



Financial Year 2019 Annual Results Presentation

27 March 2020



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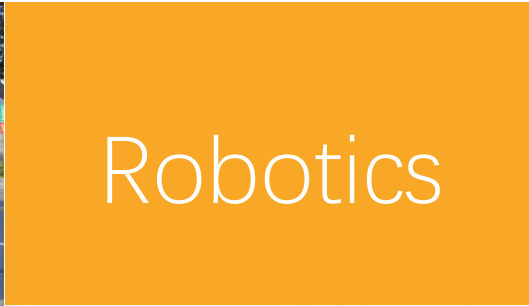
all-out efforts in scientific epidemic prevention

full support to combat the novel coronavirus pneumonia

All departments of the Group assist the frontline medical workers in fighting against the epidemic

Established an anti-epidemic fund for donations in a total of RMB200 million and purchased emergency medical supplies worldwide for Hubei

972.5 tons of agricultural produce for poverty alleviation transported to 13 cities in Hubei, benefiting 200,000 households in over 150 communities



Provided catering robots for quarantine centres and mobile cabin hospitals.

Free hospitality facilities for 1,123 Guangdong medical workers return from their rescue mission in Hubei

Safeguarding workers against epidemic

- Adopted social-distancing, 100% of the property projects have set up online sales centres which enabled virtual show flat tour
- Conducted virus testing on employees in preparation for resumption of work and production
- Purchased four production lines with a daily production capacity of 300,000 face masks to fight epidemic
- Published guidelines on the prevention of the coronavirus
- Online result announcement briefing for the consideration of investors' safety

64 regions

2,512 projects

1,327 sales centres
97% resumption of work

2,951
fields in construction
95.2%¹ resumption of work



Note:

1. Exclude from Hubei and winter break projects



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sales outperforming peers

attributable contracted sales amounted to RMB**552.20** billion
with an attributable GFA of **62.37** million sq.m.

significant growth in revenue

the Group's revenue amounted to RMB**485.91** billion
representing a YoY growth of **28.2%**
enlisted as a Fortune Global 500 company, ranking **177th**

sufficient cash balance

cash balance amounted to RMB**268.35** billion
representing **14.1%** of total asset

the Group's unused credit lines totaled RMB**316.79** billion

gross profit growth

gross profit amounted to RMB**126.64** billion, up by **23.6%** YoY

gross profit margin reached **26.1%**

net profit growth

net profit amounted to RMB**61.20** billion, up by **26.1%** YoY

net profit margin reached **12.6%**

core net profit attributable to owners of the Company amounted to RMB**40.12** billion, up by **17.6%** YoY

financial stability

net gearing ratio reached **46.3%**, dropped **3.3** p.p. YoY

cash to short-term debt ratio up to **2.3x** from **1.9x**

total debt to EBITDA¹ down to **3.8x** from **4.2x**

EBITDA¹ to interest coverage ratio reached **4.0x**

Note:

1. EBITDA is profit attributable to owners of the Company before income tax adjusted by interest expenditure, depreciation, amortization and other non-operating profit and loss items

strong cash flow

achieving positive net operating cash flow for **4** consecutive years
since 2016

efficient cost control

SG&A accounted for **7%**, of revenue

steady performance in sell-through and cash collection

attributable sell-through rate reached **72%**

cash collected from attributable sales of properties amounted to
RMB**530.1** billion with cash collection ratio of **96%**



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nationwide coverage

projects spanning across all provinces in Mainland China

As at 31 Dec 2019, the number of projects acquired in Mainland China by the Group amounted to 2,512 spanning across 282 cities in 31 provinces/autonomous regions/municipalities and covering a total of 1,299 districts / counties.



Note:

1. There are **24** projects outside Mainland China

safety and quality improvement with steady process

keeps attaching great attention to engineering safety
and construction quality

Construction safety is our long-term goal

- ① **Organization safeguard:** With the Group Safety Committee as the core team to established a safe work environment at all levels
- ② **Leading safety standards:** build top-down safety guidelines
- ③ **Management in place:** evaluate safety management effectiveness of contractors and third party supervisors
- ④ **Worker protection:** carry out safety education, implement worker medical examination and real-name system
- ⑤ **Raising awareness:** established July 26 as “Country Garden’s Production Safety Day”, with regular safety events to be carried out



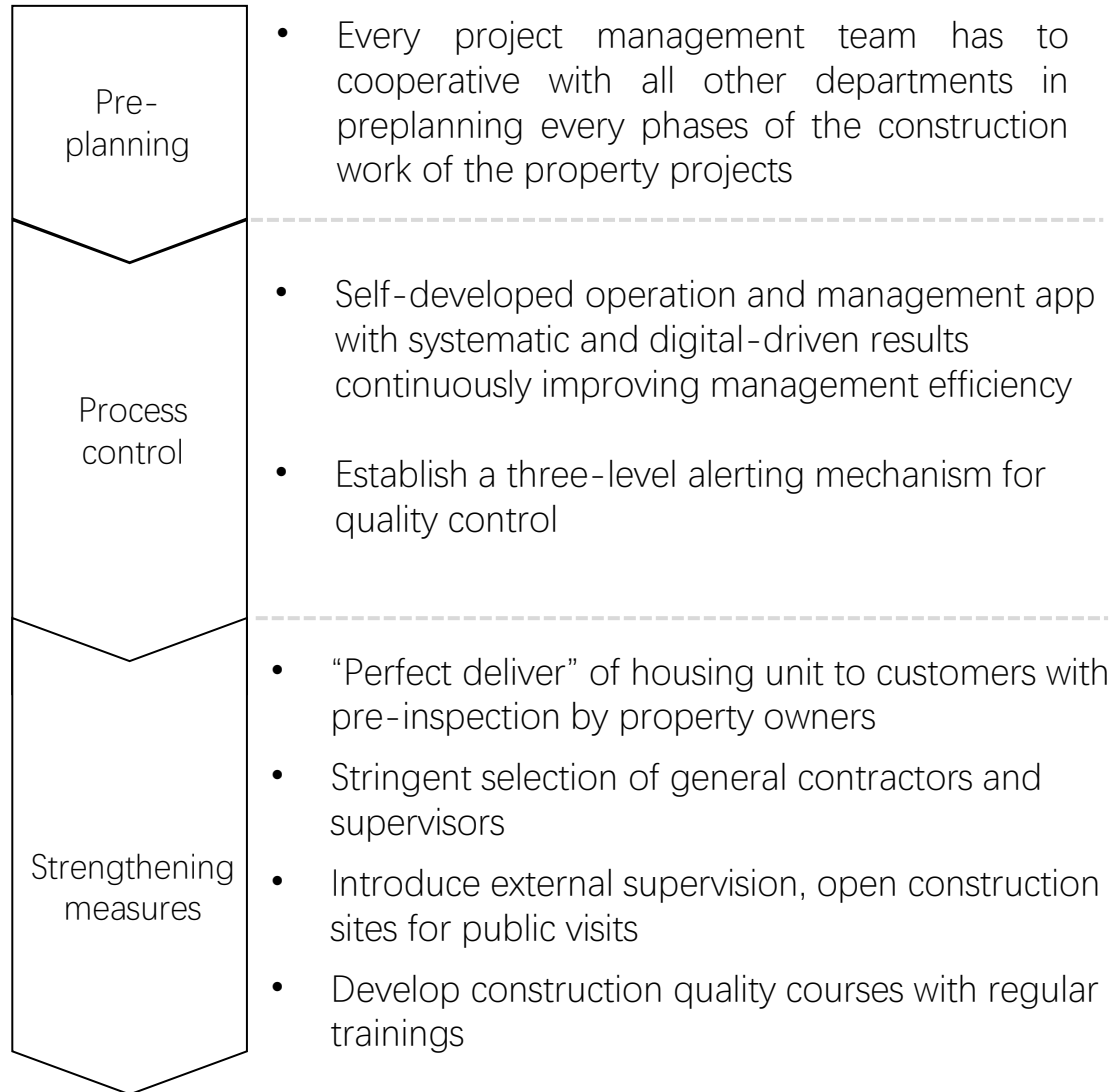
- ① **Risk factors examination:** establish a comprehensive safety inspection system
 - Daily inspection by security officers of general contractor and supervisory agency
 - Weekly onsite inspection by project general manager
 - Monthly inspection by cooperation partners
 - Monthly inspection at regional level
 - Group’s quarterly third-party inspection
 - Special inspection on Group’s safety and quality compliance
 - Monthly special safety inspection (base pit, large-scale machinery, fire prevention etc.)
- ② **Critical risk points assessment and control:**
 - suspend any part involving risks of major safety hazards
 - Set up “black, red and yellow” alert levels for safety risks

The overall situation in the construction is stable.
Further strengthen process management to achieve “zero casualties”

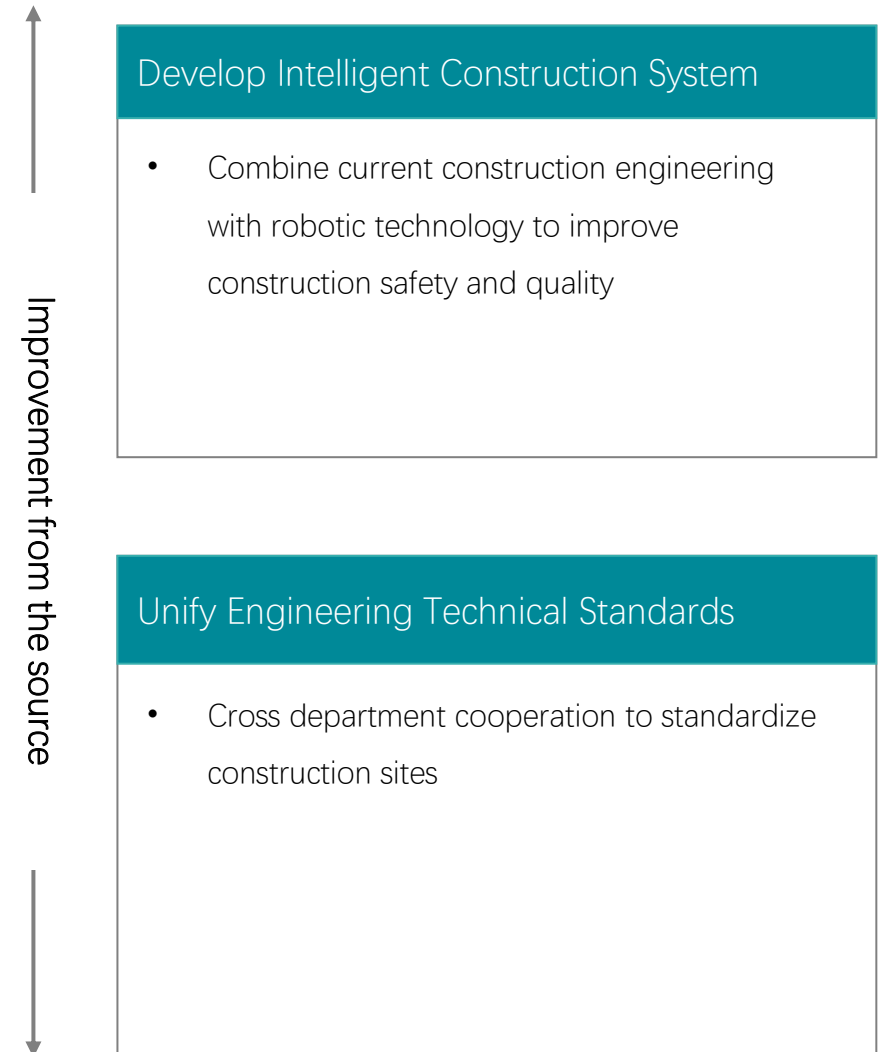
Control and further enhance construction quality



Strengthening control measures



Construction technology upgrade



effective human resources management

Over **1,000** holders of doctorates
34 of them have been promoted to regional VP or above



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sufficient land bank

support the Group's steady performance

Sufficient salable resources in Mainland China to provide strong support for future development



Notes:

1. as at 31 Dec 2019; attributable salable resources are estimated by calculating expected ASP, expected GFA and attributable ratio
2. estimated potential attributable salable resources targeting Shenzhen, Dongguan, Huizhou, Guangzhou, Foshan, Shanghai, Beijing and Zhengzhou are RMB558.3 billion, while estimated attributable salable resources of potential projects in other regions (Taiyuan, Xi'an, Lanzhou, Kunming etc.) are RMB157.6 billion

Guangdong-Hong Kong-Macao Greater Bay Area

Existing attributable salable resources
amounted to RMB309.1 billion

Potential attributable salable resources
amounted to RMB322.6 billion

existing attributable salable resources **in Shenzhen** amounted to RMB21.7 bn,
while **potential** attributable salable resources amounted to RMB140.8 bn

existing attributable salable resources **targeting Shenzhen** amounted to RMB127.6 bn,
while **potential** attributable salable resources amounted to RMB269.1 bn

Sufficient salable resources in Greater Bay Area to lead peers

Country Garden's attributable salable resources located in Guangdong-Hong Kong-Macao Greater Bay Area amounted to RMB309.1 billion with salable GFA of approximately 22.68 million sq.m.



The Group also owned potential land bank in the Greater Bay Area with attributable salable resources of RMB**322.6** billion, aggregating to RMB**631.7** billion along with acquired attributable salable resources to create significant development value

Note:

1. Attributable salable resources are estimated by calculating expected ASP, expected GFA and attributable ratio

salable resources distribution in line with the trend of migration

among existing salable resources:

97% are in regions with population of over 0.5 mn;

93% are in regions featuring immigration;

73% are in top-five city clusters

Rational distribution of salable resources: major resources in line with the trend of migration

Permanent residents by end of 2017 (million)	Attributable salable resources (RMB billion)	Contribution to total salable resources
>10	304.0	18%
5-10	535.0	31%
3-5	611.1	36%
1-3	184.0	11%
0.5-1	25.5	1%
<0.5	42.6	3%
Total	1,702.2	100%

Net population	Attributable salable resources (RMB billion)	Contribution to total salable resources
Inflow	1,585.3	93%
Outflow	116.9	7%
Total	1,702.2	100%

City clusters	Attributable salable resources (RMB billion)	Contribution to total salable resources
Top-five city clusters	1,239.1	73%
♦ Yangtze River Delta / Jiangsu, Zhejiang, Shanghai and Anhui	325.5	19%
♦ Guangdong	434.3	26%
♦ Bohai Rim/Beijing-Tianjin-Hebei-Liaoning-Shanxi-Shandong-Inner Mongolia Area	267.3	16%
♦ Middle Yangtze River / Hunan and Hubei	140.8	8%
♦ Sichuan and Chongqing	71.2	4%
Other pocket regions	463.1	27%
♦ Henan	87.9	5%
♦ Hainan	80.8	5%
♦ Guizhou	64.2	4%
♦ others	230.2	14%
Total	1,702.2	100%

As at end of Dec 2019, among the salable resources, 97% are in regions with population of over 0.5 million; 93% are in regions featuring immigration; 73% are in top-five city clusters

Note: Salable resources refer to figures As at 31 Dec 2019. Number of population migration are calculated in accordance with data from *Wind* and statistics on permanent residents of the city from China Urban-Rural Construction Statistical Yearbook issued by the Ministry of Housing and Urban-Rural Development

Projects in tier 3&4 cities tend to yield higher return on investment

Adjusted equity multiple (projects launched in tier 3&4 cities since 2017)					
Province	12 months after acquisition	18 months after acquisition	Province	12 months after acquisition	18 months after acquisition
Anhui	0.83	1.43	Jiangxi	0.9	1.54
Fujian	0.63	1.15	Liaoning	1.87	3.08
Gansu	1.04	1.61	Inner Mongolia	4.29	5.14
Guangdong	0.41	0.8	Ningxia	1.82	2.23
Guangxi	1.01	1.83	Qinghai	2.61	4.24
Guizhou	3.41	4.64	Shandong	1.15	1.82
Hainan	0.35	0.62	Shanxi	0.75	2.19
Hebei	0.7	1.27	Shaanxi	0.77	1.4
Henan	0.76	1.51	Sichuan	0.98	1.6
Hubei	0.89	1.63	Yunnan	0.59	1.79
Hunan	1.1	1.76	Zhejiang	0.59	1.18
Jilin	3.59	N/A	Chongqing city	0.65	1.6
Jiangsu	0.55	1.02			
The company (Weighted average)	0.72	1.27			

As at the end of 2019, the average equity multiple at the property projects acquired by COGARD in tier3&4 cities for 18 months is 1.27, compared with that of 0.71 or below for the property projects acquired by its peers in tier 1&2 cities.

Note:

1. Adjusted equity multiple=Cumulative attri. sales/Attri. land investment

Inventory status of COGARD's portfolio in tier 3&4 cities : Most in short of supplies or in a healthy level

We monitor the following four types of inventories and average GFA consumption of a city:.

Type I	Unsold GFA with sales permit
Type II	GFA under construction yet to obtain sales permit
Type III	GFA acquired but yet to start construction
Type IV	Potential GFA supply from government. in the next 12 months
S	Average GFA sold per month in the last 18 months
T	Average time taken from acquisition to launch

Supply and demand Status of COGARD's tier 3&4 cities

	Inventory status	Shortfall (I+II+III+IV-S*T)/S≤12	Healthy (between shortfall and oversupplied)	Oversupplied (I+II+III+IV)/S>24
Located in tier 3&4 cities	Numbers of cities	73	117	27
	Percentage	34%	54%	12%
	Attributable salable resources as of Dec 2019(bn)	286.7	561.9	120.6
	Percentage of salable resources	30%	58%	12%

Of the tier 3&4 cities where COGARD already has business presence, 88% are those where housing is in short supply or where supply nearly matches the demand. The value of the salable resources attributable to COGARD's equity stakes in such cities also accounts for 88% of COCARD's total in tier 3&4 cities.

Note:

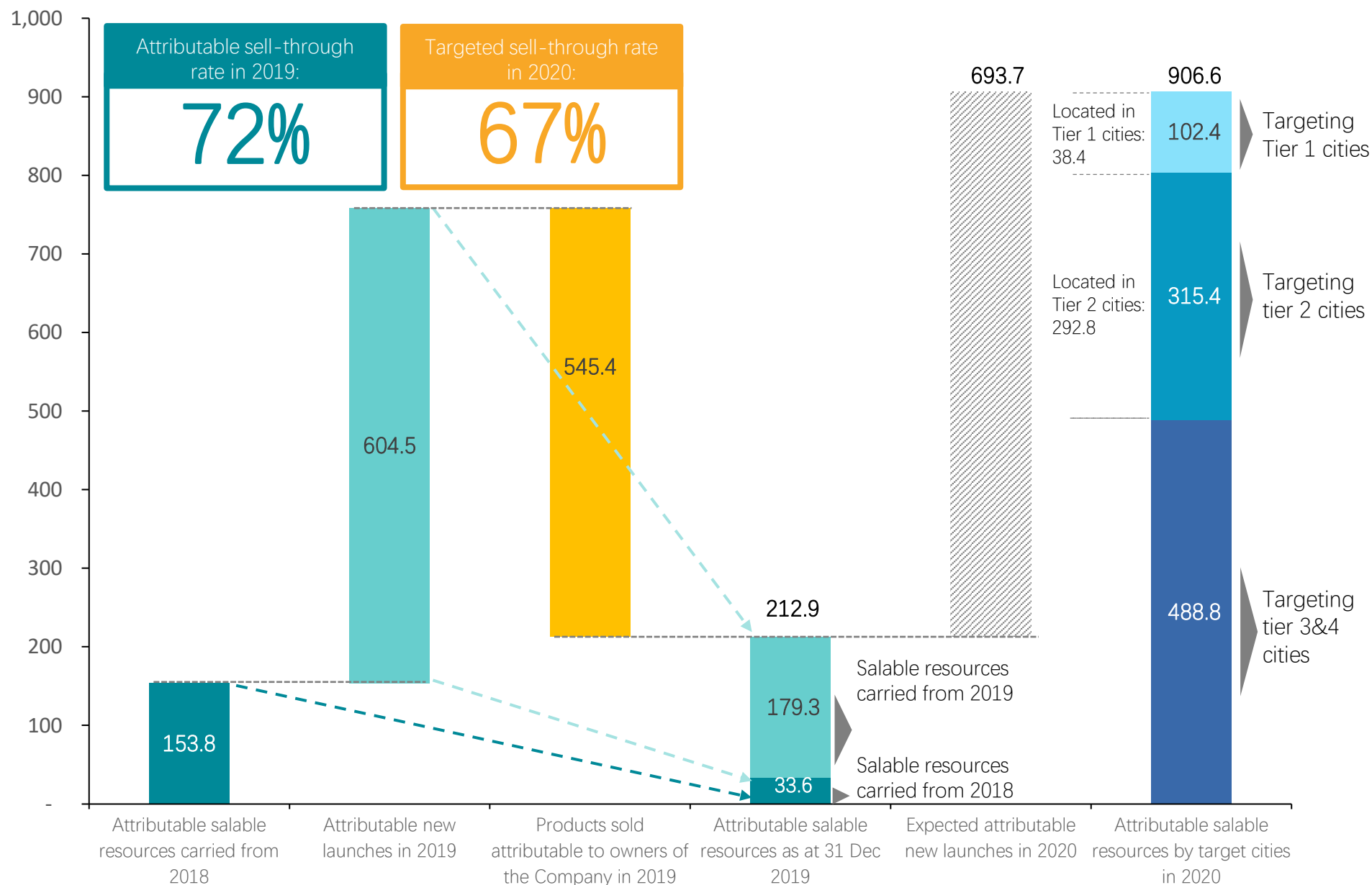
1. The above data was obtained as of 31 Dec 2019.

sufficient salable resources

attributable salable resources in 2020
reached RMB**906.6** billion

Attributable salable resources in Mainland China in 2020

Attributable salable resources¹ in Mainland China (RMB billion)



Note:

- Attributable salable resources are estimated by calculating expected ASP, expected GFA and attributable ratio. Completed but unsold or under construction unsold units with sales permit are also included in attributable salable resources.

robotics

to be a global leading robotics service provider
focus on specialized robots

Develop robotic business to promote industrial innovation

Technology Innovation

- Integrated robotics R&D, manufacturing and application capabilities
- Combined robotics with prefabricated technology and Building Information Modeling (“BIM”)

Technical Support

- Establish 5 major research institutes
- A total of 3,000 talents in R&D team, over 29% with doctoral or master degree
- Applied for 1,843 patents accumulatively and being granted 327 patents

Capital Investment

- Following on-going R&D achievements, R&D expenses amounted to RMB1.97 billion in FY2019. Further investment will be made subject to actual process

Business Progress

- Robots for construction: 50 products are under research, with 32 of them having entered the on-site testing stage to fill the gap in industry supply
- Robots for healthcare: 5 products are under research, with 1 registration application, 1 entered in clinical trial
- Robots for culinary: 80 products are under research, with 61 prototypes
- Core component and software: 32 core components and software are in development , some are in small batch production
- Smart construction system: establish new construction material production lines to promote the coordinated development of new construction methods and construction robotics

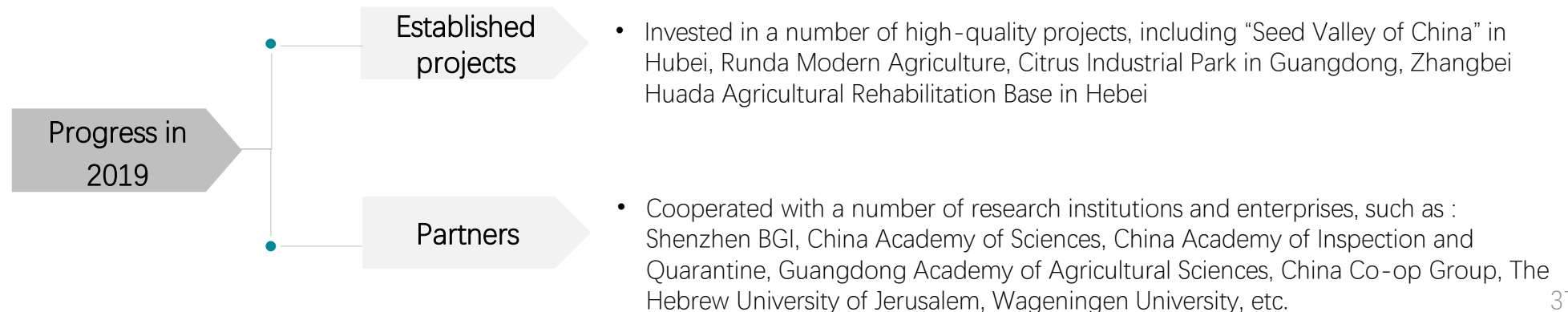
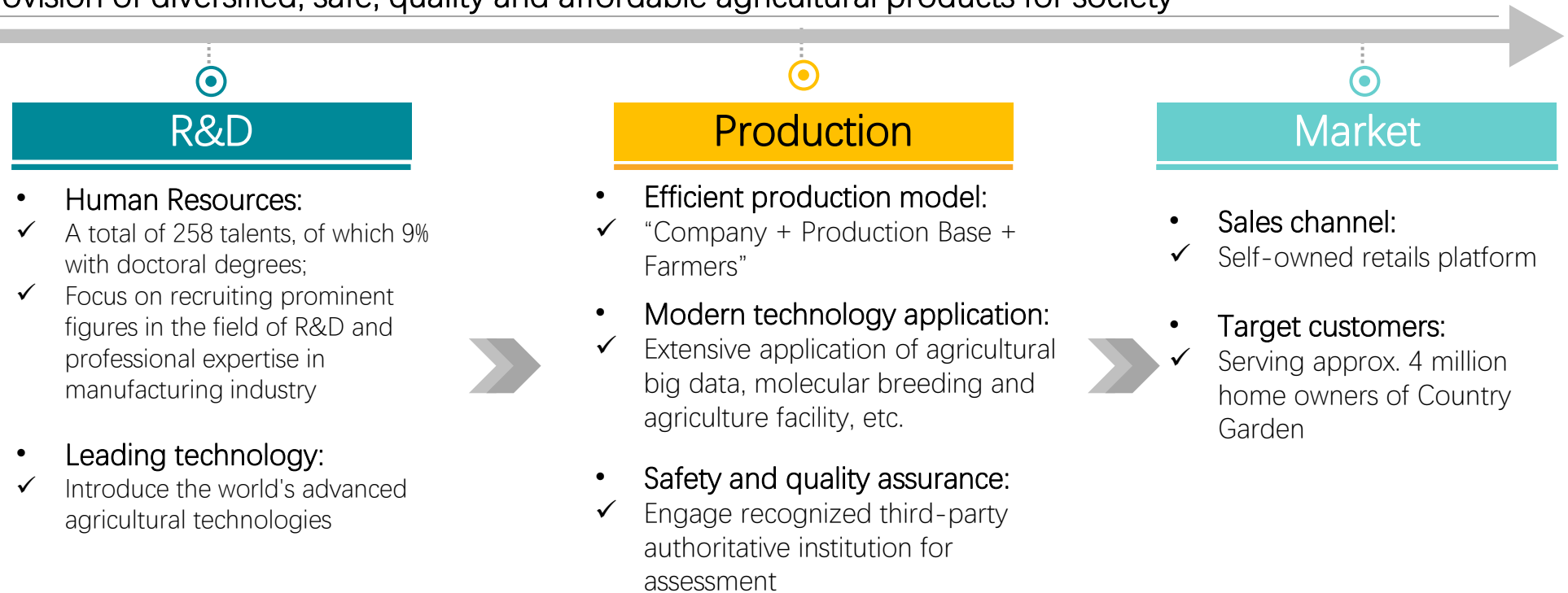


modern agriculture

establish an international high-tech agriculture platform
to provide comprehensive solutions for modern agriculture

Integrate technology with agriculture to establish modern agriculture business with global competitiveness

Develop an omni agricultural industry chain to be a service provider of modern agricultural solutions, for the provision of diversified, safe, quality and affordable agricultural products for society



go above and beyond
with prudence

Thank you for your confidence and support in Country Garden!