



Greentown China Operation Updates

November 2023

GREENTOWN CHINA HOLDINGS LIMITED

绿城中国控股有限公司

(Stock Code: 03900)



1. Company Strategy



About the Company

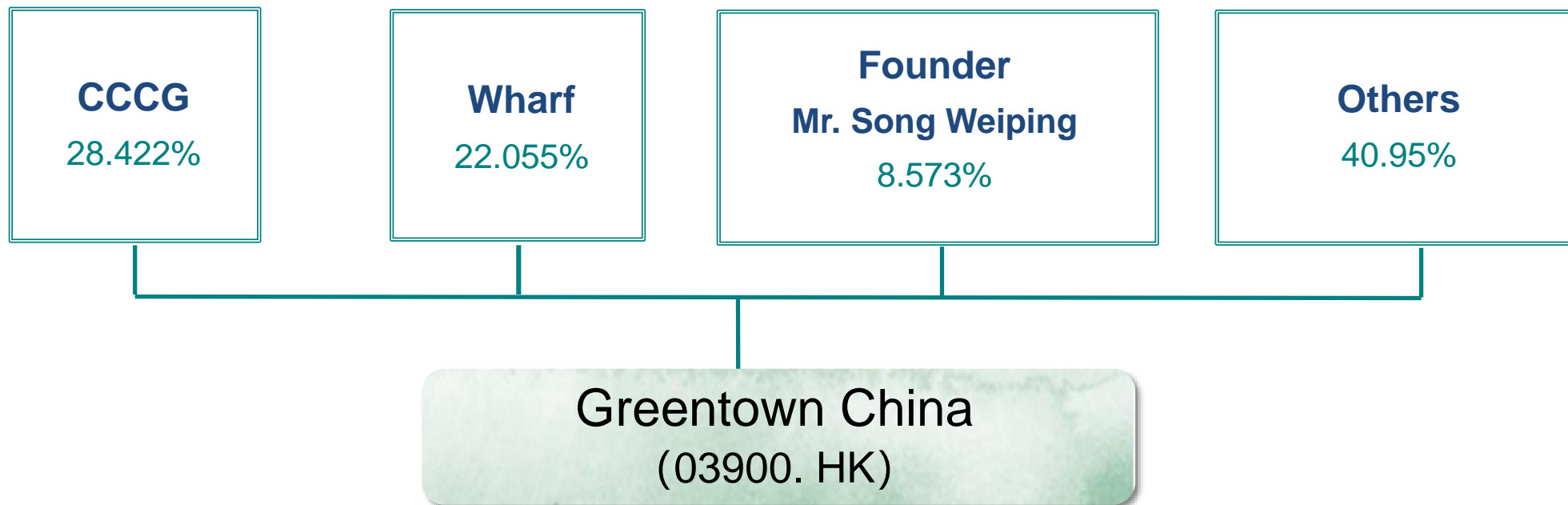
Greentown China was established in 1995 and **is a leading provider of high-quality housing product development and comprehensive living services in China**, leading the industry with high-quality product and service quality.

In July 2006, Greentown China was listed on the **Hong Kong Stock Exchange** (03900. HK) and successively introduced Wharf and CCCG as strategic shareholders. In December 2014, CCCG became the **largest shareholder of Greentown China**.

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+”. Based in Zhejiang, the Company focuses its attention on core areas as well as cultivating footprints in first- and second-tier cities and high quality third- and fourth-tier cities.

Leveraging its superior development quality, rich land bank, highly effective organizational structure and high-calibre management team, Greentown China has established its brand image in all the cities it operates. The rich experience Greentown has accumulated in developing numerous high-quality projects together with its outstanding operational capabilities has served to **provide strong momentum for its sustainable development**.

Shareholding Structure



- ✓ As at 30 June 2023, CCCG, Greentown China's single largest shareholder, was interested in 28.422% of the total issued share capital and financially consolidates the Company.

Strategic Development

Strategy Upgrade and Tactics Refinement

“4 major changes” in the industry:

1. Development stage
2. Supply and Demand
3. Market structure
4. Housing functional requirements

Quality benchmark among the Top10

**Best understanding of customers
Best understanding of products**

Product Quality

Foundation

Comprehensive High-Quality & Sustainable Development

Effective Implementation

Operating results as orientation
Profitability improvement as target
Secured cash flow as bottom line

**Steady
expansion
with precise
investment**

**Refined
marketing with
balancing
quantity and
price**

**Exquisite
product
prioritizing
customer
satisfaction**

**Solid financing
with reducing
costs**

**Lean operation
with agility
and
effectiveness**

**Diligent team
and empowered
organization**

2. Operation Updates



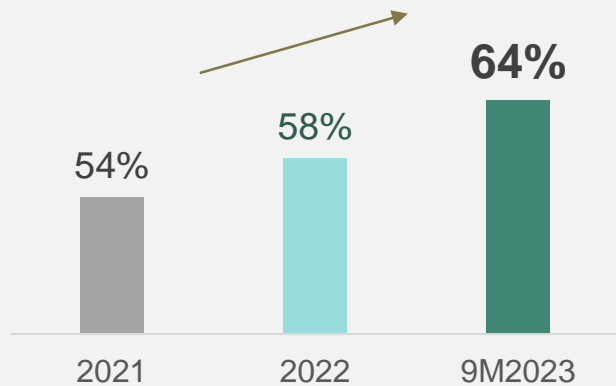
Effective Marketing Strategy to Secure a Solid Industry Position



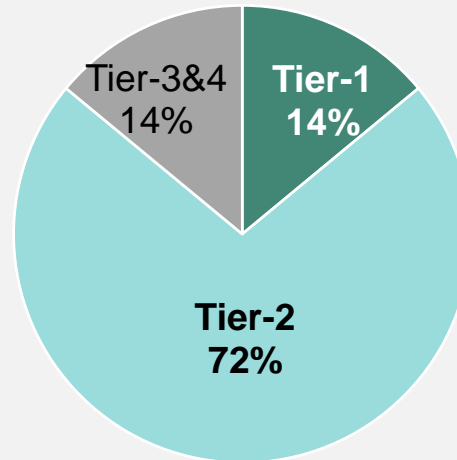
9M Total Sales of RMB192.3bn, Ranking TOP 6

Self-investment project sales of RMB130.7bn, ranking TOP 9;
Atri. Sales of RMB83.5bn, ranking Top 9 (Top 10 for the first time)

Continuous increase of attri. ratio



Focus on Core cities



cash collection

100%+

Sell-through rate of newly-launched

80%

Focused and Sniper-style Investment while Expanding with Precision and Efficiency

9M newly-added saleable value of **RMB106.8bn**, Ranking **TOP 4**

29 new projects with a total GFA of **4.17** mn sqm and attr. Land cost of RMB**50.7** bn¹

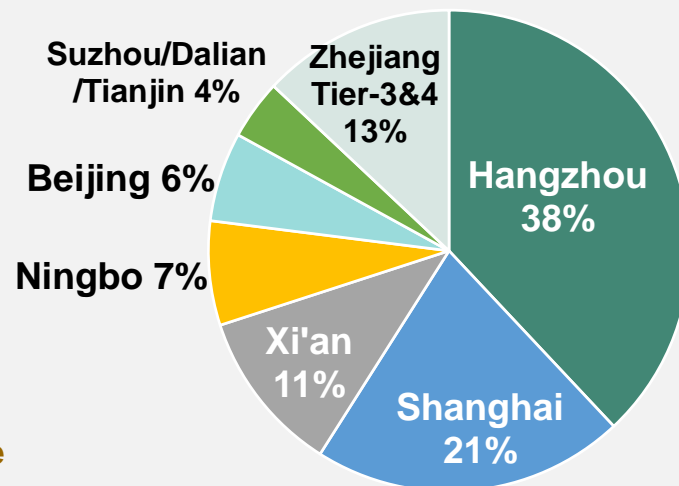
Core segments in core cities

Tier-1 **27%**

Tier-2 **60%**

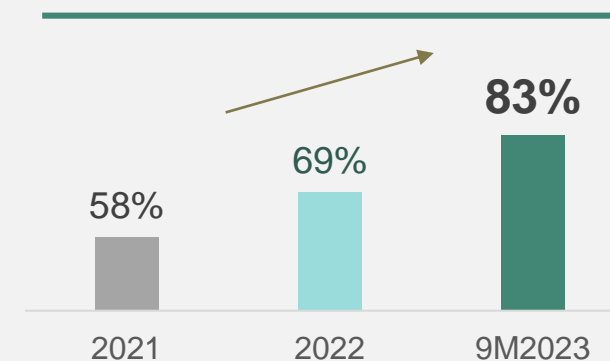
“Sniper-style invt.” in high quality tier 3&4 cities in Zhejiang Province

Downtown Jiaxing / Taizhou Jiaojiang / Shaoxing Shangyu etc.



(By saleable value)

Attri. ratio increased¹



Sales conversion rate of newly added projects

45%

3. 2023 Interim Results



Results Highlights



Profit level steadily improved
Attributable ratio continuously increased¹

Net Profit Attr. to Owners of
the Company

+41.3%↑

RMB2.545 bn

Core Attr. Net Profit

+4.2%↑

RMB3.881 bn

SG&A
Expenses

-14.3%↓

RMB2.668 bn

Financial structure remained sound
Credit rating outlook improved against the market trend

Financing Cost

4.4%

S&P Rating Outlook

Positive↑

Cash / ST Debt

2.2x

Note: 1. **Attributable sales increased 40% yoy to RMB63.3 bn**, ranking national Top 9 (First time in Top 10), promoting steady increase of long-term attributable profit

Well-focused and High-quality Land Reserve, Ensuring Stable Growth

✓ The Group has a well-focused and high-quality land reserve with sound structure, ensuring the Company's **future stable development** and **long-term profitability**.

Total saleable value

RMB **749.5** bn

Total / attr. GFA

44.55 / 26.60 mn sqm

Total / attr. saleable GFA

29.52 / 17.47 mn sqm

Avg land cost²

RMB **7,642** /sqm

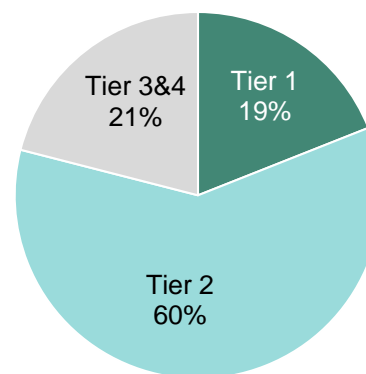
10 strategic core cities³

Total saleable value RMB **396** bn,
accounting for **53%** of the total

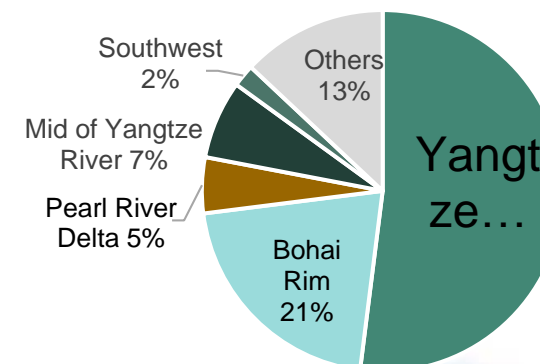
Hangzhou	Beijing	Shanghai	Ningbo
RMB119.7 bn	RMB63.1 bn	RMB53 bn	RMB41 bn

Nanjing, Guangzhou, Shenzhen, Wuhan, Chengdu, Xi'an	Total RMB119.2 bn
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By City Tier



By Region



Note: 1. Land reserve includes all uncompleted projects or phases of project acquired
2. Land payment divided by total GFA including underground area
3. City includes counties & cities under its jurisdiction

Devoting to Product and Services for Quality Delivery

Customer satisfaction

“No.1 Standard”

2023 Customer Satisfaction Report
on Real Estate Developers in China

91.2 pts

Maintain as industry leader
(market avg.: 72.3 pts)

5G “Heart” Service 2.0

Comprehensive services related to
housing, community care and property

NO.1 in customer
satisfaction

16 cities

Hangzhou, Suzhou, Hefei,
Xi'an, Dalian, Ningbo, and
Shaoxing, etc.

NO.1 in customer
loyalty

7 cities

Hangzhou, Ningbo, Hefei,
Zhoushan, Taizhou, Wuxi, and
Urumqi

High Quality and
Quantity Delivery

No. of projects/households
delivery reached a record high

107 projects, **70,000** units

Among them, **51** self-investment
projects were delivered,

30 days ahead of schedule

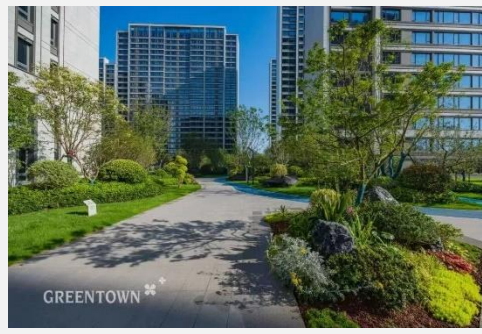
Real scenes of 1H2023 delivery



Hangzhou Chunfeng Jinsha



Ningbo Yunqi Taohuayan



Xi'an Luan Xiaofeng



Qingdao Ideal City

Focusing on Management and Active Cost Cutting to Improve Efficiency

Continued on “reform, rebuilding and refinement”,
continuously improved management efficiency.

Efficiency continuously improved

Land acquisition –
Construction start

2.1 months
-25% ↓

Land acquisition –
First launch

4.7 months
-22% ↓

Completed area

7.79 mn sqm
+56% ↑

Optimized cost control while assuring product quality

The application rate of
procured materials

100%

Cost of delivered projects
compared to estimation

Saving 1.6%

Lowering
procurement costs

-3.0% ↓

Suzhou Yunlu

(Acquired in Dec. 2022)

- ✓ **Quality Presence:** sales office and 2 temporary sample units ready in 3.7 months
- ✓ **Improved operational efficiency:** 4.8 months from land acquisition to launch, 30+ days faster than nearby projects
- ✓ **Sell-through accelerated:** operating cash flow turned positive in 5 months, achieved rapid residential sell-out



Industry-leading Brand Demonstrates the Development Value

- “**Top10** of 100 Chinese Developers by Comprehensive Strength”

for **19** consecutive years

- Ranking 111th on “**Fortune Top500 Chinese Listed Companies**” in 2023

- Ranking 1093rd on “**Forbes Global 2000**” in 2023

- Ranking **1st** on 2023 CIA “Chinese Property Developers with
Outstanding Product Strength”

- Ranking **6th** on 2023 CREB “Top 100 Chinese
Brand Influential Developers”

- 2023 CREB “Chinese **Leading Brand Innovation Developer**”

- 2023 CIA “Chinese Property Developer **of Excellent House Delivery**”

- 2023 The Economic Observer “**ESG Model Company**”

- Newly included in “**Hang Seng Mainland Properties Index**”

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Forbes 福布斯
福布斯2023
GLOBAL
2000
全球企业2000强

2023 排名	2022 排名	公司	国家和地区
1090	1192	华润医药	中国香港
1091	1738	阿布扎比伊斯兰银行	阿联酋
1092	1069	Avalonbay Communities	美国
1093	1134	都福集团	美国
1093	1118	绿城中国	中国内地
1095	1558	全日空	日本

中国房地产
产品力优秀企业

排名	企业
1	绿城中国



Deqing Xiaoyuan “Xin Spaces”
2023 TITAN Awards Public Spaces—
Platinum Winner



Yantai Chunxi Begonia
2023 MUSE Design Awards Gold Winner

Maintaining Growth in Performance and Leadership in Project Management Industry



City coverage

123 cities

Total contracted GFA

113.59 mn sqm

Area under construction

49.14 mn sqm

Growing Newly-added Projects

Estimated construction fees for newly-added projects reaching **RMB 5.12 bn, +26.3% yoy**

Maintain High Net Profit Growth

Profit attri. to owners of the Company¹ **RMB 474 mn, +31.3% yoy**

Reigning as industry's No. 1

2022 market share of **25.5%**

Maintained **20%+** market share for **7** consecutive years



Jinan Deep Blue Time
Serving urban investment clients



Hangzhou Qianjiang Century City
Social housing



Zhoushan Zhenru Bay
Multi-forms quality product



Wuxi Peach Garden
Bail-out project delivery

Note: 1. 2023 Interim Results of Greentown Management Holdings (9979.HK)

Key Financial Data

(RMB mn)	1H2023	1H2022	Changes
Revenue	56,976	64,731	-12.0%
Gross profit	9,920	11,233	-11.7%
Administrative & selling expenses	-2,668	-3,115	-14.3%
Finance costs	-1,483	-1,378	+7.6%
Other income	1,635	1,785	-8.4%
Share of results of JVs / associates	486	739	-34.2%
Net of foreign exchange losses	-693	-1,102	/
Net of impairment & fair value changes on certain assets	-462	-452	+2.2%
Net profit	4,641	4,860	-4.5%
Profit attributable to owners of the Company	2,545	1,801	+41.3%
Basic earnings per share (RMB)	0.99	0.66	+50.0%
Core net profit attributable to owners of the Company¹	3,881	3,726	+4.2%

Note: 1. Core net profit attributable to owners of the Company has been adjusted, after deducting foreign exchange gains and losses, gains from acquisitions, the net post-tax effects of provision and reversal of impairment losses on certain assets and fair value changes on certain assets.

Key Financial Data

(RMB mn)	30 Jun 2023	31 Dec 2022	Changes
Total assets	543,727	535,077	+1.6%
In which: Total inventories	286,516	283,680	+1.0%
Bank balances & cash	68,782	70,394	-2.3%
Total liabilities	438,609	423,664	+3.5%
In which: Total borrowings	142,613	140,121	+1.8%
Contracted liabilities	170,504	147,850	+15.3%
Net assets	105,118	111,413	-5.7%
In which: Perpetual securities	0.00	1,527	-100.0%

Smooth Onshore Financing Channels

Normalized issuance of onshore bonds with good recognition by the market.

As of 30 June 2023, the Group has issued a total of RMB7.809 bn. The avg. issuance term for onshore public bonds was **1.48** yrs, the avg. interest cost of onshore public bond issuance was **3.74%**.

(RMB: mn)	Amount issued in 1H2023	Interest rate	Weighted avg. interest cost	Quota left by 30 Jun 2023
Corporate Bonds	1,000	4.00%	4.00%	11,500
Supply Chain ABS	2,465	3.15%-4.50%	3.42%	3,458
Supply Chain ABN	1,344	3.50%-4.00%	3.79%	13,656
Medium Term Notes	3,000	3.29%-4.15%	3.89%	11,500
Total	7,809	-	3.74%	40,114

Note: As of 25 Aug 2023, the Group has issued a total of **RMB10.859 bn**.

Improved Offshore Financing Structure

Smooth Financing Channels

Actively promoting **the cross-border coordination with commercial banks to proactively replace the maturing debt**

Successfully launched 3-year overseas loan with state-owned banks and joint-stock banks, with a total scale of USD**646** million

Improved Credit Ratings

May 2023

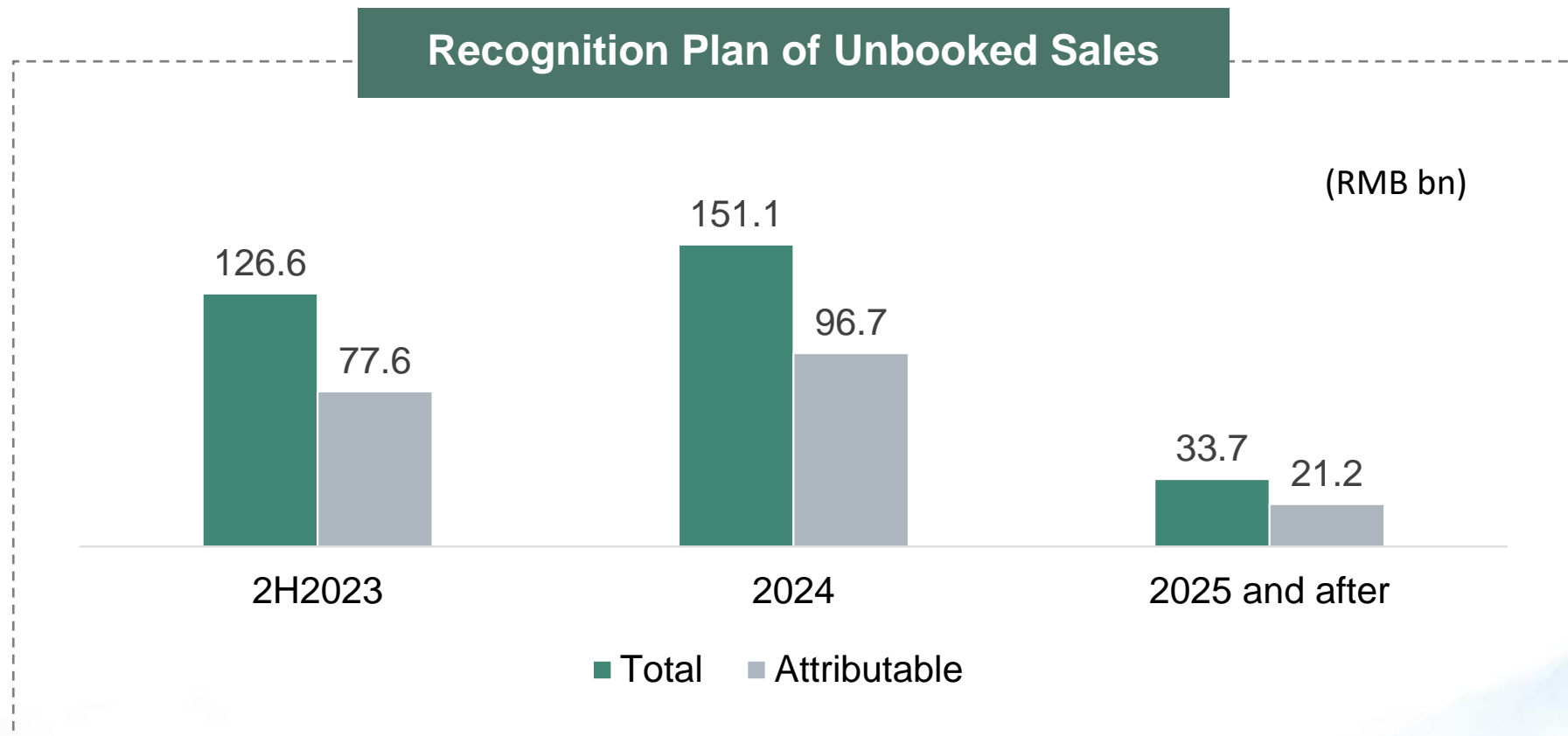
S&P outlook

Positive ↑

A rare positive rating upgrade for domestic real estate companies in recent two years

Clear Profit Prospect

Total unbooked sales as at 30 June 2023: approx. RMB**311.4** bn (attributable: RMB**195.5** bn)



Looking ahead, the Company will adhere to its strategic principle by centering on “**Strategic 2025**” plan with the aim of building 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-round manner and firmly insist on “**comprehensively high quality and sustainable**” development.

Thanks

