.59
V. Net profits (A "–" sign preceding the amount indicates loss)	**4,652,603,603.96**	**2,740,176,254.00**
(I) Categorized by operation continuity		
1. Net profit from continuing operations (A "–" sign preceding the amount indicates loss)	4,652,603,603.96	2,740,176,254.00
2. Net profit from discontinued operations (A "–" sign preceding the amount indicates loss)	–	–
(II) Categorized by ownership		
1. Non-controlling interests	148,387,567.78	38,455,661.17
2. Net profit attributable to shareholders of the parent company	4,504,216,036.18	2,701,720,592.83

CONSOLIDATED INCOME STATEMENT (CONTINUED)

(All amounts in RMB Yuan unless otherwise stated)

ITEM	Nine months ended 30 September 2018	Nine months ended 30 September 2017
VI. Net other comprehensive income after tax	**35,936,819.88**	**-150,106,692.92**
Net other comprehensive income after tax attributable to equity owners of the parent company	35,936,819.88	-150,106,692.92
(I) Other comprehensive income that cannot be reclassified to profit or loss	-41,910,000.00	–
1. Change arising from the re-measurement of defined benefit plans	–	–
2. Other comprehensive income that cannot be transferred to profit or loss under equity method	–	–
3. Change in fair value of other equity instrument investments	-41,910,000.00	–
4. Change in fair value of the company's own credit risk	–	–
(II) Other comprehensive income that will be reclassified to profit or loss	77,846,819.88	-150,106,692.92
1. Other comprehensive income that can be transferred to profit or loss under equity method	134,248,044.79	–
2. Gain or loss arising from changes in the fair value of available-for-sale financial assets	–	-133,222,500.00
3. Financial assets reclassified into other comprehensive income	–	–
4. Credit impairment provision for other debt investments	–	–
5. Reserve for cash flow hedging	–	–
6. Exchange differences on translation of financial statements denominated in foreign currencies	-56,401,224.91	-16,884,192.92
7. Others	–	–
Net other comprehensive income after tax attributable to non-controlling equity owners	–	–
VII. Total comprehensive income	**4,688,540,423.84**	**2,590,069,561.08**
Total comprehensive income attributable to equity owners of the parent company	4,540,152,856.06	2,551,613,899.91
Total comprehensive income attributable to non-controlling equity owners	148,387,567.78	38,455,661.17
VIII. Earnings per share		
(I) Earnings per share, basic (RMB Yuan/share)	1.39	0.81
(II) Earnings per share, diluted (RMB Yuan/share)	1.39	0.81

INCOME STATEMENT

(All amounts in RMB Yuan unless otherwise stated)

ITEM	Nine months ended 30 September 2018	Nine months ended 30 September 2017
I. Total revenue	**665,123,102.63**	**1,349,945,776.36**
Less: Operating costs	302,683,129.66	672,926,440.77
Tax and surcharges	76,654,983.95	87,200,594.53
Selling expenses	38,331,373.31	48,567,002.47
Administrative expenses	236,691,439.07	231,978,726.82
Finance costs	782,751,570.59	950,824,852.22
Including: Interest expense	1,905,733,020.31	2,107,564,617.58
Interest income	1,223,683,662.30	1,148,210,902.01
Asset impairment loss	–	-2,443,082.17
Credit impairment loss	1,547,115.10	–
Add: Fair value gain (A "–" sign preceding the amount indicates loss)	677,700.00	813,600.00
Investment gain (A "–" sign preceding the amount indicates loss)	1,360,872,278.42	900,340,723.33
Including: Gain from investment in associates and joint ventures	-39,127,721.58	26,011,615.21
Gain from disposal of assets (A"–" sign preceding the amount indicates loss)	738,315.62	–
Other gain (A "–" sign preceding the amount indicates loss)	–	–
II. Operating profit (A "–" sign preceding the amount indicates loss)	**588,751,784.99**	**262,045,565.05**
Add: Non-operating income	37,452,702.49	23,019,033.05
Less: Non-operating expenses	8,396,272.65	5,550,437.14
III. Total profit (A "–" sign preceding the amount indicates loss)	**617,808,214.83**	**279,514,160.96**
Less: Income tax expenses	-201,036,345.09	77,381,622.27
IV. Net profit (A "–" sign preceding the amount indicates loss)	**818,844,559.92**	**202,132,538.69**
1. Net profit from continuing operations (A "–" sign preceding the amount indicates loss)	818,844,559.92	202,132,538.69
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	Nine months ended 30 September 2018	Nine months ended 30 September 2017
V. Net other comprehensive income after tax	**-42,285,000.00**	**-133,912,500.00**
(I) Other comprehensive income that cannot be reclassified to profit or loss	-42,285,000.00	–
1. Change arising from the re-measurement of defined benefit plans	–	–
2. Other comprehensive income that cannot be transferred to profit or loss under equity method	–	–
3. Change in fair value of other equity instrument investments	-42,285,000.00	–
4. Change in fair value of the company's own credit risk	–	–
(II) Other comprehensive income that will be reclassified to profit or loss	–	-133,912,500.00
1. Other comprehensive income that can be transferred to profit or loss under equity method	–	–
2. Gain or loss arising from changes in the fair value of available-for-sale financial assets	–	-133,912,500.00
3. Financial assets reclassified into other comprehensive income	–	–
4. Credit impairment provision for other debt investments	–	–
5. Reserve for cash flow hedging	–	–
6. Exchange differences on translation of financial statements denominated in foreign currencies	–	–
7. Others	–	–
VI. Total comprehensive income	**776,559,559.92**	**68,220,038.69**
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	Nine months ended 30 September 2018	Nine months ended 30 September 2017
I. Cash flow generated from operating activities		
Cash received from sales of goods and provision of labor services	67,018,807,423.54	50,631,248,731.01
Tax refunds received	–	–
Cash received from other operating activities	5,413,046,803.67	4,205,102,630.48
Sub-total of cash inflow from operating activities	72,431,854,227.21	54,836,351,361.49
Cash paid for purchase of goods and engagement of labor services	37,948,792,072.48	39,535,755,433.59
Cash paid to and for employees	6,634,640,902.09	3,700,910,088.93
Payments of various taxes	10,071,020,964.01	6,139,056,605.43
Cash paid for other operating activities	20,550,891,454.69	12,857,030,425.49
Sub-total of cash outflow from operating activities	75,205,345,393.27	62,232,752,553.44
Net cash flow from operating activities	**-2,773,491,166.06**	**-7,396,401,191.95**
II. Cash flow generated from investing activities		
Cash received from disposal of investment	66,525,000.00	240,623,110.00
Cash received from investment gains	3,541,727.84	42,070,431.86
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	99,755,949.98	109,721,188.73
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	169,813,977.82	392,414,730.59
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	1,025,547,713.40	1,325,095,346.40
Cash paid for investments	302,967,000.00	540,983,699.47
Net cash paid for acquisition of subsidiaries and other business units	923,164,098.98	1,029,380,357.13
Cash paid for other investing activities	–	–
Sub-total of cash outflow from investing activities	2,251,678,812.38	2,895,459,403.00
Net cash flow from investing activities	**-2,081,864,834.56**	**-2,503,044,672.41**

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(All amounts in RMB Yuan unless otherwise stated)

ITEM	Nine months ended 30 September 2018	Nine months ended 30 September 2017
III. Cash flow generated from financing activities		
Cash received from investors	6,448,900.00	39,487,100.00
Including: cash received by subsidiaries from investment by non-controlling shareholders	6,448,900.00	39,487,100.00
Cash received on drawdown of loans	54,538,054,012.38	36,071,359,799.92
Cash received from the issuance of debentures	18,517,110,346.35	6,637,646,241.25
Cash received from other financing activities	–	–
Sub-total of cash inflow from financing activities	73,061,613,258.73	42,748,493,141.17
Cash paid for repayment of debt	54,711,275,907.13	31,353,578,776.98
Cash paid for distribution of dividend or profit or payment of interests	11,422,515,708.55	7,164,119,695.09
Including: dividend or profit distribution paid by subsidiaries to non-controlling shareholders	–	–
Cash paid for other financing activities	2,621,940,599.46	110,586,614.08
Sub-total of cash outflow from financing activities	68,755,732,215.14	38,628,285,086.15
Net cash flow from financing activities	**4,305,881,043.59**	**4,120,208,055.02**
IV. Effect on cash and cash equivalents from change of exchange rates	**75,942,212.57**	**-198,739,644.37**
V. Net increase in cash and cash equivalents	**-473,532,744.46**	**-5,977,977,453.71**
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	**19,223,636,486.44**	**19,328,037,754.83**

STATEMENT OF CASH FLOWS

(All amounts in RMB Yuan unless otherwise stated)

ITEM	Nine months ended 30 September 2018	Nine months ended 30 September 2017
I. Cash flow generated from operating activities		
Cash received from sales of goods and provision of labor services	958,391,165.48	1,870,991,127.09
Tax refunds received	–	–
Cash received from other operating activities	26,413,258,840.47	8,153,353,832.65
Sub-total of cash inflow from operating activities	27,371,650,005.95	10,024,344,959.74
Cash paid for purchase of goods and engagement of labor services	314,906,649.44	404,035,605.03
Cash paid to and for employees	125,601,075.42	67,569,975.06
Payments of various taxes	352,242,073.04	364,354,161.78
Cash paid for other operating activities	7,261,335,707.51	5,113,182,038.26
Sub-total of cash outflow from operating activities	8,054,085,505.41	5,949,141,780.13
Net cash flow from operating activities	**19,317,564,500.54**	**4,075,203,179.61**
II. Cash flow generated from investing activities		
Cash received from disposal of investment	–	240,623,110.00
Cash received from investment gains	3,541,727.84	31,837,195.71
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	33,276.00	945,532.00
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	3,575,003.84	273,405,837.71
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	77,886,728.27	105,054,505.75
Cash paid for investments	384,248,276.88	328,905,840.36
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	462,135,005.15	433,960,346.11
Net cash flow from investing activities	**-458,560,001.31**	**-160,554,508.40**

STATEMENT OF CASH FLOWS (CONTINUED)

(All amounts in RMB Yuan unless otherwise stated)

ITEM	Nine months ended 30 September 2018	Nine months ended 30 September 2017
III. Cash flow generated from financing activities		
Cash received from investors	–	–
Cash received on drawdown of loans	3,439,000,000.00	750,000,000.00
Cash received from the issuance of debentures	9,404,371,043.10	1,755,629,264.65
Cash received from other financing activities	–	–
Sub-total of cash inflow from financing activities	12,843,371,043.10	2,505,629,264.65
Cash paid for repayment of debt	26,124,782,000.00	2,298,330,000.00
Cash paid for distribution of dividend or profit or payment of interests	4,068,694,311.45	4,535,469,675.19
Cash paid for other financing activities	–	–
Sub-total of cash outflow from financing activities	30,193,476,311.45	6,833,799,675.19
Net cash flow from financing activities	**-17,350,105,268.35**	**-4,328,170,410.54**
IV. Effect on cash and cash equivalents from change of exchange rates	–	–
V. Net increase in cash and cash equivalents	**1,508,899,230.88**	**-413,521,739.33**
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	**3,209,484,492.67**	**3,005,329,184.76**

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

31 October 2018, Hong Kong

As at the date of this announcement, the executive directors of the Company are Dr. 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*