



佳兆業集團控股有限公司
KAISA GROUP HOLDINGS LTD.

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1638



Annual Results Presentation 2017

March 2018

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1. Operation Review & Future Development



1. Operation Review & Future Development



Operation Review

- Remain rapid growth in core property business
- Achieve further penetration into Bay Area
- Create sustainable competitiveness with diversified businesses

Future Development

- Strengthen core property business
- Establish comprehensive presence in Bay Area
- Exploit diversified advantages to capture market opportunities

1.1 2017 Operation Highlights



Three Operating Highlights in 2017



Remain Rapid Growth in Core Property Business

- Contracted sales hit record high, reaching 112% of sales target
- Recognized sales surged by 86%

Achieve Further Penetration into Bay Area

- Land bank of 22 mn sq. m. with 58% located in Bay Area
- Pipeline urban renewal projects in Bay Area spanned a site area of 24 mn sq. m.

Create Sustainable Competitiveness with Diversified Businesses

- Enhanced operating capability through development of new technology industrial property and healthcare business
- Generated sustainable competitive advantage in the New Era

Remain Rapid Growth in Core Property Business

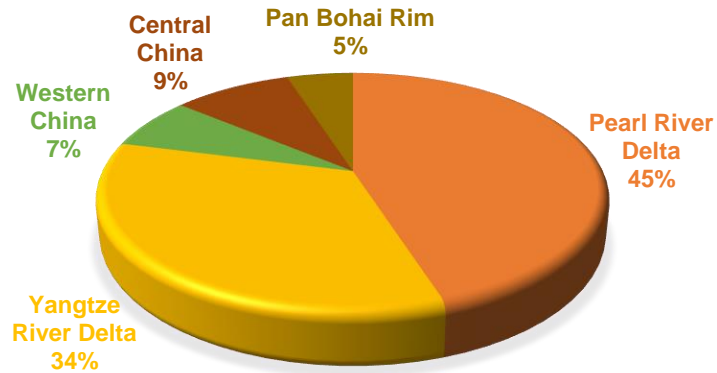


Rapid Increase in Contracted Sales and Recognized Sales

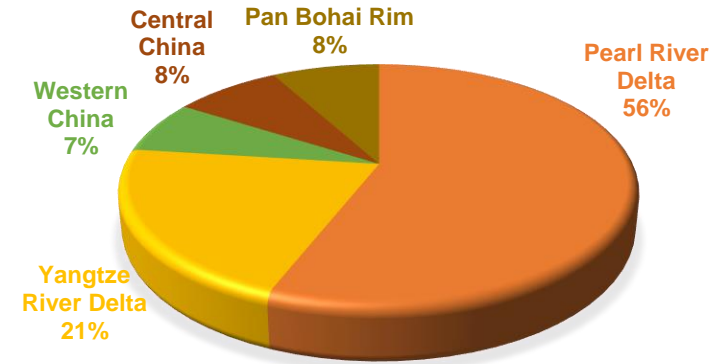
Remain Rapid Growth in Core Property Business



Contracted Sales by Region

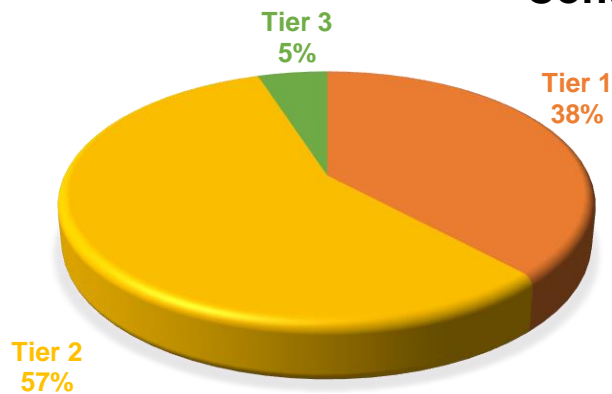


RMB29,843 mn in 2016

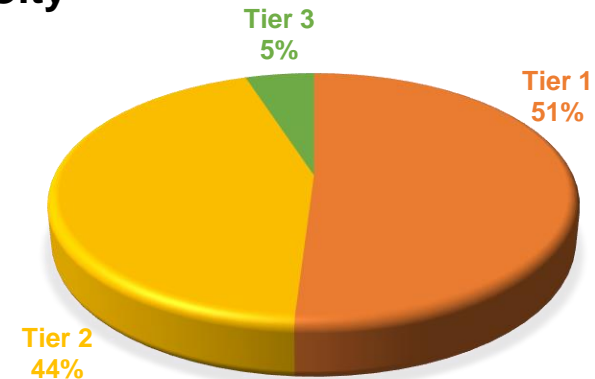


RMB44,714 mn in 2017

Contracted Sales by City



RMB29,843 mn in 2016



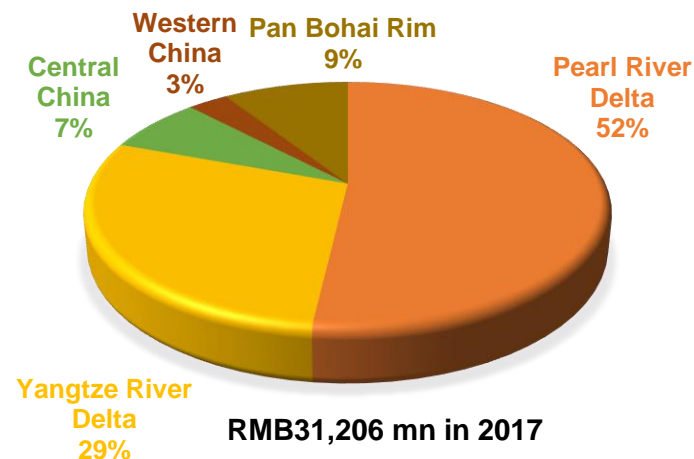
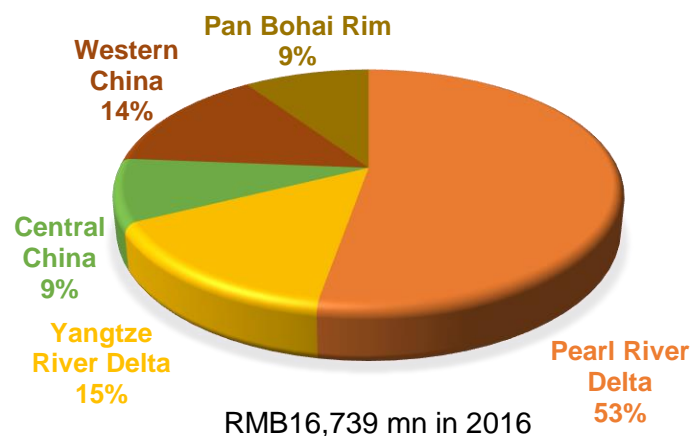
RMB44,714 mn in 2017

Tier 1 Cities Sales Contribution over 50%

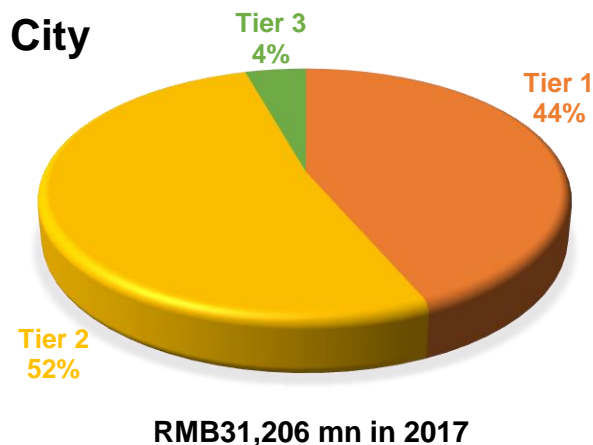
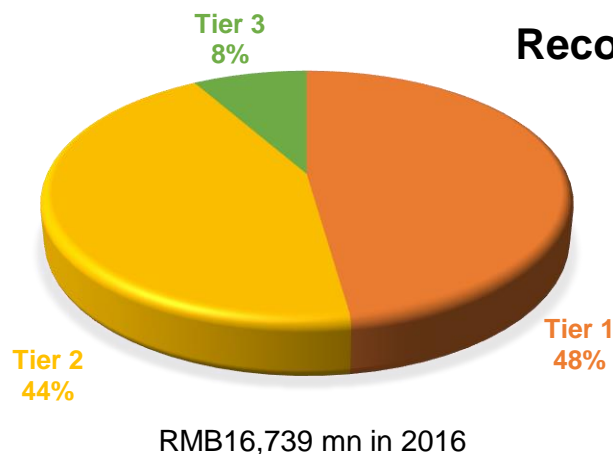
Remain Rapid Growth in Core Property Business



Recognized Sales by Region



Recognized Sales by City

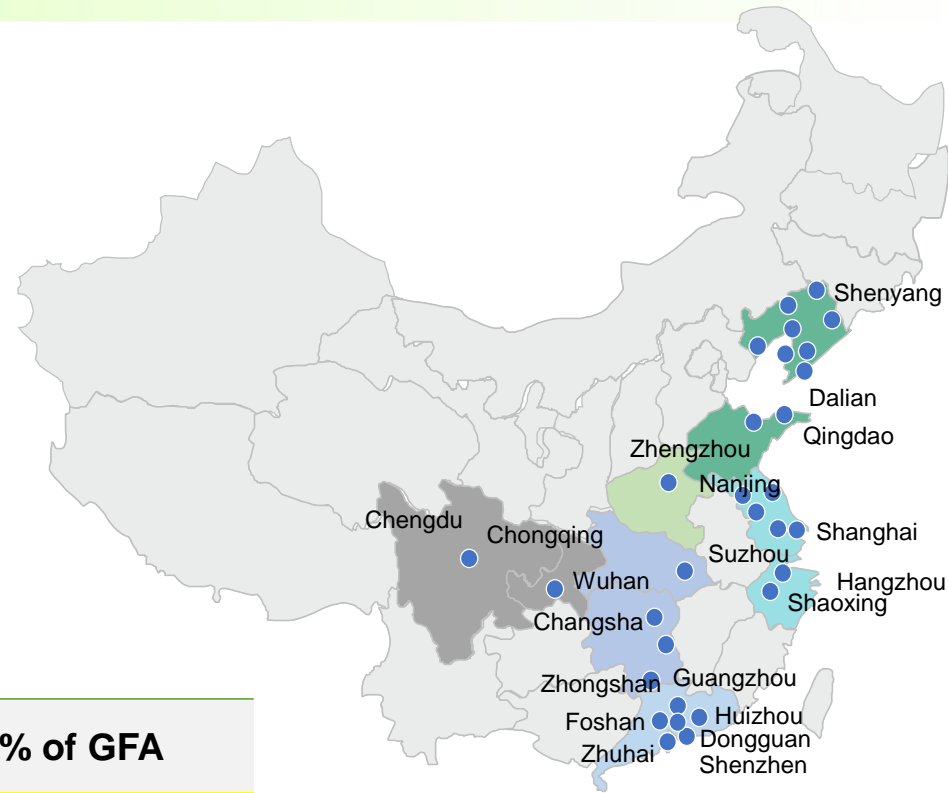


Over 50% Recognized Sales from Bay Area

Achieve Further Penetration into Bay Area



- Land bank of 22 mn sq. m.
- 85% located in tier 1 & major tier 2 cities, in terms of GFA
- Newly acquired attributable land bank of 3.14 mn sq. m. in 2017, of which 63% was located in Bay Area
- Entered into new markets, i.e. Zhongshan in Guangdong Province, Zhengzhou in Henan Province, Shaoxing and Jiaxing in Zhejiang Province



Nationwide Coverage of Land Bank

Region	GFA ('000 sq. m.)	% of GFA
Greater Bay Area	12,600	58%
Yangtze River Delta	2,000	9%
Central China	1,400	6%
Western China	2,700	12%
Pan Bohai Rim	3,300	15%
Total	22,000	100%

Quality Land Bank Laid Solid Foundation for Future Growth

Achieve Further Penetration into Bay Area



Land Bank in Bay Area as of 2017

	Land Bank (mn sq. m.)	% in Bay Area
Shenzhen	2.6	20.8%
Guangzhou	1.5	12.0%
Huizhou	6.0	48.0%
Dongguan	0.9	7.2%
Zhongshan	0.4	3.2%
Foshan	0.5	4.0%
Zhuhai	0.6	4.8%
Bay Area	12.6	100.0%

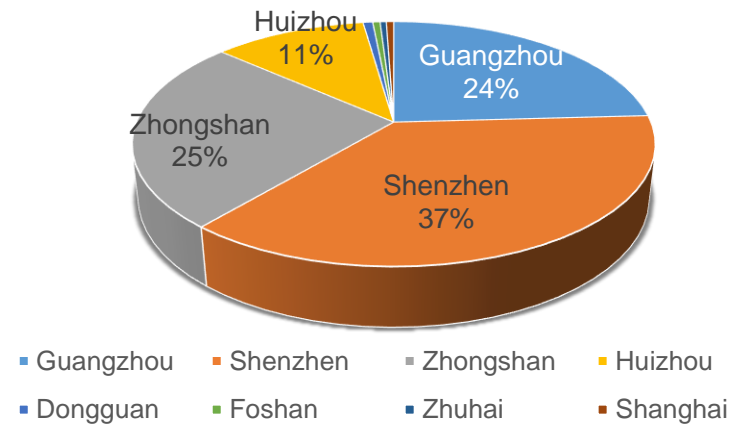
Urban Renewal Projects in Bay Area as of 2017

	Site Area ¹ (mn sq. m.)	% in Bay Area
Shenzhen	8.9	37.2%
Guangzhou	5.8	24.1%
Huizhou	2.7	12.0%
Dongguan	0.2	0.7%
Zhongshan	6.1	25.1%
Foshan	0.1	0.5%
Zhuhai	0.1	0.5%
Bay Area	23.9	100.0%

¹ Plot ratio is subject to final approval, the amount is yet counted into total landbank



Site Area of over 24 mn sq. m. Urban Renewal Pipeline Projects



Penetration into Bay Area to Seize the Historic Opportunity

Create Sustainable Competitiveness with Diversified Businesses



Nam Tai Property Inc
(NYSE Stock Code: NTP)

Core Assets

Namtai Inno City &
Namtai Inno Park

Namtai Inno City

Location Bao'an, Shenzhen
Site Area 52,000 sq. m.
Planned Use R&D, Office, Apartment and Commercial
Status Demolishing former site

Namtai Inno Park

Location Guangming New District, Shenzhen
Site Area 104,000 sq. m.
Planned Use R&D, Office, Apartment and Commercial
Status Under construction
Equity Interest 24.50%



**Guangdong Mingjia Lianhe
Mobile Technology Co., Ltd**
(SZSE Stock Code: 300242)

Major Businesses



Mobile e-Marketing Promotion
Integrated e-Marketing
Mobile advertising platform

Competitive Strength

Competitive main-stream media resources
Comprehensive clients coverage
Rich industrial experience

Equity Interest 21.25%

Customer Resources include:



**Obtain Control of Kaisa Health
Group Holdings Limited**
(HKEX Stock Code: 00876)
(Formerly known as Mega Medical Technology Limited)

Major Business

Dental treatment, dental beauty treatment, and dental prosthetics products

Competitive Strength

Leading market share in China for self-own brand
Extensive local and overseas sales network
Well-known strategic partners

Equity Interest 41.24%



**Zhenxing Biopharmaceutical
& Chemical Co., Ltd**
(SZSE Stock Code: 000403)

Major Businesses

Production and sales of blood products, including human serum albumin, immunoglobulin and coagulation factors

Competitive Strength

Rich new products
Sufficient plasma supply
Strong annual processing capacity of plasma

Equity Interest 18.57%

Diversified Businesses to Facilitate Property Business Development

1.2 2018 Development Strategy



2018 Development Strategy



Strengthen Core Property Business

- Pursue for high-quality scale expansion
- Achieve steady growth in contracted sales

Establish Comprehensive Presence in Bay Area

- Penetrate presence into Bay Area
- Unlock the value of urban renewal projects

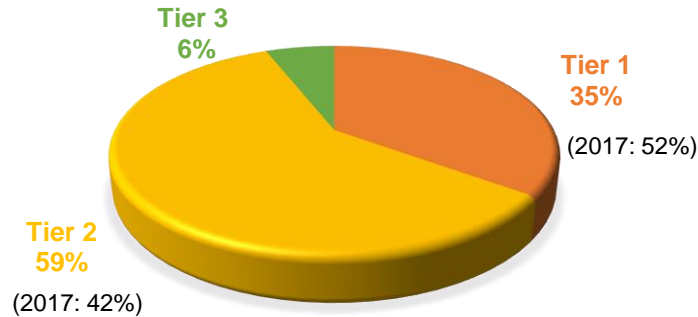
Exploit Diversified Advantages to Capture Market Opportunities

- Participate in characteristic town and leasing markets
- Seize development opportunities under the economic New Era

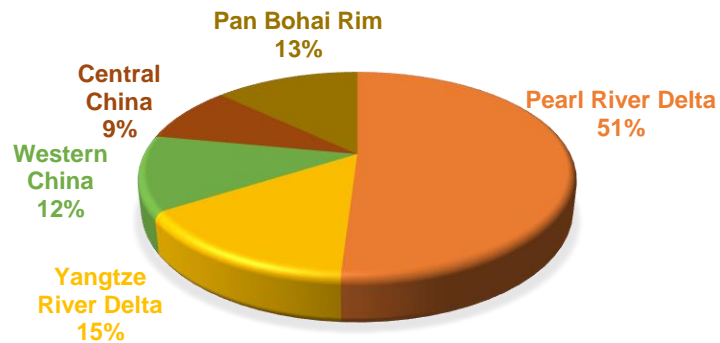
Strengthen Core Property Business



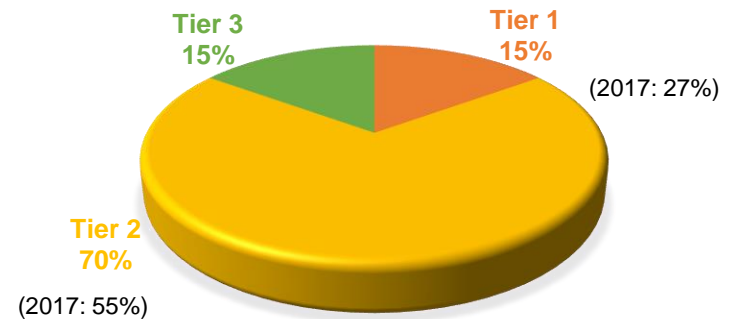
Saleable Value



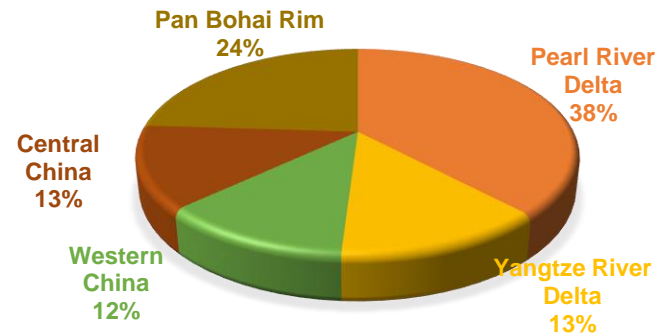
Saleable Value = RMB127.0 bn



Saleable Area



Saleable Area = 8.4 mn sq. m.



Pursue for High-quality Scale Expansion

Establish Comprehensive Presence in Bay Area



■ Eye on Zhaoqing and Jiangmen markets with existing presence in 7 cities in Bay Area

Shenzhen	Guangzhou	Huizhou	Dongguan
Shenzhen Woodland Height	Guangzhou Jinmao	Huizhou Kaisa Mansion No.1	Dongguan Zhongyang Haomen
Shenzhen Mocha Town	Guangzhou Kaisa Plaza	Huizhou Kaisa Center	Dongguan Dongjiang Haomen
Shenzhen Kaisa Center	Guangzhou Monarch Residence	Huizhou Yuan Zhou Project	Dongguan Shui'an Haomen
Shenzhen Lake View Place	Guangzhou Kaisa Mansion No.1	Huizhou Riverbank New Town	Dongguan Dijingwan
Shenzhen Xiangrui Garden	Guangzhou Sky Villa	Huizhou Kaisa Mountain Bay Project	Dongguan Le Grand Bleu
Shenzhen Mingcui Garden	Guangzhou Sky Mansion	Huizhou Kaisa Times Mocha Town	Dongguan Oasis Town
Shenzhen Jincui Garden	Guangzhou Kaisa City Plaza	Huizhou Boluo Woodland Height	Dongguan Yulongshan Garden
Shenzhen Shangpin Garden	Guangzhou Kaisa Future City	Huizhou Longmen Shangtianran Spring Town Project	Dongguan Shilong Project
Shenzhen Kaisa Financial Center	Guangzhou Nantian Project	Foshan	Dongguan Kaisa Shui'an Linyu
Shenzhen Metro City	Guangzhou Kaisa Sky Bright	Foshan Kaisa Shunde Mocha Town	<u>Dongguan Kaisa Shui'an Fengjing</u>
Shenzhen Kaisa City Plaza	Guangzhou Kaisa Sky Pride	Foshan Kaisa Shunde Shangpin Garden	
Shenzhen Kaisa Metropolitan Homeland	Zhongshan	Foshan Shunde Kaisa Golden World	
Shenzhen Dapeng Kaisa Peninsula Resort	Zhongshan Kaisa Xiangshan Royal Palace	Foshan Kaisa Binguo	
Shenzhen Kaisa Yuefeng Garden	Zhongshan Shangpin Garden	Foshan Kaisa Bindou	
Shenzhen Yantian City Plaza	Zhuhai		
Shenzhen Kaisa Golden Bay International Park	Zhuhai Lake View Waldorf Garden		
Shenzhen Marriott Hotel Golden Bay	Zhuhai Golden World		
Shenzhen Kaisa Qianhai Plaza	Zhuhai Kaisa Monarch Residence		
Shenzhen Pinghu Kaisa Plaza			
Shenzhen Kaisa Future City			
Shenzhen Nan'ao Project			



Take Early Mover Advantages in Bay Area

Establish Comprehensive Presence in Bay Area



Project	Location	Planned Use	Site Area ('000 sq. m.)	Planned GFA ('000 sq. m.)	Saleable Value (RMB mn)	Status
Kaisa Future City	Longgang, Shenzhen	Residential	49	260	9,000	Phase I under Presale
Pinghu Kaisa Plaza	Longgang, Shenzhen	Residential	168	475	6,000	Under Construction
Yantian Kaisa City Plaza	Yantian, Shenzhen	Commercial & Residential	266	1,070	21,500	Under Construction
Bailingda Project	Bao'an, Shenzhen	Residential	47	170	7,000	Land Supply in 2018*
Lake View Wardolf Garden (Phase 3)	Xiangzhou, Zhuhai	Residential	18	37	1,100	Land Supply in 2018*
Xuhangzhen Project	Jiading, Shanghai	Commercial & Residential	155	230	8,000	Land Supply in 2018*

*Signing of the land use right certificate

Urban Renewal Projects under Development



Unlock the Value of Urban Renewal Projects

Exploit Diversified Advantages to Capture Market Opportunities



- Signed 30 characteristic town framework agreements in 22 cities
- Formed 4 major product lines
- Formed 4 growth drivers - “Industrial, Tourism, Residential, Commercial”
- Parallel development model of “light-asset” exported by operation management experience and “heavy-asset” from property development



Technology Town

Tertiary Education
Technology Town, Chuzhou,
Anhui

Central China International
Eco-Technology Valley,
Xianning, Hubei

Agricultural Technology
Dendrobium nobile Town,
Zhuhai, Guangdong



Health Town

Yuhang Life Silicon Valley
Town, Hangzhou, Zhejiang

Forest Healthcare Town,
Qingdao, Shandong



Culture & Sports town

Characteristic Town,
Leheledu, Yongchuan
Chongqing

National Movie Industrial
Town, Hangzhou, Zhejiang



Tourism & Resort Town

Chengdu Fenghunag Lake,
Sichuan

Nanchang Shengshuitang,
Jiangxi



Penetrate into Characteristic Town Market

Exploit Diversified Advantages to Capture Market Opportunities



- Correspond to national call for the development of leasing market
- Focus on investment in core properties in key cities
- Upgrade and renovate self-owned properties to create new value



Co-working Space

Project	GFA (sq. m.)	No. of Office (unit)	Launch Time
Huizhou Kaisa Centre (Phase 3)	2,330	374	2018

Centralised Apartment

Project	GFA (sq. m.)	No. of Apartment (unit)	Launch Time
Chengdu Kaisa Plaza	4,568	151	2018
Shenzhen Gangyihaoing	2,480	94	2018

Centralised Apartment and Co-working Space

Project	GFA (sq. m.)	No. of Apartments (unit)	No. of Working Space (unit)	Launch Time
Shanghai Putuo District Jiaotonglu Project	33,000	542	270	2018

Eye on Leasing Market

2. Financial Summary



2017 Earnings



(RMB bn)

	2017	2016	% Change
Total revenue	32.8	17.8	+84%
- Sales of properties	31.2	16.7	
- Rental income	0.2	0.2	
- Property management services	0.3	0.3	
- Hotel and catering operations	0.2	0.1	
- Cinema, department store and culture center operations	0.2	0.2	
- Waterway passenger and cargo transportation	0.5	-	
-Others	0.1	0.2	
Cost	23.8	15.5	+54%
Gross profit	8.9	2.3	+286%
Gross profit margin	27%	13%	+14 pts
Net profit (loss)	3.0	(0.3)	
Net profit (loss) margin	9.3%	(2.0%)	

2017 Earnings



(RMB bn)

	2017	2016	% Change
Basic earnings per share (RMB)	0.602	(0.119)	-
Proposed final dividend per share (HK cents)	11.8	-	-
EBITDA	11.0	1.6	+588%
EBITDA margin	33.7%	9.4%	+24 pts
Core net profit (loss)	2.4	(4.2)	-
Core net profit ratio	7.5%	(23.4%)	-
Interest coverage ratio	1.40x	0.24x	-

Balance Sheet



(RMB bn)

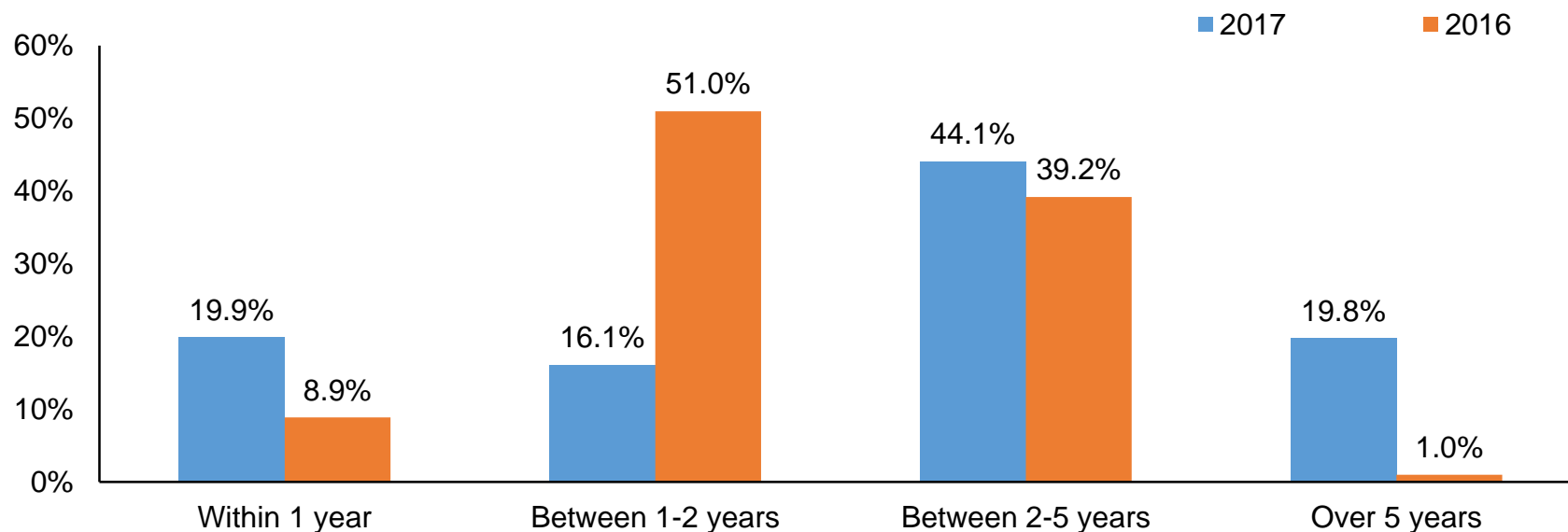
	As at 31 Dec 2017	As at 31 Dec 2016	% Change
Total assets	213.4	165.8	+29%
Total liabilities	183.4	142.8	+28%
Net current assets	70.0	72.4	-3%
Total equity	30.0	23.0	+30%
Cash and bank deposits	21.2	16.6	+28%
Leverage ratio*	42%	43%	-1ppt

* Leverage ratio equals to net debt (total borrowings net of cash and bank balances, short-term bank deposits and restricted cash) over total assets

Debt Profile



As at 31 Dec 2017



As at 31 Dec 2017

(RMB bn)	< 1 year	1 - 2 years	2 – 5 years	> 5 years	Total
Onshore	21.3	15.0	37.1	2.1	75.5
Offshore	0.8	2.9	11.9	20.0	35.6
Total	22.1	17.9	49.0	22.1	111.1

3. Q&A

