

Contracted Sales

Market has shown signs of recovery, achieved RMB18.7 bn contracted sales in Q1 2020, while RMB8.2 bn in March.

- From January to March 2020, the Group achieved contracted sales (including those from joint ventures and associated companies) of approximately RMB18.7 billion, representing a YoY drop of approximately 25% and contracted GFA of approximately 1,584,000 sq.m., representing a YoY drop of approximately 26%; contracted ASP was approximately RMB11,800 /sq.m.
- In March 2020, the Group achieved contracted sales of approximately RMB8.2 billion, representing 2.6 times of previous month's sales and a YoY drop of approximately 12%. Contracted GFA achieved approximately 637,000 sq.m., representing a YoY drop of approximately 21%. The contracted ASP amounted to approximately RMB12,900 /sq.m, urban upgrading is gradually reflected on the average selling price.
- Market has shown signs of recovery. With the resumption of sales offices and construction sites, we believe sales will rebound gradually in the future.

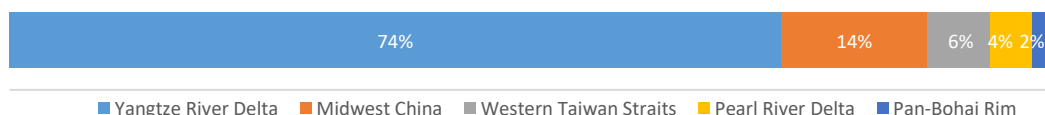
News Updates

- On 16 March, Zhongliang Holdings initially obtained a US\$20 million term loan from Hang Seng bank successfully, showing the Group is vigorously and effectively expanding its funding channels, improving debt structure to reduce financing costs and to provide adequate fund for its future business and operational expansion.
- On 18 March, China Real Estate Association and China Real Estate Evaluation Center of Shanghai E-House Real Estate Research Institute jointly released "Top 500 China Real Estate Development Companies in 2020" evaluation results. With outstanding performance in the past year, Zhongliang Holdings remains as "Top 20" in terms of comprehensive strength and development ability in the industry and ranked "Top 1" in terms of growth potential, affirming strong market recognition.
- On 25 March, CLSA issued the initiation report of Zhongliang Holdings with a strongly "Buy" rating and an target price of HKD8.6. Zhongliang is ranked as its sector top pick. CLSA affirms that the Group has delivered good performance as well as high dividend payout among the industry, and was added into several Hang Seng Index shortly after the listing.
- On 30 March, Zhongliang Holdings announced its annual results of 2019. The total contracted sales increased by approx. 50% to RMB152.5 billion, exceeding full-year contracted sales target of RMB130 billion by approx. 17%. The core net profit attributable to equity owners recorded a significant increase of 102%, amounting to RMB3.9 billion. The Group proposed a final dividend for 2019 of HK32.8 cents per Share. The total dividend is representing a payout ratio of approx. 40% of the core net profit attributable to the equity owners of the Group. In the year 2019, Zhongliang Holdings enhanced the exposures in higher-tier cities, improved land bank coverage, successfully making capital markets breakthrough and gaining recognition.

Land Acquisition

From January to March in 2020, the Group added a total of 17 land parcels, with an aggregate land premium of approximately RMB 12.6 billion.

Land Acquisition By Economic Region



Project	City	City level	Province	Region	Land Cost (RMB10,000)	Site Area (sq.m.)	Total Planned GFA Excluding Carpark (sq.m.)	Average Land Cost (RMB/sq.m.)
Land Acquisitions in March 2020								
JCR2020-13 (Xinhui 05), Jiangmen City	Jiangmen	Third-tier	Guangdong	Pearl River Delta	51,552	29,911	74,778	6,894
Intersection plot of South Shundi Road and Hibiscus Road, New Town, Ningyuan County, Yongzhou City	Yongzhou	Fourth-tier	Hunan	Midwest China	12,000	48,643	150,793	796
147-acre Bai He Plot, Longquanyi District, Chengdu City	Chengdu	Second-tier	Sichuan	Midwest China	120,055	98,084	176,552	6,800
Lot south of Jiganghuai Road and east of Yucai Road, Changfenggang District, Hefei City	Hefei	Second-tier	Zhejiang	Yangtze River Delta	62,759	62,635	112,743	5,567
Plot B, Qingfeng, Liangxi District, Wuxi City	Wuxi	second-tier	Jiangsu	Midwest China	61,380	27,099	60,008	13,324
Land Acquisitions From January to February 2020								
Plot 212, Future Science and Technology City, Yuhang District, Hangzhou	Hangzhou	Second-tier	Zhejiang	Yangtze River Delta	490,154	97,535	214,577	22,843
No. 2017-3, Huayuan Street, Kecheng District, Quzhou City	Quzhou	Third-tier	Zhejiang	Yangtze River Delta	39,650	43,329	73,659	5,383
Block C of Lukang North Plant	Jining	Third-tier	Shandong	Pan-Bohai Rim	19,843	30,716	61,433	3,230
Plot on the east side of Heyi Road, Higher Education Park, Huaian Development Zone	Huaian	Third-tier	Jiangsu	Yangtze River Delta	35,380	68,362	150,397	2,352
Plot DEA2019159 in Shangrao City Center	Shangrao	Fourth-tier	Jiangxi	Western Taiwan Straits	71,250	53,928	129,427	5,505
Lot 2 of Huahua Avenue, Fancheng District, Xiangyang City	Xiangyang	Third-tier	Hubei	Midwest China	2,897	5,517	12,138	2,386
Lot [2019] 86, High-tech Zone, Xiangyang City	Xiangyang	Third-tier	Hubei	Midwest China	26,769	29,496	79,639	3,361
Plot No. [2019] 16, Western Section in National Land, Hanshan County	Ma'anshan	Fourth-tier	Anhui	Yangtze River Delta	12,847	43,698	74,287	1,729
No. 034 (2019), Gong'an County, Jingzhou City	Jingzhou	Fourth-tier	Hubei	Midwest China	19,080	44,367	110,917	1,720
Plots north of Shunyu Road and west of Jinsheng North Road, Yuyao, Ningbo	Ningbo	Third-tier	Zhejiang	yangtze River Delta	29,375	41,533	124,599	1,823
Plot YB-04-H-03, Longshui Unit, Yongqiang North Area, Wenzhou	Wenzhou	third-tier	zhejiang	yangtze River Delta	110,430	57,018	150,528	7,336
Plots T8-2-4-1 and T8-1-11 in Tangxia, Ruian City	Ruian	third-tier	zhejiang	yangtze River Delta	94,611	43,898	154,838	6,110
Total					1,260,032	825,769	1,911,312	6,592



Company Profile

Headquartered in Shanghai, based in the Yangtze River Delta Economic Region with a national footprint, Zhongliang Holdings is a fast - growing comprehensive nationwide real estate developer with 100 billion contracted sales. In 2020, we are recognized as TOP 20 real estate developer in China and ranked TOP 1 in terms of development potential by China Real Estate Association and E-house China R&D Institute China Real Estate Appraisal Center. We focus on the development of residential properties and strive to become one of the leading comprehensive real estate developers in China.

We principally focus on developing quality residential properties and offers 3 standardized product series, targeting first-time purchasers, first-time upgraders and recurrent upgraders. By virtue of approximately 20 years of experience in China's real estate industry and regional expansion strategy, we have total attributable land bank of about 57 million sq.m as at 31 December 2019. By the end of December 2019, we have a product portfolio of 458 projects across five core economic zones in China, namely, Yangtze River Delta, the Midwest China, the Pan-Bohai, the Western Taiwan Straits and the Pearl River Delta, covering 142 cities in 23 provinces and municipalities.

Disclaimer:

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