



**英利国际置业**  
YING LI INTERNATIONAL  
REAL ESTATE

# Ying Li International Real Estate Limited

## 1Q FY2016 Financial Results



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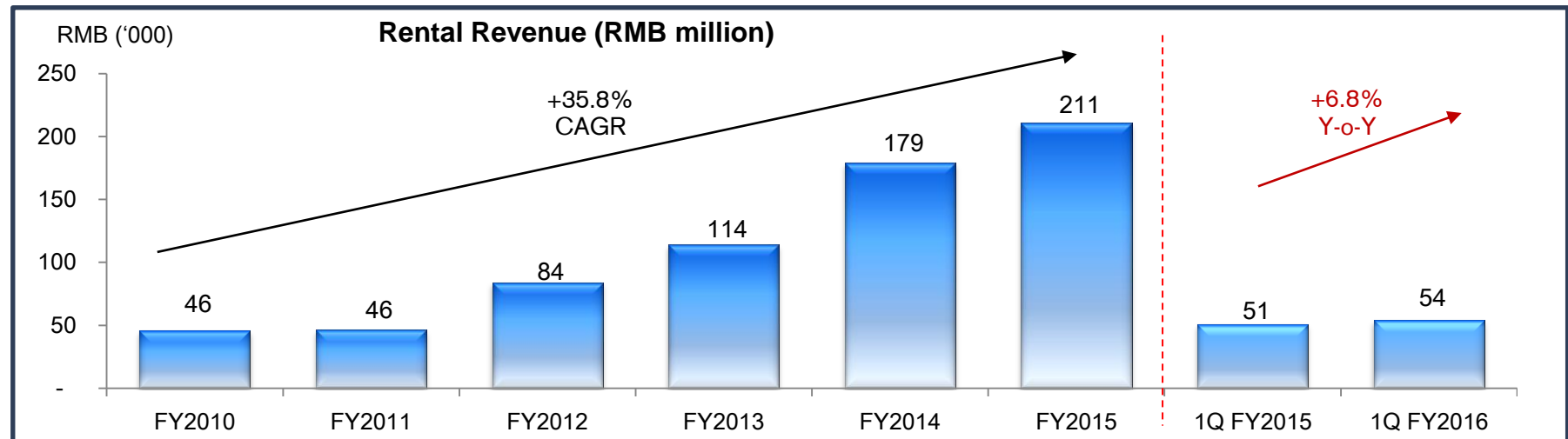
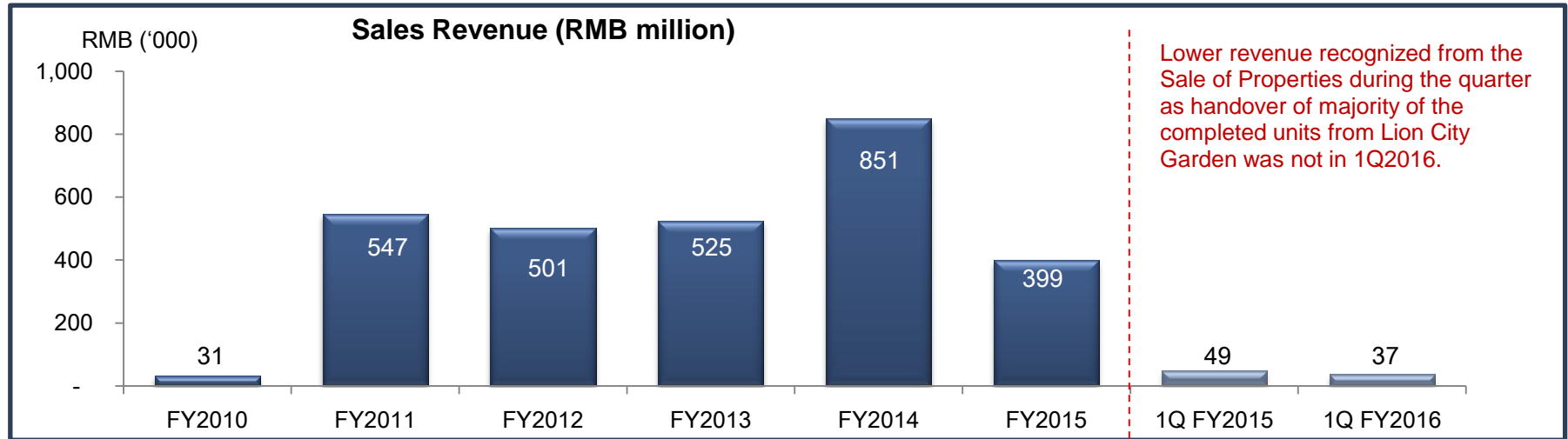
## Financial Performance

# 1Q FY2016 versus 1Q FY2015

## Consolidated Statement of Comprehensive Income

(RMB '000)	1Q FY2016	1Q FY2015	Change %
Revenue	91,317	100,234	(8.9)
Cost of Sales	(28,021)	(45,066)	(37.8)
<b>Gross Profit</b>	<b>63,296</b>	<b>55,168</b>	<b>14.7</b>
Other income	13,854	14,918	(7.1)
Selling expenses	(13,704)	(14,178)	(3.3)
Administrative expenses	(16,651)	(30,344)	(45.1)
Administrative expenses – Share based payment expense	-	(2,911)	n.m.
Finance costs	(21,542)	(22,020)	(2.2)
<b>Profit before income tax</b>	<b>25,253</b>	<b>633</b>	<b>3,887.5</b>
Taxation – Current	(6,270)	(4,568)	37.3
Taxation – Deferred	(66)	2,930	n.m.
<b>Profit for the period</b>	<b>18,917</b>	<b>(1,005)</b>	<b>n.m.</b>
<b>Profit attributable to ordinary shareholders of the company</b>	<b>16,793</b>	<b>(455)</b>	<b>n.m.</b>

# Revenue



# Statement of Financial Position

(RMB '000)	As at 31 Mar 2016	As at 31 Dec 2015
<b>Non-current assets</b>		
Property, plant and equipment	59,200	60,598
Investment properties	4,392,710	4,391,519
Available for sale financial assets	602,000	602,000
Deferred assets	16,733	22,840
<b>Total non-current assets</b>	<b>5,070,643</b>	<b>5,076,957</b>
<b>Current assets</b>		
Development properties	4,946,967	4,651,332
Trade and other receivables	904,225	872,515
Cash and cash equivalents	1,062,406	1,322,708
<b>Total current assets</b>	<b>6,913,598</b>	<b>6,846,555</b>
<b>Total assets</b>	<b>11,984,241</b>	<b>11,923,512</b>

Increase due to progress made on Ying Li International Commercial Centre, San Ya Wan Phase 2 and Ying Li International Electrical and Hardware Centre projects

Increased mainly due to deposits placed with government agencies for land tenders

# Statement of Financial Position (cont'd)

(RMB '000)	As at 31 Mar 2016	As at 30 Dec 2015
<b>Non-current liabilities</b>		
Deferred taxation	542,894	549,019
Borrowings – Secured	2,277,826	2,263,230
<b>Total non-current liabilities</b>	<b>2,820,720</b>	<b>2,812,249</b>
<b>Current liabilities</b>		
Trade and other payables	1,470,091	1,033,222
Provision for taxation	175,749	172,830
Borrowings – secured	2,458,164	2,822,420
<b>Total current liabilities</b>	<b>4,104,004</b>	<b>4,028,472</b>
<b>Total liabilities</b>	<b>6,924,724</b>	<b>6,840,721</b>
Capital and reserves	5,000,407	5,025,805
Non-controlling interest	59,110	56,986
<b>Total equity</b>	<b>5,059,517</b>	<b>5,082,791</b>
<b>Total equity and liabilities</b>	<b>11,984,241</b>	<b>11,923,512</b>

Decrease in total borrowings mainly due to repayments made during the quarter

Increase due to three projects under development and pre-sales proceeds collected

# Financial per share and Key Milestones

## Financial per share

	1Q FY2016	1Q FY2015	% Change
EPS (RMB per share)	0.007	(0.002)	n.m.
	31 Mar 2016	31 Dec 2015	% Change
NAV (RMB) per share	1.96	1.97	0.5

## Key Milestones

- Continual strong demand for Ying Li San Ya Wan Phase 2 (Lion City Garden) residential project:
  - Phase 2A – 89.8% pre-sold to date amounting to approximately RMB299.3 million
  - Phase 2B - 73.8% pre-sold to date amounting to approximately RMB224.8 million
- Successfully issued US\$50 million offshore bonds which were fully subscribed by Shanghai Pudong Development Bank's offshore capital arm and the Group's strategic shareholder China Everbright Limited



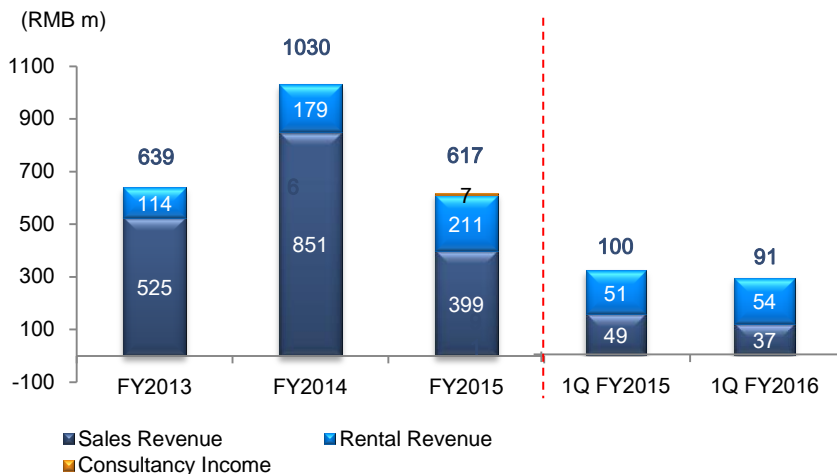


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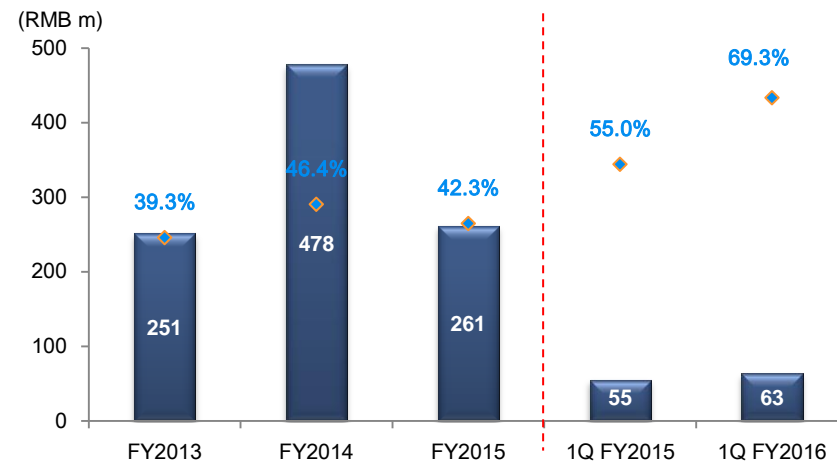
## Financial Highlights

# Financial Highlights

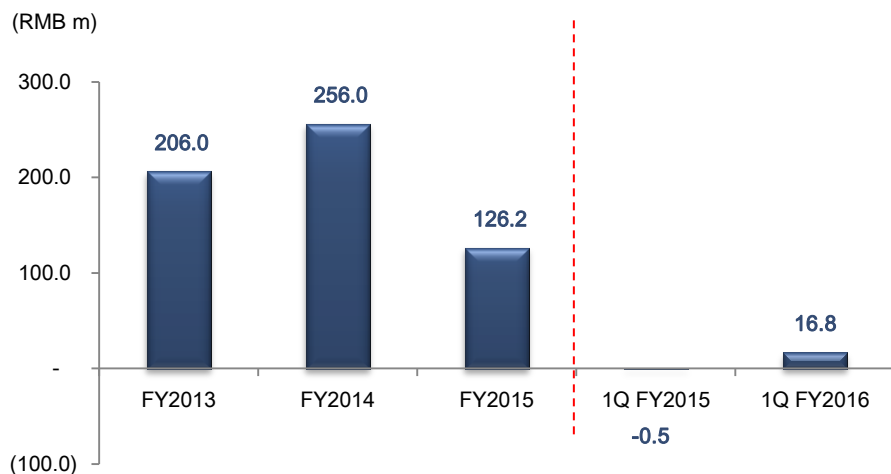
## Revenue



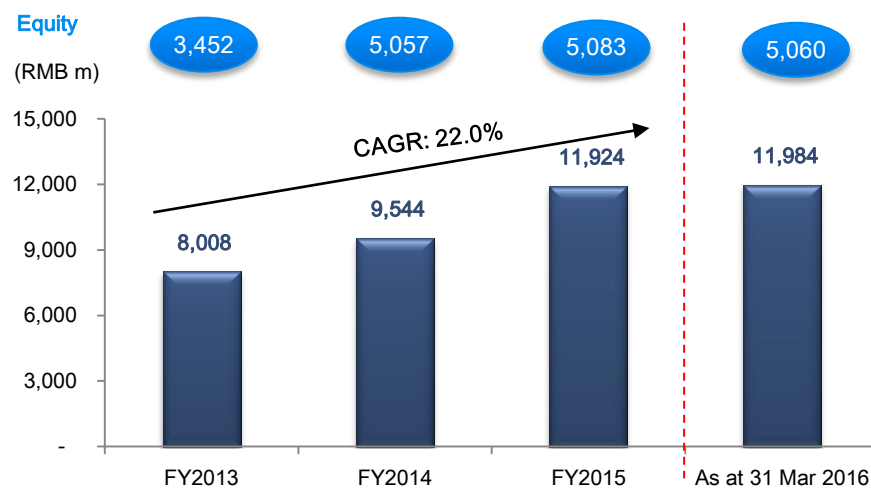
## Gross Profit and Gross Profit Margin



## Profit Attributable to Ordinary Shareholders



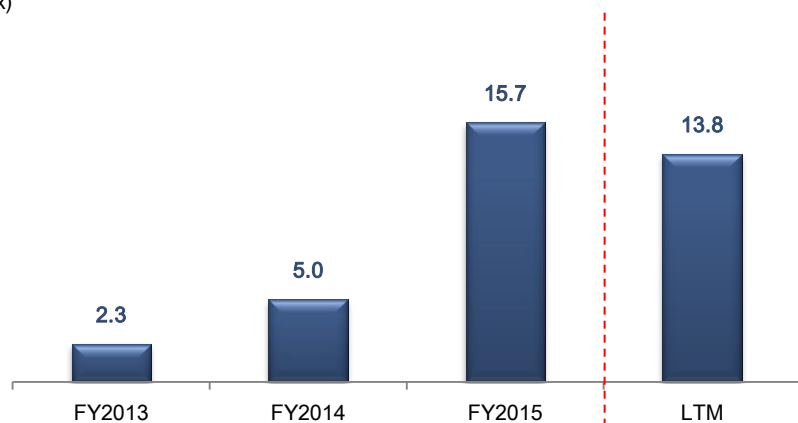
## Growing Total Asset Base



# Financial Highlights

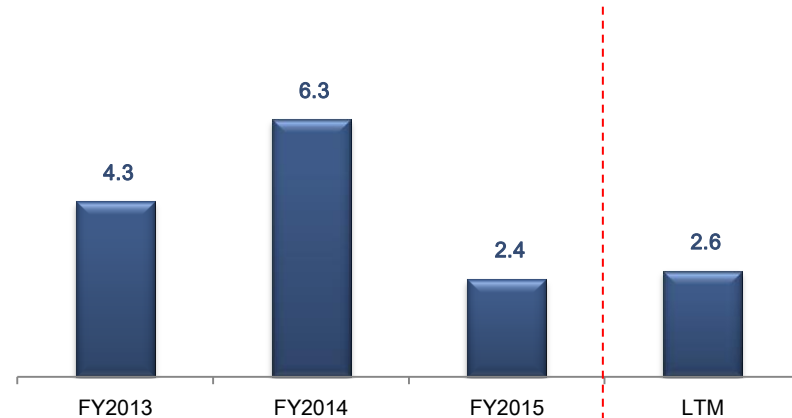
## Net Debt to EBITDA (1,2)

(x)



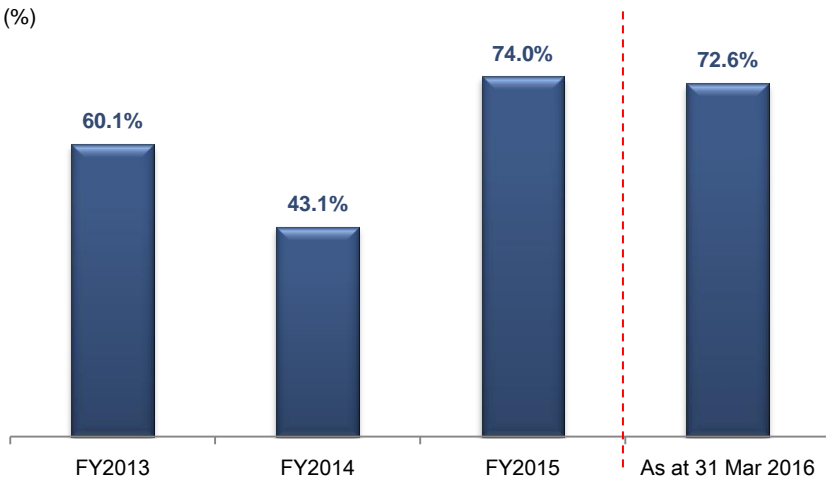
## Interest Coverage (1,3)

(x)



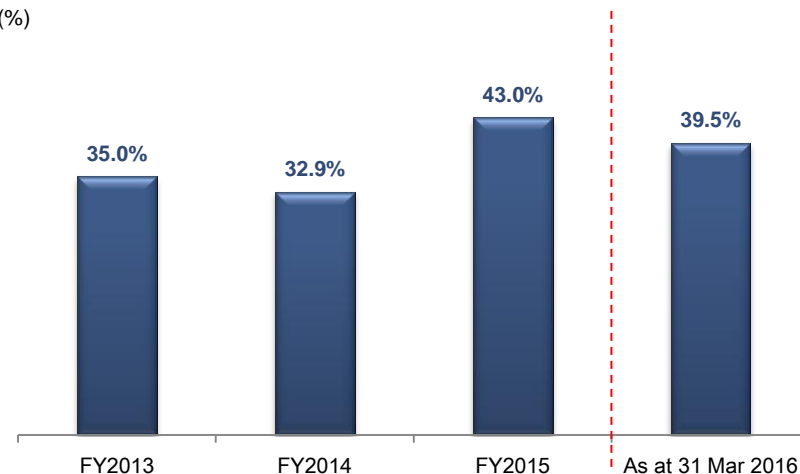
## Net Debt to Total Equity

(%)



## Total Debt to Total Assets

(%)



Source: Company financials

(1) EBITDA derived from the summation of profit for the period (after tax), minority interest, depreciation and amortisation, tax and interest expense.

(2) Derived using total debt as at 31 March 2016 and last twelve months ("LTM") EBITDA.

(3) Derived using LTM EBITDA and LTM Interest Expenses.



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## Operational Review



# Balanced Portfolio with Diversified Quality Tenants' Base; Recurring Income Provides Stability and Growth

## Selected Office Tenants



Blended occupancy<sup>(1)</sup>: 69.8%

## Selected Retail Tenants



Blended Occupancy<sup>(2)</sup>: 86.1%

Source: Company information

(1) Weighted average lease expiry and occupancy of leased office area (Ying Li International Financial Centre and Ying Li International Plaza) as of 31 March 2016.

(2) Weighted average lease expiry and occupancy of three developments (Future International, Ying Li IIMIX Park JFB and Ying Li IMIX Park Daping) with leased retail areas as of 31 March 2016.

# AEI: Ying Li IMIX Park Jiefangbei and Daping

At Ying Li IMIX Park Jiefangbei



At Ying Li IMIX Park Daping



# Mall Activities: Ying Li IMIX Park Jiefangbei

Chinese New Year mall embellishment



Our Teenage Times contest



Music box making workshop



Paper art workshop



# Mall Activities: Ying Li IMIX Park Daping

## “Battle of the Fitness” Contest



## Car carnival



## Chinese New Year lucky draw







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## Project Updates



# Update (A) : San Ya Wan Phase 2, Chongqing

- ✓ Garden-like residential community comprising quality apartments, targeted at the emerging middle class
- ✓ Cumulative pre-sale for Phase 2A to-date had started to hand over from 4QFY2015
- ✓ Registered good interest for Phase 2B; started pre-sales for selective units for Phase 2C



Type	Residential / Retail
Target Completion Dates for different phases	2015 / 2016 / ~2017
Pre-sales (2A, 2B, 2C, 2D)	2014 / 2015 / 2016
Contracted pre-sales as of 31 Mar 2016	P2A: RMB299.3 million (89.8%) P2B: RMB224.8 million (73.8%)

**Total GFA: ~275,000 sqm**

# Update (A): San Ya Wan Phase 2, Chongqing

- ✓ Strategically located above Metro Line 10 (Target completion in 2017)
- ✓ Close proximity to sizable shopping malls, outlets, .e.g. IKEA and Chongqing Automobile Expo Centre Culture Plaza



# Update (B) : Ying Li International Hardware and Electrical Centre (IEC), Chongqing

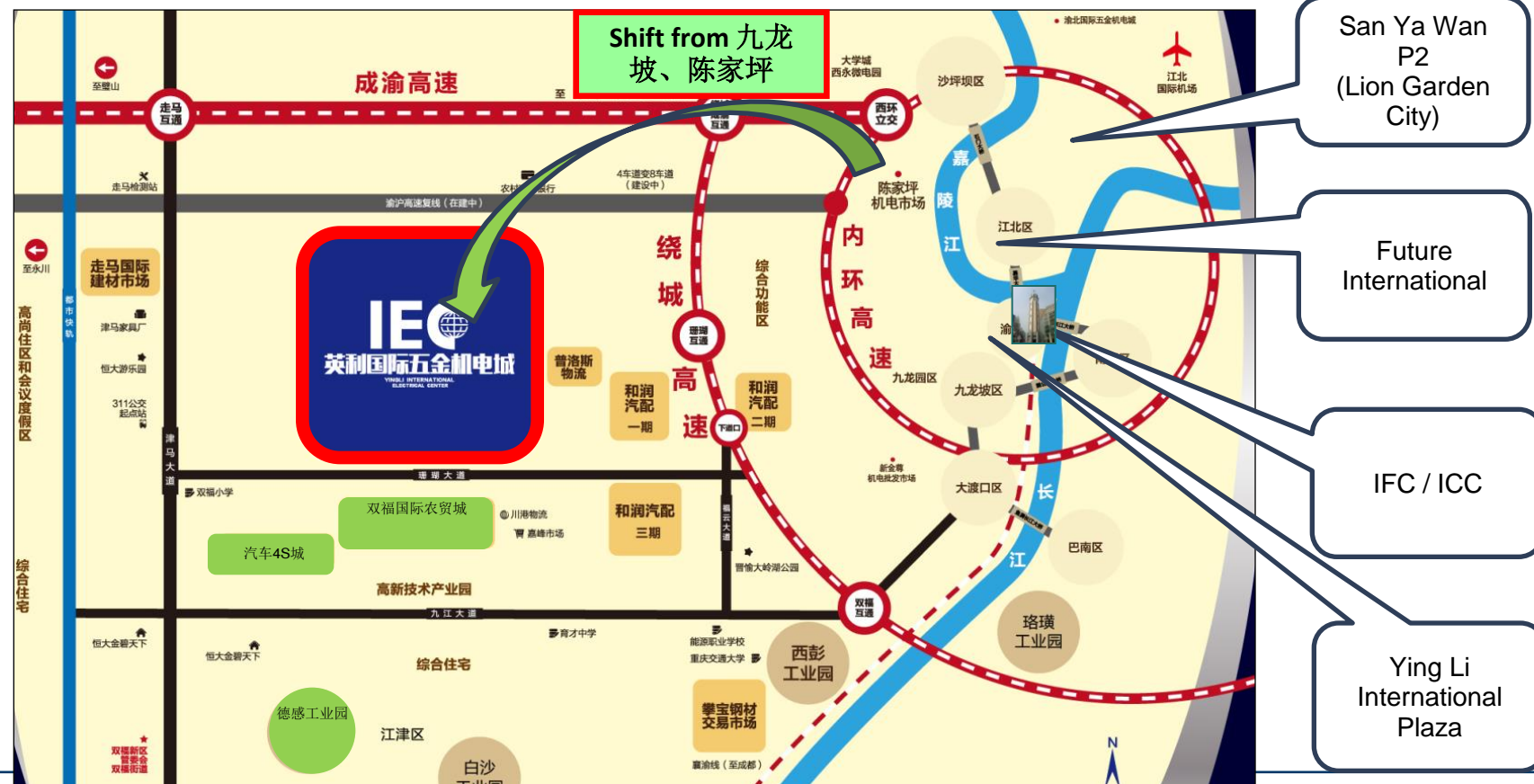
- ✓ One-stop hardware and electrical centre Built-to-Order (“BTO”) model, catering to ~3,000 merchants
- ✓ Located at Shuangfu neighbourhood in Jiangjin District, Chongqing’s secondary CBD, with surrounding amenities such as hospitals, schools, education institutions and other social welfare system



Type	Commercial ('Built-to-order' model)
Total Land Area Phase 1	~667,000 sqm ~199,773 sqm
Phase 1 GFA	~481,560 sqm
Target Completion Date: Phase 1A / Phase 2 & 3	2016 / 2017-2018
Pre-sale Date (Phase 1A):	1Q2016



# Update (B) : Ying Li International Hardware and Electrical Centre (IEC), Chongqing



# Update (B): Ying Li International Hardware and Electrical Centre (IEC), Chongqing

Phase 1A



Photo taken in Apr 2016



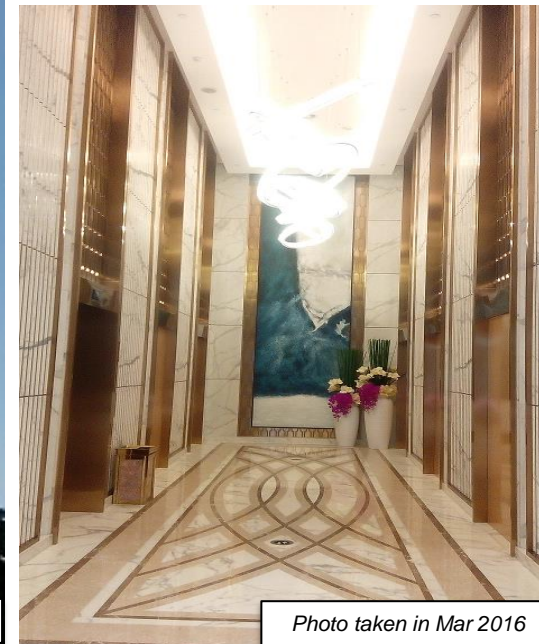
Photo taken in Apr 2016

# Update (C): Ying Li International Commercial Centre (ICC), Chongqing

- ✓ One-stop hardware and electrical centre Built-to-Order (“BTO”) model, catering to ~3,000 merchants
- ✓ Located in Chongqing’s secondary CBD area; with surrounding amenities



Type	Commercial (Retail / SOHO / Office)
Land Area	~18,400 sqm
Target Completion Date	Phase 1: 2017 Phase 2: 2019
Target Pre-sales	Phase 1: 2Q2016



# Update (C): Ying Li International Commercial Centre (ICC), Chongqing

- ✓ Incorporating smart home concept for higher quality of living by controlling household devices and appliances
- ✓ Target to launch pre-sales in 2Q2016



Above: Newly installed innovative smart home system



# Update (C): Ying Li International Commercial Centre (ICC), Chongqing

- ✓ Adding final touches to the showrooms
- ✓ Target to launch pre-sales in 2Q2016



Above: Showroom units in ICC

# Update: (D) Future Beijing, Beijing Tongzhou

- ✓ Mixed-use development located at 2<sup>nd</sup> CBD area and the upcoming Municipal Subsidiary Administrative Centre in 2017
- ✓ Easily accessible via two Beijing subway lines and 30 minutes to the main CBD

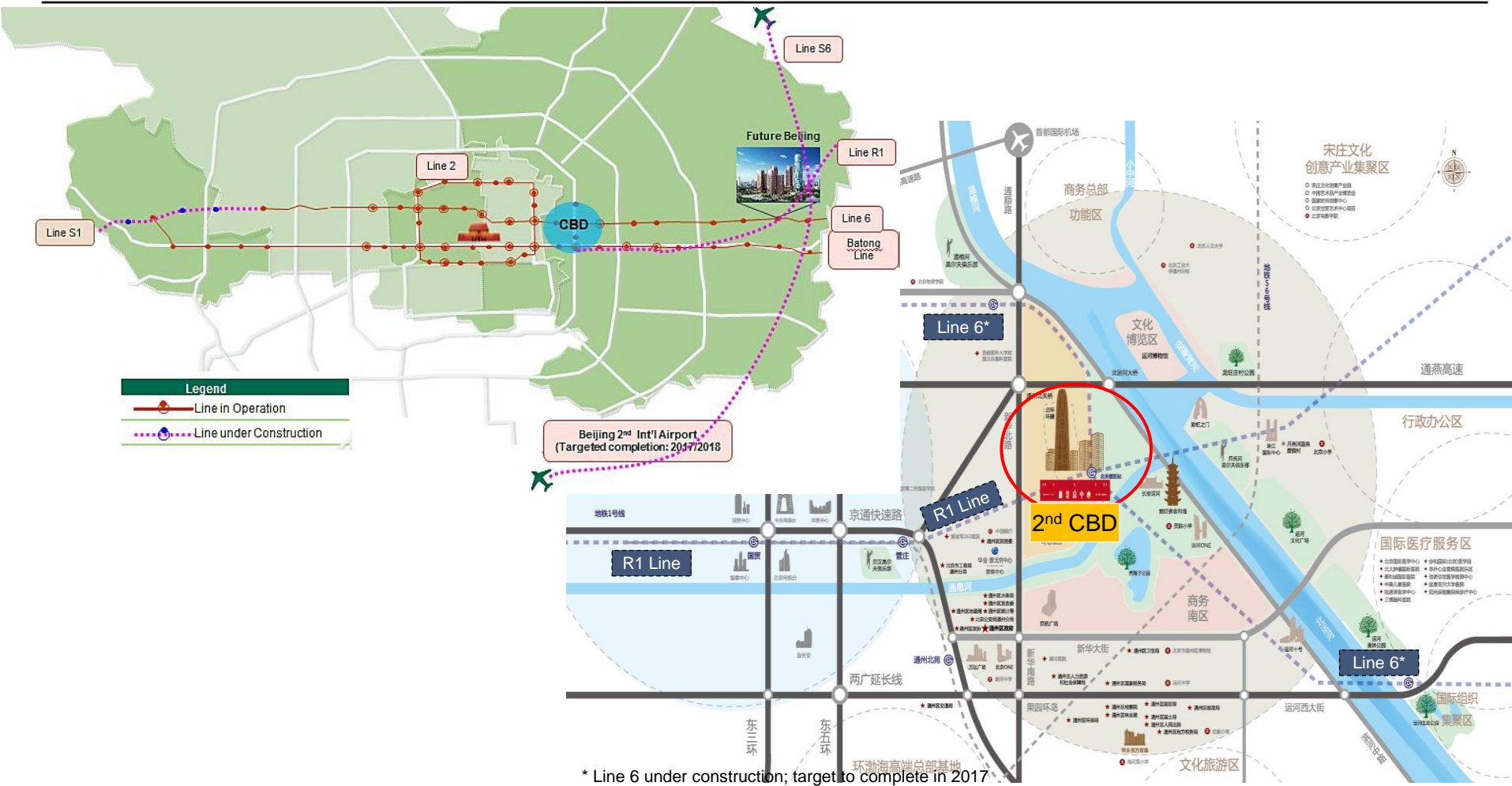


Type	Residential / Office / Retail
Land Area	~57,166 sqm
Investment Cost	RMB559 million (effective 15.1% stake)
Target Completion Date:	
Phase 1 (Residential)	2017
Phase 2 (Office)	2019
Phase 3 (Office & Retail)	2021
Target Pre-sales Date:	4Q2015 (SOHO Block 1)



# Update: (D) Future Beijing, Beijing Tongzhou

- ✓ Project has been incorporated in the Government's 12th five-year plan
- ✓ 16km to current Beijing Capital International Airport and approximately 45km to the future 2nd Beijing Airport (target to complete by 2017/2018)



# Update: (D) Future Beijing, Beijing Tongzhou

- ✓ Located in the Tongzhou New City Canal Core Area, the second CBD of Beijing.
- ✓ Home to Universal Studio's 6th theme park, the biggest Universal Studio Theme Park in the world by 2020
- ✓ Approximately 2 million Beijing residents would have shifted to Tongzhou as part of a massive urban extension project to relief the current over-crowded CBD areas



Photos taken in Mar 2016



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## Market Outlook

# China-Singapore (Chongqing) Demonstration Initiative on Strategic Connectivity



- ▲ **Chongqing** selected as the third G-to-G project after Suzhou Industrial Park (1994) in east China's Jiangsu Province and Tianjin Eco-city (2008) in north China's port city of Tianjin
- ▲ Named the '*China-Singapore (Chongqing) Demonstration Initiative on Strategic Connectivity*'
- ▲ Chongqing will be a high-level innovation zone utilizing the city's geographical position close to western regions and the Yangtze River economic belt
- ▲ Four main areas of collaboration are- (1) **Financial services**, (2) **Aviation**, (3) **Logistics** and (4) **Information Technology**

▶ **CapitaLand, DBS, UOB among companies signing up with Sino-S'pore gov't-led project** - *The Straits Times*, 9 Jan 2016

▶ Chinese and Singaporean companies signed contracts worth 6.56 billion U.S. dollars at a ceremony in Chongqing on Friday inaugurating a government-to-government (G-to-G) trade project in the southwestern Chinese metropolis. - *Ecns.cn*, 9 Jan 2016

▶ **More Chongqing flights with new China-S'pore project** - *The Straits Times*, 9 Jan 2016

▶ **UOB sets up Sino-Singapore private equity fund with PingAn, Chinese partners**

- *The Business Times*, 18 Apr 2016

▶ **ICBC Singapore signs 10 strategic cooperation agreements for 3rd Sino-Singapore project**

- *The Straits Times*, 11 Jan 2016

▶ **China, Singapore to establish a university in Chongqing**

- *China Daily*, 15 Jan 2016

▶ **West Air starts flights between Singapore and Chongqing**

The new thrice-weekly service comes on the back of a bilateral pledge to grow air connectivity between Singapore and Chongqing, says Changi Airport Group.

- *Channel NewsAsia*, 4 Feb 2016

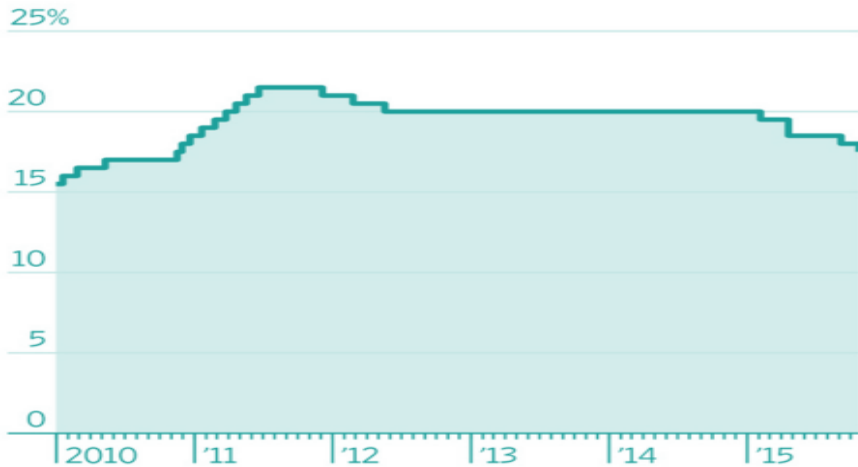
# Easing Measures by China Central Government

## China's Interest Rate Cuts



Sources: The People's Bank of China; tradingeconomics.com

## China's Reserve Requirement Ratio Lowered



Sources: The Wall Street Journal; The People's Bank of China via CEIC

## Relaxation of Down Payment

(excluding Beijing, Shanghai, Shenzhen, Guangzhou and Sanya)

### 1<sup>st</sup> time home buyers:

- Feb 2016: 20%
- Sep 2015: 25% (previously 30%)
- Mar 2015: 20% for those using housing provident fund (previously 30%)

### 2<sup>nd</sup> time home buyers

- Feb 2016: 30%
- Sep 2015: 20% for those using housing provident fund (provided buyer has no outstanding mortgages)
- Mar 2015: 40% (previously 60%)
- Mar 2015: 30% for those using housing provident fund (provided buyer has no outstanding mortgages)

### Foreign buyers

- Aug 2015: Overseas companies' Chinese units and foreign nationals working and living in China can buy properties for their own use that meet "real needs". Requirements that foreign investors should have paid their registered capital in full before taking local loans have been removed.

## China Eases Mortgage Down Payment to 20% for First Homes

Bloomberg News  
February 2, 2016 — 4:55 PM SGT  
Updated on February 2, 2016 — 6:30 PM SGT

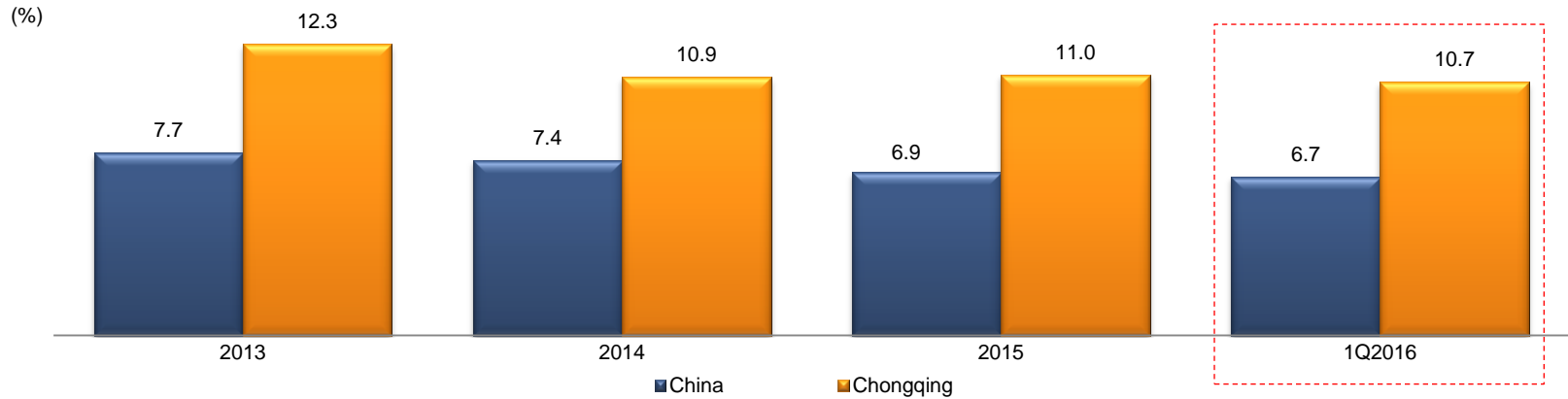
## China reduces down payment for first-time home buyers

The move is intended to "further support reasonable consumption of housing and promote a stable, healthy development of the property market", the Chinese central bank said in a statement published on Tuesday.

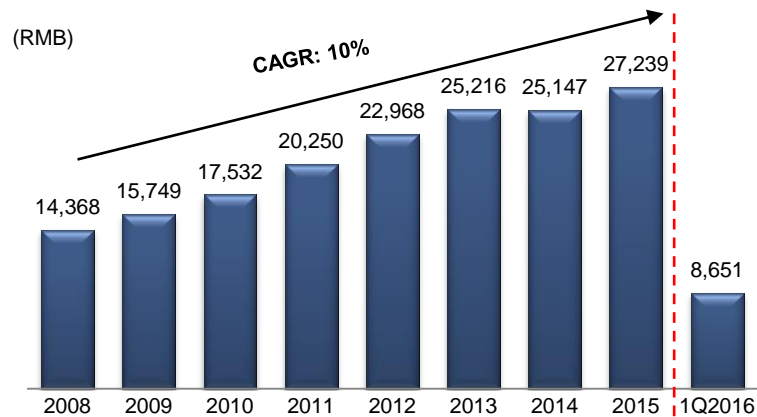
By Tang See Kit, Channel NewsAsia  
Posted 02 Feb 2016 18:53 Updated 02 Feb 2016 20:10

# Market Outlook

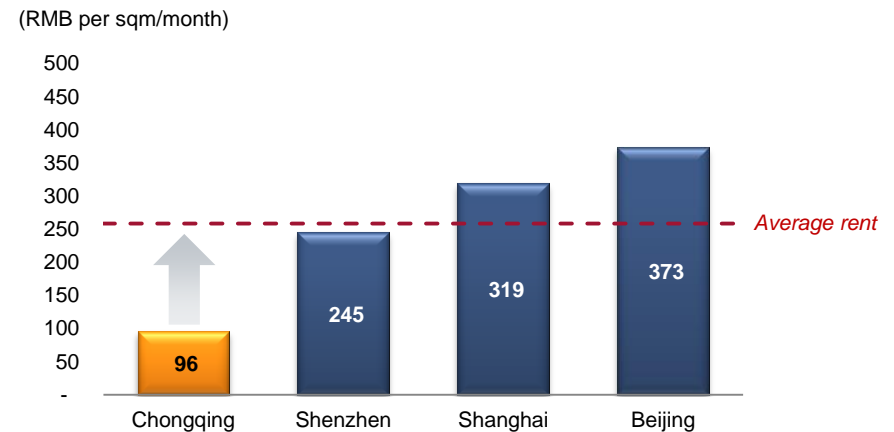
## Chongqing : One of the highest GDP growth in China



## Growing disposable income per capita



## Grade A office monthly rental rate







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**Thank you**