

MODERN  
LAND



# 2020 Annual Results Presentation

## Contents

01

**Financial Overview**

02

**Performance Review**

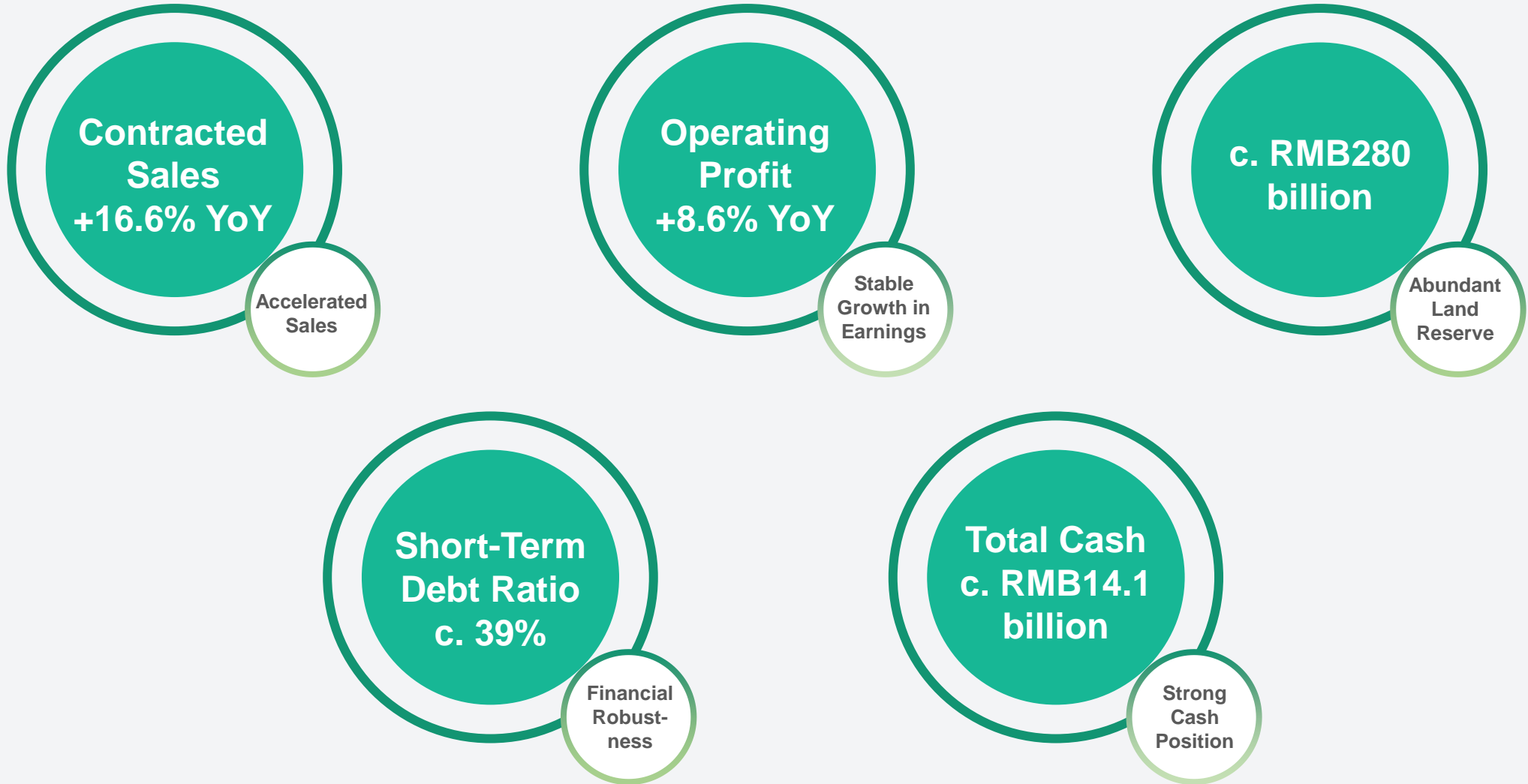
03

**Future Outlook**

# FINANCIAL OVERVIEW



## PART I



## Accelerated sales and sufficient land reserves

- Contracted sales amounted to c. **RMB42.21 billion**, increased by **16.6% YoY**
- Total contracted GFA was c. **4,069,000 sq.m.**, increased by **20.4% YoY**
- Salable resources for newly acquired land reserve in 2020 was c. **RMB43.1 billion**
- Total land reserve with confirmed ownership as end of Dec 2020 was c. **RMB170.0 billion**

## Expanded scale and financial robustness

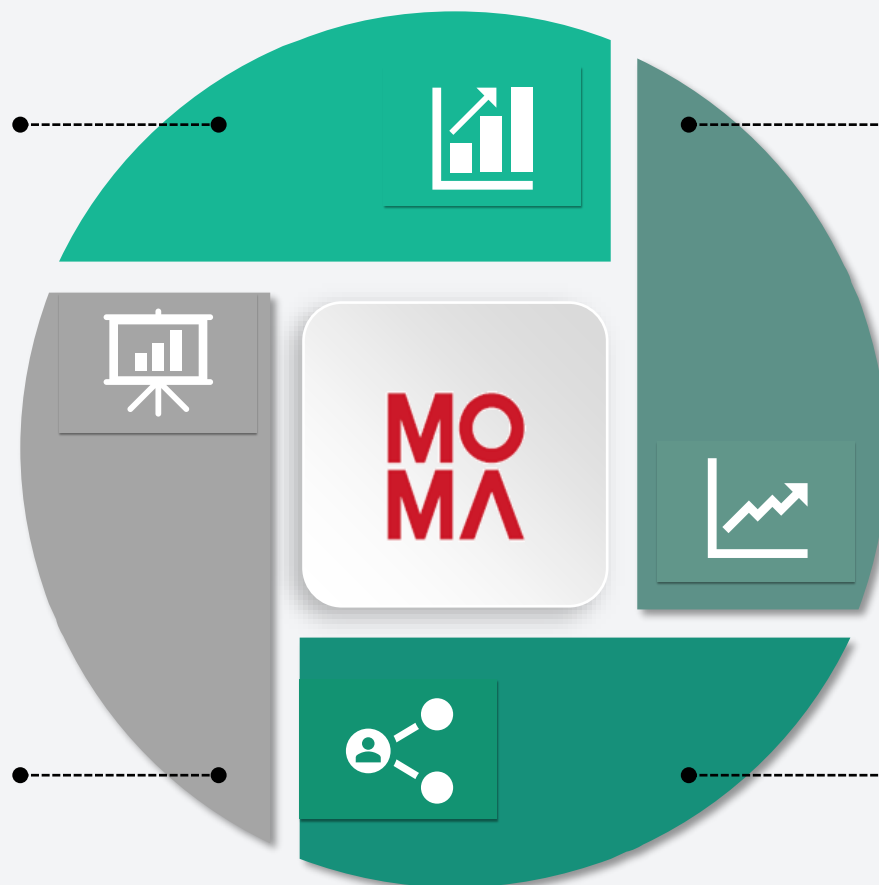
- Total assets amounted to c. **RMB81.91 billion**, increased by **19.5% YoY**
- Net assets was c. **RMB10.98 billion**, increased by **27.6% YoY**
- Bank balance and cash was c. **RMB14.09 billion**
- Cash / short-term debt ratio was c. **1.4x**, net gearing was **95%**

## Stable growth in revenue and increasing earnings

- Revenue amounted to c. **RMB15.74 billion**, increased by **8.2% YoY**
- Operating profit was c. **RMB4.18 billion**, increased by **8.6% YoY**
- SG&A fee as a % of revenue was **8.2%**, decreased by **10bps YoY**
- Net profit was **RMB1.12 billion**, increased by **5.9% YoY**

## Green finance and diversified channels

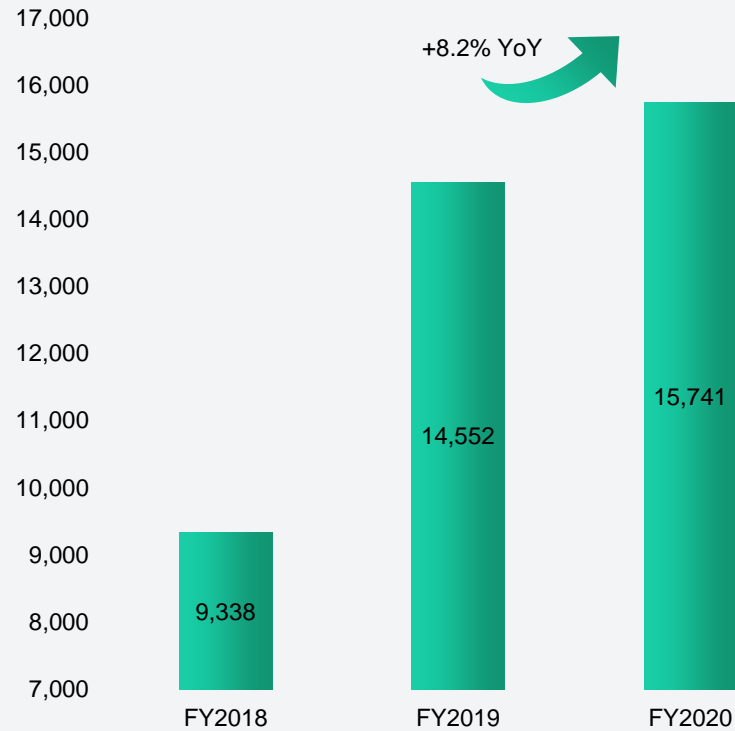
- Fully utilized our leading advantage of green building products, and completed **4 times** of offshore green bond issuance in 2020, maintaining offshore bonds as **100%** green
- Obtained credit lines from offshore banks, safeguarding diversified and smooth financing channels onshore and offshore



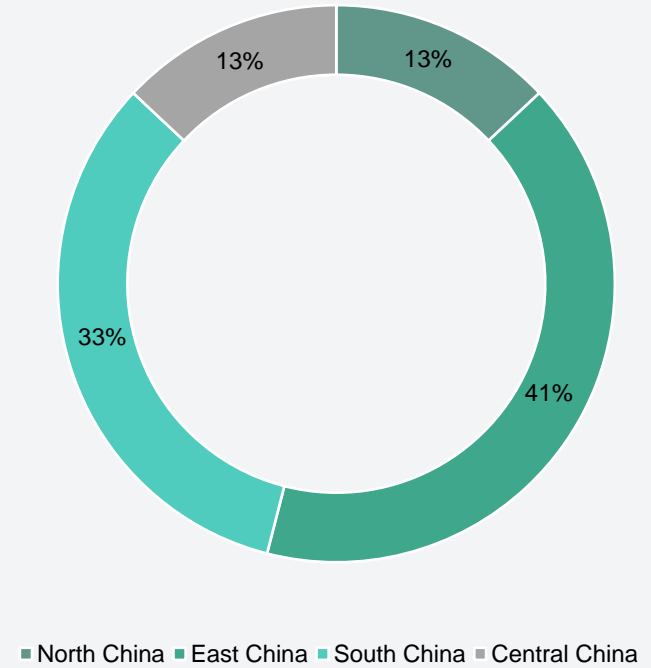
Unit: RMB million	FY2020	FY2019	YoY changes
Revenue	15,741	14,552	8.2%
Gross profit	3,785	3,707	2.1%
Operating profit	4,176	3,847	8.6%
Net profit	1,117	1,054	5.9%
Total assets	81,912	68,537	19.5%
Total equity	10,978	8,604	27.6%
Bank balance and cash	14,093	11,383	23.8%
Short-term debt Ratio	39.9%	51.2%	-11.3pps

Recognized revenue in 2020 was **RMB15.74 billion**, increased by **8.2% YoY**

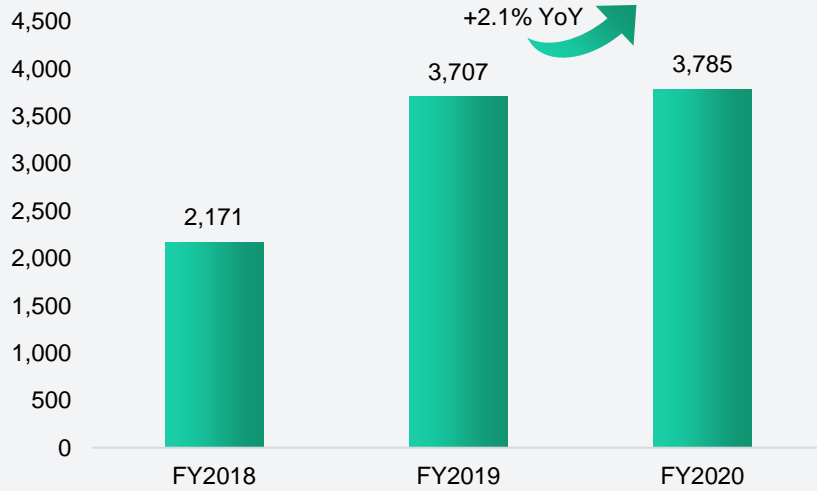
Recognized Revenue (RMB MM)



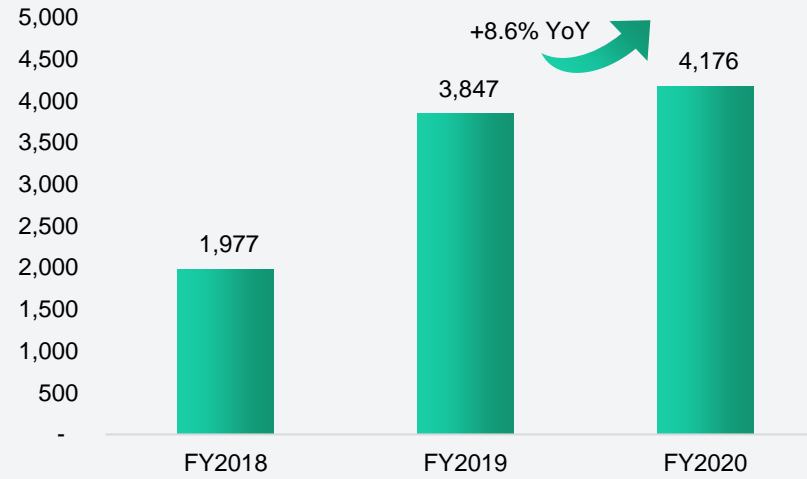
Breakdown of Revenue from Properties by Region in 2020



## Gross Profit (RMB MM)

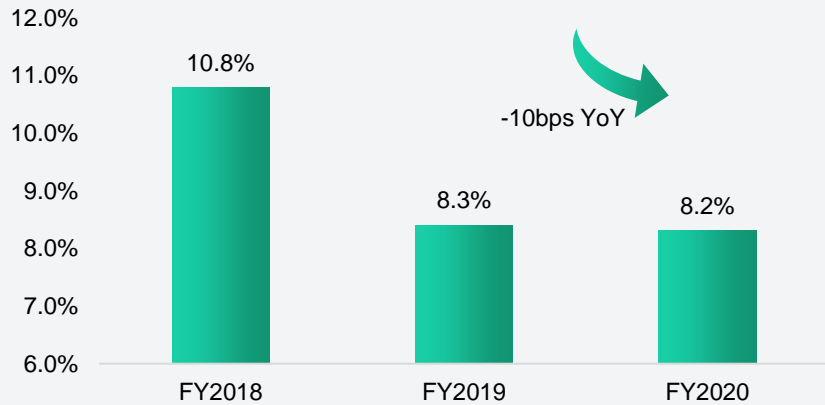


## Operating Profit (RMB MM)

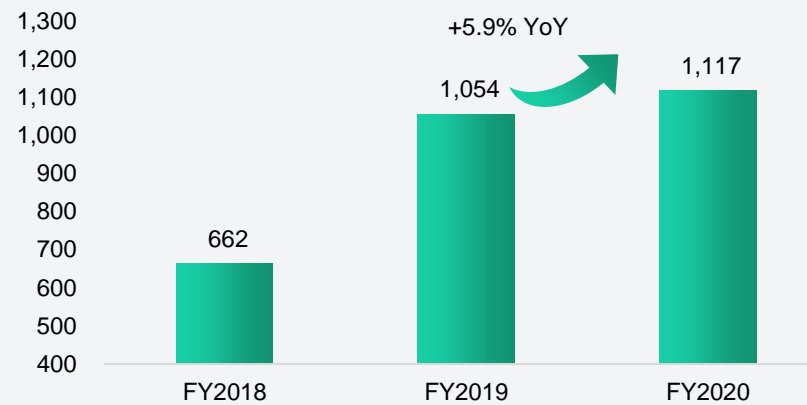


- Gross profit amounted to c. **RMB3.79 billion**, increased by **2.1% YoY**
- Operating profit amounted to c. **RMB4.18 billion**, increased by **8.6% YoY**
- SG&A fee as % a of revenue decreased by **10bps YoY**, to **8.2%**, realizing effective cost control

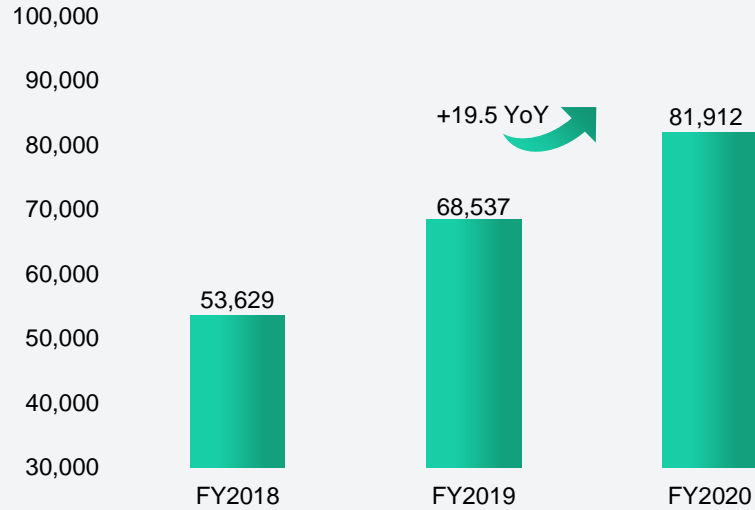
## SG&A Fee as a % of Revenue



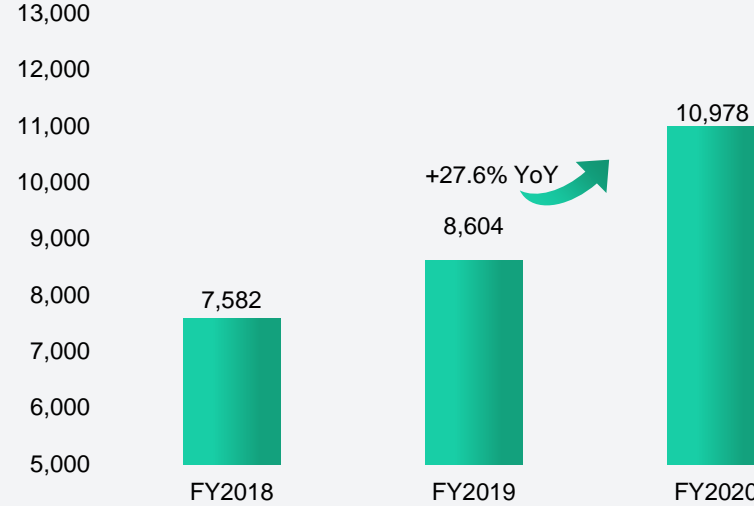
## Net Profit (RMB MM)



## Total Assets (RMB MM)

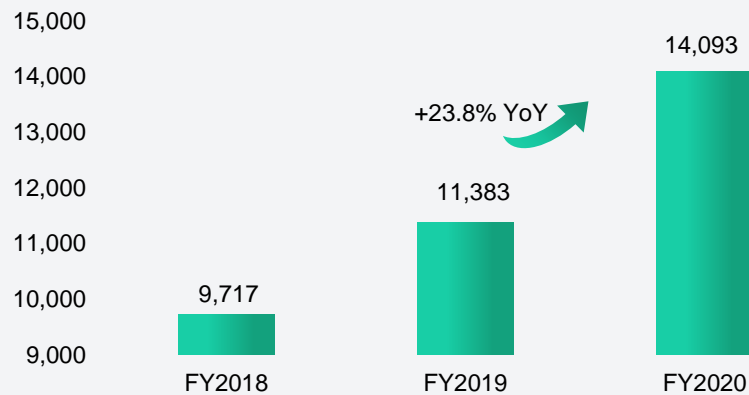


## Total Equity (RMB MM)

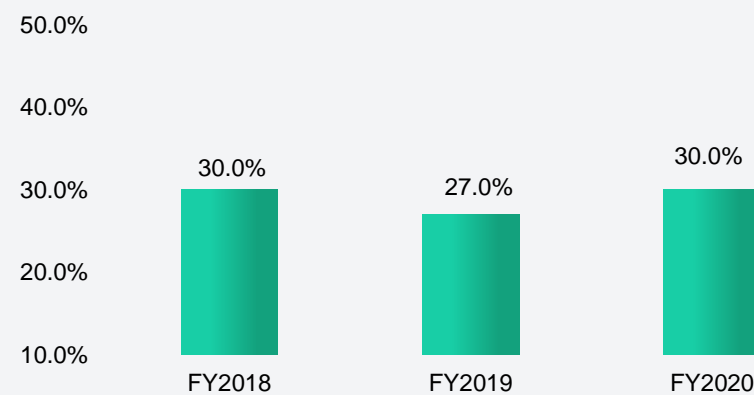


- Total assets grew by **19.5% YoY** to c. **RMB81.91 billion**. Total equity grew by **27.6% YoY** to c. **RMB10.98 billion**
- The Company always maintained a steady cash on hand. Cash on hand was c. **RMB14.09 billion**
- Interest-bearing debt as a % of total assets maintain stable

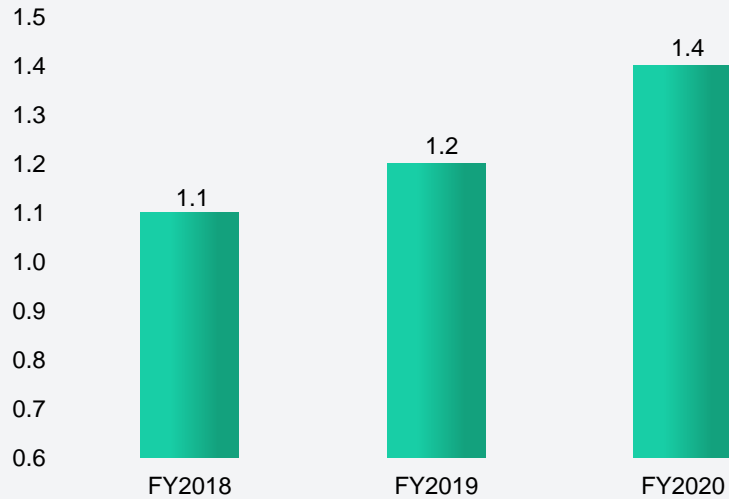
## Bank Balance and Cash (RMB MM)



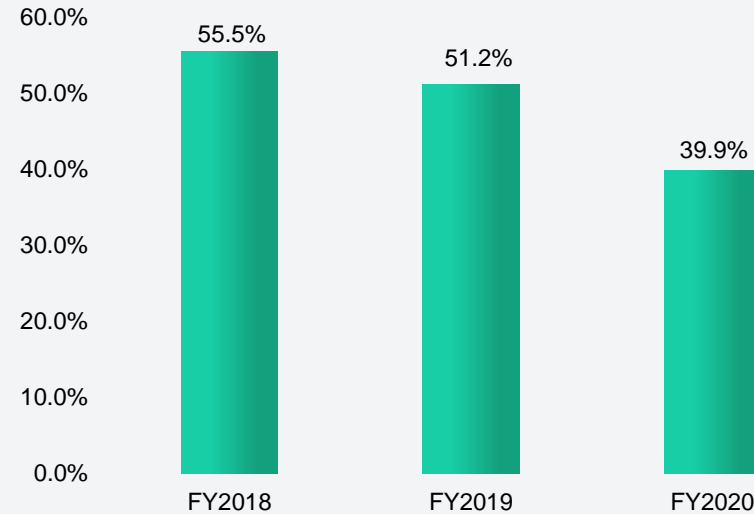
## Interest-bearing Debt to Total Assets



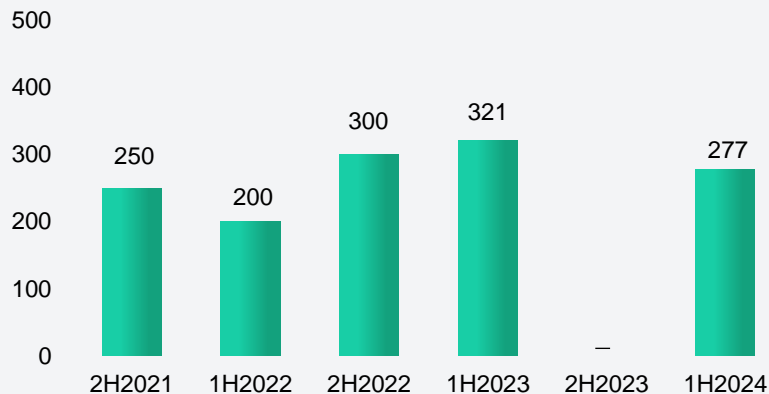
## Cash to Short-term Debt Ratio



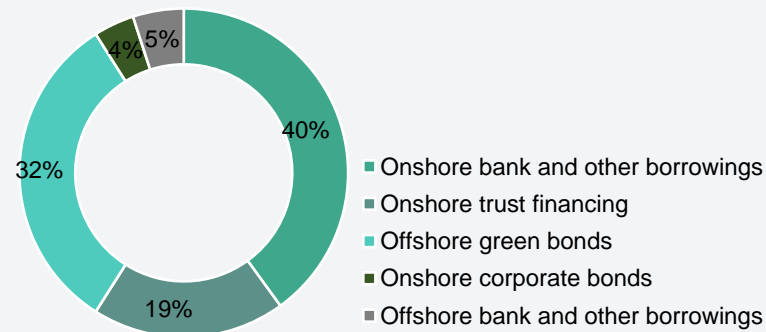
## Proportion of Short-term Debt



## Maturity Profile of USD Debt (USD MM)



## Debt Structure by Type of Liabilities

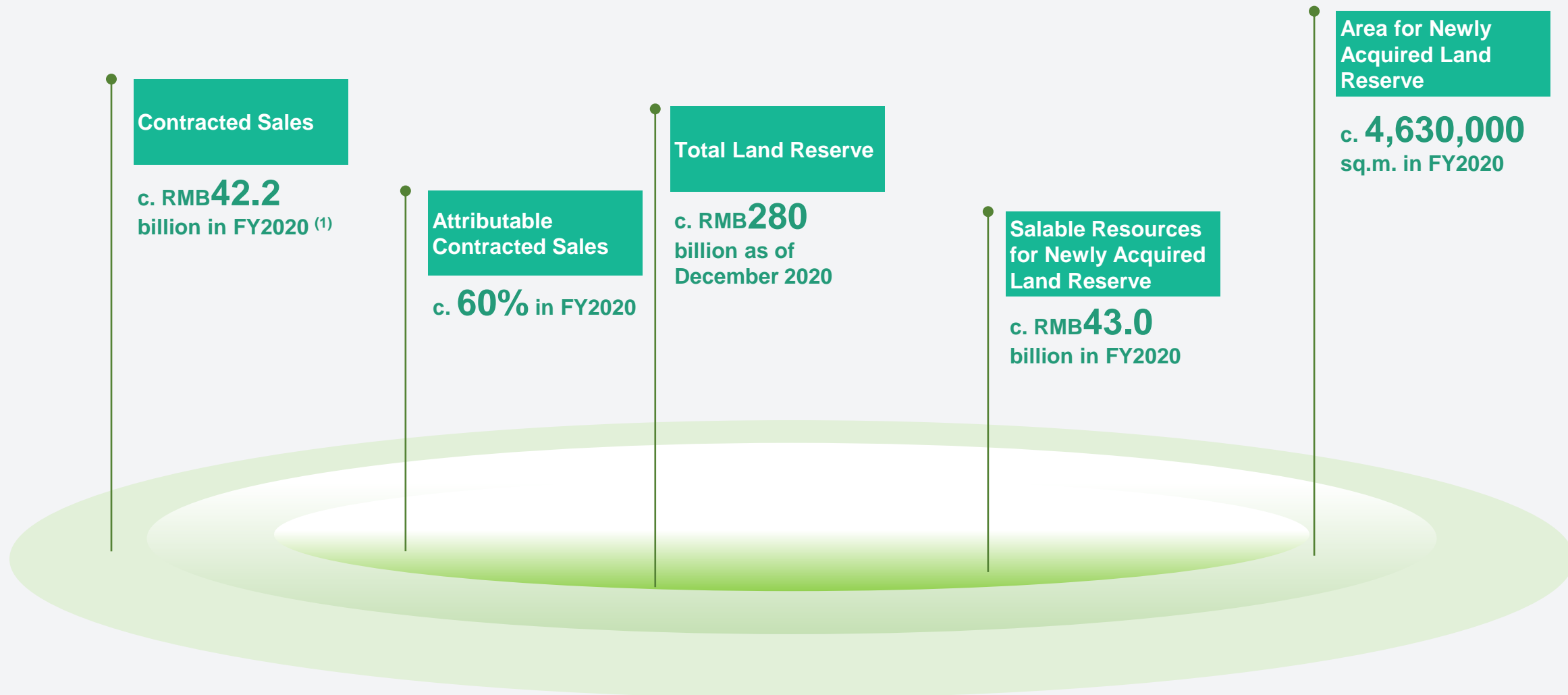


- With diversified financing channels, cash to short-term debt ratio was improved to **1.4x**, providing strong capital support to the Company's development
- The Company maintained both credit loans and bank borrowings. Credit status of the Company was widely recognized by investors
- Debt structure was deeply optimized. Proportion of short-term debt decreased to **39.9%**. Achieved both **lower coupon rate and longer maturity** for offshore USD debt, and the Company's financial position became more robust.

# PERFORMANCE REVIEW



## PART 2

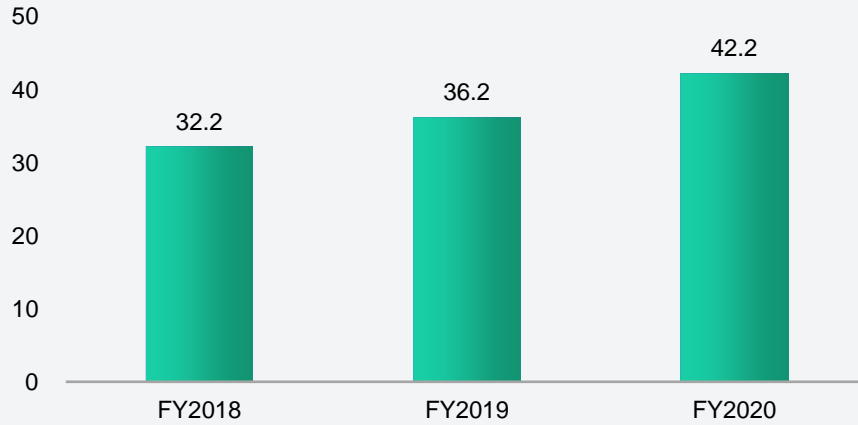


Note: (1) including the sales of parking space

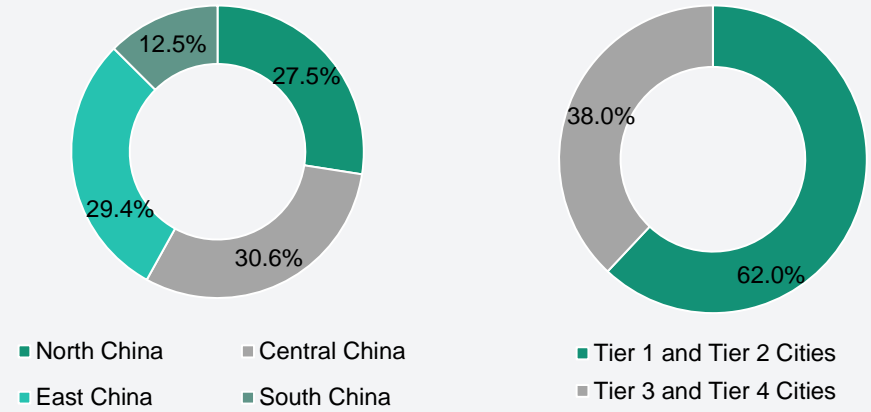
## FY2020

Contracted sales amounted to **RMB42.21 billion**, up **16.6% YoY**, among which **62.0%** were located at 1<sup>st</sup> and 2<sup>nd</sup>-tier cities; total contracted GFA reached **4.069million sq.m.**, up **20.4% YoY**

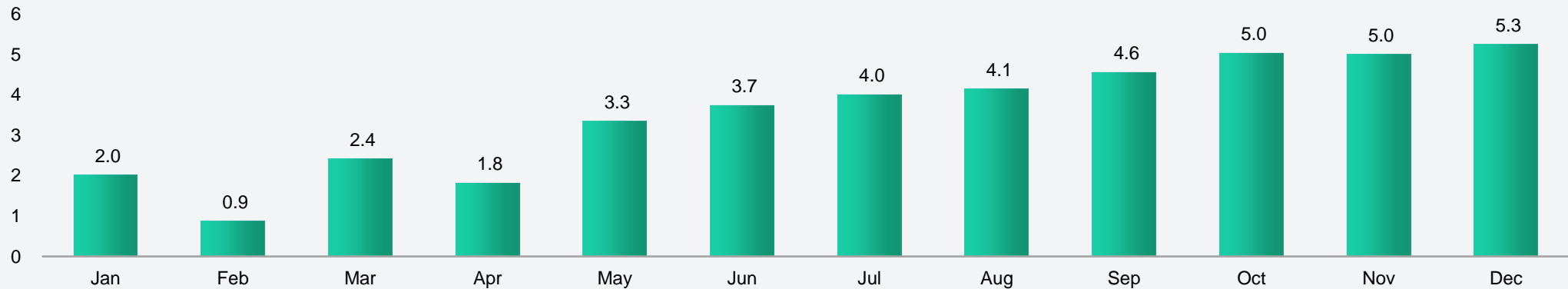
Contracted Sales (RMB billion)



Contracted Sales Breakdown in 2020

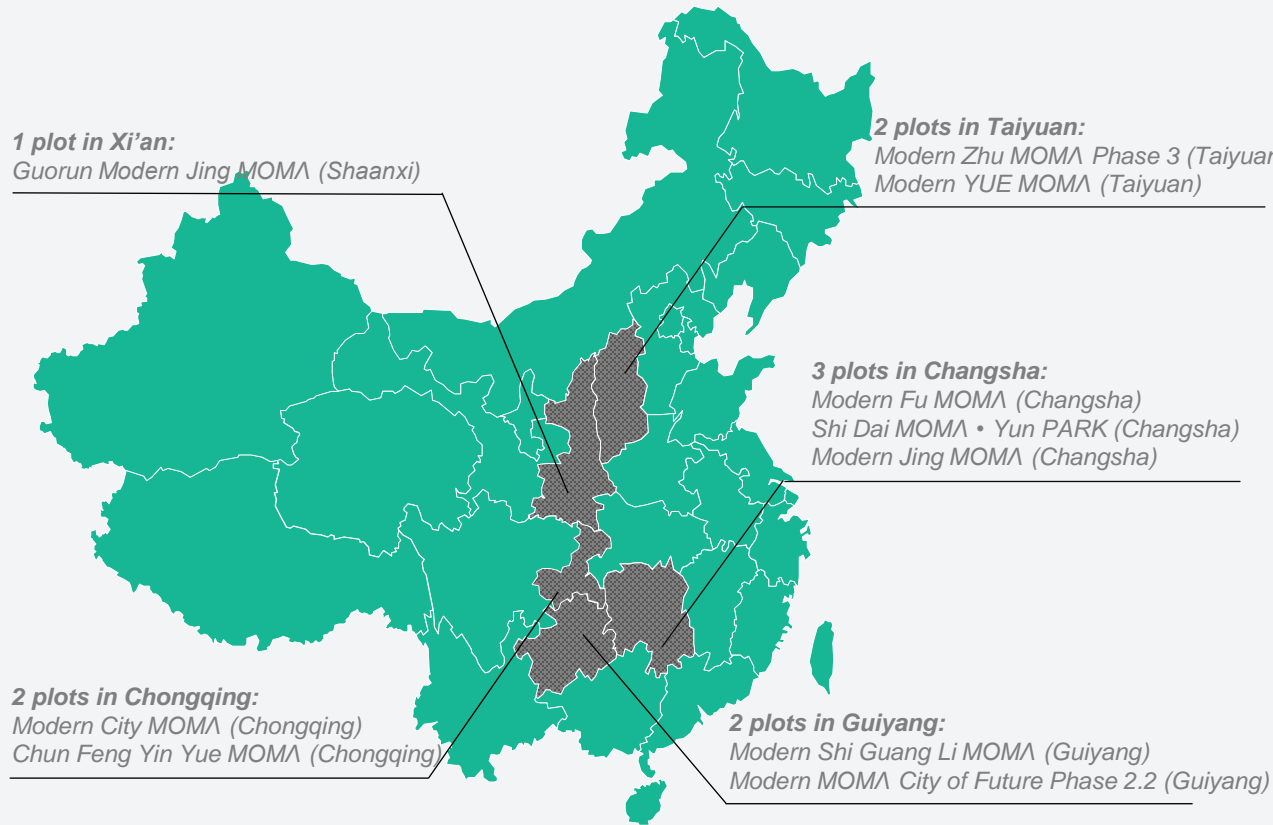


Monthly Contracted Sales in 2020 (RMB billion)

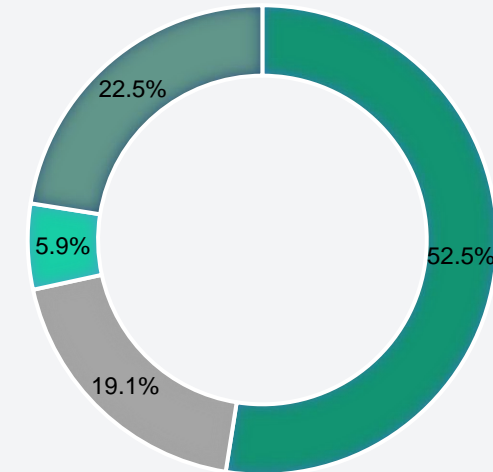


## FY2020

- Newly acquired **24 plots** of land. Salable resources for land reserve acquired in 2020 reaching **RMB43.1 billion**, and **RMB26.4 billion** of which were located in 1<sup>st</sup> and 2<sup>nd</sup>-tier cities, up **6.4% YoY**, mainly located at key 2<sup>nd</sup> tier cities including Chongqing, Changsha, Taiyuan, etc.
- Salable resources for land reserve acquired through industry collaboration accounted for **52.5%** in 2020

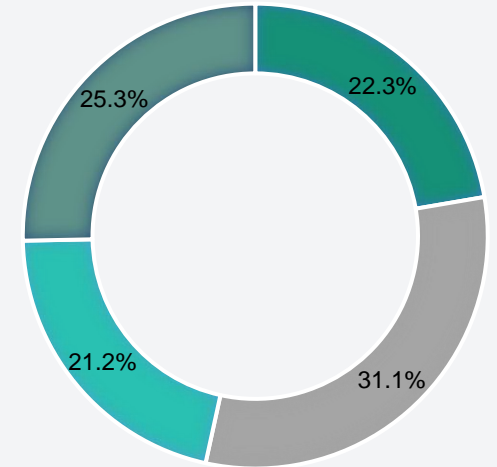


Breakdown of Salable Resources for Newly Acquired Land Reserve by Acquisition Method



- Industry collaboration
- Bidding, auction and listing
- Integration of primary and secondary land development
- M&A

Breakdown of Salable Resources for Newly Acquired Land Reserve by Region



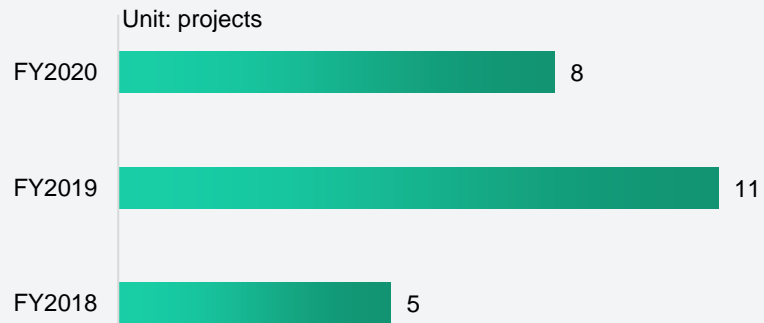
- North China
- Central China
- East China
- South China

## Part 2 Steady Growth in Scale – Significant Progress in Project Management

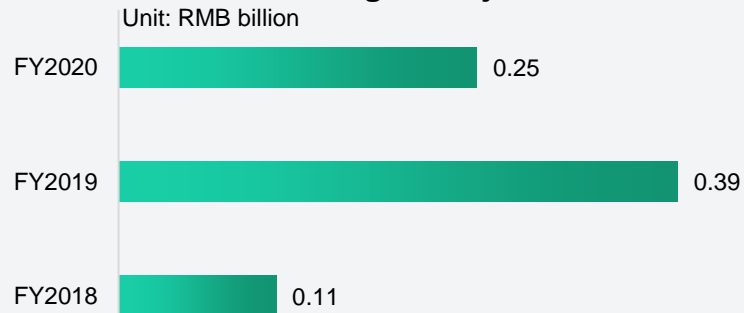
### FY2020

- Newly added **8** high-quality project management projects, additional GFA under project management reaching **1.467million sq.m.**, additional salable resources for land bank by project management reaching **RMB7.53 billion**, additional contracted value of project management accounting to **RMB250 million**

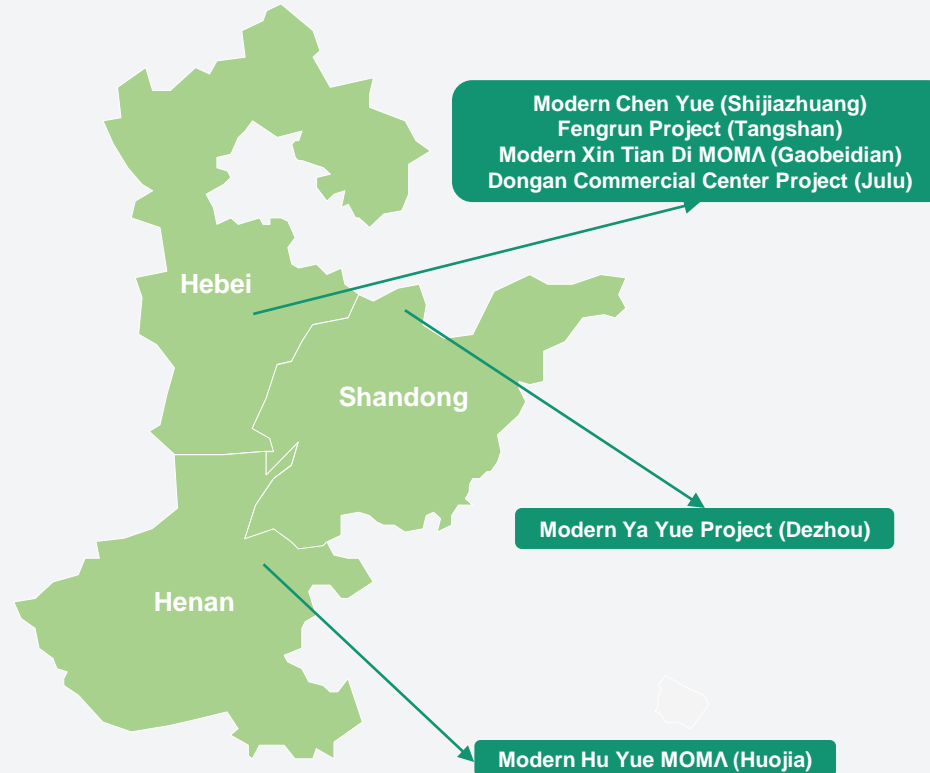
Number of Additional Managed Projects



Total Contracted Value of Additional Managed Projects



Map of Newly Entered Cities of Modern Moma Project Management in 2020



Mar 2020: RMB18.0 million contracted value of project management



Jun 2020: RMB14.2 million contracted value of project management



Sep 2020: RMB12.0 million contracted value of project management

Note: Entrusted project management fee is paid in installments and on dates as set out in the agreement

## FY2020

- ❑ Bonds: received the recommendation from **Deutsche Bank, HSBC, Standard Chartered, BofA Securities**, and other well-known institutions
- ❑ Stocks: received Buy recommendation from **Guotai Junan Securities, Haitong International**, and other well-known institutions
- ❑ Both domestic and international ratings remained stable
- ❑ Cumulative total credit received from banks amounted to **RMB100.0 billion**
- ❑ Rendered full support for the national vision of green finance, and issued overseas green bonds of **USD700 million** in total during the year; successfully completed the debut balance payment-backed ABS offering of **RMB620 million**
- ❑ Overseas USD bonds were popular among **ESG investors**
- ❑ Obtained overseas credit loan of **HKD100 million** from Hang Seng Bank
- ❑ Financing costs were reduced through leveraging onshore and offshore green financing channels simultaneously

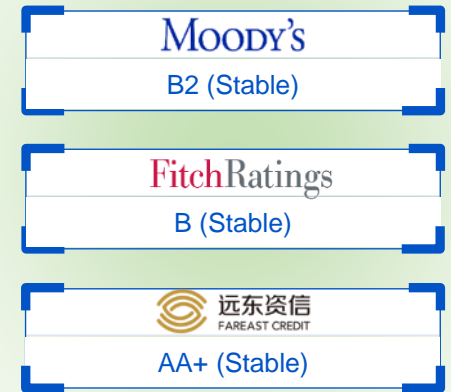
### Recommendation of Stocks/Credits from Multiple Brokers



### Strategic Partnership Agreement with Chang'an Trust



### Stable Domestic and International Credit Ratings



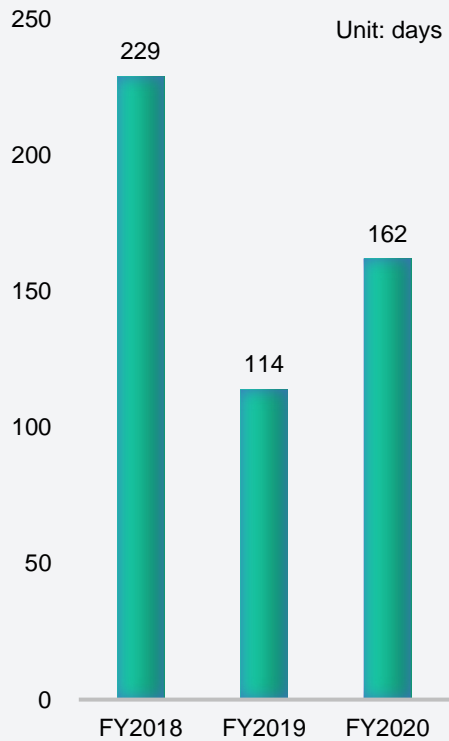
### Three Green Senior Notes Debut RMB620 Million Balance Payment-backed ABS Issuance



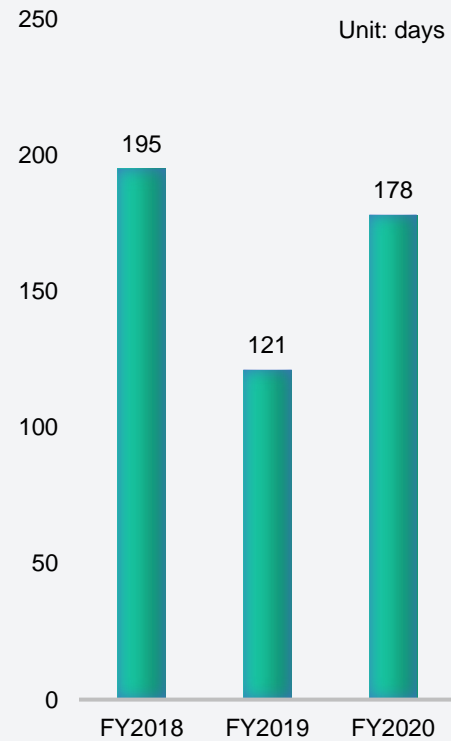
### FY2020

- As a result of epidemic outbreak, projects were delayed roughly by **1.5 months** on average; launch of **13 projects** was in line with the “68” principle
- Average period from land acquisition to the start of construction was **5.4 months**
- Average period from land acquisition to the opening of experience center was **5.9 months**
- Average period from land acquisition to first launch was **6.6 months**

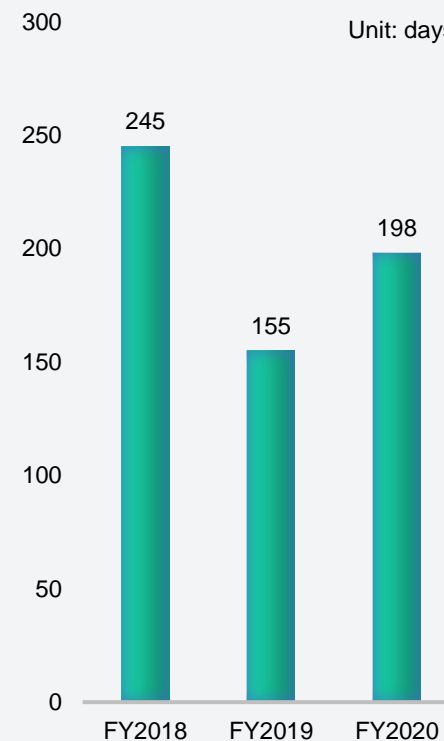
Period from land acquisition to obtaining construction approval



Period from land acquisition to the opening of experience center



Period from land acquisition to pre-sale approval and first launch



Modern City MOMA (Chongqing)

Obtained construction approval in 94 days  
Achieved first launch in 106 days



Modern Shi Guang Li MOMA (Guiyang)

Obtained construction approval in 105 days  
Achieved first launch in 106 days



Modern Jing MOMA (Shaanxi)

Obtained construction approval in 127 days  
Achieved first launch in 160 days

## FY2020

- ❑ The Company had **44** major projects available for sale, and the average sell-through rate of the first launch was **64%**
- ❑ Completed **172** centralized launches, **43** among which were in the 1<sup>st</sup> half of the year and **129** in the 2<sup>nd</sup> half



Modern Jing MOMA (Wuhan)

📍 Hubei  
-Wuhan

Marketed 114 units  
 Weekly sell-through rate 68%  
 Monthly sell-through rate 89%



Modern Guangming Park Yue (Changzhou)

📍 Jiangsu  
-Changzhou

Marketed 228 units  
 Weekly sell-through rate 75%  
 Monthly sell-through rate 89%



Modern YUE MOMA (Jiangxi Fuzhou)

📍 Jiangxi  
-Fuzhou

Marketed 196 units  
 Weekly sell-through rate 96%  
 Monthly sell-through rate 99%



Modern Gaoling Shang Pin Wan MOMA (Shaanxi)

📍 Shaanxi  
-Xi'an

Marketed 312 units  
 Weekly sell-through rate 100%  
 Monthly sell-through rate 100%



Modern Jing MOMA (Shaanxi)

📍 Shaanxi  
-Xi'an

Marketed 256 units  
 Weekly sell-through rate 91%  
 Monthly sell-through rate 91%



Modern Shi Guang Li MOMA (Guiyang)

📍 Guizhou  
-Guiyang

Marketed 114 units  
 Weekly sell-through rate 87%  
 Monthly sell-through rate 89%

## Green Residential Community

- Green technology & energy conservation
- MOMA technical system
- Green star buildings
- Pilot green residential area
- Buildings of hundred-year long service life
- Housing industrialization
- Ultra-low energy consumption passive houses

## Technology AI Community

- AI-based 3-dimensional security
- AI-based non-contact access
- AI-based active care
- AI-technology-based furnishings
- AI-based low carbon energy conservation
- AI-technology based community cloud platform

## Healthy Community

- Healthy life
- Healthy water
- Healthy air
- Healthy lighting
- Fitness space and facilities
- Healthy community services
- Healthy management
- MOMA craft beer

## Whole-age Community

- Whole-age group life
- MOMA Letong (starting area)
- MOMA KIDS
- MOMA BABY
- Le World
- MOMA apartment
- E-bigger
- Shi Guang Li products for elders

## Culture and Art Community

- Culture and art life
- Cultural heritage between city and community
- Combination of community functions, environment and culture/art
- Combination of buildings design, buildings art and technology

Community Health Line of Defense

Neighborhood Health Line of Defense

Buildings Health Line of Defense

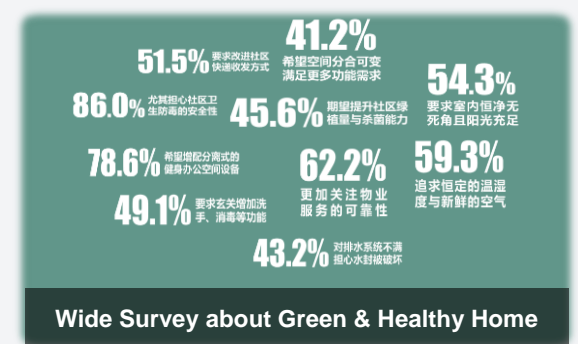
Property Management Services

- Plans with normal/pandemic solutions
- Community facilities
- Convenient logistics
- AI technology community
- Community-shared BOX

- Full-scene zero-contact access
- Canalized unit lobby
- Healthy water supply and drainage system
- Healthy air system
- Disinfection of Public area

- High performance exterior maintenance
- Displaceable fresh air devices
- Independent entrance
- Extended living space
- Healthy kitchen

- Property care services
- Vertical ecological services
- Green technology-based operation and maintenance
- Full coverage of Aizhujia
- Dangjia community operation



FY2020

Technology strategies of the Company include: **Hard & Core technology, Black technology, Digital technology.**



### Hard & Core technology

Successful implementation of passive house technology

Tong Fu Modern Fu  
MOMA Project (Hebei)



### Black technology

Successful completion of AI technology community products

Modern Tongzhou Wan Guo Fu  
MOMA Project



### Digital technology

Successful establishment of MOMA operation center

Providing basis for decision making in digital & intellectualized operation

## Green industry: adhere to green principle and lead the industry

28  
Green residential areas

200+  
Industry patents

200+  
Authoritative green awards at home and abroad



## Green finance

Earliest

Exploring the way of offshore green bonds since 2014

Highest

Obtain the highest grade from S&P and the pre-issuance green finance certification from HKQAA

Most comprehensive

All offshore bonds issued are green bonds

Latest

Join HKGFA to make every effort to promote the development of green finance

## Green investment

Advantages fully delivered: Regarding to the 24 projects newly acquired in 2020, there are listing conditions of green buildings for 5 of them, which fully reveals the importance of green buildings



Modern YUE MOMA (Jiangxi Fuzhou)



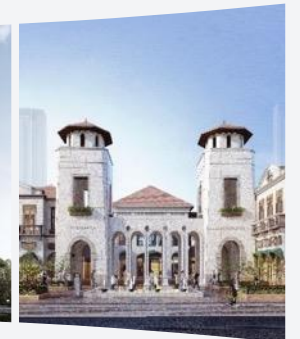
Zhengzhou Xinyang Park Yue MOMA



Binjiang Man Ting Chun MOMA · Wangjiang (Tianmen)



Modern Shang Pin MOMA (Enjie)



Outlets Modern City MOMA (Bengbu)

## FY2020

- ❑ The Company was awarded Three-star Green Building Certification – Design for **3 times**, Three-star Green Building Certification – Operation for **1 time**. Modern Yun Jing MOMA Project (Beijing) was awarded LEED Golden-level Certification, Daming Palace Modern Fu MOMA Project (Xi'an) was awarded WELL Golden-level Precertification. Area accredited Green Building Certification totaled **7.75 million sq.m.**
- ❑ The Company was awarded **100+** honours, including Jing Rui Award, Top 100 Real Estate Companies Award, etc.
- ❑ The Company participates in poverty alleviation, aid education, flood fighting, disability support, and other social welfare activities, donated more than **RMB1.5 million** of money and materials to the community; after the outbreak of COVID-19, Mr. Zhang Lei, the Chairman, deployed **RMB2 million** to donations to the Wuhan Charity Federation in the first instance for epidemic prevention and control
- ❑ The Company employs **reusable** building construction processes during production and construction, like aluminum formworks, steel climbing frames, etc.

Project	Star-grade
Modern Guangming Park Yue Project (Changzhou) Buildings 1-15#	★ Design
Modern Great Lakes Shang Pin MOMA Project (Suzhou)	★★ Design
Modern Tongzhou Wan Guo Fu MOMA Buildings 1-3#, 5-6# & Underground Car Parks	★★★ Design
Modern Tongzhou Wan Guo Fu MOMA Architecture & Art Museum	★★★ Design
Modern Wan Guo Fu (Hefei) Buildings 1-18#	★★★ Operation
Modern Xi Shan Shang Pin Wan MOMA Project (Beijing)	★★★ Design
Modern Jing MOMA Project (Wuhan)	Green residential area
Modern City MOMA Project (Wuhan)	Green residential area
Modern YUE MOMA Project (Jiangxi Fuzhou)	Green residential area
Chun Feng Yin Yue MOMA Project (Chongqing)	Green residential area
Modern Zhong Xing Yue Cheng MOMA Project	Green residential area
Guorun Modern Jing MOMA Project (Shaanxi)	Green residential area
Modern Yun Jing MOMA (Beijing)	LEED golden-level certification
Daming Palace Modern Fu MOMA (Xi'an)	WELL golden-level precertification

### Top 100 Listed China Real Estate Companies in Comprehensive Strength



### Top 10 China Real Estate CEOs in 2020



### WELL Golden-level Precertification Daming Palace Modern Fu MOMA Project (Xi'an)



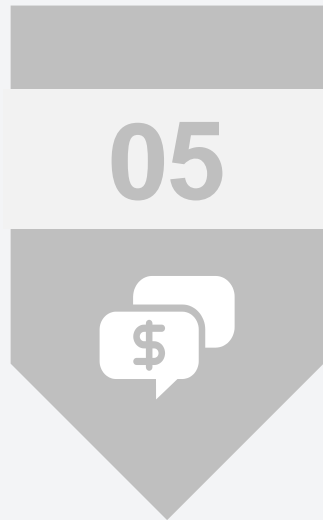
### LEED Community Golden-level Certification Modern Yun Jing MOMA Project (Beijing)



# FUTURE OUTLOOK



## PART 3



**Increasing Sales**

Stable growth of annual sales, emphasizing both growth and quality

**Diversified Land Acquisition Methods**

Leveraging both industry collaboration approach and traditional methods

**High-quality Land Reserve**

c. **70%** located in 1<sup>st</sup> and 2<sup>nd</sup>-tier cities  
Salable resources of newly added land reserve higher than sales in the year

**Leading Products**

Green products benefit sales  
Sell-through rate over **70%**

**Abundant Capital**

Attention to short-term liquidity  
Proportion of short-term debt lower than **40%**

**Financial Robustness**

Net gearing ratio should not exceed **100%**  
Cash to short-term debt ratio higher than **1x**  
Debt-asset ratio remains at a healthy level

FY2021

- By adhering to “5+15+M” strategies, and also fully considering market potentials, Company sorts out the list of cities to be entered, and guide decisions on regional investment

Modern Land “5+15+M” Strategies



**5** Urban Groups

Beijing-Tianjin-Hebei Group, Yangtze River Delta Group, Guangdong-Hong Kong-Macau GBA, Middle Course of the Yangtze River Group, Chengdu-Chongqing Group

**15** Continuing focus on provincial capital or high-quality 2<sup>nd</sup>-tier cities

Xi'an, Wuhan, Changzhou, Suzhou  
Changsha, Chongqing, Chengdu, Foshan, Hefei  
Ningbo, Shijiazhuang, Guiyang, Zhengzhou, Taiyuan, Nanning

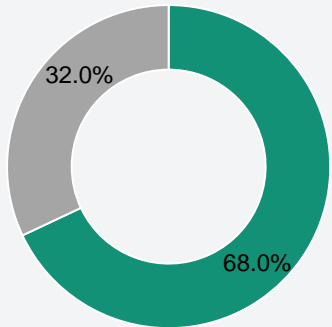
**M** Cities meeting Modern Land’s investment criteria on cities to be entered



□ The Company has abundant land reserve of c. **RMB280.0 billion**, among which confirmed ownership accounted for c. **RMB170.0 billion** as end of 2020, and locked potential salable resources of **c.110.0 billion**. Newly added salable resources in 2021 shall not be lower than **RMB50.0 billion**

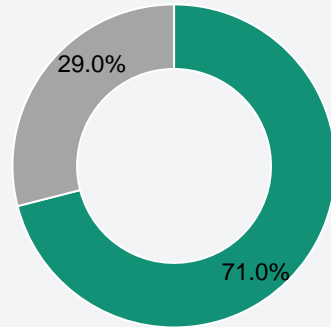
## 5+15+M Investment Strategies

Breakdown of Unsold Salable Resources



■ Tier 1 and Tier 2 Cities  
■ Tier 3 and Tier 4 Cities

Breakdown of Locked Salable Resources



■ Tier 1 and Tier 2 Cities  
■ Tier 3 and Tier 4 Cities

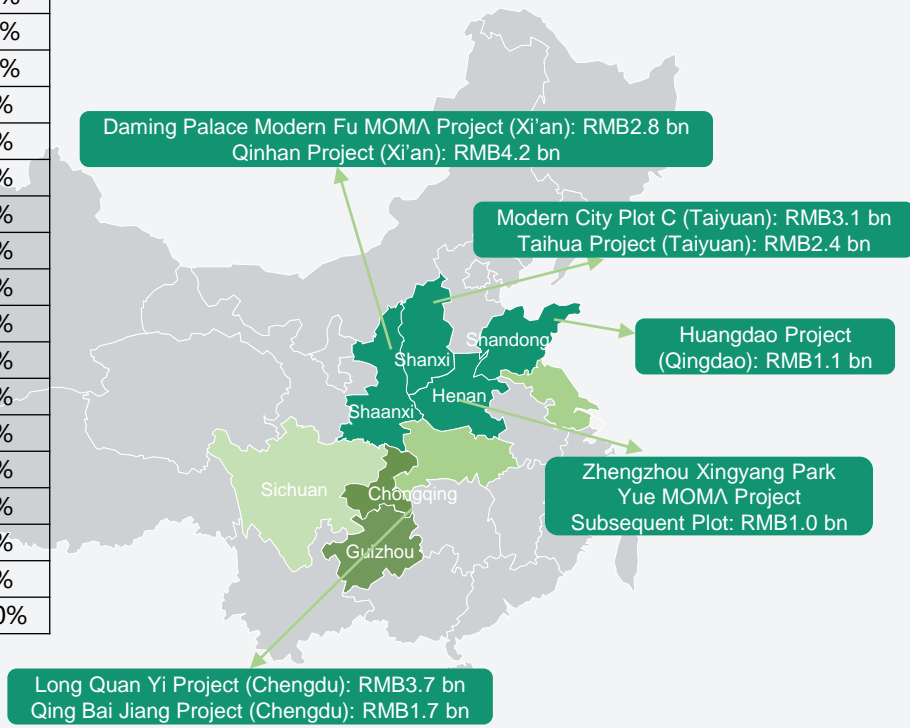
confirmed ownership  
c. **RMB170.0 billion**  
as the end of 2020



Locked c. **RMB110.0 billion** salable resources through industry collaboration and integration of primary and secondary land development

## c. 110.0 billion Locked Salable Resources for 2021

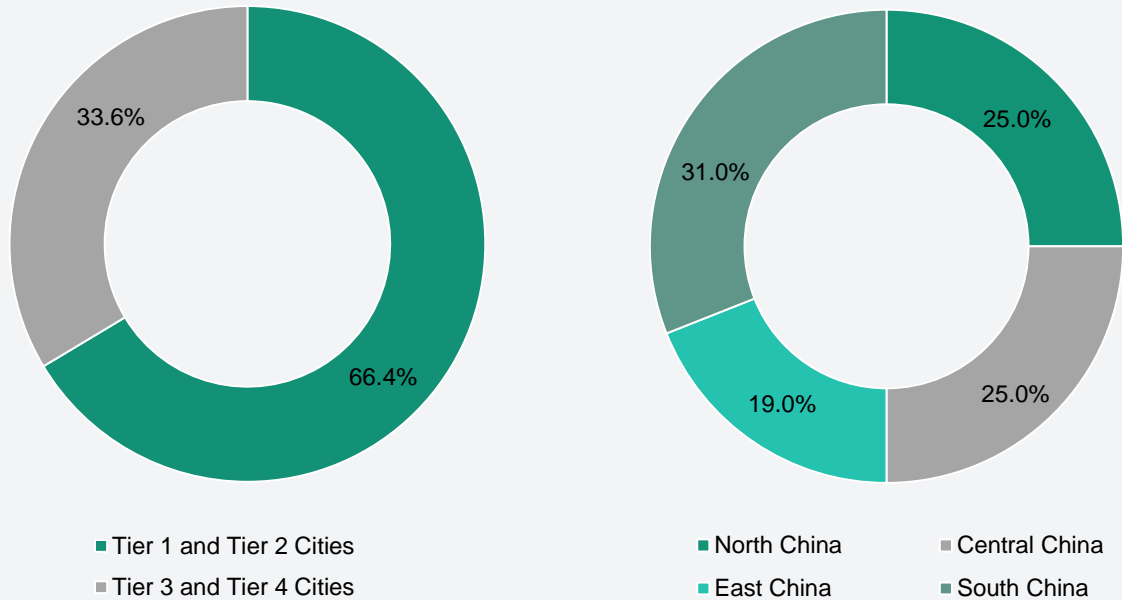
Province/City	Salable Resources (RMB billion)	% of Total
Hebei	13.0	12%
Shaanxi	12.9	12%
Shanxi	11.1	10%
Zhejiang	10.7	9%
Hubei	10.5	9%
Jiangsu	9.6	8%
Anhui	8.6	7%
Sichuan	7.6	6%
Guangdong	7.3	6%
Henan	4.6	4%
Hunan	3.4	3%
Chongqing	2.2	2%
Shandong	2.1	2%
Fujian	2.0	2%
Guizhou	1.9	2%
Inner Mongolia	1.9	2%
Others	2.6	4%
Total	112.0	100%



## FY2021

- The company will continue to arrange a reasonable launch schedule of projects, the salable resources to be launched in the year are expected to **RMB67.0 billion**, of which **66.4%** will be in 1<sup>st</sup> and 2<sup>nd</sup>-tier cities, mainly located in **Xi'an, Chongqing, Wuhan** and other core cities

### Breakdown of Salable Resources to be Launched



Outlets Modern City MOMA (Bengbu)



Modern City MOMA (Chongqing)



Modern City MOMA (Wuhan)



Guorun Modern City MOMA (Shaanxi)



**RMB47.0**  
billion

**Full-year Contracted  
Sales Target**



**3 million sq.m.**

**Anticipation of  
Completed Area**

**THANKS**



MODERN LAND