



五礦地產有限公司
MINMETALS LAND LIMITED

Minmetals Land Limited (Stock Code: 0230.HK)

2021 Interim Results Presentation

August 2021



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五礦地產有限公司
MINMETALS LAND LIMITED

Section 1

Results Highlights



2021 Interim Results Highlights

Contracted Sales

RMB **12,500** million

+124.0% yoy ↑

Revenue

HKD **4,926** million

+84.3% yoy ↑

Net Profit

HKD **397** million

+58% yoy ↑

Gross Profit Margin

21.7 %

+4.4 p.p. yoy ↑

NAV

HKD **2.88**

Cash and bank deposits

HKD **14,097** million

v.s. FY2020 +67.2% ↑

Borrowing Cost

3.7 %

Low level in the industry

Net Gearing Ratio

44.8 %

v.s. FY2020 -4.9 p.p. ↓

Total Land Bank

8.58 million sqm

38 real estate development projects



五礦地產有限公司
MINMETALS LAND LIMITED

Section 2

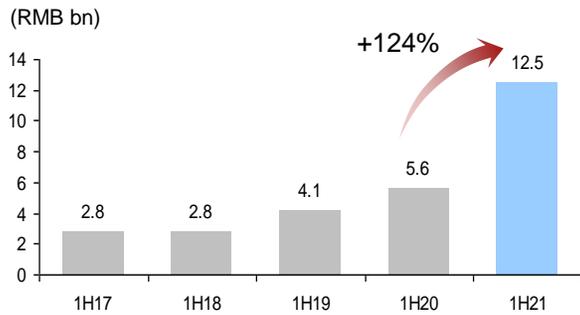
Business Review



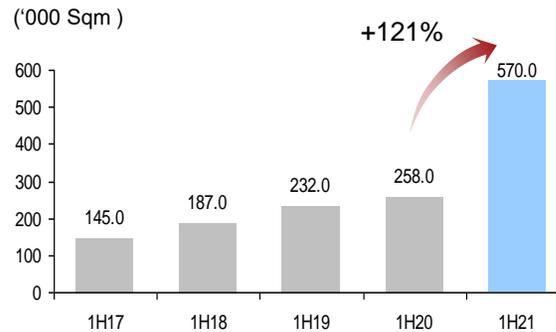
Real Estate Development

The Group's contracted sales reached a new record high, achieving 50% of its full-year sales target of RMB 25 billion

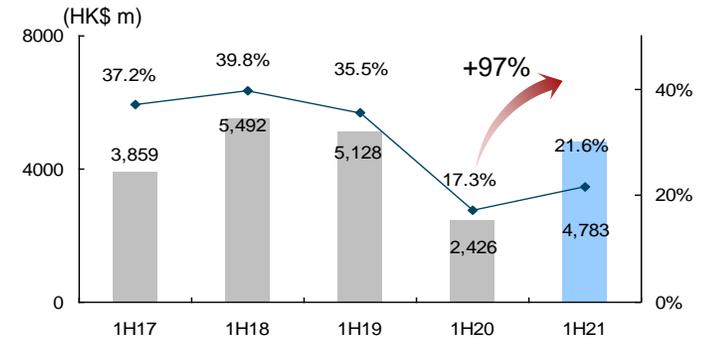
Contracted Sales



Contracted GFA

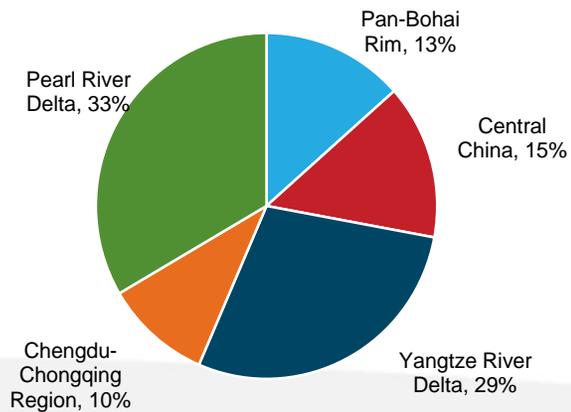


Real Estate Segment Revenue & Gross Profit margin

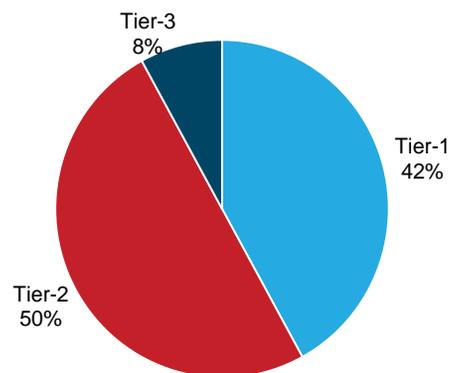


1H 2021 Contracted Sales Breakdown

by City Clusters



by Tier Cities



Contracted Sales in Diff. Measurements (RMB bn)

	1H21	1H20	Change
Gross	12.5	5.6	124%
Attributable	7.6	3.9	97.5%
Attri. %	61.0%	69.2%	-8.2p.p.

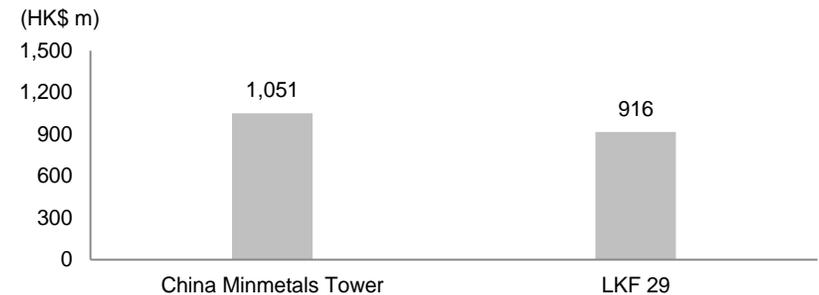
Property Investment

- **Two landmark investment properties at prime locations in Hong Kong** with a total GFA of 15.8k sq.m with significant assets appreciation potential and strong leasing demand
- Visible future cashflow streams through mid-to-long term leases with credible international and local tenants
- The commercial portion of Hallstatt See project in Huizhou has received 4A tourist attraction rating by China National Tourism Administration and under pre-leasing period, key tenants include wedding services, bars, restaurants and theme gift shops
- The commercial portion of Changsha LIVE and Taian LIVE target customers with a lifestyle focus.

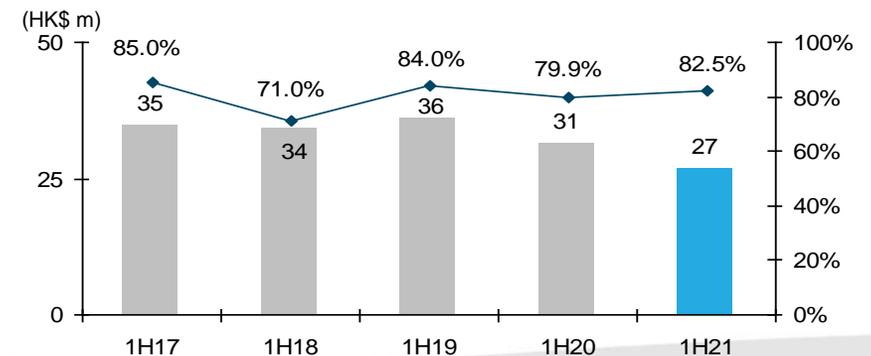


	LKF 29	China Minmetals Tower
Location	Central	Tsim Sha Tsui
Total GFA (sq.m)	~5,036	~10,790
Usage	Office & retail	Office & retail
Occupancy rate¹	74.0%	80.3%

Fair value of Two Investment Properties¹ (HK\$m)



Property Investment Segment Revenue & Gross Profit Margin (HK\$m)



Note: 1. As at 30 Jun 2021

New Land Acquisition

Location/Project	Property type	Attributable Interest to the Group	Site area (sq.m.)	Estimated Construction GFA (sq.m.)	Total land cost (RMB million)	Average land cost (RMB per sq.m.)
Beijing Wangsiyingxiang project	Residential	40%	49,000	181,000	5,450	30,110
Chengdu Dayi Shaqu project	Residential	100%	44,000	114,000	110	965
Chengdu West-Lake Future city (a total of 3 land parcels)	Residential & Commercial	100%	208,000	316,000	513	1,623
Total				611,000	6,073	9,939

Close to the West-Lake Future City
Enjoy the added value of the area developed



Rare residential project in East 4th Ring



- Promoted “Urban Operator” Strategy
- Locked-in low cost land on the back of industry city business model



Land bank Summary

Total land bank of 8.58m sq.m¹, spanning over 16 major cities

"5+X" regions

- 5 economic zones: Pan Bohai Rim, Yangtze River Delta, Central China, CD-CQ Region and Pearl River Delta (including Hong Kong)
- X region: opportunistic cities

16 cities

- Hong Kong, Guangzhou, Shenzhen, Foshan, Beijing, Tianjin, Nanjing, Changsha, Wuhan, Chengdu, Huizhou, Langfang, Yingkou, Xiangtan, Xining, Taian

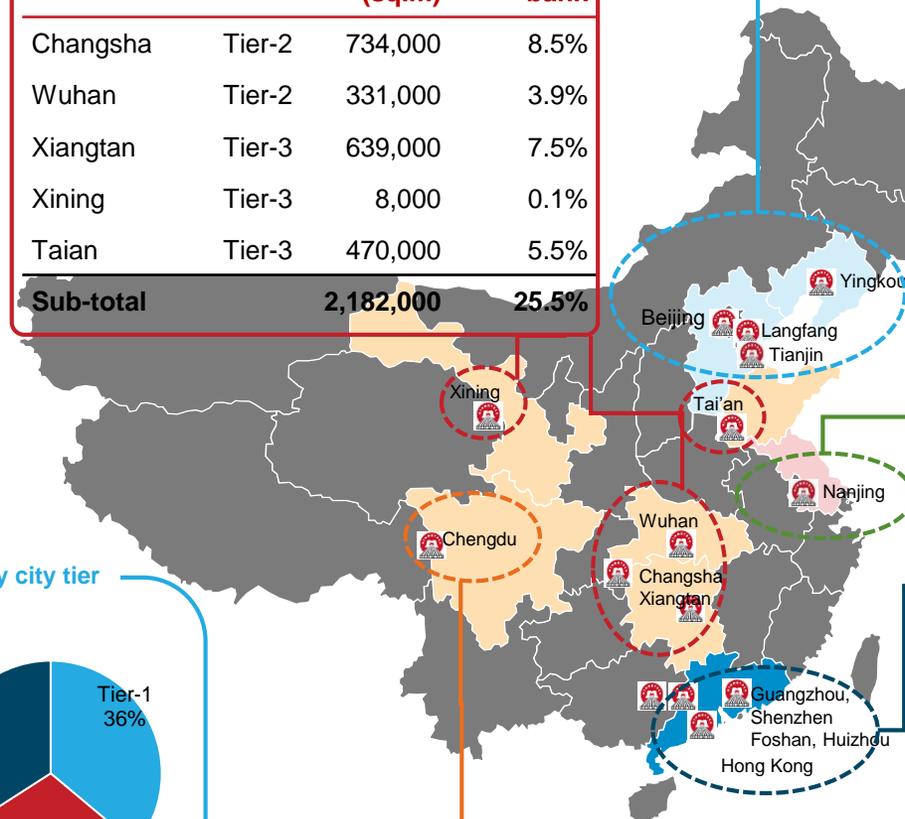
Central China			
City	City tier	Total GFA (sq.m)	% of land bank
Changsha	Tier-2	734,000	8.5%
Wuhan	Tier-2	331,000	3.9%
Xiangtan	Tier-3	639,000	7.5%
Xining	Tier-3	8,000	0.1%
Taian	Tier-3	470,000	5.5%
Sub-total		2,182,000	25.5%

Pan-Bohai Rim			
City	City tier	Total GFA (sq.m)	% of land bank
Beijing	Tier-1	159,000	1.9%
Tianjin	Tier-1	2,147,000	25.0%
Yingkou	Tier-3	93,000	1.1%
Langfang	Tier-3	653,000	7.6%
Sub-total		3,052,000	35.6%

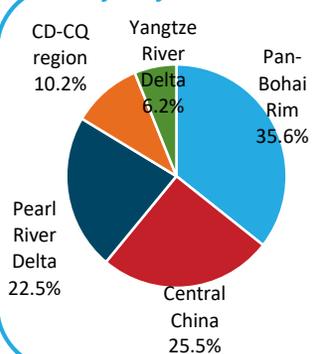
Yangtze River Delta			
City	City tier	Total GFA (sq.m)	% of land bank
Nanjing	Tier-2	529,000	6.2%
Sub-total		529,000	6.2%

Pearl River Delta			
City	City tier	Total GFA (sq.m)	% of land bank
Hong Kong	Tier-1	51,000	0.6%
Shenzhen	Tier-1	109,000	1.3%
Guangzhou	Tier-1	626,000	7.3%
Foshan	Tier-2	109,000	1.2%
Huizhou	Tier-3	1,040,000	12.1%
Sub-total		1,935,000	22.5%

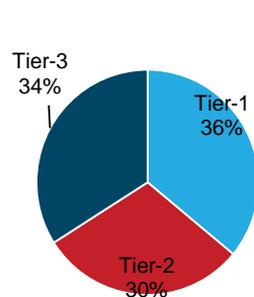
CD-CQ region			
City	City tier	Total GFA (sq.m)	% of land bank
Chengdu	Tier-2	877,000	10.2%
Total		877,000	10.2%



by city clusters



by city tier



Focus on the Greater Bay Area



Guangzhou Parc One



Guangzhou Greenery Terrace

Guangzhou Regent Heights

Guangzhou Langyun Garden

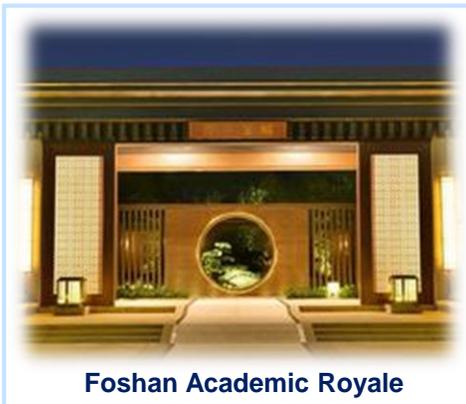
- **Transit-oriented development (TOD)** business model
- acquire **prime land** resources along the Guangzhou Metro Line at a **relatively low price**
- paved the way for **further business growth** in the area



Guangzhou Baiyun Chatou Project



Huizhou Hallstatt See



Foshan Academic Royale



Shenzhen The Greenville

- The **Greater Bay Area** : supported by government policies and new infrastructure development, potentially the world's largest bay area economy
- MML has made inroads into the Greater Bay market **since 2016**, laying solid foundation for its future development by the considerable expansion over the past few years
- **9** real estate development projects on hand with GFA of 1,935,000sqm, accounting for **22.6%** of the Group's total land bank
- In terms of land value, accounting for 29.5% of the Group's total land bank



Hong Kong Montego Bay

Corporate Strategy

“one core, two wings and three supports” - real estate development as the core business, with asset management and industry-city business as synergistic development, and construction, property management and property finance service as supporting services

Strengthen our “Minmetals Land” brand name

- Leveraging our association with CMC
- Focusing on providing high-quality and innovative products and services, and enhancing our customers’ overall satisfaction
- Launched the online sales platform “五礦好房” for sales and marketing activities
- Property management: 37 °C Caring Service

Leverage our position as the sole Hong Kong-listed real estate flagship of China Minmetals

- Help us in selecting high-quality and low land-cost land site in prime locations and developing strong relationships with local governments
- Able to access and negotiate commercial bank financings at reasonable or favorable rates
- The continued support from CMC will help us maintain strong growth momentum and enhance our competitive position
- Help turning us into a leading and influential real estate development company as well as urban operator in China



Optimize our land bank

- Continue to focus in “5+x” region
- Seize opportunities in Hong Kong
- Continue to increase overseas business development
- Intend to diversify our land bank by increasing commercial real estate projects while keeping residential real estate projects as primary focus

Maintain a diversified and complimentary portfolio of products and services

- Continue to focus on offering a range of mid- to high-end residential property products in the “5+x” region
- Continue to (i) lease office and retail space in Hong Kong and commercial and retail complexes in China, (ii) provide property management services to the completed projects; and (iii) provide specialised construction business mainly in Hong Kong
- Aim to position ourselves as an urban operator and enhance our overall competitiveness by following the “one core, two wings and three supports” principle

Improve our operational efficiency and profitability

- Standardize product designs and construction materials across different project sites
- Fast turnaround strategy which based on the “612306” development cycle (6 months for earthworks for the construction; 12 months for opening, 30 months for roughcast house delivery; additional 6 months for furnished products)
- Sound development cycle (land acquisition to sale), e.g. Beijing Wangsiying project ~6months; Chengdu West Begonia ~10 months; Guangzhou TOD project ~11 months; Shenzhen The Greenville ~12 months
- Launched the “5M Intelligent Health Product System” to provide a safe, healthy and intelligent community for residents.

High Quality Products and Services

5M Intelligent

Health Product System

2021

China Real Estate Association
Technology Award



Residential Products		
Product lines	Target customers	Landmark projects
High-end Series	<ul style="list-style-type: none"> High-end upgraders and wealthy customers 	
Urban Series	<ul style="list-style-type: none"> First-time purchasers and upgraders 	
Suburban Series	<ul style="list-style-type: none"> Full customer lifecycle 	

New Product Lines		
Product line	Target customers	Pipeline projects
"Live" Commercial and Retail Complex	<ul style="list-style-type: none"> Customers with lifestyle focus 	<p>Taian Live</p>
Urban Development	<ul style="list-style-type: none"> Industrial real estate parks 	<p>Pipeline industrial park projects in Nanjing and Shanghai</p>

West-Lake Future city



Chinese Green Building Label – One-star

West-Begonia



Chinese Green Building Label – Two-stars

Montego Bay



BEAM Plus - Silver

Parc One



WELL - Gold

Industry City Business

Dayi Project

- located in the new town of **Eastern Dayi**, Chengdu
- Remarkable success of the Company's **industry city business model**, acquiring **commercial and residential land at the base price** (average land cost : RMB 1,217.4/sq.m.)
- Chengdu, is undoubtedly one of the fastest-growing cities in southwestern China under the country's favourable Belt and Road Initiative, and therefore hold **great potential for development**.
- Dayi County is a renowned tourist destination with beautiful scenery and rich heritage, where **purchasing power is expected to rise** on the back of the continuous economic growth



Xindu Project

- focusing on **rail transportation** and **aviation-oriented industries**
- building **high-quality technology, business and living centres**

Pidu Project

- forming **high quality industrial spaces** such as information security and new economy and introducing high-end industrial projects, alongside with **living service facilities**
- building an **electronic information industry ecosystem** and an **innovative ecological chain** with core competitiveness

Nan'an Project

- in-depth cooperation with the government of Nan'an Municipality of Fujian Province
- joint construction of **a modern intelligent manufacturing industry park, a modern logistics park and a distinct landmark of cultural tourism**
- promoting the transformation and upgrading of local industries and regional economic development



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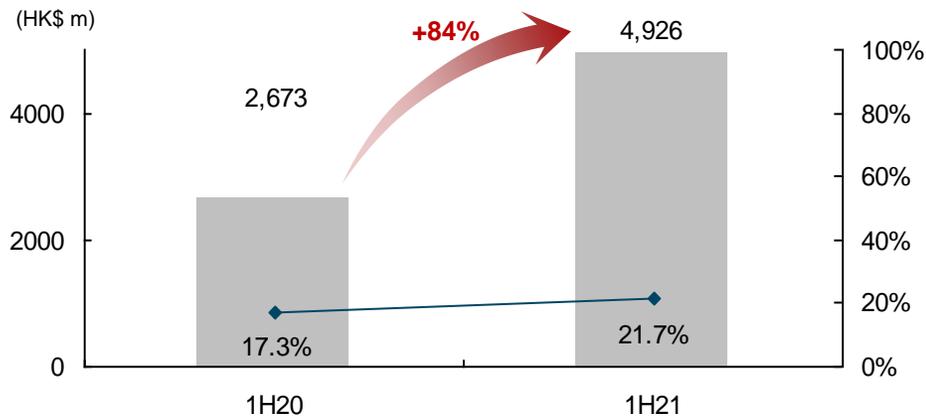
Section 3

Financial Review

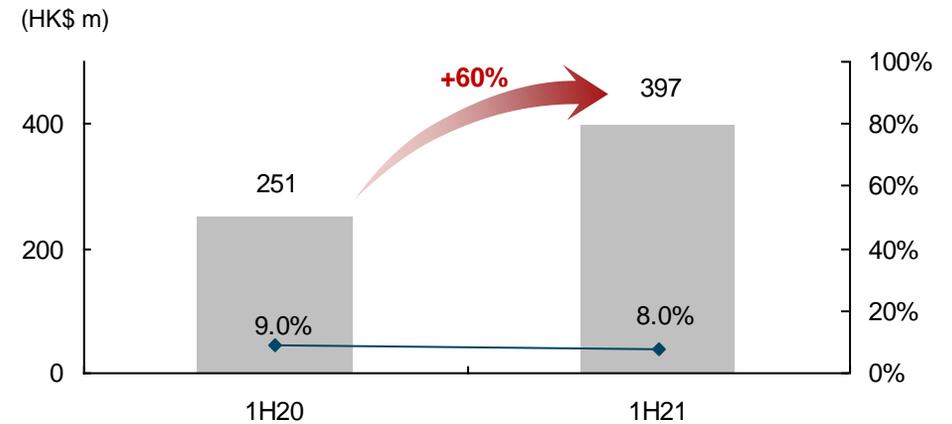


Sustainable Sales Growth

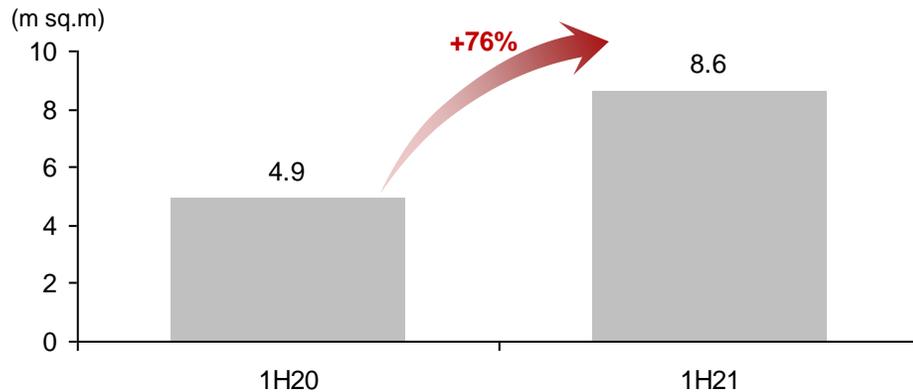
Revenue & Gross Profit Margin



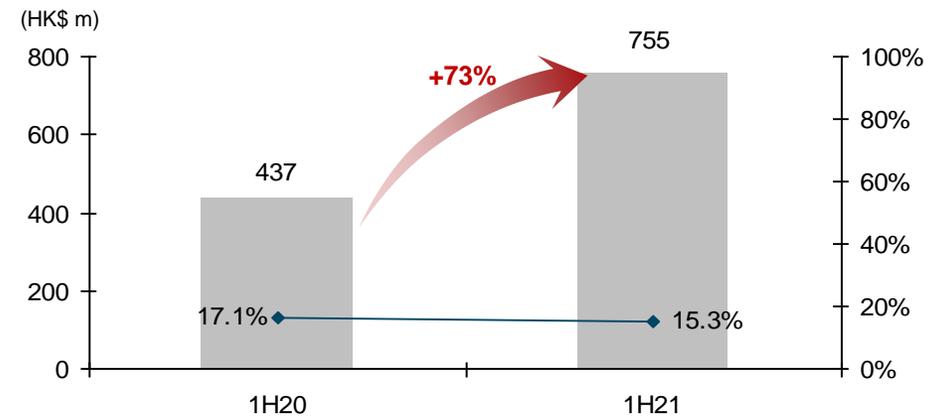
Net Profit & Net Profit Margin



Land Bank



EBITDA¹ & EBITDA Margin



Note:
¹ Adjusted EBITDA = Profit Before Tax – Fair Value Change on Investment Properties – Finance Income + Finance Cost + Allowance for Impairment of Inventories + Allowance for Impairment of Trade Receivables + Depreciation

Prudent Financial Management

(HK\$ m)	30 Jun 2021	31 Dec 2020	Change
Cash and bank deposits	14,097	8,433	+67.2%
Total assets	76,510	68,388	+11.9%
Total equity	21,224	22,410	-5.3%
– Equity attributable to equity owners	9,629	9,599	+0.3%
– Perpetual capital instruments	2,465	3,948	-37.6%
– Non-controlling interests	9,130	8,864	+3.0%
Total debt ⁽¹⁾	23,612	19,571	+20.6%
– Due in one year	8,594	4,555	+88.7%
Net debt-to-equity ratio ⁽²⁾	44.8%	49.7%	-4.9p.p.

Weighted average borrowing cost

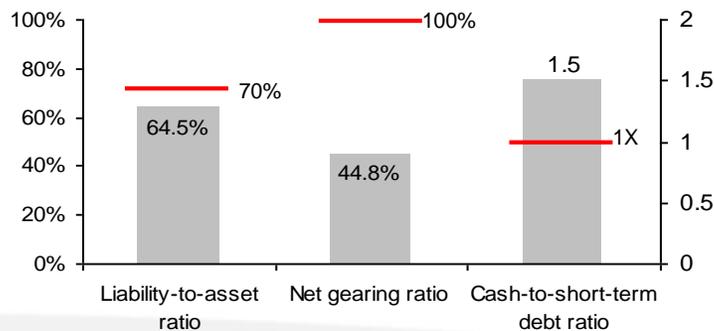
3.7%

Debut Green Bond

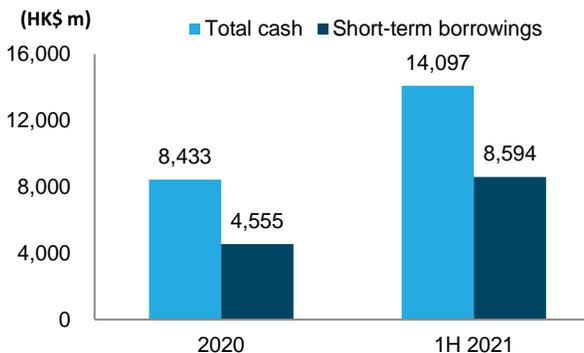
USD 300m 4.95%

↓ 145 bp v.s. last issuance

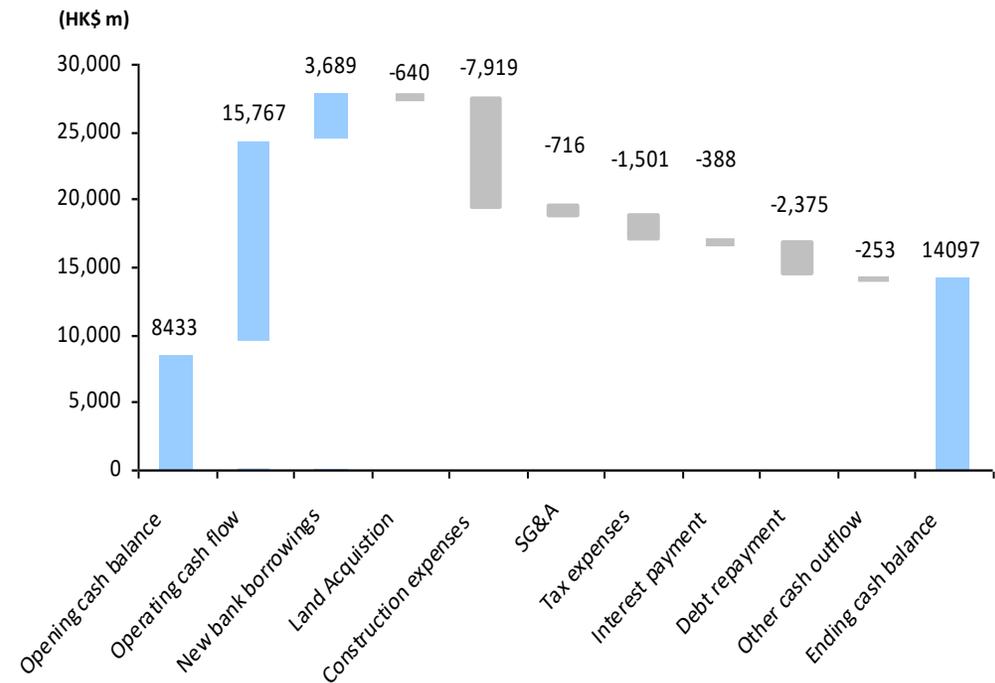
Fully complied the “Three Red Line” requirements ⁽³⁾



Strong cash position relative to short-term borrowings



1H 2021 Cash flow



Debt profile (within one year)

(HK\$ m)	30 Jun 2021
Revolving loan	3,677
2018 USD bond (refinancing completed in Jul 2021)	2,328
Other borrowings	2,589
Total	8,594

Notes: (1) Total debt includes bank borrowings, guaranteed bonds and loans from non-controlling shareholder of subsidiaries

(2) Net debt-to-equity = (total indebtedness – cash (incl. restricted cash)) divided by total equity

(3) As at 30 June 2021

(4) Total cash included restricted cash



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Section 4

Outlook



Outlook

Market

- Adhere to the principle of “housing is for living in and not for speculation”
- Expect tightened measures will remain in place
- Continuing deleverage push to ensure healthy and stable development of China's real estate market

Strategy

- Speed up the implementation of the “urban operator” business strategy
- Remain the prudent investment strategy
- Acquire quality land through multiple channels
- Optimize the development cycle and strengthen its operations management
- Enhance its product quality

Investment Summary

- 1 Improved bottom line, business activities have started to pick up since last year**
- 2 Healthy financial position with strong liquidity under the prudent financial management**
- 3 Sufficient resources in terms of escalating equity base and land bank**
- 4 Fully complies with the “three red lines” requirements**
- 5 State-owned Property Developer with Strong and Continuing Support from Parent Company**





Questions & Answers

Thank you!



五礦地產有限公司
MINMETALS LAND LIMITED

Section 5

Appendix



Projects Profile

Real Estate Development Projects in China & HK

Location/Project		Attributable interest to the Group	Site Area (sq.m.)	Construction floor area (sq.m.)	Land Bank (sq.m.)	
Pan Bohai Rim						
1.	Beijing Fortune Garden	北京如園	51.0%	139,000	414,000	5,000
2.	Beijing Wangsiyingxiang project*	北京王四營鄉項目*	40.0%	49,000	181,000	154,000
3.	Yingkou Platinum Bay	營口五礦•鉑海灣	100.0%	396,000	377,000	93,000
4.	Langfang Harrow Town	廊坊哈洛小鎮	50.0%	550,000	1,285,000	653,000
5.	Tianjin Minmetals International	天津中國五礦商務大廈	100.0%	21,000	183,000	14,000
6.	Tianjin Neo-Metropolis	天津未來城	49.0%	1,115,000	2,778,000	2,133,000
Sub-total				2,270,000	5,218,000	3,052,000
Yangtze River Delta						
7.	Nanjing Sello Royale	南京五礦•九壘台	100.0%	179,000	270,000	5,000
8.	Nanjing Academic Royale	南京五礦•崇文金城	100.0%	136,000	482,000	12,000
9.	Nanjing Yan Shan Ju	南京晏山居	100.0%	91,000	203,000	9,000
10.	Nanjing Enchanté Oasis	南京五礦•瀾悅栖原	100.0%	95,000	255,000	21,000
11.	Nanjing Enchanté Cove	南京五礦•瀾悅方山	100.0%	68,000	148,000	17,000
12.	Nanjing Jiang Shan Da Jing	南京江山大境	39.8%	83,000	285,000	163,000
13.	Nanjing Majestic Mansion	南京長江華府	33.9%	43,000	233,000	165,000
14.	Nanjing Enchanté Park	南京五礦•瀾悅溪山	100.0%	61,000	181,000	137,000
Sub-total				756,000	2,057,000	529,000
Chengdu-Chongqing region						
15.	Chengdu West Begonia	成都五礦•西棠雅園	100.0%	22,000	80,000	72,000
16.	Chengdu West-Lake Future City	成都西湖未來城	100.0%	378,000	736,000	705,000
17.	Chengdu Dayi Shaqu project	成都大邑沙渠項目	100.0%	44,000	114,000	100,000
Sub-total				444,000	930,000	877,000

Projects Profile (cont'd)

Location/Project		Attributable interest to the Group	Site Area (sq.m.)	Construction floor area (sq.m.)	Land Bank (sq.m.)	
Central China						
18.	Changsha LOHAS International Community	長沙五礦•龍灣國際社區	100.0%	643,000	1,084,000	77,000
19.	Changsha Scotland Town	長沙格蘭小鎮	100.0%	333,000	442,000	9,000
20.	Changsha Qin Royale	長沙五礦•沁園金城	100.0%	150,000	570,000	134,000
21.	Changsha Minmetals Plaza	長沙五礦廣場	100.0%	22,000	179,000	178,000
22.	Changsha Realm of Landscape	長沙萬境瀟湘	25.5%	87,000	311,000	269,000
23.	Changsha Greenland Centre	長沙綠地中心	25.5%	23,000	259,000	67,000
24.	Xiangtan Scenery Cove	湘潭•萬境水岸	51.0%	428,000	1,104,000	639,000
25.	Wuhan Enchanté Crest	武漢五礦•瀾悅雲璽	100.0%	61,000	180,000	122,000
26.	Wuhan Scenery Cove	武漢萬境水岸	100.0%	62,000	215,000	209,000
27.	Taian Scenery Centre	泰安五礦萬境廣場	51.0%	51,000	148,000	103,000
28.	Taian Scenery Cove	泰安•萬境水岸	51.0%	270,000	699,000	367,000
29.	Xining Minmetals Chai Da Mu Plaza	西寧五礦柴達木廣場	51.0%	152,000	464,000	8,000
Sub-total				2,282,000	5,655,000	2,182,000
Pearl River Delta						
30.	Foshan Academic Royale	佛山五礦•崇文金城	100.0%	43,000	214,000	109,000
31.	Huizhou Hallstatt See	惠州五礦•哈施塔特	100.0%	918,000	1,549,000	1,040,000
32.	Guangzhou Greenery Terrace	廣州萬樾台	100.0%	17,000	29,000	17,000
33.	Guangzhou Regent Heights	廣州五礦招商鷺山府	51.0%	21,000	72,000	15,000
34.	Guangzhou Parc One	廣州五礦•壹雲台	51.0%	72,000	258,000	227,000
35.	Guangzhou Langyun Garden	廣州朗雲花園	10.0%	57,000	130,000	86,000
36.	Shenzhen The Greenville	深圳萬樾府	51.0%	31,000	178,000	109,000
37.	Guangzhou Baiyun Chatou project	廣州白雲區槎頭項目	45.9%	77,000	340,000	281,000
38.	Hong Kong Montego Bay	香港蔚藍東岸	100.0%	11,000	65,000	51,000
Sub-total				1,247,000	2,835,000	1,935,000
Total				6,999,000	16,695,000	8,575,000

Corporate Structure



国务院国有资产监督管理委员会

State-owned Assets Supervision and Administration Commission of the State Council

100.0%



中国五矿集团有限公司
CHINA MINMETALS CORPORATION

88.4% (directly and indirectly)

China Minmetals Corporation Limited

Onshore

Offshore

100.0%

China Minmetals H.K. (Holdings) Limited

Public Shareholders

61.88%¹

38.12%



五矿地产有限公司
MINMETALS LAND LIMITED

(230.HK)

Note:

1 China Minmetals H.K. (Holdings) Limited holds 61.88% shareholding in Minmetals Land Limited through June Glory International Limited (BVI) as of 30 Jun 2021

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