

[For Immediate Release]



Greentown China Announces 2022 Annual Results Steady Improvement in Operations with Overall Rise in Sales



△ Greentown China's 2022 Annual Results Announcement

(28 March 2023 – Hong Kong) **Greentown China Holdings Limited** (“Greentown China” or the “Company”; Stock Code: 3900.HK) announced its 2022 annual results and held an online results announcement today.

In 2022, the Company achieved revenue of RMB127.153 billion, up 26.8% year-on-year; net profit amounted to RMB8.895 billion, up 15.7% year-on-year; core net profit attributable to owners of the Company of RMB6.414 billion, up 11.3% year-on-year; the Board has recommended a final dividend of RMB0.5 per share, up 9% year-on-year.

Mr. Zhang Yadong, Chairman of the Board of Greentown China, said, “In 2022, Greentown China staff vigilantly monitored changes in the market environment and adjusted their responses actively and accordingly. With the solidarity of all staff, the Company made positive progress and earned respectful recognition from peer companies and companies in other sectors. The Company has shown good operational performance and steady development in several areas, including operational efficiency, sales results, land investment, and product services. The Company has adhered to its core values and strategic pivot points of ‘best understanding of customers and best understanding of products’, facilitated the operation of both heavy and light assets, and uplifted capacity in an all-round manner to build the ‘quality benchmark among the Top 10’.”



△Speech from Mr. Zhang Yadong, Chairman of the Board of Greentown China

Products with Industry-Leading Reputation Exquisite Craftsmanship and Delivery of Quality Projects

Adhering to its original vision, Greentown took product quality as the "No.1 Project" and customer satisfaction as the "No. 1 Standard" in 2022, and put them into practice in the whole business chain, including customer research, investment, design, cost, and construction, to help quality products and services continue to lead the industry.

In 2022, the Company received "No. 1 in Product Strength" award from three major institutions, namely China Index Academy, CRIC, and EH Consulting, while also winning 54 domestic and international design awards, which are highly recognized by the market and professional institutions.

The Company takes customer research as the starting point for it to continuously refine its products and upgrade and optimize its services to meet the advanced needs of customers. In the "2022 China Real Estate Customer Satisfaction Survey", Greentown China has continued to lead the industry with an overall score of 90.2, ranking first in satisfaction in 15 cities and first in loyalty in 10 cities in which it is present.

Despite experiencing pressure from pandemic control measures and significant increases in delivery volume, Greentown delivered a total of 197 projects (including projects under project management) with "zero delays" and "high quality" to over 140,000 households. Among them, the self-investment projects were delivered 31 days on average ahead of the contracted delivery schedule.

Financial Costs Further Hit Record Low Debt Structure Continues to Improve

In 2022, Greentown China demonstrated strong cash flow management and kept financing channels open. Through several measures, both onshore and offshore debt structure has been optimized, providing a solid guarantee for the long-term development of Greentown China. In 2022, total borrowings' weighted average interest cost decreased to 4.4% from 4.6% in 2021. Debts due within one year accounted for 19.2% of the total, a drop of 5.9 percentage points compared to that at the end of 2021, hitting a record low and showing continuous improvement of the debt structure.

During the year, the Group repaid US\$631 million in syndicated and bilateral loans ahead of schedule, taking the initiative to reduce the short-term debt ratio. Amid frequent rating downgrades on real estate enterprises from overseas rating agencies, Greentown China has maintained stable ratings. Moody's and S&P affirmed the Ba3 ("stable" outlook) and BB- ("stable" outlook) credit ratings of Greentown China, respectively.

Sales Volume Ranks 4th in China Cash Collections Remain at High Position

In 2022, Greentown China recorded a contracted sales area of approximately 13.8 million sqm and a total contracted sales amount of RMB300.3 billion, ranking 4th in China¹. Among them, the Company's self-investment projects contributed a contracted sales amount of approximately RMB212.8 billion, of which about RMB122.4 billion was attributable to Greentown China, raising the attributable ratio to 58%.

Greentown China continues to adjust its sales strategy. While ensuring the turnover rate, the Company has intensified its cash collection efforts, encouraged inventory sell-through,

¹ CRIC

and optimized the sales structure. The cash collection ratio of 102% has remained high in the industry, effectively supporting cash flow and reinvestment. The market position in high-tier core cities has continued to consolidate, with the proportion of sales in first- and second-tier cities rising to 85% and the sell-through rate reaching 63%.

Targeted and Precise Investment Continuous Improvement in Quality

Greentown China adheres to the investment strategy of "targeting acquisition opportunities with precision and efficiency" to improve the quality and efficiency of its investments. The Company acquired 27 new projects with a total GFA of approximately 4.08 million sqm during the Year, and the newly-added saleable value was estimated to reach RMB103.7 billion.

The new projects acquired in 2022 have balanced safety, liquidity, and profitability, further improving their net profit margin, with 48% of the newly-added saleable value in 2022 being converted. The average percentage of equity interest of the newly-added projects rose to 69% during the Year, reducing cooperation risks, improving operational efficiency, and securing profit attributable to owners of the Company.

As at 31 December 2022, Greentown Group had a total of 224 land reserve projects (including those under and pending construction) with a total GFA of approximately 49.59 million sqm, and a total saleable area of approximately 33.33 million sqm. The land reserve in first- and second-tier cities accounted for 78% of the saleable value, and the Yangtze River Delta Area accounted for 53%.

Project Management Business Leads the Industry Featured Business Empowers Synergies

Greentown Management Holdings Company Limited (9979.HK), a subsidiary of the Company, has firmly held first place in the asset-light real estate development sector in China, thanks to its first-mover advantage, leadership strength, and nationwide footprint. It has maintained the No.1 market share for seven consecutive years and received Top 1 honors from more than 20 industry awards.

As at the end of 2022, Greentown Management covered 120 cities, with a total contracted GFA of about 100 million sqm and an area under construction of about 47.2 million sqm. Net profit attributable to owners of Greentown Management in 2022 amounted to RMB745 million, an increase of 31.7%² year-on-year.

Segments such as the town business, construction technology, living service, commercial management and industrial finance are solidly advancing and synergistically developing to empower the main business.

² Greentown Management (9979.HK) 2022 Annual Results

Continuing to Anchor Strategic Goals Promoting Development with Stable Fundamentals

Looking ahead, Greentown China will maintain its core strength, anchor its strategic goals, concentrate on the major tasks of "quality sell-through, streamlining management, strengthening capacity, and stabilizing development", and uphold its operating results orientation as guidance and cash safety as the bottom line. Greentown China will continue to achieve precise investments, design exquisite products, provide quality services, and achieve streamlined operations and cost optimizations, aiming for "comprehensively high-quality and sustainable" development to guarantee the achievement of its 2023 business goals.

In 2023, Greentown China's total saleable value is expected to reach RMB360.1 billion. Among them, the saleable value of self-investment projects is estimated to be about RMB247.6 billion, in which first- and second-tier cities account for 80%. Greentown China expects the total GFA of completed projects/phases for 2023 to be approximately 18.69 million sqm, an increase of 48% year-on-year.

Relying on its continuously improving management capabilities and high-quality development resources, Greentown China in 2023 will continue to adhere to its quality strategy, focus on operational development, strive to achieve its annual business goals, gain confidence with solid fundamentals, and steadily advance toward an "special expertise and all-round development".

-End-

About Greentown China Holdings Limited

Greentown China Holdings Limited is a leading quality property developer and integrated living service provider in China. It maintains a leadership position in the industry by virtue of the quality of its properties, unique architectural aesthetics, and customer-centric services.

Throughout its 28 years of development, Greentown China has adhered to the development strategy of “quality first” and developed the upstream and downstream of the real estate business to form three major segments, namely asset-heavy, asset-light, and “Greentown+” and awarded the “TOP 10 among Chinese Real Estate Enterprises by Comprehensive Strength” for 18 consecutive years. Going forward, Greentown China will adhere to its aim of building towards the “quality benchmark among the Top10” and the strategic pivot points of “best understanding of customers and best understanding of products”, facilitate the operation of both light and heavy assets, uplift capacity in an all-around manner and firmly insist on “comprehensively high quality and sustainable” development.

For further information about Greentown, please visit the company website at www.greentownchina.com.

For enquiries, please contact:

Greentown China Investor Relations:

Stephanie Gu

Tel: (86) 571-8790-2676

Email: stephanie_gu@chinagreentown.com

Maggie Hui

Tel: (852) 2530-0996

Email: maggie@chinagreentown.com

Hill+Knowlton Strategies Asia:

Ricky Tan

Tel: (852) 2894-6373

Email: ricky.tan@hkstrategies.com

Ovina Zhu

Tel: (852) 2894-6315

Email: ovina.zhu@hkstrategies.com