

2017 March Newsletter

China SCE Property Holdings Limited

HKEx Stock Code:1966.HK Best 50 of China Real Estate Developers



China SCE Property Holdings Limited ("China SCE" or the "Company") was established in 1996 and listed on the Main Board of The Stock Exchange of Hong Kong Limited in February 2010. The Group's major businesses include investment holding, property development, property investment and property management. The Company is headquartered in Shanghai for its business operations, while implementing regional focused development strategy targeting the first- and second-tier cities in the Yangtze River Delta Economic Zone, the Bohai Rim Economic Zone, the Pearl River Delta Economic Zone and the West Taiwan Strait Economic Zone.

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Latest News

Sales Overview

In March 2017, the Group together with its joint ventures and associates achieved a contracted sales amount of approximately RMB2.946 billion and a contracted sales area of 149,473 sq.m., representing a year-on-year increase of 75% and 34% respectively. The average selling price for March 2017 was RMB19,710 per sq.m..

For the three months ended 31 March 2017, the Group together with its joint ventures and associates achieved an accumulated contracted sales amount of approximately RMB6.789 billion and an accumulated contracted sales area of 397,687 sq.m., representing a year-on-year increase of 58% and 62% respectively. The average selling price for the three months ended 31 March 2017 was RMB17,072 per sq.m..

Land Bank

As at 31 March 2017, the Group together with its joint ventures owned a land bank with an aggregate planned GFA of approximately 9.51 million sq.m. (the aggregate planned GFA attributable to the Group was approximately 7.24 million sq.m.).

Successful Issuance of Five-year Senior Notes

On 6 March 2017, China SCE and its subsidiary guarantors entered into a purchase agreement with HSBC, Deutsche Bank, Haitong International, BOC International and ICBC International in connection with the issue of senior notes in the aggregate principal amount of US\$200 million.

The five-year senior notes bear interest at a rate of 5.875%. After deduction of underwriting commission and other expenses, the net proceeds of the senior notes issued amount to approximately US\$197 million, which is intended to be used for refinancing certain existing indebtedness and working capital purposes.

Successful Bid for Quality Residential Land Parcels in Zhangzhou

On 9 March 2017, the Group won a bid for three parcels of quality land in Zhangzhou, Fujian Province at a consideration of approximately RMB607 million, marking another step made by the Group in the strategic development of West Taiwan Strait Economic Zone.

The land parcels are in Gangwei Town, Longhai City, Zhangzhou, just around 10 minutes from the highway exit of Zhangzhou China Merchants Economic and Technological Development Zone (漳州招商局經濟技術開發區). The planned Line R3 of Xiamen-Zhangzhou Cross-Harbor Tunnel and Cross-Bay Bridge will together make Gangwei Town a new transportation hub. These land parcels have an aggregate site area of 42,733 sq.m., with an above-ground buildable area of approximately 94,000 sq.m..

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Latest News

Deutsche Bank Initiated Coverage of China SCE with Buy Rating

On 21 March 2017, Deutsche Bank initiated coverage of China SCE with a Buy rating and a target price of HK\$3.47. Deutsche Bank is positive about China SCE for its: 1) decent land bank with increasing exposure to first- and second-tier cities, 2) strong earnings growth with 26% CAGR over 2016 to 2019 and potential gross profit margin expansion, 3) inexpensive valuation at 5.4x PE in 2017 and a 53% discount to NAV, and 4) potential decent dividend yield of 6% to 9% in the next three years.

China SCE Awarded as One of the "2017 Best 50 of China Real Estate Developers"

On 22 March 2017, China Real Estate Association (中國房地產業協會) and China Real Estate Appraisal Centre of E-house China R&D Institute (上海易居房地產研究院中國房地產測評中心) jointly published the "2017 Best 100 of China Real Estate Developers" (2017中國房地產開發企業100強) list. China SCE ranked 44th among the "2017 Best 50 of China Real Estate Developers" (2017中國房地產開發企業50強) and placed second among the "Best 10 of Regional Operations" (區域運營10強).

Chairman of Board of Directors Increased Shareholding in China SCE

Mr. Wong Chiu Yeung, Chairman of Board of Directors of China SCE, acquired 12,100,000 shares of the Company from 21 to 30 March 2017. The acquisition shows the Chairman has confidence on the future of China SCE. Subsequent to the acquisition of shares, Mr. Wong Chiu Yeung now holds 1,983,700,000 shares in China SCE in total, equivalent to approximately 57.94% of the total issued share capital of the Company.

Bid for a Quality Commercial and Residential Land Parcel in Nanjing

On 31 March 2017, the Group won a bid for a quality land parcel in Nanjing at a consideration of RMB1.91 billion. The land parcel is located close to a previously acquired land parcel by the Group in Jiangning District, showing the Group's determination of further development in Nanjing.

The land parcel has strong development potential. It is in the Lukou Airport New City in Jiangning District, Nanjing and served by Phase 1 of Nanjing Metro Line S1. Phase 2 of Line S1 and Line S7 of Nanjing Metro are under construction and will be in operation soon. The land parcel occupies a site area of 42,628 sq.m., with an above-ground buildable area of approximately 148,000 sq.m..

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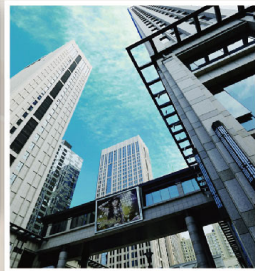
Project Development Information

Projects Under Development (As at 31 March 2017)

Project Name	City	Type of Property	Group's Equity Interest (%)	Total Planned GFA (sq.m.)
Polaris	Beijing	High-rise residential and SOHO apartments	100	45,174
Sunshine Mansion	Beijing	Low-rise residential	100	63,600
SCE Plaza (Phase 2)	Shanghai	SOHO apartments	50	42,255
Marina Bay	Shanghai	High-rise residential and villas	100	130,781
Sky Horizon	Shanghai	High-rise residential, low-rise residential, LOFT apartments and retail shops	100	47,325
The Royal Bay	Shanghai	Villas and retail shops	100	108,124
Sunshine City (Phase 2)	Shenzhen	High-rise residential and retail shops	82	72,754
Marina Bay	Tianjin	Low-rise residential and villas	100	153,504
The Royal Green	Hangzhou	High-rise residential and retail shops	100	181,525
Uptown	Nanchang	High-rise residential, SOHO apartments, LOFT apartments and retail shops	100	214,680
SCE Plaza	Quanzhou	SOHO apartments, office and retail shops	100	133,529
Gold Coast (Phase 1) (Partial)	Quanzhou	High-rise residential and retail shops	45	72,572
SCE Mall (Shishi) (Phase 2)	Quanzhou	High-rise residential, SOHO apartments and retail shops	60	142,978
Sunshine Park (Phase 2)	Quanzhou	High-rise residential and retail shops	51	129,613
Sapphire Residences	Quanzhou	High-rise residential and retail shops	100	163,885
Sapphire Boomtown (Phase 3) (Partial)	Zhangzhou	High-rise residential	100	26,038
Sunshine City (Phase 3)	Zhangzhou	High-rise residential and retail shops	75	160,137
Sunshine City (Phase 2)	Yanjiao	High-rise residential and retail shops	55	181,957
SCE International Community (Phase 4)	Linfen	High-rise residential and retail shops	70	173,003
Total				2,243,434

Stock Information (As at 31 March 2017)

Price per Share (Closing)	52-week Range	Market Capitalisation	Total Number of Shares
HK\$2.93	HK\$1.57-HK\$3.12	HK\$10.032 billion	3.42384 billion shares



Investor Relations Contact

China SCE Property Holdings Limited

Mr. Paul Li - Financial Controller
& Company Secretary

Tel: 852-2191 3960
Mobile: 852-9869 9237
Fax: 852-2342 6643
Email: paulli@sce-re.com

Mr. Matthew Wong - Finance
Manager

Tel: 852-2191 3960
Fax: 852-2342 6643
Email: matthewwong@sce-re.com
ir@sce-re.com

Strategic Financial Relations Limited

Ms. Vicky Lee – Senior Director

Tel: 852-2864 4834
Fax: 852-2527 1196
Email: vicky.lee@sprg.com.hk

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