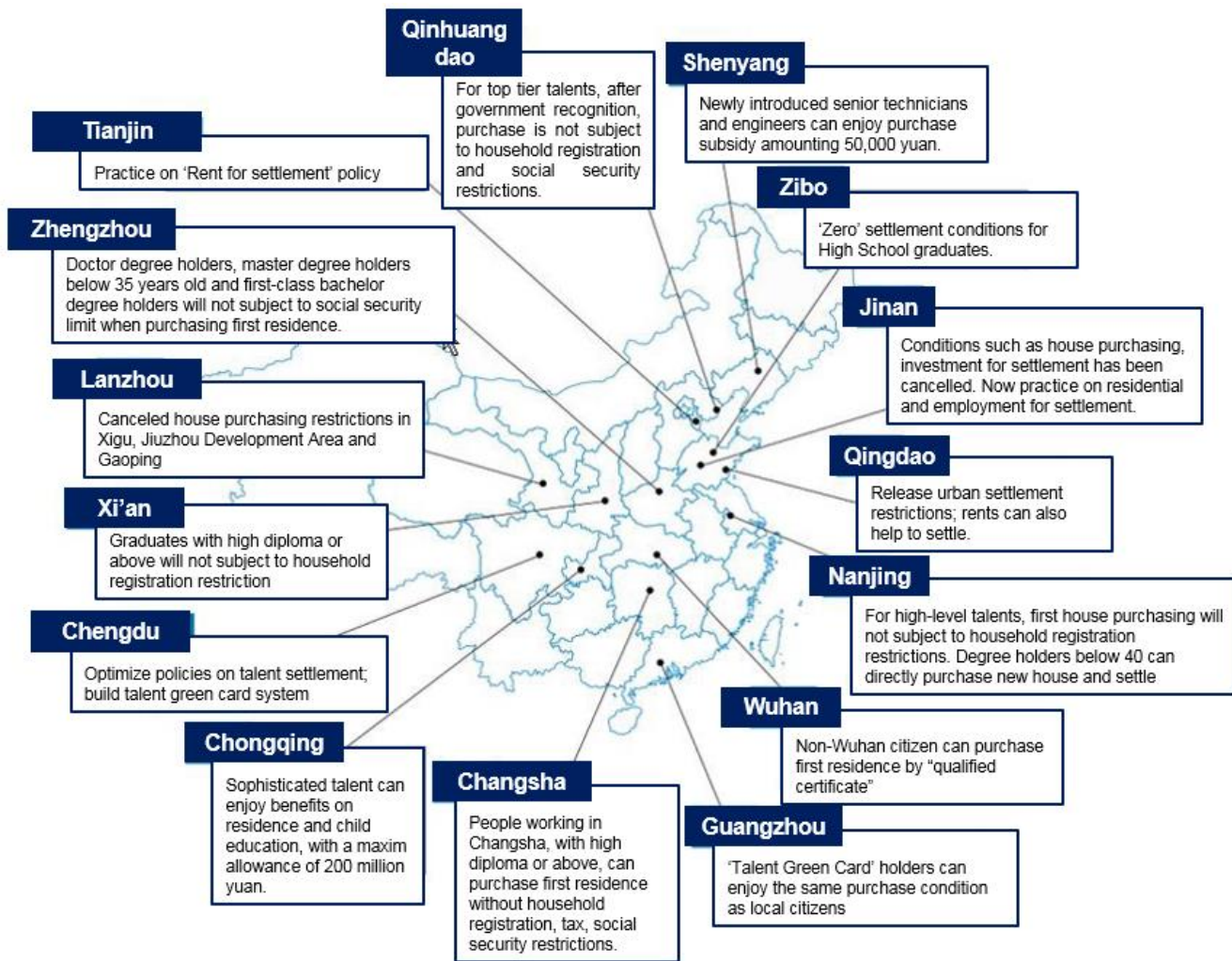


China Property News

2018 New Policy Map

In the first two weeks of 2018, various cities implemented new policies on property market. Below is a summary of the policy map



AMTD Outlook: Although some cities have fine-tuned its policies for accelerating home sales recently, we believe policy tightening will continue in 1H2018 and cubing home prices is still the top priority of property policies in 2018. Inventories in main 1st tier and 2nd tier cities have fallen to very healthy levels; policy easing is not necessary in 1H2018.

China Property Market and Policy Dynamics

1 China to tighten regulation on banking sector to defuse risks - Affecting property loans

Supervision will focus on areas including unhealthy corporate governance, macroeconomic policy violations, shadow banking and damages in financial consumer interests, China Banking Regulatory Commission said in a website statement on 13 Jan. Violations in property loans, disposal of non-performing assets and other key areas will face stricter punishment

Source: Bloomberg; {NSN P2IQXH6S9728 <GO>}

2 'One City, Different Policies' in China

In the year of 2018, cities such as Lanzhou, Nanjing, Hefei and other cities have announced changes in real estate policies. This time the policies were not a universal application like previous implication, but for different districts, and to different group of people, such as the subsidy for top tier talents in Nanjing. These new policies are expected to control the housing price more accurately.

Source: Tencent Property

Link : <http://news.house.qq.com/a/20180114/008780.htm>

3 China is said to tighten property loans by non-bank firms

China has banned non-bank financial firms from channeling funds into the property and infrastructure sectors through entrusted loans. Asset Management Association of China issued verbal orders on behalf of CSRC that new collective asset management plans designed to invest in entrusted loans, trust loans and other credit assets could no longer be registered

Source: SCMP; Bloomberg {NSN P2GPLS6JTSE8 <GO>}

4 China Development Bank, CCB and Shanghai SOEs jointly cooperate to achieve rental housing target of 0.2m units.

On January 9th, Shanghai government signed various cooperation agreement with China Development Bank and CCB with focusing on rental housing development. By the end of 2018, it is planned to have more than 200,000 units, including unfinished but started projects.

Source: Hexun Property

Link: <http://house.hexun.com/2018-01-14/192226859.html>

5 2017 Property market in Guangzhou: Record high for land transaction but lower premium

Due to the regulation control including restrictions on purchase, sales, credits and limit on price, the rising trend of housing price in Guangzhou has been suppressed in 2017. However, at the land supply side, according to DTZ statistics, total transaction value was record high. Land premium had a trend going down.

Source: China Daily

Link:http://www.cs.com.cn/ssqs/fcgs/201801/t20180112_5664677_1.html

Property Company News

1 Shimao Property [813.HK] in pact to buy Shaanxi Kaicheng Industry.

Shimao [813.HK] announced that on 20 April 2017, the through an indirect wholly-owned subsidiary, will acquire 100% of the equity interest of the target company at the consideration of RMB2,325,450,000. The target company is Shaanxi Kaicheng Industry Co., Ltd. and holds three land using rights in Weiyang District, Xi'an, with a total land area of 255,051 sqm.

Source: Company announcement. Guandian Property

Link: <http://www.guandian.cn/article/20180114/196376.html>

2 Poly Real Estate [600048.SH] Dec. contract value rises 65.3%

Poly Real Estate [600048.SH] announced its December sales result. The company achieved contract value of 35 billion yuan with an increase of 65.3% yoy. 2017 total contract value rose 47.2% to 309.2 billion yuan

Source: Company announcement; Bloomberg {NSN P2J9HB6JTSE8 <GO>}

3 China Jinmao [817.HK] raises \$426M in top-Up placement

China Jinmao Holdings Group [817.HK] sold 900m shares at HK\$3.70 each in a top-up placement, raising HK \$426M in total. The shares were sold at 6.8% discount to last close of HK\$3.97. Goldman Sachs was joint bookrunner.

Source: Company announcement, Bloomberg {NSN P2HFFF6S9728 <GO>}

4 Southwest areas contributed RMB 54 billion contracted sales - Sunac [1918.HK]

Sunac's [1918.HK] southwest contracted sales increased from 17.7 billion yuan to 54 billion yuan, increasing by 205.1% yoy. Chongqing achieved 23 billion contracted sales. In Chengdu, capital of Sichuan province, Sunac had 20 sites and achieved 13.7 billion yuan contracted sales.

Source: Guandian Property

Link: <http://www.guandian.cn/article/20180114/196373.html>

5 Longfor [960.HK] announced its 2017 results

On January 11th, **Longfor [960.HK]** announced its 2017 sales results. In 2017, the Group recorded aggregated annual contracted sales of RMB156 billion, increasing by 77.1% yoy, exceeds and meets the annual contracted sales target, with the contracted GFA sold amounting to 10.167 million sqm. In December, the Group recorded contracted sales of RMB7.64 billion, with contracted GFA sold amounting to 431,000 sqm.

Source: Company announcement; Guandian Property

Link: <http://www.guandian.cn/article/20180111/196276.html>

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IMPORTANT DISCLOSURES

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