



中国奥园集团股份有限公司
China Aoyuan Group Limited

香港联交所上市编号:3883

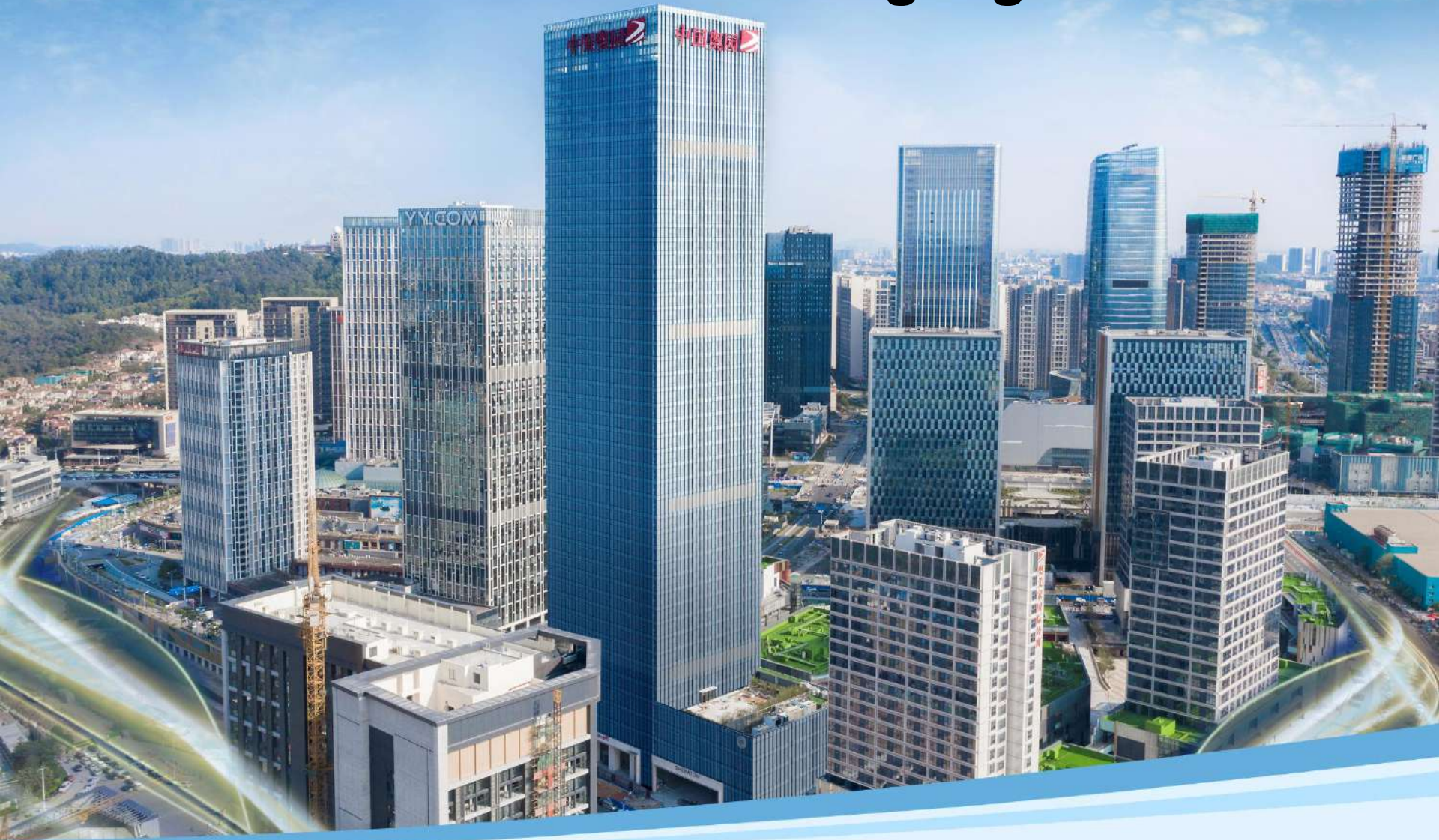
2020 Interim Results Presentation

August 2020



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1. Highlights & Outlook



Guangzhou Aoyuan International Center
Aoyuan Tower (actual image)



1H2020 Results highlights

Contracted sales growth regained momentum with high earnings sustainability

- Since full resumption of sales office and construction in late Mar and early Apr, sales momentum has regained pace with contracted sales for Jul 2020 up 43% yoy to RMB9.55 billion
- Recorded RMB60.42bn sales in 7M2020, representing completion of 46% of full-year target
- As of 30 Jun 2020, unbooked revenue amounted to approx. RMB180bn, which will be gradually recognized in the next 2 years

Stable revenue growth & profit margins

- Revenue in 1H2020 increased by 19% yoy to RMB28.24bn
- Gross profit increased by 18% yoy to RMB8.28bn; gross profit margin was 29.3%
- Core net profit increased by 14% yoy to RMB2.83bn; core net profit margin was 10.0%
- Core net profit attributable to shareholders increased by 21% yoy to RMB2.45bn; core net profit margin attributable to shareholders was 8.7%

Reaffirmed positive rating outlook with enhanced cash collection rate

- Corporate rating and “positive” rating outlook were reaffirmed by S&P and Moody’s in Apr and May 2020, with “positive” rating outlook from all 3 major international rating agencies; domestic credit rating is assigned “AAA”, the highest credit rating in PRC, by United Credit Ratings
- As of 30 Jun 2020, net gearing ratio was 79.8%, and average borrowing cost remained stable
- In 1H2020, cash collection rate was approx. 90%; total cash amounted to approx. RMB69.44bn, approx. 1.5 times of short-term borrowings



1H2020 Results highlights (cont.)

Diversified onshore and offshore financing channels with costs hitting record low

- In Feb 2020, issued US\$188mn 4.8% 363-day offshore senior notes; in Jul 2020, issued US\$460mn 6.35% offshore senior notes due 2024
- In Jan and Apr 2020, secured two tranches of 3-year offshore syndicated loans of approx. US\$280mn in total, at an interest rate of HIBOR/LIBOR+4.30% per annum with 9 offshore commercial banks led by Hang Seng Bank and HSBC Bank
- In Feb 2020, issued RMB2.54bn 5.5% onshore corporate bond due 2025; in Aug 2020, issued RMB1.18bn 5.65% onshore corporate bond due 2025

Capitalize on traditional M&A strength; Tap into new land banking model of asset portfolio acquisition

- In 1H2020, acquired a total of 44 new projects with newly added GFA of approx. 6.95mn sqm (63% through M&A) and newly added saleable resources of approx. RMB83.2bn
- Average land cost of newly added projects in 1H2020 was RMB3,812 per sqm, which helps maintaining reasonable land cost and stable margins to weather market volatility
- In Jul 2020, completed acquisition of 29.99% issued shares with voting rights of Kinghand Group (000615.SZ), which will be consolidated into Aoyuan's financial statements

Enrich GBA land bank with accelerating conversion of urban redevelopment projects

- As of 30 Jun 2020, total GFA of land bank was approx. 48.74mn sqm (attributable: 78%) with saleable resources of approx. RMB501.5bn. Total saleable resources including urban redevelopment projects amounted to RMB1,160.2bn, which is sufficient for the development in the next 4 to 5 years
- Full coverage of "Three Olds" urban redevelopment with over 50 urban redevelopment projects at different phases, providing additional estimated saleable resources of approx. RMB658.7bn, 95% of which are located in GBA, enriching land bank in the area



2020 Strategies and plans

Aoyuan is committed to becoming a world-class integrated healthy lifestyle service provider

While the COVID-19 outbreak has been curbed in China, it is still challenging outside China.

Global economic growth is under pressure while low interest rate and QE environment will continue. China's real estate market continues to recover with divergence among different regions and cities. "Housing is for living in, not for speculation; and implementation of city-specific policies" is expected to remain as the keynote of the market. Industry and credit policies are expected to be adjusted in a timely and flexible manner to promote the long-term and stable development of the real estate market

Stable growth	Client-focused	Refined products	Enhanced operations	Cost control	Rapid cash collection
<ul style="list-style-type: none">• Continue cultivation in relevant urban agglomerations where regional subsidiaries are based• Make investment decisions based on funding availability, and acquire projects that can be launched within the year• Capitalize on traditional M&A strengths, tap into new land banking model of asset portfolio acquisition• Accelerate the conversion of urban renewal projects• Strengthen risk management and ensure the safety of cash flow	<ul style="list-style-type: none">• Enhance customer research and targeting, develop products that match customer needs• Strengthen the service level and product quality regarding sales, delivery, property management, etc.• Establish smooth complaint handling channels• Develop full-cycle customer service management system to enhance customer satisfaction and brand reputation	<ul style="list-style-type: none">• Implement Aoyuan A+ product strategy and build a design quality management system underpinned by a lean approach• Dual focus on design standardization and R&D innovation• Optimize construction techniques and processes to improve quality control• Build a series of signature projects and improve product competitiveness and brand influence to increase product premium	<ul style="list-style-type: none">• Establish a platform organization facilitating the development of "specialized HQ, strong regionals and accelerated project execution" and boost organizational synergy and resources utilization• Strengthen sales and marketing capability, and promote delicacy management to increase per capita productivity• Optimize KPIs and performance-based incentive mechanism to improve team quality and stability• Increase overall operating profit	<ul style="list-style-type: none">• Enhance project standardization and proportion of centralized procurement to reduce construction and production costs• Improve management delicacy and lower selling, general and administrative cost• Ensure efficient use of capital and reduce finance cost• Reduce taxation expenses with rational and appropriate tax planning	<ul style="list-style-type: none">• Speed up the launch of new projects and increase sell-through rate• Drive inventory optimization and enhance inventory destocking and clearance• Include cash collection in the performance appraisal system and accelerate the cash collection progress and settlement of account receivables• Establish "HQ-to-HQ" cooperation with commercial banks and facilitate cash collection from mortgage loans

Greater focus on the balance of scale and profitability to achieve sustainable and high-quality development

2. Financial Overview



Huizhou Aoyuan Yushan Lake (actual image)



Income statement highlights

(6 months ended 30 Jun)

(RMB '000)	2020	2019	Change
Revenue ⁽¹⁾	28,243,000	23,669,677	+19%
Gross profit	8,282,103	7,045,685	+18%
Gross profit margin	29.3%	29.8%	-0.5 p.p.
Net profit ⁽²⁾	2,839,886	2,800,036	+1%
Net profit margin	10.1%	11.8%	-1.7 p.p.
Core net profit ⁽³⁾	2,828,244	2,489,652	+14%
Core net profit margin	10.0%	10.5%	-0.5 p.p.
Core net profit attributable to shareholders ⁽³⁾	2,450,478	2,025,182	+21%
Core net profit margin attributable to shareholders	8.7%	8.6%	+0.1 p.p.
Basic earnings per share	89.6	84.8	+6%
(RMB cents)			

Note:

(1) As of Jun 30 2020, property development accounted for 97% of revenue, while property investment, property management, sales of goods and others accounted for 3%

(2) As of Jun 30 2020, profit attributable to shareholders accounted for 85%, while profit attributable to non-controlling shareholders accounted for 15%

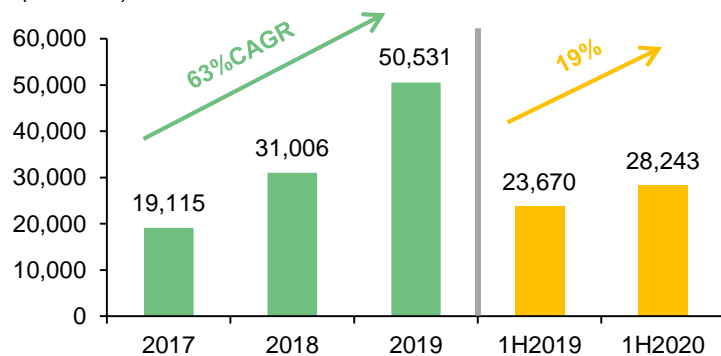
(3) Core net profit excludes non-recurring profit or loss items and their related tax expenses, comprising fair value gain on investment properties, net exchange differences, etc.



Income statement highlights (cont.)

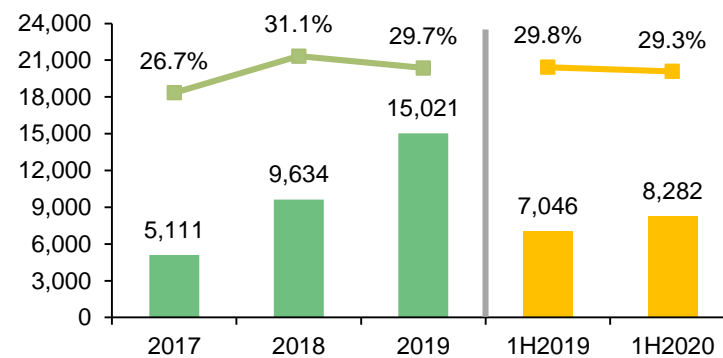
Revenue

(RMB mn)



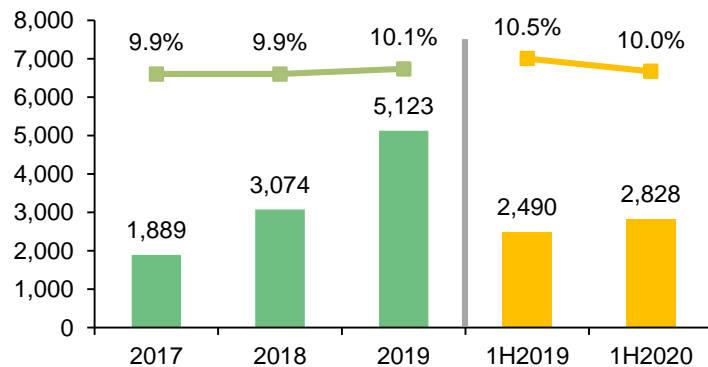
Gross profit & gross profit margin

(RMB mn)



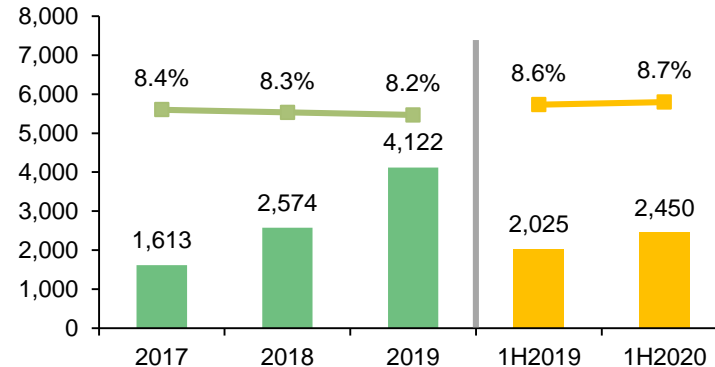
Core net profit & core net profit margin

(RMB mn)



Core net profit & core net profit margin attributable to shareholders

(RMB mn)





Balance sheet highlights

<i>(RMB '000)</i>	As of 30 Jun 2020	As of 31 Dec 2019	As of 30 Jun 2019
Total cash ⁽¹⁾	69,439,174	68,059,844	54,836,768
Total assets	298,587,136	289,880,433	232,567,758
Total liabilities ⁽²⁾	256,493,176	252,883,825	197,200,473
Total debt ⁽³⁾	103,047,755	95,763,930	77,556,358
Net debt ⁽⁴⁾	33,608,581	27,704,086	22,719,590
Total equity	42,093,960	36,996,608	35,367,285

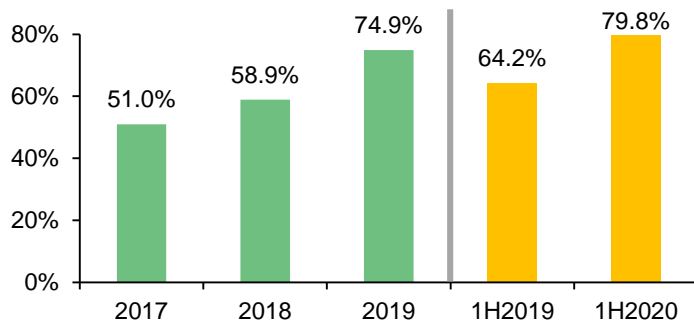
Note:

- (1) Total cash = Bank balances and cash + Restricted bank deposits + Structured deposits
As of 30 Jun 2020, credit facilities amounted to approx. RMB225.6bn, of which approx. RMB94.3bn were unutilized
- (2) As of 30 Jun 2020, total liabilities mainly include contract liabilities of RMB78.7bn and total debt of RMB103bn
- (3) Total debt includes interest-bearing debts such as onshore & offshore bank and other borrowings, onshore corporate bonds and offshore senior notes etc. (Please refer to page 12 for more details)
- (4) Net debt = Total debt – Total cash

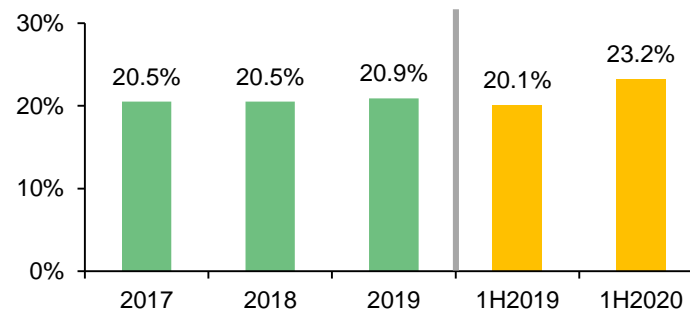


Key financial ratios

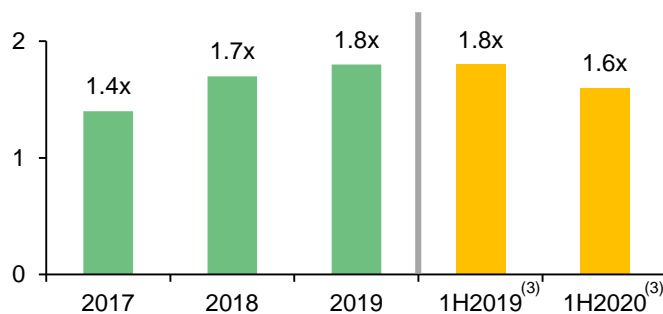
Net debt ⁽¹⁾ / Total equity



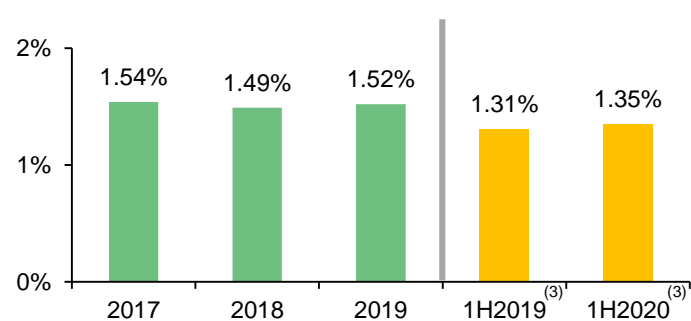
Net debt ⁽¹⁾ / Total capitalisation ⁽²⁾



Revenue / Net debt ⁽¹⁾



Trade receivables of property development / Recognized sales



Note:

(1) Net debt = Total debt - Total cash

(2) Total capitalization = Total equity + Total debt

(3) Annualized, i.e. data over the past 12 months



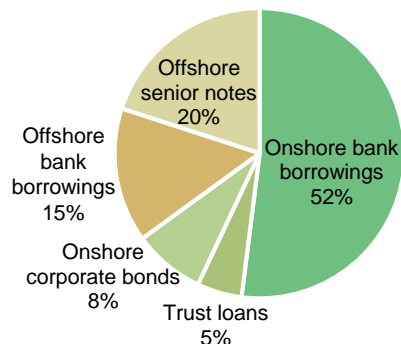
Debt profile and financing

Debt structure

Total debt: RMB103.05bn
(As of 30 Jun 2020)

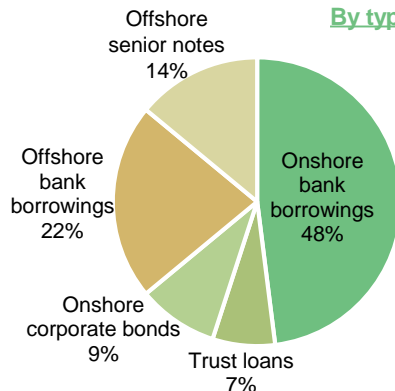
Short-term debt: RMB47.51bn
(As of 30 Jun 2020)

By type



- Onshore: 65%
- Offshore: 35%

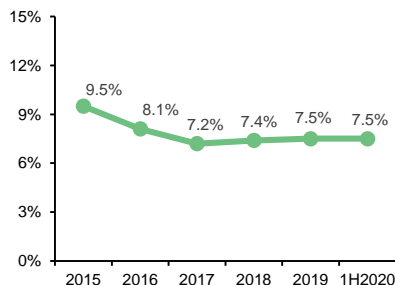
By type



- Onshore: 64%
- Offshore: 36%
- 2H2020: 38%
- 1H2021: 62%

- As of 30 Jun 2020, total debt amounted to approx. RMB103bn. Total cash amounted to approx. RMB69.4bn, covering 1.5 times of short-term debt of approx. RMB47.5bn
- In Jul 2020, short-term debt of approx. RMB6.3bn were repaid and accounted for approx. 40% of total debt, alleviating short-term debt pressure

Stable average interest rates



Execution capability well-recognized by capital markets



Garnered 1st place in "Global Fixed-Income Executive Team" overall weighted score and "Best Use of Debt - High Yield" (global real estate and construction sector) in Institutional Investor's "Best Global Fixed Income Executive Team 2019"

"Positive" rating outlook from all three international rating agencies

- Aoyuan's corporate rating and "positive" rating outlook were reaffirmed by S&P and Moody's in Apr and May 2020, following the upgrades of corporate rating and rating outlook from all 3 major international rating agencies, Fitch (BB-), S&P (B+) and Moody's (B1) in 2016-2019, with "positive" rating outlook from all 3 major international rating agencies; Aoyuan also received a "BB+" global scale long-term issuer credit rating with a "stable" outlook from Lianhe Ratings Global
- Domestic credit rating is assigned "AAA", the highest credit rating in PRC, by United Credit Ratings

Diversified onshore and offshore financing channels

- In Jul 2020, issued US\$460mn 6.35% offshore senior notes due 2024 with a peak orderbook reaching US\$2.8bn
- In Feb 2020, issued US\$188mn 4.8% 363-day offshore senior notes at par, achieving lowest issuing cost among PRC high-yield bonds
- In Jan and Apr 2020, secured two tranches of 3-year offshore syndicated loans of approx. US\$280mn in total, at an interest rate of HIBOR/LIBOR+4.30% per annum with 9 offshore commercial banks led by Hang Seng Bank and HSBC Bank
- In Aug 2020, issued RMB1.18bn 5.65% onshore corporate bond due 2025; in Feb 2020, issued RMB2.54bn 5.5% onshore corporate bond due 2025
- In 1H2020, established "HQ-to-HQ" strategic cooperation with onshore banks and secured credit facilities of approx. RMB27bn

Value corporate credibility and redeem onshore and offshore bonds on time

- Redeemed RMB2.1bn onshore corporate bond puttable in Jul 2020 on time
- Redeemed US\$425mn offshore senior notes due Jan 2020 on time

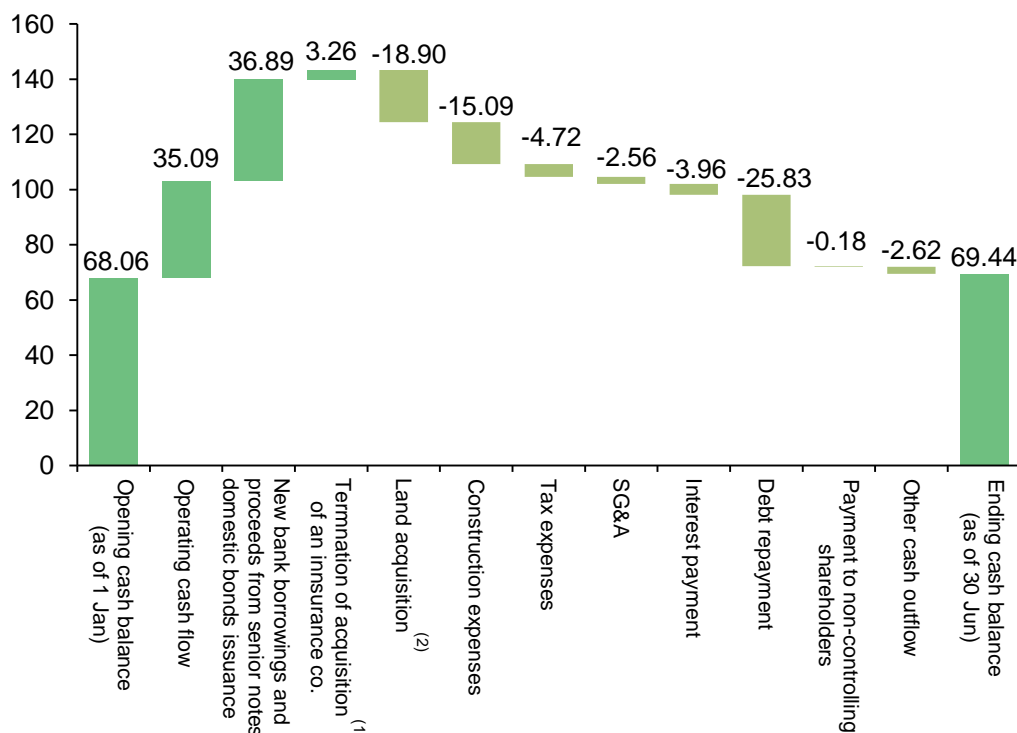


Cash flow & CAPEX

Aoyuan adheres to prudent financial management, recycling capital through rapid presales to ensure healthy cash flow and sustainable development

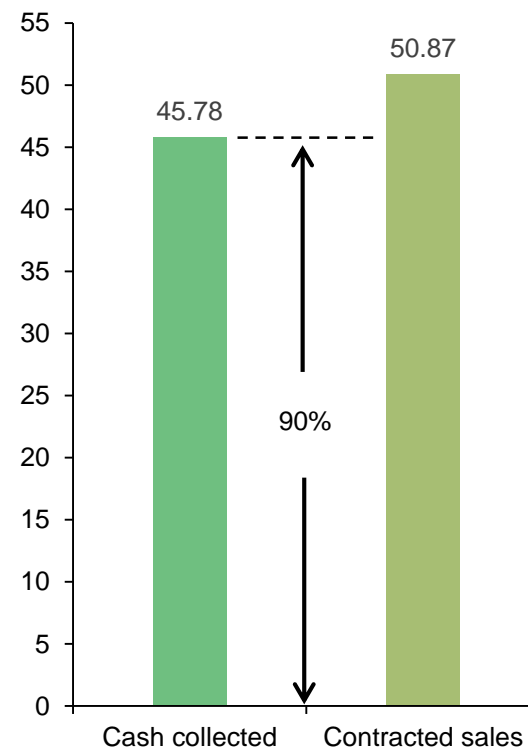
1H2020 Cash flow (Consolidated)

(RMB bn)



1H2020 Cash collection (Gross)

(RMB bn)



Note:

(1) Termination of the acquisition was announced on 20 Jan 2020 based on agreed terms and was fully refunded

(2) As of 30 Jun 2020, the outstanding land premium was approx. RMB8.95bn which is expected to be fully paid within a year

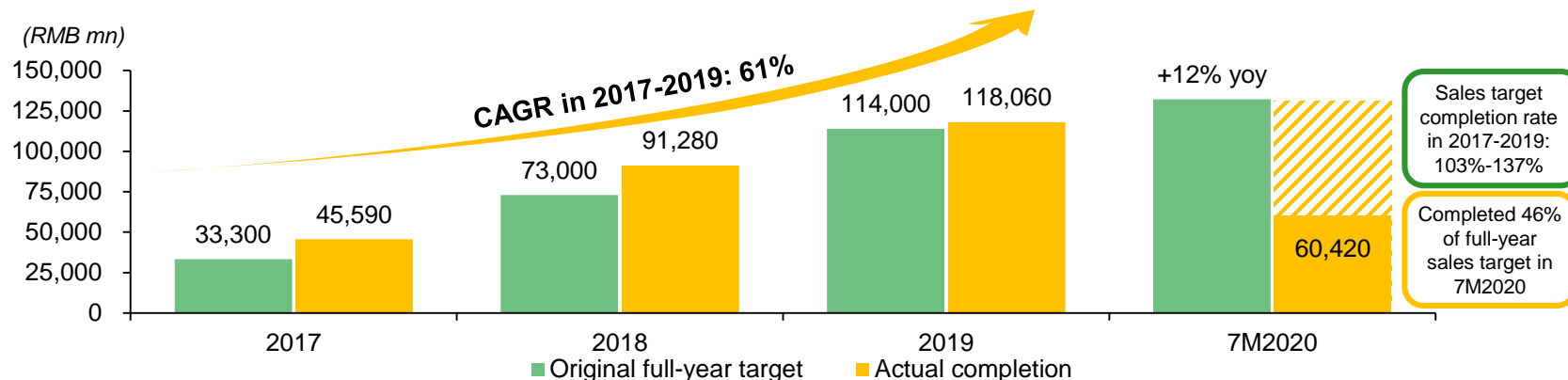
3. Business Operations





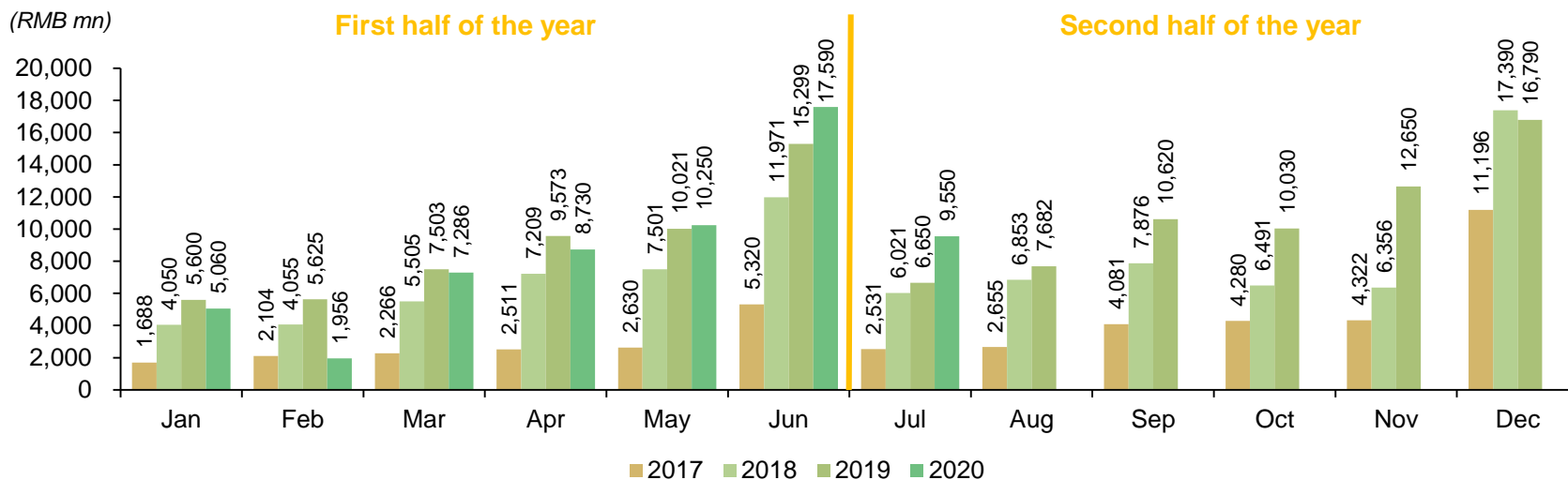
Sustainable contracted sales growth outpaces industry average

Yearly contracted sales



CRIC Sales rankings of PRC developers	40 th	34 th	23 rd	24 th	Attributable
	40 th	38 th	27 th	28 th	Gross

Monthly contracted sales

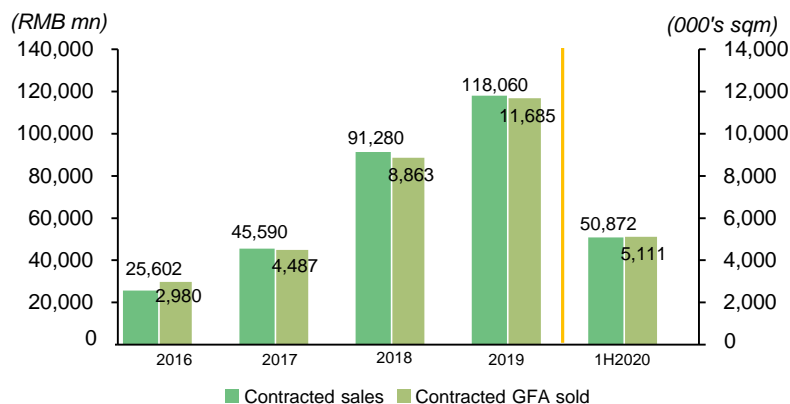




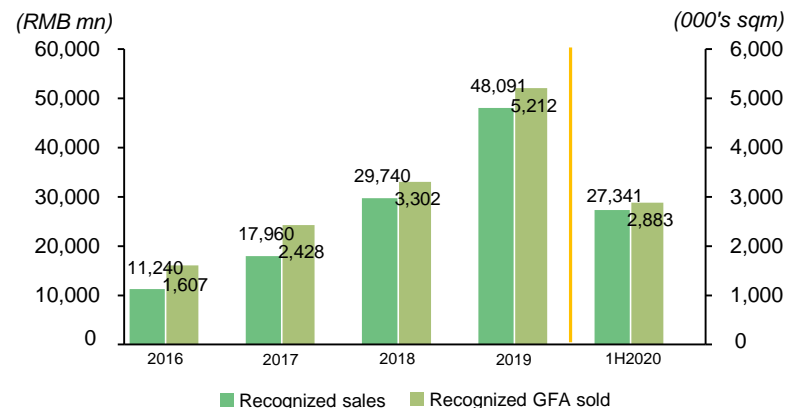
Robust growth in contracted and recognized sales

Attributable contracted sales accounted for 79% in 1H2020 at a relatively high industry level.
As of 30 Jun 2020, unbooked revenue amounted to approx. RMB180bn (tax-inclusive),
which will be gradually recognized in the next 2 years, demonstrating high earnings sustainability

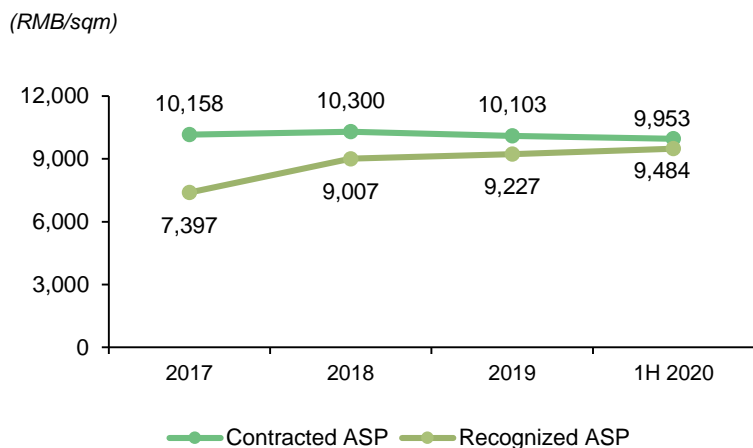
Contracted sales and GFA sold (Gross)



Recognized sales and GFA sold (Consolidated)

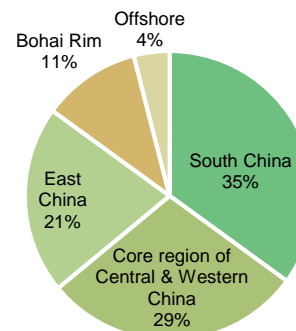


Contracted and recognized ASP

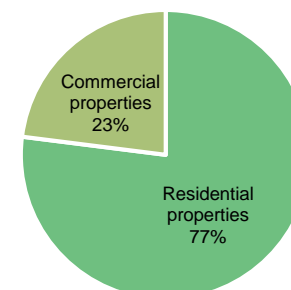


2020E saleable resources: approx. RMB220bn

By region



By product



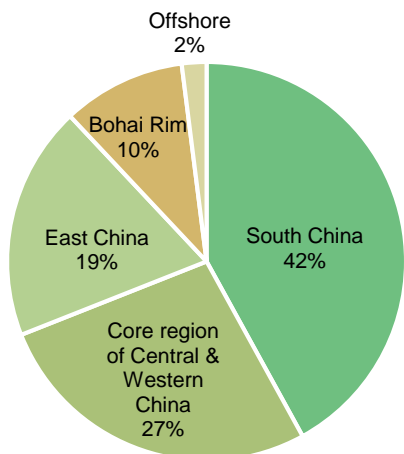


Contracted sales breakdown



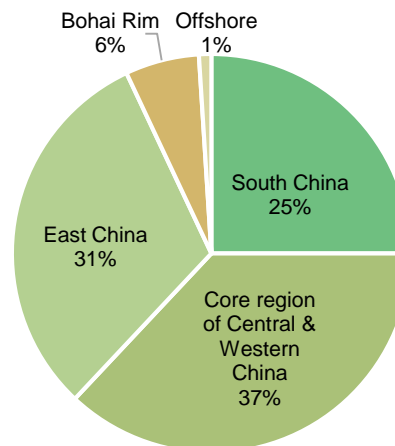
1H2019 contracted sales: RMB53.63bn

By region



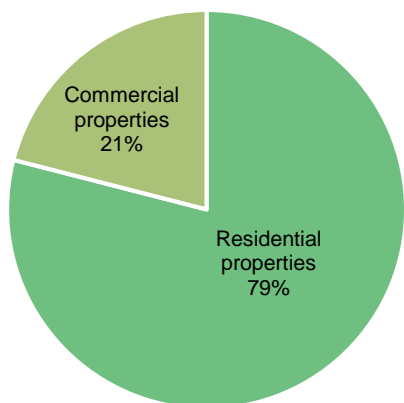
1H2020 contracted sales: RMB50.87bn

By region



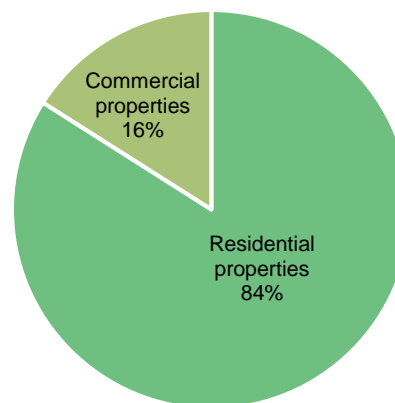
1H2019 contracted sales: RMB53.63bn

By product



1H2020 contracted sales: RMB50.87bn

By product

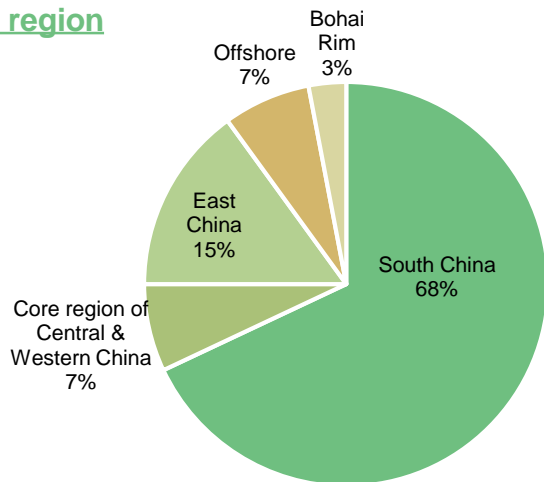




Recognized sales breakdown

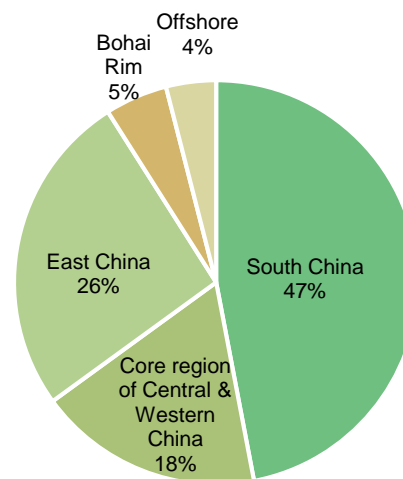
1H2019 recognized sales: RMB22.42bn

By region



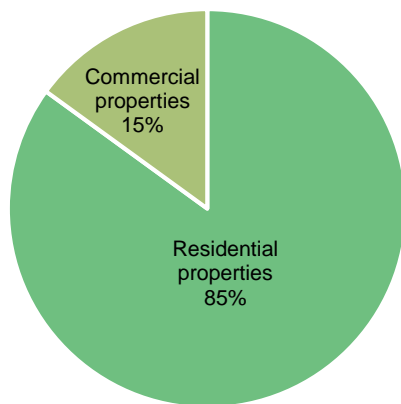
1H2020 recognized sales: RMB27.34bn

By region



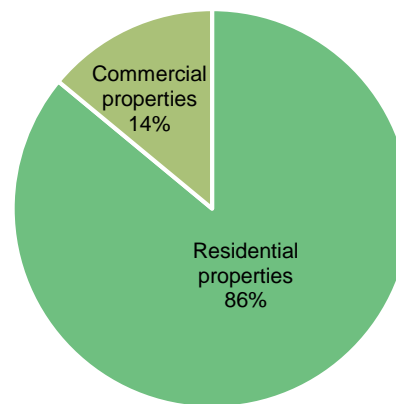
1H2019 recognized sales: RMB22.42bn

By product



1H2020 recognized sales: RMB27.34bn

By product

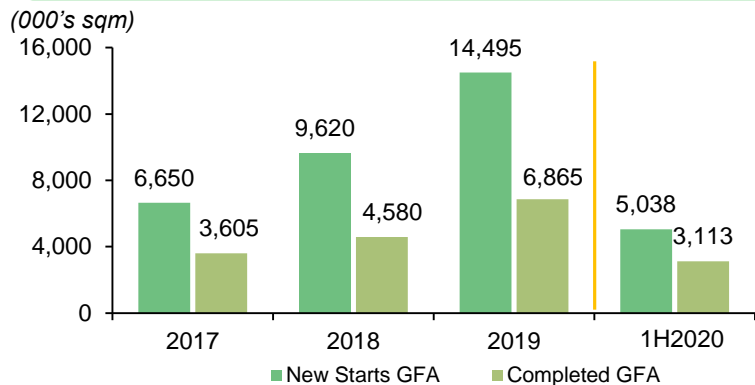




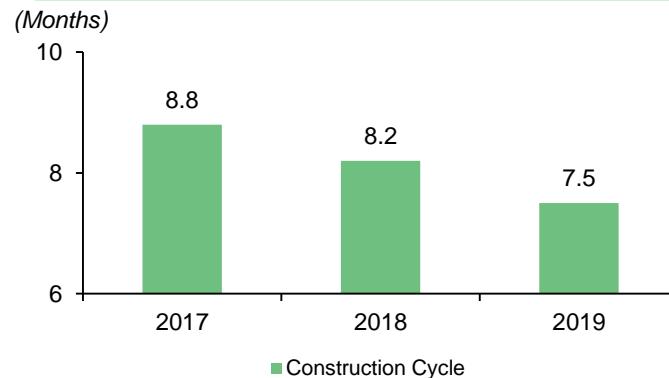
Delicacy management to boost quality and efficiency

With delicacy management and application of new construction techniques and processes, the engineering quality and safety level of projects have continued to improve and the entire development cycle has shortened year by year to an industry-leading level

Dynamic adjustment of development pace to enhance cash flow



Shorter cycle between land acquisition and presales launch



Huizhou Aoyuan
Yubo Mansion



Foshan Aoyuan
Glorious Mansion



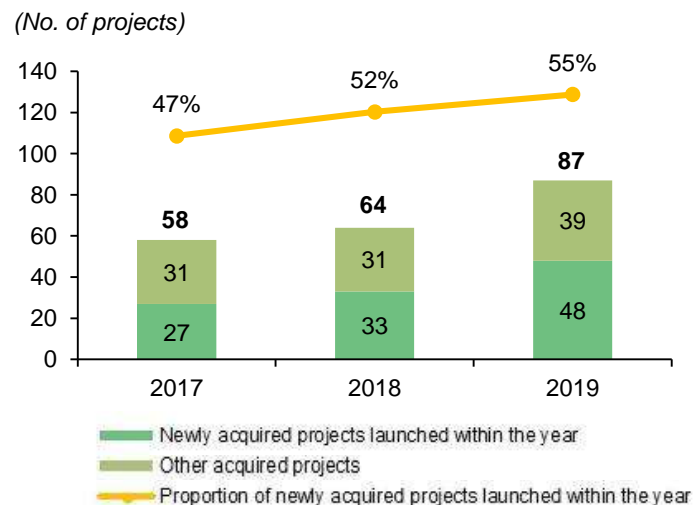
Meizhou Aoyuan
Platinum Mansion



Anhui Jinke Aoyuan
Landscape City

(The above are actual images)

High proportion of newly acquired projects launched within the year





Full upgrade of Aoyuan A+ product competitiveness

Aoyuan has introduced a product chief and his team from one of the leading property developers, formulated a three-year product strategy and built the Aoyuan A+ Product Universe which balances standardized management and differentiated components. Our full upgrade in product competitiveness has been recognized with onshore and offshore industry awards



Aoyuan A+ Product Universe

- ✓ Aoyuan A+ Product Universe consists of five elements: Residence, Neighborhood, Craftsmanship, Service and Amenities, upholding the product proposition of “Building a Healthy Lifestyle and Smart Communities”. Aoyuan leverages its strong product capability and comprehensive service system to achieve a full coverage of scenes of customers’ everyday life
- ✓ Through synergies between digital & standardized design management platform and physical product R&D base — A+ Workshop, Aoyuan achieves continued innovation on the basis of standardization to enhance product quality and efficiency
- ✓ Leveraging synergies with health and medical resources from Aoyuan Healthy Life (3662.HK), Aoyuan has developed WELL healthy home system. Aoyuan’s projects across the country are under WELL certification process



A+ Cloudcraft
Drawing Data
Management
Platform



A+ Fit-out
Decor Products
Matching
Platform



A+ Workshop
Physical
Product
R&D Base

Onshore



Offshore



Garnered 11 onshore and offshore awards including DNA (France), IIDA (Italy), SIDA (Singapore) in 1H 2020



Full upgrade of Aoyuan A+ product competitiveness (cont.)



A+ Workshop

Physical product R&D base

Located in Panyu, Guangzhou, with a site area of 4,700 sqm and commenced operation in December 2019, the A+ Workshop showcases Aoyuan's standardized product suites, craftsmanship and procured materials collection. R&D results of showflats, types of flats and new materials are 1:1 demonstrated, ensuring product quality in an executed manner.

Aoyuan A+ Workshop Tour

Product & brand proposition showcase	To showcase Aoyuan's high-quality projects and provide an in-depth introduction of the product proposition and product system of Aoyuan	
Indoor R&D workspace	Standard showflats, underground and ground floor lobby exhibition zone	To showcase fit-out standards of different classes and standardized design of flats
	Procured materials storage zone / materials library	To showcase standardized procured materials according to the four major functional areas, namely construction, fit-out, landscape and appliances
	Craftsmanship and construction detail exhibition zone	To showcase samples of project nodes with higher difficulty
	Space simulation exhibition zone	To simulate construction and deduce the appropriate home furnishings
Outdoor R&D workspace	Landscape module exhibition	To create landscape with different themes
	Landscape craftsmanship exhibition	To showcase solutions to common pain points and craftsmanship difficulties in landscape construction

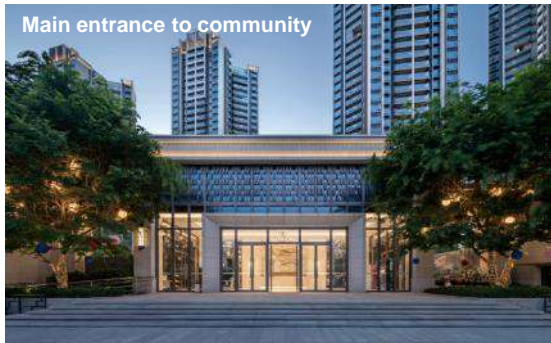




Full upgrade of Aoyuan A+ product competitiveness (cont.)

Aoyuan A+ Product Universe has been gradually applied on projects to realize a full coverage of scenes of customers' everyday life

Main entrance to community



Main community space



Main community space



Outdoor social space



Outdoor social space



Community fitness trail



Community activity area



Pool + splash zone



Community kids' playground



(The above are actual images, for details please refer to A+ Product Competitiveness series ("A+产品力") published in WeChat subscription account "Aoyuan Group")

Aoyuan Group
WeChat
Subscription
Account





Full upgrade of Aoyuan A+ product competitiveness (cont.)

Aoyuan has formed four product lines and a standardized product system which have been gradually applied on projects



Chengdu Aoyuan La Cadiere



Maoming Aoyuan Dongjiang Yufu



Kaifeng Aoyuan Junyue Mansion



Wuhan Aoyuan International Riverside



Nanning Aoyuan Hande Tangyue Mansion



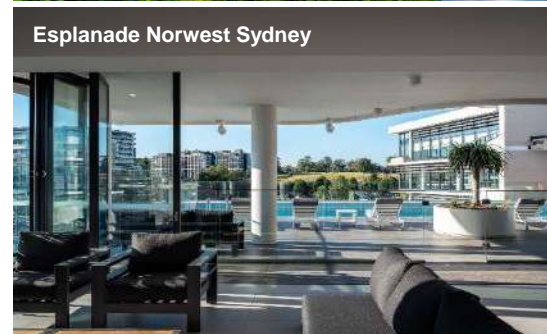
Shijiazhuang Retop Aoyuan Changan Yi Garden



Hangzhou Aoyuan Huajingchuan Urban Park



Guangzhou Aoyuan Lake Bay



Esplanade Norwest Sydney

(The above are actual images, for details please refer to *Discover Aoyuan* series ("品鉴奥园") published in WeChat subscription account "Aoyuan Group")

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Account





Asset-light commercial development model

Aoyuan maintains its commercial development strategy of “primarily saleable properties supplemented by investment properties” to diversify income streams and add values to saleable properties

Successful model: Guangzhou Panyu Aoyuan Plaza (Panyu, Guangzhou)

- Total GFA: approx. 250,000 sqm
- Commercial: 100%
- Development model: Apartments/ Shopping street (sold: 68%) + Shopping mall (owned: 32%)
- Contracted sales: approx. RMB1.8bn
- The shopping mall was opened in Dec 2012. Occupancy rate is 98%



Successful replication : Guangzhou Luogang Aoyuan Plaza (Luogang, Guangzhou)

- Total GFA: approx. 300,000 sqm
- Residential: 25%; Commercial: 75%
- Development model: Residential/Apartments/Shopping street (sold: 88%) + Shopping mall (owned: 12%)
- Contracted sales: approx. RMB4.6bn
- The shopping mall was opened in May 2019. Occupancy rate is 99%



Successful replication: Zhuhai Aoyuan Plaza (Xiangzhou, Zhuhai)

- Total GFA: approx. 270,000 sqm
- Residential: 30%; Commercial: 70%
- Development model: Residential/ Shopping street/ Offices (sold: 76%) + Shopping mall (owned: 24%)
- Contracted sales: approx. RMB4.4bn
- The shopping mall was opened in Jul 2018. Occupancy rate is 99%



Successful replication : Jiangmen Aoyuan Plaza (Pengjiang, Jiangmen)

- Total GFA: approx. 220,000 sqm
- Residential: 46%; Commercial: 54%
- Development model: Residential/Shopping street (sold: 71%) + Shopping mall (owned: 29%)
- Contracted sales: approx. RMB1.6bn
- The shopping mall was opened in Dec 2018. Occupancy rate is 92%



Successful replication: Chongqing Aoyuan Panlong Yihao (Jiulongpo, Chongqing)

- Total GFA: approx. 460,000 sqm
- Residential: 70%; Commercial: 30%
- Development model: Residential/ Shopping street/ Offices/ Apartments (sold: 89%) + Shopping mall (owned: 11%)
- Contracted sales: approx. RMB3.7bn
- The shopping mall was opened in Dec 2017. Occupancy rate is 96%



Successful replication: Chongqing Chayuan Aoyuan Plaza (Nan'an, Chongqing)

- Total GFA: approx. 310,000 sqm
- Residential: 71%; Commercial: 29%
- Development model: Residential/Shopping street (sold: 83%) + Shopping mall (owned: 17%)
- Contracted sales: approx. RMB2.5bn
- The shopping mall was opened in Jun 2018. Occupancy rate is 95%



(The above are actual images)



Asset-light commercial development model (cont.)



Major investment properties

	Project	Location	Status	Product type ⁽¹⁾	GFA (sqm)	Interest (%)
1	Guangzhou Panyu Aoyuan Plaza	Panyu, Guangzhou	Leased	C, S	80,500	100%
2	Guangzhou Luogang Aoyuan Plaza	Huangpu, Guangzhou	Leased	C	34,424	60%
3	Guangzhou Aoyuan City Plaza	Panyu, Guangzhou	Leased	C, CH	13,796	100%
4	Zhuhai Aoyuan Plaza	Zhuhai, Guangdong	Leased	C, S	64,996	93%
5	Jiangmen Aoyuan Plaza	Jiangmen, Guangdong	Leased	C, S	63,168	51%
6	Chongqing Panlong Aoyuan Plaza	Chongqing	Leased	C, S	47,197	100%
7	Chongqing Chayuan Aoyuan Plaza	Chongqing	Leased	C	51,627	100%
8	Wuhua Aoyuan Plaza	Meizhou, Guangdong	Leased	C, S	27,217	100%
9	Jiaoling Aoyuan Plaza	Meizhou, Guangdong	Leased	C, S	18,387	100%
10	Guangzhou Aoyuan Kangwei Plaza	Zengcheng, Guangzhou	Leasing	C, S	60,000	100%
11	Chongqing Aoyuan The Metropolis	Chongqing	Leasing	C	19,250	100%
12	Liuyang Aoyuan Plaza	Changsha, Hunan	Leasing	C, S	26,069	100%
13	Bengbu Aoyuan Ginza	Bengbu, Anhui	Leasing	C, S	35,500	80%
14	Chengdu Chenghua Aoyuan Plaza	Chengdu, Sichuan	Leasing	C, S	31,410	100%

Note (1): C = Commercial; S = Retail shop; CH = Club house

County complex:

"Industry-driven + targeted poverty alleviation" model

In support of the national poverty alleviation initiative, Aoyuan has developed county complexes to facilitate China's new urbanization progress and to achieve corporate social responsibility by adopting a poverty alleviation model of "enterprise + peasants + shopping mall + e-commerce".

Main strategies are as follows:

- ✓ Target counties with large population and unique resources
- ✓ Develop the only large shopping mall in core location, promote residential sales via commercial to reach high sell-through rate
- ✓ Target customers who return to their hometown to conduct precise sales and marketing

Case study 1: Wuhua Aoyuan Plaza (key development project for Panyu District in Guangzhou to help Wuhua county in Meizhou)

- **Location:** Central Wuhua in Meizhou, Guangdong, 2km from local government HQ
- **Total GFA:** 140,000 sqm
Residential: 35%; Commercial: 65%
- **Development model:** Residential/ Commercial/ Offices (sold: 81%) + Shopping mall (owned: 19%)
- **Contracted sales:** approx. RMB1bn
- **Average land cost:** RMB1,250/sqm
- **Contracted ASP:** RMB7,610/sqm
- **Net profit margin:** 18%



Case study 2: Ningdu Aoyuan Plaza (key development project for Panyu District in Guangzhou to help Ningdu county in Ganzhou)

- **Location:** Central Ningdu in Ganzhou, Jiangxi, 3km from local government HQ
- **Total GFA:** 130,000 sqm
Residential: 65%; Commercial: 35%
- **Development model:** Residential/ Commercial (sold: 80%) + Shopping mall (owned: 20%)
- **Contracted sales:** approx. RMB700mn
- **Average land cost:** RMB500/sqm
- **Contracted ASP:** RMB7,350/sqm
- **Net profit margin:** 14%



(The above are actual images)



Remarkable offshore development through localization strategy

Through localization strategy, Aoyuan has established itself as a genuine local developer. It helps facilitate source of revenue, diversify asset portfolio and operational risks when developing offshore projects. Aoyuan has achieved remarkable performance and established internationalized brand recognition

Aoyuan's offshore projects are all supported by local bank financings with annual interest rate of 3%-5.5%, tapping into local financing channels including banks and financial institutions:

- ✓ Sydney projects are supported by Big 4 local banks including Commonwealth Bank of Australia, Westpac Bank and ANZ Bank, and National Australia Bank, providing loans for land acquisition and construction
- ✓ Canadian projects are supported by local banks including HSBC Canada and Bank of Montreal
- ✓ Hong Kong projects are supported by local banks including Hang Seng Bank and Nanyang Commercial Bank



Case study 2: Sydney Maison 188 Maroubra (Aoyuan's first independent offshore project) (100% owned)

- **Total GFA:** 5,800 sqm, 60 high-end residential apartments and shops
- **Acquisition date:** Nov 2015
- **Delivery date:** Dec 2018
- **Contracted sales:** approx. RMB300mn
- **ASP:** approx. RMB56,700/sqm
- **Net profit margin:** 13%
- **Principal bank:** Westpac Bank



Case study 1: Sydney One30 Hyde Park (Aoyuan's first offshore project) (70% owned)

- **Total GFA:** 15,000 sqm, 140 luxury residential apartments and shops
- **Acquisition date:** Mar 2015
- **Delivery date:** Mar 2019
- **Contracted sales:** approx. RMB2bn
- **ASP:** approx. RMB128,000 per sqm
- **Net profit margin:** 14%
- **Principal bank:** Commonwealth Bank of Australia, and Sydney Branch of BOC, ICBC and CCB



Case study 3: Sydney Mirabell Turramurra (100% owned)

- **Total GFA:** 6,700 sqm, 80 high-end residential apartments
- **Acquisition date:** Nov 2016
- **Delivery date:** Nov 2018
- **Contracted sales:** approx. RMB400mn
- **ASP:** approx. RMB55,200/sqm
- **Net profit margin:** 11%
- **Principal bank:** ANZ Bank



(The above are actual images)



Offshore projects completed full development cycle

Aoyuan's offshore projects have completed full development cycles and realized cash collection and reinvestment
One of the few PRC developers who have successfully entered offshore property markets and achieved delivery of projects

Case study 4: Gordon Altessa 888 Sydney (100% owned)

- **Total GFA:** 13,000 sqm, 150 high-end residential apartments and shops
- **Acquisition date:** Aug 2016
- **Delivery date:** Jun 2020
- **Contracted sales:** approx. RMB500mn
- **ASP:** approx. RMB52,400/sqm
- **Net profit margin:** 10%
- **Principal bank:** ANZ Bank



(The above are actual images)

Case study 5: Esplanade Norwest Sydney (87.5% owned)

- **Total GFA:** 31,000 sqm, 300 high-end residential apartments, offices & shops
- **Acquisition date:** Jul 2018
- **Delivery date:** Jun 2020
- **Contracted sales:** approx. RMB1.2bn
- **ASP:** approx. RMB43,000/sqm
- **Net profit margin:** 13%
- **Principal bank:** ANZ Bank



Case study 6: Woollooware Bay Sydney (75% owned)

- **Total GFA:** 23,000 sqm, 240 high-end residential apartments and shops
- **Acquisition date:** Jun 2019
- **Delivery date:** 2H 2020
- **Contracted sales:** approx. RMB800mn
- **ASP:** approx. RMB46,600/sqm
- **Net profit margin:** 10%
- **Principal bank:** National Australia Bank



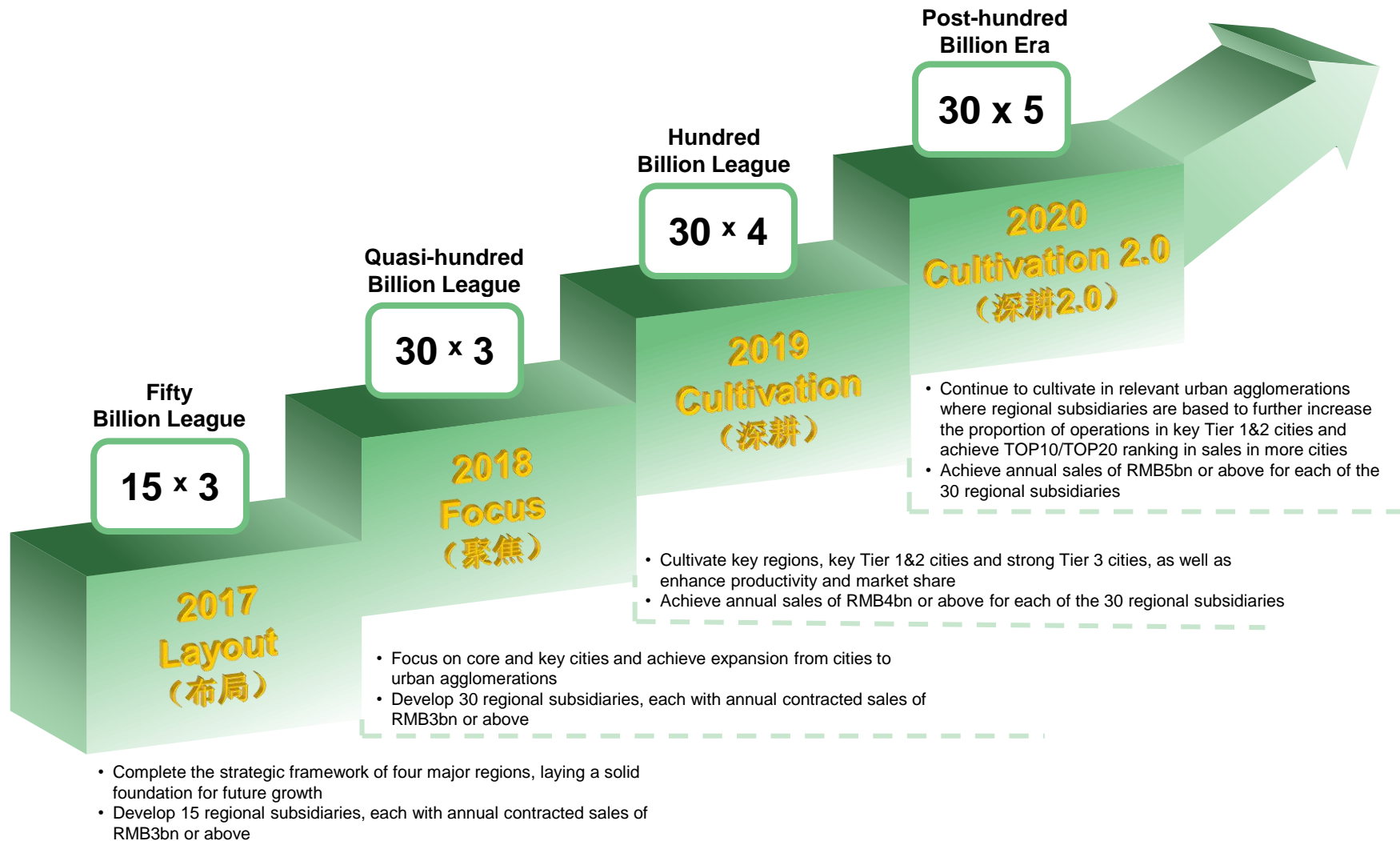
4. Land Bank Layout





Completed nationwide layout and continue cultivation in key regions

During 2017- 2019, Aoyuan completed its three-stage development, i.e. “Layout – Focus – Cultivation”, growing from a regional property developer to a developer with nationwide presence. In 2020, Aoyuan will continue its cultivation in relevant urban agglomerations where its regional subsidiaries are based, increase the proportion of operations in Tier 1&2 cities, and enhance its market share and influence





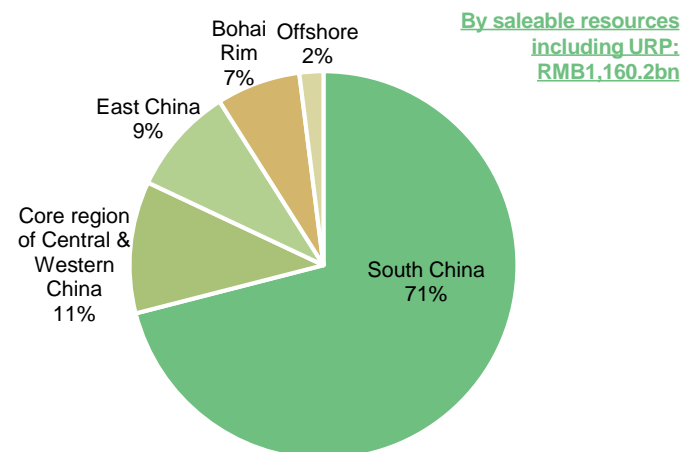
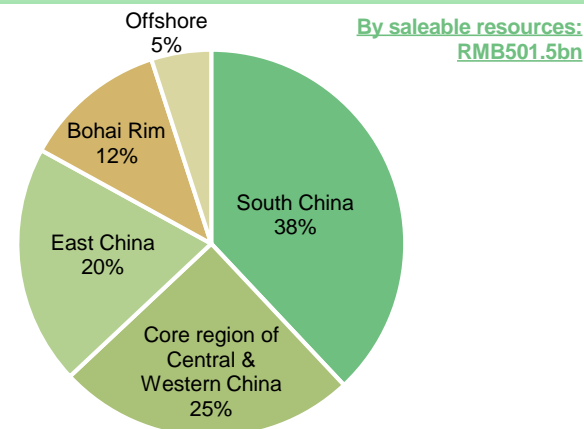
Nationwide layout with niche focus on GBA

With full coverage of all Tier 1 cities of Beijing, Shanghai, Guangzhou and Shenzhen and a niche focus on the Greater Bay Area, Aoyuan has a strategic layout in South China, core region of Central & Western China, East China and Bohai Rim

As of 30 Jun 2020, Aoyuan's projects span 90 onshore and offshore cities with total GFA of approx. 48.74mn sqm (attributable: 78%) and total saleable resources of approx. RMB501.5bn. Total saleable resources including urban redevelopment projects amounted to RMB1,160.2bn, which is sufficient for the development needs in the next 4-5 years

Region	Province/City	Contribution (by total GFA)	Avg. land cost (RMB/sqm)	Total GFA (000's sqm)	Total Saleable Resources (RMB bn)	Total Saleable Resources Including URP (RMB bn)
South China	GBA (excl. Hong Kong, Macao)		3,493	8,310	103.5	726.8
	Guangdong excl. GBA (Meizhou, Qingyuan, etc.)		1,302	6,704	53.6	59.3
	Guangxi (Nanning, Yulin, etc.)		1,156	4,401	29.2	29.2
	Hainan (Haikou)		3,322	147	2.4	2.4
	Subtotal	40%	2,215	19,562	188.7	817.7
Core region of Central & Western China	Chongqing		2,506	2,083	16.6	16.6
	Sichuan (Chengdu, Guanghan, etc.)		4,022	2,690	34.2	34.2
	Hunan (Changsha, Zhuzhou, etc.)		1,782	2,880	20.1	20.1
	Hubei (Wuhan, Jingzhou, etc.)		4,428	770	8.7	8.7
	Shaanxi (Xi'an)		3,517	1,476	20.7	22.5
	Henan (Zhengzhou, Kaifeng, etc.)		2,188	814	7.6	7.6
	Jiangxi (Jiujiang, Ganzhou, etc.)		1,175	2,055	13.4	13.4
	Guizhou (Bijie)		532	287	1.6	1.6
	Subtotal	27%	2,596	13,357	125.8	127.6
East China	Shanghai		1,111	77	1.2	1.2
	Zhejiang (Hangzhou, Ningbo, etc.)		6,208	1,422	21.4	21.4
	Jiangsu (Nanjing, Suzhou, etc.)		3,523	3,622	39.7	39.7
	Anhui (Hefei, Bengbu, etc.)		2,773	2,418	20.8	20.8
	Fujian (Fuzhou, Quanzhou, etc.)		3,472	1,450	16.7	16.7
	Subtotal	18%	3,717	8,989	99.8	99.8
Bohai Rim	Liaoning (Shenyang)		338	961	5.7	5.7
	Beijing		15,000	176	4.0	4.0
	Tianjin		7,525	196	3.2	3.2
	Hebei (Shijiazhuang, etc.)		2,196	2,842	30.7	58.6
	Shandong (Qingdao, etc.)		4,350	923	15.2	15.2
	Subtotal	11%	2,883	5,098	58.8	86.7
Offshore	Sydney, Vancouver, Toronto, Hong Kong, Macao	4%	3,932	1,729	28.4	28.4
Total		100%	2,727	48,735	501.5	1,160.2

Land bank breakdown by region

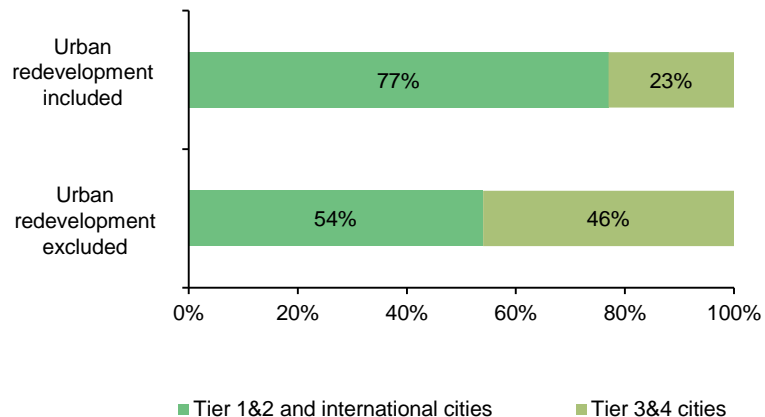




Land bank breakdown

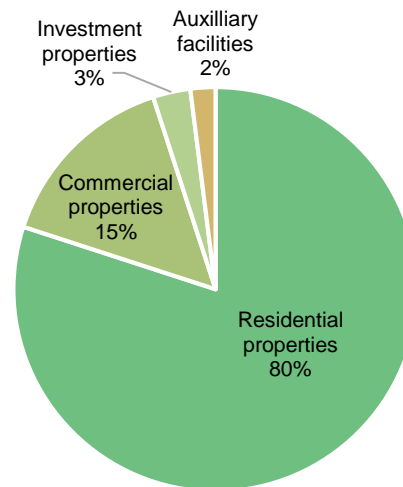
Landbank breakdown by city tiers

By saleable resources



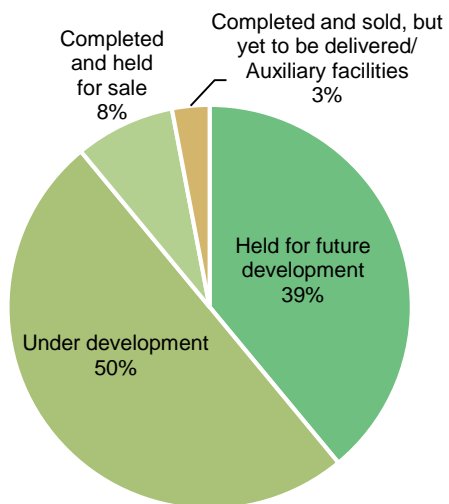
Land bank breakdown by type

By GFA

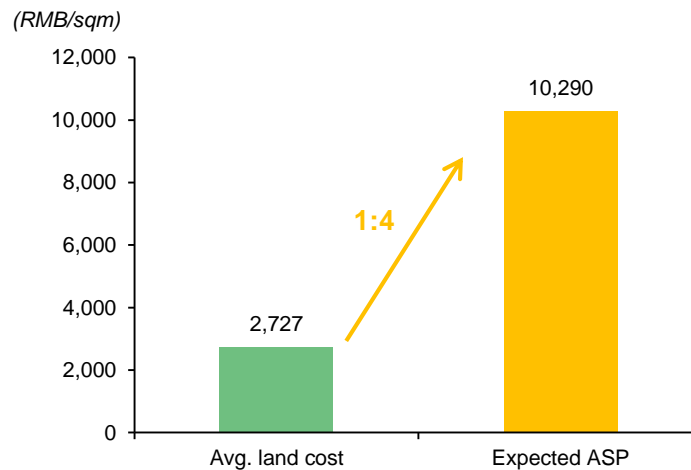


Land bank breakdown by status

By GFA



Avg. land cost to expected ASP





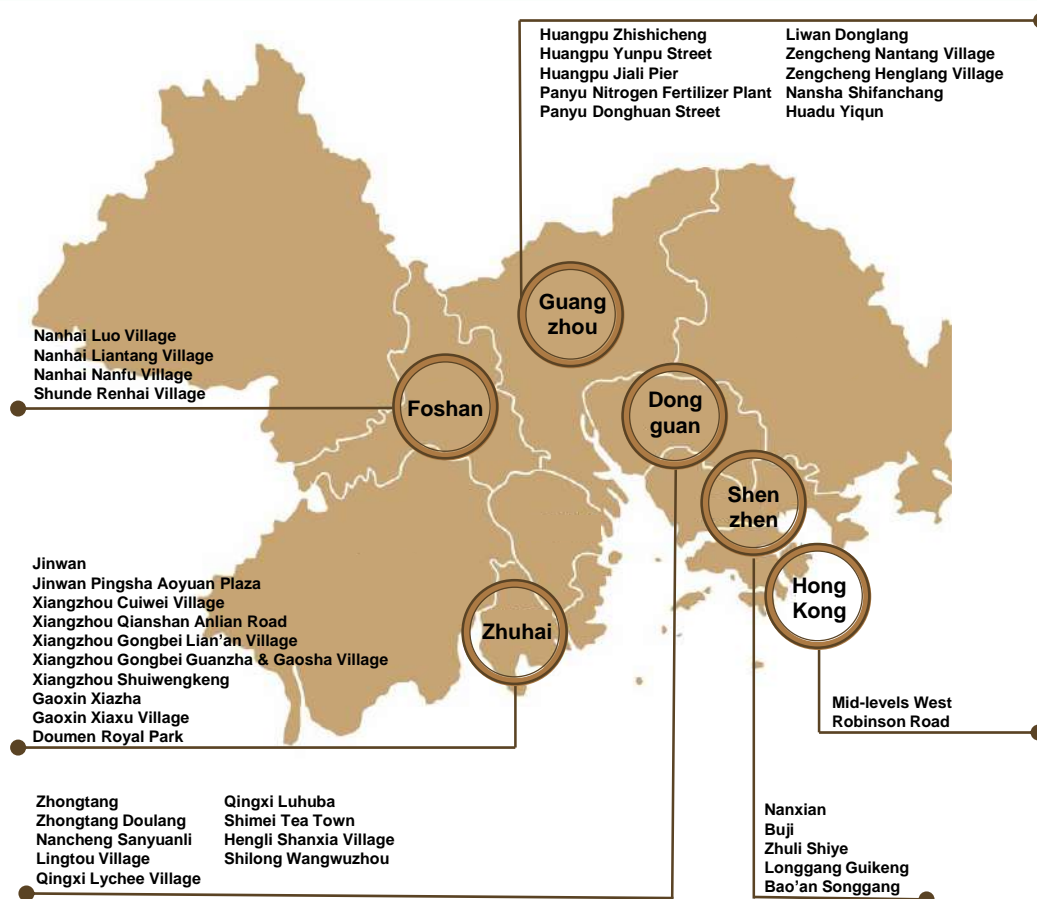
GBA land bank replenishment with “Three Olds” urban development

Based in the Greater Bay Area, Aoyuan has abundant local resources and experiences, including land, talents, network and capital. Aoyuan has over 50 urban redevelopment projects at different phases with planned total GFA of approx. 30.58mn sqm and saleable resources of approx. RMB658.7bn. Saleable resources from GBA contribute 95% of approx. RMB623.3bn. Urban redevelopment projects can generate considerable profits through primary and/or secondary development, as well as disposal of interest at project level, making for promising profit visibility

Urban redevelopment nationwide layout

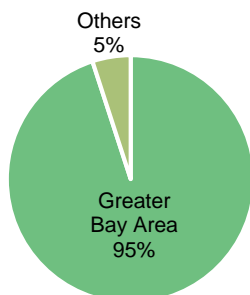


Urban redevelopment layout in the Greater Bay Area



Estimated total saleable resources: RMB658.7bn

By region





GBA land bank replenishment with “Three Olds” urban development (cont.)

Projects	City	Type	Status	Tender	Site area (‘000 sqm)	Planned total GFA (‘000 sqm)	Estimated saleable GFA (‘000 sqm)	Estimated saleable resources (RMB mn)
Partial/full conversion of urban redevelopment in 1H 2020								
1 Guangzhou Panyu Yixing Project ⁽¹⁾	Guangzhou, Guangdong	Old factory	Public land auction completed	Yes	-	-	-	-
2 Zhuhai Doumen Royal Park	Zhuhai, Guangdong	Old town	Fully converted	No	10	80	60	1,100
3 Hebei Langfang Zhongsuo Project Phase 1	Langfang, Hebei	Old village	Fully converted	Yes	160	500	240	3,400
4 Hebei Langfang Xihutun Project Phase 1	Langfang, Hebei	Old village	Fully converted	Yes	30	60	30	600
Subtotal					200	640	330	5,100
Projects	City	Type	Status	Tender	Site area (‘000 sqm)	Planned total GFA (‘000 sqm)	Estimated saleable GFA (‘000 sqm)	Estimated saleable resources (RMB mn)
Expected partial/ full conversion in 2020								
5 Shenzhen Zhuli Shiye Project	Shenzhen, Guangdong	Old factory	Implementation plan being prepared	No	30	190	130	4,600
6 Guangzhou Panyu Nitrogen Fertilizer Plant	Guangzhou, Guangdong	Old factory	Tendering	Yes	100	410	300	12,600
7 Guangzhou Zengcheng Nantang Village	Guangzhou, Guangdong	Old village	Obtaining villager agreement and settling rent in arrears	Yes	210	1,250	500	9,600
8 Zhuhai Xiangzhou Cuiwei Village	Zhuhai, Guangdong	Old village	Confirmed project implementation developer	No	260	1,680	560	22,400
9 Zhuhai Qianshan Anlian Road	Zhuhai, Guangdong	Old factory	Implementation plan being prepared	No	10	90	80	1,400
10 Zhuhai Gongbei Lian'an Village	Zhuhai, Guangdong	Old village	Confirmed project implementation developer	No	60	380	120	5,400
11 Zhuhai Pingsha Aoyuan Plaza	Zhuhai, Guangdong	Old factory	Implementation plan being prepared	No	120	490	340	3,900
12 Dongguan Shimei Tea Town	Dongguan, Guangdong	Old village	Set to become project implementation developer	No	120	310	150	3,500
Subtotal					910	4,800	2,180	63,400
Expected partial/ full conversion in 2021-2022								
13 Shenzhen Nanxian Project	Shenzhen, Guangdong	Old factory	Implementation plan being prepared	No	10	60	40	3,600
14 Guangzhou Huangpu Jiali Pier	Guangzhou, Guangdong	Old factory	Land transfer contract signed	Yes	20	200	160	7,200
15 Zhuhai Gongbei Guanzha & Gaosha Village	Zhuhai, Guangdong	Old village	Obtained agreement from >80% of villagers	No	60	390	120	5,400
16 Zhuhai Gaoxin Xiaxu Village	Zhuhai, Guangdong	Old village	Site area delineation	No	90	370	140	3,900
17 Dongguan Qingxi Lychee Village	Dongguan, Guangdong	Old factory	Preliminary phase	No	80	420	320	6,900
18 Xi'an Caonan Village Project	Xi'an, Shaanxi	Old village	Demolition completed	Yes	30	140	100	1,800
19 Qingyuan Xinyi Project	Qingyuan, Guangdong	Old factory	Implementation plan being prepared	No	40	140	100	1,000
Other projects (Shenzhen, Guangzhou, Foshan, Zhuhai, Dongguan, etc.)					3,220	10,240	4,780	138,900
Subtotal					3,550	11,960	5,760	168,700
Expected conversion of urban redevelopment from 2023 onwards								
Other projects (Shenzhen, Guangzhou, Foshan, Zhuhai, Dongguan, etc.)					2,900	13,820	9,650	426,600
Grand total					7,360	30,580	17,590	658,700

Note (1) : The public land auction process for Guangzhou Panyu Yixing Project was completed in Dec 2019, and the relevant gain from primary development will be reflected in 2020



GBA land bank replenishment with “Three Olds” urban development (cont.)

2. Zhuhai Doumen Royal Park (Old town redevelopment)

- **Location:** located in Doumen, Zhuhai, close to Huangyang Riverside
- **Estimated saleable GFA and resources:** approx. 60,000 sqm and RMB1.1bn
- **Status:** fully converted



6. Guangzhou Panyu Nitrogen Fertilizer Plant (Old factory redevelopment)

- **Location:** located in the north of Xinzao Town, close to Guangzhou Higher Education Mega Centre
- **Estimated saleable GFA and resources:** approx. 300,000 sqm and RMB12.6bn
- **Status:** Tendering



8. Zhuhai Xiangzhou Cuiwei Village (Old village redevelopment)

- **Location:** close to Mingzhu Station of inter-city railway, the largest urban village in Zhuhai
- **Estimated saleable GFA and resources:** approx. 560,000 sqm and RMB22.4bn
- **Status:** confirmed as project implementation developer



10. Zhuhai Gongbei Lian'an Village (Old village redevelopment)

- **Location:** next to Gongbei Port, Zhuhai Station of the GZ-ZH Railway, and HZMB
- **Estimated saleable GFA and resources:** approx. 120,000 sqm and RMB5.4bn
- **Status:** confirmed as project implementation developer



5. Shenzhen Zhuli Shiye (Old factory redevelopment)

- **Location:** located in Yanziling area in Pingshan, Shenzhen,
- **Estimated saleable GFA and resources:** approx. 130,000 sqm and RMB4.6bn
- **Status:** implementation plan being prepared



7. Guangzhou Zengcheng Nantang Village (Old village redevelopment)

- **Location:** located in Shitan County, Zengcheng, Guangzhou, next to planned metro line 16
- **Estimated saleable GFA and resources:** approx. 500,000 sqm and RMB9.6bn
- **Status:** obtaining agreement from villagers and settling rent in arrears



9. Zhuhai Qianshan Anlian Road (Old factory redevelopment)

- **Location:** located in municipal centre and CBD of Zhuhai, next to two trunk roads
- **Estimated saleable GFA and resources:** approx. 80,000 sqm and RMB1.4bn
- **Status:** implementation plan being prepared



12. Dongguan Shimei Tea Town (Old village redevelopment)

- **Location:** Dongguan's sea and land transportation hub and largest tea trading and distribution centre
- **Estimated saleable GFA and resources:** approx. 150,000 sqm and RMB3.5bn
- **Status:** set to become the developer of project implementation



(The above are CGIs)



Successful urban redevelopment projects

Case study 1: Zhuhai Aoyuan Plaza (old factory redevelopment)

- **Total GFA:** 271,000 sqm
 - **Avg. land cost:** RMB2,732 per sqm
 - **ASP:** RMB20,100 per sqm
 - **Contracted sales:** approx.4.38bn
 - **Gross profit margin:** 38%
 - **Net profit margin:** 18%
- **Redevelopment timetable:**
 - ✓ Dec 2014: Redevelopment program application submitted
 - ✓ Mar 2015: Applied for master planning
 - ✓ Jun 2015: Land transfer contract signed
 - ✓ Jul 2015: Obtained land ownership certificate
 - ✓ Oct 2015: Launched for presales
 - ✓ Sep 2017: Started to deliver



Case study 2: Guangzhou Luogang Aoyuan Plaza (old factory + old village redevelopment)

- **Total GFA:** 334,000 sqm
 - **Avg. land cost:** RMB4,858 per sqm
 - **ASP:** RMB16,500 per sqm
 - **Contracted sales:** approx.4.60bn
 - **Gross profit margin:** 30%
 - **Net profit margin:** 17%
- **Redevelopment timetable:**
 - ✓ Jun 2012: Cooperation agreement with village signed
 - ✓ Dec 2012: Redevelopment plan approved
 - ✓ Jun 2013: Phase 1 tendered for auction
 - ✓ Jun 2014: Launched for presales
 - ✓ Jun 2016: Started to deliver



Case study 3: Guangzhou Aoyuan Int'l Center (old village redevelopment)

- **Total GFA:** 248,000 sqm
 - **Avg. land cost:** RMB6,698 per sqm
 - **ASP:** RMB19,100 per sqm
 - **Contracted sales:** approx.2.26bn
 - **Gross profit margin:** 41%
 - **Net profit margin:** 15%
- **Redevelopment timetable:**
 - ✓ Dec 2011: Cooperation agreement with government platform company
 - ✓ Dec 2013: Land consolidation completed
 - ✓ Jul 2015: Obtained land ownership certificate
 - ✓ Mar 2016: Launched for presales
 - ✓ Dec 2017: Started to deliver



(The above are actual images)



Strategic land bank replenishment



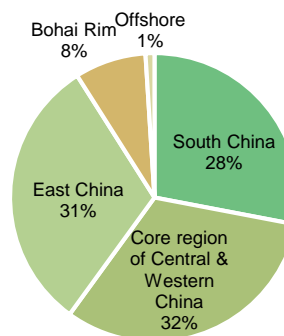
In 1H2020, Aoyuan acquired 44 projects with newly added GFA of approx. 6.95mn sqm (attributable: 76%), attributable land cost was approx. RMB21.4bn with newly added saleable resources of over RMB83.2bn, maintaining reasonable land cost and stable margins to weather market volatility

Region	Province/ City	Avg. land cost (RMB/sqm)	Total GFA (000's sqm)	Attributable GFA (000's sqm)	Attributable land cost (RMB mn)	Interest (%)
South China	GBA (Guangzhou, Foshan, Zhuhai, Huizhou etc.)	8,565	528	461	4,109	87%
	Guangdong (excl. GBA) (Meizhou, Maoming, etc)	1,420	1,561	1,115	1,487	71%
	Guangxi (Nanning)	4,177	127	65	271	51%
	Subtotal	3,280	2,216	1,641	5,867	74%
Core region of Central & Western China	Chongqing	3,590	469	314	1,369	67%
	Sichuan (Chengdu)	14,118	155	155	2,189	100%
	Hunan (Hengyang, Chenzhou)	679	321	321	218	100%
	Hubei (Wuhan)	6,921	154	136	1,068	88%
	Henan (Xinzheng)	3,079	249	199	613	80%
	Jiangxi (Gao'an)	1,465	718	575	842	80%
	Shaanxi (Xi'an)	3,285	157	157	515	100%
	Jiangxi (Jianchuan)	1,735	34	17	30	50%
	Subtotal	3,345	2,257	1,874	6,844	83%
East China	Shanghai	1,111	77	54	60	70%
	Zhejiang (Wenzhou, Ningbo)	10,745	89	80	956	90%
	Jiangsu (Nanjing, etc)	3,859	1,414	924	3,357	65%
	Anhui (Hefei)	6,205	215	215	1,331	100%
	Fujian (Zhangzhou)	8,816	103	103	904	100%
	Subtotal	4,603	1,898	1,376	6,608	72%
Bohai Rim	Tianjin	5,132	60	30	156	50%
	Hebei (Shijiazhuang, etc)	3,470	482	322	1,562	67%
	Subtotal	3,653	542	352	1,718	65%
Offshore	Australia (Sydney)	26,282	36	24	317	67%
Grand total		3,812	6,949	5,267	21,354	76%

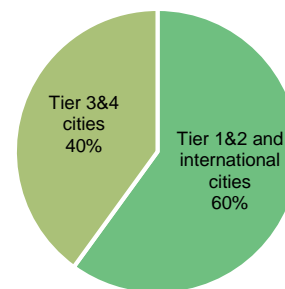
- In 1H2020, Aoyuan capitalized on its traditional M&A strengths of "solid track record, resourceful networking, strong team and efficient decision-making". M&A (including asset portfolio) accounted for 63% in terms of newly acquired projects by GFA, public land auction accounted for 30%, while urban redevelopment and others accounted for 7%
- Aoyuan strengthened collaboration with various notable developers and top local corporates including Sunac, Shimao, Jinke, China Fortune Land, Nimble, Dafa, Haier etc., joining hands to share operational risks and achieve resource integration and win-win cooperation

Regional distribution

By land cost

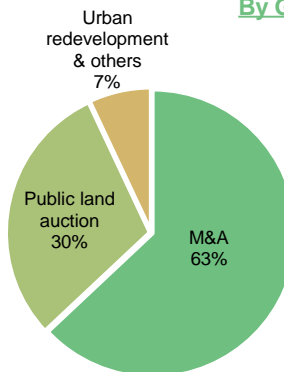


By land cost



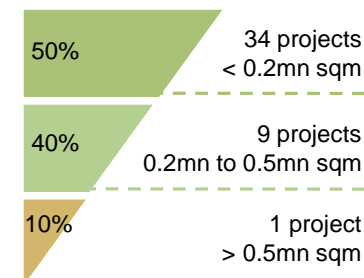
Acquisition channels

By GFA



Project scale

By GFA



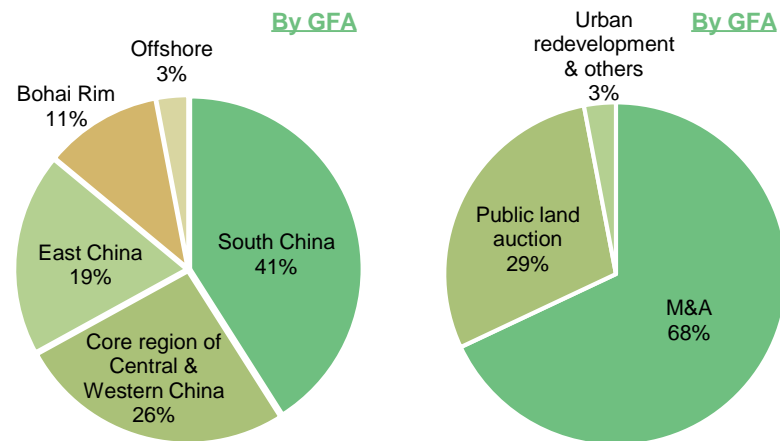


Strategic land bank replenishment (cont.)

High-quality projects successfully acquired since IPO

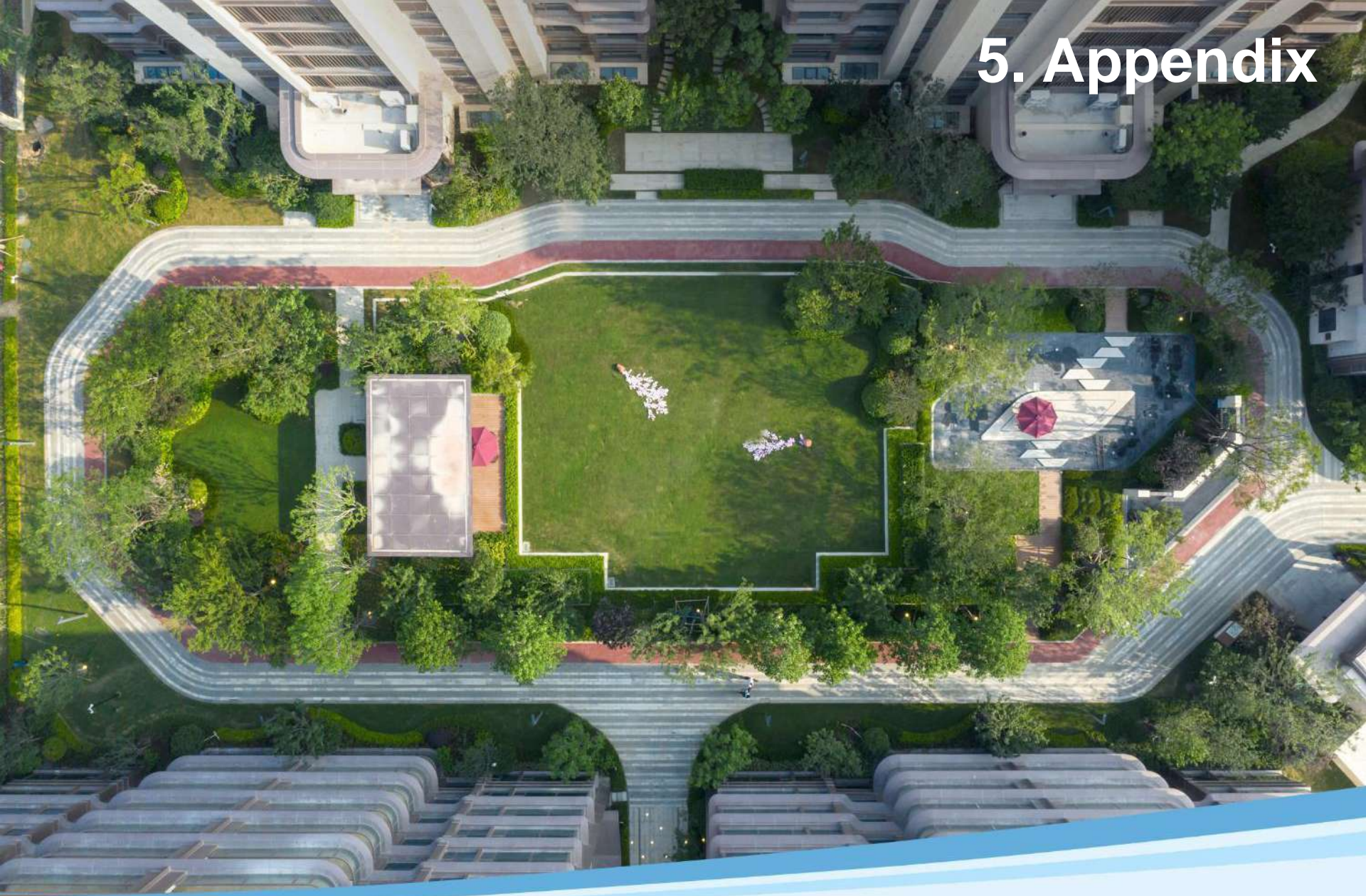
	No.	Avg. land cost (RMB/sqm)	Total GFA (‘000 sqm)	Total cost (RMB mn)
2008	2	369	341	126
2009	4	876	3,583	3,138
2011	7	2,933	1,268	3,721
2012	8	2,178	1,875	4,084
2013	8	2,245	2,233	5,013
2014	8	1,715	2,657	4,557
2015	13	2,312	2,492	5,761
2016	17	3,170	3,139	9,950
2017	58	2,446	12,861	31,458
2018	64	2,418	12,584	30,432
2019	87	3,199	16,092	51,472
1H2020	44	3,812	6,949	26,486
Total	320	2,667	66,074	176,198

Breakdown of land bank acquired since IPO



- With completion of a nationwide layout, Aoyuan is focusing on cultivation of key regions particularly Tier 1&2 cities, and concurrently keeping track of Tier 3&4 cities with favorable policies, stronger economic clout, and greater market capacities
- Since IPO, M&A accounted for 68% in terms of GFA, public land auction accounted for 29%, while urban redevelopment and others accounted for 3%
- Continues to capitalize traditional M&A strengths in land acquisition and track public land auction market, while proactively exploring M&A opportunities of asset portfolios, expediting conversion of urban redevelopment projects, as well as tapping into cross-industry collaboration channels, etc., to ensure sustainable development

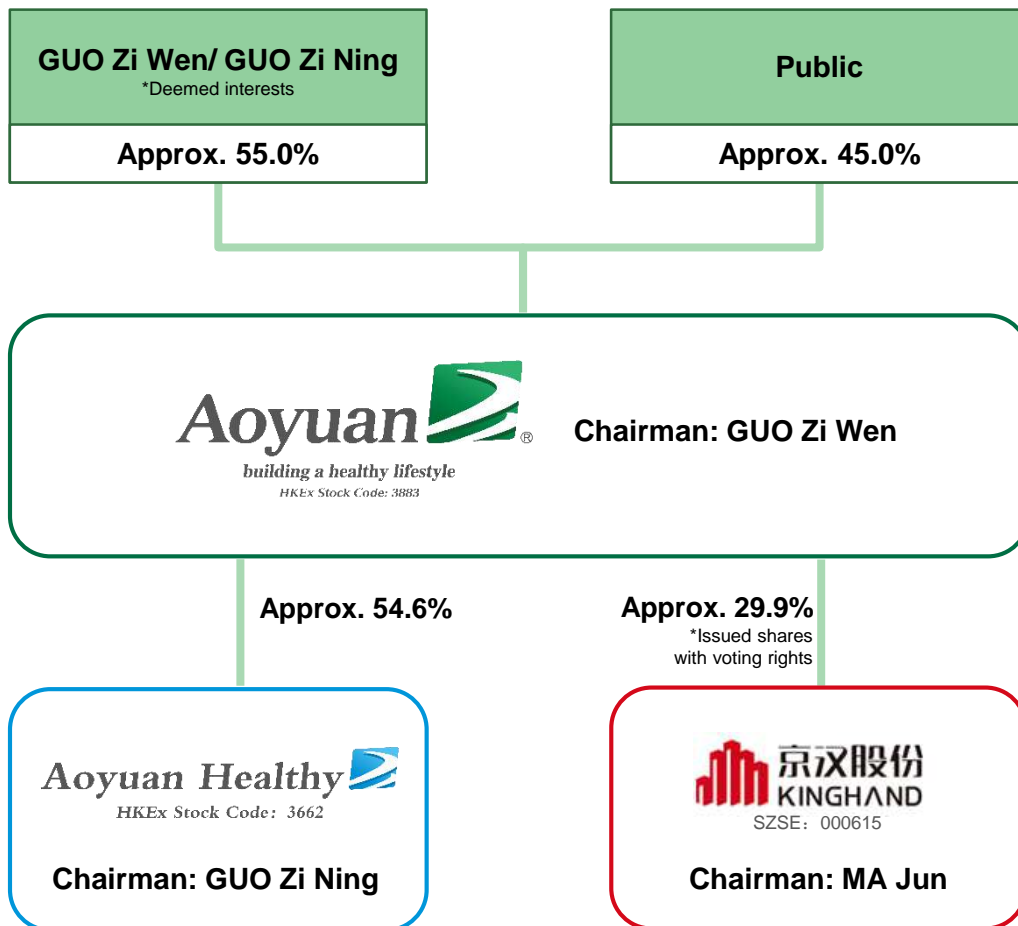
5. Appendix



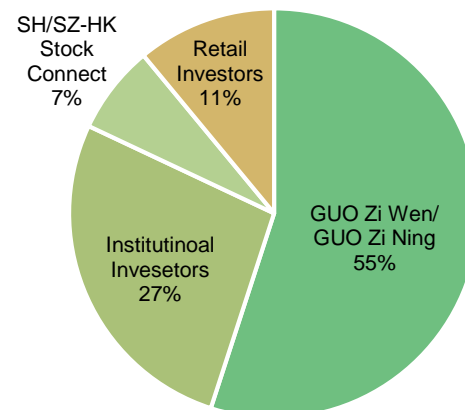


Shareholding structure

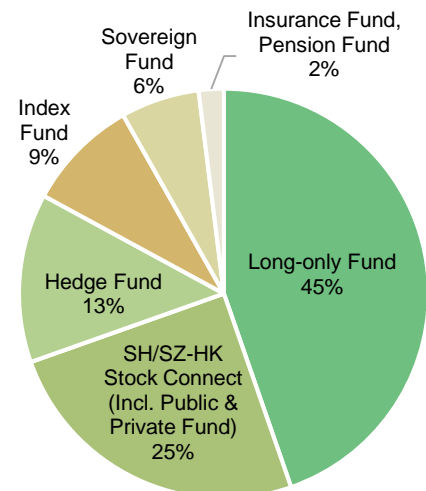
While maintaining a stable and generous dividend policy, Aoyuan and its Chairman have demonstrated strong confidence in Aoyuan's long term development through rounds of share purchases and buybacks, totalling an aggregate consideration of over HK\$900mn since IPO in 2007



Shareholding Structure



TOP50 Institutional Investors Profile



(As of 2 Jul 2020)

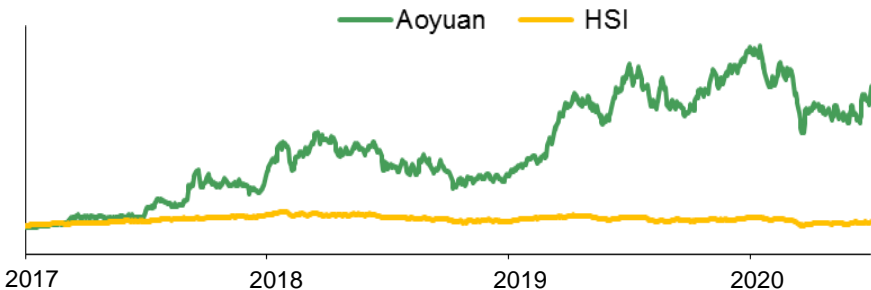


Research coverage and dividend policy

Aoyuan is a constituent of MSCI China Index, Hang Seng Composite LargeCap & MidCap Index, Hang Seng Stock Connect and Hang Seng Stock Connect Greater Bay Area Composite Index

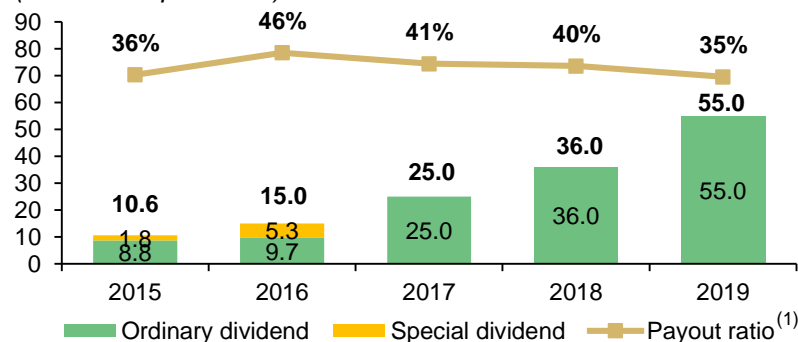
Outperforming stock price with active turnover

(As of 2 Jul 2020)



Stable and generous dividend policy

(RMB cents per share)



Note (1): Payout ratio = Total dividend / Profit attributable to shareholders

Equity research coverage ⁽²⁾

✓ ABCI (Buy)	✓ AMTD (Buy)	✓ BofA Sec. (Buy)
✓ BNP Paribas - Morningstar (Buy)	✓ CCBI (Buy)	✓ CGS-CIMB (Buy)
✓ CICC (Buy)	✓ CMBI (Buy)	✓ Citigroup (Buy)
✓ Credit Suisse (Buy)	✓ CRIC (Buy)	✓ DBS (Buy)
✓ Essence Int'l (Buy)	✓ GTJA (Buy)	✓ Haitong Int'l (Buy)
✓ Huachuang Sec. (Buy)	✓ Huatai Int'l (Buy)	✓ Industrial Sec. (Buy)
✓ J.P. Morgan (Buy)	✓ Jefferies (Buy)	✓ MS (Buy)
✓ Nomura (Buy)	✓ UBS (Buy)	

(As of 31 Jul 2020)

Credit rating Coverage

International	Corporate rating	Outlook
Lianhe Global	BB+	Stable
Fitch	BB-	Positive
Moody's	B1	Positive
S&P	B+	Positive
Onshore	Corporate rating	Outlook
United Ratings	AAA	Stable

Note (2): In alphabetical order, for details, please refer to company website of Aoyuan (www.aoyuan.com.cn) – Investor Relations



Ranks among Top 30 PRC developers with quality and efficiency enhancement



Pioneer (开创)

Founded in 1996, Aoyuan first introduced the “Sports + Property” development concept partnering with China Sports under General Administration of Sport of China and successfully developed the first sports-themed community in China, namely Guangzhou Olympic Garden. Nanguo Aoyuan was awarded as the “Most Renowned Real Estate in China” in 2011 by the China Int’l Real Estate & Architectural Tech Fair establishing itself as the pioneer in composite real estate in China. Aoyuan (3883.HK) was listed on the Main Board of Hong Kong Stock Exchange in Oct 2007 with branding philosophy of “**Building a Healthy Lifestyle**” and keeps promoting composite real estate upgrades

Breakthrough (破茧)

Aoyuan received approx. HK\$3.2bn in cash and recorded a special gain of HK\$1.1bn by successfully exiting 8 Chang’an Ave Beijing project in 2012. Aoyuan started to unleash its potential and persist with further breakthroughs. In the same year, Aoyuan successfully issued its debut USD senior notes in the international capital markets. In 2013, contracted sales exceeded RMB10bn with more professional managers joining Aoyuan

Take-off (起飞)

The CAGR of contracted sales for 2016-2019 was 66% and the contracted sales for 2019 exceeded RMB100bn, rendering Aoyuan among the top 30 property developers in China. In 2019, Aoyuan’s domestic corporate credit rating has been upgraded to “AAA”, the highest credit rating in PRC, by United Credit Ratings. Aoyuan has received upgrades in corporate rating and rating outlook from all 3 major international rating agencies, namely Fitch, S&P and Moody’s in 2016-2020, ranking in “BB” level with “positive” outlook across the board. In 2019, Aoyuan also received a “BB+” global scale long-term issuer credit rating with a “stable” outlook from Lianhe Ratings Global

Upgrade (跃升)

Aoyuan is a constituent of MSCI China Index, Hang Seng composite LargeCap & MidCap Index, Hang Seng Stock Connect and Hang Seng Stock Connect Greater Bay Area Composite Index. In March 2019, Aoyuan Healthy Life (3662.HK) was spun off and went public on the Main Board of Hong Kong Stock Exchange. Completed acquisition of 29.99% issued shares with voting rights of Kinghand Group (000615.SZ) in July 2020. Aoyuan is recognized as “Fortune China Top 50 Boards of Directors” and jumped from 485th place in 2017 to 204th place in 2020 in the “Fortune China 500” ranking

Vision (愿景)

Ranking among Top 30 PRC developers by sales and comprehensive strength, Aoyuan has been on the “China 500” list for four consecutive years. Upholding the vision of “create a joyful life” and corporate values of “**efficiency, integrity, responsibility and shared success**”, Aoyuan has strengthened its RMB100bn-scale international platform, striving to become a world-class integrated healthy lifestyle service provider and a Global 500 company

6. Environmental, Social & Governance





Sustainable development through ongoing commitment to ESG

Upholding the vision of “create a joyful life”, Aoyuan is committed to taking actions to enhance its ESG efforts and shoulder its CSR. Through incorporating ESG factors into the business decision-making process, Aoyuan is determined to achieve sustainable, high-quality development on all fronts and become a world-class integrated healthy lifestyle service provider



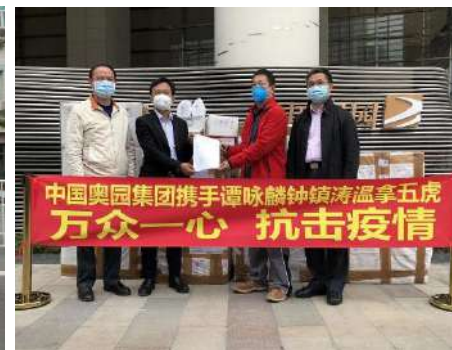
- Established Aoyuan Charity Foundation, invested a total of over RMB1bn in public welfare, education and poverty alleviation efforts, and launched the "Double Tens, Double Hundreds" targeted poverty alleviation project





CSR commitment: supporting the anti-epidemic frontline

Since the outbreak of COVID-19, Aoyuan has actively shouldered its CSR, procuring over 1.2 million medical masks and a substantial number of medical ventilators, protective coveralls, test kits, infrared thermometers, gloves etc. in support of medical professionals battling the epidemic at the frontline in Wuhan, Guangzhou, etc., and donated medical supplies to Croatia in response to the government's call. Not only is Aoyuan one of the first developers providing support to Wuhan, but also among the first batch of companies to directly procure medical supplies and deliver to frontline hospitals in urgent need





Effective Board of Directors with high standards of corporate governance

The Board of Directors is committed to upholding high standards of corporate governance and transparency, so as to ensure that Aoyuan can maintain resilience and outperform in complex environments while achieving sustainable and high-quality development

Board of Directors



GUO Zi Wen

Executive Director,
Chairman, Group Founder



GUO Zi Ning

Executive Director,
Vice Chairman, CEO



Jacky CHAN

Executive Director,
Senior Vice President



MA Jun

Executive Director,
COO



ZHANG Jun

Executive Director,
Senior Vice President



CHEUNG Kwok Keung

Independent Non-
executive Director



TSUI King Fai

Independent Non-
executive Director



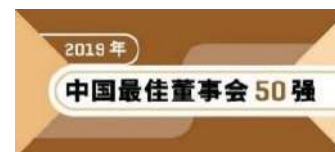
HU Jiang

Independent Non-
executive Director

Audit Committee, Remuneration Committee, Nomination Committee

Fortune China 500 2020 — 204th place
(2019: 279th; 2018: 382nd; 2017: 485th)

Fortune China Top 50 Board of Directors 2019



The Asset Corporate Awards 2019 – Gold
(Environmental, Social and Governance)



Forbes 2020 Global 2000 — 1152nd place*
Forbes Asia 2018 Feb 50



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* The list selects the world's largest, most powerful and valuable listed companies based on a composite score of revenue, profit, total assets and market capitalization. A total of 367 enterprises from China (the Mainland, Hong Kong, Taiwan inclusive) are selected.



Outstanding and stable professional management team



Aoyuan constantly attracts professionals with background in leading property developers and strengthens its professional management team as well as core competitiveness, so as to ensure that Aoyuan can maintain resilience and outperform in complex environments while achieving sustainable and high-quality development

Senior Management

Strategic Investment	Project Investment & Fund Management	Capital Group	Financial & Risk Management	Corporate Finance, Capital Markets	Operations & Safety Management	Commercial Group	Product Management & R&D	HR & Admin, Brand Management	Business Development
RUAN Yong Xi	CHEN Yong	HUANG Bang Hua	CHEN Zhi Bin	Jacky CHAN	MA Jun	ZHANG Jun	HU Hao	GUO Shi Guo	HU Ran
Assistant to President	Vice President	Vice President	Vice President, CFO	Executive Director, Senior Vice President	Executive Director, COO	Executive Director, Senior Vice President	Senior Vice President	Vice President	Vice President
Joined in Mar 2018	Joined in Jun 2014	Joined in Nov 2017	Joined in Aug 2014	Joined in Oct 2013	Joined in Mar 2015	Joined in Feb 2015	Joined in Mar 2019	Joined in Oct 2018	Joined in Sep 2012



6. Investor Relations



Esplanade Norwest Sydney (actual image)



Professional IR management

Committed to professional investor relations management, Aoyuan strives to maintain a long-term interactive relationship with investors. Aoyuan upholds an open and candid attitude to listen to the capital markets and maintain a high-level corporate transparency and corporate governance

Frequent and two-way communication with investors

- ✓ Organized and participated in a total of 226 investor relations activities in 1H2020, including 69 management meetings, 129 telephone & video conferences, 2 investor briefings and press conferences, 26 virtual investor conferences and investor roadshows.
- ✓ Met and communicated with 745 institutional investors from 518 investment institutions in 1H2020 to raise investor's awareness of latest development in business performance, operating conditions and development strategies, while learning capital markets views and providing timely feedback to top management

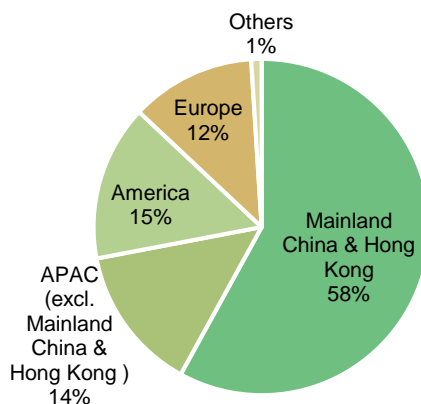
Investor relations activities in 1H2020



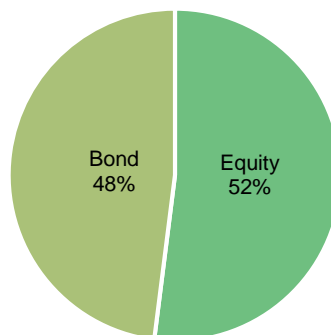
Investor relations calendar in 1H2020

Date	Conference/ Presentation	City
Jan	Essence International Investor Conference 2020	Shenzhen
Jan	Huatai HK Research China Property & Property Management Corporate Day	Hong Kong
Jan	BNP Paribas China Property Conference	Hong Kong
Jan	DBS Pulse of Asia Conference	Singapore
Jan	Morgan Stanley Corporate Day	Hong Kong
Jan	UBS Greater China Conference	Shanghai
Jan	Barclays Asia Credit Corporate Day	Hong Kong
Mar	China Aoyuan AR2019 Investor Presentation	Guangzhou, Hong Kong
Mar	China Aoyuan AR2019 Post Results Non-deal Roadshow	Virtual
Apr	China Aoyuan AR2019 Post Results Non-deal Roadshow	Virtual
May	Huachuang Securities IR2020 Virtual Summit	Virtual
May	BofA Securities APAC Financial and Real Estate Equity and Credit Virtual Conference	Virtual
May	HSBC 7th Annual China Conference	Virtual
Jun	Nomura Investment Forum Asia 2020	Virtual
Jun	Huaxi Securities IR2020 Virtual Investment Summit	Virtual
Jun	UBS 15th HK/China Property Conference	Virtual
Jun	CGS-CIMB HK/China Property and Property Management Conference	Virtual
Jun	Morgan Stanley Private Wealth Management Asia Virtual Conference - Asia Credit Opportunities	Virtual
Jun	Credit Suisse HK/China Property Virtual Corporate Day 2020	Virtual
Jun	Haitong International Property Corporate Day	Virtual
Jun	Citi Asia Pacific Property Conference 2020	Virtual
Jul	Deutsche Bank China Property High-yield Corporate Day	Hong Kong
Jul	DBS Vickers China Property Conference	Virtual

Investment institutions by region



Investment institutions by investor type

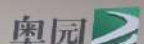




Professional IR management (cont.)

Committed to the highest standard of investor relations management, Aoyuan's reputation and influence in capital markets are increasing. Awarded "The Asset Best Investor Relations Team Award 2019" and "Institutional Investor Best Investor Relations—High Yield 2019" (global real estate and construction sector)

Results Briefing



Results Briefing



Reverse Roadshow



Corporate Finance



Investor Conference



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Chief Financial Officer

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Group Executive Director
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