



GREENTOWN CHINA HOLDINGS LIMITED

綠城中國控股有限公司

(Stock code: 03900)



# 2020

## INTERIM RESULTS ANNOUNCEMENT

### AUGUST 2020



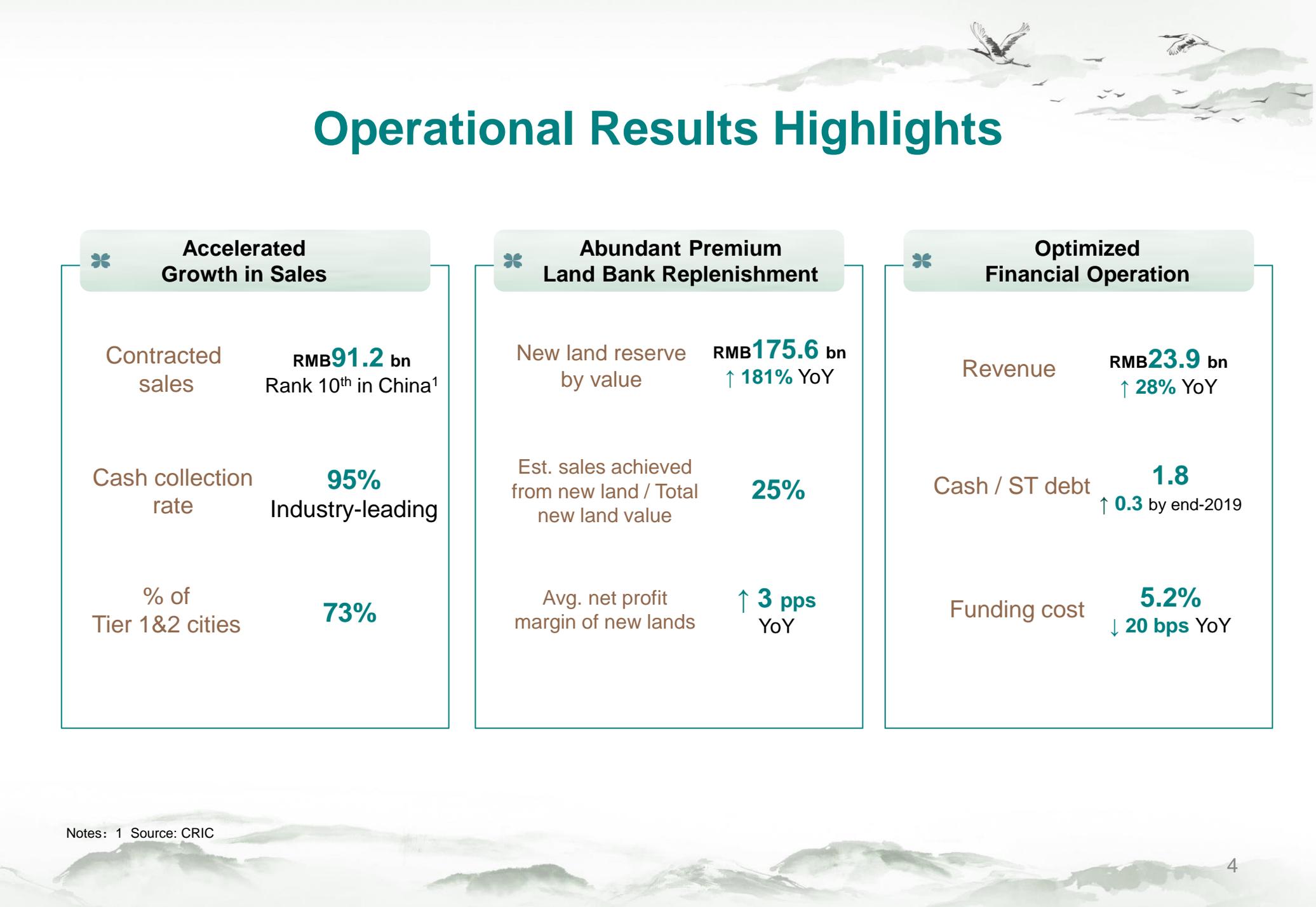


# Contents

<b>Operational Review</b> .....	<b>3</b>
<b>Financial Overview</b> .....	<b>11</b>
<b>Operational Strategy</b> .....	<b>23</b>
<b>Prospects</b> .....	<b>41</b>
<b>Appendix</b> .....	<b>47</b>



# Operational Review



# Operational Results Highlights

## Accelerated Growth in Sales

Contracted sales **RMB91.2 bn**  
Rank 10<sup>th</sup> in China<sup>1</sup>

Cash collection rate **95%**  
Industry-leading

% of Tier 1&2 cities **73%**

## Abundant Premium Land Bank Replenishment

New land reserve by value **RMB175.6 bn**  
↑ **181%** YoY

Est. sales achieved from new land / Total new land value **25%**

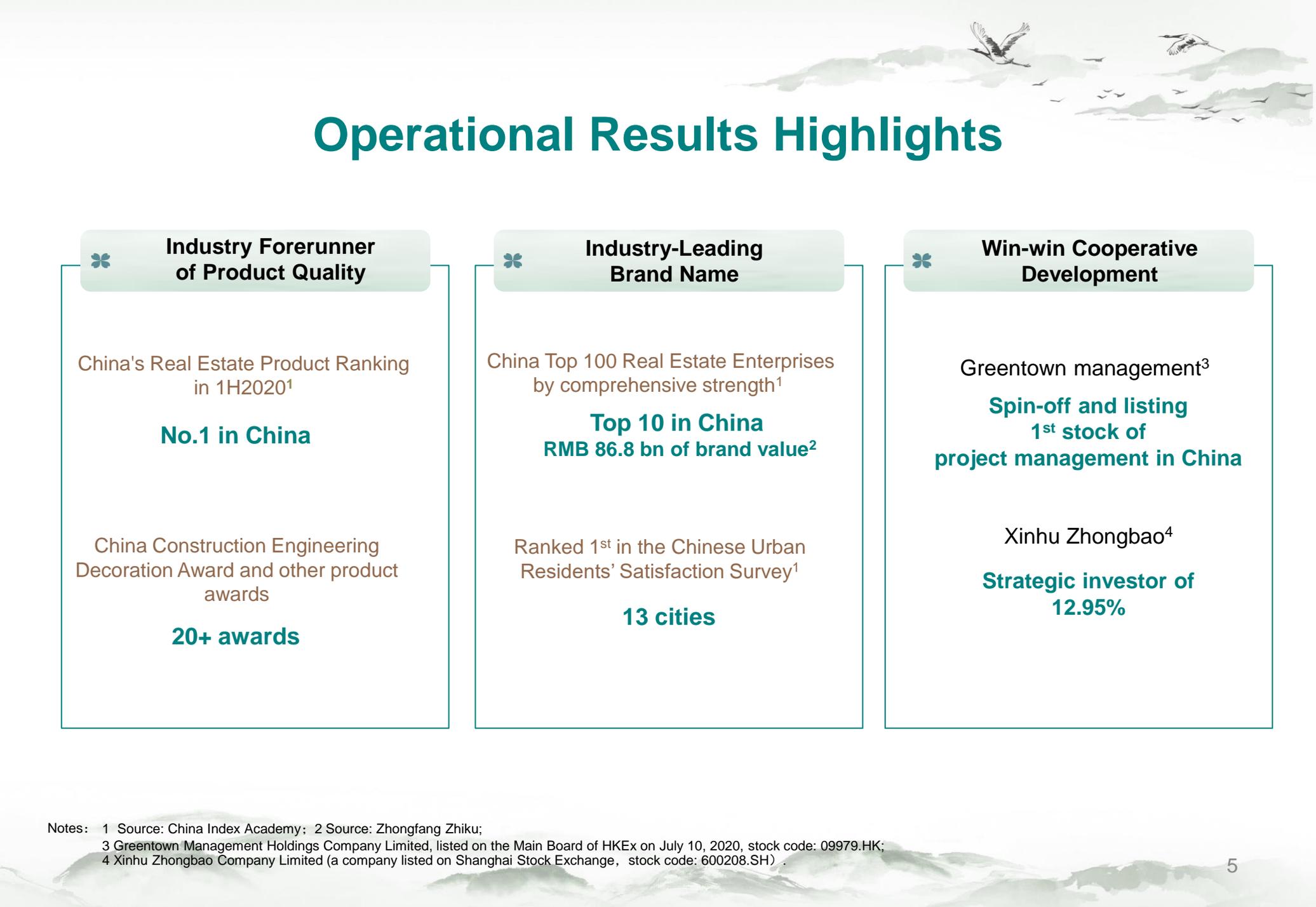
Avg. net profit margin of new lands ↑ **3 pps** YoY

## Optimized Financial Operation

Revenue **RMB23.9 bn**  
↑ **28%** YoY

Cash / ST debt **1.8**  
↑ **0.3** by end-2019

Funding cost **5.2%**  
↓ **20 bps** YoY



# Operational Results Highlights



## Industry Forerunner of Product Quality

China's Real Estate Product Ranking  
in 1H2020<sup>1</sup>

**No.1 in China**

China Construction Engineering  
Decoration Award and other product  
awards

**20+ awards**



## Industry-Leading Brand Name

China Top 100 Real Estate Enterprises  
by comprehensive strength<sup>1</sup>

**Top 10 in China**  
**RMB 86.8 bn of brand value<sup>2</sup>**

Ranked 1<sup>st</sup> in the Chinese Urban  
Residents' Satisfaction Survey<sup>1</sup>

**13 cities**



## Win-win Cooperative Development

Greentown management<sup>3</sup>

**Spin-off and listing**  
**1<sup>st</sup> stock of**  
**project management in China**

Xinhu Zhongbao<sup>4</sup>

**Strategic investor of**  
**12.95%**

Notes: 1 Source: China Index Academy; 2 Source: Zhongfang Zhiku;

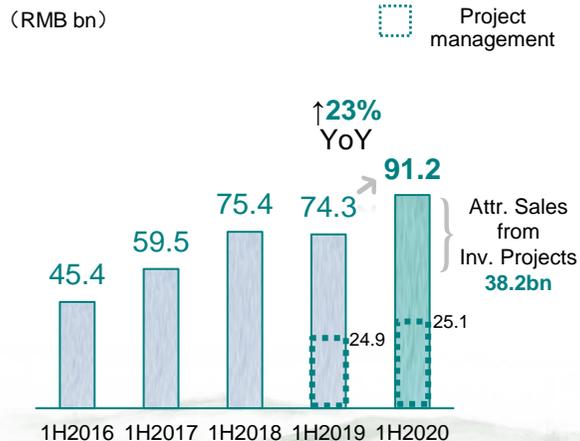
3 Greentown Management Holdings Company Limited, listed on the Main Board of HKEx on July 10, 2020, stock code: 09979.HK;

4 Xinhu Zhongbao Company Limited (a company listed on Shanghai Stock Exchange, stock code: 600208.SH)

# Accelerated Growth in Sales with Structural Optimization

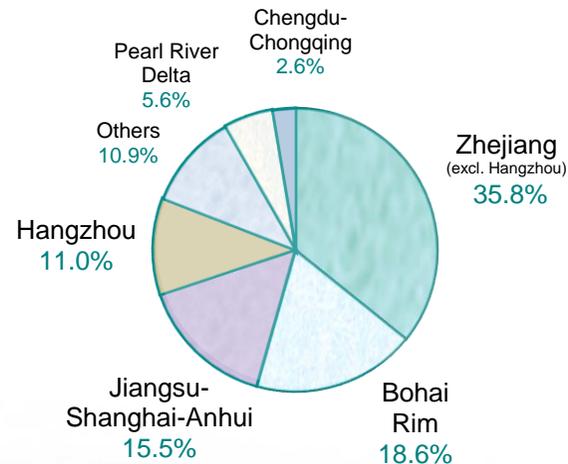
- ✦ Contracted sales reached RMB **91.2** bn, up **23%** YoY, ranking 10<sup>th</sup> in China<sup>1</sup>;
- ✦ Investment project sales reached RMB **66.1** bn, up **34%** YoY, attributable sales reached RMB **38.2** bn, up **43%** YoY;
- Cash collection rate reached **95%** at industry high; ASP RMB **24,922** per sqm, maintained industry leading position;
- RMB **48.5** bn, **73%** (1H2019: 67%) of sales from Tier 1&2 cities; RMB **41.2** bn, **62%** of sales from Yangtze River Delta;
- ✦ Project management business achieved a steady growth with sales of RMB **25.1** bn.

## 5-year 1H contracted sales



Notes: 1 Source: CRIC

## Contracted sales from investment projects by value



✦ **Tier 1 cities** **15%**

Beijing, Shanghai, Guangzhou, etc

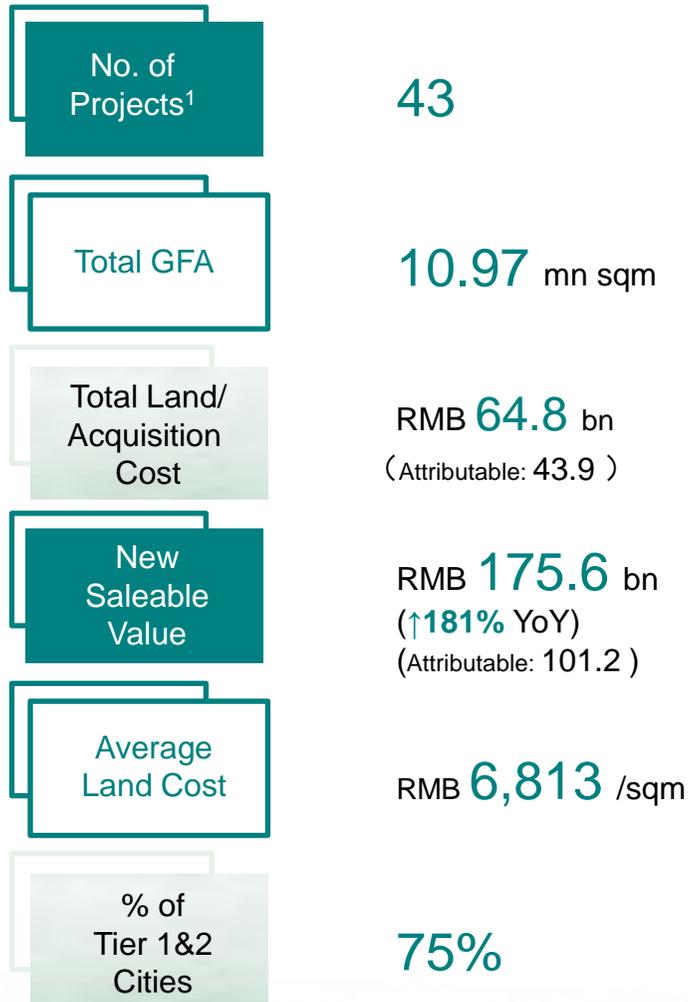
✦ **Tier 2 cities** **58%**

Hangzhou, Ningbo, Wenzhou, Nanjing, Suzhou, Wuxi, Qingdao, Jinan, Shenyang, Dalian, Tianjin, Chengdu, Chongqing, Hefei, Wuhan, Foshan, Fuzhou, Changsha, Xi'an, Urumqi, etc.

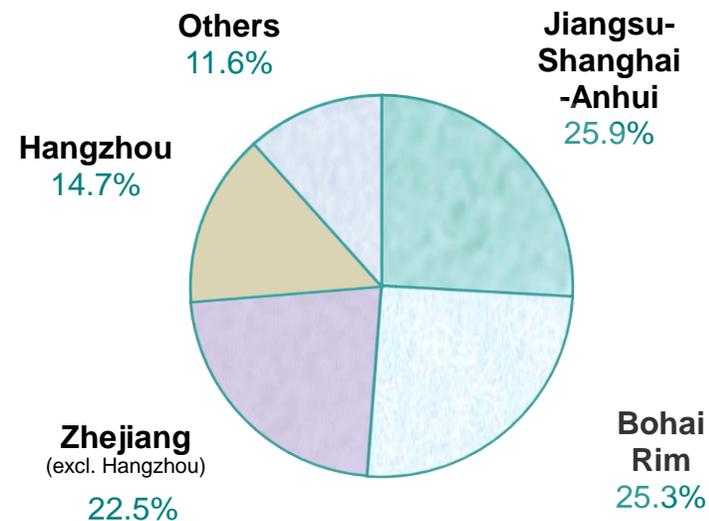
✦ **Tier 3&4 cities** **27%**

Zhoushan, Jiaxing, Shaoxing, Jinhua, Taizhou, Huzhou, Xintai, Qufu, etc.

# New Land Bank Value Hits Record High with Effective and Precise Investment Strategy



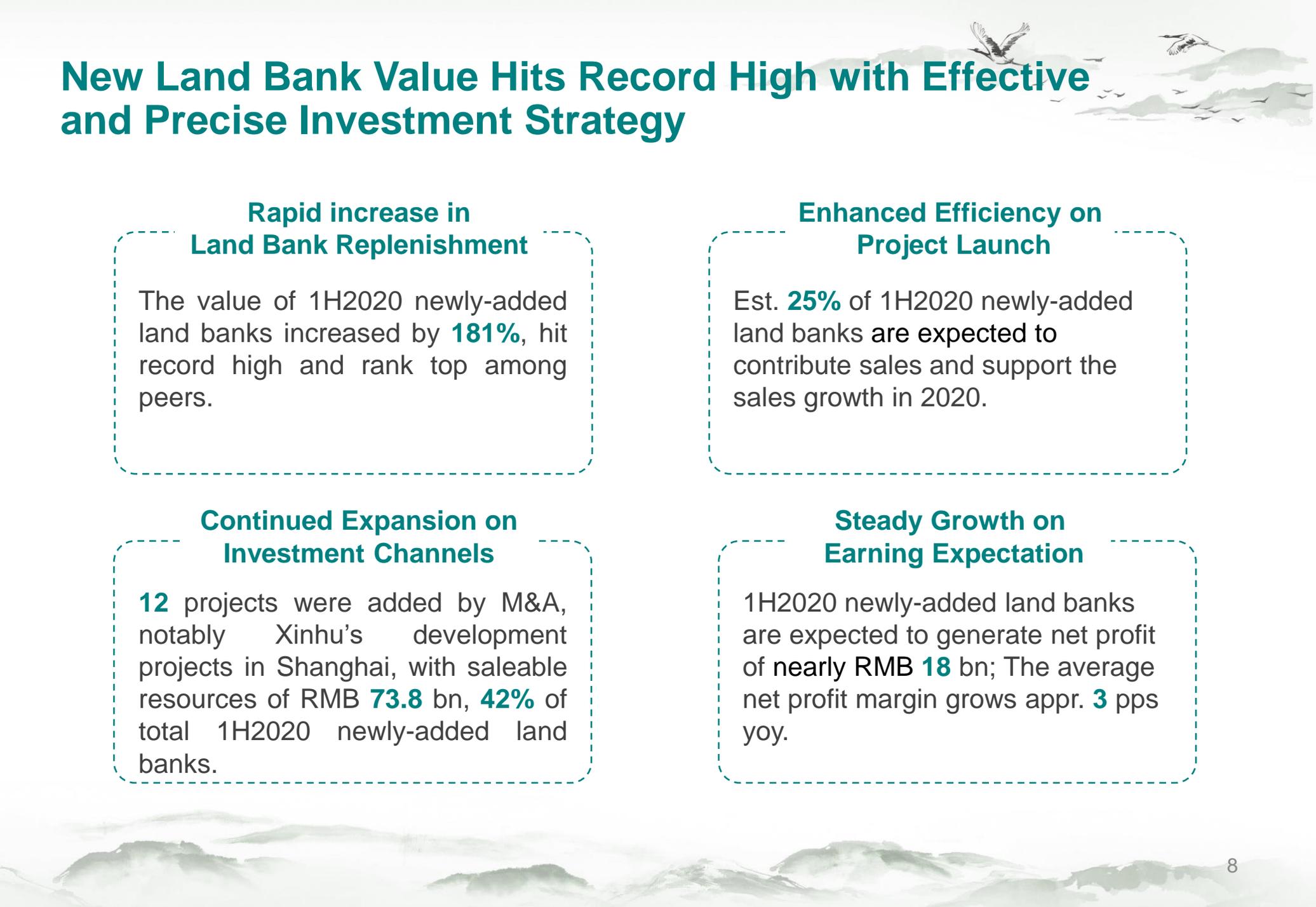
## Focus City Clusters Deepen Premium Cities



- RMB 111 bn, 63% from Yangtze River Delta

Note: 1. incl. new land bank replenished in core Tier 1&2 cities like Beijing, Shanghai, Hangzhou, Ningbo, Fuzhou and Xi'an, etc

# New Land Bank Value Hits Record High with Effective and Precise Investment Strategy



## Rapid increase in Land Bank Replenishment

The value of 1H2020 newly-added land banks increased by **181%**, hit record high and rank top among peers.

## Enhanced Efficiency on Project Launch

Est. **25%** of 1H2020 newly-added land banks are expected to contribute sales and support the sales growth in 2020.

## Continued Expansion on Investment Channels

**12** projects were added by M&A, notably Xinhua's development projects in Shanghai, with saleable resources of RMB **73.8** bn, **42%** of total 1H2020 newly-added land banks.

## Steady Growth on Earning Expectation

1H2020 newly-added land banks are expected to generate net profit of nearly RMB **18** bn; The average net profit margin grows appr. **3** pps yoy.

# Enriched and Optimized Land Bank

No. of Projects<sup>1</sup>

172

Total GFA

48.01 mn sqm  
(Attributable.: 27.98)

Total saleable GFA

32.97 mn sqm  
(Attributable.: 19.08)

Average land cost

RMB 6,234 /sqm

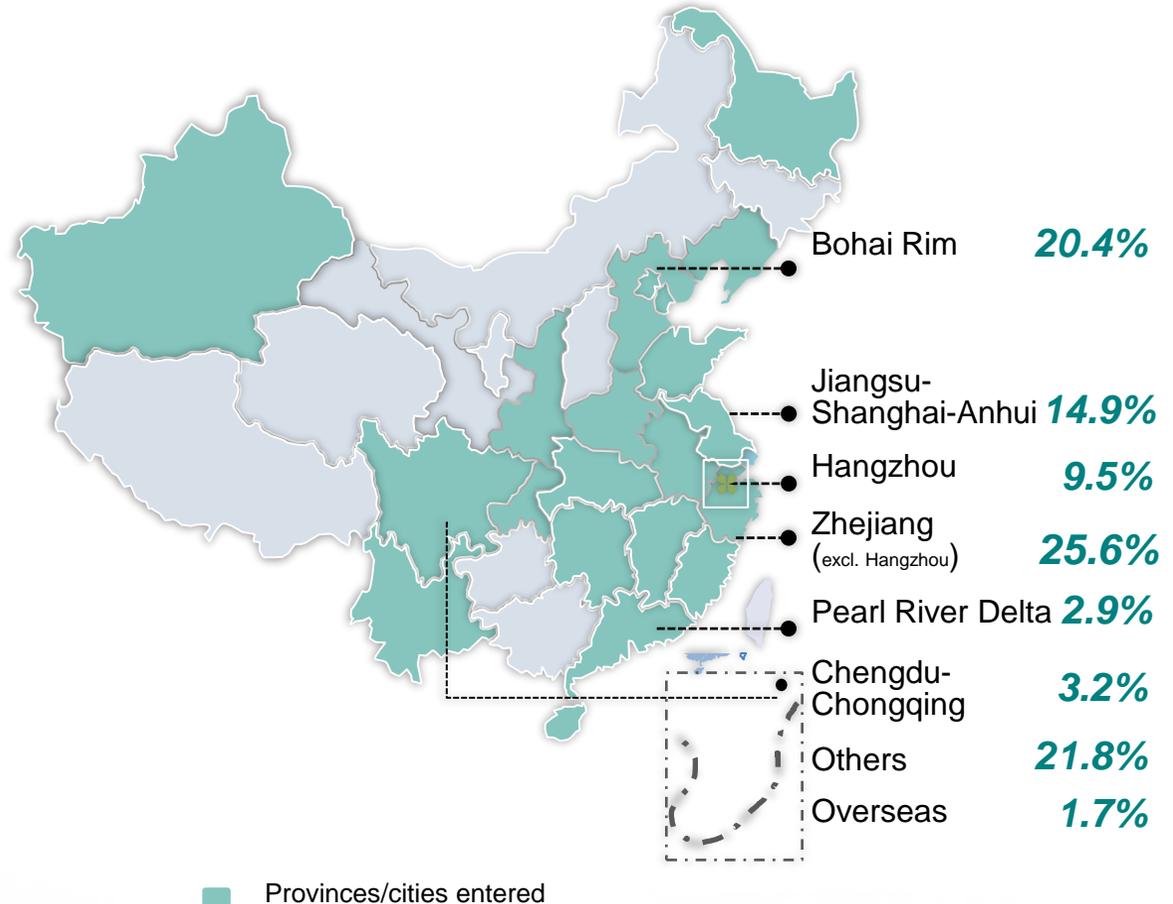
Total saleable value

RMB 742.7 bn  
( ↑25% from end-2019)

% of Tier 1&2 Cities

74%

## Total Land Bank by GFA

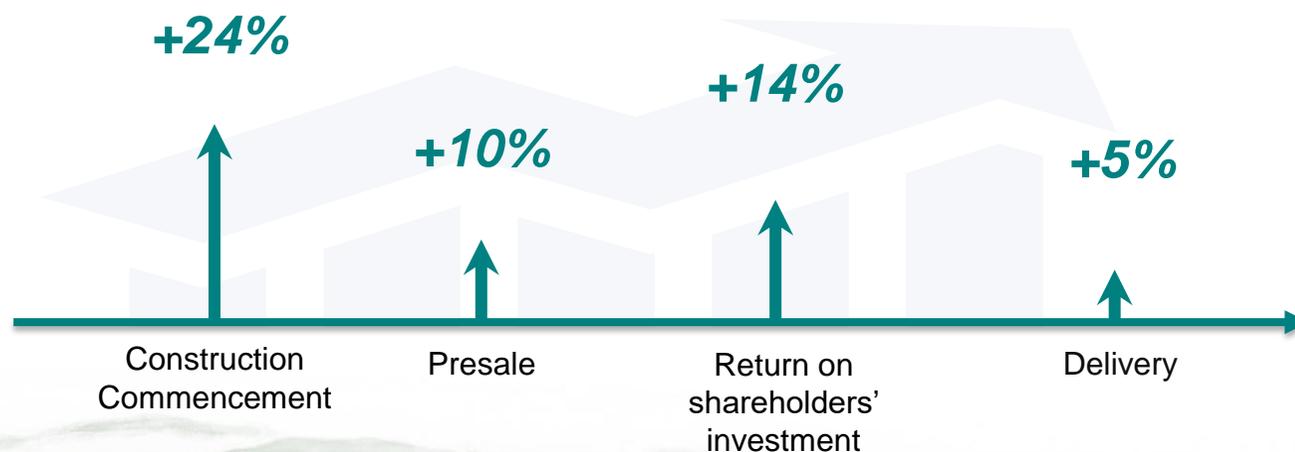


Note: 1 incl. projects under construction and pending construction

# Improved Turnover and Efficiency

Investment projects (mn sqm)	FY2019	1H2020	2H2020 Est.	FY2020 Est.
Commenced construction	9.34	6.45	4.80	<b>11.25</b> ↑20% YoY
Completed construction	5.79	1.44	5.18	<b>6.62</b> ↑14% YoY

## Significant Acceleration in New Projects' Turnover



**2.9** months  
Commence Construction  
Wenzhou Osmanthus Grace

**3.8** months  
Presale  
Tianjin Sincere Garden (W3)

**6.1** months  
Return on shareholders' invt.  
Deqing Fengqi Chunlan

# Financial Overview



# Key Financial Data



(RMB mn)	1H2020	1H2019	Change
<b>Revenue</b>	<b>23,896</b>	<b>18,658</b>	<b>+28.1%</b>
Gross profit	6,184	5,969	+3.6%
Net gain on disposal of subsidiaries and gain from M&A	352	88	+ 264 mn
Provision and reversal of impairment losses on certain assets	-221	101	+ 322 mn
Other income	1,557	1,362	+14.3%
Administrative expenses	-1,447	-1,404	+3.1%
Selling expenses	-624	-665	<b>-6.2%</b>
Finance costs	-1,252	-801	+56.3%
Share of results of JVs/ associates	472	497	-5.0%

# Key Financial Data



(RMB mn)	1H2020	1H2019	Change
Net profit	3,130	3,073	+1.9%
<b>Profit attributable to owners of the Company</b>	<b>2,096</b>	<b>2,058</b>	<b>+1.9%</b>
Basic earnings per share (RMB)	0.65	0.67	-3.0%
<b>Core net profit attributable to owners of the Company<sup>1</sup></b>	<b>2,435</b>	<b>2,430</b>	<b>+0.2%</b>

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

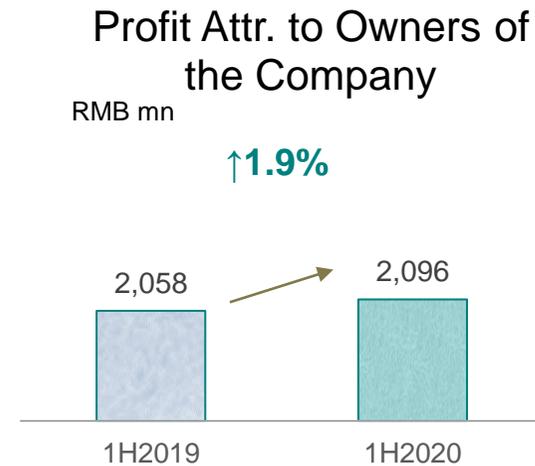
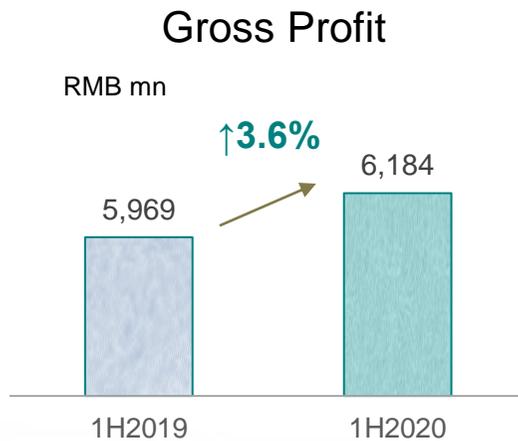
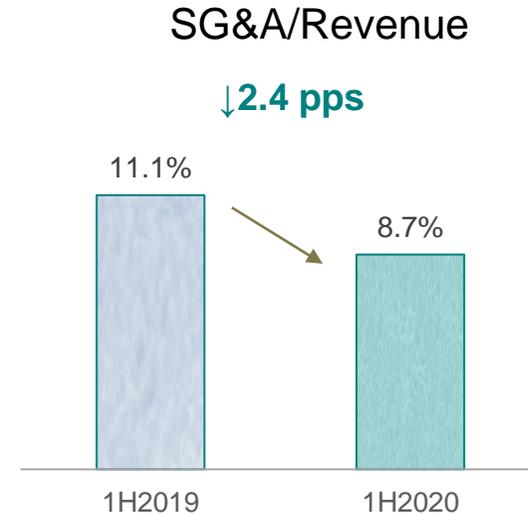
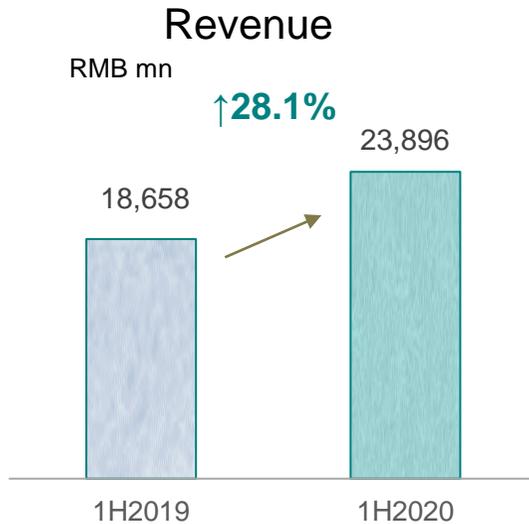
# Key Financial Data



(RMB mn)	30 Jun 2020	31 Dec 2019	Change
Total assets	375,585	337,092	+11.4%
In which: Total inventories	195,632	179,691	+8.9%
Bank balances and cash	62,849	51,894	+21.1%
Total liabilities	301,462	267,937	+12.5%
In which: Total borrowings	111,852	95,577	+17.0%
Contracted liabilities	88,121	76,325	+15.5%
Net assets	74,123	69,155	+7.2%



# Revenue Boosted with Profit Improved



# Well-managed Expense with Enhanced Efficiency

## - Administrative Expenses

(RMB mn)	1H2020	1H2019	Change
Real estate development expenses <sup>1</sup>			
- Cost of human resources	306	309	-1.0%
- Daily operating expenses	86	99	-13.1%
- Others	323	305	+5.9%
<b>Subtotal</b>	<b>715</b>	<b>713</b>	<b>+0.3%</b>
Non-real estate development expenses <sup>2</sup>	452	406	+11.3%
Depreciation and amortization expenses	280	286	-2.1%
<b>Total</b>	<b>1,447</b>	<b>1,405</b>	<b>+3.0%</b>

- Notes:
1. The administrative expenses of the real estate development business basically remained the same level compared with 1H2019 and the ratio of administrative expenses to contracted sales dropped **19.6%** YoY, which was benefited from the optimization of the management and control model in recent years while constantly improving per capita efficiency. In addition subject to the COVID-19 pandemic in 1H2020 part of expenses occurred less.
  2. The revenue for non-real estate development business increased to **RMB3.182** bn in 1H2020 from **RMB2.769** bn in 1H2019. At the same time, the ratio of expenses dropped **3.3%** compared with 1H2019

# Well-managed Expense with Enhanced Efficiency

## - Selling Expenses

(RMB mn)	1H2020	1H2019	Change
Real estate development expenses <sup>1</sup>			
- Cost of human resources	210	147	+42.9%
- Cost of marketing activities	226	301	-24.9%
- Other operating fees	90	84	+7.1%
<b>Subtotal</b>	<b>526</b>	<b>532</b>	<b>-1.1%</b>
Non-real estate development expenses <sup>2</sup>	98	133	-26.3%
<b>Total</b>	<b>624</b>	<b>665</b>	<b>-6.2%</b>

Notes: 1. The selling expenses of real estate development business in 1H2020 dropped 1.1% YoY. Due to the higher YoY growth of sales, the ratio of selling expenses to contracted sales dropped 20.7% YoY. Mainly due to the Group's flexible use of sales strategies to transfer offline marketing campaign to online platform implementation and promotion. In addition, the group's high quality properties are more in demand by the market after the COVID-19.

2. The YoY decrease of RMB35 mn in non-real estate development expenses was mainly due to the hotel business contraction as affected by the COVID-19 pandemic. The ratio of expense decreased 36.4% compared with 1H2019.

# Funding Cost Hits Record Low Level

1H2020 weighted avg. interest cost was **5.2%**, down **20 bps** from 5.4% in 1H2019.

(RMB mn)	1H2020	1H2019	Change
Interest expenses	1,252	801	+56.3%
Capitalized interest expenses	2,577	2,185	+17.9%
Interest income	-1,300	-743	+75.0%
<b>Net Interest</b>	<b>2,529</b>	<b>2,243</b>	<b>+12.8%</b>
In which: net interest in P&L	-48	58	

- ✿ In 1H2020, the capitalization interest rate was 67.3 % (1H2019: 73.2 %). The drop of the capitalization rate was mainly due to the increase in joint ventures and associated companies during the current period. The interest income and expenses accrued from the transactions between the Group and these companies were directly included in the income statement.

# Funding Cost Hits Record Low Level

Onshore bond issued at record low cost with good market recognition

✿ 1H2020 avg. interest cost of onshore bond issuance was **3.54%**, down **133 bps** from 4.87% in 1H2019.

RMB bn	Issued in 2020	Interest rate	Weighted average interest cost	Quota left By 30 Jun
Corporate bonds	2.93	3.19% - 3.87%	3.33%	- <sup>1</sup>
Medium-term notes	3.0	3.27% - 3.86%	3.38%	7.0
Perpetual medium-term notes	1.5	4.2%	4.2%	3.0
ABSP ABS/ABN	2.0	3.9%	3.9%	5.0
Supply chain ABS	5.165	2.5% - 3.98%	3.42%	14.035
Supply chain ABN	-	-	-	10.0
Directed debt financing tool	-	-	-	5.0
Hotel REITs	-	-	-	0.948
COVID-19 pandemic prevention and control debt	-	-	-	0.35
<b>Total</b>	<b>14.595</b>	<b>-</b>	<b>3.54%</b>	<b>45.333</b>

Notes: 1. RMB10.5 bn corporate bonds issuance approval was obtained on July 9, 2020.

# Funding Cost Hits Record Low Level

## Competitive edges of offshore financing

✿ Unsecured club loans help to further reduce financing costs and achieve substantial savings in interest costs.

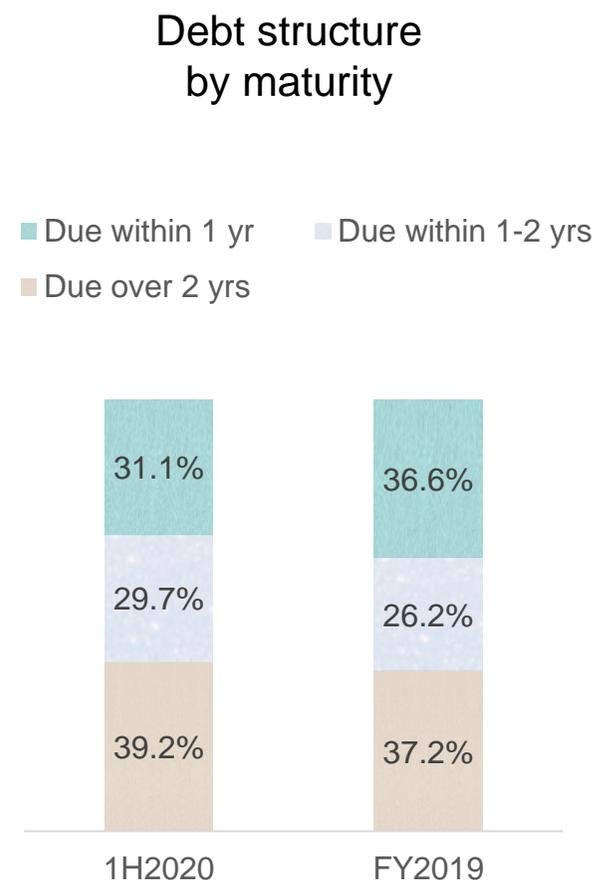
Issuance date	Size	Tenor	Interest rate
Jan 2020	US\$430 mn	3-year	LIBOR/HIBOR+2.48%
Jul 2020	US\$300 mn		

✿ In July 2020, the Company successfully issued 5NC3-year US\$300 mn senior notes, embracing a warm response from global investors with over 13x subscriptions. The coupon rate of 5.65% hits a record low among all the long-term USD notes issued by company and help to further improving the overall debt structure.

Issuance date	Size	Tenor	Coupon rate
July 2020	US\$300 mn	5NC3-year	5.65%

# Solid Financial Position with Robust Debt Structure

(RMB bn)	30 Jun 2020	31 Dec 2019
	Total	Total
Due within 1 year <sup>1</sup>	34.788	34.941
Due within 1-2 years	33.256	25.06
Due over 2 years	43.808	35.576
<b>Total borrowings</b>	<b>111.852</b>	<b>95.577</b>



Notes: 1. Debts due within 1 year account for **31.1%** of total, down **5.5** pps from 36.6% at end-2019. A well-managed debt structure **strongly support the company to develop in the long-run.**

# Solid Financial Position with Robust Debt Structure

(RMB bn)	30 Jun 2020	31 Dec 2019	Change
Bank and other borrowings	74.099	59.594	+24.3%
Onshore corporate debt instruments	29.868	28.271	+5.6%
Offshore senior notes	7.885	7.712	+2.2%
<b>Total borrowings</b>	<b>111.852</b>	<b>95.577</b>	<b>+17.0%</b>
<b>Bank balances and cash</b>	<b>62.849</b>	<b>51.894</b>	<b>+21.1%</b>
<b>Net liabilities</b>	<b>49.003</b>	<b>43.683</b>	<b>+12.2%</b>
<b>Net assets</b>	<b>74.123</b>	<b>69.155</b>	<b>+7.2%</b>
<b>Net gearing ratio</b>	<b>66.1%</b>	<b>63.2%</b>	<b>+2.9 pps</b>

1H2020  
funding cost

**5.2%**

(1H2019: 5.4%)

End-1H2020  
Funding Cost

**5.1%**

(End-2019: 5.2%)

Total Credit Line

RMB **239.7** bn

Unused Credit Line

RMB **131.2** bn

(54.7% of total credit line)

Cash/ST Debt

**1.8**

(End-2019: 1.5)

FX Debt Ratio

**19.1%**

FX Debt: RMB 21.4 bn



# Operational Strategy

# Clear Strategy with Solid Implementation



## Strategy 2025

Integrated service provider for an ideal life  
Leading Chinese developers' quality benchmark



## Three Business Segments

### Asset-Heavy

---

Real estate investment  
and development  
business

### Asset-Light

---

Real estate project  
management  
business

### Greentown+

---

Diversified businesses  
centering on real  
estate

# Multi-wheel Driven Development on a Steady Pace

## 1. Asset-heavy Segment – Investment-Led

Optimize  
Nationwide  
Layout

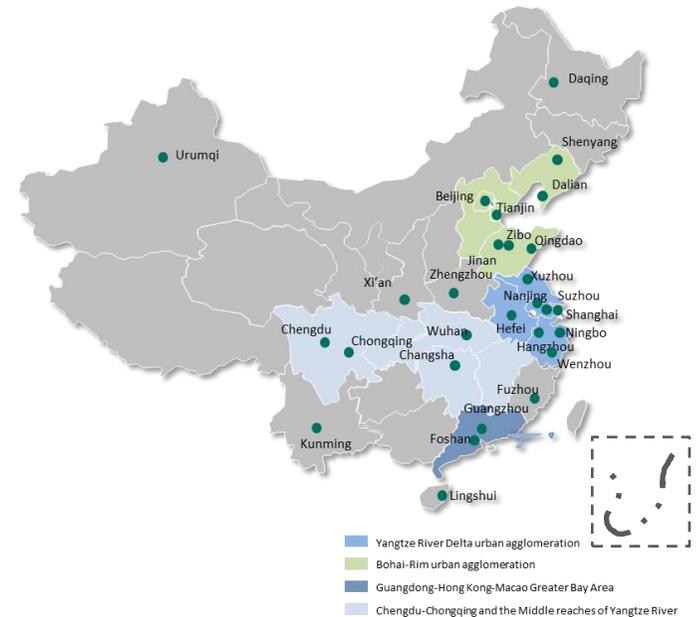
Deepen footprints in **Yangtze River Delta**, proactively deploy layouts in **urban city clusters**, include Bohai Rim, Pearl River Delta, Chengdu-Chongqing, and the middle reaches of Yangtze River, as well as the **key premium cities** such as Xi'an, Zhengzhou.

Improve  
Accuracy

Consistently strengthen forward-looking research on core city/region and improving M&A capabilities to **enhance investment efficiency** and drive profitability.

Balance  
Portfolio

Mainly focus on "**fast-turnover**" projects and actively expand the "**Granary-style**" projects, to further **optimize the land bank structure**.



# Multi-wheel Driven Development on a Steady Pace

## 1. Asset-heavy Segment – Featured Innovation and Multidimensional Development

Seize  
TOD  
Opportunity

- Stick on **nationwide layout, multi-category and multi-type** property;
- Seize the strategic opportunities along with China's transportation-hub development;
- **13** projects have been successfully initiated.

Participate  
City  
Renovation

- Successful in bidding of 3 old-town renovation projects in Hangzhou;
- Initiate the **1<sup>st</sup> future community project** in Quzhou;
- Take a full-chain development model of future community, including consulting, investment, construction and operation, as a start of scale development.

Position  
City-industry  
Integration

- Establish an industrial development path of “**self-owned resources + partners**”;
- Establish benchmarks and explore new business models.



Micro-renewal project of Hangzhou  
Xiaoying Street Nanban Alley  
(Real location)



Future community project in Quzhou  
(Visual presentation)

# Multi-wheel Driven Development on a Steady Pace

## 1. Asset-heavy Segment – Prominent Performance of Town Business

### Clear Strategy

- Empowered by the dual drive of **property sales** and **industrial operation**;
- Focus on three major sectors of healthcare, agriculture and scientific innovation

### Sustainable Development

- Total planning GFA of **8.93** mn sqm, covering **17** cities;
- Replenished salable resources of RMB**33.9** bn 1H2020, of which RMB**20** bn came from Xihu Qidong Project;
- 5-8 town projects will initiate in 2H2020 with salable resources nearly RMB**20** bn.

### Industrial Integration

- Improve overall planning, content placement, industry introduction and operation of town projects with integration of rich resources from **103** industries in **10** categories;
- Enhance regional value, increase industry revenue, and improve living quality of town projects owners.



Sichuan Cuisine Town in Chengdu  
(Visual presentation)



Suqian Liyuanwan Town  
(Visual presentation)

# Multi-wheel Driven Development on a Steady Pace

## 2. Asset-light Segment – Pilot stock of Project Management in China

On 10 July, “Greentown Management” under Greentown China was spun off and officially listed on main board of the HKEx, becoming the “**China’s First Stock of Project Management**”.

Capital

- Widen **funding** channels;
- Optimize **capital** structure.

Leadership

- Explore double-wheel-driven business model of asset-heavy and asset-light;
- Improve the profit/business model;
- Strengthen the **industry leading position**.

Market

- Enhance **brand credibility**, **commercial value** and **market share**;
- Expanding the customer base.



# Multi-wheel Driven Development on a Steady Pace

## 2. Asset-light Segment – Leading Position in the Project Management Industry

- **268** projects under project management;
- Total GFA of appr. **73.31** mn sqm;

### Haikou Spring Blossom Fengheli



### Commercial Project Mgt.:

- Full-service chain of project mgt;
- Lift **profitability** and demonstrate the **value of management**

### Government Project Mgt.:

- Mainly involved in social housing, Industrial Park, school, etc.;
- **Renovate the city look** and provide **more desirable house**.



Lin'an Yulan Garden Phase II

Awarded  
“China’s Leading Enterprise in Real Estate  
Project Management Operation”  
for **4** consecutive years

“Annual CSR Contribution Award”  
for **3** consecutive years

“Annual Influential Business Model Award”  
for **2** consecutive years



Hangzhou Haichao Garden

# Multi-wheel Driven Development on a Steady Pace

## 3. “Greentown+” Segment – Technology Empowering Value-added Business



Improving all-round edges  
digitalized, industrialized, eco-friendly and standardized

### AHS2.0 R&D (Assembled Housing Solutions 2.0)

- Conduct thematic research and model room creation : hotel, residence/apartment, medical and office;
- Successfully launched apartment and office projects in Hangzhou and Shanghai as in-house business model;
- Building brand images and enhancing market influence.



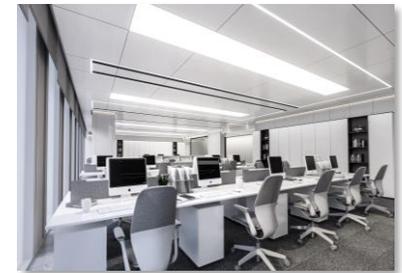
Hotel system



Residential/  
Apartment system



Medical system



Office system

# Multi-wheel Driven Development on a Steady Pace

## 3. “Greentown+” Segment – Business Synergy within Greentown living services system

Vision of “Integrated Service Provider for an Ideal Life”,

Greentown China & Greentown Service

Jointly build the "No. 1 Integrated Living Service Brand in China".

### Strategic Synergy

- Establish Greentown Living Services Committee;
- Collaborate on each other's edge

### Integrated Management

- Promote service integration from planning, design to service operation;
- Enhance Strengths in Product & Service

### Business Integration

- Establish Greentown Living Services Platform;
- Cooperate on Housing 4S and elderly care service;
- Build the brand of rental apartment

# Improve Management Quality and Efficiency

1. Maintaining the leading position in product quality – all-round safeguarding of product quality (1/2)

## 1 Constant product innovation

Implemented Innovative achievements of “Green Iteration” and “Community Core Space”; promoted **product innovation** such as indoor variable space, prefabricated interior decoration, and personalized decoration.



## 2 Aware of housing quality

Conducted in-depth insights into consumer demands after the pandemic; combined with the R&D of green health parks, intelligent parks and the intelligence to **enhance the housing quality**.



## 3 Optimize system and mechanism

Established a **Design Sharing Center**, promote the self-optimization of the design system, strengthened collaboration to improve efficiency and ensured "quality first".

# Improve Management Quality and Efficiency



1. Maintaining the leading position in product quality – all-round safeguarding of product quality (2/2)

## 4 Industry's standard-bearer

Published Greentown China's Engineering and Common Architectural Construction, a craftwork atlas in collaboration with China Institute of Building Standard Design & Research Co., Ltd., elevating the Greentown standards to **industry standards**.

## 5 Establish R&D engine

Developed **Construction Research Center**, with the testing section being accredited with the national CMA certification, and initiated 22 pilot projects. Carried out research on intelligent parks, green parks, prefabricated technologies and new energy applications.

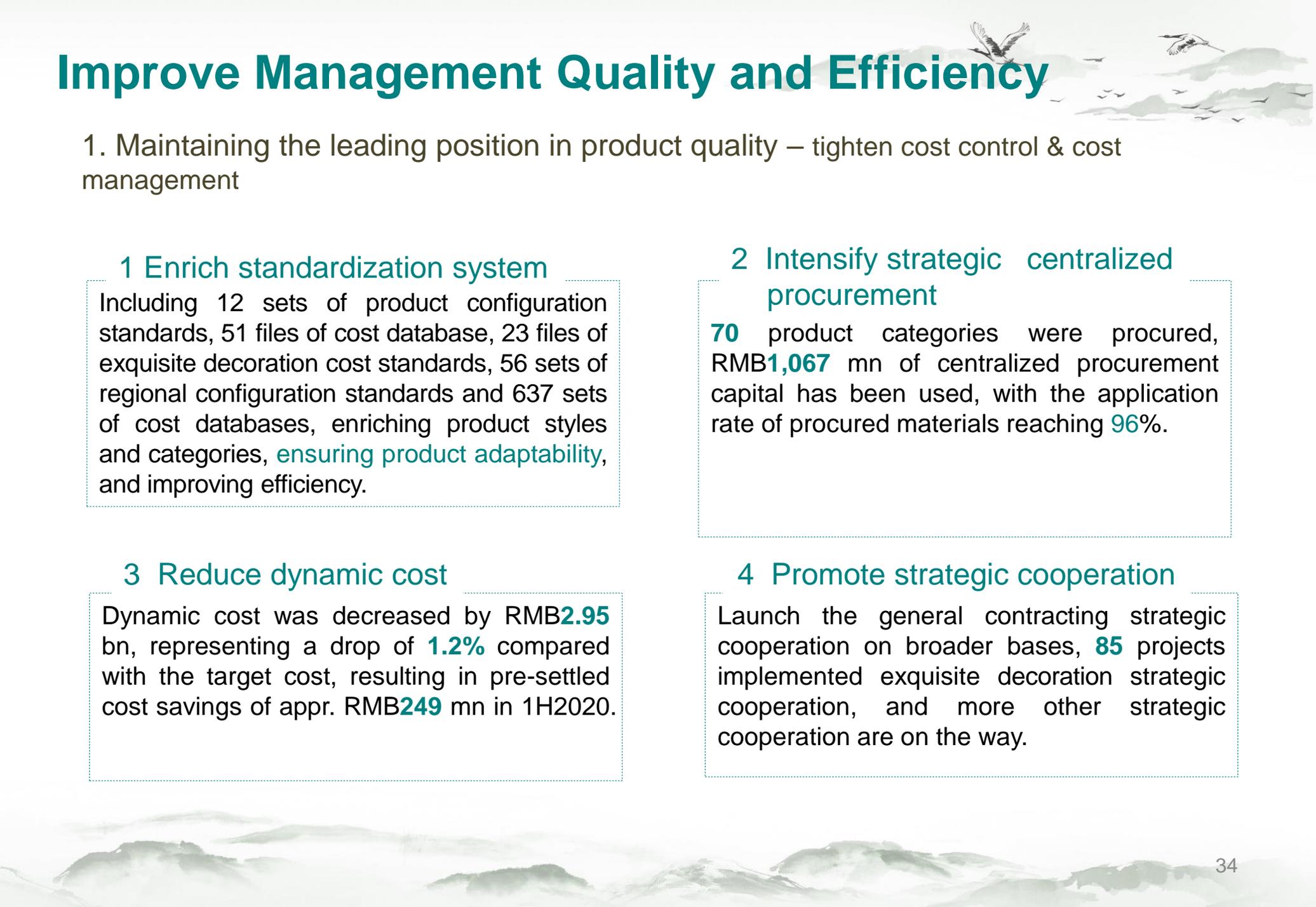
## 6 Promote digitalized platform

Continuously developing and piloting a digitalized engineering platform covering exquisite decoration, design and planning to optimize approval procedure and enhance efficiency.

## 7 Strengthen quality control

Launching “Spring joint inspections” (春季联合巡查) and on-site demonstration of “standardised, industrialised, digitalised and eco-friendly” construction(四化观摩会) to further improve construction efficiency and strengthen quality control.

# Improve Management Quality and Efficiency



1. Maintaining the leading position in product quality – tighten cost control & cost management

## 1 Enrich standardization system

Including 12 sets of product configuration standards, 51 files of cost database, 23 files of exquisite decoration cost standards, 56 sets of regional configuration standards and 637 sets of cost databases, enriching product styles and categories, ensuring product adaptability, and improving efficiency.

## 2 Intensify strategic centralized procurement

**70** product categories were procured, RMB**1,067** mn of centralized procurement capital has been used, with the application rate of procured materials reaching **96%**.

## 3 Reduce dynamic cost

Dynamic cost was decreased by RMB**2.95** bn, representing a drop of **1.2%** compared with the target cost, resulting in pre-settled cost savings of appr. RMB**249** mn in 1H2020.

## 4 Promote strategic cooperation

Launch the general contracting strategic cooperation on broader bases, **85** projects implemented exquisite decoration strategic cooperation, and more other strategic cooperation are on the way.

# Improve Management Quality and Efficiency

## 2. Efficient operation with improved mechanism



### Win-win mechanism achieved huge success

Support strategy implementation, enhance investment quality, improve operation efficiency, facilitate company's profitability and increase staff's remuneration.



### Efficient operations successfully activated

Launch benchmarking analysis of **9** core city projects; implement the “one city with one policy” operation standard, push forward the improvement of efficiency and returns.



### Digital operation platform officially launched

Carry out digital governance with “Greentown AI” operating platform to realize management scenarios digitalization, such as operating billboards and multi-dimensional queries; Monitor operation and support decision-making through data sharing.

# Improve Management Quality and Efficiency

## 3. Consolidated the HR system and adhered to the strategy

### Per Capita Efficiency

- Optimize organizational structure and establish **10** business committees;
- **2** project groups promoted to branch companies and total **29** project groups are highly cooperative;
- Area under construction per capita lifted **29%** YoY.

### Talent Management

- Improve the talents' selection and reserve, strengthen the talents' abilities;
- Optimize the organizational structure of the Greentown University to fulfill business needs.

### HR Sharing Center

- Establish the HR sharing center to integrate talent management and improve efficiency;
- Est. total HR staff cost will be saved by **14%** throughout the year.

# Improve Management Quality and Efficiency

## 4. Upsurge in the sales scale with innovative marketing campaigns

### Inventory clearing

- Set the long-term inventory clearing mission;
- Achieved sales of RMB**6.2** bn, appr. **10%** of 1H2020 total contracted sales from investment projects.

### Digital marketing

- Online marketing programs, such as "Greentown +" APP and Greentown Cloud Mini Program, fully applied during the pandemic;
- RMB**7.3** bn sales from whole-staff marketing (全民营销) in 1H2020, **11%** of total contracted sales from investment projects.

### Branding Promotion

- Integrated three brands and online platform to carry out special promotion campaigns such as "Spring Plan (春天计划)", "Refresh Seasons in Spring and Summer (春夏焕新季)", and launched online press conference, online banquet, and online open day.

# Improve Management Quality and Efficiency

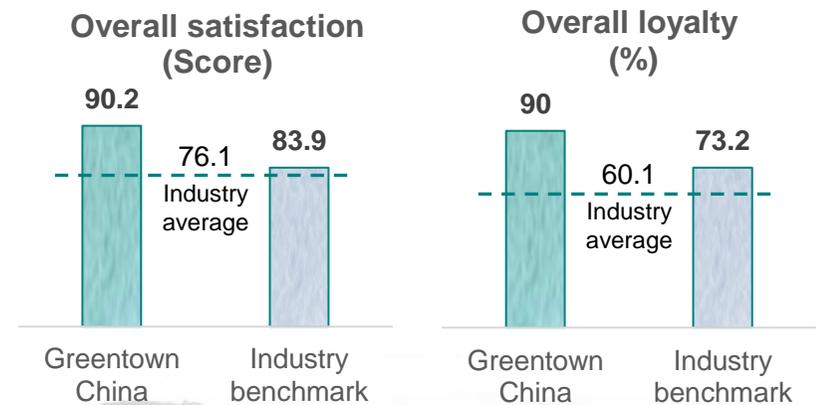
## 5. Ranked top in brand value and reputation

- 
 Won “Top 10 Chinese Real Estate Enterprises by Comprehensive Strength<sup>1</sup>” for **16** consecutive years.
- 
 Won awards such as "Top 10 Large-scale Enterprises of the Top 100<sup>1</sup>" Annual Social Responsibility Enterprise.
- 
 Ranked **1st** in the “2020 China Real Estate "Excellent Product Power Enterprise<sup>1</sup>".
- 
 Won the honors of "Blue Chip Enterprise<sup>2</sup>" and "Comprehensive Brand Power Enterprise<sup>2</sup>".
- 
 Won the honor of "Zhejiang Brand Benchmark Enterprise<sup>3</sup>".



Jointly issued by DRC, Real Estate Research Center of Tsinghua University and China Index Academy

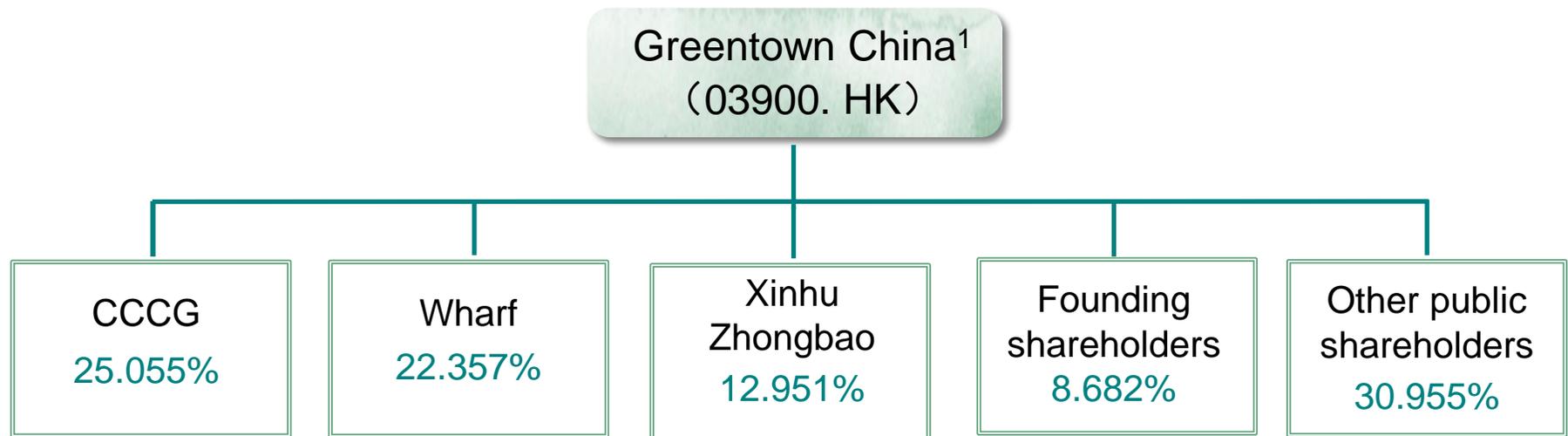
## 2020 Greentown China Owners' Satisfaction <sup>1</sup>



Note: 1 Source: CIA research;  
 2 Source: The Economic Observer;  
 3 Source: Zhejiang market supervision and Administration Bureau

# Win-win Equity Collaboration

In May 2020, the Company introduced Xinhua Zhongbao as a strategic investor by issuing 323 mn shares to its wholly-owned subsidiary.



✿ Efficient financing

✿ Market value enhancement

✿ Collaborative development

Note: 1 Update by 30 Jun 2020.

# Positive Contribution to the Society

## Actively assisted the pandemic center

- Donated RMB11.2 mn and protective gears to the **anti-pandemic campaign** domestic and abroad.
- Specific Institutions of Greentown headed to **Wuhan** to provide the medical assistance;
- Assisted to **build mobile cabin Hospital** at the frontline of pandemic;
- Awarded the honor of “Zhejiang enterprise of Anti- pandemic Hero with great heart” by units such as Zhejiang Daily, Zheshang Think Tank.



Provided medical care in Wuhan



Zhoushan Ruxin Town

## Boosted rural housing condition upgrade

Start with the construction of the towns, improve the local facilities, upgrade the living services and enhance the quality of local people's life.

Representative: **Zhoushan Ruxin Town**

- Developed and operated for **10+ years**; transform saline island to new landmark of Zhoushan;
- **Improved the local living quality** of Changzhi Island and attracted tens of thousands of people to settle there;
- **Created job opportunities** and boosted the local economy.

# Prospects



# FY2020 Targets

## Product

Insist on  
**product-oriented**  
Manage  
**cost control**  
Keep enhancing  
**core competitiveness**

## Investment

Replenish saleable resources  
RMB **250+** bn  
Attr. Investment amount  
RMB **60+** bn

## Operation

Strengthen  
**turnover efficiency**  
Deepen  
**win-win mechanism**

## Sales

Achieve Contracted sales  
RMB **250+** bn  
Maintain **leading position**  
in customer satisfaction

## Financial

Strengthen management  
of **internal cash flow**  
Balance the development and  
risk for **a sustainable growth**

## Efficiency

Area under construction  
per capita lift to  
**11,000+** sqm

# Saleable Resources in 2H2020

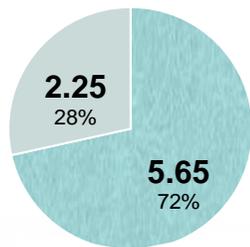


	Saleable GFA (mn sqm)	Saleable Value (RMB bn)
Investment projects	7.9	202.8
Projects under project management	5.18	69.4
<b>Total</b>	<b>13.08</b>	<b>272.2</b>

## Saleable resources of investment projects

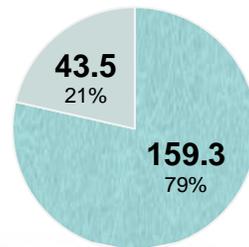
saleable resources by city level  
(mn sqm)

■ Tier 1&2 ■ Tier 3&4



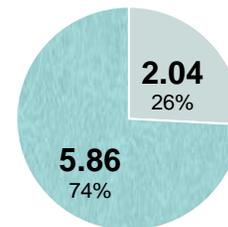
saleable resources by city level  
(RMB bn)

■ Tier 1&2 ■ Tier 3&4



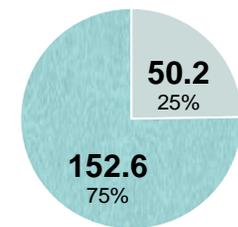
saleable resources by property type  
(mn sqm)

■ Inventory ■ New-launch



saleable resources by property type  
(RMB bn)

■ Inventory ■ New-launch



Note: Not include the salable resources that could be brought from 2H2020 new land acquisition.

# Key Projects to Launch in 2H2020

96

Total project

44

New project

63.9%

% by value of  
Yangtze River Delta

83.2%

% by value of  
Tier 1 & 2 cities



- **Hangzhou**  
Hangzhou Chunlai Fenghua, Hangzhou Oriental Dawn, etc.
- **Zhejiang**  
Lishui Guiyu Lanting, Ningbo Chunyue Jianglan, Jinhua Chunxi Mingyue, etc.
- **Jiangsu-Shanghai-Anhui**  
Wuxi Chenfeng Yunlu, Suzhou Mingyue Binhe, Nantong Qidong Haishang Pearl City, etc.
- **Bohai Rim Area**  
Beijing Hejin Sincere Garden, Shijiazhuang Osmanthus Grace, etc.
- **Pearl River Delta**  
Guangzhou Xiaofeng Yinyue, Foshan Young City, etc.
- **Chengdu-Chongqing Area**  
Sichuan Cuisine Town, Chengdu Dujiangyan Block etc.
- **Others**  
Xi'an Guiyu Changan, Zhengzhou Hupan Yunlu, etc.

Note: For more information on projects, please visit: <https://home.gtdreamlife.com/web/#/homePage>

# Profit Visibility

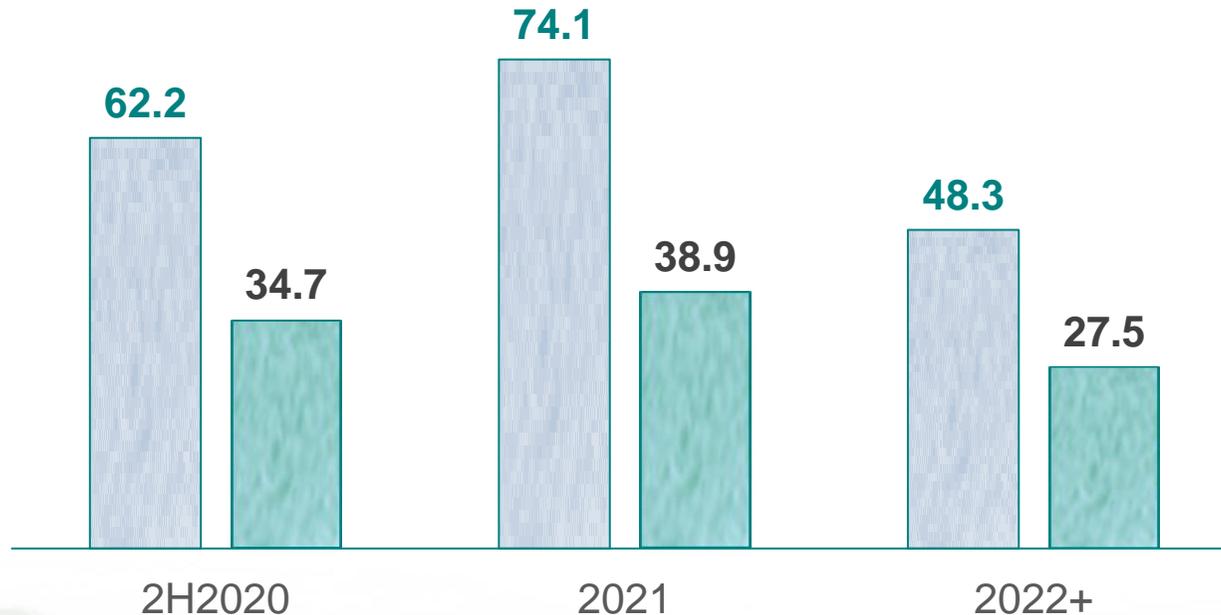


Accumulated unbooked sales amounted to RMB **184.6** bn (attributable: RMB101.1 bn), up RMB **33.7** bn from end-2019.

## Recognition plan of unbook sales

(RMB bn)

□ Total   ■ Attributable



# Steady Operation to Realize Quality Development



Adapt to the trend,  
Follow the trend.

应势而变 顺势而为



Seize the opportunities,  
Steadily march ahead.

把握机遇 稳中求进



# Appendix

## Appendix I: Pre-sales of Investment Projects in 1H2020

Projects	Contracted area sold <sup>1</sup> (sqm)	Contracted Sales (RMB mn)	ASP (RMB/sqm)
Xi'an Guiyu Lanting	231,788	2,728	11,770
Ningbo Mingyue Jiangnan	79,126	2,582	32,627
Ningbo Phoenix Mansion	49,964	2,575	51,542
Guangzhou Park Avenue	49,606	2,178	43,907
Fenghua Guiyu Chaoyang	106,384	2,058	19,348
Ningbo Xiaofeng Yinyue	50,508	1,976	39,132
Nantong Sincere Garden	72,072	1,906	26,444
Beijing Jinghang Plaza	80,797	1,649	20,409
Jinan Yulan Garden	62,028	1,496	24,114
Hainan Blue Town	50,349	1,460	28,992
Others	1,821,598	45,540	25,000
<b>Total</b>	<b>2,654,220</b>	<b>66,148</b>	<b>24,922</b>

Note: 1 Area sold includes only area aboveground

## Appendix II: Property Sales Recognized in 1H2020 - Subsidiaries

Projects	Type of properties	Area sold <sup>1</sup> (sqm)	Revenue (RMB mn)	% of total	ASP (RMB/sqm)
Yiwu Peach Garden	High-rise, villa	71,430	2,820	13.6%	39,479
Hangzhou Osmanthus Grace	High-rise, villa	58,312	1,898	9.2%	32,549
Ningbo Young City	High-rise	101,683	1,755	8.5%	17,260
Lishui Liuxiangyuan	High-rise, villa	109,329	1,748	8.4%	15,988
Beijing Jinghang Plaza	Commercial	90,333	1,659	8.0%	18,365
Hainan Blue Town	Integrated community	45,999	1,257	6.1%	27,327
Qingdao Ideal City	Integrated community	49,247	961	4.6%	19,514
Daishan Sky Blue Apartment	High-rise	89,397	827	4.0%	9,251
Jinan Yulan Garden	High-rise, low-rise, villa	16,952	559	2.7%	32,975
Shanghai Bund House	High-rise	2,049	317	1.5%	154,710
Others		341,305	6,913	33.4%	20,255
<b>Total</b>		<b>976,036</b>	<b>20,714</b>	<b>100%</b>	<b>21,222</b>

Note: 1 Area sold includes area both aboveground and underground

## Appendix II: Property Sales Recognized in 1H2020 - JV and Associates

Projects	Type of properties	Area sold <sup>1</sup> (sqm)	Revenue (RMB mn)	% of total	ASP (RMB/sqm)
Ningbo Phoenix Mansion	High-rise	18,879	827	11.1%	43,805
Foshan Guiyu Lanting	High-rise、Villa	27,357	641	8.6%	23,431
Beijing Xifu Haitang	Low-rise	10,930	491	6.6%	44,922
Hangzhou Hujing Yunlu	Villa	10,794	441	5.9%	40,856
Foshan Fengqi Lanting	High-rise、Villa	12,428	309	4.1%	24,863
Shenyang National Games Village	High-rise、Villa	19,839	256	3.4%	12,904
Shanghai Changfeng Center	High-rise、office	27,984	1,038	13.9%	37,093
Chengdu Phoenix Mansion	High-rise、Low-rise	29,096	611	8.2%	20,999
Ningbo Mingyue Jiangnan	High-rise	17,076	472	6.3%	27,641
Qingdao Deep Blue Center	Service apartment	9,303	457	6.1%	49,124
Others		86,428	1,921	25.8%	22,227
<b>Total</b>		<b>270,114</b>	<b>7,464</b>	<b>100.0%</b>	<b>27,633</b>

Note: 1 Area sold includes area both aboveground and underground

## Appendix III: Newly-added Land Reserves in 1H2020

	Project	Acquiring method	City	Equity	Total land premium / acquisition cost (RMB mn)	GFA (sqm)
1	Hangzhou Chunlai Fenghua	Auction	Hangzhou	50%	2,697	140,044
2	Hangzhou Guiyu Yingyue	Auction	Hangzhou	50%	960	146,550
3	Hangzhou Xihu District Sanshen Reserved Land	Auction	Hangzhou	24%	400	95,458
4	Hangzhou Jianggan District Sanbao Block 47	M&A	Hangzhou	39%	2,200	182,393
5	Hangzhou Yuhang District Future Sci-tech City Block 81	Auction	Hangzhou	51%	2,913	126,207
6	Hangzhou Lin'an Binhu Xincheng Block LA0607-15	Auction	Hangzhou	100%	2,135	226,455
7	Hangzhou Longwu Unit XH1602-R21-14 Block	Auction	Hangzhou	100%	1,209	81,443
8	Ningbo Lakeside Mansion	Auction	Ningbo	100%	1,402	82,668
9	Ningbo Osmanthus Grace	Auction	Ningbo	100%	329	88,621
10	Ningbo Chunyue Jianglan	M&A	Ningbo	60%	806	210,417
11	Ningbo Yinzhou District Xurong Block	Auction	Ningbo	100%	2,882	127,575
12	Ningbo Yinzhou District Rail Qianyin Blocks 3 & 4	Auction	Ningbo	51%	3,550	222,960
13	Wenzhou Osmanthus Grace	Auction	Wenzhou	34%	2,542	255,181
14	Shengzhou Yue Opera Town Phase III East Block	Auction	Shengzhou	32.5%	62	59,803
15	Zhoushan Ruxin Town Changzhi Island Blocks CZ-c-14 & 15	Auction	Zhoushan	96.88%	70	32,987
<b>Subtotal</b>					<b>24,157</b>	<b>2,078,762</b>

## Appendix III: Newly-added Land Reserves in 1H2020

	Project	Acquiring method	City	Equity	Total land premium / acquisition cost (RMB mn)	GFA (sqm)
16	Lishui Guiyu Lanting	Auction	Lishui	60.8%	2,170	255,600
17	Yiwu Xiaofeng Yinyue	Auction	Yiwu	51%	1,210	114,956
18	Jinhua Chunxi Mingyue	Auction	Jinhua	67%	1,399	157,620
19	Anji Angel Town Changshuo Street Blocks 2019-16-1&17	M&A	Anji	40%	65	74,838
20	Anji Peach Garden Blocks 19 & 20	Auction	Anji	100%	261	92,248
21	Quzhou Lixian Future Community Blocks 1 & 2	Auction	Quzhou	66%	2,252	633,643
22	Shanghai Jing'an District Qinglan International City Project Phase II	M&A	Shanghai	35%	1,900	184,826
23	Suzhou Mingyue Binhe	Auction	Suzhou	49%	1,589	130,738
24	Suzhou Mingyue Jiangnan	Auction	Suzhou	100%	300	46,130
25	Wuxi Chenfeng Yunlu	M&A	Wuxi	39.9%	1,092	220,215
26	Nantong Rudong Mingyue Jiangnan	Auction	Nantong	70%	813	183,852
27	Nantong Qidong Haishang Pearl City Project	M&A	Nantong	50%	1,824	2,511,162
28	Suqian Liyuanwan Town	Auction	Suqian	100%	380	210,825
29	Beijing Aohai Mingyue	Auction	Beijing	42.5%	6,360	279,585
30	Beijing Hejin Chengyuan	Auction	Beijing	50%	6,700	275,456
	<b>Subtotal</b>				<b>28,315</b>	<b>5,371,694</b>

## Appendix III: Newly-added Land Reserves in 1H2020

Project	Acquiring method	City	Equity	Total land premium / acquisition cost (RMB mn)	GFA (sqm)	
31	Beijing Mingyue Tinglan	Auction	Beijing	70%	1,348	73,528
32	Tianjin Chentang Block W3	Auction	Tianjin	41%	1,160	78,733
33	Jinan Licheng District Party School New Campus East Block	M&A	Jinan	20%	43	37,624
34	Dalian Hupan Helu	M&A	Dalian	88%	388	212,343
35	Dalian Zhongshan District Hualian Hotel Project	Auction	Dalian	20%	513	68,231
36	Shenyang Shenbei New District Xianlinjingu Project	M&A	Shenyang	35%	206	589,015
37	Shenyang Yuhong District Meilizhou Project and Xinhuan Project	M&A	Shenyang	35%	172	479,948
38	Shijiazhuang Chang'an District Nangaoying Block	Auction	Shijiazhuang	99%	1,274	253,300
39	Shijiazhuang Yuhua District Zhaobukou Project	M&A	Shijiazhuang	99%	482	134,493
40	Chengdu Sichuan Cuisine Town	Auction	Chengdu	60%	189	55,520
41	Xi'an Hongji Xincheng Phrase I Blocks 24 & 27	M&A	Xi' an	80%	2,513	1,062,858
42	Fuzhou East 2nd Ring Road Lianpan Project	Auction	Fuzhou	50%	3,188	167,815
43	Urumqi High-tech District Changchun North Road Project	Auction	Urumqi	100%	826	303,174
<b>Subtotal</b>					<b>12,302</b>	<b>3,516,582</b>
<b>Total</b>					<b>64,774</b>	<b>10,967,038</b>

## Appendix IV: Total Land bank (as at 30 Jun 2020)

Region	Total GFA (‘000 sqm)	Total saleable area (‘000 sqm)	Average land cost <sup>1</sup> (RMB/sqm)
Hangzhou	4,538	2,810	11,729
Zhejiang (excl. Hangzhou)	12,277	8,087	6,074
Shanghai	490	300	24,323
Jiangsu	5,746	4,180	5,664
Beijing	1,720	1,090	18,235
Tianjin	1,729	1,077	6,849
Liaoning	1,997	1,483	2,505
Shandong	3,093	2,299	3,527
Hubei	1,000	683	9,177
Henan	820	514	4,403
Guangdong	1,391	1,002	8,034
Sichuan	621	501	8,002
Chongqing	897	622	6,034
Shaanxi	5,514	3,866	1,674
Overseas	836	728	1,501
Others	5,337	3,729	4,317
<b>Total</b>	<b>48,006</b>	<b>32,971</b>	<b>6,234</b>

Note: 1. Average land cost is calculated as total land cost divided by total GFA

## Appendix V: Projects to be Completed in 2H2020

	Project	Equity	Phase	Total GFA (sqm)
<b>Subsidiaries</b>	Hangzhou Arcadia Town	80%	XIV/ Lansong Yuan, XVI / Guancui Yuan	101,550
	Hangzhou Helu	100%	Whole phase	144,160
	Wenzhou Liuxiangyuan	100%	Whole phase	115,457
	Ningbo Young City	51%	III	274,355
	Fenghua Changting Yunlu	100%	Whole phase	297,253
	Zhoushan Orchid Garden	77.06%	Whole phase	149,935
	Yiwu Peach Garden	74.5%	II	171,261
	Wuxi Fengqi Heming	100%	II	207,258
	Nantong Orchid Garden	61%	I	124,512
	Nantong Qinyuan	61%	I, II, III	139,503
	Changshu Mingyue Lanting	70%	Whole phase	201,725
	<b>Subtotal</b>			<b>1,926,969</b>

## Appendix V: Projects to be Completed in 2H2020

Project		Equity	Phase	Total GFA (sqm)
<b>Subsidiaries</b>	Beijing Xishan Mansion	85%	I	5,523
	Tianjin Spring Blossom	100%	I, III	192,586
	Zibo Lily Garden	100%	II Lanyuan, II West Ziweiyuan	227,623
	Qingdao Ideal City	80%	B-2-10, B-2-13	138,090
	Chengdu Phoenix Mansion	100%	I	138,124
	Hainan Blue Town	51%	XVIII, Jiangnanli	49,986
	Changsha Bamboo Garden	49.47%	XV, Yuehuyuan South VII, XVII, Town Center	31,009
	Xi'an National Games Village	51%	I	385,271
	Zhengzhou Yanming Lake Rose Garden	100%	VII (hotel)	20,341
<b>Subtotal</b>				<b>1,188,553</b>

## Appendix V: Projects to be Completed in 2H2020

	Project	Equity	Phase	Total GFA (sqm)
JV and Associates	Hangzhou Qinyuan	26%	Whole phase	114,734
	Hangzhou Yunqi Peach Garden	50%	I (Block A), II (Block B)	293,655
	Hangzhou Young City	25.56%	IV	186,136
	Hangzhou Chunshu Yunzhu	24%	Whole phase	93,934
	Hangzhou Hujing Yunlu	51%	Whole phase	144,730
	Ningbo Willow Breeze	51%	Whole phase	133,991
	Deqing Fengqi Yunlu	37.5%	Whole phase	188,981
	Hefei Sincere Garden	49.5%	I	89,488
	Beijing Xifu Haitang	33.5%	I, II	238,731
	Fuzhou Willow Breeze	50%	Whole phase	215,783
	Chengdu Sincere Garden	45%	I	160,738
	Chongqing Guiyu Jiuli	49%	South	207,369
		<b>Subtotal</b>		
	<b>Total</b>			<b>5,183,792</b>

## Appendix VI: Offshore Financing Overview (as at 30 Jun 2020)

Type	Size (US\$ mn)	Loan Balance (US\$ mn)	Tenor	Maturity	Next callable	Interest rate
Club Loan	800	720	3-year	3 Jul 2021	-	HIBOR/LIBOR+2.565%
Club Loan	430	430	3-year	23 Jan 2023	-	HIBOR/LIBOR+2.48%
Bilateral Loan	300	270	3-year	9 Aug 2021	-	LIBOR+2.8%
Bilateral Loan	300	300	5-year	8 Jan 2024	-	LIBOR+3.3%
Perpetual Securities	450	450	-	Perpetual	19 Jul 2020	5.25%
Perpetual Securities	500	500	-	Perpetual	28 Dec 2021	10%
Perpetual Securities	400	400	-	Perpetual	8 Feb 2022	8.125%
Perpetual Securities	100	100	-	Perpetual	8 Feb 2022	7.75%
USD Senior Notes	500	500	5-year	11 Aug 2020	11 Aug 2018	5.875%
USD Senior Notes	600	600	364-day	12 Nov 2020	-	4.55%
<b>Total</b>	<b>4,380</b>	<b>4,270</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

1. As at 30 June 2020, the total overseas financing balance amount stood at around US\$4,456 mn, including the US\$186 mn onshore guarantee for offshore loans.
2. In July 2020, the Company issued US\$300 mn 5NC3-year senior notes at a coupon rate of 5.65% and entered into a 3-year club loan agreement amounting to US\$300 mn at an annual interest rate of LIBOR/HIBOR + 2.48%.
3. In July 2020, the Company early redeemed US\$150 mn from US\$600 mn senior notes at a coupon rate of 4.55%, redeemed US\$450 mn perpetual securities at a coupon rate of 5.25%. In August 2020, the Company redeemed US\$500 mn senior notes at a coupon rate of 5.875%.

## Disclaimer



- ✿ This report contains forward-looking statements. In addition to historical statements, other statements, including events, activities, and developments that Greentown anticipates or expects to occur in the future, are only likely to occur in the future.
- ✿ Due to numerous uncertainties, including but not limited to price fluctuations, changes in demand, foreign exchange rate, market share, competition, market risks, legal changes, fiscal policy adjustments, government policy adjustments, changes in international economic and financial markets, as well as policy risks, cost expectations, virus outbreak and other unanticipated risks, Greentown's actual performance and development might differ from the forward-looking statements contained in the report.
- ✿ Greentown makes the above forward-looking statements based on the current status and is not responsible for the information update.
- ✿ The information contained in this report is for reference only and is not intended to be a recommendation to subscribe for any Greentown stock or bond.



**GREENTOWN CHINA HOLDINGS LIMITED**

绿城中国控股有限公司

## **Investor Relations Contacts**

Tel: Hangzhou (+86) 571 8790 2207

(+86) 571 8790 2676

(+86) 571 8790 2621

Hong Kong (+852) 2530 0996

Email: [ir@chinagreentown.com](mailto:ir@chinagreentown.com)



For more information, please follow  
Greentown's official WeChat page