



五礦地產有限公司
MINMETALS LAND LIMITED

(Stock Code: 0230.HK)

2021 ANNUAL RESULTS PRESENTATION

MARCH 2022



Contents

- 1 Results Highlights
- 2 Business Review
- 3 Financial Review
- 4 Outlook
- 5 Appendix

Results Highlights



2021 Annual Results Highlights

Contracted Sales

RMB 26,000 mn
Increased 34% YoY

Revenue

HKD 12,886 mn
Increased 68% YoY

Net Profit

HKD 632 mn
Increased 45% YoY

Gross Profit Margin

18.5 %
Increased 2.4 pps

Core Profit Attributable to the Holders of the Company

HKD 215 mn
Increased 23% YoY

Cash and Bank Deposits

HKD 12,033 mn
Increased 43% YoY

Borrowing Cost

3.6 %
Low level in the industry

Net Gearing Ratio

38.9%
Decreased 10.8 pp

Total Land Bank

8.94 mn sqm
42 real estate development projects

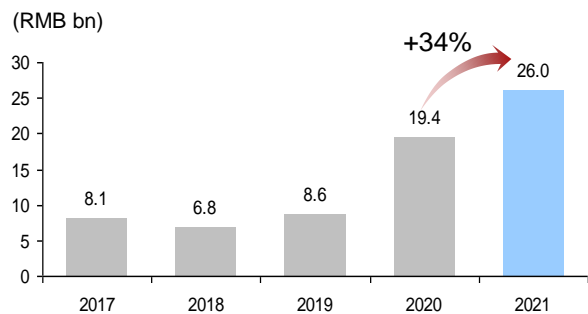
Business Review



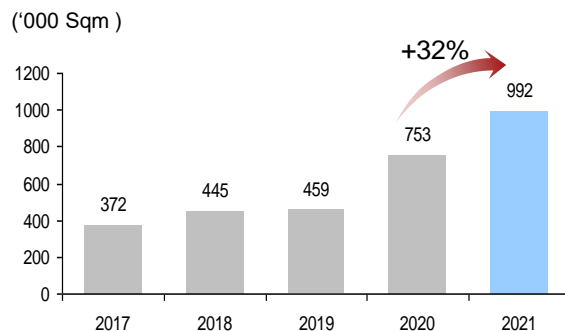
Real Estate Development

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

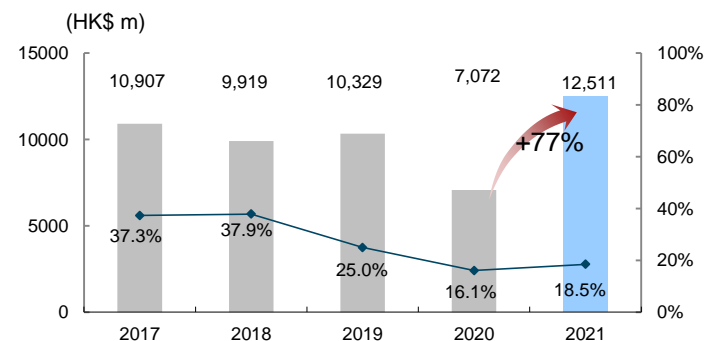
Contracted Sales



Contracted GFA

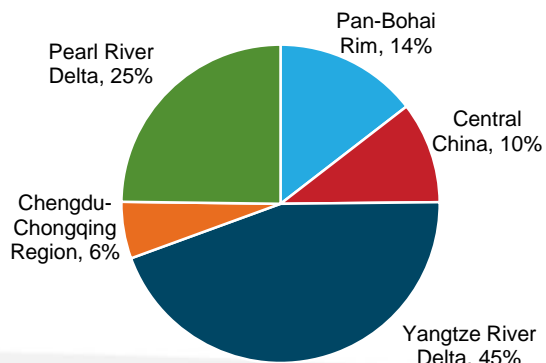


Real Estate Segment Revenue & Gross Profit margin

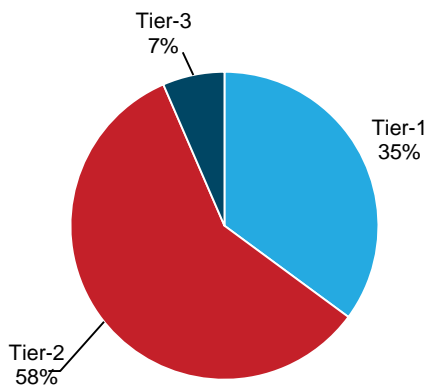


FY 2021 Contracted Sales Breakdown

by City Clusters



by Tier Cities



Contracted Sales in Diff. Measurements (RMB bn)

	2021	2020	Change
Gross	26.0	19.4	34.3%
Attributable	13.9	14.6	-4.8%
Attri. %	53.5%	75.3%	-21.8pp

High Quality Products and Services

5M Intelligent

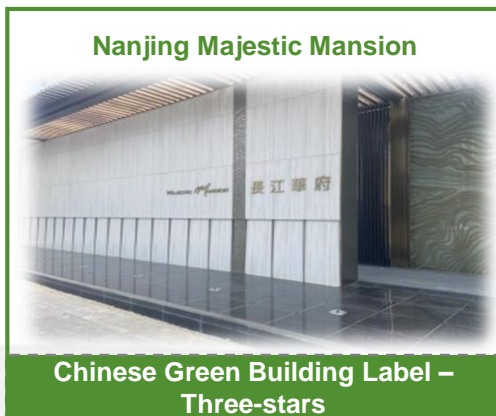
Health Product System

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 	
Urban Development	<ul style="list-style-type: none"> Industrial real estate parks 	<p>Pipeline industrial park projects in Nanjing and Shanghai</p>



Investment Properties

- The Group's property investment business primarily comprises **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
- two commercial office buildings in Hong Kong, namely **China Minmetals Tower in Tsimshatsui** and **LKF 29 in Central**.
- Visible future cash flow streams through mid-to-long term leases with credible international and local tenants

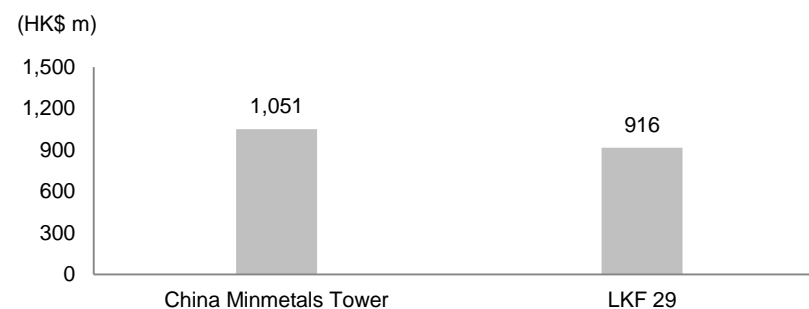


- The commercial portion of Changsha LIVE and Taian LIVE target customers with a lifestyle focus.

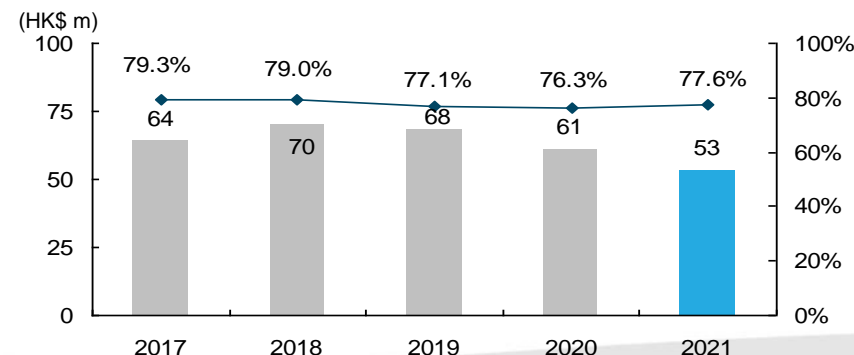


	LKF 29	China Minmetals Tower
Location	Central	Tsim Sha Tsui
Total GFA (sq.m)	~5,036	~10,790
Usage	Office & retail	Office & retail
Occupancy rate¹	91.8%	80.3%

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



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



Note: 1. As at 31 Dec 2021

Land Acquisitions in 2021

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 Chao Yang One (formerly Beijing Wangsiyingxiang project)	Residential	40%	49,000	189,000	5,450	28,807
Chengdu Dayi Shaqu project	Residential	100%	44,000	114,000	110	965
Chengdu West-Lake Future city (a total of 3 land parcels)	Residential	100%	208,000	425,000	513	1,207
Chengdu West-Lake Future city (a total of 2 land parcels)	Residential	100%	111,000	308,000	295	958
Chengdu West-Lake Future city	Commercial	100%	21,000	28,000	34	1,214
Changsha Wanjing Yayuan	Residential	51%	137,000	315,000	1,150	3,647
Suzhou Industrial Project	Residential	55%	56,000	157,000	2,197	13,966
Chengdu Xindu Jinshuihe Project	Residential	51%	44,000	140,000	670	4,786
Chengdu Xindu Dafeng Project	Residential	51%	39,000	123,000	637	5,179
Total			709,000	1,799,000	11,056	6,146

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

major breakthrough in the Yangtze River Delta

Rare residential project in East 4th Ring



Land Bank Summary – by area

Total land bank of 8.94m sq.m¹, spanning over 17 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

17 cities

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

Central China			
City	City tier	Total GFA (sq.m)	% of land bank
Changsha	Tier-2	962,000	10.8%
Wuhan	Tier-2	266,000	3.0%
Xiangtan	Tier-3	592,000	6.6%
Xining	Tier-3	2,000	0.0%
Taian	Tier-3	444,000	5.0%
Sub-total		2,266,000	25.4%

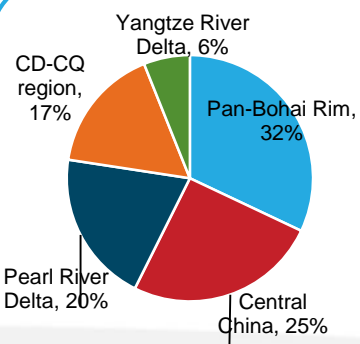
Pan-Bohai Rim			
City	City tier	Total GFA (sq.m)	% of land bank
Beijing	Tier-1	177,000	1.9%
Tianjin	Tier-1	1,982,000	22.2%
Yingkou	Tier-3	62,000	0.7%
Langfang	Tier-3	641,000	7.2%
Sub-total		2,862,000	32.0%

Yangtze River Delta			
City	City tier	Total GFA (sq.m)	% of land bank
Nanjing	Tier-2	413,000	4.6%
Suzhou	Tier-2	129,000	1.5%
Sub-total		542,000	6.1%

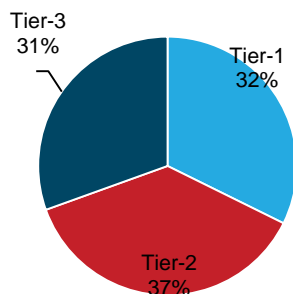
Pearl River Delta			
City	City tier	Total GFA (sq.m)	% of land bank
Hong Kong	Tier-1	48,000	0.5%
Shenzhen	Tier-1	109,000	1.2%
Guangzhou	Tier-1	575,000	6.4%
Foshan	Tier-2	76,000	0.9%
Huizhou	Tier-3	984,000	11.0%
Sub-total		1,791,000	20.0%

CD-CQ region			
City	City tier	Total GFA (sq.m)	% of land bank
Chengdu	Tier-2	1,476,000	16.5%
Total		1,476,000	16.5%

by city clusters



by city tier



Industry-city Business

Dayi Project

- positioned as a **commercial and residential** project
- located in the **eastern part of Dayi County, Chengdu**
- the **closest part** of Dayi County to the city centre of Chengdu and with **great ecological landscape**
- During the year, the Group **acquired six parcels of land at low cost** in the region, **laying a solid foundation for further development in Chengdu and the integration of industry-city**



Xindu Project

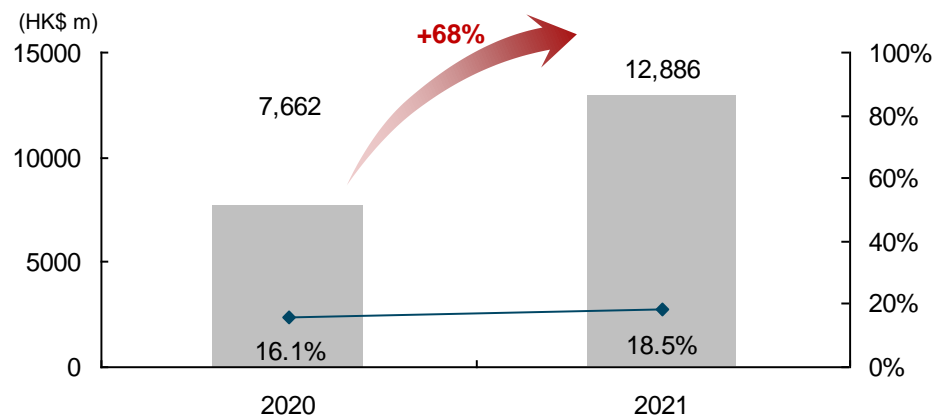
- located in **Shibantan, Xindu District, Chengdu**
- two leading industrial ecosystems : **rail transportation** and **aviation**
- focus on introducing enterprises in both the aviation and rail transportation fields to **create high-quality science and innovation space**

Financial Review

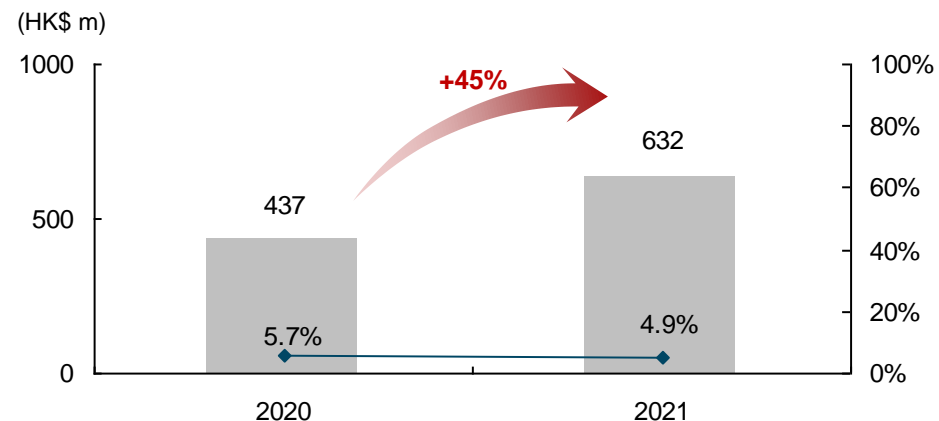


Income Statement

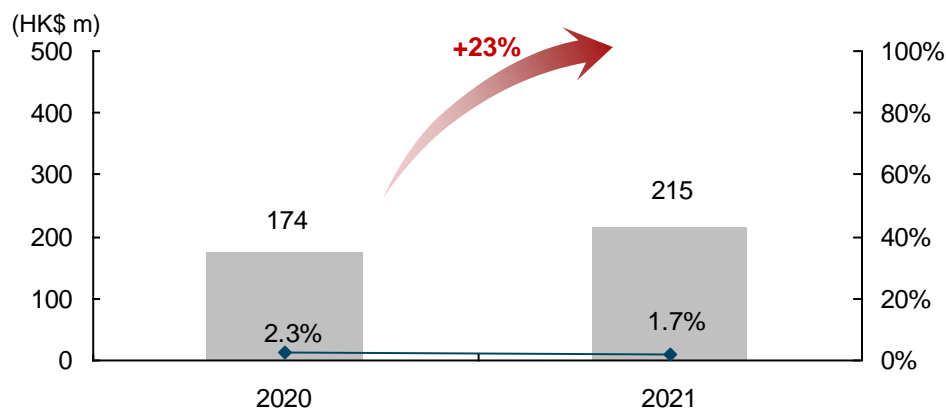
Revenue & Gross Profit Margin



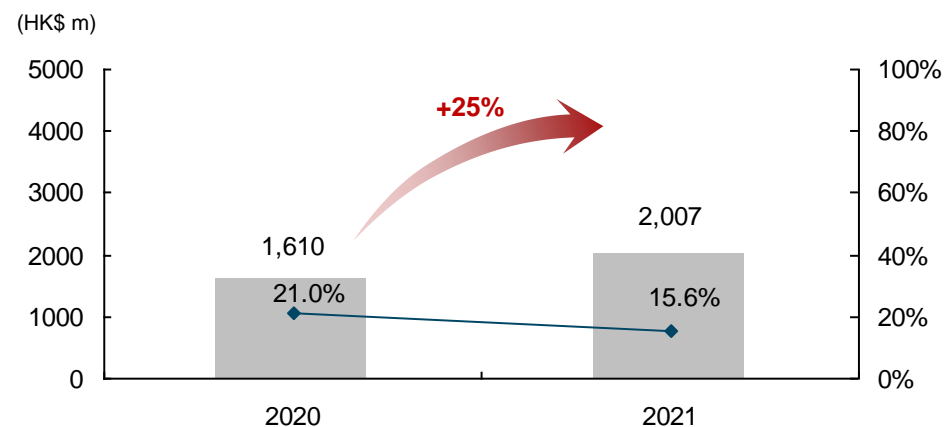
Net Profit & Net Profit Margin



Core Profit Attributable to Equity Holders of the Company



Adjusted EBITDA² & Adjusted EBITDA Margin



Notes:

- 1 Core profit attributable to equity holders of the Company excludes reversal/allowance for impairment of inventories, exchange gains/losses, fair values changes on investment properties, allowance for impairment of receivables and the one-off bargain purchase gain on acquisitions
- 2 Adjusted EBITDA = profit before tax + fair value changes on investment properties + one-off impairment + interest expense (recorded as finance costs and cost of properties sold) + depreciation

Strong Financial Position

(HK\$ m)	2021	2020	Change
Cash and bank deposits	12,033	8,433	+42.7%
Total assets	77,173	68,388	+12.8%
Total equity	23,118	22,410	+3.2%
– Equity attributable to equity owners	10,021	9,598	+4.4%
– Perpetual capital instruments	2,448	3,948	-38.0%
– Non-controlling interests	10,649	8,864	+20.1%
Total debt ⁽¹⁾	21,017	19,571	+7.4%
– Due in one year	6,547	4,555	+43.7%
Net debt-to-equity ratio ⁽²⁾	38.9%	49.7%	-10.8pp

Weighted average borrowing cost

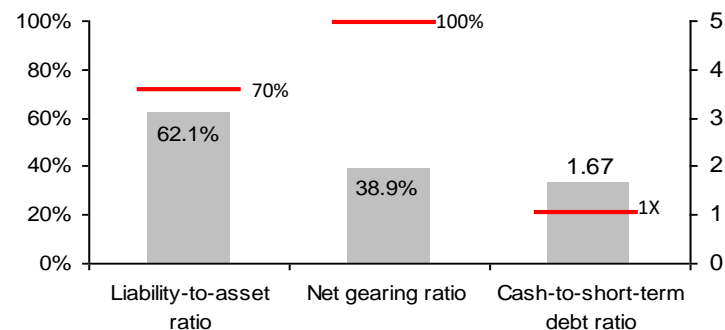
3.6%

Debut Green Bond

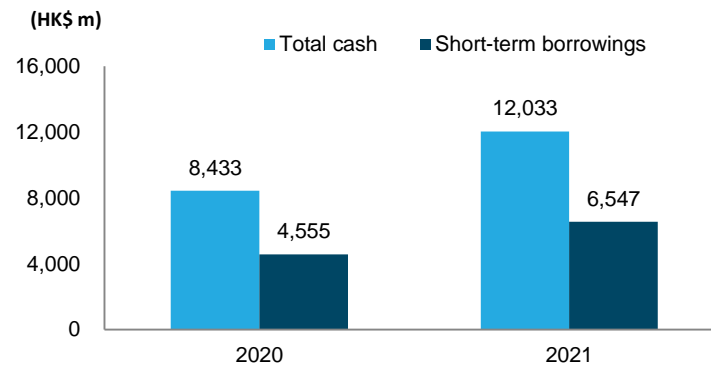
USD 300m 4.95%

↓ 145 bp v.s. last issuance

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



Strong cash position relative to short-term borrowings



Debt profile (due in one year)

(HK\$ m)	31 Dec 2021
Revolving loan	3,047
Club loan	3,500
	6,547

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

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

(3) As at 31 December 2021

(4) Total cash included restricted cash

Outlook



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



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 Chao Yang One~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.

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

Outlook

Market

- The Chinese Government will continue to adhere to the principle of “houses are for living in, not for speculation”
- The real estate market is expected to stabilize with the steady advancement of real estate overhaul initiatives
- 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
- Pursue the development path of provision of high-quality products
- Continuously improve its resource regime and business capabilities
- Deliver the competitive advantage of the whole industry chain

Investment Summary

- 1 Sustainable growth in sales**
- 2 Healthy financial position with strong liquidity under the prudent financial management**
- 3 Full compliance of the “three red lines” requirements**
- 4 State-owned Property Developer with Strong and Continuing Support from the Parent Company**



Questions & Answers

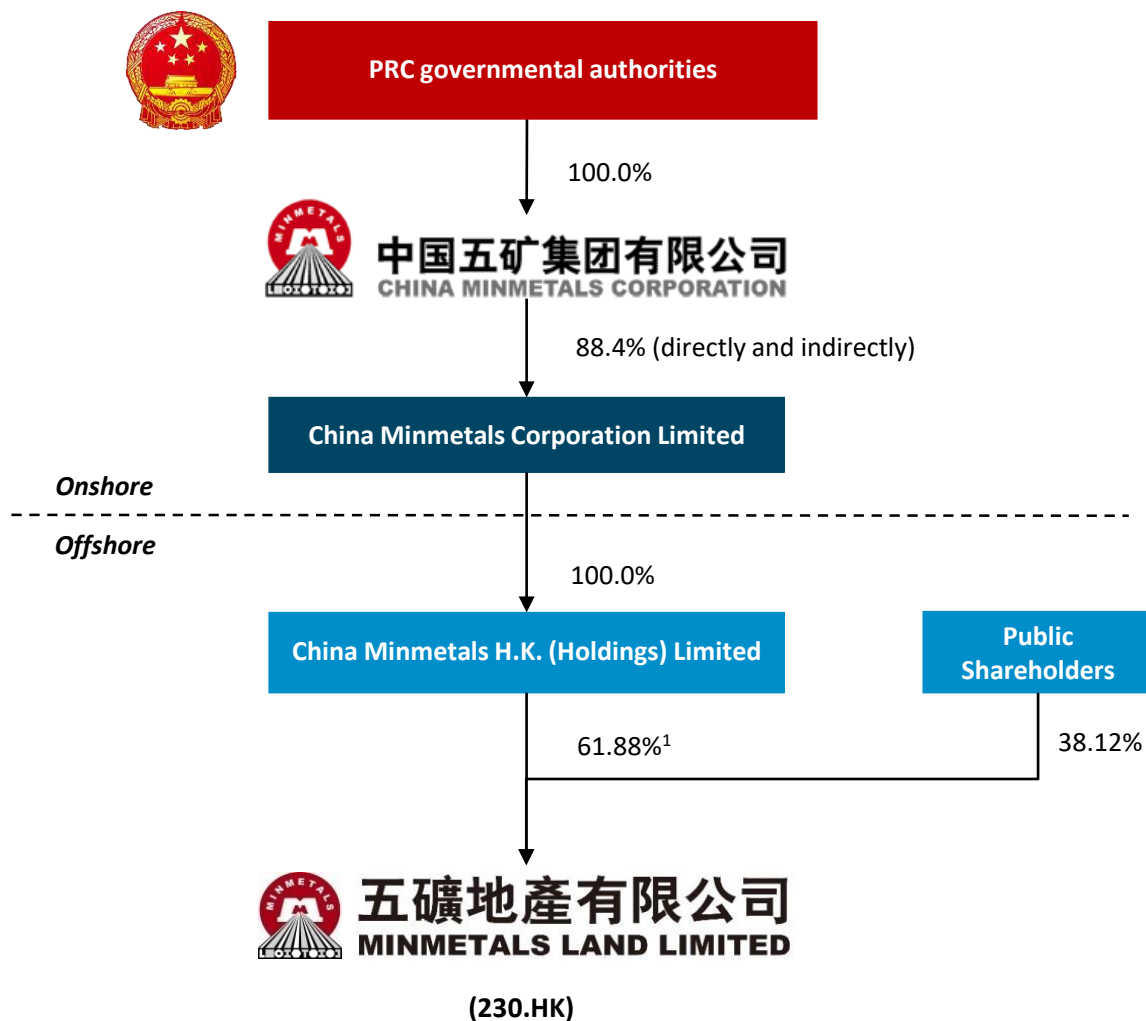
Thank you!



Appendix



Corporate Structure



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

Real Estate Development Projects in Mainland 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	2,000
2.	Beijing Chao Yang One*	北京朝陽壹號*	40.0%	49,000	189,000	175,000
3.	Langfang Harrow Town	廊坊哈洛小鎮	50.0%	550,000	1,285,000	641,000
4.	Tianjin Minmetals International	天津中國五礦商務大廈	100.0%	21,000	183,000	22,000
5.	Tianjin Neo-Metropolis	天津未來城	49.0%	1,115,000	2,778,000	1,960,000
6.	Yingkou Platinum Bay	營口五礦•鉑海灣	100.0%	396,000	377,000	62,000
7.	Sub-total			2,270,000	5,226,000	2,862,000
Yangtze River Delta						
7.	Nanjing Academic Royale	南京五礦紫文金城	100.00%	136,000	482,000	9,000
8.	Nanjing Enchanté Cove	南京五礦瀾悅方山	100.00%	68,000	148,000	16,000
9.	Nanjing Enchanté Oasis	南京五礦瀾悅樓原	100.00%	95,000	255,000	20,000
10.	Nanjing Enchanté Park	南京五礦瀾悅溪山	100.00%	61,000	181,000	104,000
11.	Nanjing Jiang Shan Da Jing	南京江山大境	39.80%	83,000	285,000	109,000
12.	Nanjing Majestic Mansion	南京長江華府	34.10%	43,000	233,000	148,000
13.	Nanjing Sello Royale	南京五礦乳璽台	100.00%	179,000	270,000	4,000
14.	Nanjing Yan Shan Ju	南京晏山居	100.00%	91,000	203,000	3,000
15.	Suzhou Industrial Park Project	蘇州工業園項目	55.00%	56,000	157,000	129,000
	Sub-total			812,000	2,214,000	542,000
Chengdu-Chongqing region						
16.	Chengdu Dayi Shaqu project*	成都大邑沙渠項目*	100.00%	44,000	114,000	100,000
17.	Chengdu West Begonia	成都五礦•西棠雅園	100.00%	22,000	80,000	72,000
18.	Chengdu West-Lake Future City*	成都西湖未來城*	100.00%	509,000	1,171,000	1,090,000
19.	Chengdu Xindu Dafeng Project*	成都新都大豐項目*	51.00%	39,000	123,000	101,000
20.	Chengdu Xindu Jinshuihe Project*	成都新都錦水河項目*	51.00%	44,000	140,000	113,000
	Sub-total			658,000	1,628,000	1,476,000

* new project of 2021

Real Estate Development Projects in Mainland China & HK (cont'd)

Location/Project		Attributable interest to the Group	Site Area (sq.m.)	Construction floor area (sq.m.)	Land Bank (sq.m.)
Central China					
21. Changsha Greenland Centre	長沙綠地中心	25.50%	23,000	259,000	86,000
22. Changsha LOHAS International Community	長沙五礦·龍灣國際社區	100.00%	643,000	1,084,000	49,000
23. Changsha Minmetaos Plaza (formerly Nanhu Project)	長沙五礦廣場(前稱南湖項目)	100.00%	22,000	192,000	178,000
24. Changsha Realm of Landscape	長沙萬境瀟湘	25.50%	87,000	311,000	221,000
25. Changsha Scotland Town	長沙格蘭小鎮	100.00%	333,000	442,000	5,000
26. Changsha Qin Royale	長沙五礦·沁園金城	100.00%	150,000	570,000	128,000
27. Changsha Wanjing Yayuan*	長沙萬境雅院*	51.00%	137,000	315,000	294,000
28. Taian Scenery Centre	泰安五礦萬境廣場	51.00%	51,000	148,000	100,000
29. Taian Scenery Cove	泰安·萬境水岸	51.00%	270,000	699,000	344,000
30. Wuhan Enchanté Crest	武漢五礦·瀾悅雲璽	100.00%	61,000	180,000	113,000
31. Wuhan Scenery Cove	武漢萬境水岸	100.00%	62,000	215,000	153,000
32. Xiangtan Scenery Cove	湘潭·萬境水岸	51.00%	428,000	1,104,000	593,000
33. Xining Minmetals Chai Da Mu Plaza	西寧五礦柴達木廣場	51.00%	152,000	464,000	2,000
Sub-total			2,419,000	5,983,000	2,266,000
Pearl River Delta					
34. Foshan Academic Royale	佛山五礦棠文金城	100.00%	43,000	214,000	76,000
35. Guangzhou Greenery Terrace	廣州萬樾台	100.00%	17,000	29,000	14,000
36. Guangzhou Langyun Garden	廣州朗雲花園	10.00%	57,000	130,000	114,000
37. Guangzhou Parc One	廣州五礦·壹雲台	51.00%	72,000	258,000	157,000
38. Guangzhou Regent Heights	廣州五礦招商鸞山府	51.00%	21,000	72,000	9,000
39. Guangzhou River Skyline	廣州江天際 (前稱廣州白雲區槎頭項目)	45.90%	77,000	340,000	281,000
40. Hong Kong Montego Bay	香港蔚藍東岸	100.00%	11,000	65,000	48,000
41. Huizhou Hallstatt See	惠州五礦·哈施塔特	100.00%	918,000	1,549,000	984,000
42. Shenzhen The Greenville	深圳萬樾府	51.00%	31,000	178,000	108,000
Sub-total			1,247,000	2,835,000	1,791,000
Total			7,406,000	17,886,000	8,937,000

* new project of 2021

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