



寶業集團股份有限公司 BAOYE GROUP COMPANY LIMITED



# *Results Review and Prospects*

STOCK CODE: 2355.HK



寶業集團股份有限公司 BAOYE GROUP COMPANY LIMITED

*Corporate Profile*  
*Results Review*  
*Business Prospect*





寶業集團股份有限公司 BAOYE GROUP COMPANY LIMITED

# *Corporate Profile*

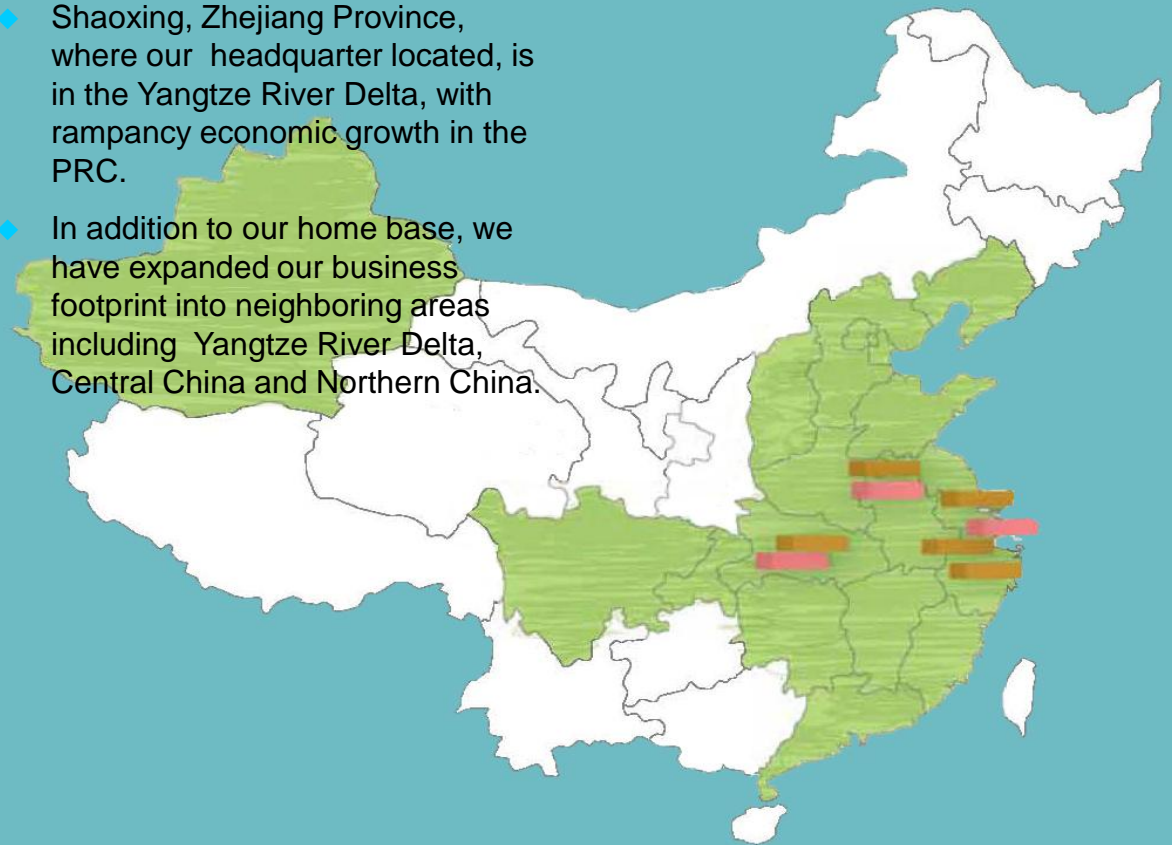




## Corporate Profile - Business Network



- ◆ Shaoxing, Zhejiang Province, where our headquarter located, is in the Yangtze River Delta, with rampancy economic growth in the PRC.
- ◆ In addition to our home base, we have expanded our business footprint into neighboring areas including Yangtze River Delta, Central China and Northern China.





## Corporate Profile - Business Network

### *Baoye Group Company Limited*

#### *Construction Business*

- Zhejiang
- Shanghai
- Jiangsu
- Anhui
- Hubei
- Hunan
- Beijing
- Tianjing
- Shanxi
- Guangdong
- Hebei
- Henan
- Shandong
- Liaoning
- Sichuan
- Chongqing
- Xinjiang
- Jiangxi
- Fujian
- Africa

#### *Property Development Business*

- Zhejiang
- Hubei
- Shanghai
- Anhui
- Henan

#### *Building Materials Business*

- Zhejiang Building Materials
- Anhui Building Materials
- Hubei Building Materials
- Shanghai Building Materials
- Jiangsu Building Materials



## Corporate Profile - Business Structure

### Baoye Group Company Limited

#### Construction Business

- Government and Public Buildings
- Urban Facilities and Infrastructure
- Commercial Buildings
- Residential Buildings
- Industrial Buildings
- Electrical and Electronic Buildings
- Fireproof Facilities
- Curtain Wall Installation

#### Property Development Business

- |             |                           |            |                           |
|-------------|---------------------------|------------|---------------------------|
| - Shaoxing  | Baoye Four Seasons Garden | - Shaoxing | Daban green garden        |
| - Shaoxing  | Yunxili                   | - Lishui   | Huajie Fengqing           |
| - Ningbo    | Phoenix One               | - Shanghai | Baoye Active Hub          |
| - Shanghai  | Qingchunli                | - Wuhan    | Xingyu Fu                 |
| - Wuhan     | Yuzhu Project             | - Wuhan    | Yuke Project              |
| -Mengcheng  | Binhu Green Garden        | -Mengcheng | Shidai Green Garden       |
| - Jieshou   | Fuxing Jiayuan            | - Taihe    | Baoye City Green Garden   |
| - Taihe     | Yinhe Green Garden        | - Taihe    | Taihe Jiangnan Fu         |
| - Kaifeng   | Baoye Longhu Yucheng      | - Lu'an    | Baoye Junyue Green Garden |
| - Zhengzhou | Zhengzhou Project         | - Sixian   | Sizhou Green Garden       |
| - Lu'an     | Yeji Jiangnan Fu          |            |                           |

#### Building Materials Business

- Curtain Wall
- Ready-mixed Concrete
- Furnishings and Interior Decorations
- Wooden Products and Fireproof Materials
- PC Assemble boards
- Others



## Corporate Profile - Business Structure

### *Baoye Group Company Limited*

#### *Construction Business*

- ◆ No limit on tendering bids because of premier license and as one of the pilot enterprise of EPC in Zhejiang Province, three subsidiaries hold the premier license.
- ◆ Strong revenue growth supported by steady order volume growth

#### *Property Development Business*

- ◆ Enjoys a higher quality of products and services in the industry due to synergistic effect resulting from excellent construction and building materials, as well as the technology and brand advantages of housing industrialization
- ◆ Quality land bank accumulated at low cost over the past years, ensure property development business' profit and capability of risk resistance

#### *Building Materials Business*

- ◆ Pioneer of housing industrialization in the PRC with the capability of research, design, construction, manufacture and operation of industrialized construction, aiming to become the industry standard setter
- ◆ Building Materials Industrial Parks in Zhejiang Province, Anhui Province, Hubei Province and Shanghai, businesses extended to Yangtze River Delta and Central China



## Corporate Profile

- ◆ With over 40 years of industry experience, the Group has successfully developed into a vertically integrated enterprise comprising of construction, property development and construction industrialisation building materials, and growing up from a regional company to a nationwide one.
- ◆ An H Share company listed on the main board of HKEx since June 2003. The first vertically integrated construction enterprise of mainland listed in Hong Kong.
- ◆ Highly focused and specialized in our core businesses segments.
- ◆ Privately-owned enterprise managed by professionals with an aim to enhance shareholders' value through sound corporate governance.







## Shareholders

### Corporate Profile

<i>As at 30 June 2021</i>	<i>No. of shares</i>	<i>% of total</i>
<b>Domestic Shares</b>		
Mr. Pang Baogen (Chairman)	193,753,054	34.56%
Senior Management (33 persons)	156,988,999	28.00%
	<b>350,742,053</b>	<b>62.56%</b>
<b>H Shares</b>		
Wu Xueqin	29,304,000	5.23%
Zhu Yicai (Note 1)	29,304,000	5.23%
Others	180,588,000	32.21%
	<b>209,892,000</b>	<b>37.44%</b>
<b>Total</b>	<b>560,634,053</b>	<b>100%</b>

1. Mr. Zhu Yicai, the spouse of Ms. Wu Xueqin, is deemed to be interested in 29,304,000 H shares.



寶業集團股份有限公司 BAOYE GROUP COMPANY LIMITED

# *Results Review*

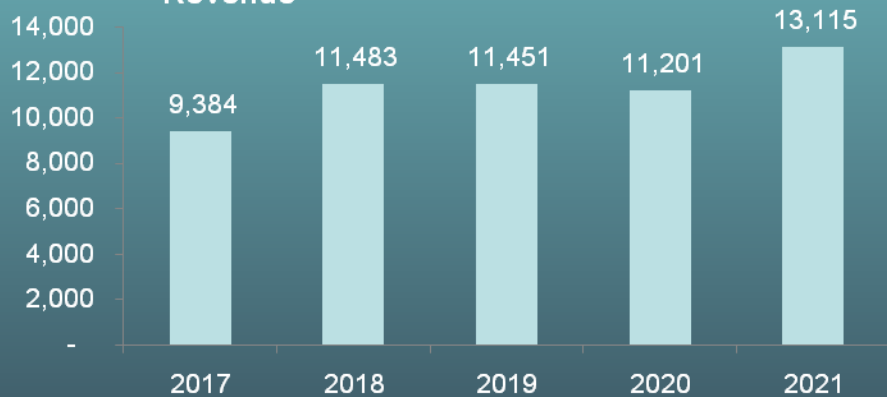




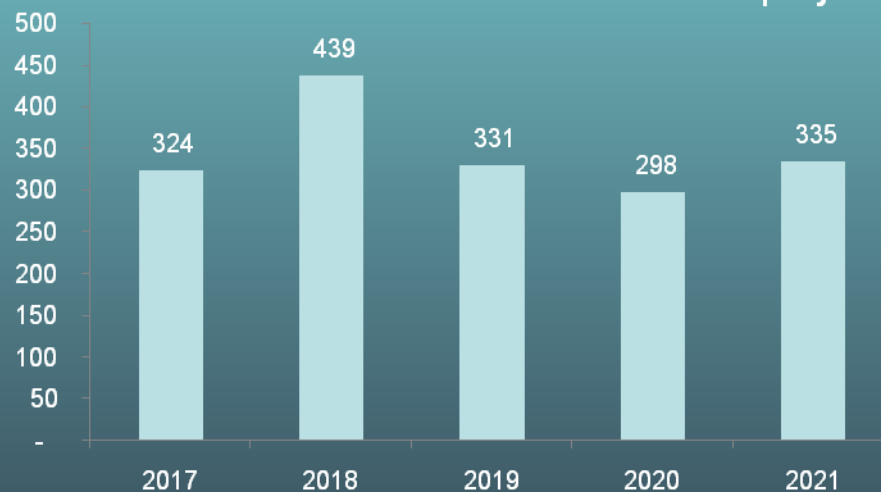
## Results Review

For the six months ended 30 June  
RMB million

### Revenue



### Profit Attributable to the Owners of the Company

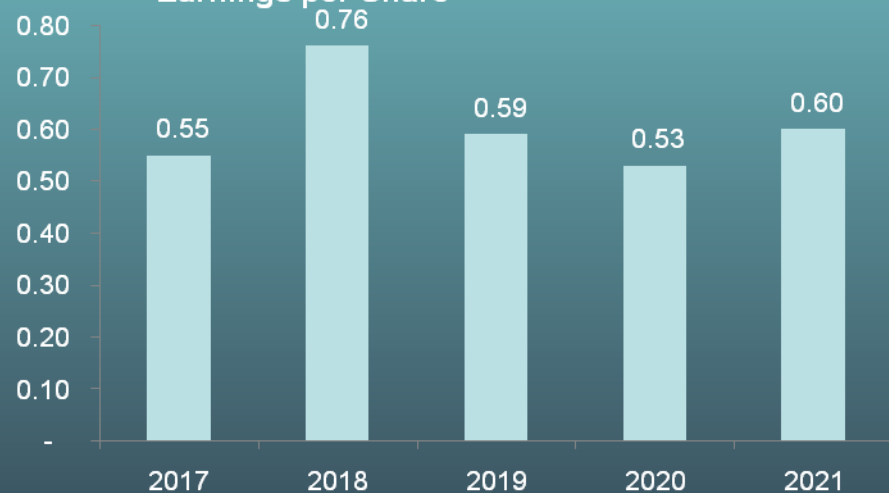




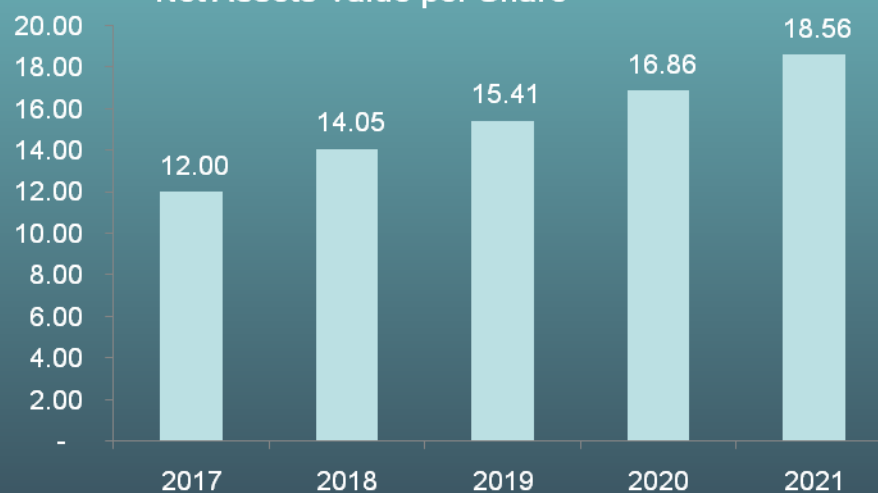
## Results Review

For the six months ended 30 June  
RMB

### Earnings per Share



### Net Assets Value per Share

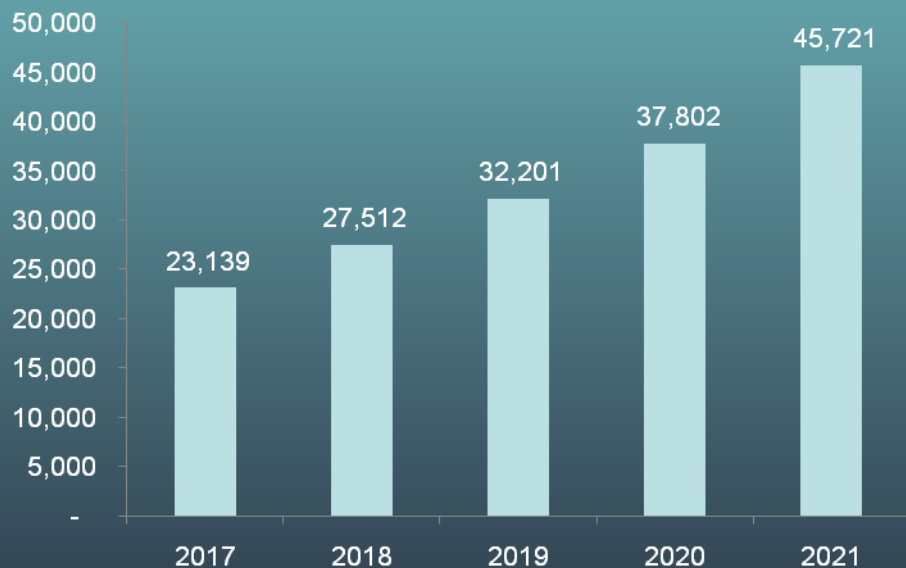




## Results Review

For the six months ended 30 June  
RMB million

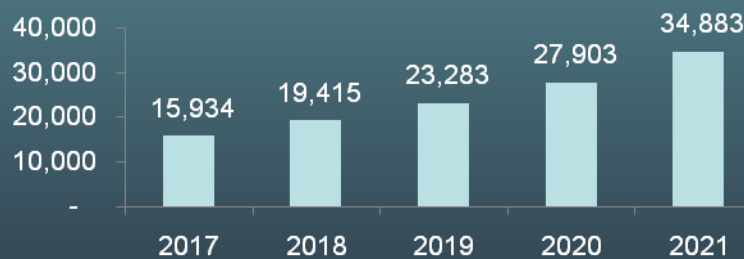
### Total Assets



### Total Equity



### Total Liabilities



## Summary



### Results Review

As at 30 June  
RMB million

	2021	2020	Change
Revenue	<b>13,115</b>	11,202	17%
Profit attributable to the owners of the Company	<b>335</b>	298	12%
Earnings per share (RMB)	<b>0.60</b>	0.53	13%






## Turnover



### Results Review

For the six months ended 30 June  
RMB million

	2021	2020	Change
Construction	10,604	9,065	17%
Property Development	1,278	926	38%
Building Materials	1,052	1,066	-1%
Others	180	145	24%
<b>Total</b>	<b>13,115</b>	<b>11,201</b>	<b>17%</b>



## Operating Profit

For the six months ended 30 June  
RMB million

	2021	2020	Change
Construction	311	250	25%
Property Development	216	336	-36%
Building Materials	42	19	127%
Others	13	3	351%
<b>Total</b>	<b>582</b>	<b>607</b>	<b>-4%</b>



*Results  
Review*







## Operating Profit Margin

For the six months ended 30 June

	2021	2020	Cange
Construction	<b>2.9%</b>	2.8%	5%
Property Development	<b>16.9%</b>	36.2%	-53%
Building Materials	<b>4.0%</b>	1.7%	130%



*Results  
Review*





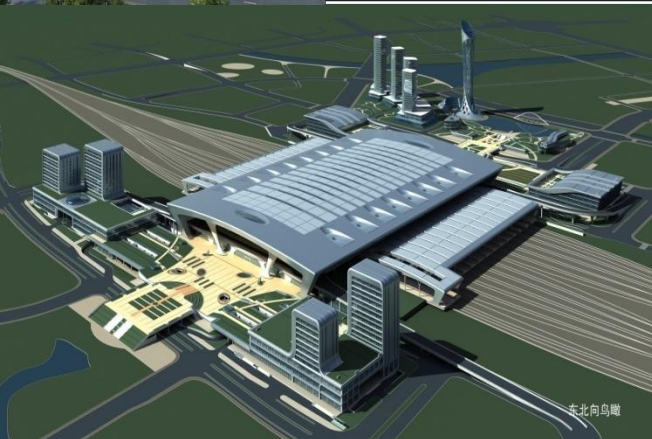
## Key Financial Ratio



### Results Review

As at 30 June

	2021	2020
Return on equity	<b>3.22%</b>	3.14%
Net assets value per share (RMB)	<b>18.56</b>	16.86
Net cash ratio	<b>47%</b>	11%
Current ratio	<b>1.23</b>	1.24





## Business Structure



## Results Review

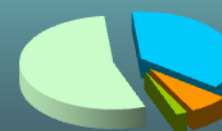
### Revenue and profit breakdown by business segments

	Revenue	Profit
Construction	81%	54%
Property Development	10%	37%
Building Materials	8%	7%
Others	1%	2%

Revenue



Profit



■ Construction ■ Property Development ■ Building Materials ■ Others

## Property Development – projects under development



### Results Review



<i>Property Name</i>	<i>Location</i>	<i>Equity Interest of the Group</i>	<i>Total Floor Area Under Development (Sqm)</i>
Baoye Four Seasons Garden	Shaoxing	100%	300,000
Daban Green Garden	Shaoxing	100%	145,700
Xialv Project.Yunxili	Shaoxing	60%	214,970
Huajie Fengqing	Lishui	100%	260,363
Baoye Phoenix One	Ningbo	100%	84,005
Baoye Active Hub	Shanghai	100%	94,722
Baoye Qinchunli	Shanghai	100%	36,289
Xingyu Fu	Wuhan	100%	259,056
Yuzhu Project	Wuhan	100%	233,181
Yuke Project	Wuhan	100%	102,015

## Property Development – projects under development



### Results Review



<i>Property Name</i>	<i>Location</i>	<i>Equity Interest of the Group</i>	<i>Total Floor Area Under Development (Sqm)</i>
Binhu Green Garden	Mengcheng	100%	164,467
Shidai Green Garden	Mengcheng	60%	149,994
Fuxing Jiayuan	Jieshou	100%	467,293
Baoye City Green Garden	Taihe	55%	69,973
Yinhe Green Garden	Taihe	51%	209,185
Taihe Jiangnan Fu	Taihe	100%	68,654
Baoye Longhu Yucheng	Kaifeng	60%	300,598
Baoye Junyue Green Garden	Lu'an	100%	216,407
Zhengzhou Project	Zhengzhou	51%	Under planning
Sizhou Green Garden	Sixian	100%	217,323
Yeji Jiangnan Fu	Lu'an	70%	71,089

## Property Development - Projects in Zhejiang



### Results Review

- ◆ Baoye Four Seasons Garden is located in Kuaijishan Tourist Resort, a provincial tourist resort in Zhejiang Province. With historical culture and spectacular scenery, the area is where ancient civilisation flourished. Other than its profound cultural tradition and being the origin of many myths and folklores, the area also has a large number of historical heritages. Being only 5 kilometres from the downtown of Shaoxing City, it is known as the “natural treasure in the heart of a city”. Baoye Four Seasons Garden has a site area of approximately 1,050,000 square metres and a planned gross floor area of approximately 650,000 square metres for the development of deluxe villas, semi-detached villas and town houses, all fully equipped with supporting facilities, such as a golf club, a five-star resort hotel, two leisure, a sport park, a shopping arcade, kindergarten and a central lakeside garden. Phase I still remains a few spare for sale. Phase II of approximately 300,000 square meters is currently under planning. The presales of the first phase of terrace house have begun and are in good condition.



## Property Development - Projects in Zhejiang



### Results Review

- ◆ Daban Green Garden, located in Keqiao District, Shaoxing City, Zhejiang Province, has a site area of 80,945 square meters and a plot ratio of 1.8. The above ground building area is about 145,700 square metres, and the underground building area is about 100,000 square metres. The project will be built in a prefabricated method and fully and well decorated. The project is very close to the Banhu Lake and the railway station of Hangzhou and Shaoxing. It enjoys well-developed facilities of convenient transportation, scenic environment, hospitals, schools and shopping malls. The project will be a landmark of residential building in the Banhu area of Keqiao. Sales began in May 2020 and the project was sought after by the market. The remaining three buildings are expected to be sold in the second half of 2021.
- ◆ Xialv Project consists of three separate parcels of land with a total cost of RMB511,036,354 and a total land site area of 262,862 square meters, pursuant to which the Group is interested in 60%. The Group acquired the land use rights through public auction in 2017. One of the three parcels of land, Baoye Yunlixi, will be developed in two phases. The first phase started sale in November 2020, which has basically been sold out and is expected to be delivered in 2023. The second phase is expected for presale in the second half of 2021.

## Property Development - Projects in Zhejiang



### Results Review

- ◆ Baoye Huajie Fengqing is located in Liandu District, Lishui City, Zhejiang Province. It covers an area of 95,794 square meters and has a total building area of 260,363 square meters. The residential area is 165,516 square meters of which about 106,563 square meters will be repurchased by the government. The plot ratio is 1.88. The remaining 58,790 square meters are owned by the Group. This project started presale in October 2019 and has been basically sold out.
- ◆ Baoye Phoenix One is located in Ningbo City, Zhejiang Province. The Group obtained it through a judicial auction in August 2020 at a total price of RMB 332,952,898. The project has a total area of 26,957.6 square meters and a saleable area of 84,005 square meters. The project is composed of apartments and offices surrounded by convenient transportation and mature supporting facilities. The project will become a new generation of urban center integrating youth creativity, business office, ecological livability, and urban parks. The project started presale in May 2021, and the presales result has been good.





## Property Development - Projects in Shanghai



### Results Review

- ◆ Baoye Active Hub, located at the south of Guanyun Road, Qingpu District, Shanghai City, is very close to the Dianshanhu Road Station of Line 17. The project has a site area of approximately 38,649 square meters, and a gross floor area of approximately 94,722 square meters with a plot ratio of 1.5. The Group acquired this parcel of land use rights at a total consideration of RMB913,630,000 in September 2019. This project has residential and commercial parts, and is positioned as a construction art respecting to architecture and facing the future. The project will be built as a landmark with green, healthy, intelligent, civilized and artificial and artistic characteristics. The project has been sold out.
- ◆ Baoye Qingchun Li is located in Qingcun Town, Fengxian District, Shanghai. The project covers an area of approximately 13,101.6 square meters with a floor area ratio of 1.8 and a gross floor area of approximately 23,568.34 square meters. The Group obtained this piece of land use right at a total consideration of RMB312,000,000 in November 2020. The project will be built with a new industrialized prefabricated assembly technology, using the world's leading brand, German Vollert fully imported production line, and will be delivered with an overall refined decoration. Currently the project has started construction.

## Property Development - Projects in Hubei



### Results Review

- ◆ Xingyu Fu project, located in Xinzhou District, Wuhan City, Hubei Province, has a total land area of 129,528 square meters and planned building area of approximately 259,056 square metres. The Group acquired this parcel of land use right in December 2017 at a consideration of RMB780 million. Presales began in 2020. Phrase I has had some units to be sold. Phrase II will start presale in 2022 pending the market situation.
- ◆ Wuhan Yuzhu Project, located in Xinzhou District, Wuhan City, Hubei Province, has a total construction area of approximately 233,200 square meters, including approximately 178,000 square meters of saleable residential areas, and some commercial units and parking areas. On 17 May, 2021, a subsidiary of the Group acquired 51% equity interest of the project held by the project partner. As a result, the Company currently holds 100% equity of the project company. For details, please refer to the announcement issued by the Company on 17 May, 2021.
- ◆ Wuhan Yuke project, located in Huangpi District, Wuhan City, Hubei Province, has a total construction area of approximately 102,015 square meters, including approximately 74,409 square meters of saleable residential area and some commercial units and parking areas. A subsidiary of the Group holds 100% equity of the project company by acquisition of the 40% equity held by the project partner. The project started presale at the end of 2020 which has been in good situation.

## Property Development - Projects in Anhui



### Results Review

- ◆ Mengcheng Binghu Green Garden, located in Mengcheng County, Anhui Province. A subsidiary of the Group acquired the land use right through bidding, auction and listing at a consideration of RMB 366,000,000 in August 2018. The project has a total land area of 78,640 square meters and gross floor area of 201,572 square meters of high-rise residential buildings, garden houses, townhouses and commercial housing. The project has started the presale in the second half of 2019. Garden houses and townhouses have been delivered, and high-rise residential buildings are expected to be delivered in 2022.
- ◆ Mengcheng Shidai Green Garden is located in Mengcheng County, Anhui Province. A subsidiary of the Group obtained the land use right through bidding, auction and listing at a consideration of RMB 190 million in April 2020. The project covers an area of approximately 58,796.75 square meters, with a planned construction area of approximately 149,994 square meters. The project consists of high-rise, multi-storey residential and commercial buildings. Phase I has been on sale in the first half of 2021. The project is currently under construction.
- ◆ Baoye Fuxing Jiayuan is located in Jieshou City, Fuyang City, Anhui Province. It was acquired by the Group for RMB370,348,000 through public bidding in June 2018. The total area of the project is 172,656 square meters and the planned total construction area is approximately 467,293 square meters. When the project is completed, it will be fully repurchased by the government. The project is expected to be delivered in the second half of 2021.

## Property Development - Projects in Anhui



### Results Review

- ◆ Baoye Taihe City Green Garden is located in Taihe County, Anhui Province with a total gross floor area of 420,000 square metres, comprising of unique and niche residential units, elegance shopping arcade, an international bilingual kindergarten and high-end swimming pool facilities. Personalized and scientific design in dividing motor vehicle flow and pedestrian flow enable residents to enjoy quality and comfortable living. The project is closed to an ecofriendly park with rich community facilities. After completion, it will become Taihe's principal ecological community, setting a new benchmark for modern human settlements. The project will be developed in five phases, and four phases have been delivered to owners. In January 2019, The Company acquired land use rights of a parcel of 9,662 square meters land that adjacent to the west side of the project at a total price of RMB25.94 million yuan for the development of the fifth phase with plot ratio less than 2.2. The fifth phase is expected to be delivered in the second half of 2021..
- ◆ Yinghe Green Garden is located in Taihe County, Anhui Province. The total area of the project is approximately 63,544.70 square meters, the total building area is approximately 209,185.24 square meters, and the total number of houses is approximately 1,406, of which approximately 1,000 are resettlement houses. The project will be constructed in a prefabricated way. The project is expected to be delivered in 2022.






## Property Development - Projects in Anhui



### Results Review

- ◆ Taihe Jiangnan Fu is located in Taihe County, Anhui Province. In June 2020, a subsidiary of the Group obtained the land use right of the project through public bidding. The project covers an area of approximately 29,577.3 square meters and a total construction area of approximately 68,654 square meters with a plot area ratio of 1.7. At present, the project is under planning.
  - ◆ Baoye Junyue Green Garden is located in Lu'an City, Anhui Province. The project was acquired by the Group through a judicial auction in September 2017. The total area of the project is about 54,220 square meters, and the planned construction area is about 129,665 square meters which were delivered by the end of 2020. The commercial segment with a land area of approximately 7,220 square meters is nearing completion. The surrounding transportation of the project is convenient, the supporting facilities are well-developed, and there are parks, banks, shopping malls and other business formats. In February 2019, the project company obtained another land use right with a total land area of approximately 11,947 square meters on the west side of the project, which is currently under presale.
- 

## Property Development - Projects in Anhui



### Results Review

- ◆ Sizhou Green Garden is located in the Economic Development Zone of Sixian County, Suzhou City, Anhui Province. In May 2019, the Group acquired the land parcel A and B with a total land area of approximately 46,888 square meters and gross floor area of approximately 124,907 square meters at a total consideration of RMB113.5 million through public auction. In April 2020, the Group acquired the land parcel C with a total land area of approximately 42,007.45 square meters at a total consideration of RMB107,120,000 through public auction. This project enjoys well-developed facilities, convenient transportation and education resources. The project started presale in 2020 and is expected to be delivered in 2021.
- ◆ Yeji Jiangnan Fu project, located in Lu'an City, Anhui Province, has a total land area of 59,241 square meters and gross floor area of approximately 98,451 square meters. The plot ratio is 1.2. A subsidiary of the Company obtained the land use right in December 2020, pursuant to which the project company holds 70% interest. The project will be built as a high-end community integrating characteristic villas, low-rise residences and bungalows and is currently under construction.



## Property Development - Project in Henan



### Results Review

- ◆ Baoye Longhu Yucheng is located in a prime area of Eastern New City, Kaifeng County, Henan Province. It has a total site area of approximately 648,000 square metres and an estimated gross floor area of approximately 972,000 square metres. After completion, it will become the city's new business centre and leisure centre. The project will be developed in five phases. Among them, the first group, about 170,000 square meters of Lanjing Garden, has been completed and delivered to the owners. About 140,000 square meters of high-rise buildings from the second group, Yujing Garden had been basically delivered to the owner, and the remaining bungalows, stacked villas, and townhouses are on sale. The third group, Guanjing Garden with about 240,000 square meters, is still under construction.
- ◆ Zhengzhou Project, with a total site area of 336,776 square meters, located in Zhengzhou City, Henan Province. The Group acquired the land use right in November 2018 at a consideration of RMB184,662,013. The project is in Jianshan Tourist Resort Zone, Xinmi City, Zhengzhou City, with convenient transportation, spectacular scenery and historical culture. At present, land No.2 has begun construction.



## Newly-acquired Land Reserves

### Results Review

<i>Time table</i>	<i>Location</i>	<i>Cost (RMB'000)</i>	<i>Land area (Sqms)</i>	<i>Equity</i>
May, 2021	Xiaoshan District, Hangzhou City, Zhejiang Province	334,760	16,235.00	100%
June, 2021	Sixian County, Suzhou City, Anhui Province	300,000	111,954.54	100%
June, 2021	Qingpu District, Shanghai City	568,600	22,309.20	100%



## Building Materials

### Results Review

Revenue of the building materials for the six months ended 30 June

	2021 RMB'000	% of the total	2020 RMB'000 (Restated)	% of the total	Change
Curtain Wall	617,822	59%	484,704	45%	27%
Furnishings and Interior	128,987	12%	80,146	7%	61%
Ready-mixed Concrete	90,470	9%	348,436	33%	-74%
PC Assembly Plate	100,097	10%	60,204	6%	66%
Wooden Products and	52,029	5%	39,938	4%	30%
Steel Structure Decorations	15,804	1%	20,738	2%	-24%
Others	47,071	4%	31,510	3%	49%
<b>Total</b>	<b>1,052,280</b>	<b>100%</b>	<b>1,065,676</b>	<b>100%</b>	<b>-1%</b>



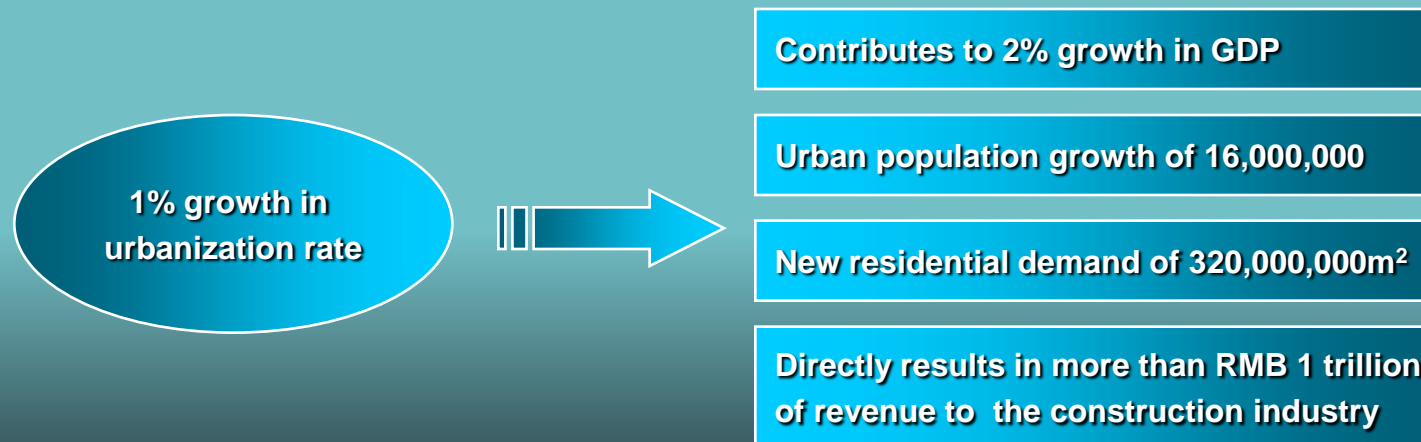
寶業集團股份有限公司 BAOYE GROUP COMPANY LIMITED

# *Business Prospects*



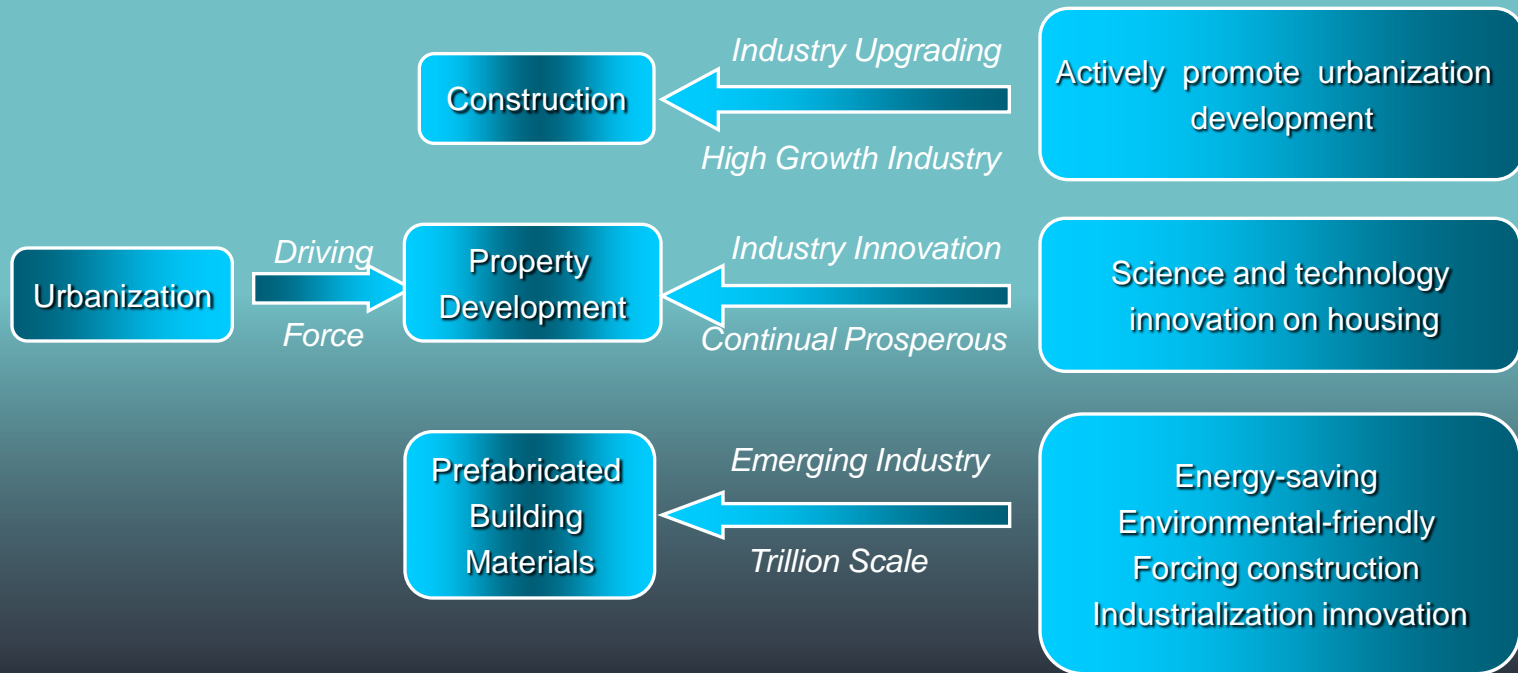
## Urbanization in China

- ◆ The acceleration of the process of urbanization brought enormous development opportunities for each of the three major businesses of Baoye.



## Urbanization in China


Driving force for construction growth in China - urbanization



## Construction Business



### *Business Prospects*



Premium class certification for general building construction and one of the pilot enterprise of EPC in Zhejiang Province

Business network:  
strengthen the existing market  
and explore new market

Project nature:  
Most of markets of infrastructure  
governments invested

Business operation model:  
adopt new contracting model,  
of BT and promote the EPC, PPP

Construction technology:  
energy-saving and  
green construction



## Property Development Business



### *Business Prospects*

- ◆ The Group will continue to position its market in second and third tier cities in Hubei, Anhui and Henan;
- ◆ Under the background of new urbanization construction, the Group will pay more attention to new property development model, such as small cities created by the urbanization reform policy, new rural countries, senior homes, community properties and commerce complex in town;
- ◆ The Group preserves its land bank with good location, appropriate size, reasonable cost and appreciation potential under its prudent policy.

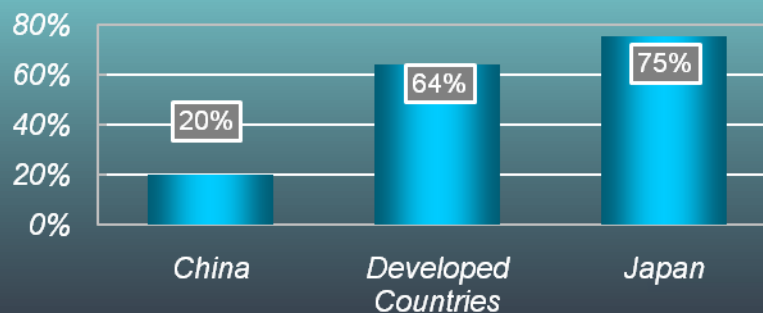


## Prefabricated Building Materials Business



### Business Prospects

- ◆ Currently, the construction industrialization rate in China is just around 20%, which is far below the average of 70% in developed countries.
- ◆ With the implementation of the construction industrialization reform, the market capacity for new building materials in China will reach trillions of RMB in the coming years.





## Disclaimer

- ◆ This presentation includes forward-looking statements. All statements, other than statements of historical facts, that address activities, events or developments that Baoye expects or anticipates will or may occur in the future (including but not limited to projections, targets, estimates and business plans) are forward-looking statements.
- ◆ Baoye's actual results or developments may differ materially from those indicated by these forward-looking statements as a result of various factors and uncertainties, including but not limited to price fluctuations, actual demand, exchange rate fluctuations, market share, competition, environmental risks, changes in legal, financial and regulatory frameworks, government policies, international economic and financial market conditions, political risks, cost estimates and other risks and factors beyond our control.
- ◆ In addition, Baoye makes these forward-looking statements as of today and undertakes no obligation to update these statements.
- ◆ The information in the presentation is for informational purposes only. This is not an offer to subscribe shares in Baoye.





寶業集團股份有限公司 BAOYE GROUP COMPANY LIMITED

寶業集團股份有限公司  
BAOYE GROUP COMPANY LIMITED

Stock Code: 2355HK

## Investor Relations Department

Tel: +86 575 8413 5837

Fax: +86 575 8411 8792

E-mail: [irbaoye@baoyegroup.com](mailto:irbaoye@baoyegroup.com)

Website: [www.baoyegroup.com](http://www.baoyegroup.com)