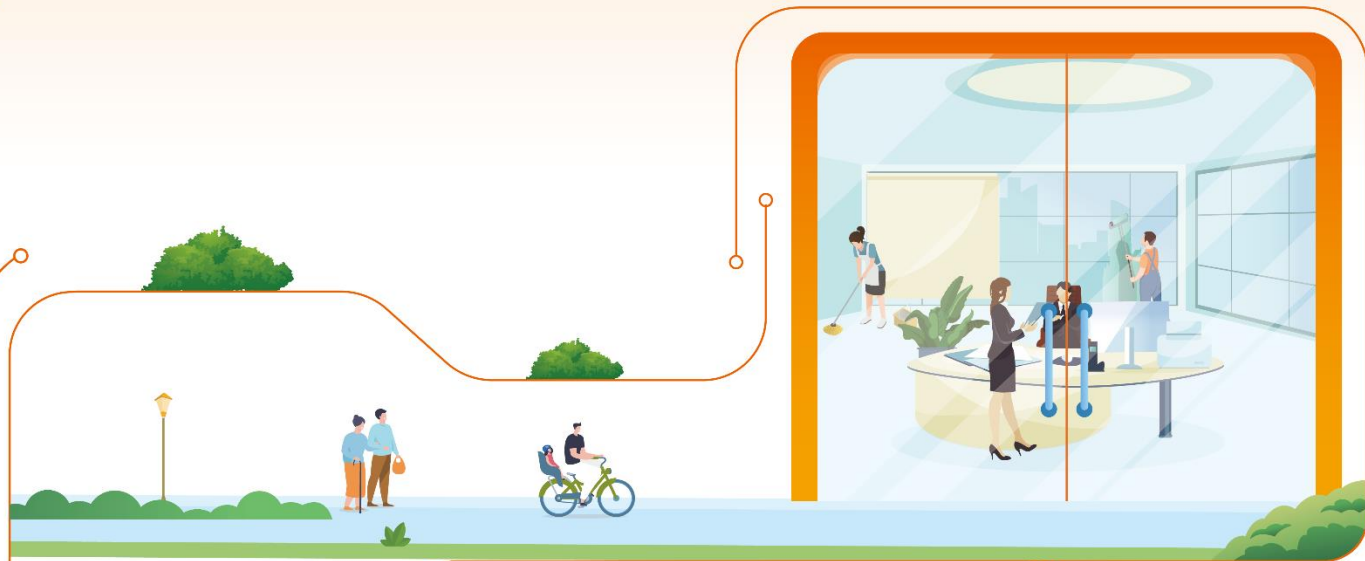


Yuexiu Services Interim Results 2023

22 August 2023



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◆ *Results Highlights* 01

◆ *Financial Review* 02

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Steady Growth in Revenue and Net Profit

Revenue
1,512 mn
↑ 38.7%

Net profit
248 mn
↑ 17.5%

Stable Expansion of Management Scale

Contracted GFA
77.49 mn sq.m.
↑ 9.8%

GFA under management
58.76 mn sq.m.
↑ 13.7%

Healthy Financial Position with Sufficient Cash Reserves

Cash and cash equivalents
4,620 mn

Operating cash inflow
293 mn

Continuous Development of VAS

Revenue from new retail business
153 mn
↑ 153.0%

Revenue from home decoration business
80 mn
↑ 61.4%

First-ever Interim Dividend to Reward Shareholders

Interim dividend
RMB0.081 per share
HKD0.089 per share

Dividend payout ratio
50%

Improved Cash Management Efficiency

Interest income
52 mn
↑ 64.8%

Notes:

1. Currency: RMB
2. Growth rates of contracted GFA and GFA under management are based on data as at 31 December 2022 for comparison purposes

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Overview of Income Statement

RMB mn	1H 2023	1H 2022	Changes
Revenue	1,512	1,090	+38.7%
Cost of sales	(1,087)	(745)	+46.0%
Gross profit margin	28.1%	31.7%	-3.6 p.p.
Administrative expense rate	8.4%	9.3%	-0.9 p.p.
Net profit	248	211	+17.5%
Net profit margin ¹	16.4%	19.3%	-2.9 p.p.
Basic earnings per share (RMB)	0.16	0.14	+17.5%
Interim dividend per share (RMB)	0.081	-	-
Interim dividend per share (HKD)	0.089	-	-

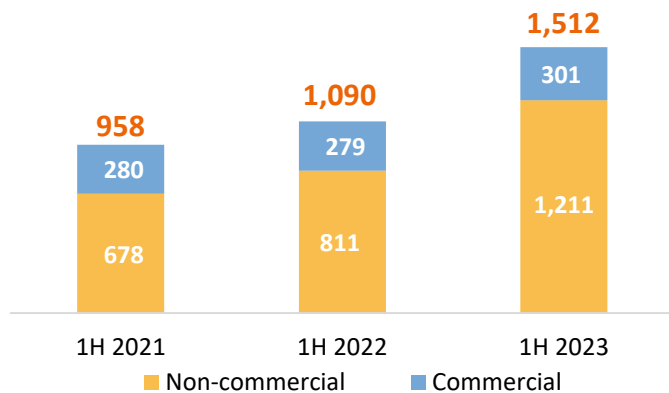
Overview of Balance Sheet

RMB mn	2023.06.30	2022.12.31	Changes
Cash and cash equivalents	4,620	4,361	+5.9%
Total assets	6,438	5,948	+8.2%
Equity attributable to shareholders	3,327	3,223	+3.3%

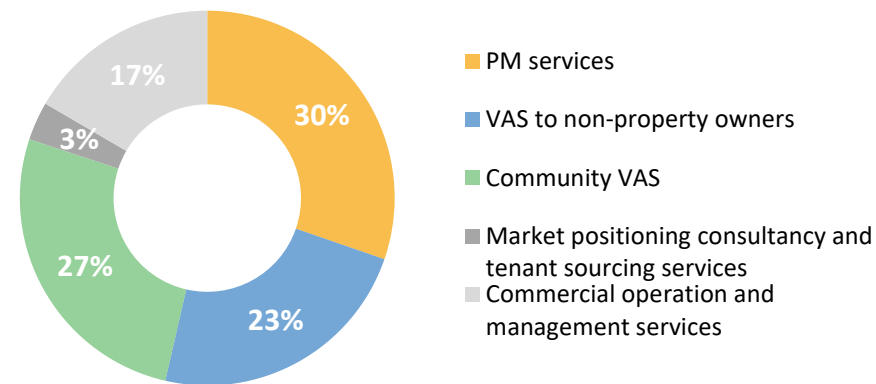
Notes:

1. Net profit margin = Profit attributable to the owners of the Company/Revenue*100%

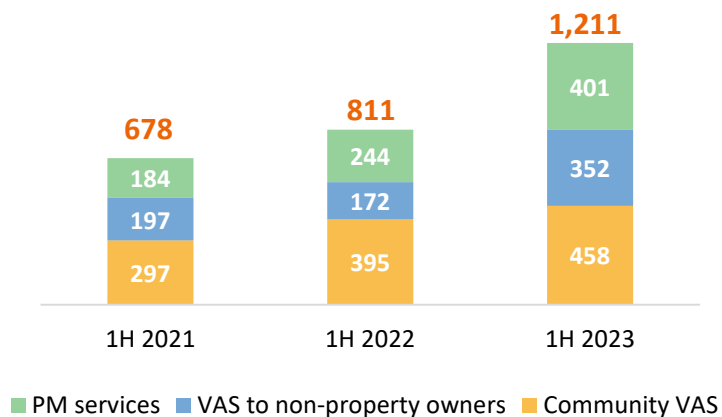
Revenue



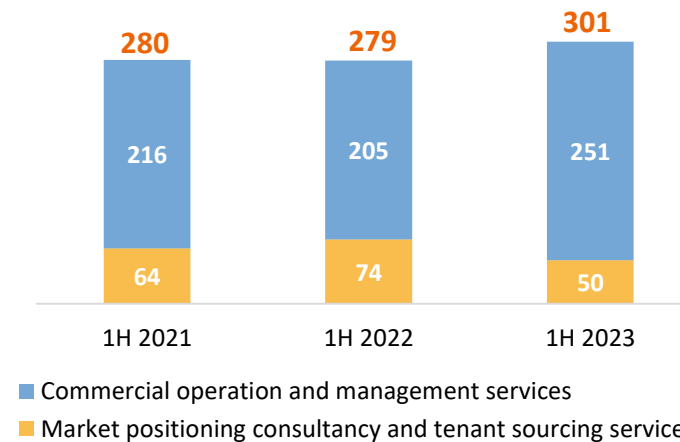
Revenue Mix



Non-commercial Revenue

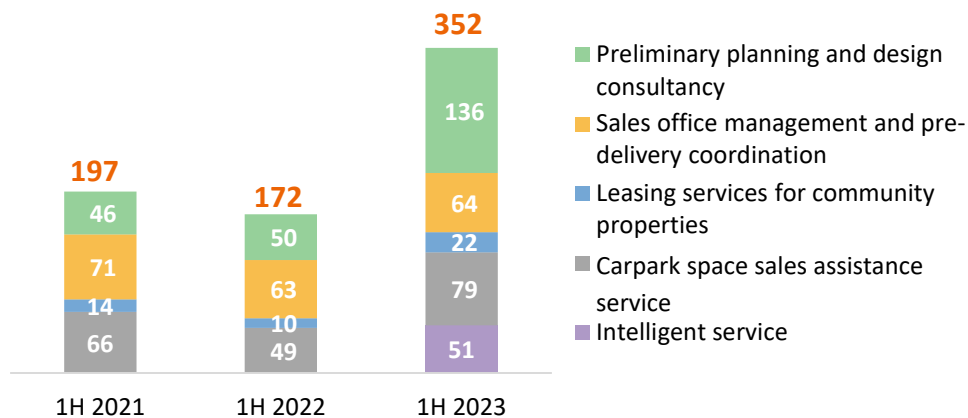


Commercial Revenue

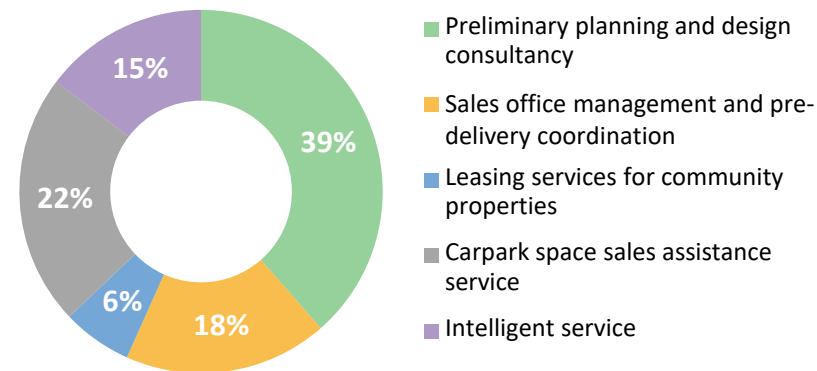


Note:
1. Currency: RMB mn

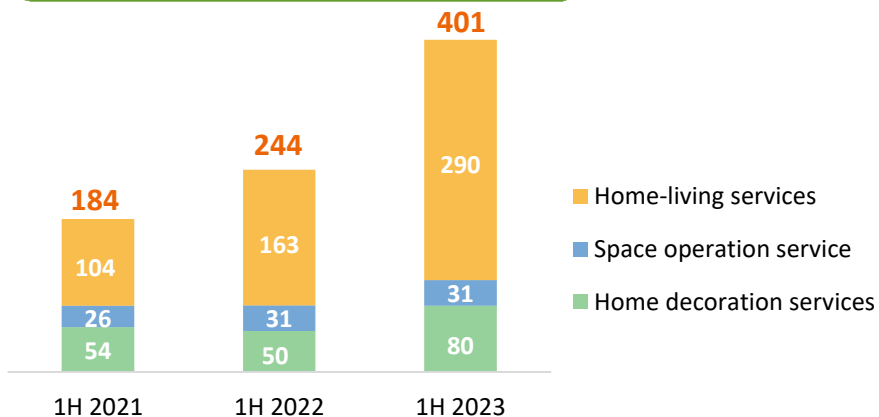
Revenue of VAS to Non-property Owners



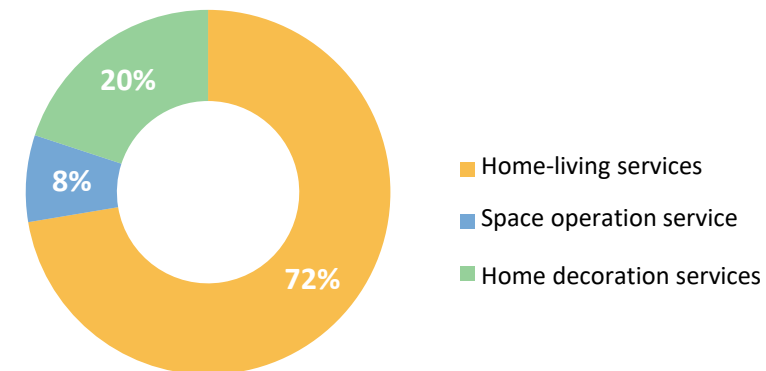
Revenue Mix of VAS to Non-property Owners



Revenue of Community VAS

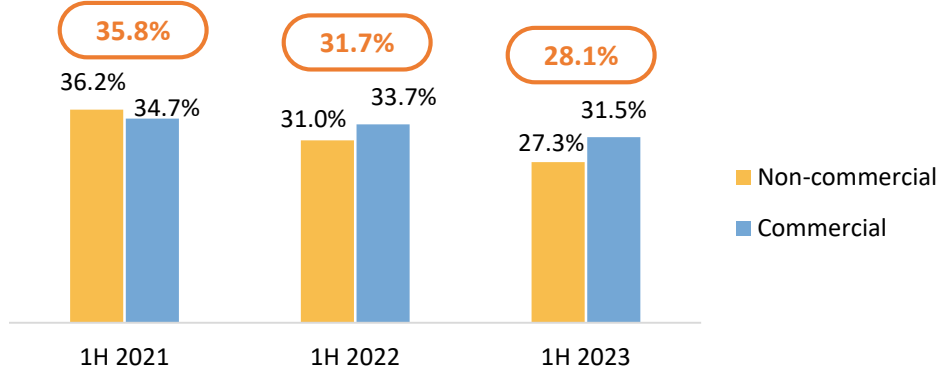


Revenue Mix of Community VAS

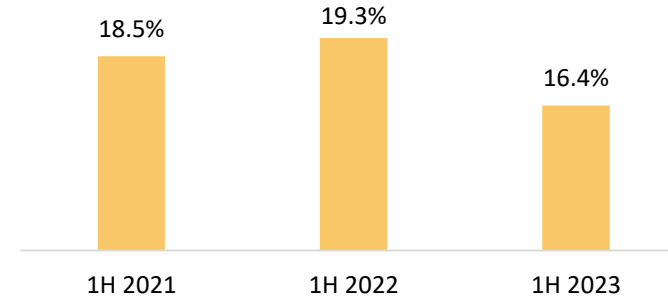


Note:
1. Currency: RMB mn

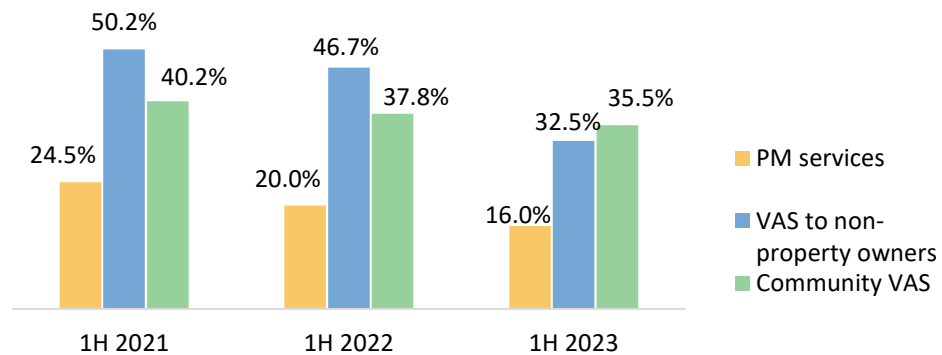
Gross Profit Margin



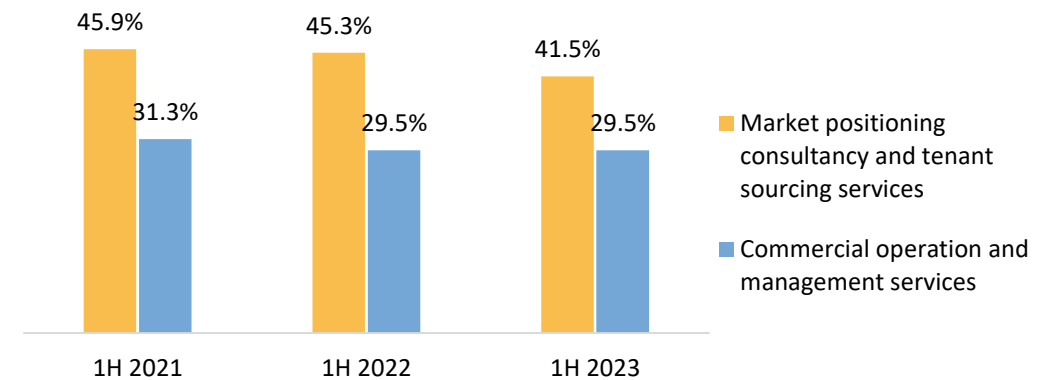
Net Profit Margin¹



GPM (Non-commercial)

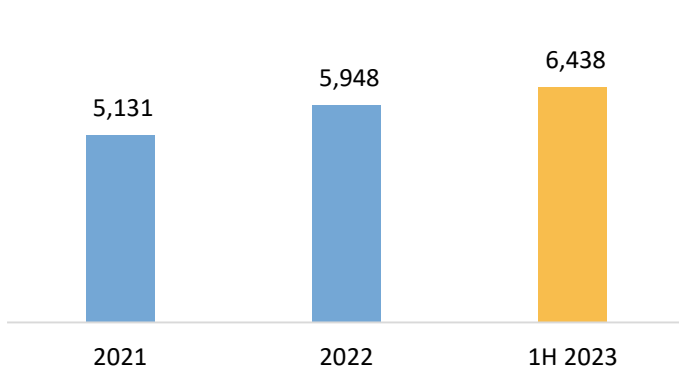


GPM (Commercial)

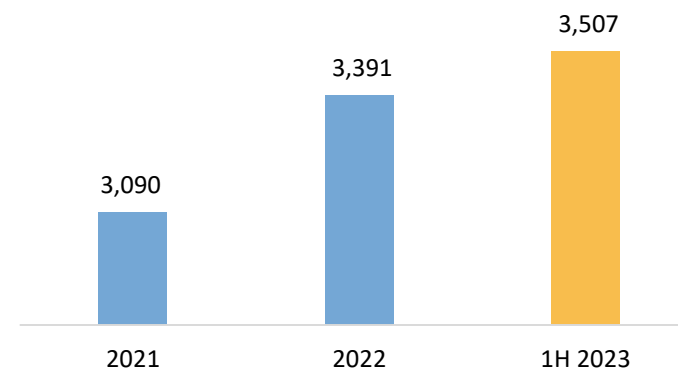


Note:
1. Net profit margin = Profit attributable to the owners of the Company/Revenue*100%

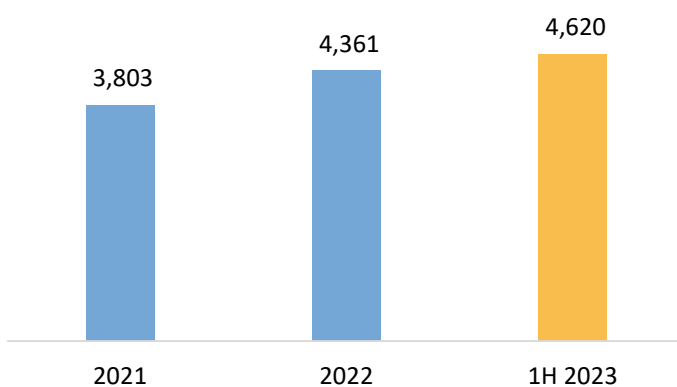
Total Assets



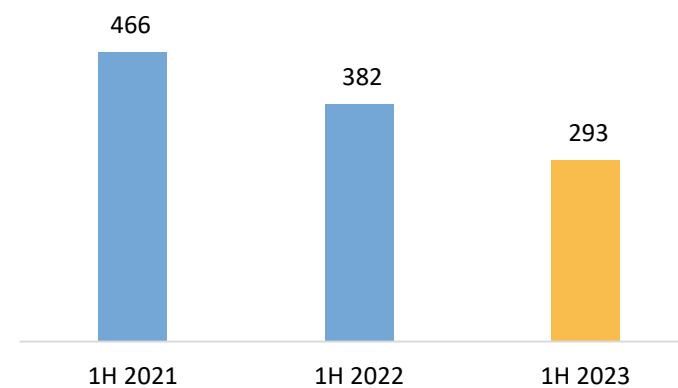
Net Assets



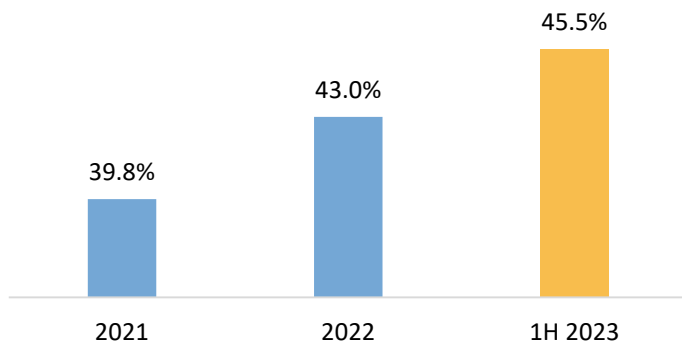
Cash and Cash Equivalents



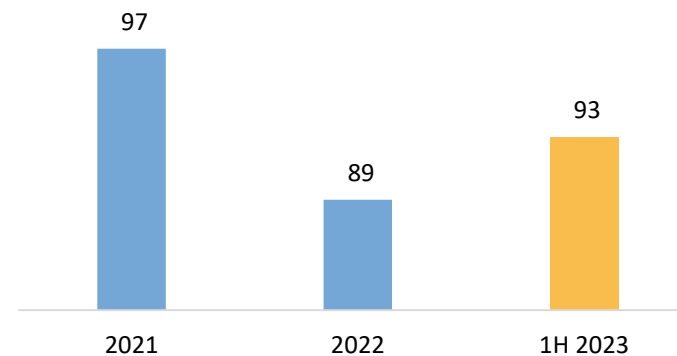
Operating Cash Inflow



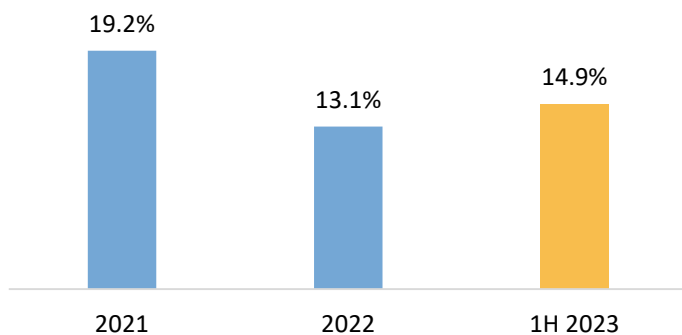
Liabilities to Assets Ratio¹



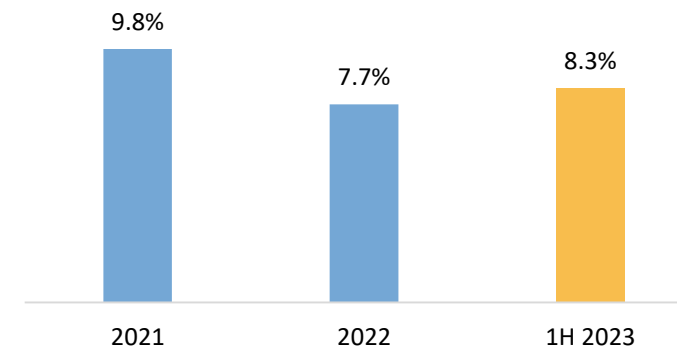
Trade Receivables Turnover Days²



ROE³



ROA⁴



Notes:

1. Liabilities to Assets Ratio = Total Liabilities/Total Assets
2. Trade Receivables Turnover Days = (Opening and Closing Trade Receivables)/2 × the relevant days of the period/Revenue
3. ROE=Profit for the period/((Total Equity at the beginning of the period + Total Equity at the end of the period)/2) × 2 × 100%
4. ROA=Profit for the period/((Total Assets at the beginning of the period + Total Assets at the end of the period)/2) × 2 × 100%

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Contracted GFA¹

77.49mn sq.m.

GFA under management¹

58.76mn sq.m.

Changes in Management Scale

(mn sq.m.)	GFA under management	Contracted GFA
2022.12.31	51.69	70.60
Add: Newly obtained in 1H 2023	8.44	8.26
Less: Terminated in 1H 2023	1.37	1.37
2023.06.30	58.76	77.49

Steady Expansion of Management Scale

(mn sq.m.)



No. of contracted projects

416

No. of projects under management

346

No. of households served

250,000

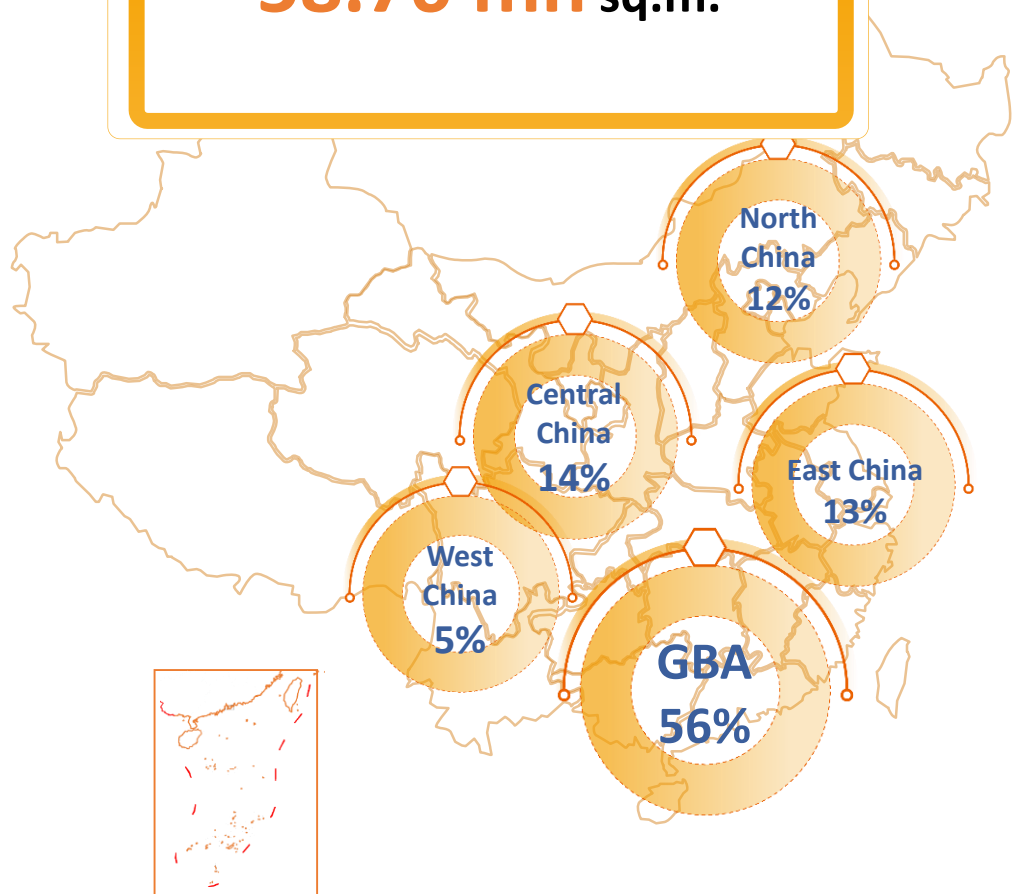
Residential (64%)
37.85 mn sq.m.

TOD (11%)
6.58 mn sq.m.

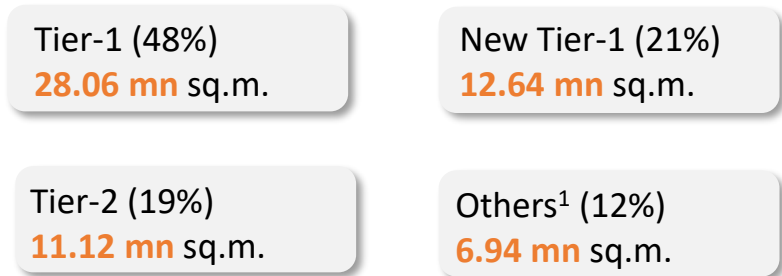
Commercial buildings and industrial parks (15%)
8.53 mn sq.m.

Urban services and public premises (10%)
5.80 mn sq.m.

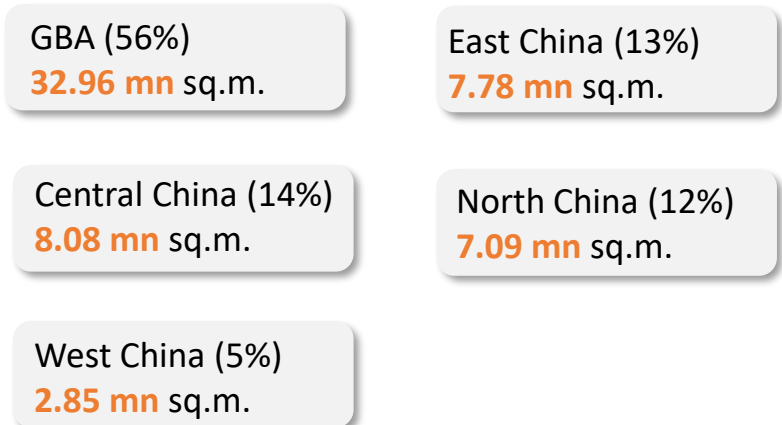
GFA under management
58.76 mn sq.m.



Distribution of Business by City Tier



Distribution of Business by Region

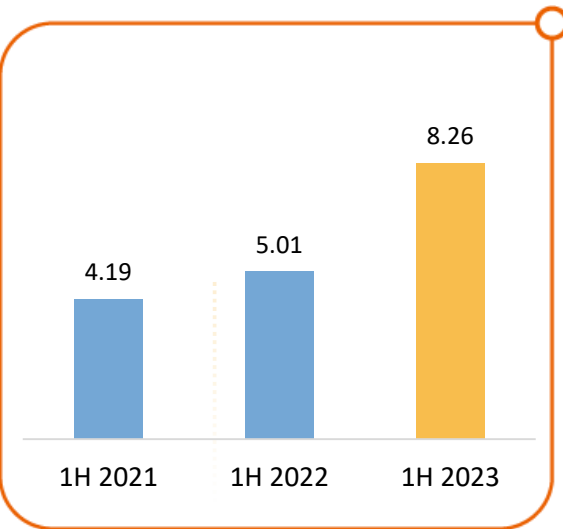


Note:
1. Hong Kong included

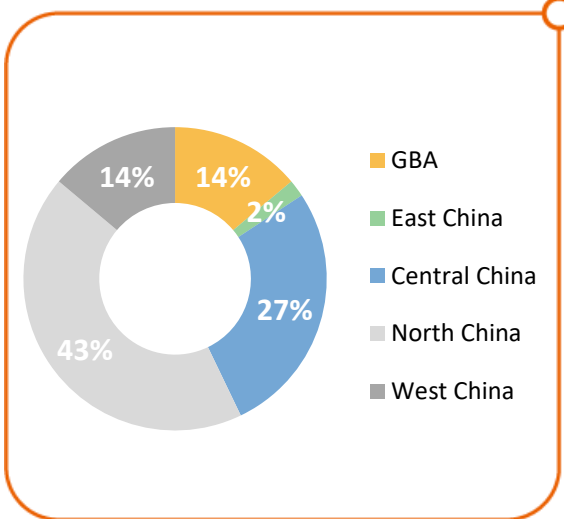
No. of newly obtained projects >> **44**

Newly obtained contracted GFA >> **8.26 mn sq.m.**

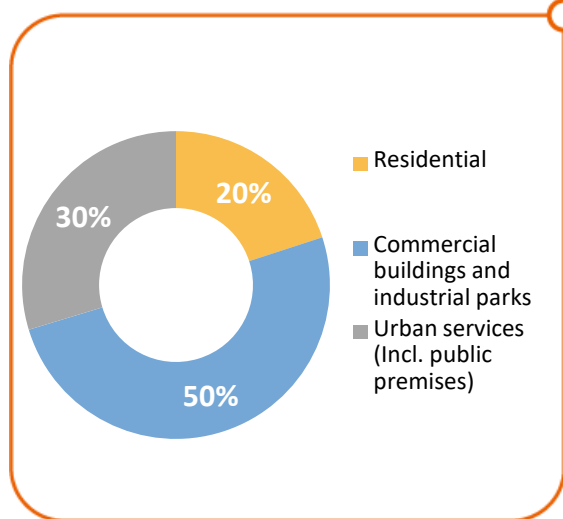
Newly Obtained Contracted GFA¹



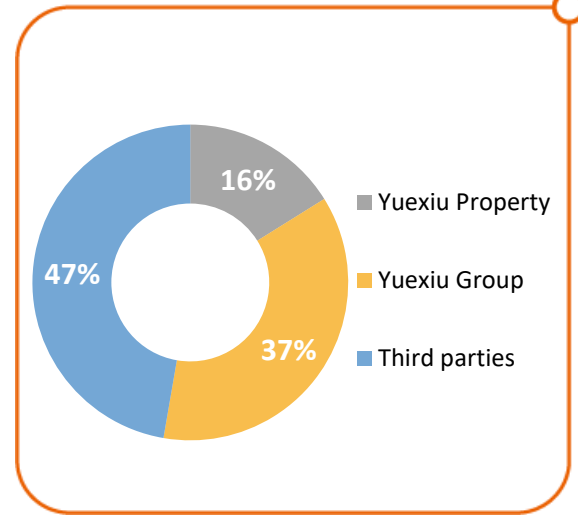
Newly Obtained Contracted GFA (By Region)



Newly Obtained Contracted GFA (By Business Type)

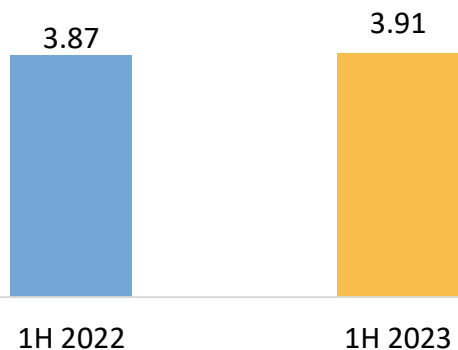


Newly Obtained Contracted GFA (By Source of Project)

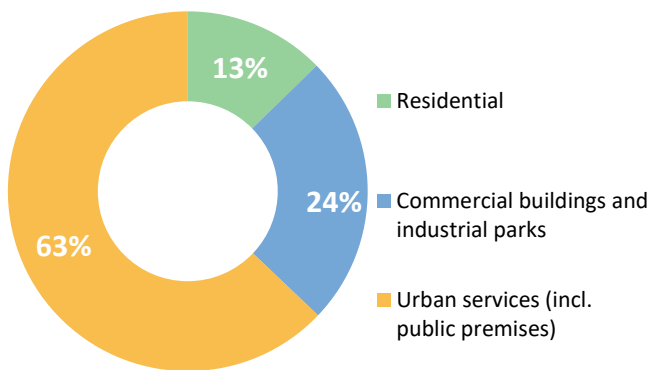


Notes:
1. Unit: mn sq.m.

Newly obtained contracted GFA through external expansion¹



Projects obtained through external expansion (By business type)



3.91 mn sq.m. of newly obtained contracted GFA through external expansion



BASF Zhanjiang Verbund site (Guangdong Province)



Office building of China Mobile (Guangxi Province)



Shandong Airlines – Qingdao Base



Hainan Kaiwei Ecological City



Rongqing Ecological Park



Ezhou International Convention and Exhibition Center

3.02 mn sq.m. of newly obtained contracted GFA from Yuexiu Group



Huishan Dairy's Processing Plant



Huishan Dairy's Dengshibao Dairy Farm



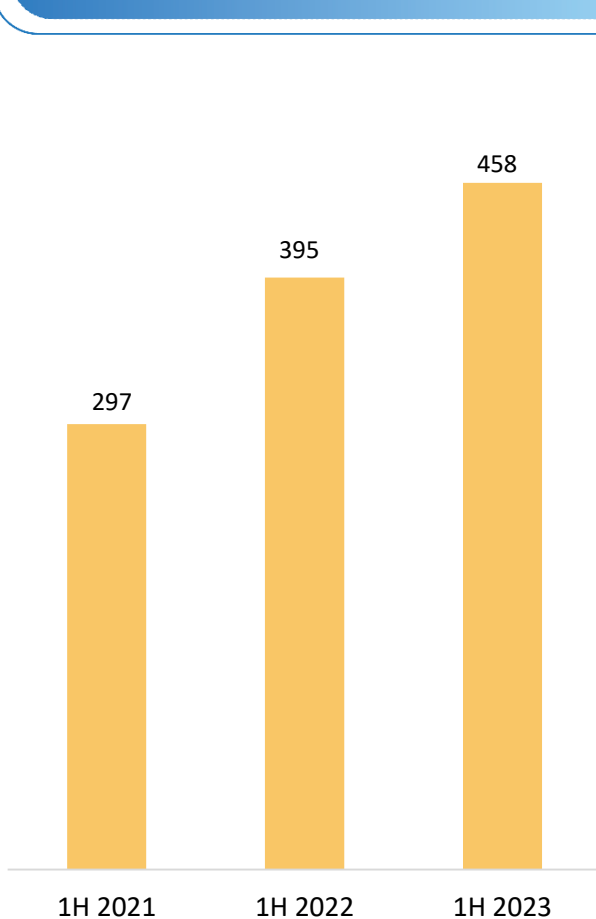
Fushun Milk Powder Factory



Office building of Huishan Dairy

Notes:
1. Unit: mn sq.m.

PM Revenue¹



Refinement of Standards

- ◆ Implemented the service standards for the product lines of “Zhenyue (臻越系)” and “Xiangyue (享越系)” in an effort to **set a benchmark for high-end projects**
- ◆ Established **service standards for non-residential projects**, including those for public premises and urban services



Enhancement of community landscaping

Improvement of Experiences

- ◆ Customer satisfaction with service orders reached **92.4%**
- ◆ Improved service at MOT by **enhancing scenario design and increasing brand visibility**
- ◆ **Carried out targeted special actions on quality improvement** to identify and overcome the shortcomings in customer experience



Elevation of service personnel image



Elevation of Empowerment

- ◆ Established a **PM service think tank** for customer research and project support
- ◆ Launched a Butler Qualification Scheme and **completed the certification of 145 star-rated butlers**



Assessment of star-rated butlers

Note:
1. Currency: RMB mn



Property Agency

- **Improved the coverage and penetration of stores in communities**, and strengthened the development of business channels
- **Leasing and sales of existing homes increased significantly**, and the market share and operational efficiency of the business continued to improve
- **Continued to roll out the entrusted property management business** and piloted a new entrusted management model for residential property
- **Collaborated with property management personnel at managed projects to generate additional income**, improved incentives for frontline staff and empowered them to increase income by involving them in the leasing and sales of properties and parking spaces



Leasing and sales of existing homes

Sales of parking space



New Retail

- **Revenue generated by each household increased significantly to RMB98, up 58% YoY**
- **Launched innovative businesses:** Introduced new community-based businesses such as convenient milk vending machines, weekend themed bazaars, Yuexiu Lifestyle Hall and various themed community activities
- **Continuously optimized product offerings** such as the inclusion of household appliances, as well as the unique local food products introduced under the "One City, One Flavor" campaign



Self-operated Milk Vending Machine

Community Bazaar

Lifestyle Hall



Home Decoration

- **Optimized product offerings** by developing and upgrading add-on features based on Yuexiu Property's standard flats, and providing homeowners with hard furnishing packages, soft furnishing packages and upgrading packages to better meet customer needs
- **Enhanced service capabilities** by building a business system consisting of urban showrooms, community stores, and neighborhood stores. The first urban showroom was successfully opened and serves as a customer touchpoint
- **Improved market competitiveness** by developing the business of installing or replacing lifts in older residential communities, thereby expanding streams for business growth



"Yoo-Magic" Urban Showroom



"Yoo-Magic" Urban Showroom



Community Commercial Business

- **Vigorously implemented refined operations in existing projects** to increase rental prices and occupancy rates, and to identify opportunities in space operations to increase revenue
- **Successfully obtained commercial projects from external market for the first time** by securing the contracts to provide space planning and tenant sourcing services for Guangzhou Tongde Commercial Plaza and Suzhou Suxufang



Suxufang (Suzhou)

Tongde Commercial Plaza (Guangzhou)



Intelligent Service

- **Undertook the intelligent projects by Yuexiu Property**, including the sales and installation of smart products, development of video surveillance software systems, as well as related design and consulting services
- **Actively developed intelligent business by securing contracts from third parties**, and further developed businesses such as hardware equipment sales and communication engineering in an effort to create new streams for business growth
- **Explored opportunities in smart community solutions**

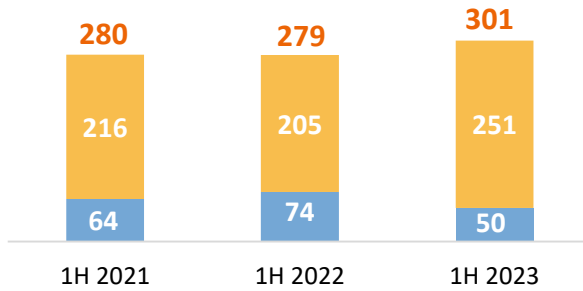


Smart Home Appliances

Smart Community Solutions

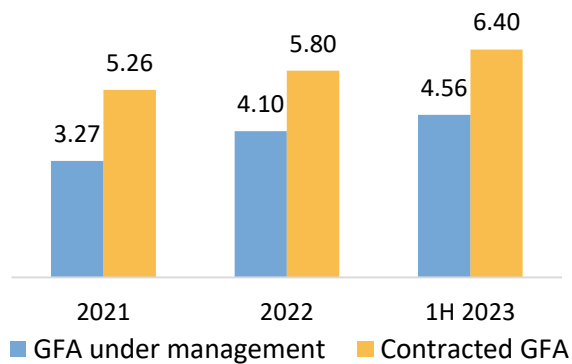


Revenue¹

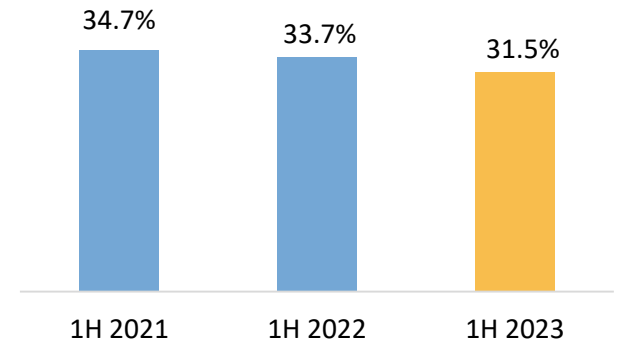


- Commercial operation and management services
- Market positioning consultancy and tenant sourcing services

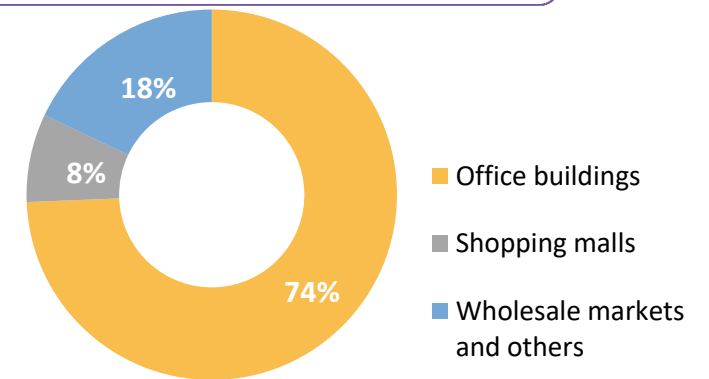
Management Scale²



GP Margin

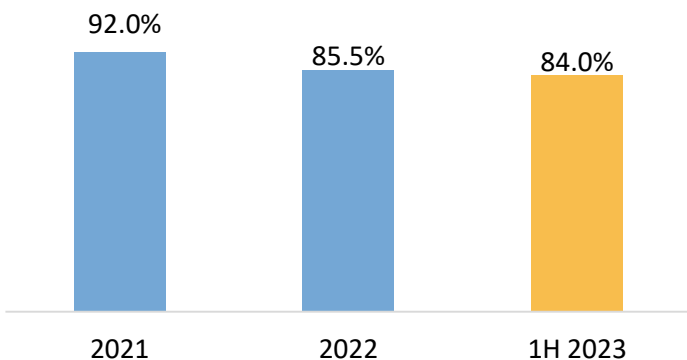


Business Types³

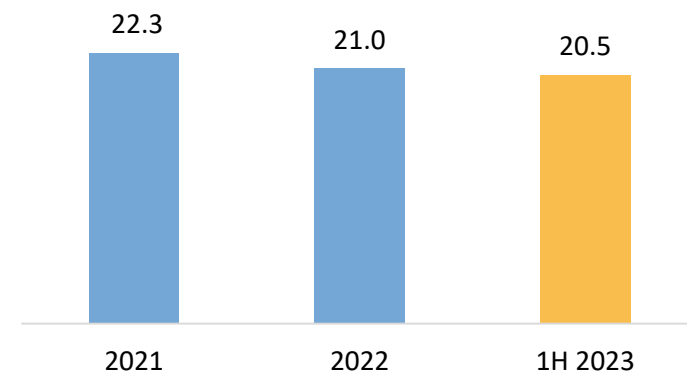


Notes:
 1. Currency: RMB mn
 2. Unit: mn sq.m.
 3. According to the GFA under management as of 30 Jun 2023

Overall Occupancy Rate of Office Buildings¹



Avg. PM fee of Office Buildings²



Refining high-end services,
Setting benchmark for differentiated services

Benchmark project:
First Class Service at Guangzhou IFC

Service Image Upgrade



Optimization of Amenities



Optimization of Navigation



Customized Welcome Gifts



Improvement of FM Services

Hospitality Services

Conference Services

Security Services

Document Management

Office Environment Management

Material Procurement

Office Equipment Management

Maintenance of Equipment and Facilities

Decoration Management

Note:

1. The occupancy rate is the period-end occupancy rate, which only includes office buildings, shopping malls and wholesale markets owned by Yuexiu REIT

2. Unit: RMB/sq.m./month



Practicing six major responsibilities under the guidance of UNSDGs

Economic Responsibility¹

Revenue
RMB**1,512** mn **↑38.7%**

Net profit
RMB**248** mn **↑17.5%**

Environmental Responsibility

Energy intensity
1.33 MWh/1000m²
↓37.2%

Water consumption intensity
33.56 m³/1000m²
↓22.2%

Employee Responsibility

Training coverage
100%

Avg. hours of training
41hrs **↑2.5%**

Service Responsibility

Rectification rate of safety production
100%

Investment on safety production
RMB**63.24** mn

Supply Chain Responsibility

No. of cooperating suppliers
6,870

Signing rate of Integrity Agreement
100%

Social Responsibility

No. of community activities
1,800

No. of employees attended community activities
4,352



MSCI ESG Ratings – BBB



Achieved all environmental targets

Emission targets

- ✓ Reduced greenhouse gas emission intensity
- ✓ Reduced exhaust emission density

Energy consumption targets

- ✓ Strengthened the energy management of energy-consuming equipment and enhanced resource use efficiency
- ✓ Promoted the use of LED energy-saving lamps in office areas and at projects under management

Resource usage targets

- ✓ Reduced water consumption intensity

Waste disposal targets

- ✓ Promoted separate collection and recycling of waste in office areas and at projects under management

Notes:
1. The data of economic responsibility are for 1H 2023, while the other data are for 2022

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Focus on the quality of PM services to better meet customer needs

Residential

Commercial

Mass Transportation

Urban Services (incl. public premises)

Four Business Types

Living Services

To-B Services

Community Commercial Services

Intelligent Services

Four VAS Platforms

Investment and post-investment integration

Supply chain and partnership management

Intelligent management and operation

Organization management and talent development

Risk control and management

Five Capabilities

High Service Standards

- Establish and improve the service standards of the four core business types, namely residential, commercial, TOD and urban services
- Explore the "Double-Butler" model, which integrates "Yue Butler" and "Yue+ Consultant"
- Set up a national customer service hotline

Strong Service Brands

- Build up "Yue Butler" brand
- Develop benchmark projects and service brands for core business types, e.g., residential, TOD, and urban services, and enhance brand awareness in niche markets



Solid Service System

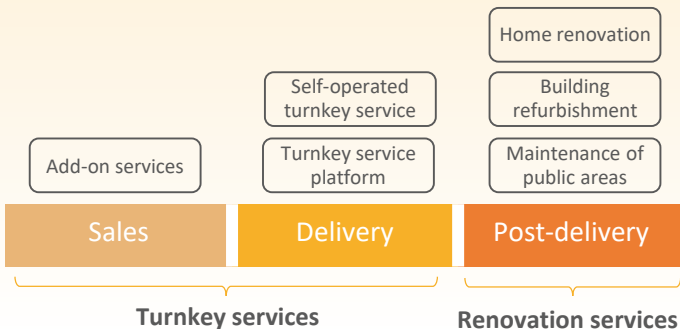


Powerful Service Tools

- Integrate digital tools with mechanized operations to increase efficiency and enhance customer experience
- Implement the Amoeba Operation System to incentivize the management team and frontline staff to create shared benefits

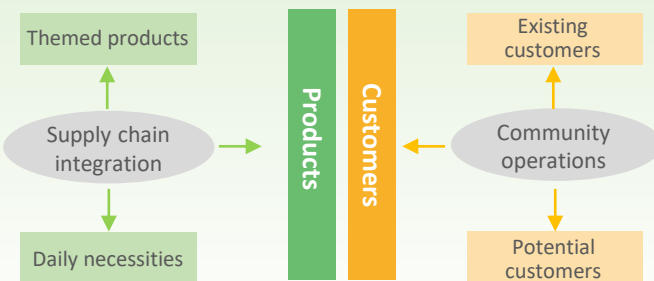
Home Decoration

An integrated decoration service provider that provides a better living environment
Covering the entire life cycle of houses



New Retail

Tap into customer needs and create differentiated products and services



Property Agency

Become an integrated real estate broker



Community Commercial Business

Build up the service brand of "Living Fun" and provide full-chain services






Intelligent Business

An intelligent application service operator centered on IoT



- Integrate sustainability into the Company’s growth and business operations
- Regularly disclose information in response to the concerns of various stakeholders
- Examine and evaluate sustainable development practices, continuously improve internal management systems and standards, and explore sustainable development models

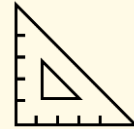
Focus Areas of ESG Strategy

 <p>Good Governance</p>	 <p>Quality Service</p>	 <p>Green Property Management</p>
 <p>Caring for Employees</p>	 <p>Win-Win Cooperation</p>	 <p>Social Well-being</p>



Objective X A leader in high-quality development

Integrate the concept of sustainable development into the Group’s business operations and management, and strive to achieve high-quality development



Practice X Making life good with dedication

Economic responsibility: creating value in a prudent manner
 Supply chain responsibility: building a sustainable supply chain
 Service responsibility: providing excellent services to make life good
 Environmental responsibility: Promoting green living through green and low-carbon property management
 Employee responsibility: encouraging employee growth and embracing diversity and inclusion
 Social responsibility: Increasing the penetration in GBA and shouldering the social responsibilities as an SOE



Disclosure X Proactively addressing stakeholders’ concerns

Regularly disclose sustainability practices and proactively address stakeholders’ concerns



Evaluation X Solidifying the foundation for long-term development

Explore the development models to lay a solid foundation for long-term growth through constant reflection and review

Thank You!

DISCLAIMER

- ◆ The material in this document is a presentation of general background information about the Company's business activities as at the date of the presentation. It is information given in summary form and does not purport to be complete. It does not constitute an invitation or offer to acquire, purchase, or subscribe to any securities, nor shall any contract, commitment, or investment decision be made based on or relying on any part thereof. It is not intended to be relied upon as advice to potential investors.
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