



NYSE: BEKE

Investor Presentation

Mar 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 3.85 Trillion
(c.US\$ 605 Billion)
Total GTV in 2021



37.4 Million
Mobile Monthly
Active Users ⁽²⁾



454,000+
Agents⁽¹⁾



51,038
Stores⁽¹⁾



257 Million
Homes in
Housing Dictionary⁽¹⁾



18.4 Million
Number of VR Property
Models ⁽¹⁾



406,000+
Active Agents⁽³⁾



45,339
Active Stores⁽³⁾

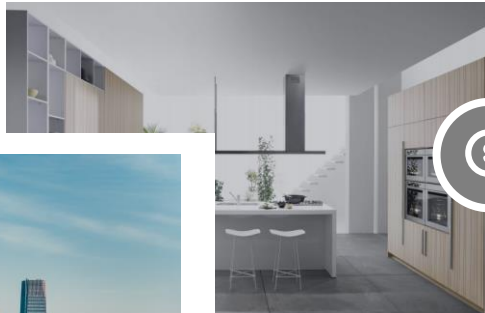
Source: Company Data;

(1) As of December 31, 2021. (2) Average mobile monthly active users in the three months ended December 31, 2021. (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 December 31,2021.

“One Body, Two Wings” Strategy Upgrade

One Body: Existing and New Home Transaction Services

Core business with highest importance, committed long-term goal and clear path.



Home Renovation and Furnishing

Integrate Beike's strength with Shengdu, solidify capabilities to expand service scale.



Inclusive Rental Housing Services

Offer diversified rental solutions, and quality renting experience to tenants.

Policy Loosening and Supportive Measures in Place

Relaxed Macro Policy Environment

Macro Policy

- Emphasizes on "stabilizing growth" for 2022. Prudent monetary policy to be more flexible.
- Will refine platform economy supervision to promote stable development and raise competitiveness of platform economy.

Property market policy

- Will meet reasonable demand of home buyers, and boost the virtuous cycle of property market.
- Will come up with effective plans to help defuse developers' debt risks.
- Will not expand property tax trial to more cities in 2022.

Market-supporting measures & practices

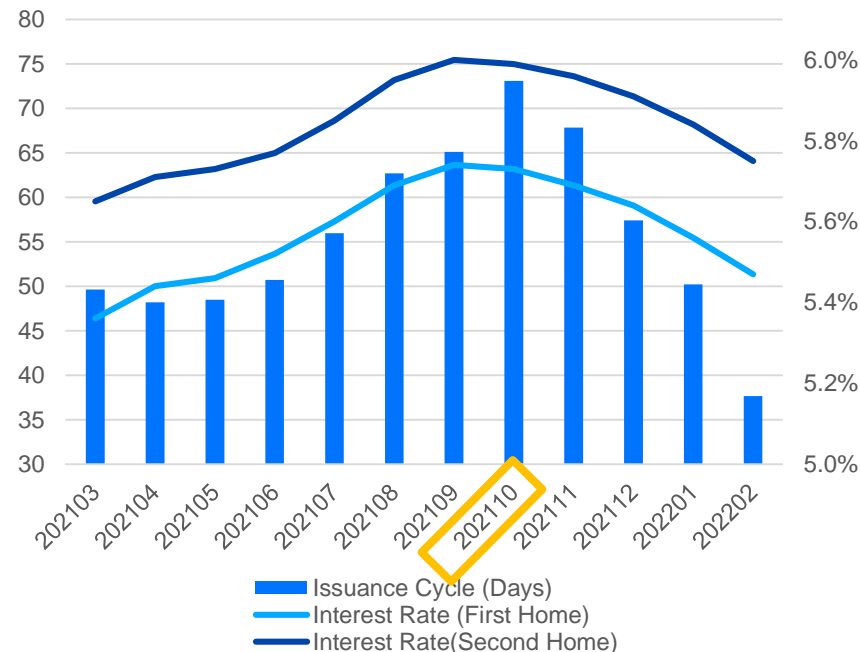
Credit Loosening

- Normalized loan origination cycle & lowered mortgage interest rate

Local-level Supportive Measures

- 30+ Cities issued supportive administrative measures such as lowering down payment ratios, and less restrictions over mortgages, home purchase and sales, as well as developers' pre-sale proceeds.

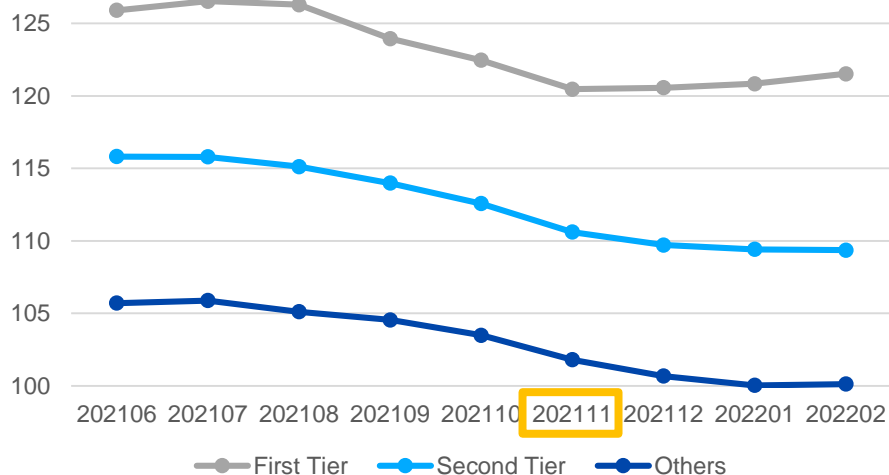
Mortgage Loan Origination Cycle and Interest Rate



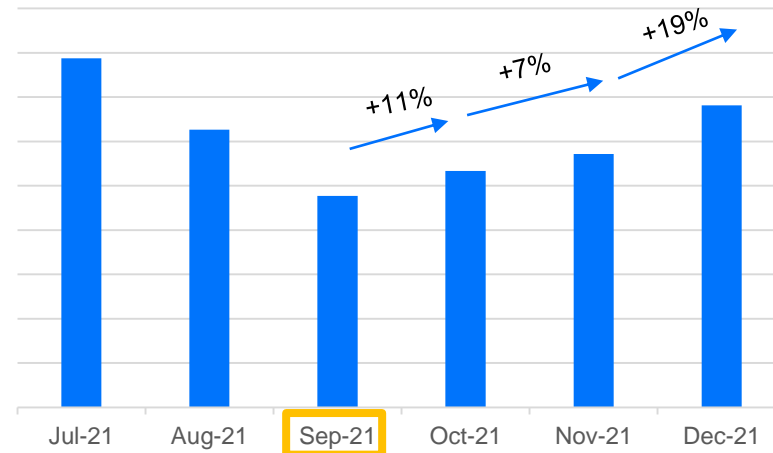
Existing Home Transactions recovered with credit environment improvement



Beike Housing Price Index for Different Tiers of Cities1



Q4 2021 Existing Home Transactions GTV Recovery on Beike Platform

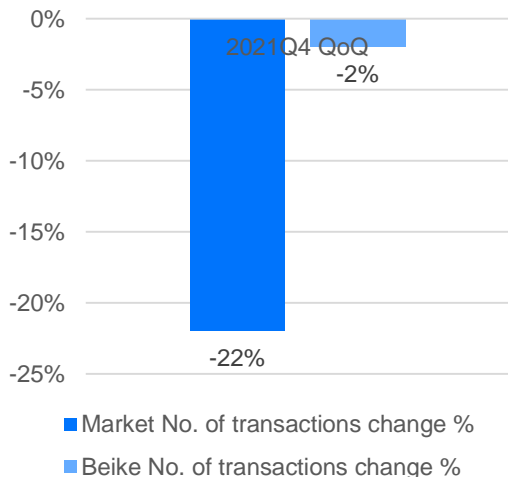


1. Data from Beike Research Institute

Resilience during Market Downturn

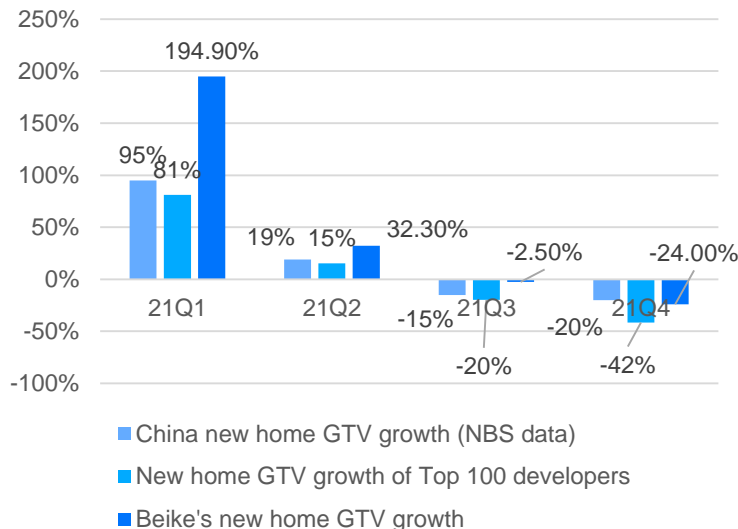
We have shown resilience during market downturn in Q4, with stronger agent retention capability

Q4 Existing Home No. of transactions change QoQ in 14 Core Cities



Existing home sales volume MoM change in 14 core cities in Oct, Nov, Dec was -18%, 17%, 18%, respectively, gaining some traction of recovery.

New Home Sales GTV Growth Rate % YoY



Resilience in Store and Agent Retention

Store

-5.4% QoQ by end-Q4, due to slower growth of newly connected stores

-11.8% QoQ by end-Q4, much smaller than 30-40% contraction in industry

Agent

1. 14 core cities include Beijing, Shanghai, Tianjin, Dalian, Hefei, Hangzhou, Nanjing, Changsha, Wuhan, Chongqing, Xiamen, Zhengzhou, Qingdao, Chengdu. Market data attributable to city govt database and Beike Research Institute.
 2. New home sales data of top 100 developers attributable to CRIC.
 3. Industry agent attrition rate attributable to Kongbai Research Institute (空白研究院).

Business Highlights in Q4

Contract Service Centers

298 contract service centers in 30 cities by end-2021.

+90% existing home sales signing processes were completed in these centers.



- Centralize various contract signing procedures of existing home sales, with professional experts helping customers walking through all the process.
- Greatly improve customers' **signing experience, ensured funds safety.**
- Help agents to be more **focused and enhance efficiency**, by leaving contract signing procedures to staff with expertise.
- One of the best scenarios to **direct traffic** to emerging business segments, including home renovation and furnishing.

Compliance Management in New Home Services

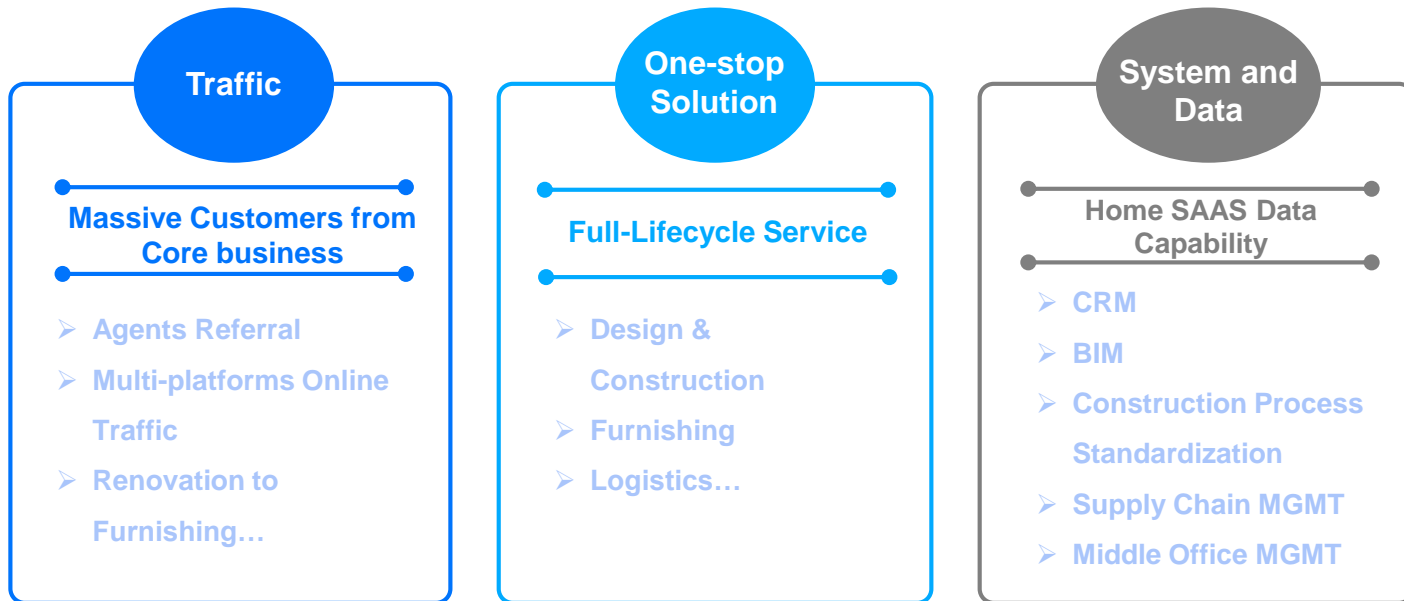
Security A sense of security given to agents, with confidence of receiving commission on time, and their transactions not broken by any misconduct.

19.7% Agents' "**Compliance Perception**" improved Q by Q to 19.7% in Q4, VS 18.3% in Q3.



- New home business conduct improvement initiative: infrastructure and procedures to prevent, intervene, trace and penalize misbehaviors.
- Protect interests of **consumers and service providers**, and help **developers** to strengthen their cash reserves with quicker sell-through.
- Prudent strategy, focus on **reducing receivable collection risk**. Proactively suspended cooperation with high-risk projects.

Best Positioned in Home Renovation and Furnishing to Scale and enjoy the Economies of Scale



More Customers

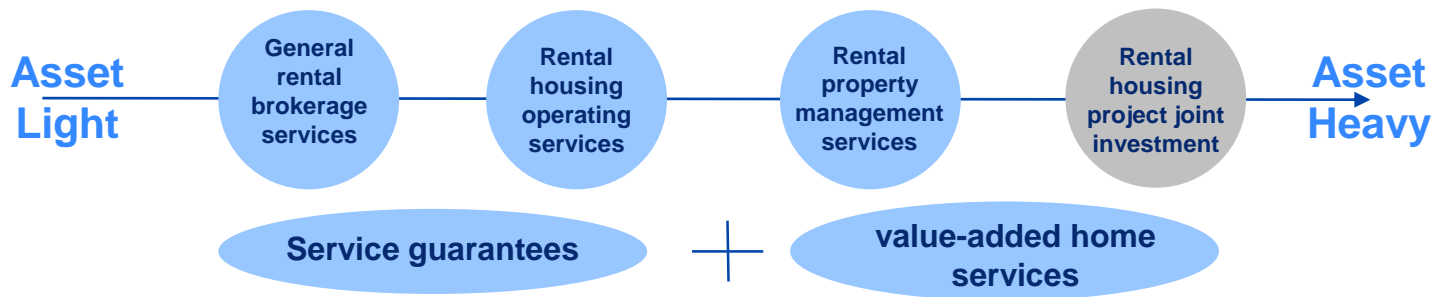
Higher Conversion

Lower Cost

Higher Leverage

Inclusive Housing Services

Provide diversified and quality rental housing solutions to help govt address housing issues of the young generation, city new comers, and residents in old neighborhoods.



Rental housing operating services

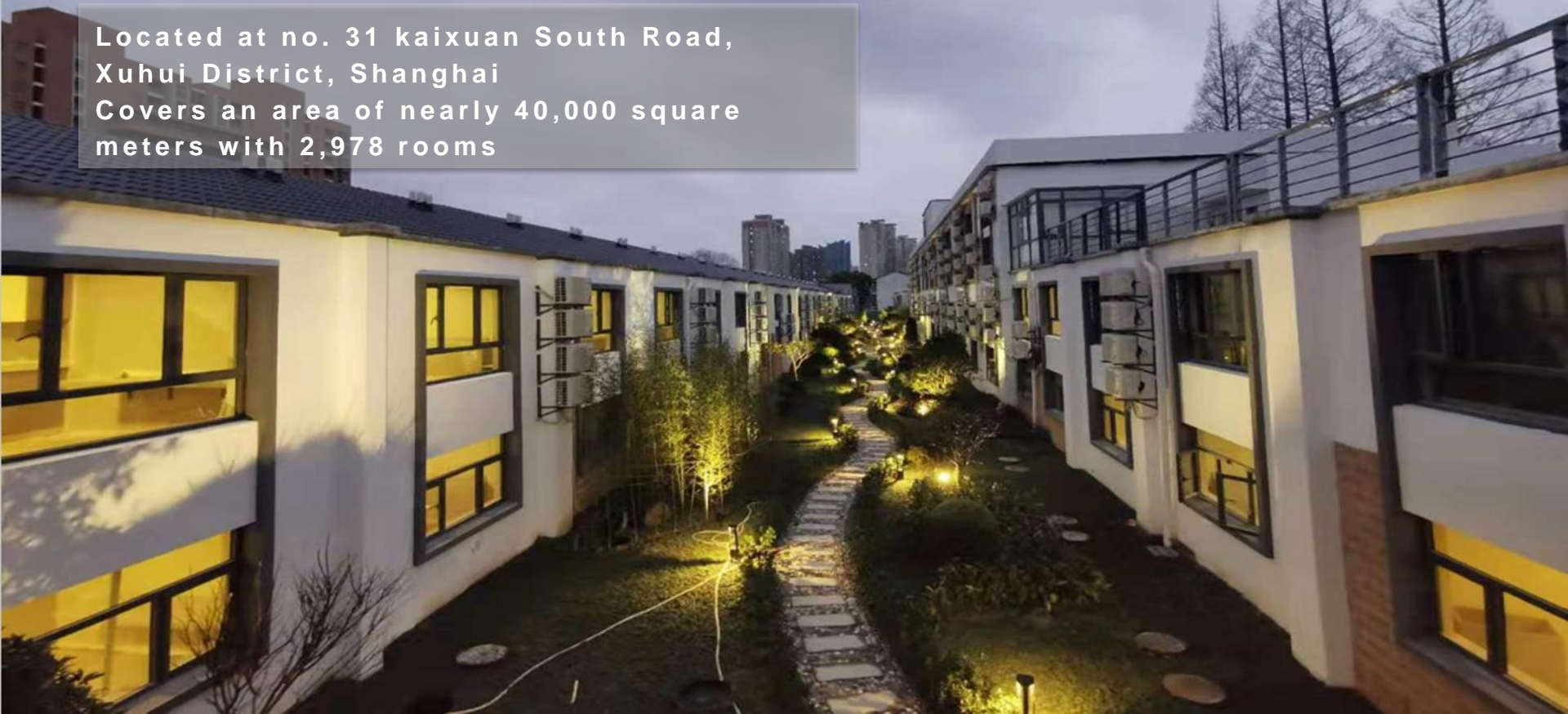
- Asset-light business model based on services including brand franchise, entrusted asset management, tenant services, etc.
- First Youth Apartment commenced in Shanghai in Feb.

Rental property management services

- Manage short-term decentralized rental homes to ramp up stable long-term supply.
- Provide hassle-free service for home owners and trusted service for tenants.

First Beike-Operated Youth Apartment at Xuhui, Shanghai

Located at no. 31 kaixuan South Road,
Xuhui District, Shanghai
Covers an area of nearly 40,000 square
meters with 2,978 rooms



First Beike-Operated Youth Apartment at Xuhui, Shanghai



- **Affordable:** 65% of room's rent between RMB2300-3500 per month
- **Working & Housing in the same area:** Located in the downtown area of Shanghai -- Xujiahui, 3 kilometers away from the Xujiahui business district
- **Safe & Clean:** Entrance and full public area security cleaning service covered;



02

FINANCIAL UPDATES



Financial Highlights

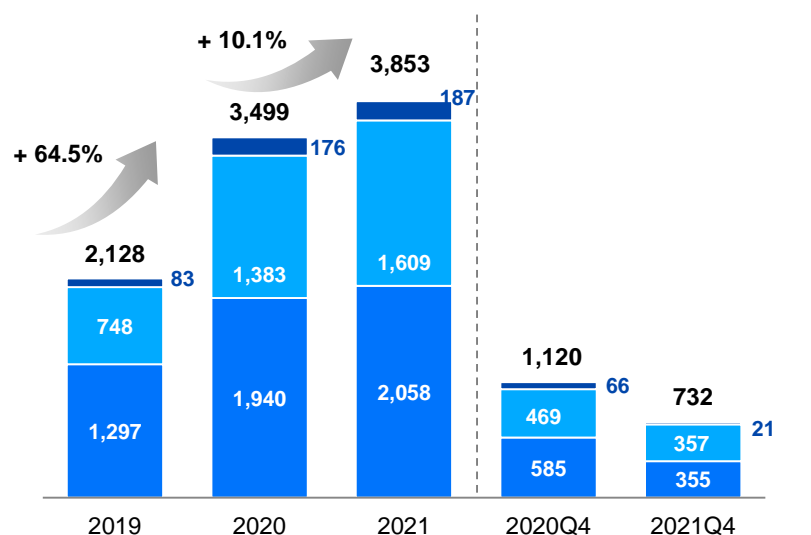


Massive Scale with Continuous Market Share Gains



GTV¹

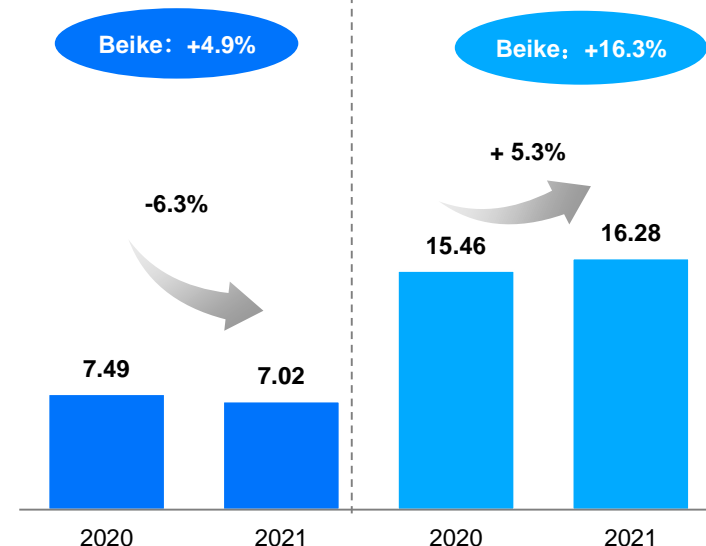
(RMB bn)



- Existing Home Transaction Services
- New Home Transaction Services
- Emerging and Other Services

Industry GTV in China²

(RMB tn)



- Existing Home Sales
- YoY growth of GTV of existing home sales
- New Home Transactions
- YoY growth of GTV of new home transactions

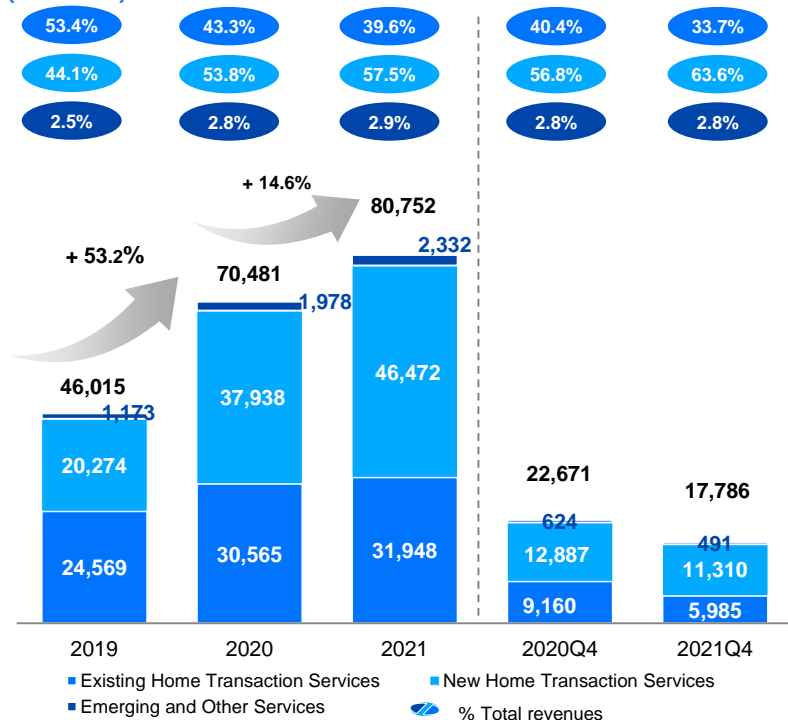
¹ GTV is defined as gross transaction value, which is calculated as the total value of all transactions facilitated on the platform and evidenced by signed contracts, including the value of the existing home transactions, new home transactions and emerging and other services, regardless of whether the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

Multiple Monetization Avenues with Healthy Contribution Margin

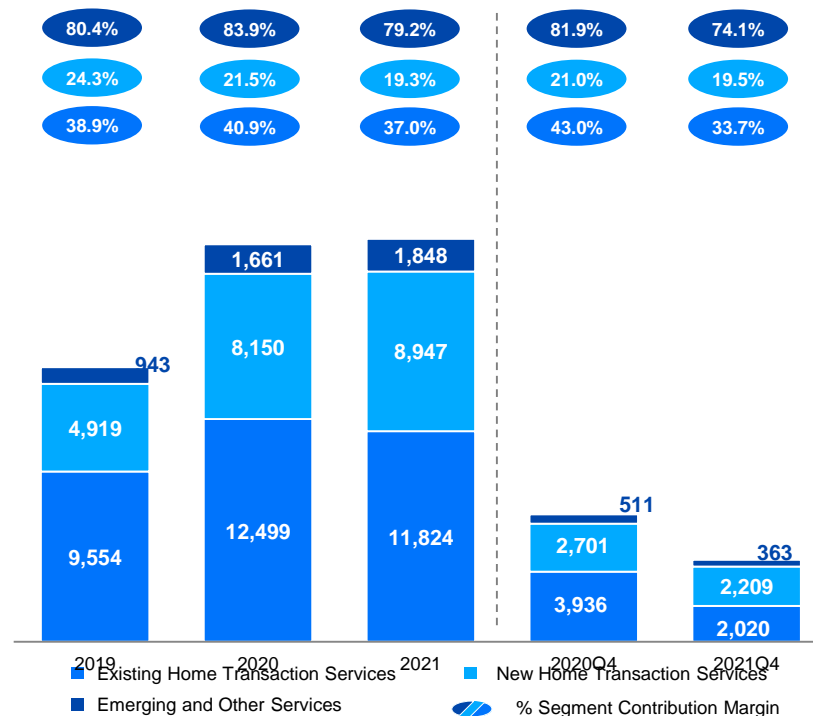


Revenue Breakdown

(RMB mm)



Segment Contribution Analysis

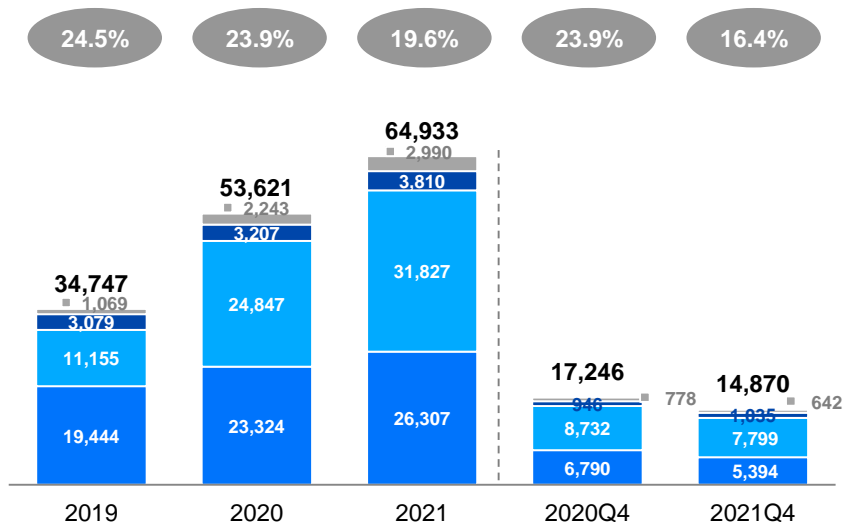


Improving Cost and Expense Structure



Cost of Revenue

(RMB mm)

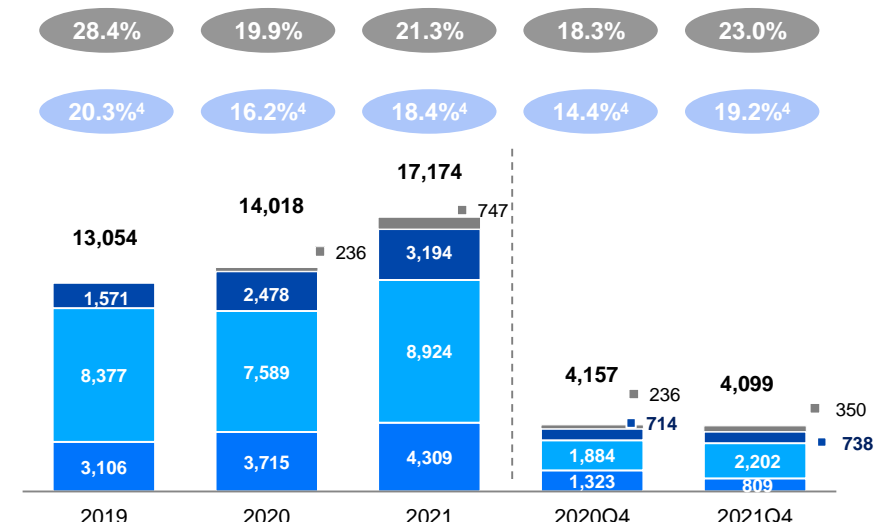


■ Commission and Compensation — Internal¹ ■ Commission — Split² ■ Cost Related to Stores³ ■ Others

● % Gross Margin

Operating Expenses

(RMB mm)



■ Sales and Marketing Expenses ■ Research and Development Expenses ■ General and Administrative Expenses ■ Impairment of goodwill and intangible assets

● % of Total Revenues ● % of Total Revenue after Adjustments

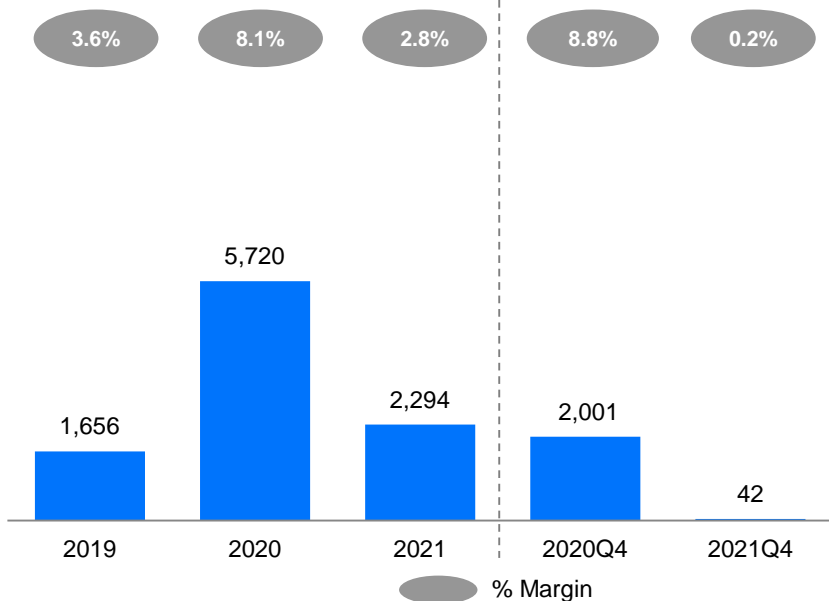
¹ Defined as the compensation paid to the internal agents and other sales professionals, including fixed salaries and variable commissions based on the transactions they assist in closing. ² Defined as the commissions paid to connected agents and other sales channels for their services to assist in completing 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



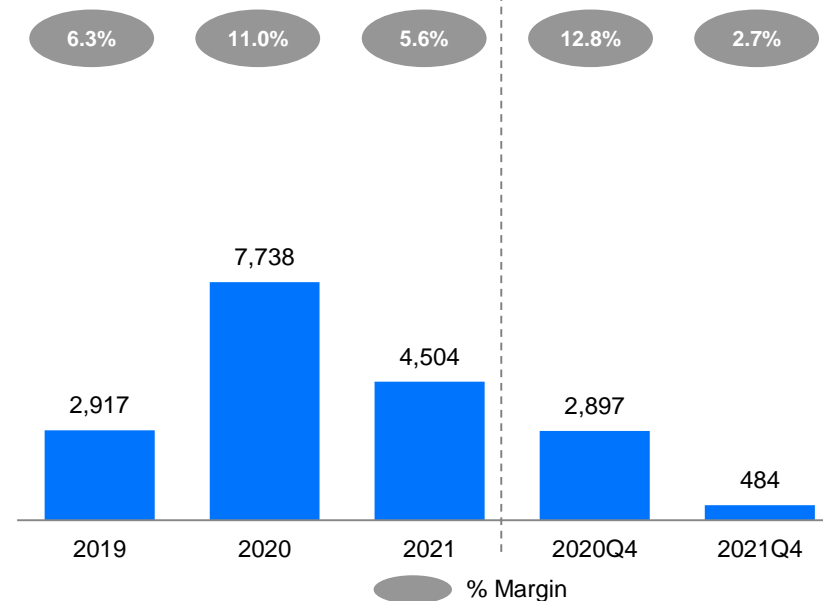
Adjusted Net Income¹

(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 Positive Cash Inflows



Key Balance Sheet Items

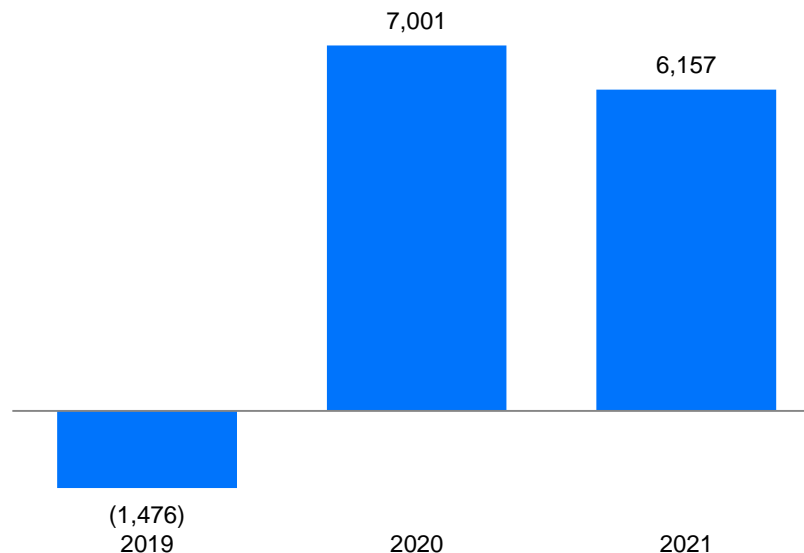
(RMB mm)

As of December 31,

	2019	2020	2021
Cash and Cash Equivalents	24,319	40,970	20,446
Restricted Cash	7,380	8,567	6,286
Short-term Investment	1,845	15,688	29,403
Total Liquidity	33,544	65,226	56,135
Total Current Asset	51,912	87,539	69,926
Total Asset	67,265	104,296	100,319
Total Current Liabilities	27,798	33,633	28,936
Total Liabilities	35,730	37,503	33,263
Total Liabilities, Mezzanine Equity and Shareholder Equity	67,265	104,296	100,319

Normalized Operating Cash Flow¹

(RMB mm)



¹ Normalized operating cash flow is defined as GAAP operating cash flow excluding the effects of cash movements in the home payment escrow account of RMB1,589 million, RMB2,360 million and negative RMB2,562 for 2019, 2020 and 2021 respectively.

03

Appendix



GAAP to Adjusted / Non(GAAP Measures Reconciliation



(RMB mm)	For the Nine Months Ended September 30,			For the Year Ended Dec 31,		
	2020	2021)% YoY	2020	2021)% YoY
Net income (Loss)	1,096	(933)	n/a	2,778	(525)	n/a
Add:						
Share(based compensation expenses	584	320	(45.3)%	2,253	1,538	(31.7)%
Amortization of intangible assets resulting from acquisitions and Business Cooperation Agreement	144	117	(18.6)%	605	470	(22.3)%
Changes in Fair value from long term investments, loan receivable measured at fair value and contingent consideration	(93)	3	n/a	(175)	(124)	n/a
Impairment of goodwill and intangible assets	236	350	48.1%	236	747	n/a
Impairment of investments	36	187	423.7%	27	187	n/a
Adjusted for tax effects on non(GAAP adjustments	(1)	(1)	n/a	(4)	1	n/a
Adjusted net profit	2,001	42	(97.9)%	5,720	2,294	(59.9)%

(RMB mm)	For the Nine Months Ended September 30,			For the Year Ended Dec 31,		
	2020	2021)% YoY	2020	2021)% YoY
Net income (Loss)	1,096	(933)	n/a	2,778	(525)	n/a
Add:						
Income tax expenses	717	269	(62.4)%	1,609	1,665	3.5%
Share(based compensation expenses	584	320	(45.3)%	2,253	1,538	(31.7)%
Amortization of intangible assets resulting from acquisitions and Business Cooperation Agreement	145	122	(16.4)%	621	491	(21.0)%
Depreciation of property and equipment	181	280	55.1%	553	880	59.1%
Interest income, net	(5)	(113)	n/a	(164)	(355)	n/a
Changes in Fair value from long term investments, loan receivable measured at fair value and contingent consideration	(93)	3	n/a	(175)	(124)	n/a
Impairment of goodwill and intangible assets	236	350	n/a	236	747	n/a
Impairment of investments	36	187	n/a	27	187	n/a
Adjusted EBITDA	2,897	484	(83.3)%	7,738	4,504	(41.8)%



Thank You

