

[For Immediate Release]



Greentown China Announced 2024 Interim Results Revenue Hitting Record High and Profit Remaining Steady



△ Greentown China's 2024 Interim Results Announcement

(26 August 2024 – Hong Kong) **Greentown China Holdings Limited** (“Greentown China” or the “Company”; Stock code: 3900.HK) announced its 2024 interim results on August 23rd and held an online interim results presentation today.

In the first half of 2024, the Group generated revenue of approximately RMB69,562 million, representing a yoy increase of 22.1%, and the net profit of the Company was RMB3,320 million. The profit attributable to owners of the Company was RMB2,045 million, representing a yoy decrease of 19.6%; core net profit attributable to owners of the Company amounted to approximately RMB4,949 million, representing a yoy increase of 27.5%.

Mr. Zhang Yadong, Chairman of the Board of Greentown China, stated: "In the first half of 2024, Greentown China took various measures to optimize operational results amidst a

continuously adjusting industry landscape. The Company achieved stable operating quality and steady progress in its industry standing. Looking ahead, Greentown China will further leverage its inherent strengths, raise its awareness of transformation, proactively address challenges, and actively seize opportunities in the face of new challenges and opportunities. With more precise insights, leaner management, and more refined actions, the Company will advance its ‘comprehensively, high-quality, and sustainable’ development.”



△Speech from Mr. Zhang Yadong, Chairman of the Board of Greentown China

Precise Marketing Strategy and Remarkable Sell-through Results

In the first half of 2024, the Group achieved a total contracted sales area of approximately 5.91 million sqm, with a total contracted sales amount of approximately RMB126.5 billion. Among which, the self-investment projects contributed a contracted sales amount of approximately RMB85.4 billion, of which approximately RMB60.8 billion was attributable to the Greentown Group, raising the attributable ratio to 71%. In addition, for the Period, Greentown Group recorded a total contracted sales area of approximately 3.11 million sqm and a total contracted sales amount of approximately RMB41.1 billion from the projects under its project management business with the “Greentown” brand.

Through more precise market research, the Group has constantly strengthened its market presence in high-tier core cities, with the proportion of sales in first- and second-tier cities accounting for 80%, and the sales ranking reached Top10 in 13 core cities, including Hangzhou, Shanghai, Xi’an and Beijing.

Leveraging its strong development and operational capabilities, along with flexible and effective marketing strategies, Greentown China achieved a sell-through rate of approximately 78% for newly launched properties in the first half of the year, and recorded a sell-through amount of approximately RMB21.5 billion in residential inventory, commercial office as well as carpark units. During the Period, its cash collection rate remained high at 103%, effectively supporting cash flow and reinvestment.

Precise and Prudent Investment Ensuring Realization of High Standards

In 1H2024, Greentown China made investments adhering to differentiated investment and prioritizing liquidity, value for cost performance, and structural opportunities, and exercised extra caution to ensure a high success rate. In the first half of 2024, the Group acquired 15 new projects with a total GFA of approximately 1.31 million sqm and the newly-added saleable value was estimated to reach RMB33.3 billion, with 94% coming from core second-tier cities. As of 23 August 2024, Greentown China newly acquired 23 projects this year, with newly-added saleable value of RMB58.2 billion and the attributable land costs of RMB25.9 billion. Alongside its continued focus on core cities, Greentown China has placed emphasis on high-quality structural investment opportunities to ensure the structural safety of the investments.

In the first half of the year, the new projects acquired continued to maintain a favorable level of average net profit margin and the average attributable ratio further increased to approximately 84%. This ensured project development efficiency and strengthened the delivery of long-term profits attributable to owners of the Company. All of the new projects in the first half of 2024 were estimated to be launched during the year. The Company actively implemented the “two harvests in one year” turnover concept, achieving an estimated sales conversion of 63% for the newly added saleable value in the first half of the year, effectively safeguarding the liquidity of the Company.

Benefiting from the effective implementation of investment strategy, Greentown China has a well-focused and high-quality land reserve with sound structure, ensuring its future stable development and long-term profitability. As at June 30, 2024, Greentown Group had a total of 151 land reserve projects (including those under and pending construction) with a total GFA of approximately 31.93 million sqm, of which approximately 20.64 million sqm was attributable to the Group. The value of land reserves in first- and second-tier cities accounted for 79% of the total, the Yangtze River Delta Area accounted for 57%, and 10 strategic core cities, including Beijing, Shanghai, Hangzhou, and Xi’an, accounted for 55% of the total land reserves.

Dedicated to Crafting Good Houses and Leading Industry Quality

Product quality is the “No.1 Project” of Greentown China, and customer satisfaction is its “No.1 Standard”. With the goal of being “gorgeous, extremely virtuous, the smartest, low-carbon, full-cycle and healthy”, and the base point of “letting more people live in good houses”, Greentown China continued to upgrade its product strength to create “Good Houses” of Greentown to the satisfaction of customers.

Greentown China is committed to creating high-quality residences for its customers. It has established the '1+6+N' system for Greentown Good Houses with focus on 1 standard, 6 product enhancement projects and N items of technology systems. In the first half of 2024, Greentown China released the industry’s first standard for “Good Houses”, which focuses on “intelligent housing”, “healthy housing” and “life housing” to achieve product enhancement.

At the same time, Greentown China continued to upgrade its product lines, successively launching leading product series such as the “Yuehua Series”, the “Fengqi Series” and the “Rose Garden Series” in cities like Nanjing, Fuzhou, Yiwu and Suzhou. The Company continued to create high-quality “full-dimensional real scenery display areas”, fully showcasing its product strength and giving homeowners and their families a glimpse of a beautiful future life. During the Period, Greentown China has been honored with 39 domestic and international design awards.

In the first half of 2024, Greentown China delivered approximately 65,000 households, ranking 5th in China. Among them, it delivered approximately 6.77 million sqm of properties in the self-investment segment with approximately 35,400 households.

Greentown China has achieved good results in “Chinese Urban Residents’ Satisfaction” survey for 14 consecutive years, won the honorary title of “Leading Brands by Customer Satisfaction” for 12 consecutive years, and ranked 1st in customer satisfaction across 16 cities and in customer loyalty across 12 cities in which the Company has presence in 2024.

Refining Management and Operations for Continuous Efficiency Improvements

Greentown China committed to improving the management system and management efficiency, so as to achieve efficient operation and enhance its competitive advantage. In the first half of 2024, the Company achieved significant improvements in operational efficiency. The periods from land acquisition to commencement of construction and to positive operating cash flow of new projects were shortened by 0.4 and 2.1 months to 1.7

and 9.5 months on average, respectively, and the overall operational efficiency was accelerated by 14%.

The core cities have witnessed remarkable improvement in efficiency. The period from land acquisition to positive operating cash flow was shortened from 8.8 months to 7.1 months in Hangzhou, and the period from land acquisition to first launch was shortened from 6.7 months to 3.5 months in Xi'an, showcasing Greentown China's operational excellence. In the first half of 2024, it achieved a record of 18 sold-out upon launch in Hangzhou, ranking top of the total and attributable sales ranking in Hangzhou (from CRIC).

Maintaining a Solid Financial Position with Secure Debt Structure

Leveraging its high creditworthiness, steady business development and precise cash flow management, Greentown Group received continued support from financial institutions and maintained smooth access to financing from the capital market in the first half of 2024. By the end of June 2024, the weighted average interest cost of total borrowings decreased to 4.0%. Debts due within one year accounted for 23.8% of the total debts of the Group as at the end of June 2024, remaining at a low level. The Company maintained a sound financial position and secured debt structure, providing a solid foundation for the sustainable development of the Group.

In the first half of 2024, the Group issued RMB5.134 billion of domestic bonds in the primary market, including 3-year medium term notes of RMB4 billion and 1-year supply chain ABN of RMB1.134 billion. In the secondary market, the bond yield has declined and the market confidence has strengthened. In addition, the Group has completed offshore refinancing of USD817 million, which substantially completed the refinancing of offshore debts due in 2024 and also completed in advance the replacement of USD300 million offshore debts due in 2025.

Promoting National Layout and Strengthening Leadership in Project Management

Greentown Management Holdings Company Limited ("Greentown Management"; Stock code: 9979.HK), a subsidiary of the Company, continues to lead the industry with a market share of more than 20% for eight consecutive years. In the first half of 2024, Greentown Management maintained stable profitability with net profit attributable to owners of the company reaching RMB501 million, representing a year-on-year increase of 5.8%. As of June 30, 2024, Greentown Management had a total contracted GFA of approximately 123 million sqm. In the first half of the year, its newly added GFA amounted to 17.46 million sqm.

Greentown Management, with its outstanding strength and brand influence, has earned multiple prestigious accolades, including "TOP1 of Leading Enterprises in Real Estate

Project Management Operations” from the China Index Academy, “TOP1 of Comprehensive Strength of China's Agent Construction Service Providers” from EH Consulting, and “TOP1 of Project Management Enterprises by Comprehensive Strength” from CRIC, demonstrating its leading position and brand value well recognized across the sector. As the leading entity in the establishment of the Project Management Branch of the China Real Estate Association, Greentown Management played a pivotal role in the first half of 2024 by actively participating in association activities, spearheading the industry standards, building an ecosystem platform, and assisting the development of a new real estate models.

Synergy of “Greentown+” Businesses: Continuously Creating Value

In the first half of 2024, the “Greentown+” business continued its intensive development, consistently creating value and empowering the core business. Living technology Group successfully completed its integration and reorganization, consolidating Greentown's high-quality resources and actively advancing business expansion.

The scale of the asset management business was further expanded. The hotel segment achieved revenue of RMB487 million, representing a year-on-year increase of 2.5%, and a record high in customer satisfaction. The commercial segment recorded a steady increase in revenue of RMB139 million, representing a year-on-year increase of 26.4% and achieving year-on-year increases in both occupancy rate and passenger flows. Industrial operating profit of the town business amounted to more than RMB30 million, representing a year-on-year increase of 72%. Its new commercial street projects including Qsquare in Hangzhou Liangzhu were newly developed, adding 28,000 sqm of new operating area and showcasing the Group’s ability to implement brand management model in the business segment.

In the second half of 2024, Greentown China will have sufficient saleable resources, and its projects will enjoy significant advantages. As of July 31, 2024, the saleable value of self-investment projects was approximately RMB169.0 billion, saleable area was 6.88 million sqm, with first- and second-tier cities accounting for 79%. The Group expects that the total GFA of completed projects/phases in 2024 to be approximately 12.02 million sqm. As of June 30, 2024, the Group recorded an accumulated unbooked sales of approximately RMB230.2 billion (attributable: approximately RMB169.5 billion).

Looking ahead to the second half of 2024, Greentown China will prioritize safety as the bottom line and optimize operational outcomes as the principle, all to lay a solid groundwork for its next strategic cycle. Greentown China will make steadfast progress towards the goal of “comprehensively high-quality and sustainable” development.

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About Greentown China Holdings Limited

Greentown China Holdings Limited is a leading quality property developer and integrated living service provider in China. It maintains a leadership position in the industry by virtue of the quality of its properties, its unique architectural aesthetics and customer centric services.

Throughout its nearly 30 years of development, Greentown China has adhered to the development strategy of “quality first” and developed the upstream and downstream of the real estate business to form three major segments, namely asset-heavy, asset-light and “Greentown+” and awarded the “TOP10 among Chinese Real Estate Enterprises by Comprehensive Strength” for consecutive years. Going forward, Greentown China will adhere to its aim of building towards the “quality benchmark among the Top10” and the strategic pivot points of “best understanding of customers and best understanding of products”, facilitate the operation of both light and heavy assets, uplift capacity in an all-around manner and firmly insist on “comprehensively high quality and sustainable” development.

For further information about Greentown, please visit the company website at www.greentownchina.com.

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