



仁恒置地集团 YANLORD LAND GROUP LIMITED

1Q 2018 Results Presentation



仁恒
YANLORD





Yanlord 1Q 2018 Business Review



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- Average selling price (“ASP”) rose significantly in 1Q 2018 to RMB80,172/sqm from RMB38,339/sqm in 1Q 2017 driven by the delivery of higher priced and higher margin projects. On the back of this increase, Yanlord’s recognised revenue in 1Q 2018 rose 13.7% to RMB7.188 billion from RMB6.321 billion in 1Q 2017.
- Underlined by the revenue growth, gross profit margin rose to **55.7%** in 1Q 2018 from 49.5% in 1Q 2017. Consequently, gross profit rose 28.1% to RMB4.004 billion in 1Q 2018 from RMB3.126 billion in 1Q 2017. Profit for the period similarly rose to RMB1.796 billion in 1Q 2018 from RMB1.468 billion in 1Q 2017.
- In-line with the greater profit recognition from projects which have a larger attributable portion of non-controlling interests in 1Q 2018, profit attributable to owners of the Company declined 14.7% to RMB797 million.
- Demand for quality developments in the Group’s core markets continue to drive sales, accumulated pre-sales pending recognition as at 31 March 2018 stood at RMB18.197 billion with advances received for pre-sale of properties and car parks amounting to approximately RMB16.602 billion.



- Attributable to the Group's prudent financial policies, Yanlord remains in a healthy financial position with cash and cash equivalents of RMB16.235 billion as at 31 March 2018. Net debt to total equity gearing ratio was 52.9% as at 31 March 2018.
- In March 2018, the Group embarked on a new asset light business initiative through the strategic collaboration with state owned Shanghai Pudong Development Group Limited (上海浦东开发(集团)有限公司) to oversee the project management of approximately 1,740 rental housing units in Shanghai. Leveraging off its core competencies in project management and property management, Yanlord will seek to further enhance revenue streams and secure a foothold for future opportunities within the state supported and rapidly expanding rental housing market in China.
- Subsequent to the end of the period, Yanlord announced its grand homecoming to Singapore with the successful joint bid for the freehold Tulip Garden development for S\$906.9 million.
- Yanlord remains confident about its future performance, 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 – 1Q 2018 VS 1Q 2017



	1Q 2018	1Q 2017	% Change
GFA delivered (sqm)	83,867	158,378	(47.0)
ASP (RMB/ sqm)	80,172	38,339	109.1
Revenue (RMBm)	7,188.0	6,321.2	13.7
Cost of sales (RMBm)	(3,183.5)	(3,195.3)	(0.4)
Gross profit (RMBm)	4,004.4	3,125.9	28.1
Gross profit margin (%)	55.7	49.5	6.2 ppt
Profit before income tax (RMBm)	3,693.5	2,985.3	23.7
Income tax (RMBm)	(1,897.3)	(1,517.6)	25.0
Profit for the period (RMBm)	1,796.1	1,467.7	22.4
Net profit margin (%)	25.0	23.2	1.8 ppt
Profit attributable to owners of the Company (RMBm)	797.1	934.1	(14.7)
Net attributable profit margin (%)	11.1	14.8	(3.7 ppt)
Basic earnings per share¹ (RMB cents)	41.27	48.14	(14.3)

Note:

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



Financials – Snapshot as at 31 March 2018



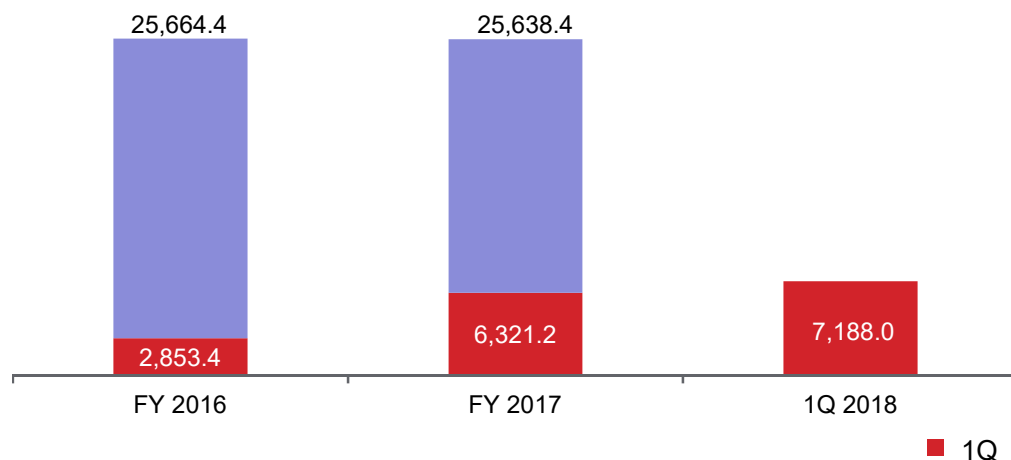
	As at 31 Mar 18	As at 31 Dec 17	% Change
Current assets (RMBm)	59,742.2	63,218.0	(5.5)
Non-current assets (RMBm)	43,430.8	42,983.4	1.0
Total assets (RMBm)	103,173.0	106,201.4	(2.9)
Current liabilities (RMBm)	34,103.4	37,577.0	(9.2)
Non-current liabilities (RMBm)	34,750.7	35,921.6	(3.3)
Total equity (Incl. NCI) (RMBm)	34,318.9	32,702.8	4.9
Cash and cash equivalents (RMBm)	16,235.5	17,798.3	(8.8)
Short-term debt (RMBm)	3,923.8	2,557.0	53.5
Senior notes (RMBm)	2,810.8	2,911.6	(3.5)
Long-term debt (RMBm)	27,668.6	28,930.0	(4.4)
Net debt (RMBm)	18,167.7	16,600.3	9.4



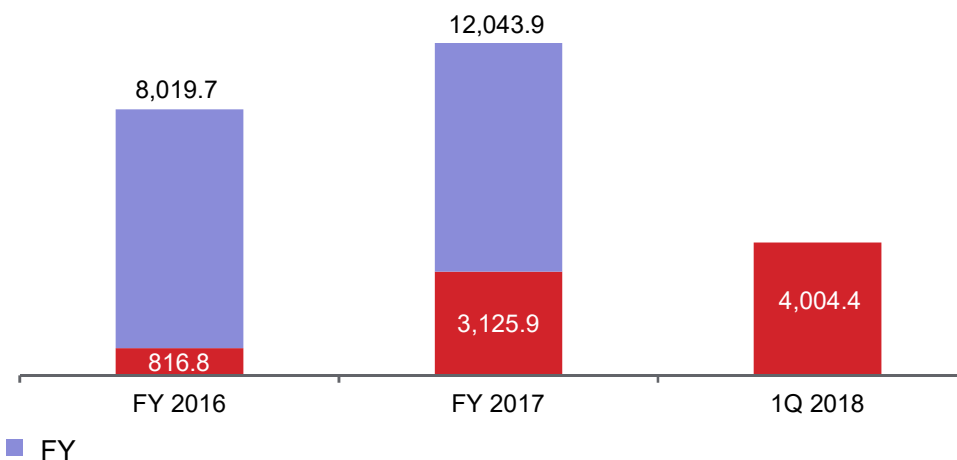
Profitability Analysis



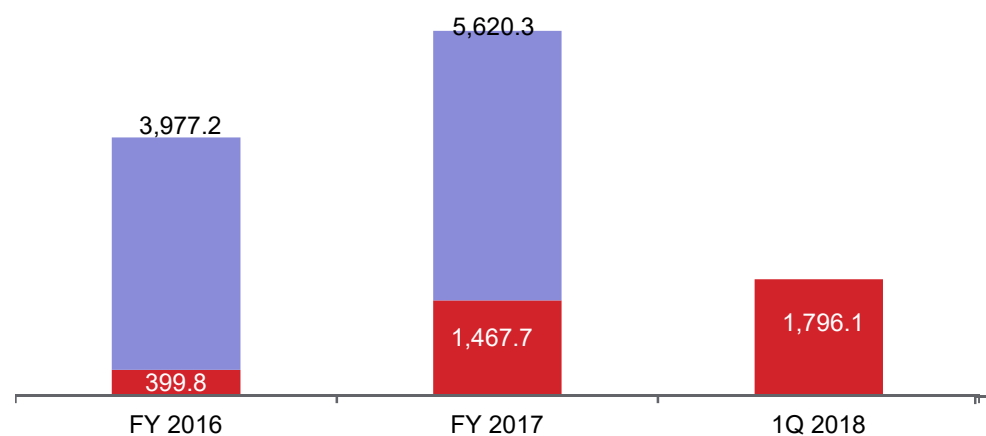
Revenue (RMBm)



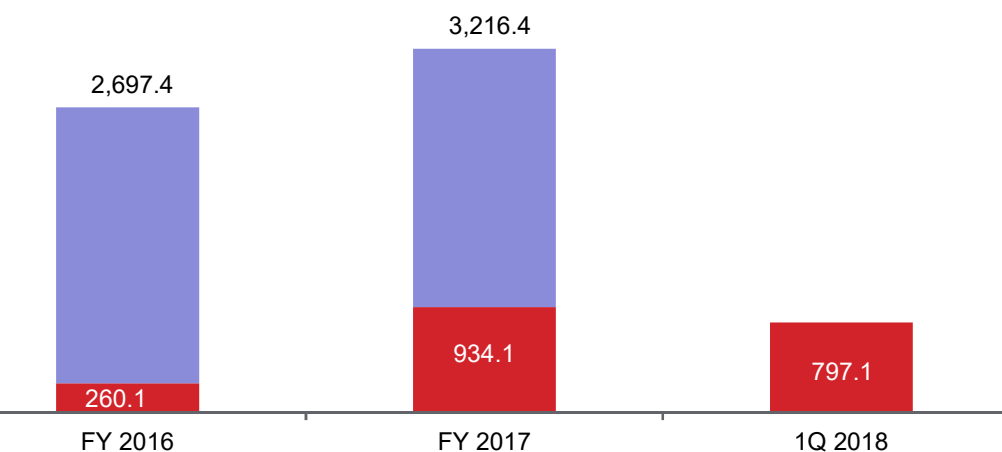
Gross profit (RMBm)



Profit for the period (RMBm)



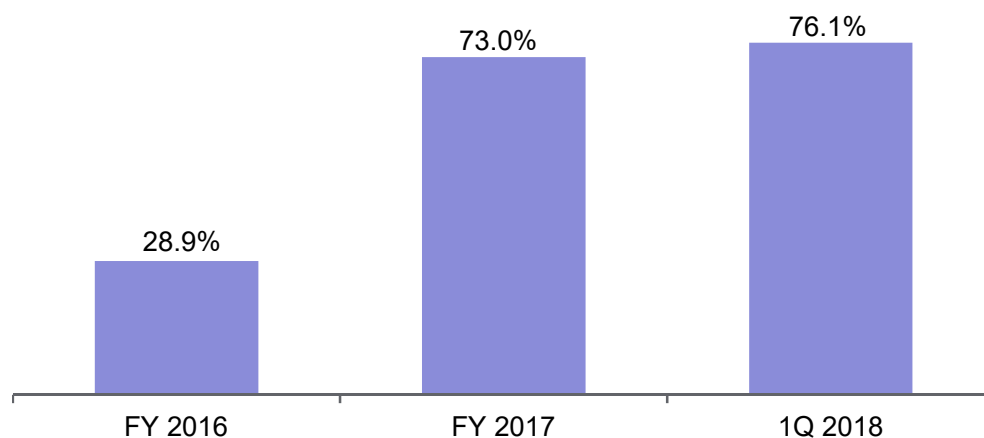
Profit attributable to owners of the Company (RMBm)



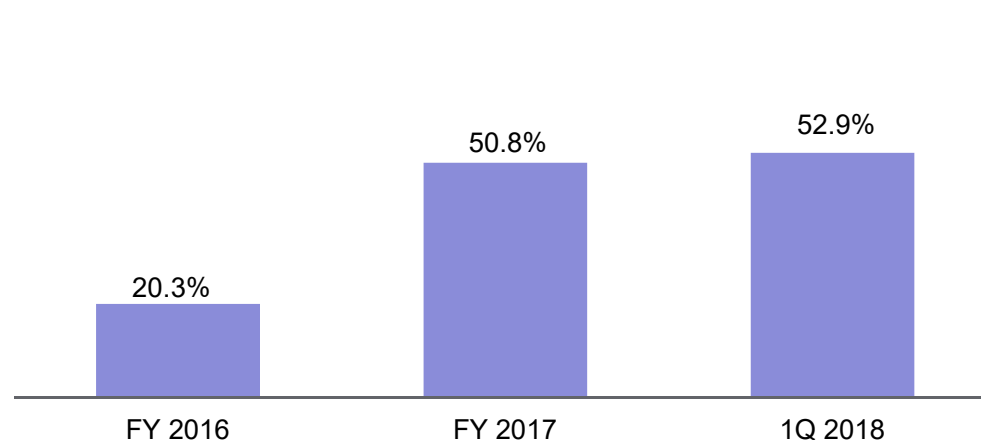
Strong Credit Metrics



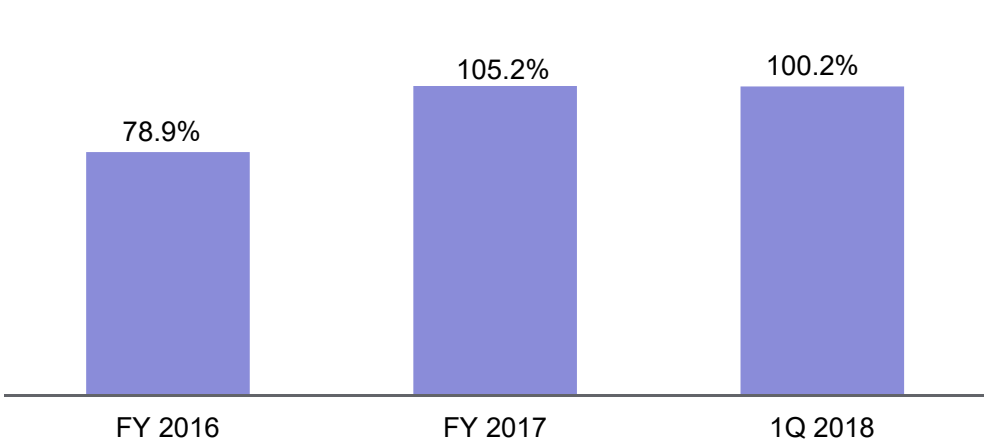
Net debt/ equity (Excl. NCI)



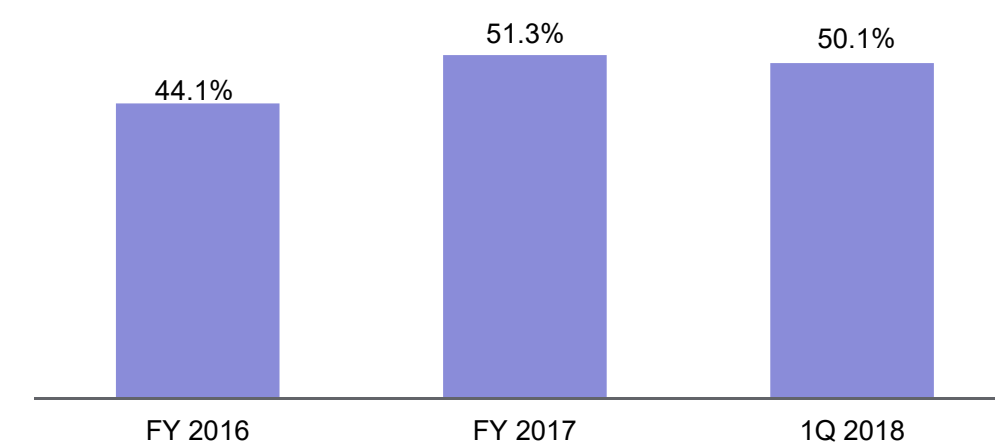
Net debt/ total equity (Incl. NCI)



Total debt/ total equity (Incl. NCI)



Total debt/ capitalization¹



Note:

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





Business and Operation Overview



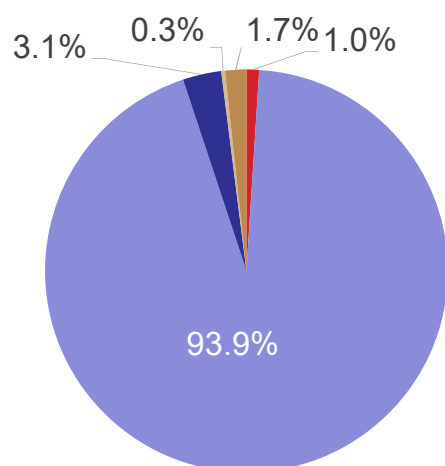
GFA/ Property Sale Contribution Analysis in 1Q 2018

By city, project and ASP

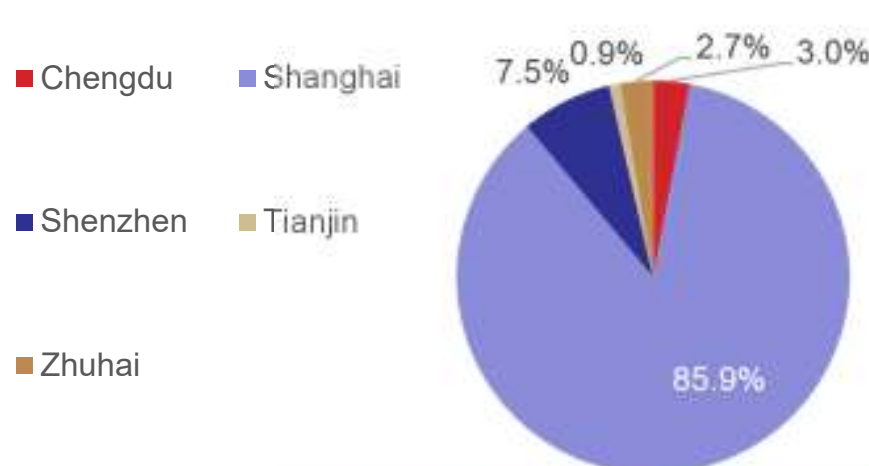


Major projects delivered in 1Q 2018	GFA (sqm)	ASP (RMB/ sqm)	Property sales by project (%)
Chengdu Yanlord Riverbay (Phase 1)	1,094	20,420	0.3
Chengdu Yanlord Riverbay (Phase 2)	1,394	22,231	0.6
Shanghai Yanlord Eastern Gardens	2,658	64,336	5.6
Shanghai Yanlord on the Park	51,982	99,944	74.3
Shanghai Yanlord Western Gardens	17,143	55,559	13.7
Suzhou Tang Yue Bay Gardens	4,032	29,449	1.8
Suzhou Wuzhong Area C1 Land - Villas	1,226	47,245	0.8
Zhuhai Yanlord Marina Centre – Section B	1,612	60,594	1.4
Others	2,726	-	1.5

Property Sale Contribution by City



GFA Contribution by City

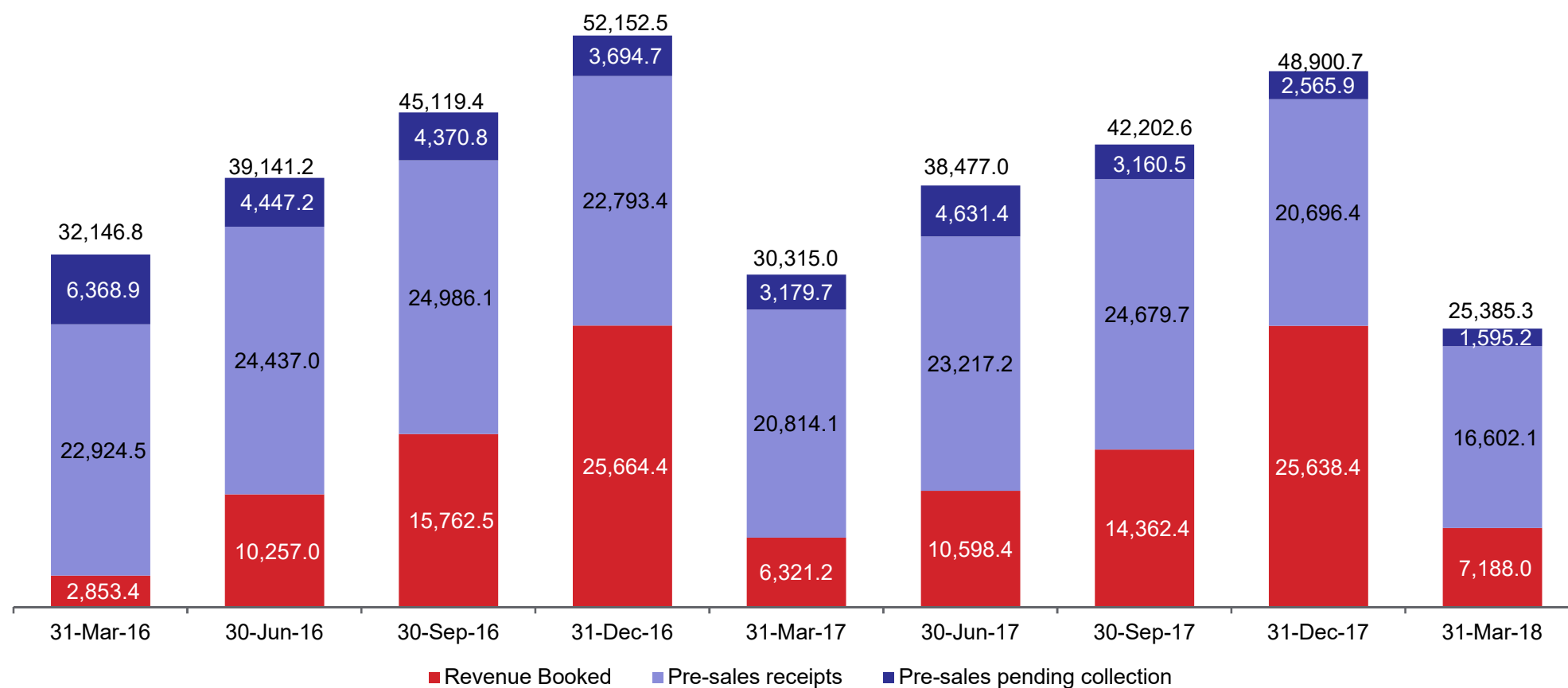


Pre-sales and Receipts

Resilient growth



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



Diversified Geographic Coverage

Abundant land bank in high-growth cities



*Projects being held under associate or joint venture

Western China since 2003

Chengdu

- Yanlord Landmark (157,437 sqm)
- Hengye International Plaza (39,999 sqm)
- Yanlord Riverbay (133,851 sqm)
- Chongzhou Project Land Parcels (85,748 sqm)

Bohai Rim since 2005

Tianjin

- Yanlord Riverside Plaza (132,167 sqm)
- Tianjin Jinnan Land (208,229 sqm)
- Tianjin Hong Qiao Land (260,638 sqm)*
- The Mansion In Park (286,048 sqm)*
- Yanlord Majestic Mansion (258,305 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 * (212,342 sqm)

Pearl River Delta since 2005

Shenzhen

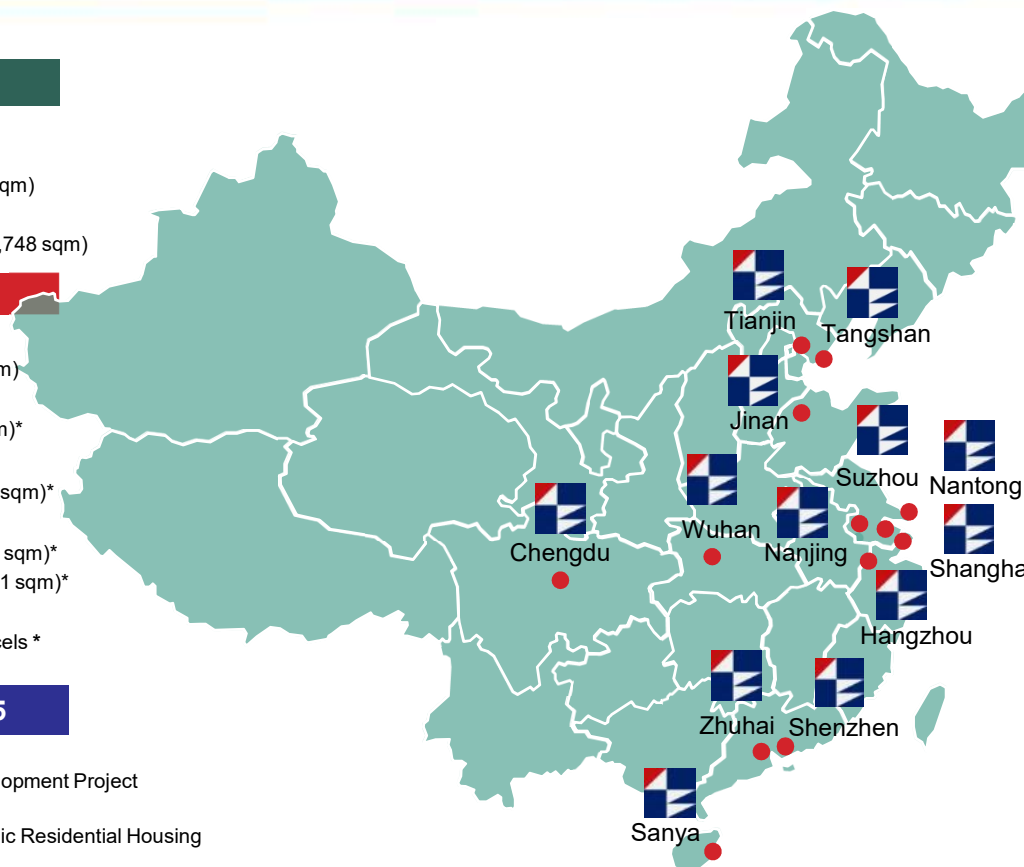
- Shenzhen Longgang District Redevelopment Project (390,000 sqm)
- Shenzhen Longgang District Economic Residential Housing (144,064 sqm)
- Yanlord Rosemite (5,370 sqm)
- Yanlord Landmark (37,688 sqm)
- Yanlord Centre (333,880 sqm)
- Shenzhen Luohu Land Parcel (55,749 sqm)

Zhuhai

- Yanlord New City Gardens (11,155 sqm)
- Yanlord Marina Centre (169,168 sqm)
- Yanlord Marina Peninsula Gardens (346,271 sqm)
- Yanlord North Shore Gardens (41,813 sqm)

As of 31 March 2018:

GFA Completed (mil sqm)	0.643
GFA Under Development (mil sqm)	2.955
GFA for Future Development (mil sqm)	3.116
Total Land Bank (mil sqm)	6.714



Yangtze River Delta since 1993

Shanghai

- Shanghai San Jia Gang Land Plot (35,831 sqm)
- Yanlord Sunland Gardens (20,110 sqm)
- Yanlord Western Gardens (39,717 sqm)
- Yanlord Eastern Gardens (13,985 sqm)
- Yanlord on the Park (27,552 sqm)
- Shanghai Yangpu District 81 and 83 Redevelopment Project (182,287 sqm)

Nanjing

- Yanlord Yangtze Riverbay Town (17,138 sqm)
- Oasis New Island Gardens (94,663 sqm)
- Nanjing Eco Hi-Tech Island – Land Parcel G73 (97,034 sqm)
- Nanjing Daji Land Parcels (314,204 sqm)
- Yanlord Taoyuan Gardens (154,254 sqm)*
- Nanjing No. 2016G84 Land (534,160 sqm)*
- Nanjing No. 2017G01 Land (87,123 sqm)*

Suzhou

- Yanlord Lakeview Bay (12,127 sqm)
- Suzhou Wuzhong Area C1 Land (8,039 sqm)
- Tang Yue Bay Gardens (23,100 sqm)
- Riverbay Gardens (297,972 sqm)
- Suzhou No.2016-WG-46 Land Parcels (74,500 sqm)
- Suzhou No.2016-WG-63 Land (52,514 sqm)

Nantong

- Four Seasons Gardens (136,440 sqm)

Hangzhou

- Hangzhou Intelligent City Project – Medical Land Parcels (450,773 sqm)*
- Hangzhou Intelligent City Project – Commercial Land Parcels (294,830 sqm)*

Central China since 2017

Wuhan

- Wuhan Metropolis Project (141,379 sqm)*

Hainan since 2010

Sanya

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



Development Strategies

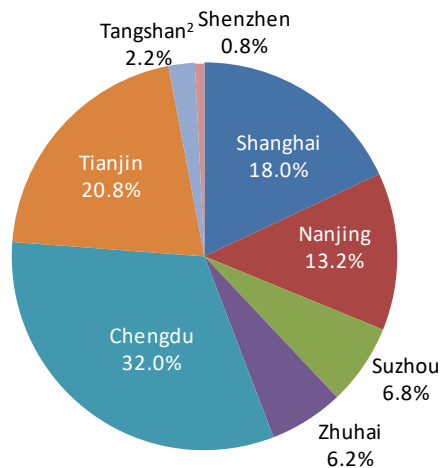
Growth of business across high-growth cities



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

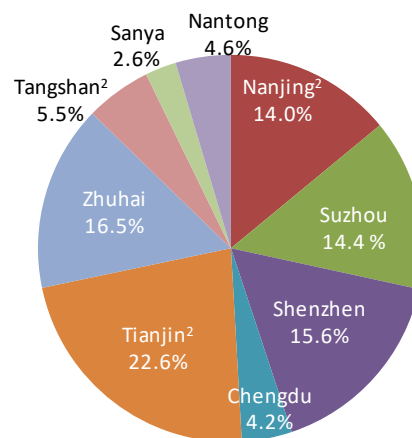
(643,166 sqm¹)



Residential and Commercial	199,572 sqm
Investment	427,941 sqm
Fixed Assets	15,653 sqm

Projects under development

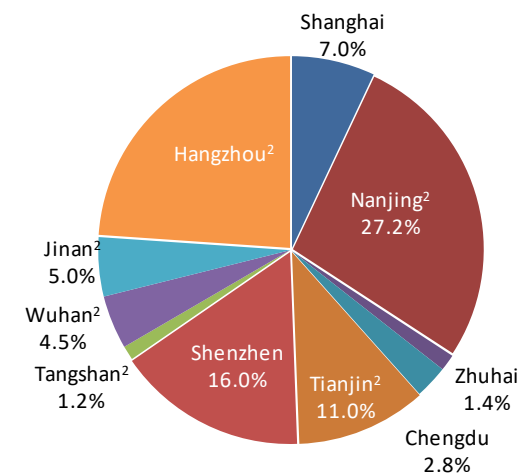
(2.955 million sqm)



Residential and Commercial	2,742,739 sqm
Investment	212,358 sqm

Land bank: Future development

(3.116 million sqm)



Residential and Commercial	3,116,177 sqm
Investment	-

Note:

1. The group has completed 8.091 million sqm out of which 643,166 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



Project Showcase

- Yanlord on the Park (Shanghai)



Project Showcase

- Yanlord Eastern Gardens (Shanghai)



16



Project Showcase

- Four Seasons Gardens (Nantong)



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