



NYSE: BEKE

HKEX: 2423

Investor Presentation

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01

COMPANY OVERVIEW

Leading Integrated Online and Offline Platform for Housing Transactions and Services



Start to find your dream home

Existing homes

New homes

Home rentals

Home renovation and furnishing

Please enter the area or community name to start looking for a home



RMB 780.6 Billion
(US\$107.6 Billion)
Total GTV in 23Q2



48.0 Million
Monthly Active Mobile
Users ⁽²⁾



272 Million
Homes in
Housing Dictionary ⁽¹⁾



43,000
Stores ⁽¹⁾



41,076
Active Stores ⁽³⁾



435,813
Agents ⁽¹⁾



409,054
Active Agents ⁽³⁾

Source: Company Data;

(1) As of June 30, 2023. (2) Average monthly active mobile users in the three months ending June 30, 2023. (3) Based on our accumulated operational experience, we have introduced the numbers of active agents and active stores on our platform in our operating metrics to better reflect their operational activeness.

● Solid Performance with Higher Efficiency & New Businesses

● Breakthrough

●



Improvements in All Segments

- **Strong Topline Gains:**
 - Property market surged in Q1 on pent-up demand with **normalization** following in Q2.
 - Existing home services revenues **+16% YoY**; New home revenues **+30%**; Home renovation and furnishing revenues **+91%** on pro-forma basis.
- **Upbeat Profitability:**
 - **Contribution margin:** Existing home **45.6%**, new home **new-high at 27.2%**.
 - Gross margin **27.4%**; Non-GAAP OPM **11.0%**, Non-GAAP net margin **12.1%**.
- **Robust balance sheet:**
 - Total cash liquidity excl. customer deposits payable **RMB79.4 bn.**
 - **Operating cash inflow** excl. customer deposits payable **RMB1,754 mn.**

Enhance Shareholder Returns

- **Share Repurchase Upsizing:**
 - Upsize from **US\$1 bn to US\$2 bn**, extended until August 31, 2024.
 - **Past 12 months buyback:**
 - **US\$605 mn in total**, 41 mn ADSs, **3.24%** of total shares; **all shares canceled.**
 - This year alone, US\$414 mn worth of buybacks, **2.12%** of total shares.
- **Special Cash Dividend:**
 - **US\$200 mn**, funded by surplus cash on the balance sheet.



Long-term Efficiency & Growth Enhancement for Core Business



Stronger Agent & Store Competency



41,076 active stores, **+10%** vs end-2022
409,054 active agents, **+17%** vs end-2022

- **Digitalized analysis** tools help store owners with improved operations.
- **Home – Customer – Agents** as core elements:
 - Home listing maintenance capability;
 - Home-customer matching efficiency;
 - Optimized online sales-leads allocation mechanism.

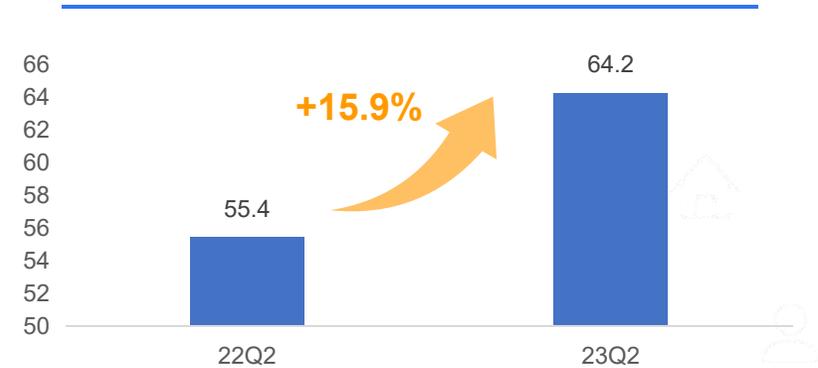
Boost Momentum of Lianjia



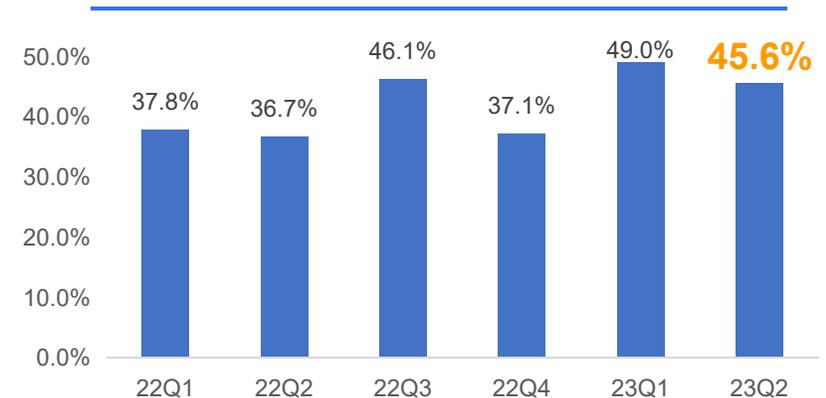
- **Large-store** strategy drives up efficiency.
- **Average No. agents per store** at 18, up **16% YoY**.
- Agents' income to average social income competitiveness index up by **40% YoY**.

Sustained Existing Home Business Profitability

Existing Home Revenue (RMB bn)



Existing Home Contribution Margin



New Home: Sustained Target Market & Robust Risk Management

27.2%

New home contribution margin another **record high** since IPO

47%

SOE developers accounted for 47% of new home revenues in Q2

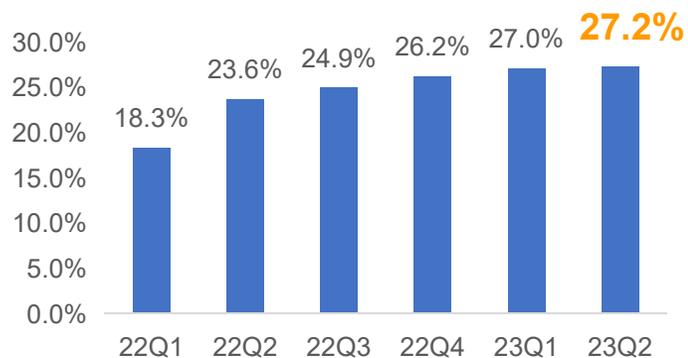
53%

“Commission in Advance” from developers maintained at high level of 53%

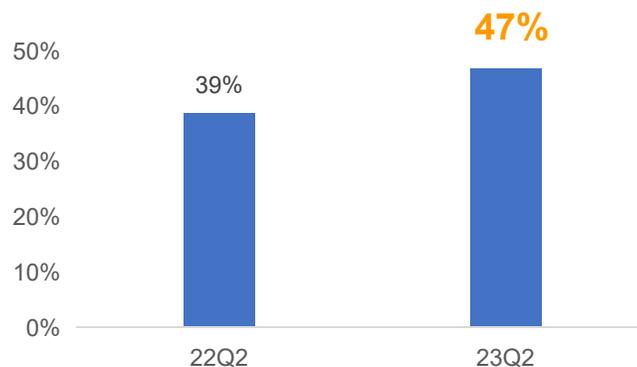
52 days

Q2 new home DSO **lowest on record**

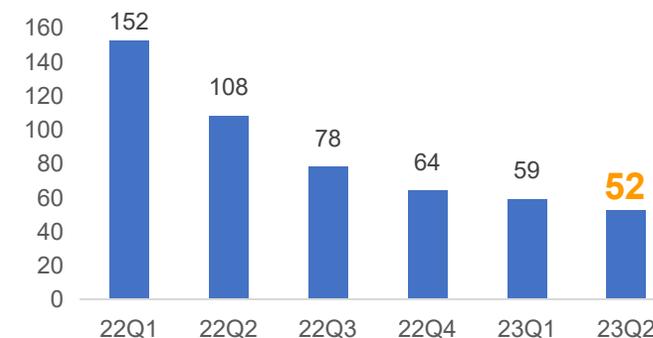
New Home Contribution Margin



% of Revenues from SOE Developers to Total Commission Revenues



DSO (days)



Home Renovation and Furnishing: Rapid Ramp-up

6 bn

RMB6 bn contracted sales in H1; **RMB3.4 bn** in Q2
+106% YoY on proforma basis, +28% QoQ

4 bn

RMB4 bn revenue in H1; **RMB2.6 bn** in Q2
+91% YoY on proforma basis, +86% QoQ

Leading Examples

Beijing

- Q2 RMB 600 mn GTV; RMB 500 mn revenue; RMB50 mn operating profit.
- **Full-year GTV to top RMB2 bn.**

Hangzhou

- Q2 RMB500 mn GTV.
- **Full-year GTV to top RMB1.8 bn.**

Shanghai

- **Full-year GTV to top RMB1 bn,** revenue over RMB700 mn.

3rd batch

More Cities Follow-up

- Wuhan, Chengdu, Nanjing, Suzhou, Ningbo to catch up as the next batch.



Beike Rental: Scale & Efficiency Improvement

120,000

Unites under decentralized model
“Carefree Rent”

94.5%

Carefree Rent occupancy rate up to
94.5%

Apartments

Long-term rental apartment
“Hey.Young” opened in Chengdu, total
of 605 units





02

FINANCIAL HIGHLIGHTS

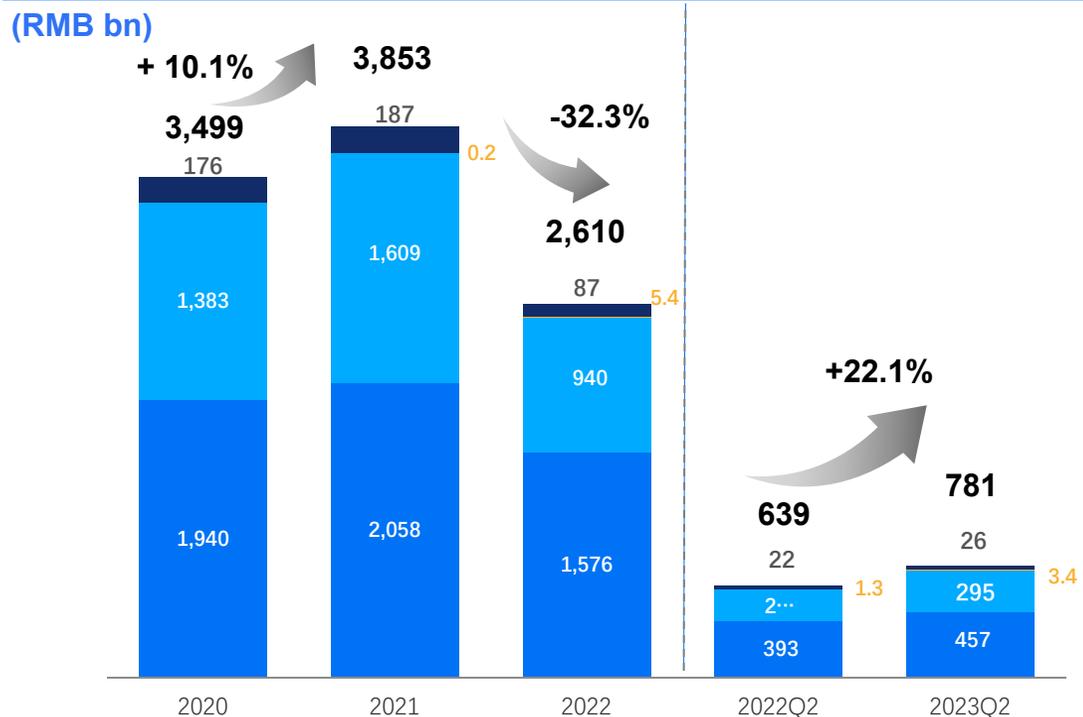
Financial Highlights



Massive Scale with Diversified Business Structure

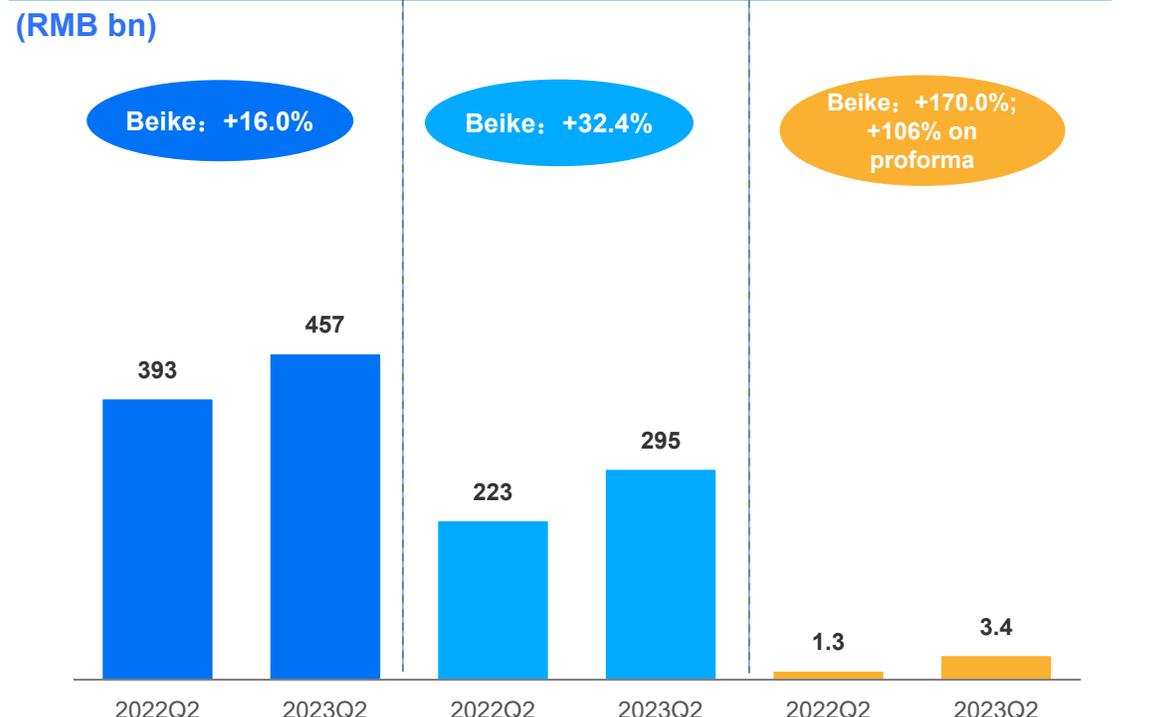


GTV¹



■ Existing Home Transaction Services
 ■ New Home Transaction Services
■ Home Renovation and Furnishing
 ■ Emerging and Other Services

GTV of Existing Home, New Home, Home Renovation and Furnishing



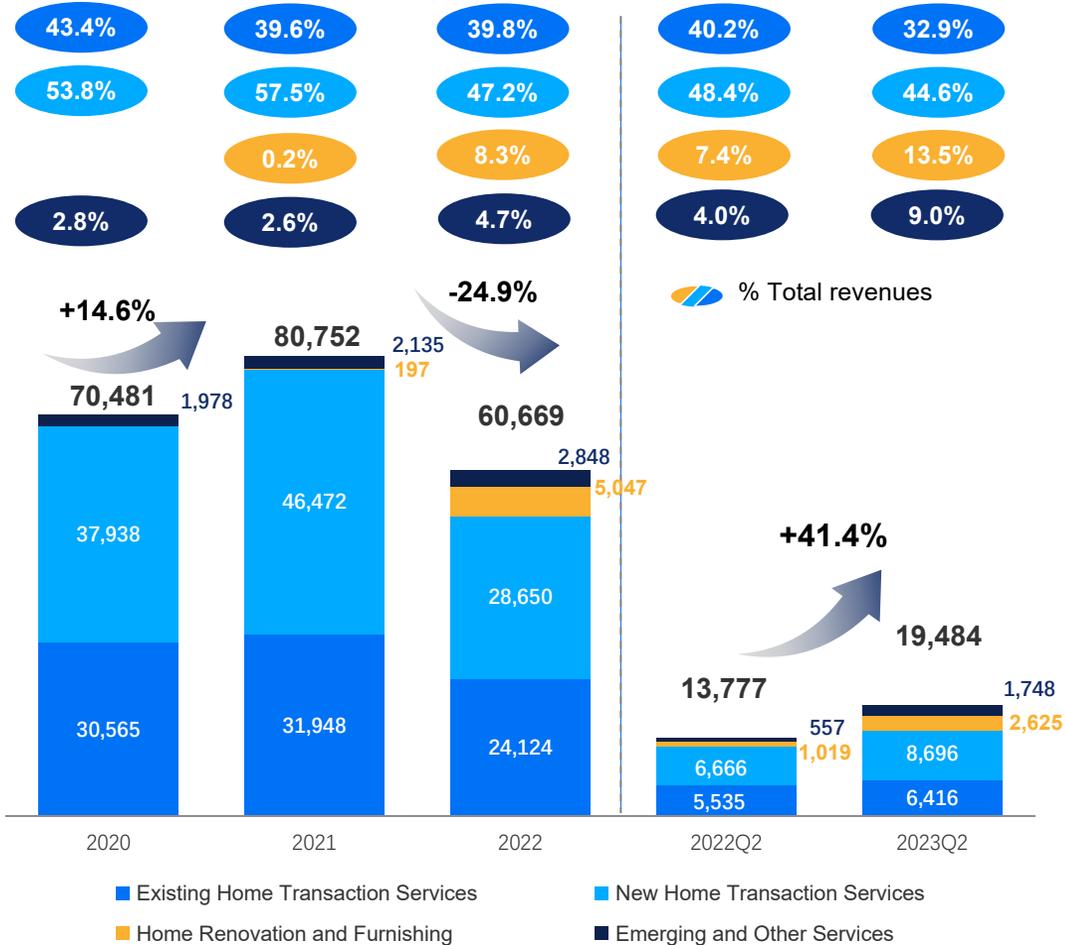
■ Existing Home Transactions
 ■ New Home Transactions
 ■ Home Renovation and Furnishing
● YoY growth of GTV of existing home transactions
 ● YoY growth of GTV of new home transactions
 ● YoY growth of GTV of home renovation and furnishing

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, home renovation and furnishing and emerging and other services, regardless of whether the transactions are actually closed.

Multiple Monetization Avenues with Healthy Contribution Margin

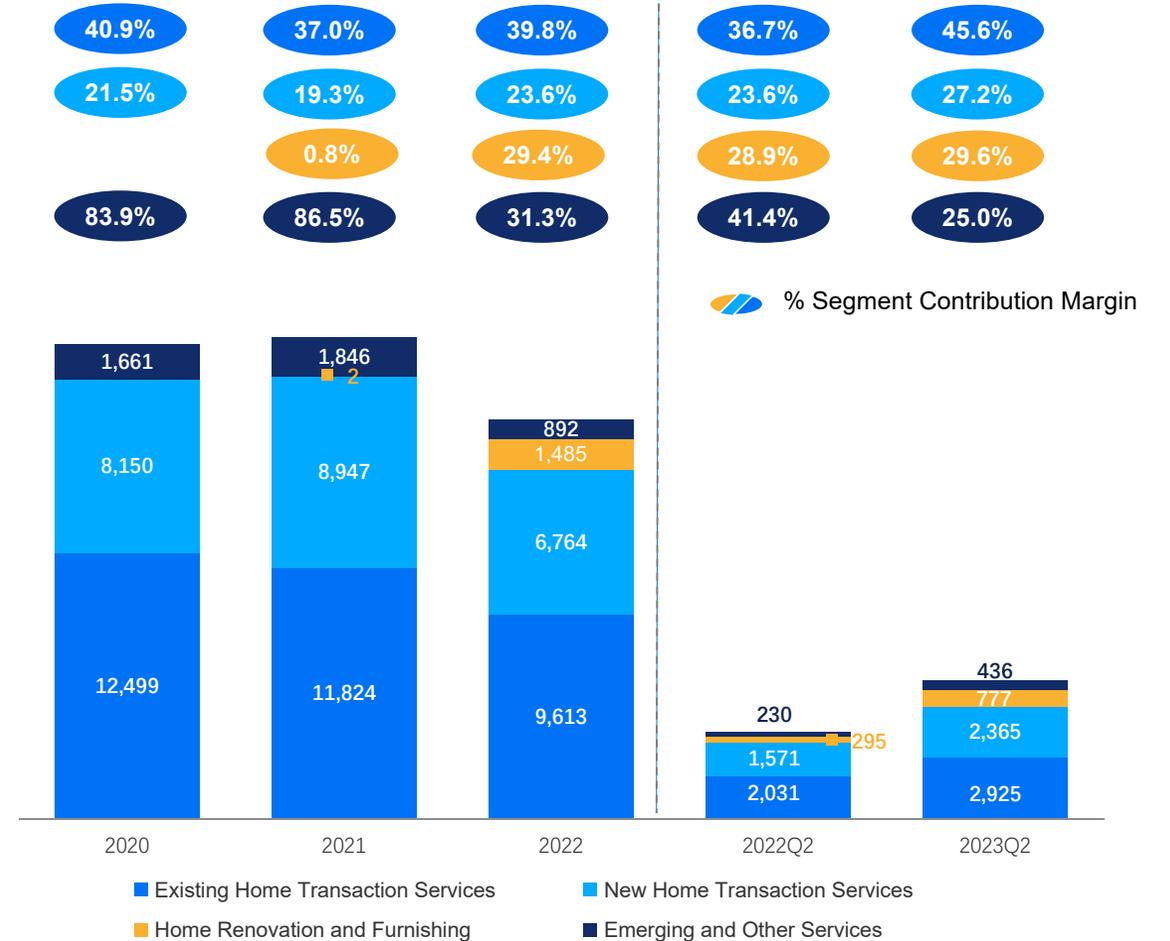
Revenue Breakdown¹

(RMB mn)



Segment Contribution Analysis¹

(RMB mn)



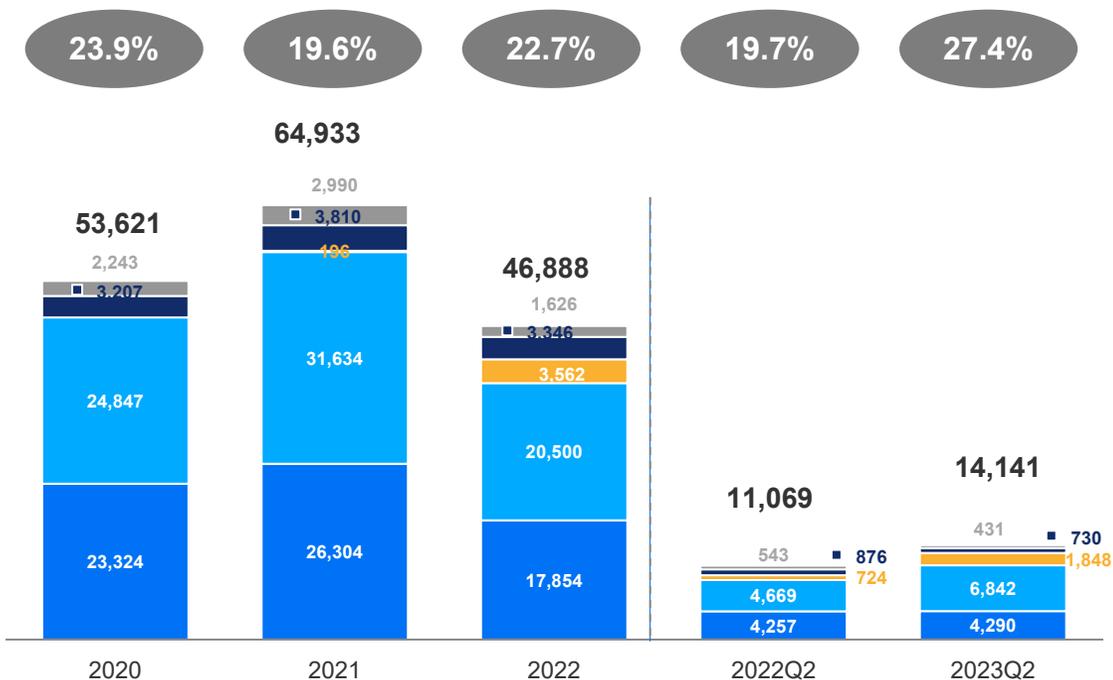
¹ Company updated segment reporting from Q2, 2022 as a result of the acquisition of Shengdu which was closed in late April. Company consequently updated its business structure, resulting in four lines of businesses, which were existing home transaction services, new home transaction services, home renovation and furnishing, and emerging and other services, and updated financial measures accordingly.

Sustained Improvement in Cost and Expense Structure



Cost of Revenue

(RMB mn)

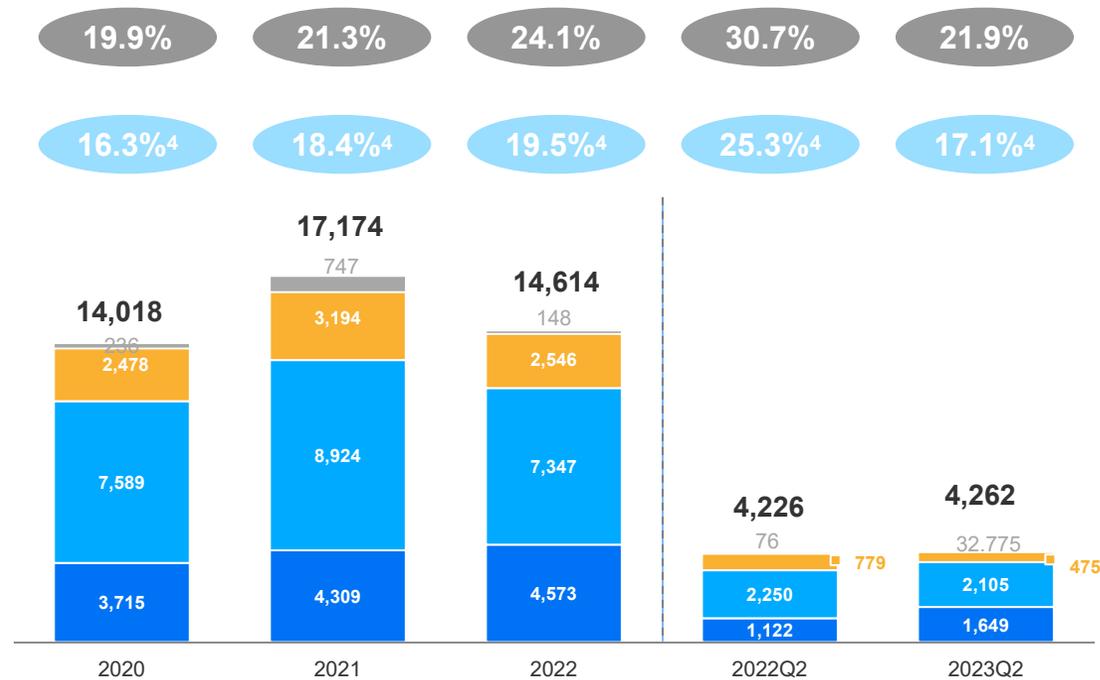


- Commission and Compensation — Internal¹
- Commission — Split²
- Home Renovation and Furnishing
- Cost Related to Stores³
- Others

● % Gross Margin

Operating Expenses

(RMB mn)



- Sales and Marketing Expenses
- Research and Development Expenses
- General and Administrative Expenses
- Impairment of Goodwill and Intangible Assets

● % of Total Revenues

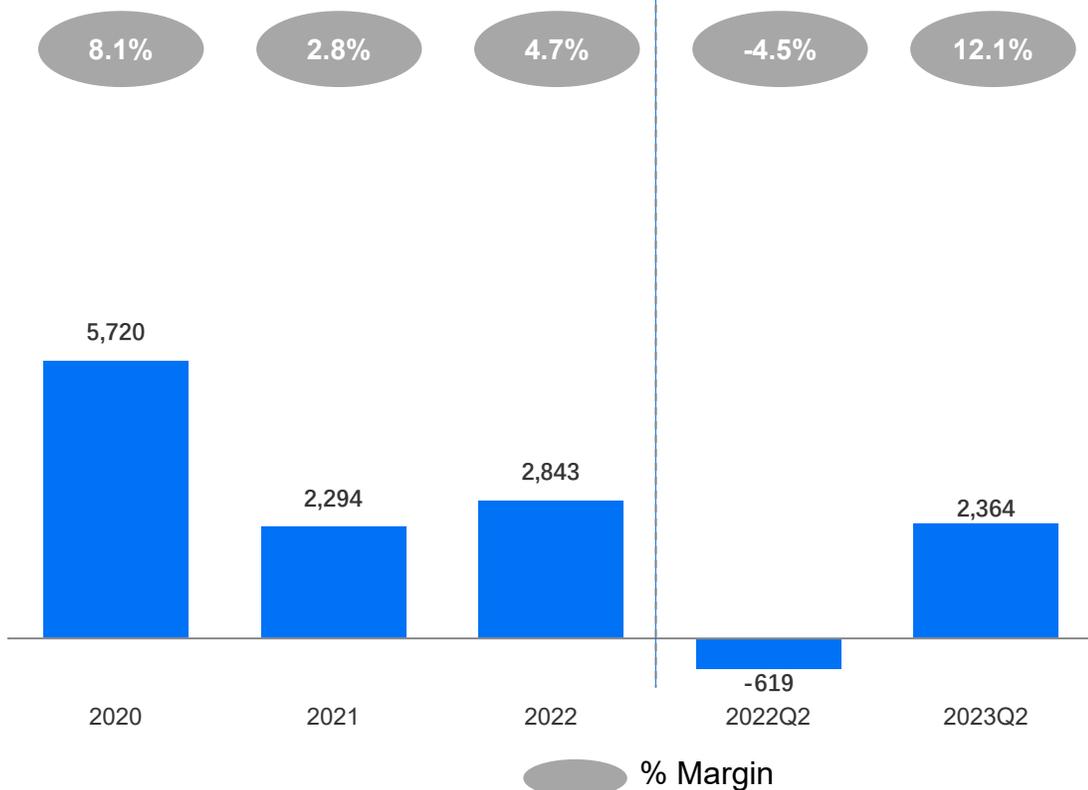
● % of Total Revenue after Adjustments

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 agreements; (iii) impairment of goodwill and intangible assets.

Outperformed Profitability

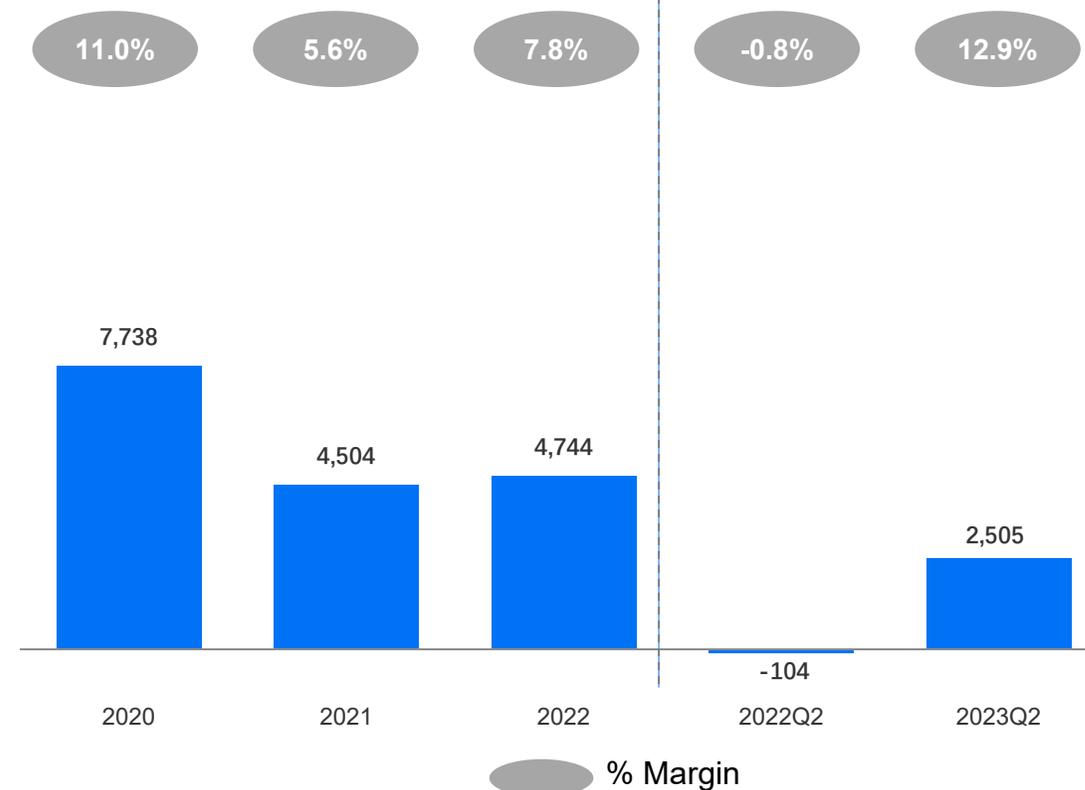
Adjusted Net Income¹

(RMB mn)



Adjusted EBITDA²

(RMB mn)



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 mn)

	As of December 31,		As of June 30,
	2021	2022	2023
Cash and Cash Equivalents	20,446	19,413	31,750
Restricted Cash	6,286	6,181	6,062
Short term Investment	29,403	35,486	22,952
Total Liquidity	56,135	61,080	60,764
Total Current Asset	69,926	70,425	70,173
Total Asset	100,319	109,347	117,415
Total Current Liabilities	28,936	33,341	36,857
Total Liabilities	33,263	40,293	44,629
Total Liabilities and Shareholder Equity	100,319	109,347	117,415



03

APPENDIX

GAAP to Adjusted / Non-GAAP Measures Reconciliation



(RMB mm)	For the Three Months Ended Jun. 30,			For the Six Months Ended Jun. 30,		
	2022	2023	% YoY	2022	2023	% YoY
Net income (Loss)	(1,866)	1,300	n/a	(2,485)	4,049	n/a
Add:						
Share-based compensation expenses	605	881	46%	957	1,583	65%
Amortization of intangible assets resulting from acquisitions and Business Cooperation Agreement	146	153	4%	262	303	15%
Changes in Fair value from long term investments, loan receivable measured at fair value and contingent consideration	201	(3)	n/a	352	(39)	n/a
Impairment of goodwill and intangible assets	76	33	(57%)	76	33	(57%)
Impairment of investments	223	7	(97%)	251	9	(96%)
Adjusted for tax effects on non-GAAP adjustments	(5.7)	(6.6)	n/a	(5.8)	(13.1)	n/a
Adjusted net profit	(619)	2,364	n/a	(592)	5,925	n/a

(RMB mm)	For the Three Months Ended Jun. 30,			For the Six Months Ended Jun. 30,		
	2022	2023	% YoY	2022	2023	% YoY
Net income (Loss)	(1,866)	1,300	n/a	(2,485)	4,049	n/a
Add:						
Income tax expenses	431	273	(37%)	619	1,402	126%
Share-based compensation expenses	605	881	46%	957	1,583	65%
Amortization of intangible assets	151	157	4%	272	310	14%
Depreciation of property and equipment	234	195	(17%)	468	385	(18%)
Interest income, net	(160)	(339)	n/a	(273)	(602)	n/a
Changes in Fair value from long term investments, loan receivable measured at fair value and contingent consideration	201	(3)	n/a	352	(39)	n/a
Impairment of goodwill and intangible assets	76	33	(57%)	76	33	(57%)
Impairment of investments	223	7	(97%)	251	9	(96%)
Adjusted EBITDA	(104)	2,505	n/a	237	7,130	2909%



THANK YOU
