



瑞安房地產
SHUI ON LAND

Shui On Land Limited

2021 Interim Results Announcement

24 August 2021



Contents

Section 1 **1H 2021 Business Review and Strategic Outlook**

Section 2 **Key Financial Highlights**

Section 3 **Commercial Asset Management**

Section 4 **Property Development**

Section 5 **Sustainable Development Strategy and ESG**

Appendix **Company Background & Others**



Section 1

1H 2021 Business Review and Strategic Outlook



Highlights

- **Return to Profitability:** The Group recorded a profit of RMB1,288 million in the first half of 2021 (“1H 2021”), while profit attributable to shareholders totaled RMB1,082 million. This is a sharp recovery from the first half of 2020 (“1H 2020”), when the Group reported a net loss due to impacts from the COVID-19 outbreak in China. The strong performance in 1H 2021 was underpinned by robust residential sales and strong growth in rental income.
- **Property sales increased 62.4x Y/Y:** Property sales revenue for 1H 2021 increased significantly by 62.4x to RMB10,214 million due to contributions from Shanghai Taipingqiao Ville V (Lot 118) and Wuhan Tiandi La Riva II (Lot B10).
- **Strong recovery in the commercial portfolio:** Total rental & related income (including joint ventures and associates) was RMB1,570 million, representing a robust growth of 32% Y/Y. Amongst our retail properties, overall sales have significantly recovered since the third quarter of 2020. In June 2021, overall sales reached 149% of 2020 levels. For our office portfolio, occupancy rates have steadily increased during the period, reaching an average of 90% as of June 2021.
- **Maintaining a strong balance sheet:** The net gearing ratio stayed at a very healthy 45%, the same level as 31 December 2020 (45%). Cash and bank deposits totaled RMB14,367 million. We expect to maintain a prudent approach in managing our balance sheet.
- **Interim dividend declared:** Having taken into consideration that the Group’s financial position and improved profit, the Board has resolved to recommend the payment of a 2021 interim dividend of HKD0.036 per share (1H 2020: nil).
- **Key achievements in our Sustainability strategy:** In March 2021, the Group became the first China-based developer to commit to the Science-Based Targets initiatives (“SBTi”), targeting to limit global warming to well below 2°C. The Group also successfully issued our inaugural Sustainability-Linked Bond due June 2026 @5.50%, with an aggregate principal amount of USD400 million. This transaction marked another milestone in the Group’s journey in green and sustainable finance.



Market and Strategic Outlook

- In the first half of 2021, the global economy staged a rebound from the pandemic-induced recession backed by advanced economies' aggressive fiscal policy measures and rapid vaccination rollout. However, unequal vaccine access and the mutation of COVID-19 into highly infectious viral strains is expected to setback herd immunity and normalization of international travel.
- China has adopted stringent testing and quarantine measures to prevent transmission of COVID-19 infection from inbound travelers. In the first half, strong export and real estate investment growth helped to lift GDP growth to 12.7%. China has adopted a “dual circulation” strategy to support domestic consumption and bolster indigenous innovation in the 14th Five-Year Plan period.
- The residential property market staged a strong rally, marked by sales area and sales revenue growth of 29.4% and 41.9% respectively. Home purchase sentiments remained upbeat, despite the average home mortgage rate rising to above 5.3% by mid-year. To prevent the housing market from overheating, after imposing the “three red lines” regulation last year to rein in developer leverage, the government introduced a pilot “land supply centralization” policy for 22 cities, aiming to deter vicious competition that would drive up land prices. Some cities have tightened the issuance of presale permits and stepped up oversight on property financing. In February, Shanghai issued new regulations on score system for new house purchase. Buyers need to reach a minimum score to be qualified for purchase. Market sentiment is expected to cool down under a tight policy environment, and with occasional flare-up of COVID-19 cases in the second half year.
- Office leasing demand recovered steadily from the pandemic downturn, led by firms in technology, trading, and financial services sectors. According to Jones Lang LaSalle (JLL), Shanghai Grade-A office leasing activities rose in the second quarter, resulting in respective quarter-on-quarter rental growth of 0.7% and 0.3% in decentralized and CBD areas. Despite some volatility in the near term from retrenchment of e-learning businesses, office leasing activities from domestic firm is expected to remain strong.
- Consumer sentiment continued to recover in the first half of 2021 despite soft income growth and sporadic Covid-19 outbreaks. In the second quarter, Shanghai's retail malls reversed last year's decline and posted 1.4% quarter-on-quarter rental growth for prime ground floor space, while quarter-on-quarter rents in decentralized area edged up by 0.7%, following active tenant adjustments.
- On the whole, while the buildup in government debt in many economies and onset of new COVID-19 variants will prolong the time for returning to business as usual, there will be ample opportunity for urban renewal and sustainable community development projects in the Yangtze River Delta, the Greater Bay Area and Central China. We will remain vigilant in monitoring the market risks but be prepared to tap into new opportunities accorded by the development trends in the 14th Five-Year Plan period.



Section 2

Key Financial Highlights



Financial Highlights

- The Group's revenue for 1H 2021 jumped by 726% to RMB11,977 million (1H 2020: RMB1,450 million), mainly from a significant increase in property sales, which increased sharply to RMB10,214 million (1H 2020: RMB161 million). It mainly comprised of RMB5,935 million from Taipingqiao Ville V and RMB4,073 million from Wuhan Tiandi La Riva II.
- Profit attributable to shareholders of the Company in 1H 2021 was RMB1,082 million (1H 2020: loss of RMB1,622 million).
- Income from property investment in 1H 2021 increased to RMB1,271 million (1H 2020: RMB1,003 million), of which rental and related income from investment properties was RMB1,247 million (1H 2020: RMB987 million), representing a 26% Y/Y increase. During 1H 2020, the operations and performances of our investment properties were significantly affected by the outbreak of COVID-19, resulting in a notable decline in rental and related income.
- Of note, rental and related income at Shanghai Xintiandi (including Style I) recorded a 89% Y/Y increase, reflecting the remarkable longevity of this iconic landmark as it celebrates its 20th anniversary. Occupancy in our office portfolio reached an average of 90%, benefitting from expansions from strong demand from domestic companies especially in the tech sector.
- As of 30 June 2021, the Group's net debt was RMB21,326 million (31 December 2020: RMB21,063 million) and net gearing ratio was 45% as of 30 June 2021, same as 31 December 2020. Our stable financials should enable the Group to better withstand the volatile macroeconomic conditions that may occur in the near future.



Income Statement

RMB'mn	1H 2021	1H 2020	Change %
Revenue of the Group	11,977	1,450	726%
Property sales	10,214	161	6244%
Rental & related income	1,247	987	26%
Hotels, construction and others	516	302	71%
Cost of sales	(7,033)	(486)	1347%
Gross profit	4,944	964	413%
Gross profit margin	41%	66%	(25ppt)
Other income	108	127	(15%)
Selling & marketing expenses	(104)	(66)	58%
General & administrative expenses	(492)	(456)	8%
Increase/(decrease) in fair value of investment properties	10	(1,510)	(101%)
Other gains and losses	(134)	(163)	(18%)
Reversal/(provision) of impairment losses under expected credit loss model	2	(6)	(133%)
Share of results of associates and joint ventures	200	(57)	(451%)
Finance costs, inclusive of exchange differences	(498)	(808)	(38%)
Net exchange gain/(loss)	74	(275)	(127%)
Net interest costs and others	(572)	(533)	7%



Income Statement (Cont'd)

RMB'mn	1H 2021	1H 2020	Change%
Profit/(loss) before tax	4,036	(1,975)	(304%)
Tax	(2,748)	689	(499%)
Profit/(loss) for the period	1,288	(1,286)	(200%)
Attributable to:			
Non-controlling shareholders of subsidiaries	80	150	(47%)
Owners of perpetual capital securities	126	137	(8%)
Owners of convertible perpetual capital securities	-	49	-
Profit/(loss) attributable to shareholders	1,082	(1,622)	(167%)
Earnings/(loss) per share – Basic	RMB0.135	RMB(0.202)	(167%)

Having taken into consideration that the Group's financial position and improved profit, the Board has resolved to recommend the payment of a 2021 interim dividend of HKD0.036 per share (1H 2020: nil).



Total Recognised Property Sales¹

RMB'mn	1H 2021	1H 2020	Change %
TPQ	5,935	-	-
RHXC	-	107	-
Wuhan	4,073	-	-
Foshan	182	2	9,000%
Chongqing	4	11	(64%)
Car Parks	20	41	(51%)
Total Property Sales Recognised as Revenue	10,214	161	6,244%

<u>Property Sales Recognised as:</u>	1H 2021	1H 2020	Change %
- Property sales in revenue of the Group	10,214	161	6,244%
- Revenue of joint ventures	67	-	-
- Revenue of associates	4,640	104	4,362%
Total Property Sales	14,921	265	5,531%

1. Inclusive property sales in revenue of the Group, revenue of joint ventures and revenue of associates.

Strong Recovery in Commercial Portfolio

32% growth in rental and related income

Project/ property	Product	Leasable GFA sq.m.	Rental & Related Income RMB' million		Changes %	Occupancy Rate		Change ppt
			1H 2021	1H 2020		30 Jun 2021	31 Dec 2020	
Shanghai Xintiandi & Style I	Office / Retail	54,000 ¹	232	123	89%	99%	97%	2
Xintiandi Style II	Retail	26,000	36	43	(16%)	74% ²	83% ²	(9)
Shui On Plaza & XINTIANDI PLAZA	Office / Retail	53,000	91	84	8%	97%	89%	8
THE HUB	Office / Retail	263,000	240	216	11%	97%	94%	3
Shanghai KIC	Office / Retail / Hotel	247,000	256	215	19%	96%	94%	2
INNO KIC	Office / Retail	45,000	32	18	78%	87%	84%	3
Wuhan Tiandi	Retail	238,000	178	132	35%	88%	89%	(1)
Foshan Lingnan Tiandi	Office / Retail	142,000	133	121	10%	94%	94%	-
Chongqing Tiandi	Retail	131,000 ³	37	25	48%	92%	85%	7
Nanjing INNO Zhujiang Lu	Office/Retail	16,000	12	10	20%	91%	85%	6
Consolidated rental and related income		1,215,000	1,247	987	26%			
Shanghai RHXC JV ⁴	Retail	111,000	97	75	29%	82%	85%	(3)
Shanghai 5 Corporate Avenue & HUBINDAO ⁵ associate	Office/Retail	79,000	169	130	30%	88%	91%	(3)
Nanjing International Finance Center JV ⁶	Office/Retail	87,000	57	-	-	66%	-	-
Grand Total		1,492,000⁷	1,570	1,192	32%			

- A total leasable GFA of 15,000 sq.m. was under AEI since March 2019 and was re-opened in Nov 2020.
- The drop in occupancy rate is due to vacating of tenants in preparation for AEI work in 2021.
- 8 Corporate Avenue retail podium with a total GFA of 31,000 sq.m. is undergoing repositioning and tenant upgrades.
- The Group held 49.5% effective interest in the property. Rental and related income attributable to the Group was RMB48 million in 1H 2021 and RMB37 million in 1H 2020.
- The acquisition of 5 CA was completed on 20 June 2019. The Group held 44.55% effective interest of the property. Rental and related income attributable to the Group was RMB75 million in 1H 2021 and RMB58 million in 1H 2020.
- The acquisition of Nanjing International Finance Center was completed in February 2021. The Group held 50% effective interest of the property. Rental and related income attributable to the Group was RMB29 million in 1H 2021.
- A total GFA of 15,000 sq.m. located at Shanghai Shui On Plaza, Shanghai KIC and Foshan Lingnan Tiandi were occupied by the Group and were excluded from the above table.



Valuation of Investment Property Portfolio

Project	Product	GFA	Fair Value Gain/(Loss) in 1H 2021	Carrying Value as of 30 June 2021	Fair Value Gain/(Loss) to Carrying Value	Attributable Value
		sq.m.	RMB'mn	RMB'mn	%	RMB'mn
Completed Investment Properties						
Shanghai Taipingqiao						
Xintiandi and Xintiandi Style	Office & Retail	80,000	31	7,915	0.4%	7,896
Shui On Plaza and Xintiandi Plaza	Office & Retail	53,000	(78)	4,096	(1.9%)	3,317
THE HUB	Office & Retail	263,000	28	8,946	0.3%	8,946
Shanghai KIC	Office & Retail	247,000	22	8,293	0.3%	3,832
Shanghai INNO KIC	Office & Retail	45,000	1	1,460	0.1%	1,460
Shanghai RHXC	Office	500	-	8	-	8
Wuhan Tiandi	Retail	238,000	33	6,461	0.5%	6,461
Foshan Lingnan Tiandi	Office & Retail	142,000	13	4,134	0.3%	4,134
Chongqing Tiandi	Retail	131,000	10	1,541	0.6%	1,525
Subtotal		1,199,500	60	42,854	0.1%	37,579
Investment Properties under Development at Valuation						
Shanghai Panlong Tiandi						
Shanghai Hong Shou Fang	Office & Retail	62,000	3	2,117	0.1%	2,117
Foshan Lot A	Office & Retail	254,000	(33)	1,888	(1.7%)	1,888
Foshan Lots B/C	Office & Retail	374,000	(34)	2,450	(1.4%)	2,450
Subtotal		734,000	(45)	7,090	(0.6%)	6,963
Investment Property - Sublease of Right-of-use Assets						
Nanjing INNO Zhujiang Lu						
	Office & Retail	16,000	(5)	98	(5.1%)	98
Grand Total		1,949,500¹	10	50,042	0.02%	44,640

¹ Hotels for operation and self-use properties are classified as property and equipment in the interim condensed consolidated statement of financial position, and leasable GFA of which is excluded from this table.



Financial Position as of 30 Jun 2021

A total of RMB14.4 billion cash and bank deposits

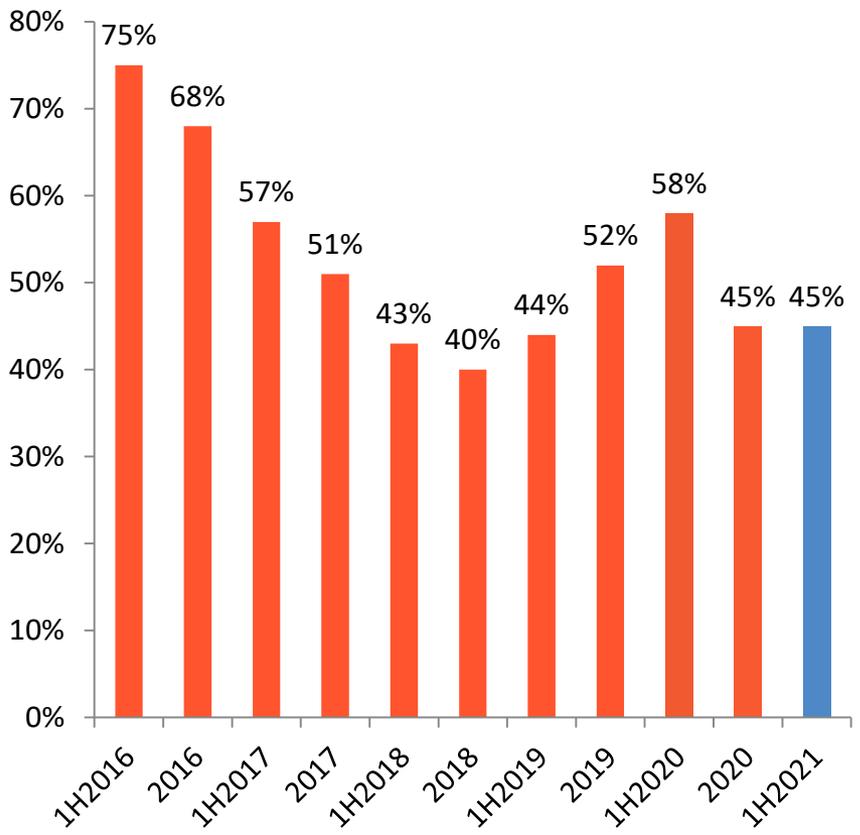
RMB'mn	30 Jun 2021	31 Dec 2020	Change %	31 Dec 2019	Change %
Total cash and bank deposits	14,367	15,796	(9%)	11,859	21%
Total assets	109,699	115,475	(5%)	108,416	1%
Total debt	35,693	36,859	(3%)	37,741	(5%)
Bank borrowings	20,628	20,283	2%	25,823	(20%)
Senior notes	14,558	16,063	(9%)	11,399	28%
Receipts under securitisation arrangements	507	513	(1%)	519	(2%)
Net debt	21,326	21,063	1%	25,882	(18%)
Total equity	47,913	46,733	3%	49,307	(3%)
Net gearing	45%	45%	-	52%	(7ppt)
Shareholders' equity per share	RMB4.92	RMB4.79	3%	RMB4.97	(1%)

- Average cost of debt as at the end of year: 1H 2021: **4.5%** vs. 1H 2020: **4.8%**
(The average cost of debt herein only includes interest cost, excluding arrangement fees and other fees.)



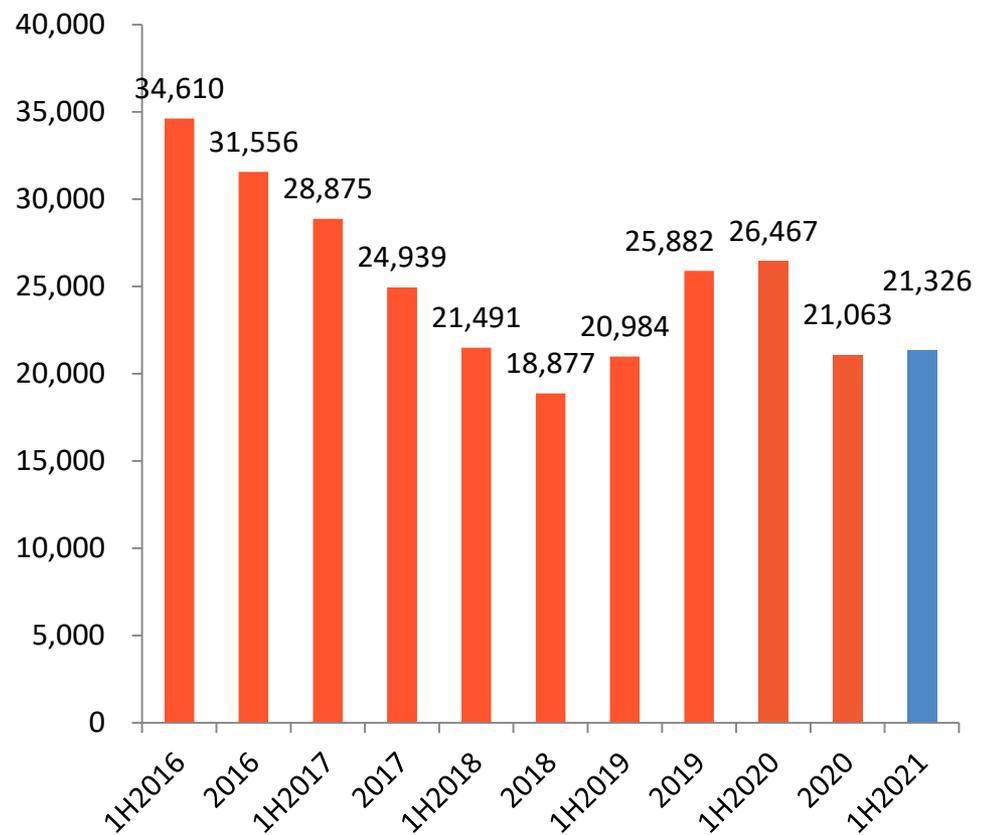
Net Gearing at 45% as at 30 Jun 2021

Net Gearing



Net Debt

(RMB'mn)



Debt Profile

Debt Profile – Nature & Maturity Breakdown

RMB'mn	2H 2021	1H 2022	>1 to <2 years	>2 to <5 years	>5 years	Total
USD Senior Notes	2,290	-	-	12,268	-	14,558
HKD Bank Borrowings	508	2,193	1,259	-	-	3,960
USD Bank Borrowings	888	1,278	5,097	1,916	-	9,179
RMB Bank Borrowings	322	388	1,582	2,396	2,801	7,489
CMBS ¹	507	-	-	-	-	507
Total	4,515¹	3,859	7,938	16,580	2,801	35,693

Not included in the above:

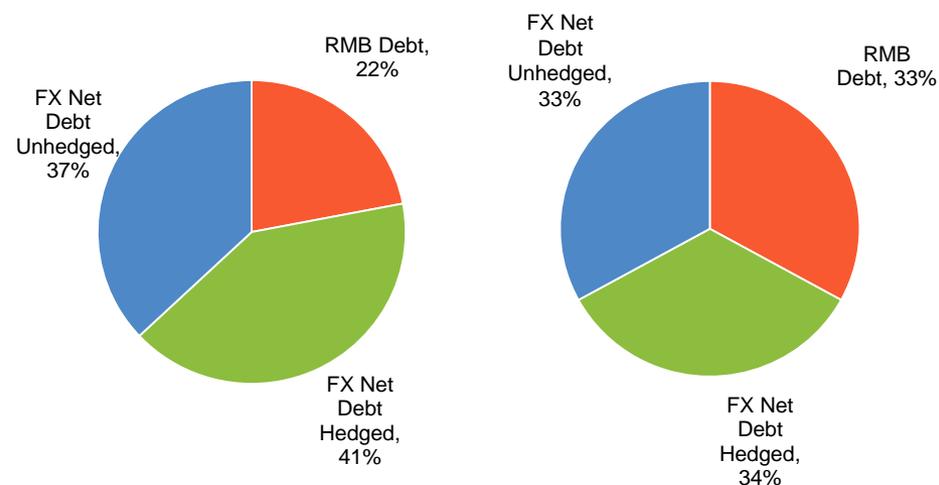
- USD600 million 6.40% of perpetual capital securities

1. As of 31 July 2021, RMB1,378 million bank borrowings and RMB507 million CMBS had been repaid (unaudited)

30 June 2021

vs.

31 Dec 2020





Senior Notes Maturity Well Spread Out; Increase focus on Green Financing

Senior Notes Repaid in 1H 2021

Amount (Currency million)	Coupon Rate	Issue Date	Maturity Date	Repaid Amount (mn)	Repayment Date
USD262 ¹	5.700%	06-Feb-17	06-Feb-21	USD262	08-Feb-21
RMB2,200	6.875%	02-Mar-18	02-Mar-21	RMB2,200	02-Mar-21

Outstanding Senior Notes as at 30 Jun 2021

Amount (Currency million)	Coupon Rate	Issue Date	Maturity Date
USD600	6.400%	20-Jun-17	Perpetual Capital Securities
USD346 ¹	6.250%	28-Feb-19	28-Nov-21
USD300 Green Bond USD200 Green Bond	5.750%	12-Nov-19 02-Dec-20	12-Nov-23
USD500	6.150%	24-Aug-20	24-Aug-24
USD490 ²	5.500%	03-Mar-20	03-Mar-25
USD400 Sustainability-Linked Bond	5.500%	29-Jun-21	29-Jun-26

1. On 20 Feb 2020, the Group commenced an exchange and tender offer for the Feb and Nov 2021 due senior notes. The exchange and tender offerings were completed on 3 March 2020. A total of USD238 million of Feb 2021 and USD154 million of Nov 2021 due senior notes was exchanged and tendered.
2. The Group has issued US\$489,914,000 of New Notes in which US\$89,914,000 of the proceeds were used for the above mentioned Exchange Offer. The transaction was completed on 3 March 2020.



First China-based developer to issue a Sustainability Linked Bond

– Inaugural US\$400m 5 year Sustainability-linked bond (“SLB”)

Shui On Land priced its **inaugural US\$400m 5 year Sustainability-linked bond** on 24 June 2021 as the company seeks to **solidify its commitment towards sustainable development and finance** following its debut green bond issuance in 2019

Offering summary & key highlights



US\$400m 5 non-call 4 year 5.50% Sustainability-linked bond

- **First ever US\$ denominated SLB** from a China-based corporate
- **Robust demand from ESG-aligned investors** which received **34% of final allocation**
- **Solid institutional interest with 53%** of offering allocated to asset and fund managers
- Orderbook of US\$1.5bn at peak representing **3.75x oversubscription**

Sustainability-linked features

- **Key Performance Indicator (“KPI”)**: Reduction of Scope 1 and 2 Greenhouse Gases emissions intensity relating to assets that are wholly or partially owned and operated by SOL for at least one year
- **Sustainability Performance Target (“SPT”)**: Reduce Scope 1 and 2 Greenhouse Gases emissions intensity (per square meter) by 25% by 2024 from a 2019 baseline, which aligns with United Nations Sustainable Development Goals and was set referencing resources from SBTi
- **Penalty Mechanism**: Purchase of Green Electricity Certificates or Carbon Credit/Offset Certificates which will be equivalent to 0.25% of the outstanding principal amount of the SLB

Sustainalytics Second Party Opinion on SLB

Second-Party Opinion
Shui On Land Sustainability-Linked Bond Framework



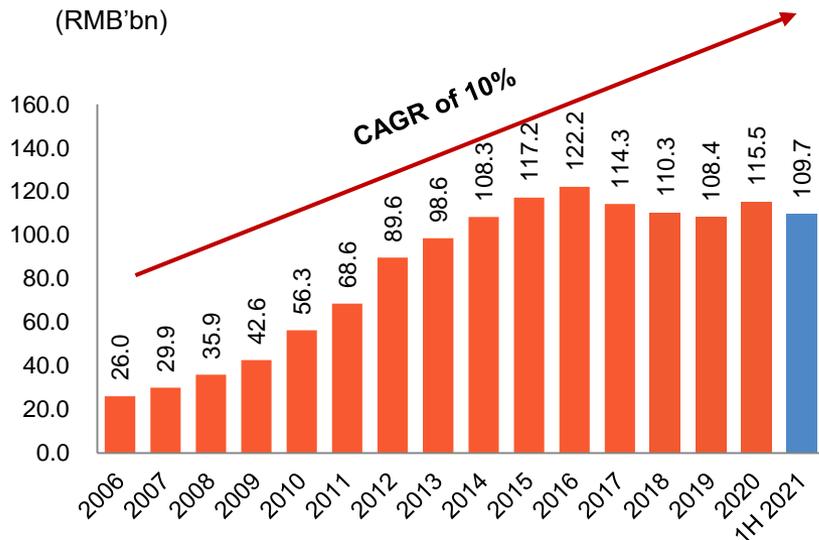
Sustainalytics is of the opinion that the Shui On Land Sustainability-Linked Bond Framework **aligns with the Sustainability-Linked Bond Principles 2020**... Sustainalytics considers **the SPT to be aligned with the Issuer’s sustainability strategy**... Sustainalytics notes that the SPT i) **goes beyond business-as-usual**, ii) **exceeds peer performance/targets** and iii) **aligns with a well-below 2-degree climate scenario**. As such, Sustainalytics is of the opinion that the **SPT is ambitious and demonstrates industry leadership**

Balance Sheet Remains Substantively Stable

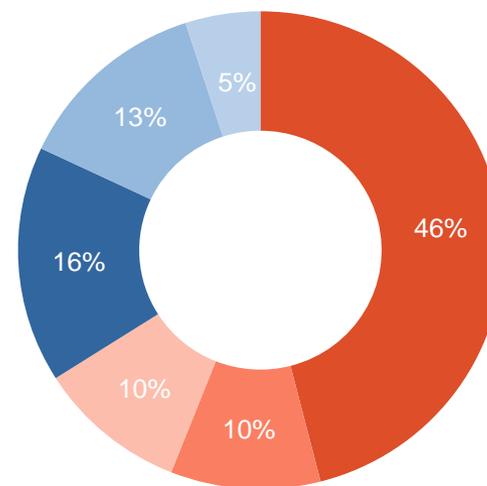
Total assets remain stable at RMB109.7 billion

Strong Asset Base

(RMB'bn)



Asset Value – by Nature



30 Jun 2021

Total assets	RMB109.7 bn
Net debt	RMB21.3 bn
Net gearing	45%
Total equity	RMB47.9 bn
Shareholders' equity per share	RMB4.92

- Investment Properties
- JV and Associate Investment & Loans - for IP
- JV and Associate Investment & Loans - for Sale and Mixed use
- Property Under Development for Sale & Prepayment of Relocation Cost
- Cash & Bank Balance
- Others



Section 3

Commercial Asset Management

Leading Commercial Portfolio in Shanghai

RMB79 billion of Shanghai commercial portfolio (including properties under development)



Commercial Portfolio in Shanghai

Asset value attributable to the Group amounted to RMB46 billion

SOL has a strong portfolio of commercial properties in Shanghai. As of 30 Jun 2021, the asset value of Shanghai commercial portfolio was approximately RMB79 billion.

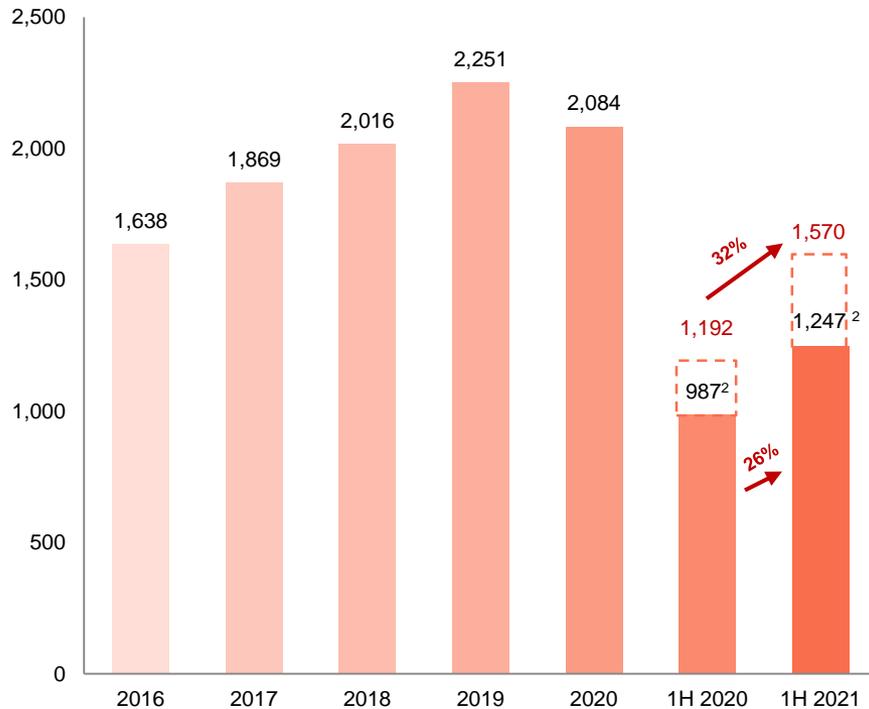
Completed Key Projects	Office GFA sq.m.	Retail GFA sq.m.	Total GFA sq.m.	Attributable GFA sq.m.	Asset Value as of 30 Jun 2021 RMB' bn	% of ownership
Shanghai Xintiandi, Xintiandi Style I & II, XINTIANDI PLAZA, Shui On Plaza	36,000	104,000	140,000	128,100	12.60	100%/99%/80%/80%
THE HUB	93,000	170,000	263,000	263,000	8.95	100%
Shanghai RHXC	12,000	294,000	306,000	151,500	9.17	49.5%
Shanghai KIC	186,000	67,000	253,000	117,300	8.49	44.27%/50.49%
INNO KIC	41,000	4,000	45,000	45,000	1.46	100%
5 Corporate Avenue & HUBINDAO	52,000	27,000	79,000	35,200	6.60	44.55%
Subtotal	420,000	666,000	1,086,000	740,100	47.27	
Land & Under development Key Projects	Office GFA sq.m.	Retail GFA sq.m.	Total GFA sq.m.	Attributable GFA sq.m.	Asset Value as of 30 Jun 2021 RMB' bn	% of ownership
Shanghai Taipingqiao Lots 123, 124 & 132	192,000	84,000	276,000	69,000	18.33	25%
Shanghai Ruihong Tiandi Lot 167B	107,000	12,000	119,000	58,300	4.33	49%
RHXC Ruihong Corporate Avenue	135,000	-	135,000	66,800	5.87	49.5%
Shanghai Hong Shou Fang	48,000	14,000	62,000	62,000	2.12	100%
Shanghai Panlong Tiandi	-	44,000	44,000	35,200	0.64	80%
Subtotal	482,000	154,000	636,000	291,300	31.29	
Grand Total	902,000	820,000	1,722,000	1,031,400	78.56	

Rental and Related Income Performance

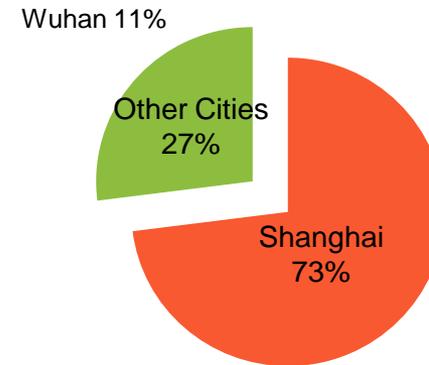
Increased by 32% to RMB1.6 billion

Consolidated Rental and Related Income¹

(RMB million)



Total Rental & Related Income Contribution



- Including joint ventures and associates, the total rental & related income increased 32% in 1H 2021
- Shanghai portfolio up 28% to RMB1,153 million
- Other cities' portfolio up 45% to RMB417 million
- In June 2021, overall sales reached 149% of 2020 level

1. Excluding income from hotel operations.

2. Excluding three properties held under joint ventures and associates with a combined rental and related income of RMB323 million in 1H 2021 (1H 2020: RMB205 million).



First-in-China, First-in-City, Flagships Leasing Strategy

Provides widened choices of international and local shopping and dining experiences

Total of over **2000** shops

- 53 First-in-China Stores
- 53 First-in-City Stores
- 46 Flagship Stores



Culture and Social Destinations

Active programmes to stimulate vitality of our retail portfolio, connect creative communities and enrich the lives of customers



2021 XINTIANDI Design Festival



2021 XINTIANDI Festival



2021 Shanghai Fashion Week



- Total member sales increased 141% YoY, reaching 1.06 billion.
- Top 20% consumption member contributed 79% member sales.

XTD 20-Year Anniversary Campaign & CREATORS 100 project

In celebration of the 20th anniversary of XINTIANDI, the CREATORS 100 project has been launched to showcase and promote Chinese creative talents and celebrate local creative culture.

XINTIANDI
新天地 20廿

#createdinXTD

Creative Shanghai 2021 Future City Forum was officially kicked off XTD's 20th anniversary celebration. The one-day forum attracted 400+ attendees and 4.2+ million livestreaming viewers.



CREATORS 100



创新
与未来共创
Co-creating Future
创领
驱动可持续
Pioneering Sustainability
创艺
传承中新生
Inheriting Culture



Shanghai RHXC – Hall of the Sun

Soft opening on 19 September 2021



Retail GFA: 183,000 sq.m.
 Retail Completion: 1H 2021
 Retail Soft Opening: **19 Sep 2021**

Office GFA: 147,000 sq.m.
 Office Completion: 2H 2021
 Underground Carpark: 1,482 units

MUJI
 無印良品

FOODIE SOCIAL
 by XINTIANDI

SiSYPHE
 西西弗书店
 PARK BOOKS & UP COFFEE

UR
 URBAN REVIVO

BOMBOM SPACE
 弹力猴球 超级运动中心

ZARA

HOYTS 寰映影城
 CINEMA
IMAX

城市集市
 City Mart
 英皇国际街区

meland Club

SNOW 51
 — 51 滑雪 —

MR. ZOO
 小小动物园

W FITNESS
 WILCO

Hall of the Sun - External & Interior Design





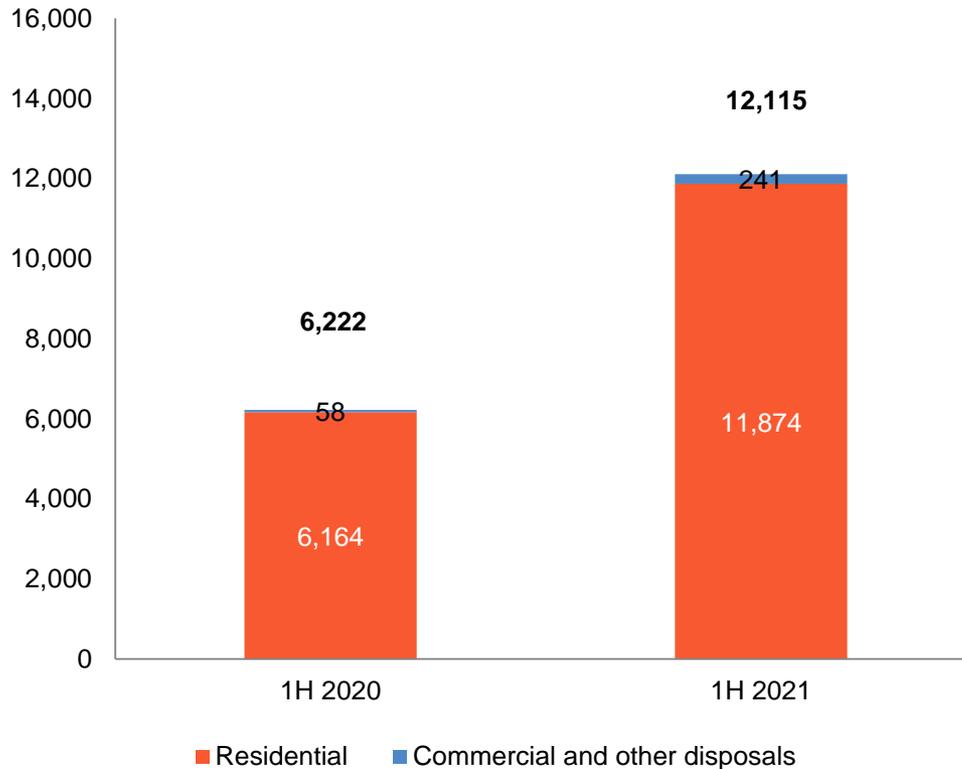
Section 4

Property Development

Contracted Sales in 1H 2021

Strong contracted sales, increased by 95%

Contracted Sales (RMB mn)



- The Group's contracted property sales increased by 95% to RMB12,115 million in 1H 2021, compared to RMB6,222 million in 1H 2020
- Residential property contracted sales totaled RMB11,874 million mainly due to strong sales performance in Shanghai RHXC Ocean One (Lot 7) and Shanghai Panlong Tiandi
- Commercial property contracted sales was RMB241 million
- As of 30 June 2021, a total subscribed sale of RMB1,821 million was recorded, among which RMB1,461 million was from Shanghai RHXC Ocean One (Lot 7)

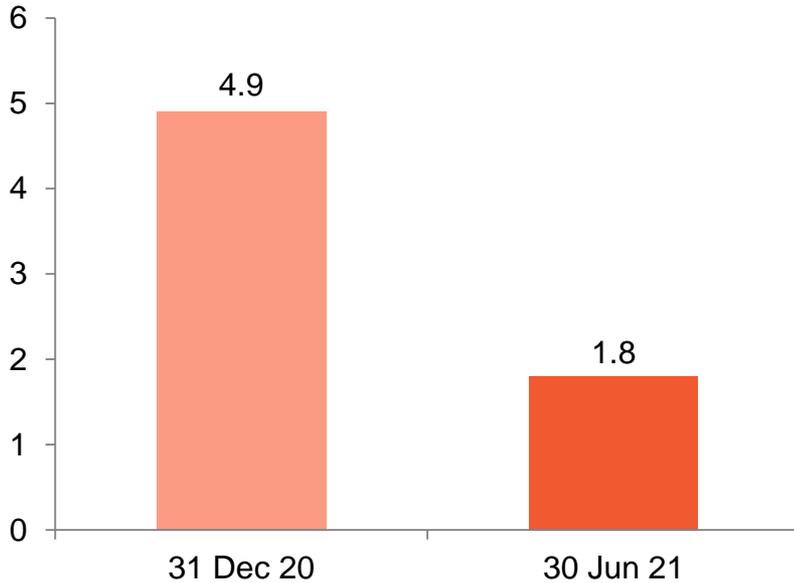


RMB1.8 billion Subscribed Sales for Contract in 2H 2021 & Beyond

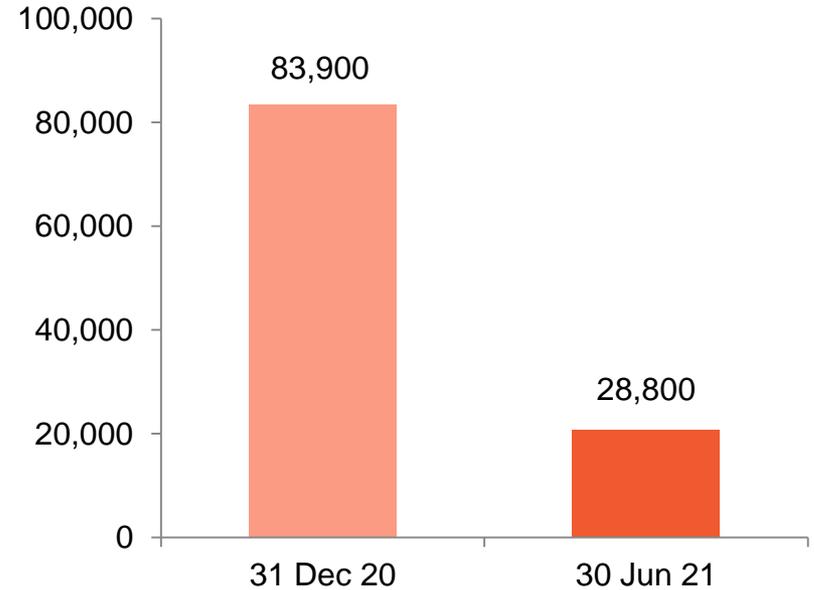
Subscribed Sales

Subscribed Sales GFA

(RMB'bn)



(sq.m.)

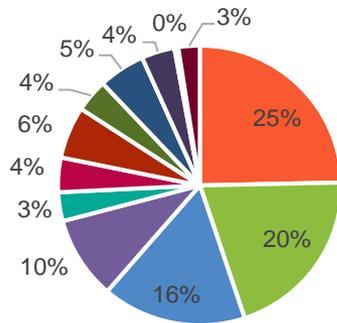


1H 2021 Pre-Sales Highlight: RHXC Ocean One (Lot 7)

Over RMB5.6 billion contracted/subscribed sales in 1H 2021

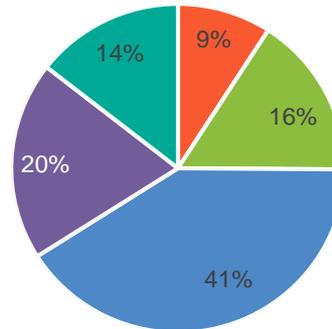
- We launched **two batches** in January and July 2021 with **450** units in total, ASP at 115,000 RMB/sq.m. .

Geography Breakdown of Buyers



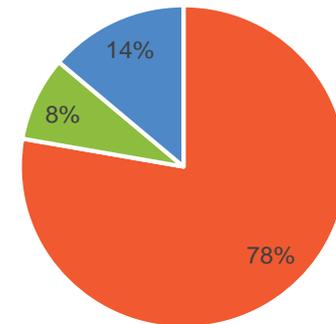
- Hongkou
- Jingan
- Baoshan
- Minhang
- Yangpu
- Changning
- Xuhui
- Qingpu
- Pudong
- Putuo
- Huangpu
- Other Cities

Age Group of Buyers



- 18-25
- 36-45
- 56 above
- 26-35
- 46-55

Purpose of Buyers



- Self-use
- Investment
- Both





Residential Available for Sale and Pre-sale in 2H 2021 and beyond

Project	Product	GFA in sq.m.	Group's Interests %	Attributable GFA in sq.m.
Shanghai Taipingqiao Lot 118	High-rises	36,800	99%	36,400
Shanghai RHXC Lot 7	High-rises	124,700	49.50%	61,700
Shanghai RHXC Lot 167A	High-rises	46,700	49%	22,900
Shanghai Panlong Tiandi	High-rises	75,700	80%	60,600
Wuhan Tiandi	High-rises	4,200	100%	4,200
Wuhan Optics Valley Innovation Tiandi	High-rises	47,800	50%	23,900
Foshan Lingnan Tiandi	High-rises	100	100%	100
Chongqing Tiandi	High-rises	51,300	19.80%	10,200
Total		387,300		220,000



New Launch Targeted for 2H 2021: Rui Hong Xin Cheng (Lot 167A)

46,700 sq.m. of GFA for sale





New Launch Targeted for 2H 2021: Ville V Phase 2 (Lot 118)

36,800 sq.m. of GFA for sale





Residential Development Saleable Resources

RMB54 billion saleable resources from current landbank as of 30 Jun 2021

Project Name	Approximate Saleable Residential GFA sq.m.	Estimated Gross Saleable Resource RMB' bn	The Group's interests %	Estimated Attributable Sales RMB' bn
Shanghai Taipingqiao Lot 118	38,700	6.4	99%	6.3
Rui Hong Xin Cheng Lot 7	124,700	14.3	49.5%	7.1
Rui Hong Xin Cheng Lot 167A	85,900	10.3	49%	5.1
Panlong Tiandi	146,700	9.1	80%	7.3
Shanghai Sub-total	396,000	40.1		25.8
Wuhan Tiandi	114,200	6.1	100%	6.1
Wuhan Optics Valley Innovation Tiandi	222,800	4.8	50%	2.4
Chongqing Tiandi	141,600	3.1	19.8%	0.6
Other Cities Sub-total	478,600	14.0		9.1
Grand Total	874,600	54.1		34.9

Note: This represents saleable resources not yet recorded as contracted sales as of 30 Jun 2021, excluding sites yet to commence relocation.

Commercial Development

Strong pipeline of commercial properties in Shanghai and other cities for rental growth and capital recycling

List of Commercial Properties Under Development and For Future Development as of 30 Jun 2021 (Excluding sites yet to commence relocation)

Project Name	Office GFA sq.m.	Retail GFA sq.m.	Total GFA sq.m.	The Group's Interests %	Attributable GFA sq.m.
Shanghai Taipingqiao Lots 123,124 & 132	192,000	84,000	276,000	25.00%	69,000
Shanghai Ruihong Corporate Avenue	135,000	-	135,000	49.50%	66,800
Shanghai RHXC Lot 167B	107,000	12,000	119,000	49.00%	58,300
Shanghai Hong Shou Fang	48,000	14,000	62,000	100.00%	62,000
Shanghai Panlong Tiandi	-	44,000+4,000 ¹	48,000	80%	38,400
Shanghai Sub-total	482,000	158,000	640,000		294,500
Wuhan Tiandi	230,000	3,000	233,000	100.00%	233,000
Wuhan Optics Valley Innovation Tiandi	485,000	347,000	832,000	50.00%	416,000
Foshan Lingnan Tiandi	450,000	136,000+ 80,000 ¹	666,000	100.00%	666,000
Chongqing Tiandi	258,000	260,000+ 26,000 ¹	544,000	19.80%	107,700
Other Cities Sub-total	1,423,000	852,000	2,275,000		1,422,700
Grand Total	1,905,000	1,010,000	2,915,000		1,717,200

1. Hotel use

Section 5

Sustainable Development Strategy and ESG



Key Achievements in Sustainable Development in 1H 2021

Sustainable Development Highlights in 1H 2021

Became the first China-based company in the real estate sector to commit to the Science Based Targets initiative to set carbon emissions reduction goals

Secured 100% renewable electricity for Wuhan Horizon Shopping malls (approx. 10% of SOL electricity usage)

Issued first Sustainability-Linked Bond US\$400 million tied to reducing carbon emissions intensity by 25% by 2024 (from 2019)

Entered into strategic partnership with Green Common and launched green menu in Xintiandi Foodie Social

Launched Creators 100 program spotlighting Chinese creative talent: 44 creators supported in 1H

Enhanced ESG governance by establishing board level Sustainability Committee headed by INED

Improved board gender diversity by appointing second female director

Sustainable Development Recognition and Awards 1H 2021

Wuhan Tiandi (Site A) won 2021 ULI Asia Pacific Awards for Excellence

KIC received WELL HSR certification

Tai Ping Qiao Lot 132 office project received China Green Label 2-star certification

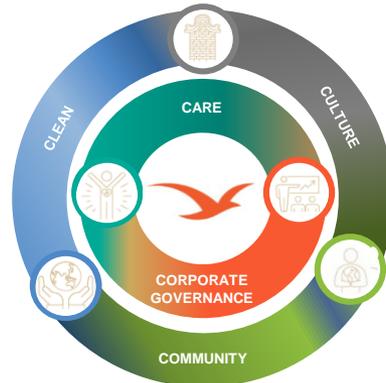
Tai Ping Qiao Lot 118 residential project received China Green Label 2-star certification

Rui Hong Xin Cheng Lot167A residential project received China Green Label 2-star certification

Panlong Tiandi Lot 06-02 residential projects received China Green Label 1-star certification

The 5C Sustainable Development Strategy

Our 10-year strategy outlines our goals, with key targets set for 2030



2030 5C Sustainable Development Strategy

To achieve this vision, we have crafted the 2030 5C SD Strategy, by which our strategic priorities, known as "the 5Cs": **Clean, Community, Culture, Care and Corporate Governance** will point the way for our sustainable future toward 2030 and beyond

CLEAN

Ambition

Transition towards carbon neutrality, leading with climate change mitigation and adaptation practices and by increasing our capabilities to manage and reduce emissions across our entire portfolio

2030 targets

- Transition towards carbon neutrality across our operations and developments
 - Reduction targets for GHG emissions and energy usage intensity per the SBT initiatives are under assessment!
- Develop and adopt a company climate change policy to mitigate and adapt to potential risks
- Increase the proportion of total electricity consumption from renewable sources to 15%²
- Be known for human centric-building designs that meet or exceed local and international standards
 - 100% new building achieve dual health and sustainability certifications

Priorities and signature initiatives

- Transition towards carbon neutrality
 - Signature initiative:** Adopt Science Based targets and commit to setting emissions reduction target in line with limiting global warming to well-below 2 °C. Further pursue efforts to sign onto the Business Ambition for 1.5 °C campaign in the future
- Build green and healthy communities
 - Signature initiative:** 1) Pursue dual sustainability and health certifications (WELL + LEED and/or Chinese equivalent) for our controlled operating commercial assets; 2) Pursue LEED ND certificate for all our master plan communities
- Reduce waste in our portfolio

COMMUNITY

Ambition

For all our communities to engage and enable healthy, sustainable living and to make our community sustainability practices among the best in China

2030 targets

- 100% of the indoor air quality in the common areas of our buildings to fulfil or exceed the IAQ mainland China standard
- Design and curate programmes for inclusive, human scale public spaces that improve the vibrancy and liveability of our communities
- 100% adoption of green pledge by all tenants to enable a healthy and sustainable community. Contents of the pledge to include the elimination of single use plastics as well as the reduction of water and electricity consumption
- Promote and/or incubate over 100 start-ups or local creative business within our community

Priorities and signature initiatives

- Embed health and sustainability into our online-merge-offline community experience
- Enhance partnerships and engagement for thriving sustainable communities
 - Signature initiative:** Encourage and enable consumers to make healthy and sustainable choices and to take on a "green Monday-plant based diet" initiative by engaging all F&B tenants to provide a vegetarian "green" menu
- Strengthen an innovative and entrepreneurial ecosystem

CORPORATE GOVERNANCE

Ambition

Become a trusted partner for all stakeholders by nurturing a corporate culture of integrity, transparency and accountability

2030 targets

- Adhere to global practices for corporate governance and ESG reporting
- Achieve a minimum of 50% of bond and loan facilities from sustainable financing
- Maintain 100% implementation of the employee Code of Conduct across all business units

CULTURE

Ambition

Enhance the vibrancy and authenticity of our communities through urban regeneration, architectural heritage conservation, promotion of local creative talents and international culture exchange

2030 targets

- Be a pioneer in preservation and adaptive reuse of historical buildings and its urban fabric
- Enhance the vibrancy of the communities that we develop through the programming of cultural content and the design and management of city streetscapes
- Promote and celebrate local creative talent

Priorities and signature initiatives

- Rejuvenate urban, cultural heritage sites
 - Signature initiative:** Become a thought leader in the urban planning and real estate sector on urban regeneration through preservation and adaptive reuse of historic buildings and districts
- Engage, connect, and promote local creativity with future business opportunities
 - Signature initiative:** Created in China (featuring the "Creators 100" programme which promotes and spotlights local creators)
- Facilitate international cultural exchange
 - Signature initiative:** Enhance global cultural exchange in China through developing and operating signature IP events across our portfolio

CARE

Ambition

Provide all employees with equal opportunities for holistic career development, while maintaining the highest health and safety standards in the workplace and ensuring openness to diversity of thought and innovation – enabling them to be accountable members of society

2030 targets

- Develop a holistic training programme and individual career development plan for all employees of every level across all business units
 - Average training hours per employee per year: 40
- Provide a safe, healthy, and inclusive office environment for all staff
 - Maintain zero workplace fatalities for all employees and contracted partners in the supply chain
 - Achieve gender equality and diversity across the company and gender remuneration ratio 1:1 between female and male
- Encourage all employees to be socially responsible
 - Average volunteer service hours per employee per year: 8

Priorities and signature initiatives

- Provide equal opportunities in training and development
 - Signature initiative:** Develop SOL Talent Development programme and enhance our employer branding for talent attraction and retention
- Create a diverse and inclusive workplace
 - Signature initiative:** Target to be included in the Bloomberg Gender-Equality Index (GEI) as an industry leader in promoting gender equality
- Ensure health and safety for all
- Improve employee wellbeing

Notes: 1. The Company has committed to setting emissions reduction targets in line with limiting global warming to well below 2 °C and will pursue efforts to sign the Business Ambition for 1.5 °C campaign in the future; 2. Includes electricity we would purchase from those certified renewable sources by the government; 3. All items marked with the company seagull logo refer to signature initiatives that we plan to roll out in the future across our managed portfolio. These signature initiatives will evolve overtime, supporting us to achieve the 2030 Targets



瑞安房地產
SHUI ON LAND

Q&A

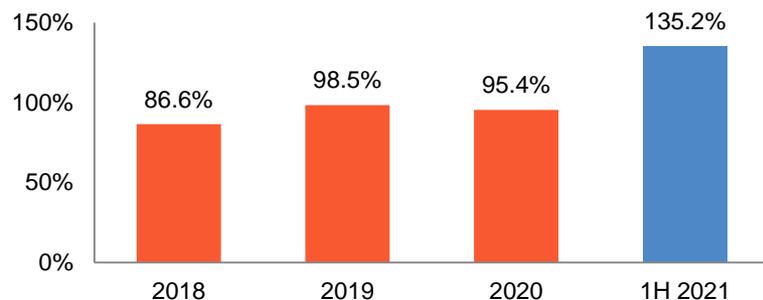


瑞安房地產
SHUI ON LAND

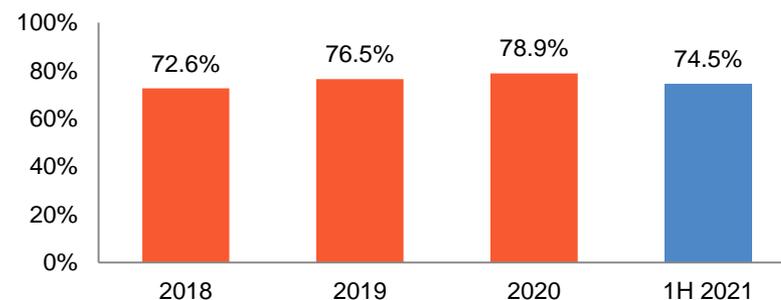
Appendix

Historical Credit Profile

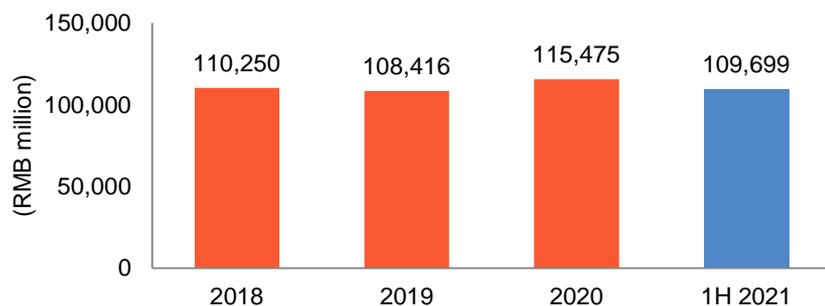
Rental and related income / total interest costs¹



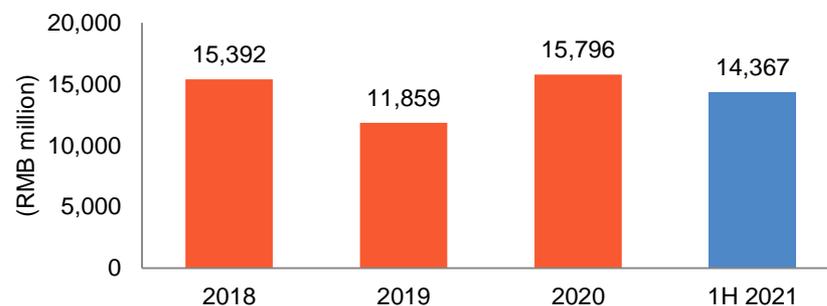
Total debt² / Total equity³



Total assets



Total cash⁴



1. Total interest costs are calculated by adding interest on bank borrowings, interest on loans from non-controlling shareholders of subsidiaries, interest on senior notes, interest expense from lease liabilities and interest on loans from an associate.
2. Total debt is calculated by adding all bank borrowings (due within or after 1 year), senior notes and receipts under securitization arrangements.
3. Total equity includes convertible perpetual capital securities, perpetual capital securities and non-controlling shareholders of subsidiaries.
4. Cash includes bank balances and cash, and pledged bank deposits.



瑞安房地產
SHUI ON LAND

Company Overview

Shui On Land – Company Background

Leading commercial property focused developer, owner and asset manager in China

Shui On Land – Introduction

- Listed in 2006 on the Hong Kong Stock Exchange (“HKSE”, stock code 272.HK), Shui On Land (“SOL” or “the Company”) is included in the Hang Seng Composite Index, HSCI Composite Industry Index - Properties & Construction, Hang Seng Composite MidCap Index and Hang Seng Stock Connect HK
- Headquartered in Shanghai, the Company engages principally in the development, sale, leasing, management and long-term ownership of high-quality commercial and residential mixed-use properties
- SOL is a leading commercial property owner and operator in Shanghai, with a total of 1.72 million sq.m. of office and retail space, including its flagship Shanghai Xintiandi, currently under its management

Development Strategies

- Large Scale Mixed-use Urban Redevelopments
- Knowledge & Innovative Communities
- Transportation Oriented Developments

Product Strategies

- XINTIANDI
- Corporate Avenue Grade-A Office
- INNO Office / SHUI ON WORKX
- Knowledge Community / Sub-centre & Business Park Office
- High-end Residence



Asset Light Strategy

From Land Acquisition & Investment, Design & Positioning, Construction, Sales & Leasing to Asset & Property Management Services

Build up long-term capital & investment platform

- Formation of SOL Managed Core-Plus Office Investment Venture (SCOV)
- Expand capital base by working with 3rd party partners on new investments
- Established strategic partnerships with world-class institutional investors for both commercial and residential investments

Asset Light Strategy

- Realize value of commercial properties at appropriate timing for recycling of capital
- Deleverage and optimize balance sheet
- Improve overall return to shareholders
- New capital for investment

Strengthen asset management & development capabilities

- Develop a first-class asset management platform with unique products
- Seize opportunities to manage third party assets
- Further expand high-quality commercial property portfolio
- Land and other acquisitions



The strategy enables the Company to further expand its property portfolio and lower the concentration risk, reduce its own funding requirement, build up its fee income business thus enhancing overall shareholders' return.

Quality Resources in Top-tier and High-growth Cities

Total leasable and saleable landbank of 6,080,000¹ sq.m. GFA as of 30 Jun 2021

Project	Residential	Commercial	Total GFA (sq.m.)
Shanghai Taipingqiao	120,000	495,000	615,000
Shanghai Rui Hong Xin Cheng	251,000	566,000	817,000
Shanghai KIC	-	253,000	253,000
Shanghai INNO KIC	-	45,000	45,000
Shanghai THE HUB	-	263,000	263,000
Shanghai Panlong Tiandi	259,000	48,000	307,000
Shanghai Hong Shou Fang	-	62,000	62,000
Wuhan Tiandi	121,000	472,000	593,000
Wuhan Optics Valley Innovation Tiandi	325,000	835,000	1,160,000
Foshan Lingnan Tiandi	30,000	855,000	885,000
Chongqing Tiandi	291,000	689,000	980,000
Nanjing International Finance Center	-	100,000	100,000
Total	1,397,000	4,683,000	6,080,000
Completed Properties	131,000	1,769,000	1,900,000
Under Development and for Future Development Properties	1,266,000	2,914,000	4,180,000

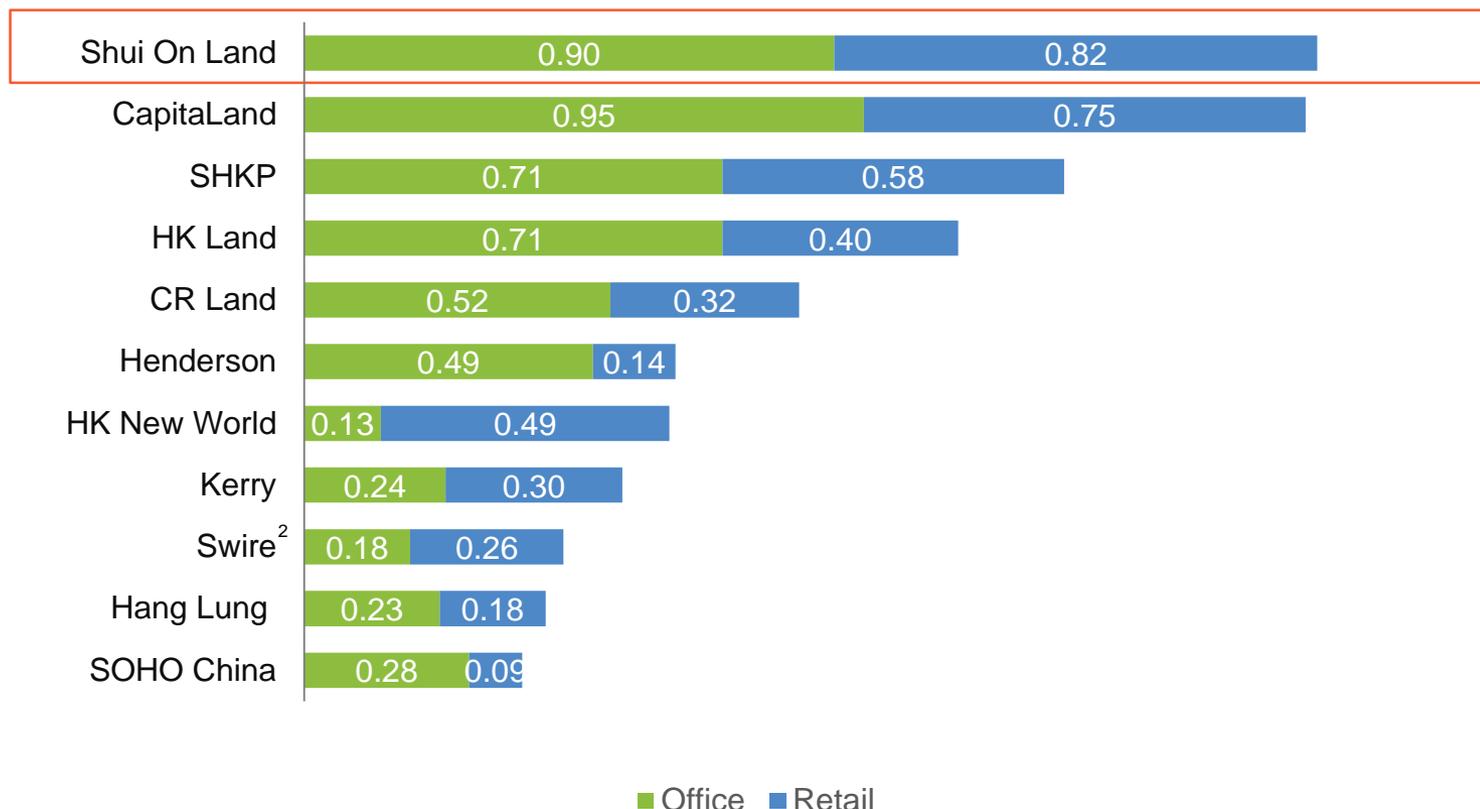


1. As of 30 Jun 2021, total leasable and saleable landbank excludes 2.3 million sq.m. of clubhouse, carpark and other facilities.

A Market Leader in Shanghai

Leading landlord in Shanghai with a growing prime commercial portfolio in core city areas

Commercial GFA owned or under management in Shanghai¹ (mn sq.m. GFA)



Source: Company Presentation and Filings

1. Mainly includes portfolios that are officially disclosed on companies' public released 2020 Annual Report with necessary update, incl. projects under construction and assets under management;
2. The new Zhangyuan shikumen compound acquired by Swire has been incorporated.

Experienced Management Team and Well Established Corporate Governance

Expertise across all disciplines with strong corporate governance

Strong corporate governance procedures and internal controls in place

- Audit and Risk Committee (comprises 3 members, all of whom are independent non-executive directors (“INEDs”))
- Nomination Committee (comprises Mr. Lo and 1 INED)
- Remuneration Committee (comprises Mr. Lo and 2 INEDs)
- Sustainability Committee (comprises 4 members, 2 of whom are INEDs)
- Strategy Committee (comprises Mr. Lo and 5 other members, 3 of whom are INEDs)

Executive Directors



Mr. Vincent H. S. LO
Chairman



Mr. Douglas H. H. SUNG
Chief Financial Officer



Ms. Stephanie B. Y. LO

Independent Non-Executive Directors



**Professor Gary
C. BIDDLE**



**Dr. Roger L.
McCARTHY**



**Mr. David J.
SHAW**



**Mr. Anthony J. L.
NIGHTINGALE**



**Mr. Shane S.
TEDJARATI**



**Ms. Ya Ting
WU**



Our Management Team



Mr. Vincent H.S. LO
Founder, Chairman
Shui On Group
Chairman
Shui On Land Limited

Mr. Douglas H. H. SUNG
Executive Director
Chief Financial Officer
Chief Investment Officer
Shui On Land Limited
Managing Director
Shui On Management Limited

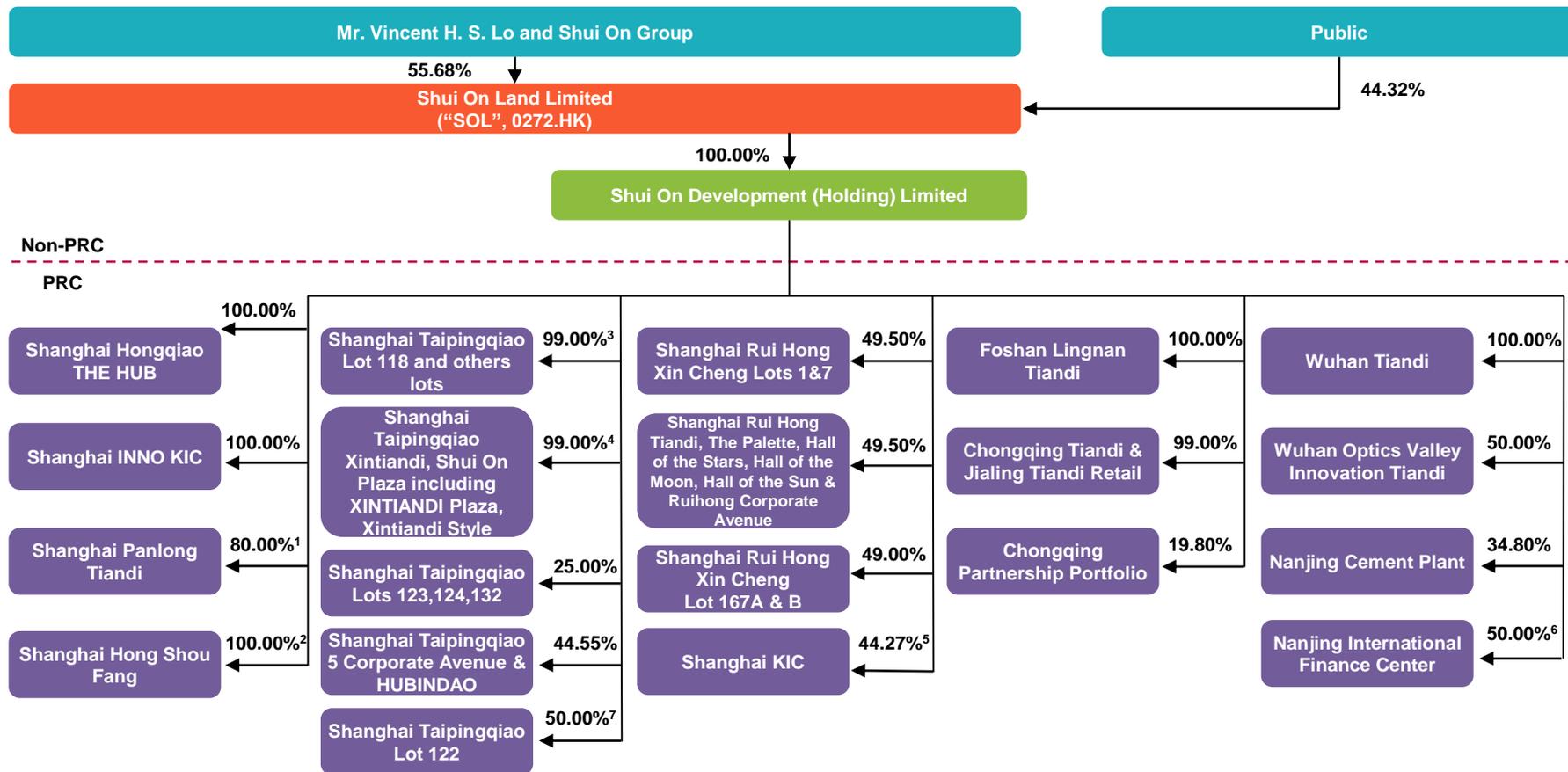
Ms. Stephanie B. Y. LO
Executive Director
Shui On Land Limited
Managing Director
Shui On Management Limited

Ms. Jessica Y. WANG
Managing Director
Shui On Management Limited

Mr. Allan B. ZHANG
Executive Director
Shui On Management Limited

Simplified Corporate Structure Overview

(as of 30 Jun 2021)



Source: Company Information as of 30 Jun 2021 unless otherwise stated; Stock Exchange Announcements

- On 31 October 2019, we acquired 4 parcels of residential sites located in Panlong area in Qingpu District in Shanghai. In May 2020, we acquired 2 parcels of residential sites and 2 parcels of commercial sites in Qingpu District in Shanghai. We have 80% effective interests in the sites.
- On 1 November 2019, we acquired a commercial site located in Hong Shou Fang in Putuo District of Shanghai. We have 100% effective interests in the site.
- We have an effective interests of 99.00% in Lot 118 and the remaining lots except for Lot 116, in which we have an effective interests of 98.00%.
- We have 100.00%, 80.00%, 100.00% and 99.00% in Shanghai Xintiandi, Shui On Plaza (including XINTIANDI Plaza), 15th Floor of Shui On Plaza and Xintiandi Style, respectively.
- We have a 44.27% effective interests in all the remaining lots, except for KIC Lot 311, in which we have an effective interests of 50.49%.
- In February 2021, we completed the acquisition of Nanjing IFC in which we have an effective interests of 50%.
- In June 2021, we established a joint venture for project Taipingqiao Lot 122 in which we have an effective interests of 50%.