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 Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board of directors of the Company (the "**Board**") wishes to inform the shareholders of the Company and potential investors that, based on the preliminary review of the unaudited management accounts of the Group for the year ended 31 December 2018 and the information currently available to the Board, the Group is expected to record a decrease in its consolidated profit for the year ended 31 December 2018 of about 60% as compared with the year ended 31 December 2017. The expected decrease in the consolidated profit of the Group for the year is mainly attributable to the fact that the Group recorded a substantial amount of exceptional bargain purchase gain in connection with its acquisition of hotel assets in 2017 and had fewer exceptional transactions of similar nature in 2018, thereby resulting in a drop in the exceptional bargain purchase gain in 2018.

After excluding the bargain purchase gain for the acquisition of hotel assets, and the net foreign exchange gains or losses and fair value gains on investment properties, the Group is expected to record an increase in its consolidated profit for the year ended 31 December 2018 as compared with the year ended 31 December 2017.

As the Company is still in the process of preparing and finalizing its audited consolidated accounts for the year ended 31 December 2018, the information contained in this announcement is only based on the information currently available to the Board and 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 auditor and may subject to finalization and necessary adjustments. Shareholders of the Company and potential investors should read the Group's results announcement for the year ended 31 December 2018 carefully, which is expected to be published before the end of March 2019.

Shareholders of the Company and potential investors should 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

Hong Kong, 17 February 2019

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*