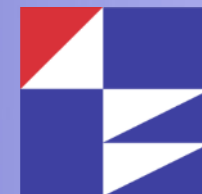




# 仁恒置地集团 YANLORD LAND GROUP LIMITED

2Q and 1H 2016 Results Presentation



仁恒  
YANLORD





# **Yanlord 2Q and 1H 2016 Business Review**





- Healthy home buyer demand coupled with favourable regulatory policies helped propel the Group's pre-sale accumulation in 1H 2016. Pre-sales of properties and car parks rose approximately 55.3% year on year to RMB17.128 billion in 1H 2016 from RMB11.027 billion in 1H 2015. Accumulated pre-sales pending recognition as at 30 June 2016 was RMB28.884 billion.
- Underscored by robust pre-sale delivery and higher ASP for units delivered during the periods, 2Q and 1H 2016 revenue rose 216.5% and 206.2% to RMB7.404 billion and RMB10.257 billion respectively.
- In-line with the significant revenue growth, profit attributable to owners of the Company in 2Q and 1H 2016 rose 89.4% and 213.1% to RMB323.9 million and RMB584.1 million respectively. Fully diluted earnings per share in 1H 2016 rose 213.2% to 29.97 Renminbi cents from 9.57 Renminbi cents in 1H 2015.



- Robust sales collection continues to augment the Group's financial position. As at 30 June 2016, the Group had a cash and cash equivalents position of RMB18.955 billion and a net debt to total equity gearing ratio of only 1.9%.
- To better support the sustained development of the Group, Yanlord has announced the acquisition of full and partial stakes in seven land parcels across the first and second tier cities of China with a total GFA of approximately 1.78 million sqm since the beginning of 2016.
- Yanlord is confident about its performance for FY 2016, driven by continued sales of its developments and larger proportion of pre-sales recognition in subsequent periods.





# Key Financial Highlights





# Statement of Profit or Loss – 2Q 2016 VS 2Q 2015



	2Q 2016	2Q 2015	% Change
GFA delivered (sqm)	260,363	87,607	197.2
ASP (RMB/ sqm)	28,400	25,345	12.1
Revenue (RMBm)	7,403.6	2,339.5	216.5
Cost of sales (RMBm)	(5,905.7)	(1,522.5)	287.9
Gross profit (RMBm)	1,497.9	817.1	83.3
Gross profit margin (%)	20.2	34.9	(14.7) ppt
Profit before income tax (RMBm)	1,215.7	692.5	75.5
Income tax (RMBm)	(715.3)	(345.6)	107.0
Profit for the period (RMBm)	500.4	346.9	44.3
Net profit margin (%)	6.8	14.8	(8.0) ppt
Profit attributable to owners of the Company (RMBm)	323.9	171.1	89.4
Net attributable profit margin (%)	4.4	7.3	(2.9) ppt
Basic earnings per share <sup>1</sup> (RMB cents)	16.62	8.78	89.3

Note:

1. Based on adjusted weighted average number of shares on a fully diluted basis



# Statement of Profit or Loss – 1H 2016 VS 1H 2015



	1H 2016	1H 2015	% Change
GFA delivered (sqm)	340,550	116,061	193.4
ASP (RMB/ sqm)	29,741	25,461	16.8
Revenue (RMBm)	10,257.0	3,350.3	206.2
Cost of sales (RMBm)	(7,942.3)	(2,101.5)	277.9
Gross profit (RMBm)	2,314.7	1,248.8	85.3
Gross profit margin (%)	22.6	37.3	(14.7) ppt
Profit before income tax (RMBm)	1,877.8	910.2	106.3
Income tax (RMBm)	(977.5)	(484.9)	101.6
Profit for the period (RMBm)	900.3	425.3	111.7%
Net profit margin (%)	8.8	12.7	(3.9) ppt
Profit attributable to owners of the Company (RMBm)	584.1	186.5	213.1
Net attributable profit margin (%)	5.7	5.6	0.1 ppt
Basic earnings per share <sup>1</sup> (RMB cents)	29.97	9.57	213.2

Note:

1. Based on adjusted weighted average number of shares on a fully diluted basis



# Financials – Snapshot as at 30 June 2016



	As at 30 Jun 16	As at 31 Dec 15	% Change
<b>Current assets (RMBm)</b>	62,472.6	60,156.9	3.8
<b>Non-current assets (RMBm)</b>	23,437.9	19,740.5	18.7
<b>Total assets (RMBm)</b>	85,910.5	79,897.4	7.5
<b>Current liabilities (RMBm)</b>	40,367.5	34,980.7	15.4
<b>Non-current liabilities (RMBm)</b>	15,593.7	14,382.3	8.4
<b>Total equity (Incl. NCI) (RMBm)</b>	29,949.3	30,534.5	(1.9)
<b>Cash and bank balances (RMBm)</b>	18,955.4	17,517.0	8.2
<b>Short-term debt (RMBm)</b>	3,974.0	4,097.4	(3.0)
<b>Senior notes (RMBm)</b>	1,961.7	6,268.3	(68.7)
<b>Long-term debt (RMBm)</b>	13,579.2	8,022.1	69.3
<b>Net debt (RMBm)</b>	559.5	870.8	(35.7)

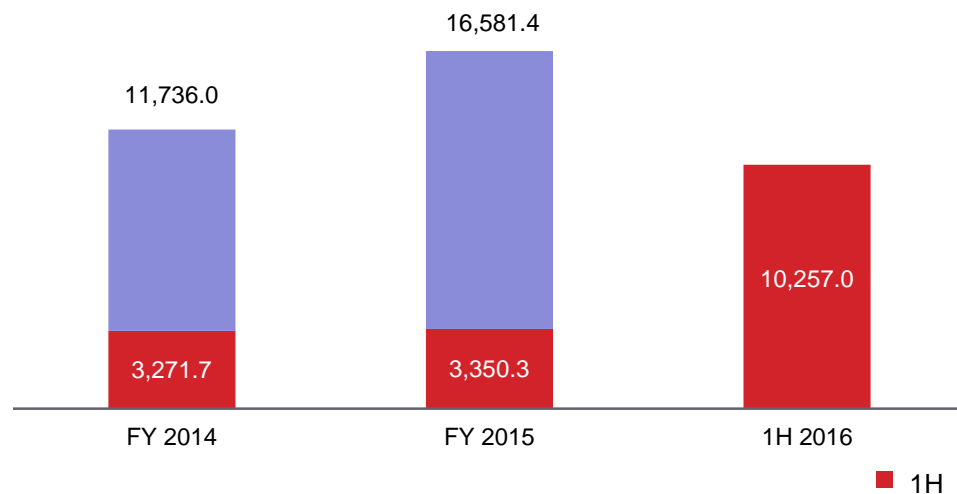




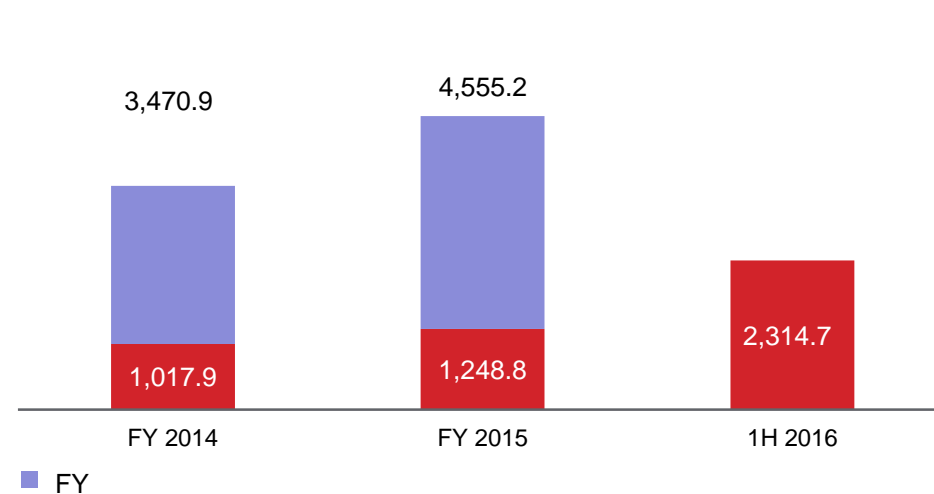
# Profitability Analysis



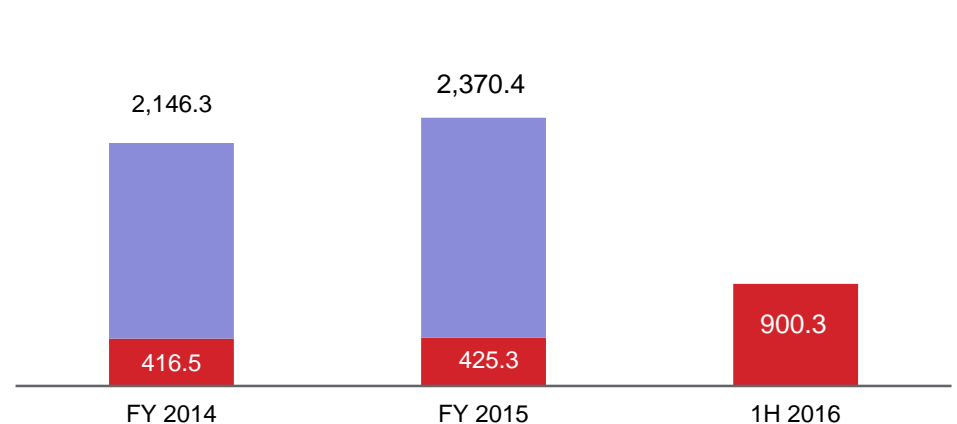
## Revenue (RMBm)



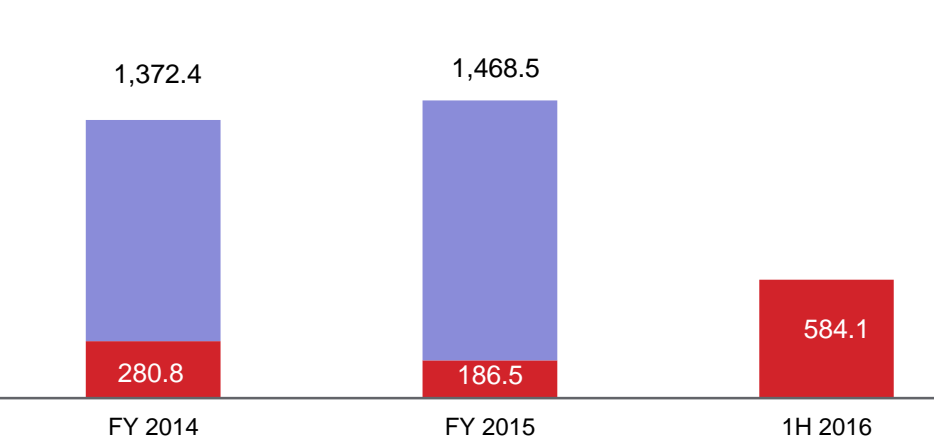
## Gross profit (RMBm)



## Profit for the period (RMBm)



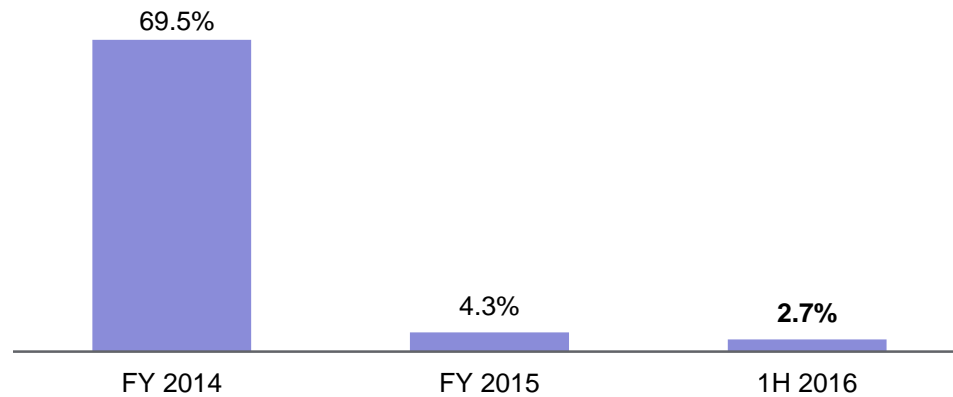
## Profit attributable to owners of the Company (RMBm)



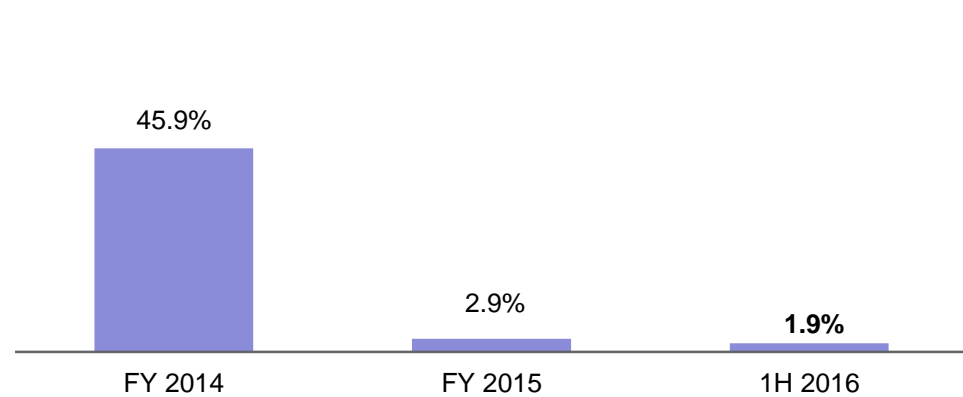
# Strong Credit Metrics



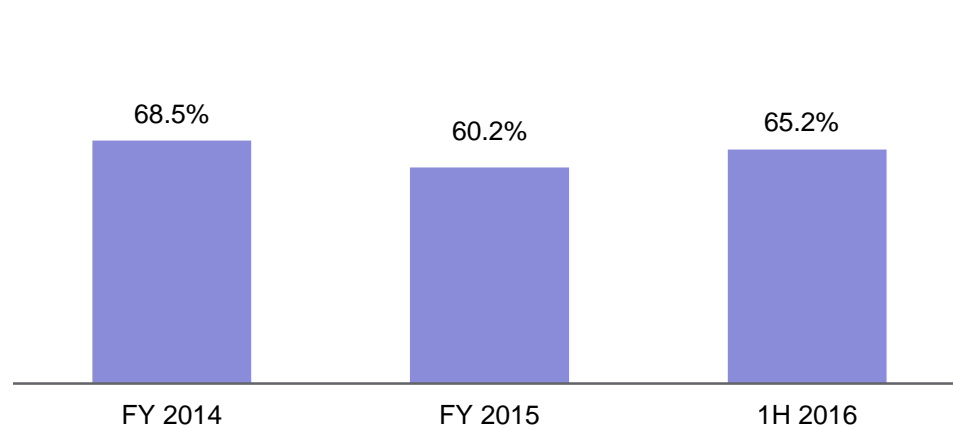
**Net debt/ equity (Excl. NCI)**



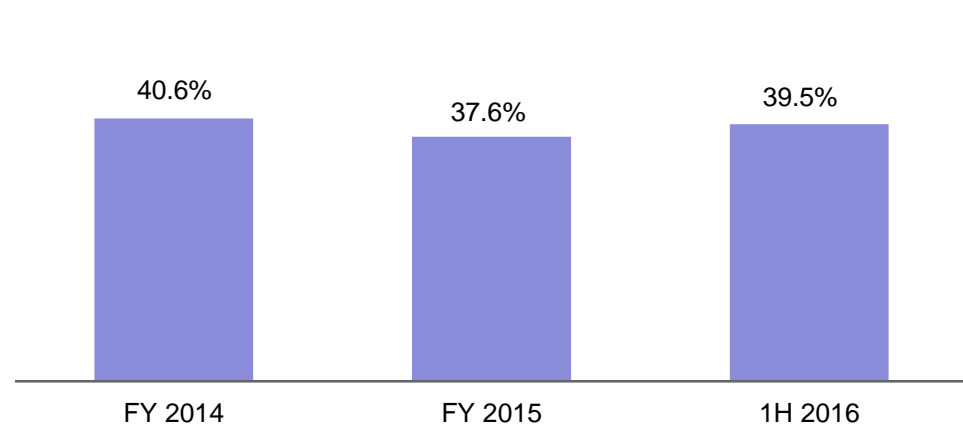
**Net debt/ total equity (Incl. NCI)**



**Total debt/ total equity (Incl. NCI)**



**Total debt/ capitalization<sup>1</sup>**



Note:

1. Capitalization is equal to the sum of total equity and total debt (including non-controlling interests "NCI")





# **Business and Operation Overview**





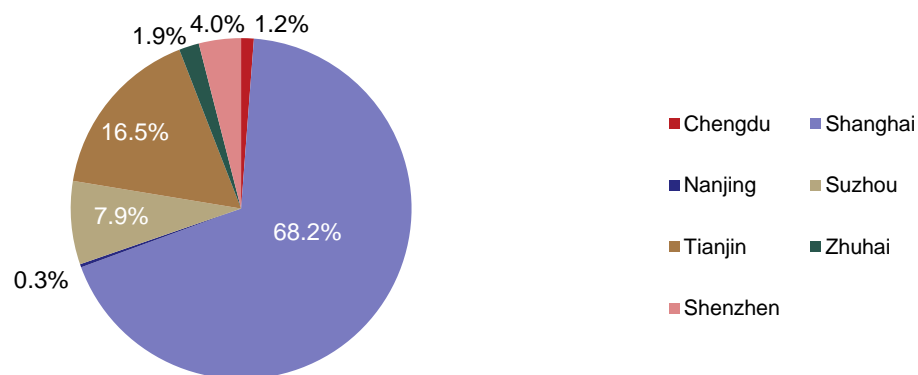
# GFA/ Property Sale Contribution Analysis in 1H 2016

## By city, project and ASP

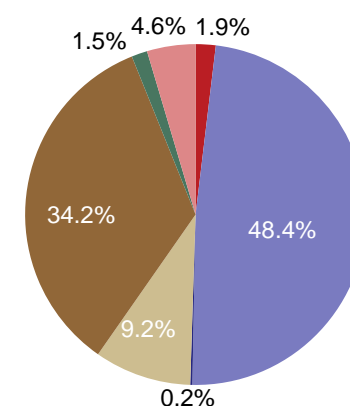


Major projects delivered in 1H 2016	GFA (sqm)	ASP (RMB/ sqm)	Property sales by project (%)
Shanghai Yanlord Eastern Gardens	89,471	42,145	36.3
Shanghai Yanlord Sunland Gardens (Phase 1)	8,356	45,472	3.8
Shanghai Yanlord Sunland Gardens (Phase 2)	19,996	47,776	10.4
Shanghai Yanlord Western Gardens	40,674	38,402	15.1
Shenzhen Yanlord Rosemite	15,701	26,478	4.0
Suzhou Yanlord Lakeview Bay - Land Parcel A2	9,233	27,136	2.4
Suzhou Yanlord Lakeview Bay - Land Parcel A3	14,287	25,931	3.6
Tianjin Jinnan Land (Phase 1)	50,749	12,345	6.3
Tianjin Jinnan Land (Phase 2)	51,280	12,139	6.0
Tianjin Yanlord Riverside Gardens (Phase 2)	14,347	25,305	3.9
Others	26,456	N/A	8.2

Property Sale Contribution by City



GFA Contribution by City

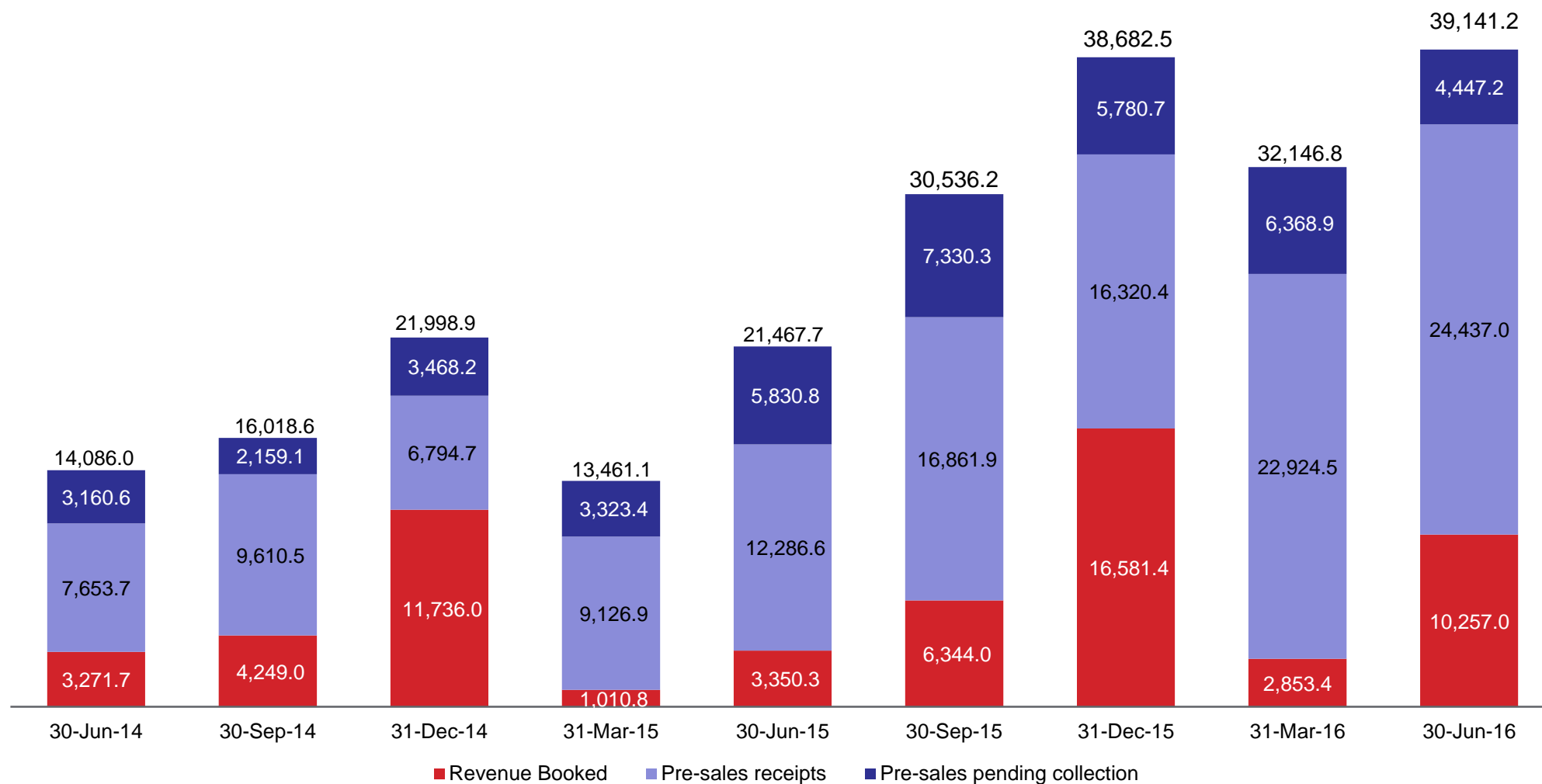


# Pre-sales and Receipts

## Resilient growth



### Revenue Booked, Pre-Sales and Proceeds Collected (RMBm)



# Diversified Geographic Coverage

## Abundant land bank in high-growth cities



### Bohai Rim since 2005

#### Tianjin

- Yanlord Riverside Plaza (153,998 sqm)
- Yanlord Riverside Gardens (3,282 sqm)
- Jinnan Land (254,490 sqm)
- Tianjin Hong Qiao Land (260,838 sqm)\*
- Yanlord Majestic Mansion (262,085 sqm)

#### Tangshan

- Nanhu Eco-City Land Parcels \* (314,243 sqm)

\* Joint venture project

### Western China since 2003

#### Chengdu

- Yanlord Landmark (157,437 sqm)
- Hengye International Plaza (39,999 sqm)
- Hengye Star Gardens (144 sqm)
- Yanlord Riverbay (293,909 sqm)

### As of 30 June 2016:

GFA Completed (mil sqm)	0.698
GFA Under Development (mil sqm)	2.569
GFA for Future Development (mil sqm)	1.947
Total Land Bank (mil sqm)	5.214

### Hainan since 2010

#### Sanya

- Hai Tang Bay - Land Parcel 9 (75,592 sqm)

### Yangtze River Delta since 1993

#### Shanghai

- Yanlord Riverside City (8,634 sqm)
- Yunjie Riverside Gardens (5,989 sqm)
- San Jia Gang Land Plot (35,831 sqm)
- Yanlord Townhouse (678 sqm)
- Bayside Gardens (821 sqm)
- Yanlord Sunland Gardens (33,086 sqm)
- Yanlord Western Gardens (149,237 sqm)
- Yanlord Eastern Gardens (89,157 sqm)
- Yanlord on the Park (148,163 sqm)

#### Nanjing

- Yanlord Int'l Apartments Tower A (37,940 sqm)
- Yanlord Yangtze Riverbay Town (208,286 sqm)
- Yanlord G53 Apartments (9,524 sqm)
- Plum Mansions, including Lakeside Mansions (539 sqm)
- Orchid Mansions (340 sqm)
- Oasis New Island Gardens (271,707 sqm)
- Eco Hi-Tech Island – Land Parcel G73 (112,668 sqm)
- Nanjing Daji Land Parcels (326,668 sqm)

#### Suzhou

- Yanlord Peninsula (623 sqm)
- Yanlord Lakeview Bay (44,295 sqm)
- Wuzhong Area C1 Land (14,352 sqm)
- Tang Yue Bay Gardens (172,942 sqm)
- Riverbay Gardens (296,710 sqm)

#### Nantong

- Four Seasons Gardens (136,674 sqm)

### Pearl River Delta since 2005

#### Zhuhai

- Yanlord New City Gardens (7,267 sqm)
- Yanlord Marina Centre (194,972 sqm)
- Yanlord Marina Peninsula Gardens (504,724 sqm)

#### Shenzhen

- Longgang District Redevelopment Project (390,000 sqm)
- Longgang District Economic Residential Housing (144,064 sqm)
- Yanlord Rosemite (12,513 sqm)
- Yanlord Landmark (Shenzhen) (37,688 sqm)





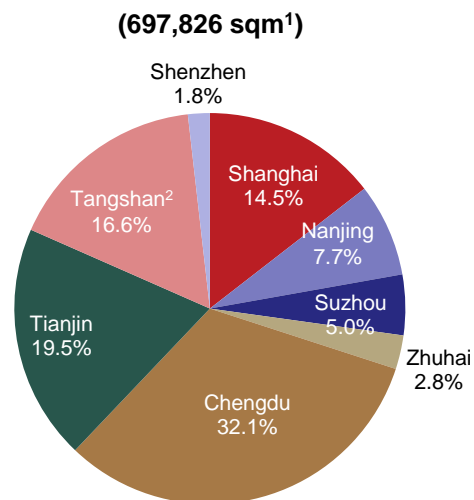
# Development Strategies

## Growth of business across high-growth cities



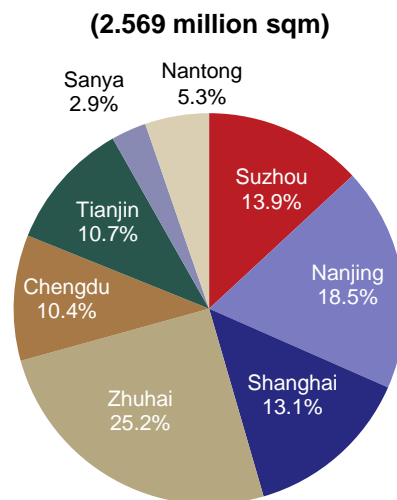
- Increase the market share in cities where Yanlord already has established a superior brand name
- Expand into new cities within the **5** regions where Yanlord is currently in
- Existing land bank sustainable for development in each of these cities for approx. 5 years
- Future projects will be more diversified in terms of development type and geographical reach

### Completed projects



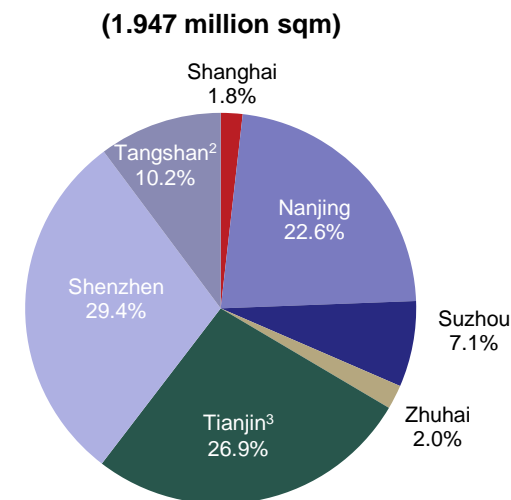
Residential and Commercial	321,596 sqm
Investment	363,261 sqm
Fixed Assets	12,969 sqm

### Projects under development



Residential and Commercial	2,338,317 sqm
Investment	230,946 sqm

### Land bank: Future development



Residential and Commercial	1,946,519 sqm
Investment	-

- Note:
1. The group has completed 6.751 million sqm out of which 697,826 sqm are GFA completed are retained as investment properties, fixed assets, or yet to be sold/ delivered to customers
  2. Being joint venture project
  3. Contain a joint venture project



# New Launches of Property for Sale in 3Q 2016



**We expect to launch the following new project and new batches of existing projects in 3Q 2016:**

- **Chengdu**
  - Yanlord Riverbay (Phase 2)
- **Suzhou**
  - Tang Yue Bay Gardens
- **Shanghai**
  - Yanlord Eastern Gardens
  - Yanlord Sunland Gardens (Phase 2)
  - Yanlord Western Gardens
- **Nantong**
  - Four Seasons Gardens (Phase 2)
- **Tianjin**
  - Tianjin Jinnan Land (Phase 3)
- **Zhuhai**
  - Yanlord Marina Peninsula Gardens (Phase 2)





# Project Showcase

## - Yanlord On the Park (Shanghai)





# Project Showcase

## - Yanlord Western Gardens (Shanghai)





# Project Showcase

## - Sanya Hai Tang Bay – Land Parcel 9





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