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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)

VOLUNTARY ANNOUNCEMENT

This announcement is issued by Guangzhou R&F Properties Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis.

FINANCIAL SUPPORT BY THE MAJOR SHAREHOLDERS

Dr. Li Sze Lim and Mr. Zhang Li (collectively, the “**Major Shareholders**”), each being an executive director and a substantial shareholder of the Company, have communicated to the Group that in support of the Group, they intend to provide shareholders financing of approximately HKD8,000,000,000, expected to be fully completed in the coming one to two months. The Company expects to receive an amount of approximately HKD2,400,000,000 on 21 September 2021.

The Major Shareholders have historically provided financial support in the form of interest-free loans. This demonstrates the continuous commitment of the Major Shareholders to the Group and their unwavering confidence in the Group’s businesses and development.

After the provision of the financial support by the Major Shareholders and based on available cash on hand, barring any unforeseen eventuality, the Company expects to have sufficient liquidity to address obligations that will mature in the short-term, even without taking into account the availability of any further external financing or cash flow from non-continuing business of the Group such as asset sales or disposals.

After provision of shareholder financing, allowance for interest and other financial commitments, the Group will consider repurchase of longer tenor notes whereby it is in the economic interest of the Group to do so based on market prevailing prices, interest savings and maturity profile.

INFORMATION UPDATE

As stated in the Company’s 2021 interim results announcement dated 24 August 2021 (the “**Interim Results Announcement**”), the Group will continue to focus on managing liquidity and further improving overall credit profile. The Group will also continue to actively seek alternative funding sources and asset disposal opportunities to manage liquidity as well as mitigate market uncertainties brought on by changes in operating conditions and external factors.

In terms of recent financing activity, since the date of the Interim Results Announcement, the Group has successfully completed several offshore financing and refinancing transactions at the project level. The completed financing enables the Group to alleviate funding requirements at the project level to reserve liquidity for other corporate purposes. The invested project capex to date and project financing ensures sufficient capital support for ongoing project developments whereby significant cash flow is expected to be generated in the near term.

In terms of asset sales, the Group has accepted indicative offers for several non-core assets and continues to engage in discussions with potential purchasers for other assets designated for disposal. Whilst completion of the asset sales remains subject to due diligence review and execution of definitive agreements among the relevant parties, the Group is encouraged by the responses received from potential purchasers, which indicate the quality of the assets held by the Group. The Company will make further announcement(s) in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as and when appropriate.

Based on the unaudited financial information of the Group as disclosed in the Interim Results Announcement, the Group has investment property assets of approximately RMB35.1 billion and hotel assets at book value of approximately RMB33.2 billion. The market value of hotel assets is approximately RMB46 billion. The sizeable assets owned by the Group accumulated over many years are testament to the disciplined approach of investing capital into appreciating assets that have retained or increased value over time.

With the financial support from the Major Shareholders and the expected positive progress from corporate actions in the coming months, the Group is highly confident to continue to improve the financial profile of the Group by the end of the financial year.

By order of the Board
Guangzhou R&F Properties Co., Ltd.
Lee Michael
Company Secretary

Hong Kong, 20 September 2021

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*