

Seek Opportunities in a Changing Environment and Grow Business with a Focus on Stability

Modern Land (China) Co., Ltd. 2021 Interim Results Presentation

MOMA

科 技 建 筑 绿 色 家 园 城 市 向 美

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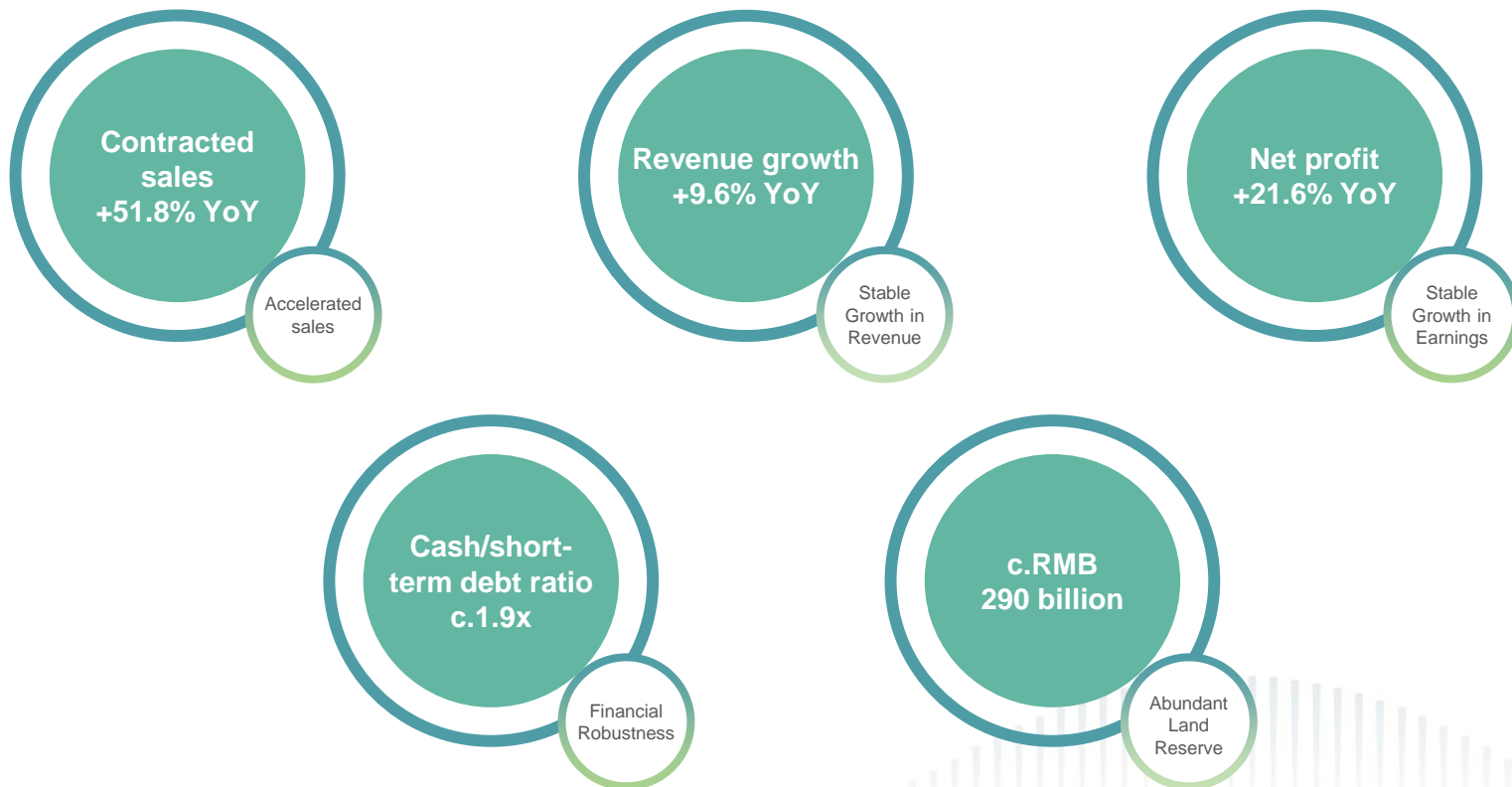
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Future Outlook

Financial Overview

Part 1

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Accelerated sales and sufficient land reserves

- Contracted sales amounted to c. **RMB21.56 billion**, increased by **51.8%** YoY
- Total contracted GFA was c. **2,078,000 sq.m.**, increased by **52.7%** YoY
- Salable recourses for newly acquired land reserve in 1H2021 was c. **RMB33.93 billion**
- Total land reserves with confirmed ownership as of Jun 30 was c. **RMB190 billion**

Expanded scale and financial robustness

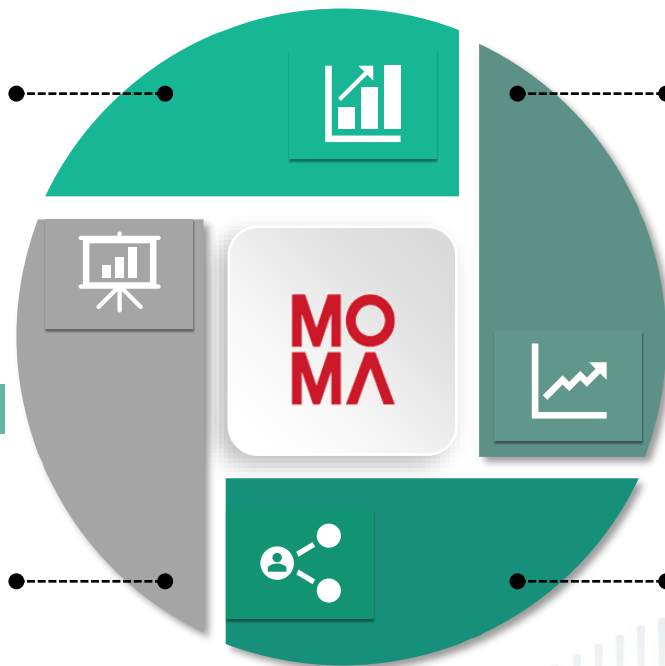
- Total assets amounted to c. **RMB98.44 billion**, increased by **20.2%** YoY
- Net assets was c. **RMB83.18 billion**, increased by **22.1%** YoY
- Bank balance and cash was c. **RMB17.43 billion**
- Cash/short-term debt ratio was c. **1.9x**, net gearing was **93%**

Stable growth in revenue and increasing earnings

- Revenue amounted to c. **RMB9.54 billion**, increased by **9.6%** YoY
- Operating profit was c. **RMB2.34 billion**, increased by **12.5%** YoY
- Net profit was **RMB0.68 billion**, increased by **21.6%** YoY

Green finance and diversified channels

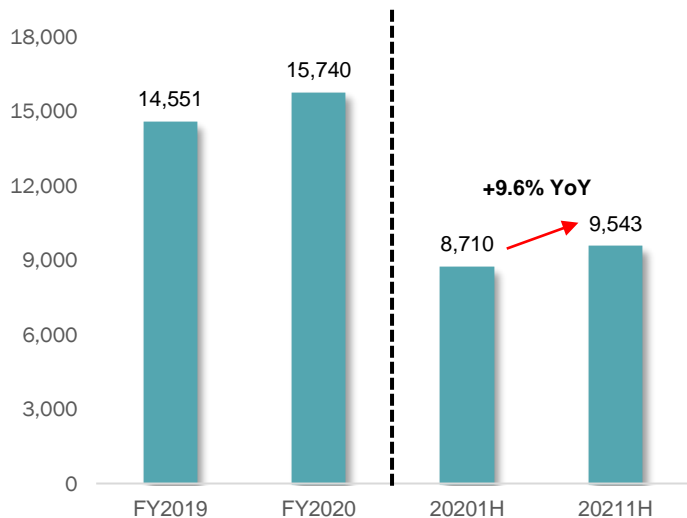
- Fully utilized our leading advantage of green building products, and completed **US\$398 million** of offshore green bond issuance in the year, maintaining offshore bonds as **100%** green
- Obtained a green credit facility of **HK\$100 million** from Hang Seng Bank, safeguarding diversified and smooth financing channels onshore and offshore



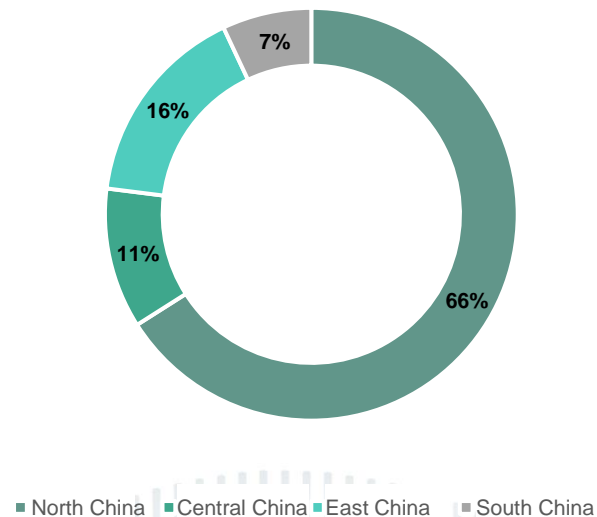
Unit: RMB million	1H2021	1H2020	YoY changes
Revenue	9,543	8,710	9.6%
Gross profit	2,211	2,121	4.2%
Operating profit	2,344	2,083	12.5%
Net profit	677	556	21.6%
Operating cash flow	633	-311	Operating cash flow turned positive
Unit: RMB million	2021.6.30	2020.12.31	YoY changes
Total assets	98,436	81,912	20.2%
Current assets	83,176	68,146	22.1%
Bank balance and cash	17,425	14,093	23.6%
Short-term debt ratio	32.5%	39.9%	-7.4pt
Cash/short-term debt ratio	1.9	1.4	+0.5x
Net gearing ratio	93.0%	95.7%	-2.7pt

- Recognized revenue was **RMB9.54 billion**, increased by **9.6%** YoY

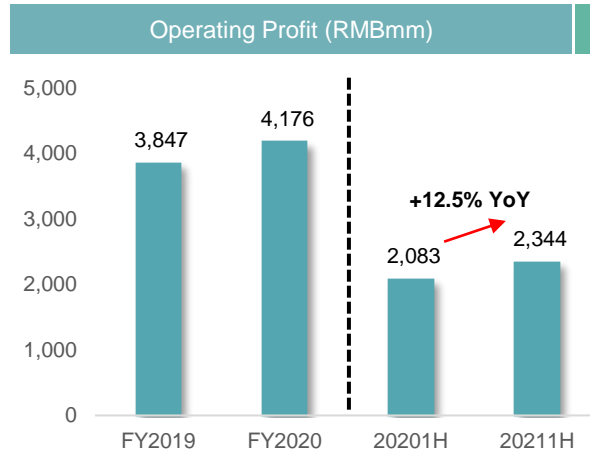
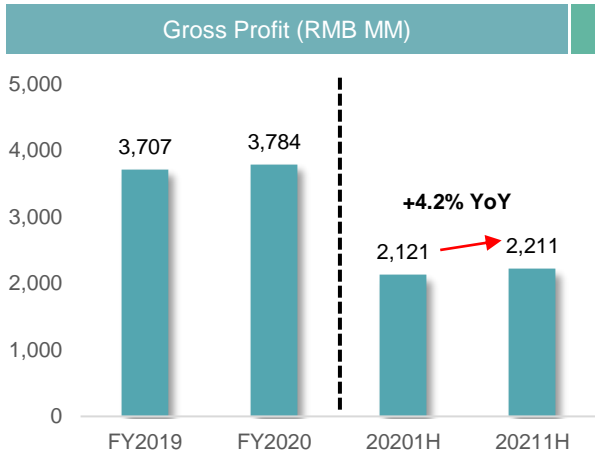
Recognized Revenue (RMB MM)



Breakdown of Revenue from Properties by Region



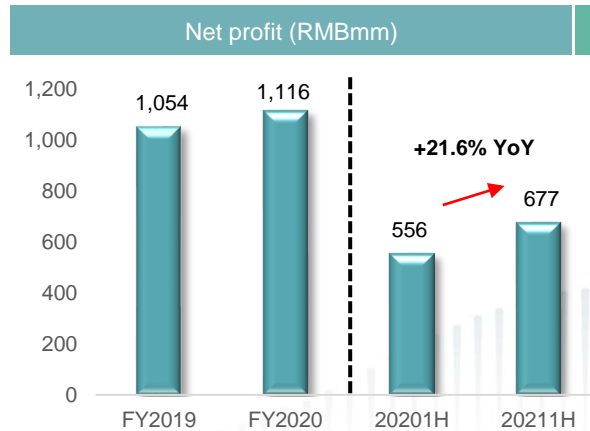
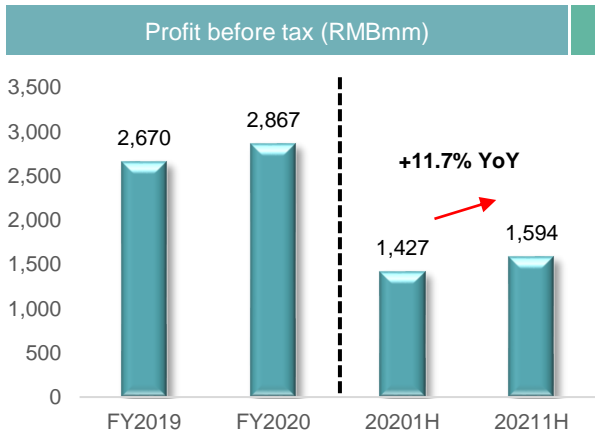
Part 1 Financial Overview - Increase in Profit



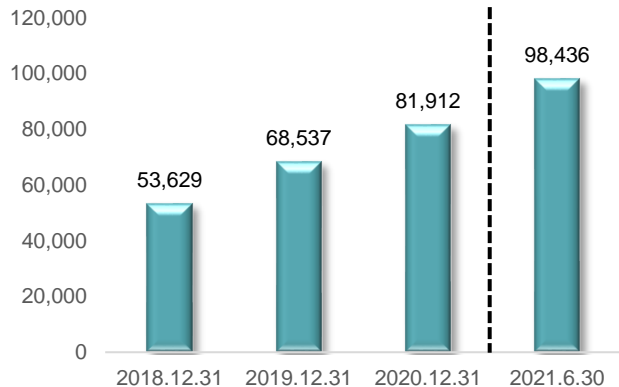
□ Gross profit amounted to c.**RMB2.21 billion**, increased by **4.2% YoY**

□ Operating profit amounted to c.**RMB2.34 billion**, increased by **12.5% YoY**

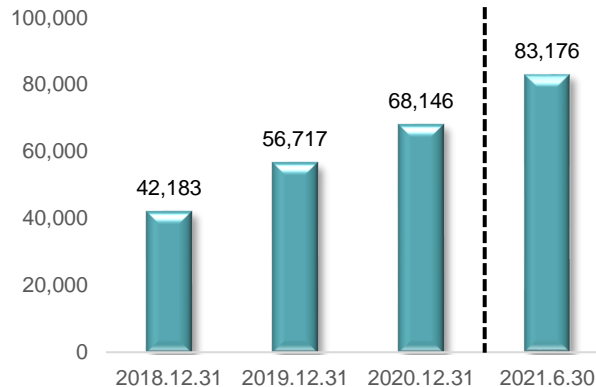
□ Net profit amounted to c.**RMB680 million**, increased by **21.6% YoY**



Total Assets (RMB MM)



Current Assets (RMB MM)

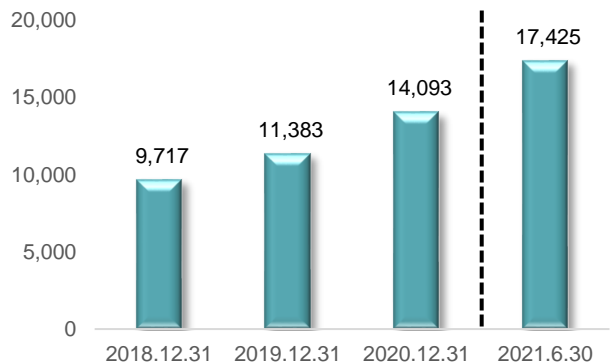


□ Total assets grew by **20.2%** YoY to c. **RMB98.44 billion**

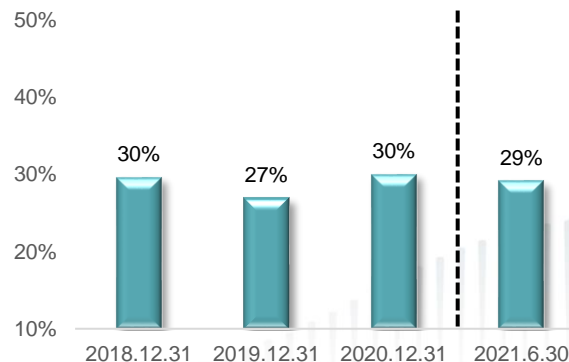
□ Current assets grew by **22.1%** YoY to c. **RMB83.18 billion**. The Company has maintained steady liquidity

□ The Company always maintained a steady cash on hand. Cash on hand was **RMB17.43 billion**

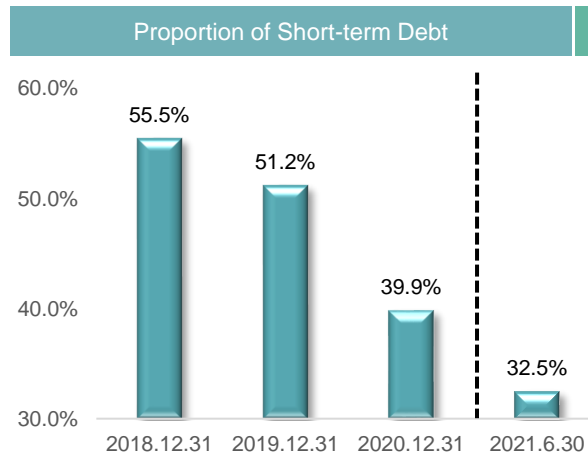
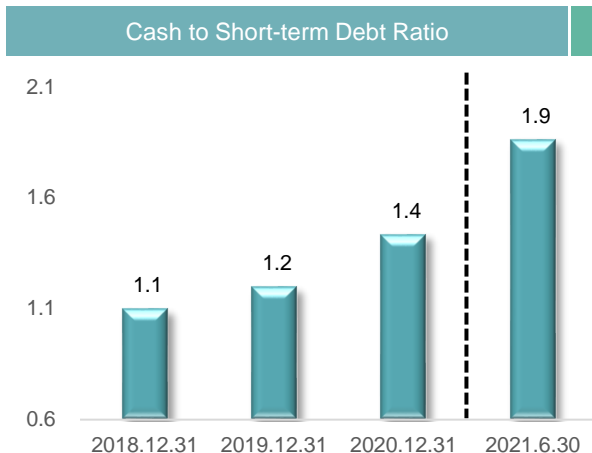
Bank Balance and Cash (RMB MM)



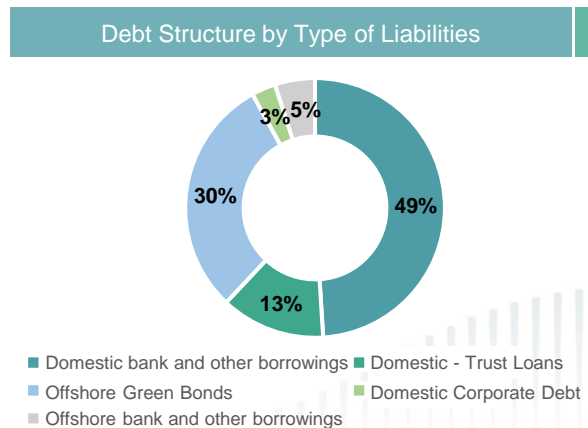
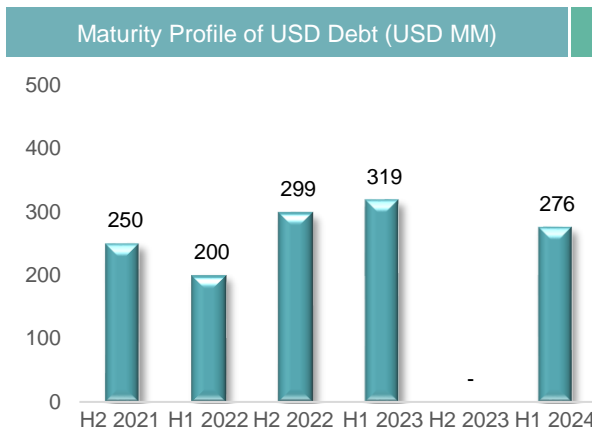
Interest-bearing Debt to Total Assets



□ Interest bearing debt as % of total assets remained stable



- With diversified financing channels, cash to short term debt ratio was improved to **1.9x** 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 **32.5%**. Achieved both **lower coupon rate** and **longer maturity** for offshore USD debt, and the Company's financial position became more robust



Results Highlights

Part 2

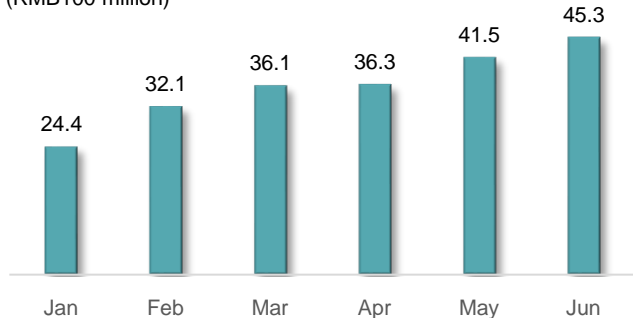
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1H2021

- Contracted sales amounted to **RMB21.56bn**, up **51.8% YoY**; contracted GFA reached **RMB2.078 million sq.m**, up **52.7% YoY**;
- Cash collection on total basis amounted to **RMB19.03bn**, representing a collection rate of **88.2%**

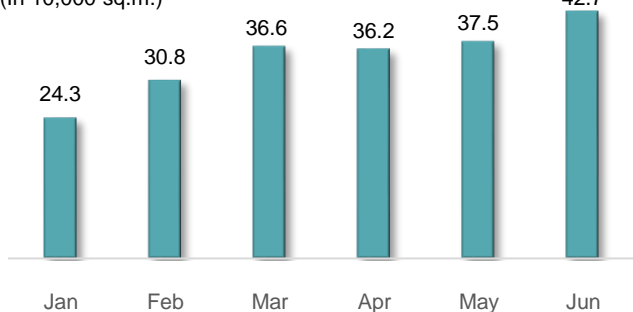
Monthly contracted sales from Jan to Jun

(RMB100 million)



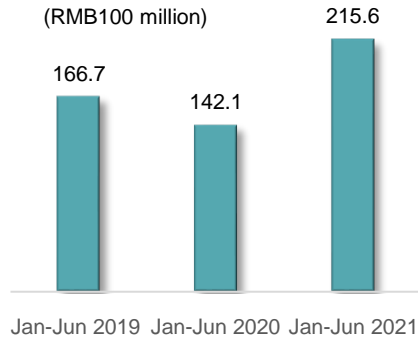
Monthly GFA sold from Jan to Jun

(In 10,000 sq.m.)

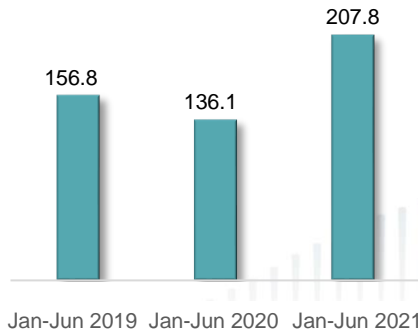


1H contracted sales of the last three years

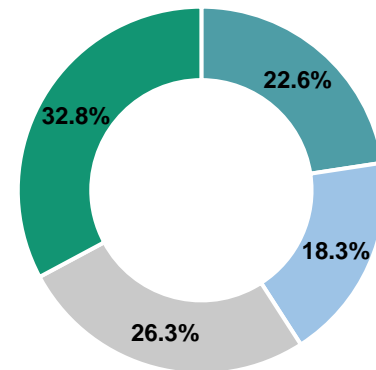
(RMB100 million)



GFA sold in 1H of last three years



Contracted sales breakdown in 1H2021



■ North ■ South ■ Central ■ East

1H2021

- ❑ The Company acquired **20** plots of land in **Xi'an, Chongqing, Qingdao, Hefei and Foshan**. Newly added salable resources reached **RMB33.93 billion**, of which, **52.5%** and **36.8%** were acquired through **industry collaboration** and **Bidding, Auction and Listing**
- ❑ In July 2021, the Company acquired **3** additional plots of land in **Xi'an, Huizhou and Foshan**, with total salable resources of c. **RMB6.71 billion**



Modern Zhu MOMA (Xi'an)



Modern City MOMA (Chongqing)



Modern Yue MOMA (Binfeng)



Modern Fu MOMA (Xi'an)



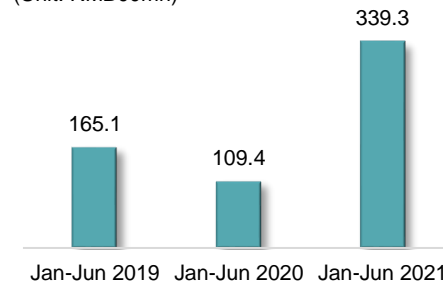
Modern Yue MOMA (Chongqing)



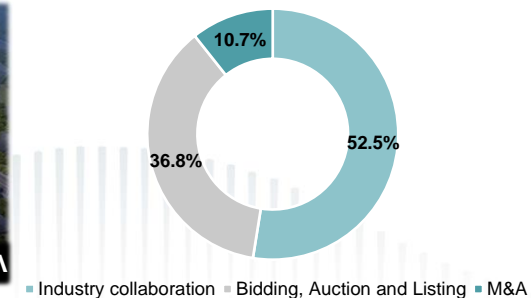
Ling Shan Wan Modern Yue MOMA

Newly added salable resources in the first half of 2019-2021

(Unit: RMB00mn)



Newly added salable resources breakdown by land acquisition methods



1H2021

63 major projects being sold; 8 first launches; 19 centralized launches

Name of project	Weekly sell-through rate	Monthly sell-through rate
Modern City MOMA (Chongqing)	82%	95%
Modern Wan Guo Fu MOMA (Binfeng)	89%	89%
Modern Yue MOMA (Jiangxi Fuzhou)	87%	87%
Guorun Modern Jing MOMA (Shaanxi)	100%	100%
Modern Jing MOMA (Shaanxi)	100%	100%
Modern Yue MOMA (Xinqiao)	73%	81%
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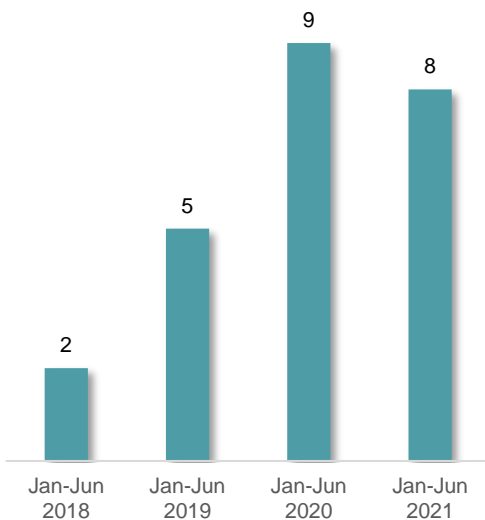
- Modern Jing MOMA (Shaanxi): 3 additional launches with sell-through rate of 100%
- Guorun Modern Jing MOMA (Shaanxi): 10 additional launches in 1H with sell-through rate of 100%; Phase 1 & 2 residential properties achieved 100% sell through rate by July 24
- Modern City MOMA (Chongqing): strong momentum in 1H2021, marketed over 250 units per month on average, with sell-through rate of 89% for contracted value of launched projects



1H 2021

- Modern Green Building Brand upgraded to “**Modern Moma Project Management**”;
- Won **8** new high-quality projects and entered into **Xingtai, Yibin and Deyang** for the first time.
- Awarded the **TOP5 of China's excellent real estate project management operation and the TOP5 of China's real estate project management**;

Number of new projects



[Obtained] Shijiazhuang Gao Xin MOMA



Modern Management & Huaben Entrepreneurs Club



TOP5 of China's excellent real estate agent-construction operation



[Obtained] Risheng-Modern Song MOMA



Modern Management & New Built Holdings



TOP5 of China's real estate agent-construction management

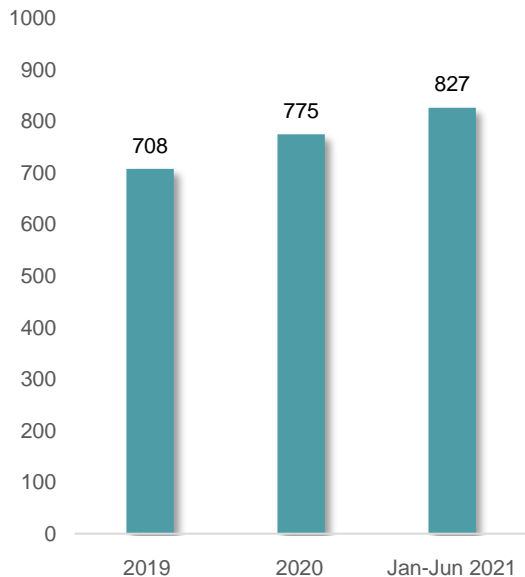
Note: The project management fee will be charged at the appropriate rate based on the contracted nodes.

1H2021

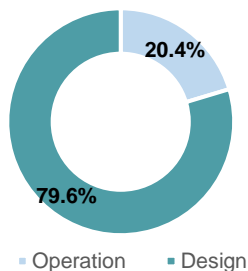
- Area accredited Green Building Certification increased to **520,000 sq.m**, including **2** Three-star Green Building Certification - Operation and **1** Two-star Green Building Standard;
- The total declared area of green residential area has reached **7.05 million sq.m**, representing a total of **28** declared projects;
- Cumulative **7** Green Building Three-star Green Building Certification - Operation, ranked **No.1** nationwide.

Cumulative GFA with Accredited Green Building Certification

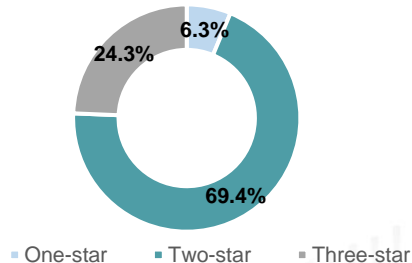
Unit: 10,000 sq.m



% of Green Building GFA by Certification



% of Green Building GFA by star-grade



Breakdown of Three-star Green Building Certification-Operation

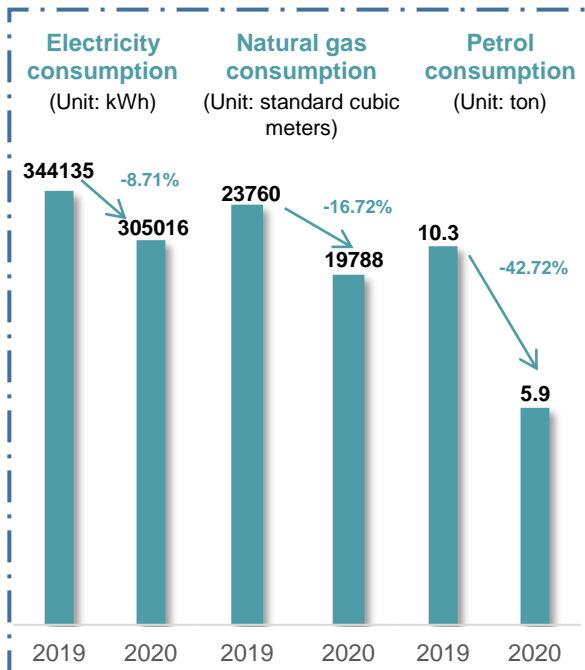
Projects	Awarded time
Phase I, Nanchang Man Ting Chun MOMA	Mar 2013
Residential buildings No. 1-3, 5, 7-10, Beijing Modern Wan Guo City MOMA North	Jun 2013
Certification renewal for residential buildings No. 1-3, 5, 7-10, Beijing Modern Wan Guo City MOMA North	Sep 2017
Residential buildings No. 18 and 19, Phase I, Wan Guo City MOMA (Changsha)	Jun 2017
Building No. 1-18, Hefei Modern Garden MOMA	Jun 2020
Building No. 1-9, 11-18, Hefei Modern Wan Guo Fu MOMA	May 2021
Building No. 1-3, 5-6, Wuhan Modern Zhong Rui Wan Guo Fu MOMA	May 2021

Certification standard: "Green Building Evaluation Standard" GB/T50378-2006

In 1H2021, Modern Land was recognized by international authorities for the ESG performance:

- ❑ **Strict control of resource consumption:** participated in the compilation of the "Design and Assessment Standard for Long Life Sustainable Housing" and "Assessment Standard for Active House", and completed passive houses projects;
- ❑ **Fulfillment of social responsibility:** during Covid-19 epidemic in Shijiazhuang, we joined hands with the Hebei 365 Group to provide anti-epidemic materials; in the flood disaster in Henan, we joined hands with the Contemporary Green Health Pension Industry Company to donate materials worth RMB3 million.
- ❑ **Optimization of corporate governance:** MSCI rating of **BB**, Sustainability score of **20.5**

The Group's energy consumption



Passive houses

中国建筑学会标准
T/ASC XX-2020

主动式建筑评价标准

Assessment Standard for Active House

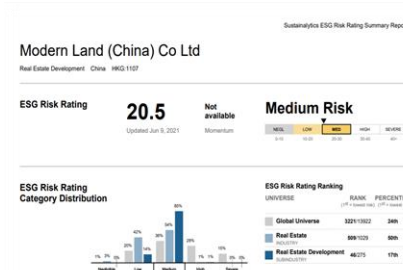
Compilation of technical standards



Donation of anti-epidemic goods



Help with the flooding in Henan



Scored 20.5 points by Sustainalytics



BB rating by MSCI

1H2021

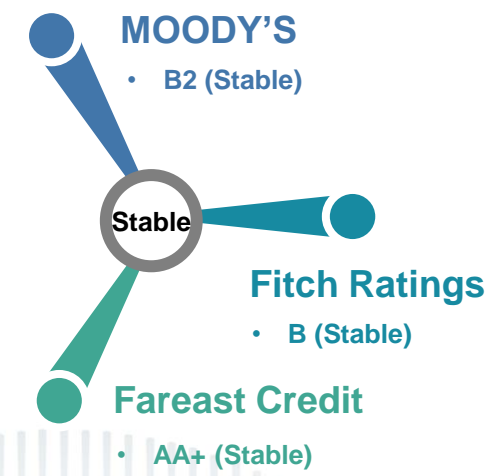
- Bonds: recommendation from **Deutsche Bank, HSBC, CLSA, Bank of America** and other well-known institutions; Equity: buy recommendation from Guotai Junan, Haitong International Securities and other well-known institutions; Ratings: domestic and international ratings remained stable; Credit: received total credit line from banks amounted to **RMB100 bn**, with seven new credit lines including **RMB1.1bn** from Shanghai Bank and **RMB2bn** from Everbright Bank.
- Completed issuance of offshore green bonds of **USD398 million** and successfully obtained green pure credit loan of **HKD100 million** from Hang Seng Bank.

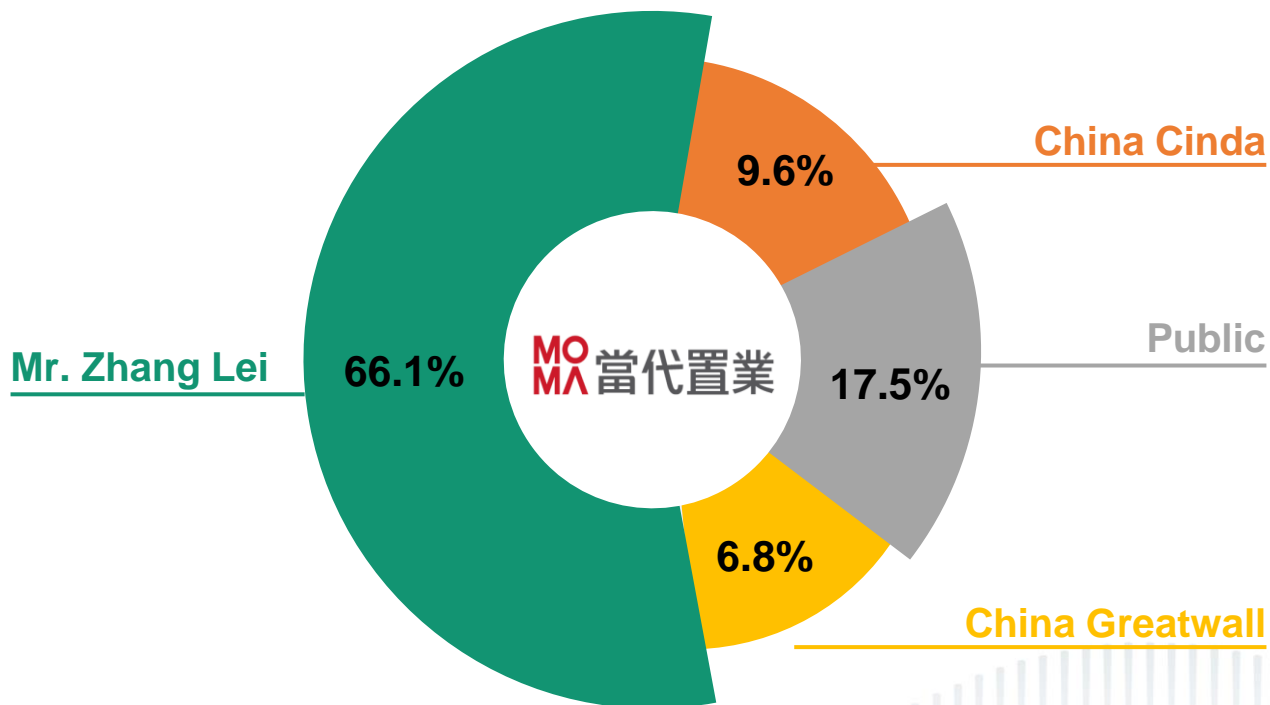


Bonds receive "Buy" recommendation from Deutsche Bank, HSBC, CLSA, Bank of America

Stocks receive "Buy" recommendation from Guotai Junan and Haitong International Securities

Both Domestic and International Credit Ratings Remained Stable





Future Outlook

Part 3

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2H2021

□ The company will make efforts on the **sales, investment, product and capital** to anchor the strategic business objectives.



2H2021

- The company will continue to leverage high-quality partners to establish a “4+2” development system to achieve complementary advantages and collaborative empowerment.

Commercial & Entertainment



Greater Health



High-tech



Culture & Education



Functional Supporting



Residential Supporting



1H2021

□ Through industry collaboration, the Company secured **12** high-quality projects, mainly located in **Xi'an, Qingdao, Chongqing** and other popular cities.



Modern Jing MOMA (Qinhan)

Partner: STAR China
Product IP: Music, culture and creative industry
Unit land price: **RMB6.15mn/acre**
Equivalent floor price: **RMB4,385/m²**
Project location: Qinhan Xincheng, Xixian New District, Xi'an

- **Promising development prospect:** Located in the key developing zone and positioned as the central residential area of Qinhan.
- **Low land cost:** Floor price is at least RMB1,000/sq.m lower than that of the surrounding areas.
- **Extensive cooperation opportunities:** The partners have strong industry IP, indicating more subsequent extensive cooperation.



Modern YUE MOMA (Lingshanwan)

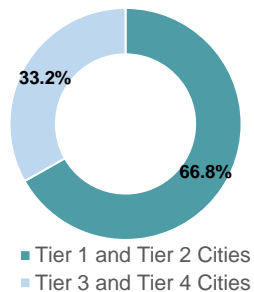
Partner: Shandong Offshore
Product IP: Headquarters economy industry
Unit land price: **RMB7.42mn/acre**
Equivalent floor price: **RMB3,840/m²**
Project location: Xihai'an New District, Qingdao

- **Comprehensive supporting facilities:** The project is surrounded by two undergrounds and many commercial complexes.
- **Low land acquisition cost:** Floor price is at least RMB2,000/sq.m lower than that of the surrounding areas.
- **Long-standing cooperation:** Continuous cooperation with the largest state-owned marine enterprise in Shandong.

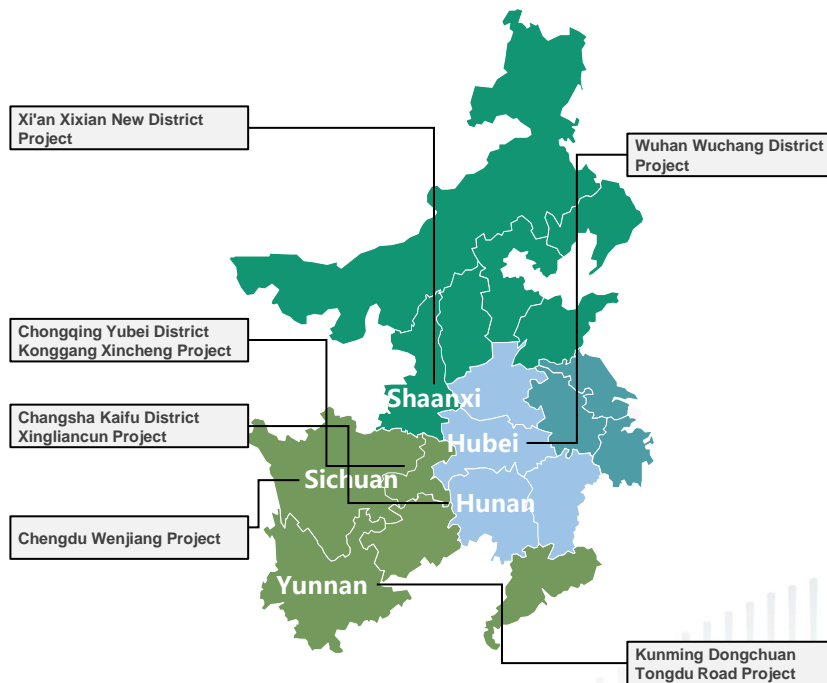
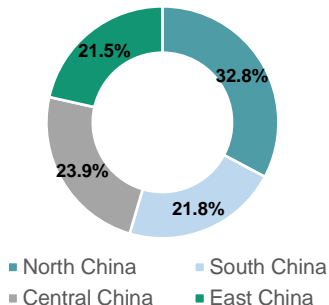
2H2021

- ❑ Total land reserve of c. **RMB290 billion**, among which confirmed ownership accounted for c. **RMB190 billion**, **66.8%** of which are located in First and Second Tier cities;
- ❑ Locked salable resources of c. **RMB100 billion**, covering **more than 50** projects in **17** provinces and regions nationwide.

Breakdown of land reserve with confirmed ownership by city levels



Breakdown of land reserve with confirmed ownership by regions



Breakdown of locked projects in 2H2021

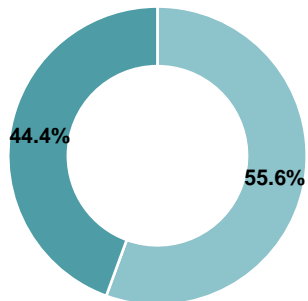
Province	Locked salable resources	% of Total
Shaanxi	177.6	18.3%
Anhui	174.0	18.0%
Zhejiang	109.2	11.3%
Hubei	98.7	10.2%
Hunan	74.0	7.6%
Guangdong	49.8	5.1%
Jiangxi	39.5	4.1%
Shanxi	38.8	4.0%
Hebei	29.0	3.0%
Shandong	27.1	2.8%
Jiangsu	21.2	2.2%
Sichuan	19.9	2.1%
Chongqing	14.1	1.5%
Other	96.1	10.0%

(Unit: RMB00mn)

2H2021

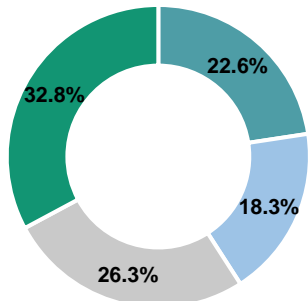
□ Projects with salable resources of c. **RMB33.61 billion** are expected to be launched, of which **55.6%** will be in Tier 1 and Tier 2 cities, mainly located **Xi'an, Chongqing, Changsha, Suzhou** and other cities.

Salable resources to be launched by city levels in 2H2021



- Tier 1 and Tier 2 Cities
- Tier 3 and Tier 4 Cities

Salable resources to be launched by regions in 2H2021



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





RMB **47** billion

Sales



3 million sq.m.

Completed
Area