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Financial Year 2022

Interim Results Presentation

30 August, 2022



Stock Code: 2007

(Incorporated in the Cayman Islands with limited liability)

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Development

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01

Results Highlights

Country Garden
Silver Beach Hotel
Huizhou, Guangdong

Summary of Interim Results 2022

Attributable Contracted Sales



185.10 bn
overall sell-through rate 50%

Total Debt



293.68 bn
down by 7.6%
since the end of 2021

Revenue



162.36 bn
down by 30.9% YoY

Attributable Cash Collection



170.29 bn
attri. cash collection rate 92%
above 90% for 7 consecutive years

Net Gearing Ratio



48.1%
maintain below 60%
for several years

Gross Profit¹



17.21 bn
gross profit margin 10.6%

Operating Cash Flow³



5.25 bn

Liabilities to asset ratio⁴



72.1%
decreasing since 1H 2020

Core Net Profit²



4.91 bn
down by 67.7% YoY

Notes : 1. Before LAT

2. The core net profit attributable to the owners of the Company represents realized earnings of this period attributable to owners of the Company excluding effects such as fair value changes and net foreign exchange gains/loses

3.. Consolidated operating cash flow

4. Liabilities to asset ratio after excluding contract liabilities and output value-added taxes related to receipt in advance from customers

02

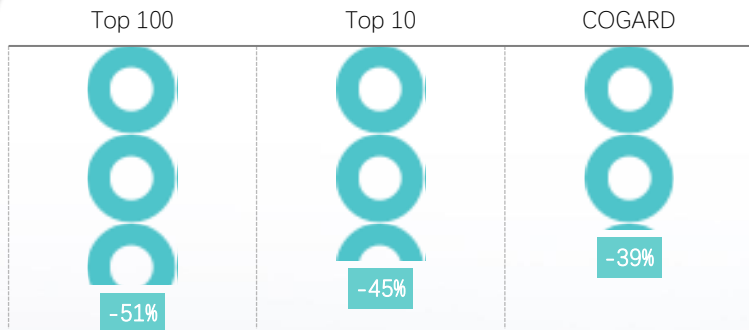
Business Review

Country Garden
Banshan Yunting
Bengbu, Anhui

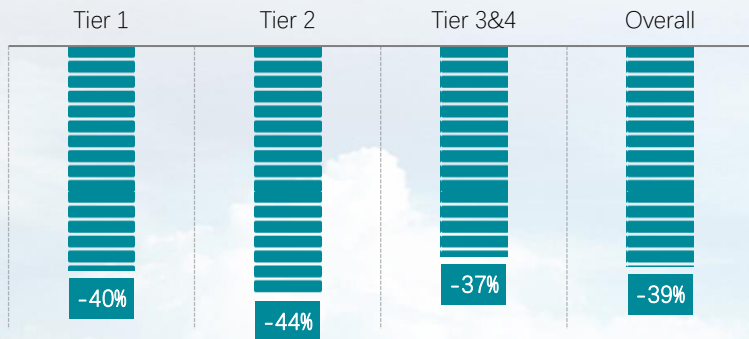


Solid sales effectively hedge against market volatilities

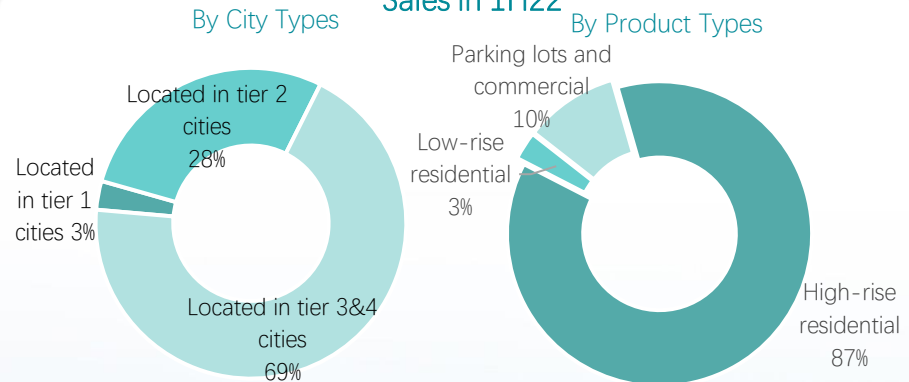
YoY changes in sales value (1H22)



Fluctuation in Attributable Contracted Sales by City Types



Attributable Contracted Sales in 1H22



Cities with large market shares	Market Share > 20%	Shaoguan, Meizhou, Yangjiang, Yunfu, Chaozhou in Guangdong, Huanggang in Hubei, Jinzhou in Liaoning, Wuhai in Inner Mongolia etc. totaling 17 cities
	Market Share 10%-20%	Maoming, Heyuan, Shanwei, Qingyuan, Zhaoying in Guangdong, Hechi, Yulin in Guangxi, Qionghai in Hainan, Suizhou in Hubei, Chaoyang in Liaoning, Xing'an League in Inner Mongolia, Yan'an in Shaanxi etc. totaling 44 cities
	Market Share 5%-10%	Anqing, Lu'an in Anhui, Shantou, Jiangmen, Huizhou in Guangdong, Beihai in Guangxi, Haikou in Hainan, Xinxiang in Henan, Enshi in Hubei, Hengyang, Changde in Hunan, Taizhou in Jiangsu, Liaocheng in Shandong, Weinan in Shaanxi, Huzhou in Zhejiang etc. totaling 94 cities

Delivering five-star living for you



No. of cities

214

No. of batches

1,070

No. of apartments

> 250,000

Delivery ratio

438

projects
deliver ratio in the
first month >75%

Ownership
certificates
upon delivery

165

projects

Loudi · Country Garden Zhengyang Times



Qingyuan · Country Garden Future City



Taizhou · Country Garden DJBJY



In the first half of the year, the Company delivered 250,000 flats in 1,070 batches on time, with home buyers receiving ownership certificates upon the delivery of flats at 165 property projects. The satisfaction score for delivery quality and maintenance service increased steadily by more than 8% compared with the previous year, and the overall satisfaction score increased by 4%.

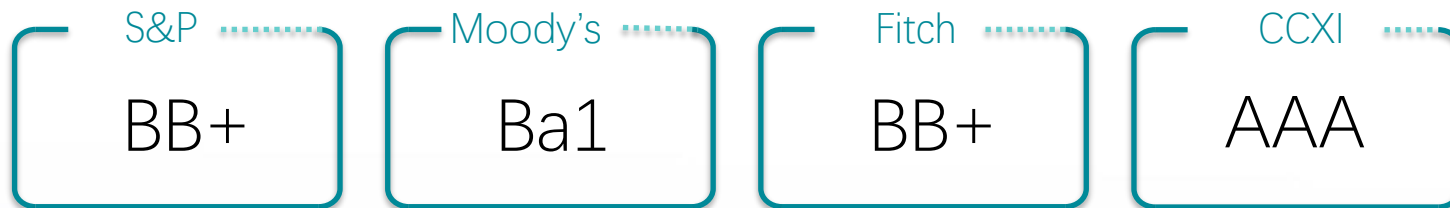
03

Financial Review

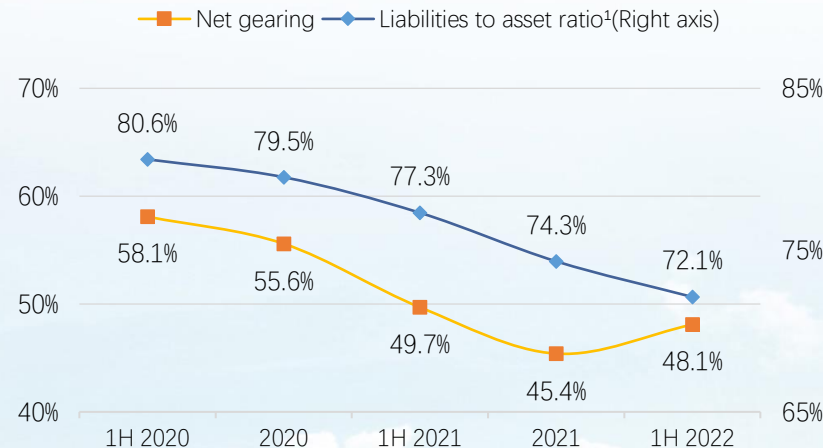
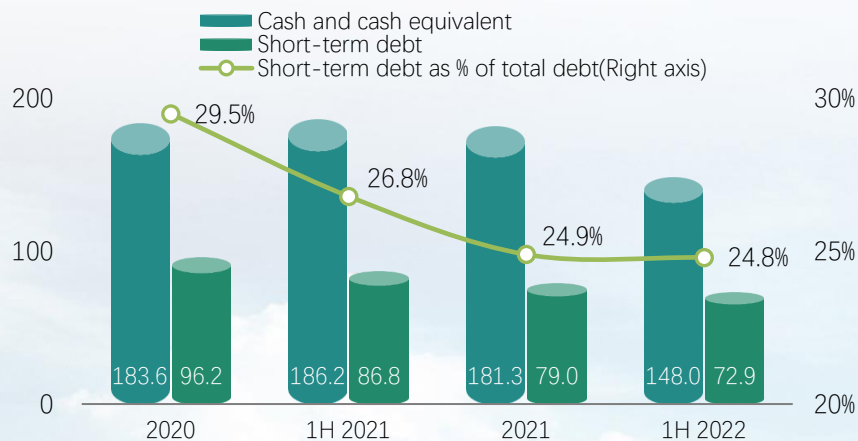
Country Garden
Tangyue Mansion
Lianyungang, Jiangsu



Financial indicators remain stable with continuous debt structure optimization



Constantly improving indicators of the "Three Red Lines"

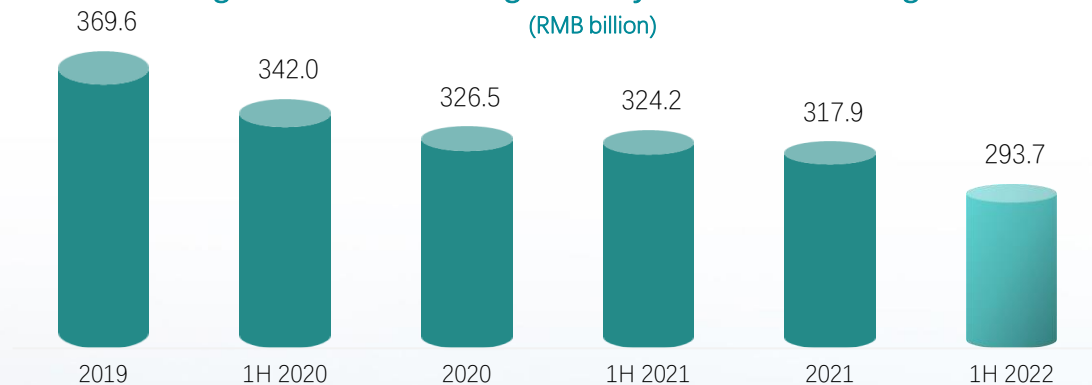


Note: 1. Liabilities to asset ratio after excluding contract liabilities and output value-added taxes related to receipt in advance from customers

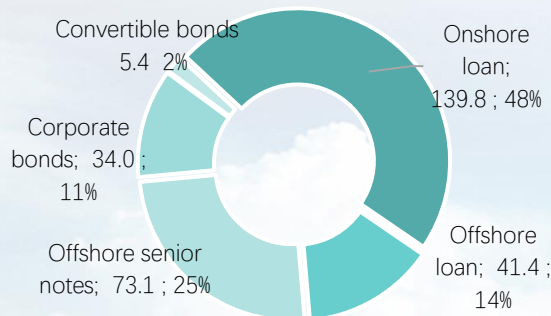
Financial indicators remain stable with continuous debt structure optimization (Cont'd)

Interest-bearing liabilities declining steadily with well-managed debt maturities

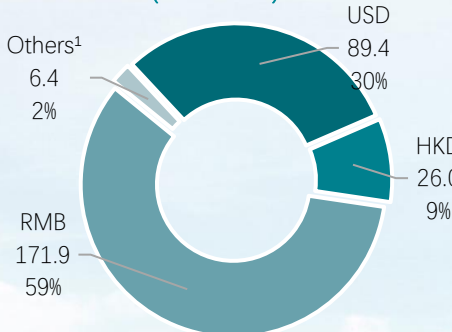
(RMB billion)



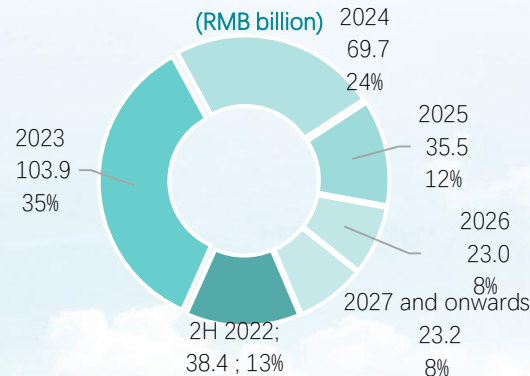
Debt by types as of 30 June 2022 (RMB billion)



Debt by currency as of 30 June 2022 (RMB billion)



Debt maturity as of 30 June 2022 (RMB billion)



Proactive debt management and diversification of financing channels

Early redemption of senior notes

The Company repurchased USD411 million senior notes due in July in advance in the first half of 2022. Subsequently, all senior notes due this year were repaid in full .

Issuing credit bonds

The company issued two ABS products in January, accounted for RMB1.242 bn
In May, the company was selected as one of the exemplary developers and issued RMB500 million bonds to qualified investors through the "bond issuance + credit protection" scheme.

Repurchase of senior notes

From late 2021 to May 2022, the Company repurchased senior notes of a cumulative amount of USD55.7 million.

Purchase of bonds by legal entities

- ✓ On 14 July, the Company announced that a wholly-owned subsidiary of the Group purchased corporate bonds issued by Country Garden Real Estate Group Co., Ltd. in the domestic secondary market in a market-oriented manner, with an initial tranche of no more than RMB1.0 billion.
- ✓ As of 26 August , the company's controlling shareholder has purchased a total of RMB280.55 million of corporate bond.

Purchase of bonds by directors, supervisors and senior management

As of 29 July, directors, supervisors and the senior management has purchased a total of RMB59.99 million corporate bonds of the Company in the secondary market.

Shares placement

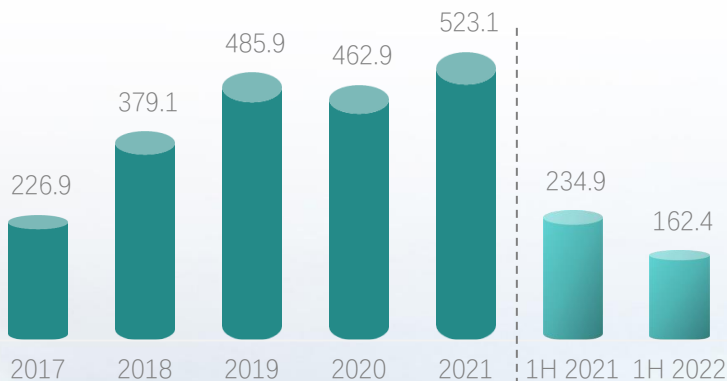
On July 27, the Company placed 870 million new shares to raise approx. RMB2.44 billion. The placing effectively optimized the Company's debt structure and capital structure.

Scrip dividends

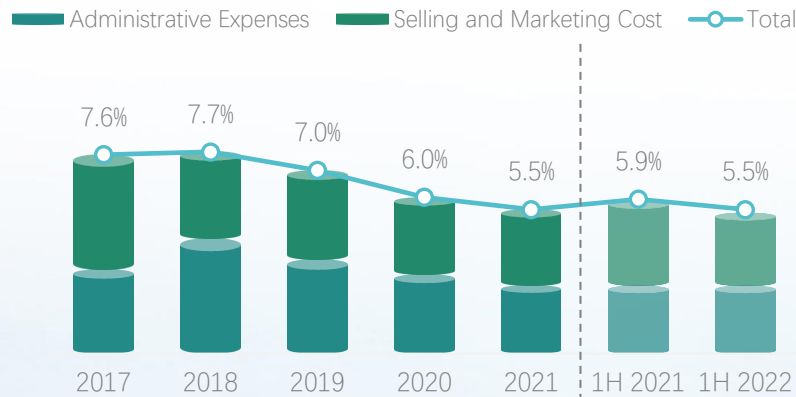
Controlling shareholder has chosen to receive 2021 dividends totaling RMB5.15 billion in the form of scrip dividends.

Effective controls on expenditures, enhancing overall competitiveness

Revenue
(RMB bn)



Consolidated SG&A Ratio



In the first half of the year, the Company has further strengthened its controls on SG&A expenses, with a decrease of 36.3% YoY to 8.86bn, accounted for 5.5% of the revenue, drop by 0.4 PCT YoY.

Available cash management



Generating new sources of cash inflows

- ✓ **Improving cash collection efficiency**
 - Average mortgage loan days were 19 days earlier compared with the same period of last year
 - Attributable cash collection ratio of newly signed contracts increased by two percentage points
- ✓ **Insulating risks from business partners**
 - To improve the efficiency of use of funds at project level for both parties, the Company has initiated project separation with 39 partners
- ✓ **Comprehensive review of assets**
 - revitalized 6.9bn in the 1H22, serving as an effective supplement to company's cash flow



Short to mid-term cash flow management

- ✓ **Rolling Weekly Funding Plan**
 - "Project – Region – Group" Three-level cash flow management
- ✓ **Rolling cash flow plan for the next 12 months**
 - Establishing closed-loop management according to sales fluctuations, the condition of direct financing channels, debt maturity arrangements, cash, and other factors
- ✓ **Net operating cash flow keep positive in 1H 2022**

Cash Flow 1H 2022	Value (RMB bn)
Cash collection from sales and other cash inflow	180.28
Expenditure on land and construction	-135.53
Tax expenses and other cash outflows	-39.50
Net operating cash inflow	5.25



Reducing expenditure

- ✓ **Rescheduling construction progress according to sales**
 - Actively control 'invalid output', particularly from slow-flow projects, to reduce future payment pressure
- ✓ **Revitalize funds and arrange expenditures flexibly**
 - Encouraging legitimate use of funds in the escrow account for project level payments, to mitigate the reliance on group level cash
- ✓ **Control on expenses**
 - Breaking down the types of expenses and reduce unnecessary expenses through tightening business hospitality standards, reducing the use of outsourcing, etc.;
 - Budget is allocated according to projected outputs, focusing on projects under construction instead of project nearly sold out

04

Landbank

Country Garden
Genting
Pingtan, Fujian



Newly added landbank : Acquired new land through prudent and opportune investment via diverse channels

Newly acquired attr.
salable resources

78%

Located in top-five
city clusters

Attributable ratio

91%

by attributable
land cost

Cost per sq.m.

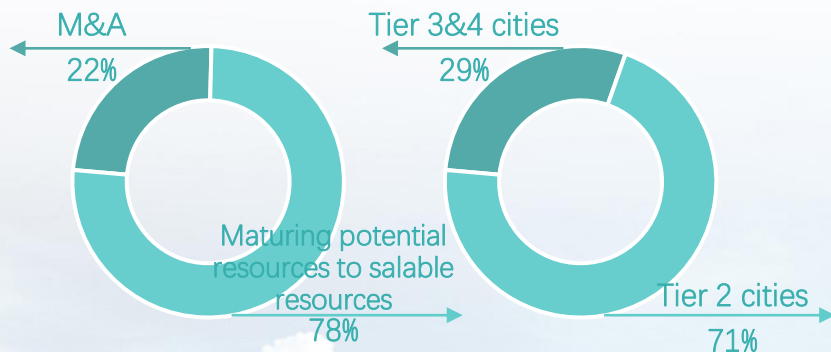
RMB 6,204/m²

Total no. of projects

9

obtained through M&A : 2
potential projects matured: 7

By attr. land cost



Newly acquired lands in 1H 2022

City Cluster	Attr. land cost (bn)	Annualized rate of return on equity (finalized)
Yangtze River Delta	1.09	54%
Pearl River Delta	4.13	24%
Bohai Rim	0.25	36%
Other provinces	0.63	30%
Total	6.09	27%

In the first half of the year, the Company maintained a prudent approach to Investment approach by acquiring premium lands opportune to replenish its land bank proportionately. The consolidated annualized rate of return of the acquired land bank reached 27%, laying a solid foundation for future development.

Total landbank : balanced and diverse resources supporting future development

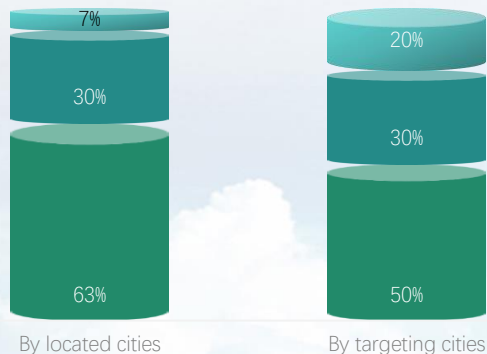
← Total Attributable Salable Resources: RMB1,507.8 bn →

← Acquired Attributable Salable Resources¹: RMB1,216.1 bn →

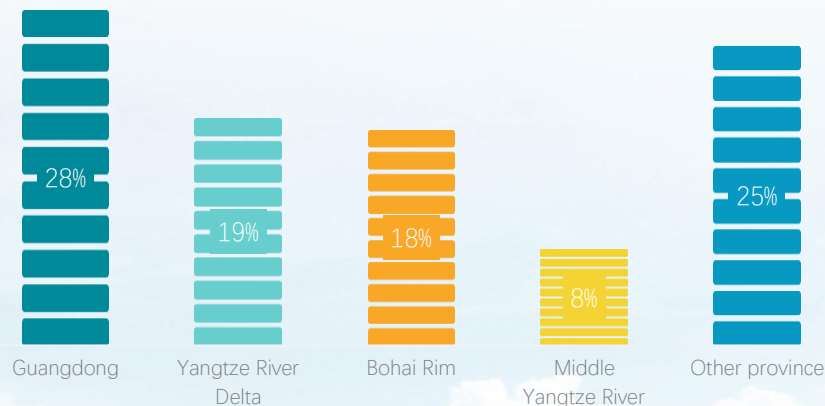
Potential
Attributable Salable
Resources:
RMB291.7 bn

Breakdown of landbank by city types

■ Tier 3&4 ■ Tier 2 ■ Tier 1



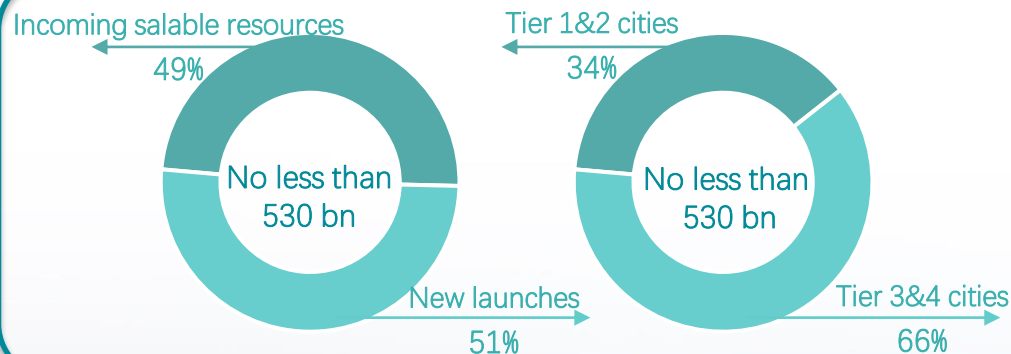
Breakdown of landbank by city clusters



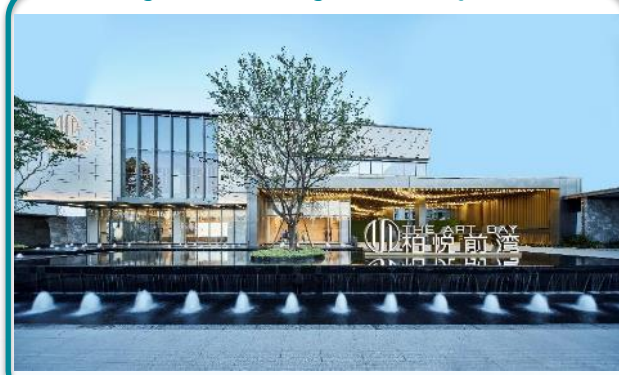
Note: 1.As at 30 June 2022, attributable salable resources are estimated by calculating expected ASP, expected GFA and attributable ratio, not including carpark

Abundant salable resources in mainland China in 2022

Attributable salable resources in 2022



Shanghai*Minhang Bai Yue Qianwan



Shanghai*Baoshan Bai Yue Jiangwan



City	Top-ranking projects	Attri. salable resources as at August 2022 (RMB bn)	Sell-through rate as at the of August 2022
Shanghai	Minhang Country Garden Bai Yue Qianwan	4.1	100%
Shanghai	Baoshan Country Garden Bai Yue Jiangwan	3.9	100%
Shanghai	Nanxiang Country Garden Bai Yue Xiangwan	1.8	99%
Shaoguan	Shaoguan Country Garden Sun City	1.4	74%
Wuhu	Jiujiang Country Garden Golden Age	0.9	74%
Dongguan	Hengli Country Garden Pine Lake Pearl	0.9	91%
Zhongshan	Country Garden Phoenix City	0.8	79%
Anqing	Anqing Country Garden	0.8	79%
Xin Xiang	Changyuan Country Garden Jiuhuatao	0.6	75%
Bozhou	Bozhou Country Garden Galaxy Miles	0.6	77%

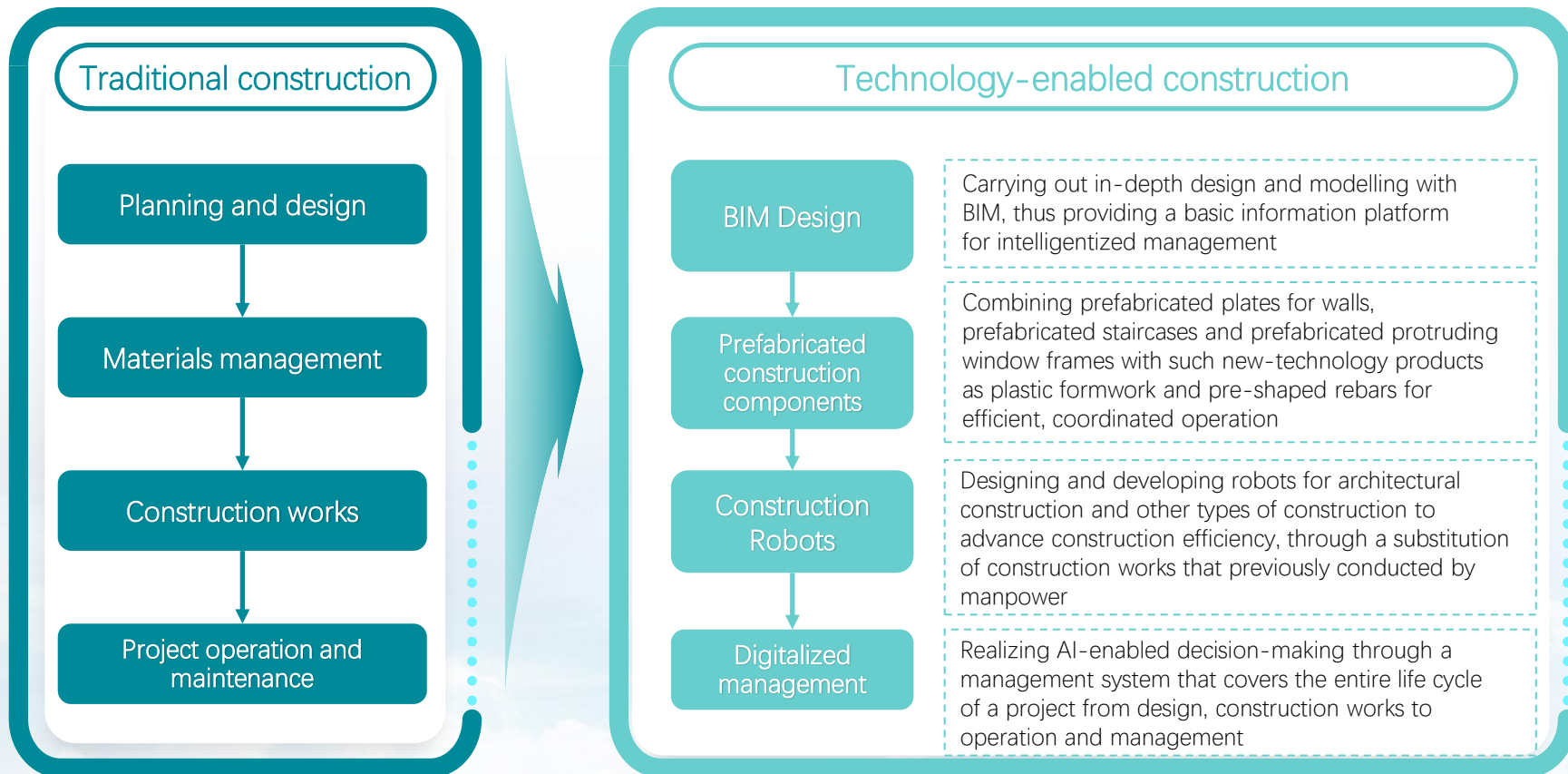
05

Diversified Development

Xiangcheng
Country Garden,
Zhoukou, Henan



System of Technology-enabled Construction



System of Technology-enabled Construction: Construction Robots

Applications

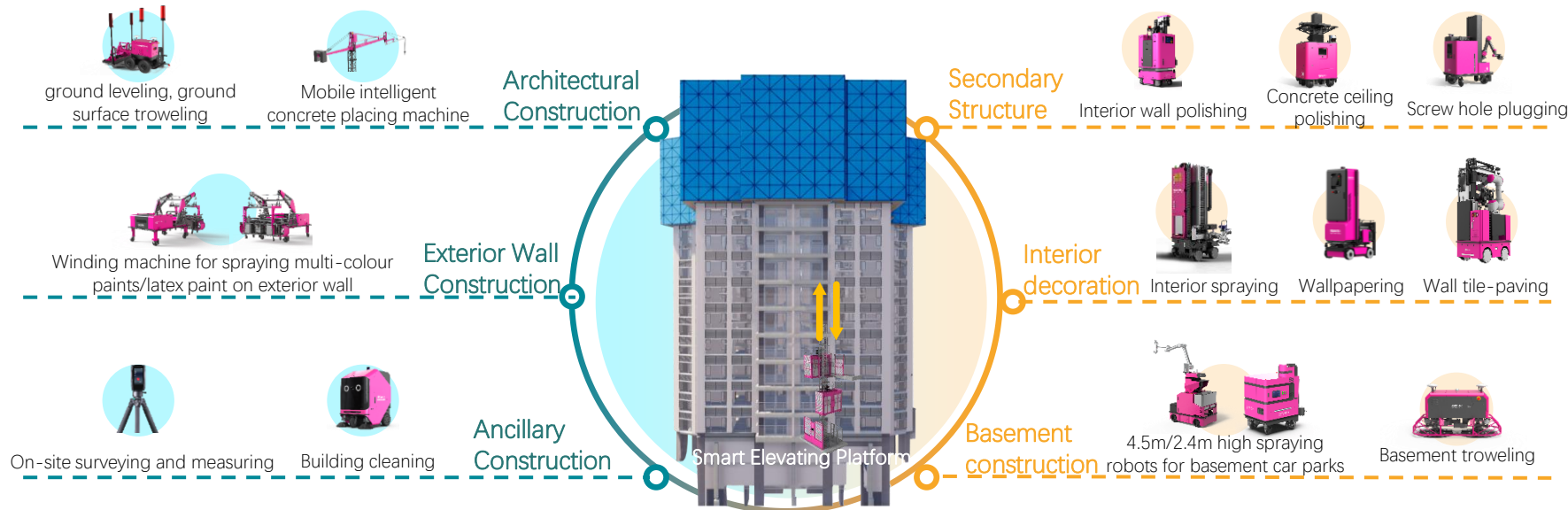
30 types
commercialized

1,200 units
delivered

Providing service
in 28 provinces

Applied in 550+
projects

Completed work in
over 10+ mn m²



Undertaking construction works for external parties



System of Technology-enabled Construction: Overall Advantage



A set of robots laying concrete on construction sites Reducing manpower for construction

05

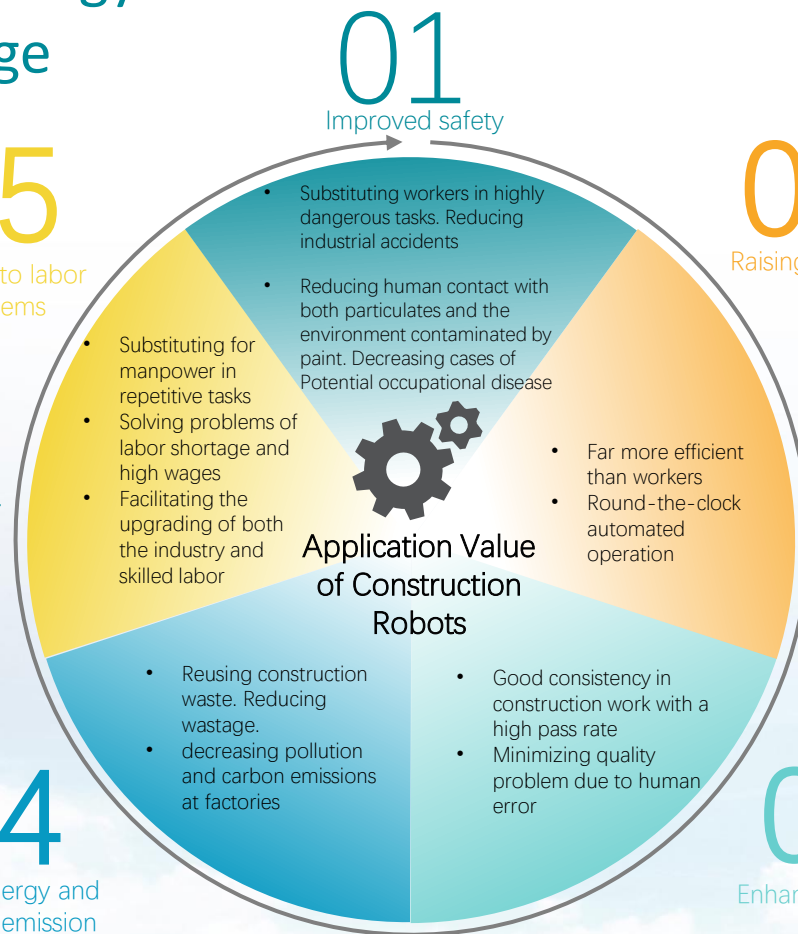
Solution to labor problems



Reusing construction waste; mobile brick-making vehicles directly convert construction waste into recycled building materials

04

Saving energy and reducing emission



Construction robots are 2 to 7 times more efficient than worker



Surveying and measuring robots with measurement accuracy of $\pm 1\text{mm}$, far higher than workers'

Venture Capital and successful cases

Portfolio of equity investments

The equity investment portfolio¹ has a value of about RMB20 bn

Progress of investments³

18% completed IPO
12% applied for listing
31% completed next round financing

Cutting-edge technology and advanced manufacturing

38%



Consumption

20%



Value Chain

17%



Health industry

9%



Note:

1. Book value of the equity investments held as at 30 June 2022
2. The above data represent the percentages of the various categories of invested companies in the total as at 30 June 2022
3. The percentages represent the cumulative investment cost, include exit investment; data as at 30 June 2022

06

Social Responsibility

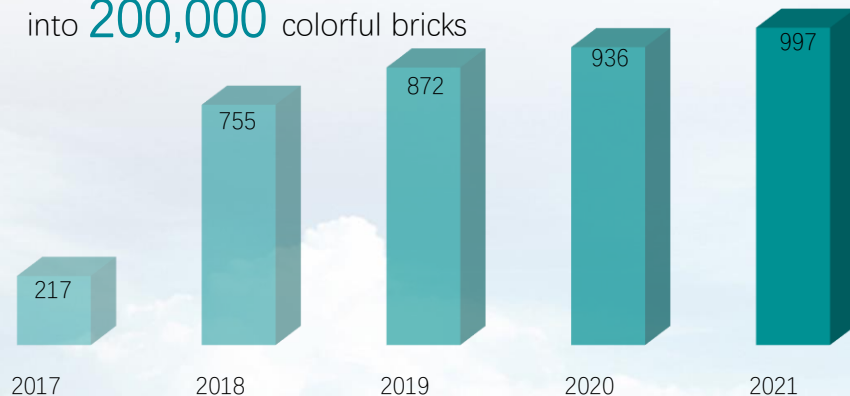
Central peninsula
Country Garden,
Haikou, Hainan



Deeply involved in conversion to green, low-carbon practices, reducing industry's carbon emissions

Speeding up development of green construction

- 61 new projects that meet the national green building evaluation standard in 2021
- A cumulative total of 220 mn sq.m. of GFA meet the national green building evaluation standard as at the end of 2021
- Proprietary mobile brick-making vehicles recycle construction waste for reuse, converting 450 tons of construction waste into 200,000 colorful bricks



The cumulative number of property projects meeting the national green building evaluation standards



Colorful bricks for pavements



Active participation in ESG ratings

Scores on various performance indicators rise year by year



Hang Seng
Corporate
Sustainability Index
Series

MSCI



Dow Jones
Sustainability Indexes

Remaining committed to charity

Donations to charitable causes

> RMB10 bn

Nationwide effort to help poor families in

57 counties of 16 provinces

No. of people assisted in nationwide poverty alleviation

> 490,000

No. of students subsidized

> 500,000

No. of people trained in vocational skills

> 100,000



Mr Yeung Kwok Keung, Chairman of Country Garden, was awarded the “National Advanced Individual for Poverty Alleviation” by the State Council



國強公益基金會
Guoqiang Foundation

Zhongming Bursary Programme for Undergraduates

A cumulative total of 12,000 undergraduates at 22 colleges in Guangdong subsidized since 1997; Encouraging over 100,000 undergraduates to take charitable causes



Talent cultivation



A cumulative total of 1,658 vocational training classes conducted for over 100,000 people

Industrial revival



Consumption stimulation campaigns conducted regularly to foster agricultural sector, commercializing over 690 produces with sales totalling RMB410 mn and benefitting over 175,000 people.

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Thank you for your trust and support in Country Garden!