



NYSE: BEKE

Investor Presentation

August 2022



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01

COMPANY OVERVIEW



Leading Integrated Online and Offline Platform for Housing Transactions and Services



Start to find your dream home

开始寻找属于你的家

Existing homes New homes Home rentals Home renovation

二手房

新房

租房

装修

请输入区域、板块或小区名开始找房



RMB 639.5 Billion
(c.US\$95.5 Billion)
Total GTV in 2022Q2



43 Million
Mobile Monthly
Active Users ⁽²⁾



414,915
Agents⁽¹⁾



42,831
Stores⁽¹⁾



262 Million
Homes in
Housing Dictionary⁽¹⁾



22.2 Million
Number of VR Property
Models ⁽¹⁾



380,284
Active Agents⁽³⁾



41,118
Active Stores⁽³⁾

Source: Company Data;

(1) As of June 30, 2022. (2) Average mobile monthly active users in the three months ended June 30, 2022. (3)Based on our accumulated operational experience, we have introduced the number of active agents and active stores on our platform which can better reflect the operational activeness of stores and agents on our platform as of June 30,2022.

Stepped-up Government Easing Measures

Central government tone-setting

- Demand support**
- To satisfy rigid home buying and home upgrade demand.
 - Ensure delivery of unfinished home projects.

Lower interest rates

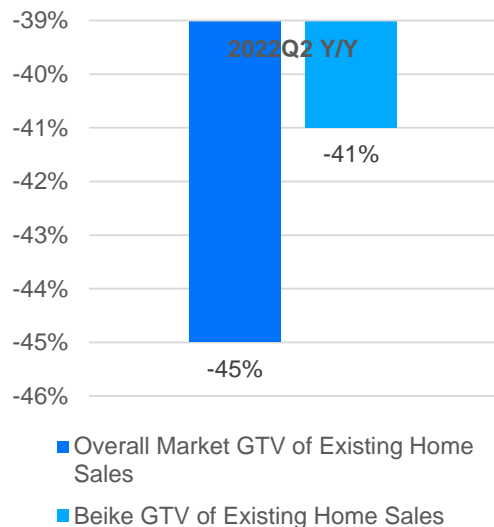
- Liquidity**
- Further lower home mortgage rates.

Easing policies from smaller to bigger cities

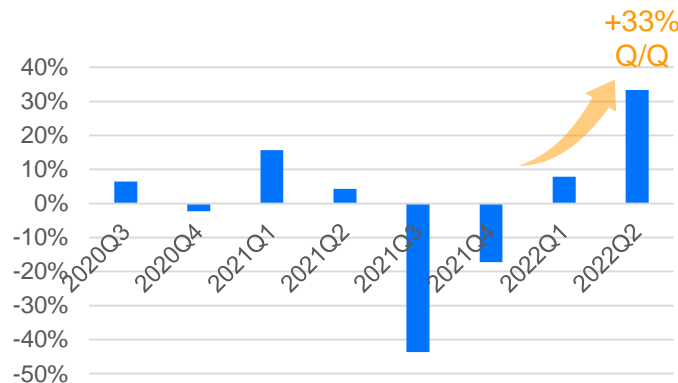
- Loan support**
- Lower down payment ratio.
- Remove buying restrictions**
- Encourage city residency, relax purchase restrictions for non-local households, more buying quota issuance.
- Subsidy**
- Subsidy to talents, relief of taxes.
- Promote home upgrade demand**
- Shanty town revamps by using “housing coupons” as monetary compensation.

Existing Home Market Policy Easing Supported Demand to Recover

Q2 Existing Home Sales GTV Change Y/Y¹



GTV of Existing Home Transactions Served by Connected Agents



Store and Agent Scale Stabilizing

Number of active stores

-4% QoQ. Number of stores in most cities stabilized in Q2.

Number of active agents

-0.4% QoQ, with Beijing and Shanghai's agent monthly churn rate lowered to 1~3% and 5~6% in other cities.

Solid Improvement in New Home Business Despite Sluggish Market



Better Profitability, Lower Risks and Stronger Cash Flow

23.6%

Contribution margin reached 2-year high.

1.27X

Cash to income ratio, demonstrating strong cash collection capability which enabled the 2.9bn net operating cash inflow in Q2.

37%

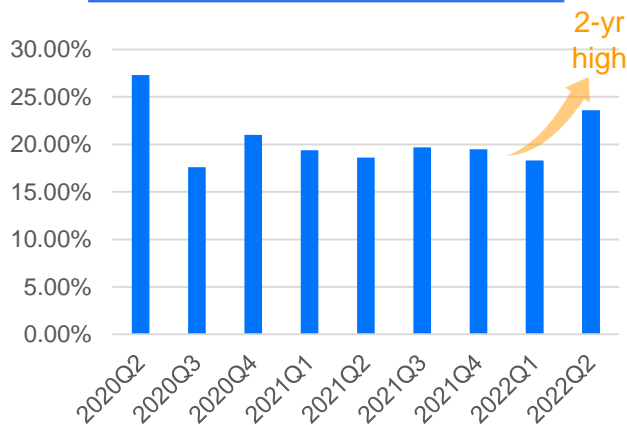
Contribution of revenue from home projects of state- and centrally-owned developers to total new home sales revenue in Q2, compared to 30% in Q1.

22%

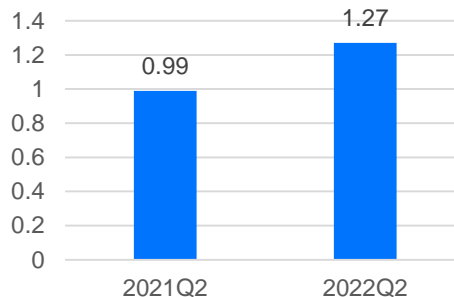
Of new home sales revenue in 1H 2022 was paid by “Commission in Advance” model. Virtuous cycle - developers pay in advance, agents better motivated, higher sell-through, more developers pay in advance.

Big Improvement in New Home Business Despite Sluggish Market

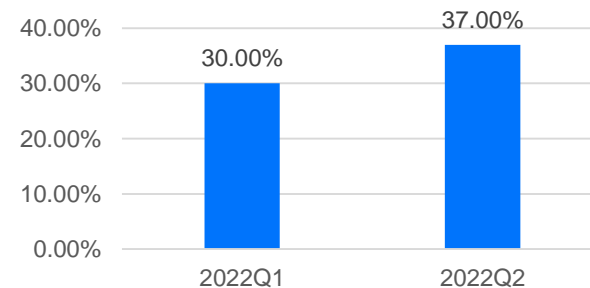
New Home Contribution Margin



New Home Cash-to-income Ratio



Our Sales of SOE Developers' Projects Increased



Home Renovation and Furnishing – Diverse Synergies

Robust growth that bucked market trend

- Completed acquisition of Shengdu in Q2.
- All-around integration

10%

Pro-forma revenue RMB1.37 bn, +10% y/y, +58% Q/Q in Q2;

1.7 bn

Contracted sales reached close to RMB1.7 bn in Q2.

Strong synergies delivered

- Better connect core and emerging businesses.

25%+

Referral customers from core business contributed to over 25% of home renovation and furnishing's contracted sales in June.

33%

Supply chain advantage brought by Shengdu helped raise Beiwoo's ARPU by 33%.

Testing the 'New Retail' model

- Testing sales of furniture and home furnishings through home renovation.

16%

Sales of furniture and home furnishings as percentage of full-service contract sales.

Beike Rental - High-quality Growth in Scale and Efficiency



Home Rental Services

- Growth in scale while focusing on cost control and sell-through efficiency.

42,000

Number of contracted rental units managed by Beike rental services exceeded 42,000.

31,000

31,000 units under "Carefree Rent" – home rental management service.



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Appendix



Financial Highlights

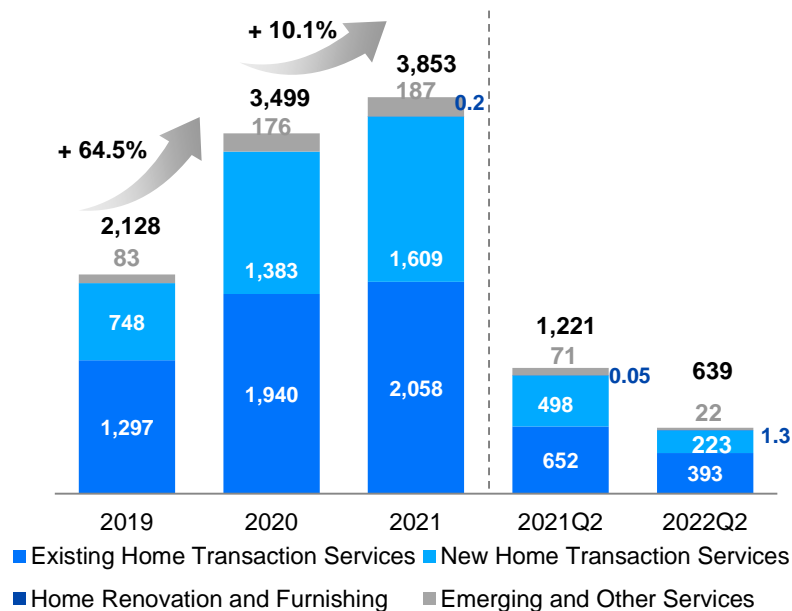


Massive Scale with Continuous Market Share Gains



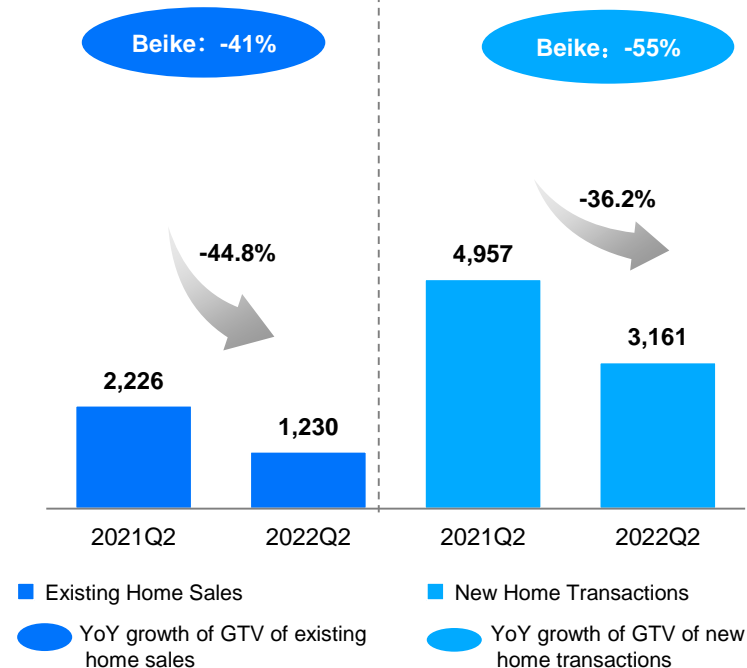
GTV¹

(RMB bn)



Industry GTV in China²

(RMB bn)



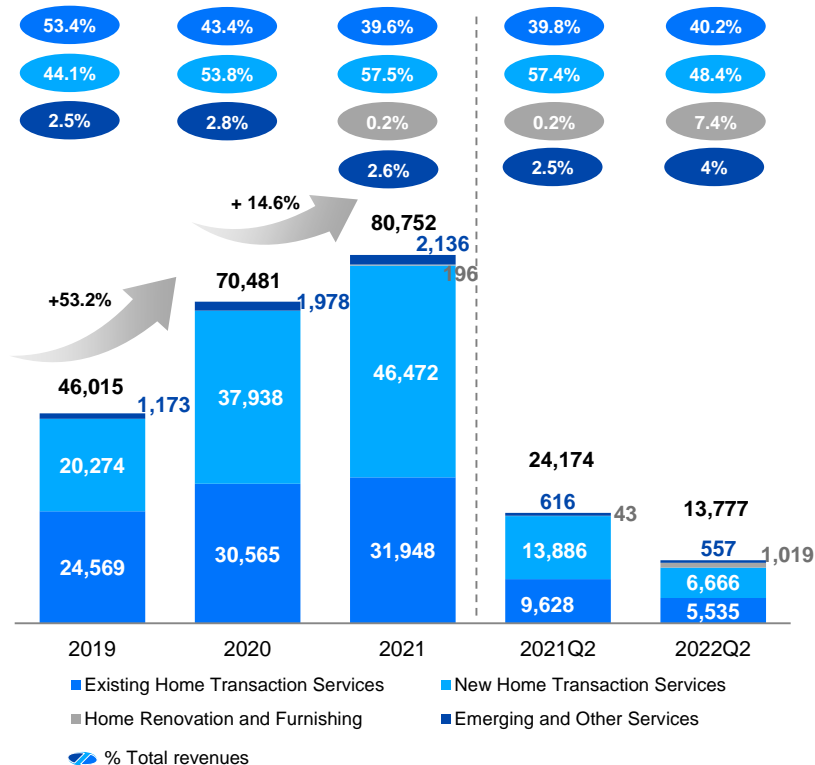
¹ GTV is defined as gross transaction value, which is calculated as the total value of all transactions facilitated on the platform and evidenced by signed contracts, including the value of the existing home transactions, new home transactions and emerging and other services, regardless of whether the transactions are actually closed. ² Existing home sales GTV in China based on NBS data. New home sales GTV in China based on NBS data.

Multiple Monetization Avenues with Healthy Contribution Margin

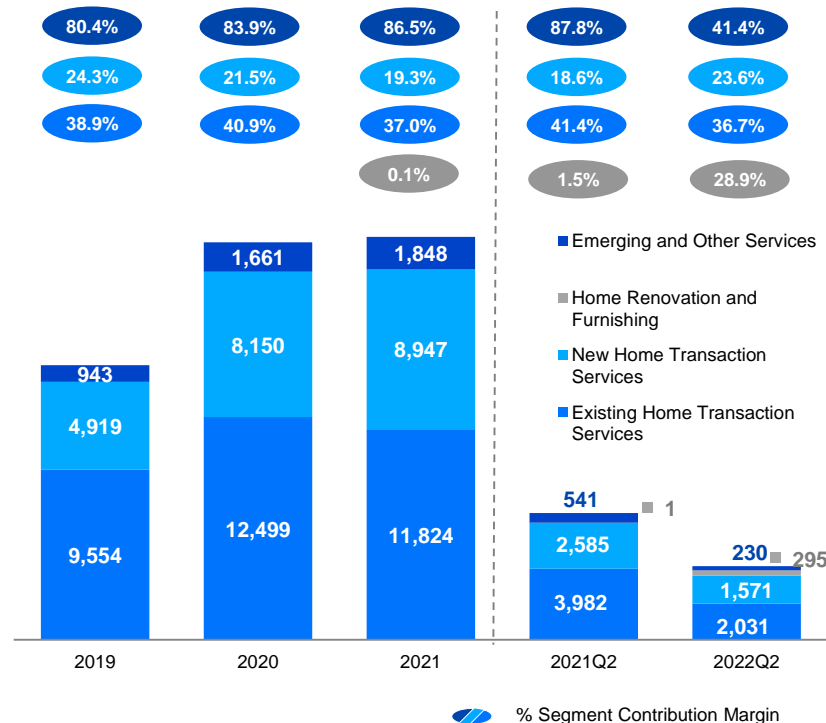


Revenue Breakdown

(RMB mm)



Segment Contribution Analysis

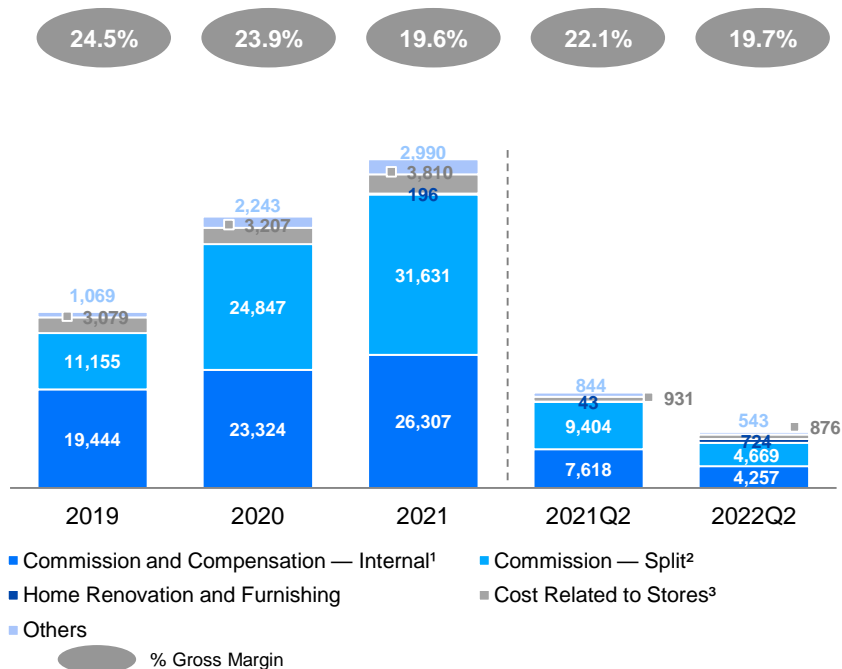


Improving Cost and Expense Structure



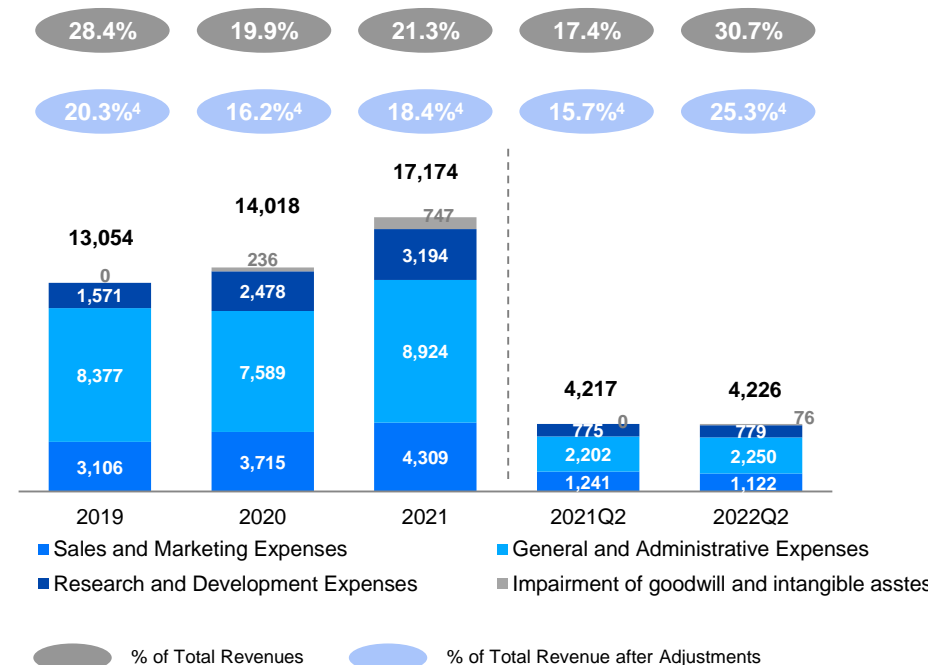
Cost of Revenue

(RMB mm)



Operating Expenses

(RMB mm)



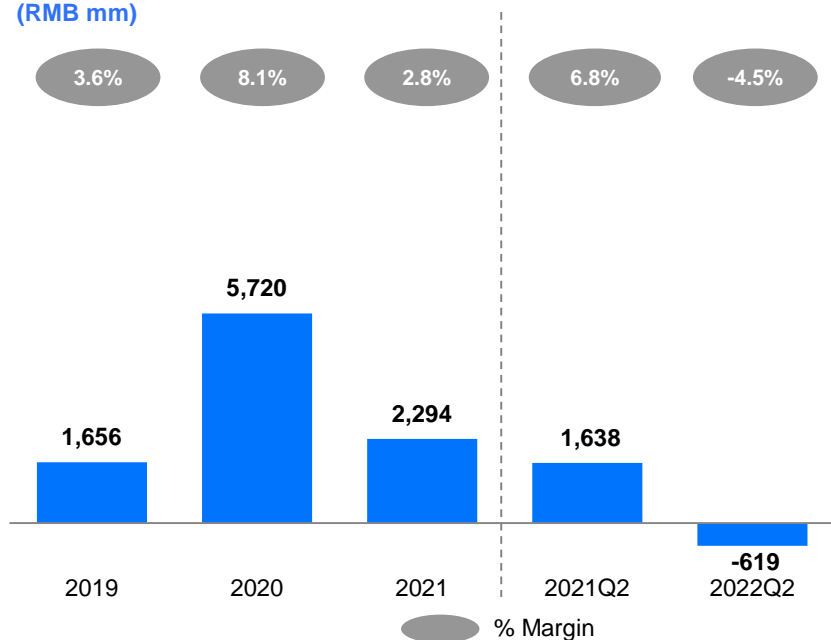
¹ Defined as the compensation paid to the internal agents and other sales professionals, including fixed salaries and variable commissions based on the transactions they assist in closing. ² Defined as the commissions paid to connected agents and other sales channels for their services to assist in completing new home and existing home transactions. ³ Mainly including rent, decoration, and utility bills for real estate brokerage stores under Lianjia brand. ⁴ Adjusted operating expense is defined as operating expense, excluding the effects of (i) share based compensations; (ii) amortization of intangible assets resulting from acquisitions and business cooperation agreement; (iii) deemed marketing expense related to IFM acquisition of RMB318 million and RMB43 million in 2019; (iv) impairment of goodwill and intangible assets of RMB236 million, RMB747 million, RMB236 million and RMB350 million in 2020, 2021, 2020Q4 and 2021Q4 respectively.

Resilient Profitability During Market Downtrend



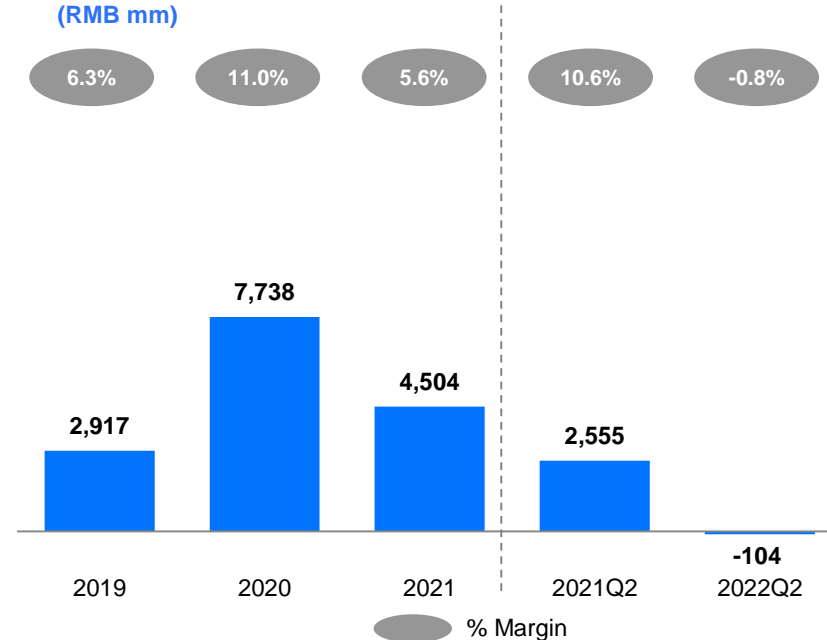
Adjusted Net Income¹

(RMB mm)



Adjusted EBITDA²

(RMB mm)



¹ Adjusted net income (loss) is defined as net income (loss), excluding (i) share(based compensation expenses, (ii) amortization of intangible assets resulting from acquisitions and business cooperation agreement, (iii) changes in fair value from long term investments, loan receivables measured at fair value and contingent consideration, (iv) Impairment of goodwill and intangible assets, (v) Impairment of investments and (vi) the tax effects of the above adjustments. ² Adjusted EBITDA is defined as net income (loss), excluding (i) income tax expense (benefit), (ii) share(based compensation expenses, (iii) amortization of intangible assets, (iv) depreciation of property and equipment, (v) interest income, net, (vi) changes in fair value from long term investments, loan receivables measured at fair value and contingent consideration, (vii) impairment of goodwill, intangible assets and other long(lived assets, and (viii) impairment of investments.

Robust Balance Sheet with Strong Liquidity



Key Balance Sheet Items

(RMB mm)

	As of December 31,		As of June 30,
	2020	2021	2022
Cash and Cash Equivalents	40,970	20,446	12,379
Restricted Cash	8,567	6,286	7,001
Short term Investments	15,688	29,403	30,639
Total Liquidity	65,226	56,135	50,020
Total Current Assets	87,539	69,926	60,415
Total Assets	104,296	100,319	104,366
Total Current Liabilities	33,633	28,936	32,299
Total Liabilities	37,503	33,263	37,711
Total Liabilities, Mezzanine Equity and Shareholder Equity	104,296	100,319	104,366



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Appendix



GAAP to Adjusted / Non-GAAP Measures Reconciliation



(RMB mm)	For the Three Months Ended June 30,			For the Year Ended Dec 31,		
	2021	2022	% YoY	2020	2021	% YoY
Net income (Loss)	1,115.6	(1,865.7)	n/a	2,778	(525)	n/a
Add:						
Share-based compensation expenses	436	605	38.8%	2,253	1,538	(31.7)%
Amortization of intangible assets resulting from acquisitions and Business Cooperation Agreement	117	146	24.8%	605	470	(22.3)%
Changes in Fair value from long term investments, loan receivable measured at fair value and contingent consideration	(30)	201	n/a	(184)	(124)	n/a
Impairment of goodwill, intangible assets and other long-lived assets	-	76	n/a	236	747	216.5%
Impairment of investments	-	223	n/a	36	187	419.4%
Tax effects on non-GAAP adjustments	0.2	(5.7)	n/a	(4)	1	n/a
Adjusted net profit (RMB mm)	1638.5	(619.4)	n/a	5,720	2,294	(59.9)%
(RMB mm)	For the Three Months Ended June 30,			For the Year Ended Dec 31,		
	2021	2022	% YoY	2020	2021	% YoY
Net income (Loss)	1,115.6	(1,865.7)	n/a	2,778	(525)	n/a
Add:						
Income tax expenses	768.8	431.3	(43.9)%	1,609	1,665	3.5%
Share-based compensation expenses	436.2	605.2	38.7%	2,253	1,538	(31.7)%
Amortization of intangible assets resulting from acquisitions and business cooperation agreement	123.7	150.9	22%	621	491	(21.0)%
Depreciation of property and equipment	210.1	233.9	11.3%	553	880	59.1%
Interest income, net	(68.9)	(160.1)	n/a	(164)	(355)	n/a
Changes in Fair value from long term investments, loan receivable measured at fair value and contingent consideration	(30.5)	201	n/a	(184)	(124)	n/a
Impairment of goodwill, intangible assets and other long-lived assets	-	76.2	n/a	236	747	216.5%
Impairment of investments	-	223.3	n/a	36	187	419.4%
Adjusted EBITDA	2,555.1	(104.0)	n/a	7,738	4,504	(41.8)%

* Note: Due to rounding, numbers presented throughout this documents may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.



Thank You

