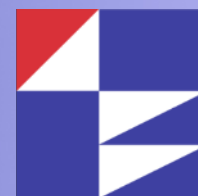




# 仁恒置地集团 YANLORD LAND GROUP LIMITED

3Q and 9M 2018 Results Presentation



仁 恒  
YANLORD







# **Yanlord 3Q and 9M 2018 Business Review**



# Yanlord 3Q and 9M 2018 Business Review



- Underscored by healthy market demand for the Group's quality developments in the PRC, recognised revenue for the period increased 51.7% to RMB5.712 billion in 3Q 2018 from RMB3.764 billion in 3Q 2017. The growth in revenue was attributable to a significant increase in gross floor area ("GFA") delivered to customers and the higher average selling price ("ASP") per square metre ("sqm") achieved during the period.
- In-line with the greater recognised revenue of the Group, gross profit rose 66.4% to RMB2.616 billion in 3Q 2018 as compared to RMB1.572 billion in 3Q 2017. Profit attributable to owners of the Company similarly rose approximately **61.3%** to RMB1.012 billion in 3Q 2018 from RMB628 million in 3Q 2017.
- Demand for quality developments in the Group's core markets continue to drive sales, accumulated pre-sales pending recognition as at 30 September 2018 stood at RMB11.315 billion with advances received for pre-sale of properties amounting to approximately RMB9.034 billion.



# Yanlord 3Q and 9M 2018 Business Review



- Recognised revenue in 9M 2018 rose 57.1% to RMB22.563 billion led by the significant increase in GFA delivered to customers and the higher ASP per sqm achieved in 9M 2018 over the same period in 2017. Gross profit rose **60.4%** or RMB3.936 billion to **RMB10.451 billion** in 9M 2018 as compared to RMB6.515 billion in 9M 2017. Gross profit margin in 9M 2018 rose 0.9 percentage point to 46.3% as compared to 45.4% in 9M 2017.
- Grounded by the healthy revenue growth, profit attributable to owners of the Company rose 62.4% to RMB3.288 billion in 9M 2018, surpassing the RMB3.216 billion achieved in FY 2017. Profit attributable to owners of the Company excluding net foreign exchange effect in 9M 2018 rose 48.4% to approximately RMB3.184 billion compared to RMB2.146 billion in 9M 2017 on the back of sustained demand for its high-quality developments.
- Fully diluted earnings per share in 9M 2018 rose 62.9% to 170.21 Renminbi cents as compared to 104.46 Renminbi cents in 9M 2017. Yanlord continues to maintain a healthy financial position with cash and cash equivalents position of RMB10.606 billion as at 30 September 2018.
- Yanlord remains confident about its future performance, driven by continued sales of its developments and projected pre-sales recognition in subsequent periods.







# Key Financial Highlights



# Statement of Profit or Loss – 3Q 2018 VS 3Q 2017



	3Q 2018	3Q 2017	% Change
GFA delivered (sqm)	147,078	104,993	40.1
ASP (RMB/ sqm)	33,758	32,742	3.1
Revenue (RMBm)	5,711.6	3,764.1	51.7
Cost of sales (RMBm)	(3,095.4)	(2,192.1)	41.2
Gross profit (RMBm)	2,616.1	1,571.9	66.4
Gross profit margin (%)	45.8	41.8	4.0 ppt
Profit before income tax (RMBm)	2,389.6	1,481.7	61.3
Income tax (RMBm)	(1,145.9)	(722.5)	58.6
Profit for the period (RMBm)	1,243.7	759.1	63.8
Net profit margin (%)	21.8	20.2	1.6 ppt
Profit attributable to owners of the Company (RMBm)	1,012.4	627.5	61.3
Net attributable profit margin (%)	17.7	16.7	1.0 ppt
Basic earnings per share <sup>1</sup> (RMB cents)	52.41	32.41	61.7

Note:

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



# Statement of Profit or Loss – 9M 2018 VS 9M 2017



	9M 2018	9M 2017	% Change
GFA delivered (sqm)	594,516	391,321	51.9
ASP (RMB/ sqm)	35,346	33,618	5.1
Revenue (RMBm)	22,562.6	14,362.4	57.1
Cost of sales (RMBm)	(12,111.2)	(7,847.4)	54.3
Gross profit (RMBm)	10,451.4	6,515.0	60.4
Gross profit margin (%)	46.3	45.4	0.9 ppt
Profit before income tax (RMBm)	9,687.0	5,997.1	61.5
Income tax (RMBm)	(4,628.5)	(3,122.5)	48.2
Profit for the period (RMBm)	5,058.5	2,874.6	76.0
Net profit margin (%)	22.4	20.0	2.4 ppt
Profit attributable to owners of the Company (RMBm)	3,287.7	2,024.1	62.4
Net attributable profit margin (%)	14.6	14.1	0.5 ppt
Basic earnings per share <sup>1</sup> (RMB cents)	170.21	104.46	62.9

Note:

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





# Financials – Snapshot as at 30 September 2018



	As at 30 Sep 18	As at 31 Dec 17	% Change
<b>Current assets (RMBm)</b>	49,995.3	63,218.0	(20.9)
<b>Non-current assets (RMBm)</b>	50,428.7	42,983.4	17.3
<b>Total assets (RMBm)</b>	100,424.0	106,201.4	(5.4)
<b>Current liabilities (RMBm)</b>	30,526.6	37,577.0	(18.8)
<b>Non-current liabilities (RMBm)</b>	37,622.2	35,921.6	4.7
<b>Total equity (Incl. NCI) (RMBm)</b>	32,275.2	32,702.8	(1.3)
<b>Cash and cash equivalents (RMBm)</b>	10,605.6	17,798.3	(40.4)
<b>Short-term debt (RMBm)</b>	5,997.3	2,557.0	134.5
<b>Senior notes (RMBm)</b>	5,449.8	2,911.6	87.2
<b>Long-term debt (RMBm)</b>	28,598.2	28,930.0	(1.1)
<b>Net debt (RMBm)</b>	29,439.7	16,600.3	77.3

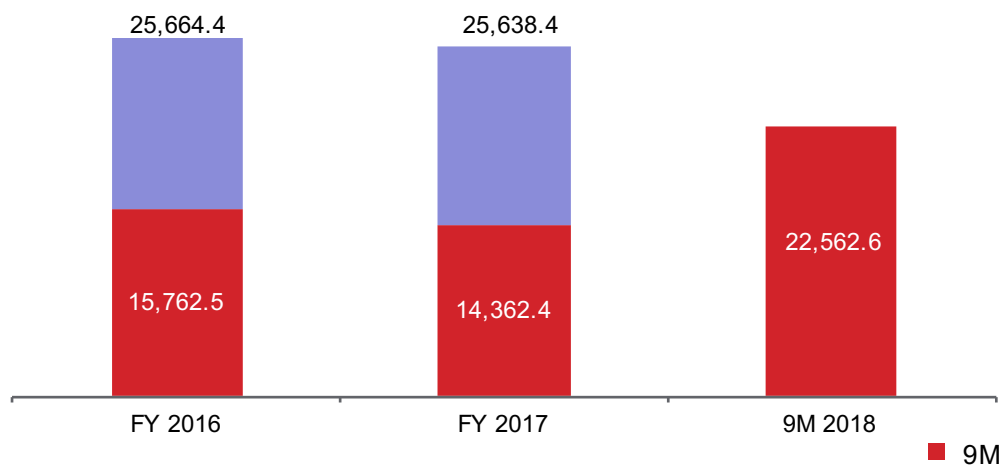




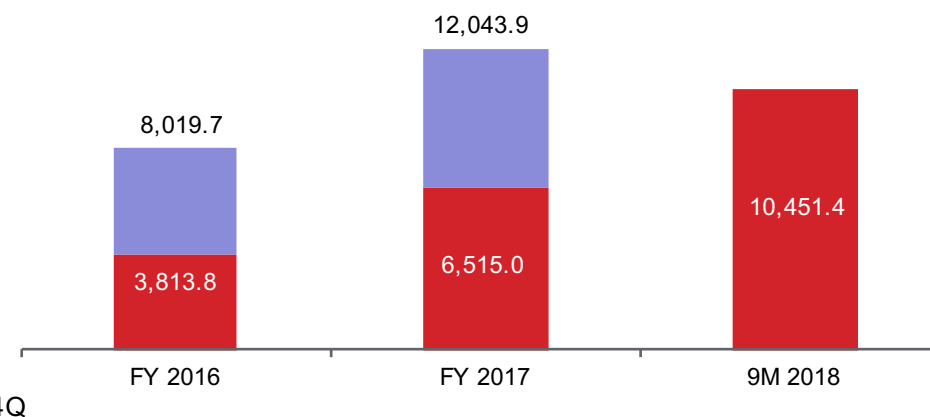
# Profitability Analysis



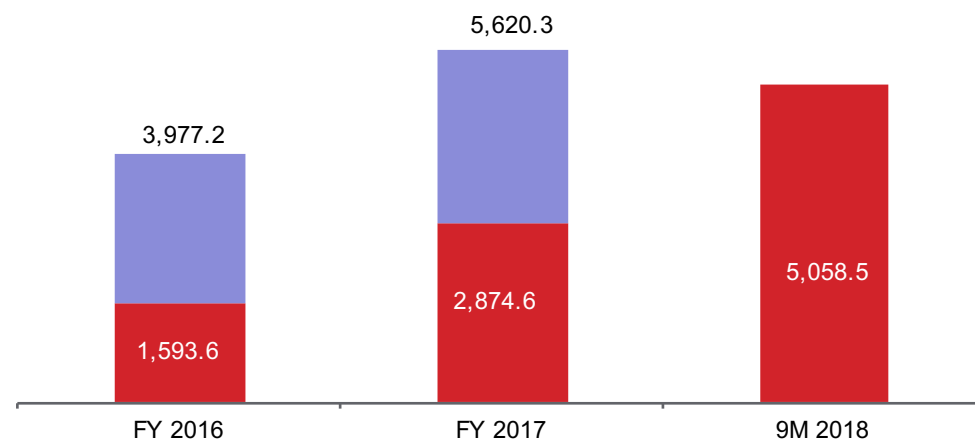
## Revenue (RMBm)



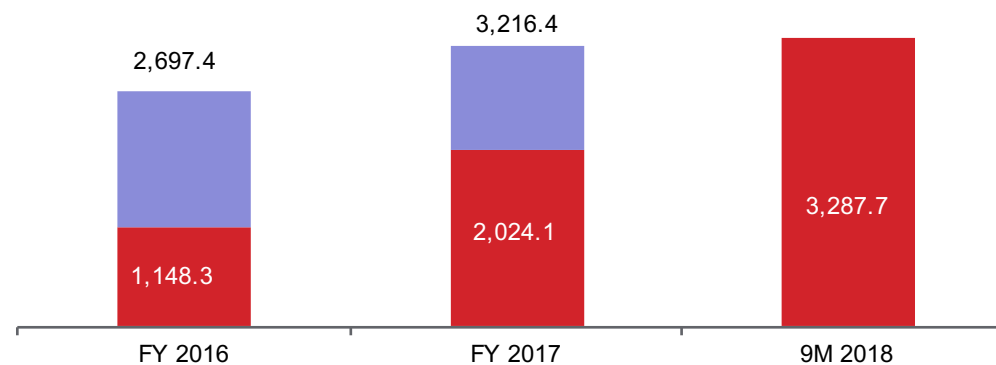
## Gross profit (RMBm)



## Profit for the period (RMBm)



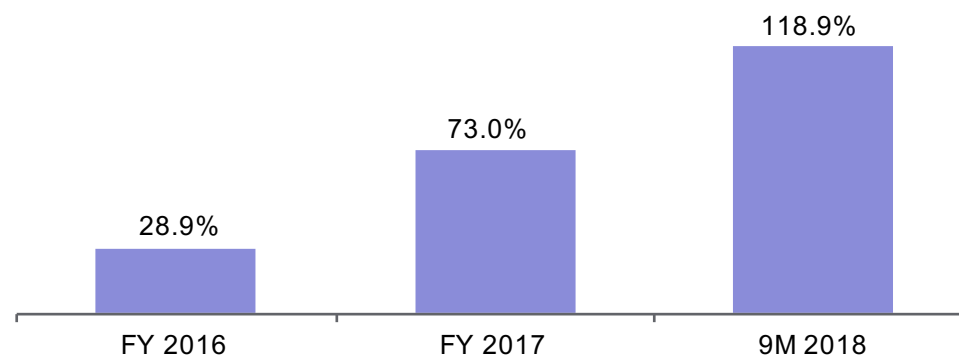
## Profit attributable to owners of the Company (RMBm)



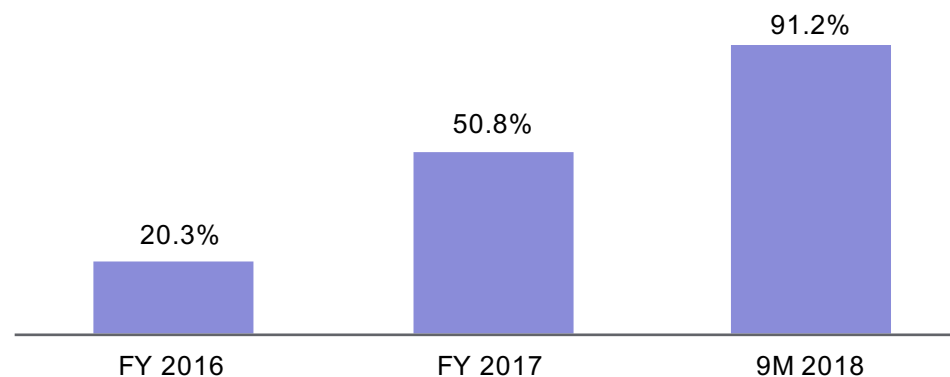
# Strong Credit Metrics



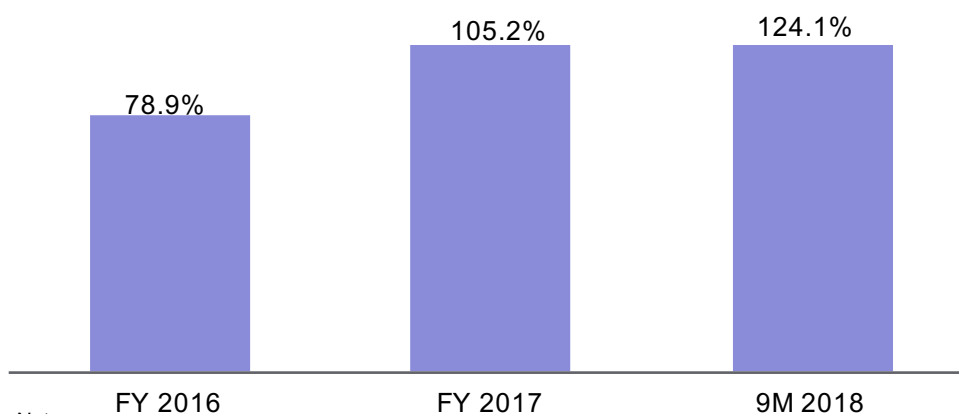
**Net debt/ equity (Excl. NCI)**



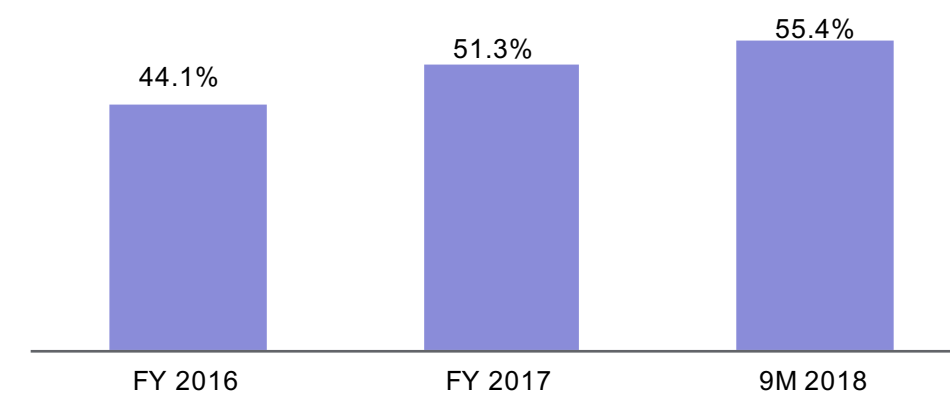
**Net debt/ total equity (Incl. NCI)**



**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**



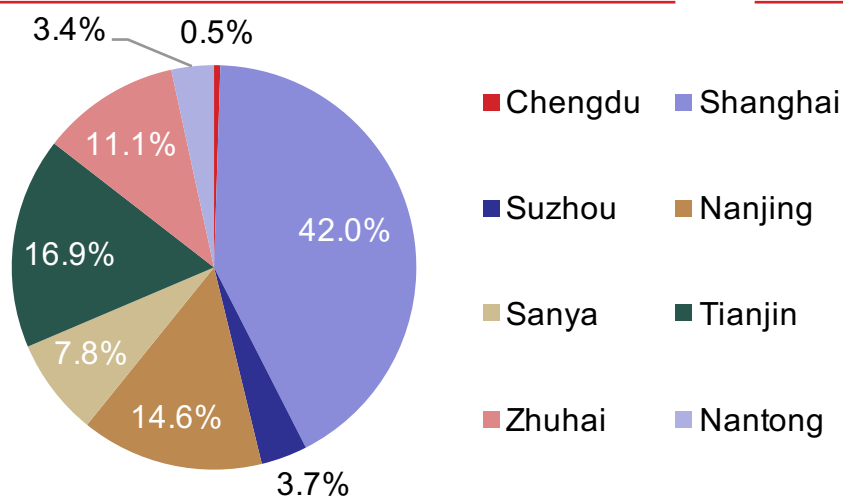
# GFA/ Property Sale Contribution Analysis in 9M 2018

## By city, project and ASP

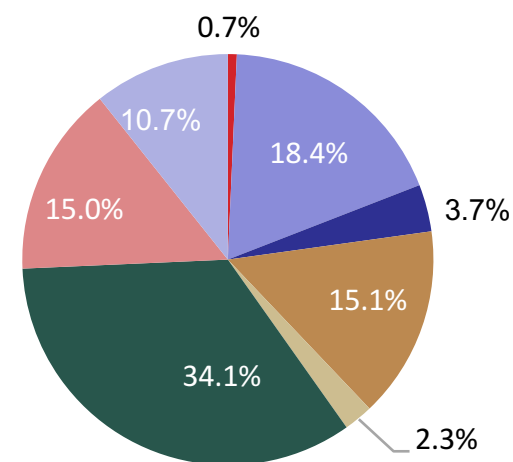


Major projects delivered in 3Q 2018	GFA (sqm)	ASP (RMB/ sqm)	Property sales by project (%)
Nanjing Oasis New Island Gardens (Phase 3)	72,167	34,299	11.8%
Sanya Hai Tang Bay - Land Parcel 9	13,886	122,429	7.8%
Shanghai Yanlord Eastern Gardens	3,866	63,638	2.3%
Shanghai Yanlord on the Park	57,308	100,248	27.4%
Shanghai Yanlord Western Gardens	46,605	55,606	12.1%
Suzhou Tang Yue Bay Gardens	15,392	29,732	2.2%
Tianjin Jinnan Land (Phase 3)	202,047	17,764	16.8%
Zhuhai Yanlord Marina Centre – Section B	12,119	55,160	3.1%
Zhuhai Yanlord Marina Peninsula (Phase 2)	76,330	22,756	7.9%
Others	94,796	--	8.6%

Property Sale Contribution by City



GFA Contribution by City



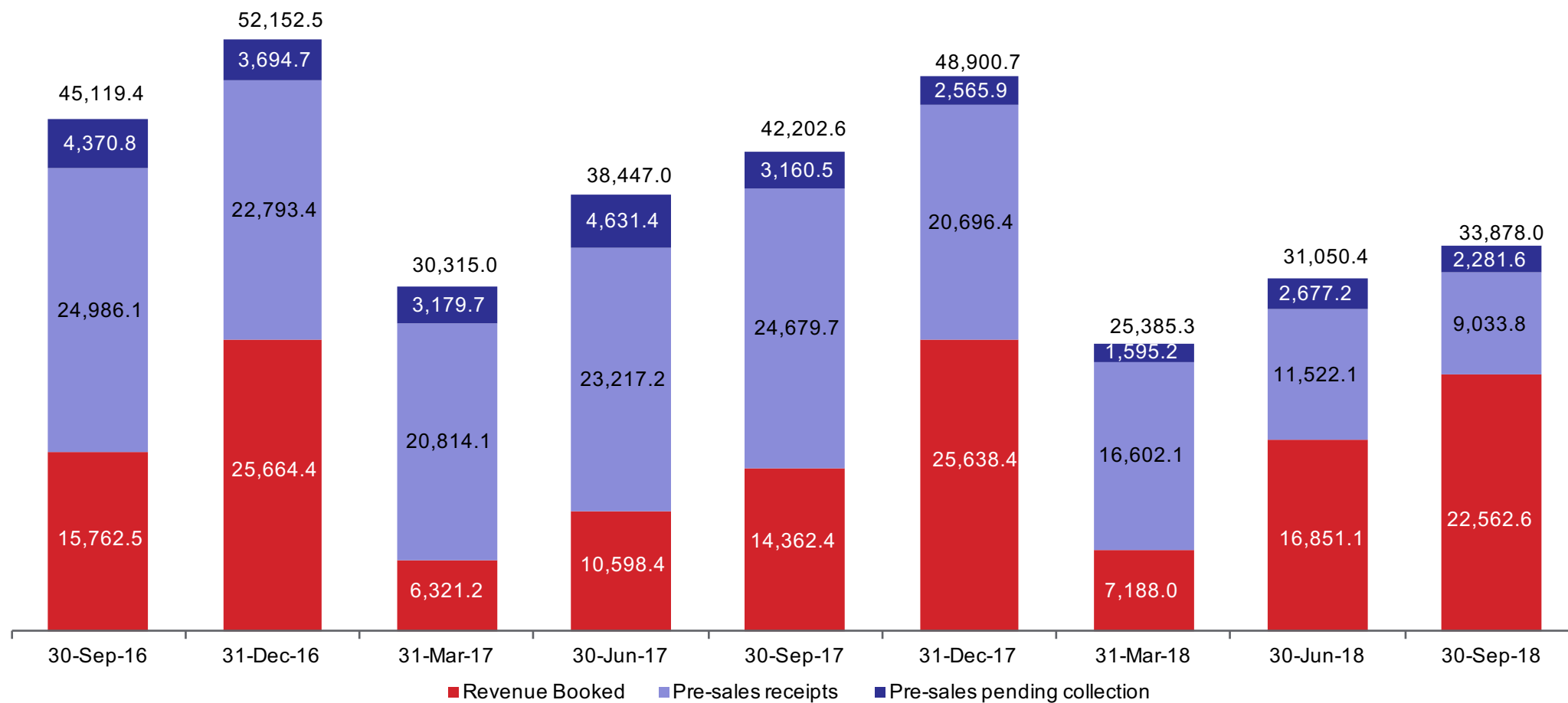


# Pre-sales and Receipts

## Resilient growth



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



# Diversified Geographic Coverage

## Abundant land bank in PRC high-growth cities



\*Projects being held under associate or joint venture

### Western China since 2003

#### Chengdu

- Chongzhou Project Land Parcels (85,748 sqm)
- Hengye International Plaza (39,999 sqm)
- Yanlord Landmark (157,437 sqm)
- Yanlord Riverbay (132,444 sqm)

### Bohai Rim since 2005

#### Tianjin

- Yiwan Gardens (160,029 sqm) \*
- Tianjin Hong Qiao Land (260,638 sqm) \*
- The Mansion In Park (288,458 sqm) \*
- Yanlord Majestic Mansion (258,305 sqm) \*
- Yanlord Riverside Plaza (134,017 sqm)

#### Jinan

- Jinan CBD Project - A3 Land (45,525 sqm) \*
- Jinan CBD Project - B5 Land (111,311 sqm) \*

#### Tangshan

- Tangshan Nanhu Eco-City Land Parcels \* (209,790 sqm)

### Pearl River Delta since 2005

#### Shenzhen

- Shenzhen Longgang District Bantian Redevelopment Project (235,717 sqm)
- Shenzhen Longgang District Economic Residential Housing (149,080 sqm)
- Shenzhen Longgang District Redevelopment Project (471,940 sqm)
- Shenzhen Luohu Land Parcel (55,749 sqm)
- Yanlord Centre (333,280 sqm)
- Yanlord Landmark (2,972 sqm)

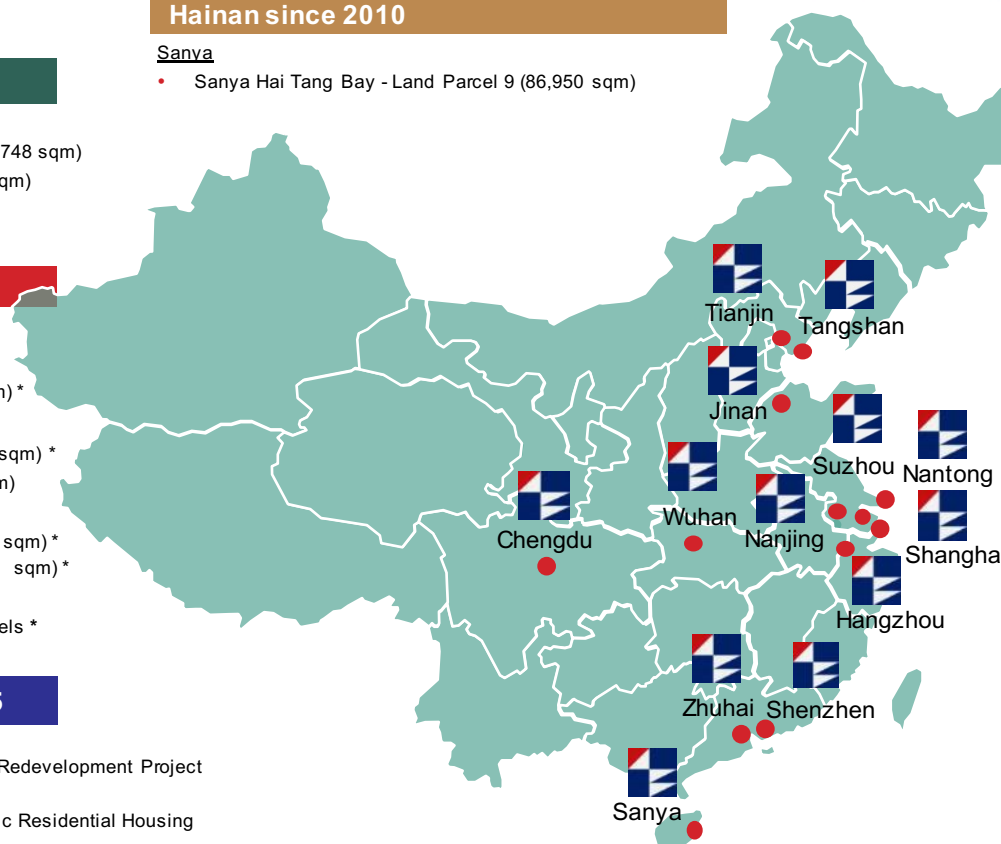
#### Zhuhai

- Yanlord Marina Centre (162,501 sqm)
- Yanlord Marina Peninsula Gardens (286,007 sqm)
- Yanlord North Shore Gardens (43,704 sqm)

### Hainan since 2010

#### Sanya

- Sanya Hai Tang Bay - Land Parcel 9 (86,950 sqm)



### As of 30 September 2018:

GFA Completed (mil sqm) 0.757

GFA Under Development (mil sqm) 2.809

GFA for Future Development (mil sqm) 4.221

Total Land Bank (mil sqm) 7.787

### Yangtze River Delta since 1993

#### Shanghai

- Shanghai San Jia Gang Land Plot (33,989 sqm)
- Yanlord Sunland Gardens (20,110 sqm)
- Yanlord Western Gardens (10,255 sqm)
- Yanlord Eastern Gardens (12,776 sqm)
- Yanlord on the Park (22,226 sqm)
- Shanghai Yangpu District 81 and 83 Redevelopment Project (183,187 sqm)

#### Nanjing

- Nanjing Eco Hi-Tech Island - Land Parcel G73 (97,034 sqm)
- Nanjing No. 2016G84 Land (534,160 sqm) \*
- Nanjing No. 2017G01 Land (87,123 sqm) \*
- Nanjing No.2018G26 Land (366,298 sqm) \*
- Yanlord Phoenix Hill (314,204 sqm)
- Yanlord Taoyuan Gardens (154,254 sqm) \*
- Yanlord Yangtze Riverbay Town (28,872 sqm)

#### Suzhou

- Canal Times (52,514 sqm)
- New Tang's Mansion (139,184 sqm) \*
- Riverbay Gardens (296,078 sqm)
- Suzhou No.2016-WG-46 Land Parcels (52,312 sqm) \*
- Suzhou No.2018-WG-11 Land Parcels (186,120 sqm)
- Tang Yue Bay Gardens (11,740 sqm)
- Yanlord Lakeview Bay (11,748 sqm)

#### Nantong

- Four Seasons Gardens (72,914 sqm)
- Nantong R17014 Land (203,400 sqm) \*

#### Hangzhou

- Hangzhou D-05 Land (88,795 sqm) \*
- Hangzhou Intelligent City Project - Medical Land Parcels (450,773 sqm) \*
- Hangzhou Intelligent City Project - Commercial Land Parcels (294,640 sqm) \*
- Hangzhou West Lake Land (121,549 sqm) \*

### Central China since 2017

#### Wuhan

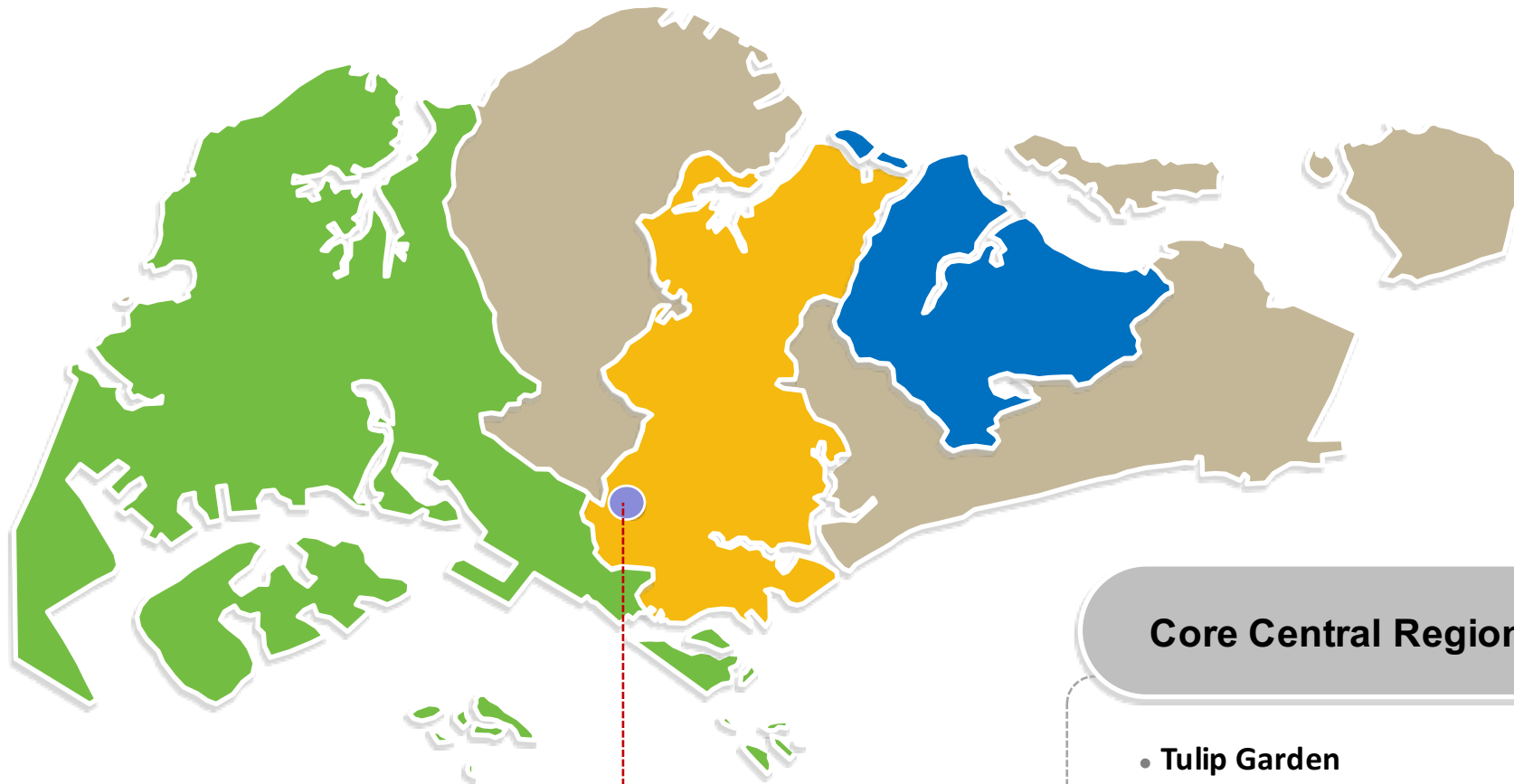
- Wuhan Metropolis Project (141,379 sqm) \*





# Geographic Coverage

## Land bank in Singapore core central region



### Core Central Region

- Tulip Garden
- 557,406 sqft\*
- District 10

\*approximate GFA based on plot ratio of 1.6x



# Development Strategies

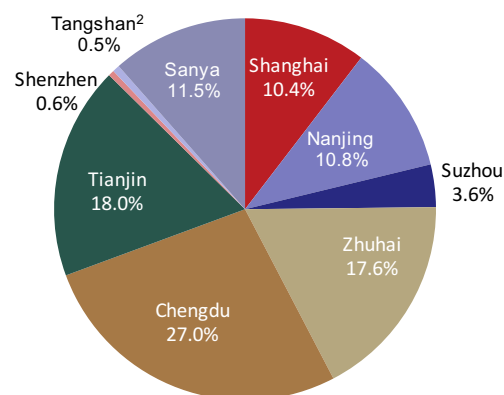
## Growth of business across high-growth cities



- Increase the market share in cities where Yanlord already has established a superior brand name
- Expand into new cities within the 6 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

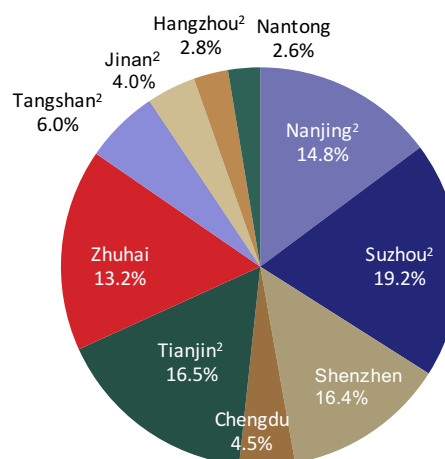
(757,190 sqm<sup>1</sup>)



Residential and Commercial	234,760 sqm
Investment	428,691 sqm
Fixed Assets	93,739 sqm

### Projects under development

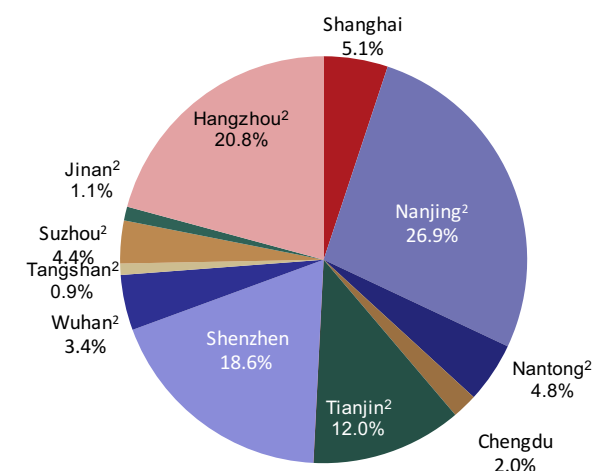
(2.809 million sqm)



Residential and Commercial	2,666,296 sqm
Investment	143,028 sqm

### Land bank: Future development

(4.221 million sqm)



Residential and Commercial	4,220,777 sqm
Investment	-

Note:

1. The group has completed 8.713 million sqm out of which 757,190 sqm are GFA completed and retained as investment properties, fixed assets or yet to be sold/ delivered to customers
2. Contains projects being held under associate or joint venture



# New Launches of Property for Sale in 4Q 2018



**We expect to launch the following new projects and new batches of existing project in 4Q 2018:**

- **Nanjing**

- Yanlord Pheonix Hill (Phase 1)
- Yanlord Taoyuan Gardens

- **Hangzhou**

- Hangzhou Intelligent City Project - Commercial Land Parcels (Phase1)

- **Suzhou**

- New Tang's Mansion

- **Wuhan**

- Wuhan Metropolis Project

- **Tianjin**

- The Mansion in Park (Phase 1)
- Yanlord Majestic Mansion
- Yiwang Gardens

- **Chengdu**

- Yanlord Riverbay (Phase 3)





# Project Showcase

## - Yanlord Phoenix Hill (Nanjing)



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# Project Showcase

- Hangzhou Intelligent City Project – Commercial Land Parcels (Hangzhou)



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# Project Showcase

- Sanya Haitang Bay – Land Parcel 9 (Hainan)





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