



NYSE: BEKE

HKEX: 2423

Investor Presentation

April 2024



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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 3.14 Trillion
(US\$442.7 Billion)
Total GTV in 2023



43.2 Million
Monthly Active Mobile
Users ⁽²⁾



277 Million
Homes in
Housing Dictionary ⁽¹⁾



43,817
Stores ⁽¹⁾



42,021
Active Stores ⁽³⁾



427,656
Agents ⁽¹⁾



397,135
Active Agents ⁽³⁾

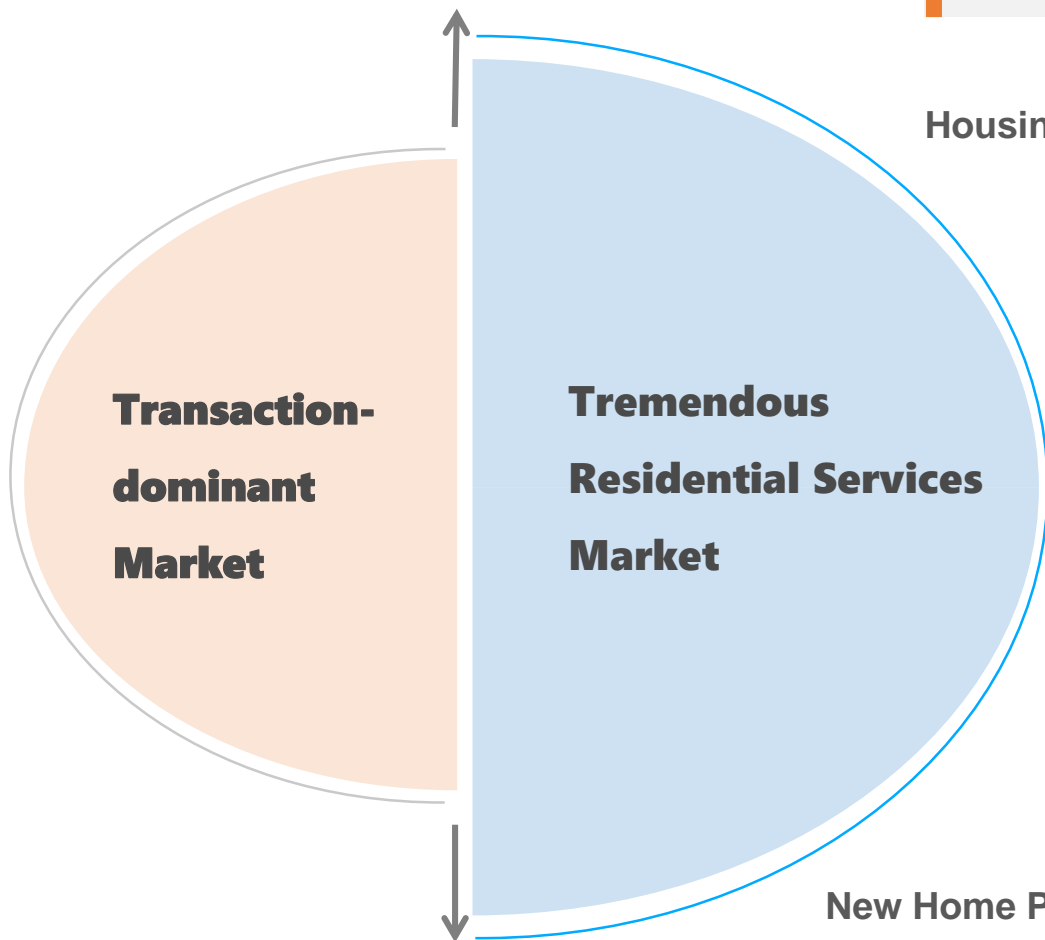
Source: Company Data;

(1) As of December 31, 2023. (2) Average monthly active mobile users in the three months ending December 31, 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.



One-stop Platform of Residential Services for "Better Living"

"One Body, Three Wings" to Unlock Massive Potential



Housing Transaction Services



Home Renovation and Furnishing



Rental Property Management Services



New Home Products Empowerment for an All-new Residential Experience

Beike Uniquely Positioned

✓ Powerful Infrastructure ACN

✓ SaaS

✓ Industry Insights & AI

✓ Community-Centric Network

Execution of Growth Strategy with Upbeat Performance in 2023

“One Body, Three Wings” Pushes for Solid Growth

- Total 2023 revenues RMB77.8 bn, +28.2% YoY :
 - Housing transaction business **outperformed** market.
 - New initiatives become **new growth engine**, representing **24.7%** of total revenues:
 - Home renovation and furnishing revenue **+74% YoY** on pro-forma basis.

- Record-high profitability:
 - **Annual contribution margin**:
 - Existing home **47.2%**;
 - New home **26.6%**.
 - Gross margin **27.9%**, vs 22.7% in 2022.
 - **GAAP net income RMB5,890 mn.**
 - **Non-GAAP net income RMB9,798 mn, +245% YoY.**
 - **Non-GAAP net margin 12.6%**, vs 4.7% in 2022.

- Robust cash flow & balance sheet:
 - **Net operating cash inflow RMB11.2 bn, 1.14 times** of adj. net income.
 - Q4 DSO **43 days** at its shortest.
 - **Total cash liquidity** excl. customer deposits payable **RMB79.1 bn.**

Strong Commitment on Shareholder Returns

- Total shareholder returns US\$1.32 bn, 159% of 2023 net income.
- Share repurchase:
 - 2023 buybacks worth **US\$719 mn**; reducing by **3.70%** of total shares.
- Cash dividend:
 - **US\$200 mn special cash dividend.**
 - **US\$400 mn 2023 final cash dividend.**

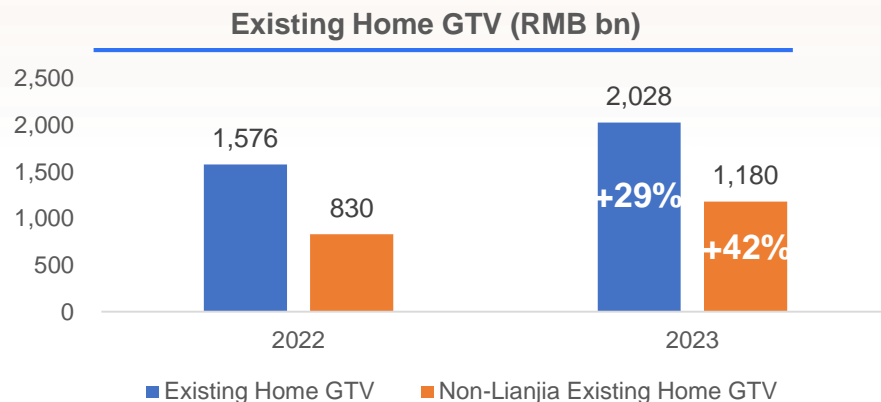


Growth & Efficiency Enhancement for Existing Home Business



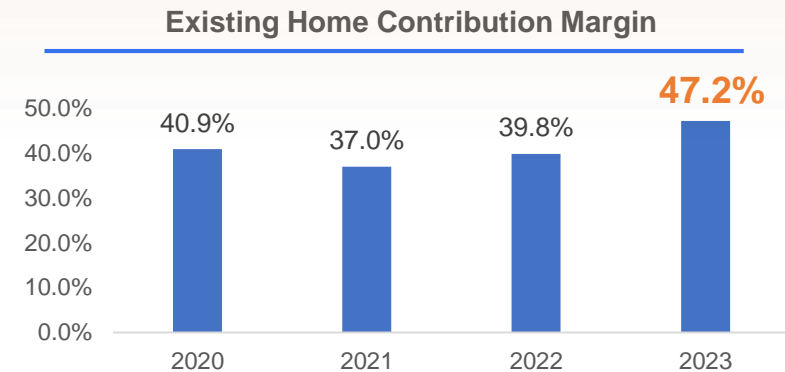
Improvements in Scale, Efficiency, Profitability

- China's real estate market shifts toward existing homes, with its GTV accounting for nearly 40% of the total nationwide.
- **Beike 2023 existing home GTV +28.6% YoY:**
 - **Non-Lianjia GTV +42.2% YoY** amid policy support in tier-2 cities, which are in the shift of demand into existing home market.
- Avg. GTV per store **+29% YoY**; avg. GTV per agent **+25% YoY**.
- Cost management & efficiency enhancement yielded benefits, **annual margin at record high**.



Clear Roadmap for Deeper Market Penetration

- **Broader network connections:**
 - **42,021** active stores, **+12.2% YoY**
 - **397,135** active agents, **+13.6% YoY**
- **Market penetration rates** in core cities improved substantially.
- Refined operations in the evolving market dynamics:
 - Focus on **top home listings** and ramp up services to homeowners to heighten sell-through;
 - Deepen insights into customers and **utilize AI tools to accurately recommend listings**.



New Home: Trend-bucking Topline & Robust Risk Management



6.7%

Market trend-bucking new home GTV growth backed by more coverage of high-quality projects. **Monetization rate stable** against higher proportion of SOE developers.

26.6%

New home contribution margin at record high on more streamlined cost structure

43 days

Q4 new home DSO at 43 days, first time under 50 days

53%

“Commission in Advance” from developers contributed 53% of the total revenue in Q4, remaining at high level

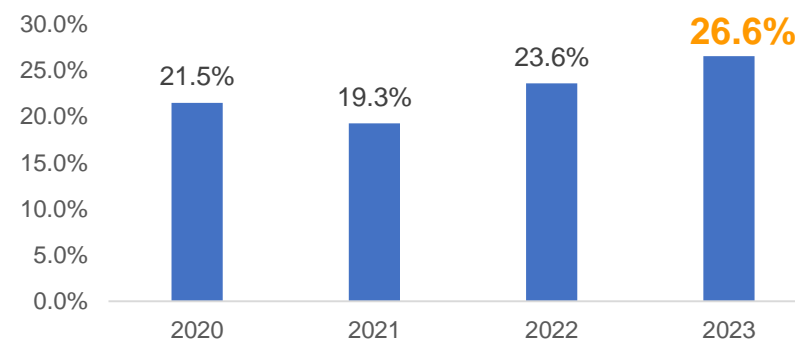
53%

SOE developers accounted for 53% of new home revenues in Q4, vs. 46% in Q3

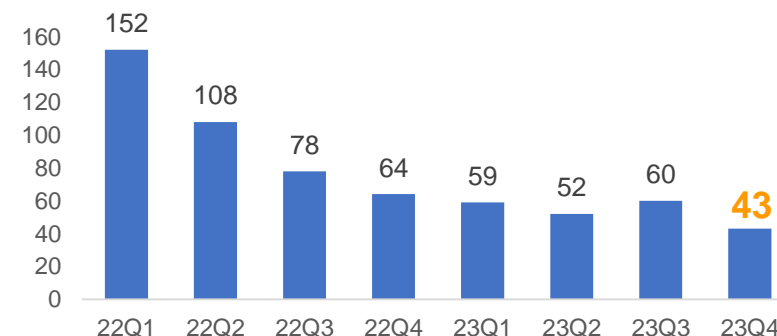
New Partnership with Developers

Offer efficient sales services to developers based on our customer insights and data accumulation. **New home projects coverage rate¹ rose to 51%** in Q4, vs. 41% in Q1 2023 in cities we operate.

New Home Contribution Margin



DSO (days)



¹ The rate refers to the percentage of our new home project coverage by our brokerage services in cities where we operated.

Home Renovation and Furnishing a Bigger Contributor



Remarkable GTV & Revenue Growth

- **2023 contracted sales RMB13.3 bn, +93.1% YoY** on pro-forma basis.
 - **43% of GTV contributed by customer referrals** from real estate agents, 9.9 ppts increase from 2022.
 - **Furniture and home furnishing sales RMB3.6 bn**, with a proportion of **27%**, 5.8 ppts increase from 2022.
- **2023 revenues RMB10.9 bn, +74.3% YoY** on pro-forma basis.

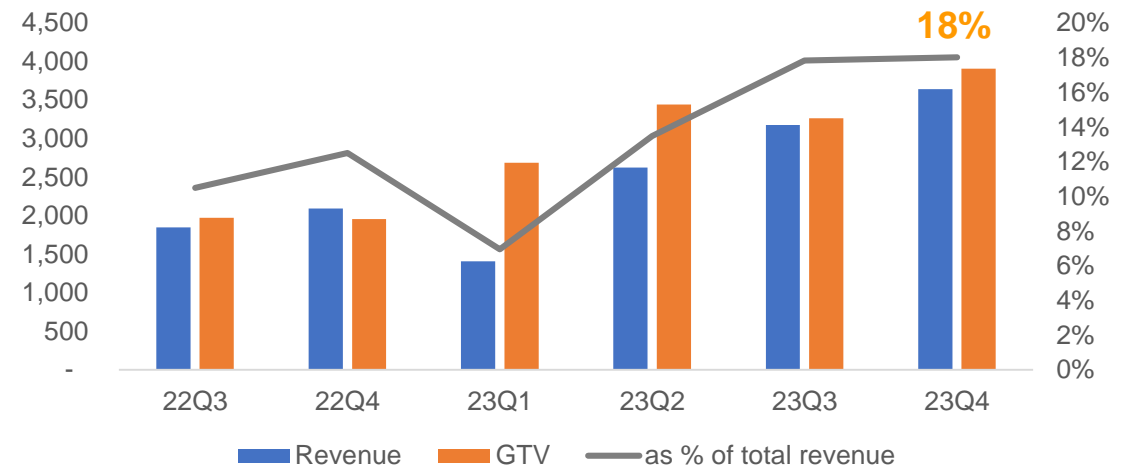
City-level GTV & Profit Virtuous Cycle

- **Beijing and Hangzhou** annual contract sales over RMB2 bn, **Shanghai** over RMB1 bn.
- **6 cities** had contract sales over RMB500 mn in 2023.
- **11 cities** reported operating profits in 2023, with **4 cities** achieving operating profits of over RMB10 mn.

Deeper Understanding into Industry

- **Customer acquisition** - Brokerage agents become “residential” experts.
- **Better conversion rates** - Iterated product packages with richer and more targeted SKU to better cover core customer base.
- **Stronger delivery capability** - Restructured and digitalized construction process. Average construction timeline dropped to **111 days** in 2023.

Home Renovation and Furnishing Revenue & GTV (RMB mn)





Beike Rental: Trusted Rental Manager & A Worry-free Stay

210,000+

200,000+ units under “**Carefree Rent**” by end-2023, our decentralized rental property management services. Centralized apartment services managed 10,000+ units

95.1%

Carefree Rent **occupancy rate** at 95.1% by end-2023, up by 6 ppts from end-2022.

Iterate business model to reduce risks

- Upgrade **Carefree Rent business model**, greatly reducing seasonal fluctuations and risks with a re-lease failure, and rental prices downturn.

Hassle-free landlording

- **Efficient rent-out and ensure stable income for homeowners.**
- **Take the hassle out of landlording.** We offer full-time services on rental signup, rent collection, maintenance etc., offloading a variety of tasks taken by home owners.

A worry-free stay for tenants

- **Enhanced service quality** around the major pain points for tenants. Ensure proper personnel staffing with **24-H response**.
- Deliver **standardized rental services** to ensure safe and comfortable living experience.



02

FINANCIAL HIGHLIGHTS

Financial Highlights

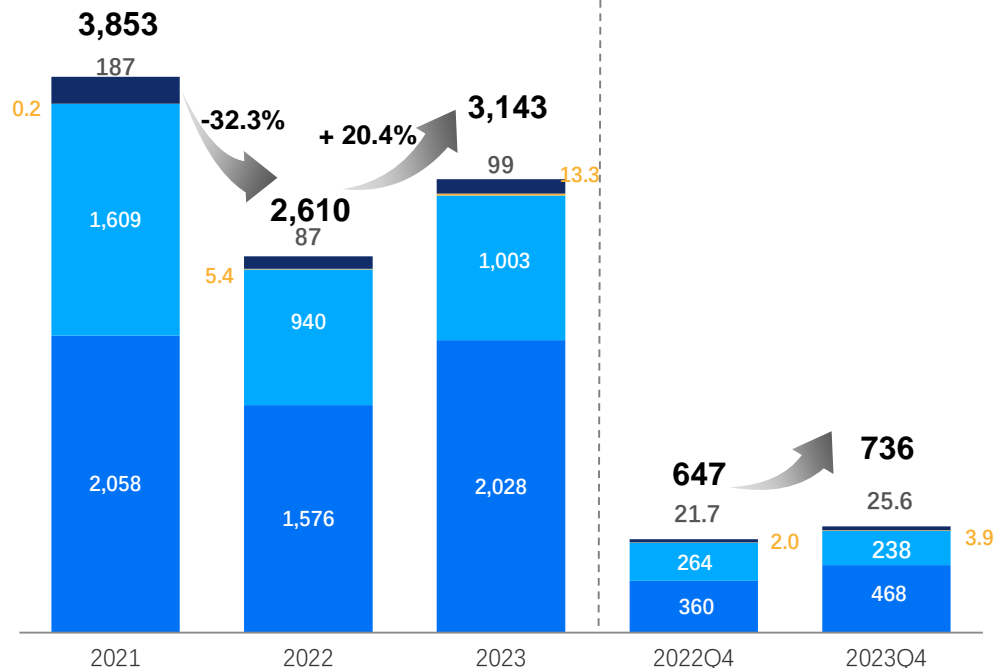


Massive Scale with Diversified Business Structure



GTV¹

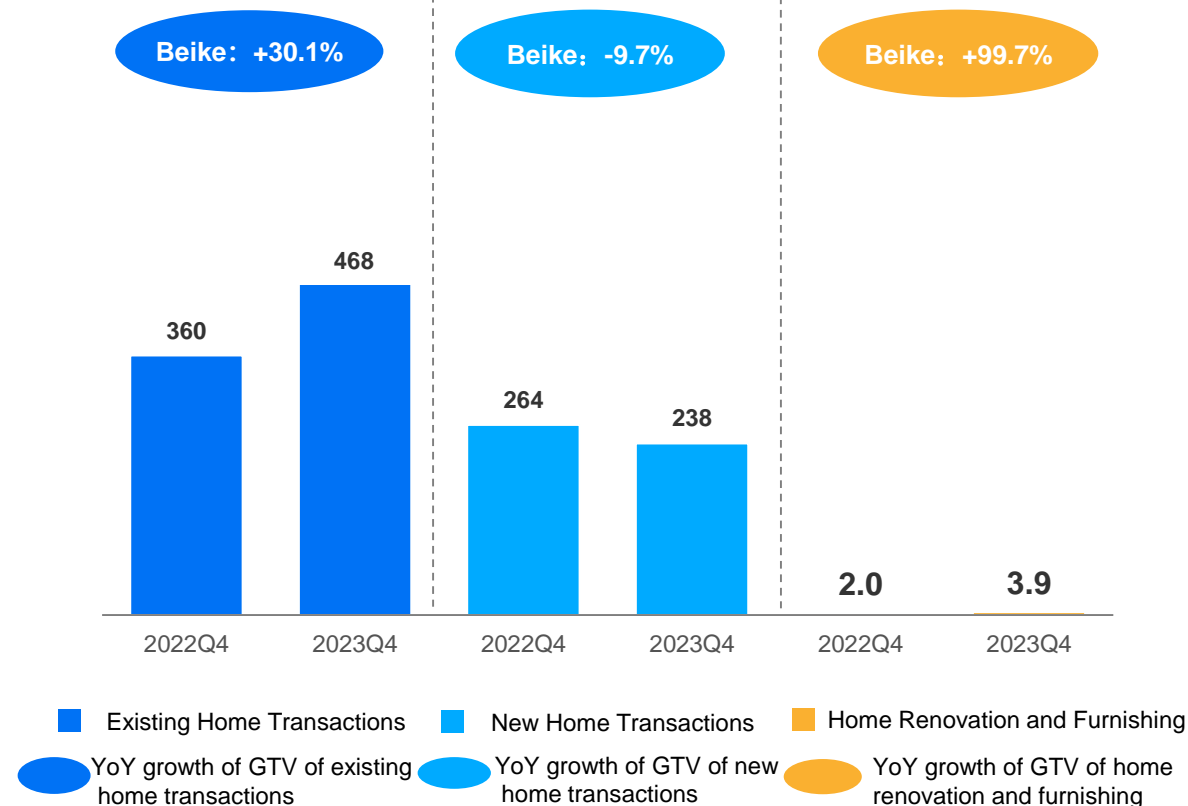
(RMB bn)



- 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

(RMB bn)



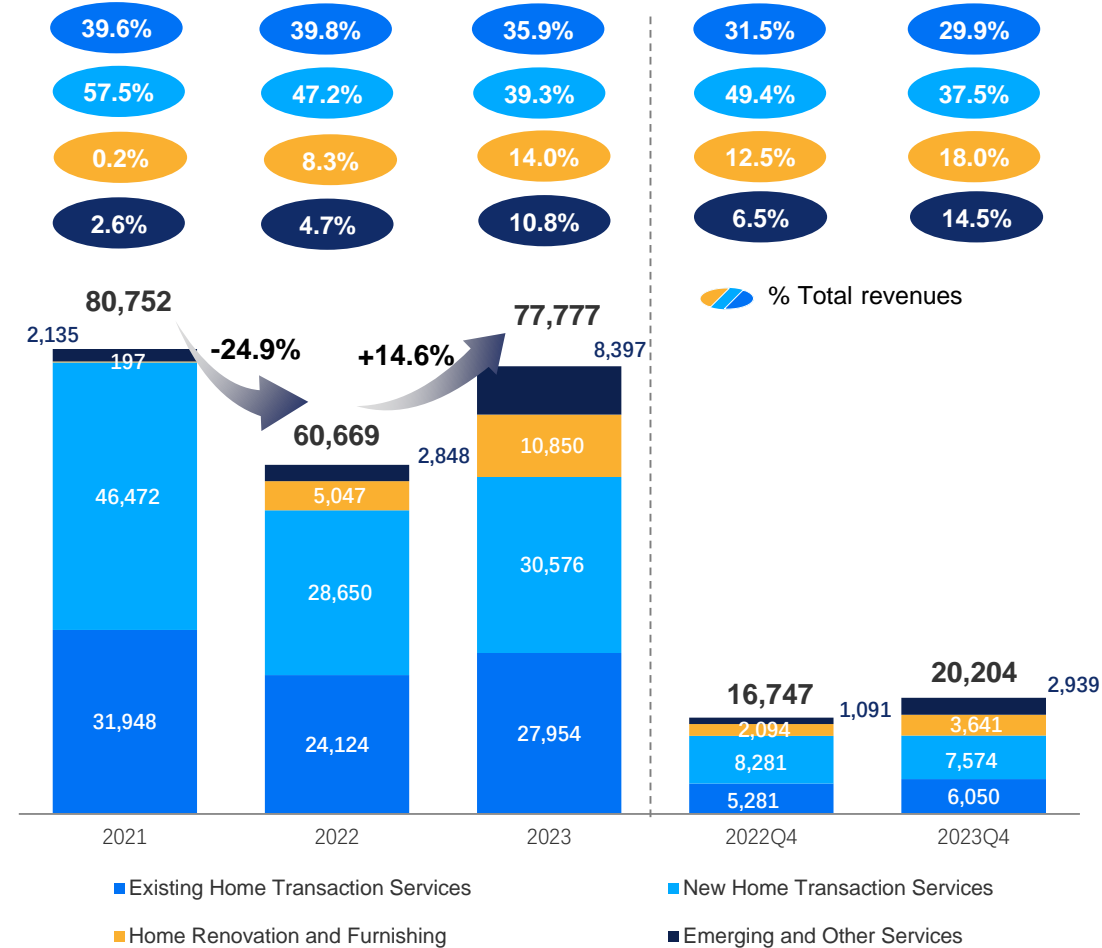
- Existing Home Transactions
- New Home Transactions
- Home Renovation and Furnishing
- YoY growth of GTV of existing home transactions
- YoY growth of GTV of new home transactions
- YoY growth of GTV of home renovation and furnishing

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

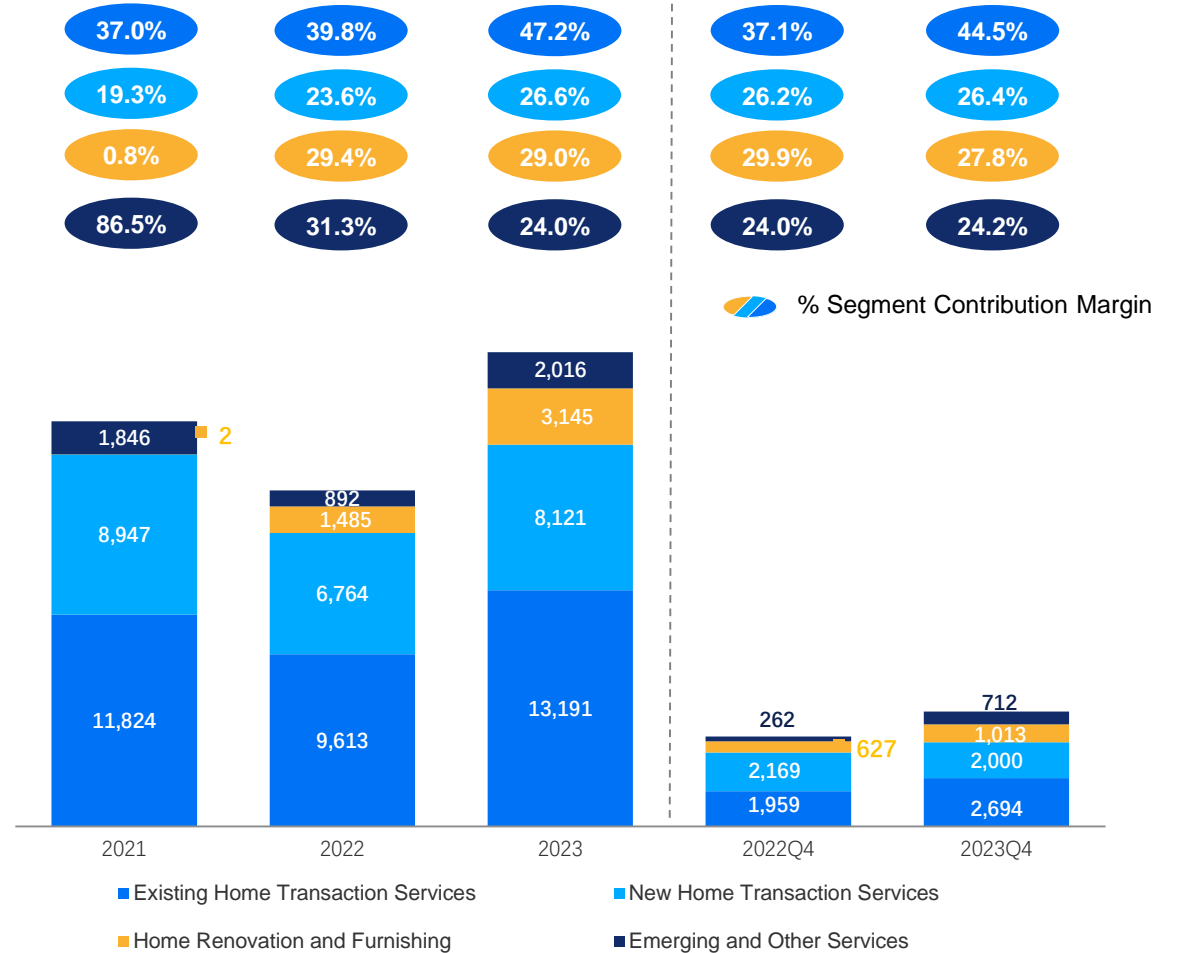
Revenue Breakdown¹

(RMB mn)



Segment Contribution Analysis¹

(RMB mn)



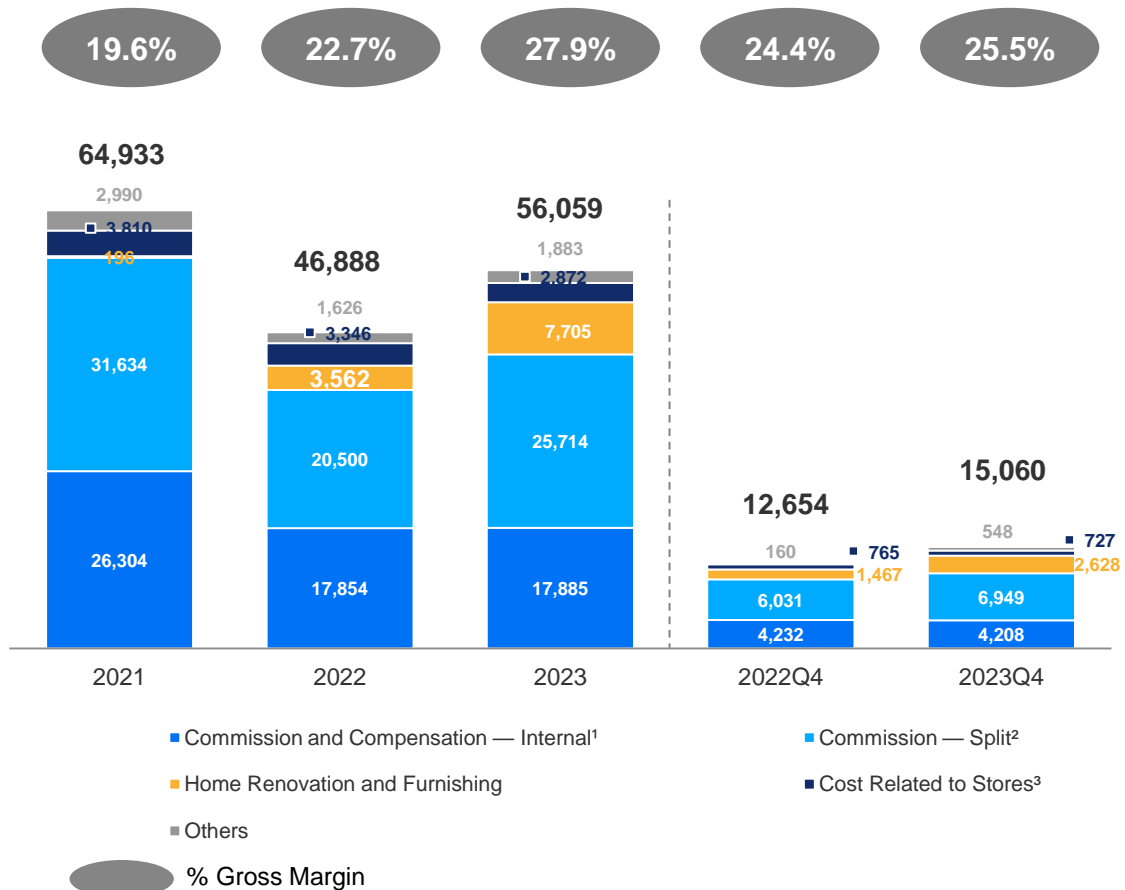
¹ Company updated segment reporting from Q2, 2022 as a result of the acquisition of Shengdu which was closed in late April. Company consequently updated its business structure, resulting in four lines of businesses, which were existing home transaction services, new home transaction services, home renovation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

Sustained Improvement in Cost and Expense Structure



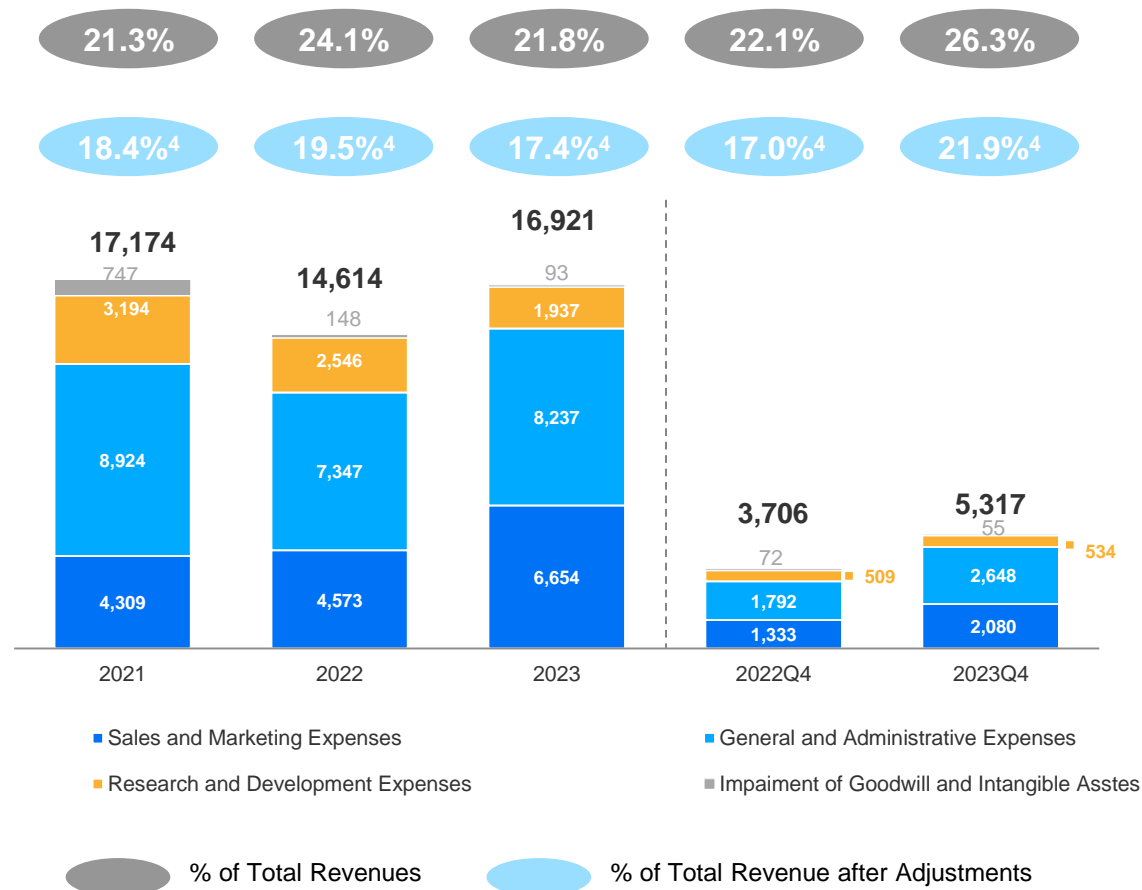
Cost of Revenue

(RMB mn)



Operating Expenses

(RMB mn)

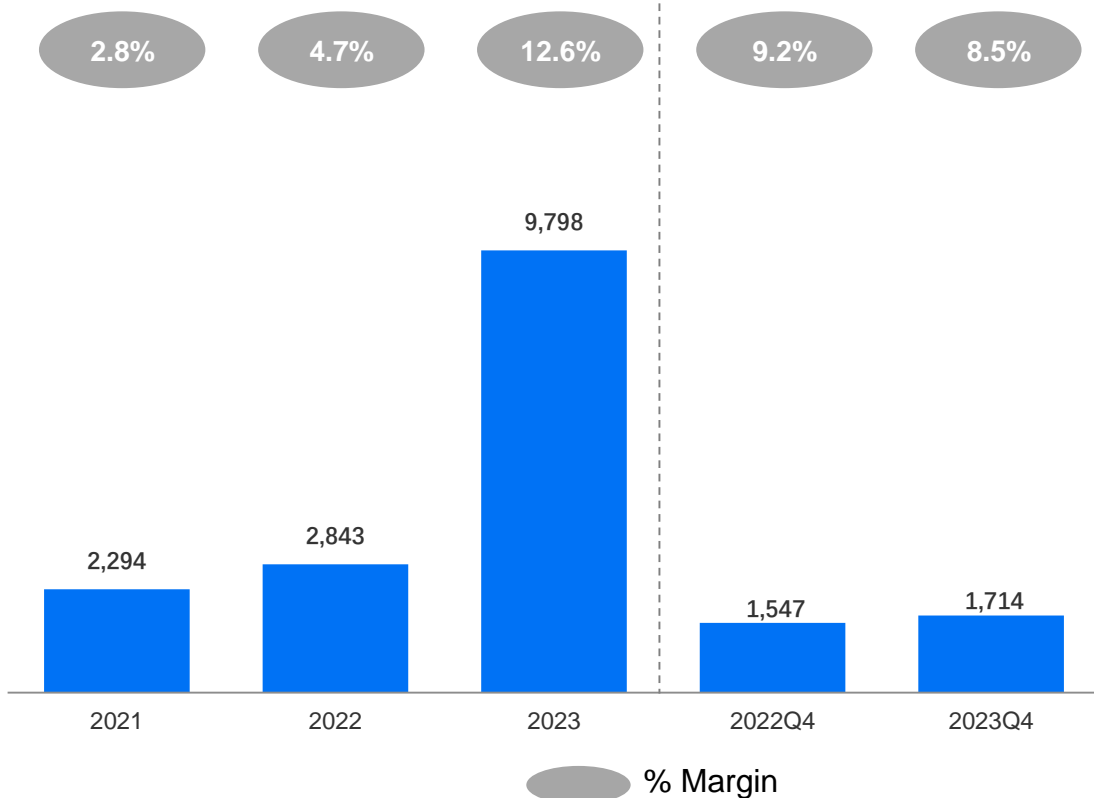


¹ Defined as the compensation paid to the internal agents and other sales professionals, including fixed salaries and variable commissions based on the transactions they assist in closing. ² Defined as the commissions paid to connected agents and other sales channels for their services to assist in completing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

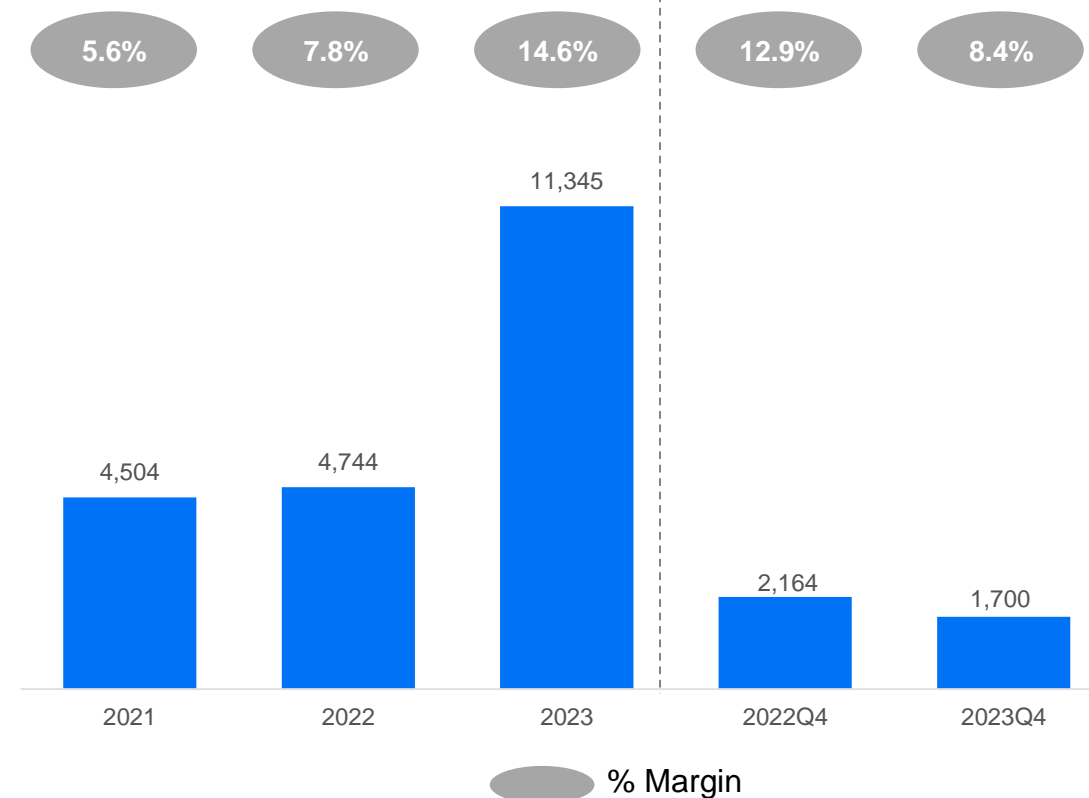
Adjusted Net Income¹

(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 December 31,	As of December 31,
	2021	2022	2023
Cash and Cash Equivalents	20,446	19,413	19,635
Restricted Cash	6,286	6,181	6,223
Short term Investment	29,403	35,486	34,258
Total Liquidity	56,135	61,080	60,115
Total Current Asset	69,926	70,425	69,754
Total Asset	100,319	109,347	120,332
Total Current Liabilities	28,936	33,341	39,524
Total Liabilities	33,263	40,293	48,131
Total Liabilities and Shareholder Equity	100,319	109,347	120,332



03

APPENDIX

GAAP to Adjusted / Non-GAAP Measures Reconciliation



(RMB mm)	For the Three Months Ended Dec. 31,			For the Year Ended Dec. 31,		
	2022	2023	% YoY	2022	2023	% YoY
Net income (Loss)	372	670	80%	(1,397)	5,890	n/a
Add:						
Share-based compensation expenses	725	818	13%	2,425	3,216	33%
Amortization of intangible assets resulting from acquisitions and Business Cooperation Agreement	155	155	0%	567	613	8%
Changes in Fair value from long term investments, loan receivable measured at fair value and contingent consideration	130	1	(100%)	527	(26)	n/a
Impairment of goodwill and intangible assets	72	55	(23%)	148	93	(37%)
Impairment of investments	100	21	(79%)	592	39	(93%)
Adjusted for tax effects on non-GAAP adjustments	-7	-7	n/a	(19)	(26)	n/a
Adjusted net profit	1,547	1,714	11%	2,843	9,798	245%

(RMB mm)	For the Three Months Ended Dec. 31,			For the Year Ended Dec. 31,		
	2022	2023	% YoY	2022	2023	% YoY
Net income (Loss)	372	670	80%	(1,397)	5,890	n/a
Add:						
Income tax expenses	631	92	(85%)	1,690	1,994	18%
Share-based compensation expenses	725	818	13%	2,425	3,216	33%
Amortization of intangible assets	159	158	0%	584	627	7%
Depreciation of property and equipment	231	196	(15%)	918	775	(16%)
Interest income, net	(255)	(312)	n/a	(743)	(1,263)	n/a
Changes in Fair value from long term investments, loan receivable measured at fair value and contingent consideration	130	1	(100%)	527	(26)	n/a
Impairment of goodwill and intangible assets	72	55	(23%)	148	93	(37%)
Impairment of investments	100	21	(79%)	592	39	(93%)
Adjusted EBITDA	2,164	1,700	(21%)	4,744	11,345	139%



THANK YOU
