



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



Results Review and Prospects

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

- Zhejiang	7 projects
-Shanghai	3 projects
-Hubei	2 projects
-Anhui	9 projects
-Henan	2 projects

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 2022</i>	<i>No. of shares</i>	<i>% of total</i>
Domestic Shares		
Mr. Pang Baogen (Chairman)	193,753,054	35.90%
Senior Management (33 persons)	156,988,999	29.01%
	350,742,053	65.00%
H Shares		
Wu Xueqin	29,304,000	5.43%
Zhu Yicai (Note 1)	29,304,000	5.43%
Others	159,600,000	29.57%
	188,904,000	35.01%
Total	539,646,053	100%

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



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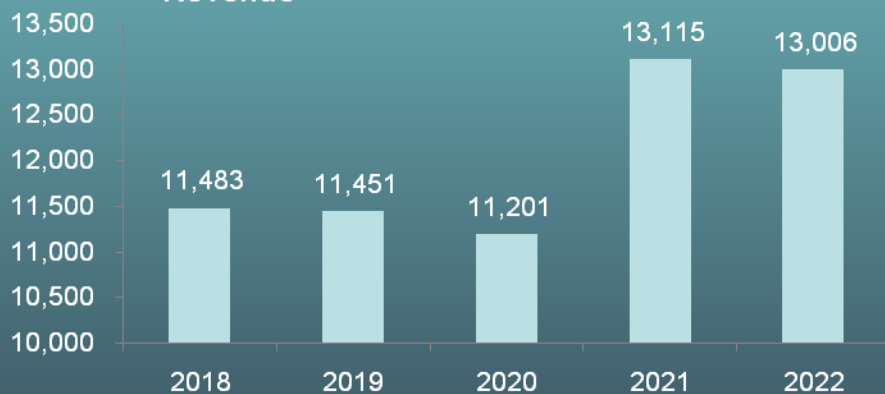
Results Review



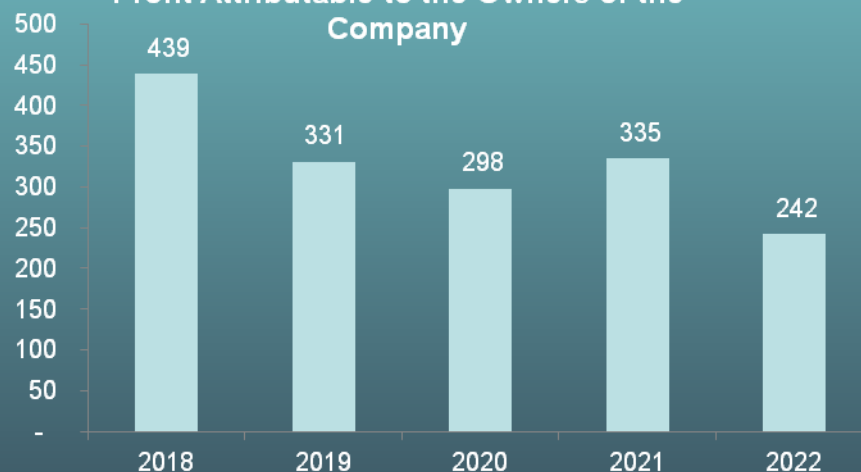
Results Review

For the six months ended 30 June
RMB million

Revenue



Profit Attributable to the Owners of the Company





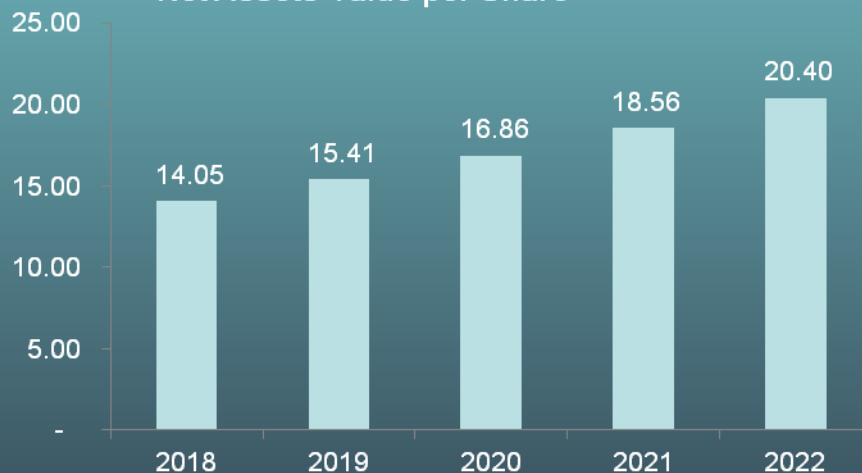
Results Review

For the six months ended 30 June
RMB

Earnings per Share



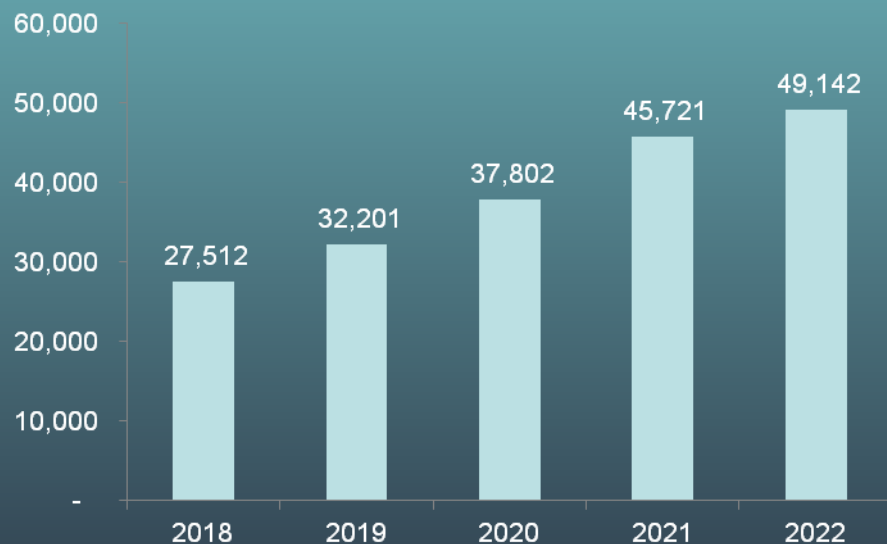
Net Assets Value per Share



Results Review

For the six months ended 30 June
RMB million

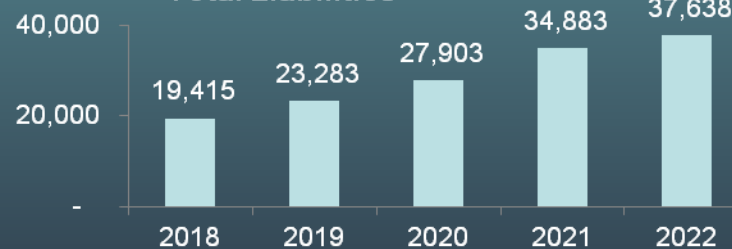
Total Assets



Total Equity



Total Liabilities



Summary

Results Review

As at 30 June
RMB million

	2022	2021	Change
Revenue	13,006	13,115	-1%
Profit attributable to the owners of the Company	242	335	-28%
Earnings per share (RMB)	0.44	0.60	-27%



Turnover

Results Review

For the six months ended 30 June
RMB million

	2022	2021	Change
Construction	9,549	10,604	-10%
Property Development	2,320	1,278	82%
Building Materials	1,004	1,052	-5%
Others	132	180	-27%
Total	13,006	13,115	-1%

Operating Profit

Results Review

For the six months ended 30 June
RMB million

	2022	2021	Change
Construction	170	311	-45%
Property Development	141	216	-35%
Building Materials	60	42	44%
Others	-4	13	-127%
Total	367	582	-37%

Operating Profit Margin

For the six months ended 30 June

	2022	2021	Cange
Construction	1.8%	2.9%	-39%
Property Development	6.1%	16.9%	-64%
Building Materials	6.1%	4.0%	50%

*Results
Review*

Key Financial Ratio

Results Review

As at 30 June

	2022	2021
Return on equity	2.20%	3.22%
Net assets value per share (RMB)	20.40	18.56
Net cash ratio	50%	47%
Current ratio	1.16	1.23

Business Structure

Results Review

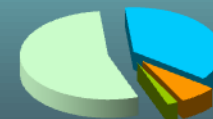
Revenue and profit breakdown by business segments

	<i>Revenue</i>	<i>Profit</i>
Construction	73%	46%
Property Development	18%	38%
Building Materials	8%	17%
Others	1 %	-1%

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
Fengyue Shangzhu	Hangzhou	100%	49,497
Baoye Xishan Yueyuan	Lishui	100%	116,905
Lishui WeicunProject	Lishui	100%	127,942
Baoye Phoenix One	Ningbo	100%	84,005
Baoye Active Hub	Shanghai	100%	75,204
Baoye Qinqchunli	Shanghai	100%	36,289
Baoye Active Paradise	Shanghai	100%	60,001
Xingyu Fu	Wuhan	100%	187,747
Huangpi Phoenix City	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>
Shidai Green Garden	Mengcheng	60%	149,994
Binhe Green Garden	Mengcheng	100%	Under planning
Yinhe Green Garden	Taihe	100%	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
Xuefu Green Garden	Sixian	100%	Under planning
Yeji Jiangnan Fu	Lu'an	70%	98,451
Qinglan Green Garden	Bozhou	51%	Under planning

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, 2022	Bozhou City, Anhui Province	240,990	76,503	100%
June, 2022	Lishui City, Zhejiang Province	270, 000	45, 949	100%

Building Materials

Results Review

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

	2022 RMB'000	% of the total	2021 RMB'000	% of the total	Change
Curtain Wall	497,664	51%	617,822	59%	-19%
Furnishings and Interior	163,786	16%	128,987	12%	27%
Ready-mixed Concrete	95,518	10%	90,470	9%	6%
PC Assembly Plate	125,162	12%	100,097	10%	25%
Wooden Products and	46,661	5%	52,029	5%	-10%
Steel Structure Decorations	21,908	2%	15,804	1%	39%
Others	53,786	4%	47,071	4%	14%
Total	1,004,485	100%	1,052,280	100%	-5%



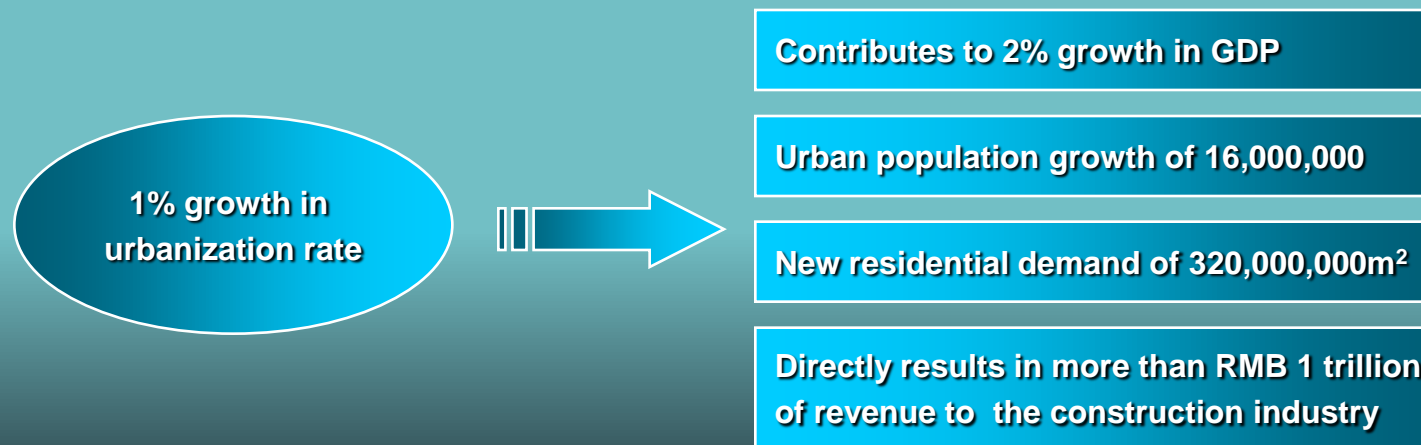
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Business Prospects



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.

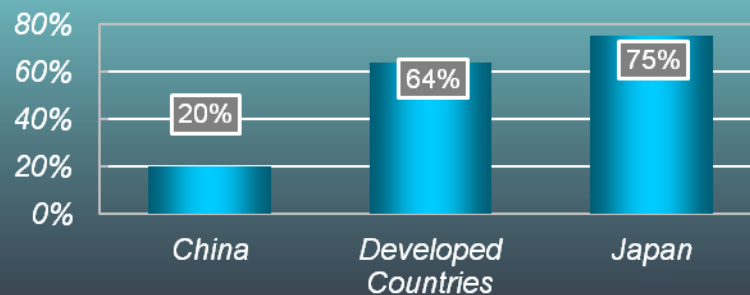


Prefabricated Building Materials Business



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.



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