NUS INVESTMENT SOCIETY

CIFI Holdings Co. Ltd. ("CIFI")

Underweight

Fixed Income Department – Real Estate

Date: 7th Dec. 2022

Analysts

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Basic Issuer Information

Issuer	CIFI Holdings Company Limited
Equity Ticker	0884 .HK
Corporate Ticker	CIFI
Credit Rating (M/S/F)	Ca/-/-
Country of Risk	PRC
Sector	Real Estate Developer

1Y Price (rebase to 100)

Company Description

Cifi Holdings Co. Ltd. is a Shanghai-based real estate developer and publicly listed in Hong Kong Exchange in 2012, with a current market capitalisation of 13.039B as of 7th December 2022.

It operates mainly through property development, property investment, property and project management, and other property related services.

Key Financials

(RMB)	FY19A	FY20A	FY21A	FY22E
Revenue(b)	56.5	71.8	107.8	157.7
Gr Rate (%)	33.2%	27.2%	50.2%	46.2%
EBIT (b)	14.3	16.8	18.8	19.3
Margin (%)	22.2%	17.5%	11.9%	2.7%
Debt/Op. Profit	23.2x	20.1x	18.0x	20.5x
D/E Ratio	3.76	3.53	3.03	2.99

Key Executives

Mr. Lin Zhong	Exec. Chairman, Founder
Mr. Lin Wei	Vice-Chairman
Mr. Lin Feng	Chief Executive Officer
Mr. Yang Xin	Chief Financial Officer

A Tall Order

Recommendations

We are initiating coverage of CIFI Holdings Co. Ltd. ("0884.HK"). We have given an issuer profile rating of "underweight" to CIFI's credit outlook. We will be focusing on CIFI 5.50% Jan 2023, CIFI 5.85% Aug 2023, CIFI 6.95% Apr 2025, and CIFI 4.38% Apr 2027.

Recent Developments

- CIFI had a default on Oct 8 on an offshore Hong Kong dollar convertible bond on time due to delays in interest and amortization payment.
- Spate of downgrades by credit agencies: Both S&P and Fitch Ratings withdrew their ratings on CIFI, and Moody's downgraded the company from BB- to Ca on 11th Oct.
- CIFI halted stock trading in October and suspended payment on all its offshore bonds.
- In December, after a continuous falling price, CIFI bond price skyrocketed after 4 state-owned banks decided to help repay overseas liabilities.

Key Credit Considerations

Despite the real estate investment volume forecasted to reach RMB300b in 2022 as buyers look to purchase more and asset availability improves, CIFI's credit is driven by the weak market conditions and lower homebuyers' confidence in the company's products.

Credit Positives

- CIFI has healthy breathing room for development due to an increasing focus on commercial property sales which face much less pressure than residential counterparts.
- The loosening of local land supply thresholds and policy improvement helps increase CIFI's regional and provincial penetrations.
- CIFI has a diversified exposure to 1st, 2nd, and 3rd tier countries, making it less prone to the industry's slowdown risk.

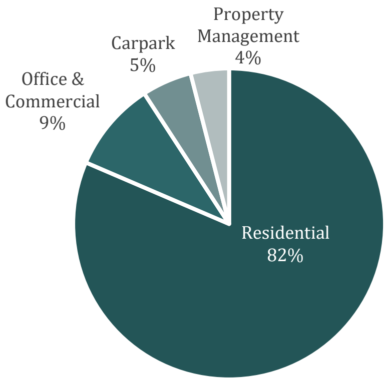
Credit Negatives

- Chinese property market is facing a sharp decline with buyer pessimism reaching an all-time high, catalysed by the mid-July mortgage boycotts.
- CIFI is still highly concentrated in residential property development which has a relatively poor outlook
- Government intervention is insufficient for the recovery of property market.
- Weakening Yuan is threatening to squeeze CIFI's indebtedness.

Figure 1: CIFI's presence in first-, second-, and third-tier cities

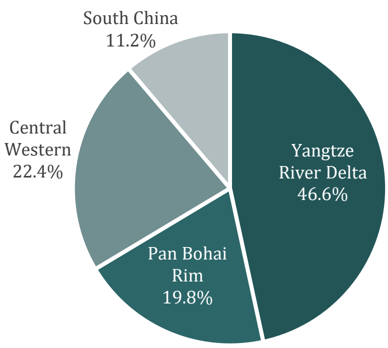
Source: CIFI annual report

Figure 2. Revenue by Business Segments



Source: CIFI Annual Report

Figure 3. Revenue by Geographic Contribution



Source: CIFI Annual Report

Company Overview

CIFI Holdings Co. Ltd ("CIFI") is primarily focused on the property development and property investment business in China. Founded in 2000, CIFI has developed properties in first-, second- and third-tier cities in China and today, is one of the largest residential real estate developers in China (Fig 1).

CIFI was listed on the Main Board of the Hong Kong Stock Exchange in 2012. CIFI's primary shareholders are Rosy Fortune Investments Ltd. (28.5%), Ding Chang Ltd. (14.2%), and Wei Lin (5.2%).

As of 7 December 2022, CIFI has a market capitalization of RMB11.22b. This puts CIFI in the top 25 real estate developers in China. CIFI Holdings ranked 14th with sales of RMB113.38b (about US$15.9b) and 13th with property sales of 7.81m square meters on the January-October 2022 period.

Based on revenue, the top 10 competitors of CIFI are China Vanke Co. Ltd., Greenland Holdings Co. Ltd., Country Garden Holdings Company Limited, China Evergrande Group, Sunac China Holdings Limited, Guangzhou R&F Properties Co. Ltd., China Overseas Land & Investment Ltd., China Resources Land Ltd., and China Merchants Shekou Industrial Zone Holdings.

Revenue by Segments

CIFI's revenue is primarily derived from sales of properties. Of its RMB106.85b in revenue in 2021, RMB99.28b (90.9%) was from sales of properties. The main bulk of these sales is RMB92.44b from sales of residential properties, followed by RMB4.72b in sales of office and commercial properties, and RMB2.12b in sales of carparks (Fig 2).

CIFI also generates a minority amount of revenue from property management and other services, amounting to RMB4.13b (4.0%) in revenue. Project management and other property related services generated RMB3.38b in revenue, and other service income comprised RMB0.04b in revenue.

Revenue by Geography

CIFI operates in 4 main regions: Yangtze River Delta, Pan Bohai Rim, Central Western Region, and South China Region.

Of its RMB99.28b in property sales, RMB47.60b (47.9%) was attributed to the Yangtze River Delta, RMB23.72b (23.9%) was attributed to the Pan Bohai Rim, RMB22.00b (22.2%) was attributed to the Central Western Region, and RMB7.02b (6.0%) was attributed to the South China Region (Fig 3).

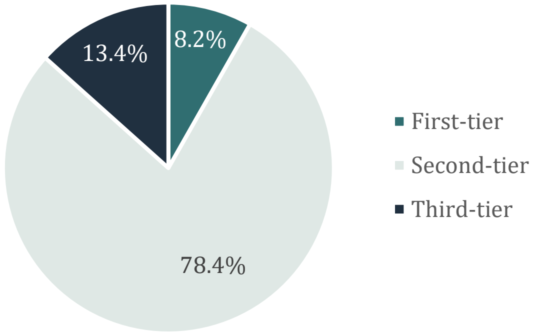
Revenue by City Tier

Of its RMB99.28b in property sales, CIFI generated RMB8.16b (8.2%) from First-tier cities, RMB77.83b (78.4%) from Second-tier cities, and RMB13.28b (13.4%) from Third-tier cities. The highest revenue yields from second-tier cities such as Xiamen, Fuzhou and Wuxi (Fig 4).

Recent Earnings Review

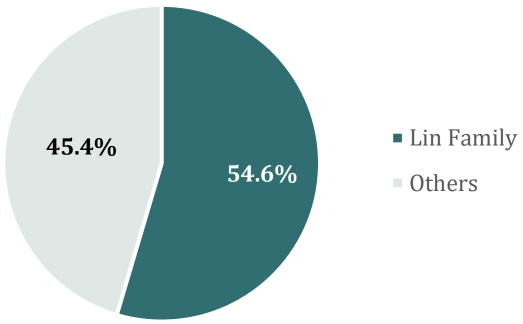
For the six months ended 30 June 2022, CIFI achieved contracted sales of RMB63.1b, representing a year-on-year decrease of 53.6% from RMB136.1b in the corresponding period in 2021. Contracted gross floor area ("GFA") amounted to 4,144,600 sq.m., representing a year-on-year decrease of 48.0%. The Group's net profit decreased by 64.5% to RMB1.90b for the six months ended 30 June 2022 from RMB5.36b in the corresponding period in 2021. This is mainly due to the adverse impact of the declining property market.

Figure 4: Revenue by City Tier



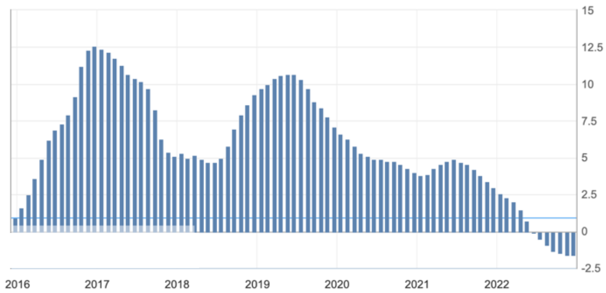
Source: CIFI Annual Report

Figure 5: Shareholder Simple Breakdown



Source: CIFI Annual Report

Figure 6: Revenue by City Tier



Source: Investing.com

Credit Rating

CIFI has faced downgrades to its credit rating this year. As at 7 December 2022, S&P Ratings has withdrawn their ratings in Oct due to "insufficient information"; Fitch downgraded CIFI from BB- to CC on 11th Oct and withdraw their ratings on 12th Oct; Moody's downgraded CIFI from Ba3 to Ca with a negative outlook on 17th Oct and is thus far the only available rating result.

Ownership & Management

CIFI is largely owned and controlled by the Lin family, comprising Lin Zhong, Lin Wei, and Lin Feng.

Management of CIFI

3 of the 5 executive directors of CIFI are of the Lin family. Lin Zhong occupies the Chairman role, Lin Wei occupies the Vice-chairman role, and Lin Feng is the Chief Executive Officer. Yang Xin is the Chief Financial Officer and Ru Hailin is an Executive Director.

Lin Zhong has been Chairman of CIFI since he founded the company in 2000. He also holds the Chairman position for CIFI Ever Sunshine Services Group Limited, CIFI Group Co., Ltd., China Urban Realty Association, and Fukien Chamber of Commerce.

With Lin Zhong, Lin Wei co-founded CIFI. Since 2011, Lin Wei has been Vice-chairman of CIFI since 2011.

Lin Feng is on the board of Ever Sunshine Lifestyle Services Group Ltd., is a Council Member at All-China Youth Federation, Chairman-Executive Council at China Urban Realty Association, Council Member at Shanghai Youth Federation and Council Member at Shanghai Federation Of Industry & Commerce.

Shareholders of CIFI

As of July 2021, The Lin Family owns 4,511,682,342 shares, representing approximately 54.58% of the total issued share capital of CIFI (Fig 5).

The Lin family owns CIFI through multiple entities. The following are major shareholders of CIFI, of which the Lin family are directors: Rosy Fortune Investments Ltd. (28.5%), Ding Chang Ltd. (14.2%), Rain Mountain Ltd. (2.5%).

In addition, each of the Lin brothers owns a significant portion of the company: Lin Wei (5.2%), Lin Feng (0.2%), Lin Feng Family (2.5%), Lin Zhong (0.1%)

Industry Outlook (Residential property)

As CIFI is primarily focused on residential property sales, we will focus on the residential property industry for our research.

Industry Overview

Housing sales value in China is RMB18t in 2021, comprising one-sixth of the country's GDP. Since 2016, newly built Chinese house prices have seen high growth, peaking at 12.6% YoY growth in Dec 2016 and 10.7% YoY growth in Jun 2019 (Fig 6).

Demand drivers

This demand for housing is attributed to a cultural element whereby housing is seen as a source of financial security. Moreover, with the strong industrial development that China experienced, migration to first and second-tier cities has driven demand for housing in those regions. Additionally, high savings rates, parental support, and readily available credit boosted purchasing power and demand.

Figure 7: CIFI's Close Competitors

Top Competitors of CIFI Holdings
Greenland Holdings Corporation Limited
China Vanke Company Limited
Country Garden Holdings Company Limited
China Evergrande Group
Sunac China Holdings Limited
China Resources Land Limited
China Merchants Shekou Industrial Zone Holdings
Guangzhou R&F Properties Co. Ltd.
Agile Group Holdings Limited
Logan Group Company Limited

Source: Capital IQ 2021

Figure 8: CIFI's Prominent Managers & Shareholders

Prominent Managers & Shareholders of CIFI	
Exec. Director & Chairman	Zhong, Lin
Exec. Director & Vice-Chairman	Wei, Lin
Exec. Director & Chief Executive Officer	Feng, Lin
Exec. Director & Exec. Group President	Dongbiao, Chen
Exec. Director & Chief Financial Officer	Xin, Yang
Non-exec. Director	Daqiang, Jiang
Independent Non-exec. Director	Yongyue, Zhang
Independent Non-exec. Director	Wee Seng, Tan
Independent Non-exec. Director	Caiyi, Lin
Vice Group President, Chief Product Officer	Yiting, Fan

Source: CIFI's Annual Report

Figure 9: CIFI's Main Shareholders Breakdown

Main Shareholders of Vanke Breakdown	
% of shares held by all insiders	51.2%
% of shares held by institutions	17.2%
% of float held by institutions	35.3%
Number of institutions holding shares	197

Source: Yahoo Finance

However, on a macroeconomic level, the increase in interest rates caused reluctance amongst buyers to borrow and purchase properties.

Strict covid policies and slowing economic growth have led to a slowdown of urbanisation. Additionally, urbanisation in China has peaked at 64.7% in 2021 which may be a saturation point should economic growth continue to slow. Moreover, population growth has slowed which is another headwind for the property industry.

Supply drivers

The land auction system, borrowed from Hong Kong, has also limited supply, and contributed to rising prices. While many property developers exist in the market to meet the demand, high costs of land inadvertently are transferred to buyers.

However, the financial collapse of the China Evergrande Group in Jul 2022 has catalysed a property market downturn lasting till today. An initial mortgage boycott triggered by Evergrande has led to a series of bond defaults, including CIFI, and lasting impairments to sales levels. This has led to the following trends in the industry.

Trend 1: Debt crisis among property developers

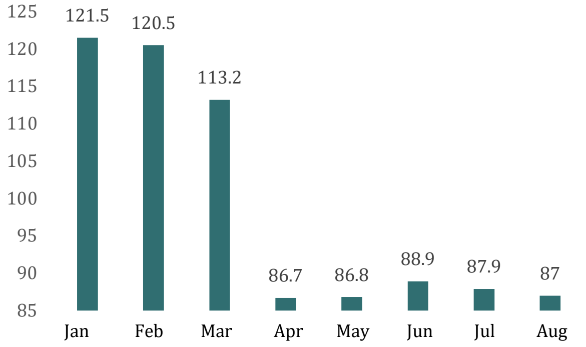
As of November 2021, China's property sector has at least RMB2.0t in onshore and offshore borrowings due through the end of 2023. There are RMB373.3b still due for 2022, and RMB502.6b due in 2023Q1. However, this debt is highly distressed for the following reasons.

An initial mortgage boycott…: From the Evergrande collapse, Chinese homebuyers became pessimistic about the funding capabilities of property developers to complete their projects. Developers had been facing difficulties in completing projects due to strict covid regulations and tight funding. This highlighted other concerns such as poor construction, noise pollution, and a lack of amenities nearby to developments. This triggered a boycott whereby homebuyers stopped paying their mortgages in protest of the stalled projects. A list called "We Need Home" on GitHub showed 342 projects being boycotted in September 2022. The total amount of mortgages is estimated at 2% of outstanding mortgages, exacerbating a funding gap for residential property developers.

To bridge their funding during covid and sustain growth, many developers took on additional debt to fund their projects. However, with poor sales levels, this has hindered liquidity to service their debts, and has amounted to a series of bond defaults among major property developers. In 2022, bond defaults totaled RMB139.1b, more than double last year's levels of RMB62.6 b. Notable names include Shimao Group Holdings Ltd., CIFI Holdings (Group) Co Ltd., Sunac China Holdings Ltd., among many. Cifi Holdings defaults convertible bonds worth US$318 million that are due 2025, blaming the National Day holiday for the delayed payment. These defaults have further fueled consumer pessimism for non-completion of projects.

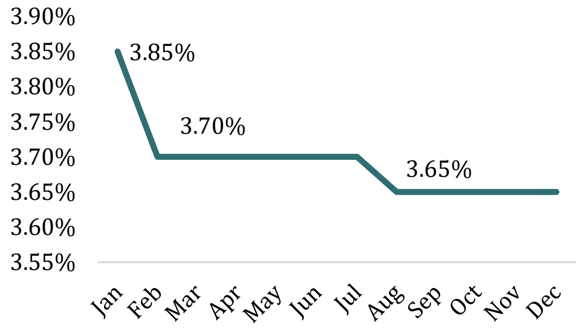
…catalysed falling home sales in China: The 100 biggest real estate developers saw new-home sales levels at RMB556.1 b, a YoY drop of 28.4%. This has been followed by developers with a 12.1% YoY decrease in real estate investment to RMB1.1t and a 45.4% decrease in construction starts in terms of floor area to 96.44m sq. m. as property developers cut back. Home prices in second- and third- tier cities fell 0.3% faster at 2.5% YoY and 0.4% faster at 3.2% YoY, which is significant as CIFI is highly exposed to these regions. Though home prices grew at 3.1% for first-tier cities, it is a decline from the 3.3% in June 2022. Consumer confidence is at an all-time low, with central bank survey showing 73% of households

Figure 10: China's Consumer Confidence Index, 2022



Source: Bloomberg

Figure 11: China's Loan Prime Rate, 2022



Source: YCharts

expecting property prices to stay unchanged or decline in the near term

Trend 2: Measures to restore confidence in property market
In response to the slumping property industry, the government has introduced several measures to stimulate demand and ease pressure on developers.

China's latest support measures aimed at stabilising the property sector and restoring homebuyers' confidence are likely to be insufficient to boost housing demand. The easing housing policies collectively have contributed to modest improvements in some higher-tier cities and at state-owned homebuilders, but national new home sales will most likely remain lacklustre so long as the dampened homebuyer sentiment drags on.

The policies include lowering mortgage rates for first-home purchases and tax exemptions under specific conditions to incentivise homeownership.

However, the uncertainty around whether developers can deliver good quality homes on schedule remains the primary concern that dissuades homebuyers from purchasing pre-sold units. The potential savings on mortgage interest costs and tax expenses are also immaterial relative to housing prices and are likely to have only marginal impact on new home sales.

For homebuyers: New policies allow homebuyers to defer loan payments while protecting the borrower's credit. The minimum down-payment ratio has been cut from 30% to 20% for buyers with no mortgage history, while buyers with one home has been lowered to 25%. In May, the central bank lowered the floor of mortgage rates for first-time home buyers to 20 basis points below the loan prime rate (LPR) with similar maturity. The five-year LPR, the benchmark reference rate for mortgages, stands at 4.30%, a 13-year low.

For developers: In November 2022, China's real estate enterprises were allowed to resume refinancing and mergers and acquisitions. Notably, China's securities regulator CSRC said that it will allow property developers to sell shares to raise funds. Special loans have also been extended through policy banks to ensure completion of property projects. Moreover, banks have also been encouraged to view property developers equally as state-owned enterprises to provide credit to property developers. Banks have also been incentivised by being allowed to lend above their property lending caps. Lenders now have an unspecified amount of time to cap the ratio of their outstanding property loans to total loans at big banks at 40 per cent, and their outstanding mortgages as of total loans at 32.5 per cent. Developers can now also access pre-sale funds by a letter of guarantee from commercial banks. Previously, these funds were held in escrow. Developers' outstanding bank loans and trust borrowings due within the next six months can also be extended for a year, while repayment on their bonds can also be extended or swapped through negotiations.

However, we expect near-term property sales to remain dampened as buyer sentiment remains weak. Economic indicators such as employment continues a downward trend at 64.78% in 2021, a lack of runway for property developers to prove they can deliver quality homes also fuel uncertainty and suppress pre-sales, and strict covid policies continue to impede economic activity and urbanisation.

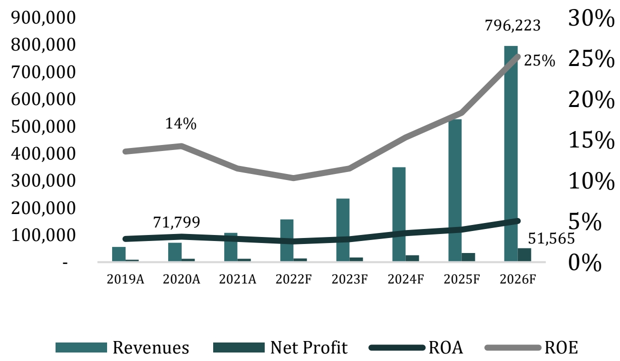
Trend 3: Potential greens in China's commercial property
Property like offices, warehouses and business parks are continuing to turn over steady rental revenue. Hong Kong-listed property group KWG Group Holdings reported a 6% rise in earnings from

Figure 12: CIFI Table of Financial Ratios

	FY2019	FY2020	FY2021
Profitability Ratio			
Gross Profit Margin	25.1%	21.7%	19.3%
Net Profit Margin	12.2%	11.5%	7.2%
ROA	2.1%	2.2%	1.8%
ROE	19.5%	20.8%	17.6%
Liquidity Ratio			
Quick Ratio	0.9	0.8	0.7
Current Ratio	1.7	1.5	1.6
OCF Ratio	(7.1%)	8.3%	2.0%
Solvency Ratio			
Debt / Assets	79%	78%	75%
Debt / Equity	380%	353%	303%
Long-term Debt / Equity	128%	106%	95%
Debt Service Coverage	0.5	0.5	0.3

Source: CIFI's Financial Statements, Zheshang

Figure 13: CIFI's Revenue and Profitability Ratios (RMB Million, %)



Source: CIFI's Annual Report

rents from offices and other commercial property. CIFI Holdings also reported a 69.5% lift in its property investment revenue. These can be attributed to the rise in occupancy levels of office towers due to reduced taxes and subsidies for landlords, and the reopening of businesses. Chinese commercial property investors do not face the same pressures as their residential counterparts who are struggling against slower sales as well as recessionary and debt pressures. Unlike housing, the commercial sector is rebounding, particularly after lockdowns ended and government incentives kicked in. Moreover, a shift in investments towards infrastructure and the new economy primarily benefits the industrial and logistics property sector which in turn creates demand for commercial property.

Financial Analysis

Overview:

The table on the left (Fig 12) shows CIFI's 3-year historical financial performance including key ratios which indicate their profitability, liquidity and solvency. In the last 3 years, revenues and EBIT grew at an average rate of 36.9% and 17.3% respectively. However, it is worth noting that COVID-19 had a considerable impact on the company, with EBIT growth slowing down by from 22.2% to 11.7%.

According to our projections, CIFI's revenue is estimated to continue to increase from RMB107.8b in 2021 to RMB234.1b in 2023. However, while various vaccines have been rolled out in 2021, the pandemic remains unpredictable with the development of new variants especially with China's sudden reopening in December, it is thus highly likely revenues and EBIT will be volatile with high uncertainty.

Unstable Profitability Metrics

CIFI's 3-year historical gross profit margins have been relatively unstable, with gross margins at 22% over the past 3 years. ROE have also been relatively unstable while ROA remained more stable. ROE averaged at 13.0% and ROA averaged at 2.9%. In the next five years both margins are projected to increase. Despite the 50.2% YoY increase in revenues in 2021, net profits merely increase by 3.6% YoY, mainly because of the rising operating expenses such as the increasing raw material costs, given the global supply chain international trade disruptions. Land acquisition costs also became higher due to relevant taxes and increasingly scarce land resources suitable for mid-premium property constructions. Going forward, we expect profitability metrics to remain volatile despite their projected increase. Most importantly, as shown in Figure 13, net profit may not experience same growth as total revenue if CIFI is unable to reduce its expenses in the uncertain real-estate market.

Gross margin continues to decline

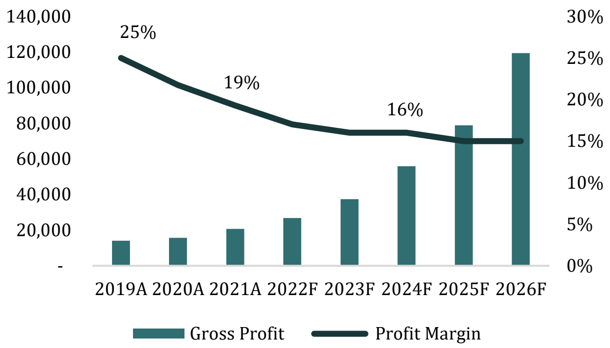
CIFI's depressed gross margin in FY22 may continue to weigh on profit. It is worth noting that the decline in its profitability is less drastic than its main competitors. For C&D, BJ, Jinmao & Greenland, they had an average of GPM decreased from 30.0% to 17.3%. In the short run, CIFI's profitability is still likely to be decreasing with volatility, given the ever-evolving pandemic and development of new variants disrupting businesses and the economy.

Worsening Liquidity Ratios

CIFI has a current and quick ratio of 1.66 and 0.30, which is on an average level compared to its industry peers. As seen in Figure 15, although current ratio remains relatively stable, quick ratio and cash ratio have been decreasing over time from 0.49 to 0.36 and 0.34 to 0.21 respectively. We expect to see this trend continue in the next few years.

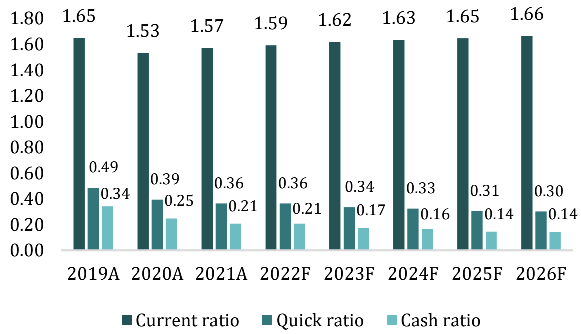
Although the deterioration may be offset by CIFI's effort to improve

Figure 14: CIFI's Gross Profit and Profit Margin (RMB Million, %)



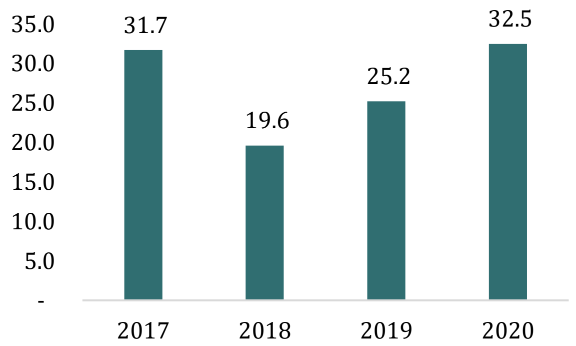
Source: CIFI's Annual Report

Figure 15: CIFI's Liquidity Ratios



Source: CIFI's Annual Report

Figure 16: CIFI's Interest Coverage Ratio



Source: CIFI's Annual Report

Figure 17: CIFI's AR Ageing Table Analysis

	31 Dec 2021	31 Dec 2020
	RMB'000	RMB'000
Within 60 days	2,892,066	1,615,155
61-180 days	628,778	367,397
181-365 days	1,506,028	990,132
Over 1 year	260,683	485,598

Source: CIFI's Annual Report

liquidity as announced in its March press conference about reducing debt, slowing down expansion and reducing land acquisition, it may be more difficult for real-estate developers as they usually rely heavily on large amount of debt to finance its operations and build-up for new projects.

Increasing Interest Coverage Ratios

EBIT to interest expense has generally increased overtime in the last 4 years, despite a drastic decrease from 2017 to 2018, as shown in Figure 16. This was due to the increasing EBIT low interest expense growth. It is worth noting that in 2020, despite an increase of EBIT from RMB16.8b to RMB18.8b, interest expense decreased from RMB0.67b to RMB0.58b, resulting in a further improvement in interest coverage. This was mainly due to a cut in financing cost on senior notes and corporate bonds.

Healthy Accounts Receivables Figure

Accounts receivable is 32.3% of CIFI's revenue as of FY 2021. This is a relatively low number and is a smaller percentage as compared to 42.3% as of FY 2020. There was only a 14.6% increase in total accounts receivable in FY 2021 despite a 50.2% increase in revenue. This indicates CIFI's effort in improving this figure and reducing credit risk especially when customer's financial health is more likely to worsen due to the pandemic situation. This means there is less pressure for CIFI to handle its recent defaults and lower credit risk.

Exposure to FX risks

CIFI's already deteriorating profitability is vulnerable to changes in exchange rates, given that almost all of its property related revenue came from China in FY2021. Although RMB has depreciated significantly since April 2022, it is showing signs of appreciation since November 2022 and is expected to continue appreciating given China's recovering economy with the nation-wide reopening in December which could benefit CIFI in the short term. In terms of long-term borrowings, however, only 24% of borrowings are denominated in RMB, such that volatile exchange rates are less likely to be significant for the company.

Recent developments

CIFI suffered defaults on offshore bond

CIFI had a default on Oct 8 on an offshore Hong Kong dollar convertible bond on time due to delays in interest and amortization payment. Cifi's bond default comes after it missed payment of non-standard debt at a joint venture property project in Tianjin. CIFI said it "experienced delay in remittance of cash offshore from mainland China to meet certain scheduled interest and amortisation payments" due to an extended holiday in mainland China. As a result of this default, CIFI's share price fell by more than 10%. At the time, CIFI was viewed as financially stronger than its peers, and this default further decreased consumer confidence. In response to the default, CIFI said that "the group has been proactively engaging with relevant creditor groups to address these delays with a view to reaching consensual solutions", and "as at the date of this announcement, the commercial operations of the group remain normal".

From the default of the offshore bond, we expect CIFI to have trouble raising overseas financing. This will lead to a likely impairment to CIFI's growth, as debt is key to the property developer model to bridge the financing until the developer can access sales funds from their escrow account. With lower growth potential, sales may continue to be sluggish.

This will lead to CIFI having to look domestically to raise funds. Though CIFI is not technically state-backed, CIFI may see success

Figure 18: 1H2022 CIFI contracted sales

	Contracted sales (RMB b)	% Total contracted sales	Contracted GFA (sq.m)
First-tier cities	8,017	12.7%	254,708
Second-tier cities	46,558	73.7%	3,043,793
Third-tier cities	8,565	13.6%	846,073
Total	**63,140**	**100.0%**	**4,144,574**

Source: CIFI Annual Report

Figure 19: 1H2022 CIFI coporate bond maturity

Maturity (Years)							
1	3,258	10,619	24,172	28,690	14,802	3,970	1,047
2	7,361	16,811	11,879	2,923	1,047	-	-
3	16,811	11,879	2,923	1,047	-	-	-
4	11,879	2,923	1,047	-	-	-	-
5	2,923	1,047	-	-	-	-	-
Over 5 years	1,047	-	-	-	-	-	-
Total Notes	**43,279**	**43,279**	**40,021**	**32,660**	**15,849**	**3,970**	**1,047**

Source: CIFI Annual Report

raising funds domestically due to the significance of the property industry in China which drives assurance, and the access to onshore yuan which funnels demand.

CIFI's bond default is notable as it is one of the few companies that state-backed credit guarantees was made available, among Longfor Properties, Midea Real Estate Holding, Seazen Holdings and Country Garden. CIFI's is among many defaults by Chinese property developers, as the falling property market's effects spread wide. Investor sentiment was already weak with prior defaults by other developers, but this adds another pressure point.

CIFI halts foreign debt payments

Following its offshore bond default, CIFI announced on 1 November that it has suspended payments on all its offshore debt after it failed to reach an agreement with creditors to which it owes RMB2.8b in total. CIFI has engaged Haitong International Securities Company Limited as financial advisor and Linklaters as legal adviser to restructure its RMB47.6b offshore debt. CIFI had been suspended from trading since the previous Thursday, and when it resumed trading on Tuesday following the news, its shares fell by 25%. CIFI said the failure to meet its offshore debt obligations was because of a further deterioration in sales and credit available to the industry in China since September and heightened payment pressure triggered by a ratings downgrade. CIFI also said its offshore debt issues do not materially affect its onshore financing, and its commercial operations remain normal. CIFI has approached some creditors with a request that they form a coordination committee and an ad hoc group of bondholders, at the firm's expense for their legal advice, to facilitate the restructuring talks.

In the short term, we expect a slowdown of CIFI's projects to tide over the poor market conditions. In the medium term, we expect deterioration of CIFI's credit and large-scale reorganisation of books to meet liquidity requirements. In the long term we expect that CIFI's access to overseas capital will be severely affected and see greater reliance on onshore financing. If the residential property sector persists in its poor condition, we may also see a refocus of CIFI's revenue strategy.

Following their bond defaults, S&P Ratings withdrew their ratings in October 2022 due to "insufficient information". Fitch downgraded CIFI from BB- to CC on 11th Oct and withdraw their ratings on 12th Oct. Moody's downgraded CIFI from Ba3 to Ca with a negative outlook on 17th Oct. These credit downgrades will lead to higher borrowing costs and trigger debt covenant on other bonds, accelerating repayments. Moreover, it may impede CIFI's access to credit in the long term which is significant to its core business which heavily relies on debt for operations and growth.

Other notables

China has ordered its top four state-owned banks to issue offshore loans to help developers repay overseas debt. CIFI qualifies for these loans.

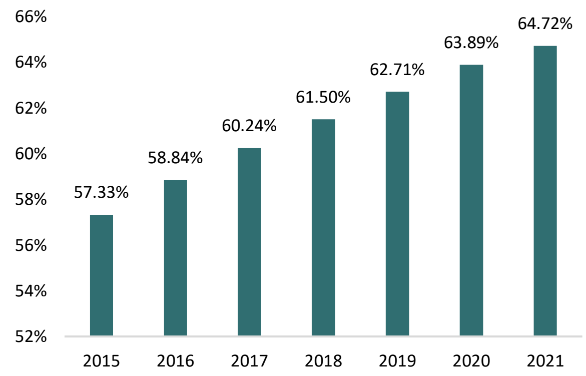
Issuer Credit Analysis

Positives

1. Exposure to commercial property sector poses profit opportunity

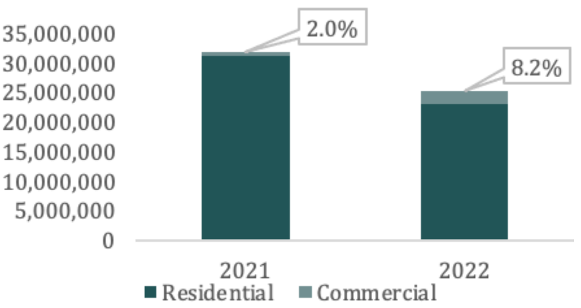
Chinese commercial property investors and tenants face lesser pressure than their residential counterparts who are struggling against slower sales as well as recessionary and debt pressures. This can be attributed to the commercial sector generally having more supportive government and fiscal policies. For instance, China's self-sufficiency drive which has driven domestic investment in the new economy has driven growth in industrial and logistic

Figure 20: China's Urbanisation Rate and Population Growth Statistics



Source: CIFI Annual Report

Figure 21: Cifi's Revenue from Sale of Property Types



Source: CIFI Annual Report

companies, who are key customers of commercial property. This is reflected in CIFI's revenue from commercial property which has increased by 218% from 2021 to 2022. In 2021, CIFI had 5.1% of its property sales revenue attributable to commercial property which we expect to increase, following this trend.

2. Large land bank offers room for recovery and growth

CIFI has benefitted from the loosening of local land supply thresholds and policy improvement. Tier 1 & 2 cities witnessed improvement in premium and unsold auction indicators in first half of 2022 compared with those in the second half of 2021. This has allowed CIFI to amass a land bank of 26.3m sq. m. as of June 2022. Crucially, this land bank is high quality with 85% of it in first- and second-tier cities. Quality land bank is critical for a Chinese property developer. For instance, Moody's reaffirmed its Baa1/Baa2 rating for China Resources Land Limited in Feb 2022 and highlighted its high-quality land bank being able to sustain growth and sales. This will sustain CIFI's development and sales for the next two to three years.

3. Diversified exposure to 1st, 2nd, and 3rd tier cities

CIFI mainly focuses on developing high-quality properties in Tier 1 & 2 and strong Tier 3 cities. The group's exposure to upper-tier cities like Beijing, Shanghai and Guangzhou could make it less prone to the industry's slowdown risk. The higher the tier of the city, the more desirable it is seen for development by businesses looking to expand.

Negatives

1. Slowing demand drivers for residential properties

Urbanisation and population growth are key drivers of residential property in China. However, the long-term trend indicates slowing of these indicators, even preceding covid.

Urbanisation in China was rapid till 2010, with an average growth of 5.1% YoY. However, it has showed gradual growth since then, at a 1.3% YoY growth and peaking at 64.7% in 2021. With the Chinese economy showing weak growth recently, we may see urbanisation slow as job prospects in the city decrease. Notably, the services sector, which is a key employer, has shown poor performance. With fewer job opportunities, this puts migration in China on hold. Moreover, zero covid policies have also hindered the movement of people.

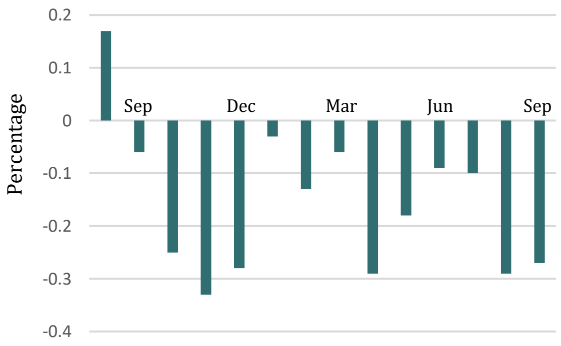
Population growth in China has also slowed, with the fertility rate falling to 1.15 in 2021, the World Economic Forum predicts China's population to half by 2100. As China experiences greater affluence from its high growth in the past, it currently has a GDP per capita of RMB87,555 in 2021 which puts it in the likes of developed countries such as the United States. Symptomatic of developed countries, we expect population growth to slow due to the changing cultural beliefs and lifestyle choices.

With long-term economic drivers of residential property of urbanisation and population growth, we expect CIFI's poor performance to persist.

2. CIFI is overweight in the sharply declining property market

Chinese homebuyer pessimism has reached an all-time high, catalysed by the mid-July mortgage boycotts. This has materialised into a property crisis, where newly built house prices have seen continued year-on-year decreases, from 3.4% in Oct 2021 to -1.5% in Sep 2022. As of 2021, 86.51% of CIFI's revenue was derived from sales of residential properties. With such a high concentration of its revenue in the residential property market, CIFI has been heavily

Figure 22: China's Home Prices M/M Change



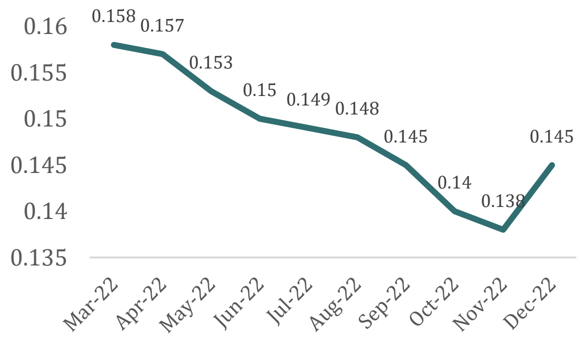
Source: Trading Economics

Figure 23: Examples of Local Government Measures to Restore Confidence

Regions	Measure
Suzhou	Canceled a requirement for first-time homebuyers without a local residential permit to pay social insurance
Liuyang	Announced home-purchase subsidies and more credit support
Langfang	Cancelled a ban that restricted non-locals from buying property

**Examples are taken from regions where CIFI has major presence*
Source: Chinese Government Websites

Figure 24: Chinese Yuan to United States Dollar



Source: Google Finance

affected by the short-term effects of the poor residential property market conditions. This has near term impacts on CIFI's cash flows and credit rating, and further pessimism on CIFI's debt obligations. Another problem CIFI faces is that its large land bank is purposed for residential property by law, which locks CIFI in the currently declining residential property market. Furthermore, CIFI has not laid plans to diversify their revenue streams, exacerbating the consequences of their exposure. With non-performing assets and weakening revenue stream, compounded with a bulk of debt maturing in 2023, we are bearish on CIFI's credit.

3. Government intervention insufficient to boost demand

A number of policies have been introduced by the government to aid property developers and recover the property market. The policies address the short-term cash-flow of developers and ensure projects are completed.

- In November 2022, China's real estate enterprises were allowed to resume refinancing and mergers and acquisitions.
- Special loans through banks have also been encouraged to view property developers equally as state-owned enterprises.
- Banks have also been incentivised by being allowed to lend above their property lending caps.
- Developers access pre-sale funds. Previously, these funds were held in escrow.
- Developers' outstanding debt due within the next six months can also be extended.

However, the introduced policies emphasise only the recovery of developers while having insufficient emphasis on demand drivers. They are targeted to ensure near-term continuation and to prop up the property industry. However, there are inadequate policies to maintain key demand drivers. In the near term, China's strict covid policies are restrictive to migration which impairs demand for housing. In the long term, falling birth rates will lead to a fall in demand for housing. Overall, we expect that even if property developers recover, supply will far exceed demand and cause home prices and sales to remain low.

Furthermore, weak investor sentiment will further weaken CIFI's ability for financing. This is significant as financing is crucial for CIFI to bridge the cash flow between financing projects and receiving sales revenues from completed projects. With this financing capability hindered, we may see a decline in CIFI's growth as well.

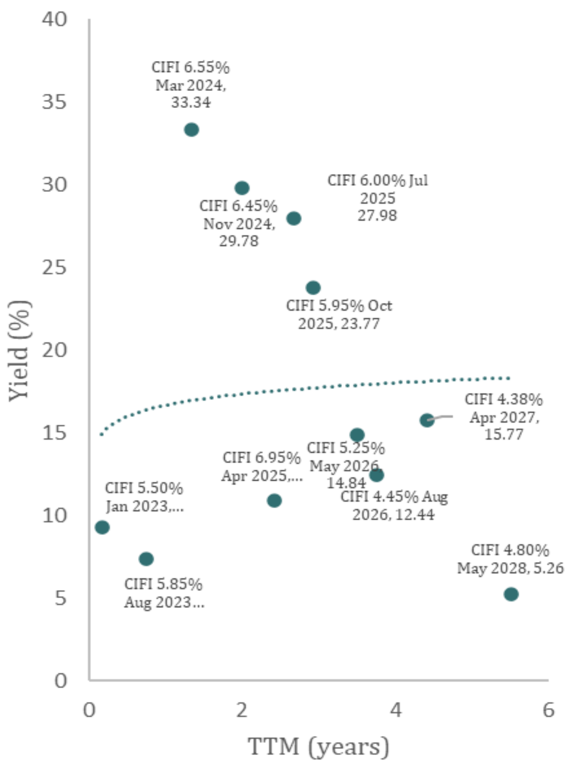
4. Weakening Yuan threatening to squeeze CIFI's indebtedness

On the back of unprecedented US rate hikes in 2022, the onshore yuan has hit records lows since the global financial crisis, finishing at 7.2458 per dollar in September. With a hawkish Fed and weak Chinese GDP outlook due to strict zero covid policies, this depreciation is likely to persist. This is material for CIFI, whose functional currency is RMB, and has RMB46.15b (40.0%) of its debt denominated in foreign currencies. We expect CIFI to have liquidity issues to repay its foreign debt due to higher foreign exchange costs which further squeezes its credit.

Figure 25: CIFI Bond Issuance

Bond	Currency of issue	Amt Out. (RMB mn)	Coupon	Issue Date	Maturity Date
CIFIG 5.500 23-Jan-2023 '22	USD	2,058.3	5.500%	23/1/18	23/1/23
CIFIG 5.850 19-Aug-2023 '22	RMB	1,200.0	5.850%	19/8/20	19/8/23
CIFIG 6.550 28-Mar-2024 '22	USD	3,872.4	6.550%	28/3/19	28/3/24
CIFIG 6.450 07-Nov-2024 '23 DFTd	USD	3,488.7	6.450%	7/11/19	7/11/24
CIFIG 6.950 08-Apr-2025 CVT DFTd	HKD	1,723.6	6.950%	8/4/22	8/4/25
CIFIG 18-Apr-2025	USD	697.7	0.000%	30/9/22	18/4/25
CIFIGQ / CIFIG 4.500 29-May-2025	RMB	1,000.0	4.500%	28/5/20	29/5/25
CIFIGQ / CIFIG 3.800 29-May-2025 PUT	RMB	2,120.0	3.800%	28/5/20	29/5/25
CIFIG 6.000 16-Jul-2025 '23	USD	3,956.1	6.000%	16/1/20	16/7/25
CIFIGQ / CIFIG 3.900 14-Sep-2025 PUT	RMB	1,875.0	3.900%	13/9/21	14/9/25
CIFIGQ / CIFIG 3.220 22-Sep-2025 MTN	RMB	1,200.0	3.220%	21/9/22	22/9/25
CIFIG 5.950 20-Oct-2025 '23 DFTd	USD	3,488.7	5.950%	20/7/20	20/10/25
CIFIGQ / CIFIG 4.230 26-Oct-2025 PUT	RMB	750.0	4.230%	23/10/20	26/10/25
CIFIGQ / CIFIG 4.400 12-Mar-2026 PUT	RMB	1,448.0	4.400%	11/3/21	12/3/26
CIFIGQ / CIFIG 4.750 14-Mar-2026 MTN PUT	RMB	1,000.0	4.750%	11/3/22	14/3/26
CIFIG 5.250 13-May-2026 '23	USD	2,442.1	5.250%	13/11/20	13/5/26
CIFIGQ / CIFIG 5.500 27-Jun-2026 PUT	RMB	500.0	5.500%	27/6/22	27/6/26
CIFIGQ / CIFIG 4.200 22-Jul-2026 PUT	RMB	3,000.0	4.200%	21/7/21	22/7/26
CIFIG 4.450 17-Aug-2026 '24	USD	3,488.7	4.450%	17/5/21	17/8/26
CIFIG 4.375 12-Apr-2027 '25 DFTd	USD	2,923.5	4.375%	12/1/21	12/4/27
CIFIG 4.800 17-May-2028 '25	USD	1,046.6	4.800%	17/5/21	17/5/28
CIFIG 31-Dec-2200 FRN	USD	0.0	0.000%	29/6/18	31/12/00
CIFIG 11.581 Perp '22 FRN	USD	2,093.2	11.581%	24/8/17	Perpetual

Figure 26: Yield curve of CIFI



Source: FactSet

Issuance Analysis

Plotting CIFI's existing debt issuances, we derive a yield curve that is flattening from ~15% YTM in the short term (1 year to maturity) to ~18% YTM in the longer term (5 years to maturity).

As bond prices are inversely related to yield, from the flattening yield curve we derived the following understanding:

- Investors are reacting poorly to CIFI's short-term performance. With the news of CIFI halting offshore payments and CIFI's poor financial performance, there is downward pressure on short-term bond prices as investors have lost confidence and are now divesting. This drives up yield higher than normal levels.
- Investors are uncertain of CIFI in the medium term. Yield in the medium term was relatively unchanged. This may be attributed to investors who believe CIFI may sustain through the short-term headwinds. Moreover, as CIFI has received state support, investors believe this may indicate credibility of CIFI.
- Investors are bearish of CIFI's long-term prospects. Ideally, long-term yields are higher than medium term yields to reflect the additional risk that long-term investors face in the longer time horizon. As the long-term yields have fallen, this implies that investors are bearish about CIFI's long-term prospects, and this are adjusting their yield expectations.

We make the following recommendations:

Underweight <u>CIFI 5.50% Jan 2023</u> and <u>CIFI 5.85% Aug 2023</u>
Short term bonds have bleak prospects:
With the recent news of CIFI's default on an offshore bond and decision to halt payments on foreign bonds, compounded with a severe drop in revenues in 2Q22, we expect a high possibility of default on these bonds. With the news of CIFI's decision to halt payments on foreign bonds alongside China's self-sufficiency drive, this may be an advent of stoppage of reliance on foreign financing. With the government support introduced for developers, CIFI is more likely to prioritise the completion of their projects and repaying their domestic term loans.

Overweight <u>CIFI 6.95% Apr 2025</u>
Medium term bonds facing downward pressure:
Strong macroeconomic headwinds attributing from weakening Chinese economy and poor property market reflect investor pessimism in the medium term. We are underweight on CIFI 6.95% Apr 2025 as it is a Senior Convertible Note, thereby investors have an alternative to convert their debt into equity as an insurance measure. Moreover, the issue currency is in HKD, giving access to Bond Connect that drives demand from onshore yuan. This is the only bond in the 2–5-year maturity period with these characteristics, others being Senior Unsecured and denominated in USD.

Underweight <u>CIFI 4.38% Apr 2027</u>
Long term bonds facing upward pressure
Weakening macroeconomic demand drivers along with poor company fundamentals of lowering profitability and higher debt ratios question the longer-term prospects of CIFI. We recommend divesting from CIFI's long-term prospects while the CIFI 4.38% Apr 2027 bond trades close to the yield curve.

Disclaimer

Appendix:

Income Statement

Financial Statements (RMB million, Financial Year End Dec. 31)	2019A	2020A	2021A	2022F	2023F	2024F	2025F	2026F
Income Statement								
Revenues	56,451	71,799	107,835	157,697	234,144	349,690	525,960	796,223
Cost of sales	(42,335)	(56,190)	(87,037)	(130,889)	(196,681)	(293,739)	(447,066)	(676,789)
Gross profit	**14,116**	**15,609**	**20,797**	**26,809**	**37,463**	**55,950**	**78,894**	**119,433**
Other income, gain and losses	1,470	3,173	2,076	844	344	140	57	23
Change in fair value of investment properties	201	941	1,308	1,913	2,840	4,242	6,380	9,659
Selling and marketing expenses	(1,580)	(2,067)	(2,367)	(4,139)	(6,009)	(8,609)	(13,416)	(20,115)
Administrative expenses	(3,148)	(2,946)	(3,767)	(6,925)	(10,282)	(15,356)	(23,097)	(34,965)
Operating profit	**11,058**	**14,709**	**18,048**	**18,502**	**24,356**	**36,367**	**48,818**	**74,035**
Financing costs	(729)	(667)	(579)	(516)	(453)	(401)	(354)	(313)
Share of results of joint ventures	1,985	969	252	252	252	252	252	252
Share of results of associates	1,523	1,160	507	304	182	109	65	39
Profit before tax	**13,837**	**16,170**	**18,228**	**18,542**	**24,336**	**36,326**	**48,781**	**74,013**
Income tax expense	(4,595)	(4,274)	(5,900)	(5,452)	(7,517)	(10,950)	(14,886)	(22,448)
Profit for the year	**9,242**	**11,896**	**12,327**	**13,090**	**16,820**	**25,376**	**33,895**	**51,565**

Balance Sheet

Balance Sheet								
Assets								
Non-current assets								
Investment properties	17,686	22,699	40,433	46,397	52,975	60,147	68,124	76,955
Property, plant, and equipment	173	235	525	897	1,381	2,019	2,863	3,987
Right-of-use assets	142	117	213	250	317	368	427	483
Intangible assets	101	91	328	328	328	328	328	328
Goodwill	431	471	1,344	1,344	1,344	1,344	1,344	1,344
Interest in associates	8,020	16,862	18,448	20,182	22,080	24,156	26,428	28,913
Interest in joint ventures	12,872	17,826	15,966	18,206	20,759	23,671	26,991	30,776
Investment in property projects	418	287	322	322	322	322	322	322
Financial assets at fair value through profit or loss ("FVTPL")	527	905	1,222	1,875	2,703	4,023	5,894	8,703
Equity instruments at FVTOCI	882	740	207	116	49	24	11	5
Deferred taxation assets	1,758	2,196	2,202	2,479	2,638	2,889	3,119	3,391
Prepayment for property, plant and equipment	13	12	0	0	0	0	0	0
Deferred contract costs	-	-	13	-	-	-	-	-
Total non-current assets	**43,022**	**62,441**	**81,223**	**92,396**	**104,896**	**119,291**	**135,850**	**155,208**
Current assets								
Properties held for sale	15,553	12,904	20,690	25,170	30,620	37,251	45,316	55,129
Properties under development for sale	115,203	129,018	167,611	202,730	245,208	296,585	358,728	433,891
Accounts and other receivables, deposits and prepayments	24,597	30,384	34,817	41,452	49,353	58,758	69,957	83,290
Amounts due from non-controlling interests	18,767	26,360	32,911	43,658	57,915	76,827	101,916	135,197
Amounts due from joint ventures and associates	36,570	57,515	36,381	40,116	44,234	48,774	53,781	59,302
Deposits for land use rights for properties held for sale	8,713	5,705	7,154	6,828	6,517	6,220	5,937	5,666
Taxation recoverable	2,877	3,443	4,817	6,252	8,115	10,532	13,669	17,740
Financial assets at FVTPL	574	374	431	389	351	316	285	257
Derivative financial instruments	12	-	-	-	-	-	-	-
Restricted bank deposits	432	102	247	329	438	583	776	1,033
Bank balances and cash	58,537	51,053	46,463	55,138	53,394	59,952	62,704	74,371
Deferred contract costs	-	-	5	-	-	-	-	-
Total current assets	**281,833**	**316,859**	**351,527**	**422,063**	**496,144**	**595,800**	**713,069**	**865,876**
Total assets	**324,855**	**379,300**	**432,750**	**514,459**	**601,040**	**715,091**	**848,919**	**1,021,084**
Liabilities								
Non-current liabilities								
Lease liabilities	72	57	155	155	155	155	155	155
Bank and other borrowings	51,141	54,260	60,958	66,579	72,718	79,424	86,748	94,747
Senior notes	23,674	26,980	25,051	25,904	26,787	27,700	28,643	29,619
Corporate bonds	7,745	4,776	10,368	14,452	20,143	28,077	39,134	54,547
Deferred taxation liabilities	3,157	2,650	5,043	6,915	9,481	13,000	17,825	24,442
Derivative financial instruments	-	57	15	-	-	-	-	-
Other payables	1	7	21	-	-	-	-	-
Total non-current liabilities	**85,791**	**88,786**	**101,610**	**114,004**	**129,285**	**148,355**	**172,505**	**203,509**
Current liabilities								
Accounts and other payables and accrued charges	39,847	58,332	68,299	89,976	111,941	143,369	180,995	230,152
Contract liabilities	54,465	74,627	77,822	93,892	105,596	123,081	140,942	162,837
Amounts due to non-controlling interests	16,448	12,207	9,282	6,973	5,270	3,971	2,997	2,260
Amounts due to joint ventures and associates	29,172	32,425	40,823	48,386	59,134	71,180	86,335	104,319
Taxation payable	9,713	10,248	9,709	9,721	9,471	9,356	9,179	9,036
Short-term borrowings and other interest-bearing liabilities	21,223	19,032	17,805	16,312	15,102	13,909	12,844	11,845
Total current liabilities	**170,867**	**206,871**	**223,740**	**265,260**	**306,516**	**364,866**	**433,291**	**520,448**
Total liabilities	**256,658**	**295,657**	**325,350**	**379,265**	**435,800**	**513,221**	**605,796**	**723,957**
Shareholders' equity								
Share capital	640	669	715	753	795	835	876	917
Reserves	29,560	35,383	41,275	47,133	53,007	58,874	64,744	70,613
Perpetual capital instruments	3,884	3,537	1,925	945	(351)	(1,489)	(2,706)	(3,883)
Non-controlling interests	34,114	44,054	63,485	78,171	92,856	107,542	122,227	136,913
Total shareholders' equity	**68,197**	**83,642**	**107,400**	**127,001**	**146,308**	**165,762**	**185,142**	**204,559**
Total liability and shareholders' equity	**324,855**	**379,300**	**432,750**	**506,266**	**582,108**	**678,982**	**790,938**	**928,516**

Cash Flow

Cash Flow Statement								
Cash Flow from Operating Activities								
Net Profit	9,242	11,896	12,327	13,090	16,820	25,376	33,895	51,565
Changes in operating assets and liabilities								
Properties held for sale		2,648	(7,786)	(4,480)	(5,450)	(6,630)	(8,066)	(9,812)
Properties under development for sale		(13,816)	(38,593)	(35,119)	(42,477)	(51,378)	(62,143)	(75,163)
Accounts and other receivables, deposits and prepayments		(5,787)	(4,433)	(6,636)	(7,900)	(9,406)	(11,199)	(13,333)
Deposits for land use rights for properties held for sale		(3,008)	1,450	(326)	(311)	(297)	(283)	(271)
Prepayment for property, plant and equipment		1	12	-	-	-	-	-
Deferred contract costs		-	(17)	17	-	-	-	-
Recoverable tax		(566)	(1,374)	(1,435)	(1,862)	(2,417)	(3,137)	(4,072)
Accounts and other payables and accrued charges		18,485	9,967	21,677	21,965	31,428	37,626	49,157
Contract liabilities		20,162	3,195	16,070	11,704	17,484	17,861	21,895
Tax payable		535	(539)	12	(250)	(116)	(177)	(143)
Amounts due from non-controlling interests		(11,833)	(9,477)	(13,056)	(15,960)	(20,211)	(26,063)	(34,018)
Amounts due from joint ventures and associates		(17,692)	29,532	3,828	6,630	7,505	10,148	12,463
Change in fair value of investment properties		(941)	(1,308)	(1,913)	(2,840)	(4,242)	(6,380)	(9,659)
Cash Flow from Operating Activities		**84**	**(7,043)**	**(8,269)**	**(19,931)**	**(12,904)**	**(17,917)**	**(11,390)**
Cash Flow from Investing Activities								
Investment properties		(5,013)	(17,734)	(5,964)	(6,578)	(7,173)	(7,976)	(8,831)
Property, plant, and equipment		(63)	(290)	(372)	(484)	(637)	(844)	(1,125)
Right-of-use assets		25	(96)	(37)	(66)	(52)	(59)	(55)
Intangible assets		10	(237)	-	-	-	-	-
Goodwill		(40)	(873)	-	-	-	-	-
Interest in JE and associates		(13,796)	274	(3,974)	(4,451)	(4,988)	(5,591)	(6,271)
Non-current financial assets at FVTP		(379)	(316)	(653)	(828)	(1,320)	(1,871)	(2,809)
Equity instruments at FVTOCI		142	532	91	67	25	13	6
Changes in deferred taxation assets and liabilities		(945)	2,387	1,595	2,407	3,268	4,595	6,344
Current financial assets at FVTPL		200	(57)	42	38	34	31	28
Restricted bank deposits		330	(145)	(82)	(109)	(145)	(193)	(257)
Cash Flow from Investing Activities		**(19,529)**	**(16,555)**	**(9,353)**	**(10,005)**	**(10,986)**	**(11,896)**	**(12,970)**
Cash Flow from Financing Activities								
Lease liabilities		(16)	98	-	-	-	-	-
Bank and other borrowings		3,119	6,697	5,621	6,139	6,706	7,324	7,999
Senior notes		3,306	(1,929)	853	883	913	944	976
Corporate bonds		(2,969)	5,593	4,083	5,692	7,933	11,058	15,413
Derivative financial instruments		45	(43)	(15)	-	-	-	-
Other payables		6	14	(21)	-	-	-	-
Short-term borrowings and other interest-bearing liabilities		(2,191)	(1,227)	(1,493)	(1,210)	(1,193)	(1,065)	(999)
Share capital		29	47	38	42	40	41	41
Reserves		5,824	5,892	5,858	5,875	5,866	5,870	5,868
Perpetual capital instruments		(347)	(1,612)	(980)	(1,296)	(1,138)	(1,217)	(1,177)
Non-controlling interests		9,940	19,431	14,686	14,686	14,686	14,686	14,686
Dividend paid		(1,934)	(2,343)	(2,333)	(2,618)	(3,364)	(5,075)	(6,779)
Cash Flow from Financing Activities		**14,811**	**30,618**	**26,299**	**28,192**	**30,448**	**32,565**	**36,027**
Net change in bank balances and cash		**(4,635)**	**7,020**	**8,676**	**(1,744)**	**6,558**	**2,752**	**11,667**
Cash and cash equivalent at beginning of period		58,537	51,053	46,463	55,138	53,394	59,952	62,704
Bank balances and cash at end of period	**58,537**	**51,053**	**46,463**	**55,138**	**53,394**	**59,952**	**62,704**	**74,371**

Supporting Schedules

Supporting Schedules *(RMB million, Financial Year End Dec. 31)*	2019A	2020A	2021A	2022F	2023F	2024F	2025F	2026F
Investment Properties								
Completed Investment Properties								
Value at beginning of period	14,865	17,415	20,955	36,019	41,372	47,538	54,546	62,657
Acquisitions/Disposal of subsidiaries	-	2,862	8,540	-	-	-	-	-
Transfer from properties held for sale	427	172	-	342	416	507	616	750
Additions	439	99	20	216	248	285	327	376
Changes in fair value	105	408	(56)	152	168	88	136	131
Disposal	(1)	(1)	(3)	-	-	-	-	-
Transfer upon completion	1,580	-	6,563	4,643	5,333	6,128	7,031	8,076
Value at end of period	**17,415**	**20,955**	**36,019**	**41,372**	**47,538**	**54,546**	**62,657**	**71,990**
Additions as % of beginning balance	2.9%	0.6%	0.1%	0.6%	0.6%	0.6%	0.6%	0.6%
Disposals as % of beginning balance	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Changes in fair value	105	408	(56)	152	168	88	136	131
Completion as % of total beginning balance	9.8%	0.0%	28.9%	12.9%	12.9%	12.9%	12.9%	12.9%
Transfer from properties held for sale as % of properties held for sale	2.7%	1.3%	0.0%	1.4%	1.4%	1.4%	1.4%	1.4%
Investment Properties under Construction								
Value at beginning of period	1,332	271	1,744	4,414	5,024	5,437	5,602	5,467
Acquisitions/Disposal of subsidiaries	-	-	4,039	1,346	1,346	1,346	1,346	1,346
Transfer from properties under development for sale	-	302	153	220	266	322	389	470
Additions	424	639	3,677	3,023	3,469	3,961	4,497	5,093
Changes in fair value	96	533	1,364	664	664	664	664	664
Disposal	-	-	-	-	-	-	-	-
Transfer upon completion	(1,580)	-	(6,563)	(4,643)	(5,333)	(6,128)	(7,031)	(8,076)
Value at end of period	**271**	**1,744**	**4,414**	**5,024**	**5,437**	**5,602**	**5,467**	**4,965**

Investment Properties under Construction								
Value at beginning of period	1,332	271	1,744	4,414	5,024	5,437	5,602	5,467
Acquisitions/Disposal of subsidiaries	-	-	4,039	1,346	1,346	1,346	1,346	1,346
Transfer from properties under development for sale	-	302	153	220	266	322	389	470
Additions	424	639	3,677	3,023	3,469	3,961	4,497	5,093
Changes in fair value	96	533	1,364	664	664	664	664	664
Disposal	-	-	-	-	-	-	-	-
Transfer upon completion	(1,580)	-	(6,563)	(4,643)	(5,333)	(6,128)	(7,031)	(8,076)
Value at end of period	**271**	**1,744**	**4,414**	**5,024**	**5,437**	**5,602**	**5,467**	**4,965**
Additions as % of total beginning balance	2.6%	3.6%	16.2%	7.5%	7.5%	7.5%	7.5%	7.5%
Disposals as % of total beginning balance	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Changes in fair value	96	533	1,364	664	664	664	664	664
Transfer from properties under development for sale as % of properties under development for sale	0.0%	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Total beginning investment properties	16,197	17,686	22,699	40,433	46,397	52,975	60,147	68,124
Total ending investment properties	**17,686**	**22,699**	**40,433**	**46,397**	**52,975**	**60,147**	**68,124**	**76,955**

Property, Plant, and Equipment & Right of-use Assets

Property, Plant, and Equipment								
Cost								
Value at beginning of period	**279**	**318**	**428**	**831**	**1,168**	**1,621**	**2,230**	**3,050**
Additions	54	127	297	357	501	696	957	1,309
Acquisitions/Disposal of subsidiaries	33	2	114	50	50	50	50	50
Disposals	(49)	(18)	(8)	(70)	(98)	(136)	(187)	(256)
Value at end of period	**318**	**428**	**831**	**1,168**	**1,621**	**2,230**	**3,050**	**4,153**
Additions as % of beginning balance	20%	40%	69%	43%	43%	43%	43%	43%
Disposals as % of beginning balance	18%	6%	2%	8%	8%	8%	8%	8%
Accumulated depreciation								
Value at beginning of period	**118**	**145**	**193**	**306**	**270**	**239**	**211**	**187**
Charge for the year	44	62	119	145	128	113	100	88
Acquisitions/Disposal of subsidiaries	(1)	(0)	(0)	-	-	-	-	-
Eliminated on disposals	(16)	(14)	(6)	(180)	(159)	(141)	(124)	(110)
Value at end of period	**145**	**193**	**306**	**270**	**239**	**211**	**187**	**165**
Charge for the year as % of beginning balance	37%	43%	62%	47%	47%	47%	47%	47%
Value eliminated on disposals as % of disposals	33%	74%	70%	59%	59%	59%	59%	59%
Total value at end of period	**173**	**235**	**525**	**897**	**1,381**	**2,019**	**2,863**	**3,987**

Right-of-use Assets

Leasehold land and buildings	138	116	212	249	315	367	426	481
Leased office equipment	4	2	2	2	2	2	2	2
Total right-of-use assets	**142**	**117**	**213**	**250**	**317**	**368**	**427**	**483**
Change in Leasehold land and buildings	N.A.	(22)	96	37	66	52	59	55
Change in Leased office equipment	N.A.	(3)	0	-	-	-	-	-

Intangible Assets

Other intangible assets - property management contracts and customer relationship								
Value at beginning of period	-	101	91	328	328	328	328	328
Cost	105	131	400	400	400	400	400	400
Amortisation	4	40	72	72	72	72	72	72
Total value of ending balance	101	91	328	328	328	328	328	328
Cost change as % of beginning balance	N.A.	26%	296%	0%	0%	0%	0%	0%
Amortisation as % of beginning balance of total value	N.A.	35%	35%	0%	0%	0%	0%	0%

Goodwill

Value at beginning of period	N.A.	431	471	1,344	1,344	1,344	1,344	1,344
Value at end of period	431	471	1,344	1,344	1,344	1,344	1,344	1,344

Interest in associates and joint ventures

Interest in associates	8,020	16,862	18,448	20,182	22,080	24,156	26,428	28,913
Interest in joint ventures	12,872	17,826	15,966	18,206	20,759	23,671	26,991	30,776
% change	N.A.	38%	-10%	14%	14%	14%	14%	14%

Other Non-current Assets

Investment in property projects	418	287	322	322	322	322	322	322
Financial assets at fair value through profit or loss (“FVTPL”)	527	905	1,222	1,875	2,703	4,023	5,894	8,703
Equity instruments at FVTOCI	882	740	207	116	49	24	11	5
Deferred taxation assets	1,758	2,196	2,202	2,479	2,638	2,889	3,119	3,391
Prepayment for property, plant and equipment	13	12	0	0	0	0	0	0
Deferred contract costs	-	-	13	-	-	-	-	-
Investment in property projects % change	N.A.	-31%	12%	0%	0%	0%	0%	0%
Financial assets at FVTPL % change	N.A.	72%	35%	53%	44%	49%	47%	48%
Equity instruments at FVTOCI % change	N.A.	-16%	-72%	-44%	-58%	-51%	-55%	-53%
Deferred taxation assets % change	N.A.	25%	0%	13%	6%	10%	8%	9%
Prepayment for property, plant and equipment % change	N.A.	-7%	-97%	0%	0%	0%	0%	0%
Deferred contract costs % change	N.A.	N.A.	N.A.	0%	0%	0%	0%	0%

Current Assets

Properties held for sale	15,553	12,904	20,690	25,170	30,620	37,251	45,316	55,129
Properties under development for sale	115,203	129,018	167,611	202,730	245,208	296,585	358,728	433,891
Accounts and other receivables, deposits and prepayments	24,597	30,384	34,817	41,452	49,353	58,758	69,957	83,290
Amounts due from non-controlling interests	18,767	26,360	32,911	43,658	57,915	76,827	101,916	135,197
Amounts due from joint ventures and associates	36,570	57,515	36,381	40,116	44,234	48,774	53,781	59,302
Deposits for land use rights for properties held for sale	8,713	5,705	7,154	6,828	6,517	6,220	5,937	5,666
Taxation recoverable	2,877	3,443	4,817	6,252	8,115	10,532	13,669	17,740
Financial assets at FVTPL	574	374	431	389	351	316	285	257
Derivative financial instruments	12	-	-	-	-	-	-	-
Restricted bank deposits	432	102	247	329	438	583	776	1,033
Bank balances and cash	58,537	51,053	46,463	41,404	36,896	32,878	29,298	26,108
Deferred contract costs	-	-	5	-	-	-	-	-

% Change								
Properties held for sale	N.A.	-17%	60%	22%	22%	22%	22%	22%
Properties under development for sale	N.A.	12%	30%	21%	21%	21%	21%	21%
Accounts and other receivables, deposits and prepayments	N.A.	24%	15%	19%	19%	19%	19%	19%
Amounts due from non-controlling interests	N.A.	40%	25%	33%	33%	33%	33%	33%
Amounts due from joint ventures and associates	N.A.	57%	-37%	10%	10%	10%	10%	10%
Deposits for land use rights for properties held for sale	N.A.	-35%	25%	-5%	-5%	-5%	-5%	-5%
Taxation recoverable	N.A.	20%	40%	30%	30%	30%	30%	30%
Financial assets at FVTPL	N.A.	-35%	15%	-10%	-10%	-10%	-10%	-10%
Restricted bank deposits	N.A.	-76%	143%	33%	33%	33%	33%	33%
Bank balances and cash	N.A.	-13%	-9%	-11%	-11%	-11%	-11%	-11%
Non-current Liabilities								
Lease liabilities	72	57	155	155	155	155	155	155
Bank and other borrowings	51,141	54,260	60,958	66,579	72,718	79,424	86,748	94,747
Senior notes	23,674	26,980	25,051	25,904	26,787	27,700	28,643	29,619
Corporate bonds	7,745	4,776	10,368	14,452	20,143	28,077	39,134	54,547
Deferred taxation liabilities	3,157	2,650	5,043	6,915	9,481	13,000	17,825	24,442
Derivative financial instruments	-	57	15	-	-	-	-	-
Other payables	1	7	21	-	-	-	-	-
% Change								
Lease liabilities	N.A.	-21%	173%	0	0	0	0	0
Bank and other borrowings	N.A.	6%	12%	9%	9%	9%	9%	9%
Senior notes	N.A.	14%	-7%	3%	3%	3%	3%	3%
Corporate bonds	N.A.	-38%	117%	39%	39%	39%	39%	39%
Deferred taxation liabilities	N.A.	-16%	90%	37%	37%	37%	37%	37%
Derivative financial instruments	N.A.	N.A.	-75%	N.A.	N.A.	N.A.	N.A.	N.A.
Other payables	N.A.	423%	206%	N.A.	N.A.	N.A.	N.A.	N.A.
Current Liabilities								
Accounts and other payables and accrued charges	39,847	58,332	68,299	89,976	111,941	143,369	180,995	230,152
Contract liabilities	54,465	74,627	77,822	93,892	105,596	123,081	140,942	162,837
Amounts due to non-controlling interests	16,448	12,207	9,282	6,973	5,270	3,971	2,997	2,260
Amounts due to joint ventures and associates	29,172	32,425	40,823	48,386	59,134	71,180	86,335	104,319
Taxation payable	9,713	10,248	9,709	9,721	9,471	9,356	9,179	9,036
Short-term borrowings and other interest-bearing liabilities	21,223	19,032	17,805	16,312	15,102	13,909	12,844	11,845
% Change								
Accounts and other payables and accrued charges	N.A.	46%	17%	32%	24%	28%	26%	27%
Contract liabilities	N.A.	37%	4%	21%	12%	17%	15%	16%
Amounts due to non-controlling interests	N.A.	-26%	-24%	-25%	-24%	-25%	-25%	-25%
Amounts due to joint ventures and associates	N.A.	11%	26%	19%	22%	20%	21%	21%
Taxation payable	N.A.	6%	-5%	0%	-3%	-1%	-2%	-2%
Short-term borrowings and other interest-bearing liabilities	N.A.	-10%	-6%	-8%	-7%	-8%	-8%	-8%
Shareholders' Equity								
Share capital	640	669	715	753	795	835	876	917
Reserves	29,560	35,383	41,275	47,133	53,007	58,874	64,744	70,613
Perpetual capital instruments	3,884	3,537	1,925	945	(351)	(1,489)	(2,706)	(3,883)
Non-controlling interests	34,114	44,054	63,485	78,171	92,856	107,542	122,227	136,913
Changes								
Share capital	N.A.	29	47	38	42	40	41	41
Reserves	N.A.	5,824	5,892	5,858	5,875	5,866	5,870	5,868
Perpetual capital instruments	N.A.	(347)	(1,612)	(980)	(1,296)	(1,138)	(1,217)	(1,177)
Non-controlling interests	N.A.	9,940	19,431	14,686	14,686	14,686	14,686	14,686
Dividend paid	1,934	2,343	2,333	2,618	3,364	5,075	6,779	10,313
Dividend payout ratio	21%	20%	19%	20%	20%	20%	20%	20%

Revenue and Cost Model

Revenue & Cost Model (RMB million, Financial Year End Dec. 31)	2019A	2020A	2021A	2022F	2023F	2024F	2025F	2026F
Revenue Model								
Revenue by business segment								
Sales of residential properties	47,136	55,024	93,290	133,535	208,773	312,618	478,437	724,312
Sales of office and commercial properties	3,968	6,335	4,770	5,604	6,583	7,734	9,085	10,673
Sales of Carpark and others	1,611	3,495	2,141	2,977	4,140	5,758	8,008	11,136
Project management and other property related services	3,735	6,945	7,633	11,291	14,556	20,149	26,932	36,639
Total Revenue	**56,451**	**71,799**	**107,835**	**153,408**	**234,052**	**346,258**	**522,461**	**782,760**
Revenue growth by business segment								
Sales of residential properties	N.A.	17%	70%	43%	56%	50%	53%	51%
Sales of office and commercial properties	N.A.	60%	-25%	17%	17%	17%	17%	17%
Sales of Carpark and others	N.A.	117%	-39%	39%	39%	39%	39%	39%
Project management and other property related services	N.A.	86%	10%	48%	29%	38%	34%	36%
Total revenue growth	N.A.	**27%**	**50%**	**42%**	**53%**	**48%**	**51%**	**50%**
Revenue by geographical segment								
Yangtze River Delta	25,681	23,009	47,607	70,577	104,631	155,116	229,960	340,918
Pan Bohai Rim	13,297	16,392	23,727	31,797	42,612	57,105	76,528	102,556
Central Western Region	6,821	17,895	22,002	42,390	66,893	117,219	195,192	333,536
South China Region	4,846	7,025	5,953	6,837	7,852	9,019	10,359	11,898
Others	5,807	7,479	8,546	10,387	12,247	14,662	17,421	20,778
Total Revenue	**56,451**	**71,799**	**107,835**	**161,987**	**234,235**	**353,121**	**529,459**	**809,685**
Revenue growth by geographical segment								
Yangtze River Delta	N.A.	-10%	107%	48%	48%	48%	48%	48%
Pan Bohai Rim	N.A.	23%	45%	34%	34%	34%	34%	34%
Central Western Region	N.A.	162%	23%	93%	58%	75%	67%	71%
South China Region	N.A.	45%	-15%	15%	15%	15%	15%	15%
Others	N.A.	29%	14%	22%	18%	20%	19%	19%
Total revenue growth	N.A.	27%	50%					
Average revenue	**56,451**	**71,799**	**107,835**	**157,697**	**234,144**	**349,690**	**525,960**	**796,223**

Operating Cost & Other Gains Model

Cost of sales								
Cost of sales	(42,335)	(56,190)	(87,037)	(130,889)	(196,681)	(293,739)	(447,066)	(676,789)
Cost of sales as % of Revenue	75%	78%	81%	83%	84%	84%	85%	85%
Other income								
Other income, gains and losses	1,470	3,173	2,076	844	344	140	57	23
Other income, gains and losses % change	N.A.	116%	-35%	41%	41%	41%	41%	41%
Operating cost								
Change in fair value of investment properties	201	941	1,308	1,913	2,840	4,242	6,380	9,659
Selling and marketing expenses	(1,580)	(2,067)	(2,367)	(4,139)	(6,009)	(8,609)	(13,416)	(20,115)
Administrative expenses	(3,148)	(2,946)	(3,767)	(6,925)	(10,282)	(15,356)	(23,097)	(34,965)
Total operating expenses	(4,528)	(4,073)	(4,826)	(9,151)	(13,451)	(19,723)	(30,133)	(45,422)
Operating cost assumption								
Change in fair value of investment properties as % of revenue	0%	1%	1%	1%	1%	1%	1%	1%
Selling and marketing expenses as % of revenue	3%	3%	2%	3%	3%	2%	3%	3%
Administrative expenses as % of revenue	6%	4%	3%	4%	4%	4%	4%	4%

Other Income Statement Items

Financing costs	(729)	(667)	(579)	(516)	(453)	(401)	(354)	(313)
Share of results of joint ventures	1,985	969	252	252	252	252	252	252
Share of results of associates	1,523	1,160	507	304	182	109	65	39
Income tax expense	(4,595)	(4,274)	(5,900)	(5,452)	(7,517)	(10,950)	(14,886)	(22,448)
Financing costs % change	N.A.	-8%	-13%	-11%	-12%	-11%	-12%	-12%
Share of results of JV % change	N.A.	-51%	-74%	0%	0%	0%	0%	0%
Share of results of associates % change	N.A.	-24%	-56%	-40%	-40%	-40%	-40%	-40%
Income tax expense as % of profit before tax	-33%	-26%	-32%	-29%	-31%	-30%	-31%	-30%

Debt Schedule

Debt Schedule (RMB million, Financial Year End Dec. 31)	2019A	2020A	2021A	2022F	2023F	2024F	2025F	2026F	2027F	2028F
	31/12/19	31/12/20	31/12/21	31/12/22	31/12/23	31/12/24	31/12/25	31/12/26	31/12/27	31/12/28
Debt Schedule Overview										
Debt balance by borrowing type										
Short-term borrowings				16,312	15,102	13,909	12,844	11,845	-	-
Current portion of long-term borrowings				3,258	10,619	24,172	28,690	14,802	3,970	1,047
Long-term borrowings				40,021	32,660	15,849	3,970	1,047	-	-
Total borrowings				**59,591**	**58,382**	**53,930**	**45,504**	**27,694**	**3,970**	**1,047**
Debt balance by maturity										
Less than 1 year				19,570	25,722	38,081	41,534	26,647	3,970	1,047
Between 1-2 years				7,361	16,811	11,879	2,923	1,047	-	-
Between 2-5 years				31,613	15,849	3,970	1,047	-	-	-
Over 5 years				1,047	-	-	-	-	-	-
Total borrowings				**59,591**	**58,382**	**53,930**	**45,504**	**27,694**	**3,970**	**1,047**
Total interest payments				**2,465**	**2,281**	**1,803**	**969**	**421**	**293**	**242**
Average funding cost				**4.1%**	**3.9%**	**3.3%**	**2.1%**	**1.5%**	**7.4%**	**23.2%**
Short-term Borrowings										
Short-term borrowings beginning balance	**N.A.**	**21,223**	**19,032**	**17,805**	**16,312**	**15,102**	**13,909**	**12,844**	**11,845**	**-**
Addition to short-term borrowings	N.A.	**19,032**	**17,805**	**16,312**	**15,102**	**13,909**	**12,844**	**11,845**	**-**	**-**
Repayment of short-term borrowings	N.A.	(21,223)	(19,032)	(17,805)	(16,312)	(15,102)	(13,909)	(12,844)	(11,845)	-
Short-term borrowings ending balance	**21,223**	**19,032**	**17805**	**16,312**	**15,102**	**13,909**	**12,844**	**11,845**	**-**	**-**
Minimum cash balance	**N.A.**	**N.A.**	**N.A.**							
Manual addition to Short-term borrowings	**N.A.**	**N.A.**	**N.A.**							
Interest payments	**N.A.**	**N.A.**	**N.A.**	-	-	-	-	-	-	-
Interest payment as % of beginning balance	**N.A.**	**N.A.**	**N.A.**							
Long-term Borrowings										
Notes maturity										
Less than 1 year				3,258	10,619	24,172	28,690	14,802	3,970	1,047
Between 1-2 years				7,361	16,811	11,879	2,923	1,047	-	-
Between 2-5 years				31,613	15,849	3,970	1,047	-	-	-
Over 5 years				1,047	-	-	-	-	-	-
Total Notes				**43,279**	**43,279**	**40,021**	**32,660**	**15,849**	**3,970**	**1,047**
Maturity (Years)										
1				3,258	10,619	24,172	28,690	14,802	3,970	1,047
2				7,361	16,811	11,879	2,923	1,047	-	-
3				16,811	11,879	2,923	1,047	-	-	-
4				11,879	2,923	1,047	-	-	-	-
5				2,923	1,047	-	-	-	-	-
Over 5 years				1,047	-	-	-	-	-	-
Total Notes				**43,279**	**43,279**	**40,021**	**32,660**	**15,849**	**3,970**	**1,047**

Principal Outstanding (RMB mn)							
CIFIG 5.500 23-Jan-2023 '22	2,058	-	-	-	-	-	-
CIFIG 5.850 19-Aug-2023 '22	1,200	-	-	-	-	-	-
CIFIG 6.550 28-Mar-2024 '22	3,872	3,872	-	-	-	-	-
CIFIG 6.450 07-Nov-2024 '23 DFTd	3,489	3,489	-	-	-	-	-
CIFIG 6.950 08-Apr-2025 CVT DFTd	1,724	1,724	1,724	-	-	-	-
CIFIG 18-Apr-2025	698	698	698	-	-	-	-
CIFIGQ / CIFIG 4.500 29-May-2025	1,000	1,000	1,000	-	-	-	-
CIFIGQ / CIFIG 3.800 29-May-2025 PUT	2,120	2,120	2,120	-	-	-	-
CIFIG 6.000 16-Jul-2025 '23	3,956	3,956	3,956	-	-	-	-
CIFIGQ / CIFIG 3.900 14-Sep-2025 PUT	1,875	1,875	1,875	-	-	-	-
CIFIGQ / CIFIG 3.220 22-Sep-2025 MTN	1,200	1,200	1,200	-	-	-	-
CIFIG 5.950 20-Oct-2025 '23 DFTd	3,489	3,489	3,489	-	-	-	-
CIFIGQ / CIFIG 4.230 26-Oct-2025 PUT	750	750	750	-	-	-	-
CIFIGQ / CIFIG 4.400 12-Mar-2026 PUT	1,448	1,448	1,448	1,448	-	-	-
CIFIGQ / CIFIG 4.750 14-Mar-2026 MTN PUT	1,000	1,000	1,000	1,000	-	-	-
CIFIG 5.250 13-May-2026 '23	2,442	2,442	2,442	2,442	-	-	-
CIFIGQ / CIFIG 5.500 27-Jun-2026 PUT	500	500	500	500	-	-	-
CIFIGQ / CIFIG 4.200 22-Jul-2026 PUT	3,000	3,000	3,000	3,000	-	-	-
CIFIG 4.450 17-Aug-2026 '24	3,489	3,489	3,489	3,489	-	-	-
CIFIG 4.375 12-Apr-2027 '25 DFTd	2,923	2,923	2,923	2,923	2,923	-	-
CIFIG 4.800 17-May-2028 '25	1,047	1,047	1,047	1,047	1,047	1,047	-
CIFIG 31-Dec-2200 FRN	-	-	-	-	-	-	-
CIFIG 11.581 Perp '22 FRN	2,093	2,093	2,093	2,093	2,093	2,093	2,093
Total principal outstanding	**45,372**	**42,114**	**34,753**	**17,942**	**6,063**	**3,140**	**2,093**

Coupon Payment (RMB mn)							
CIFIG 5.500 23-Jan-2023 '22	113.2	-	-	-	-	-	-
CIFIG 5.850 19-Aug-2023 '22	70.2	-	-	-	-	-	-
CIFIG 6.550 28-Mar-2024 '22	253.6	253.6	-	-	-	-	-
CIFIG 6.450 07-Nov-2024 '23 DFTd	225.0	225.0	-	-	-	-	-
CIFIG 6.950 08-Apr-2025 CVT DFTd	119.8	119.8	119.8	-	-	-	-
CIFIG 18-Apr-2025	-	-	-	-	-	-	-
CIFIGQ / CIFIG 4.500 29-May-2025	45.0	45.0	45.0	-	-	-	-
CIFIGQ / CIFIG 3.800 29-May-2025 PUT	80.6	80.6	80.6	-	-	-	-
CIFIG 6.000 16-Jul-2025 '23	237.4	237.4	237.4	-	-	-	-
CIFIGQ / CIFIG 3.900 14-Sep-2025 PUT	73.1	73.1	73.1	-	-	-	-
CIFIGQ / CIFIG 3.220 22-Sep-2025 MTN	38.6	38.6	38.6	-	-	-	-
CIFIG 5.950 20-Oct-2025 '23 DFTd	207.6	207.6	207.6	-	-	-	-
CIFIGQ / CIFIG 4.230 26-Oct-2025 PUT	31.7	31.7	31.7	-	-	-	-
CIFIGQ / CIFIG 4.400 12-Mar-2026 PUT	63.7	63.7	63.7	63.7	-	-	-
CIFIGQ / CIFIG 4.750 14-Mar-2026 MTN PUT	47.5	47.5	47.5	47.5	-	-	-
CIFIG 5.250 13-May-2026 '23	128.2	128.2	128.2	128.2	-	-	-
CIFIGQ / CIFIG 5.500 27-Jun-2026 PUT	27.5	27.5	27.5	27.5	-	-	-
CIFIGQ / CIFIG 4.200 22-Jul-2026 PUT	126.0	126.0	126.0	126.0	-	-	-
CIFIG 4.450 17-Aug-2026 '24	155.2	155.2	155.2	155.2	-	-	-
CIFIG 4.375 12-Apr-2027 '25 DFTd	127.9	127.9	127.9	127.9	127.9	-	-
CIFIG 4.800 17-May-2028 '25	50.2	50.2	50.2	50.2	50.2	50.2	-
CIFIG 31-Dec-2200 FRN	-	-	-	-	-	-	-
CIFIG 11.581 Perp '22 FRN	242.4	242.4	242.4	242.4	242.4	242.4	242.4
Total coupon payment	**2,464.6**	**2,281.2**	**1,802.5**	**968.7**	**420.6**	**292.6**	**242.4**