

2024 Interim Results

28 August 2024

WHERE GOOD
LIVING STARTS





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- 2 Business Updates
- 3 Future Outlook



Results Highlights



Results Remained Generally Stable

Revenue RMB35.34 bn  10.1%

- Revenue was approx. RMB35.34 bn, +10.1% y-o-y
- Profit attributable to equity holders was approx. RMB1.83 bn, -15.9% y-o-y
- Core net profit was approx. RMB1.74 bn, -18.8% y-o-y
- Interim dividend per share was RMB0.173, -18.8% y-o-y
- Dividend payout ratio was 40% of core net profit

Safe and Healthy Financial Position

Borrowing Interest Rate 3.57%  41b.p.t.

- “Three Red Lines” indicators remained in “green lights”, total liabilities/total assets ratio(ex. unearned revenue), net gearing ratio and cash/short-term debt ratio were 68.3%, 58.6% and 1.53x respectively. Maintained BBB- “Investment Grade” ratings by Fitch
- Achieved net operating cash inflow of RMB6.13 bn
- The weighted average borrowing interest rate decreased by 41 b.p.t. to 3.57% y-o-y, the average borrowing interest rate at the end of the period further decreased to 3.47%
- Issued a total of RMB 1.5 bn onshore corporate bonds, RMB500 mm with a 3+2-year maturity and coupon rate of 2.25%, and RMB1 bn with a 10-year maturity and coupon rate of 2.75%; issued RMB 2.39 bn offshore dim sum bonds with a weighted average interest rate of 4.07%

Newly Added Quality Landbank

1.72mm sq.m.

- Through “6+1” diversified land acquisition model, 12 land parcels with a total GFA of 1.72 mm sq.m. were newly acquired in cities including Guangzhou, Beijing, Shanghai, Hangzhou, Hefei and Chengdu
- 88% of the new landbank are located in Tier 1 and key Tier 2 provincial capital cities, of which 6 parcels were added in Tier 1 cities and 5 parcels in key Tier 2 provincial capital cities
- 66% of the new landbank was acquired through diversified acquisition methods

Results Highlights



Continuous Improvement in Investment Structure

94% of total landbank in tier 1 and key tier 2 cities

- As of 30 June, the total landbank of the Group was 25.03 mm sq.m., of which the GBA accounted for 41.2%, Eastern China Region, Central-western China Region and Northern China Region together accounted for 58.8%
- 94% of the Group's total landbank is located in Tier 1 and key Tier 2 cities, with 44% in Tier 1 cities, 36.7% in Guangzhou, 3.9% in Beijing and 2.4% in Shanghai, and 50% in key Tier 2 cities
- 51% of total landbank was acquired through such diversified acquisition channels as TOD, industry-driven acquisition, SOEs cooperation and urban renewal

Regularly Acquired Quality TOD Projects

Newly added a TOD project with 580,000 sq.m.

- Acquired Pazhou South TOD II Project in Guangzhou, which is located in the core area of Pazhou, Haizhu District, Guangzhou with a total GFA of approx. 580,000 sq.m.
- Pazhou South TOD II Project received 100% vote in favour from independent shareholders, the Group's TOD development model is highly recognised by the capital markets
- As of 30 June, Pazhou South TOD II Project achieved contracted sales of approx. RMB4.1 bn
- As of 30 June, the Group's total TOD landbank reached approx. 3.10 mm sq.m.

Smooth Progress Made in Urban Renewal Projects

First batch of land was supplied in Lirendong Old Village Renewal Project

- Guangzhou Lirendong Old Village Project newly added approx. 140,000 sq.m. landbank, achieving the first batch of land supply. The first batch of reconstructed housing has met the requirements for occupancy
- Guangzhou Nanyang Electrical Appliances Factory Project proceeds as planned, aiming to achieve land supply by the end of the year
- Shanghai Hongkou project is scheduled to be launched for sale in the second half of this year

Key Income Statement Items



RMB bn	1H 2024	1H 2023	Y-O-Y
Revenue	35.34	32.10	+10.1%
Gross Profit	4.85	5.70	-15.0%
Gross Profit Margin	13.7%	17.8%	-4.1 p.p.t.
Net Other Gains	0.09	(0.02)	-
SG&A Expenses	1.67	1.35	+24.0%
Profit Attributable to Equity Holders	1.83	2.18	-15.9%
Core Net Profit ⁽¹⁾	1.74	2.15	-18.8%
EPS ⁽²⁾	RMB0.4550	RMB0.6345	-28.3%
Interim Dividend Per Share(RMB) ⁽³⁾	RMB0.173	RMB0.213	-18.8%
Interim Dividend Per Share(HKD) ⁽³⁾	HKD0.189	HKD0.232	-18.5%
Dividend Payout Ratio ⁽⁴⁾	40%	40%	-

(1) Excluding net foreign exchange gains/(losses) recognised in the consolidated statement of profit or loss and net fair value (losses)/gains on investment properties held on a continuing basis (excluding investment properties disposed during the year) and the related tax effect

Notes: (2) The weighted average number of ordinary shares in 1H 2024 were 4,025,392,913; The weighted average number of ordinary shares in 1H 2023 were 3,431,871,678

(3) Number of ordinary shares as at 30 June 2024 were 4,025,392,913; Number of ordinary shares as at 30 June 2023 were 4,025,392,913

(4) Proportion of core net profit

Key Balance Sheet Items



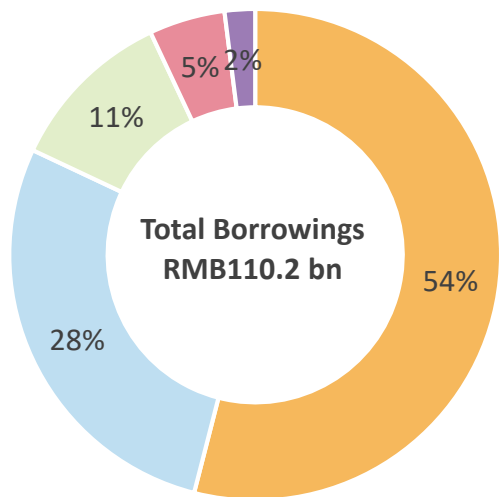
RMB bn	30 June 2024	31 December 2023	Change
Cash ⁽¹⁾	48.14	46.10	+4.4%
Total Borrowings	110.24	104.37	+5.6%
Gearing Ratio ⁽²⁾	44.4%	42.6%	+1.8 p.p.t.
Net Gearing Ratio ⁽³⁾	58.6%	57.0%	+1.6 p.p.t.
Total Assets	423.54	401.18	+5.6%
Shareholders' Equity	56.91	55.63	+2.3%
Net Asset Per Share	RMB14.14	RMB13.82	+2.3%

Notes: (1) Including cash and cash equivalents, time deposits, charged bank deposits, time deposits and other restricted deposits
 (2) Gearing Ratio=(Total Borrowings-Cash and cash equivalents-Time deposits)/Total Capitalization
 (3) Net Gearing Ratio=(Total Borrowings-Cash)/Net Asset



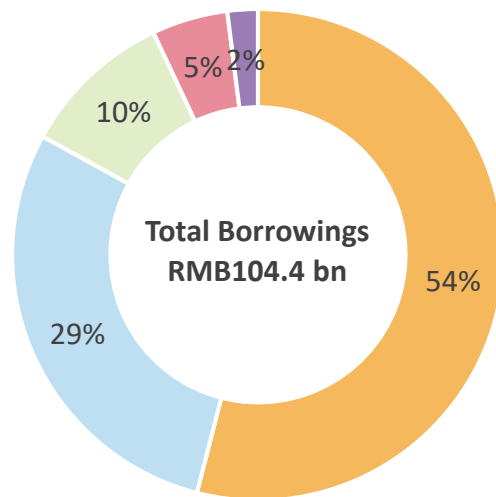
Debt Structure Analysis

30 June 2024



Onshore Borrowings: 82%
Offshore Borrowings: 18%

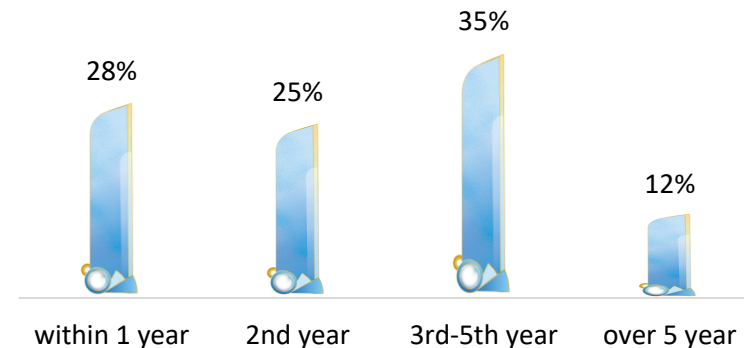
31 December 2023



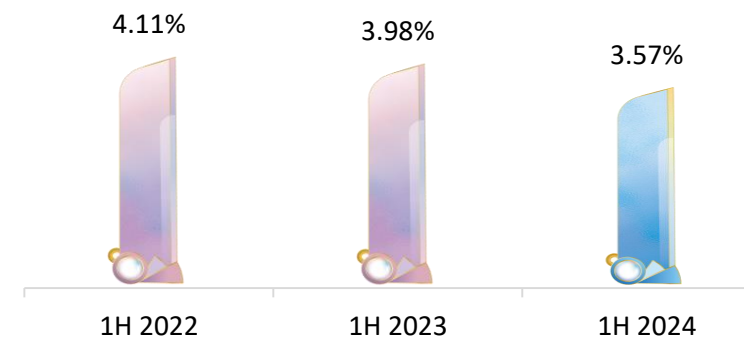
Onshore Borrowings: 83%
Offshore Borrowings: 17%

- RMB Bank Borrowings
- HKD Bank Borrowings
- HKD Bonds
- RMB Bonds
- USD Borrowings

Debt Maturity



Weighted Average Borrowing Interest Rate



Cash Flow Analysis



RMB bn	1H 2024	1H 2023
Cash at the Beginning of the Year*	46.10	35.12
Cash from Operation	36.06	48.44
Operating Expenses	(29.93)	(37.12)
Land Premium Paid and Auction Deposits	(9.63)	(14.47)
Development Cost	(9.63)	(11.21)
Tax and Administrative and Other Expenses	(10.67)	(11.44)
Cash Inflow from Operating	6.13	11.32
Cash Inflow/ (Outflow) from Investing	0.06	(0.48)
Cash Inflow/(Outflow) from Financing	(4.15)	3.29
Cash at 30 June 2024*	48.14	49.25
Cash and cash equivalents, Time deposits, Charged bank deposits	46.70	49.25
Time deposits and other restricted deposits	1.44	-

*Note: Including cash and cash equivalents, time deposits, charged bank deposits, time deposits and other restricted deposits



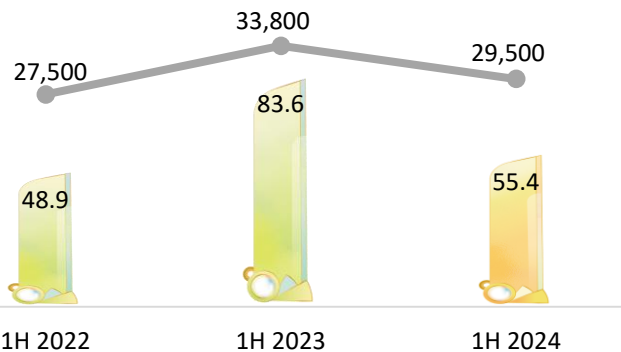
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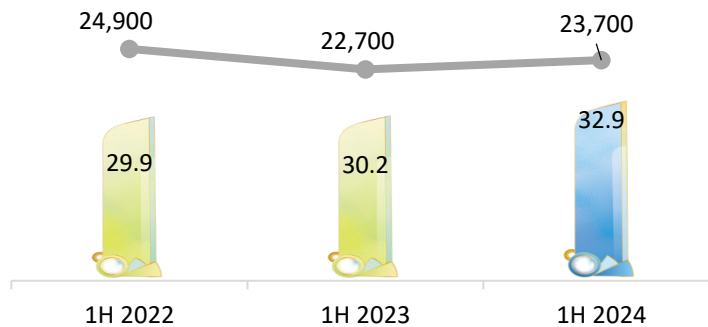
Contracted, Recognized & Unrecognized Sales

Contracted Sales



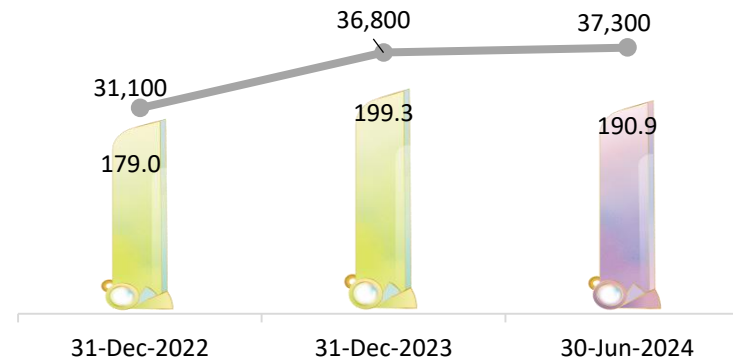
Contracted Sales Value (RMB bn) ASP (RMB/sq.m.)

Recognized Sales

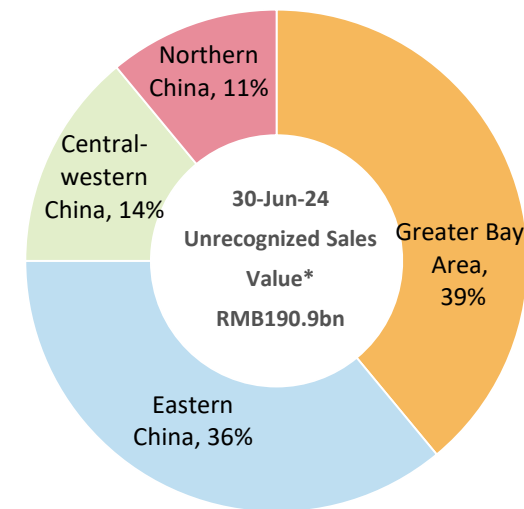
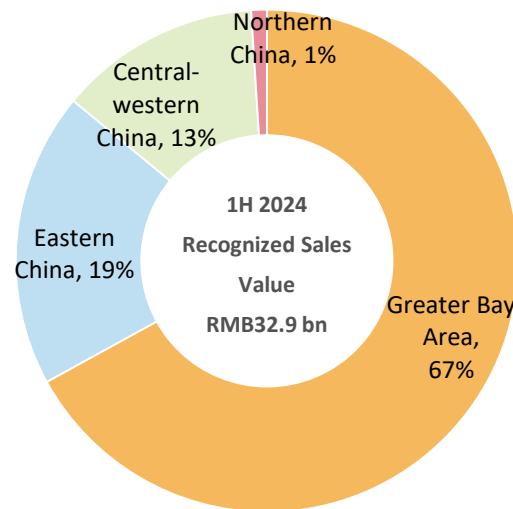
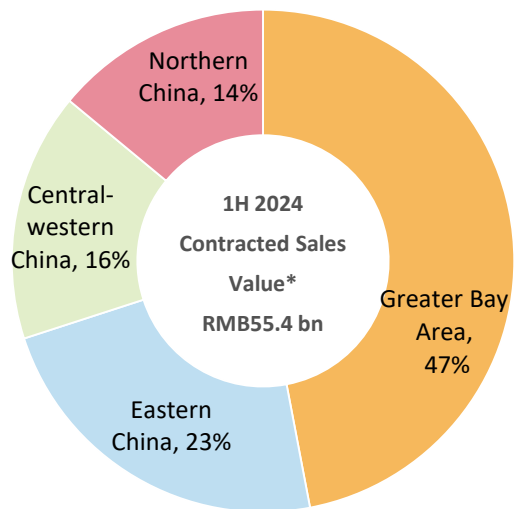


Recognized Sales Value (RMB bn) ASP (RMB/sq.m.)

Unrecognized Sales



Unrecognized Sales Value (RMB bn) ASP (RMB/sq.m.)



*note: Including sales from joint venture projects and associates

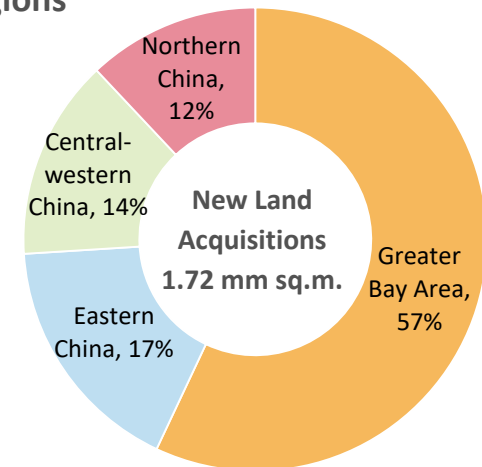


New Land Acquisitions in 1H

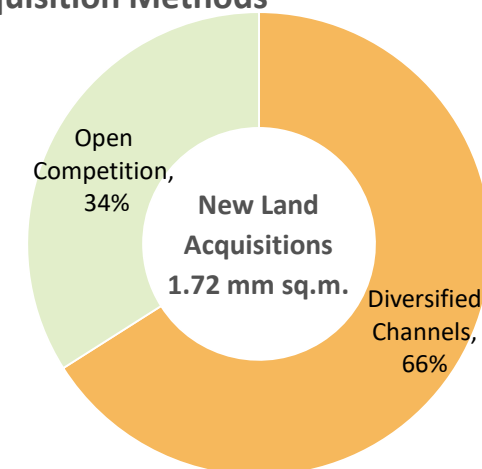
No.	Projects	GFA (sq.m.)	Equity Holding
1	Guangzhou World Grand Land III	47,700	52.51%
2	Guangzhou Pazhou South TOD II	583,600	19.10%
3	Guangzhou Wonder City	136,500	51.39%
4	Zhongshan Yuexiu Glamorous Mansion	209,300	48.45%
	Subtotal(Greater Bay Area)	977,100	
5	Shanghai Jing'an Zhongxing Land	31,800	95.00%
6	Shanghai Yangpu Land	26,600	95.00%
7	Hangzhou River Inherit	92,700	31.04%
8	Hangzhou View Emerald	134,700	39.94%
	Subtotal(Eastern China Region)	285,800	
9	Hefei Binhu Science City Land	114,200	99.64%
10	Chengdu Wuhou Land	80,400	27.73%
11	Chengdu Chenghua Land III	51,300	99.17%
	Subtotal(Central-western China Region)	245,900	
12	Beijing Shining Star	213,300	32.84%
	Subtotal(Northern China Region)	213,300	
	Total	1,722,100	



By Regions



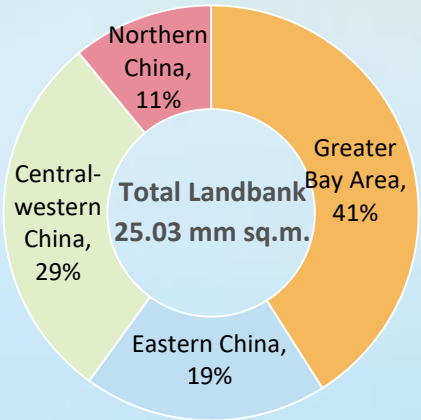
By Acquisition Methods



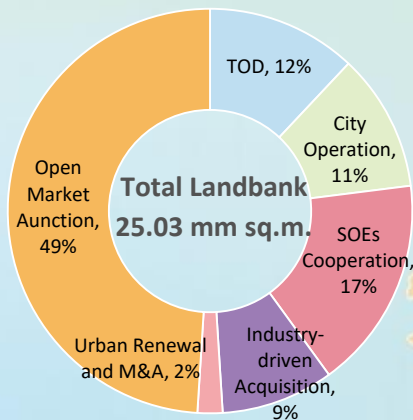
Total Landbank



By Regions



By Acquisition Channels

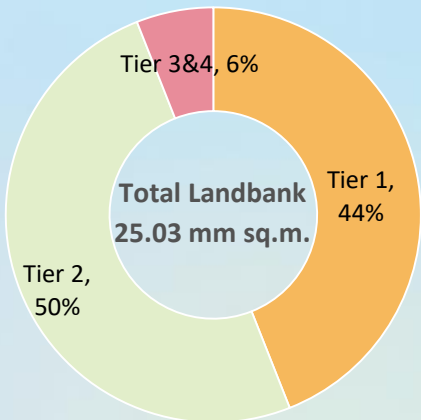


Total Landbank: **25.03 mm sq.m.**

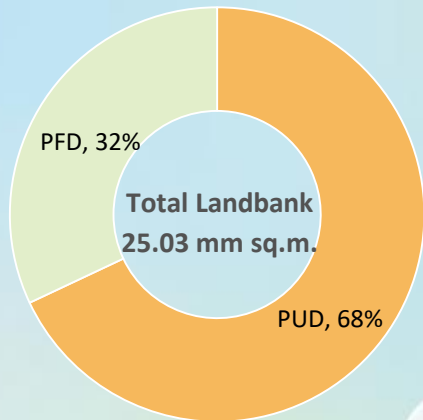
Number of Cities Entered: **27**



By Tier



By PUD & PFD



Northern China:
2.68 mm sq.m.

Beijing, Shenyang, Qingdao,
Ji'nan, Yantai

Central-western China:
7.25 mm sq.m.

Wuhan, Xiangyang,
Zhengzhou, Hefei, Changsha,
Chenzhou, Chongqing,
Chengdu, Xi'an, Haikou

Eastern China:
4.78 mm sq.m.

Shanghai, Hangzhou, Suzhou,
Nanjing, Nantong

Greater Bay Area:
10.32 mm sq.m.

Guangzhou, Shenzhen,
Foshan, Dongguan, Jiangmen,
Zhongshan, Hong Kong

Deepen the Strategy of “Coordinated Development of Commercials and Residentials”: Yuexiu Commercials



Total Rental Income in 1H 2024: **RMB297 mm, +41.3%**

- Leasing GFA: 865,800 sq.m.
- PUD GFA: 324,600 sq.m.
- PFD GFA: 563,500 sq.m.



Total Revenue from Commercials in 1H 2024:

**RMB1.33bn
+4.8%**



Total Revenue in 1H 2024: **RMB1,034 mm, -2.5%**

- Total GFA⁽²⁾: 1,184,200 sq.m.
- Office Assets GFA: 871,200 sq.m.
- Retail Assets GFA: 120,200 sq.m.
- Hotel and Apartment GFA: 142,600 sq.m.
- Wholesale Assets GFA: 50,200 sq.m.

Unique Commercial Development Model

- Enforce the Strategy of “Coordinated Residential and Commercial Development”
- Optimize the “Asset Manager” commercial business model and continuously strengthen commercial management capability
- Strengthen the commercial "dual platform" interactive development of Yuexiu Property and Yuexiu REIT

Notes: (1) Yuexiu Property held 38.88% of Yuexiu REIT as at 30 June 2024

(2) 804,000 sq.m. was rentable GFA

Deepen the Strategy of “Coordinated Development of Commercials and Residentials”: Yuexiu Services and Yuexiu Health



2024 Interim Results

Revenue	GFA under management
1,960 RMB million ↑ 29.7%	66.67 million sq.m. ↑ 2.2%
Net Profit	Contracted GFA
278 RMB million ↑ 12.1%	88.81 million sq.m. ↑ 6.4%
Dividend Payout Ratio	No. of households served
50%	290,000
Interim Dividend Per Share	Cash & Fixed bank deposits
RMB0.091 ↑ 12.3%	4,866 RMB million ↑ 3.4%
Interim Dividend Per Share	New contracted GFA
HKD0.100 ↑ 12.3%	9.26 million sq.m. ↑ 12.1%



Pursue the development of **four key business types**

*Note: as at 30 June 2024, Yuexiu Property held 66.95% of Yuexiu Services and 100% of Yuexiu Health, respectively



A total of **23** projects with about **8,000** beds in the two key economic regions of the Greater Bay Area and Yangtze River Delta, of which **7,705** beds are currently in operation



HAI Series	YUE Series	Yiyuan Series
HAIYIYUAN HAIYUEHUI(Xiwan Road) HAIYUEHUI(Jingyun Road)	YUELUJU(Pension Flat, Nursing Home)	Yuexiu Yinxing Yiyuan (Xiaoyuan North Road) Yuexiu Yinxing Yiyuan (Chigang West Road) Yuexiu Yinxing Yiyuan (Dade Road)
Langgao Series		Other Projects
Wuxi Langgao Nursing Home Wuxi Meiyuan Nursing Home Huzhou Langgao Nursing Home Taizhou Luqiao Langgao Nursing Home Taizhou Huangyan Langgao Nursing Home Taizhou Huangyan Rehabilitation and Nursing Centre for the Disabled Taizhou Jiaojiang Langgao Rehabilitation and Nursing Home Wenling Langgao Medical and Nursing Home Wenling Langgao Zeguo Nursing Home Taizhou Social Welfare Centre		Zhenjiang Xingrui Nursing Home Yuexiu Yinxing Chigang Rehabilitation Center Wei Min Rehabilitation Hospital Yuexiu Elderly Home Care Service Platform Yuexiu Evergreen College (University for the Elderly) South China Institute for Healthcare Research

Platform projects

ESG Achievements



ESG Disclosure

CONTINUOUS IMPROVEMENT IN ESG DISCLOSURE

- **2024.04.29** Yuexiu Property released the 2023 ESG Report, and has been publishing ESG reports for 14 consecutive years
- The first time to use **digital technology** to collect, review, and approve ESG report data
- The first time to engage a third-party assurance organisation to issue an **independent assurance report** on ESG report



DUAL CARBON TARGETS & ACTION PLAN FORMALLY IMPLEMENTED

- **Yuexiu Property commits to net-zero carbon emissions by or before 2060**
- For public projects:
Carbon emission intensity per unit area in 2030 compared to 2019 to be reduced by  **44%**
- For residential projects:
Carbon emission intensity per unit area in 2030 compared to 2019 to be reduced by  **23%**

ESG Management Improvement

PROGRESS IN SUSTAINABLE FINANCE

- **2024.07** Yuexiu Property successfully issued its first green dim sum bond, raising RMB 1.69 bn with a 3-year maturity and a coupon rate of 4.10%
- Largest offshore bond issue in the property sector in 1H 2024

ESG MANAGEMENT SYSTEM UPGRADED CONTINUOUSLY

- **2024.01** Added the "Personal Carbon Footprint" function, which calculates employees' personal travel carbon emission data in real time and gradually carries out the Scope 3 carbon study
- **2024.01** Added "ESG News" function to share internal and external ESG news and policy updates in real time, and enhance all staff's knowledge and understanding of ESG
- **2024.06** Added "Low Carbon Project Management" function to manage low carbon projects and certification information, and keep abreast of the Company's low carbon building development.



ESG RATINGS & INDEXES

ESG Ratings & Indexes



恒生指數
HANG SENG INDEXES



Hang Seng Corporate Sustainability Index Series

Included in the Hang Seng Sustainability

Index Series:

1. Hang Seng ESG 50 Index*
2. Hang Seng Corporate Sustainability Benchmark Index*
3. Hang Seng Climate Change 1.5°C Target Index



2023 4-star, 2th in Eastern Asia Residential Listed, Scored 92 points

MSCI



Rated BB in 2023

Wind ESG

Rated A in 2024

*Note: The indexes will be effective from 9 September 2024



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Property Market Outlook in 2H

Policy

The regulatory policies will continuously loosen stressing "city-specific policies" and "precise policies" to satisfy residents' self-occupation and upgrading housing demand and support a healthy recovery and development of property market

Market

As more supportive policies to release and market confidence gradually recover, property market is expected to bottom out and stabilise, but market differentiation is becoming more pronounced and market share concentration is rising

Land

The land market tends to be rational, but the differentiation has intensified, and the land in the core areas of the Tier 1 and Tier 2 major cities will still face strong competition. Competition in the land market has put forward higher requirements on the comprehensive abilities of developers. The sector investment is more focusing on core cities and regions

Finance

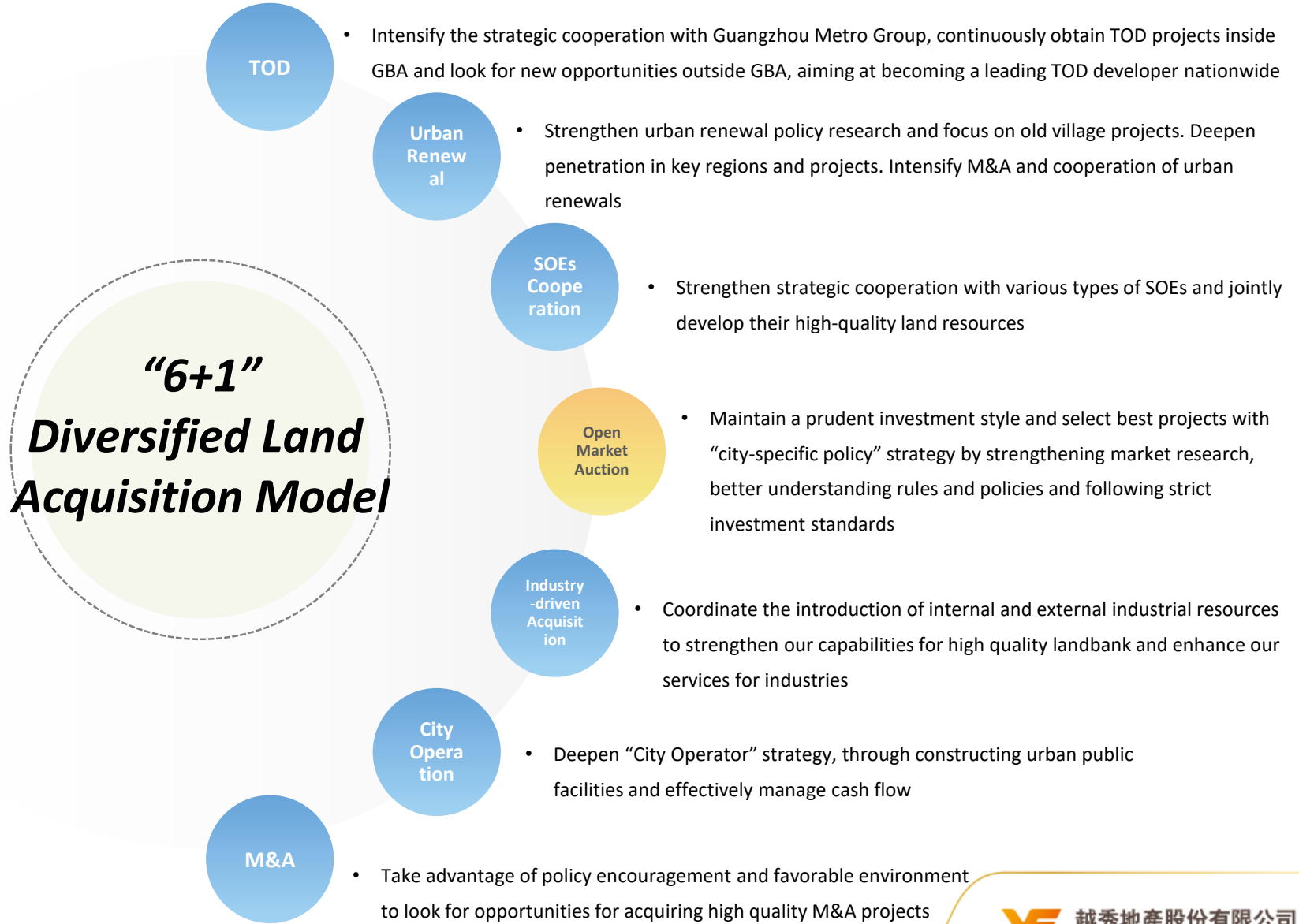
The macro financing environment will continue to remain loose, financial institutions will increase financial support for the stabilisation and recovery of the real estate industry, and the ability and advantage of high-quality developers to obtain financing will continue to be strengthened

Investment Strategies



Investment Strategies

- Adhere to prudent investment strategy of “investing according to sales” and “in line with sales cash inflows”
- Sustainably penetrate those core cities and regions focusing on four Tier 1 cities of Beijing, Shanghai, Guangzhou, Shenzhen and key Tier 2 provincial capital cities
- Investment focuses on high-return and quick cash flow projects
- Continuously enhance the "6+1" unique and diversified land acquisition model



Operation Strategies



Market Strategy

- Deepen the construction and application of the customer research system to better understand cities and customers, implement pinpoint project-based marketing strategy, accurate pricing and accelerate property sales and cash inflows
- Make every efforts to achieve the annual sales target

Operation Strategy

- Comprehensively optimize 7 major capabilities of customer research, investment, product, marketing, service, cost control and operation
- Deepen lean management, eliminate ineffective costs, effectively reduce expenses and improve operational efficiency
- Adhering to the value-oriented management strategy of "customer-oriented, product-focus and long-termism"



Product Strategy

- Continuously carry out the action of "building good products with high quality" by adhering to the customer-centred approach, meeting customer needs, creating high-quality products
- Promote the full implementation of the integration of design and construction, and the construction, application and updates of product standardization
- Fully implement "good product pact" of Yuexiu Property

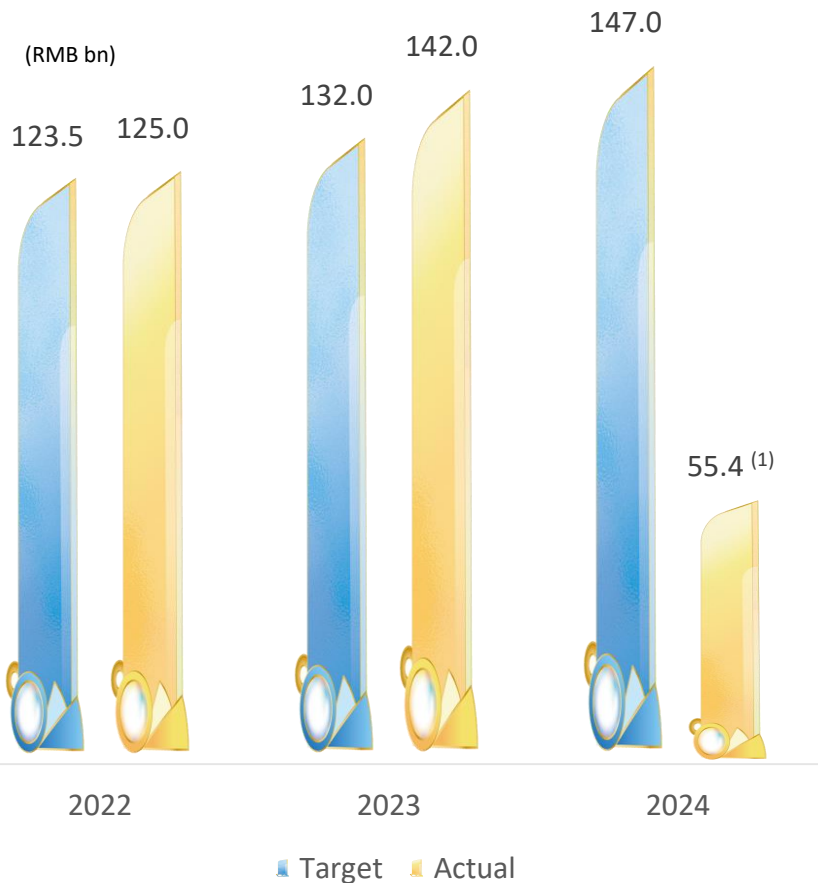
Financial Strategy

- Keep the "Three Red Lines" indicators all in "green lights"
- Maintain net operating cash inflow
- Strengthen the management of sales cash flow to ensure healthy financial position and sufficient liquidity
- Continuously reduce financing costs

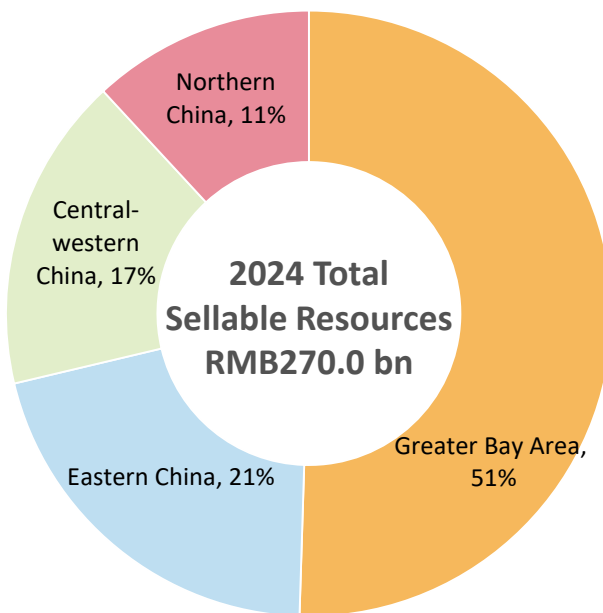


2024 Sales and Operational Targets

2024 Contracted Sales Target:
RMB 147.0 bn⁽²⁾



2024 Total Sellable Resource:
RMB270.0 bn⁽³⁾



Operational Plans⁽²⁾

(mm sq.m.)	As at the end of 2024	As at the end of 1H 2024
PUD	13.98	17.13
New Construction Starts	4.06	1.78
Completion	7.79 ⁽⁴⁾	2.36 ⁽⁵⁾

- Notes:
- (1) 1H 2024 contracted sales
 - (2) Including joint venture projects and associates
 - (3) Excluding sellable resources provided by new acquisitions this year
 - (4) Consolidation GFA is 5.21 mm sq.m.
 - (5) Consolidation GFA is 1.56 mm sq.m.

2024 Key Operating Cash Flows



Cash Inflows (RMB bn)	2024E
Property Sales	99.30
Other Income	2.36
Total	101.66

Cash Outflows (RMB bn)	2024E
Land Premium and Auction Deposits	40.00
Construction Cost	26.13
Interest Payment	5.38
Tax and Other Expenses	23.23
Total	94.74

Thank you!



DISCLAIMER

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