

vanke

CHINA VANKE CO., LTD.*

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock code: 2202)



2021

ANNUAL REPORT

*For identification purpose only

Important Notice:

1. The Board, the Supervisory Committee and the Directors, members of the Supervisory Committee and senior management of the Company warrant that in respect of the information contained in 2021 Annual Report (the “**Report**”, or “**Annual Report**”), there are no misrepresentations, misleading statements or material omission, and individually and collectively accept full responsibility for the authenticity, accuracy and completeness of the information contained in the Report.
2. The Report has been approved by the fifteenth meeting of the nineteenth session of the Board (the “**Meeting**”) convened on 30 March 2022. All Directors attended the Meeting in person.
3. The Company’s proposal on dividend distribution for the year of 2021: Based on the total share capital on the equity registration date when dividends are paid, the total amount of cash dividends proposed for distribution for 2021 will be RMB11,276,621,873.75 (inclusive of tax), accounting for 50.06% of the net profit attributable to equity shareholders of the Company for 2021, without any bonus shares or transfer of equity reserve to the share capital. Based on the Company’s total number of 11,625,383,375 shares at the end of 2021, a cash dividend of RMB9.70 (inclusive of tax) will be distributed for each 10 shares. If any circumstances, such as issuance of new shares, share repurchase or conversion of any convertible bonds into share capital before the record date for dividend distribution, results in the changes in our total number of shares on record date for dividend distribution, dividend per share shall be adjusted accordingly on the premise that the total dividends amount remains unchanged. The abovementioned proposed dividend will be paid to shareholders of the Company on or around 31 August 2022 after such dividend proposal being considered and approved at the annual general meeting of 2021 of the Company.
4. The financial report of the Report has been audited by KPMG, which has issued an auditor’s report with unqualified audit opinion.
5. Mr. YU Liang, Chairman of the Board and Ms. HAN Huihua, Executive Vice President and Finance Principal declare that the financial report contained in the Report is warranted to be true, accurate and complete.
6. The Report contains forward-looking statements in relation to matters such as future plans and development strategies, which do not constitute any specific undertakings to investors by the Group. Investors are advised to be aware of the risks involved, understand the differences between plans, forecasts and undertakings, and pay attention to investment risks.
7. The Report details principal risks faced by the Company and countermeasures thereof. Investors are advised to refer to “Section 5 Corporate Governance Report”.
8. Unless otherwise specified, the currency referred to in the Report is Renminbi.

The Report has been prepared in Chinese and English respectively. In case of discrepancy, the Chinese version shall prevail, except for the financial report prepared in accordance with International Financial Reporting Standards, of which the English version shall prevail.

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Term	Meaning
The Company	China Vanke Co., Ltd.
Vanke, the Group	China Vanke Co., Ltd. and its subsidiaries
The Board	The board of directors of the Company
Supervisory Committee	The Supervisory Committee of the Company
Onewo	Onewo Space-tech Service Co., Ltd., an omni-space service provider. It mainly comprises of: Vanke Service, a community space service provider; Cushman & Wakefield Vanke Service, a commercial space service provider; CITY UP, an urban space service provider; and Vanrui Technology, which provides AIoT (Artificial Intelligence Internet of Things) and BPaaS (Business Process as a Service) solutions services
SCPG	SCPG Holdings Co., Limited, incorporated in the Cayman Islands, a commercial property development and operation capability platform under the Group
VX Logistic Properties	Vanke Logistics Development Co., Ltd., a logistics and warehousing service and supply chain solutions platform of the Group
Port Apartment	Zhuhai Port Apartment Management Company Limited, a long-term rental apartment brand under the Group, is committed to providing residential solutions for urban youths
Vanyu SecurePro	Shenzhen Vanyu SecurePro Co., Ltd., engage in security service and electromechanical business of the four basic types of property services as its principal businesses
BG	the abbreviation to Business Group, which refers to business group, including Southern Regional BG, Shanghai Regional BG, Beijing Regional BG, Southwestern Regional BG, Northwestern Region BG, Central Regional BG, Northeastern Regional BG and Property Service BG (Onewo)
BU	the abbreviation to Business Unit, which refers to business unit, including SCPG BU, Logistics BU, Long-term Rental Apartment BU, Overseas BU, Hotel and Vacation BU, Meisha Education BU and Food BU
“5+2” prefabricated Construction System	five (5) major construction methods: ①systematic template, ②full concrete exterior wall, ③prefabricated inner partition wall, ④climbing frame, ⑤Interspersed effect improvement. Two (2) prefabricated applications: ①prefabricated decoration, ②moderate prefabrication
CSRC	China Securities Regulatory Commission
SZSE	Shenzhen Stock Exchange
SEHK	The Stock Exchange of Hong Kong Limited
SZMC	Shenzhen Metro Group Co., Ltd.
Yingjiazhong Partnership Enterprise	Shenzhen Yingjiazhong Industrial Partnership (Limited Partnership)
Ying'an Partnership Enterprise	Shenzhen Ying'an Financial Advisory Enterprise (Limited Partnership)
Company Law	Company Law of the People's Republic of China
Securities Law	Securities Law of the People's Republic of China
SZSE Listing Rules	Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange
SEHK Listing Rules	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
Corporate Governance Code	Corporate Governance Code set out in Appendix 14 of SEHK Listing Rules
Model Code	Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of SEHK Listing Rules
A Share(s) (RMB-denominated Ordinary Share(s))	domestic ordinary share(s) with a nominal value of RMB1.00 each in the share capital of the Company, which are listed on the SZSE and traded in Renminbi
B Share(s) (Domestic-listed Foreign Share(s))	the Company's domestic-listed foreign share(s) with a nominal value of RMB1.00 each issued in 1993, which were listed on the SZSE and traded prior to June 2014
H Share(s) (Overseas-listed Foreign Share(s))	overseas-listed foreign ordinary share(s) with a nominal value of RMB1.00 each in the share capital of the Company, which are listed on the SEHK and traded in Hong Kong dollars
Articles of Association	Articles of Association of China Vanke Co., Ltd.
Jinpeng No.1 Plan	Guosen Securities – Industrial and Commercial Bank of China – Guosen Jinpeng No.1 Classified Collective Asset Management Plan
Reporting Period	1 January 2021 to 31 December 2021
RMB	Renminbi, unless otherwise specified

SECTION 1

To Shareholders

2021 was an unforgettable year for the Vanke Group since we entered our new development phase. Although the Company managed to maintain solid operations over this year, net profit dropped for the third time since it was listed 31 years ago, following 1995 and 2008. I feel the pressure and a great sense of urgency.

I know that while shareholders give us trust and support, they also place requirements and expectations upon us. When faced with this presentation, I can fully understand that they will be disappointed and confused, as well as their subsequent doubts and criticism. I must shoulder the responsibility, work together with my team, and make every effort to face the problems, identify deficiencies, make diagnoses and set up appropriate measures and actions to address them. I believe such endeavors will enable the revenues and net profits of the Company to stabilize and rise again, and lay the foundation for future growth in value.

Review of the Decline in Net Profit

In 2021, while the external environment presented great challenges, Vanke held onto the bottom line of safe operations. The Company is in the “green (safe)” category in the grading system for real estate enterprise financial supervision, with all indicators meeting the regulatory requirements. Net operating cash flow has been positive for 13 consecutive years. In the past year, the debt structure was optimized, and the comprehensive average financing cost of existing financing decreased to 4.11% as of the end of the year. However, the Company’s revenue was RMB452.8 billion, up only 8.0% year-on-year, and the net profit attributable to shareholders of the listed companies was RMB22.5 billion, down 45.7% year-on-year. In particular, there is a big gap between the net profit achieved and our shareholders’ expectations, as well as our own goal.

Judging from the financial analysis, the decline in net profit mainly results from the decline in the gross profit margin. The Company’s overall gross profit margin dropped by 7.4 percentage points year-on-year to 21.8%, and overall gross profit margin, after deduction of business taxes and surcharges, dropped to 17.2% from 22.8% in 2020, corresponding to a year-on-year decrease of RMB17.6 billion in gross profit. Meanwhile, investment income in 2021 dropped by RMB6.9 billion, affected by the decrease in investment income recognized by the equity method and equity transfer related income. In addition, in the second half of last year, especially from the beginning of the fourth quarter, there was a significant downward trend in the market. Based on the principle of prudence, the Company impaired the value of some projects and select equity investments, reducing the net profit attributable to shareholders of listed companies by about RMB2.6 billion.

Financial data only give the final results. In order to truly make improvements, we must trace back to the original cause. Judging from the structure, the real estate development business still plays a decisive role in the Company's net profit. Last year, due to changes in the external environment and the Company's internal factors, gross profit from the development business showed a year-on-year decrease of RMB18.9 billion. In recent years, the market for land acquisition is very competitive, which has greatly impacted the gross profit margin level across the industry. Although the Company was among the first in the industry to realize that high-speed growth will eventually come to an end, it is a shame that our actions were unable to resist the inertia of high growth with resolution. When the pursuit of scale is still popular and competition for land is getting more and more fierce, the pressure for growth prompted branch companies in some cities to make aggressive investments with over-optimistic judgement of the market. The investment expectations of some projects have not been realized, resulting in the decline in the gross profit margin.

Furthermore, different branch companies' capabilities vary. The Company's overall performance has been affected by certain branch companies' and projects' poor performance. Sufficient delegation and local execution was the mechanism for ensuring Vanke's speedy development in the past. In the rapid growth phase where efficiency is the priority, such a mechanism allowed the Company to respond to the market more quickly, capture opportunities, and maximize on-the-ground ability to compete. When lines of business become more complex and market competition gets more fierce, some branch companies exposed weaknesses in their capabilities. Although we still have a number of excellent companies and top talents, operational performance divergence is on the rise. While we demonstrated superior capabilities on some large and complex projects, we failed to transform them into standardized practices and consistent performance across the whole company in a timely manner.

Thinking About the Future Value Growth of the Company

Currently, the real-estate sector is faced with significant challenges, but that does not change the view we've had all along of the long-term trends. The fact that two important market drivers, rapid industrialization and urbanization, are coming to an end, does not mean that the demand for housing will disappear. Concentrated regional development is replacing the general migration of the rural population to cities, and the demand for new housing is gradually shifting to that for housing improvement and renewal. With China's huge population base, residential development will remain one of the important economic activities in the future, and will continue to be the most important business of Vanke.

The Central Government has made clear the direction to facilitate the positive cycle and healthy development of the real estate industry. Relevant departments and governments at all levels are constantly sending signals and introducing policies to stabilize the market. We have full confidence in the recovery of the market. After the adjustments, the industry competition will be more like that of the manufacturing industry, testing market players' ability to grasp customer demand, their capability to control the production process and their refined management competency in operational activities. Vanke has its "strengths", but the key is to grow them into "advantages", and to build extensive links with excellent partners on this basis, with the help of the Company's good brand and credibility, so that we are able to choose from the plentiful investment opportunities in the market, and to ensure the stable growth of the Company's development business.

Meanwhile, the growth of the Company's operation and service businesses will provide more support for future value growth. Vanke realized early on that, to maintain healthy growth, it had to broaden its horizons and look for new fields with long-term potential. At its 30th anniversary, the Company expanded its positioning from a company offering "good houses, good services, good community" to an "integrated city service provider". It hopes to explore and establish other business lines over the next 10 years, laying a foundation for future growth.

The principle we use to select new fields is: these new businesses must be able to reflect Vanke's competitive advantages or potential, without diverging from the Company's customer base and competences. After more than 40 years of development, Chinese cities have accumulated real estate assets worth several hundred trillion yuan, which need constant maintenance and renovation. People's ways of working and living have been profoundly changed by the Internet, which has accelerated demand to update both the software and hardware of properties, as well as demand for services and content. In an era of high housing prices, the housing problem of urban young people still needs solving: a balanced approach between rental and for-sale housing is the guiding principle for the housing market's future. Based on these judgments, we have finally decided to focus mainly on the following new fields: property services, logistics and warehousing, long-term rental apartments and commercial real estate.

If only judging from the operational revenue and profit, these business lines are and will not be comparable to real estate development. In the initial phase, investment in them may even create a significant burden on short-term performance improvement. In particular, the Company adopts the cost method to conduct depreciation and amortization of its heavy asset-based businesses, which amplified the impact on the reported profit. Today, with a decline in the demand for return rate and risk appetite across the market, the advantages of stable cash flow generated by operation and service businesses have begun to emerge, and various types of long-term equity investment targeted at them has begun to increase. Value contained in these businesses has been released via a different route than that in the past. Returns of the Company's investment will be reflected in various ways and will generate support for the overall performance to a certain extent. In the future, the financial value of operation and service businesses based on cash flow, and the growth value based on resilience and market segment expansion will be an important source of long-term value growth for Vanke.

The Development of Operation and Service Businesses

It takes time to build capabilities and establish business models in a new field. Over eight years, Vanke has completed business rationale assessments and replicability verification of the new fields, which was not an easy process. Before a new business is set up, the boundaries between what is and what isn't feasible are often unclear, and the Company inevitably had to pay for the uncertainties. For example, the Company firmly believes that the combination of for-rent and for-sale housing markets is the future trend, and therefore it is crucial to make an early start and explore a viable business model in the long-term rental apartment business. We have explored every possible path for the business, taking losses along the way, but these efforts are starting to pay off. Similarly, after continuous attempts and efforts, the new business lines developed by the Company have now taken leading positions in their respective industries in terms of growth rate, revenue performance and operational efficiency.

- Onewo is the first company in the industry to provide property services for “residential, commercial and urban spaces” across the board. In 2021, Onewo's revenue exceeded RMB20 billion for the first time, up 32.1% year-on-year. This business has expanded from a single track of the traditional residential service to being driven by coordinated service provision for community, business and urban spaces, and has built a strong competitive advantage in the market. Last year, Onewo's newly contracted areas for service with external clients accounted for more than 70% of its total growth, of this nearly 80% of the growth in commercial and office building services was from external clients. The CITY UP innovative urban space service model has now created a number of benchmark cases, including the ones in Guangdong Hengqin, Shenzhen Shatou and Wuhan Tangjiadun.

- Logistics and warehousing seized the opportunity by national infrastructure upgrades, and its cold chain warehousing business ranks first in the industry. Over the last three years, VX Logistics has achieved a compound annual revenue growth rate of 52% in the past three years, with an annual revenue of RMB3.2 billion in 2021, up 69% year-on-year, with an NOI rate of 6.5% for stabilized projects. Currently the leasable area managed by VX logistics has reached 11.36 million square meters, of which cold chain storage accounts for 1.38 million square meters, making it first in the industry. Last year, the business successfully introduced four institutions including GIC and Temasek as strategic investors;
- Vanke Port Apartment has become the largest centralized apartment operator with the highest operational efficiency. The compound annual growth rate of the apartment business over the last three years reached 40%, with the annual growth rate of 14% in 2021 of 14%, and the NOI of RMB525 million, up 193% year-on-year. By the end of last year, Port Apartment has provided 159,500 apartments, with an average annual occupancy rate of 95%. It has built quite a big competitive advantage in terms of per room operating costs, expense ratio and customer acquisition rate through its own channels. In addition to its own assets, Port Apartment also provides planning, construction and operation management services for the rental housing projects of 294 enterprises and public institutions.
- SCPG is top notch in the industry in terms of management scale, revenue, and asset light management service provision. In the past five years, SCPG's revenue has grown at a compound rate of 20%, with a year-on-year growth of 24% in 2021 and 17% growth in NOI. In the most commercially developed Yangtze River Delta region, SCPG has shown competitiveness and is in the top rank in terms of the areas managed. The first full year NOI rate is over 6% for the large shopping center projects newly opened in the past two years.

As the operation and service business lines mature, the Company's comprehensive real estate development capability is becoming complete. Especially when there is no precedent to follow, the independent cultivation of long-term rental apartments, cold-chain storage and other businesses has enabled the Company to accumulate valuable experience in incubating new businesses, and these have become our unique advantage. Vanke is well prepared to face the new development stage that the real estate industry is entering.

The Action Plan for 2022

Our performance in 2021 is a wake-up call for Vanke. In 2022, we will take resolute and targeted actions to solve the problems in our development business, consolidate our first-mover advantage in comprehensive real estate development, to ensure financial security, and to achieve stability and recovery of operating revenue and net profit.

Our fundamental goal is always to maintain sound management and a healthy financial position. In this year, we will continue to strengthen cash flow management, to optimize the Company's debt structure and financing costs, and to hold on firmly to the "green" category and our industry-leading credit rating.



Section 1

To Shareholders

We will turn things around for the development business. Led by the Development and Operations Department, the Company will enhance its systematic and coordinated ability to improve the development business, in order to solve the problems of scattered capabilities and unstable operational performance. We would strive to: develop general standards in key areas; promote best practices across the Company internally; push forward the serialization and standardization of products; make every effort to transform “strengths” into “advantages”; improve the quality and efficiency of resource-to-performance transformation; and stabilize project profitability levels. We will implement strict investment management procedures, concentrating on more stable markets, where we have stronger operating teams in the region. We need to beware of ungrounded and aggressive sentiments, and avoid acquiring projects beyond our abilities. This requires improving the accuracy of pre-investment analysis and judgment, and post-investment execution and management.

Operation and service businesses will continue to improve their operational efficiency and competitiveness, in order to achieve better growth and returns. On one hand, they will provide some support for the Company’s overall profitability, and on the other hand, will also prepare more quality assets for the future real estate market, so that we will be able to access broader cooperation collaboration opportunities.

Onewo will maintain internally-driven stable growth, with income from residential properties increased by 25%, from Cushman & Wakefield Vanke Services increased by 35%, and from Onewo Home increased by 45%. Onewo will continue to promote the expansion and growth of the unique business model of CITY UP, and generate synergy for other businesses of the Company.

Driven by the growth momentum of its successful introduction of strategic investors, VX Logistics will do its utmost to consummate its warehouse network and maintain the rapid development of its business; Vanke Port Apartment will seize the policy window to expand its leading advantage, and continue to maintain its leading position among competitors in operational efficiency, striving to achieve positive net profitability based on the cost method; SCPG will focus on both light and heavy-assets businesses, maintain its revenue and NOI growth, and build a leading commercial real estate management platform in China.

Without the support and understanding of its shareholders, Vanke could not have come as far as it has. I am deeply grateful to every shareholder who has chosen to stay with us during this difficult time of temporary growing pains. The close alignment between the incentive mechanism and the performance of Vanke teams will ensure that we always share weal and woe with our shareholders. I truly believe, the choice you made will not prove to be a disappointment, and that you will receive commensurate rewards for having made that choice.

At this point, I would also like to express my gratitude and respect to every Vanke employee who is fighting on the front line. I can see your indomitable spirit, your unremitting efforts and abilities better than anyone else, even when we are all anxious about the challenges of the current situation, and feel frustrated with the unsatisfactory results in front of us. It is my honor to be with you. The countless steps have created Vanke's extraordinary past, and will lead us to an extraordinary future. This is a journey full of challenges, but if we just keep running, we will become the champion.

YU Liang

Chairman of the Board

Shenzhen, PRC
30 March 2022

SECTION 2

Corporate Information

1. Company Name (Chinese): 萬科企業股份有限公司
Company Name (English): CHINA VANKE CO., LTD.*
2. Registered address: Vanke Center, No. 33 Huanmei Road, Dameisha, Yantian District, Shenzhen, the People's Republic of China
Postal code: 518083
Office address: Vanke Center, No. 33 Huanmei Road, Dameisha, Yantian District, Shenzhen, the People's Republic of China
Principal place of business in Hong Kong: 55/F, Bank of China Tower, 1 Garden Road, Hong Kong
Website address: www.vanke.com
E-mail address: IR@vanke.com
3. Legal representative: YU Liang
4. Authorised representatives for SEHK: WANG Haiwu and ZHU Xu
Alternate authorised representative for SEHK: YIP Hoi Man
5. Secretary to the Board and the company secretary: ZHU Xu
E-mail address: IR@vanke.com
Securities Affairs Representative: JI Jianghua
E-mail address: IR@vanke.com
Contact address: Vanke Center, No. 33 Huanmei Road, Dameisha, Yantian District, Shenzhen, the People's Republic of China
Telephone number: 86-0755-25606666
Fax number: 86-0755-25531696
Assistant company secretary: YIP Hoi Man
E-mail address: IR@vanke.com
Contact Address: 55/F, Bank of China Tower, 1 Garden Road, Hong Kong
Telephone number: 00852-23098888
Fax number: 00852-23288097

* For identification purpose only

6. Stock exchange on which the Company's A shares are listed: SZSE
 Stock short name of A shares: Vanke A
 Stock code of A shares: 000002
 Stock exchange on which the Company's H shares are listed: SEHK
 Stock short name of H shares: China Vanke, Vanke H^{note}
 Stock code of H shares: 02202, 299903^{note}
- Note: The stock short name and stock code are only applied for trading of the Company's H shares converted from the B shares of the Company held by the original B shareholders of the Company through domestic securities companies' trading system
- H share registrar: Computershare Hong Kong Investor Services Limited
 Contact address: Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong
7. Media for disclosure of information: "China Securities Journal", "Securities Times", "Shanghai Securities News", "Securities Daily", CNINFO Network, website of SEHK
 Website address for publication of the Annual Report:
 A shares: www.cninfo.com.cn
 H shares: www.hkexnews.hk
 Place for annual report collection: The Office of the Company's Board of Directors
8. First registration date of the Company: 30 May 1984
 location: Shenzhen
 Date of change in registration: 14 July 2017
 location: Shenzhen
9. Unified social credit code:
 91440300192181490G
10. Certified public accountants engaged by the Company
 Domestic: KPMG Huazhen LLP
 Address: 8/F, Office Tower E2, Oriental Plaza, 1 East Chang An Avenue, Beijing
 Signing CPA: Zhou Yongming, Li Moran
 Overseas: KPMG
 Public Interest Entity Auditor registered in accordance with the Financial Reporting Council Ordinance
 Address: 8th Floor, Prince's Building, 10 Chater Road, Central, Hong Kong
11. Legal advisor engaged by the Company
- Domestic:
- | Name | Address |
|-----------------------------------|--|
| Guangdong Shujin Law Firm | 11th to 12th floor, Taiping Finance Tower, 6001 Yitian Road, Futian District, Shenzhen |
| Beijing Junhe (Shenzhen) Law Firm | Suite 2803-04, Tower Three, Kerry Plaza No.1-1, Zhongxinsi Road, Futian District, Shenzhen |
- Overseas: Paul Hastings
 Address: 22/F, Bank of China Tower, 1 Garden Road, Hong Kong

SECTION 3

Accounting and Financial Highlights

3.1 Key Accounting Information and Financial Indicators for the Year

Unit: RMB'000

	2021	2020	Fluctuation	2019
Revenue	452,797,774	419,111,678	8.04%	367,893,878
Gross Profit	95,691,293	120,580,201	-20.64%	132,196,660
Profit for the year	38,069,527	59,298,116	-35.80%	55,131,615
Net profit attributable to equity shareholders of the Company	22,524,033	41,515,545	-45.75%	38,872,087
Net cash generated from operating activities	4,113,161	53,188,023	-92.27%	45,686,810
Basic earnings per share (RMB)	1.94	3.62	-46.50%	3.47
Diluted earnings per share (RMB)	1.94	3.62	-46.50%	3.47
Net return on equity on a fully diluted basis (%)	9.55%	18.49%	decreased by 8.94 percentage points	20.67%
Net return on equity on weighted average basis (%)	9.78%	20.13%	decreased by 10.35 percentage points	22.47%

	31 December 2021	31 December 2020	Fluctuation	31 December 2019
Current assets	1,600,322,953	1,547,450,938	3.42%	1,439,063,201
Current liabilities	1,311,446,467	1,317,492,690	-0.46%	1,272,610,284
Total equity attributable to equity shareholders of the Company	235,953,134	224,510,953	5.10%	188,058,492
Share capital (1000 shares)	11,625,383	11,617,732	0.07%	11,302,143
Net assets per share attributable to equity shareholders of the Company (RMB)	20.30	19.32	5.03%	16.64

Accounting and Financial Highlights

3.2 Quarterly Key Financial Indicators

Unit: RMB'000

	The First quarter	The Second quarter	The Third quarter	The Fourth quarter
Revenue	62,264,096	104,846,839	104,374,840	181,311,999
Net profit attributable to equity shareholders of the Company	1,292,286	9,754,651	5,641,859	5,835,237
Net cash generated from operating activities	16,879,434	(10,097,874)	(5,561,873)	2,893,474

3.3 Difference Arising from Accounting Standards of the PRC and the International Standards

Unit: RMB'000

	Net profit attributable to the shareholders of the Company		Total equity attributable to the shareholders of the Company	
	2021	2020	31 December 2021	31 December 2020
According to IFRSs	22,524,033	41,515,545	235,953,134	224,510,953
According to the PRC accounting standards	22,524,033	41,515,545	235,953,134	224,510,953
Breakdown and total reconciled according with IFRSs:	-	-	-	-
According to the IFRSs Differences		Nil		

BUSINESS HIGHLIGHTS

Onewo

- Realized revenue of **RMB24.04 billion**
- Vanke Service: accounting for **57.8%** of third-party residential projects under management
- Cushman & Wakefield Vanke Service: accounting for **82.5%** of third-party office projects under management

Real estate development business

- Sales amount reached **RMB627.78 billion**
- Booked revenue amounted to **RMB402.27 billion**
- Sales amount **ranks first in 20 cities and ranks in the top three in 43 cities**

Retail property development and operations

- **211** unveiled commercial projects (including those unveiled by SCPG) with a gross floor area of **11.3916 million square meters**
- The revenue of retail property projects managed by SCPG stood at **RMB5.23 billion**, with an overall occupancy rate of **95.3%**
- Focused on commercial high ground with **18** unveiled projects in Shanghai and Hangzhou area
- **42** management provision projects, with a managed area of approximately **2.37 million square meters**

Logistics and warehousing

- The scale of cold chain warehousing **ranks first in China**
- The occupancy rate of high-standard warehouses is stable, reaching **93%** by the end of 2021
- Successfully introduced **strategic investors** in 2021



Rental housing

- Established a presence in **33** cities across China
- Unveiled a total of **159,500** units
- Average Annual Occupancy rate reached **95.3%** in 2021
- GOP margin of property front office was **89.7%**

Hotel and Resort

- Operating a total of **five ski resort projects** in Beijing, Jilin and Inner Mongolia with **910,000** visits received in the 2021-2022 snow season, representing a year-on-year **increase of 39%** in revenue
- Currently holds **29** operating hotel properties, covering core cities such as Shenzhen, Guangzhou, Suzhou, Hangzhou and certain travel destinations such as Huangshan and Lijiang

SECTION 4

Directors' Report

4.1 Review and Analysis of Business Situation

In 2021, the real estate market witnessed significant fluctuations. In the first half of the year, the market trading volume nationwide still maintained a rapid growth; however, in the second half of the year, both the sales of commercial housing and land decreased significantly. The rapid changes in the market environment were challenging for the stability of business operations. In the long run, the rapid growth phase of the real estate market has come to an end and its attributes of consumption and people's livelihood will be further strengthened. The equal emphasis on development, operation and service business is a strategic choice for the Company to achieve future value growth.

During the Reporting Period, the Group realized a revenue of RMB452.80 billion, a year-on-year increase of 8.0%. The net profit attributable to equity shareholders of the Company amounted to RMB22.52 billion, representing a year-on-year decrease of 45.7%. The decline in profit was mainly due to lower gross profit margins in the development business, decline in investment income and the provision for asset impairment losses.

The Group actively drove the improvement of the capability of operation and services, with the revenue growth rate of property services at 32.1% and the revenue growth rates of logistics & warehousing, rental housing and commercial real estate (including non-consolidated items) at 68.9%, 13.9% and 20.6% respectively.

In the face of volatile market, the Group continued to maintain a healthy and safe financial position. The Group's credit rating is industry-leading, with the "three red lines" indicators meeting the "green category" requirement. The net debt ratio was 29.7%, which has been at a low level in the industry for a long time. Total interest-bearing liabilities were stable and optimised in structure. Total interest-bearing liabilities amounted to RMB265.96 billion, representing a year-on-year increase of 2.9%. In particular, the proportion of long-term liabilities increased to 78%. Monetary funds at the end of the Reporting Period were RMB149.35 billion. The monetary funds covered 2.5 times of short-term debt, representing an increase of approximately 0.2 times from the end of 2020. The Group maintained a positive net operating cash flow for 13 consecutive years. As of the end of the year, the Group's comprehensive average financing cost of existing financing was 4.11%.

(1) Market review in 2021

1. Real estate development

The sales of residential housing hit a record high, although the growth cooled down in the second half of the year. The floor area of residential housing sold across the country amounted to 1.79 billion square meters for the year, representing an increase of 1.9% as compared to last year. The sales amount increased by 4.8% year-on-year to RMB18.2 trillion. However, the year-on-year growth rate nationwide dropped by quarter due to the market trend, recorded 88.5%, 17.2%, -14.1% and -18.7% respectively in the four quarters.

The growth rate of investment in real estate development narrowed with the decrease of the floor area of new development projects extended. The newly developed floor area in 2021 nationwide was 1.99 billion square meters, down by 11.4% year-on-year, which represented an increase of 10.2 percentage points over the rate of reduction in the previous year. The total investment in real estate development nationwide was RMB14.8 trillion, an increase of 4.4% year-on-year, down by 2.6 percentage points on growth compared to last year.

The land area sold decreased significantly in the second half of the year. According to data from the China Index Academy, in 2021, the gross floor area of residential land supply in 300 cities across the country decreased by 11.1% year-on-year, while the gross floor area sold decreased by 23.2% year-on-year; the residential land premiums decreased by 6.5% year-on-year, of which the year-on-year declines in the second half of the year were 9.3%, 32.5% and 22.6% respectively. The average premium rate of residential land was 11% for the year, representing a decrease of 4 percentage points as compared to the corresponding period in 2020. The average premium rate for the first and second half of the year was 17.5% and 4.4% respectively.

2. Property services

The property services business has grown steadily. In 2021, driven by a series of policies such as the Notice on Strengthening and Improving the Administration of Residential Property (《關於加強和改進住宅物業管理工作的通知》), the penetration and standardisation of property services further improved, and service content upgraded to high quality and diversity. During the same period, the area of completed residential properties nationwide increased by 11.2% year-on-year, and the scale of deliveries expanded. Supported by these factors, the property services industry achieved steady development. At the same time, the introduction of the Notice on Continued Rectification and Regulation of the Real Estate Market Order (《關於持續整治規範房地產市場秩序的通知》) put forward higher requirements for property enterprises to regulate their operations.

Industry consolidation accelerated. The number of merger and acquisition cases of property service companies increased in 2021, and industry consolidation accelerated with 29 listed property companies initiating 53 merger and acquisition cases and merger and acquisition transactions amounting to RMB35.59 billion. The adjustment of the real estate industry and the sale of equity interest in property companies owned by some real estate companies are one of the reasons for the increase in transactions.

Corporate expansion extended into third party assets and non-residential space. During the year, the proportion of newly expanded floor area of major property service companies coming from third-party assets continued to increase. More property service companies implemented integrated development and entered the office and urban public space service sectors, covering more industries and sectors.

3. Logistics and warehousing

The logistics industry maintained a positive growth trend. According to the “National Logistics Operation Report 2021” (《2021年全國物流運行情況通報》) jointly issued by the National Development and Reform Commission and China Federation of Logistics & Purchasing, the total fees for civil logistics in 2021 amounted to RMB16.7 trillion, representing a year-on-year increase of 12.5%. The transportation cost was RMB9.0 trillion, representing an increase of 15.8%; the storage cost was RMB5.6 trillion, representing an increase of 8.8%; and the management cost was RMB2.2 trillion, representing an increase of 9.2%.

The development of some industries has driven the rapid growth of logistics and warehousing demand in market segments. Consumers' increasing requirements for fresh agricultural products and food types, safety, and convenience, as well as the expansion of the pharmaceutical industry affected by the pandemic, have facilitated the rapid growth of the cold chain logistics market, with a compound growth rate of more than 15% from 2015 to 2020. In addition, the rapid development of the automobile and new energy industries has also driven a significant increase in demand for related warehousing.

The high-standard warehouse faced a comprehensive competition for overall competence. In 2021, the overall supply of high-standard warehouses in China grew by approximately 18% with intense competition. Meanwhile, customer demand for supply chain services has transformed from the traditional rental space to seeking overall supply chain solutions. The logistics and warehousing companies have transformed from an investment competition to a comprehensive competition with overall capabilities.

4. Rental housing

The policies continued to increase support for the rental housing. In December 2021, the idea of “insist on renting and purchasing and accelerate the development of the long-term rental housing market” was proposed at the Central Economic Working Conference. During the Reporting Period, the General Office of the State Council issued the “Opinion on Accelerating the Development of Subsidized Rental Housing” (《關於加快發展保障性租賃住房的意見》), requiring to expand the supply of subsidized rental housing to alleviate the structural insufficient supply in the rental housing market. Meanwhile, the subsidized rental housing has been included in the scope of the pilot programme by the infrastructure public offering REITs. All localities have successively implemented specific plans and supportive policies. During the period of the “14th Five-Year Plan”, 40 key cities plan to add 6.5 million units (rooms) of subsidized rental housing, of which 2.4 million units (rooms) are planned to be built in 2022.

5. Retail property development and operations

Total social retail sales of goods resumed growth in 2021 but the growth remained low. According to data from the National Bureau of Statistics, the total social retail sales of goods across the country in 2021 increased by 12.5% year-on-year, of which 4.2% in the second half of the year. The compound growth rate of total retail sales of consumer goods since 2019 was 3.5%, which is at an all-time low.

Offline businesses were generally sluggish. In 2021, the total retail sales of offline consumer goods remained almost flat compared to 2019. According to the 2021 China Retail Rent Index Research Report(《2021 中國商舖租金指數研究報告》) released by the China Index Academy, in the second half of the year, more than half of the shopping centers in Tier-1 and Tier-2 cities achieving a month-on-month increase in rents, but the overall level has not recovered to the level of the same period in 2019.

Shopping center performance has diverged. According to data from CAIC(克而瑞資管), the average vacancy rate of shopping centers in major consumer cities has increased from 8.47% at the beginning of the year to 10.1%, with a sluggish recovery in customer traffic, which decreased by 9% in the third quarter of 2021 compared to the same period in 2020 and decreased by 28% compared to the same period in 2019. However, the top companies in the industry and some benchmark projects significantly outperformed the market average.

(2) Main work in the Reporting Period

The Group's core businesses include “real estate development and related asset operation” and “property services”.

During the Reporting Period, the Group realized a revenue of RMB452.80 billion, a year-on-year growth of 8.0%. Net profit attributable to equity shareholders of the Company stood at RMB22.52 billion, down by 45.7% year-on-year. The basic earnings per share was RMB1.94, a year-on-year decrease of 46.5%. The fully diluted equity returns reached 9.6%, a decrease of 8.9 percentage points from 2020.

Categorized by business types. The revenue of the Group from real estate development and related asset operation businesses reached RMB429.93 billion, accounting for 95.0%; revenue from property services reached RMB19.83 billion, accounting for 4.4%.

The Operation of the Group's Main Businesses

Unit: RMB'000

Industry	Revenue		Cost of Sales		Gross Profit Margin ^(Note 1)		Operating Profit Margin ^(Note 2)	
	Amount	Growth/ decrease	Amount	Growth/ decrease	Amount	Growth/ decrease	Amount	Growth/ decrease
1. Core businesses	449,762,795	8.15%	355,990,474	19.68%	20.85%	decreased by 7.62 percentage points	16.17%	decreased by 5.76 percentage points
Among which: real estate development and related assets operation businesses	429,931,913	7.36%	339,614,590	19.22%	21.01%	decreased by 7.86 percentage points	16.14%	decreased by 5.95 percentage points
Property services	19,830,882	28.50%	16,375,884	29.93%	17.42%	decreased by 0.90 percentage point	16.89%	decreased by 0.89 percentage point
2. Other businesses ^(Note 4)	3,034,979	-6.06%	1,116,007	4.36%	63.23%	decreased by 3.67 percentage points	62.58%	decreased by 3.56 percentage points
Total	452,797,774	8.04%	357,106,481	19.62%	21.13% ^(Note 3)	decreased by 7.64 percentage points	16.48%	decreased by 5.79 percentage points

Notes: 1. Gross profit margins figures are before taxes and surcharges.

2. The operating profit margins have deducted taxes and surcharges.

3. The Group adopts the cost method to calculate operating assets, and the gross profit margin deducts the depreciation and amortization of investment properties, fixed assets, intangible assets and long-term deferred expenses. After adding back depreciation and amortization, the gross profit margin was 22.09%.

4. The revenue of the other businesses mainly includes operating management fees, brand management fees, and business management-related fees collected from joint ventures.

The significant decline in net profit attributable to shareholders of the Company during the Reporting Period was due to the following factors:

Gross profit margin declined. Gross profit margin (before business tax and surcharges) decreased 7.4 percentage points to 21.8%, when overall gross profit margin (after business tax and surcharges) decreased by 5.6 percentage points to 17.2% in 2021 from 22.8% in 2020, which was mainly affected by the increase in the ratio of land premium to selling price of completed projects in recent years. The gross profit margin of the development business dropped to 23.0%, when the gross profit margin of settlement of the development business (after business tax and surcharges) decreased to 17.8% from 24.0% in 2020, and the total gross profit of the settlement of the development business also decreased to RMB71.70 billion from RMB90.57 billion, representing a year-on-year decrease of RMB18.87 billion.

Investment income decreased. Investment income for 2021 was RMB6.61 billion, representing a decrease of RMB6.90 billion from the high level of RMB13.51 billion in 2020, which was affected by the decrease in gain on joint ventured or associated projects recognised under the equity method and the decrease in gain on disposal of subsidiaries. Among them, the decrease in investment income recognised under the equity method was mainly due to the decrease in gross profit margin of joint ventured or associated projects and the decrease in income from investment in other businesses.

Impairment provision. Since the second half of 2021, the market has experienced a significant downturn, which has intensified in the fourth quarter. In accordance with the principle of prudence, the Company conducted a comprehensive impairment test on its assets at the end of 2021, with an provision for impairment of RMB3.53 billion (including RMB3.12 billion for inventory impairment and RMB410 million for other assets impairment) on some projects and certain equity investment, which in aggregate reduced net profit attributable to equity holding by approximately RMB2.55 billion.

Directors' Report

(3) Business development

1. Real estate development business

(i) *Sales amount decreased and revenue from settlement grew slightly*

In 2021, the Group sold 38.078 million square meters and the sales amount reached RMB627.78 billion, a decrease of 18.4% and 10.8% respectively. Among all the products sold, residential buildings accounted for 86.4%, commercial offices 9.7%, and other ancillary facilities 3.9%. In 2021, the Group's share in the national commercial housing market was approximately 3.5%, and its sales amount ranked first in 20 cities including Wuhan, Chengdu, Nanjing, Zhengzhou, Shenyang, Changchun, Hefei, Jinan, Nanchang, Xining, Wuxi, Nantong, Yantai and Sanya, and second in 18 cities including Shanghai, Shenzhen, Tianjin, Fuzhou, Shijiazhuang, Kunming, Taiyuan, Guiyang, Lanzhou, Yinchuan, Urumqi, Nanning, Ningbo and Zhuhai, and third in cities including Guangzhou, Hangzhou, Chongqing and Harbin.

Sales by geographical regions

	Areas Sold ('0000 square meters)	Proportion	Sales Amount (RMB hundred million)	Proportion
Southern Region	628.3	16.5%	1,450.3	23.1%
Shanghai Region	1,093.3	28.7%	2,244.8	35.7%
Beijing Region	716.2	18.8%	920.2	14.7%
Northeastern Region	319.4	8.4%	295.6	4.7%
Central Region	278.0	7.3%	390.2	6.2%
Southwestern Region	477.2	12.5%	625.2	10.0%
Northwestern Region	289.3	7.6%	278.6	4.4%
Other	6.1	0.2%	72.9	1.2%
Total	3,807.8	100.0%	6,277.8	100.0%

Note: The Beijing region includes Beijing, Hebei Province, Shandong Province, Shanxi Province and Tianjin; the Northeastern region includes Liaoning Province, Heilongjiang Province, Jilin Province and Inner Mongolia Autonomous Region; the Central region includes Hubei Province, Henan Province, Hunan Province and Jiangxi Province; the Southern region includes Guangdong Province, Fujian Province, Hainan Province and Guangxi Zhuang Autonomous Region; the Shanghai region includes Shanghai, Anhui Province, Jiangsu Province and Zhejiang Province; the Northwestern region includes Shaanxi Province, Gansu Province, Ningxia Hui Autonomous Region, Qinghai Province and Xinjiang Uygur Autonomous Region; the Southwest region includes Sichuan Province, Chongqing, Guizhou Province and Yunnan Province; others include: Hong Kong, New York, San Francisco, London and Seattle.

Revenue from settlement continued to grow. The revenue from the Group's property development and relevant facilities business was RMB426.48 billion, categorized by regions, the Southern region, Shanghai region, Beijing region, Northeastern region, Central region, Southwestern region and Northwestern region accounted for 26.83%, 24.10%, 13.79%, 7.76%, 9.09%, 10.55% and 7.00%, respectively. In 2021, the Group realized settlement area from real estate development business of 31.165 million square meters, representing a year-on-year increase of 7.9%, and booked revenue of RMB402.27 billion, an increase of 6.6% year-on-year. The gross profit margin of settlement was 23.0% (17.8% after taxes and surcharges).

Revenue and profit by different regions

	Revenue (RMB'000)	Proportion	Net Profit Attributable to Vanke's Equity Holding (RMB'000)	Proportion Southern Region
Southern Region	114,428,688	26.83%	6,027,854	22.90%
Shanghai Region	102,785,481	24.10%	9,322,776	35.42%
Beijing Region	58,791,233	13.79%	-382,587	-1.45%
Northeastern Region	33,095,484	7.76%	2,515,126	9.56%
Central Region	38,765,843	9.09%	2,664,779	10.13%
Southwestern Region	45,007,750	10.55%	2,560,434	9.73%
Northwestern Region	29,857,211	7.00%	2,731,086	10.38%
Others	3,745,642	0.88%	878,572	3.33%
Total	426,477,332	100.00%	26,318,040	100.00%

As of the end of the Reporting Period, within the consolidated statements of the Group, there were 46.735 million square meters of sold resources that had not been completed and settled, a decrease of 5.0% from the previous year. The total contract price was approximately RMB710.80 billion, an increase of 1.8% from the end of the previous year.

(ii) Investment and projects to be started and completed

The newly started floor area decreased while completed floor area continued to grow. In 2021, the estimated floor area of newly started projects of the Group's development business was approximately 32.653 million square meters, a year-on-year decrease of 17.6%, completing 103.7% of the target set up at the beginning of the year. The estimated floor area of completed projects of its development business was approximately 35.714 million square meters, an increase of 5.6% and year-on-year, completing 99.6% of the target set up at the beginning of the year.

The Group adheres to the investment strategy that keeping expenditures within the limits of revenues. In 2021, the Group acquired 148 new projects, with a total planned estimated gross floor area (“GFA”) of 26.674 million square meters, and planned estimated GFA attributable to the Company’s equity holding of 19.014 million square meters, the total land premium attributable to the Company’s equity holding of approximately RMB140.15 billion, and an average land premium of RMB6,942/square meters for new projects. As of the end of the Reporting Period, the Group’s total estimated GFA under construction was approximately 103.670 million square meters, and its estimated GFA attributable to the Company’s equity holding was approximately 64,284 million square meters. The total estimated GFA of the planned projects was approximately 45.217 million square meters, and its estimated GFA attributable to the Company’s equity holding was approximately 29.101 million square meters. In addition, the Group was also engaged some urban renewal projects. According to the current planning conditions, its total estimated GFA was approximately 5.347 million square meters.

Actively exploring the urban renewal model. The Group has been involved in the practice of different types of projects such as the renovation of old cities and old communities in a number of cities across the country. In 2021, Wanchuang Xinsuo in Shanghai, a dynamic science and innovation park converted from an old tire factory, was completed and delivered. Nantou Ancient Town in Shenzhen was certified as one of the first batch of Featured Cultural Blocks in Shenzhen, and recognized as the Municipal Cultural Industry Park. In January 2022, Yongqing Fang in Guangzhou successfully passed the evaluation and became a national tourism and leisure district. During the Reporting Period, the Group participated in launching the Shanghai Urban Renewal Guide Fund and deeply participated in Shanghai’s urban renewal.

For specific information about the Group’s new projects, please refer to the Project Investment Status of Non-raised Funds Investment of “Section 4: Directors’ Report” of this Report.

(iii) Continuous improvement of product and service competitiveness

Customers are of paramount importance to Vanke, and continuous improvement of the competitiveness of products and services is the foundation for the Company’s long-term development. The Group continues to carry out actions such as building beautiful communities, pre-housekeeping services, building communities together with customers, upgrading maintenance services, upgrading delivery services and improving efficiency in the processing of property certificates, and the system of “chief customer service officer” is established. In order to improve the living experience of our existing customers, the Group has carried out the action of building beautiful communities of 42 cities across the country, involving 356 projects, and 1,210 renovations and upgrades have been completed. To improve the customer experience in the after-sales phase, 1,077 staff dedicated to pre-housekeeping services were deployed to projects for sale, to provide various services to contracted customers during the waiting period between signing contract and delivery. To better build customer confidence and present construction quality of the projects, the Group upgraded the online construction site to “building communities with customers”, conducting a total of 1,728 quality inspection for 213 pilot projects in 56 cities in 2021. In order to enhance the

house delivery experience, the Group has optimised the overall delivery process, focusing on one-stop service and proactive service. The “Certificate on Delivery” service has also covered most cities. 14 chief customer service officers stand from the perspective of customers and identify problems and drive improvements through customer interviews, listening to customers, business visits and observations.

(iv) Safety and quality control continues to be strengthened

Implement the epidemic prevention and control measures to ensure the smooth delivery of the projects. During the Reporting Period, the Group has implemented pandemic prevention and control measures. We have also reserved epidemic prevention materials in advance and improved the emergency plans, with an aim of overcoming the adverse impacts of the epidemic on the construction, ensuring the safe production of projects in progress. We have realized the smooth delivery of over 300,000 houses in the year.

Improve the quality of projects with the help of technology. We have built a smart construction platform with the help of technology such as BIM (Building Information Modeling), artificial intelligence drawing inspection for architectural engineering (AI drawing inspection) and 24/7 on-site monitoring. We have also established a construction site “management + service” smart system with information technology, so as to realize the transformation from traditionally managed sites to smart sites.

Construction quality being recognized. In 2021, 6 projects of the Group won the awards of China’s construction industry. In particular, the Tianjin DongDi Homeland Phase III Blocks 15#-23# and underground garage project won the China Construction Engineering Luban Prize 2020-2021 (中國建設工程魯班獎); The construction project of lot A-1 in the south of Tangcheng community, Licheng District, Jinan won the China Civil Engineering Zhantianyou Award 2021 (中國土木工程詹天佑獎); Vanke City Twilight project, Dalian, Vanke Beichen Light phase II project, Hangzhou, Vanke Jiutangfu Phase II project, Jinan, Vanke Metropolis Land B project, Jinan and Vanke Metropolis Xiyuan project, Jinan won the 10th Guangsha Award 2021-2022 (廣廈獎).

(v) Continued progression of green building and residential industrialisation

All new projects have met the green building standards for eight years in a row. We have built 58.26 million square meters of green buildings in the past year. The Group continued to promote the application of the “5+2” prefabricated construction system, with 83% of its mainstream projects unveiled during the period adopting industrial construction.

2. Property services

Onewo is a omni-space service provider driven by the “three engines” business system of community, office and urban space. Through the AIoT (Artificial Intelligence Internet of Things) and BPaaS (Business Process as a Service) solution, Onewo can realize Remote & Hybrid operations in the space, and improve the efficiency of space services for customers.

In 2021, Onewo achieved RMB24.04 billion in revenue (including income from services provided to the Vanke Group), representing a year-on-year increase of 32.1%, of which RMB13.46 billion or 56.0% was generated from community space residential services, representing a year-on-year increase of 22.9%; revenue from office and urban space services was RMB8.72 billion, accounting for 36.2% and representing a year-on-year increase of 38.1%; revenue from AIoT and BPaaS solution services was RMB1.86 billion, accounting for 7.8% and representing a year-on-year increase of 99.5%.

In 2021, Onewo projects covered Tier-1 and Tier-2 cities across the country, with a total of 4,393 projects and 780 million square metres under management, representing a year-on-year increase of 35.9% in area under management. The total number of contracted projects under management was 5,553, with a contracted area under management of 1.01 billion square metres, representing a year-on-year increase of 38.0% in contracted area under management.

Adhering to the brand image of high-quality services and a first-class service reputation. Vanke Service and Cushman & Wakefield Vanke Service are the core brands of Onewo, with good reputation among customers and significant market competitiveness. By the end of 2021, the number of third-party residential projects under management reached 1,605, accounting for 56.9% of residential projects under management. The number of third-party office projects under management reached 1,319, accounting for approximately 84.0% of office projects under management. In terms of community space residential consumption services, customer satisfaction and collection rates continued to remain high level in the industry. In terms of office space services, among the super high-rise building projects put up for tender in China in 2021, Cushman & Wakefield Vanke Service has secured over 50% of the projects. Cushman & Wakefield Vanke Service is popular among Fortune 500 and unicorn clients in industries including the Internet, finance, new energy and high-end manufacturing industries, and has served over 50 top Internet technology companies and unicorn companies. Alibaba, Tencent, Bayer and ByteDance are all prominent clients of Cushman & Wakefield Vanke Service.

The concentration strategy has been fruitful. Onewo is deeply engaged in high-tiers cities. By the end of 2021, Onewo covered more than 100 cities in China. The percentage of contracted floor area of projects located in Tier-1, New Tier-1 and Tier-2 cities accounting for 86.4% of community projects, and accounting for 89.2% of office and urban projects.

Continue to be innovative and lead the industry. In terms of community space services, Vanke Service was the first in the industry to advocate full transparency of elevator advertising revenue, quarterly disclosure of income and expenditure accounts of property fee, and the first to release the “Elevator Trapped Care Fund” (電梯困人關懷金) during the Reporting Period. Pulin’s housing rental and sales business has reached 2,079 projects and approximately 3 million households through the integration of external resources. In terms of office and urban space services, in 2021, CITY UP will be supported by the integration of “three cores” of digital solutions, operation model of center of excellence (COE operation) and supply chain resources, creating the “Cloud City Captain”(雲城隊長) IP to achieve refined and efficient urban service operations.

Continued leading technological capabilities serving the space. Smart hardware products and core solutions from Vanrui Technology (萬睿科技), a subsidiary of Onewo, have been exported to property developers, as well as companies from other industries and urban customers. The Wuhan digital operation center has driven the linkage of over 2,000 property projects across the country. During Reporting Period, the self-developed work order system, “Baichuan Engine” (百川引擎) launched, which has been applied in Vanyu SecurePro, Cloud City, park areas and residential businesses.

3. Logistic and warehousing services

VX Logistic Properties is the Group’s logistics and warehousing services and supply chain solutions platform, and started its domestic warehousing network in 2015 and entered the cold chain logistics industry through the acquisition of cold chain from Swire in 2018. Currently, VX Logistic Properties has developed into the largest scale of cold chain warehousing in China.

In 2021, the logistics business (including unconsolidated items) generated a revenue of RMB3.16 billion, representing a year-on-year increase of 68.9%, of which RMB2.06 billion was generated from the revenue of high-standard warehouses, representing a year-on-year increase of 59.8%; and RMB1.10 billion from the revenue of cold storage, representing a year-on-year increase of 89%. The logistics business realized a NOI of RMB1.785 billion, representing a year-on-year increase of 54%.

The warehouse network layout was optimized. In 2021, VX Logistic Properties continued to improve the layout of key nodes and acquired 3 new management projects, with a total leasable floor area of 0.21 million square metres. Currently, VX Logistic Properties had operated and managed a total of 152 warehousing projects in 46 cities, with a leasable floor area of 11.36 million square metres. Among them, 125 were high-standard warehouses, with a leasable floor area of 9.98 million square metres; 38 were cold chain parks (including 11 dry and cold mixed chain projects) with a leasable floor area of 1.38 million square metres and 1.33 million leasable pallets. Relying on the logistics network of high-standard warehouses and cold chains in the key node cities over the country, VX Logistic Properties is capable of providing diversified supply chain services to its customers.

Continued expansion of new business to improve operating efficiency and effectiveness. In 2021, VX Logistic Properties unveiled projects of 1.41 million square meters, including 17 high-standard warehouses with a leasable floor area of 1.14 million square metres, and 8 cold chain parks with a leasable floor area of 270,000 square metres. As of the end of the Reporting Period, the gross floor area of unveiled projects reached 8.28 million square metres. During the Reporting Period, the occupancy rate in the stable stage of high-standard warehouses was 93%, and occupancy rate in the stable stage of cold chains was 75%.

Adhered to high standards of products and services, and great ESG performance. VX Logistic Properties continued to build safe, high-quality, efficient and energy-saving parks, and adhered to high standards of food safety and quality control. VX Logistic Properties has obtained LEED certifications for 7 cold storages, of which 4 have obtained LEED Platinum certifications and 3 have obtained LEED Gold certifications; 5 high-standard warehouses have obtained the Three Star Green Building (綠色建築三星) certifications in the PRC. Currently, VX Logistic Properties has served more than hundreds of domestic and international leading brand enterprises, covering industries like 3C electronics, new energy, e-commerce, manufacturing, chain catering and retailers. The coverage rate of cold chain top customers exceeds 70% and in cooperation with quality customers, the range of services of VX Logistic Properties has been gradually extended, and the proportion of value-added service revenue from warehouse operations to the cold chain business has reached 39% in 2021.

Fighting against the pandemic. Under the pandemic, the hardware conditions and management level of VX Logistic Properties' cold chain have been recognized by the government. VX Xiamen Haicang Cold Chain Park and VX Ningbo Beilun Cold Chain Park were designated as centralised supervision warehouses for imported cold chain food. In early 2021, VX Logistic Properties joined hands with Beijing Institute of Biological Products of Sinopharm and complete the conversion of COVID-19 vaccine warehouse in 68 days to transform Beijing Yizhuang Park into a smart vaccine warehouse integrating smart temperature control, smart fire control, smart security and automation equipment. In November, VX Logistic Properties and Beijing Institute of Biological Products of Sinopharm obtained the World Health Organization ("WHO") certification.

Successfully introduced strategic investors with recognition of operating capability and business value by the capital market. During the Reporting Period, VX Logistic Properties has increased its share capital and introduced four strategic investors, including Government of Singapore Investment Corp (GIC) and Temasek. Strategic investors will input resources, capabilities and synergy opportunities for VX Logistic Properties, and drive the business into a new stage of development.

4. Rental housing

The Group's "Port Apartment" is the largest centralised apartment provider in the PRC, providing youths who are newly entering the city with comprehensive rental services. The rental housing business (including unconsolidated items) realised operating revenue of RMB2.89 billion during the Reporting Period, representing a year-on-year increase of 13.9%.

Continued leadership in scale of management. During the Reporting Period, Port Apartment has newly acquired 27,600 rooms, with a net of 17,100 unveiled. As at the end of 2021, the Group operated approximately 208,700 long-term rental apartments and unveiled a total of 159,500 new apartments. Port Apartment has now established a presence in 33 cities across China, leading in the number of unveiled apartments in 26 cities including Shenzhen, Fuzhou, Jinan, Shenyang, Tianjin, Xi'an, Changchun, Guangzhou, Beijing, Chengdu, Wuhan and Hefei.

Significant operational efficiency advantage. The average annual occupancy rate of Port Apartments' unveiled projects was 95.3%; the GOP margin of property front office was 89.7%; the annual rent collection rate was 98.9%; the customer renewal rate reached 58%, the cumulative number of APP registrants was 1.9 million, the proportion of customer acquisition through self-owned channels exceeded 70%, and the comprehensive NPS (Net Promoter Score) steadily increased to 85%. These indicators maintain a significant leading edge in the industry.

Breakthroughs have been made in asset-light operation capacity. During the Reporting Period, the comprehensive service capability of "production, planning, construction and operation in one package" of Port Apartment was significantly enhanced, and asset-light management output services were provided with local governments, subsidized rental housing of enterprises, talent apartments and health stations, with 294 asset owners served, involving 21,000 units. In particular, the Group has provided a full cycle of "design + renovation + operation" services for the assets of the Li Ning Group, achieving full occupancy upon opening and gaining high recognition from asset owners.

The product range is becoming increasingly diverse, running through large-scale rental community projects. Port Apartment has established various business development models of collective land and self-owned land rental housing construction, urban renewal and old town area micro transformation, cooperation with the government to formulate talent rental housing, as well as whole process management output services. Relying on the Group's property management, commercial management and other services to build comprehensive solutions, Port Apartment has basically run through the product models of large-scale rental communities with large-scale rental community projects with a single volume of 1,000-5,000 apartments in many cities such as Beijing, Shenzhen, Xiamen and Jinan. Take the Beijing Gaolizhuang community as an example, the project contains 3,299 apartments, 13,000 square metres of commercial space and 24,000 square metres of office space. 1,695 flats that have unveiled in 2021 have an annual occupancy rate of over 99% and the commercial investment progress has reached 90%.

The warmth of service was recognized by customers. During the pandemic, Port Apartment has been ensured the safety of its residents and assisted the community in the anti-pandemic measures. In 2021, more than 1,030 community events were organised and launched in all branches of Port Apartment nationwide, with a total of approximately 35,000 customers participating. In particular, Port Apartment's first Honor of Kings National Competition won the "Best Competition Venue of the Honor of Kings National Competition", and the and League of Legends S11 spectator event was recognized as the "Best Creative Marketing Case of the Year" by Tencent Games. During the year, 1,887 new corporate customers were added and a total of 2,752 corporate customers were provided with stable accommodation services, with the proportion of corporate customers in rented rooms increasing from 8% to 18.5%. In 2021, staff rental partnerships were expanded with 80 companies, including DJI, TCL and iFLY TEK.

5. Retail property development and operations

The Group's commercial property development and operation business includes shopping centers and community retail property facilities etc. SCPG is a professional commercial property development and operation capability platform under the Group.

As at the end of the Reporting Period, the Group has 211 unveiled commercial projects (including 113 community commercial projects) with a gross floor area of 11.3916 million square meters. Among them, 34 new projects were unveiled in 2021, with a floor area of 2.0687 million square meters. In addition, the floor area of retail property projects under planning and under construction was 4.0131 million square meters.

In particular, SCPG unveiled a total of 105 commercial projects (including 25 community commercial projects and 32 management provision projects) with a gross floor area of 8.75 million square metres. 15 projects with a gross floor area of 1.35 million square metres were unveiled in 2021. In addition, the floor area of retail property projects under planning and under construction was 1.027 million square meters.

During the Reporting Period, the Group realized revenue from retail property development business (including non-consolidated items) of RMB7.622 billion, a year-on-year increase of 20.57%. Among them, the revenue of retail property projects managed by SCPG stood at RMB5.23 billion, a year-on-year increase of 23.9%, a same store year-on-year increase of 12.1% and a overall occupancy rate of 95.3%.

Top ten retail projects run and managed by the Group (ranking in order of revenue)

Project	City	Floor area (square meters)	Occupancy rate of 2021	Revenue of 2021 (RMB'0000)
Shanghai Qibao Vanke Plaza	Shanghai	237,193	97.72%	44,222.38
Shenzhen SCPG Center Shopping Plaza	Shenzhen	203,673	97.65%	34,808.58
Shanghai Nanxiang In-City MEGA	Shanghai	336,880	99.23%	32,982.97
Hangzhou Xixi In-City	Hangzhou	251,145	98.79%	30,229.33
Longgang Vanke Plaza	Shenzhen	128,925	99.72%	24,421.26
Hangzhou Jinsha In-City	Hangzhou	186,098	95.42%	17,311.71
Jinan In-City	Jinan	156,630	100.00%	16,330.85
Ningbo Yinzhou In-City	Ningbo	113,622	100.00%	15,780.10
Tianjin Xiqing In-City	Tianjin	266,450	98.19%	15,515.85
Nanning In-City	Nanning	127,180	100.00%	14,784.56

Focused on commercial high ground – the Yangtze River Delta region. The Yangtze River Delta is the economic belt with the largest number of consumers and the greatest purchasing power in China. The Group has unveiled a total of 18 projects in Shanghai and Hangzhou, of which 3 shopping centers were opened in Shanghai in 2021. So far, the Group has basically achieved a networked layout and full product line coverage in Shanghai and Hangzhou, with a number of benchmark projects such as Shanghai Qibao Vanke Plaza, Shanghai Nanxiang Incity MEGA, Shanghai Songjiang Incity, Hangzhou Aoti Incity and Hangzhou Xixi In-City. The Group has built a promising market advantage and brand reputation through deep regional cultivation and the launch of a new generation of products.

New generation products demonstrated competitive advantage. The new generation products include “Incity MEGA” and “New Generation Incity”. Incity MEGA offers a solution of mega experience centre. In 2020, Shanghai Nanxiang Incity MEGA was successfully opened. As the largest single-volume pure commercial shopping centre in Shanghai, Shanghai Nanxiang Incity MEGA achieved an occupancy rate of 99% and became the first LEED Platinum certified pure shopping centre in China. Wenzhou Incity MEGA was opened in November 2021, with focus on the local culture. It has achieved an occupancy rate of 95%, and has also obtained the LEED certification of gold design and the award of “Best Commercial Building” by Asia Pacific Property Awards 2021-2022. The new generation Incity represented by Shanghai Songjiang Incity and Hangzhou Aoti Incity have met the diverse needs of local consumers in terms of living, socializing and experiencing through one-stop service, and have also received positive market feedback.

The asset-light management capability was recognized. In recent years, the scale of SCPG’s asset-light management has grown rapidly. As at the end of 2021, SCPG had 42 management provision projects (of which 32 have been unveiled), with a managed area of about 2.37 million square meters. In May 2021, Shanghai Caohejing In-City was successfully unveiled, becoming a signature project of asset-light cooperation in Shanghai.

Practiced the business philosophy of “customer-centered” and provided good customer service to B-end and C-end customers. As for serving B-end customers, SCPG has established good cooperation with over 7,300 brands, principally including international/domestic chain brands and emerging brands. It gradually built a “Head Office-to-Head Office” cooperation model. Meanwhile, SCPG serves C-end customers with content creative communication, marketing activities and digital customer operation. More than 600 million consumers visited and shopped in the shopping malls every year, with over 15 million members.

6. Hotel and resort business

Taking advantage of the Winter Olympics, the ski resort business has achieved growth in scale and performance. Ski Resort BU is newly entrusted to manage and operate Mazong Mountain Ski Resort in Hohhot, Inner Mongolia and Lianhuashan Ski Resort in Shunyi, Beijing in the 2021-2022 snow season. At present, the Group operates five ski resort projects in Beijing, Jilin and Inner Mongolia, with a total of 251 hectares of piste area under management, 67 pistes and 48 kilometres of piste length. Operating revenue for the 2021-2022 snow season was RMB270 million, representing a year-on-year increase of 39%, and received 910,000 visitors, representing a year-on-year increase of 28%. During the Reporting Period, the Group’s Lake Songhua Resort was awarded the World Ski Awards-China’s Best Ski Resort 2021 for five consecutive years. Yanqing Olympic Village of Beijing Winter Olympic Games, where the Group participated in the construction, received over 1,300 athletes and team officials of 87 delegations.

The hotel business took a new step of development through focusing on market segments. In 2020, the Group established the Hotel and Resort BU to fully integrate the Group's hotel assets. The Group currently holds 29 operating hotels, covering core cities such as Shenzhen, Guangzhou, Suzhou and Hangzhou, and certain travel destinations such as Huangshan and Lijiang, and has forged two self-owned brands, namely, Zanyee for high-end business travel, and Youxiong for urban culture. During the reporting period, Banyan Tree China opened 2 new hotels, namely Banyan Tree Nanjing Garden Expo and Garrya Huzhou Lucun, and signed 7 new hotels; the Youxiong brand signed 5 new hotels in Suzhou Yanjiaxiang, Suzhou Changyuan, Fuzhou Yantai Mountain, Chaozhou Ancient City and Shenzhen Nantou Ancient Town; and the Zanyee brand opened 2 new hotels, namely The Yun Resort Qingyuan in Guangzhou and The Yun Resort Sanya.

7. Other businesses

In the education sector, the Group has built distinctive brands including Meisha Education and Dare to Dream Education. the number of students enrolled in Meisha Education and Dare to Dream Education has exceeded 23,000 altogether. Among them, Meisha Education BU has been expanded its presence in cities such as Shenzhen, Guangzhou, Dongguan, Foshan, Xiamen and Nanning, covering K-12 full-time school, preschool education, outdoor education, and curriculum development. Vanke Meisha Academy has been listed for four years in a row in the Hurun Education Top International Schools in China. Dare to Dream Education covers three major education systems: private education, public education and quality education. Its Shanghai DTD Academy is also listed in the Hurun Education Top International Schools in China and the 2021 Forbes China – Outstanding International Schools of Annual Selection. In 2021, Dare to Dream Education was officially certified and authorized by the International Baccalaureate Diploma Programme of the International Baccalaureate Organization.

The mission of the Group's Food BU is to “provide safe and healthy ingredients and daily meals for the public at the price that is affordable by ordinary families”, which is an important part of the “solution provider of better life”. Currently, the main exploration areas of the Food BU are pig farming, daily catering and agricultural technology. Among them, the pig farming business is under fast progress, with 1.13 million pigs available for slaughter in 2021.

(4) Other main works

1. Technology-driven business development

During the Reporting Period, the Group focused on “concentrate on services and create good products with technology to help improve business management; strengthen technological capacity and core competitiveness of real estate technology through technological innovation” to carry out technology-related work.

Applications such as AI drawing inspection and self-service payment terminals have further improved the operation efficiency and quality and customer experience: AI drawing inspection embeds the drawing management process and realizes the closed-loop management of inspection problems, with significantly higher efficiency and output quality than manual methods. The self-service payment terminal provides customers with fast payment tools, which not only improves the customer experience, but also greatly reduces the workload of cashier and accounting.

Significant improvements in account cash income and expenditure management and financial settlement efficiency: through the innovative application of technologies like robotic process automation software (“RPA”), optical character recognition (“OCR”) and natural language processing (“NLP”) and integrating into business links, we improve the efficiency and accuracy of capital and asset management and control. Relying on the comprehensive reconciliation platform, the business flow, cash flow and vouchers are integrated. The settlement process is optimized, with the reconciliation automation rate reached 90%, and the overall financial settlement efficiency is increased by 75% as compared with last year.

Open up the whole process of online house-purchasing for customers' convenience: we provided enormous house-purchasing information and project content through the “Yixuanfang” (易選房) app and the public account of the Urban Company (城市公司). Customers can easily get to know the projects via mobile phones, and have in-depth communication with the real estate consultants through online channels. Meanwhile, we have optimized the processes such as online customer consultation, booking, subscription and payment to achieve the completion of all the procedures through online channels.

Continuously develop technological products that can support our business development: with the help of AI, modeling engine, AR/VR and other technologies, we launched several technological products, such as digital employee “Cui Xiaopan” (崔筱盼), wing Parking Space (翼車位), Smart Layout (智慧強排) and Smart Building Design Platform. In particular, Cui Xiaopan is the first digital virtual employee of Vanke. With the support of the system algorithm, she exhibited her skills in receivable/overdue reminders and anomaly detection with an efficiency thousands of times higher than human. Wing Parking Space is an automatic platform of basement sales. Through the digital parking space, customers can grasp the details of parking space without leaving home. The platform creates a better customer experience than offline. Smart Layout tool deeply explores experts' knowledge system and integrates various professional algorithms to establish proposals with remarkable efficiency and quality with industry-leading level. The Smart Building Design Platform project is committed to creating a three-dimensional smart design tools to meet the requirements of architectural design in the new era.

2. Deepening of the organization construction

Based on the changes in the external environment and the needs of business development, the Group continued to deepen the organizational reconstruction and personnel matching. In June 2021, the Group restructured the research and development professional association jointly established by the regional BGs into a development and operation centre, which was transferred from a professional coordinating body to a business management body, mainly responsible for the management of the integrated urban development and operation business of each regional BG. In September 2021, the Group further established the development and operation headquarter on the basis of the development and operation centre to facilitate the sustainable and healthy development of the real estate business in the new phase by strengthening the co-ordination and synergy of the real estate business and creating good products, services and projects with consistent and benchmarking standards.

(5) Analysis of operational and financial condition of the Group

1. Profit

During the Reporting Period, the Group realized a net profit of RMB38.07 billion, representing a decrease of 35.8% year-on-year. Net profit attributable to equity holding amounted to RMB22.52 billion, representing a year-on-year decrease of 45.7%.

The gross profit margin of the Group's property development and related asset operation business (before tax and surcharges) decreased by 7.6 percentage points from that of 2020 to 21.7%. The operating profit margin (after taxes and surcharges) was 16.9%, representing a decrease of 5.7 percentage points from 2020. In particular, the booked gross profit margin (before taxes and surcharges) of development business was 23.0% and the operating profit margin (after taxes and surcharges) was 17.8%. The fully diluted return on equity of the Group was 9.6%, down by 8.9 percentage points from that of 2020.

In 2021, the Group realized an investment income of RMB6.61 billion, representing a decrease of 51.0% year-on-year, including the profits from the associates and joint ventures attributable to Vanke's equity holding amounting to RMB4.89 billion.

2. Liabilities

(i) *Gearing ratio*

As of the end of 2021, the Group's net gearing ratio was 29.7%.

(ii) *Interest-bearing liabilities and their composition*

As of the end of the Reporting Period, the Group's interest-bearing liabilities amounted to RMB265.96 billion in aggregate, representing 13.7% of total assets. These interest-bearing liabilities were mainly medium and long-term liabilities. Among these interest-bearing liabilities, interest-bearing liabilities due within one year amounted to RMB58.62 billion, representing 22.0% of total; interest-bearing liabilities of more than one year amounted to RMB207.34 billion, representing 78.0% of total.

By financing source, bank borrowings, bonds payable and other borrowings accounted for 56.1%, 21.8% and 22.1%, respectively.

By type of interest rates, liabilities with fixed interest rates accounted for 42.3% and liabilities with floating interest rates accounted for 57.7% of the interest-bearing liabilities. Pledged interest-bearing liabilities amounted to RMB3.74 billion, accounting for 1.4% of the total interest-bearing liabilities.

By geographical location, domestic liabilities and overseas liabilities accounted for 75.8% and 24.2% respectively. RMB liabilities and foreign currency liabilities accounted for 76.6% and 23.4%, respectively.

As at the end of the year, the Group's comprehensive average financing costs of existing financing was 4.11%.

Overview of financing (as of 31 December 2021)

Unit: RMB'0000

Channel	Balance	Range of financing costs	Term structure
Bank loans	14,919,684.74	Based on contracted Libor rate float up to 5.88%	Short-term borrowings, non-current liabilities due within one year, long-term borrowings
Bonds	5,802,631.73	1.90%~5.35%	Non-current liabilities due within one year, bonds payable
Other borrowings	5,874,168.00	2.99%-6.16%	Short-term borrowings, non-current liabilities due within one year, long-term borrowings
Total	26,596,484.47	–	–

(iii) *Financing overview*

To enhance the Company's ability to avert financial risks, the Group continued to optimize its debt structure and reduce financing costs through financing instruments including corporate bonds and medium-term notes.

During the Reporting Period, the Group completed the issuance of corporate bonds totaling RMB1.566 billion, and completed the issuance of corporate bonds for rental housing in two tranches totaling RMB6.0 billion. The Group completed the issuance of medium term notes in three tranches totaling RMB6.0 billion with a minimum coupon rate of 3.08%. In addition, the Company completed the issuance of offshore RMB bonds totalling RMB1,445 million with a coupon rate of 3.45%.

During the Reporting Period, the Group's actual interest expenses totalled RMB13.45 billion, of which the capitalised interest amounting to a total of RMB6.70 billion.

(iv) *Credit rating*

During the Reporting Period, S&P and Fitch maintained "BBB+" credit rating for the Group, while Moody's maintained a "Baa1" credit rating for the Group, with a "stable" rating outlook from each of the aforesaid credit rating agencies. China Chengxin International Credit Rating Co., Ltd. a domestic rating agency, maintained the Group's credit rating as AAA, with a "stable" rating outlook.

3. Capital position

The Group achieved a net cash inflow from operations of RMB4.11 billion for the entire year, which has been remained positive for 13 consecutive years.

As of the end of the Reporting Period, the cash on hand held by the Group amounted to RMB149.35 billion, which was much higher than the sum of current liabilities due within one year of RMB58.62 billion. Among the cash and cash equivalents, Renminbi accounted for 94.1%, whereas US dollar, Hong Kong dollar, British pound and other foreign currencies accounted for a total of 5.9%.

4. Risk of fluctuations in exchange rates

The Group conducts a majority of its business operations in the PRC. Most of the revenue and expenses are denominated in Renminbi. During the Reporting Period, the Group recorded a net exchange gain of approximately RMB8 million.

In order to constantly control the medium and long-term fluctuation risks of the exchange rate, the Group persisted with dynamic management of matching of foreign currency asset and liability, term structure and offshore liquidity risk, and utilised natural hedging and considered cost of hedges, and purchased hedging instruments to control exchange rate risk at appropriate timing. To lock up the risks arising from the movement in exchange rates in advance, the Group's effective cross currency swap (CCS) contract balance was US\$1,871 million at the end of the Reporting Period. During the Reporting Period, there were US\$220 million of CCS contract expiring and no newly-added hedging contract. During the effective period of the hedging contracts, the changes in the fair value of CCS had no material impact on the Group's profit and loss.

5. Analysis of inventory

As of the end of the Reporting Period, the Group's inventory amounted to RMB1,075.62 billion, representing an increase of 7.3% from that at the end of 2020; of the aforesaid inventory, projects held for development amounted to RMB159.31 billion, accounting for 14.8%; properties under development amounted to RMB828.34 billion, accounting for 77.0%; and completed properties for sale (existing properties) amounted to RMB86.95 billion, accounting for 8.2%.

Directors' Report

The Company appropriated provision for impairment of inventories for projects subject to risks based on its prudent market strategy. The provision of impairment of inventories during the Reporting Period was RMB3.12 billion and the impact on net profit attributable to the equity shareholders of the Company was RMB2.14 billion. As at the end of the Reporting Period, balance of inventory impairment provision amounted to RMB6.18 billion.

Unit: RMB'0000

No.	City	Project	Provision of impairment of inventories for the year
1	Langfang	Spring Dew Mansion, Langfang	32,343.49
2	Bazhou	Peacock Lake – 77 Mu Land, 39 Mu Land Project, Bazhou	20,973.47
3	Foshan	Yueduhui, Foshan	19,146.50
4	Foshan	Skycity, Foshan	45,188.31
5	Guangzhou	Yueshan Project, Guangzhou	19,693.86
6	Guiyang	Guanhu, Guiyang	35,731.70
7	Jinan	Feicuishanyu, Jinan	29,827.98
8	Jinan	Jade Garden, Jinan	40,557.15
9	Taiyuan	Taiyuan Chunhe Jingming	10,724.30
10	Taiyuan	Jade Jinyang Lake, Taiyuan	29,151.49
11	Kunming	Yinhaiboan Project, Kunming	28,673.17
Total			312,011.42

6. Change of key performance indicators

Unit: RMB'000

Item	2021-12-31	2020-12-31	Change	Description
Intangible assets and goodwill	8,542,126	918,742	829.76%	Impact of business mergers and acquisitions
Other non-current assets	7,832,794	13,840,079	-43.40%	Decrease in equity investment funds
Contract assets	10,390,002	6,162,550	68.60%	Expand in construction contracts
Other current assets	22,482	172,789	-86.99%	Expiration of some of the wealth management products
Assets classified as held for sale	892,423	6,334,728	-85.91%	Decrease of assets held for sale
Bonds payable	6,576,207	13,689,877	-51.96%	adjustment of financing structure
Deferred tax liabilities	1,344,534	295,348	355.24%	Increase in deferred income tax liabilities arising from business mergers and acquisitions

Item	2021	2020	Change	Description
Other expenses	(2,130,339)	(1,506,848)	41.38%	Increase in provision for impairment during the year
Share of profits less losses of associates and joint ventures	4,888,729	9,739,656	-49.81%	Decrease in investment income recognised under the equity method

7. Capital expenditure commitments

As of the end of the Reporting Period, the capital commitments of the Group reached RMB225.51 billion, including the construction contracts entered into or to be executed by the Group, as well as the land contracts signed and going or preparing to execute.

8. Contingent liabilities

In accordance with industry practice, the Group provided guarantee for mortgage loans taken by purchasers of the Company's properties of which mainly are provisional guarantee. The terms of the provisional guarantee commenced on the day the guarantee agreement becoming effective up to the day on which the ownership certificates of the properties purchased by the customers being obtained and the mortgage being registered and delivered to the mortgage banks. As of the end of the Reporting Period, the aggregate guarantees provided by the Group for mortgage loans taken by its customers amounted to approximately RMB244.43 billion. The Group has not suffered any material loss due to the aforesaid guarantees. The Group is of the view that it does not need to make any provisions for such guarantees in the financial statements.

9. Seizures, withholding and freezing of major assets

Nil.

10. Analysis of major holding and shareholding companies

Applicable Not applicable

11. Co-investment projects

In 2014, the Group established the co-investment scheme to link the project performance with the interests of staff and encouraged co-investors to create larger value for the Company and its shareholders. As of the end of 2021, co-investment scheme was introduced into a total of 1,157 projects of the Group. Amongst projects acquired during the Reporting Period, the aggregate investment amount subscribed by co-investment scheme was RMB3.127 billion, accounting for 1.28% of capital peak of co-investment projects, and 1.64% of capital peak attributable to equity of Vanke.

As of the date of the Report, the income distribution to the co-investors of the Group's projects matched the actual investment, and the shareholders of the projects did not propose to withdraw from the projects for now.

(6) Outlook on future development

The current overall business situation remains complex. In 2022, the Group will focus on the following directions:

Firstly, we will maintain a healthy financial position through stable operation. The Group will continue to strengthen its cash flow management, optimise its debt structure and finance costs maintain “green threshold”) and its industry-leading credit rating.

Secondly, to achieve stabilisation of the development business, to give full play to the co-ordination and management role of the headquarters of development and operation headquarter and to enhance overall operation.

Thirdly, the operational efficiency and competitiveness of operation business will continue to be improved, striving for more development opportunities and better returns.

In terms of business:

1. Real estate development

Co-ordinate the development and operation business through the headquarters of development and operation, exercise the centralised management function of the headquarters of development and operation, to establish a mechanism for sharing capabilities, unified standards and lean management in resource allocation, product planning, project management and centralised procurement, setting the best practices within the Group as internal benchmarks, driving each subsidiaries and project to align with the benchmarks, and transforming the excellent cases in various regions into the Group's overall advantages.

(1) **Enhance the level of serialisation and standardisation of comprehensive residential products.** Develop the product management mechanism of comprehensive residential projects, update and iterate the product line through a new customer classification method, combining with excellent project practices. Through the process and results control, product development and construction standards are unified, internal and external resources are integrated in a hierarchical and categorical manner, and upstream and downstream industry chains are integrated to ensure proper production of products and stable mass production, providing product guarantees for post-investment delivery of projects.

(2) **Coordinate the internal and external professional strengths of the Group to complete major and complex projects.** From 2022 to 2024, the Group will focus on presenting a number of benchmark projects of urban renewal and TOD-type urban complexes. Following the principle of “operation first”, we will clarify the product management mechanism for large-scale and complex projects, co-ordinate the Group's professional strengths, focus on operations and control key nodes, enhance the efficiency of design, construction and transformation of complex multi-format projects, and present good operational performance to reduce the dispersion of performance due to differences in local management capabilities.

- (3) **Precise investments to enhance the quality of investments and strengthen post-investment management to safeguard future performance fundamentally.** Investments are focused on regions with more stable markets, greater development potential and better team management capabilities. To form an online visualisation of the “investment map”, gather internal and external professional measurement experts to provide professional support on investment direction and measurement. Strictly enforce investment discipline. Evaluate new projects in accordance with the new investment criteria and regard the ability of the managing a team as a prerequisite for investment. In key areas with significant and direct impacts on the outcome, the specialist with strongest professional capacity will exercise judgement and control, strictly prevent the high land premium and strictly control the acquisition of operational assets in non-core cities and non-core regions. Strengthen post-investment management. Regularly review the progress after the investment and correct any problems in a timely manner.
- (4) **Strengthen the construction of marketing force and facilitate the conversion of resources.** We will cultivate our own marketing force, integrate sales teams from all over the country and conduct marketing meetings for key projects. To fully utilize the sales force of Vanke Service and Pulin, and discover the potential customers on properties, business, Port Apartment and property office through Yixuanfang (易選房) to achieve conversion of “old with new”. Optimise the sales strategy of car parking spaces and step up destocking efforts.

In 2022, an estimated floor space of 19.201 million square meters of the Group's existing projects (excluding newly acquired projects in the future) are expected to be started to construct, while 38.995 million square meters are expected to be completed. For detailed information about the Group's plans for projects to be started and completed in 2022, please see Development Status in 2021 and Development Plans in 2022 of Main Domestic Projects.

2. Property services

Maintain stable endogenous growth by planning to achieve a growth of 25% in revenue from residential property, 35% growth in Cushman & Wakefield Vanke Service and 45% growth in Onewo Home (Including diversified asset service business such as housing rental and sales, maintenance and renovation).

Strengthen the good reputation of services and build the foundation of long-term competitiveness by relying on providing good service. In 2022, the proportion of projects with high satisfaction and high collection rate is planned to be further increased by 10%.

Expand the models of CITY UP by planning to implement a total of 100 urban service projects by the end of 2022 as a starting point for collaborative of development, rental housing, commercial and other businesses, to seize more opportunities for urban construction and services.

Incubate growth-oriented businesses, and develop professional value-added services based on residents' living needs.

3. Logistics and warehousing storage

The revenue maintained a growth of over 35%, and the project operation efficiency and effectiveness have been continuously improved.

Further improve the layout of the warehouse network, complement key logistics node cities and regions, with new projects in Beijing and areas surrounding Beijing, Yangtze River Delta and the Greater Bay Area accounting for more than 70% of the new projects.

Take the lead in the cold chain business, serve customers well, further improve service efficiency and quality, reduce costs and increase efficiency for customers, and create professional service value. In 2022, the cold chain business plans to complete the full coverage of top customers in the “fruits, vegetables, meat, and dairy products” categories, deeply cultivate in chain catering, supermarket retail and other industries, and double the percentage of existing top customers in warehousing storage and services.

Continue to practice ESG with LEED Gold or Green 3 stars as the bottom line standard, iterate on product design, procurement, construction and operational systems to gain further recognition from key customers; achieve full coverage of new cold storage projects and seize the opportunity for upgrading the cold storage industry.

4. Rental housing

Consolidate the capability and advantage of “production, planning, construction and operation in one package” for rental housing, expand the management scale of rental housing, provide rental environments with warmth for employees of enterprises, and maintain the leadership in industry scale.

Maintain industry leadership in operational efficiency, realise operating profit growth greater than the growth of revenue scale, and realise accounting statement profitability under the cost method (i.e. after depreciation and amortisation) by 2023.

5. Retail property development and operations

Maintain the growth in revenue and operating profit of projects.

Continue to consolidate the advantages of asset-light expansion. In the next three years, we will focus on an optimal mix of asset-light and asset-heavy business by expanding the management area of 0.8 to 1 million square meters per year with high quality.

Expand the competitive advantage of the new generation of products. On the basis of Nanxiang Incity MEGA and Wenzhou Incity MEGA, we will continue to improve and maintain the market leadership in the competitiveness of mega experience centres. On the basis of the new generation of Incity projects such as Shanghai Songjiang Incity and Hangzhou Aoti Incity, we will continue to enhance and iterate Incity products.

Development of Major Domestic Projects in 2021 and Development Plan for 2022

Unit: sq.m.

Project Name	Location	Shareholding	Site area	Planned	Area	Completed	Accumulated	Area not	Area to be	Area to be
				estimated GFA	commenced construction in 2021	Area in 2021	completion area by 2021	yet under construction as at the end of 2021	commenced construction in 2022	completed in 2022
Beijing Region										
Aifudun Project, Beijing	Changping District	100.0%	23,084	113,651	-	-	113,651	-	-	-
Changyang Bandaο, Beijing	Fangshan District	100.0%	437,179	859,085	-	-	859,085	-	-	-
Ruyuan C1, Beijing	Haidian District	49.0%	85,099	197,813	-	-	197,813	-	-	-
Golden Paradise, Beijing	Fangshan District	40.0%	65,967	155,293	-	-	155,293	-	-	-
Xihuafu, Beijing	Fengtai District	15.0%	233,209	629,170	-	-	629,170	-	-	-
Vanke Cheng, Beijing	Daxing District	50.0%	43,446	155,207	-	-	155,207	-	-	-
Jade Four Season, Beijing	Tongzhou District	50.0%	88,767	210,738	-	8,434	210,738	-	-	-
Changyang Tiandi, Beijing	Fangshan District	69.0%	112,673	208,350	-	-	174,254	-	-	16,652
Jade Four Season (Phase II), Beijing	Tongzhou District	50.0%	61,717	123,434	-	-	123,434	-	-	-
Shoukai Vanke Centre, Beijing	Daxing District	50.0%	41,092	126,562	-	-	126,562	-	-	-
Changyang Bandaο Central City, Beijing	Fangshan District	35.0%	63,950	155,502	-	-	155,502	-	-	-
City Twilight, Beijing	Tongzhou District	35.0%	34,657	122,483	-	-	122,483	-	-	-
Tianzhuyuefu, Beijing	Shunyi District	26.2%	10,282	19,541	-	19,541	19,541	-	-	-
Guancheng Villa, Beijing	Shunyi District	35.0%	187,830	170,568	-	-	123,435	-	-	-
Beijing Shunyi 28 Subdistrict Project	Shunyi District	49.5%	22,913	41,200	-	-	41,200	-	-	-
TBD Vanke Center, Beijing	Changping District	50.0%	68,944	202,751	-	17,532	202,751	-	-	-
Beijing Vanke City	Daxing District	14.4%	46,924	94,357	-	-	94,357	-	-	-
Yunchuang Tiandi, Beijing	Tongzhou District	49.0%	80,131	143,992	-	40,052	82,580	-	-	-
South of Cuihu International, Beijing	Haidian District	100.0%	20,680	62,461	-	-	61,177	-	-	1,284
Jade Garden, Beijing	Changping District	40.9%	255,075	424,898	12,966	21,074	241,978	80,377	-	83,432
Jade Chang'an, Beijing	Mentougou District	49.4%	65,821	252,082	-	-	150,965	-	-	-
Metropolis No.79, Beijing	Chaoyang District	100.0%	16,782	51,895	-	-	-	-	-	26,666
Metropolis Binjiang, Beijing	Tongzhou District	88.8%	9,293	86,125	-	86,125	86,125	-	-	-
Beijing Junzhuang Project	Mentougou District	50.0%	74,720	44,200	-	-	-	44,200	-	-
Beijing Red Scarf Bridge Project	Chaoyang District	53.5%	15,593	90,000	-	-	90,000	-	-	-
North of Cuihu International, Beijing	Haidian District	50.0%	9,253	28,125	-	-	28,125	-	-	-
Beijing Vernon Town	Miyun District	32.1%	257,285	236,272	-	-	91,890	-	-	144,382
Beijing Emerald West Lake Project	Fengtai District	39.8%	230,356	250,000	-	26,143	34,138	60,450	-	47,533
Guancheng Dajia, Beijing	Shunyi District	49.8%	155,133	156,684	-	91,954	91,954	-	-	64,730
Qixiang Villa, Beijing	Fangshan District	99.4%	89,117	133,675	-	-	-	-	-	133,675
Feicuiyuntu, Beijing	Haidian District	98.6%	54,881	104,288	-	-	-	-	-	104,288
Feicui Shanxiao, Beijing	Shijingshan District	39.6%	202,551	346,500	55,054	87,899	87,899	-	-	67,615
City Twilight Dongwang, Beijing	Tongzhou District	54.9%	110,493	279,378	-	45,794	45,794	-	-	60,032
Beijing Emerald West Lake Yunlu	Fengtai District	99.8%	168,663	184,119	-	-	-	-	-	-

Unit: sq.m.

Project Name	Location	Shareholding	Site area	Planned estimated GFA	Area	Completed Area	Accumulated completion area by	Area not yet under construction as at the end of 2021	Area to be commenced construction in 2022	Area to be completed in 2022
					commenced construction in 2021	in 2021	2021	of 2021	in 2022	in 2022
Guanchengwangxi, Beijing	Shunyi District	48.3%	43,326	64,988	-	-	-	-	-	64,988
Beijing Lake and Villa Project	Fangshan District	19.8%	133,033	210,500	-	-	-	-	-	-
Intercity Light, Zhuozhou	Zhuozhou City	90.5%	67,392	268,875	-	-	-	-	-	75,147
Xinchen Light, Zhuozhou	Zhuozhou City	79.8%	63,475	126,941	-	-	-	-	-	-
Lot No. 2019039, Baoding	Gaobeidian City	42.1%	22,320	44,640	-	-	-	-	-	44,640
Peacock Lake - 77 Mu Land, 39 Mu Land Project, Bazhou	Bazhou City	64.8%	77,510	116,187	-	-	-	116,187	116,187	-
Times Light, Bazhou	Bazhou City	33.6%	44,355	110,815	87,056	-	-	-	-	36,927
Beijing Xianghe Project 2012	Xianghe County	50.0%	342,826	513,139	-	-	223,635	266,753	-	22,751
Beijing Harrow Town	Xianghe County	50.0%	207,255	345,239	71,468	29,204	29,204	223,210	30,000	-
Plots 231 and 232, Dachang	Dachang Hui Autonomous County	79.8%	76,388	146,269	83,207	-	-	-	-	-
Plots 233 and 234, Dachang	Dachang Hui Autonomous County	79.8%	50,606	84,303	-	-	-	-	-	84,303
Langfang The Light of Sailing	Yongqing County	89.5%	56,234	100,909	-	-	-	57,918	-	-
Dongjianta Project, Langfang	Guangyang District	37.6%	38,714	71,790	-	-	-	-	-	71,790
Spring Dew Mansion, Langfang	Anci District	55.6%	71,400	142,718	48,391	-	-	-	-	-
Park Avenue Phase III, Tangshan	Lubei District	16.3%	230,191	557,693	94,802	-	-	462,891	-	-
Golden Paradise, Tangshan	Lubei District	41.0%	53,400	133,499	-	-	133,499	-	-	-
Nanhuchunxiao, Tangshan	Lunan District	24.0%	165,834	431,738	-	9,791	394,833	-	-	-
Tangshan Tang Dynasty Mansion	Lunan District	50.4%	106,070	259,591	-	119,559	119,559	-	-	-
Park Avenue, Tangshan	Lubei District	13.8%	185,802	446,710	-	140,542	281,145	-	-	165,565
Future City, Tangshan	High & New Technology Industries Development Zone	53.6%	208,676	521,165	117,099	-	-	99,899	99,899	170,575
Fengrun King Metropolis, Tangshan	Fengrun District	32.0%	50,879	122,743	-	-	122,743	-	-	-
Feicui Blue Mountain, Tangshan	High & New Technology Industries Development Zone	49.2%	80,103	203,966	-	179,407	179,407	-	-	21,433
Tangshan Xinhua Road Project	Lubei District	49.7%	17,265	120,854	-	-	-	120,854	120,854	-
Tangshan Gangdao Zhongxin	Fengnan District	53.5%	120,241	244,885	-	-	-	-	-	244,885
Tangshan Fengrunquanlan	Fengrun District	47.0%	47,403	52,143	52,143	-	-	-	-	-
Park Metropolis Phase I, Tangshan	Lubei District	99.5%	75,961	151,893	151,893	-	-	-	-	-
Park Metropolis Phase II, Tangshan	Lubei District	99.0%	41,372	82,737	-	-	-	82,737	-	-
Fengrunziyuan, Tangshan	Fengrun District	47.0%	76,364	152,720	152,720	-	-	-	-	-
Holiday Views, Qinhuangdao	Haigang District	60.0%	124,672	306,612	-	-	306,612	-	-	-
Beidaihe Town, Qinhuangdao	Beidaihe District	50.0%	76,384	84,881	-	-	84,881	-	-	-
Mijas, Qinhuangdao	Beidaihe District	100.0%	85,659	92,357	-	36,767	36,767	-	-	6,651

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Unit: sq.m.

Project Name	Location	Shareholding	Site area	Planned estimated GFA	Area	Completed Area in 2021	Accumulated	Area not yet under	Area to be	Area to be completed in 2022
					commenced construction in 2021		completion area by 2021	construction as at the end of 2021	commenced construction in 2022	
Time Sea, Qinhuangdao	Beidaihe District	16.0%	89,811	94,707	-	37,104	66,760	-	-	9,870
Future City (Phase II), Qinhuangdao	Haigang District	57.6%	68,011	135,625	-	-	-	-	-	135,625
Zhangjiakou Jingcheng Shangfang	Xiahuayuan District	32.0%	101,649	225,095	-	-	-	113,163	-	24,401
King Metropolis, Jinan	Lixia District	30.3%	103,870	316,999	-	-	316,999	-	-	-
Jade Garden, Jinan	Lixia District	50.0%	87,149	220,858	-	-	220,858	-	-	-
Feicuishanyu, Jinan	Licheng District	98.8%	126,244	265,098	-	219,270	219,270	-	-	22,070
Metropolis, Jinan	Lixia District	32.0%	78,771	245,891	-	101,193	134,560	-	-	111,331
Zhonglufu, Jinan	Zhangqiu District	31.0%	110,411	215,783	-	100,868	215,783	-	-	-
Baimaiyuefu, Jinan	Zhangqiu District	25.0%	201,116	402,190	108,958	182,308	182,308	-	-	-
Vanke Shanwang, Jinan	Shizhong District	42.3%	120,618	572,428	-	130,004	237,291	-	-	36,138
Times Light, Jiyang	Jiyang District	41.9%	129,000	338,000	-	147,110	147,110	100,423	100,423	90,467
Jiangshan Yipin, Jinan	Zhangqiu District	28.4%	23,856	38,170	-	38,170	38,170	-	-	-
Jinan Quanaxueli	High & New Technology Industries Development Zone	33.4%	133,532	333,345	-	333,345	333,345	-	-	-
Vanke Ruyuan, Jinan	High & New Technology Industries Development Zone	32.7%	61,289	85,760	-	85,760	85,760	-	-	-
Tianchen, Jinan	Licheng District	17.7%	103,211	260,091	-	260,091	260,091	-	-	-
Glamorous City, Jinan	Licheng District	66.6%	110,494	277,340	-	-	-	-	-	277,340
Jinan Golden Yuecheng Xinzhu	Tianqiao District	92.5%	56,742	147,529	-	-	-	-	-	147,529
Jinan Fanrongli	Tianqiao District	48.7%	34,968	82,175	82,175	-	-	-	-	-
The Light of Beichen, Jinan	Tianqiao District	69.4%	133,789	294,552	150,360	-	-	54,441	54,441	-
Jinan Xueshan Vanke City Group II	Licheng District	99.5%	162,256	340,818	259,322	-	-	81,496	81,496	-
Jinan Xueshan Vanke City Group IV	Licheng District	99.7%	188,381	382,134	144,191	-	-	237,943	237,943	-
Jinan Xueshan Vanke City Group III	Licheng District	49.3%	78,506	211,965	211,965	-	-	-	-	-
Jinan Shizhong Vanke City	Shizhong District	99.2%	149,419	415,000	133,304	-	-	281,696	281,696	-
Zibo Vanke City Light	Zhangdian District	64.0%	50,578	131,000	95,777	-	-	35,223	16,875	-
Vanke Jade College, Zibo	Zhangdian District	17.2%	128,501	321,245	-	108,287	295,438	-	-	-
Vanke Xinduhui, Zibo	Zhangdian District	50.1%	20,486	71,058	-	50,459	50,459	-	-	20,599
Zibo Linzi Project	Linzi District	54.3%	118,288	295,720	47,702	-	-	81,120	81,120	166,898
Linyi New Metropolis Project	Hedong District	52.0%	154,165	354,579	-	141,429	141,429	-	-	213,150
Lushang Centre Dream Town Zhenyuan, Linyi	Lanshan District	69.5%	129,671	440,882	266,672	-	-	39,695	39,695	-
Lushang Centre Dream Town Ruyuan, Linyi	Lanshan District	50.5%	111,914	258,376	156,716	-	-	43,524	43,524	-
Future City, Qingdao	Shibei District	36.8%	139,768	442,014	-	-	442,014	-	-	-
Pingdu Dream Town, Qingdao	Pingdu City	100.0%	37,739	134,503	-	-	134,503	-	-	-
Qingdao Town	Huangdao District	34.0%	933,293	947,989	-	78,667	481,567	466,422	73,583	-

Unit: sq.m.

Project Name	Location	Shareholding	Site area	Planned estimated GFA	Area	Accumulated	Area not	Area to be	Area to be completed in 2022
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Qingdao Rosemary	Chengyang District	60.0%	340,069	535,153	-	-	535,153	-	-
Taohuayuan Phase I, Qingdao	Chengyang District	57.2%	129,032	229,399	-	-	229,399	-	-
Taohuayuan Phase II, Qingdao	Chengyang District	59.4%	134,669	244,046	-	-	244,046	-	-
Ecological New Town, Qingdao	Licang District	100.0%	110,919	350,385	-	-	350,385	-	-
King Metropolis Phase I, Qingdao	Chengyang District	58.6%	63,599	127,198	-	-	127,198	-	-
King Metropolis Phase II, Qingdao	Chengyang District	59.2%	64,222	128,444	-	-	128,444	-	-
City Twilight, Qingdao	Huangdao District	55.3%	123,719	284,109	-	92,279	250,162	-	-
Qingdao Shiniushan Road Project	Licang District	22.0%	203,831	503,510	136,013	-	-	367,497	50,311
King Metropolis Phase III, Qingdao	Chengyang District	60.0%	56,286	101,315	-	-	-	-	101,315
Feicui Changjiang, Qingdao	Huangdao District	87.8%	25,836	168,348	-	62,292	62,292	-	-
Xingkong, Qingdao	Shibei District	53.6%	5,043	17,649	-	17,649	17,649	-	-
Qingdao Coastal Vanke City	Huangdao District	41.0%	217,719	553,941	83,194	-	4,526	-	202,761
Xinduhui, Qingdao	Huangdao District	46.0%	131,985	308,598	-	81,691	89,546	-	142,894
Beichen Light, Qingdao	Jimo City	49.8%	70,037	112,060	-	112,060	112,060	-	-
Jiaozhou Botanical Garden Project, Qingdao	Jiaozhou City	46.5%	52,937	153,622	-	-	-	-	153,622
High-speed Train Town Project, Qingdao	Chengyang District	54.4%	19,270	48,175	-	48,175	48,175	-	-
Qingdao Yuanlong Wulian Project	Huangdao District	93.7%	38,545	96,362	-	-	-	-	96,362
Qingdao Coastal Blue Mountain	Huangdao District	92.3%	20,000	50,000	-	-	-	-	-
Qingdao Purple County	Jimo City	47.7%	56,758	107,839	-	-	-	33,164	-
Qingdao Clouds of Bay	Chengyang District	50.1%	62,265	103,588	103,588	-	-	-	-
Qingdao Pingdu Ruyuan	Pingdu City	69.3%	25,872	56,918	56,918	-	-	-	-
Qingdao Clouds of Bay Phase II	Chengyang District	50.1%	91,379	150,891	-	-	-	150,891	67,900
Dream Town, Weifang	Weicheng District	99.0%	126,507	306,940	-	-	-	71,246	235,694
Weifang Metropark	Weicheng District	99.0%	115,009	253,020	137,986	-	-	115,034	115,034
Jade Academy, Shijiazhuang	Chang'an District	49.8%	168,944	411,746	93,175	116,941	116,941	77,318	38,659
Zijun, Shijiazhuang	Chang'an District	48.2%	30,908	95,408	-	95,408	95,408	-	-
Shijiazhuang Metropolis Time	Gaocheng District	41.0%	60,661	224,050	-	187,200	187,200	-	36,850
Park Metropolis, Shijiazhuang	Xinhua District	41.0%	48,731	121,347	-	-	-	-	121,347
Jade Garden, Shijiazhuang	Qiaoxi District	48.0%	70,549	167,894	-	-	-	-	167,894
Zhengding Culture Village Project, Shijiazhuang	Zhengding County	49.0%	61,496	126,623	-	35,879	35,879	-	82,991
Future City, Shijiazhuang	Luancheng District	46.9%	104,994	196,832	-	-	-	-	142,303
Shijiazhuang Jiashi Vanke Purple Terrace	Qiaoxi District	41.6%	56,613	145,653	-	-	-	-	97,065
Shijiazhuang Zhengding Cultural Village	Zhengding County	49.1%	44,134	90,896	-	-	-	-	-
Shijiazhuang Mechanical and Technical School Project	Xinhua District	67.0%	13,913	32,933	32,933	-	-	-	-
Vanke Jade Four Seasons, Shijiazhuang	Yuhua District	50.1%	93,957	233,140	233,140	-	-	-	-

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Unit: sq.m.

Project Name	Location	Shareholding	Site area	Planned	Area	Completed	Accumulated	Area not	Area to be	Area to be
				estimated GFA	commenced construction in 2021	Area in 2021	completion area by 2021	yet under construction as at the end of 2021	commenced construction in 2022	completed in 2022
Shijiazhuang Jade College Phase II	Chang'an District	60.1%	72,403	181,009	181,009	-	-	-	-	-
Shijiazhuang Metro Vanke Lanwan	Chang'an District	40.0%	40,943	102,509	102,509	-	-	-	-	-
Zi Yuan, Shijiazhuang	Yuhua District	100.0%	32,426	93,739	93,739	-	-	-	-	-
Dream Town, Taiyuan	Xiaodian District	49.6%	323,777	793,157	-	-	793,157	-	-	-
Blue Mountain, Taiyuan	Wanbailin District	51.0%	198,392	687,372	-	-	687,372	-	-	-
Transportation Company Land Lot, Taiyuan	Wanbailin District	100.0%	37,060	177,415	-	-	-	177,415	43,625	-
The Paradiso, Taiyuan	Jinyuan District	88.6%	40,047	148,134	-	-	148,134	-	-	-
Zi Yuan, Taiyuan	Yingze District	90.1%	74,373	210,065	-	-	210,065	-	-	-
City Lights, Taiyuan	Yingze District	90.1%	176,340	567,446	29,424	163,796	255,910	7,380	-	-
Taiyuan Town	Jiancaoping District	89.1%	263,066	433,457	-	48,216	425,144	-	-	-
Central Park, Taiyuan	Jinyuan District	50.0%	35,492	136,854	-	-	-	-	-	136,854
Jade Garden, Taiyuan	Jinyuan District	36.0%	75,832	258,344	-	73,954	227,299	-	-	9,560
Changfeng Mansion, Taiyuan	Wanbailin District	42.0%	16,228	56,189	-	53,381	53,381	-	-	2,808
Taiyuan Chunhe Jingming	Wanbailin District	41.0%	239,977	546,569	80,768	194,323	194,323	31,000	-	171,344
Qingxu Project, Taiyuan	Qingxu County	41.0%	107,438	315,678	-	-	-	-	-	193,521
The Paradiso, Yangqu, Taiyuan	Yangqu County	50.0%	84,308	209,643	-	204,315	204,315	-	-	-
Jade Jinyang Lake, Taiyuan	Jinyuan District	48.8%	127,040	254,079	-	-	-	97,556	-	156,523
Taiyuan Lanwan Chuanqi	Jinyuan District	41.0%	64,605	231,750	-	-	-	-	-	231,750
Park Avenue, Taiyuan	Jinyuan District	33.0%	32,450	130,246	-	-	-	-	-	54,746
Taiyuan Beiyong Follow-up Phase	Xiaodian District	49.7%	179,233	569,697	22,615	-	-	309,427	-	-
Taiyuan Control Centre Project	Xiaodian District	40.0%	15,225	51,588	-	-	-	-	-	-
Time Light, Taiyuan	Yingze District	62.9%	59,426	184,100	-	-	-	42,658	-	-
Orient Community, Taiyuan	Xiaodian District	50.1%	153,520	371,792	94,685	-	-	223,478	200,960	-
Taiyuan Xuyuan	Qingxu County	49.7%	79,396	230,248	146,760	-	-	83,488	-	-
Beiyong Late Phase Lot E3, Taiyuan	Xiaodian District	49.7%	41,696	145,935	-	-	-	145,935	145,935	-
Violet, Jinzhong	Yuci District	50.0%	93,947	187,736	-	101,616	101,616	-	-	67,332
Glorious, Jinzhong	Yuci District	50.0%	29,143	57,501	-	46,693	46,693	-	-	-
Waterfront, Tianjin	Dongli District	100.0%	2,708,886	1,763,059	29,000	17,961	1,727,414	-	-	-
Binhai Metropolis, Tianjin	Binhai New District	40.0%	215,899	685,897	-	83,059	273,731	-	-	134,368
Jinyu International, Tianjin	Binhai New District	100.0%	108,389	192,177	-	-	161,232	-	-	-
Minhexiang, Tianjin	Dongli District	87.0%	257,768	438,230	-	-	438,230	-	-	-
Xinduhui, Tianjin	Nankai District	49.0%	40,068	139,099	-	46,212	46,212	73,599	-	19,288
Haitianyanju, Tianjin	Jizhou District	53.9%	81,935	80,502	-	2,402	80,502	-	-	-
Jade Avenue South, Tianjin	Xiqing District	34.0%	167,723	325,894	-	73,308	132,124	193,770	50,000	-
Jade Avenue North, Tianjin	Xiqing District	51.0%	192,144	378,267	-	-	-	285,003	-	-
Diecaidao, Tianjin	Hexi District	33.1%	24,013	47,996	-	-	-	-	-	47,996
Tianjin Emerald Riverside Project	Xiqing District	39.8%	198,161	340,468	78,812	91,749	128,944	56,794	56,794	60,000
Tianjin Vanke City	Dongli District	49.9%	147,353	182,154	-	55,050	89,050	-	-	93,104

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					commenced construction in 2021	in 2021	2021	of 2021	in 2022	in 2022
Chengningfu, Tianjin	Beichen District	27.7%	18,500	36,937	-	36,937	36,937	-	-	-
Tianjin Qilin Wetland Vanke Town	Dongli District	69.1%	166,735	263,002	-	42,817	80,271	3,498	-	20,000
Xihuafu, Tianjin	Xiqing District	57.8%	181,503	321,742	-	147,464	173,793	-	-	82,000
Guanlan, Tianjin	Binhai New District	48.6%	90,781	196,849	8,173	168,224	168,224	20,452	-	8,173
Tianjin South Olympic Stadium Jin	Xiqing District	28.5%	40,547	72,985	-	72,985	72,985	-	-	-
Tianjin Dongjun	Dongli District	50.0%	34,710	60,325	-	60,325	60,325	-	-	-
South of Xilu, Tianjin	Xiqing District	99.0%	49,684	81,729	-	81,729	81,729	-	-	-
North of Xilu, Tianjin	Xiqing District	98.8%	52,189	103,963	-	103,963	103,963	-	-	-
Four Season Binjiang, Tianjin	Beichen District	69.2%	136,700	291,952	36,357	-	-	145,956	54,000	109,639
Feicuizitai, Tianjin	Xiqing District	37.6%	68,567	109,309	-	50,283	50,283	-	-	59,026
Tianjin Baodi Lot 024 Project	Baodi District	99.2%	170,102	281,504	1,000	-	-	21,936	-	150,000
Tianjin Vanke Eco Light	Binhai New District	99.0%	70,557	112,890	112,890	-	-	-	-	-
Hujayuan Plots #6-9, Tianjin	Binhai New District	99.0%	323,464	604,985	168,202	-	-	436,783	110,000	-
Tianjin Riverside Metropolis	Binhai New District	64.5%	120,938	302,416	115,614	-	-	186,802	60,000	-
Yantai Haiyuntai	Zhifu District	100.0%	311,614	444,000	-	-	433,357	-	-	-
Yantai Hill Palace	Zhifu District	51.0%	341,943	572,929	-	3,091	407,253	-	-	-
Yantai Vanke City	Fushan District	51.0%	241,467	469,165	-	-	469,165	-	-	-
Yantai Emerald Park	Zhifu District	78.6%	57,892	116,000	-	-	116,000	-	-	-
Yantai Seattle	Zhifu District	41.0%	61,499	120,300	-	-	120,300	-	-	-
Yantai Tianyue Bay	Laishan District	93.5%	190,000	401,000	-	-	-	401,000	199,136	-
Yantai City Lights II	Fushan District	92.9%	58,514	109,477	-	109,477	109,477	-	-	-
Yantai Emerald Avenue	Laishan District	24.0%	189,041	460,414	42,806	186,463	186,463	19,499	19,499	40,482
Yantai City Lights III	Fushan District	51.1%	55,711	150,600	-	-	86,472	-	-	64,128
Yantai Emerald of Changan	Laishan District	29.4%	105,056	189,100	-	129,642	129,642	-	-	55,764
Yantai Nanyao Lot B	Zhifu District	24.2%	43,072	107,247	-	-	-	35,503	35,503	71,744
Yantai Lake & Mountain	Zhifu District	37.1%	294,800	297,600	136,003	50,287	50,287	-	-	104,595
Yantai Hill Palace Lot D	Zhifu District	42.5%	38,701	42,600	-	-	-	-	-	42,600
Yantai Wonder of the Sea	Laishan District	36.0%	69,494	175,691	107,944	-	-	-	-	-
Yantai Emerald Mansion	Fushan District	50.0%	112,117	271,432	215,927	-	-	-	-	-
Yantai Metropolis	Zhifu District	79.0%	81,207	227,360	227,360	-	-	-	-	-
Yantai Zhifu Vanke City Quanxueli Project	Zhifu District	50.0%	32,000	76,900	76,900	-	-	-	-	-
Yantai Zhifu Vanke City Bowenli	Zhifu District	39.0%	60,222	147,400	101,021	-	-	-	-	-
Yantai Dachengli	Zhifu District	49.5%	42,599	102,000	-	-	-	102,000	-	-
Yantai Four Seasons Light-year	Fushan District	59.0%	67,026	147,457	86,794	-	-	60,663	38,702	-
Jade Park, Weihai	Huancui District	57.4%	176,746	312,390	-	74,094	196,191	-	-	116,199
Jade Hill, Weihai	Huancui District	69.0%	124,947	192,215	154,307	-	-	37,908	37,908	-
Beijing Region subtotal			24,919,341	48,790,710	5,911,507	6,397,273	22,705,529	7,165,275	2,701,702	7,001,280

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Unit: sq.m.

Project Name	Location	Shareholding	Site area	Planned estimated GFA	Area commenced construction in 2021	Completed Area in 2021	Accumulated completion area by 2021	Area not	Area to be commenced construction in 2022	Area to be completed in 2022
								yet under construction as at the end of 2021		
Northeastern Region										
Shenyang Shoufu Cloud City	Huanggu District	97.2%	334,407	691,698	50,449	285,760	285,760	-	-	273,954
Jade Mansion, Shenyang	Hunnan District	100.0%	285,599	284,101	-	98,778	257,179	-	-	26,922
Shenyang Chunheli	Shenhe District	100.0%	81,378	350,551	-	-	350,551	-	-	-
Fei Cui Zhi Guang Phase I, Shenyang	Tiexi District	18.0%	40,877	199,937	159,442	40,495	40,495	-	-	-
Fei Cui Zhi Guang Phase II, Shenyang	Tiexi District	54.0%	67,305	286,886	-	-	286,886	-	-	-
Xinda Dream Town, Shenyang	Hunnan District	40.1%	198,479	407,938	-	107,314	407,938	-	-	-
Fei Cui Xinduhui, Shenyang	Tiexi District	67.4%	61,217	140,799	-	42,537	140,799	-	-	-
Tomorrow Light, Shenyang	Sujiatun District	69.5%	127,099	287,837	-	6,780	171,153	-	-	113,070
Feicui Binjiang, Shenyang	Heping District	99.2%	79,763	159,526	-	82,997	156,511	-	-	3,015
Shenyang Keppel Project	Hunnan District	98.3%	73,638	186,295	186,295	-	-	-	-	144,335
Shenyang Emerald Zhenyuan	Hunnan District	98.8%	82,371	140,031	-	82,274	140,031	-	-	-
China Travel Dream Town, Shenyang	Hunnan District	49.4%	1,018,234	1,057,074	19,726	21,277	230,966	258,709	-	235,318
Shenyang Furama Project	Heping District	91.0%	14,496	62,000	62,000	-	-	-	-	-
Wonderland Dajia (B Plot), Shenyang	Yuhong District	57.2%	77,800	147,969	-	67,191	67,191	-	-	80,778
UC Dream Town, Shenyang	Faku County	45.0%	102,154	250,617	-	56,440	56,440	146,586	-	47,591
Shenyang BMW Project	Tiexi District	98.1%	187,248	280,871	-	83,119	83,119	-	-	133,903
Wonderland Dajia (AC Plot), Shenyang	Yuhong District	57.2%	28,909	54,927	-	-	-	24,355	-	30,572
Beichenzhiguang, Shenyang	Shenbei New Area	48.3%	105,527	232,159	-	-	-	-	-	111,175
Dongdi, Luoyang	Shenhe District	64.0%	60,134	150,335	54,769	-	-	-	-	20,627
Shenyang Xichen Light	Tiexi District	59.2%	149,281	268,706	141,768	-	-	-	-	64,697
Shenyang Four Seasons Metropolis	Sujiatun District	37.1%	162,261	324,522	149,623	-	-	174,899	174,899	-
Shenyang Zhongde II Plot	Tiexi District	99.7%	62,921	94,381	36,834	-	-	57,547	57,547	-
Hun Nan Xin Du Xin, Shenyang	Hunnan District	98.5%	280,484	479,991	282,288	-	-	197,703	93,732	-
One Fujian, Shenyang	Huanggu District	99.1%	75,869	136,564	68,270	-	-	68,294	68,294	-
Whistler Town, Anshan	Tiedong District	100.0%	422,171	624,995	-	-	624,995	-	-	-
Jinyu International, Anshan	Tiexi District	51.0%	225,715	667,198	-	81,240	470,896	-	-	191,768
High & New Dream Town, Anshan	Lishan District	68.0%	420,306	838,509	293,807	258,235	258,235	283,999	-	-
The Paradiso, Fushun	Wanghua District	100.0%	300,150	506,048	-	90,645	506,048	-	-	-
Panjin Xinglongtai Project	Xinglongtai District	98.1%	234,931	602,715	175,880	148,188	148,188	127,768	-	105,953
Harbour City, Yingkou	Bayuquan District	100.0%	138,990	329,301	-	130,656	327,256	-	-	2,045
Central Park, Baotou	Qingshan District	55.2%	228,173	560,431	-	99,130	99,130	-	-	365,407
Baotou Jade City	Jiuyuan District	57.9%	369,999	845,957	29,117	-	-	517,431	150,823	97,737
Blue Mountain, Changchun	Erdao District	100.0%	228,670	501,678	-	-	455,628	-	-	46,050
Changchun Whistler Town	Nanguan District	50.0%	399,715	484,714	60,557	25,770	375,734	48,423	6,498	37,105
Baicuiyuan, Changchun	Chaoyang District	100.0%	267,981	503,349	-	40,263	503,349	-	-	-
Dream Town, Changchun	Nanguan District	51.0%	350,965	1,068,964	-	19,262	872,713	196,251	28,264	-
City Twilight, Changchun	Lvyan District	96.3%	181,060	435,039	-	-	261,372	173,667	173,667	-

Unit: sq.m.

Project Name	Location	Shareholding	Site area	Planned estimated GFA	Area	Accumulated	Area not	Area to be	Area to be completed in 2022
					commenced construction in 2021	Completed Area in 2021	yet under construction as at the end of 2021	commenced construction in 2022	
Changchun Fanrongli	Chaoyang District	41.7%	16,162	56,567	-	-	56,567	-	-
Jade Binjiang, Changchun	Nanguan District	92.3%	346,635	702,386	-	41,201	415,047	169,788	34,138
Changchun The Lake	Nanguan District	53.7%	45,315	140,961	-	45,097	45,097	-	95,864
Jade College, Changchun	Nanguan District	49.3%	82,000	184,668	-	29,940	156,851	-	27,817
Xichen Light, Changchun	Lvyuan District	40.0%	154,246	303,002	-	303,002	303,002	-	-
Changchun Life of Resort	Nanguan District	90.0%	80,000	111,312	-	-	111,312	-	-
Xiwang, Changchun	Kuancheng District	93.8%	155,044	289,702	-	125,282	125,282	-	47,824
Changchun Beihu Xiwangdong Land Parcel	Kuancheng District	98.3%	129,436	237,602	68,052	-	-	80,023	92,172
Changchun Gongzhuling project	Gongzhuling City	41.0%	617,240	1,086,342	206,797	-	-	461,161	235,718
Xinlicheng, Changchun	Nanguan District	54.9%	50,349	65,269	18,103	23,594	23,594	-	12,590
Changchun Guigu Street Project	Gongzhuling City	41.0%	226,629	453,258	245,837	-	-	26,789	124,964
Changchun West Star A	Lvyuan District	44.4%	82,107	173,759	45,246	-	-	-	99,335
Star Light City, Changchun	Nanguan District	38.9%	307,388	686,000	-	-	-	177,660	92,783
Sunflower Follow-up Project, Changchun	Gongzhuling City	41.0%	20,445	37,000	-	-	-	37,000	-
Sunflower Town Follow-up Second Tranche Land Lot Project, Changchun	Gongzhuling City	50.0%	331,163	590,791	-	-	-	590,791	-
Violet, Changchun	Chaoyang District	99.0%	91,160	236,015	181,588	-	-	54,427	-
Times Metropolis, Changchun	Kuancheng District	80.2%	102,916	294,141	261,499	-	-	32,642	-
Zitai, Changchun	Nanguan District	49.2%	105,213	188,917	188,917	-	-	-	-
No.59 Rongguang Road, Changchun	Erdao District	77.7%	82,282	205,705	47,522	-	-	158,183	-
Changchun Park Metropolis	Lvyuan District	98.2%	170,500	336,494	102,000	-	-	234,494	98,592
Songhua Lake Project, Jilin	Fengman District	100.0%	531,598	599,999	-	12,351	289,616	310,383	-
Dream Town, Jilin	Fengman District	65.0%	728,139	1,857,121	494,140	119,484	1,388,597	-	240,260
Cherry Blossom Garden, Dalian	Lüshunkou District	100.0%	90,286	237,180	-	28,883	230,798	-	6,382
Jade Light, Dalian	Jinzhou District	88.6%	83,330	243,918	-	-	96,930	-	-
Future Light, Dalian	Jinzhou District	53.2%	212,731	464,721	-	126,373	126,373	108,813	229,535
Harbor, Dalian	Pulandian District	55.0%	581,172	968,301	-	179,339	542,591	425,710	108,245
Dream Town, Dalian	Jinzhou District	100.0%	284,806	658,153	-	-	658,153	-	-
Blue Mountain, Dalian	Ganjingzi District	100.0%	125,100	214,470	-	-	214,470	-	-
Chenghua East Project, Dalian	Shahekou District	51.0%	35,757	64,260	-	32,108	32,108	-	32,152
Dalian The Park	Ganjingzi District	90.0%	19,131	37,627	-	-	37,627	-	-
King Metropolis, Dalian	Ganjingzi District	87.0%	44,085	80,337	-	-	80,337	-	-
City Twilight, Dalian	Ganjingzi District	93.4%	153,500	283,975	-	-	274,835	-	-
Zhongnanfu, Dalian	Zhongshan District	88.6%	15,300	32,400	-	-	32,400	-	-
Jade Garden, Dalian	Ganjingzi District	44.5%	146,290	248,710	-	2,103	221,998	26,712	-
Badongshu, Dalian	Ganjingzi District	88.6%	36,169	46,336	-	-	46,336	-	-
Xinduhui, Dalian	Ganjingzi District	95.7%	55,138	135,345	-	-	135,345	-	-
Jade Four Season, Dalian	Ganjingzi District	90.5%	73,601	129,292	-	-	129,292	-	-

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Unit: sq.m.

Project Name	Location	Shareholding	Site area	Planned	Area	Completed	Accumulated	Area not	Area to be	Area to be
				estimated GFA	commenced construction in 2021	Area in 2021	completion area by 2021	yet under construction as at the end of 2021	commenced construction in 2022	completed in 2022
Binhai Metropolis, Dalian	Ganjingzi District	90.0%	10,955	26,292	-	-	26,292	-	-	-
Guan Xian Villa, Dalian	Ganjingzi District	48.7%	126,155	134,550	-	65,299	129,800	-	-	4,750
Metropolis Xinghai, Dalian	Shahekou District	26.5%	7,399	76,778	-	-	-	-	-	76,778
Feicui Chunxiao, Dalian	Lushunkou District	72.6%	193,011	177,795	10,210	-	62,618	32,678	-	72,289
Dalian The Stage	Zhongshan District	62.1%	42,400	166,400	23,714	105,000	105,000	-	-	-
Dalian Zhong Shan Zhong	Zhongshan District	41.2%	2,968	33,000	-	-	-	-	-	33,000
Dajia, Dalian	Ganjingzi District	97.5%	25,636	44,232	-	-	44,232	-	-	-
Feicui Duhui, Dalian	Ganjingzi District	99.4%	125,744	311,150	-	76,760	210,500	-	-	57,090
Diamond Bay, Dalian	Ganjingzi District	48.4%	67,674	108,646	-	97,096	97,096	-	-	11,550
Metropolis Park, Dalian	Ganjingzi District	99.6%	138,511	264,100	264,100	-	-	-	-	-
Dalian Dong Guan Street Project	Xigang District	99.0%	32,616	47,400	-	-	-	47,400	34,900	-
Dalian Zhongcheng Cuiwan Project	Ganjingzi District	99.0%	29,439	70,500	70,500	-	-	-	-	-
City Twilight, Harbin	Xiangfang District	45.0%	110,669	346,437	-	-	346,437	-	-	-
Jinyuyuefu, Harbin	Xiangfang District	67.1%	123,043	288,777	-	-	-	-	-	136,501
Park Avenue, Harbin	Daoli District	24.0%	39,392	101,709	-	101,709	101,709	-	-	-
Binjiang Metropolis, Harbin	Daoli District	49.9%	29,360	126,035	-	61,561	61,561	-	-	64,474
Intelligent Future City Project, Harbin	Xiangfang District	54.5%	310,193	556,654	136,360	-	-	205,630	-	99,494
Shenzhen-Harbin Vanke Town Project, Harbin	Songbei District	40.2%	166,982	362,352	-	-	-	125,098	125,098	97,664
Harbin China-Russian Industrial Park Project	Songbei District	99.3%	150,603	233,082	233,082	-	-	-	-	38,320
Northeastern Region subtotal			15,671,390	30,802,538	4,368,492	3,444,533	14,538,366	5,581,014	1,120,559	4,195,466
Central Region										
Vanke Home, Wuhan	Hongshan District	98.9%	57,253	262,386	-	98,767	262,386	-	-	-
Golden Lake Courtyard, Wuhan	Jiangnan District	100.0%	72,575	402,716	-	-	340,641	62,075	32,150	-
Hankou Chuanqi, Wuhan	Jiangnan District	50.0%	223,165	1,127,688	-	179,105	1,127,688	-	-	-
Wuhan Changzheng Village	Hongshan District	100.0%	205,088	632,579	289,800	-	-	-	-	235,688
Vanke Jincheng, Wuhan	Hongshan District	95.5%	38,286	203,017	-	-	203,017	-	-	-
Vanke Fei Cui Jiu Xi, Wuhan	Caidian District	50.0%	160,682	370,689	-	-	370,689	-	-	-
Feicui Binjiang, Wuhan	Hanyang District	54.5%	227,357	917,264	4,957	39,805	323,378	-	-	98,092
Vanke Jinyu International, Wuhan	Hanyang District	94.5%	90,713	467,947	-	345,058	345,058	-	-	-
Weipeng Vanke Yuxibinjiang, Wuhan	Jiang'an District	40.0%	43,274	208,964	-	143,984	208,964	-	-	-
Vanke Gaoerfuxi'an, Wuhan	Dongxihu District	96.0%	35,075	96,278	-	-	96,278	-	-	-
Vanke Cloud City, Wuhan	Hongshan District	79.8%	119,037	425,990	-	160,864	202,526	62,913	-	48,669

Unit: sq.m.

Project Name	Location	Shareholding	Site area	Planned estimated GFA	Area	Accumulated	Area not	Area to be	Area to be completed in 2022	
					commenced construction in 2021	Completed Area in 2021	yet under construction as at the end of 2021	commenced construction in 2022		
Vanke Liantou Ideal Star 083 Land Lot, Wuhan	Jiangxia District	19.3%	65,548	185,404	-	41,650	84,797	-	-	21,912
Vanke Liantou Ideal Star 082 Land Lot, Wuhan	Jiangxia District	49.0%	64,726	176,070	-	43,174	86,337	-	-	20,312
Wuhan Jinyu Tiandi	Qiaokou District	49.8%	75,608	309,699	-	51,699	51,699	-	-	77,421
Vanke Xinduhui, Wuhan	Hongshan District	64.8%	59,917	287,499	-	-	-	-	-	191,979
Wuhan Vanke Poly Ideal City	Hongshan District	49.7%	96,897	336,989	107,401	158,643	158,643	-	-	81,982
Wuhan Vanke Park Avenue	Qiaokou District	48.8%	141,805	490,984	77,523	-	-	150,463	40,145	94,422
Vanke Huasheng Link City, Wuhan	Hannan District	48.4%	319,537	512,768	-	-	-	-	-	-
Wuhan Vanke Donghu Dibai	Hongshan District	99.1%	22,500	100,800	100,800	-	-	-	-	-
Wuhan Vanke Huangpi Hengdian 189 mu Project	Huangpi District	99.5%	126,042	315,065	-	-	-	315,065	70,120	-
Wuhan Vanke Jinyin Lake Circle 115 mu Project	Dongxihu District	99.4%	76,352	149,000	-	-	-	149,000	149,000	-
Wuhan Rhine Park	Caidian District	99.0%	85,371	213,427	33,934	-	-	179,493	84,285	-
Wuhan Jinyu Light-year	Hanyang District	49.2%	104,326	260,662	-	-	-	260,662	106,303	-
Wuhan Vanke Park No.5	Jiangnan District	48.5%	46,626	211,699	211,699	-	-	-	-	-
Vanke Colorful City, Ezhou	Gedian Development Zone	41.0%	126,026	295,398	-	70,817	257,980	-	-	37,418
Ezhou Vanke Cheng	Gedian Development Zone	65.3%	21,452	80,760	-	80,760	80,760	-	-	-
Ezhou 010 Project	Gedian Development Zone	98.3%	139,997	419,909	-	-	-	283,293	-	-
Yichang Vanke Ideal City	Yiling District	82.7%	182,149	437,179	-	70,296	300,208	-	-	49,543
Yichang Vanke Ideal City Yue Mansion	Yiling District	95.5%	32,041	51,050	-	51,050	51,050	-	-	-
Vanke Yicuijincheng, Yichang	Xiling District	59.3%	123,457	300,553	39,432	-	-	32,204	32,204	-
Yichang Vanke City Light	Wujiagang District	59.0%	49,016	127,401	127,401	-	-	-	-	-
Yichang Vanke Ideal City Late Phase	Yiling District	99.0%	55,431	88,689	-	-	-	88,689	88,689	-
Wonderland, Changsha	Yuelu District	49.6%	479,778	863,601	349,957	-	-	513,644	251,901	-
Zitai, Changsha	Tianxin District	70.0%	116,486	272,813	70,060	-	143,516	-	-	59,237
Jinyu Binjiang, Changsha	Yuelu District	58.0%	58,287	207,995	-	-	147,563	-	-	36,731
Heron Hill, Changsha	Yuelu District	100.0%	100,351	297,167	-	-	297,167	-	-	-
Glamorous City, Changsha	Yuhua District	100.0%	460,237	1,307,457	-	185,089	1,152,926	-	-	154,531
Jinyu International, Changsha	Yuelu District	51.0%	159,393	518,569	-	38,296	518,569	-	-	-
Golden Wheat Fields, Changsha	Yuhua District	90.0%	16,459	38,570	-	11,522	38,570	-	-	-
Golden Dream, Changsha	Yuelu District	99.5%	151,064	517,107	-	335,664	335,664	-	-	88,067
Sky Realm, Changsha	Yuhua District	45.0%	68,204	101,051	-	-	-	-	-	101,051
Binhe Road, Changsha	Wangcheng District	60.6%	35,324	122,498	-	-	-	-	-	89,741

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Directors' Report

Unit: sq.m.

Project Name	Location	Shareholding	Site area	Planned estimated GFA	Area	Completed Area in 2021	Accumulated completion area by 2021	Area not yet under construction as at the end of 2021	Area to be commenced construction in 2022	Area to be completed in 2022
					commenced construction in 2021		completion area by 2021	yet under construction as at the end of 2021	Area to be commenced construction in 2022	
Zhenwanhui, Changsha	Kaifu District	52.6%	39,990	261,188	-	-	-	261,188	261,188	-
Changsha Yuefu	Yuhua District	52.2%	95,133	237,035	160,404	-	-	76,631	57,379	-
Changsha Peninsula International	Kaifu District	99.2%	54,322	168,940	-	-	-	168,940	168,940	-
Changsha Songhu Tiandi	Changsha County	99.9%	359,801	1,044,000	-	-	-	1,044,000	285,671	-
Sky City, Nanchang	Nanchang County	20.8%	195,547	480,237	-	181,006	431,725	-	-	32,723
Dream Town, Nanchang	Qingshanhu District	32.5%	299,708	417,362	-	27,006	415,611	-	-	1,751
Haishang Chuanqi, Nanchang	Qingshanhu District	50.0%	163,213	348,201	-	29,042	348,201	-	-	-
Cuidieyuan, Nanchang	Honggutan District	50.0%	80,120	184,273	-	10,141	166,367	-	-	-
Times Square, Nanchang	Honggutan District	30.0%	83,800	293,456	-	30,360	240,202	-	-	-
Hongdu 1951, Nanchang	Qingshanhu District	29.9%	27,879	94,785	-	3,663	94,785	-	-	-
Legend on Midtown, Nanchang	Xinjian District	35.9%	87,065	174,124	-	-	174,124	-	-	-
Hongjun, Nanchang	Qingshanhu District	26.0%	121,873	219,371	-	-	219,371	-	-	-
Nanchang The Vanke Top Villa	Honggutan District	45.0%	57,493	145,075	-	29,360	143,683	-	-	1,392
Lot F04/F02, Nanchang Vanke Science City	Xinjian District	27.4%	209,526	391,122	115,997	-	-	-	-	40,183
Lot H01E01, Nanchang Vanke Science City	Xinjian District	30.0%	37,373	63,551	-	-	-	-	-	-
Nanchang Lune Sea	Qingshanhu District	24.1%	120,578	265,271	-	-	-	-	-	153,214
Nanchang Lianfa Vanke West Coast Spring Breeze	Honggutan District	19.9%	32,640	81,600	-	-	-	-	-	81,600
Star Century, Nanchang	Xinjian District	49.2%	167,707	301,872	122,900	-	-	-	-	117,800
Jiang You Dong Fang, Nanchang	Nanchang County	40.3%	53,706	96,671	96,671	-	-	-	-	-
Nanchang Lianfa Vanke Four Seasons Light-year	Xinjian District	16.9%	31,013	80,635	48,457	-	-	32,178	-	-
Nanchang Four Seasons Metropolis	Qingshanhu District	49.3%	123,877	248,420	145,183	-	-	103,237	-	-
Nanchang Metropolis Riverside	Xinjian District	14.0%	27,893	69,734	69,734	-	-	-	-	-
Vanke Metropolis, Zhengzhou	Erqi District	88.6%	333,940	1,000,262	-	158,946	883,974	-	-	116,288
Changjiyunlu, Zhengzhou	Zhongmu County	43.0%	191,564	224,584	-	98,716	158,349	63,765	-	2,470
Vanke Meijing Glamorous City, Zhengzhou	Xinzheng City	51.0%	327,697	802,558	-	99,891	802,558	-	-	-
Vanke Meijing Dream Town, Zhengzhou	Zhongyuan District	51.0%	508,421	1,560,281	-	-	1,560,281	-	-	-
Vanke Meijing Lanyuan, Zhengzhou	Zhongyuan District	41.0%	129,527	453,065	-	308,379	453,065	-	-	-
Vanke Tianlun Zitai, Zhengzhou	Huiji District	42.7%	205,979	566,263	-	12,820	566,263	-	-	-
Racho Sante Fe, Zhengzhou	Zhongmu County	40.8%	181,326	313,432	2,229	93,390	252,683	-	-	60,749
Vanke Meijingshijie, Zhengzhou	Jinshui District	68.2%	62,197	186,346	-	-	186,346	-	-	-
Vanke Min'an Stars, Zhengzhou	Zhongyuan District	46.0%	17,754	71,933	-	-	71,933	-	-	-
Vanke Min'an Cloud City, Zhengzhou	Huiji District	42.1%	51,704	154,818	-	-	154,818	-	-	-
Vanke Xiwang, Zhengzhou	Zhongmu County	99.3%	60,374	150,588	-	82,398	150,588	-	-	-
Zhengzhou Vanke The City	Jinshui District	40.4%	33,156	172,198	-	-	-	-	-	172,198
Vanke Min'an Sanduhushan, Zhengzhou	Shangjie District	45.9%	374,620	422,303	-	39,646	39,646	324,285	-	12,141
Zhengzhou Bagua Temple	Erqi District	37.2%	23,438	70,162	-	-	-	-	-	70,162

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					commenced construction in 2021	in 2021	2021	of 2021	in 2022	in 2022
Min'an Jiangshanfu, Zhengzhou	Huiji District	46.1%	70,853	283,260	62,519	220,741	220,741	-	-	-
Zhengzhou Bairong E5 Project	Erqi District	99.0%	59,332	236,904	-	-	-	-	-	9,781
Zhengzhou Xingyang Donglinhu Lot	Xingyang City	50.4%	193,727	362,942	-	-	-	158,198	-	66,149
Vanke Metropolis Xianyueyuan, Zhengzhou	Erqi District	69.0%	58,787	176,017	176,017	-	-	-	-	-
Vanke Luoda Temple Project, Zhengzhou	Zhongyuan District	43.0%	33,812	168,971	-	-	-	-	-	168,971
Zhengzhou Cloud Atlas	Zhongmu County	40.8%	193,049	350,278	-	-	-	-	-	122,370
Zhengzhou Laoyachen 93 mu Project	Huiji District	99.6%	62,282	260,672	168,085	-	-	92,587	92,587	-
Nanlonghu, Zhengzhou	Xinzheng City	42.0%	116,040	347,405	145,046	-	-	126,095	126,095	-
Zhengzhou Vanke City Phase 9	Zhongyuan District	41.1%	77,038	192,148	192,148	-	-	-	-	-
Zhengzhou Guocui Yinxiu	Jinshui District	50.4%	27,335	141,996	-	-	-	141,996	141,996	-
Zhengzhou Future Time	Jinshui District	99.1%	53,205	148,974	148,974	-	-	-	-	-
Zhengzhou Ideal Light	Erqi District	49.0%	30,174	105,988	105,988	-	-	-	-	-
Zhengzhou Shimi Senyu	Jinshui District	99.5%	46,550	78,865	78,865	-	-	-	-	-
Zhengzhou Cuiwan Zhongcheng Lot B13	Huiji District	99.0%	21,326	85,304	-	-	-	85,304	85,304	-
Zhengzhou Metropolitan Skyline	Erqi District	66.9%	78,971	236,527	-	-	-	236,527	236,527	-
Vanke Chunhua Xiyuanjiadi, Luoyang	Jianxi District	41.0%	35,616	173,933	173,933	-	-	-	-	-
Vanke Putian Long Tang, Zhoukou	Chuanhui District	40.2%	151,933	432,341	-	228,954	228,954	-	-	203,387
Vanke Putianlongtang Phase III, Zhoukou	Chuanhui District	44.6%	91,533	265,446	-	-	-	265,446	265,446	-
Central Region subtotal			11,306,429	30,577,038	3,426,114	3,760,702	15,150,342	5,277,878	2,575,930	2,920,125
Southern Region										
Zhenshanfu, Shenzhen	Nanshan District	100.0%	48,804	232,842	-	104,593	214,602	-	-	18,240
Cloud City, Shenzhen	Nanshan District	78.3%	394,044	1,335,510	-	-	1,304,348	-	-	31,162
Tianyu Garden, Shenzhen	Longgang District	100.0%	148,616	870,987	-	-	592,368	-	-	-
Shenzhen Bicycle Factory Project	Longgang District	99.3%	44,406	356,370	332,190	-	-	-	-	24,180
Vanke City of Stars, Shenzhen	Baoan District	78.6%	122,126	638,884	-	270,479	638,884	-	-	-
Zhenwanhui, Shenzhen	Nanshan District	43.0%	68,285	419,000	-	-	156,319	-	-	-
No.68 Shennan Road, Shenzhen	Luohu District	59.9%	12,841	146,435	-	-	146,435	-	-	-
Huilong Business Center, Shenzhen	Longhua District	39.2%	20,339	142,400	-	-	142,400	-	-	-
Vanke Infinity City, Shenzhen	Longhua District	45.8%	41,602	226,502	-	-	-	-	-	-
Shenzhen Jinyu Lingfeng Park	Longgang District	5.0%	34,996	107,512	-	-	107,512	-	-	-
Luohu Food Building Project, Shenzhen	Luohu District	99.6%	6,676	67,800	-	-	-	-	-	-
Vanke Headquarter Building Project, Shenzhen	Nanshan District	100.0%	22,338	166,660	-	-	-	-	-	-
Yuecheng, Shenzhen	Longhua District	27.8%	95,999	487,279	-	-	75,810	-	-	-
Shenzhen Zhen Shanhai	Nanshan District	91.6%	13,073	63,093	-	-	-	-	-	63,093

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Unit: sq.m.

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Shenzhen Vanke Western Royal	Guangming District	79.8%	22,340	154,330	-	-	-	-	-	-
Vanke Metropolis, Shenzhen	Baoan District	60.0%	19,472	137,134	-	-	-	-	-	-
Shenzhen Sanxing Industrial Zone Project I	Futian District	100.0%	91,541	532,740	-	-	-	532,740	363,040	-
Shenzhen Sanxing Industrial Zone Project II	Futian District	100.0%	38,455	367,000	-	-	-	367,000	116,000	-
Beichen Light, Shenzhen	Longhua District	36.0%	16,142	93,680	-	-	-	-	-	-
Shenzhen Jiangang Mountain	Baoan District	99.8%	85,321	189,575	189,575	-	-	-	-	14,965
Shenzhen Shangjiaohuan	Longgang District	100.0%	43,011	207,928	-	-	-	207,928	207,928	-
Chegongmiao Dupont Project, Shenzhen	Futian District	37.5%	57,319	312,000	-	-	-	312,000	-	-
Watercity, Dongguan	Tangxia Town	100.0%	596,786	425,964	20,897	-	343,126	-	-	32,436
Dream Town, Humen, Dongguan	Humen Town	57.4%	349,805	782,296	-	-	780,455	-	-	1,841
Vanke Cloud City, Dongguan	Humen Town	74.4%	124,395	373,182	-	1,330	366,207	-	-	6,975
Pearl River East Coast, Dongguan	Machong Town	63.6%	303,695	542,650	-	-	542,650	-	-	-
Vanke City Twilight Plaza, Dongguan	Humen Town	88.3%	29,391	136,422	-	30,276	111,838	-	-	-
Songlang Garden, Dongguan	Dalang Town	86.9%	75,663	238,702	-	-	238,702	-	-	-
Dongguan Chang'an Lianhu Road Project	Changan Town	67.4%	54,178	108,330	-	-	-	-	-	108,330
Dongjiang Star, Dongguan	Nancheng	45.1%	59,200	367,549	-	21,636	367,549	-	-	-
No.5 City, Dongguan	Gaobu Town	48.3%	102,054	285,644	-	79,512	283,803	-	-	1,841
Jinyu Plaza, Dongguan	Dongkeng Town	45.0%	17,420	78,388	-	-	62,106	-	-	-
Royal Palace, Dongguan	Dongcheng	24.2%	180,523	394,887	-	175,588	383,503	-	-	-
Imperial Bay No.8 Project, Dongguan	Dongcheng	24.2%	159,856	152,101	-	-	-	-	-	75,509
Dongguan Sky City	Dalang Town	73.5%	34,519	131,925	-	61,471	85,372	-	-	23,932
Houjie Yuanxin Second Road Project, Dongguan	Houjie Town	64.0%	16,183	29,100	-	-	-	-	-	29,100
Jade Pine Lake, Dongguan	Liaobu Town	90.0%	95,578	190,957	-	51,900	184,055	-	-	-
Dongjiang Avenue Project, Dongguan	Wanjiang	98.4%	21,505	64,515	-	-	-	64,515	-	-
Housha Road Project, Dongguan	Houjie Town	64.2%	44,916	53,869	-	-	-	-	-	53,869
Dongguan Golden City Center	Nancheng	51.4%	13,967	61,696	-	18,589	61,696	-	-	-
Binhai Metropolis, Dongguan	Humen Town	78.6%	20,050	60,145	-	-	29,348	-	-	-
Vanke Shifu Golden Home, Dongguan	Liaobu Town	18.2%	51,675	186,149	-	-	50,708	-	-	-
Jiangnan Yard, Dongguan	Shatian Town	68.2%	84,903	152,422	-	-	146,854	-	-	5,568
Feicuidongwang, Dongguan	Nancheng	32.4%	58,146	155,797	-	69,598	148,503	-	-	-
Huanhulu Project in Songshanhu, Dongguan	Songshanhu	29.6%	23,037	44,142	-	-	-	-	-	-
Fenggang Wonderland, Dongguan	Fenggang Town	39.1%	50,325	101,438	-	48,988	95,643	-	-	-
Vanke Jiangwan Garden, Dongguan	Machong Town	78.6%	28,752	86,194	-	82,278	82,278	-	-	3,916
Dongguan Machong Dasheng 031 Lot	Machong Town	78.9%	36,215	108,543	-	95,128	95,128	-	-	-
Dongguan Zhujiang Vanke City	Machong Town	41.0%	15,561	46,524	-	-	-	-	-	46,524
Dongguan Vanke Golden Mile East	Liaobu Town	33.6%	57,766	173,296	-	-	-	-	-	173,296
Dongguan Vanke Hanbang Songhu Peninsula	Dalingshan Town	36.9%	128,605	190,630	-	62,430	62,430	-	-	128,200

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Vanke City of Stars, Dongguan	Hongmei Town	64.2%	43,561	108,869	-	-	-	-	8,855
Dongguan Songyue Garden	Songshanhu	99.7%	99,500	121,214	121,214	-	-	-	-
Dongguan Future Light	Humen Town	47.7%	81,768	172,468	172,468	-	-	-	-
Dongguan Zhenshanyue	Houjie Town	39.6%	104,561	107,758	107,758	-	-	-	-
Dongguan The Park	Machong Town	99.4%	54,171	108,079	108,079	-	-	-	8,383
Dream Town, Foshan	Chancheng District	100.0%	337,544	776,350	-	776,350	-	-	-
Crystal City, Foshan	Shunde District	49.0%	284,036	710,092	-	710,092	-	-	-
Vanke Plaza, Foshan	Chancheng District	88.0%	114,429	555,820	-	22,493	392,184	-	81,800
Nanhai Vanke Plaza, Foshan	Nanhai District	51.0%	89,009	373,821	-	-	373,821	-	-
Jinyu Binjiang, Foshan	Shunde District	50.0%	113,224	452,880	-	30,798	452,880	-	-
A32, Foshan	Nanhai District	100.0%	18,185	105,450	-	1,069	105,450	-	-
Golden City, Foshan	Nanhai District	98.7%	70,248	210,744	-	-	210,744	-	-
Golden Miles, Foshan	Chancheng District	98.8%	77,562	294,884	-	-	294,884	-	-
Jinyu Binjiang Phase III, Foshan	Shunde District	98.8%	54,648	161,976	-	-	161,976	-	-
Vanke Center, Foshan	Nanhai District	100.0%	18,023	99,125	-	-	-	-	-
City Twilight, Foshan	Nanhai District	90.7%	72,711	228,312	-	-	228,312	-	-
Shangduhui, Foshan	Nanhai District	97.0%	13,718	61,340	-	-	61,340	-	-
Xijiang Joy, Foshan	Gaoming District	45.4%	97,157	291,378	-	-	291,378	-	-
Yueduhui, Foshan	Chancheng District	100.0%	9,785	58,710	-	-	-	-	58,710
Jade Riverview, Foshan	Shunde District	98.1%	53,795	134,488	-	-	134,488	-	-
Yiduhui, Foshan	Nanhai District	90.0%	13,986	62,937	-	37,983	62,937	-	-
Glamorous City, Foshan	Sanshui District	91.3%	132,954	332,272	-	-	332,272	-	-
Star Converge, Foshan	Shunde District	90.0%	23,200	120,664	-	97,769	120,664	-	-
Skycity, Foshan	Shunde District	99.1%	86,789	390,553	-	-	-	151,143	35,129
Jinyu Academy, Foshan	Shunde District	97.0%	45,432	127,210	-	-	127,210	-	-
Jingduhui, Foshan	Shunde District	91.6%	7,708	56,038	-	-	56,038	-	-
West of the Paradise, Foshan	Nanhai District	99.1%	76,956	230,869	-	210,731	210,731	-	-
Golden Family, Foshan	Nanhai District	99.1%	52,222	182,777	-	96,402	96,402	-	86,375
Golden Times, Foshan	Chancheng District	98.9%	40,459	161,837	-	72,665	72,665	-	89,172
Jinyu Xijiangfu, Foshan	Gaoming District	49.6%	75,037	187,591	-	143,410	143,410	-	44,181
Golden Dream, Foshan	Shunde District	99.1%	46,666	233,328	68,933	-	-	140,802	-
Spring Dew Mansion, Foshan	Shunde District	49.5%	131,842	351,063	-	-	-	-	161,534
Vanke Nanhai Skycity, Foshan	Nanhai District	50.8%	178,080	480,815	345,907	-	-	-	134,908
Golden Island, Foshan	Gaoming District	50.0%	40,003	100,008	100,008	-	-	-	43,074
Metropolis, Foshan	Chancheng District	99.6%	74,505	223,215	133,036	-	-	90,179	90,179
Foshan Puyue Mountain	Nanhai District	99.8%	163,614	442,285	63,728	-	-	378,557	378,557
Vanke Dazhangxi Coast, Fuzhou	Yongtai County	51.0%	392,000	390,808	-	-	183,604	131,462	10,087
Jinyu Zhongyang, Fuzhou	Taijiang District	100.0%	25,397	128,512	-	-	128,512	-	-

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One More, Fuzhou	Minhou County	51.0%	213,602	676,655	-	86,593	316,111	340,585	281,360	19,959
Jinyu Binjiang Garden, Fuzhou	Cangshan District	99.0%	80,013	415,774	-	143,011	199,640	-	-	71,414
Fuzhou Cangqian Jiuli	Cangshan District	100.0%	83,099	99,384	-	45,165	45,165	-	-	54,219
Fuzhou Emerald Park Fengqi	Cangshan District	45.2%	23,628	30,932	-	10,235	30,932	-	-	-
Fuzhou Emerald Park Xiwang	Cangshan District	48.2%	35,543	40,427	-	12,297	40,427	-	-	-
Zitai, Fuzhou	Mawei District	38.7%	113,570	156,018	-	-	-	-	-	84,866
Fuzhou Emerald Light	Cangshan District	16.8%	81,196	145,500	-	145,500	145,500	-	-	-
Taijiang Paiwei Project, Fuzhou	Taijiang District	99.2%	205,862	624,811	-	-	-	-	-	624,811
Fuzhou Jinyu Tixiang	Cangshan District	99.0%	17,301	31,142	31,142	-	-	-	-	31,142
Fuzhou Vanke Jingxi Garden	Minhou County	99.0%	47,447	83,752	83,752	-	-	-	-	-
World Expo, Guangzhou	Panyu District	51.8%	82,354	451,683	-	67,860	165,808	174,579	-	58,292
Racho Sante Fe, Guangzhou	Huadu District	49.0%	210,252	126,172	-	-	126,172	-	-	-
Guangzhou Yunqi House	Tianhe District	25.0%	13,200	49,236	-	-	28,769	-	-	-
Xingfuyu Garden, Guangzhou	Huangpu District	14.3%	259,300	546,643	32,730	3,772	513,913	-	-	-
Yun Cheng Miku, Guangzhou	Tianhe District	98.9%	89,229	357,433	-	-	357,433	-	-	-
Hillview Park, Guangzhou	Huangpu District	99.1%	192,923	373,634	-	-	373,634	-	-	-
Guangzhou Lixiang Garden	Huangpu District	84.5%	103,306	297,739	-	-	297,739	-	-	-
Shangcheng Yufu, Guangzhou	Huangpu District	98.1%	119,785	313,140	-	-	295,867	-	-	17,273
Guangzhou Chunfeng Shili	Zengcheng District	97.0%	51,950	128,843	-	47,444	128,843	-	-	-
Wei Lai Zhi Qiu, Guangzhou	Panyu District	95.4%	13,750	22,160	-	8,653	22,160	-	-	-
Heron Hill, Guangzhou	Nansha District	95.6%	33,317	59,970	-	-	59,970	-	-	-
Guangzhou Taoyuanli Phase II	Zengcheng District	50.0%	145,736	173,247	-	33,573	123,155	49,265	-	827
Guangzhou the Future Forest Project	Baiyun District	99.6%	20,566	62,939	-	22,052	35,458	-	-	-
Guangzhou Yuanpeili Project	Huangpu District	99.2%	41,631	62,447	-	26,393	26,393	-	-	-
Guangzhou Mountain View Project	Huangpu District	96.9%	88,230	92,395	-	-	-	-	-	34,717
Guangzhou the Luna Project	Nansha District	90.7%	92,219	232,163	-	186,690	232,163	-	-	-
Xingfuyu Garden Phase V, Guangzhou	Huangpu District	66.5%	191,580	344,956	-	209,587	344,956	-	-	-
Golden Miles, Guangzhou	Zengcheng District	42.7%	45,450	136,080	-	104,803	121,366	-	-	-
Zengcheng Dream Town, Guangzhou	Zengcheng District	71.2%	133,653	400,957	-	60,174	60,174	-	-	80,088
Jinyuyuefu, Guangzhou	Baiyun District	45.6%	40,022	178,834	-	21,132	21,132	23,913	23,913	85,288
Guangzhou Jinmao Vanke Glamorous City	Zengcheng District	50.8%	162,497	487,699	166,665	-	-	321,034	231,306	71,916
Chengshizhiguang, Guangzhou	Huangpu District	91.6%	136,704	689,509	231,294	-	85,813	252,688	252,688	189,235
Guangxin Asset Package Project, Guangzhou	Guangzhou City	50.0%	799,743	2,110,000	294,615	-	-	1,792,985	394,273	22,205
Dream Town, Qingyuan	Qingcheng District	100.0%	1,219,450	2,415,977	-	129,737	1,499,734	590,190	-	45,089
Gaozhuyuan, Sanya	Jiyang District	65.0%	387,807	349,026	-	-	69,185	158,358	158,358	121,483
Forest Holiday Park, Sanya	Jiyang District	65.0%	942,745	459,414	13,860	-	379,089	43,993	-	36,332
Lakeside Holiday Park, Sanya	Jiyang District	80.0%	397,080	436,425	-	-	436,425	-	-	-

Unit: sq.m.

Project Name	Location	Shareholding	Site area	Planned estimated GFA	Area	Completed Area	Accumulated completion area by	Area not yet under construction as at the end of	Area to be commenced construction in	Area to be completed in
					commenced construction in 2021	in 2021	2021	of 2021	2022	2022
Affordable Housing Project in Yazhou District in Sanya City	Yazhou District	89.0%	45,292	113,134	113,134	-	-	-	-	113,134
Affordable Housing Project in Linchun in Sanya City	Jiyang District	99.0%	39,018	78,035	78,035	-	-	-	-	78,035
Haikou Jinyu Shijia	Meilan District	40.0%	44,105	110,263	110,263	-	-	-	-	110,263
Lunas Del Mar, Huizhou	Huidong County	100.0%	704,223	993,559	-	81,476	821,145	26,626	-	-
Huizhou Xiaojinkou Project	Huicheng District	78.1%	41,895	118,101	-	90,744	90,744	-	-	27,357
Wanhui Garden, Huizhou	Huiyang District	38.9%	73,333	194,184	-	-	-	-	-	104,118
Wanyue Garden, Huizhou	Huiyang District	30.4%	60,381	213,566	100,952	-	-	-	-	82,516
Jinfeng Garden, Huizhou	Huicheng District	37.6%	111,564	345,848	-	68,428	68,428	-	-	143,492
Wenhan Garden, Huizhou	Huiyang District	34.9%	44,695	162,673	69,709	-	-	-	-	-
Huizhou Shenqiu Huafu	Huiyang District	37.0%	8,777	21,063	21,063	-	-	-	-	-
Jiangmen Vanke Golden City Central Garden	Pengjiang District	56.0%	36,947	92,222	-	90,796	90,796	-	-	1,426
Jiangmen Vanke Golden City Central Dongyuan	Pengjiang District	55.1%	32,080	88,239	-	-	-	-	-	88,239
Jiangmen Vanke Golden City Central Ziyuan	Pengjiang District	63.9%	21,613	54,033	54,033	-	-	-	-	-
Jiangmen Jinyu Huafu	Pengjiang District	99.6%	80,939	196,280	144,280	-	-	52,000	52,000	-
Dream Town, Nanning	Qingxiu District	84.7%	355,063	1,409,936	-	232,077	1,028,119	-	-	249,212
Glamorous City, Nanning	Liangqing District	43.0%	104,174	329,887	-	-	329,887	-	-	-
The Paradise, Nanning	Liangqing District	69.1%	71,599	224,436	-	-	220,298	-	-	4,138
Jinyuzhongyang, Nanning	Liangqing District	40.1%	117,729	601,250	-	336,933	414,704	-	-	138,742
Nanning The Park	Liangqing District	40.1%	75,941	227,821	-	-	220,983	-	-	6,838
Zhen Shanyue, Nanning	Qingxiu District	46.8%	26,956	46,364	-	12,134	33,736	-	-	-
Golden Paradise, Nanning	Xixiangtang District	90.2%	54,326	217,304	-	38,381	213,368	-	-	3,936
Yuejiangnan Project, Nanning	Jiangnan District	97.0%	78,589	232,489	-	123,337	214,155	-	-	2,522
Jinyu Binjiang, Nanning	Yongning District	28.0%	69,104	171,401	-	85,673	167,704	-	-	3,697
Star Converge, Nanning	Liangqing District	76.2%	155,510	506,545	-	261,013	261,013	-	-	145,532
Xingningdong Project, Nanning	Xingning District	99.0%	69,836	125,704	-	41,547	41,547	-	-	81,085
Jinyu International, Nanning	Liangqing District	51.9%	79,835	239,504	71,403	-	-	-	-	64,755
Nanning Emerald Centra	Liangqing District	70.1%	100,319	334,848	179,234	-	-	155,614	155,614	-
Nanning Vanke Elegant Mansion	Liangqing District	99.7%	56,270	168,788	168,788	-	-	-	-	-
Nanning Vanke Gongwang	Yongning District	100.0%	51,142	127,934	-	-	-	-	-	-
Bailu Project, Liuzhou	Liubei District	53.6%	407,992	1,128,229	259,023	100,058	100,058	553,282	283,741	191,869
Dream Town, Quanzhou	Fengze District	60.0%	136,741	478,591	-	-	478,591	-	-	-
Honor of the City, Quanzhou	Fengze District	30.7%	211,662	849,336	-	321,309	565,831	-	-	-
Yuecheng, Quanzhou	Jinjiang City	16.4%	54,864	198,489	-	98,042	198,489	-	-	-
Jinyu Binjiang Phase 2, Jinjiang	Jinjiang City	40.8%	45,789	170,475	-	57,640	170,475	-	-	-
Jinyu Binjiang Phase 3, Jinjiang	Jinjiang City	40.8%	54,074	167,992	-	167,992	167,992	-	-	-

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Unit: sq.m.

Project Name	Location	Shareholding	Site area	Planned estimated GFA	Area commenced construction in 2021	Completed Area in 2021	Accumulated completion area by 2021	Area not yet under construction as at the end of 2021	Area to be commenced construction in 2022	Area to be completed in 2022
Jinyu Binjiang Phase 1, Jinjiang	Jinjiang City	44.0%	23,488	77,846	-	77,846	77,846	-	-	-
Jinjiang Vanke Jinyu International	Jinjiang City	99.3%	57,906	110,011	110,011	-	-	-	-	-
Goutou Commercial Center, Xiamen	Huli District	99.0%	11,190	26,613	-	-	26,613	-	-	-
Haixi Financial Plaza (Phase II), Xiamen	Huli District	100.0%	10,730	17,075	-	-	17,075	-	-	-
Vanke Plaza, Xiamen	Jimei District	100.0%	137,934	710,000	-	-	356,058	-	-	-
Vanke Cloud City, Xiamen	Jimei District	97.0%	12,257	38,256	-	-	38,256	-	-	-
Vanke Clouds, Xiamen	Huli District	100.0%	8,433	70,284	-	-	70,284	-	-	-
Heron Hill, Xiamen	Xiang'an District	93.5%	86,368	86,975	-	31,833	44,531	-	-	42,444
Heron Hill Phase II, Xiamen	Xiang'an District	47.1%	58,986	88,500	-	11,599	11,599	-	-	76,901
Vanke Shimaoxiwang, Xiamen	Tong'an District	31.9%	54,164	119,160	-	-	-	-	-	119,160
Golden Paradise, Xiamen	Xiang'an District	97.4%	19,080	42,200	-	30,121	42,200	-	-	-
Vanke Agile Jinyu Tixiang, Xiamen	Xiang'an District	43.7%	7,964	18,673	-	18,673	18,673	-	-	-
Dream Town, Zhangzhou	Xiangcheng District	38.1%	230,300	787,631	-	152,341	772,903	-	-	14,728
Longhai Jinyu Binjiang Garden, Zhangzhou	Longhai City	99.5%	101,725	305,429	-	-	-	-	-	87,061
The Paradise, Zhongshan	Shiqi District	74.2%	143,852	418,450	-	13,680	418,450	-	-	-
Dream Town, Zhongshan	Guzhen Town	90.0%	139,968	419,808	-	-	419,808	-	-	-
Xiwanhui, Zhongshan	Cuiheng New Area	79.3%	77,974	110,362	-	110,362	110,362	-	-	-
Jinyu Center, Zhongshan	East District	97.7%	68,149	209,447	-	122,596	199,040	-	-	10,407
Zhongshan Four Seasons Flower City	Wuguishan	60.0%	133,327	226,211	-	50,600	50,600	-	-	109,986
Central Park Phase I, Zhongshan	Guzhen Town	50.0%	21,633	64,897	-	-	-	-	-	41,372
Central Park Phase II, Zhongshan	Guzhen Town	59.3%	58,997	181,644	181,644	-	-	-	-	41,691
Western Coast, Zhongshan	Cuiheng New Area	99.3%	38,836	99,365	99,365	-	-	-	-	24,760
Zhongshan City Light	Minzhong Town	90.0%	70,714	212,141	212,141	-	-	-	-	53,345
Zhongshan Wanzhong Xincheng	Cuiheng New Area	49.5%	668,974	1,553,506	-	-	-	1,553,506	739,720	-
Haiyu Peninsula Garden, Zhuhai	Xiangzhou District	50.0%	76,293	108,544	-	-	42,320	-	-	-
Glamorous City, Zhuhai	Doumen District	100.0%	137,061	274,122	-	-	274,122	-	-	-
Shihua No.66, Zhuhai	Xiangzhou District	19.1%	8,117	40,055	-	-	40,055	-	-	-
Mangrove East Coast, Tangjiawan, Zhuhai	Xiangzhou District	16.0%	333,668	500,536	-	162,298	272,479	-	-	99,390
Jade Center, Zhuhai	Xiangzhou District	98.8%	27,077	81,310	-	65,579	81,310	-	-	-
Taoyuanliju, Zhuhai	Xiangzhou District	98.6%	16,310	48,929	-	48,929	48,929	-	-	-
Binhai Metropolis Garden, Zhuhai	Jinwan District	99.6%	110,972	170,997	-	-	-	-	-	79,210
Zhuhai Maritime City	Jinwan District	59.6%	165,047	254,008	254,008	-	-	-	-	-
Zhuhai Metropolis Four Seasons	Xiangzhou District	39.7%	81,383	190,194	86,452	-	-	103,742	103,742	-
Zhuhai Starlight Coastal Garden	Jinwan District	42.9%	72,984	124,214	124,214	-	-	-	-	-
Zhuhai Qin'ao Legend	Xiangzhou District	94.2%	66,795	146,724	146,724	-	-	-	-	-
Southern Region subtotal			21,673,673	54,651,414	5,202,327	6,355,824	29,543,678	8,568,686	3,832,419	5,695,702

Unit: sq.m.

Project Name	Location	Shareholding	Site area	Planned estimated GFA	Area commenced construction in 2021	Completed Area in 2021	Accumulated completion area by 2021	Area not yet under construction as at the end of 2021	Area to be commenced construction in 2022	Area to be completed in 2022
Shanghai Region										
Jade Binjiang, Shanghai	Pudong New District	100.0%	78,334	207,980	-	-	207,980	-	-	-
Golden City, Shanghai	Pudong New District	60.0%	264,646	359,340	-	-	359,340	-	-	-
Xuhui Vanke Center, Shanghai	Xuhui District	51.0%	107,486	494,437	-	-	165,590	-	-	-
Jade Park, Shanghai	Pudong New District	90.0%	79,548	209,697	-	-	209,697	-	-	-
King Metropolis, Shanghai	Fengxian District	83.7%	58,531	134,622	-	-	134,622	-	-	-
Anting New Town Project, Shanghai	Jiading District	74.2%	624,428	504,438	-	-	372,747	44,232	44,232	87,459
Sky City, Shanghai	Qingpu District	49.8%	260,119	455,248	-	-	162,863	7,701	7,701	151,025
Zhongxing Road Project, Shanghai	Jing'an District	49.7%	31,034	109,754	-	7,415	7,415	43,493	43,493	58,846
Jin Yu Lan Wan Egret Villa, Shanghai	Pudong New District	50.2%	37,688	45,226	-	-	45,226	-	-	-
Longhua Project, Shanghai	Xuhui District	54.8%	49,154	96,780	-	-	-	-	-	48,390
Shanghai City Next	Baoshan District	99.0%	80,805	145,450	-	-	145,450	-	-	-
Shanghai Atop the City	Jiading District	74.2%	84,838	194,894	-	106,520	106,520	-	-	71,374
Qibao Business District 17-04 Plot, Shanghai	Minhang District	49.6%	4,615	16,206	-	-	16,206	-	-	-
Qibao Business District 18-03 Plot, Shanghai	Minhang District	49.6%	6,213	18,019	-	18,019	18,019	-	-	-
Mancheng Project, Shanghai	Baoshan District	33.2%	295,244	566,943	-	-	125,572	162,397	162,397	144,623
Skycity of Star Island, Shanghai	Qingpu District	99.7%	49,466	89,039	-	56,077	89,039	-	-	-
Shanghai Ivy Park	Minhang District	99.7%	71,552	128,794	-	108,942	108,942	-	-	19,852
Qibao 19-04 Plot, Shanghai	Minhang District	99.7%	34,000	99,000	-	-	-	99,000	-	-
Qiaogao Project, Shanghai	Xuhui District	33.2%	118,282	356,933	56,127	-	-	212,513	212,513	77,403
Huacao Project, Shanghai	Minhang District	49.5%	34,633	62,339	-	62,339	62,339	-	-	-
Park Avenue Phase I, Changzhou	Jintan District	68.7%	191,268	301,950	-	-	121,481	178,313	178,313	-
Park Avenue Phase II, Changzhou	Jintan District	68.7%	182,741	465,399	145,553	229,494	229,494	-	-	74,835
Huangliangbang Plot, Changzhou	Zhonglou District	98.3%	84,285	168,570	-	-	-	-	-	168,570
Education Town Project, Changzhou	Tianning District	74.6%	117,458	273,994	-	-	-	-	-	126,350
Guobin Road, Changzhou	Zhonglou District	50.3%	64,360	115,848	-	-	-	-	-	-
Changzhou Chaoqi Dongfang	Wujin District	50.0%	29,933	59,871	59,871	-	-	-	-	-
Liangzhu Culture Village, Hangzhou	Yuhang District	100.0%	3,108,146	2,671,811	65,075	78,972	1,929,454	-	-	150,810
Gongwang, Hangzhou	Fuyang District	100.0%	517,900	208,981	27,735	7,622	149,573	-	-	-
Metropolis No. 79, Hangzhou	Shangcheng District	50.0%	21,915	76,703	-	-	76,703	-	-	-
Jiuwang, Hangzhou	Fuyang District	20.0%	129,874	126,751	-	73,181	83,073	-	-	-
Junwang, Hangzhou	Fuyang District	42.4%	138,233	152,231	-	46,561	152,231	-	-	-
Hangzhou Quanxueli	Yuhang District	89.3%	78,527	133,496	-	-	133,496	-	-	-
Zhigu, Hangzhou	Gongshu District	90.0%	14,513	50,796	-	-	50,796	-	-	-
Hangxing Road Tianma, Hangzhou	Yuhang District	80.0%	27,305	68,263	-	-	68,263	-	-	-
Wei Lai Zhi Guang, Hangzhou	Yuhang District	100.0%	81,828	245,484	-	-	136,403	-	-	-
Zhongchenghui (Phase I), Hangzhou	Gongshu District	36.4%	39,950	103,800	-	103,800	103,800	-	-	-



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Unit: sq.m.

Project Name	Location	Shareholding	Site area	Planned	Area	Completed	Accumulated	Area not	Area to be	Area to be
				estimated GFA	commenced construction in 2021	Area in 2021	completion area by 2021	yet under construction as at the end of 2021	commenced construction in 2022	completed in 2022
Zhongchenghui (Phase II), Hangzhou	Gongshu District	99.3%	20,414	52,015	-	52,015	52,015	-	-	-
Olympics Vanke Center, Hangzhou	Xiaoshan District	94.2%	13,969	52,346	-	-	52,346	-	-	-
Yunhe Vanke Center, Hangzhou	Gongshu District	40.0%	36,592	128,072	-	-	128,072	-	-	-
Yuehongwan, Hangzhou	Xiaoshan District	24.7%	106,872	277,867	-	277,867	277,867	-	-	-
Donghai Xianhucheng Project in Yuhang District,	Yuhang District	14.9%	411,000	550,010	-	99,269	128,917	83,138	-	-
Zijinruigu, Hangzhou	Xihu District	17.2%	9,078	35,389	-	-	-	-	-	-
Jinmao Vanke New Metropolis, Hangzhou	Fuyang District	49.5%	63,457	177,680	-	-	-	-	-	177,680
Sunshine City, Hangzhou	Xiaoshan District	79.8%	68,538	186,798	-	-	-	-	-	-
Wuchang Rail Yard Project, Hangzhou	Yuhang District	50.8%	447,654	782,921	-	-	-	-	-	276,500
Mingchengboyuan, Hangzhou	Yuhang District	46.0%	82,981	232,341	-	-	232,341	-	-	-
City Twilight, Hangzhou	Binjiang District	46.0%	41,153	90,536	-	-	90,536	-	-	-
Yunhe Vanke Center Phase II, Hangzhou	Gongshu District	42.9%	17,795	62,283	-	-	-	-	-	-
Pingyao Project, Hangzhou	Yuhang District	49.4%	82,935	115,180	-	-	-	-	-	115,180
Hangzhou Yuewang Mansion	Fuyang District	47.1%	92,480	93,405	-	-	-	-	-	29,583
Guniangqiao Plot, Hangzhou	Xiaoshan District	99.9%	89,246	232,284	-	-	-	-	-	-
Changi Bay, Hangzhou	Xiaoshan District	39.5%	50,176	130,458	-	-	-	-	-	130,458
Hangzhou Rainbow Sky City	Xiaoshan District	50.9%	115,664	176,746	176,746	-	-	-	-	-
Hangzhou Heyu Guangnian Mansion	Gongshu District	99.8%	54,462	141,601	141,601	-	-	-	-	-
Hangzhou Huyin Guangnian Mansion	Qiantang District	99.7%	47,976	144,973	144,973	-	-	-	-	-
Guiyu Dongfang (Phase I), Haining	Haining City	32.2%	33,549	73,807	-	73,807	73,807	-	-	-
Guiyu Dongfang (Phase II), Haining	Haining City	94.8%	63,805	146,752	-	146,752	146,752	-	-	-
Metropolis Oriental, Jiaxing	Haining City	98.9%	41,541	103,853	-	-	-	-	-	103,853
Chaoqi Dongfang Phase II, Jiaxing	Haining City	71.8%	54,396	125,111	-	-	-	-	-	125,111
Zijingshoufu, Shaoxing	Zhuji City	36.4%	97,500	195,000	-	-	195,000	-	-	-
Metropolis, Shaoxing	Yuecheng District	98.0%	65,200	134,224	-	134,224	134,224	-	-	-
Junwang, Shaoxing	Zhuji City	46.0%	62,190	73,541	-	73,541	73,541	-	-	-
Lake Xanadu, Shaoxing	Yuecheng District	42.3%	80,609	119,023	119,023	-	-	-	-	-
Shaoxing Fangtanali	Keqiao District	65.7%	37,150	61,826	-	-	-	-	-	61,826
Plot No. 8, West Fenglin Road, Shaoxing	Yuecheng District	70.0%	36,108	64,993	-	-	-	64,993	64,993	-
Plot No. 6, West Fenglin Road, Shaoxing	Yuecheng District	70.2%	67,488	93,111	-	-	-	93,111	93,111	-
Shaoxing Hupo Yinxu Mansion	Yuecheng District	49.7%	56,095	129,008	-	-	-	129,008	129,008	-
Forest City, Hefei	Luyang District	100.0%	516,459	1,372,497	-	89,365	1,372,497	-	-	-
City Mansion, Hefei	Luyang District	49.0%	147,837	413,944	-	-	413,944	-	-	-
Times Hall, Hefei	Baohe District	40.0%	85,254	218,014	-	-	166,789	-	-	-
Future Light, Hefei	Feidong County	59.8%	197,179	433,795	61,432	77,747	201,861	-	-	157,220
Central Mansion, Hefei	Changfeng County	59.7%	212,512	431,277	-	107,659	310,779	-	-	120,498
Park Avenue, Hefei	Changfeng County	98.7%	122,070	256,262	-	128,629	217,673	-	-	38,589
Duhui Shangcheng, Hefei	Changfeng County	24.3%	109,852	209,742	-	55,472	134,336	-	-	75,406

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					commenced construction in 2021	in 2021	2021	of 2021	2022	2022
Feicui Tianji, Hefei	Baohe District	24.8%	154,111	357,632	2,262	105,289	185,548	-	-	93,847
Yunfeng Garden, Hefei	Baohe District	24.6%	163,503	418,619	29,895	117,202	201,750	-	-	115,330
Hefei Gaodi	High & New Technology Industries Development Zone	32.0%	43,281	100,006	-	-	-	-	-	100,006
Hefei Xuelin Yayuan	Luyang District	26.6%	24,622	53,510	-	-	-	-	-	53,510
City Twilight, Jiaxing	Nanhu District	95.8%	88,411	176,746	-	12,802	176,746	-	-	-
Dongshanbei Plot, Jiaxing	Haining City	97.4%	65,142	117,058	-	-	-	-	-	117,058
Central West Plot Project, Jiaxing	Nanhu District	92.9%	56,509	112,945	-	-	-	-	-	112,945
Xiangzhangdong Plot Project, Jiaxing	Nanhu District	72.8%	68,211	149,991	-	149,991	149,991	-	-	-
Jiaxing Puyue Lakeside	Nanhu District	24.1%	40,962	90,081	-	-	-	-	-	90,081
Binhe Road Huayuan, Jiaxing	Nanhu District	66.5%	40,421	80,749	80,749	-	-	-	-	-
Jiaxing Wangchenli	Nanhu District	32.0%	36,456	40,047	40,047	-	-	-	-	-
Jiaxing Qichenli	Nanhu District	32.0%	38,760	45,521	45,521	-	-	-	-	-
Jiaxing Lakeside Yinxiu	Nanhu District	96.0%	57,568	120,810	120,810	-	-	-	-	-
Jiaxing Zhenjing Yayuan	Nanhu District	97.6%	68,764	138,196	138,196	-	-	-	-	-
Jiaxing Yuli Future Community Project	Nanhu District	68.5%	115,452	168,576	-	-	-	168,576	168,576	-
Jiuduhui, Nanjing	Yuhuatai District	100.0%	126,058	312,388	-	-	290,276	-	-	-
Anping Street, Nanjing	Qinhuai District	100.0%	27,325	21,825	-	-	21,825	-	-	-
The Paradiso, Nanjing	Jiangning District	100.0%	272,298	545,280	-	-	545,280	-	-	-
Xinduhui, Nanjing	Jiangning District	16.0%	36,043	106,067	-	-	72,691	-	-	-
Dream Town, Nanjing	Lishui District	98.6%	218,794	515,467	-	-	515,467	-	-	-
Jade Park, Nanjing	Jiangning District	49.7%	94,624	260,519	-	-	260,519	-	-	-
Metropolis, Nanjing	Yuhuatai District	59.6%	71,334	171,515	-	-	171,515	-	-	-
Jinyu International, Nanjing	Jiangning District	98.7%	38,824	188,404	-	-	122,263	-	-	66,141
Duhui Tiandi, Nanjing	Jiangning District	28.2%	108,522	396,342	-	268,788	268,788	-	-	37,711
Shi Dai Tian Yue, Nanjing	Jiangning District	19.5%	54,173	174,976	-	31,965	96,014	-	-	-
Metropolis Four Seasons, Nanjing	Jiangning District	25.8%	153,261	385,095	-	-	-	-	-	385,095
Feicui Tianji, Nanjing	Yuhuatai District	29.0%	52,532	125,982	-	125,982	125,982	-	-	-
Lishui G09 Plot, Nanjing	Lishui District	59.6%	162,782	406,956	-	-	-	-	-	129,369
Nanjingnan Railway Station Project	Jiangning District	49.7%	37,697	97,522	-	-	-	-	-	-
Nanjing Vanke Emerald Riverside	Jianye District	39.8%	45,092	108,220	64,754	-	-	-	-	-
Nanjing Vanke City Halo	Qixia District	49.8%	61,493	175,483	-	-	-	-	-	-
Vanke Huayuxi'an, Nanjing	Jiangbei New District	34.1%	78,325	159,682	-	-	-	-	-	102,358
Nanjing Xiwangcheng	Gaochun District	50.4%	157,586	336,267	62,251	-	-	274,016	133,784	-
Nanjing Yuyue Light-year	Yuhuatai District	99.4%	47,295	70,942	70,942	-	-	-	-	-
Nanjing Duhui Muyu	Lishui District	38.9%	45,806	91,612	91,612	-	-	-	-	-
Nanjing Xinyue Light-year	Jiangbei New District	59.0%	23,706	36,727	36,727	-	-	-	-	-

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Unit: sq.m.

Project Name	Location	Shareholding	Site area	Planned estimated GFA	Area	Completed Area in 2021	Accumulated	Area not	Area to be commenced construction in 2022	Area to be completed in 2022
					commenced construction in 2021		completion area by 2021	yet under construction as at the end of 2021		
Nanjing Zichen Light-year	Jiangning District	99.3%	31,275	62,549	62,549	-	-	-	-	-
Nanjing Duhui Qijing	Jiangning District	99.0%	24,787	61,950	-	-	-	42,413	42,413	19,537
Glamorous City, Zhenjiang	Runzhou District	100.0%	795,100	942,820	-	-	920,071	22,749	-	-
Blue Mountain Garden, Zhenjiang	Dantu District	60.0%	285,683	404,048	-	34,598	363,709	-	-	40,339
Jade Park, Zhenjiang	Runzhou District	99.0%	112,889	247,050	106,245	19,692	55,331	36,861	36,861	39,294
The Paradiso, Zhenjiang	Jingkou District	41.9%	133,100	317,653	92,497	30,168	121,217	37,023	37,023	70,943
Estuary Emerald, Zhenjiang	Jingkou District	40.3%	61,236	104,567	-	21,675	64,271	-	-	24,251
Fei Cui Xin Lake, Nantong	Chongchuan District	92.9%	85,145	161,246	-	44,023	161,246	-	-	-
Fei Cui Dong Di, Nantong	Chongchuan District	72.1%	98,003	155,486	-	69,002	155,486	-	-	-
Hushan Yuanzhu, Nantong	Tongzhou District	29.9%	83,920	132,390	-	72,037	132,390	-	-	-
Haishang Chuanqi, Nantong	Chongchuan District	16.9%	180,729	318,721	-	157,196	318,721	-	-	-
Jade Park, Nantong	Chongchuan District	97.0%	111,862	217,008	-	118,175	217,008	-	-	-
Fei Cui Jia Di, Haimen	Haimen District	46.9%	92,886	178,172	-	54,642	178,172	-	-	-
Central Park, Haimen	Haimen District	21.2%	141,257	289,379	-	47,598	158,278	-	-	131,101
Shengliluxi Plot, Nantong	Chongchuan District	79.6%	75,362	167,818	-	-	-	-	-	167,818
City Twilight, Nantong	Tongzhou District	36.0%	62,553	123,415	21,833	33,375	33,375	-	-	90,040
Nantong Sea Moon	Tongzhou District	32.3%	182,772	392,952	-	-	-	-	-	252,804
Nantong Shiguang Yingcui	Tongzhou District	67.3%	71,445	121,456	8,013	-	-	-	-	121,456
Peninsula International, Nantong	Haimen District	58.9%	35,469	63,844	-	-	-	-	-	63,844
The One, Nantong	Tongzhou District	46.8%	50,625	91,125	-	-	-	-	-	45,428
Vanke West Land Lot Project, Nantong										
Haimen	Haimen District	50.5%	46,889	84,401	84,401	-	-	-	-	-
Junyuan South Land Lot Project, Nantong										
Haimen	Haimen District	95.8%	26,730	48,114	48,114	-	-	-	-	-
Land Lot North to Experimental School, Nantong	Haimen District	99.4%	52,328	115,122	115,122	-	-	-	-	-
Land Lot North to Central Innovation District, Nantong	Chongchuan District	77.7%	73,114	166,000	122,658	-	-	43,342	43,342	-
Nantong Green Vine Garde	Haimen District	37.2%	45,552	91,104	91,104	-	-	-	-	-
Nantong Yanyu Light-year	Tongzhou District	74.4%	90,960	163,737	-	-	-	163,737	81,746	-
Nantong Changchunteng	Tongzhou District	99.4%	99,177	168,786	-	-	-	168,786	90,772	-
East of Baishi Lake, Ningbo	Yinzhou District	69.4%	138,665	140,052	-	73,357	140,052	-	-	-
Weilaili, Ningbo	Beilun District	96.4%	64,632	143,956	-	108,103	143,956	-	-	-
Yungu Center, Ningbo	Jiangbei District	94.1%	116,599	178,738	-	178,738	178,738	-	-	-
Yunzhu Huayuan, Ningbo	Jiangbei District	98.0%	55,000	147,444	-	147,444	147,444	-	-	-
Binhe Road, Ningbo	Jiangbei District	50.5%	86,800	180,834	-	-	-	-	-	130,384
Huashu Road Project, Ningbo	Jiangbei District	99.7%	29,516	90,720	-	-	-	-	-	80,694
Weilan City, Ningbo	Zhenhai District	99.1%	65,445	130,978	-	130,978	130,978	-	-	-

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Binsheng Zhenyuan, Ningbo	Jiangbei District	49.1%	74,357	143,433	-	-	-	-	124,233
Haishu Duantang Project, Ningbo	Haishu District	49.4%	74,346	157,780	-	-	-	-	157,780
Dongqian Lake Mogu Road Project, Ningbo	Yinzhou District	49.8%	49,902	50,401	-	-	-	-	50,401
Zhenhai Camel Project, Ningbo	Zhenhai District	99.3%	159,678	375,417	-	-	-	-	-
Oriental Tide, Ningbo	Yinzhou District	32.3%	55,077	124,614	-	-	-	-	124,614
Haiyinglanting, Ningbo	Zhenhai District	99.3%	43,591	98,708	-	-	-	-	-
Cichen No.11 Land Lot Project, Ningbo	Jiangbei District	48.1%	41,850	66,960	-	-	-	-	66,960
Cichen No.12 Land Lot Project, Ningbo	Jiangbei District	49.0%	41,589	62,085	-	-	-	-	-
Land Lot West to Jiangnan Yipin, Ningbo	Yinzhou District	74.3%	53,253	113,617	-	-	-	-	-
Ningbo Binhongli	Jiangbei District	50.0%	12,089	23,773	23,773	-	-	-	-
Ningbo Langshili	Haishu District	50.6%	30,828	85,709	85,709	-	-	-	-
Ningbo Zhanlan Xiaoyue	Jiangbei District	50.0%	25,185	42,688	42,688	-	-	-	-
Ningbo Yueying Lantang	Haishu District	100.0%	52,928	119,803	119,803	-	-	-	-
Bada Road Project, Jinhua	Wucheng District	41.9%	24,558	36,800	-	36,800	36,800	-	-
Jinhua Jinli Jianglan	Wucheng District	99.6%	89,731	161,515	64,644	-	-	96,871	96,871
Jinhua Wancheng Huafu	Wucheng District	79.6%	133,320	239,976	31,207	-	-	208,769	208,769
Jinhua Jin Yun Jiang Ting	Wucheng District	99.1%	47,249	85,035	51,021	-	-	34,014	34,014
Jinhua Wansheng Huafu	Wucheng District	69.2%	86,304	155,347	-	-	-	155,347	155,347
Shanhaishili, Taizhou	Luqiao District	99.2%	48,490	121,780	-	121,780	121,780	-	-
Dream Town, Taizhou	Jiaojiang District	65.8%	204,886	467,994	-	159,373	159,373	-	308,621
East of Dongjiayang Project, Taizhou	Jiaojiang District	50.4%	109,350	273,375	-	-	-	-	273,375
West of Dongjiayang Project, Taizhou	Jiaojiang District	50.4%	117,447	293,618	-	-	-	-	293,618
Golf Project, Kunshan	Kunshan City	100.0%	433,916	327,891	-	-	-	249,208	-
Glamorous City, Kunshan	Kunshan City	100.0%	309,217	773,042	-	-	773,042	-	-
Yujianshan, Suzhou	High & New Technology Industries Development Zone	44.5%	167,206	234,059	-	795	234,059	-	-
Park Avenue, Kunshan	Kunshan City	89.1%	383,117	451,293	-	49,802	440,282	-	11,011
Haishang Chuanqi, Kunshan	Kunshan City	56.3%	163,930	246,067	-	47,099	148,598	-	97,469
Daxiang Shan She, Suzhou	High & New Technology Industries Development Zone	49.8%	138,470	193,664	-	34,780	34,780	-	20,322
Future City, Kunshan	High & New Technology Industries Development Zone	32.5%	350,761	514,618	64,684	164,169	449,934	-	-
Yunpu, Kunshan	Kunshan City	16.0%	18,068	117,701	-	-	28,607	-	89,094
Jade Park, Suzhou	Wujiang District	22.5%	105,924	269,488	-	66,989	142,398	-	127,090
Zhen Wan Ya Zhu, Changshu	Changshu City	48.0%	90,004	165,715	15,148	31,279	143,547	-	-
Zuo'an Project, Suzhou	Industries District	64.3%	22,826	199,358	199,358	-	-	-	-

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Park Avenue, Zhangjiagang	Zhangjiagang City	46.0%	191,795	469,378	-	-	238,363	26,000	-	126,824
Anyuanlu Project, Suzhou	Xiangcheng District	59.7%	88,260	194,172	-	31,055	31,055	-	-	163,117
Xiajia River Project, Kunshan	Kunshan City	92.5%	112,727	202,770	-	80,213	80,213	-	-	38,107
Xiangyang Road Project, Suzhou	High & New Technology Industries Development Zone	79.5%	93,688	222,214	-	82,365	82,365	-	-	139,849
Wuzhong Party School Project, Suzhou	Wuzhong District	74.6%	12,735	52,520	-	-	-	52,520	-	-
Development District Development Project, Kunshan	Kunshan City	59.6%	40,595	93,356	-	93,356	93,356	-	-	-
Kunshan Jiangwan Lanting	Kunshan City	50.5%	74,327	186,188	-	-	-	-	-	73,364
Huayujiangnan, Suzhou	Xiangcheng District	44.6%	57,010	125,422	-	-	-	-	-	-
Yulinlong, Suzhou	Xiangcheng District	69.7%	63,778	159,445	159,445	-	-	-	-	-
Suzhou Hushan Guangyun Ting	Wuzhong District	66.9%	34,712	41,616	41,616	-	-	-	-	41,616
Suzhou Oriental Yayuan	Industries District	37.1%	57,710	115,394	115,394	-	-	-	-	-
Suzhou Yihe Linglong Garden	Industries District	69.8%	99,167	158,636	158,636	-	-	-	-	-
Suzhou Chengnan Project	Wuzhong District	43.7%	26,356	57,973	57,973	-	-	-	-	-
Suzhou Four Seasons Starlight Garden	Xiangcheng District	54.2%	39,449	90,651	22,176	-	-	68,475	68,475	-
Zhongyang Lvzhou D19/24/34 Land Lot, Wenzhou	Lucheng District	97.1%	31,894	74,368	-	-	74,368	-	-	-
TOD International New City, Wenzhou	Longwan District	16.6%	136,472	415,803	-	243,355	243,355	-	-	110,288
Vanke Times Center, Wenzhou	Lucheng District	38.8%	24,017	96,103	-	-	96,103	-	-	-
Feicuitiandi (Phase I), Wenzhou	Ouhai District	39.1%	55,896	223,580	-	161,515	161,515	-	-	62,065
Metropolis, Wenzhou	Rui'an City	22.4%	43,253	95,858	-	95,858	95,858	-	-	-
Ruian Xi'ao Village Plot, Wenzhou	Rui'an City	99.6%	70,151	195,717	-	-	-	-	-	-
Wenzhou Emerald Lake	Lucheng District	94.8%	11,989	33,569	-	-	-	-	-	33,569
Central District D-28-1 Land Lot, Wenzhou	Lucheng District	99.1%	23,543	56,503	-	-	-	-	-	56,503
Wenzhou Central Green Axis Lot D29/31	Lucheng District	6.4%	43,833	10,092	-	-	-	-	-	-
Sanxi District B-07 Plot, Wenzhou	Ouhai District	99.5%	69,099	207,297	-	-	-	-	-	187,553
Wenzhou Century AD	Longwan District	97.5%	87,184	191,805	191,805	-	-	-	-	-
Wenzhou Meilu	Rui'an City	91.7%	26,033	83,043	83,043	-	-	-	-	-
Wenzhou Reflections Plaza	Ouhai District	89.4%	48,825	137,200	137,200	-	-	-	-	-
Wenzhou Reflections Plaza II	Ouhai District	58.8%	16,894	42,235	42,235	-	-	-	-	-
Golden Paradise, Wuxi	Xinwu District	100.0%	224,118	638,741	-	23,124	612,508	-	-	26,233
The Paradise, Wuxi	Binhu District	100.0%	154,468	354,251	86,809	-	267,442	-	-	-
Glamorous City, Wuxi	Binhu District	100.0%	962,116	1,318,256	-	-	1,302,268	-	-	-
Xinchengdao, Wuxi	Binhu District	100.0%	154,119	385,299	-	-	385,299	-	-	-
Tianyi Xinzhu, Wuxi	Huishan District	19.6%	103,846	275,714	-	-	275,714	-	-	-
Jade East, Wuxi	Binhu District	99.3%	108,276	245,255	-	1,828	107,437	-	-	137,818
Guanhu Lizhu, Wuxi	Xinwu District	37.4%	181,761	262,841	58,432	134,999	134,999	-	-	88,339

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Yunhe Chuanqij, Wuxi	Liangxi District	50.3%	81,834	183,998	-	112,113	183,998	-	-
Jade Light, Wuxi	Binhu District	99.5%	66,829	153,707	-	-	-	-	153,707
Nanmen 44-1 Plot Project, Wuxi	Jiangyin City	99.2%	60,267	144,035	-	-	-	-	144,035
Zhenjing, Wuxi	Huishan District	50.2%	51,065	103,197	33,489	-	-	-	103,197
Wuxi Meili Shangcheng	Xinwu District	72.0%	85,898	172,971	-	-	-	-	-
Qingteng Park, Wuxi	Huishan District	38.6%	39,669	99,069	66,479	-	-	-	-
Wanshan Lake, Wuxi	Xishan District	50.5%	108,075	216,646	206,277	-	10,369	10,369	-
Wuxi Oriental Bay	Huishan District	71.6%	83,130	197,096	110,722	-	86,374	64,974	-
Chenyang Jiadi, Jingjiang	Jingjiang City	50.0%	370,700	564,917	-	66,224	457,268	-	55,233
Jingjiang Jingyue Dongfang	Jingjiang City	49.2%	55,847	98,968	98,968	-	-	-	-
Jiangdongfu, Wuhu	Jinghu District	40.5%	84,372	112,013	-	61,632	112,013	-	-
Wuhu Zhongjiang Garden	Jiujiang District	33.0%	101,475	182,655	-	56,550	56,550	-	62,068
Wuhu Oriental Longyin Terrace	Jiujiang District	41.0%	52,669	94,804	-	-	-	-	59,877
Wuhu Xinda Vanke Prestigious	Jinghu District	50.5%	97,811	195,621	142,301	-	53,320	53,320	-
Dream Town, Xuzhou	Gulou District	100.0%	692,037	1,278,206	-	-	1,278,206	-	-
Huaihai Paradise, Xuzhou	Quanshan District	85.0%	226,776	811,924	-	228,629	754,554	-	25,663
Shangduhui, Xuzhou	Yunlong District	58.6%	47,595	176,240	-	23,294	176,240	-	-
Xinduhui, Xuzhou	Tongshan District	89.4%	132,703	382,414	-	-	313,147	-	43,585
Jade Light, Xuzhou	Yunlong District	50.3%	122,207	355,930	-	89,104	232,524	-	45,409
Jielu, Xuzhou	Gulou District	30.8%	181,244	287,641	-	167,802	287,641	-	-
Maocun Project No.5 Land Project, Xuzhou	Tongshan District	42.8%	72,878	149,137	-	-	-	-	-
Times Light, Xuzhou	Tongshan District	42.8%	59,137	147,843	-	-	-	-	-
He Guang Cheng Yue, Xuzhou	Tongshan District	42.8%	103,670	266,228	-	-	-	-	-
Four Season City Xuzhou	Gulou District	22.0%	163,394	444,162	-	323,954	323,954	-	59,608
North Bus Terminal Project, Xuzhou	Gulou District	66.8%	67,922	169,385	-	-	-	-	-
Vanke Xiwang, Xuzhou	Gulou District	40.7%	20,410	52,043	-	-	-	-	52,043
Vanke Rising Mansion, Xuzhou	Quanshan District	50.0%	39,574	112,372	112,372	-	-	-	-
Xuzhou North Terminal Lot A Project	Gulou District	63.5%	22,708	48,905	48,905	-	-	-	-
Xuzhou North Terminal Lot C Project	Gulou District	57.7%	29,437	72,979	72,979	-	-	-	-
Shanshuijian, Xuzhou	Tongshan District	48.6%	166,603	373,790	188,131	-	-	-	-
Kunlun, Xuzhou	Yunlong District	69.7%	65,354	184,422	92,233	-	92,199	92,199	-
Xuzhou North Terminal Lot B Project	Gulou District	80.6%	26,830	60,752	60,752	-	-	-	-
Xuzhou Huaihai Yinxiu	Quanshan District	90.1%	9,746	26,853	26,853	-	-	-	-
Xuzhou Cuiwan Zhongcheng	Yunlong District	54.2%	68,868	156,111	156,111	-	-	-	-
Xuzhou Wushan Park Lot A Project	Gulou District	99.2%	76,730	85,603	-	-	85,603	85,603	-
Xuzhou Yungu	Quanshan District	50.0%	60,161	84,653	66,381	-	18,272	18,272	-
Future Light, Suqian	Sucheng District	41.0%	123,848	196,833	-	156,338	196,833	-	-
Shilichunfeng Eastside Plot, Suqian	Sucheng District	42.9%	28,207	62,553	-	-	-	-	44,489

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Suqian West Lake Metropolis	Sucheng District	35.3%	35,557	88,893	-	-	-	-	-	-
Kunlun Shangguan, Suqian	Suyu District	99.5%	112,124	257,885	124,946	-	-	132,939	132,939	-
Feicui International, Yancheng	Tinghu District	44.7%	54,286	94,638	-	23,695	94,638	-	-	-
Feicui Yuntai, Yancheng	Yandu District	27.2%	126,022	264,615	-	98,982	216,228	-	-	43,035
Emerald College, Yancheng	Tinghu District	44.7%	39,251	76,783	-	42,421	74,466	-	-	2,317
Julongdongfang, Yancheng	Tinghu District	49.4%	66,055	165,097	23,382	-	-	141,715	141,715	-
Xinghuidongfang, Yancheng	Tinghu District	44.5%	79,231	198,077	51,432	-	-	146,645	52,330	-
Education Investment Asset Package Yangzhou	Hanjiang District/ Guangling District	93.6%	177,381	354,795	-	163	72,391	-	-	282,404
Dream Town, Yangzhou	Hanjiang District	100.0%	297,139	317,787	-	-	316,833	-	-	954
Lights of the Grand Canal, Yangzhou	Hanjiang District	71.8%	94,464	151,143	-	57,426	144,022	-	-	7,121
Project 885, Yangzhou	Guangling District	34.9%	64,452	141,795	141,795	-	-	-	-	-
Jade Park, Yangzhou	Hanjiang District	27.9%	52,581	90,965	-	27,916	90,965	-	-	-
Future Light, Yangzhou	Hanjiang District	16.1%	47,137	82,976	-	82,976	82,976	-	-	-
Feicui Yuntai, Yangzhou	Gaoyou City	43.0%	200,000	391,001	-	133,463	133,463	191,475	62,286	66,063
Four Seasons Metropolis, Yangzhou	Hanjiang District	51.7%	97,220	178,184	-	-	-	-	-	89,503
Yangzhou Ruyuan	Guangling District	36.2%	38,958	55,632	55,632	-	-	-	-	-
Yangzhou Vanke Dongwang	Guangling District	97.4%	56,285	81,613	-	-	-	81,613	81,613	-
Shanghai Region subtotal			30,736,702	56,904,309	6,267,367	7,781,325	29,395,057	4,007,130	2,929,374	9,642,969
Northwestern Region										
Jade Guobin, Xi'an	Yanta District	72.3%	149,013	489,475	6,800	213,323	213,323	-	-	276,152
Vanke Pu Yue, Xi'an	Weiyang District	97.4%	99,494	261,798	81,032	-	-	4,791	4,791	95,538
Dream Town, Xi'an	Chang'an District	85.0%	186,849	619,565	68,121	-	480,819	-	-	28,725
Xi'an Daminggong	Weiyang District	70.0%	69,052	222,668	-	2,430	222,668	-	-	-
Dream Town Phase II, Xi'an	Chang'an District	100.0%	113,231	345,959	26,616	-	319,343	-	-	-
King Metropolis, Xi'an	Weiyang District	100.0%	106,667	384,044	-	-	384,044	-	-	-
Dream Town Yanyuan, Xi'an	Chang'an District	100.0%	89,377	199,691	-	-	184,474	15,217	-	-
Eastern Metropolis, Xi'an	Weiyang District	100.0%	175,387	700,996	142,007	-	522,995	-	-	-
Joying Gold Phase IV, Xi'an	Lianhu District	100.0%	36,708	150,122	-	75,284	150,122	-	-	-
Prestigious Academy, Xi'an	Yanta District	69.8%	114,745	478,105	-	32,319	476,857	-	-	1,248
Oriental Legend, Xi'an	Yanta District	40.5%	109,695	383,057	-	15,771	383,057	-	-	-
City Twilight, Xi'an	Yanta District	78.6%	100,340	309,081	-	-	273,687	-	-	15,996
Jade Tianyu, Xi'an	Yanta District	88.6%	74,527	296,565	-	14,623	296,565	-	-	-
Feicui International, Xi'an	Yanta District	41.0%	283,130	1,003,798	267,116	4,211	536,835	-	-	158,154
Vanke City Runyuan, Xi'an	Chang'an District	88.6%	144,467	480,082	-	81,652	480,082	-	-	-

Unit: sq.m.

Project Name	Location	Shareholding	Site area	Planned estimated GFA	Area	Accumulated	Area not	Area to be	Area to be completed in 2022	
					commenced construction in 2021	Completed Area in 2021	yet under construction as at the end of 2021	commenced construction in 2022		
Prestigious Academy Phase II, Xi'an	Yanta District	49.8%	55,255	162,225	-	43,622	162,225	-	-	-
City Twilight Phase II, Xi'an	Yanta District	40.8%	60,136	210,483	-	93,975	210,483	-	-	-
Gongyuan Huafu, Xi'an	Yanta District	78.6%	121,741	356,336	-	38,686	356,336	-	-	-
Dream Town Ruyuan, Xi'an	Chang'an District	90.0%	83,289	267,269	-	128,409	166,591	-	-	100,678
Yungu, Xi'an	Yanta District	78.7%	31,569	47,353	-	30,410	30,410	-	-	16,943
Xingfu Zhenyuan, Xi'an	Weiyang District	90.0%	49,197	137,636	-	3,704	137,636	-	-	-
Xi'an Xinhe Xinyuan	Baqiao District	99.0%	107,647	257,335	-	142,895	142,895	-	-	114,440
Yuewan, Xi'an	Weiyang District	47.6%	75,406	177,782	-	130,280	130,280	-	-	-
Lan'an, Xi'an	Baqiao District	98.4%	140,736	288,028	-	110,120	110,120	-	-	138,089
Park Avenue, Xi'an	Yanta District	40.0%	49,898	139,668	-	76,643	76,643	-	-	63,025
Vanke Yanming Lake, Xi'an	Yanta District	65.3%	122,537	245,072	40,514	-	-	48,502	48,502	103,446
Xi'an Vanke Hyatt House	Weiyang District	50.0%	41,938	155,960	-	-	-	-	-	-
Vanke Yanming Lake Phase III, Xi'an	Yanta District	55.0%	58,449	116,898	54,945	-	-	28,404	28,404	-
Xi'an Vanke Four Seasons Flower City	Lantian County	57.7%	171,790	426,749	74,587	-	-	352,162	352,162	-
Xi'an Vanke Future Starlight	Xixian New Area	98.2%	64,431	171,576	108,582	-	-	62,994	62,994	-
Xi'an Vanke Fenghua Jinming	Xixian New Area	50.0%	84,011	210,026	136,546	-	-	73,480	73,480	-
Xi'an Gaoling Four Seasons Metropolis	Gaoling District	99.3%	156,968	439,510	-	-	-	439,510	200,000	-
Ideal City, Xi'an	Xixian New Area	90.1%	459,707	656,249	42,285	47,507	246,212	331,455	103,978	2,670
Vanke Metropolis Phase I, Xi'an	Xixian New Area	86.9%	141,500	358,801	-	253,008	253,008	-	-	28,687
Vanke Metropolis Phase II, Xi'an	Xixian New Area	65.9%	135,900	359,383	134,434	101,059	101,059	-	-	106,095
Vanke Golden Paradise, Xi'an	Xixian New Area	97.1%	74,515	149,030	-	-	-	-	-	85,591
Xi'an Metropolis Cloud	Xixian New Area	29.6%	148,195	438,115	-	73,321	73,321	-	-	335,261
Plots of 57 mu and 89 mu in Jinghe New Town, Xi'an	Xixian New Area	99.1%	97,326	223,788	136,693	-	-	87,095	87,095	-
King Metropolis, Xianyang	Qindu District	61.3%	76,999	265,498	-	-	-	-	-	173,461
Weinan Riverside Four Seasons	Fuping County	26.5%	160,997	321,598	-	-	321,598	-	-	-
Dream Town, Weinan	Linwei District	70.7%	556,062	1,160,770	186,840	-	-	564,870	564,870	337,178
Weinan Vanke Jinchen	Linwei District	50.0%	98,962	236,729	82,554	-	-	154,175	82,578	-
Dream Town, Lanzhou	Gaolan County	41.0%	373,305	1,099,787	93,942	125,809	371,765	81,789	81,789	491,144
Lanzhou Vanke Puyue Zhenyuan	Chengguan District	41.1%	44,549	169,279	-	-	-	-	-	124,613
Times Light, Lanzhou	Yuzhong County	50.1%	129,835	338,646	-	130,280	130,280	-	-	88,509
Lanzhou Pu Yue Lan An	Anning District	90.3%	65,510	229,337	-	-	-	-	-	185,259
Star Light Metropolis, Lanzhou	Xigu District	48.5%	74,588	253,603	181,804	-	-	-	-	-
Lanzhou Vanke City Late Phase 718 mu Project	Gaolan County	49.3%	467,499	1,152,289	265,917	-	-	886,372	-	-
Lanzhou New Area Vanke City	Lanzhou New Area	50.2%	406,623	1,179,205	143,374	-	-	1,035,831	143,350	-
Dream Town Yunwan, Xining	Chengzhong District	38.2%	70,667	177,143	-	177,143	177,143	-	-	-
Dream Town Yunjing, Xining	Chengzhong District	38.2%	164,608	439,575	-	230,178	230,178	91,391	91,391	110,311

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Unit: sq.m.

Project Name	Location	Shareholding	Site area	Planned estimated GFA	Area	Completed Area in 2021	Accumulated	Area not	Area to be commenced construction in 2022	Area to be completed in 2022
					commenced construction in 2021		completion area by 2021	yet under construction as at the end of 2021		
Dream Town Yunlu, Xining	Chengzhong District	38.2%	37,140	100,311	-	-	-	-	-	100,311
Dream Town Chengzhong District Follow-up, Xining	Chengzhong District	18.8%	195,454	520,148	183,764	-	-	93,440	-	156,395
Xining Vanke City Starlight	Chengzhong District	38.1%	129,625	330,701	130,827	-	-	199,874	199,874	-
Xining The Park	Chengbei District	32.0%	110,939	277,348	14,155	-	-	-	-	147,170
Rancho Sante Fe, Urumqi	Sayibak District	60.0%	204,798	208,972	-	-	208,972	-	-	-
Southern Hillside, Urumqi	Urumqi County	100.0%	32,298	15,947	-	-	-	-	-	-
Central Park, Urumqi	Shuimogou District	80.0%	80,698	201,745	-	-	201,745	-	-	-
Wonderland, Urumqi	High & New Technology Industries Development Zone	44.5%	169,656	532,712	-	-	481,827	-	-	-
Feicuitianjiao, Urumqi	Tianshan District	77.1%	70,388	178,846	-	72,737	178,846	-	-	-
Legend of Metropolis, Urumqi	Sayibak District	90.0%	42,879	105,523	-	-	105,523	-	-	-
Urumqi The Park	High & New Technology Industries Development Zone	61.0%	61,148	171,166	-	-	171,166	-	-	-
Metropolitan, Urumqi	Shuimogou District	80.0%	36,104	162,470	-	-	162,470	-	-	-
Tianshan Fu, Urumqi	Tianshan District	78.8%	120,098	280,300	75,113	129,617	170,353	-	-	36,723
Park Avenue, Urumqi	Midong District	57.8%	85,938	300,715	-	151,072	151,072	-	-	105,575
Legend of Metropolis Phase II, Urumqi	Sayibak District	54.3%	38,204	92,975	-	92,975	92,975	-	-	-
Urumqi Flowery Mansion	High & New Technology Industries Development Zone	92.5%	67,412	160,337	-	110,727	110,727	-	-	49,610
Jingyaoli, Urumqi	Sayibak District	98.4%	146,730	252,602	117,088	-	-	-	-	-
Urumqi Jinhui in Mansion	High & New Technology Industries Development Zone	68.9%	118,041	279,440	58,788	-	-	-	-	110,041
Urumqi Tianshan Mansion Phase II	Tianshan District	95.7%	41,285	78,790	52,781	-	-	-	-	25,901
Guanlanjingyuan Phase II, Urumqi	Shuimogou District	64.4%	17,101	51,281	-	-	-	-	-	51,281
Spring Dew Mansion, Urumqi	Shuimogou District	93.1%	42,501	101,381	42,562	-	-	-	-	-
Urumqi Tianshan Mansion Phase III	Tianshan District	92.8%	52,945	115,916	61,024	-	-	54,892	54,892	-
Metropolis Future City, Urumqi	Sayibak District	94.0%	362,906	768,867	360,924	-	-	407,943	363,000	-
Urumqi Metropolis Future City Phase II	Sayibak District	100.0%	115,418	230,835	-	-	-	230,835	132,451	-
City Light Chuxinyuan, Yinchuan	Xingqing District	22.4%	89,837	152,717	-	12,950	152,717	-	-	-
City Light Chenxingyuan, Yinchuan	Xingqing District	32.7%	106,121	180,402	-	53,072	115,652	-	-	64,750
Jade Garden, Yinchuan	Jinfeng District	19.2%	179,686	169,032	-	74,803	169,032	-	-	-
Feicui Lake View, Yinchuan	Helan County	32.0%	67,591	107,994	-	107,994	107,994	-	-	-
Yuchen, Yinchuan	Jinfeng District	16.8%	56,556	84,833	-	84,833	84,833	-	-	-

Unit: sq.m.

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					commenced construction in 2021	in 2021	2021	of 2021	in 2022	in 2022
Ideal City, Yinchuan	Jinfeng District	25.5%	98,215	196,311	-	196,311	196,311	-	-	-
Vanke Jade Garden A/B Land Lot, Yinchuan	Jinfeng District	19.3%	297,366	436,211	-	83,986	83,986	17,685	17,685	219,922
Metropolis, Yinchuan	Jinfeng District	22.4%	95,935	211,450	-	-	-	-	-	-
Yinchuan School of Beijing Normal University Project, Yinchuan	Jinfeng District	38.7%	115,809	231,627	231,627	-	-	-	-	-
Yinchuan Jade Lake Wangguanjiang	Helan County	42.5%	54,505	64,281	64,281	-	-	-	-	-
Yinchuan Vanke New Metropolis	Yongning County	19.3%	80,262	160,525	-	-	-	160,525	160,525	-
Yinchuan Vanke Metropolis 02	Jinfeng District	22.4%	134,188	273,357	273,357	-	-	-	-	-
Northwestern Region subtotal			10,830,804	27,131,805	3,941,000	3,547,739	11,299,255	5,423,232	2,853,811	4,248,892
Southwestern Region										
Vanke Huamao Plaza, Chengdu	Chenghua District	100.0%	29,720	208,037	-	-	208,037	-	-	-
No.5 Park Front Boutique Apartment, Chengdu	High & New Technology Industries Development Zone	50.0%	87,822	263,464	-	-	80,155	-	-	183,309
Jinse Yuefu Music Plaza, Chengdu	Chenghua District	60.0%	152,852	757,862	-	-	548,143	-	-	47,830
Jinyu Tixiang, Chengdu	Xindu District	100.0%	104,966	306,168	-	31,736	306,168	-	-	-
Vanke City, Chengdu	Pidu District	62.0%	161,010	550,779	-	-	550,779	-	-	-
Wu Long Shan Lan Shan, Chengdu	Xindu District	95.0%	121,000	145,139	-	-	145,139	-	-	-
Jade Garden, Chengdu	Tianfu New District	51.5%	146,745	409,541	-	-	409,541	-	-	-
Vanke Cloud City (Phase I), Chengdu	Tianfu New District	98.8%	34,501	172,500	-	-	44,141	42,001	-	-
Vanke Cloud City (Phase II), Chengdu	Tianfu New District	98.8%	45,067	202,701	-	82,220	102,151	-	-	-
Junyi, Chengdu	Tianfu New District	93.1%	27,266	54,531	-	54,531	54,531	-	-	-
Jinxiu, Chengdu	Tianfu New District	99.3%	157,109	411,348	97,567	-	-	-	-	123,174
Chenguangheyue, Chengdu	High & New Technology Industries Development Zone	21.6%	62,229	166,005	-	-	166,005	-	-	-
Yixin Lake 133 Mu Project, Chengdu	Shuangliu District	50.0%	88,336	265,010	41,330	-	-	223,680	41,147	-
Yixin Lake 122 Mu Project, Chengdu	Shuangliu District	50.0%	81,356	220,803	53,604	-	-	167,199	-	-
Chuanshang Project, Chengdu	High & New Technology Industries Development Zone	99.8%	20,939	100,505	-	-	-	-	-	-
Park Legend, Chengdu	Tianfu New District	59.9%	108,704	329,283	-	43,713	43,713	-	-	129,416
Yuehaiyuan, Chengdu	Qingbaijiang District	43.4%	104,624	415,333	112,240	162,981	162,981	-	-	71,608

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Directors' Report

Unit: sq.m.

Project Name	Location	Shareholding	Site area	Planned estimated GFA	Area	Completed Area in 2021	Accumulated	Area not yet under construction as at the end of 2021	Area to be commenced construction in 2022	Area to be completed in 2022
					commenced construction in 2021		completion area by 2021	construction of 2021	construction	
Xinchuanhui, Chengdu	High & New Technology Industries Development Zone	99.0%	32,637	119,743	-	-	-	-	-	83,452
Jingnantang, Chengdu	High & New Technology Industries Development Zone	69.5%	84,423	168,446	-	82,940	168,446	-	-	-
Chengdu the Gifted	Shuangliu District	31.5%	104,202	260,386	-	144,927	144,927	-	-	-
Garden Metropolis, Chengdu	Tianfu New District	68.2%	47,261	99,221	-	99,221	99,221	-	-	-
Guo Shou Jia Yuan, Chengdu	Wenjiang District	40.0%	78,279	117,387	-	-	-	-	-	43,225
Chengdu Vanke Immerse In Garden	Xindu District	99.3%	78,938	157,473	-	-	-	-	-	157,473
Chengdu Vanke Hidden in Garden	Chenghua District	99.0%	54,710	105,946	-	35,413	35,413	-	-	70,533
Chengdu Park Town	Tianfu New District	70.8%	186,279	653,977	154,066	-	-	233,451	195,956	242,402
Chengdu Gaoxian Park	Longquanyi District	33.4%	141,338	324,817	128,313	-	-	196,504	196,504	-
Chengdu Jinyuhuaifu	Tianfu New District	59.0%	34,838	158,704	158,704	-	-	-	-	-
Chengdu Zhiyuan	Chenghua District	44.7%	53,158	159,474	159,474	-	-	-	-	-
Chengdu He Yuan	Chenghua District	48.0%	22,230	44,459	44,459	-	-	-	-	-
Chengdu Guobin Shuyuan Phase II	Jinniu District	99.0%	14,161	35,402	35,402	-	-	-	-	-
Chengdu Jingrong City	Pidu District	99.0%	86,356	172,711	-	-	-	172,711	172,711	-
Chengdu Xingyao Tianfu	Tianfu New District	100.0%	33,475	66,949	-	-	-	-	-	-
Chengdu Guobin Shuyuan Phase I	Jinniu District	50.1%	25,937	64,843	64,843	-	-	-	-	-
Chengdu City Villa	Xinjin District	99.3%	250,116	289,059	-	45,019	50,417	238,642	238,642	-
Dream Light, Chengdu	Renshou County	69.9%	42,293	90,726	-	-	90,726	-	-	-
Tianfu Dream Town Phase I, Vanke	Renshou County	59.6%	665,368	788,220	69,390	266,624	266,624	263,012	153,171	124,689
Tianfu Dream Town Phase II, Vanke	Renshou County	59.6%	109,161	141,909	46,769	-	-	95,140	66,795	-
Meizhou Culture Village, Meishan	Dongpo District	70.0%	624,711	1,026,893	79,323	232,061	232,061	473,798	120,033	83,899
Renfeng, Meishan	Wenlin Town	38.7%	43,661	109,152	-	109,152	109,152	-	-	-
Chongli New Town Phase II, Meizhou	Chongli Town	75.5%	632,863	1,381,079	-	-	-	1,381,079	295,539	-
Jinrun Huafu, Nanchong	Gaoping District	100.0%	182,012	518,004	-	-	518,004	-	-	-
Vanke 17 Degrees, Xichang	Xichang City	27.1%	595,021	621,374	-	222,698	222,698	314,098	-	84,578
Dream Town, Chongqing	Yubei District	100.0%	278,167	654,420	-	1,323	654,420	-	-	-
Yuewan, Chongqing	Jiangbei District	45.0%	435,499	587,314	-	10,074	556,381	23,515	-	7,418
Joying Gold, Chongqing	Shapingba District	80.0%	175,000	693,541	-	-	693,541	-	-	-
The Stage, Chongqing	Jiangbei District	100.0%	129,535	654,263	-	75,876	458,284	-	-	38,087
Jinyu Academy, Chongqing	Nan'an District	13.5%	241,314	841,792	-	88,301	814,348	-	-	-
Zhaomushan Project, Chongqing	Yubei District	90.2%	62,111	94,833	-	94,833	94,833	-	-	-
Guancheng, Chongqing	Beibei District	41.6%	195,027	422,568	-	9,683	422,568	-	-	-
17 Miles, Chongqing	Beibei District	97.6%	212,044	214,160	-	17,133	214,160	-	-	-
The Paradise, Chongqing	Yubei District	90.7%	105,079	244,276	-	-	121,260	-	-	123,016

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					commenced construction in 2021	in 2021	2021	of 2021	2022	2022
Tiandi, Chongqing	Yuzhong District	59.8%	228,476	1,368,676	-	159,101	451,052	57,181	30,972	54,446
King Metropolis, Chongqing	Beibei District	61.8%	128,615	256,575	-	-	256,575	-	-	-
Feicui Duhui, Chongqing	Yuzhong District	69.5%	23,512	109,690	-	3,156	109,690	-	-	-
Elingfeng, Chongqing	Yuzhong District	49.7%	27,197	33,742	-	14,488	33,742	-	-	-
Jinkai Yuefu, Chongqing	Yubei District	69.6%	173,474	306,766	-	56,821	225,452	-	-	81,314
Jade Garden, Chongqing	Yubei District	97.8%	46,592	117,602	-	43,662	84,800	-	-	32,802
Forest Park, Chongqing	Yubei District	65.5%	204,218	396,476	-	119,612	208,616	-	-	133,863
Wonderland, Chongqing	Beibei District	37.3%	77,975	194,865	-	125,086	125,086	-	-	69,779
Ideal City Phase I, Chongqing	Shapingba District	99.0%	104,692	157,034	-	-	-	-	-	157,034
Jade Garden Commercial Project, Chongqing	Yubei District	99.5%	16,168	97,005	-	-	-	-	-	-
Ideal City Phase II, Chongqing	Shapingba District	50.2%	97,965	153,114	24,545	47,197	47,197	-	-	80,364
Ideal City Phase III, Chongqing	Shapingba District	48.2%	74,723	131,911	-	34,208	34,208	-	-	97,703
Yuelai 117 Mu Project, Chongqing	Yubei District	99.2%	78,000	115,577	-	-	-	-	-	115,577
Yuelai 493 Mu Project, Chongqing	Yubei District	99.0%	328,787	469,639	155,228	-	-	70,641	6,800	134,168
Shuitu 111 Mu Project, Chongqing	Beibei District	99.0%	73,686	106,661	-	-	-	-	-	106,661
Shuitu 103 Mu Project, Chongqing	Beibei District	99.2%	68,554	94,644	-	-	-	-	-	-
Fenghuanghu 424 Mu Project, Chongqing	Yongchuan District	97.8%	282,795	507,237	-	-	-	-	-	201,359
Shuitu 99 Mu Project, Chongqing	Beibei District	97.6%	66,014	98,991	-	-	-	-	-	98,991
Skycity Project, Chongqing	Jiangbei District	67.8%	26,447	111,328	-	-	-	-	-	106,294
Chongqing Four Seasons Flower City Phase III	Beibei District	98.2%	73,591	183,961	65,354	-	-	-	-	-
Hometown Phase I, Chongqing	Yubei District	98.8%	47,742	70,922	70,922	-	-	-	-	-
Jieshi 296 Mu Project, Chongqing	Banan District	99.3%	197,351	346,875	168,674	-	-	178,201	-	-
Hometown Phase II, Chongqing	Yubei District	99.0%	33,986	50,237	50,237	-	-	-	-	-
Star Light Skycity, Chongqing	Shapingba District	99.1%	115,558	150,000	11,530	-	-	138,470	138,470	-
Jiangnan Vanke City Phase II, Chongqing	Banan District	99.1%	152,648	201,000	-	-	-	201,000	-	-
Chongqing Qingshui Jiadi	Shapingba District	100.0%	114,360	213,190	-	-	-	213,190	160,077	-
Joy City, Guiyang	Yunyan District	51.0%	85,341	262,728	-	-	262,728	-	-	-
Dream Town, Guiyang	Yunyan District	70.0%	343,142	921,846	-	-	921,846	-	-	-
No.5 Park Front Boutique Apartment, Guiyang	Yunyan District	58.5%	10,927	98,132	-	-	98,132	-	-	-
Yunyan Metropolis, Guiyang	Yunyan District	20.5%	49,054	275,961	-	-	275,961	-	-	-
Gong Yuan Chuan Qi, Guiyang	Yunyan District	42.7%	34,325	130,392	-	-	130,392	-	-	-
Jade Legend, Guiyang	Yunyan District	46.0%	109,630	314,021	-	34,084	306,029	-	-	-
Vanke Guiyang Chuan Qi, Guiyang	Yunyan District	56.0%	6,555	58,991	-	-	-	-	-	-
Huaxi Metropolis, Guiyang	Huaxi District	41.8%	173,285	432,277	-	79,914	351,422	-	-	73,199
Vanke Metropolis Huayang, Guiyang	Huaxi District	60.2%	72,043	367,137	-	52,309	367,137	-	-	-

Section 4

Directors' Report

Unit: sq.m.

Project Name	Location	Shareholding	Site area	Planned	Area	Completed	Accumulated	Area not	Area to be	Area to be completed
				estimated GFA	commenced construction in 2021	Area in 2021	completion area by 2021	yet under construction as at the end of 2021	commenced construction in 2022	
Feicuitianjiao, Guiyang	Guanshanhu District	32.0%	69,977	243,231	-	152,444	152,444	-	-	79,513
Vanke Ideal City, Guiyang	Guanshanhu District	41.1%	287,563	794,299	-	288,109	584,763	127,997	-	81,539
Jade Binjiang, Guiyang	Nanming District	33.7%	98,327	217,051	-	-	142,790	-	-	74,261
Xiwang, Guiyang	Huaxi District	49.8%	101,230	337,555	-	-	-	337,555	105,616	-
Jade Garden Project, Guiyang	Guanshanhu District	46.5%	374,968	935,661	314,231	97,947	139,181	143,531	-	119,051
Xinduhui, Guiyang	Guanshanhu District	45.3%	612,054	816,429	99,263	152,902	374,170	115,227	-	135,076
Vanke Lushan, Guiyang	Yunyan District	69.2%	303,067	783,312	247,643	130,434	130,434	176,101	-	179,805
Guanhu, Guiyang	Jinkai District	63.9%	139,940	349,850	77,096	-	-	130,453	63,516	-
Guiyang Guanshan Jiadi	Yunyan District	69.0%	62,407	156,019	-	-	-	156,019	156,019	-
Changhong West Road Project, Kunming	Guandu District	39.7%	164,536	519,213	91,811	-	-	228,318	57,171	63,169
Kunming The Park	Guandu District	97.9%	213,037	556,887	-	-	397,812	-	-	-
Jinyu International, Kunming	Wuhua District	100.0%	105,484	315,494	-	-	256,450	-	-	54,596
Glamorous City, Kunming	Guandu District	100.0%	417,919	1,662,862	-	91,380	1,399,983	-	-	-
Yinhaiboan Project, Kunming	Xishan District	29.7%	243,605	432,098	-	-	381,815	-	-	-
Xinghejiayuan, Kunming	Guandu District	60.0%	108,375	444,474	-	61,808	299,250	-	-	15,286
Kunming The Golden Island	Panlong District	99.5%	65,004	287,407	-	150,666	287,407	-	-	-
Feicui Binjiang, Kunming	Guandu District	30.6%	161,266	525,012	-	150,596	362,819	-	-	162,193
Metropolitan, Kunming	Guandu District	24.1%	92,972	286,245	-	77,908	202,041	-	-	84,204
500 Miles, Kunming	Guandu District	39.7%	232,914	827,000	112,490	147,273	147,273	290,056	290,056	277,181
Dream Town, Kunming	Wuhua District	44.8%	246,576	902,714	179,450	184,102	184,102	-	-	539,162
Feihu Phase II, Kunming	Guandu District	99.8%	187,924	628,986	166,762	-	-	462,224	213,363	-
Jindaoying Project, Panlong District, Kunming	Panlong District	50.5%	98,998	322,711	231,725	-	-	90,986	9,931	-
Dali Shisanyue	Dali City	37.3%	152,108	574,053	-	-	-	386,969	185,195	134,677
Vanke Morcitta, Xishuangbanna	Menghai County	29.2%	454,043	745,967	31,667	57,146	99,696	614,604	170,126	31,667
China Fuxian Lake International Travel Resort, Yuxi	Chengjiang City	33.8%	4,431,237	1,795,413	-	4,167	384,244	1,202,282	72,029	101,179
Yuxi Fuxian Lake Laowu Street Project	Hongta District	39.7%	64,182	239,755	192,013	-	-	47,742	47,742	-
Southwestern Region subtotal			20,828,591	41,667,431	3,536,125	4,426,979	19,005,707	9,193,577	3,187,581	5,290,222
Total			135,966,930	290,525,245	32,652,932	35,714,375	141,637,934	45,216,792	19,201,376	38,994,656

Special Risk Warning:

The plan of commencement and completion for the project above may adjust due to the following reasons:

- a. Changes in macroeconomic as well as the real estate market, or changes in the sales on an individual project;
- b. The new regulations require more stringent project approval, therefore the processing of the licenses and certificates of projects under development may delay and affect the pace of development;
- c. The demolition progress of projects involving demolition may have an impact on the development plan;
- d. Significant weather changes may have an impact on the project schedule and then delay the completion of the project;
- e. Other significant events may have unpredictable impact on the project schedule

4.2 Investment of the Company

(1) Use of Proceeds

Applicable Not applicable

(2) Use of Non-Raised Proceeds

1. Investment in Financial Assets

(i) *Investment of securities*

Applicable Not applicable

(ii) *Investment in derivatives*

Remarks on risk analysis and management of derivative positions during the Reporting Period (including but not limited to market risk, liquidity risk, credit risk, operational risk and legal risk, etc.)

As of the end of the Reporting Period, the Group's derivative financial instruments mainly include cross currency swaps ("CCS"). The risks exposed CCS are related to the exchange rate market risks and the certainty of cash flow of the Group's future foreign currency loan. The Group's control measures on derivative financial instruments are mainly reflected in the following aspects: regarding derivatives trading, the Group strictly regulates the authorization and business operation procedures, carefully selects and determines the types and quantities of new derivative financial instruments, and strictly controls the credit level of the Group and related entities.

Change in market price or fair value of the derivatives invested during the Reporting Period, as well as the method, related assumptions and parameters used to analyse the fair value of derivatives should be disclosed

During the Reporting Period, a floating loss of RMB850,400 was incurred in CCS derivatives investment.

At the end of the Reporting Period, the fair value of CCS is determined with reference to market quotation of external financial institutions.

Remarks on whether there has been a material change in the accounting policy and accounting measurement principles for the Company's derivatives during the Reporting Period as compared with those of the previous reporting period

Nil

Special opinion on derivative investment and risk control from independent directors, sponsors or financial advisors

The Company's independent directors believe that the Company can regulate derivative investment according to the actual conditions of business operations and the relevant regulations and requirements of the regulatory authorities, and comply with the principle of prudence to mitigate the possible loss associated with foreign currency loan in the event of significant fluctuations in exchange rate through derivative financial instruments such as CCS. The relevant arrangement of the Company had been prudent and reasonable.

Derivative positions as at the end of the Reporting Period

Unit: RMB'000

Type of contracts	Contract amount as at the beginning of the period	Contract amount as at the end of the period	Profit or loss during the Reporting Period	Contract amount as a percentage of the Company's net assets as at the end of 2021
CCS	15,027,971	11,929,122	850	3.04%
Total	15,027,971	11,929,122	850	3.04%

(iii) *Information on fair value measurement items and holdings of foreign currency financial assets and financial liabilities*

Information on fair value measurement items

Unit: RMB'000

Item	Opening amount	Impact of change in accounting policies	Increase for the current period	Changes in fair value accounted in equity during the period	Impairment accrued in the current period	Disposal during the current period	Closing amount
Financial assets							
Of which: 1. Financial assets measured at fair value and whose changes are included in the current profit and loss	868,239	-	364,010	-	-	170,523	1,061,726
Of which: Derivative financial assets	-	-	-	-	-	-	-
2. Other investment in equity instruments	1,601,237	-	-	232,218	-	-	1,833,455
Subtotal of financial assets	2,469,476	-	364,010	232,218		170,523	2,895,181
Financial liabilities							
Of which: 1. Financial assets measured at fair value and whose changes are included in the current profit and loss	-	-	191,792	-	-	-	191,792

Information on holdings of foreign currency financial assets and financial liabilities

Unit: RMB'000

Item	Opening amount	Impact of change in accounting policies	Increase for the current period	Changes in fair value accounted in equity during the period	Impairment accrued in the current period	Disposal during the current period	Closing amount
Financial assets							
Of which: 1. Financial assets measured at fair value and whose changes are included in the current profit and loss	106,130	-	52,627	-	-	-	158,757
Of which: Derivative financial assets	-	-	-	-	-	-	-
2. Other investment in equity instruments	1,601,237	-	-	232,218	-	-	1,833,455
Subtotal of financial assets	1,707,367	-	52,627	232,218	-	-	1,992,212
Financial liabilities							

For the above-mentioned project investment measured at fair value of the Company, the Company followed the control process of major investment projects, and fulfilled the necessary approvals after careful review by relevant professional departments.

(iv) Investment in wealth management products

Unit: RMB'000

Specific Type	Source of funds for entrusted wealth management	Amounts for entrusted wealth management	Outstanding balance	The amount due but not receive
Wealth management products of banks	Self-owned capital	17,500,000	20,587	-
Total		17,500,000	20,587	-

The list of individual item with significant amount or low safety, poor liquidity, non-principal guaranteed high risk wealth management products.

Applicable Not applicable

Entrusted wealth management is expected to fail to recover the principal or there may be other circumstances that may result in impairment.

Applicable Not applicable

2. Equity investment

(i) During the Reporting Period, new additional investment amounted to RMB78.61 billion, which were used as follows:

① promoted and established 63 new subsidiaries, each with registered capital of over RMB100 million, and actual investment had been made. The details are as follows:

No.	Name of the newly established company	Currency	Registered capital (original currency)	Actual investment by Vanke (RMB equivalent)	Scope of business
1	Guangzhou Wanzhi Real Estate Co., Ltd. (廣州市萬致房地產有限公司)	RMB	6,307,000,000.00	3,216,570,000.00	Property development and operation
2	Xuzhou Wanzhe Real Estate Co., Ltd. (徐州萬喆置業有限公司)	RMB	3,020,470,000.00	2,114,329,000.00	Property development and operation
3	Vanwell Investment (Hong Kong) Limited	USD	388,109,055.71	2,511,298,455.88	Investment activities
4	Jinan Wanchangda International Cooperation Park Area Co., Ltd. (濟南萬昌達國際合作園區有限公司)	RMB	2,200,000,000.00	1,894,260,000.00	Park area management services
5	Nantong Wanqiong Real Estate Co., Ltd. (南通萬瓊房地產有限公司)	RMB	1,843,560,000.00	1,382,670,000.00	Property development and operation
6	Xuzhou Wanguang Enterprise Management Service Co., Ltd. (徐州萬廣企業管理服務有限公司)	RMB	1,740,000,000.00	957,000,000.00	Corporate management ; Real estate agent services
7	Changchun Changfa Wanze Real Estate Development Co., Ltd. (長春市長發萬澤房地產開發有限公司)	RMB	1,680,000,000.00	668,000,000.00	Property development and operation
8	Dongguan Jiawan Real Estate Co., Ltd. (東莞市嘉萬房地產有限公司)	RMB	1,500,000,000.00	100,000,000.00	Property development and operation
9	Suzhou Yiwanju Real Estate Co., Ltd. (蘇州頤萬居置業有限公司)	RMB	1,500,000,000.00	1,050,000,000.00	Property development and operation
10	Jiaxing Wanxian Construction Development Co., Ltd. (嘉興萬賢建設開發有限公司)	RMB	1,100,000,000.00	770,000,000.00	Engineering and construction activities; Property development and operation
11	Dongguan Wanqing Real Estate Co., Ltd. (東莞市萬慶房地產有限公司)	RMB	1,050,000,000.00	504,000,000.00	Property development and operation
12	Wenzhou Kexiang Industrial Co., Ltd. (溫州科象實業有限公司)	RMB	1,000,000,000.00	723,298,500.00	Property development and operation
13	Wuxi Xunqi Real Estate Co., Ltd. (無錫市迅齊房地產有限公司)	RMB	1,000,000,000.00	719,100,000.00	Property development and operation
14	Jinan Wanming Investment Co., Ltd. (濟南萬明投資有限公司)	RMB	967,500,000.00	967,500,000.00	Investment activities with own funds
15	Jinan Wanzhi Park Area Operation Management Co., Ltd. (濟南萬智園區運營管理有限公司)	RMB	967,500,000.00	967,500,000.00	Commercial complex management services

Directors' Report

No.	Name of the newly established company	Currency	Registered capital (original currency)	Actual investment by Vanke (RMB equivalent)	Scope of business
16	Dongguan Wanhong Real Estate Co., Ltd. (東莞市萬虹房地產有限公司)	RMB	855,000,000.00	855,000,000.00	Property development and operation
17	Foshan Nanhai District Wanzhe Real Estate Development Co., Ltd. (佛山市南海區萬喆房地產開發有限公司)	RMB	843,470,000.00	843,470,000.00	Property development and operation
18	Suzhou Industrial Park Daqi Real Estate Co., Ltd. (蘇州工業園區大啟置業有限公司)	RMB	800,000,000.00	300,000,000.00	Property development and operation
19	Nanjing Yuanlong Real Estate Co., Ltd. (南京源隆置業有限公司)	RMB	800,000,000.00	300,431,175.45	Property development and operation
20	Nanning Wanliang Real Estate Co., Ltd. (南寧市萬良房地產有限公司)	RMB	800,000,000.00	800,000,000.00	Property development and operation
21	Dongguan Zhongwan Xinyuan Real Estate Co., Ltd. (東莞市中萬信遠房地產有限公司)	RMB	750,000,000.00	300,000,000.00	Property development and operation
22	Nanning Wanfa Real Estate Co., Ltd. (南寧市萬發房地產有限公司)	RMB	700,000,000.00	357,000,000.00	Property development and operation
23	Tianjin Haijing Wanchuang Real Estate Development Co., Ltd. (天津海晶萬創房地產開發有限公司)	RMB	700,000,000.00	377,650,650.00	Property development and operation
24	Suqian Wanteng Real Estate Co., Ltd. (宿遷萬騰置業有限公司)	RMB	698,410,000.00	698,410,000.00	Property development and operation
25	Zhongshan Xiwan Real Estate Co., Ltd. (中山市西灣房地產有限公司)	RMB	600,000,000.00	600,000,000.00	Property development and operation
26	Chengdu Wanjinhuachuang Real Estate Co., Ltd. (成都萬錦華創置業有限公司)	RMB	600,000,000.00	516,000,000.00	Property development and operation
27	Wuhu Xinwan Real Estate Co., Ltd. (蕪湖信萬置業有限公司)	RMB	600,000,000.00	306,000,000.00	Property management; Property development and operation
28	Weifang Wanteng Real Estate Co., Ltd. (濰坊萬騰置業有限公司)	RMB	600,000,000.00	110,000,000.00	Property development and operation
29	Qingdao Wanshun Antou City Operation Management Co., Ltd. (青島萬順安投城市運營管理有限公司)	RMB	560,000,000.00	490,063,465.82	Investment activities with own funds; Real estate agent services
30	Xuzhou Wanyou Real Estate Co., Ltd. (徐州萬佑置業有限公司)	RMB	525,000,000.00	525,000,000.00	Property development and operation
31	Nanjing Gaochun Anju Real Estate Co., Ltd. (南京溪晨置業有限公司)	RMB	500,000,000.00	255,000,000.00	Property development and operation
32	Nantong Wanxiang Real Estate Co., Ltd. (南通萬湘房地產有限公司)	RMB	476,000,000.00	476,000,000.00	Property development and operation
33	Changchun Wanzhen Real Estate Development Co., Ltd. (長春萬甄房地產開發有限公司)	RMB	450,000,000.00	450,000,000.00	Property development and operation
34	Qingdao Wancheng Antou Industrial Co., Ltd. (青島萬城安投資業有限公司)	RMB	425,000,000.00	186,909,574.72	Property development and operation

No.	Name of the newly established company	Currency	Registered capital (original currency)	Actual investment by Vanke (RMB equivalent)	Scope of business
35	Wenzhou Wanxi Real Estate Co., Ltd. (溫州萬熙置業有限公司)	RMB	420,000,000.00	252,000,000.00	Property development and operation
36	Zhongshan City Lights Real Estate Co., Ltd. (中山市城市之光房地產有限公司)	RMB	400,000,000.00	400,000,000.00	Property development and operation
37	Nanjing Zhupu Zhenye Real Estate Development Co., Ltd. (南京築浦振業房地產開發有限公司)	RMB	400,000,000.00	240,000,000.00	Property development and operation
38	Xuzhou Wanxiang Corporate Management Service Co., Ltd. (徐州萬祥企業管理服務有限公司)	RMB	400,000,000.00	400,000,000.00	Corporate management ; Real estate agent services
39	Kunming Wanqing Real Estate Development Co., Ltd. (昆明萬清房地產開發有限公司)	RMB	400,000,000.00	103,500,000.00	Property development and operation
40	Xixian New District Fengze Wanrun Real Estate Development Co., Ltd. (西咸新區豐澤萬潤房地產開發有限公司)	RMB	376,000,000.00	263,200,000.00	Property development and operation
41	Xuzhou Wankuo Real Estate Co., Ltd. (徐州萬闊置業有限公司)	RMB	368,000,000.00	368,000,000.00	Property development and operation
42	Xuzhou Wanya Enterprise Management Service Co., Ltd. (徐州萬亞企業管理服務有限公司)	RMB	360,000,000.00	306,000,000.00	Corporate management; Real estate agent services
43	Ningbo Cilu Real Estate Co., Ltd. (寧波慈鷺置業有限公司)	RMB	350,420,000.00	178,714,200.00	Property development and operation
44	Changchun Wanxiao Real Estate Development Co., Ltd. (長春萬曉房地產開發有限公司)	RMB	350,000,000.00	350,000,000.00	Property development and operation
45	Suzhou Wancheng Baofeng Real Estate Co., Ltd. (蘇州萬澄保豐房地產有限公司)	RMB	350,000,000.00	178,500,000.00	Property development and operation
46	Suzhou Wantian Jingyuan Real Estate Co., Ltd. (蘇州萬天璟源房地產有限公司)	RMB	350,000,000.00	192,500,000.00	Property development and operation
47	Xixian New Area Fujing Wanlai Real Estate Co., Ltd. (西咸新區扶景萬萊置業有限公司)	RMB	320,000,000.00	320,000,000.00	Property development and operation
48	Tianjin Wanlan Tinghu Real Estate Development Co., Ltd. (天津萬瀾聽湖房地產開發有限公司)	RMB	300,000,000.00	300,000,000.00	Property development and operation
49	Jinhua Wanhong Real Estate Co., Ltd. (金華萬虹置業有限公司)	RMB	300,000,000.00	300,000,000.00	Property development and operation
50	Jinhua Wanjin Real Estate Co., Ltd. (金華萬津置業有限公司)	RMB	300,000,000.00	210,000,000.00	Property development and operation
51	Jinhua Wanjin Real Estate Co., Ltd. (金華萬津置業有限公司)	RMB	300,000,000.00	300,000,000.00	Property development and operation
52	Jinhua Wanwu Real Estate Co., Ltd. (金華萬婺置業有限公司)	RMB	300,000,000.00	240,000,000.00	Property development and operation
53	Shaanxi Zhongwan Yingfeng Real Estate Co., Ltd. (陝西中萬盈豐置業有限公司)	RMB	255,000,000.00	153,000,000.00	Property development and operation
54	Weinan Zhongwan Yijing Real Estate Co., Ltd. (渭南中萬逸景置業有限公司)	RMB	220,000,000.00	112,200,000.00	Property development and operation

Directors' Report

No.	Name of the newly established company	Currency	Registered capital (original currency)	Actual investment by Vanke (RMB equivalent)	Scope of business
55	Guizhou Enxiang Construction Co., Ltd. (貴州恩祥建設有限公司)	RMB	200,000,000.00	140,000,000.00	Property development and operation
56	Nanchang Wanshun Real Estate Co., Ltd. (南昌萬順置業有限公司)	RMB	166,900,000.00	83,450,000.00	Property development and operation
57	Wenzhou Yongwen Information Technology Service Co., Ltd. (溫州永溫信息技術服務有限公司)	RMB	140,000,000.00	140,000,000.00	Information technology consultancy Service; Property development and operation
58	Zibo Wanying Real Estate Co., Ltd. (淄博萬瀛置業有限公司)	RMB	130,000,000.00	84,500,000.00	Property development and operation
59	Xuzhou Wanbo Real Estate Co., Ltd. (徐州萬博置業有限公司)	RMB	119,000,000.00	119,000,000.00	Property development and operation
60	Xuzhou Wande Real Estate Co., Ltd. (徐州萬德置業有限公司)	RMB	108,000,000.00	108,000,000.00	Property development and operation
61	Ningbo Guantang Real Estate Co., Ltd. (寧波官堂置業有限公司)	RMB	103,000,000.00	52,530,000.00	Property development and operation
62	Jinan Wanyong Real Estate Co., Ltd. (濟南萬永置業有限公司)	RMB	100,000,000.00	100,000,000.00	Property development and operation
63	Foshan Wanyao Urban Renewal Real Estate Co., Ltd. (佛山市萬瑤城市更新房地產有限公司)	RMB	100,000,000.00	67,000,000.00	Property development and operation
Total		-	-	33,354,555,021.87	

In addition, another 329 new companies were also promoted and established, with a total investment amount of RMB2.21 billion.

- ② Major companies acquired during the Reporting Period are as follows:
During the Reporting Period, a total of 188 companies were acquired with a total consideration of RMB24.33 billion.
- ③ During the year, the Group increased the capital of 46 subsidiaries by RMB17.93 billion, among which, RMB8.88 billion was for Vanke Logistics Development Co., Ltd., RMB2.56 billion was for Shenzhen Vanke Logistics Investment Co., Ltd. and RMB6.49 billion for other companies.

(ii) *Investment in Projects*

During the Reporting Period, the Group had 148 new development projects. The aggregate planned GFA attributable to Vanke's equity holding amounted to approximately 19.014 million sq.m., while the aggregate estimated GFA amounted to approximately 26.674 million sq.m..

Unit: sq.m.

No.	Project name	Location	Shareholding	Site area	Planned GFA	GFA Attributable to the Company's Equity Holding	Project process
1	Jinan Shizhong Vanke City	Shizhong District	99.2%	149,419	415,000	411,680	Under construction
2	Jinan Xueshan Vanke City Group III	Licheng District	49.3%	78,506	211,965	104,457	Under construction
3	Qingdao Clouds of City	Huangdao District	41.0%	34,664	83,194	34,109	Under construction
4	Qingdao Clouds of Bay	Chengyang District	50.1%	62,265	103,588	51,883	Under construction
5	Qingdao Clouds of Bay Phase II	Chengyang District	50.1%	91,379	150,891	75,575	Pre-construction
6	Qingdao Pingdu Ruyuan	Pingdu City	69.3%	25,872	56,918	39,433	Under construction
7	Shijiazhuang Metro Vanke Lanwan	Chang'an District	40.0%	40,943	102,509	40,997	Under construction
8	Shijiazhuang Jade College Phase II	Chang'an District	60.1%	72,403	181,009	108,701	Under construction
9	Shijiazhuang Ziyuan	Yuhua District	100.0%	32,426	93,739	93,739	Under construction
10	Tianjin Riverside Metropolis	Binhai New Area	64.5%	120,938	302,416	195,088	Under construction
11	Hujiaoyuan Plots #6 and #7, Tianjin	Binhai New Area	99.0%	175,153	286,866	284,026	Under construction
12	Hujiaoyuan Plots #8 and #9, Tianjin	Binhai New Area	99.0%	148,311	318,119	314,970	Under construction
13	Tianjin Vanke Eco Light	Binhai New Area	99.0%	70,557	112,890	111,761	Under construction
14	Beiyong Late Phase Lot E3, Taiyuan	Xiaodian District	49.7%	41,696	145,935	72,574	Pre-construction
15	Taiyuan City Light 5#	Yingze District	90.1%	4,064	7,380	6,648	Pre-construction
16	Taiyuan Xuyuan	Qingxu County	49.7%	79,396	230,248	114,387	Under construction
17	Weifang Metropark	Weicheng District	99.0%	115,009	253,020	250,374	Under construction



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Directors' Report

Unit: sq.m.

No.	Project name	Location	Shareholding	Site area	Planned GFA	GFA	Project process
						Attributable to the Company's Equity Holding	
18	Yantai Dachengli	Zhifu District	49.5%	42,599	102,000	50,490	Pre-construction
19	Yantai Four Seasons Light-year	Fushan District	59.0%	67,026	147,457	87,000	Under construction
20	Zibo Vanke City Light	Zhangdian District	64.0%	50,578	131,000	83,840	Under construction
21	Changchun Park Metropolis	Luyuan District	98.2%	170,500	336,494	330,323	Under construction
22	No. 59 Rongguang Road, Changchun	Erdao District	77.7%	82,282	205,705	159,864	Under construction
23	Sunflower Town South County, Changchun	Gongzhuling	50.0%	201,017	351,791	175,903	Pre-construction
24	Zitai, Changchun	Nanguan District	49.2%	105,213	188,917	92,877	Under construction
25	Dalian Dong Guan Street Project	Xigang District	99.0%	32,616	47,400	46,926	Pre-construction
26	Dalian Zhongcheng Cuiwan Project	Ganjingzi District	99.0%	29,439	70,500	69,760	Under construction
27	One Fuqian, Shenyang	Huanggu District	99.1%	75,869	136,564	135,390	Under construction
28	Plot 1, Hun Nan Xin Du Xin, Shenyang	Hunnan District	98.5%	184,662	369,323	363,599	Under construction
29	Plot 2, Hun Nan Xin Du Xin, Shenyang	Hunnan District	98.5%	36,801	41,368	40,727	Under construction
30	Plot 3, Hun Nan Xin Du Xin, Shenyang	Hunnan District	98.5%	59,021	69,300	68,226	Under construction
31	Shenyang Four Seasons Metropolis	Sujiatun District	37.1%	162,261	324,522	120,495	Under construction
32	Shenyang Zhongde II Plot	Tiexi District	99.7%	62,921	94,381	94,135	Under construction
33	Changsha Peninsula International	Kaifu District	99.2%	54,322	168,940	167,639	Pre-construction
34	Changsha Songhu Tiandi	Changsha County	99.9%	359,801	1,044,000	1,042,874	Pre-construction
35	Changsha Yuefu	Yuhua District	52.2%	95,133	237,035	123,614	Under construction

Unit: sq.m.

No.	Project name	Location	Shareholding	Site area	GFA		Project process
					Planned GFA	Attributable to the Company's Equity Holding	
36	Nanchang Metropolis Riverside	Xinjian District	14.0%	27,893	69,734	9,775	Under construction
37	Jiang You Dong Fang, Nanchang	Nanchang County	40.3%	53,706	96,671	38,949	Under construction
38	Nanchang Lianfa Vanke Four Seasons Light-year	Xinjian District	16.9%	31,013	80,635	13,645	Under construction
39	Nanchang Four Seasons Metropolis	Qingyunpu District	49.3%	123,877	248,420	122,409	Under construction
40	Wuhan Jinyu Light-year	Hanyang District	49.2%	104,326	260,662	128,298	Pre-construction
41	Wuhan Rhine Park	Caidian District	99.0%	85,371	213,427	211,292	Under construction
42	Wuhan Vanke Donghu Diba	Hongshan District	99.1%	22,500	100,800	99,893	Under construction
43	Wuhan Vanke Park No.5	Jiangnan District	48.5%	18,607	78,000	37,838	Under construction
44	Wuhan Vanke Jinyin Lake Circle 115 mu Project	Dongxihu District	99.4%	76,352	149,000	148,151	Pre-construction
45	Wuhan Vanke Huangpi Hengdian 189 mu Project	Huangpi District	99.5%	126,042	315,065	313,395	Pre-construction
46	Yichang Vanke City Light	Wujiagang District	59.0%	49,016	127,401	75,166	Under construction
47	Yichang Vanke Ideal City Late Phase	Yiling District	99.0%	55,431	88,689	87,811	Pre-construction
48	Zhengzhou Cuiwan Zhongcheng Lot B13	Huiji District	99.0%	21,326	85,304	84,460	Pre-construction
49	Zhengzhou Metropolitan Skyline	Erqi District	66.9%	78,971	236,527	158,237	Pre-construction
50	Zhengzhou Gucui Yinxiu	Jinshui District	50.4%	27,335	141,996	71,566	Pre-construction
51	Zhengzhou Ideal Light	Erqi District	49.0%	30,174	105,988	51,913	Under construction
52	Zhengzhou Ideal Starlight	Huiji District	46.1%	15,541	62,519	28,821	Under construction
53	Zhengzhou Shimi Senyu	Jinshui District	99.5%	46,550	78,865	78,487	Under construction



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Directors' Report

Unit: sq.m.

No.	Project name	Location	Shareholding	Site area	Planned GFA	GFA	Project process
						Attributable to the Company's Equity Holding	
54	Zhengzhou Vanke City Phase 9	Zhongyuan District	41.1%	77,038	192,148	78,877	Under construction
55	Zhengzhou Future Time	Jinshui District	99.1%	53,205	148,974	147,618	Under construction
56	Dongguan The Park	Machong Town	99.4%	54,171	108,079	107,439	Under construction
57	Dongguan Songyue Garden	Songshan Lake	99.7%	99,500	121,214	120,790	Under construction
58	Dongguan Future Light	Humen Town	47.7%	81,768	172,468	82,284	Under construction
59	Dongguan Zhenshanyue	Houjie Town	39.6%	104,561	107,758	42,651	Under construction
60	Metropolis, Foshan	Chancheng District	99.6%	74,505	223,215	222,322	Under construction
61	Foshan Puyue Mountain	Nanhai District	99.8%	163,614	442,285	441,489	Under construction
62	Fuzhou Jinyu Tixiang	Cangshan District	99.0%	17,301	31,142	30,830	Under construction
63	Fuzhou Vanke Jingxi Garden	Minhou County	99.0%	47,447	83,752	82,914	Under construction
64	Haikou Jinyu Shijia	Meilan District	40.0%	44,105	110,263	44,105	Under construction
65	Huizhou Shenqiu Huafu	Huiyang District	37.0%	8,777	21,063	7,784	Under construction
66	Jiangmen Jinyu Huafu	Pengjiang District	99.6%	80,939	196,280	195,495	Under construction
67	Jinjiang Vanke Jinyu International	Jinjiang City	99.3%	57,906	110,011	109,219	Under construction
68	Liuzhou Vanke City Lot 4	Liubei District	53.6%	127,135	348,004	186,530	Pre-construction
69	Nanning Emerald Central	Liangqing District	70.1%	100,319	334,848	234,837	Under construction
70	Nanning Vanke Gongwang	Yongning District	100.0%	51,142	127,934	127,934	Pre-construction
71	Nanning Vanke Elegant Mansion	Liangqing District	99.7%	56,270	168,788	168,363	Under construction
72	Zhongshan City Light	Minzhong Town	90.0%	70,714	212,141	191,010	Under construction

Unit: sq.m.

No.	Project name	Location	Shareholding	Site area	GFA		Project process
					Planned GFA	Attributable to the Company's Equity Holding	
73	Zhongshan Wanzhong Xincheng	Cuiheng New Zone	49.5%	668,974	1,553,506	768,981	Pre-construction
74	Zhuhai Qin'ao Legend	Xiangzhou District	94.2%	66,795	146,724	138,281	Under construction
75	Zhuhai Starlight Coastal Garden	Jinwan District	42.9%	72,984	124,214	53,257	Under construction
76	Changzhou Chaoqi Dongfang	Wujin District	50.0%	29,933	59,871	29,930	Under construction
77	Hangzhou Heyu Guangnian Mansion	Gongshu District	99.8%	54,462	141,601	141,261	Under construction
78	Hangzhou Huyin Guangnian Mansion	Qiantang District	99.7%	47,976	144,973	144,481	Under construction
79	Jiaxing Qichenli	Nanhu District	32.0%	38,760	45,521	14,576	Under construction
80	Jiaxing Wangchenli	Nanhu District	32.0%	36,456	40,047	12,823	Under construction
81	Jiaxing Lakeside Yinxiu	Nanhu District	96.0%	57,568	120,810	115,990	Under construction
82	Jiaxing Yuli Future Community Project	Nanhu District	68.5%	115,452	168,576	115,474	Pre-construction
83	Jiaxing Zhenjing Yayuan	Nanhu District	97.6%	68,764	138,196	134,907	Under construction
84	Jinhua Jinli Jianglan	Wucheng District	99.6%	89,731	161,515	160,885	Under construction
85	Jinhua Jinyun Jiangting	Wucheng District	99.1%	47,249	85,035	84,287	Under construction
86	Jinhua Wancheng Huafu	Wucheng District	79.6%	133,320	239,976	190,973	Under construction
87	Jinhua Wansheng Huafu	Wucheng District	69.2%	86,304	155,347	107,453	Pre-construction
88	Jingjiang Jingyue Dongfang	Jingjiang City	49.2%	55,847	98,968	48,714	Under construction
89	Nanjing Duhui Qijing	Jiangning District	99.0%	24,787	61,950	61,336	Pre-construction
90	Nanjing Duhui Muyu	Lishui District	38.9%	45,806	91,612	35,664	Under construction



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Directors' Report

Unit: sq.m.

No.	Project name	Location	Shareholding	Site area	Planned GFA	GFA		Project process
						Attributable to the Company's Equity Holding		
91	Nanjing Xiwangcheng	Gaochun District	50.4%	157,586	336,267	169,344		Under construction
92	Nanjing Xinyue Light-year	Jiangbei New Area	59.0%	23,706	36,727	21,661		Under construction
93	Nanjing Yuyue Light-year	Yuhuatai District	99.4%	47,295	70,942	70,530		Under construction
94	Nanjing Zichen Light-year	Jiangning District	99.3%	31,275	62,549	62,129		Under construction
95	Nantong Changchunteng	Tongzhou District	99.4%	99,177	168,786	167,689		Pre-construction
96	Nantong Green Vine Garden	Haimen District	37.2%	45,552	91,104	33,863		Under construction
97	Nantong Yanyu Light-year	Tongzhou District	74.4%	90,960	163,737	121,886		Pre-construction
98	Ningbo Binhongli	Jiangbei District	50.0%	12,089	23,773	11,884		Under construction
99	Ningbo Langshili	Haishu District	50.6%	30,828	85,709	43,335		Under construction
100	Ningbo Yueying Lantang	Haishu District	100.0%	52,928	119,803	119,803		Under construction
101	Ningbo Zhanlan Xiaoyue	Jiangbei District	50.0%	25,185	42,688	21,331		Under construction
102	Plot No. 6, West Fenglin Road, Yuecheng District Shaoxing		70.2%	67,488	93,111	65,372		Pre-construction
103	Plot No. 8, West Fenglin Road, Yuecheng District Shaoxing		70.0%	36,108	64,993	45,494		Pre-construction
104	Shaoxing Hupo Yinxiu Mansion Yuecheng District		49.7%	56,095	129,008	64,056		Pre-construction
105	Suzhou Chengnan Project	Wuzhong District	43.7%	26,356	57,973	25,355		Under construction
106	Suzhou Oriental Yayuan	Industrial Park	37.1%	57,710	115,394	42,811		Under construction
107	Suzhou Hushan Guangyun Ting	Wuzhong District	66.9%	34,712	41,616	27,858		Under construction
108	Suzhou Four Seasons Starlight Xiangcheng District Garden		54.2%	39,449	90,651	49,087		Under construction

Unit: sq.m.

No.	Project name	Location	Shareholding	Site area	GFA		Project process
					Planned GFA	Attributable to the Company's Equity Holding	
109	Suzhou Yihe Linglong Garden	Industrial Park	69.8%	99,167	158,636	110,649	Under construction
110	Kunlun Shangguan, Suqian	Suyu District	99.5%	112,124	257,885	256,544	Under construction
111	Wenzhou Meilu	Rui'an City	91.7%	26,033	83,043	76,167	Under construction
112	Wenzhou Reflections Plaza	Ouhai District	89.4%	48,825	137,200	122,657	Under construction
113	Wenzhou Reflections Plaza II	Ouhai District	58.8%	16,894	42,235	24,847	Under construction
114	Wuxi Oriental Bay	Huishan District	71.6%	83,130	197,096	141,140	Under construction
115	Wuhu Xinda Vanke Prestigious	Jinghu District	50.5%	97,811	195,621	98,769	Under construction
116	Xuzhou North Terminal Lot B Project	Gulou District	80.6%	26,830	60,752	48,972	Under construction
117	Xuzhou Cuiwan Zhongcheng	Yunlong District	54.2%	68,868	156,111	84,534	Under construction
118	Xuzhou Huaihai Yinxiu	Quanshan District	90.1%	9,746	26,853	24,200	Under construction
119	Kunlun, Xuzhou	Yunlong District	69.7%	65,354	184,422	128,487	Under construction
120	Xuzhou Wushan Park Lot A Project	Gulou District	99.2%	76,730	85,603	84,901	Pre-construction
121	Xuzhou Yungu	Quanshan District	50.0%	60,161	84,653	42,335	Under construction
122	Yangzhou Ruyuan	Guangling District	36.2%	38,958	55,632	20,111	Under construction
123	Yangzhou Vanke Dongwang	Guangling District	97.4%	56,285	81,613	79,524	Pre-construction
124	Lanzhou Vanke City Late Phase 718 mu Project	Gaolan County	49.3%	467,499	1,152,289	567,848	Under construction
125	Lanzhou New Area Vanke City	Lanzhou New Area	50.2%	406,623	1,179,205	591,725	Under construction
126	Weinan Vanke Jinchen	Linwei District	50.0%	98,962	236,729	118,365	Under construction



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Directors' Report

Unit: sq.m.

No.	Project name	Location	Shareholding	Site area	Planned GFA	GFA	Project process
						Attributable to the Company's Equity Holding	
127	Xi'an Vanke Fenghua Jinming	Xixian New Area	50.0%	84,011	210,026	105,013	Under construction
128	Xi'an Gaoling Four Seasons Metropolis	Gaoling District	99.3%	156,968	439,510	436,609	Pre-construction
129	Plot of 57 mu in Jinghe New Town, Xi'an	Xixian New Area	99.1%	37,894	87,095	86,311	Pre-construction
130	Plot of 89 mu in Jinghe New Town, Xi'an	Xixian New Area	99.1%	59,432	136,693	135,463	Under construction
131	Xi'an Vanke Four Seasons Flower City	Lantian County	57.7%	171,790	426,749	246,234	Under construction
132	Xi'an Vanke Future Starlight	Xixian New Area	98.2%	64,431	171,576	168,470	Under construction
133	Urumqi Metropolis Future City Phase II	Sayibak District	100.0%	115,418	230,835	230,835	Pre-construction
134	Yinchuan Jade Lake Wangguanjing	Helan County	42.5%	54,505	64,281	27,345	Under construction
135	Yinchuan Vanke Metropolis 02	Jinfeng District	22.4%	134,188	273,357	61,232	Under construction
136	Yinchuan Vanke New Metropolis	Yongning County	19.3%	80,262	160,525	30,949	Pre-construction
137	Chengdu Guobin Shuyuan Phase I	Jinniu District	50.1%	25,937	64,843	32,493	Under construction
138	Chengdu Guobin Shuyuan Phase II	Jinniu District	99.0%	14,161	35,402	35,048	Under construction
139	Chengdu He Yuan	Chenghua District	48.0%	22,230	44,459	21,336	Under construction
140	Chengdu Jingrong City	Pidu District	99.0%	86,356	172,711	170,984	Pre-construction
141	Chengdu Jinyuhaifu	Tianfu New Area	59.0%	34,838	158,704	93,667	Under construction
142	Chengdu City Villa	Xinjin District	99.3%	250,116	289,059	286,978	Pre-construction
143	Chengdu Xingyao Tianfu	Tianfu New Area	100.0%	33,475	66,949	66,949	Pre-construction
144	Chengdu Zhiyuan	Chenghua District	44.7%	53,158	159,474	71,205	Under construction

Unit: sq.m.

No.	Project name	Location	Shareholding	Site area	Planned GFA	GFA		Project process
						Attributable to the Company's Equity Holding		
145	Jiangnan Vanke City Phase II, Chongqing	Banan District	99.1%	152,648	201,000	199,171		Pre- construction
146	Chongqing Qingshui Jiadi	Shapingba District	100.0%	114,360	213,190	213,190		Pre- construction
147	Guiyang Guanshan Jiadi	Yunyan District	69.0%	62,407	156,019	107,653		Pre- construction
148	Yuxi Fuxian Lake Laowu Street Project	Hongta District	39.7%	64,182	239,755	95,255		Under construction
Total				11,987,944	26,673,517	19,013,607		

The total land premium attributable to the Company's equity holding and the total renovation cost of the above projects amounted to approximately RMB140.15 billion.

From the end of the Reporting Period to the date of this Report, the Group had 5 new development projects. The aggregate planned estimated GFA attributable to the Vanke's equity holding amounted to approximately 1.083 million sq.m., while the aggregate estimated GFA amounted to approximately 1.311 million sq.m. The details are as follows:

Unit: sq.m.

No.	Project name	Location	Shareholding	Site area	GFA Attributable to		Progress
					Planned GFA	the Vanke's Equity Holding	
1	Hefei Urban Xanadu Project	Shushan District	50.0%	61,120	127,439	63,720	Pre-construction
2	Changzhou Zhenwanhui Project	Zhonglou District	100.0%	76,916	169,215	169,215	Under construction
3	Fuzhou City Lights Project	Cangshan District	50.7%	177,183	318,928	161,816	Under construction
4	Lanzhou Crystal City Project	Xigu District	98.6%	144,259	504,906	497,686	Under construction
5	Urumqi Qimashan 135 mu Project	Sayibak District	100.0%	90,868	190,823	190,823	Pre-construction
Total				550,346	1,311,311	1,083,260	

During the Reporting Period, the Group acquired 3 logistics real estate projects, the leasable GFA of which is approximately 208,800 sq.m..

Unit: '0000 sq.m.

No.	City	Project name	Location	Percentage Interest Attributable to Company	Site Area	Planned Leasable GFA	Leasable GFA Attributable to the Company's Equity Holding		Progress
							Planned Leasable GFA	Equity Holding	
1	Chongqing	Chongqing Yubei Airport Economic Demonstration Zone	Yubei District	75%	11.62	7.14	5.36		Under construction
2	Nanchang	VX Nancheang Changbei Cold Chain Park	Airport Economic Zone	75%	8.64	5.70	4.27		Under construction
3	Kunshan	VX Kunshan Economic & Technological Development	Economic & Technological Development Zone	75%	7.87	8.04	6.03		Under construction
Total					28.13	20.88	15.66	-	

4.3 Major Sale of Assets and Equity

(1) Major sale of assets

During the Reporting Period, there was no major sale of assets of the Company.

(2) Major sale of equity

During the Reporting Period, there was no major sale of equity of the Company.

4.4 Structured entity controlled by the Company

Applicable Not applicable

4.5 Major Suppliers and Customers

(1) Major Suppliers

During the Reporting Period, the Group's purchases from the top 5 materials and equipment suppliers totaled RMB7.06 billion, representing 2.66% of the total purchases in the year and the percentage of which is less than 30%. Among which, the Group's purchases from the largest supplier was approximately RMB2.38 billion, accounting for 0.90% of the total purchases in the year. The purchase from related parties do not exist within the purchase from top 5 suppliers.

(2) Major Customers

The current main product of the Group is residential properties. The major customers are individuals, which are in a large number and fragmented. Only certain projects constructed for government or group purchases can generate higher turnovers. During the Reporting Period, the revenue from the top five customers was approximately RMB7.77 billion, representing 1.7% of the revenue of the Group for the year, and the percentage of which is less than 30%. Amongst them, the revenue from the largest customer was approximately RMB2.66 billion representing 0.6% of the revenue of the Group for the year. The sales to related parties do not exist within the sales to top 5 customers.

4.6 Details on the Company's Investor Relations Activities and Investor Protection

The Group has been always attaching great importance to investor relations. In 2021, the Company continued to enhance the information disclosure management according to the relevant regulations and Administrative Measures on Information Disclosure of China Vanke Co., Ltd., and released 432 domestic and overseas announcements to protect the “right to know” of the investors.

In addition to timely and sufficient information disclosure, the Group also focuses on the communication and interaction with the investors through various means.

In 2021, the Group received visits and telephone conferences of more than 400 times, participated in 31 face to face meetings/online meetings with domestic and overseas institutes, organised 24 monthly sales and operation meetings, 1 Investor Online Reception Meeting Day and answered 767 inquiries of investors through the EasyIR platform of Shenzhen Stock Exchange; The Company's 2020 annual results presentation and 2021 interim results presentation adopted the approach of online video live broadcast, and issued an announcement in advance to invite investors to actively participate and solicit related questions. As of the end of the Reporting Period, the total number of views of the two result presentation conferences was over 290,000 person-times; through the “Vanke Investor Relations” WeChat official account, the Group pushed monthly sales announcements, regular reports, regular reports in one picture and other relevant information of the Company to enhance the interaction with investors. The articles it pushed through WeChat have achieved an annual reading quantity of 187,000 clicks. In addition, the Group also communicates with the investors through website, telephone, email and online interaction platforms, in order to maintain a long-term relationship of trust between the investors and the Company.

The Group established an investor education base in 2015 and was granted the title of “National Securities and Futures Investors Education Base” in 2016. In 2021, the Group's investor education base was awarded the “Special Contribution Award” by the Shenzhen Securities Association for its efforts in providing relevant investor education services in conjunction with the pandemic prevention and control measures. At the same time, the base innovatively focused on the investor education needs of young people in this year's investor education work, and cooperated with a number of investor education bases in Shenzhen to bring investor education classes and products into the youth community, such as: holding a special investor education activity “Knowing Current Financial Hotspots” in Port Apartment (Shenzhen Vanke Cloud City flagship store) to promote the prevention of illegal financial activities and financial risks. We also invited lecturers from professional financial institutions to share their knowledge on two themes, namely the new regulations of the Beijing Stock Exchange and fund management, and organised investors to understand the strategic transformation and business philosophy of the listed company in the business scene of Vanke's Port Apartments, so as to promote the awareness of rational investment among young people and the social responsibility of investor education.

Details on the Group's investor meetings in 2021 are set out as follows:

Type of meeting	Date	Location	Approach	Type of investors
J.P. Morgan meeting	2021.1	Online	Telephone conference	Investors including securities companies, funds, etc.
Morgan Stanley meeting	2021.1	Online	Telephone conference	Investors including securities companies, funds, etc.
Sinolink Securities meeting	2021.1	Shanghai	On-site meeting	Investors including securities companies, funds, etc.
2020 annual results presentation	2021.3	Online	Video roadshow	Investors including securities companies, funds, individual investors, etc.
Citi Securities meeting	2021.4	Online	Telephone conference	Investors including securities companies, funds, etc.
J.P. Morgan meeting	2021.4	Online	Telephone conference	Investors including securities companies, funds, etc.
CICC meeting	2021.4	Shenzhen	On-site meeting	Investors including securities companies, funds, etc.
Guangfa Securities meeting	2021.4	Shanghai	On-site meeting	Investors including securities companies, funds, etc.
CITIC Securities meeting	2021.4	Beijing	On-site meeting	Investors including securities companies, funds, etc.
Bank of America Securities meeting	2021.4	Online	Telephone conference	Investors including securities companies, funds, etc.
Credit Suisse Securities meeting	2021.4	Online	Telephone conference	Investors including securities companies, funds, etc.
China Merchants Securities Meeting	2021.4	Hangzhou	On-site meeting	Investors including securities companies, funds, etc.
Guangfa Securities meeting	2021.5	Hangzhou	On-site meeting	Investors including securities companies, funds, etc.
CITIC Securities meeting	2021.6	Nanjing	On-site meeting	Investors including securities companies, funds, etc.
CICC meeting	2021.6	Shanghai	On-site meeting	Investors including securities companies, funds, etc.
Citi Securities meeting	2021.6	Online	Telephone conference	Investors including securities companies, funds, etc.
UBS meeting	2021.7	Online	Telephone conference	Investors including securities companies, funds, etc.
2021 interim results presentation	2021.8	Online	Video roadshow	Investors including securities companies, funds, individual investors, etc.
Citi Securities meeting	2021.8	Online	Telephone conference	Investors including securities companies, funds, etc.
J.P. Morgan meeting	2021.8	Online	Telephone conference	Investors including securities companies, funds, etc.
UBS meeting	2021.9	Online	Telephone conference	Investors including securities companies, funds, etc.
Credit Suisse Securities meeting	2021.9	Online	Telephone conference	Investors including securities companies, funds, etc.
Morgan Stanley meeting	2021.9	Online	Telephone conference	Investors including securities companies, funds, etc.
CGS-CIMB Securities meeting	2021.9	Online	Telephone conference	Investors including securities companies, funds, etc.
Guangfa Securities meeting	2021.9	Shanghai	On-site meeting	Investors including securities companies, funds, etc.
CITIC Securities meeting	2021.9	Beijing	On-site meeting	Investors including securities companies, funds, etc.
CICC meeting	2021.9	Shenzhen	On-site meeting	Investors including securities companies, funds, etc.
Orient Securities meeting	2021.9	Guangzhou	On-site meeting	Investors including securities companies, funds, etc.

Directors' Report

Type of meeting	Date	Location	Approach	Type of investors
CITIC Securities meeting	2021.11	Shenzhen	On-site meeting	Investors including securities companies, funds, etc.
CICC Securities meeting	2021.11	Shanghai	On-site meeting	Investors including securities companies, funds, etc.
China Merchants Securities Meeting	2021.11	Shanghai	On-site meeting	Investors including securities companies, funds, etc.
Investors Online	2021.11	Online	Text Q&A	Various types of investors
Guangfa Securities meeting	2021.12	Online	Telephone conference	Investors including securities companies, funds, etc.
Shenwan Hongyuan Securities meeting	2021.12	Online	Telephone conference	Investors including securities companies, funds, etc.
Securities companies	During the Reporting Period	Online	Small group or one-on-one telephone conference	CLSA, East Asia Qianhai Securities, Everbright Securities, Guangfa Securities, Orient Securities, Zhongtai International, Huan Securities, Huatai Securities, Huaxi Securities, Ping An Securities, Credit Suisse Securities, CITIC Securities, Haitong Securities, Pacific Securities, TF Securities, Industrial Securities, Changjaing Securities, TF Securities, China Merchants Securities, CICC, China Securities, Guosen Securities Morgan Stanley, HSBC and other institutions
Funds and other investment companies and individual investors	During the Reporting Period	Changzhou, Chengdu, Dongguan, Fuzhou, Sanya, Hangzhou, Jinan, Nanchang, Nanjing, Xiamen, Shanghai, Shenzhen, Tangshan, Tianjin, Wuxi, Wuhan, Xi'an, Xuzhou, Changsha, Zhengzhou, Chongqing, etc. Foshan, Guiyang, Hangzhou, Hefei, Nanjing, Ningbo, Qingdao, Wuxi, Yangzhou, Chongqing, Shanghai, Zhengzhou, Chengdu, Wenzhou, Fuzhou, Xiamen, Beijing, Shenyang, Wuhu, Xi'an, Dongguan, Wuhan, Shenzhen, Guangzhou, etc.	Small group or one-on-one	Baoying Fund, China Life, Ping An Asset Management, Yongan Guofu Asset Management, Orient Securities Asset Management, Fullgoal Fund, CPIC Fund, Zhongou Fund, ABC-CA Fund, Huashang Fund, ICBC Credit Suisse, Greenwoods Asset Management, Penghua Fund, Shanghai Harmony Hui Asset Management, Essence Fund, Hongde Fund, Invesco Great Wall, Changxin Fund, Abu Dhabi Investment Authority, GIC, Platinum, Lazard, Wellington, point 72, Invesco, JP Morgan Asset Management, Ares SSG, Fidelity, Capital Group, Millennium, Blackrock, Trinity Street Asset, Orbis investment, Antipode and other institutions

During the above investor communication and reception events, major issues discussed are the Company's daily operations, development strategies and the Company's opinions on the development of the industry to which each business is engaged.

In 2021, the Company and its management team received many awards as follows:

No.	Award	Awarding Body
1	No. 1 in the real estate sector in the 19th edition of the Forbes Global 2000	Forbes
2	Leading 9+2 The Best Real Estate Development Award of Guangdong-Hong Kong-Macao Greater Bay Area	Hong Kong Ta Kung Wen Wei Media Group
3	All-Asia Executive Team 2021 – Honored Companies	Institutional Investor
4	All-Asia Executive Team 2021 – Top 3 in Best CEO	
5	All-Asia Executive Team 2021 – Top 3 in Best IR Professional	
6	All-Asia Executive Team 2021 – Top 3 in Best ESG	
7	The 17th New Fortune Gold Medal Secretary to the Board	New Fortune
8	Secretary to the Board Medal Award of the 15th China Listed Company Value Selection	Securities Times
9	Social Responsibility Award of the 15th China Listed Company Value Selection	
10	The 12th China Listed Company Investor Relations Tianma Award – Best Board of Directors	
11	The 12th China Listed Company Investor Relations Tianma Award – Best Investor Relations Management	
12	The 3rd New Fortune Best Listed Company	New Fortune, Guanghua-Rotman Centre
13	Quanjing Investor Relations Gold Award – Best IR Team	Quanjing
14	Quanjing Investor Relations Gold Award – Outstanding Secretary to the Board	
15	Gold Enterprise Ranking – Top Ranking of Real Estate Household	Xueqiu
16	2021 China Listed Real Estate Enterprise Gold Medal – Secretary to the Board	Yihan Zhiku
17	No. 27 in the Top 100 of the 2021 China Listed Companies Brand Value List	National Business Daily, China Business Research Center Tsinghua University
18	2021 Annual Blue Chip Conference Top 10 Overall Strength Companies	The Economic Observer
19	No.160 of the Global 500 2021	Fortune
20	2020 Annual Report Results Presentation of Listed Companies – Best Practice Example	China Association for Public Companies
21	The 7th Investor Relations Awards – Certificate of Excellence”	Hong Kong Investor Relations Association
22	2021 Greater Bay Area Listed Company Governance Ranking – Green Governance Top 20	Shenzhen Corporate Governance Research Association
23	2021 Greater Bay Area Listed Company Governance Ranking – Corporate Governance Top 20	
24	2021 Greater Bay Area Listed Company Governance Ranking – Secretary to the Board Top 20	
25	Top 1 of the First “China ESG Enterprise Best 500” real estate industry Ranking (Top 18 of the overall ranking)	Sina Finance ESG Rating Centre & CCTV-1 “China's Brand”

Directors' Report

No.	Award	Awarding Body
26	2021 China ESG Golden Responsibility Award – Best Environmental (E) Responsibility Award	Sina Finance ESG Rating Centre
27	The 4th Excellent IR – Best Capital Market Communication	
28	The 4th Excellent IR – Best ESG	
29	The 5th China Excellent IR – Best Capital Market Communication	Roadshow
30	The 5th China Excellent IR – Best Information Disclosure	
31	The 5th China Excellent IR – Best ESG	

4.7 Permitted Indemnity Provision

During the Reporting Period and up to the date of publication of the Report, no permitted indemnity provision which benefits the directors or supervisors of the Company was in force or is currently in force (whether entered into by the Company or not), and no permitted indemnity provision which benefits the directors or supervisors of associated companies of the Company was in force or is currently in force (if entered into by the Company).

The Company has arranged appropriate liability insurance for the directors and supervisors of the Company concerning the relevant legal actions they may be faced with.

4.8 Management Contracts

During the Reporting Period, no contracts concerning the operation and administration of the whole or any substantial part of the business of the Company were entered into or existed between the Company and any person other than the directors or full-time employees of the Company.

4.9 Directors and Supervisors' Service contracts

Each of the directors and supervisors of the Company has entered into a service contract with the Company. No director or supervisor of the Company had entered into any service contract with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

4.10 Relationship with Stakeholders

The Group strives to build up a diversified communication mechanism to engage with the government, shareholders, employees, customers and business partners so as to communicate and cooperate with stakeholders through more channels and methods. The Group is committed to responding to the call of national policies and actively creating values for shareholders through engaging our employees, providing quality services for our customers, collaborating with business partners and supporting our community, in order to achieve sustainable development. The Group places significant emphasis on human resources. The Group provides a fair workplace, creating atmosphere of nondiscrimination and diversity among our staff, together with competitive remuneration and benefits, as well as a range of opportunities for career advancement based on employees' merits and performance. The Group administers its health and safety management system and ensures the adoption of the principles throughout the Group. The Group provides

diversified trainings for staff to keep them abreast of the latest developments in the market and industry, in the form of both internal trainings and trainings provided by experts from external organizations. The Group values the feedback from customers through daily communication, regular investigations, and so on. The Group has also established the mechanism about customer service, support and complaints. When dealing with a customer complaint, the Group treats it as an opportunity to improve our relationship with the customer, addressing the concern in a timely manner and in accordance with international standards.

4.11 Directors' Responsibility in Respect of the Financial Statements

The directors acknowledge their responsibility for the preparation of the consolidated financial statements of the Group for the Reporting Period.

The directors are not aware of any material uncertainties or events or conditions that may cast significant effect upon the Group's ability to continue to operate.

Please refer to the Audit Report for the statement of responsibilities of auditor of the Group for the audit of the consolidated financial statements.

4.12 Charity Donation

During the Reporting Period, the amount of charity donation made by the Group was RMB285 million.

4.13 Compliance with Laws and Regulations

In 2021, the Group maintained compliance with relevant laws and regulations that have significant impacts on operations of the Group.

4.14 Information of Directors, Supervisors and Senior Management of the Company

Please refer to Section 5 "Corporate Governance Report" of the Report for the information of directors, supervisors and senior management of the Company.

4.15 Principal Risks

Details of the principal risks facing the Group were delineated in Section 5 "Corporate Governance Report" of the Report.

4.16 Recommended dividend

For the dividend distribution proposal of the year 2021, please refer to Section 5 "Corporate Governance Report" of the Report.



Onewo - Community Space Life Butler



Onewo - Community Space Mechanical Room Maintenance & Inspection



Onewo - Urban Space Service



Onewo - Commercial Space Customer Service



VX Logistic Xiamen Canghai Phase II Park













Corporate Governance Report

The Company has always followed the values of simplicity, transparency, compliance and accountability, and has strictly complied with the laws, regulations and the requirements of regulatory documents of listed companies to improve its corporate governance and enhance its compliance standards. The shareholders' general meeting, the Board, the Supervisory Committee and the senior management of the Company strictly perform their respective rights and obligations in accordance with the duties conferred by the Articles of Association.

5.1 Overview of Corporate Governance

During the Reporting Period, the Company strictly complied with the Company Law, the Securities Law, the Governance Guidelines of Listed Company, relevant laws and regulations in Hong Kong and the SEHK Listing Rules and in light of the actual situation of the Company, continuously improved the governance structure of the Company and regulated the operation of the Company. During the Reporting Period, the Company modified and published a number of procedural rules, including the "Articles of Association", the "Procedural Rules for the General Meeting" and the "Procedural Rules for the Board of Directors" to further enhance the governance level of the Company.

Provision A.6.7 of the Corporate Governance Code states that independent non-executive directors and other non-executive directors should attend general meetings and develop an unbiased understanding of the views of shareholders.

During the Reporting Period, the Company held a total of two general meetings. Due to the pandemic or other important business engagements, part of the directors did not attend the general meetings. For the attendance of directors, please see this section headed "2. Attendance of directors at the general meeting" under "5.4. Shareholders and General Meeting" in this Report.

Other than the above, during the Reporting Period, the Company complied with all of the other code provisions of the Corporate Governance Code.

The Company has established a corporate governance structure with complete functions and checks and balances. The general meeting, the Board, the Supervisory Committee and senior management exercise their rights and obligations in strict accordance with the responsibilities stipulated in the Company's Articles of Association, and effectively implement corporate governance and safeguard the interests of shareholders and the Company by giving full play to the specialized committees of the Board of Directors and independent directors, to ensure sustained and sound development of the Company. In 2021, the Company won a number of awards including the No.160 of the "Global 500 2021" issued by Fortune, the No.1 in the real estate sector in the "19th edition of the Forbes Global 2000" issued by Forbes and the "All-Asia Executive Team 2021 – Honored Companies" issued by Institutional Investor.

The directors, supervisors and senior management officers of the Company also complied with Model Code. The directors, supervisors, senior management officers and employees of the Company complied with relevant requirements in the Inside Information and Informer Management System and Rules for the Trading of Securities by Employees of the Company and other regulatory framework, to strictly control and contain inside information. During the Reporting Period, the Company did not have an informer with inside information conducting irregular trading of securities of the Company.

There is no material difference between the actual situation of corporate governance of the Company and laws, administrative regulations and provisions issued by the CSRC regarding the corporate governance of listed companies.

5.2 Independence of the Company from the Largest Shareholder in Business, Staff, Asset, Organization and Finance

The business, staff, asset, organization and finance of the Company are completely independent from those of SZMC, the largest shareholder, the Company has its own independent and complete businesses and possesses the capabilities for independent operation. The Company had not taken any actions that would violate the code on corporate governance practices such as reporting to SZMC on any undisclosed information.

5.3 An Overview on Horizontal Competition

Applicable Not applicable

5.4 Shareholders and General Meeting

(1) General meetings held during the Reporting Period

1. Convention of general meetings

During the Reporting Period, the Company held a total of two general meetings, the details of which are as follows:

On 30 June 2021, the Company held the annual general meeting of 2020, the First A Shareholders Class Meeting of 2021 and the First H Shareholders Class Meeting of 2021 at Vanke Center, No.33 Huanmei Road, Dameisha, Yantian District, Shenzhen, China. The shareholders of A Shares and H Shares of the Company participated in the general meeting by way of on-site meeting and internet voting (only applicable to A Shareholders), with total shareholding representing 54.90% of the total issued share capital of the Company, of which the shareholdings of A Shares shareholders and H Shares shareholders representing 55.54% and 51.59% of the A Shares and the H Shares of the Company, respectively. For details, please refer to the announcement dated 30 June 2021 disclosed on the Stock Exchange and the announcement dated 1 July 2021 disclosed on the website of cninfo (www.cninfo.com.cn) respectively.

Corporate Governance Report

On 26 November 2021, the Company held the first extraordinary general meeting of 2021, the Second A Shareholders Class Meeting of 2021 and the Second H Shareholders Class Meeting of 2021 at Vanke Center, No.33 Huanmei Road, Dameisha, Yantian District, Shenzhen, China. The shareholders of A Shares and H Shares of the Company participated in the general meeting by way of on-site meeting and internet voting (only applicable to A Shareholders), with total shareholding representing 51.77% of the total issued share capital of the Company, of which the shareholdings of A Shares shareholders and H Shares shareholders representing 51.64% and 52.49% of the A Shares and the H Shares of the Company, respectively. For details, please refer to the announcement dated 26 November 2021 disclosed on the Stock Exchange and the announcement dated 27 November 2021 disclosed on the website of cninfo (www.cninfo.com.cn) by the Company.

2. Attendance of directors at the general meetings

During the Reporting Period, directors made efforts to attend the general meeting in person and actively understand the views of shareholders. The attendance of the directors of the Nineteenth Session of the Board of the Company at the general meetings are as follows¹:

Name	Position	Attendance in Person (Time)
YU Liang	Chairman, Executive Director	2
ZHU Jiusheng	Executive Director	2
XIN Jie	Non-executive Director	1
HU Guobin	Non-executive Director	1
HUANG Liping	Non-executive Director	1
LEI Jiangsong	Non-executive Director	0
TANG Shaojie	Former Non-executive Director	0
LI Qiangqiang	Former Non-executive Director	1
WANG Haiwu	Executive Director	1
KANG Dian	Independent Non-executive Director	0
LIU Shuwei	Independent Non-executive Director	0
NG Kar Ling, Johnny	Independent Non-executive Director	0
ZHANG Yichen	Independent Non-executive Director	0

¹ Certain directors of the Company did not attend the general meetings in person due to the pandemic or other important business engagements. Former non-executive Directors, TANG Shaojie and LI Qiangqiang, ceased to be non-executive Directors of the Company in April and October 2021, respectively. HUANG Liping and LEI Jiang Song were elected as non-executive Directors of the Company in June and November 2021 through by-election, respectively.

(2) Request for convening of extraordinary general meeting by preference share shareholders with recovered voting rights

Applicable Not applicable

(3) Shareholders' right

1. Convening of extraordinary general meeting

In accordance with the Articles of Association, any shareholders individually or aggregately holding more than 10% of the shares of the Company are entitled to request the Board to convene an extraordinary general meeting. The Board shall reply, in writing, within ten (10) days of receiving such proposal, whether it consents to such request in accordance with the provisions of the laws, administrative regulations and the Articles of Association. If the Board rejects to convene such a general meeting or fails to reply within five (5) days of receiving such request, such shareholders individually or aggregately holding more than 10% of the shares of the Company are entitled to request the Supervisory Committee to convene such an extraordinary general meeting in writing. If the Supervisory Committee fails to issue a notice of the general meeting within the required period, in which circumstance, shareholders individually or aggregately holding more than 10% of the shares of the Company for more than ninety (90) consecutive days are entitled to convene and chair such a general meeting.

During the Reporting Period, shareholders individually or aggregately holding more than 10% of the shares of the Company did not request to convene such an extraordinary general meeting.

2. Proposal of resolution at general meeting

The shareholder(s) individually or jointly holding more than 3% of the Company's issued shares with voting rights may submit extra proposed resolutions in writing to the convener of a general meeting ten (10) days prior to the meeting. The convener shall issue a supplementary notice of the general meeting and announce the contents of such extra proposed resolutions within two (2) days after receipt thereof.

Candidates for non-independent directors can be proposed by last session of the Board or shareholder(s) individually or jointly holding more than 3% of the Company's outstanding issued shares with voting rights for 180 consecutive trading days.

Candidates for Supervisors can be proposed by last session of the Supervisory Committee or shareholder(s) individually or jointly holding more than 3% of the Company's outstanding issued shares with voting rights.

The shareholder(s) individually or jointly holding more than 1% of the Company's outstanding issued shares may nominate the candidates for independent directors to be elected at the general meeting.

Corporate Governance Report

On 15 June 2021, the Board of the Company received the “Letter on the additional resolutions to the annual general meeting of 2020 of China Vanke Co., Ltd.” issued by SZMC, the largest shareholder of the Company, proposing to consider the Resolution in Relation to the Iterative Non-property Development Business Co-investment Mechanism at the Company’s annual general meeting of 2020 to be held on 30 June 2021. The proposal of SZMC is within the scope of the duties and powers of the general meeting. Also, pursuant to the resolutions of the ninth meeting of the Nineteenth Session of the Board of the Company, the Board has given prior consent for such provisional proposal to be submitted to the general meeting for consideration by the shareholders, if any, who are eligible to do so. Other than that, no shareholder submitted any proposal to the general meeting during the Reporting Period.

3. Convening of extraordinary meeting of the Board

An extraordinary meeting of the Board may be convened if proposed by shareholders representing more than 10% of the voting rights. The Chairman shall convene the Board meeting within ten (10) days after receipt of proposal from the shareholders representing more than 10% of the voting rights.

During the Reporting Period, shareholders representing more than 10% of the voting rights did not propose to convene such an extraordinary meeting.

4. Enquiry to the Board

Shareholders could send enquiry to the Board through the address in the Corporate Information in the Annual Report in writing. Shareholders also have the right to inspect information relevant to the Company, including the Articles of Association and financial and accounting reports, according to the provisions in Articles of Association, after the capacity of shareholders, proved by written documents showing his or her holdings on certain class and number of shares, verified by the Company.

As considered and approved and authorised at the annual general meeting of 2020, the Articles of Association has been modified and published by the Company. The latest version of the Articles of Association can be inspected on the website of CNINFO Network and SEHK respectively.

(4) Investor relations

As of the end of 2021, the Company has 9,724,196,533 A Shares issued, representing 83.65% of total shares of the Company; 1,901,186,842 H Shares listed on SEHK and issued to overseas investors, representing 16.35% of total shares of the Company. H Shares are all public float and its total market value as at the end of 2021 was approximately HK\$34,488 million. For details, please refer to “Section 7 Change in Share Capital and Information on Shareholders” in this Report.

The Company weigh the importance of investor relations, and focus on interaction and communication with investors through various means. The details on the Company’s meetings with investors in 2021 can be referred in “4.6 Details on the Company’s Investor Relations Activities and Investor Protection” in “Section 4 Directors’ Report” in this Report.

5.5 Board of Directors

(1) Composition of the Board

In accordance with the Articles of Association, the Board of the Company comprises eleven Directors, include one Chairman and one Director assumed by staff representative, with the number of independent Director accounting for at least 1/3 of the total number.

As of the end of the Reporting period, the detailed list of Directors of the nineteenth session of the Board is as follows:

Executive directors: Mr. YU Liang (Chairman), Mr. ZHU Jiusheng and Mr. WANG Haiwu (staff representative Director).

Non-executive directors: Mr. XIN Jie, Mr. HU Guobin, Mr. HUANG Liping and Mr. LEI Jiansong.

Independent non-executive directors (independent directors): Mr. KANG Dian, Ms. LIU Shuwei, Mr. NG Kar Ling, Johnny and Mr. ZHANG Yichen.

(2) Duties and responsibilities of the Board and management

The duties and responsibilities of the Board include: to implement the resolutions passed at general meetings; to determine the Company's business plans and investment schemes; to prepare the Company's annual financial budget and final accounts; to formulate the Company's profit distribution plan and loss recovery plan; to determine the establishment of the Company's internal management system; to formulate the performance appraisal incentive plans; and to exercise other duties and powers specified in other laws, regulations or the provisions of the Articles of Association and authorized by the general meetings.

The duties and responsibilities of the management include: in charge of the production, operation and management of the Company; to organize and implement the resolutions adopted by the Board, the annual business plans and investment plans of the Company; to formulate detailed rules and regulations of the Company; and other duties and powers authorized by the Articles of Association or by the Board.

Corporate Governance Report

(3) Performance of duties of the Board

1. Board meeting

During the Reporting Period, the Board held a total of 10 meetings, including 4 on-site meetings and 6 communication votings. As affected by the pandemic, on-site meetings were convened by a combination of on-site and communication.

Name	Position	Number of Board Meetings	Board Meeting Attendance		
			Attendance in person	Attendance by authorized person	Absence
YU Liang	Chairman, Executive Director	10	10	0	0
ZHU Jiusheng	Executive Director	10	10	0	0
XIN Jie	Non-executive Director	10	8	2	0
HU Guobin	Non-executive Director	10	10	0	0
HUANG Liping	Non-executive Director	4	4	0	0
LEI Jiangsong	Non-executive Director	–	–	–	–
TANG Shaojie	Former Non-executive Director	2	1	1	0
LI Qiangqiang	Former Non-executive Director	7	6	1	0
WANG Haiwu	Executive Director, Staff Representative Director	10	10	0	0
KANG Dian	Independent Non-executive Director	10	10	0	0
LIU Shuwei	Independent Non-executive Director	10	10	0	0
NG Kar Ling, Johnny	Independent Non-executive Director	10	10	0	0
ZHANG Yichen	Independent Non-executive Director	10	9	1	0

(1) Four on-site Board meetings held by the Nineteenth Session of the Board in 2021

The Sixth Meeting of the Nineteenth Session of the Board

On 30 March 2021, the Sixth Meeting of the Nineteenth Session of the Board was held to consider and approve the following resolutions. The announcement regarding the relevant resolutions was published on the website of SEHK after trading hour on 30 March 2021, and was published in China Securities Journal, Securities Times, Shanghai Securities News and Securities Daily and CNINFO Network, respectively, on 31 March 2021.

No.	Resolution
1	The 2020 Annual Report and its Summary
2	The Audited Financial Report for the Year 2020
3	The Company's Major Tasks for the Year 2021
4	The Resolution in relation to the Appropriation and Write-off of the Provision for Impairment in Value for the Year 2020
5	The Proposal on Profit Distribution for the Year 2020
6	The Proposal on "Scrip Dividends for H Shares in 2020 Profit Appropriation"
7	The Internal Control Assessment Report for the Year 2020
8	The Resolution in relation to the Reappointment of Certified Public Accountants for the Year 2021
9	The Resolution Regarding Confirmation of Economic Profit Bonus for the Year 2020
10	The Resolution on Supplementary Proposal regarding Annual Bonus Scheme of the Company
11	2020 Sustainable Development Report
12	The Resolution Regarding Proposal to the General Meeting for Authorisation of Financial Assistance by the Company and majority-owned subsidiaries to Third Parties
13	The Resolution Regarding Proposal to the General Meeting for Authorisation of Providing Guarantee by the Company to majority-owned subsidiaries
14	The Resolution Regarding the General Mandate for Issuance of H Shares of the Company Granted to the Board of Directors at the General Meeting
15	The Resolution Regarding the General Mandate for Repurchase of Shares Granted to the Board of Directors at the General Meeting

Corporate Governance Report

The Seventh Meeting of the Nineteenth Session of the Board

On 22 April 2021, the Seventh Meeting of the Nineteenth Session of the Board was held to consider and approve the following resolutions. The announcement regarding the relevant resolutions was published on the website of SEHK after trading hour on 22 April 2021, and was published in China Securities Journal, Securities Times, Shanghai Securities News and Securities Daily and CNINFO Network, respectively, on 23 April 2021.

No.	Resolution
1	2021 First Quarterly Report and the Financial Statement
2	Proposal on Authorising the President to Make Decisions on Matters Related to Supply Chain Cooperation
3	Proposal on Purchasing Liability Insurance for Directors, Supervisors and Senior Management

Resolutions of the Eleventh Meeting of the Nineteenth Session of the Board

On 27 August 2021, the Eleventh Meeting of the Nineteenth Session of the Board was held to consider and approve the following resolutions. The announcement regarding the relevant resolutions was published on the website of SEHK after trading hour on 29 August 2021, and was published in China Securities Journal, Securities Times, Shanghai Securities News and Securities Daily and CNINFO Network, respectively, on 30 August 2021.

No.	Resolution
1	2021 Interim Report and its summary, Financial Statements, and Results Announcement
2	Resolution Regarding There Will Be no Distribution of Dividend nor Capitalisation of Equity Reserve for the 2021 Interim Period
3	Proposal on Amendments to the Articles of Association Authorized at the General Meeting under "Scrip Dividends"

Twelfth Meeting of the Nineteenth Session of the Board

On 28 October 2021, the Twelfth Meeting of the Nineteenth Session of the Board was held to consider and approve the following resolutions. The announcement regarding the relevant resolutions was published on the website of SEHK after trading hour on 28 October 2021, and was published in China Securities Journal, Securities Times, Shanghai Securities News and Securities Daily and CNINFO Network, respectively, on 29 October 2021.

No.	Resolution
1	Resolution Regarding 2021 Third Quarterly Report and the Financial Statement
2	The Resolution in relation to Authorize the Issue of Direct Debt Financing Instruments at the General Meeting

(2) Six votings via telecommunication by the Nineteenth session of the Board in 2021

No.	Times of Meetings	Date of Submission	
		to the Board	Resolution
1	Fifth Meeting	25 February 2021	The Resolution Regarding Proposed Offer for Repurchase of Certain Corporate Bonds The Resolution Regarding Self-inspection Report and Work Plan for Improving Corporate Governance and Achieving High-quality Development
2	Eighth Meeting	25 May 2021	The Resolution Regarding Proposed Amendments to the Articles of Association The Resolution Regarding Proposed Amendments to the Procedural Rules for the General Meeting The Resolution Regarding Proposed Amendments to the Procedural Rules for the Board of Directors The Resolution Regarding the Nomination of Huang Liping as the Candidate for Director of the Company The Resolution Regarding Holding Annual General Meeting and Shareholders Class Meeting of 2020
3	Ninth Meeting	11 June 2021	The Resolution in Relation to the Iterative Non-property Development Business Co-investment Mechanism
4	Tenth Meeting	23 June 2021	The Resolution Regarding the Appointment of Mr. Liu Xiao as an Executive Vice President and the Chief Operating Officer of the Company
5	Thirteenth Meeting	5 November 2021	Resolution in Relation to the Compliance of the Overseas Listing of Onewo with the Circular on Issues in Relation to Regulating Overseas Listing of Subsidiaries of Domestic Listed Companies Resolution in Relation to the Proposal of the Initial Public Offering and Overseas Listing of Onewo Resolution in Relation to the Undertaking of Maintaining Independent Listing Status of the Company After the Listing of Onewo Resolution in Relation to the Explanations on the Sustainable Profitability and Prospects of the Company After the listing of Onewo

Corporate Governance Report

No.	Times of Meetings	Date of Submission to the Board	Resolution
			Resolution in Relation to the "Full Circulation" Application for the Shares of Onewo Held by the Company
			Resolution in Relation to the Proposed Authorization to the Board and Its Authorized Persons by the General Meeting to Handle Matters, at Their Full Discretion, in Relation to the Overseas Listing of Onewo
			Resolution in Relation to the Provision of Assured Entitlement Only to the H Shareholders of the Company for the Spin-off and Overseas Listing of Onewo
			The Resolution Regarding the Convention of the First Extraordinary General Meeting of 2021, the Second A Shareholders Class Meeting of 2021 and the Second H Shareholders Class Meeting of 2021
6	Fourteenth Meeting	9 November 2021	The Resolution Regarding the Nomination of Lei Jiansong as a Candidate for Director of the Company

Pursuant to relevant requirements, the progress and important facts of the related issues were published on the website of SEHK after trading hours at night on 25 February 2021, 25 May 2021, 11 June 2021, 23 June 2021, 5 November 2021, 9 November 2021, and also published in China Securities Journal, Securities Times, Shanghai Securities News, Securities Daily and CNINFO Network on 26 February 2021, 26 May 2021, 12 June 2021, 24 June 2021, 6 November 2021, 10 November 2021, respectively.

2. Board's implementation of the resolutions approved at general meetings

(i) Issue of bonds

The Company's one-off or multiple issuances of direct debt financing instruments not more than RMB32 billion was considered and approved at the annual general meeting of 2019. The Company's one-off or multiple issuances of direct debt financing instruments not more than RMB30 billion was considered and approved at the first extraordinary general meeting of 2021.

From the beginning of 2021 to the date of this Report, the Group has issued a total of RMB14 billion of medium-term notes and RMB9.556 billion of corporate bonds.

(ii) Implementation of the proposal on dividend distribution for the year 2020

In accordance with the resolutions passed at the annual general meeting of 2020, the Board had proceeded with the implementation of the proposal on dividend distribution for 2020. The dividend distribution proposal for 2020 is as follows: a total of cash dividend of RMB14,522,165,251.25 (inclusive of tax) is proposed for distribution for 2020, representing 34.98% of the net profit attributable to shareholders of the parent company in the Company's consolidated financial statements for 2020. There will be no equity dividend nor capitalisation of equity reserve of the Company. If, based on the total number of 11,617,732,201 shares of the Company as at the end of 2020, a cash dividend of RMB12.5 (inclusive of tax) will be distributed for every 10 existing shares held. If there are any changes in the total number of shares on the record date for dividend distribution as a result of additional issue, repurchase, conversion of convertible bonds into equity and other circumstances, the dividend per share will be adjusted accordingly on the condition that the total dividend to be distributed remains unchanged.

The actual cash dividend paid to A shareholders and securities investment fund investors of A shares on the basis of every 10 existing shares held was RMB12.5. When a shareholder transfers his/her shares, China Securities Depository and Clearing Corporation Limited ("CSDC") will, according to the Notice from the Ministry of Finance, the State Administration of Taxation and China Securities Regulatory Commission Regarding Policies of Implementation of Differential Individual Income Tax on Dividends of Listed Companies (Cai Shui [2015] No. 101), withhold the amount exceeding the tax amount already deducted and such amount will be paid by the Company on its behalf, in accordance with the actual tax amount to be paid by the shareholder, which is calculated based on the holding period of the shares. Shareholding period is determined in unit of securities account of shareholders. According to the first-in, first-out principle, a supplementary tax amount of RMB2.5 is required to be paid for transferring every 10 shares held within 1 month (inclusive); a supplementary tax amount of RMB1.25 is required to be paid for transferring every 10 shares held over 1 month and less than 1 year (inclusive); no supplementary tax is required to be paid for transferring shares held over 1 year.

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An actual amount of RMB11.25 cash dividend, after deducting a withholding income tax at a 10% rate, was paid to non-resident enterprise shareholders of A shares (including qualified foreign institutional investors and qualified foreign institutional investors of Renminbi) on the basis of every 10 existing shares held.

An actual amount of RMB11.25 cash dividend, after deducting a withholding income tax at a 10% rate, was paid to the Hong Kong market investors holding the A shares of the Company through Shenzhen Hong Kong Stock Connect on the basis of every 10 existing shares held. For the Hong Kong market investors who are tax residents of other countries and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of lower than 10%, those enterprises and individuals may, by themselves or may entrust the Company to, apply to the competent tax authorities for the entitlement of the paid amount in excess of the tax payable based on the tax rate under such tax treaty. Upon approval by the tax authorities, the paid amount in excess of the tax payable based on the tax rate according to such tax treaty will be refunded.

For an individual shareholder of H shares who is a resident of a country or territory which has signed a dividend income tax agreement with the PRC, withholding income tax will be deducted at the relevant rate; for an individual shareholder who is a resident of a country or territory which has no dividend income tax agreement with the PRC, withholding income tax will be deducted at a 20% rate. The record date for A shares was 24 August 2021, and ex-dividend date was 25 August 2021, while the ex-dividend date of H shares was 13 July 2021, the record date for dividend distribution was 20 July 2021 and the date for dividend distribution was 25 August 2021. The exchange rate for H share's cash dividend was HK\$1 = RMB0.83338, being the median price of the exchange rate of Hong Kong dollars for Renminbi published by the People's Bank of China on the first working day (2 July 2021) after the approval of the dividend distribution proposal at the Company's annual general meeting of 2020.

(iii) The "Scrip Dividend" for H Shares in Dividend Distribution for the Year 2020

The Proposal on "Scrip Dividends for H Shares in 2020 Profit Appropriation" was considered and approved at the annual general meeting of 2020, the First A Shareholders Class Meeting of 2021 and the First H Shareholders Class Meeting of 2021 of the Company, pursuant to which the "scrip dividend" option is granted to H shareholders by the Company in the 2020 profit distribution plan. During the Reporting Period, the "scrip dividend" option for H shareholders was implemented and 7,651,174 new H shares of the Company were listed and traded on the SEHK on 25 August 2021. Following the issuance of the new shares, the total number of issued shares of the Company increased from 11,617,732,201 shares to 11,625,383,375 shares, of which the total number of issued H shares increased from 1,893,535,668 shares to 1,901,186,842 shares, while the total number of issued A Shares remained unchanged at 9,724,196,533 shares.

(iv) The Spin-off and Listing of Onewo

The resolutions in relation to the spin-off and separate listing of Onewo to the Hong Kong Stock Exchange were considered and approved at the First Extraordinary General Meeting of 2021, the Second A Shareholders Class Meeting of 2021 and the Second H Shareholders Class Meeting of 2021 of the Company. As of the disclosure date of this Report, Onewo has submitted application materials to the CSRC in relation to the overseas initial public offering.

(4) Training of directors

During the Reporting Period, the directors, supervisors and senior management of the Company attended various trainings, studies, observation and communication activities to gain continuous professional development.

Directors YU Liang, ZHU Jiusheng, XIN Jie, HU Guobin, HUANG Liping, LEI Jiansong and WANG Haiwu attended the 2021 Training Course for Directors, Supervisors and Senior Management of Listed Companies organised by the Shenzhen Securities Regulatory Bureau. Part of the Directors exchanged with other well-known listed companies to learn about advanced experiences in corporate governance and other areas.

In addition, part of the Directors of the Company inspected the Company's real estate development projects located in various places to investigate the progress of the Company's non-development business and to understand the Company's business status.

(5) Independent Directors

During the Reporting Period, there are four independent non-executive directors, each with a term of three years. Each independent Director has confirmed his/her independence through independence confirmation letter as required by Rule 3.13 of the SEHK Listing Rules with the Company, and the Company recognizes the independence of the independent Directors. In 2021, all independent Directors performed their duties with due diligence. Not only did they attend Board meetings and listen to the reports on matters relating to the Company, participate in discussion at specialised committees, and review documents of the Board, but also delivered independent opinion and constructive advice to the Company on aspects such as bonus and dividend distribution, external guarantee, derivatives investment, appointment of accounting firm, election of Directors, appointment of senior management, internal control and the spin-off. During the Reporting Period, the chairman of the Board and the independent non-executive directors of the Company held 1 meeting without other directors present.



Corporate Governance Report

2. Attendance of Independent Directors of the Nineteenth Session of the Board at the Board meetings

Attendance of Independent Directors at the Board meetings						
Name of independent Directors	Number of attendance required in the Board meetings during the Reporting Period	Attendance in person	Attendance by proxy	Number of Absent	If not attend in person for consecutive two times	
KANG Dian	10	10	0	0	No	
LIU Shuwei	10	10	0	0	No	
NG Kar Ling, Johnny	10	10	0	0	No	
ZHANG Yichen	10	9	1	0	No	

3. Issues being disagreed by the Independent Directors with the Company

During the Reporting Period, independent Directors did not disagree with the issues of the Company.

(6) Specialized committees of the Board

The Company has established three specialized committees, i.e. Audit Committee, Remuneration and Nomination Committee and Investment and Decision-making Committee. Those specialized committees will conscientiously perform their duties in accordance with Governance Guidelines of Listed Company, Corporate Governance Code, Articles of Associations, and Rules of Procedures of the Board and the implementation rules of each specialized committee. Independent Directors serve as the convener of each professional committee. Matters within the terms of reference of specialized committees should be approved by the specialized committees before submitting to the Board for consideration.

The attendance in specialized committee meetings of the Nineteenth Session of the Board of each member

Name	Position	Audit Committee Meeting	Remuneration and Nomination Committee Meeting	Investment and Decision-making Committee Meeting
KANG Dian	Convener of Remuneration and Nomination Committee	–	7	–
LIU Shuwei	Member of Audit Committee	5	–	–
NG Kar Ling, Johnny	Convener of Audit Committee, Member of Remuneration and Nomination Committee	5	7	–
LI Qiangqiang	Former member of Audit Committee	4	–	–
LEI Jiangsong	Member of Audit Committee	–	–	–
XIN Jie	Member of Investment and Decision-making Committee	–	–	4
HU Guobin	Member of Remuneration and Nomination Committee	–	7	–
ZHANG Yichen	Convener of Investment and Decision-making Committee	–	–	4
WANG Haiwu	Member of Investment and Decision-making Committee	–	–	4

Corporate Governance Report

1. Audit Committee

The Audit Committee is responsible for auditing the Company's financial information, reviewing the internal control and coordinating the communication, supervising and inspecting of the Company's internal and external audit, and inspecting and evaluating the Company's risk management system. The Audit Committee of the Nineteenth Session of the Board consists of Ng Kar Ling, Johnny (serving as convener) and Liu Shuwei, both being independent non-executive Directors, and LEI Jiangsong, being a non-executive Director. As a result of the change of Directors, non-executive Director LEI Jiangsong has been served as a member of the Audit Committee since 26 November 2021, and the former non-executive Director LI Qiangqiang served as a member of Audit Committee from 30 June 2020 to 12 October 2021.

During the Reporting Period, the Audit Committee convened 5 committee meetings in accordance with the provisions of the Articles of Association and Implementing Regulations of the Audit Committee of the Board and discussed and reviewed matters including the arrangement of annual audit, regular financial reporting, profit distribution plan, internal control, engagement of certified public accountants, economic profit bonus for the year, and provision for impairment and write-off.

The Audit Committee reviewed the Company's annual financial statements for the year ended 31 December 2020, the first quarterly financial statements for the three months ended 31 March 2021, the interim financial statements for the six months ended 30 June 2021 and the third quarterly financial statements for the nine months ended 30 September 2021. Furthermore, the Audit Committee convened a meeting to review the unaudited financial report for the year 2021 and agreed to deliver it to the auditor for auditing. The Audit Committee also considered the audited financial report for the year ended 31 December 2021, and made recommendations to the Board for their consideration.

2. Remuneration and Nomination Committee

The Remuneration and Nomination Committee is responsible for studying the selection criteria and procedures for directors and president and making recommendations to the board; widely searching qualified candidates for directors and president; reviewing the candidates for directors and president and making recommendations to the board; studying the assessment standards for directors and presidents, conducting assessments and making recommendations; studying and reviewing the remuneration policies and programs of directors and senior management, and advise to the Board; reviewing the structure and composition of the Board and assessing the independence of independent directors; and so on.

The Remuneration and Nomination Committee of the Nineteenth Session of the Board consists of Kang Dian (serving as convener) and Ng Kar Ling, Johnny, both being Independent Non-executive Directors and Hu Guobin, a Non-executive Director.

The Remuneration and Nomination Committee has actively implemented the policy of diversity of Board members in its work. The selection of directors will be subject to a series of diversities, including but not limited to gender, age, cultural and educational background, and professional experience, skills, and knowledge. On this basis, the decision will be made in consideration of the objective conditions, including the comprehensive value of the potential directors toward the Company's business and development, their contribution could be brought to the Board, and guarantee of diversity for the Board members.

During the Reporting Period, the Remuneration and Nomination Committee convened 7 committee meetings in accordance with the provisions of the Articles of Association and Implementing Regulations of the Nomination and Remuneration Committee of the Board and discussed and reviewed matters including the economic profit bonus for senior management, economic profit bonus, the annual bonus scheme, the nomination of candidates for directors and appointment of senior management.

3. Investment and Decision-making Committee

The Investment and Decision-making committee is responsible for studying the Company's long-term strategic planning and major investment and financing decisions, and other significant items and making recommendations.

The Investment and Decision-making Committee of the Nineteenth Session of the Board consists of ZHANG Yichen (serving as convener), an independent non-executive director, XIN Jie, a non-executive director and WANG Haiwu, an executive director.

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During the Reporting Period, the Investment and Decision-making Committee held 4 meetings, the convention of the meetings are in compliance with the provisions of the Articles of Association and Implementing Regulations of the Investment and Decision-making Committee of the Board and discussed and reviewed the matters regarding the iterative non-property development business co-investment mechanism, the spin-off and listing of Onewo, and so on.

5.6 Supervisory Committee

As of 31 December 2021, the tenth session of the Supervisory Committee consisted of three members, namely Mr. XIE Dong as the chairman of Supervisory Committee, Mr. LI Miao as a member of Supervisory Committee, and Ms. QUE Dongwu as a member of Supervisory Committee in the capacity as a representative of staff. The biographies of the supervisors are detailed in this section under “5.7 Directors, Members of Supervisory Committee and Senior Management”.

The number and composition of the Supervisory Committee meet the regulatory requirements and the provisions of the Articles of Association.

The main functions and powers of the Supervisory Committee include signing written assessment opinions on the Company’s periodic reports, checking the Company’s finances, and supervising the behavior of directors and senior management in performing company duties. For details of the performance of the Supervisory Committee in 2021, please refer to “Section 8 – Report of Supervisory Committee”.

5.7 Directors, Members of Supervisory Committee and Senior Management

(1) Basic information and work experience

1. Directors

Mr. YU Liang, born in 1965, is currently the Chairman of the Board. Mr. Yu joined the Company in 1990, has been a Director since 1994 and was subsequently appointed as a deputy general manager in 1996 and an executive deputy general manager and finance principal in 1999. Mr. Yu was the President and Chief Executive Officer of the Company from 2001 to January 2018. Mr. Yu was appointed as the Chairman of the Board since July 2017. Prior to joining the Company, Mr. Yu had worked for Shenzhen Foreign Trade Group. Mr. Yu graduated from Peking University with a bachelor’s degree in International Economics in 1988 and a master’s degree in Economics in 1997.



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Mr. ZHU Jiusheng, born in 1969, is currently a director, the President and Chief Executive Officer of the Company. Mr. Zhu joined Vanke in 2012 and held a position as a senior vice president of the Company from 2012 to 2015. Mr. Zhu has been the chairman of the board of directors of Shenzhen Vanke Financial Consultants Co., Ltd., a wholly-owned subsidiary of Vanke, since 2014 to March 2020, and had been the chairman of the board of directors and general manager of Shenzhen Pengding Chuangying Financial Information Services Co., Ltd, an affiliated enterprise of the Company from 2016 to January 2018. He has been the president and chief executive officer of the Company from January 2018 up to now, and has been the Director from July 2020 up to now. Mr. Zhu worked in Shenzhen branch of China Construction Bank Corporation (a company listed on the Shanghai Stock Exchange, stock code: 601939, and a company listed on the Stock Exchange of Hong Kong, stock code: 0939) from 1993 to 2012, and had successively served as vice president of Futian sub-branch (presiding), general manager of credit department and corporation department, vice president of Shenzhen Branch. Mr. Zhu also used to concurrently serve as a non-executive director of E-House (China) Enterprise Holdings Limited (a company listed on the Stock Exchange, stock code: 2048). Mr. Zhu obtained a master's degree in Economics from Zhongnan University of Finance and Economics (currently known as Zhongnan University of Economics and Law) in 1993 and a doctor's degree in Economics from Zhongnan University of Economics and Law in 2003.

Mr. XIN Jie, born in 1966, currently is a director and a member of the investment and decision-making committee of the Company, the secretary of the Party Committee and the chairman of the board of directors of SZMC. Mr. Xin used to work for Shenzhen Foreign Trade Group Co., Ltd.* and Shenzhen Changcheng Property Management Co., Ltd.*. He used to work as vice general manager of Shenzhen Changsheng Industrial Development Co., Ltd.* from August 1998 to February 1999; successively held the positions as the responsible person of preparatory committee and executive vice general manager, general manager and chairman of Shenzhen Shengtingyuan Hotel* from February 1999 to December 2004; held vice general manager of Shenzhen Changcheng Investment Holdings Co., Ltd.*, concurrently with chairman and general manager of Shenzhen Shengtingyuan Hotel* from December 2004 to October 2009; successively held positions as a director, general manager, vice secretary of the Party Committee, chairman and secretary of the Party Committee from October 2009 to September 2017, and holds the secretary of the Party Committee and the chairman of the board of directors of SZMC from September 2017 up to now. He has been served as a Director of the Company from July 2020 up to now. Mr. Xin graduated with a bachelor's degree in Electrical Equipment from Shenyang University of Technology in 1988, and obtained a master's degree of Business Administration from the Hong Kong Polytechnic University in 2005. Mr. Xin owns the title of senior engineer and senior economist.

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Mr. HU Guobin, born in 1965, currently is a director and a member of the remuneration and nomination committee of the Company, the secretary of the Party Committee and chairman of the board of directors of Shenzhen Capital Holdings Co., Ltd.. Mr. Hu used to work in Shenzhen Construction Group*. From November 1997 to May 2019, he successively held positions as a principal staff member, an assistant researcher and deputy chief director of comprehensive management office of Shenzhen State-owned Assets Management Office, and chief director of budget office and enterprise no.2 office, the chief economist and deputy director of State-owned Assets Supervision and Administration Commission of the People's Government of Shenzhen Municipality. From May 2019 up to now, he holds secretary of the Party Committee and chairman of the board of directors of Shenzhen Capital Holdings Co., Ltd. He has been served as a Director of the Company from July 2020 up to now. Mr. Hu obtained a bachelor's degree in management from Wuhan University in 1987, a master's degree of Economics from Zhongnan University of Finance and Economics (currently known as Zhongnan University of Economics and Law) in 1992, and a doctorate degree of Economics from Nankai University in 2002. Mr. Hu owns the title of principal senior accountant.

Mr. HUANG Liping, born in 1968, currently is the the Director of the Company, and the deputy secretary of the Party Committee, director and the general manager of SZMC. Mr. Huang successively held the positions as the engineer, deputy chief engineer, chief engineer of Shenzhen Gongkan Geotechnical Engineering Co. from April 1994 to June 1999, as the head of business department of SZMC, the deputy manager of the Line 2 construction branch, the deputy manager of the Line 7 construction branch (in charge), and the manager of the Line 7 construction branch from June 1999 to August 2014; as deputy general manager and Party Committee member of Shenzhen Metro Group Co., Ltd. from August 2014 to August 2018; as the deputy secretary of the Party Committee, director and general manager of Shenzhen Talent Anju Group Co., Ltd. from August 2018 to February 2021; and as the deputy secretary of the Party Committee, director and the general manager of SZMC from February 2021 till now. He has been served as the Director of the Company since June 2021. Mr. Huang graduated from Tongji University with a bachelor's degree in geotechnical engineering in 1991 and obtained a master's degree in engineering from Tongji University in 1994. Mr. Huang owns the title of professor-level senior engineer.

Mr. LEI Jiangsong, born in 1970, currently is the Director of the Company and a member of the Audie Committee, and a member of the Party Committee and deputy general manager of SZMC. From July 1993 to August 2003, Mr. Lei served as the technical division chief of the Hong Kong branch and deputy chief engineer of the overseas branch of Shenzhen Tonge Group Co., Ltd.. Since September 2003, he has been working in SZMC, and successively serving as the deputy manager of Line 5 construction branch, manager of Line 7 branch, general manager of Shenzhen Metro Engineering Consulting Co., Ltd., deputy general manager of construction headquarters and general manager of engineering centre I, executive director and secretary of the Party Committee of construction headquarters and chairman and secretary of the Party Committee of SZMC. He has been served as a Director of the Company since November 2021. Mr. Lei graduated from Huazhong University of Science and Technology with a bachelor's degree in urban road and bridge engineering in July 1993 and obtained a master's degree in management science and engineering from Tianjin University in September 2006. Mr. Lei is a professor-level senior engineer, a state-registered first-class constructor, a certified budgeting engineer and a certified supervision engineer, and is an member of the expert database of Shenzhen Municipal Housing and Construction Bureau.

Mr. WANG Haiwu, born in 1978, currently is a staff representative Director and a member of the investment and decision-making committee of the Company and the president of SCPG. Mr. Wang used to work in Shenzhen Tongren Accounting Co., Ltd.*. Mr. Wang joined Vanke in 2003, initially worked in Shenzhen Vanke Development Company Limited (formerly known as Shenzhen Vanke Real Estate Company Limited*), subsequently he successively held positions as the manager of financial management department, vice general manager, and general manager in Dongguan Vanke Real Estate Company Limited*, a senior vice president of the Company, and the chief partner and chief executive officer of Central and Western Regional Business Group, concurrently as the general manager of Vanke (Chengdu) Enterprises Company Limited* and an Executive Vice President and the Chief Operating Officer of the Company. He has been served as a Director of the Company from July 2020 up to now, and has been served as the president of SCPG from June 2021 up to now. Mr. Wang is recognized as “High Level Professional Talent of Shenzhen” by Shenzhen City, and “Excellent Private Entrepreneurs of Sichuan Province” by Sichuan Provincial Party Committee and Provincial Government. Mr. Wang graduated from Zhongnan University of Economics and Law in Accounting major with a bachelor’s degree of Administration in 2000, and Jilin University in Corporate Management major with a master’s degree of Administration in 2007.

2. Independent Directors

Mr. KANG Dian, born in 1948, is a Hong Kong resident. He is currently an independent Director and the convener of the Remuneration and Nomination Committee. Mr. Kang has been served as an independent Director of the Company from July 2017 up to now. Between 2009 and 2016, Mr. Kang served as the chairman and chief executive officer of New China Life Insurance Company Ltd. (a company listed on the Shanghai Stock Exchange; stock code: 601336, and on the SEHK; stock code: 1336), and the chairman of New China Asset Management Co., Ltd. Between 1984 and 2009, he was the director of the overseas project management department of China International Trust & Investment Corporation, vice president of China Agribusiness Trust & Investment Corporation, deputy general manager of China National Packaging Corporation, deputy managing director of Guangdong Enterprises (Holdings) Limited, chairman and general manager of Guangdong Capital Holdings Ltd., chairman of Guangdong Securities Limited, chairman of Guangdong Asia Insurance Co., Ltd., and chairman of the supervisory committee of Shenzhen Development Bank Company Limited. Mr. Kang graduated from the Department of Mechanical Engineering of the University of Science & Technology Beijing with a bachelor’s degree in Mechanical Manufacturing in 1982. He graduated from the Graduate School of the Chinese Academy of Social Sciences with a master’s degree in Economics in 1984.

Ms. LIU Shuwei, born in 1952, is currently an independent Director and a member of the Audit Committee, and holds position in Central University of Finance and Economics. Ms. Liu, who had studied under the guidance of nationally renowned economists Professor Chen Daisun and Professor Li Yining, is a renowned finance scholar. Ms. Liu was awarded China Economic Person of the Year and Touching China – Person of the Year by CCTV in 2002. Ms. Liu has been served as an independent Director of the Company since July 2017, and currently serves as an independent director of Gree Electric Appliances Inc. of Zhuhai (a company listed on SZSE; stock code: 000651), an independent director of Gree Electric Appliances Inc. of Zhuhai (a company listed on SZSE, stock code: 0002189) and an independent director of Shenzhen Royole Technologies Co., Ltd.. She graduated from Peking University with a master’s degree in Economics in 1986.

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Mr. NG Kar Ling, Johnny, born in 1960, is a Hong Kong resident. He is currently an independent Director, the convener of the Audit Committee and a member of the Remuneration and Nomination Committee. He is currently a practicing certified public accountant in Hong Kong, a practicing auditor and certified public accountant in Macau, a fellow member of the Hong Kong Institute of Certified Public Accountants (FCPA), a fellow member of the Association of Chartered Certified Accountant (FCCA), and a fellow member of the Institute of Chartered Accountants in England and Wales (FCA). Mr. Ng joined KPMG (Hong Kong) in 1984 and became a partner in 1996. He was the vice chairman of KPMG (China) before his retirement in March 2016. Mr. Ng has been served as an independent Director of the Company from July 2017 up to now and currently serves as an independent director of China Petroleum & Chemical Corporation (a company listed on the Shanghai Stock Exchange, stock code: 600028, the SEHK, stock code: 00386, the NYSE, stock code: SNP, and the LSE, stock code: SNP), an independent director of Fangdd Network Group Ltd. (a company listed on the Nasdaq Stock Market, stock code: DUO.O), an independent director of Metallurgical Corporation of China Ltd. (a company listed on the Shanghai Stock Exchange, stock code: 601618; and a company listed on the SEHK, stock code: 1618) and a vice director committee member of the second session of independent director specialized committee of China Association for Public Companies. Mr. Ng obtained a bachelor's degree and a master's degree in Business Administration from the Chinese University of Hong Kong in 1984 and 1999, respectively.

Mr. ZHANG Yichen, born in 1963, a resident of the Hong Kong Special Administrative Region, is currently an independent director and a convener of the investment and decision-making committee of the Company, the chairman and chief executive officer of CITIC Capital Holdings Limited. Mr. Zhang successively worked at Greenwich Capital Markets, Bank of Tokyo as Head of Proprietary Trading, and Merrill Lynch as Managing Director of Debt Capital Market for Greater China from 1987 to 2000. Mr. Zhang joined CITIC Group in 2000. From 2000 to 2002, he served as an executive director of CITIC Pacific and the president of CITIC Pacific Communications. He participated in the founding of CITIC Capital Holdings Limited ("CITIC Capital") in 2002. Currently, he serves as the chairman and chief executive officer of CITIC Capital. He has been served as an independent Director of the Company from July 2020 up to now. Mr. Zhang also currently serves as director or other positions in certain companies invested by CITIC Capital, such as the chairman of the board of directors of Grand Foods Holdings Limited (McDonald's Master Franchises in Mainland China and Hong Kong), chairman of the board of directors of Harbin Pharmaceutical Group Holding Co., Ltd., director of AsiaInfo Technologies Limited (a company listed on the Hong Kong Stock Exchange; stock code: 1675), director of S.F. Holding Co., Ltd. (a company listed on SZSE; stock code:002352). Mr. Zhang also serves as an independent director of Sina Corp (a company listed on NASDAQ; stock code: SINA.O). Mr. Zhang is a member of the 11th, 12th and 13th National Committees of the Chinese People's Political Consultative Conference. Mr. Zhang used to served as the chairman of the board of directors of Genertec Universal Medical Group Company Limited (a company listed on the Hong Kong Stock Exchange; stock code: 2666). Mr. Zhang graduated from the Massachusetts Institute of Technology in 1986 and holds a bachelor's degree in Computer Science.

3. Members of Supervisory Committee

Mr. XIE Dong, born in 1965, is currently the chairman of the supervisory committee of the Company and chairman of labour union of the Company and is also a member of specialized committee of the board of supervisors of China Association for Public Companies. Mr. Xie joined the Company in 1992, and had successively served as a manager, general manager, director of the human resources department, deputy general manager of the Company and executive vice president of the Company. Mr. Xie has been a member and the chairman of the Supervisory Committee since 2014. Before joining Vanke, Mr. Xie used to work for Shenzhen RGB Electronics Co., Ltd. of China Shenzhen TV Company (Headquarter). Mr. Xie graduated from Nanjing Engineering Institution in 1987 with a bachelor's degree in Radio Science. He received a master's degree in Business Administration from Shanghai Jiaotong University in 1997 and a doctorate degree in Management therefrom in 2007.

Mr. LI Miao, born in 1973, currently is a supervisor of the Company, a director and finance director of SZMC. Mr. Li used to work in Shenzhen Nanyou (Holdings) Ltd. and Shenzhen Press Group. He held positions as a director and finance director of Shenzhen Development Group from September 2010 to December 2016. He holds position as a director and finance director of Shenzhen Yan Tian Port Group Co., Ltd. from December 2016 to November 2020 and position as a director and finance director of SZMC from November 2020 up to now. Mr. Li has been served as a member of Supervisory Committee of the Company since July 2020, and currently serves as a supervisor of Shenzhen Investment Holdings Co., Ltd. and Shenzhen Water Group Co., Ltd. Mr. Li used to concurrently hold position as a director of Shenzhen YanTian Port Holdings Co., Ltd. (a company listed on SZSE, stock code: 000088). Mr. Li graduated from audit major in accounting school in 1993, and obtained master degree of Business Administration in 2009, both from Shanghai University of Finance and Economics. Mr. Li owns title of senior accountant and possesses qualification of certified public accountant (non-practicing member).

Ms. QUE Dongwu, born in 1966, currently is a staff representative supervisor of the Company, executive director and chief executive officer of Vanke Overseas Investment Holding Company Limited (a company listed on the SEHK, Stock Code: 1036.HK), a subsidiary of the Company. Ms. QUE joined the Company in 1993 and served successively as the manager and general manager of the treasury department of the Company's treasury management center, treasury director and financial director of the Company and the chief partner and general manager of Overseas BU. In July 2012, She became an executive director of Vanke Overseas Investment Holding Company Limited and has served as the chief executive officer of the company since 2019. She has been served as the staff representative supervisor of the Company from July 2020 up to now. Ms. QUE obtained her bachelor of arts degree of Education in English from Suzhou University in 1989. She obtained her master degree in Economics from Fudan University, PRC in 1999.

4. Senior Management

Mr. ZHU Jiusheng, for the biography of Mr. Zhu, please refer to the section “Directors”.

Mr. LIU Xiao, born in 1979, currently is an executive vice president and the chief operating officer of the Company. Mr. Liu joined Vanke in 2009, and used to hold positions as general manager of investment, financing and marketing department of the Company, the general manager of Zhejiang Vanke Nandu Real Estate Company Limited, chief partner and chief executive of Business Group of Northern District, and concurrently held position as chief partner of Beijing Vanke Enterprise Company Limited. Mr. Liu has been served as the executive vice president and chief operating officer of the Company since June 2021. Before joining Vanke, Mr. Liu used to work in Mckinsey & Company. Mr. Liu graduated from Renmin University of China with bachelor’s degree and master’s degree of economics in world economics major in 2000 and 2003 respectively, and graduated from Harvard Business School with master’s degree of business administration in 2008.

Ms. HAN Huihua, born in 1982, currently is an executive vice president and finance principal of the Company. Ms. HAN joined the Company in 2008, and successively held positions of business manager, assistant general manager and vice general manager of finance and internal control department, and central partner of financial management function in management center of the Company. Ms. Han has been served as the Executive Vice President and the Financial Principal of the Company since March 2020. Currently, she also serves as the supervisor of Onewo, a controlling subsidiary of the Company. Before joining the Company, Ms. Han used to work in local tax bureau of Xiushui County in Jiujiang City, Jiangxi Province. Ms. HAN graduated from University of Science and Technology with a bachelor’s degree in administration in 2003, and Jiangxi University of Finance and Economics in accountancy major with a master’s degree in administration in 2008. Ms. HAN is a non-practising member of the Chinese Institute of Certified Public Accountants.

Ms. ZHU Xu, born in 1975, is currently the Secretary of the Board of the Company. She has been served as the secretary of the Board of the Company since March 2016. Before joining Vanke, Ms. Zhu used to work in the Shenzhen Municipal Office of the State Administration of Taxation, Nationz Technologies Inc. (a company listed on SZSE, stock code: 300077), and Shenzhen Grandland Decoration Group Co., Ltd. (a company listed on SZSE, stock code: 002482). Ms. Zhu acts as a director of GLP Holdings Limited. Ms. Zhu had successively obtained a bachelor’s degree in Economics in Hunan College of Finance and Economics (currently known as Hunan University), a master’s degree in Management in Zhongnan University of Economics and Law, a master’s degree in Public Policy in University College London and a master’s degree in Corporate Governance in Open University of Hong Kong. Ms. Zhu Xu is a British Chevening scholar, a registered tax accountant, and an associate of Hong Kong Chartered Governance Institute (formerly The Hong Kong Institute of Chartered Secretaries).

(2) Change and reasons for the change in directors, members of the Supervisory Committee and senior management during the Reporting Period

On 19 April 2021, Mr. TANG Shaojie resigned as a director of the Company due to the change in work arrangements and no longer held any position in the Company after his resignation.

On 23 June 2021, upon consideration and approval at the Tenth meeting of the Nineteenth Session of the Board, the Board agreed to appoint Mr. LIU Xiao as Executive Vice President and Chief Operating Officer (COO) of the Company for a term commencing from the date of consideration and approval by the Board until the expiry of the term of the Nineteenth Session of the Board. Director Mr. WANG Haiwu ceased to be the Executive Vice President and Chief Operating Officer of the Company.

On 30 June 2021, Mr. HUANG Liping was elected as a non-independent Director of the Company at the Company's annual general meeting of 2020 for a term until the expiry of the term of the Nineteenth Session of the Board. On the same day, the amendments to the Articles of Association were considered and approved at the Company's annual general meeting of 2020, including that the Board shall have one director assumed by staff representative. According to the amended Articles of Association, the staff representative meeting of the Company informed the Board of the Company that it has voted to approve Mr. WANG Haiwu, a director of the Nineteenth Session of the Board, to be re-designated as staff representative director for a term until the expiry of the term of the Nineteenth Session of the Board.

On 12 October 2021, Mr. LI Qiangqiang resigned as a director of the Company due to the change in work arrangements and no longer held any position in the Company after his resignation.

On 26 November 2021, Lei Jiangsong was elected as a non-independent Director of the Nineteenth Session of the Board of the Company at the Company's first extraordinary general meeting of 2021 for a term until the expiry of the term of the Nineteenth Session of the Board.

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(3) Details of remuneration for 2021

As at the end of the Reporting Period, the aggregate amount of remunerations before taxation received by the 8 directors, supervisors and senior management who served the Company from the Group in 2021 was RMB34.096 million, representing a year-on-year decrease of 50.0%. Mr. Yu Liang, the Chairman of the Board, waived his entire bonus for 2021.

The aggregate amount of remunerations before taxation received by 4 independent directors from the Group during their term of service in 2021 was RMB2.40 million.

XIN Jie, HU Guobin, HUANG Liping, LEI Jiangsong, the directors and LI Miao, the supervisor, who do not hold positions in the Company, had never received remuneration from the Group.

During the Reporting Period, TANG Shaojie and LI Qiangqiang, who used to hold position as directors of the Company, did not receive remuneration from the Group.

Unit: RMB'0000

Name	Title	Sex	Age	Period of service	Total remuneration (before tax) in 2021
YU Liang	Chairman of the Board	Male	57	2017.7~2023.6	154.7
ZHU Jiusheng	Director	Male	53	2020.7~2023.6	592.7
	President, CEO			2018.2~2023.6	
XIN Jie	Director	Male	56	2020.7~2023.6	0
HU Guobin	Director	Male	57	2020.7~2023.6	0
HUANG Liping	Director	Male	54	2021.6~2023.6	0
LEI Jiangsong	Director	Male	52	2021.11~2023.6	0
WANG Haiwu	Staff Representative Director	Male	44	2020.7~2023.6	437.8
KANG Dian	Independent Director	Male	74	2017.7~2023.6	60.0
LIU Shuwei	Independent Director	Female	70	2017.7~2023.6	60.0
NG Kar Ling, Johnny	Independent Director	Male	62	2017.7~2023.6	60.0
ZHANG Yichen	Independent Director	Male	59	2020.7~2023.6	60.0
XIE Dong	Chairman of Supervisory Committee	Male	57	2014.3~2023.6	481.3
LI Miao	Supervisor	Male	49	2020.7~2023.6	0
QUE Dongwu	Staff Representative Supervisor	Female	56	2020.7~2023.6	423.6
LIU Xiao	Executive Vice President, Chief Operation Officer	Male	43	2021.6~2023.6	449.9
HAN Huihua	Executive Vice President, Finance Principal	Female	40	2020.3~2023.6	434.8
ZHU Xu	Secretary to the Board	Female	47	2016.3~2023.6	434.8
Total					3,649.6

Note 1: Pursuant to the resolution at the twenty-seventh meeting of the eighteenth session of the Board, the Group's annual bonus package is based on a fixed percentage of net profit attributable to shareholders of the Company. Pursuant to the resolution of the Company's first extraordinary general meeting of 2018, the annual cash remuneration (including both fixed monthly salary and annual cash bonus) of the Chairman of the Board is linked with the growth rate of the net profit attributable to the equity shareholders of the Company. In the event that the net profit growth rate exceeds 15%, the growth rate of the total amount of the annual cash remuneration = the net profit growth rate – 15%. In the event that the net profit growth rate is within the range from zero to 15% (both percentages inclusive), there shall be no increase in the total annual cash remuneration. In the event that the net profit growth rate is below zero, the total annual cash remuneration shall be reduced by a corresponding percentage. Pursuant to the resolution of the twenty-seventh meeting of the eighteenth session of the Board. The appropriation method of the total amount of annual cash remuneration of the chief executive officer is same the Chairman of the Board, while cash remuneration of other Directors, Supervisors and senior management who hold positions in the Company are determined in accordance with the overall operating performance of the Company and their individual performance. Due to the decline in the Company's net profit in 2021, the remuneration of directors, supervisors and senior management of the Company who hold positions in the Company has decreased to various extents.

Note 2: Pursuant to the resolution of the Company's first extraordinary general meeting of 2018 and as confirmed at the ninth meeting of the Remuneration and Nomination Committee of the nineteenth session of the Board, the total amount of cash remuneration for Chairman Mr. Yu Liang in 2021 should be RMB6.735 million, and due to Chairman Mr. Yu Liang voluntarily waived his annual bonus, the actual total amount of annual cash remuneration attributable to him in 2021 was RMB1.547 million, representing a year-on-year decrease of 87.6%.

Note 3: The total remuneration before tax include the annual cash remuneration paid to directors, supervisors and senior management, as well as the "social insurance and housing fund" paid by the Company on behalf of individuals.

Top five paid person of the Company in 2021

Ranking	Total remuneration (before tax) received from the Company (RMB'0000)	Any remunerations received from shareholders or other connected entities
1	1,249.7	No
2	1,239.8	No
3	723.1	No
4	592.7	No
5	592.3	No
Total	4,397.6	–

One of top five paid person of the Company in 2021 are directors.

Corporate Governance Report

(4) Change in shareholding during the Reporting Period

Shareholdings of the current directors, supervisors and senior management in the Company:

Unit: Share				
Name	Title	Number of shares held at the beginning of the Period	Number of shares held as at the end of the Period	Shares held at the end of Reporting Period as a percentage of total number of shares
YU Liang	Chairman of the Board	7,306,245	7,306,245	0.06285%
XIE Dong	Chairman of Supervisory Committee	1,490,745	1,490,745	0.01282%
QUE Dongwu	Staff Representative Supervisor	60,700	60,700	0.00052%
Total		8,857,690	8,857,690	0.07619%

Note: Save as above-mentioned, other directors, member of supervisory committee and senior management did not hold shares of the Company.

All the shares held by the aforementioned persons in the Company were beneficially owned A shares, and they were all in long positions. Save for the aforementioned, the Company was not aware of any interests or short positions held by the Company's directors, supervisors, senior management and relevant associates recorded in the register required to be kept in accordance with section 352 of the Securities and Futures Ordinance (Chapter 571 of Hong Kong Laws) or interests or short positions held in the Company or associated corporations (as defined in Part XV of the Securities and Futures Ordinance (Chapter 571 of Hong Kong Laws)) required to be notified to the Company and SEHK pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers under Appendix 10 to the SEHK Listing Rules.

5.8 Compliance with the Corporate Governance Code by the Company

(1) Corporate Governance Functions

The Board is responsible for the formulation of corporate governance policies of the Company and performance of the following corporate governance functions:

- 1 to formulate and review the corporate governance policies and practices;
- 2 to review and monitor the training and continuing professional development of the Directors and senior management;
- 3 to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- 4 to formulate, review and monitor the code of conduct applicable to Directors and employees; and
- 5 to review the Company's compliance with Corporate Governance Code and the disclosure in corporate governance report.

During the Reporting Period, the Board has reviewed and monitored the training and professional development of the Directors and senior management and performed its corporate governance duties in compliance with the relevant laws and regulations. It has also put great efforts on improving the Company's corporate governance practices.

(2) Chairman, President and Chief Executive Officer

The Chairman of the Board and the President assume different responsibilities. According to the Articles of Association, the Chairman of the Board is mainly responsible for presiding over the Board meetings and supervising and inspecting the implementation of Board resolutions; and the President is mainly responsible for the management of daily operation of the Company, reporting to the Board and implementing Board resolutions.

During the Reporting Period, Mr. YU Liang served as the Chairman of the Board of the Company; Mr. ZHU Jiusheng served as the President and Chief Executive Officer.

Corporate Governance Report

5.9 Securities Transactions of Directors and Supervisors

The Company established rules like Inside Information and Informer Management System and Rules Trading Securities by Employees of the Company. The requirements of the relevant internal rules of the Company are no less strict than the standards set out in the Model Code. During the Reporting Period, the Directors and Supervisors did not deal in the shares of the Company. After inquiries to the Directors and Supervisors, the Company confirmed that the Directors and Supervisors complied with relevant internal regulations of the Company and the Model Code, and did not conduct any securities transactions in breach of the Model Code.

5.10 Directors and Supervisors' Interests in Contracts

During the Reporting Period, no Director or Supervisor of the Company has material interests in the transactions, arrangements and contracts of the Company or any of its subsidiaries.

5.11 Disciplinary Actions Taken Against the Company or its Directors, Members of Supervisory Committee and Senior Management During the Reporting Period

There was no disciplinary action taken against the Company or its Directors, members of Supervisory Committee and senior management during the Reporting Period.

5.12 Relevant Information on Senior Management

(1) Establishment and implementation of appraisal, incentive and reward mechanisms for senior management

1. Composition of remuneration

The Group's remuneration system consists of fixed salary, annual bonus and economic profit bonus.

(i) **Fixed salaries.** All staff receive fixed salaries. The amount of a fixed salary is determined according to the importance of the position to the Company and the basic life needs of the staff. The higher the position hold, the smaller proportion the fixed salary will be in the total remuneration that goes with that position.

(ii) **Annual bonus.** The annual bonus is accrued based on the realization of the annual profit, and is distributed according to the net profit, sales revenue and event partnership, etc. The "Resolution on Principles of Annual Bonus Arrangement for Year 2020-2022" was considered and approved by the Company at the twenty-seventh meeting of the eighteenth session of the Board, defined the principles of annual bonus arrangement for the year 2020-2022.

(iii) Economic profit bonus.

In 2010, in order to realize shareholder orientation, align business decisions with shareholders' interests and encourage continuous achievement above market average performance, the Group made adjustment to the overall remuneration scheme, by reducing the accrued proportion of annual bonus and introducing economic profit scheme which was approved by the twelfth meeting of the fifteenth Session of the Board, and is calculated based on economic profits (EP). Currently, the Company's economic profit bonus plan was considered and approved at the Fourth Meeting of the Eighteenth Session of the Board in January 2018.

Beneficiaries of the economic profit bonus include Directors, members of the Supervisory Committee, the Group's management staff, as well as staff for the important roles they play in the business of the Group or for their outstanding contribution, who are working full-time at the Company.

Regarding economic profit (EP) bonus each year, a fixed rate of 10% of the economic profit will be accrued or returned, with a two-way (upward or downward) adjustment mechanism. In other words, if the Company's EP for the year is positive, a corresponding amount of the EP with fixed percentage will be accrued; on the other hand, if the Company's EP for the year is negative, an amount corresponding to the fixed percentage will be returned from the deferred bonus pool, (referred to as "contingent return"). The EP bonus allocated each year is in a deferred lock-up period for three years after such allocation ("lock-up period"). For the time being, it is a restricted bonus. The beneficiaries entrust the entitlements in the restricted bonus accounts for economic profit bonus to third parties for investment and management to obtain investment gain and bear investment loss accordingly, and won't bear any obligation to the Company after the expiry of deferred lock-up period.

Corporate Governance Report

2. Appropriation for economic profit bonus for 2020

The total amount of economic profit bonus of the Company in 2020 was RMB1.905 billion.

The Proposal on Adjustment of the Remuneration Scheme of Directors and Supervisors of the Company was approved on the first extraordinary general meeting of 2018, which specified that the distribution proportion of economic profit bonus for allocation to the Chairman of the Board is set at 1.8% to 2.2% of the annual economic bonus of the Company, and the specific proportion shall be determined by the Remuneration and Nomination Committee under the Board on an annual basis. According to the resolution of the ninth meeting of the Remuneration and Nomination Committee of the eighteenth session of the Board, the ratio of the economic profit bonus of the Chairman of the Board to the annual economic profit bonus is linked with the increase of the Group's economic profit. In the event that the annual economic profit growth rate is less than 10%, the economic profit bonus of the Chairman of the Board is set at 1.8%. In the event that the annual economic profit growth rate is within the range from 10% to 18% (both percentages inclusive), the economic profit bonus of the Chairman of the Board is set at 2.0%. In the event that the annual economic profit growth rate exceeds 18%, the economic profit bonus of the Chairman of the Board is set at 2.2%.

According to the above resolution, since the economic profit in 2020 represents a year-on-year decrease, the ratio of the economic profit bonus of the Chairman of the Board to the economic profit bonus of 2020 was 1.80%, which should be RMB34.2931 million. To encourage grassroots employees, Chairman of the Board Mr. Yu Liang voluntarily offered 50% of his 2020 economic profit bonus (i.e. RMB17.1465 million) to the 2020 Group Gold Award (Individual Award) winners, the 2020-2021 Outstanding Chief Customer Officer, the 2021 Star Employee(2021年度奮鬥之星) and the 2021 Outstanding Employee of the Headquarter(總部2021年度優秀奮鬥者), totalling 376 people. Also, Chairman Mr. Yu Liang voluntarily waived his economic profit bonus in 2021.

Accordingly, confirmed in the ninth meeting of the Remuneration and Nomination Committee under the Nineteenth Session of the Board, the economic profit bonus amount of 2020 obtained by the Company's directors, supervisors and senior management is as follows:

Name	Position	Economic profit bonus amount of 2020 distributed after tax (RMB'0000)
YU Liang	Chairman of the Board	961.48
ZHU Jiusheng	Director, President and Chief Executive Officer	836.12
XIE Dong	Chairman of Supervisory Committee and Chairman of the Labor Union	623.90
WANG Haiwu	Staff Representative Director	694.64
LIU Xiao	Executive Vice President and Chief Operation Officer	553.16
HAN Huihua	Executive Vice President and Financial Principal	557.05
ZHU Xu	Secretary to the Board	447.05
QUE Dongwu	Staff Representative Supervisor	447.05
Total	–	5,120.45

3. Appropriation for Economic Profit Bonus for 2021

On 30 March 2022, the total amount of economic profit bonus of the Company in 2021 was confirmed as RMB0.085 billion on the fifteenth Meeting of the Nineteenth Session of the Board. The economic profit bonus of 2021 is proposed to be distributed after the annual general meeting of 2021, and the details of distribution to directors, supervisors and senior management will be disclosed in the annual report of 2022.

4. Shares of the Company held by “collective bonus” of economic profit bonus

In 2014, under the influence of the overall situation of the capital market, the stock price of the Company continued to be sluggish. The capital market eagerly expected the major shareholders and senior management team of the Company to increase their shareholdings in the Company to boost market confidence. In response to the expectations of the capital market, the beneficiaries of the “collectively bonus” voluntarily agreed to buy A Share of Vanke through Guosen Jinpeng No.1 and No.2 Classified Collective Asset Management Plans (hereinafter referred to as “Jinpeng Plan”), by the Ying’an Enterprise Partnership using the funds from the accounts of the “collectively bonus” as the inferior-grade investment. From 28 May 2014 to 28 January 2015, Jinpeng Plan acquired a total of 495,934,792 A shares of Vanke, representing 4.39% of current total share capital of the Company, and made voluntarily disclosure.

On 31 March 2020, Ying’an Enterprise Partnership purchased 65,000,026 A Shares of the Company through the block trading system of the Shenzhen Stock Exchange, accounting for 0.58% of the total share capital of the Company.

On 29 April 2021, Shenzhen Deyuzhong Industrial Co., Ltd. (深圳德宇眾實業有限公司), a person acting in concert with Ying’an Enterprise Partnership, purchased 804,800 A shares of Vanke with its internal funds through centralized bidding transactions on the SZSE, representing 0.01% of the issued shares of Vanke. As a result, the total number of shares held by them with voting rights amounted to 5% of the issued shares of the Company. As of 29 April 2021, Ying’an Enterprise Partnership and its person acting in concert together owned a total of 580,886,618 shares in Vanke with voting rights, representing 5.00% of the total share capital of Vanke.

On 10 September 2021, the Company received a “Notification Letter” from the shareholder Ying’an Enterprise Partnership and its person acting in concert, which together owned 585,985,518 shares in Vanke with voting rights as of 10 September 2021, representing 5.04% of the total share capital of Vanke.

(2) Company secretary

The Company Secretary is Ms. Zhu Xu. Ms. Zhu Xu owns the qualification of a member of the Hong Kong Chartered Governance Institute and meets the requirements under Rule 3.28 of the SEHK Listing Rules. At the same time, the Company has appointed Ms. Yip Hoi Man (who works in Hong Kong) as Assistant Company Secretary to assist Ms. Zhu Xu, Ms. Yip Hoi Man also meets the requirements under Rule 3.28 of the SEHK Listing Rules.

In 2021, both Ms. Zhu Xu and Ms. Yip Hoi Man have received over 15 hours of relevant profession trainings according to the requirements in Rule 3.29 of the SEHK Listing Rules.

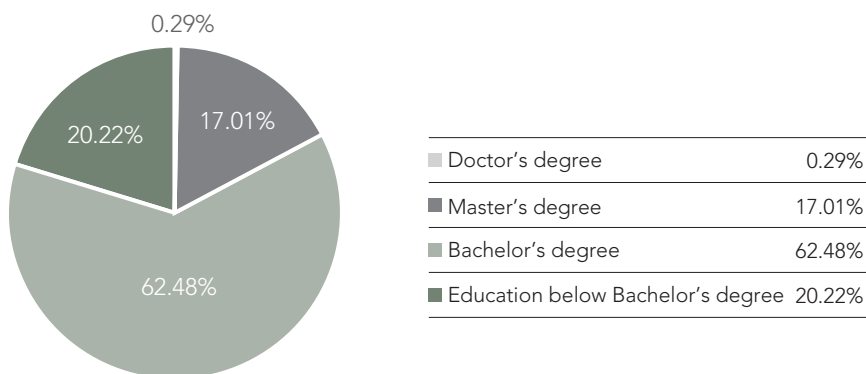
5.13 Number of Employees and their Composition by Job Classification

As of 31 December 2021, there were 139,494 employees on the Group’s payroll, representing an increase of 43.97% from that of the previous year. The average age of the employees was 32.77 years old and the average year of service was 2.52 years. Among which 75,287 employees were male, and 64,207 employees were female. The above mentioned employees on the Group’s payroll excludes 51,057 staff of Vanyu SecurePro, an associate of the Group.

The details of composition by business divisions are as follows:

(1) Property development division

There were 17,323 employees engaged in the property development division, representing a decrease of 11.84% as compared with last year. The average age of the staff working for this division was 31.96 and the average period of service was 3.68 years. In terms of education level, 0.29% held doctor’s degree, 17.01% with master’s degree, 62.48% with bachelor’s degree, 20.22% with education below bachelor’s degree while 79.78% with bachelor’s degree or above.



Composition by job classification:

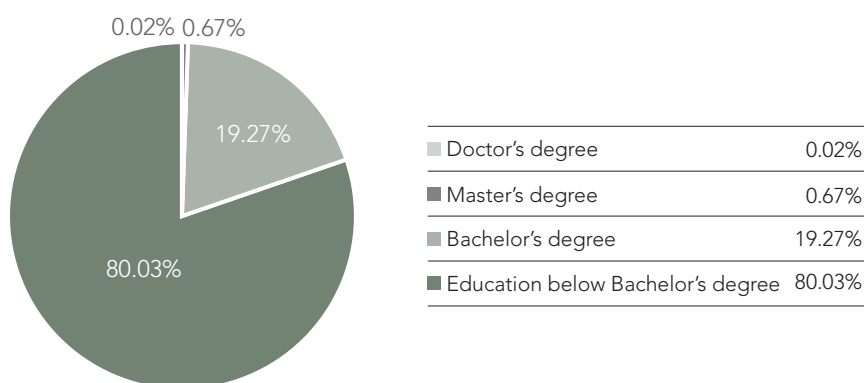
No.	Composition by job classification	Number of individuals	Percentage	Year-on-year change
1	Marketing and sales staff	7,236	41.77%	17.56%
2	Professional technicians	7,243	41.81%	-4.46%
3	Management staff	2,844	16.42%	-51.90%

Notes: 1. Professional technicians include staff from engineering, design, cost management, procurement and project development.

2. Management staff include financial, audit, IT, legal, human resources, customer services, information analysis etc. and senior management.

(2) Property services division

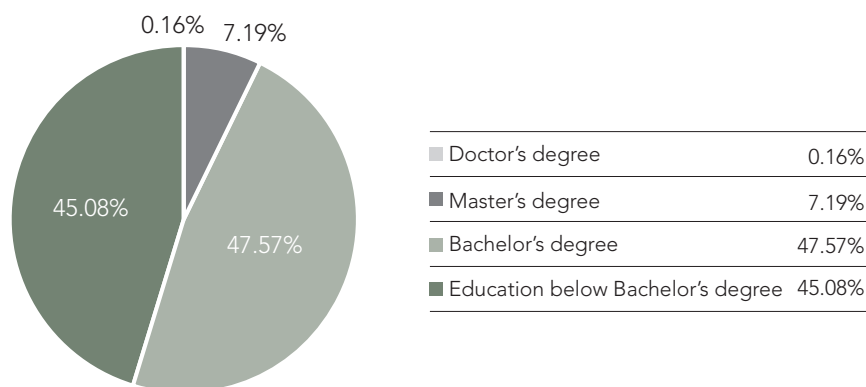
There were 106,945 employees (excluding above mentioned staff of Vanyu SecurePro) engaged in property services, representing an increase of 58.41% over previous year. The average age was 33.07 years old and the average period of service was 2.33 years. In terms of education level, 0.02% held doctoral degree, 0.67% held master's degree, 19.27% with bachelor's degree, 80.03% with education below bachelor's degree, and 19.97% with bachelor's degree or above.



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(3) Other divisions

There were 15,226 employees engaged in the other divisions, increased by 56.47% from the previous year. The average age was 31.67 years old and the average term of service was 2.55 years. In terms of education level, 0.16% held doctor's degree, 7.19% held master's degree, 47.57% with bachelor's degree, 45.08% with education below bachelor's degree, and 54.92% with bachelor's degree or above.



The overall remuneration system of the Group continues to implement the concept of “providing competitive remuneration in the industry in accordance with the principles of marketization to retain and attract outstanding talents”. The remuneration of the Company’s senior management personnel is determined on the basis of market research and based on the overall operating performance of the Group, which highlights the responsibility for unsatisfying business results. During the Reporting Period, the Group accrued employee remuneration and benefits totaling RMB17.12 billion.

The Group has always firmly believed in and implemented the talent concept of “talents are Vanke’s valuable capital”, and helped many outstanding business partners to achieve sustainable growth and development through talent discovery and training, and matching of personnel, etc. Up till now, the headquarter of the Group has established a distributed talent cultivation system with BG and BU, forming a talent cultivation model based on a business partnership system with its own characteristics. The distributed talent training institutions represented by the Beijing Region BG Jiayi Study Club* (北京區域 BG 甲一研習社), the Southern Region BG Sixing Academy* (南方區域 BG 思行學苑), the Shanghai BG Pujiang Study Club* (上海區域 BG 浦江研習社), the Southwestern Region Xinan Study Club* (西南區域 BG 西南研習社), the Properties BG Robin Study Club* (物業 BG 知之學社) and the Yinli BU Yinxiang Academy* (印力 BU 印象書院), combined with the department’s strategy, business, and culture, learning content, study items, talent management systems with its own characteristics were established and built respectively, which include the “The Expeditionary Project” of Sixing Academy, the “Mission Class – Rotational Culture Training for Business Partners” of Pujiang Study Club, the “Professional Certification for Positions of On-site Manager and Area Supervisor” of Robin Study Club, etc. Under the guidance of a unified talent concept, each distributed talent training institution has been improving the professionalism and professional skills of employees through differentiated talent strategies, enabling them to gain the unanimously recognition from their peers and cross-industry fields.

Based on the Group’s perspective, organisation centre of the headquarter of the Group has focused on key content, key population, key carrier and key organization to carry out various tasks, such as updating the “One Vanke” iterative cultural value curriculum system; invited internal and external scholars and experts to carry out the series of lectures such as the “Vanke Lecture” and the “Headquarter Learning Day”, sharing the industry situation and the promotion and implementation of working principles and working methods; organized recruit of new employees, the “New Power Training” for the Group’s schools and the “Mount Everest” for core and key partners.

Adhering to the “humanistic spirit”, the Group believes that “human is the starting point of innovation, human is the river of rationality”. Therefore, the Group is committed to providing a stage for everyone to show their talents with our business, creating self-challenge and opportunities for continuous learning and development for every struggler.

5.14 Profit Appropriation and Dividend Distribution Proposal

The financial statements prepared by the Company in accordance with China Accounting Standards and IFRS respectively and audited by auditor, show the net profit attributable to shareholders of the parent company for 2021 was RMB22.524 billion million and the net profit of the parent company was RMB24.946 billion.

Pursuant to requirements of the Reply on the Queries of Profit Distribution for Preparation of Consolidated Accounting Report (Cai Kuai Han[2000]No.7) (《關於編製合併會計報告中利潤分配問題的請示的覆函》(財會函[2000]7號)) issued by the Ministry of Finance, the Company's profit appropriation and dividend distribution was based on the Company's profit available for appropriation. The profit available for appropriation of the Group and the Company in 2021 according to the China Accounting Standards for Business Enterprises and IFRS was as follows.

Unit: RMB

	Calculation method	Parent company (China Accounting Standards for Business Enterprises)	Parent company (IFRS)
Distributable profit carried forward at the beginning of 2021	A	15,446,353,590.93	15,446,353,590.93
Distribution of dividends for the year 2020	B	14,522,165,251.25	14,522,165,251.25
Net profit of the parent company for the year 2021	C	24,945,811,004.21	24,945,811,004.21
Distributable profits of the parent company	D=A-B+C	25,869,999,343.89	25,869,999,343.89

The profit available for distribution to shareholders shall be the distributable profits of the parent company in the above data, i.e. RMB25.870 billion.

According to the relevant rules and requirements of the Company's Articles of Association, considering shareholders' interests and the Company's development needs in the long run, the Board submitted to the shareholders' meeting the following profit appropriation proposal for the year 2021:

1. The reserve of the Company exceeded 50% of the Company's capital, no provision for statutory reserve will be made;

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2. To appropriate 55% of the net profit of the Company to discretionary surplus reserve, with a total of RMB13,720,196,052.32;
3. To appropriate 45% of the net profit of the Company and unappropriated profit of 2020 for dividend distribution fund, with a total of RMB12,149,803,291.57;

The Company's 2021 dividend distribution proposal: The total amount of cash dividends proposed for distribution for 2021 will be RMB11,276,621,873.75 (inclusive of tax), accounting for 50.06% of the net profit attributable to shareholders of the listed company in the Company's consolidated financial statements for 2021, without any bonus share or capitalisation of equity reserve to share capital. Based on the Company's total number of 11,625,383,375 shares at the end of 2021, a cash dividend of RMB9.70 (inclusive of tax) will be distributed for each 10 shares. If any circumstances, such as issuance of new shares, share repurchase or conversion of any convertible bonds into share capital before the record date for dividend distribution, results in the changes in our total number of shares on record date for dividend distribution, dividend per share shall be adjusted accordingly on the premise that the total dividends amount remains unchanged.

The remaining undistributed profits, amounted to RMB873,181,417.82, are retained for the following year.

The independent Directors were of the view that the Company's proposals on the profit appropriation and dividend distribution for the year of 2021 was in compliance with the Company's Articles of Association and the relevant requirements, and took into account the interests of various types of shareholders. The independent Directors unanimously agreed to submit the relevant proposal to the shareholders' meeting for consideration.

To the best knowledge of the Company, no shareholders have entered into any arrangements to waive or agree to waive any dividend.

The Company's proposals on dividend distribution for the past three years are as follows:

Year	Proposal on dividend distribution
2020	Based on the number of shares on the record date for dividend distribution, a cash dividend of RMB12.5 (including tax) would be distributed for every 10 existing shares held.
2019	Based on the number of shares on the record date for dividend distribution, a cash dividend of RMB10.166131 (including tax) would be distributed for every 10 existing shares held.
2018	Based on the number of shares on the record date for dividend distribution, a cash dividend of RMB10.451020 (including tax) would be distributed for every 10 existing shares held.

The Company's distribution of cash dividends for the past three years are as follows:

Unit: RMB

Year	Cash dividend (including tax)	Net profit of the parent company	Net profit attributable to shareholders of the parent company in the Company's consolidated financial statements	As a percentage of the net profit of the parent company	As a percentage of the net profit attributable to shareholders of the parent company in the Company's consolidated financial statements	Profit available for appropriation in the Company's consolidated financial statements for the year
2020	14,522,165,251.25	40,984,723,712.04	41,515,544,941.31	35.43%	34.98%	125,056,842,434.03
2019	11,810,739,436.05	36,050,781,629.60	38,872,086,881.32	32.76%	30.38%	118,785,044,988.01
2018	11,811,892,641.07	22,986,348,424.81	33,772,651,678.61	51.39%	34.97%	103,218,024,960.16
Accumulated cash dividends in the past three years as a percentage to the average net profit attributable to equity shareholders of the parent company in the Company's consolidated financial statements in the past three years					100.24%	

5.15 The Implementation of Share Option Incentive Scheme, Employee Shareholding Plans or Other Employee Incentives of the Company

During the Reporting Period, there was no share option incentive scheme, employee shareholding plans or other employee incentives implemented by the Company. Certain businesses of the Group adopted co-investment mechanism, and part of employees participated into the co-investment of the businesses (projects).

5.16 Internal Control and Risk Management

In 2021, the risk identification, monitoring, prevention and other functions of the Company at the Board level and internal management level were further improved and strengthened. The Board delegated the audit committee to assess and determine the Company's maximum exposure to risks in achieving its strategic objectives and the nature of such risks, and examine and assess the effectiveness of implementation of the risk management system established by the Company. The headquarter was responsible for the identification, prevention and control of risks at company level, gradually established the risk management function in business groups/units and front-line business units, and conducted risk identification and assessment.

Meanwhile, the Board of the Company is responsible for establishing, improving and effectively implementing the internal control in accordance with the requirements of internal control standard system of enterprises as well as assessing its effectiveness. The audit committee under the Board is responsible for risk management, reviewing the internal control of the Company, supervising the effective management and self- assessment of internal control, guiding and coordinating the internal audit and other related matters.

Corporate Governance Report

The Company conducts self-assessment of internal control on an annual basis. The time range of assessment in 2021 was from 1 January 2021 to 31 December 2021, and the scope of assessment included internal environment, risk assessment and control activities, information and communication and internal supervision. Independent assessment on the design, efficiency and effectiveness of the Company's internal control was also conducted through risk inspection, internal audit and inspection by Supervisors.

The Board is of the view that there is no major defect in the Company's established internal control system in terms of completeness, compliance, effectiveness and other respects. In 2021, the Company maintained effective internal control of financial reporting, and was not aware of any major defect in the internal control of non-financial reporting matters. KPMG Huazhen LLP has issued an internal control auditor's report with unqualified audit opinions and is of the view that the Company has kept effective internal control over financial reporting in all material aspects pursuant to the Basic Guidelines on Enterprise Internal Control (《企業內部控制基本規範》) and other relevant requirements as of 31 December 2021.

The Company formulated the Measures on the Administration of Information Disclosure of China Vanke Co., Ltd. and adopted the multi-level approving procedures to control and ensure that all types of information are delivered to external users through appropriate ways in a timely, accurate and complete manner.

The Board is of the view that there is no material uncertainty that may have material effect on the Company's ability to continue as a going concern. After due assessment, it is concluded that major risks faced by the Company currently and respective countermeasures are as follows:

(1) Environment risk

The industry in which the Company operates is closely related to the macro-economy and people's livelihood. In 2021, both domestic and foreign risks and challenges were still grim and complicated. The impact of COVID-19 on people's life and economy was still significant. Meanwhile, a number of national policies regarding the real estate industry have set more strict requirements for the healthy development of the industry. The downward trend of the real estate industry was observable in 2021.

Since its establishment, Vanke has ridden out many ups and downs in the industry with its sound financial and business strategies. In order to better adapt to the changes in the situation, the Company firmly implements prudent financial policies to be backed by cashflow, invests prudently, and focuses on the business with solid market demand and promising prospects. We persist in providing the broadest customer base with outstanding products and services that customers are willing to pay for. In addition, we improve our effectiveness and efficiency through streamlining the operation, so as to ensure a stable operation and strengthen our ability to deal with the uncertainties of the external environment.



Corporate Governance Report

(2) Project development risk

During the project development process, it is challenging to ensure safety and quality and achieve the target of project development on schedule and in a safe manner while strictly implementing cost and quality control. Delay in supply of construction materials, unskilled construction workers, lack of labor, labor disputes, safety accidents, natural disasters, adverse weather and other factors, may bring risks such as construction progress, project cost, housing quality and customers satisfaction. Currently, the surge in the price of construction raw materials in the real estate industry, coupled with the increase in the cost of safety construction has further reduced the profitability of the projects. Some of the suppliers failed to perform the contracts due to financial difficulties, resulting in delay in supplies and hence stalling schedule of the projects. There is still uncertainty in the COVID-19 pandemic, which under normalized pandemic prevention and control, may lead to the risk that the project may not be properly delivered, and thus affecting the results of operation and reputation of the Company.

The Company has established various systems for management of quality, progress, safety, material and cost of project development. Project management staff of business groups/units and frontline business units promptly monitor safety production, construction quality and project progress. The Company conducted strict assessment on suppliers and implemented stringent control on construction changes, dynamically followed the suppliers' operation and construction progress, improved construction safety protection measures and set specific assessment indicators. In addition, provided that the construction safety is ensured, the Company also improved the quality and efficiency of management by enhancing the technological level of project management, launching intelligent construction site, committing to process improvement and continuously promoting the wide application of industrialized and intelligence construction system and building information model. We joined hands with our suppliers to strengthen the supply chain, established a cost management system together to enhance cost-effectiveness. Under the business idea of "Centering on Customers", the Company actively conducted customer satisfaction research and follow-up so as to timely respond to demands of customers. The Company created and continuously improved online customer service platforms in order to enhance products and services through online services.

(3) New business risk

Based on the development strategy of being an "city and town development and services provider", the Company strives to provide customers with diversified "better life" products and services in the areas of rental housing, retail property development and operations, hotel development and operations, logistic & warehousing service, skiing resorts, education, food and elderly care continued to develop, while many of them have established independent BU to operate in order to fully serve the new requirements of "better life" as a "solution provider of better life" and develop together with the cities. Some of the new businesses have made breakthrough already. They have not only gained recognition by customers, governments, society and capital market, but also achieved a leading position in the industry.

Different new businesses vary in terms of both the core business logic as well as the business cycles. How to improve the business development model of new business, constantly enhance the operating efficiency customer satisfaction, and establish and solidify their competitive advantages, remain the important tasks of the Company. Focusing on its own ability, the Company actively explores the new businesses in terms of business value positioning, reputation and compliment by customers, business operation and financial return, adheres to the original intention of providing “good products and services” for the people, continues to improve the core competence of the new businesses, and promote the new businesses to build a leading competitive advantage as soon as possible through deepening and implementing the business partner mechanism, and coordinating the internal and external capabilities and resources.

(4) Human resources risk

In the face of drastic changes in policies and market environment, the Company encountered great challenges in attracting talents. In particular, our attraction of young employees in the real estate industry has been significantly weakened. With the increasing competition and business complexity of the development business, the distribution of the Company’s organizational resources is still relatively scattered, and our advantageous forces are failed to be concentrated. In addition, facing the task of transformation, the Company has insufficient talent reserves in the operational business, and there is an obvious contradiction between the urgency of business transformation and the construction process of organizational ability.

In 2021, the Company continued to deepen the work of organizational reconstruction and personnel matching. By setting up the development and operation headquarter, the Company strengthened the overall planning and coordination of the development business, gathered advantageous organizational resources and formed a capacity highland to support the healthy development of the development business in the new stage. Meanwhile, through the Group’s overall organization and connection model, we promoted the conducive talent rotation among different businesses within the Group and supported the improvement of the organizational ability of the operational businesses.

(5) Compliance risk

The Company’s operation is subject to a wide range of policies and regulations, including the company ordinance of the regions where it locates, laws and regulations in relation to financial and taxation, property sales and construction, property management, and personal information, and listing rules of Hong Kong and mainland China etc., and the requirements and changes of laws, regulations and policies may also affect the Company. In 2021, the Company actively complied with laws, regulations and policies, and continuously improved its knowledge and management awareness of compliance requirements.

The Company has designated special personnel to study new regulations and policies and make relevant arrangements, and reflected the requirements of relevant laws and regulations in its business activities and operation management in a timely manner. The Company also invited internal and external experts to provide trainings and updated information to deepen the understanding of the policy and make timely adjustments to the business that meet the policy requirements, and assigned experienced staff and consulted external experts for handling compliance matters, and conducted regular internal control check and internal audit in order to comply with various relevant regulations, policies and guidelines.

(6) Data security risk

In the era of internet, big data and cloud calculation, maintaining a high-efficient proper operation of information systems and strengthening the confidentiality of information as well as personal information security compliance has become one of the focuses of daily management. In recent years, businesses of the Company are increasingly diversified and the business process is complex and diverse, the volume of data has expanded rapidly while the sensitivity of data continued to increase and requirements under national regulations became more and more strict. Higher requirements have been placed on the physical security, network security and mobile application security of information systems, and they have also brought challenges to a series of tasks such as information system planning, development, operation, and continuous upgrading.

The Company continues to carry out information construction work, covering various core businesses, various control processes and sections, consolidating data security link between various systems through integration to guarantee the security and compliance of data in the process of collection, storage, transmission, processing, usage and deletion. At the same time, the Company actively promotes the planning, design, and implementation of information security and compliance, formulates and implements information security and compliance management systems, security principles and procedures; passes the information security standard certification and national security level protection certification and project development every year to ensure the continuous and effective operation of the Company's information security and compliance management system; regulates the activities of internal and external transmission of management information; and strengthens the security protection of customers' personal information by centralizing the information security technology control mechanism and compliance inspection mechanism; and prevents external malicious intrusion, reduces information security risks, and protects the Company's information systems and information assets through attack drills and Red Team vs Blue Team mechanism to enhance the defense ability of the Company's operating system.

(7) Corruption risk

The “fundamental principles in operation and team with striving partners” is the core values of Vanke. The Company advocated the healthy and sunshine corporate culture by improving the sunshine system, required all employees to abide by the principle of honesty and trustworthiness, and set up an effective working system featuring proper assumption of responsibilities and duties as well as the checks and balances.

The Company takes a zero-tolerance attitude to corruption and has set up “Vanke Whistle-blowing Network” to publicize its anti-corruption policy and provide a channel to receive corruption reporting given internally and externally. The Headquarter and each business group added the supervisory audit function by designating special personnel to perform internal anti-corruption duty and conduct comprehensive audit and special investigations to bring the role of supervisor into play. The Company constantly improved its integrity system by requiring all staff to make regular and irregular reporting on potential conflict of interest, conducting integrity condition investigation, signing integrity undertaking, and entering into the Sunshine Cooperation Agreement with all partners to create a healthy and clean operation environment, providing an assurance for healthy development of the business.

During the Reporting Period, the audit committee of the Company reviewed the effectiveness of the Company’s risk management and internal control system and procedures. According to the review result of the audit committee, the risk management and internal control system and procedures was effective and adequate during the Reporting Period.

5.17 Audit

(1) Appointment and remuneration of auditors

Please refer to “Appointment of certified public accountants” in Section 6 “Significant Events”.

(2) Confirmations by Directors and auditors

All Directors of the Company confirmed their responsibilities for the preparation of consolidated financial statements for the year ended 31 December 2021. KPMG Huazhen LLP, the auditor of the Company, confirmed its auditor’s responsibilities for the audit of the consolidated financial statements in the Independent Auditor’s Report of the financial statements for the year ended 31 December 2021.

5.18 The Rectification of Self-inspection Problems in the Special Governance Initiative for Listed Companies

According to the requirements of the Circular Regarding the Implementation of Specific Actions on Governance of Listed Companies from CSRC, the relevant departments of the Company have completed the filling of specific self-inspection checklist. The governance of the Company have been found with no material issues to be amended through the self-inspection.

6.1 Undertakings

(1) Undertakings Performed during the Reporting Period and Not Fulfilled as at the End of the Reporting Period by the De Facto Controller of the Company, Shareholders, Related Parties, Acquirers, the Company and Other Parties related to the Undertakings

After becoming the largest shareholder of the Group, SZMC has been showing its supports on Vanke's mixed ownership structure, urban ancillary services provider strategy and business partnership mechanism, operation and management undertaken by Vanke's management team in accordance with a pre-determined strategic objective as well as the deepening of development model of "Railway + Property". SZMC made the following undertakings in the report of detailed change in equity on 18 March 2017. As of the end of the Reporting Period, SZMC had fulfilled its undertakings.

1. Undertakings related to maintenance of independence of the Company

In order to maintain the independence of the Company as a listed company, SZMC made the following undertakings:

"1. Independence of staff of the listed Company

1. Senior management (the general manager, deputy general manager, secretary to the board and finance principal etc.) of the listed Company shall solely work for the listed Company and be entitled to remuneration paid by the listed Company, and shall not hold an office apart from directors and supervisors or be entitled to remuneration in SZMC and companies under its control.
2. Financial officers of the listed Company shall not work at SZMC and companies under its control.
3. Personnel, employment relationship and payroll administration of the listed Company are independent from SZMC and companies under its control.
4. SZMC shall exercise rights of shareholder through general meeting and recommend candidates for directors, supervisors and senior management of the listed Company in accordance with laws and regulations or articles of association of the listed Company and other rules. SZMC shall not interfere with personnel appointment and removal of the listed Company beyond the general meeting or board of directors.

II. Financial independence of the listed Company

1. The listed Company shall establish independent finance and accounting department as well as independent finance and accounting mechanism and financial management system.
2. The listed Company shall be capable of making financial decisions independently. SZMC shall not interfere with the usage and movement of funds by the listed Company beyond the general meeting or board of directors of the listed Company.
3. The listed Company shall maintain its independent bank account. SZMC and companies under its control shall not share bank account with the listed Company and its subsidiaries.
4. The listed Company and its subsidiaries shall pay tax as an independent entity.

III. Independence of departments of the listed Company

1. The listed Company shall legally establish a sound structure of corporate governance and an independent and complete organizational structure which are completely separated from the departments of SZMC. The listed Company shall not share business departments or premises with SZMC and companies under its control.
2. The listed Company shall operate independently. SZMC shall not interfere with the operation management of the listed Company beyond the general meeting or board of directors.

IV. Independence of business of the listed Company

1. The listed Company shall have independent assets, staff and qualifications for operating activities as well as capabilities required for independent operation of business in the market.
2. SZMC shall not require the listed Company to provide goods, services or other assets to SZMC at nil consideration or on obviously unfair terms. For any related party transactions between SZMC and the companies controlled by it and the listed Company, SZMC and the companies controlled by it shall perform legal procedures and enter into agreements legally based on the normal commercial principles of justice, fairness and openness and in accordance with the market economy rules and relevant laws, regulations, normative documents and relevant requirements of SZMC, ensure the transparency, fairness and reasonableness of the transaction price, abstain from voting on the resolutions related to the party transactions between SZMC and other companies controlled by it and the listed Company at the general meeting and board meeting, and procure the listed company to perform the obligation of information disclosure in a timely manner, in order to ensure that the interest of the listed Company and other shareholders (especially medium and small-sized shareholders) will not be harmed through the related party transactions.

V. *Independence of assets of the listed Company*

1. The listed Company shall have a business system relating to its operations as well as complete and independent assets, and the assets shall be under the control of the listed Company and independently owned and operated by the listed Company.
2. Other than normal operating transactions, SZMC and companies under its control shall not illegally seize the assets of the listed Company.

SZMC shall and shall procure the companies controlled by it to strictly comply with the relevant requirements of CSRC regarding the independence of listed companies, and shall not make use of the positions as a shareholder to violate the standard procedures of the listed Company, not go beyond its power and interfere the operation management activities of the listed Company and its subsidiaries, not impair the interests of the listed Company and its subsidiaries and not harm the legitimate interests of the listed Company and other shareholders. SZMC shall assume relevant legal responsibilities caused by the breach of undertakings above, including but not limited to the compensation for all loss caused to the listed Company and its medium and small-sized shareholders due to such breach.”

2. *Undertakings on avoiding competition in the same industry*

In order to maintain the independence of the listed Company and to avoid competition in the same industry and its adverse effects on the listed Company, SZMC made the following undertakings:

“During the period when SZMC holds no less than 20% of the Vanke’s shareholders’ voting rights and SZMC is the shareholder holding the largest proportion of Vanke’s shareholders’ voting rights:

1. Under the principle in favor of the listed Company and in compliance with laws and regulations, SZMC will give priority to the interests of the listed Company and its subsidiaries in event of a conflict of interest between SZMC and companies controlled by SZMC and the listed Company and its subsidiaries due to substantial or potential competition in the same industry.
2. SZMC will not use any information known or known from the listed Company to assist SZMC or any third party in any business activity in which there is substantial competition or potential competition in the business undertaken by the listed Company.
3. If the interest of the listed Company is damaged due to violation of the above undertakings by SZMC and companies controlled by SZMC, SZMC will bear the corresponding liability according to law.”

3. Undertakings on regulating related party transactions

In order to regulate the possible related party transactions with the listed Company after the completion of this change in equity, SZMC made the following undertakings:

- “1. SZMC and companies controlled by SZMC will strictly exercise the rights of shareholders in accordance with the provisions of laws, regulations and other normative documents, fulfill the obligations of shareholders and maintain the independence of the listed Company in terms of assets, finance, personnel, business and departments.
2. SZMC and companies controlled by SZMC will not use the position as a shareholder to facilitate the listed Company to pass resolutions at the general meetings or meetings of the board of directors that will infringe the lawful rights and interests of the medium and small-sized shareholders through the related party transactions.
3. SZMC and companies controlled by SZMC will not seize the funds of the listed Company through borrowing, payment of debts, advance payment or any other means.
4. For any related party transactions between SZMC and the companies controlled by it and the listed Company, SZMC and the companies controlled by it shall perform legal procedures and enter into agreements legally based on the normal commercial principles of justice, fairness and openness and in accordance with the market economy rules and relevant laws, regulation, normative documents and relevant requirements of SZMC, ensure the transparency, fairness and reasonableness of the transaction price, abstain from voting on the resolutions related to the related party transactions between SZMC and other companies controlled by it and the listed Company at the general meeting and board meeting of the listed Company, and procure the listed Company to perform the obligation of information disclosure in a timely manner, in order to ensure that the interest of the listed Company and other shareholders (especially medium and small-sized shareholders) will not be harmed through the related party transactions.
5. SZMC or companies controlled by SZMC will strictly comply with the relevant laws and regulations and the articles of association of the listed Company to fulfill the decision-making procedures of related party transaction and the corresponding information disclosure obligations.
”

SZMC will ensure that SZMC and companies controlled by it will not seek special interests through related party transactions with the listed Company beyond the aforementioned regulations and will not carry out the related party transactions which will harm the interests of the listed Company and its medium and small-sized shareholders. In the event of violation of the above undertakings, SZMC will bear the corresponding legal liability, including but not limited to liability for all losses suffered by the listed Company and its medium and small-sized shareholders.

Once the above undertakings are signed, they will take effect immediately, until SZMC ceases to be a related party of the listing Company.”

- (2) The Assets and Projects of the Company Subject to a Profit Forecast, and the Reporting Period is Within the Profit Forecast Period. The Company Shall Explain Whether the Assets and Projects Have Achieved the Profit Forecast and the Relevant Reasons

Applicable Not applicable

- 6.2 Information on the Non-Operating Use of Funds of the Company by the Controlling Shareholder and its Related Parties

Applicable Not applicable

During the Reporting Period, there was no non-operating use of funds of the Company by the controlling shareholder of the Company and its related parties.

- 6.3 Illegal external guarantees

Applicable Not applicable

- 6.4 During the Reporting Period, the Explanation of “Non-standard Auditors’ Report” Given by the Board, the Supervisory Committee and Independent Directors

Applicable Not applicable

- 6.5 Reason for Changes in Accounting Policies, Accounting Estimates and Accounting Treatment as Compared to the Financial Report for the Prior Year

Applicable Not applicable

Please refer to Note 1(c) in Financial Statements for the Group’s accounting policy changes during the Reporting Period. No material changes in the Group’s accounting estimates during the Reporting Period.

- 6.6 Reason for Retrospective Restatement to Correct Major Accounting Errors During the Reporting Period

Applicable Not applicable

There were no major accounting errors corrections of the Company requiring retrospective restatement during the Report Period.

- 6.7 Reason for Changes in Scope of the Consolidated Financial Statements as Compared to the Financial Report for the Prior Year

Applicable Not applicable

During the Reporting Period, the Company acquired 580 new subsidiaries and reduced 144 subsidiaries.

Significant Events

6.8 Appointment of Certified Public Accountants

The annual general meeting of 2020 resolved to re-appoint KPMG Huazhen LLP and KPMG as the Company's auditors for the year of 2021. The following table shows the details on the appointment of the certified public accountants of the Company:

Type	2021	Audit fee (Unit: RMB'0000)	Years of consecutive service	2020	Audit fee (Unit: RMB'0000)
Audited item	Auditor			Auditor	
The Group's consolidated financial statements prepared in accordance with the PRC accounting standards for business enterprises and the internal control audit report	KPMG Huazhen LLP	1,680	21	KPMG Huazhen LLP	1,680
Signing CPA	Zhou Yongming		1	Chen Yongyi	
Signing CPA	Li Moran		3	Li Moran	
The Group's consolidated financial statements prepared in accordance with International Financial Reporting Standards	KPMG		29	KPMG	
Signing CPA	Guen Kin Shing		1	Chung Kai Ming	

The above-mentioned audit fee included the travelling expenses incurred during the auditing period. There is no change in the Company's auditors in any of the preceding three years.

6.9 Suspension in Trading or Delisting upon Publication of Annual Report

Applicable Not applicable

6.10 Matters Related to Bankruptcy and Reorganization

Applicable Not applicable

During the Reporting Period, there was no bankruptcy or reorganization event of the Company.

6.11 Material Litigation or Arbitration

Applicable Not applicable

During the Reporting Period, there was no material litigation or arbitration of the Company.

6.12 Penalties and rectification

Applicable Not applicable

During the Reporting Period, there were no material penalties or rectification of the Company.

6.13 Credit status of the Company and its largest shareholder

The Company and its largest shareholder SZMC had not failed to comply with any valid court order or fulfill any significant payment obligations that fell due during the Reporting Period. °

6.14 Major connected transactions

Applicable Not applicable

During the Reporting Period, the Group did not enter into any other connected or continuing connected transactions which are required to be disclosed in this annual report under the SEHK Listing Rules, and other significant related party transactions disclosed in Note 35 of the financial statement do not constitute a connected transaction which is required to be disclosed under the SEHK Listing Rules.

6.15 Major Contracts and their Implementation

(1) Entrustment, sub-contracting or leasing arrangements

1. Entrustment

During the Reporting Period, the Group had no entrustment arrangement.

2. Sub-contracting

During the Reporting Period, the Group had no sub-contracting arrangement.

3. Leasing

During the Reporting Period, the Group had no major leasing arrangement.



Section 6

Significant Events

(2) Major guarantees

1. Guarantees

Unit: RMB'0000

No.	Principal of the guarantee	Guarantor	Remaining guaranteed amount as at the end of the Reporting Period	Type of guarantee	Date when the guarantee began	Due date of the guarantee
1	Sinobird Holding Limited (100%)	Vanke Real Estate (Hong Kong) Company Limited (100%)	15,680.00	Joint liability guarantee	2018/3/28	Expect 2022/12/31
2	Hybest (BVI) Company Limited(100%)	Vanke Real Estate (Hong Kong) Company Limited (100%)	16,320.00	Joint liability guarantee	2018/3/29	Expect 2022/12/31
3	Chericourt Company Limited (75%)	Vanke Overseas Investment Holding Company Limited (75%)	36,145.62	Joint liability guarantee	2020/6/17	2022/6/19
4	Wealth Honour Limited (95%)	Vanke Property (Hong Kong) Company Limited (100%) JUBILANT CASTLE LIMITED (95%)	115,101.16	Joint liability guarantee	2021/8/24	2022/8/24
5	Diamond Huge Limited(100%)	Shenzhen Vanke Development Company(100%)	386,617.50	Joint liability guarantee	2021/2/9	2022/2/8
6	Rugby Dragons (HK) Limited (40.95%)	Shenzhen Vanke Commercial Enterprise Property Service Company Limited (40.95%)	490.00	Joint liability guarantee	2020/5/12	2023/5/11
7	Guangzhou Huangpu Wenchong Urban Village Retrofit Investment Co., Ltd. (100%)	Guangzhou Vanke Enterprise Co., Ltd. (100%)	125,000.00	Joint liability guarantee	2020/5/6	2022/5/5
8	Shanghai Shenyang Investment Management Co., Ltd. (41%)	Shanghai Vanke Investment Company Limited (100%)	943.00	Joint liability guarantee	2016/12/16	2024/12/15
9	Guangzhou Huangpu Wenchong Urban Village Retrofit Investment Co., Ltd. (100%)	Guangzhou Vanke Enterprise Co., Ltd. (100%)	80,000.00	Joint liability guarantee	2020/8/4	2022/5/3

Unit: RMB'0000

No.	Principal of the guarantee	Guarantor	Remaining guaranteed amount as at the end of the Reporting Period	Type of guarantee	Date when the guarantee began	Due date of the guarantee
10	Yunnan Chengjiang Eagle Tourist Resort Co., Ltd. (36%)	Yunnan Vanke Enterprise Co. Ltd.	3,046.00	Joint liability guarantee	2017/12/29	2022/12/28
11	Yunnan Chengjiang Eagle Tourist Resort Co., Ltd. (36%)	Yunnan Vanke Enterprise Co. Ltd. (100%)	34,419.58	Joint liability guarantee	2018/1/19	2023/1/19
12	Beijing Hengyi Enterprise Management Co., Ltd. (100%)	Beijing Vanke Enterprises Company Limited (100%)	323,400.00	Joint liability guarantee	2018/10/10	2023/12/31
13	Shanghai Shenyang Investment Management Co., Ltd. (41%)	Shanghai Vanke Investment Company Limited (100%)	466.99	Joint liability guarantee	2019/9/29	2027/9/28
14	Shanghai Shenyang Investment Management Co., Ltd. (41%)	Shanghai Vanke Investment Company Limited (100%)	1,933.15	Joint liability guarantee	2019/9/29	2027/9/28
15	Chengdu Wanxing Industrial Town Real Estate Co., Ltd. (99%)	China Vanke Co., Ltd	210,000.00	Joint liability guarantee	2019/12/12	2026/12/12
16	Chengdu Wanlong Industrial Town Real Estate Co., Ltd. (99%)	China Vanke Co., Ltd	130,000.00	Joint liability guarantee	2019/12/10	2026/12/10
17	Wuhan Yutianxingye Land Co., Ltd. (99%)	China Vanke Co., Ltd	262,500.00	Joint liability guarantee	2019/12/5	2026/12/5
18	Foshan Nanhai District Wanxuan Property Co., Ltd. (100%)	China Vanke Co., Ltd	100,000.00	Joint liability guarantee	2019/12/12	2026/12/12
19	Guangzhou Wanxi Enterprise Management Co., Ltd. (50%)	Guangzhou Vanke Enterprise Co., Ltd.	1,353,000.00	General guarantee obligation	2020/12/3	2025/12/3
20	Shenzhen Vanke Development Co., Ltd. (100%)	Shenzhen Vanke Hongshuwan Property Development Co., Ltd. (96.12%)	107,100.00	Joint liability guarantee	2020/11/11	Two years upon the expiration of the performance period of the master contract
21	Vanke (Chongqing) Enterprises Company Limited (100%)	China Vanke Co., Ltd	580,000.00	Joint liability guarantee	2021/11/19	2036/11/19

During the Reporting Period, the Company, when its majority-owned subsidiaries provided RMB5.017 billion guarantees to other majority-owned subsidiaries, itself provided RMB5.800 billion guarantees to its controlling subsidiaries, but none of them provided guarantees to associates and joint ventures. The aforementioned entities all performed strict approval procedures pursuant to provisions of the regulatory requirements.

As of 31 December 2021, the outstanding amount of guarantees provided by the Company was RMB38.822 billion, accounting for 16.45% of the audited net assets attributable to equity shareholders of the Company as at the end of 2021. The outstanding amount of guarantees provided by the Company and its majority-owned subsidiaries for other majority-owned subsidiaries was RMB24.884 billion, while the outstanding amount of guarantees provided by the Company and its majority-owned subsidiaries for associates and joint ventures was RMB13.938 billion. The Company and its majority-owned subsidiaries did not provide external guarantees. The Company also had no overdue guarantee or guarantees involving with litigations.

2. **Illegal external guarantees**

During the Reporting Period, the Company did not provide illegal external guarantees.

(3) **Other major contracts**

During the Reporting Period, the Company had no other major contracts.

6.16 **Significant events of the Company's subsidiaries**

Applicable Not applicable

6.17 **Purchase, Sales or Redemption of the Listed Securities of the Company**

During the Reporting Period, the Company and its subsidiaries did not purchase, dispose or redeem any listed securities of the Company or its subsidiaries.

6.18 **Pre-emptive Rights**

There is no provision for pre-emptive rights under the Articles of Association of the Group which would oblige the Group to offer new shares to existing Shareholders on a pro-rata basis.

Change in Share Capital and Information on Shareholders

7.1 Change in Shares

(1) Change in the shares of the Company (As of 31 December 2021)

Unit: Share

Type	31 December 2020		Increase/Decrease (+, -)		31 December 2021	
	Quantity	Percentage of shareholding	Issuance of new shares	Others	Quantity	Percentage of shareholding
I. Restricted Shares						
1. State-owned and state-owned legal person shares	-	-	-	-	-	-
2. Shares held by domestic legal persons	-	-	-	-	-	-
3. Shares held by domestic natural persons	6,643,268	0.06%	-	0	6,643,268	0.06%
4. Shares held by foreign investors	-	-	-	-	-	-
Total number of restricted shares	6,643,268	0.06%	-	0	6,643,268	0.06%
II. Non-restricted Shares						
1. RMB-denominated ordinary shares	9,717,553,265	83.64%	-	0	9,717,553,265	83.59%
2. Overseas listed foreign shares	1,893,535,668	16.30%	-	+7,651,174	1,901,186,842	16.35%
Total number of non-restricted shares	11,611,088,933	99.94%	-	+7,651,174	11,618,740,107	99.94%
III. Total number of shares	11,617,732,201	100.00%	-	+7,651,174	11,625,383,375	100.00%

Note: In August 2021, the implementation of the "scrip dividend" option for the Company's H shareholders was completed, and 7,651,174 new H shares were issued by the Company. For details, please refer to "Issue and listing of securities" in this section.

Change in Share Capital and Information on Shareholders

(2) Change in restricted shares during the Reporting Period

Unit: Share

Name of shareholder	Number of restricted shares held at the end of last year	Number of restricted shares with restrictions released during the year	Number of restricted shares increased during the year	Number of restricted shares held at the end of the year	Reason for selling restrictions	Date of selling restrictions released
YU Liang	5,479,684	0	0	5,479,684	Serving as director and member of Supervisory Committee of the Company	Executed in accordance with the Self-Regulatory Supervision Guidelines for Company Listed on the Shenzhen Stock Exchange No. 10 – Share Change Management
XIE Dong	1,118,059	0	0	1,118,059		
QUE Dongwu	45,525	0	0	45,525		
Total	6,643,268	0	0	6,643,268		



Change in Share Capital and Information on Shareholders

7.2 Issue and listing of securities

(1) Issue of securities during the Reporting Period

Applicable Not applicable

1. The “Scrip Dividend” for H Shares

The Proposal on “Scrip Dividends for H Shares in 2020 Profit Appropriation” was considered and approved at the annual general meeting of 2020, the First A Shareholders Class Meeting of 2021 and the First H Shareholders Class Meeting of 2021 of the Company, pursuant to which the “scrip dividend” option is granted to H shareholders by the Company in the 2020 profit distribution plan. Some H-shareholders have opted for “scrip dividends”, resulting in the issuance of 7,651,174 H shares, which were listed and traded on the SEHK on 25 August 2021. Following the issuance of the new shares, the total number of issued shares of the Company increased from 11,617,732,201 shares to 11,625,383,375 shares, of which the total number of issued H shares increased from 1,893,535,668 shares to 1,901,186,842 shares, while the total number of issued A Shares remained unchanged at 9,724,196,533 shares.

2. Issuance of corporate bonds

In 2021, the Company has completed the issuance of four tranches corporate bonds to eligible investors, totaling RMB7.566 billion.

No.	Issuance completion date	Bond abbreviation	Bond size (RMB Billion)	Coupon rate	Terms
1	22 January 2021	21 Vanke 01	1.9	3.38%	3+2 years
2		21 Vanke 02	1.1	3.98%	5+2 years
3	20 May 2021	21 Vanke 03	1.0	3.40%	3+2 years
4		21 Vanke 04	0.566	3.70%	5+2 years
5	26 July 2021	21 Vanke 05	2.3	3.19%	3+2 years
6		21 Vanke 06	0.7	3.49%	5+2 years

(2) Explanation on changes in the total number of shares and shareholding structure of the Company and on changes in the asset and liability structure of the Company

For changes in share capital, please refer to The “Scrip Dividend for H Shares” in this section.

(3) As of the end of the Reporting Period, the Company did not have any internal employee shares.

Change in Share Capital and Information on Shareholders

7.3 Information of Shareholders (As of 31 December 2021)

(1) Information on shareholders

Unit: Share						
Name of shareholder	Classification of Shareholder	Percentage of shareholding	Total number of shares held	Shareholdings of the top 10 shareholders		
				Change in shares during the Reporting Period	Number of restricted shares held	Number of pledged or lock-up shares
Total number of Shareholders as at the end of 2021	542,000 (including 541,943 A Shareholders and 57 H Shareholders)	Total number of Shareholders as at 28 February 2022	518,053 (including 517,996 A Shareholders and 57 H Shareholders)			
SZMC	Domestic state-owned legal person	27.89%	3,242,810,791	0	0	0
HKSCC NOMINEES LIMITED	Foreign shareholder	16.35%	1,901,059,172	+7,606,798	0	0
Yingjiazhong Enterprise Partnership	Domestic ordinary legal person	3.77%	438,703,992	0	0	438,703,992
Hong Kong Securities Clearing Company Limited	Foreign shareholder	2.93%	340,662,342	-194,753,361	0	0
Central Huijin Asset Management Co., Ltd.	Domestic state-owned legal person	1.60%	185,478,200	-4,087,800	0	0
CMS Wealth – CMB – De Ying No. 1 Specialised Asset Management Plan	Funds, wealth management products, etc.	1.26%	146,255,820	0	0	0
China Securities Finance Corporation Limited	Domestic stated-owned legal person	1.14%	132,669,394	0	0	0
Ying'an Enterprise Partnership	Domestic ordinary legal person	1.05%	122,230,826	+ 57,230,800	0	92,230,826
NCI- Dividend – Personal Dividend-018L-FH002 SZ	Funds, wealth management products, etc.	0.70%	81,623,145	0	0	0
Industrial Bank Co., Ltd.-Industrial Trend Investment Hybrid Securities Investment Fund	Funds, wealth management products, etc.	0.68%	78,988,122	+29,633,253	0	0
Remarks on strategic investor or ordinary legal person becoming top 10 shareholders after placing of new shares	Nil					

Change in Share Capital and Information on Shareholders

Shareholdings of the top 10 shareholders of non-restricted shares		
Name of shareholder	Number of non-restricted shares held	Class of shares
SZMC	3,242,810,791	A Shares
HKSCC NOMINEES LIMITED	1,901,059,172	H Shares
Yingjiazhong Enterprise Partnership	438,703,992	A Shares
Hong Kong Securities Clearing Company Limited	340,662,342	A Shares
Central Huijin Asset Management Co., Ltd.	185,478,200	A Shares
CMS Wealth – CMB – De Ying No. 1 Specialised Asset Management Plan	146,255,820	A Shares
China Securities Finance Corporation Limited	132,669,394	A Shares
Ying'an Enterprise Partnership	122,230,826	A Shares
NCI– Dividend – Personal Dividend-018L-FH002 SZ	81,623,145	A Shares
Industrial Bank Co., Ltd.-Industrial Trend Investment Hybrid Securities Investment Fund	78,988,122	A Shares
Remarks on the related party relationship or action in concert of the aforementioned shareholders	"Yingjiazhong Enterprise Partnership" and "Ying'an Enterprise Partnership" are parties acting in concert. Other than the above, it is not known to the Company as to whether there are connections or persons deemed to be acting in concert under the Measures for the Administration of the Takeover of Listed Companies among the abovementioned shareholders.	
Shareholders involved in margin trading business description	SZMC plans to continue to carry out the refinancing securities lending business, with its holding of no more than 97,241,965 A shares of the Company (no more than 1% of the Company's A shares), accounting for approximately 0.836% of the Company's total share capital, and the ownership of the lent shares will not be transferred. For details, please refer to the "Announcement on the Progress of the Refinancing and Securities Lending Business Carried Out by the Shareholders" disclosed by the Company on 8 December 2021.	
Shareholders involved in contracted repurchase transactions	Nil	

Change in Share Capital and Information on Shareholders

Notes:

1. HKSCC NOMINEES LIMITED is the nominal holder of the shares held by the Company's non-registered shareholders of H shares.
2. Hong Kong Securities Clearing Company Ltd. is the nominal holder of shares held by non-registered shareholders who hold A shares of the Company through Northbound Trading under Shenzhen-Hong Kong Stock Connect.
3. In the above table, the total number of A shareholders at the end of 2021 and 28 February 2022 refers to the number of shareholders after combining margin trading accounts.

As of 31 December 2021, the total number of Shares of the Company was 11,625,383,375 Shares, among which, A Shares account for 9,724,196,533 Shares and H Shares account for 1,901,186,842 Shares.

(2) Number of shares held by the top 10 shareholders of restricted shares and the conditions of selling restrictions as at the end of the Reporting Period

Unit: Share

No.	Name of shareholder of restricted shares	Number of restricted shares held	Date on which listing and trading may commence	Increase in the number of shares that may be listed and traded	Conditions of selling restrictions
1	YU Liang	5,479,684	–	–	Selling restrictions were imposed according to relevant regulations of the SZSE.
2	XIE Dong	1,118,059			
3	QUE Dongwu	45,525			
Total		6,643,268			

(3) Controlling shareholders and de facto controllers

There were neither controlling shareholders nor de facto controllers in the Company, and this situation remained the same during the Reporting Period.

(4) The accumulated number of shares pledged by the Company's largest Shareholder reached 80% of the number of the Company's shares held by him/her

Applicable Not applicable

Change in Share Capital and Information on Shareholders

(5) Shareholders holding 10% or more of the equity interests in the Company

As of 31 December 2021, SZMC holds 3,242,810,791 A Shares in the Company, representing 27.89% of the total number of shares in the Company, and is the largest shareholder of the Company. Details are set out below:

Shenzhen Municipal People's Government
State-owned Assets Supervision and
Administration Commission

▼ 100%

Shenzhen Metro Group Co., Ltd

▼ 27.89%

China Vanke Co., Ltd.

Change in Share Capital and Information on Shareholders

Basic Information of SZMC is as following:

Date of registration: 31 July 1998
Registered capital: RMB45,943,160,000
Legal representative: Xin Jie
Registered address: Metro Building, No. 1016 Fu Zhong Yi Road, Futian District, Shenzhen
Business Scope: Planning, design, construction, financing, operation, resource development and operation, land allocation and property development and operation of rail transit and other government investment decision-making projects;

- (I) Investment and organization of various industrial projects (franchises, proprietary and proprietary projects shall apply separately);
- (II) Domestic commerce, material supply and marketing (franchises, proprietary and proprietary projects shall apply separately);
- (III) Design, produce, publish and represent domestic and overseas advertising business;
- (IV) Property management;
- (V) Rail transit-related business consulting, education and training.

(6) Restrictions to reduction in shareholdings for controlling Shareholders, de facto controllers, re-organization parties and other commitment bodies

Applicable Not applicable

7.4 Specific implementation of share repurchase in the Reporting Period

Applicable Not applicable



Change in Share Capital and Information on Shareholders

7.5 Shareholding by the substantial shareholders and other persons as defined by the Securities and Futures Ordinance

To the best knowledge of directors of the Company, as of 31 December 2021, in accordance with relevant requirements under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), other than directors, members of Supervisory Committee or chief executive, the interests and short positions of the Company held by substantial shareholders are as follows:

Name of shareholder	Capacity (types of interest)	Number of shares held/ Number of underlying shares	Nature of Interest	Types of Shares	Percentage of total issued A-Share capital	Percentage of total H-Share capital	Percentage of total issued share capital
SZMC	Beneficial owner	3,242,810,791	Long Position	A Shares	33.35%	-	27.89%
Shenzhen Ying'an Financial Advisory Co., Ltd. (深圳盈安財務顧問 有限公司)	Interest of controlled corporations	561,739,618	Long Position	A Shares	5.78%	-	4.83%
		24,245,900	Long Position	H Shares	-	1.28%	0.21%
Citigroup Inc.	Interest of controlled corporations	9,128,061	Long Position	H Shares	-	0.48%	0.08%
		9,266,211	Short Position	H Shares	-	0.49%	0.08%
	Approved lending agent	274,922,145	Long Position	H Shares	-	14.46%	2.36%
BlackRock, Inc.	Interest of controlled corporations	94,840,432	Long Position	H Shares	-	4.99%	0.82%
		1,931,226	Short Position	H Shares	-	0.10%	0.02%

Save as disclosed above, the Company is not aware of any other person (other than the directors, supervisors, chief executives of the Company) who should disclose their interest or short position in the Shares and underlying Shares of the Company which were required to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (Chapter 571) and recorded in the register required to be kept pursuant to Section 336 of the Securities and Futures Ordinance (Chapter 571).

7.6 The public float as required by SEHK Listing Rules

As of the disclosure date of the Report, there are 1,901,186,842 H Shares of the Company listed on the Main Board of SEHK, which are all public float, accounting for 16.35% of total share capital in the Company. The Company has obtained the waiver from strict compliance with the requirement of H shares proportion as the total number of share capital of the Company pursuant to Rule 8.08(1) (b) under the SEHK Listing Rules when the H Share of the Company was listed on Main Board of the SEHK. As at the disclosure date of the Report, the public float of the Company complied with such waiver.

Report of Supervisory Committee

In 2021, the Supervisory Committee of the Company stood firmly on the Company's culture and values, diligently performed their duties and safeguarded the interests of the Company, its shareholders and employees, in accordance with the requirements of Company Law and Articles of Association. The main duties of the Supervisory Committee for the year 2021 were presented as follows:

8.1 Convention of Meetings

In 2021, a total of 5 meetings were held by the Supervisory Committee, review and approved 28 resolutions. The details of the meetings and resolutions were as follows:

(1) The Fourth Meeting of the Tenth Session of the Supervisory Committee

The Fourth Meeting of the Tenth Session of the Supervisory Committee was held on 30 March 2021. The meeting considered and approved the following resolutions:

No.	Issues for consideration and approval
1	The 2020 Annual Report and its Summary
2	The Audited Financial Report for the Year 2020
3	The Report of the Supervisory Committee of the Company for the Year 2020
4	The Company's Major Tasks for the Year 2021
5	The Resolution in relation to the Appropriation and Write-off of the Provision for Impairment in Value for the Year 2020
6	The Proposal on Profit Distribution for the Year 2020
7	The Proposal on "Scrip Dividends for H Shares in 2020 Profit Appropriation"
8	The Internal Control Assessment Report for the Year 2020
9	The Resolution in relation to the Reappointment of Certified Public Accountants for the Year 2021
10	The Resolution Regarding Confirmation of Economic Profit Bonus for the Year 2020
11	The Resolution on Supplementary Proposal regarding Annual Bonus Scheme of the Company
12	2020 Report on Sustainable Development
13	The Resolution Regarding Proposal to the General Meeting for Re-authorisation of Financial Assistance by the Company and majority-owned subsidiaries to Third Parties
14	The Resolution Regarding Proposal to the General Meeting for Authorisation of Providing Guarantee to the Company and majority-owned subsidiaries



Report of Supervisory Committee

(2) The Fifth Meeting of the Tenth Session of the Supervisory Committee

The Fifth Meeting of the Tenth Session of the Supervisory Committee was held on 22 April 2021. The meeting considered and approved the following resolutions:

No.	Issues
1	2021 First Quarterly Report and the Financial Statement
2	Proposal on Authorising the President to Make Decisions on Matters Related to Supply Chain Cooperation
3	Proposal on Purchasing Liability Insurance for Directors, Supervisors and Senior Management

(3) The Sixth Meeting of the Tenth Session of the Supervisory Committee

The Sixth Meeting of the Tenth Session of the Supervisory Committee was held on 27 August 2021. The meeting considered and approved the following resolutions:

No.	Issues
1	2021 Interim Report, its Summary and Financial Statement, and Results Announcement
2	The Resolution Regarding No Distribution of Dividend nor Capitalisation of Equity Reserve for the 2021 Interim Period

(4) The Seventh Meeting of the Tenth Session of the Supervisory Committee

The Seventh Meeting of the Tenth Session of the Supervisory Committee was held on 28 October 2021. The meeting considered and approved the following resolutions:

No.	Issues
1	2021 Third Quarterly Reports and Financial Statements
2	The Resolution in relation to Authorize the Issue of Direct Debt Financing Instruments at the General Meeting

Report of Supervisory Committee

(5) The Eighth Meeting of the Tenth Session of the Supervisory Committee

The Eighth Meeting of the Tenth Session of the Supervisory Committee was held on 5 November 2021. The meeting considered and approved the following resolutions by telecommunication:

No.	Issues
1	Resolution in Relation to the Compliance of the Overseas Listing of Onewo with the Circular on Issues in Relation to Regulating Overseas Listing of Subsidiaries of Domestic Listed Companies
2	Resolution in Relation to the Proposal of the Initial Public Offering and Overseas Listing of Onewo
3	Resolution in Relation to the Undertaking of Maintaining Independent Listing Status of the Company After the Listing of Onewo
4	Resolution in Relation to the Explanations on the Sustainable Profitability and Prospects of the Company After the listing of Onewo
5	Resolution in Relation to the “Full Circulation” Application for the Shares of Onewo Held by the Company
6	Resolution in Relation to the Proposed Authorization to the Board and Its Authorized Persons by the General Meeting to Handle Matters, at Their Full Discretion, in Relation to the Overseas Listing of Onewo
7	Resolution in Relation to the Provision of Assured Entitlement Only to the H Shareholders of the Company for the Spin-off and Overseas Listing of Onewo

8.2 Performance of Duties by Members of the Supervisory Committee

During the Reporting Period, all the 5 meetings were held by the Supervisory Committee according to the Articles of Association, and all members of the Supervisory Committee who have the right to participate attended the meetings in person. Besides, all members of the Supervisory Committee presented at board meetings, when partial members attended at general meeting of the Company, and none of them objected items under their supervision.

8.3 Inspection Tours

In 2021, the Supervisory Committee of the Company carried out more inspecting and visiting work on each BG and BU. Through on-site inspection, meetings and seminars, trainings, audit and investigations, the committee inspected and supervised the operation management, risk management, internal control, the management’s performance of duties, protection of shareholders’ and employees’ interest of the BG and BU. It covered financial, investment, marketing, fundraising, construction cost and other aspects. The committee supervised relevant personnel to diligently perform their duties, control risks and fine-tune their internal control systems, to prevent professional ethics risk.



Report of Supervisory Committee

8.4 Opinions on Certain Issues of the Company

(1) Statutory compliance

In 2021, members of the Supervisory Committee continued to supervise the Company's operations through presenting at important meetings such as operation decision meetings and board meetings, reviewing reports on special projects, on-site inspection and meeting with staff. The Supervisory Committee is of the view that the decision-making procedures of the general meeting and the board meeting are lawful and that the Board and the management team of the Company have faithfully fulfilled the resolutions at the general meeting in compliance with the relevant laws, regulations and the Articles of Association, and no actions in violation of laws, regulations and Articles of Association or damage the interest of the Company have been found when directors and senior management discharging the Company's duties.

The Supervisory Committee had reviewed the Company's internal control self-assessment report and internal control audit report by KPMG Huazhen LLP and the Company's corporate governance report, and was of the view that the report reflected the actual situation of the Company's corporate governance, risk management and internal control, and agreed to publish the abovementioned reports.

(2) Financial monitoring

In 2021, the Supervisory Committee continued to review the Company's financial situation through the review of financial reports and inspection tours, and monitored the Company's operation and its risks. The Supervisory Committee also provided assessment opinions to each regular report and was of the opinion that the procedures for the preparation and review of regular reports by the Board of the Company were in line with laws, administrative regulations and the provisions of the CSRC, and the contents of the reports reflected the actual situation of the listed company in a true, accurate and complete manner, without any false records, misleading statements or major omissions.

(3) Internal control system

The Supervisory Committee was of the view that the Company has established a comprehensive, regulated and effective internal control system and is strictly adhering to it. The establishment of the internal control system is in compliance with the requirements of the relevant laws and regulations, so as to ensure that the Company can achieve its strategic objectives of operation and development. The Assessment Report on Internal Control has comprehensively, objectively and truly reflected the actual situation of corporate governance and internal controls and the construction of the Company's internal controls was continuously improved.

In 2022, the Supervisory Committee of the Company will continue to fulfil their duties, faithfully and diligently perform their supervisory duties, supervise the standard operation of the Company and safeguard the interest of the Company, its stakeholders such as shareholders and employees, surrounding the overall operational objectives and key tasks of the Company and in accordance with the provisions of Company Law, Securities Law, Articles of Association and the listing rules.

Information on Bonds

9.1 Enterprise Bonds

Applicable Not applicable

9.2 Corporate Bonds

Applicable Not applicable

(1) Basic Information of Corporate Bonds

Unit: RMB'0000

Name of bonds	Abbreviation of bonds	Code of bonds	Issue Date	Initial Date	Due Date	Balance of bonds (RMB'0000)	Interest rate	The way of repay capital with interest	Trading Floor
China Vanke Co., Ltd. corporate bonds in 2017 (first tranche)	17 Vanke 01	112546	14 July 2017 to 18 July 2017	18 July 2017	18 July 2022	819.43	1.90%	The bonds pay a simple interest on an annual basis, instead of a compound interest. Interest is paid annually and the principal will be returned on the due date, while the last interest payment will be paid together with the principal amount.	SZSE
China Vanke Co., Ltd. 2019 corporate bonds specialized in rental housing to qualified investors in public (second tranche)	19 Vanke 02	112976	25 September 2019 to 26 September 2019	26 September 2019	26 September 2024	250,000	3.55%		
China Vanke Co., Ltd. 2020 corporate bonds to qualified investors in public (first tranche) (variety I)	20 Vanke 01	149056	13 March 2020 to 16 March 2020	16 March 2020	16 March 2025	150,000	3.02%		
China Vanke Co., Ltd. 2020 corporate bonds to qualified investors in public (first tranche) (variety II)	20 Vanke 02	149057	13 March 2020 to 16 March 2020	16 March 2020	16 March 2027	100,000	3.42%		
China Vanke Co., Ltd. 2020 corporate bonds to qualified investors in public (second tranche) (variety I)	20 Vanke 03	149123	18 May 2020 to 19 May 2020	19 May 2020	19 May 2025	100,000	2.56%		
China Vanke Co., Ltd. 2020 corporate bonds to qualified investors in public (second tranche) (variety II)	20 Vanke 04	149124	18 May 2020 to 19 May 2020	19 May 2020	19 May 2027	150,000	3.45%		

Unit: RMB'0000

Name of bonds	Abbreviation of bonds	Code of bonds	Issue Date	Initial Date	Due Date	Balance of bonds (RMB'0000)	Interest rate	The way of repay capital with interest	Trading Floor
China Vanke Co., Ltd. 2020 corporate bonds to qualified investors in public (third tranche) (variety I)	20 Vanke 05	149141	18 June 2020 to 19 June 2020	19 June 2020	19 June 2025	80,000	3.20%	The bonds pay a simple interest on an annual basis, instead of a compound interest. Interest is paid annually and the principal will be returned on the due date, while the last interest payment will be paid together with the principal amount.	SZSE
China Vanke Co., Ltd. 2020 corporate bonds to qualified investors in public (third tranche) (variety II)	20 Vanke 06	149142	18 June 2020 to 19 June 2020	19 June 2020	19 June 2027	120,000	3.90%		
China Vanke Co., Ltd. 2020 corporate bonds to qualified investors in public (fourth tranche) (variety I)	20 Vanke 07	149296	12 November 2020 to 13 November 2020	13 November 2020	13 November 2025	38,100	3.50%		
China Vanke Co., Ltd. 2020 corporate bonds to qualified investors in public (fourth tranche) (variety II)	20 Vanke 08	149297	12 November 2020 to 13 November 2020	13 November 2020	13 November 2027	160,000	4.11%		
China Vanke Co., Ltd. 2021 corporate bonds specialized in rental housing to qualified investors in public (first tranche) (variety I)	21 Vanke 01	149357	21 January 2021 to 22 January 2021	22 January 2021	22 January 2024	190,000	3.38%		
China Vanke Co., Ltd. 2021 corporate bonds specialized in rental housing to qualified investors in public (first tranche) (variety II)	21 Vanke 02	149358	21 January 2021 to 22 January 2021	22 January 2021	22 January 2028	110,000	3.98%		

Information on Bonds

Unit: RMB'0000

Name of bonds	Abbreviation of bonds	Code of bonds	Issue Date	Initial Date	Due Date	Balance of bonds (RMB'0000)	Interest rate	The way of repay capital with interest	Trading Floor
China Vanke Co., Ltd. 2021 corporate bonds specialized in rental housing to qualified investors in public (second tranche) (variety I)	21 Vanke 03	149477	19 May 2021 to 20 May 2021	20 May 2021	20 May 2026	100,000	3.40%	The bonds pay a simple interest on an annual basis, instead of a compound interest. Interest is paid annually and the principal will be returned on the due date, while the last interest payment will be paid together with the principal amount.	SZSE
China Vanke Co., Ltd. 2021 corporate bonds specialized in rental housing to qualified investors in public (second tranche) (variety II)	21 Vanke 04	149478	19 May 2021 to 20 May 2021	20 May 2021	20 May 2028	56,600	3.70%		
China Vanke Co., Ltd. 2021 corporate bonds specialized in rental housing to professional investors in public (third tranche) (variety I)	21 Vanke 05	149567	23 July 2021 to 26 July 2021	26 July 2021	26 July 2026	230,000	3.19%		
China Vanke Co., Ltd. 2021 corporate bonds specialized in rental housing to professional investors in public (third tranche) (variety II)	21 Vanke 06	149568	23 July 2021 to 26 July 2021	26 July 2021	26 July 2028	70,000	3.49%		
China Vanke Co., Ltd. 2022 corporate bonds to professional investors in public (first tranche) (variety I)	22 Vanke 01	149814	3 March 2022 to 4 March 2022	4 March 2022	4 March 2025	89,000	3.14%		
China Vanke Co., Ltd. 2022 corporate bonds to professional investors in public (first tranche) (variety II)	22 Vanke 02	149815	3 March 2022 to 4 March 2022	4 March 2022	4 March 2027	110,000	3.64%		

Qualified investors arrangement (if any)	The bond is in compliance with Administrative Measures for the Issuance and Trading of Corporate Bonds (《公司債券發行與交易管理辦法》) and are issued publicly to professional investors having a qualified account of A share securities in the Shenzhen branch of the China Securities Depository and Clearing Corporation Limited.
Trading mechanisms applicable	Centralized bidding and block trading methods
Whether there is a risk of termination of listing and trading (if any) and countermeasures	Not applicable

(2) Overdue bonds

Applicable Not applicable

(3) Triggering and implementing of issuer or investor option terms and investor protection terms

Applicable Not applicable

The value date of 18 Vanke 01 was 9 August 2018 and the term of the bond is 5 years, with the Company's coupon adjustment option and investors' put option at the end of the third year. In June 2021, the Company Decided to carry out the execution of the put option of 18 Vanke 01. According to the data provided by the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, the number of sheets of "18 Vanke 01" sold back was 6,736,198 and the sale back amount was RMB673,619,800.00 (excluding interest). After this effective sale back, the number of sheets of remaining bonds unsold was 0. The amount for exercising the put options has been in place on 9 August 2021, the Company has paid the principal and current interest to the holders of "18 Vanke 01" bonds who have effectively reported the sale back, and 18 Vanke 01 was delisted from the SZSE on that day.

The value date of 18 Vanke 02 was 29 October 2018 and the term of the bond is 5 years, with the Company's coupon adjustment option and investors' put option at the end of the third year. In September 2021, the Company Decided to carry out the execution of the put option of 18 Vanke 02. According to the data provided by the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, the number of sheets of "18 Vanke 02" sold back was 8,920,366 and the sale back amount was RMB892,036,600.00 (excluding interest). After this effective sale back, the number of sheets of remaining bonds unsold was 0. The amount for exercising the put options has been in place on 29 October 2021, the Company has paid the principal and current interest to the holders of "18 Vanke 02" bonds who have effectively reported the sale back, and 18 Vanke 02 was delisted from the SZSE on that day.

Information on Bonds

The value date of 19 Vanke 01 was 26 February 2019 and the term of the bond is 5 years, with the Company's coupon adjustment option and investors' put option at the end of the third year. In January 2022, the Company Decided to carry out the execution of the put option of 19 Vanke 01. According to the data provided by the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, the number of sheets of "19 Vanke 01" sold back was 19,970,000 and the sale back amount was RMB1,997,000,000.00 (excluding interest). After this effective sale back, the number of sheets of remaining bonds unsold was 30,000. The amount for exercising the put options has been in place on 28 February 2022, the Company has paid the principal and current interest to the holders of "19 Vanke 01" bonds who have effectively reported the sale back. In view of the small amount of the bond remained, the Company has reached consensus with the holders of the existing bond that the Company has paid the current bond in advance on 7 March 2022 and the bond was delisted from the SZSE on that day.

(4) Intermediary agencies

Name of bonds	Name	Office address	Signing CPA	Contact person	Telephone number
17 Vanke 01, 19 Vanke 02, 20 Vanke 01, 20 Vanke 02, 20 Vanke 03, 20 Vanke 04, 20 Vanke 05, 20 Vanke 06, 20 Vanke 07, 20 Vanke 08, 21 Vanke 01, 21 Vanke 02, 21 Vanke 03, 21 Vanke 04, 21 Vanke 05, 21 Vanke 06, 22 Vanke 01, 22 Vanke 01, 22 Vanke 02	CITIC Securities Co., Ltd.	North Block, Excellence Times Plaza Phase 2, No.8, Zhong Xin San Road, Futian District, Shenzhen, Guangdong	-	Yang Fang	021-20262380
	KPMG Huazhen LLP	8/F, KPMG Tower, Oriental Plaza, 1 East Chang An Avenue, Beijing	Fang Jiong, Chen Yongyi, Li Moran	Li Moran	0755-25473335
	Guangdong Shujin Law Firm	11th to 12th floor, Taiping Finance Tower, 6001 Yitian Road, Futian District, Shenzhen	-	Wang Cuiping	13480145387
17 Vanke 01, 19 Vanke 02, 20 Vanke 01, 20 Vanke 02, 20 Vanke 03, 20 Vanke 04, 20 Vanke 05, 20 Vanke 06, 20 Vanke 07, 20 Vanke 08, 21 Vanke 01, 21 Vanke 02	China Chengxin International Credit Rating Co., Ltd.	60101, Building 1, No.2 Nanzhugan Hutong, Dongcheng District, Beijing	-	Shi Shi	010-85172818
21 Vanke 03, 21 Vanke 04, 21 Vanke 05, 21 Vanke 06, 22 Vanke 01, 22 Vanke 02	China Lianhe Credit Rating Co., Ltd.	12/F, PICC Office Tower, 2 Jianguomenwai Street, Chaoyang District, Beijing	-	Liu Deng	18566603268

Whether there were changes to the above agencies during the Reporting Period

Yes No

(5) Use of proceeds from fund-raising activities

During the Reporting Period, the Company used the proceeds from fund-raising activities in accordance with the purposes set out in the prospectus and there was no change in the use of the proceeds from fund-raising activities.

(6) Adjustments to credit rating results during the Reporting Period

Applicable Not applicable

(7) The implementation of and changes to the guarantees, debt repayment plans and debt repayment guarantee measures during the Reporting Period and the impact on the interests of bond investors

Applicable Not applicable

During the Reporting Period, no guarantee was provided for the corporate bonds issued by the Company.

The funds to be used to repay the corporate bonds issued by the Company mainly come from the cash flows generated from the Group's daily operations. During the Reporting Period, the Group maintained a healthy financial structure, with adequate cash and cash equivalents to meet its short-term debt obligations. The steady cash inflows had provided a strong guarantee to the repayment of the principal amount and interest of the Company's corporate bonds.

During the Reporting Period, there had not been any material change in the debt repayment plans and debt repayment guarantee measures for corporate bonds.

Information on Bonds

9.3 Debt financing instruments of non-financial enterprises

Applicable Not applicable

(1) Basic information on debt financing instruments of non-financial enterprises

Name of bonds	Abbreviation of bonds	Code of bonds	Issue Date	Initial Date	Due Date	Balance of bonds	Interest rate	Repayment of capital with interest	Trading Floor
China Vanke Co., Ltd. medium-term notes in 2021 (first tranche)	21 Vanke MTN001	102100209	27 January 2021 to 29 January 2021	29 January 2021	29 January 2024	200,000	3.76%	The bonds pay a simple interest on an annual basis, instead of a compound interest. Interest is paid annually and the principal will be returned on the due date, while the last interest payment will be paid together with the principal amount.	The National Association of Financial Market Institutional Investors
China Vanke Co., Ltd. medium-term notes in 2021 (second tranche)	21 Vanke MTN002	102100912	28 April 2021 to 29 April 2021	29 April 2021	29 April 2024	200,000	3.52%		
China Vanke Co., Ltd. medium-term notes in 2021 (third tranche)	21 Vanke MTN003	102101821	2 September 2021 to 3 September 2021	6 September 2021	6 September 2024	200,000	3.08%		
China Vanke Co., Ltd. medium-term notes in 2022 (first tranche)	22 Vanke MTN001	102280222	25 January 2022 to 26 January 2022	27 January 2022	27 January 2025	300,000	2.95%		
China Vanke Co., Ltd. medium-term notes in 2022 (second tranche)	22 Vanke MTN002	102280265	14 February 2022 to 15 February 2022	16 February 2022	16 February 2025	300,000	2.98%		
China Vanke Co., Ltd. medium-term notes in 2022 (third tranche)	22 Vanke MTN003	102280364	23 February 2022 to 24 February 2022	25 February 2022	25 February 2025	200,000	3.00%		
Qualified investors arrangement (if any)			Medium-term notes are issued to institutional investors in the national interbank bond market (except for those whose purchase is prohibited by national laws and regulations)						
Trading mechanisms applicable			Not involved						
Whether there is a risk of termination of listing and trading (if any) and countermeasures			Not applicable						

(2) Overdue bonds

Applicable Not applicable

(3) Triggering and implementing of issuer or investor option terms and investor protection terms

Applicable Not applicable

(4) Intermediary agencies

Name of bonds	Name	Office address	Contact person	Telephone number
21 Vanke MTN001	Industrial and Commercial Bank of China Limited	North Block Financial Center, No. 5055 Shennan East Road, Shenzhen	Xu Chao	15818580898
21 Vanke MTN001, 21 Vanke MTN002, 21 Vanke MTN003, 22 Vanke MTN002	Industrial Bank Co., Ltd.	15/F, Industrial Bank Building, No. 20 Chaoyangmen North Street, Chaoyang District, Beijing	Xu Hao	010-89926522
21 Vanke MTN002, 21 Vanke MTN003, 22 Vanke MTN001	Bank of China Limited	1 Fuxingmen Nei Street, Xicheng District, Beijing	Xie Zhijian	010-66592416
22 Vanke MTN001	China Merchants Bank Co., Ltd.	22/F, China Merchants Bank Shenzhen Branch Building, 2016 Shennan Avenue, Futian District, Shenzhen	Luo Yingying	0755-88026159
22 Vanke MTN002	China Minsheng Banking Corporation Limited	Minsheng Finance Building, Haitian Road, Futian District, Shenzhen	Wei Yingzhu	0755-82806447
22 Vanke MTN003	Agricultural Bank of China Limited	Agricultural Bank, No. 69 Jianguomennei Avenue, Dongcheng District, Beijing	Fan Kai	010-85209781

Information on Bonds

Name of bonds	Name	Office address	Contact person	Telephone number
22 Vanke MTN003	Ping An Bank Co., Ltd.	5047 Shennan East Road, Luohu District, Shenzhen	Le Xiuxin	021-50979147
21 Vanke MTN001, 21 Vanke MTN002, 21 Vanke MTN003, 22 Vanke MTN001, 22 Vanke MTN002, 22 Vanke MTN003	Dentens Beijing office	16-21F · Tower B · ZT International Center · No.10 · Chaoyangmen Nandajie · Chaoyang District · Beijing	Cheng Xiangbo	13161988499
21 Vanke MTN001	China Chengxin International Credit Rating Co., Ltd.	60101, Building 1, No.2 Nanzhugan Hutong, Dongcheng District, Beijing	Shi Shi	010-85172818
21 Vanke MTN002, 21 Vanke MTN003, 22 Vanke MTN001, 22 Vanke MTN002, 22 Vanke MTN003	China Lianhe Credit Rating Co., Ltd.	12/F, PICC Office Tower, 2 Jianguomenwai Street, Chaoyang District, Beijing	Liu Deng	18566603268

Whether there were changes to the above agencies during the Reporting Period

Yes No

(5) Use of proceeds from fund-raising activities

During the Reporting Period, the Company used the proceeds from fund-raising activities in accordance with the purposes set out in the prospectus and there was no change in the use of the proceeds from fund-raising activities.

(6) Adjustments to credit rating results during the Reporting Period

Applicable Not applicable

- (7) The implementation of and changes to the guarantees, debt repayment plans and debt repayment guarantee measures during the Reporting Period and the impact on the interests of bond investors

Applicable Not applicable

During the Reporting Period, no guarantee was provided for the debt financing instruments of nonfinancial enterprises issued by the Company.

The funds to be used to repay the debt financing instruments of non-financial enterprises issued by the Company mainly come from the cash flows generated from the Group's daily operations. During the Reporting Period, the Group maintained a healthy financial structure, with adequate cash and cash equivalents to meet its short-term debt obligations. The steady cash inflows had provided a strong guarantee to the repayment of the principal amount and interest of the Company's debt financing instruments of non-financial enterprises. During the Reporting Period, there had not been any material change in the debt repayment plans and debt repayment guarantee measures relating to the debt financing instruments of non-financial enterprises.

9.4 Convertible corporate bonds

Applicable Not applicable

The Company did not have convertible corporate bonds during the Reporting Period.

9.5 Losses in the consolidated statement of income in excess of 10% of net assets at the end of the previous year during the Reporting Period

Applicable Not applicable

9.6 Overdue interest-bearing debt other than bonds at the end of the Reporting Period

Applicable Not applicable

9.7 Whether there were violations of regulations during the Reporting Period

Yes No

Independent Auditor's Report



Independent auditor's report to the shareholders of China Vanke Co., Ltd.

(incorporated in the People's Republic of China with joint stock limited liability)

Opinion

We have audited the consolidated financial statements of China Vanke Co., Ltd. ("the Company") and its subsidiaries ("the Group") which set out on pages 202 to 310, which comprise the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2021 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code") together with any ethical requirements that are relevant to our audit of the consolidated financial statements in the People's Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Net realisable value of inventories	
<i>Refer to note 19 to the consolidated financial statements and the accounting policies in note 1(p).</i>	
The Key Audit Matter	How the matter was addressed in our audit
<p>As at 31 December 2021, the aggregate carrying value of the Group's properties held for development ("PHD"), properties under development ("PUD") and completed properties held for sale (together "inventories") was significant. These properties are stated at the lower of cost and net realisable value.</p> <p>The calculation of the net realisable value for each property development project at the financial reporting date is performed by management.</p> <p>The calculation of the net realisable value of inventories involves significant management judgement and estimation in preparing the updated estimations of the costs to complete each property development project for PHD and PUD as well as in assessing the expected future net selling prices for each property development project (with reference to recent sales transactions in nearby locations), the estimated future selling costs and the relevant taxes.</p>	<p>Our audit procedures to assess the net realisable value of inventories included the following:</p> <ul style="list-style-type: none"> • assessing the design, implementation and operating effectiveness of key internal controls over the preparation and monitoring of management budgets and forecasts of construction and other costs for each property development project; • conducting site visits to property development sites, on a sample basis, and discussing with management the progress of each property development project and the development budgets reflected in the latest forecasts for each property development project; • evaluating the valuation methodology adopted by management for assessing the net realisable value of inventories and comparing the key estimates and assumptions adopted in the valuations, including those relating to average net selling prices, with market available data and the sales budget plans maintained by the Group;



Independent Auditor's Report

Net realisable value of inventories (continued)	
<i>Refer to note 19 to the consolidated financial statements and the accounting policies in note 1(p).</i>	
The Key Audit Matter	How the matter was addressed in our audit
We identified the assessment of net realisable value of the Group's inventories as a key audit matter because of the significance of inventories to the assets of the Group and because of the inherent risks involved in estimating the costs to complete each property development project and the future selling prices for each property development project, particularly in light of the current economic circumstances and various property market measures introduced in various cities across Mainland China.	<ul style="list-style-type: none">• comparing the estimated construction costs to complete each property development project with the Group's latest budgets and comparing the costs incurred to 31 December 2021 with budgets made at 31 December 2020 to assess the accuracy of management's forecasting and budgeting process;• performing sensitivity analyses to determine the extent of changes in key estimates and assumptions that, either individually or collectively, would be required for inventories to be materially misstated and considering the likelihood of such a movement in those key estimates and assumptions arising and the potential for management bias in their selection.



Provision for land appreciation tax ("LAT") in Mainland China	
<p><i>Refer to notes 6 and 29 to the consolidated financial statements and the accounting judgement and estimates in note 1(w).</i></p>	
The Key Audit Matter	How the matter was addressed in our audit
<p>LAT in Mainland China is one of the main components of the Group's taxation charge.</p> <p>LAT is levied on sale of properties at progressive rates ranging from 30% to 60% based on the appreciation of land value. At the end of each financial reporting period, management estimates the provision for LAT based on its understanding and interpretation of the relevant tax rules and regulations and the estimated total sales of properties less total deductible expenditure, which includes lease charges for land use rights, property development costs, borrowing costs and development expenditure. When the LAT is subsequently determined, the actual payments may be different from the estimates.</p> <p>We identified provision for LAT in Mainland China as a key audit matter because of its significance to the consolidated financial statements and because the estimated provisions for LAT are based on management's judgement and interpretation of the relevant tax laws and regulations and practices.</p>	<p>Our audit procedures to assess the provision for LAT in Mainland China included the following:</p> <ul style="list-style-type: none"> • assessing the design, implementation and operating effectiveness of key internal controls over the calculation of the estimated LAT provisions; • engaging our internal taxation specialists to evaluate the Group's LAT provisions as at 31 December 2021 which involved challenging the Group's assumptions and judgements based on our experience, knowledge and understanding of the practices of the application of the relevant tax laws by the various local tax bureaus; • challenging the Group's assumptions and judgements based on our assessment of the value of the deductible expenditure; • re-calculating, on a sample basis, the provision for LAT and comparing our calculations with the amounts recorded by the Group.



Independent Auditor's Report

Revenue recognition for property development projects (“PDP”)	
<i>Refer to note 3 to the consolidated financial statements and the accounting policies in note 1(y)(i).</i>	
The Key Audit Matter	How the matter was addressed in our audit
<p>Revenue arising from sales of PDP accounted for 90.0% of the Group’s revenue for the year ended 31 December 2021.</p> <p>Such revenue is recognised at a point in time when all of the following criteria have been met:</p> <p>(i) the sale and purchase agreement has been signed;</p> <p>(ii) the related deposit has been received and the arrangements for the settlement of the remaining proceeds have been confirmed; and</p> <p>(iii) the property is accepted by the customer, or deemed as accepted according to the sale and purchase agreement, whichever is earlier.</p> <p>We identified the recognition of revenue for PDP as a key audit matter because of its significance to the Group and because small errors in recognition of revenue for each PDP, in aggregate, could have a material impact on the Group’s profit for the year.</p>	<p>Our audit procedures to assess the recognition of revenue for PDP included the following:</p> <ul style="list-style-type: none"> evaluating the design, implementation and operating effectiveness of key internal controls over the recording of revenue for PDP; inspecting the terms of the standard sale and purchase agreements for sales of PDP to assess the Group’s revenue recognition policies for sales of PDP, with reference to the requirements of the prevailing accounting standards; inspecting, on a sample basis for sales of PDP recognised during the year, documents which evidenced that the properties were accepted by the customer, or deemed as accepted and assessing whether the related revenue has been recognised in accordance with the Group’s revenue recognition accounting policies; inspecting, on a sample basis, documents which evidenced that the properties were accepted by the customers, or deemed as accepted, before and after the end of the financial period to assess whether the related revenue has been recognised in the appropriate financial period.



Information other than the consolidated financial statements and auditor's report thereon

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated financial statements

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRSs issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.



Independent Auditor's Report

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



Auditor's responsibilities for the audit of the consolidated financial statements (continued)

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Guen Kin Shing.

KPMG

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

30 March 2022

Consolidated statement of profit or loss

For the year ended 31 December 2021

	Note	Year ended 31 December	
		2021 RMB'000	2020 RMB'000
Revenue	3(a)	452,797,774	419,111,678
Cost of revenue		(357,106,481)	(298,531,477)
Gross profit		95,691,293	120,580,201
Other net income	4	6,724,017	8,842,204
Selling and marketing expenses		(12,808,639)	(10,636,900)
Administrative expenses		(14,150,965)	(14,505,204)
Other expenses		(2,130,339)	(1,506,848)
Profit from operations		73,325,367	102,773,453
Lease liability charges		(1,112,014)	(985,635)
Finance costs	5(a)	(6,749,333)	(7,771,945)
Share of profits less losses of associates and joint ventures	16	4,888,729	9,739,656
Profit before taxation		70,352,749	103,755,529
Income tax	6(a)	(32,283,222)	(44,457,413)
Profit for the year		38,069,527	59,298,116
Attributable to:			
Equity shareholders of the Company		22,524,033	41,515,545
Non-controlling interests		15,545,494	17,782,571
Profit for the year		38,069,527	59,298,116
Earnings per share (RMB)			
Basic and diluted	10	1.94	3.62

The accompanying notes form part of these financial statements. Details of dividend payable to equity shareholders of the Company attributable to the profit for the year are set out in note 31(d).



Consolidated statement of profit or loss and other comprehensive income

For the year ended 31 December 2021

	Note	Year ended 31 December	
		2021 RMB'000	2020 RMB'000
Profit for the year		38,069,527	59,298,116
Other comprehensive income for the year			
(after tax and reclassification adjustments)			
<i>Items that will not be reclassified to profit or loss:</i>			
Equity investments at fair value through other comprehensive income ("FVOCI") – net movement in fair value reserves (non-recycling)		242,996	(609,893)
Share of other comprehensive income of associates		305,085	119,802
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of financial statements of overseas subsidiaries		(36,973)	(177,824)
Cash flow hedge:			
Net movement in the hedging reserve	9	(250,544)	294,509
Share of other comprehensive income of associates		1,207,611	183,770
Other comprehensive income for the year		1,468,175	(189,636)
Total comprehensive income for the year		39,537,702	59,108,480
Attributable to:			
Equity shareholders of the Company		23,927,379	41,777,598
Non-controlling interests		15,610,323	17,330,882
Total comprehensive income for the year		39,537,702	59,108,480

The accompanying notes form part of these financial statements.

Consolidated statement of financial position

As at 31 December 2021

	Note	31 December 2021 RMB'000	31 December 2020 RMB'000
Non-current assets			
Property, plant and equipment	11	32,631,565	31,841,854
Investment properties	12	108,521,492	103,459,740
Intangible assets and goodwill	14	8,542,126	918,742
Interests in associates and joint ventures	16	144,449,332	141,895,190
Other financial assets	17	2,874,594	2,298,997
Other non-current assets	18	7,832,794	13,840,079
Deferred tax assets	29(b)(ii)	33,517,920	27,535,431
		338,369,823	321,790,033
Current assets			
Inventories and other contract costs	19	1,083,598,314	1,008,434,340
Contract assets	20(a)	10,390,002	6,162,550
Trade and other receivables	21	356,067,288	331,115,807
Other current assets	22	22,482	172,789
Pledged and restricted deposits		8,643,985	9,568,344
Cash and cash equivalents	23	140,708,459	185,662,380
Assets held for sale	24	892,423	6,334,728
		1,600,322,953	1,547,450,938
Current liabilities			
Trade and other payables	25	541,059,314	532,524,608
Contract liabilities	20(b)	636,858,514	630,747,211
Bank loans and borrowings from financial institutions	26	53,842,277	70,299,267
Bonds payable	27	6,576,207	13,689,877
Lease liabilities	28	1,925,950	1,584,257
Current taxation	29(a)	71,184,205	68,647,470
		1,311,446,467	1,317,492,690
Net current assets		288,876,486	229,958,248
Total assets less current liabilities		627,246,309	551,748,281

The accompanying notes form part of these financial statements.



Consolidated statement of financial position

As at 31 December 2021

	Note	31 December 2021 RMB'000	31 December 2020 RMB'000
Non-current liabilities			
Bank loans and borrowings from financial institutions	26	154,322,279	132,036,783
Bonds payable	27	53,020,572	43,576,223
Lease liabilities	28	24,309,642	24,589,946
Deferred tax liabilities	29(b)(ii)	1,344,534	295,348
Provisions		275,163	215,331
Other non-current liabilities	30	1,201,342	1,190,176
		234,473,532	201,903,807
NET ASSETS			
		392,772,777	349,844,474
CAPITAL AND RESERVES			
Share capital	31	11,625,383	11,617,732
Reserves		224,327,751	212,893,221
Total equity attributable to equity shareholders of the Company			
		235,953,134	224,510,953
Non-controlling interests			
		156,819,643	125,333,521
TOTAL EQUITY			
		392,772,777	349,844,474

Approved and authorised for issue by the board of directors on 30 March 2022.

Zhu Jiusheng
Director

Wang Haiwu
Director

The accompanying notes form part of these financial statements.



Consolidated statement of changes in equity

For the year ended 31 December 2021

	Attributable to equity shareholders of the Company											
	Note	Share capital RMB'000	Share premium RMB'000	Statutory reserves RMB'000	Exchange reserve RMB'000	Hedging reserve RMB'000	Fair value reserve (non-recycling) RMB'000	Other reserves RMB'000	Retained profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Balance at 1 January 2021		11,617,732	22,431,887	97,466,324	(1,222,772)	387,285	(705,865)	(3,880,410)	98,416,772	224,510,953	125,333,521	349,844,474
Changes in equity for 2021												
Profit for the year		-	-	-	-	-	-	-	22,524,033	22,524,033	15,545,494	38,069,527
Other comprehensive income	9	-	-	-	1,156,878	(250,544)	497,012	-	-	1,403,346	64,829	1,468,175
Total comprehensive income		-	-	-	1,156,878	(250,544)	497,012	-	22,524,033	23,927,379	15,610,323	39,537,702
Issuance of shares	31(b)	7,651	123,179	-	-	-	-	-	-	130,830	-	130,830
Dividends approved in respect of the previous year	31(d)(ii)	-	-	-	-	-	-	-	(14,522,165)	(14,522,165)	-	(14,522,165)
Appropriation to statutory reserves	31(c)(i)	-	-	13,720,196	-	-	-	-	(13,720,196)	-	-	-
Capital contribution from non-controlling interests		-	-	-	-	-	-	-	-	-	32,757,809	32,757,809
Acquisitions of subsidiaries		-	-	-	-	-	-	-	-	-	3,807,764	3,807,764
Acquisitions of additional interests in subsidiaries		-	-	-	-	-	-	(240,360)	-	(240,360)	(1,698,709)	(1,939,069)
Disposals of interests in subsidiaries		-	-	-	-	-	-	2,272,321	-	2,272,321	15,024,676	17,296,997
Disposals of subsidiaries		-	-	-	-	-	-	-	-	-	(101,150)	(101,150)
Dividends declared to non-controlling interests		-	-	-	-	-	-	-	-	-	(7,181,802)	(7,181,802)
Capital reduction of subsidiaries		-	-	-	-	-	-	-	-	-	(26,650,775)	(26,650,775)
Others		-	-	-	-	-	-	(125,824)	-	(125,824)	(82,014)	(207,838)
Balance at 31 December 2021		11,625,383	22,555,066	111,186,520	(65,894)	136,741	(208,853)	(1,974,273)	92,698,444	235,953,134	156,819,643	392,772,777

The accompanying notes form part of these financial statements.

Consolidated statement of changes in equity

For the year ended 31 December 2021

	Attributable to equity shareholders of the Company											
	Note	Share capital	Share premium	Statutory reserves	Exchange reserve	Hedging reserve	Fair value reserve (non-recycling)	Other reserves	Retained profits	Total	Non-controlling interests	Total equity
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2020		11,302,143	15,582,180	70,826,254	(1,700,462)	92,776	(195,719)	(3,200,716)	95,352,036	188,058,492	82,520,624	270,579,116
Changes in equity for 2020												
Profit for the year		-	-	-	-	-	-	-	41,515,545	41,515,545	17,782,571	59,298,116
Other comprehensive income	9	-	-	-	477,690	294,509	(510,146)	-	-	262,053	(451,689)	(189,636)
Total comprehensive income		-	-	-	477,690	294,509	(510,146)	-	41,515,545	41,777,598	17,330,882	59,108,480
Issuance of shares		315,589	6,849,707	-	-	-	-	-	-	7,165,296	-	7,165,296
Dividends approved in respect of the previous year	31(d)(ii)	-	-	-	-	-	-	-	(11,810,739)	(11,810,739)	-	(11,810,739)
Appropriation to statutory reserves	31(c)(i)	-	-	26,640,070	-	-	-	-	(26,640,070)	-	-	-
Capital contribution from non-controlling interests		-	-	-	-	-	-	-	-	-	38,732,576	38,732,576
Acquisitions of subsidiaries		-	-	-	-	-	-	-	-	-	4,560,237	4,560,237
Acquisitions of additional interests in subsidiaries		-	-	-	-	-	-	(744,791)	-	(744,791)	(385,691)	(1,130,482)
Disposals of interests in subsidiaries		-	-	-	-	-	-	65,097	-	65,097	4,693,076	4,758,173
Disposals of subsidiaries		-	-	-	-	-	-	-	-	-	(2,206,566)	(2,206,566)
Dividends declared to non-controlling interests		-	-	-	-	-	-	-	-	-	(10,147,361)	(10,147,361)
Capital reduction of subsidiaries		-	-	-	-	-	-	-	-	-	(9,764,256)	(9,764,256)
Balance at 31 December 2020		11,617,732	22,431,887	97,466,324	(1,222,772)	387,285	(705,865)	(3,880,410)	98,416,772	224,510,953	125,333,521	349,844,474

The accompanying notes form part of these financial statements.



Consolidated statement of cash flows

For the year ended 31 December 2021

	Note	Year ended 31 December	
		2021 RMB'000	2020 RMB'000
Operating activities			
Cash generated from operations	23(b)	41,072,096	94,886,928
Income tax paid		(36,958,935)	(41,698,905)
Net cash generated from operating activities		4,113,161	53,188,023
Investing activities			
Acquisitions of subsidiaries, net of cash acquired	36	(15,918,005)	(2,528,505)
Investment in associates and joint ventures		(15,250,059)	(12,937,284)
Other investments		(208,447)	(154,922)
Acquisitions of property, plant and equipment, investment properties and intangible assets		(9,577,908)	(7,208,298)
Net cash inflow from disposals of subsidiaries	37	3,221,932	4,380,640
Proceeds from disposal of property, plant and equipment		63,571	62,313
Proceeds from disposals of investments		856,446	4,636,886
Interest received		4,424,509	4,075,935
Net cash flow from redemptions of wealth management product		150,524	11,567,138
Dividends received		5,956,650	3,903,164
Net cash (used in)/generated from investing activities		(26,280,787)	5,797,067

The accompanying notes form part of these consolidated financial statements.



Consolidated statement of cash flows

For the year ended 31 December 2021

	Note	Year ended 31 December	
		2021 RMB'000	2020 RMB'000
Financing activities			
Capital element of lease rentals paid	23(c)	(1,310,726)	(1,381,926)
Interest element of lease rentals paid	23(c)	(1,112,014)	(985,635)
Proceeds from H shares placement		–	7,165,296
Capital contributions from non-controlling interests		38,793,660	31,693,649
Payments to non-controlling interests		(23,221,622)	(11,885,702)
Proceeds from bank loans, borrowings from financial institutions and bonds	23(c)	122,213,110	115,076,718
Repayment of bank loans, borrowings from financial institutions and bonds	23(c)	(114,594,233)	(110,431,891)
Repayment of advance payment from contracted parties	23(c)	(2,308,000)	(27,038,718)
Dividends and interest paid		(41,563,942)	(34,716,051)
Net cash used in financing activities		(23,103,767)	(32,504,260)
Net (decrease)/increase in cash and cash equivalents		(45,271,393)	26,480,830
Cash and cash equivalents at 1 January	23(a)	185,662,380	159,738,651
Effect of foreign exchange rate changes		317,472	(557,101)
Cash and cash equivalents at 31 December	23(a)	140,708,459	185,662,380

The accompanying notes form part of these consolidated financial statements.



Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

1 Significant accounting policies

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable International Financial Reporting Standards (“IFRSs”), which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards (“IASs”) and Interpretations issued by the International Accounting Standards Board (“IASB”) and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Significant accounting policies adopted by the Group are disclosed below.

The IASB has issued certain amendments to IFRSs that are first effective or available for early adoption for current accounting period of the Group. Note 1(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current accounting period reflected in these financial statements.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2021 comprise the Group and the Group’s interest in associates and joint ventures.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

- other current assets (see note 1(h));
- equity investments (see note 1(h)); and
- derivative financial instruments (see note 1(i)).

Non-current assets and disposal groups held for sale are stated at the lower of carrying amount and fair value less costs to sell (see note 1(ab)).

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.



Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

1 Significant accounting policies (continued)

(b) Basis of preparation of the financial statements (continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of IFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 2.

(c) Changes in accounting policies

The IASB has issued the following amendments to IFRSs that are first effective for the current accounting period of the Group:

- Amendment to IFRS 16, *Covid-19-related rent concessions*
- Amendments to IFRS9, IAS39, IFRS7, IFRS 4 and IFRS 16, *Interest rate benchmark reform – phase 2*

None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented in this financial report. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

(d) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

1 Significant accounting policies (continued)

(d) Subsidiaries and non-controlling interests (continued)

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with notes 1(t) or (u) depending on the nature of the liability.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 1(h)) or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture (see note 1(e)).

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 1(o)), unless the investment is classified as held for sale (see note 1(ab)).



Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

1 Significant accounting policies (continued)

(e) Associates and joint ventures

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

A joint venture is an arrangement whereby the Group or Company and other parties contractually agree to share control of the arrangement, and have rights to the net assets of the arrangement.

An investment in an associate or a joint venture is accounted for in the consolidated financial statements under the equity method, unless it is classified as held for sale (see note 1(ab)). Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (see notes 1(g) and 1(o)). Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated statement of profit or loss, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised in the consolidated statement of profit or loss and other comprehensive income.

When the Group's share of losses exceeds its interest in the associate or the joint venture, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associate or the joint venture (after applying the expected credit loss ("ECL") model to such other long-term interests where applicable (see note 1(o))).

Unrealised profits and losses resulting from transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the investee, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

If an investment in an associate becomes an investment in a joint venture or vice versa, retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

1 Significant accounting policies (continued)

(e) Associates and joint ventures (continued)

In all other cases, when the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence or joint control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 1(h)).

(f) Joint operation

The Group classifies joint arrangements as joint operations when the Group has rights to the individual assets, and obligations for the individual liabilities, relating to the arrangement.

The Group recognises in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the inventories arising from the joint operation;
- its share of the revenue from the sale of the inventories by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the IFRSs applicable to the particular assets, liabilities, revenues and expenses.

(g) Goodwill

Goodwill represents the excess of

- (i) the aggregate of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the Group's previously held equity interest in the acquiree; over
- (ii) the net fair value of the acquiree's identifiable assets and liabilities measured as at the acquisition date.

Goodwill is stated at cost less accumulated impairment losses. Goodwill arising on a business combination is allocated to each cash-generating unit, or groups of cash generating units, that is expected to benefit from the synergies of the combination and is tested annually for impairment (see note 1(o)).



Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

1 Significant accounting policies (continued)

(h) Other investments in debt and equity securities

The Group's policies for investments in debt and equity securities, other than investments in subsidiaries, associates and joint ventures, are set out below.

Investments in debt and equity securities are recognised/derecognised on the date the Group commits to purchase/sell the investment. The investments are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at fair value through profit or loss ("FVPL") for which transaction costs are recognised directly in profit or loss. For an explanation of how the Group determines fair value of financial instruments, see note 32(e). These investments are subsequently accounted for as follows, depending on their classification.

Investments other than equity investments

Non-equity investments held by the Group are classified into one of the following measurement categories:

- amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method (see note 1(y)(vi)).
- FVOCI – recycling, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of ECL, interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.
- FVPL if the investment does not meet the criteria for being measured at amortised cost or FVOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.



Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

1 Significant accounting policies (continued)

(h) Other investments in debt and equity securities (continued)

Equity investments

An investment in equity securities is classified as FVPL unless the equity investment is not held for trading purposes and on initial recognition of the investment the Group makes an election to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. Where such an election is made, the amount accumulated in other comprehensive income remains in the fair value reserve (non-recycling) until the investment is disposed of. At the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained earnings. It is not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVPL or FVOCI, are recognised in profit or loss as other income in accordance with the policy set out in note 1(y)(v).

(i) Derivative financial instruments

Derivative financial instruments are recognised initially at fair value. At the end of each reporting period the fair value is remeasured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss, except where the derivatives qualify for cash flow hedge accounting, in which case recognition of any resultant gain or loss depends on the nature of the item being hedged (see note 1(j)).

The Group designates only the change in fair value of the spot element of the foreign exchange derivatives as the hedging instrument in cash flow hedging relationships. The effective portion of changes in fair value of hedging instruments is accumulated in a cash flow hedge reserve as a separate component of equity. The forward elements and foreign currency basis spread are separately accounted for as costs of hedging; they are recognised in other comprehensive income and accumulated in costs of hedging reserve as a separate component within equity.

(j) Cash flow hedges

The amount accumulated in the hedging reserve and the cost of hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged items affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting (including when the hedging instrument is sold, expires, is terminated or is exercised), then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve remains in equity until the transaction occurs and it is recognised in accordance with above policy. If the hedged transaction is no longer expected to take place, the amount that has been accumulated in the hedging reserve is reclassified from equity to profit or loss immediately.



Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

1 Significant accounting policies (continued)

(k) Investment properties

Investment properties are land and buildings which are owned or held under a leasehold interest (see note 1(n)) to earn rental income and/or for capital appreciation. These include land and property that is being constructed or developed for future use as investment property.

Investment properties are stated at cost less accumulated depreciation and accumulated impairment loss. Rental income from investment properties is accounted for as described in note 1(y)(iv).

Depreciation is calculated to write off the costs of investment properties, less their residual value of 0% to 7%, if any, using the straight-line method over their estimated useful lives of 20 to 70 years. Both the useful life and residual value, if any, are reviewed annually.

(l) Property, plant and equipment

The following items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment loss (see note 1(o)):

- buildings held for own use which are situated on leasehold land (see note 1(n));
- properties leased for own use; and
- other items of plant and equipment.

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, and an appropriate proportion of production overheads and borrowing costs (see note 1(aa)).

A self-constructed asset is classified as construction in progress and transferred to property, plant and equipment when it is ready for its intended use. No depreciation is provided against construction in progress.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

1 Significant accounting policies (continued)

(l) Property, plant and equipment (continued)

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

	Useful life	Residual value %
Leasehold land and properties leased for own use	unexpired term of lease	0%
Buildings held for own use	the shorter of the unexpired term of lease and 70 years	0%-5%
Improvements to premises	5-10 years	0%
Machinery and motor vehicles	5-20 years	0%-5%
Electronics and other equipment	3-10 years	0%-5%

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

(m) Intangible assets (other than goodwill)

Intangible assets are referred to the identifiable non-monetary assets that are owned or controlled by the Group without physical form. The cost of external purchased intangible assets, including the purchase price, the related tax and fees, and the other expenses directly attributable to the intended use of the assets.

Intangible assets are stated at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see note 1(o)). For an intangible asset with finite useful life, its cost less estimated residual value and accumulated impairment losses is amortised using the straight-line method over its estimated useful life as follows:

Operating rights	Project operation period
Executable property management contracts	Remaining contract period

Both the period and method of amortisation are reviewed annually. The Group does not have any intangible assets with indefinite useful lives.



Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

1 Significant accounting policies (continued)

(m) Intangible assets (other than goodwill) (continued)

The Group recognises an infrastructure operating right arising from a service concession arrangement when it has a right to charge for use of the concession infrastructure. A public premise operating right received as consideration for providing construction services in a service concession arrangement is measured at fair value on initial recognition with reference to the fair value of the services provided. Subsequent to initial recognition, the public premise operating right is measured at cost, which includes capitalised borrowing costs (see note 1(aa)), less accumulated amortisation and impairment losses (see note 1(o)).

(n) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) As a lessee

Where the contract contains lease components and non-lease components, the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see note 1(o)), except for the right-of-use assets related to interests in leasehold land where the interest in the land is held as inventory are carried at the lower of cost and net realisable value in accordance with note 1(p).

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

1 Significant accounting policies (continued)

(n) Leased assets (continued)

(i) As a lessee (continued)

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The lease liability is also remeasured when there is a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract ("lease modification") that is not accounted for as a separate lease. In this case the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification. The only exceptions are any rent concessions which arose as a direct consequence of the COVID-19 pandemic and which satisfied the conditions set out in paragraph 46B of IFRS 16 Leases. In such cases, the Group took advantage of the practical expedient set out in paragraph 46A of IFRS 16 and recognised the change in consideration as if it were not a lease modification.

In the consolidated statement of financial position, the current portion of long-term lease liabilities is determined as the present value of contractual payments that are due to be settled within 12 months after the reporting period.

The Group presents right-of-use assets that do not meet the definition of investment property or inventory in 'property, plant and equipment' and presents lease liabilities separately in the statement of financial position.

(ii) As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. If this is not the case, the lease is classified as an operating lease.

When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. The rental income from operating leases is recognised in accordance with note 1(y)(iv).

When the Group is an intermediate lessor, the sub-leases are classified as a finance lease or as an operating lease with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the exemption described in note 1(y)(iv), then the Group classifies the sub-lease as an operating lease.



Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

1 Significant accounting policies (continued)

(o) Credit losses and impairment of assets

(i) Credit losses from financial instruments and contract assets

The Group recognises a loss allowance for ECLs on the following item:

- financial assets measured at amortised cost (including cash and cash equivalents, trade and other receivables and loans to associates and joint ventures); and
- contract assets as defined in IFRS 15 (see note 1(q));

Financial assets measured at fair value, including equity securities measured at FVPL, equity securities designated at FVOCI (non-recycling) and derivative financial assets, are not subject to the ECL assessment.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

- fixed-rate financial assets, trade and other receivables and contract assets: effective interest rate determined at initial recognition or an approximation thereof; and
- variable-rate financial assets: current effective interest rate;

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.



Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

1 Significant accounting policies (continued)

(o) Credit losses and impairment of assets (continued)

(i) Credit losses from financial instruments and contract assets (continued)

Measurement of ECLs (continued)

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

For all other financial instruments, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (ii) the financial asset is 90 days past due. The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.



Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

1 Significant accounting policies (continued)

(o) Credit losses and impairment of assets (continued)

(i) Credit losses from financial instruments and contract assets (continued)

Significant increases in credit risk (continued)

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Basis of calculation of interest income

Interest income recognised in accordance with note 1(y)(vi) is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

Write-off policy

The gross carrying amount of a financial asset, lease receivable or contract asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.



Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

1 Significant accounting policies (continued)

(o) Credit losses and impairment of assets (continued)

(ii) Impairment of other assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment, including right-of-use assets;
- intangible assets;
- interests in associates and joint ventures;
- goodwill; and
- investments in subsidiaries in the Company's statement of financial position.

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, the recoverable amount is estimated annually whether or not there is any indication of impairment.

– Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

– Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable), or value in use (if determinable).

– Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.



Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

1 Significant accounting policies (continued)

(o) Credit losses and impairment of assets (continued)

(iii) Interim financial reporting and impairment

Under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, the Group is required to prepare an interim financial report in compliance with IAS 34, *Interim financial reporting*, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (see note 1(o)).

Impairment losses recognised in an interim period in respect of goodwill are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates.

(p) Inventories and other contract costs

(i) Property development

Inventories in respect of property development activities are carried at the lower of cost and net realisable value. Cost and net realisable values are determined as follows:

- Property held for development and property under development

The cost of properties held for development and properties under development comprises specifically identified cost, including the acquisition cost of interests in leasehold land, aggregate cost of development, materials and supplies, wages and other direct expenses and an appropriate proportion of overheads and borrowing costs capitalised (see note 1(aa)). Net realisable value represents the estimated selling price less estimated costs of completion and costs to be incurred in selling the property.

- Completed property for sale

The cost of completed properties held for sale comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

In the case of completed properties developed by the Group, cost is determined by apportionment of the total development costs for that development project, attributable to the unsold properties. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

1 Significant accounting policies (continued)

(p) Inventories and other contract costs (continued)

(ii) Other contract costs

Other contract costs are either the incremental costs of obtaining a contract with a customer or the costs to fulfil a contract with a customer which are not capitalised as inventory (see note 1(p)(i)), property, plant and equipment (see note 1(l)) or intangible assets (see note 1(m)).

Incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained e.g. an incremental sales commission. Incremental costs of obtaining a contract are capitalised when incurred if the costs relate to revenue which will be recognised in a future reporting period and the costs are expected to be recovered. Other costs of obtaining a contract are expensed when incurred.

Costs to fulfil a contract are capitalised if the costs relate directly to an existing contract or to a specifically identifiable anticipated contract; generate or enhance resources that will be used to provide goods or services in the future; and are expected to be recovered. Costs that relate directly to an existing contract or to a specifically identifiable anticipated contract may include direct labour, direct materials, allocations of costs, costs that are explicitly chargeable to the customer and other costs that are incurred only because the Group entered into the contract (for example, payments to sub-contractors). Other costs of fulfilling a contract, which are not capitalised as inventory, property, plant and equipment or intangible assets, are expensed as incurred.

Capitalised contract costs are stated at cost less accumulated amortisation and impairment losses. Impairment losses are recognised to the extent that the carrying amount of the contract cost asset exceeds the net of (i) remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates, less (ii) any costs that relate directly to providing those goods or services that have not yet been recognised as expenses.

Amortisation of capitalised contract costs is charged to profit or loss when the revenue to which the asset relates is recognised. The accounting policy for revenue recognition is set out in note 1(y).

(q) Contract assets and contract liabilities

A contract asset is recognised when the Group recognises revenue (see note 1(y)(iii)) before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for ECL in accordance with the policy set out in note 1(o)(i) and are reclassified to receivables when the right to the consideration has become unconditional (see note 1(r)).

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue (see note 1(y)(iii)). A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see note 1(r)).



Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

1 Significant accounting policies (continued)

(q) Contract assets and contract liabilities (continued)

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see note 1(y)(vi)).

(r) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset (see note 1(q)).

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses (see note 1(o)(i)).

(s) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Cash and cash equivalents are assessed for ECL in accordance with the policy set out in note 1(o)(i).

(t) Trade and other payables

Trade and other payables are initially recognised at fair value. Trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(u) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, using the effective interest method.

(v) Employee benefits

(i) Short-term employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.



Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

1 Significant accounting policies (continued)

(v) Employee benefits (continued)

(ii) Share-based payments

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the company's shares. The equity amount is recognised in the capital reserve until either the option is exercised (when it is included in the amount recognised in share capital for the shares issued) or the option expires (when it is released directly to retained profits).

(iii) Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when it recognises restructuring costs involving the payment of termination benefits.

(w) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.



Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

1 Significant accounting policies (continued)

(w) Income tax (continued)

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

1 Significant accounting policies (continued)

(x) Provisions and contingent liabilities

Provisions are recognised when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(y) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods, the provision of services or the use by others of the Group's assets under leases in the ordinary course of the Group's business.

Revenue is recognised when control over a product or service is transferred to the customer, or the lessee has the right to use the asset, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Where the contract contains a financing component which provides a significant financing benefit to the customer for more than 12 months, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction with the customer, and interest income is accrued separately under the effective interest method. Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method. The Group takes advantage of the practical expedient in paragraph 63 of IFRS 15 and does not adjust the consideration for any effects of a significant financing component if the period of financing is 12 months or less.

Further details of the Group's revenue and other income recognition policies are as follows:

(i) Sales of properties

Revenue arising from the sale of properties developed for sale in the ordinary course of business is recognized when the property is accepted by the customer, or deemed as accepted according to the contract, whichever is earlier, which is the point in time when the customer has the ability to direct the use of the property and obtain substantially all of the remaining benefits of the property. Deposits and instalments received on properties sold prior to the date of revenue recognition were included in the statement of financial position under contract liabilities (see note 1(q)).



Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

1 Significant accounting policies (continued)

(y) Revenue and other income (continued)

(ii) Provision of services

Revenue from services including property management services is recognised when services are rendered.

(iii) Construction contracts

A contract with a customer is classified by the Group as a construction contract when the contract relates to work on real estate assets under the control of the customer and therefore the Group's construction activities create or enhance an asset under the customer's control.

When the outcome of a construction contract can be reasonably measured, revenue from the contract is recognised progressively over time using the cost-to-cost method, i.e. based on the proportion of the actual costs incurred relative to the estimated total costs.

The likelihood of the Group earning contractual bonuses for early completion or suffering contractual penalties for late completion are taken into account in making these estimates, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

When the outcome of the contract cannot be reasonably measured, revenue is recognised only to the extent of contract costs incurred that are expected to be recovered.

(iv) Rental income from operating leases

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are earned.

(v) Dividends

- Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.
- Dividend income from listed investments is recognised when the share price of the investment goes ex-dividend.

(vi) Interest income

Interest income is recognised as it accrues using the effective interest method.



Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

1 Significant accounting policies (continued)

(z) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the company initially recognises such non-monetary assets or liabilities. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

The results of foreign operations are translated into Renminbi at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items are translated into Renminbi at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve. On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

(aa) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.



Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

1 Significant accounting policies (continued)

(ab) Non-current assets held for sale

A non-current asset (or disposal group) is classified as held for sale if it is highly probable that its carrying amount will be recovered through a sale transaction rather than through continuing use and the asset (or disposal group) is available for sale in its present condition. A disposal group is a group of assets to be disposed of together as a group in a single transaction, and liabilities directly associated with those assets that will be transferred in the transaction.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all the assets and liabilities of that subsidiary are classified as held for sale when the above criteria for classification as held for sale are met, regardless of whether the Group will retain a non-controlling interest in the subsidiary after the sale.

Immediately before classification as held for sale, the measurement of the non-current assets (and all individual assets and liabilities in a disposal group) is brought up-to-date in accordance with the accounting policies before the classification. Then, on initial classification as held for sale and until disposal, the non-current assets or disposal groups, are recognised at the lower of their carrying amount and fair value less costs to sell.

Impairment losses on initial classification as held for sale, and on subsequent remeasurement while held for sale, are recognised in profit or loss. As long as a non-current asset is classified as held for sale, or is included in a disposal group that is classified as held for sale, the non-current asset is not depreciated or amortised.

(ac) Related parties

(1) A person, or a close member of that person's family, is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or the Group's parent.



Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

1 Significant accounting policies (continued)

(ac) Related parties (continued)

(2) An entity is related to the Group if any of the following conditions applies:

- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (1).
- (vii) A person identified in (1)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(ad) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.



Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

2 Accounting judgement and estimates

(a) Critical accounting judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, management has made the following accounting judgments:

(i) Classification between subsidiaries, joint ventures and associates

The Group co-operated with certain third parties to engage in property development project through certain entities. In accordance with the respective co-operation agreements, the Group has the right to acquire certain percentage of the equity interest in these entities at a pre-determined price when certain conditions set out in these agreements are met. The Group has made judgment on the classification of these entities to subsidiaries, joint ventures or associates in accordance with the respective agreements, articles of associations and the involvement of the Group and the other parties in these entities. The Group will continuously evaluate the situation and such investments are accounted for in accordance with accounting policies set out in notes 1(d) and (e).

(ii) Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group. Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

(iii) Classification between investment properties and properties held for sale

The Group develops properties held for sale and properties held to earn rentals and/or for capital appreciation. Judgement is made by management on determining whether a property is designated as an investment property or a property held for sale. The Group considers its intention for holding the properties at the early development stage of the related properties. During the course of construction, the related properties under construction are accounted for as properties under development included in current assets if the properties are intended for sale after their completion, whereas, the properties are accounted for as investment properties under construction if the properties are intended to be held to earn rentals and/or for capital appreciation.



Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

2 Accounting judgement and estimates (continued)

(b) Sources of estimation uncertainty

Notes 14 and 32 contain information about the assumptions and their risk factors relating to goodwill impairment and fair value of financial instruments. Other key sources of estimation uncertainty are as follows:

(i) Properties for sale

As explained in note 1(p), the Group's properties for sale are stated at the lower of cost and net realisable value. Based on the Group's recent experience and the nature of the subject properties, the Group makes estimates of the selling prices, the costs of completion in cases for properties held for development and properties under development, and the costs to be incurred in selling the properties based on prevailing market conditions.

If there is an increase in costs to completion or a decrease in net sales value, the net realisable value will decrease and this may result in provision for properties for sale. Such provision requires the use of judgement and estimates. Where the expectation is different from the original estimate, the carrying value and provision for properties in the periods in which such estimate is changed will be adjusted accordingly.

In addition, given the volatility of the property market and the unique nature of individual properties, the actual outcomes in terms of costs and revenue may be higher or lower than that estimated at the end of the reporting period. Any increase or decrease in the provision would affect profit or loss in future years.

(ii) PRC Land Appreciation Tax ("LAT")

As explained in note 6(a), LAT is levied on properties developed by the Group for sale, at progressive rates ranging from 30% to 60% on the appreciation of land value, which under the applicable regulations is calculated based on the proceeds of sales of properties less deductible expenditures including lease charges of land use rights, borrowing cost and relevant property development expenditures. Given the uncertainties of the calculation basis of land appreciation tax to be interpreted by the local tax bureau and the actual appreciation of land value may be different from the original estimates, the actual outcomes may be higher or lower than that estimated at the end of the reporting period. Any increase or decrease in estimates would affect profit or loss in future years.

(iii) Impairment for trade and other receivables

The Group estimates loss allowance for expected credit losses for trade and other receivables resulting from the expected cash shortfalls. The Group bases the estimates on the information about past events, current conditions and forecasts of future economic conditions. If above conditions were to deteriorate, actual provisions would be higher than estimated.



Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

2 Accounting judgement and estimates (continued)

(b) Sources of estimation uncertainty (continued)

(iv) Recognition of deferred tax assets

Deferred tax assets in respect of tax losses and other deductible temporary differences carried forward are recognised and measured based on the expected manner of realisation or settlement of the carrying amount of the assets, using tax rates enacted or substantively enacted at the end of the reporting period. In determining the carrying amounts of deferred tax assets, expected taxable profits are estimated which involves a number of assumptions relating to the operating environment of the Group and require a significant level of judgement exercised by the directors. Any change in such assumptions and judgement would affect the carrying amounts of deferred tax assets to be recognised and hence the net profit in future years.

(v) Revenue recognition

As explained in policy note 1(y), revenue from construction contracts is recognised over time. Such revenue and profit recognition on uncompleted projects is dependent on estimating the total outcome of the contract, as well as the work done to date. Based on the Group's recent experience and the nature of the manufacturing and construction activities undertaken by the Group, the Group has made estimates of the point at which it considered the work was sufficiently advanced such that the outcome of the contract can be reasonably measured. Until this point is reached the related contract assets disclosed in note 20 do not include profit which the Group might eventually realise from the work done to date. In addition, actual outcomes in terms of total cost or revenue may be higher or lower than estimated at the end of the reporting period, which would affect the revenue and profit recognised in future years as an adjustment to the amounts recorded to date.

In addition, the contract assets arising from construction contracts are reclassified to receivables when the right to the consideration has become unconditional and are disclosed in note 21, rather than note 20.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

3 Revenue and segment reporting

(a) Revenue

The principal activities of the Group are development and sale of properties in People's Republic of China (the "PRC").

(i) The amount of each significant category of revenue is as follows:

	2021 RMB'000	2020 RMB'000
Revenue from contracts with customers within the scope of IFRS 15		
Sales of properties	407,691,658	382,989,851
Property management and related services	19,830,882	15,432,211
Construction contracts	15,232,300	12,163,895
Other services	2,534,767	2,856,334
	445,289,607	413,442,291
Revenue from other sources		
Rental income	7,508,167	5,669,387
	452,797,774	419,111,678

The Group's customer base is diversified and does not have a customer with whom transactions have exceeded 10% of the Group's revenue.

(ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

As at 31 December 2021, the aggregated amount of the transaction price allocated to the remaining performance obligations under the Group's existing contracts is RMB664.3 billion (31 December 2020: RMB664.4 billion). This amount mainly represents revenue expected to be recognised in the future from pre-completion sales contracts for properties under development and construction contracts entered into by the customers with the Group. The Group will recognise the expected revenue in future when or as the work is completed or, in the case of the properties under development for sale, when the properties are assigned to the customers, which is expected to occur over the next 12 to 36 months (2020: next 12 to 36 months).



Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

3 Revenue and segment reporting (continued)

(a) Revenue (continued)

(ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date (continued)

The Group has applied the practical expedient in paragraph 121 of IFRS 15 to its service contracts such that the above information does not include information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts for sales that had an original expected duration of one year or less.

The above amount also does not include any amounts of completion bonuses that the Group may earn in the future by meeting the conditions set out in the Group's construction contracts with customers, unless at the reporting date it is highly probable that the Group will satisfy the conditions for earning those bonuses.

(b) Segment reporting

The Group manages its business by divisions, which are organised by a mixture of both business lines (products and services) and geographical location. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purpose of resource allocation and performance assessment, the Group has presented the following eight reportable segments.

- Property development (Beijing region/Northeastern region/Southern region/Shanghai region/Central region/Northwestern region/Southwestern region): given the importance of the property development division to the Group, the Group's property development business is segregated into seven reportable segments on a geographical basis, as the divisional manager for each of these regions report directly to the senior executive team. All seven segments derive their revenue mainly from development and sale of residential properties. Details about the cities covered by each of these regions are set out in note 3(b)(i).
- Property management: this segment provides property management and related services to purchasers and tenants of the Group's own developed residential properties shopping arcades and office buildings, as well as those developed by the external property developers.

Since the development of operating business and change in internal organization structure, the Group divided the Northern region into Beijing region and Northeastern region, and divided the Central-western region into Central region and Southwestern region in 2021. The Group also adjusted Nanchang and Changsha to Central region from Shanghai region and Southern region respectively (cities included in each region are disclosed below) in 2021. The Group has not restated segment information for 2020 since the information is not available and the cost to develop it would be excessive.

The combined segment information of Beijing region and Northeastern region, Central region and Southwestern region in 2021 are largely in the same scope of Northern region and Central-western region in 2020 respectively, and no segment information for the current period on old basis of segmentation is disclosed.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

3 Revenue and segment reporting (continued)

(b) Segment reporting (continued)

(i) Segment results and assets

For the purpose of assessing segment performance and allocating resources among segments, the Group's most senior executive management monitors the results attributable to each reportable segment on the following bases:

Segment assets include all tangible, intangible assets, other investments and current assets in Mainland China with the exception of deferred tax assets and other corporate assets.

Revenue and expenses are allocated to the reportable segments with reference to sales before sales related taxes generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

The measure used for reporting segment profit is the profit before PRC Corporate Income Tax ("CIT"), excluding share of profits or losses of associates or joint ventures, dividend income, other income (other than Interest income and Net exchange gain/(loss)) and other expenses (other than loss allowance of prepayment) in Mainland China, but including the loss allowance and the profit arising from the inter-segment transactions. LAT which is considered directly attributable to the sale of properties is deducted from the segment profit for the review by the Group's most senior executive management.

Inter-segment sales are priced with reference to prices charged to external parties for similar transactions.

	Property development								Total RMB'000
	Beijing region RMB'000	Northeastern region RMB'000	Southern region RMB'000	Shanghai region RMB'000	Central region RMB'000	Northwestern region RMB'000	Southwestern region RMB'000	Property management RMB'000	
2021									
Revenue from external customers before tax	58,791,233	33,095,484	114,428,688	102,785,481	38,765,843	29,857,211	45,007,750	19,830,882	442,562,572
Inter-segment revenue	99,179	2,132	77,515	71,484	45,597	6,514	105,315	4,208,637	4,616,373
Reportable segment revenue, before tax	58,890,412	33,097,616	114,506,203	102,856,965	38,811,440	29,863,725	45,113,065	24,039,519	447,178,945
Reportable segment profit	3,049,072	4,621,512	12,751,440	12,982,444	4,698,165	4,839,323	3,507,594	1,975,903	48,425,453
Reportable segment assets	305,749,038	109,578,125	436,079,497	507,886,377	153,684,742	104,134,246	195,186,375	27,854,130	1,840,152,530

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

3 Revenue and segment reporting (continued)

(b) Segment reporting (continued)

(i) Segment results and assets (continued)

	Property development						Total RMB'000
	Northern region RMB'000	Southern region RMB'000	Shanghai region RMB'000	Central and western region RMB'000	Northwest region RMB'000	Property management RMB'000	
2020							
Revenue from external customers before tax	67,442,943	112,118,019	110,264,563	75,205,793	27,585,997	15,432,211	408,049,526
Inter-segment revenue	76,040	101,299	100,335	214,145	7,049	2,771,609	3,270,477
Reportable segment revenue, before tax	67,518,983	112,219,318	110,364,898	75,419,938	27,593,046	18,203,820	411,320,003
Reportable segment profit	8,902,049	19,685,677	21,572,265	13,924,555	6,772,362	1,720,476	72,577,384
Reportable segment assets	408,101,937	438,776,263	471,942,786	286,500,924	114,618,638	19,545,861	1,739,486,409

Beijing region:	Northeastern region:	Southern region:	Shanghai region:	Central region:	Northwestern region:	Southwestern region
Beijing, Tianjin, Qingdao, Jinan, Yantai, Taiyuan, Shijiazhuang, Tangshan, Qinhuangdao, Zhangjiakou, Jinzhong, Linyi, Zibo, Weihai and Xiong'an, etc	Baotou, Dalian, Shenyang, Anshan, Fushun, Yingkou, Panjin, Changchun, Jilin and Harbin, etc	Shenzhen, Guangzhou, Dongguan, Foshan, Fuzhou, Xiamen, Zhuhai, Jiangmen, Zhongshan, Qingyuan, Huizhou, Nanning, Liuzhou, Sanya, Putian, Quanzhou, Jinjiang and Zhangzhou, etc	Shanghai, Hangzhou, Suzhou, Nanjing, Ningbo, Xuzhou, Nantong, Wuxi, Zhenjiang, Changshu, Yangzhou, Kunshan, Shaoxing, Yancheng, Changzhou, Jiaxing, Haining, Jingjiang, Ruian, Taicang, Gaoyou, Suqian, Haimen, Taizhou, Jinhua, Ma'anshan Huzhou, Jiangyin, Wenzhou, Wuhu and Hefei, etc	Nanchang, Changsha, Zhengzhou, Wuhan, Yichang, E'zhou and Zhoukou, etc	Xi'an, Lanzhou, Xining, Yinchuan, Xianyang, Weinan and Urumqi, etc	Chongqing, Chengdu, Guiyang, Nanchong, Kunming, Yuxi, Xishuangbanna, Dali, Yongchuan, Xichang and Meishan, etc

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

3 Revenue and segment reporting (continued)

(b) Segment reporting (continued)

(ii) Reconciliation of reportable segment revenue, profit or loss and assets

	2021 RMB'000	2020 RMB'000
Revenue		
Reportable segment revenue before tax	447,178,945	411,320,003
Elimination of inter-segment revenue	(4,616,373)	(3,270,477)
Unallocated revenue	10,235,202	11,062,152
Consolidated revenue	452,797,774	419,111,678
Profit		
Reportable segment profit	48,425,453	72,577,384
Elimination of inter-segment profit	(319,423)	(1,454,242)
Share of profits less losses of associates and joint ventures	4,888,729	9,739,656
Dividend income	58,804	48,825
Other income	2,837,891	4,776,600
Other expenses, excluding loss allowance of prepayment	(1,865,270)	(1,282,386)
Unallocated expenses	(1,803,553)	(4,730,085)
LAT	18,130,118	24,079,777
Consolidated profit before taxation	70,352,749	103,755,529
Assets		
Reportable segment assets	1,840,152,530	1,739,486,409
Elimination of inter-segment receivables	(685,520,552)	(635,502,979)
Unallocated assets	784,060,798	765,257,541
Consolidated assets	1,938,692,776	1,869,240,971

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

3 Revenue and segment reporting (continued)

(b) Segment reporting (continued)

(iii) Geographical information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment, investment properties, intangible assets and goodwill, interest in associates and joint ventures, other financial assets and other non-current assets ("specified non-current assets"). The geographical location of customers is based on the location at which the services were provided or the properties sold. The geographical location of the specified non-current assets is based on the physical location of the assets, in the case of property, plant and equipment and investment properties, the location of the operation to which they are allocated, in the case of intangible assets, other financial assets and other non-current assets, and the location of operations, in the case of interests in associates and joint ventures.

	Revenue from external customers	
	2021	2020
	RMB'000	RMB'000
Mainland China	449,052,132	412,853,117
Hong Kong Special Administrative Region ("Hong Kong") and overseas	3,745,642	6,258,561
	452,797,774	419,111,678
	Specified non-current assets	
	2021	2020
	RMB'000	RMB'000
Mainland China	293,677,578	283,061,356
Hong Kong	2,923,278	2,825,744
The United States of America	5,818,744	6,017,542
The United Kingdom	2,432,303	2,349,960
	304,851,903	294,254,602

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

4 Other net income

	2021 RMB'000	2020 RMB'000
Interest income	3,819,804	4,680,643
Dividend income	58,804	48,825
Forfeited deposits and compensation from customers	595,317	512,727
Net gain on disposals of subsidiaries, joint ventures and associates	1,376,876	2,596,624
Gain on previously held interest in subsidiaries upon on loss of control	–	434,881
Net gain on disposal of other current assets	269,867	695,763
Net gain/(loss) on disposal of other financial assets	20,000	(3,879)
Net gain on disposals of property, plant and equipment	19,241	48,381
Fair value change	3,817	5,334
Net exchange gain/(loss)	7,518	(663,865)
Others	552,773	486,770
	6,724,017	8,842,204

5 Profit before taxation

Profit before taxation is arrived at after charging/(crediting):

(a) Finance costs

	2021 RMB'000	2020 RMB'000
Borrowings costs	13,450,324	15,835,664
Less: Borrowing costs capitalised into inventories, investment properties and construction in progress (Note)	(6,700,991)	(8,063,719)
	6,749,333	7,771,945

Note: The borrowing costs have been capitalised at a weighted average rate of 4.43% (2020: 4.77%) per annum.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

5 Profit before taxation (continued)

(b) Staff costs

	2021 RMB'000	2020 RMB'000
Salaries, wages and other benefits	16,032,490	16,168,095
Contributions to defined contribution plans	1,088,851	348,047
	17,121,341	16,516,142

The total Economic Profits Bonus of 2021 were RMB85 million (2020: RMB1,905.2 million) and included in the staff cost.

The Company and its subsidiaries in Mainland China participate in defined contribution retirement benefit schemes (the "Schemes") organised by the PRC municipal and provincial government authorities, whereby the Company and its subsidiaries in Mainland China are required to make contribution at the rates required by different local government authorities. The local government authorities are responsible for the pension obligations payable to the retired employees covered under the Schemes.

(c) Other items

	2021 RMB'000	2020 RMB'000
Depreciation and amortisation	8,063,320	6,984,906
Impairment loss on trade and other receivables and other non-current assets	280,488	224,462
Impairment loss on interest in an associate	408,813	–
Reversal of impairment loss on prepayment	(15,420)	–
Auditors' remuneration	16,800	16,800
Cost of inventories (note 19(a))	324,880,985	272,953,037

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

6 Income tax in the consolidated statement of profit or loss

(a) Taxation in the consolidated statement of profit or loss represents:

	2021 RMB'000	2020 RMB'000
Current tax		
Provision for CIT, Hong Kong Profits Tax and U.S. income tax	19,698,609	24,231,519
Provision for LAT	18,139,347	24,089,747
Withholding tax	181,594	313,243
	38,019,550	48,634,509
Deferred tax		
Origination and reversal of temporary differences (note 29(b)(i))	(5,736,328)	(4,177,096)
	32,283,222	44,457,413

(i) CIT, Hong Kong Profits Tax and U.S. income tax

The provision for CIT is calculated based on the estimated taxable income at the rates applicable to each company in the Group. The income tax rates applicable to the principal subsidiaries in the PRC are 25% (2020: 25%), except for certain subsidiaries which enjoy a preferential income tax rate.

The provision for Hong Kong Profits Tax for 2021 is calculated at 16.5% (2020:16.5%) of the estimated assessable profits for the year.

The U.S. income tax comprises federal income tax calculated at 21% and state income tax calculated at the rates ranging from 0% to 10% on the estimated assessable profits of the subsidiaries of the Company which were incorporated in U.S.

(ii) LAT

LAT is levied on properties developed by the Group for sale, at progressive rates ranging from 30% to 60% on the appreciation of land value, which under the applicable regulations is calculated based on the proceeds of sales of properties less deductible expenditures including lease charges of land use rights, borrowing costs and relevant property development expenditures.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

6 Income tax in the consolidated statement of profit or loss (continued)**(a) Taxation in the consolidated statement of profit or loss represents: (continued)****(iii) Withholding tax**

A withholding tax of 10% is levied on the overseas subsidiaries in respect of dividend distributions arising from profit of PRC subsidiaries earned after 1 January 2008. Under the China-Hong Kong Tax Treaty and the relevant regulations, a qualified Hong Kong tax resident which is the “beneficial owner” and holds 25% equity interests or more of a PRC enterprise is entitled to a reduced withholding tax rate of 5%. Some overseas subsidiaries of the Group are entitled to a reduced withholding tax rate of 5%.

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

	2021 RMB'000	2020 RMB'000
Profit before taxation	70,352,749	103,755,529
Less: LAT	(18,130,118)	(24,079,777)
Profit before CIT, Hong Kong Profits Tax and U.S. income tax	52,222,631	79,675,752
Notional tax calculated at applicable income tax rate of the relevant group entities concerned	12,997,392	20,270,445
Non-taxable income	(1,236,883)	(2,446,151)
Non-deductible expenses	2,388,043	2,089,663
Effect of temporary difference not recognised	1,556,187	1,036,960
Utilisation of previously unrecognised tax losses	(1,522,085)	(421,570)
Over-provision in respect of prior years	(29,550)	(151,711)
CIT, Hong Kong Profits Tax and U.S. income tax	14,153,104	20,377,636
LAT	18,130,118	24,079,777
Income tax expense	32,283,222	44,457,413

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

7 Directors', supervisors' and chief executive's emoluments

	2021			2020	
	Directors'/ supervisors' fee	Basic salaries, allowances and other benefits	Bonuses and retirement benefit	Total	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Executive directors					
Mr. YU Liang	–	1,449	98	1,547	12,473
Mr. WANG Haiwu	–	1,334	3,044	4,378	8,958
President, executive director and Chief Executive Officer					
Mr. ZHU Jiusheng	–	1,160	4,767	5,927	11,231
Non-executive directors					
Mr. XIN Jie	–	–	–	–	–
Mr. HU Guobin	–	–	–	–	–
Mr. HUANG Liping#	–	–	–	–	–
Mr. LEI Jiansong#	–	–	–	–	–
Mr. LI Qiangqiang*	–	–	–	–	–
Mr. TANG Shaojie*	–	–	–	–	–
Independent non-executive directors					
Mr. KANG Dian	600	–	–	600	600
Ms. LIU Shuwei	600	–	–	600	600
Mr. Ng Kar Ling, Johnny	600	–	–	600	600
Mr. Zhang Yichen	600	–	–	600	300
Supervisors					
Mr. XIE Dong	–	1,259	3,554	4,813	8,745
Ms. QUE Dongwu	–	1,345	2,891	4,236	5,238
Ms. LI Miao	–	–	–	–	–
Directors and supervisors ceased appointment in 2020	–	–	–	–	1,973
2021	2,400	6,547	14,354	23,301	50,718

In addition, Chief Executive Officer, certain directors and supervisors participated in the Economic Profits Bonus Plan of the Company. Details are disclosed in note 35(a).

* These non-executive directors were ceased appointment during the year. Their emoluments disclosed above represent the emoluments received during their position as a director or supervisor.

Mr. Huang Liping and Mr. Lei Jiansong were appointed as non-executive directors on 30 June 2021 and 26 November 2021 respectively.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

8 Individuals with highest emoluments

Of the five individuals with the highest emoluments, 1 (2020: 2) of them are directors or supervisors whose emoluments are disclosed in note 7. The aggregate of the emoluments in respect of the other 4 (2020: 3) individuals are as follows:

	2021 RMB'000	2020 RMB'000
Salaries and other emoluments	4,921	3,581
Discretionary bonuses	32,722	35,526
Contributions to retirement benefit scheme	406	144
	38,049	39,251

The emoluments of the 4 (2020: 3) individuals with the highest emoluments are within the following bands:

	2021 Number of individuals	2020 Number of individuals
HK\$7,000,001 – HK\$7,500,000	1	–
HK\$8,500,001 – HK\$9,000,000	1	–
HK\$11,500,001 – HK\$12,000,000	–	1
HK\$15,000,001 – HK\$15,500,000	2	–
HK\$17,500,001 – HK\$18,000,000	–	2

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

9 Other comprehensive income

	2021					
	Attributable to equity shareholders of the Company					
	Exchange reserve RMB'000	Hedging reserve RMB'000	Fair value reserve (non-recycling) RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total OCI RMB'000
<i>Items that will not be reclassified subsequently to profit or loss:</i>						
Equity investments at FVOCI (non-recycling)	-	-	242,996	242,996	-	242,996
Share of other comprehensive income of associates	-	-	254,016	254,016	51,069	305,085
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Exchange differences on translation of financial statements of overseas subsidiaries	151,417	-	-	151,417	(188,390)	(36,973)
Cash flow hedge reserve: Effective portion of changes in fair value of hedging instruments recognised during the year	-	(237,617)	-	(237,617)	-	(237,617)
Cash flow hedge reserve: Reclassification adjustments for amounts transferred to profit or loss	-	237,617	-	237,617	-	237,617
Costs of hedging reserve: Change in fair value for the year	-	(250,544)	-	(250,544)	-	(250,544)
Share of other comprehensive income of associates	1,005,461	-	-	1,005,461	202,150	1,207,611
Total	1,156,878	(250,544)	497,012	1,403,346	64,829	1,468,175

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

9 Other comprehensive income (continued)

	2020					
	Attributable to equity shareholders of the Company					
	Exchange reserve RMB'000	Hedging reserve RMB'000	Fair value reserve (non-recycling) RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total OCI RMB'000
<i>Items that will not be reclassified subsequently to profit or loss:</i>						
Equity investments at FVOCI (non-recycling)	-	-	(609,893)	(609,893)	-	(609,893)
Share of other comprehensive income of associates	-	-	99,747	99,747	20,055	119,802
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Exchange differences on translation of financial statements of overseas subsidiaries	324,682	-	-	324,682	(502,506)	(177,824)
Cash flow hedge reserve: Effective portion of changes in fair value of hedging instruments recognised during the year	-	(980,007)	-	(980,007)	-	(980,007)
Cash flow hedge reserve: Reclassification adjustments for amounts transferred to profit or loss	-	960,605	-	960,605	-	960,605
Costs of hedging reserve: Change in fair value for the year	-	313,911	-	313,911	-	313,911
Costs of hedging reserve: Reclassification adjustments for amounts transferred to profit or loss	-	-	-	-	-	-
Share of other comprehensive income of associates	153,008	-	-	153,008	30,762	183,770
Total	477,690	294,509	(510,146)	262,053	(451,689)	(189,636)

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

10 Earnings per share (“EPS”)

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of RMB22,524,033,000 (2020: RMB41,515,545,000) and weighted average of 11,620,282,000 ordinary shares (2020: 11,459,938,000 shares) in issue during the year, calculated as follows:

Weighted average number of ordinary shares

	2021 No. of shares (‘000)	2020 No. of shares (‘000)
Issued ordinary shares at 1 January	11,617,732	11,302,143
Effect of ordinary shares issued	2,550	157,795
Weighted average number of ordinary shares at 31 December	11,620,282	11,459,938

Diluted EPS is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. As there are no dilutive instruments outstanding, basic and diluted earnings per share are identical.

As disclosed in note 31(b), the Company granted the “scrip dividend” option to H shareholders in the 2020 profit distribution plan and completed the placing of 7,651,174 overseas listed foreign shares (H shares), which was included in the calculation of weighted average number of ordinary shares since September 2021 for the current accounting period because the completion of placement was close to 30 August 2021.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

11 Property, plant and equipment

	Buildings held for own use RMB'000	Improvements to premises RMB'000	Leasehold land RMB'000	Machinery and motor vehicles RMB'000	Electronics and other equipment RMB'000	Construction in progress RMB'000	Total RMB'000
Cost:							
At 1 January 2020	15,428,999	11,168,075	5,226,635	743,912	1,218,152	4,179,839	37,965,612
Additions	953,418	1,516,325	-	62,976	240,856	2,029,627	4,803,202
Transfer	1,030,254	2,127,696	716,141	6,523	-	(3,059,779)	820,835
Disposals	(177,340)	(5,422)	-	(22,519)	(92,942)	-	(298,223)
Transfer to investment properties	(304,409)	-	-	-	-	-	(304,409)
Change in consolidation scope	(50,348)	(40)	37,013	(3,995)	36,524	87,163	106,317
Exchange adjustments	-	(1,458)	(35,104)	(61)	(8,532)	-	(45,155)
At 31 December 2020	16,880,574	14,805,176	5,944,685	786,836	1,394,058	3,236,850	43,048,179
At 1 January 2021	16,880,574	14,805,176	5,944,685	786,836	1,394,058	3,236,850	43,048,179
Additions	394,408	440,211	-	97,139	286,158	3,507,357	4,725,273
Transfer in	1,546,058	1,757,915	334,243	168,223	-	(3,346,078)	460,361
Disposals	(402,320)	(35,093)	-	(16,433)	(49,603)	-	(503,449)
Transfer out	(1,169,686)	-	-	-	-	-	(1,169,686)
Change in consolidation scope	44,071	(3,204)	141,241	(11,189)	54,477	-	225,396
Exchange adjustments	-	(503)	(9,715)	(43)	(2,407)	-	(12,668)
At 31 December 2021	17,293,105	16,964,502	6,410,454	1,024,533	1,682,683	3,398,129	46,773,406
Accumulated depreciation:							
At 1 January 2020	2,892,537	3,835,434	522,349	319,330	698,036	-	8,267,686
Charge for the year	902,415	1,906,880	136,538	57,995	150,636	-	3,154,464
Written back on disposals	(47,629)	(3,632)	-	(18,236)	(44,569)	-	(114,066)
Transfer to investment properties	(88,796)	-	-	-	-	-	(88,796)
Change in consolidation scope	(11,249)	(31)	939	(2,323)	3,358	-	(9,306)
Exchange adjustments	-	(722)	(885)	(42)	(2,008)	-	(3,657)
At 31 December 2020	3,647,278	5,737,929	658,941	356,724	805,453	-	11,206,325
At 1 January 2021	3,647,278	5,737,929	658,941	356,724	805,453	-	11,206,325
Charge for the year	763,390	2,128,274	135,759	61,482	200,043	-	3,288,948
Written back on disposals	(125,828)	(15,837)	-	(11,779)	(39,791)	-	(193,235)
Transfer out	(180,980)	-	-	-	-	-	(180,980)
Change in consolidation scope	592	(767)	(6,349)	(1,688)	30,228	-	22,016
Exchange adjustments	-	(312)	(151)	(31)	(739)	-	(1,233)
At 31 December 2021	4,104,452	7,849,287	788,200	404,708	995,194	-	14,141,841
Net book value:							
At 31 December 2021	13,188,653	9,115,215	5,622,254	619,825	687,489	3,398,129	32,631,565
At 31 December 2020	13,233,296	9,067,247	5,285,744	430,112	588,605	3,236,850	31,841,854

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

12 Investment properties

(a) Reconciliation of carrying amount

	2021		2020	
	Completed properties RMB'000	Properties under development RMB'000	Completed properties RMB'000	Properties under development RMB'000
Cost:				
At 1 January	83,717,230	30,078,433	70,325,985	31,502,488
New lease	1,733,147	–	5,208,137	–
Additions of construction costs	–	3,628,515	–	4,508,610
Change in consolidation scope	(1,370,345)	(361,996)	(796,598)	4,315,624
Transfer from inventories and others	6,929,010	–	3,954,992	–
Additions	612,159	–	103,650	–
Exchange adjustment	(75,175)	–	(192,236)	–
Transfer upon completion	9,728,757	(9,728,757)	10,248,289	(10,248,289)
Transfer to assets classified as held for sale	–	–	(4,327,536)	–
Disposals	(169,929)	(2,894,011)	–	–
Lease termination	(402,477)	–	(807,453)	–
At 31 December	100,702,377	20,722,184	83,717,230	30,078,433
Accumulated depreciation:				
At 1 January	8,709,805	–	5,681,074	–
Change in consolidation scope	(310,473)	–	(478,665)	–
Charge for the year	4,505,550	–	3,620,788	–
Exchange adjustment	(8,407)	–	(20,588)	–
Transfer to assets classified as held for sale	–	–	(11,504)	–
Disposals	(29,781)	–	–	–
Lease termination	(94,765)	–	(81,300)	–
At 31 December	12,771,929	–	8,709,805	–
Impairment provision:				
At 1 January	131,140	1,494,978	131,140	1,494,978
Reversal for the year	–	(1,494,978)	–	–
At 31 December	131,140	–	131,140	1,494,978
Net book value:				
At 31 December	87,799,308	20,722,184	74,876,285	28,583,455

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

12 Investment properties (continued)**(a) Reconciliation of carrying amount (continued)**

The impairment provision for properties under development decreased from reversal of Foshan C22 project due to its disposal during the year.

As at 31 December 2021, the fair value of the Group's investment properties, excluding leased properties to earn rental income, was approximately RMB103,914,052,000 (31 December 2020: RMB96,016,030,000). This fair value, are determined by the directors of the Company with reference to mainly the valuation performed, using the discounted cash flow ("DCF") approach and the direct market comparison ("DMC"), by Jones Lang LaSalle and Cushman & Wakefield, which are independent qualified professional valuers.

The valuation for completed properties was arrived at by considering the capitalised income derived from the existing tenancies and the reversionary potential of the properties or, where appropriate, by reference to market evidence of transaction prices for similar properties in the same locations and conditions.

The valuation for properties under development was arrived at by making reference to comparable sales as available in the relevant market. The construction cost incurred, estimated construction cost to complete the development, discount rate and estimated developer's profit as at the date of valuation are also taken into account.

The fair value of the investment properties and assets held for sale as set out in note 24 disclosed at the end of the reporting period is categorised into Level 3 valuations: Fair value measured using significant unobservable inputs, as defined in IFRS 13, Fair value measurement.

- (b) The Group leases out investment properties under operating leases. The leases run for an initial period of two to twenty years. The lease payments include fixed rentals and variable lease payment based on business performance of the tenants.

Undiscounted lease payments under operating leases in place at the reporting date will be receivable by the Group in future periods as follows:

	2021 RMB'000	2020 RMB'000
Within 1 year	4,506,367	4,890,400
After 1 year but within 2 years	3,668,067	3,854,394
After 2 years but within 3 years	3,596,673	3,627,434
After 3 years but within 4 years	3,618,131	3,611,511
After 4 years but within 5 years	3,684,547	3,697,888
After 5 years	4,051,485	3,881,198
	23,125,270	23,562,825

Certain of the Group's investment properties were pledged for bank loans, see note 26 for details.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

13 Right-of-use assets

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

	Notes	31 December 2021 RMB'000	31 December 2020 RMB'000
Property, plant and equipment, carried at depreciated cost			
– leasehold land	(i)	5,622,254	5,285,744
– leased properties for own use	(ii)	1,674,018	1,704,518
		7,296,272	6,990,262
Investment properties, carried at depreciated cost			
– leasehold land	(i)	36,379,542	35,895,095
– leased properties to earn rental income	(ii)	22,568,082	23,505,601
		58,947,624	59,400,696
		66,243,896	66,390,958

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

13 Right-of-use assets (continued)

Except for lease liability charges, the analysis of expense items in relation to leases recognised in profit or loss is as follows:

	2021 RMB'000	2020 RMB'000
Depreciation charge of right-of-use assets by class of underlying asset:		
Property, plant and equipment	354,123	400,162
Investment properties	2,969,686	2,566,126
	3,323,809	2,966,288
	2021 RMB'000	2020 RMB'000
Expense relating to leases of low-value assets and short-term leases	166,145	144,868

During the year, additions to right-of-use assets are set out in note 11 and note 12(a), respectively.

Details of total cash outflow for leases and the maturity analysis of lease liabilities are set out in notes 23(d) and 28, respectively.

(i) Leasehold land

The principal activities of the Group are development and sale of properties in the PRC. The acquisition cost of interests in leasehold land for property development for sale in the ordinary course of business are presented in 'inventory' (see note 19). The interests in leasehold land which are held to earn rental income and/or for capital appreciation are presented in 'investment properties'. The Group presents interests in leasehold land that do not meet the definition of inventory or investment property in 'property, plant and equipment'.

(ii) Leased properties

The Group has obtained the right to use properties for its own use or earn rental income through tenancy agreements. The leases typically run for an initial period of 10 to 20 years.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

14 Intangible assets and goodwill

	Property management contracts RMB'000	Operating right and others RMB'000	Goodwill RMB'000	Total RMB'000
Cost:				
At 1 January 2020	603,717	676,549	220,921	1,501,187
Exchange adjustment	–	–	(14,578)	(14,578)
Additions	356,695	–	–	356,695
At 31 December 2020 and 1 January 2021	960,412	676,549	206,343	1,843,304
Exchange adjustment	–	–	(4,034)	(4,034)
Acquisition of subsidiaries	4,258,894	53,889	3,620,014	7,932,797
At 31 December 2021	5,219,306	730,438	3,822,323	9,772,067
Accumulated amortisation:				
At 1 January 2020	272,884	442,024	–	714,908
Charge for the year	142,547	67,107	–	209,654
At 31 December 2020 and 1 January 2021	415,431	509,131	–	924,562
Charge for the year	197,708	71,114	–	268,822
Acquisition of subsidiaries	32,445	4,112	–	36,557
At 31 December 2021	645,584	584,357	–	1,229,941
Net book value:				
At 31 December 2021	4,573,722	146,081	3,822,323	8,542,126
At 31 December 2020	544,981	167,418	206,343	918,742

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

14 Intangible assets and goodwill (continued)

(a) Goodwill

Goodwill has been allocated to the Group's cash-generating units (CGUs) as follows.

	31 December 2021 RMB'000	31 December 2020 RMB'000
Fujian Bon Property Group Co., Ltd. ("Bon Property")	1,205,097	–
Shanghai Yango Intelligent Life Service Group Co., Ltd. ("Yango")	2,414,917	–
Vanke Overseas Investment Holding Company Limited	202,309	206,343
	3,822,323	206,343

The increase of goodwill arose from acquisition of Bon Property and Yango during the year. The recoverable amounts of CGUs of Bon Property and Yango are determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets of the CGUs approved by management covering a five-year period. Cash flow beyond the five-year period are extrapolated using the estimated terminal growth rates below. The growth rates don't exceed the long-term average growth rate for the related industry in which the CGUs operate. The pre-tax discount rates below reflect specific risks relating to the relevant industry and the CGU itself and macro-environment of the relevant region.

The key assumptions used in the estimation of value in use were as follows.

	31 December 2021
Annual growth rate of revenue	3%-24%
Long-term growth rate	2%
Pre-tax discount rate	16%-17%



Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

14 Intangible assets (continued)

(a) Goodwill (continued)

Management have undertaken sensitivity analysis on the impairment test of goodwill. With regard to the assessment of the value-in-use of the CGUs, the management believe that any reasonably possible change in any of the above key assumptions would not cause the carrying value, including goodwill, of the CGUs to exceed the recoverable amounts.

Based on the results of the above, the Group determines that there is no impairment on goodwill as at 31 December 2021 (31 December 2020: Nil).

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(Expressed in thousands in Renminbi unless otherwise indicated)

15 Investments in subsidiaries

The following are the particulars of the subsidiaries which principally affected the results, assets or liabilities of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length. The PRC subsidiaries are of limited liability.

Name of company	Place of incorporation and operation	Particulars of issued and paid up capital ('000)	Proportion of ownership interest			Principal activity
			Group's effective interest	Held by the Company	Held by a subsidiary	
Shenzhen Vanke Development Company Limited	Shenzhen	RMB600,000	100%	95%	5%	Property development
Guangzhou Vanke Enterprises Company Limited	Guangzhou	RMB5,000,000	100%	100%	-	Property development
Shanghai Vanke Enterprises Company Limited	Shanghai	RMB10,000,000	100%	-	100%	Property development
Beijing Vanke Enterprises Company Limited	Beijing	RMB2,000,000	100%	95%	5%	Property development
Foshan Vanke Property Company Limited	Foshan	RMB60,000	100%	-	100%	Property development
Dongguan Vanke Real Estate Company Limited	Dongguan	RMB300,000	100%	-	100%	Property development
Zhuhai Vanke Development Company Limited	Zhuhai	RMB10,000	100%	100%	-	Property development
Xiamen Vanke Enterprises Company Limited	Xiamen	RMB1,200,000	100%	100%	-	Property development
Fuzhou Vanke Development Company Limited	Fuzhou	RMB20,000	100%	100%	-	Property development
Hainan Vanke Corporate Management Company Limited	Hainan	RMB10,000	100%	100%	-	Property development
Nanjing Vanke Enterprises Company Limited	Nanjing	RMB150,000	100%	100%	-	Property development
Suzhou Vanke Enterprises Company Limited	Suzhou	RMB100,000	100%	100%	-	Property development
Ningbo Vanke Enterprises Company Limited	Ningbo	RMB150,000	100%	100%	-	Property development
Hefei Vanke Enterprises Company Limited	Hefei	RMB200,000	100%	100%	-	Property development
Tangshan Vanke Real Estate Development Company Limited	Tangshan	RMB200,000	100%	-	100%	Property development
Tianjin Vanke Real Estate Company Limited	Tianjin	RMB390,000	100%	15%	85%	Property development
Shenyang Vanke Enterprises Company Limited	Shenyang	RMB100,000	100%	95%	5%	Property development
Dalian Vanke Property Company Limited	Dalian	RMB30,000	100%	100%	-	Property development
Changchun Vanke Real Estate Development Company Limited	Changchun	RMB50,000	100%	95%	5%	Property development
Yantai Vanke Enterprises Company Limited	Yantai	RMB30,000	100%	100%	-	Property development
Taiyuan Vanke Enterprises Company Limited	Taiyuan	RMB100,000	100%	100%	-	Property development
Qingdao Vanke Real Estate Company Limited	Qingdao	RMB20,000	100%	100%	-	Property development
Vanke (Chengdu) Enterprises Company Limited	Chengdu	RMB500,000	100%	90%	10%	Property development
Wuhan Vanke Real Estate Company Limited	Wuhan	RMB150,000	100%	95%	5%	Property development
Vanke (Chongqing) Enterprises Company Limited	Chongqing	RMB100,000	100%	100%	-	Property development
Xi'an Vanke Enterprises Company Limited	Xi'an	RMB20,000	100%	100%	-	Property development
Guiyang Vanke Real Estate Company Limited	Guiyang	RMB100,000	100%	100%	-	Property development
Yunnan Vanke Enterprises Company Limited	Kunming	RMB20,000	100%	100%	-	Property development
Vanke (Xinjiang) Enterprises Company Limited	Urumqi	RMB100,000	100%	95%	5%	Property development
Zhejiang Zhenan Vanke Real Estate Company Limited	Wenzhou	RMB1,300,000	100%	100%	-	Property development
Wuhu Vanke Real Estate Company Limited	Wuhu	RMB60,000	100%	100%	-	Property development
Yangzhou Vanke Real Estate Company Limited	Yangzhou	RMB10,000	100%	100%	-	Property development
Zhengzhou Vanke Enterprises Company Limited	Zhengzhou	RMB100,000	100%	100%	-	Property development

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

15 Investments in subsidiaries (continued)

Name of company	Place of incorporation and operation	Particulars of issued and paid up capital ('000)	Proportion of ownership interest			Principal activity
			Group's effective interest	Held by the Company	Held by a subsidiary	
Xuzhou Vanke Enterprises Company Limited	Xuzhou	RMB100,000	100%	100%	–	Property development
Jinan Vanke Enterprises Company Limited	Jinan	RMB100,000	100%	100%	–	Property development
Guangxi Vanke Corporate Management Company Limited	Nanning	RMB10,000	100%	100%	–	Property development
Changzhou Vanke Enterprises Company Limited	Changzhou	RMB20,000	100%	100%	–	Property development
Lanzhou Vanke Enterprises Company Limited	Lanzhou	RMB100,000	100%	100%	–	Property development
Shijiazhuang Vanke Real Estate Development Company Limited	Shijiazhuang	RMB50,000	100%	–	100%	Property development
Zhongshan Vanke Enterprises Company Limited	Zhongshan	RMB100,000	100%	100%	–	Property development
Changsha Vanke Enterprises Company Limited	Changsha	RMB19,000	100%	100%	–	Property development
Zhejiang Vanke Nandu Real Estate Company Limited	Hangzhou	RMB3,650,000	100%	–	100%	Property development
Wuxi Vanke Enterprises Company Limited	Wuxi	RMB20,000	100%	100%	–	Property development
Nantong Vanke Real Estate Company Limited	Nantong	RMB50,000	100%	–	100%	Property development
Jiangxi Vanke Yida Property Investment Company Limited	Nanchang	RMB100,000	50%	50%	–	Property development
Jiaxing Vanke Real Estate Development Company Limited	Jiaxing	RMB100,000	100%	–	100%	Property development
Yancheng Vanke Real Estate Development Company Limited	Yancheng	RMB20,000	100%	–	100%	Property development
Ha'erbin Vanke Enterprises Company Limited	Ha'erbin	RMB100,000	100%	100%	–	Property development
Baotou Vanke Real Estate Company Limited	Baotou	RMB10,000	100%	100%	–	Property development
Jiangmen Vanke Enterprise Company Limited	Jiangmen	RMB100,000	100%	100%	–	Property development
Huizhou Vanke Enterprises Company Limited	Huizhou	RMB20,000	100%	100%	–	Property development
Weifang Vanke Enterprises Company Limited	Weifang	RMB100,000	100%	–	100%	Property development
Linyi Vanke Enterprises Company Limited	Linyi	RMB100,000	100%	100%	–	Property development
Vanke Overseas Investment Holding Company Limited	The Cayman Islands/ Hong Kong	HKD7,500	75%	–	75%	Property Investment holding
Vanke Real Estate (HK) Company Limited	Hong Kong	HKD3,154,200	100%	80%	20%	Investment holding
Vanke Property (HK) Company Limited	Hong Kong	USD490,000	100%	–	100%	Investment holding
Vanke Property Real Estate (HK) Company Limited	Hong Kong	USD90,000	100%	49%	51%	Investment holding
Dongguan Vanke Architectural Technology Research Company Limited	Dongguan	RMB20,000	100%	100%	–	Others
Vanke Holdings USA LLC	U.S.	USD972,501	100%	–	100%	Investment holding
Jilin Songhua Lake International Resorts Company Limited	Jilin	RMB1,100,000	100%	–	100%	Tourism
Lithium Real Estate (Jersey) Limited	Jersey	GBP27,420	100%	–	100%	Investment holding
Vanke Logistics Development Company Limited	Shanghai	RMB32,910,720	75%	75%	–	Warehousing service
Zhuhai Port Apartment Management Company Limited	Zhuhai	RMB5,000	100%	–	100%	Long-term rentals
Yango	Shanghai	RMB212,500	71.43%	–	62.8893%	Property management, Commercial complex management services
Bon Property	Fuzhou	RMB62,100	71.43%	–	62.8893%	Property services

No individual non-controlling interest is considered material to the Group as at 31 December 2021 and 2020.

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(Expressed in thousands in Renminbi unless otherwise indicated)

16 Interests in associates and joint ventures

(a) Interests in associates

	31 December 2021 RMB'000	31 December 2020 RMB'000
Listed in Hong Kong	4,423,643	5,729,807
Listed in U.S.	2,597,927	2,694,911
Unlisted	72,036,693	67,440,577
	79,058,263	75,865,295

As at 31 December 2021, the market value of the interests in associates listed in Hong Kong was RMB3,006,981,000 (31 December 2020: RMB3,664,255,000).

As at 31 December 2021, the market value of the investment in an associate listed in U.S. was RMB5,968,689,000 (31 December 2020: RMB18,620,055,000).

Management considers that none of the associates of the Group will have a significant impact to the financial position and performance of the Group individually.

	2021 RMB'000	2020 RMB'000
Aggregate carrying amount of individually immaterial associates in the consolidated financial statements	79,467,076	75,865,295
Aggregate impairment loss on interest in an associate	(408,813)	–
Aggregate amounts of the Group's share of those associates' profit or loss for the year	1,282,946	2,792,787
Aggregate amounts of the Group's share of those associates' other comprehensive income for the year	1,512,696	303,572
Shares of changes in equity other than comprehensive income and distributions received from associates	(295,594)	–

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(Expressed in thousands in Renminbi unless otherwise indicated)

16 Interests in associates and joint ventures (continued)

(b) Interest in joint ventures

Management considers that none of the joint ventures of the Group will have significant impact to the financial position and performance of the Group individually.

	2021 RMB'000	2020 RMB'000
Aggregate carrying amount of individually immaterial joint ventures in the consolidated financial statements	65,391,069	66,029,895
Aggregate amounts of the Group's share of those joint ventures' profit or loss	3,605,783	6,946,869

17 Other financial assets

	31 December 2021 RMB'000	31 December 2020 RMB'000
Equity securities designated at FVOCI (non-recycling)		
– Listed equity securities	1,833,455	1,601,237
Financial assets measured at FVPL		
– Listed equity securities	4,156	–
– Unlisted equity securities	1,036,983	697,760
	1,041,139	697,760

The Group designated its investment in certain companies at FVOCI (non-recycling), as the investment is held for strategic purposes. No dividend was received on this investment during the year (2020: RMB16,101,000).



Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

18 Other non-current assets

	31 December 2021 RMB'000	31 December 2020 RMB'000
Prepayments for acquisitions and properties development	5,287,086	10,980,129
Others	2,545,708	2,859,950
	7,832,794	13,840,079

19 Inventories and other contract costs

	31 December 2021 RMB'000	31 December 2020 RMB'000
Properties held for development	159,313,570	201,752,768
Properties under development	828,395,035	725,075,575
Completed properties for sale	86,951,841	74,044,365
Others	1,011,237	1,254,177
Contract costs	7,926,631	6,307,455
	1,083,598,314	1,008,434,340

- (a) The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

	2021 RMB'000	2020 RMB'000
Carrying amount of inventories sold	321,760,871	270,972,219
Write-down of inventories	3,120,114	1,980,818
	324,880,985	272,953,037

Certain of the Group's inventories were pledged for bank loans, see note 26 for details.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

19 Inventories and other contract costs (continued)

(b) Contract costs

Contract costs capitalised as at 31 December 2021 relate to the incremental sales commissions paid to property agents whose selling activities resulted in customers entering into sale and purchase agreements for the Group's properties which are still under construction at the reporting date. Contract costs are recognised as part of "selling and marketing expenses" in the statement of profit or loss in the period in which revenue from the related property sales is recognised. The amount of capitalised costs recognised in profit or loss during the year was RMB4,998,444,000 (2020: RMB3,778,977,000).

The amount of capitalised contract costs that is expected to be recovered after more than one year is RMB1,469,809,000 (31 December 2020: RMB1,188,977,000).

20 Contract assets and contract liabilities

(a) Contract assets

	31 December 2021 RMB'000	31 December 2020 RMB'000
Contract assets		
Arising from performance under construction contracts	10,390,002	6,162,550
Receivables from contracts with customers within the scope of IFRS15, which are included in "Trade and other receivables (Note 21)"	4,771,279	3,002,086

The Group's construction contracts include payment schedules which require stage payments over the construction period once milestones are reached. These payment schedules prevent the build-up of significant contract assets.

The amount of contract assets that is expected to be recovered after more than one year is RMB555,711,000 (2020: RMB67,318,000), all of which relates to retentions.



Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

20 Contract assets and contract liabilities (continued)

(b) Contract liabilities

	31 December 2021 RMB'000	31 December 2020 RMB'000
Contract liabilities		
Property development	636,858,514	630,747,211

The Group receives 20%-100% of the contract value as a deposit from customers when they sign the sale and purchase agreement and the rest of the consideration is paid according to payment schedules. This deposit is recognised as a contract liability until the properties are controlled by the customer.

Movements in contract liabilities

	2021 RMB'000
Balance at 1 January	630,747,211
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	(365,172,733)
Increase in contract liabilities as a result of receiving forward sales deposits and instalments excluding amounts recognised as revenue during the year	365,367,147
Change in consolidation scope	5,916,889
Balance at 31 December	636,858,514

The amount of forward sales deposits and instalments received expected to be recognised as income after more than one year is RMB131,842 million (31 December 2020: RMB155,753 million).

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

21 Trade and other receivables

	Note	31 December 2021 RMB'000	31 December 2020 RMB'000
Trade receivables, net of loss allowance	(a)	4,771,279	3,002,086
Other receivables, net of loss allowance	(b)	128,049,457	120,489,698
Prepayments, net of loss allowance	(c)	85,234,890	78,600,416
Amounts due from associates	(d)	46,566,499	43,071,461
Amounts due from joint ventures	(d)	91,445,163	85,937,385
Derivative financial instruments		–	14,761
		356,067,288	331,115,807

All of the trade and other receivables, apart from receivables of RMB3,774 million (31 December 2020: RMB3,808 million), are expected to be recovered within one year.

(a) Ageing analysis

As at the end of the reporting period, the ageing analysis of trade receivables (which are included in trade and other receivables), based on the date the trade receivables recognised and net of loss allowance, is as follows:

	31 December 2021 RMB'000	31 December 2020 RMB'000
Within 1 year	3,767,388	2,294,266
1 to 2 years	424,626	268,005
2 to 3 years	252,915	247,874
Over 3 years	326,350	191,941
	4,771,279	3,002,086

The Group's credit policy is set out in note 32(a).

- (b) Other receivables mainly included deposits paid for the acquisition of land and advances made to non-controlling shareholders of certain subsidiaries. Allowance for other debtors related to certain long outstanding deposits and management assessed that only a portion of the receivables is expected to be recovered.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

21 Trade and other receivables (continued)

- (c) Prepayments include prepayments for inventories of RMB11,027 million (31 December 2020: RMB9,756 million), prepaid CIT of RMB16,944 million (31 December 2020: RMB15,428 million) and prepaid LAT of RMB12,936 million (31 December 2020: RMB12,976 million) and prepaid value-added tax (“VAT”) of RMB39,149 million (31 December 2020: RMB34,474 million). Impairment provision for prepayments relates to certain prepayments for leasehold land, which are not expected to be recoverable.
- (d) The amounts due from associates and joint ventures as at 31 December 2021 include amounts of RMB22,265 million (31 December 2020: RMB13,918 million) which are interest-bearing at market rate, unsecured and repayable on demand. The interest income from these associates and joint ventures amounted to RMB1,306 million (31 December 2020: RMB570 million). The remaining amounts due from associates and joint ventures are unsecured, interest-free and repayable on demand.

22 Other current assets

At 31 December 2021, other current assets mainly represented investments in wealth management products with maturity dates of less than one year.

23 Cash and cash equivalents**(a) Cash and cash equivalents comprises**

	31 December 2021 RMB'000	31 December 2020 RMB'000
Cash at bank and on hand	140,708,459	185,662,380

As at the end of the reporting period, bank deposit balances amounted RMB195 million (2020: RMB212 million) were held with Huishang Bank, an associate of the Group.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

23 Cash and cash equivalents (continued)

(b) Reconciliation of profit before taxation to cash generated from operation

	Note	2021 RMB'000	2020 RMB'000
Profit before taxation		70,352,749	103,755,529
Adjustments for:			
Write-down of inventories	19(a)	3,120,114	1,980,818
Impairment loss on trade and other receivables and other non-current assets	5(c)	280,488	224,462
Impairment loss of interest in an associate	5(c)	408,813	–
Reversal of impairment loss on prepayment	5(c)	(15,420)	–
Depreciation and amortisation	5(c)	8,063,320	6,984,906
Net gain on disposals of property, plant and equipment	4	(19,241)	(48,381)
Net gain on disposals of subsidiaries, joint ventures and associates	4	(1,376,876)	(2,596,624)
Net (gain)/loss on disposal of other financial assets	4	(20,000)	3,879
Gain on previously held interest in subsidiaries upon loss of control	4	–	(434,881)
Net gain on disposal of other current assets	4	(269,867)	(695,763)
Fair value changes	4	(3,817)	(5,334)
Lease liability charges		1,112,014	985,635
Finance costs	5(a)	6,749,333	7,771,945
Interest income	4	(3,819,804)	(4,680,643)
Dividend income from investments	4	(58,804)	(48,825)
Share of profits less losses of associates and joint ventures		(4,888,729)	(9,739,656)
Net exchange (gain)/loss	4	(7,518)	663,865
Changes in working capital:			
Increase in inventories and other contract costs		(38,294,654)	(38,155,059)
(Increase)/decrease in trade and other receivables and contract assets		(11,271,768)	8,565,526
Increase in trade and other payables and contract liabilities		11,031,763	20,355,529
Cash generated from operations		41,072,096	94,886,928

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

23 Cash and cash equivalents (continued)

(c) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Bank loans and borrowings from financial institutions RMB'000 Note 26	Bonds payable RMB'000 Note 27	Interest payables RMB'000 Note 27	Lease liabilities RMB'000 Note 28	Payable/ (advance) to contracted parties RMB'000	Total RMB'000
At 1 January 2021	202,022,316	56,504,054	1,271,253	26,174,203	2,000,000	287,971,826
Changes from financing cash flows:						
Proceeds from bank loans, borrowings from financial institutions and bonds	107,235,746	14,977,364	-	-	-	122,213,110
Repayment of bank loans, borrowings from financial institutions and bonds	(101,659,017)	(12,935,216)	-	-	-	(114,594,233)
Repayment of advance payment from contracted parties	-	-	-	-	(2,308,000)	(2,308,000)
Interest paid	-	-	(12,525,694)	-	-	(12,525,694)
Capital element of lease rentals	-	-	-	(1,310,726)	-	(1,310,726)
Interest element of lease rentals paid	-	-	-	(1,112,014)	-	(1,112,014)
Total changes from financing cash flows	5,576,729	2,042,148	(12,525,694)	(2,422,740)	(2,308,000)	(9,637,557)
Exchange adjustments	(331,418)	(519,885)	(253,163)	-	-	(1,104,466)
Other changes:						
Increase in lease liabilities from entering into new leases during the period	-	-	-	1,914,836	-	1,914,836
Decrease in lease liabilities from termination of leases during the period	-	-	-	(542,721)	-	(542,721)
Interest expenses (Note 5(a))	-	-	6,749,333	-	-	6,749,333
Lease liability charges	-	-	-	1,112,014	-	1,112,014
Capitalised borrowing costs (Note 5(a))	-	-	6,700,991	-	-	6,700,991
Change in consolidation scope	670,900	-	-	-	-	670,900
Total other changes	670,900	-	13,450,324	2,484,129	-	16,605,353
At 31 December 2021	207,938,527	58,026,317	1,942,720	26,235,592	(308,000)	293,835,156

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(Expressed in thousands in Renminbi unless otherwise indicated)

23 Cash and cash equivalents (continued)

(c) Reconciliation of liabilities arising from financing activities (continued)

	Bank loans and borrowings from financial institutions RMB'000 Note 26	Bonds payable RMB'000 Note 27	Interest payables RMB'000 Note 27	Lease liabilities RMB'000 Note 28	Other payables RMB'000	Total RMB'000
At 1 January 2020	195,726,218	62,126,006	1,484,881	22,703,010	28,170,204	310,210,319
Changes from financing cash flows:						
Proceeds from bank loans, borrowings from financial institutions and bonds	106,113,680	8,963,038	-	-	-	115,076,718
Repayment of bank loans, borrowings from financial institutions and bonds	(98,455,410)	(11,976,481)	-	-	-	(110,431,891)
Repayment of advance payment from contracted parties	-	-	-	-	(27,038,718)	(27,038,718)
Interest paid	-	-	(15,431,258)	-	-	(15,431,258)
Capital element of lease rentals	-	-	-	(1,381,926)	-	(1,381,926)
Interest element of lease rentals paid	-	-	-	(985,635)	-	(985,635)
Total changes from financing cash flows	7,658,270	(3,013,443)	(15,431,258)	(2,367,561)	(27,038,718)	(40,192,710)
Exchange adjustments	(951,411)	(2,608,509)	(302,772)	-	-	(3,862,692)
Other changes:						
Increase in lease liabilities from entering into new leases during the period	-	-	-	5,731,037	-	5,731,037
Decrease in lease liabilities from termination of leases during the period	-	-	-	(877,918)	-	(877,918)
Lease liability charges	-	-	-	985,635	-	985,635
Interest expenses (Note 5(a))	-	-	7,456,683	-	315,262	7,771,945
Capitalised borrowing costs (Note 5(a))	-	-	8,063,719	-	-	8,063,719
Change in consolidation scope	(410,761)	-	-	-	553,252	142,491
Total other changes	(410,761)	-	15,520,402	5,838,754	868,514	21,816,909
At 31 December 2020	202,022,316	56,504,054	1,271,253	26,174,203	2,000,000	287,971,826

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

23 Cash and cash equivalents (continued)**(d) Total cash outflow for leases**

Amounts included in the cash flow statement for leases, excluding the acquisition of land use right as inventory, comprise the following:

	2021 RMB'000	2020 RMB'000
Within operating cash flows	166,145	144,868
Within investing cash flows	196,197	–
Within financing cash flows	2,422,740	2,367,561
	2,785,082	2,512,429

These amounts relate to the following:

	2021 RMB'000	2020 RMB'000
Purchase of leasehold land for own use	196,197	–
Lease rentals paid	2,588,885	2,512,429
	2,785,082	2,512,429

(e) Non-cash transaction

In 2021, the Group re-negotiated and signed supplemental agreements with some non-controlling shareholders in respect of their previous years' investments in certain subsidiaries. According to the terms, these investments, amounted to RMB5,528 million, are treated as equity investments and increased non-controlling interest while no cash inflows or outflows occurred in 2021.

On 25 August 2021, the Company granted the "scrip dividend" option to H shareholders in the 2020 profit distribution plan and completed the placing of 7,651,174 overseas listed foreign shares (H shares), which increased RMB7,651,174 of share capital and RMB123,179,203 of capital reserve, while no cash inflows or outflows occurred in 2021.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

24 Assets held for sale

	31 December 2021 RMB'000	31 December 2020 RMB'000
Investment properties	892,423	6,334,728

Assets being classified as held for sale are recognised at the lower of their carrying amount and fair value less costs to sell (see note 1(ab)). The fair value of the Group's assets held for sale, was approximately RMB1,039,950,000 (31 December 2020: RMB7,956,305,000) as at 31 December 2021 as determined by the directors of the Company with reference to the valuation performed as set out in note 12(a). No impairment loss was recorded for the assets held for sale and the Group does not have any other comprehensive income related to the assets held for sale.

25 Trade and other payables

		31 December 2021 RMB'000	31 December 2020 RMB'000
Trade creditors and bills payable	(a)	330,536,573	296,291,615
Other payables and accruals	(b)	143,839,349	157,960,642
Amounts due to associates	(c)	23,014,522	23,877,251
Amounts due to joint ventures	(c)	41,391,381	53,146,715
Receipts in advance		1,364,286	912,231
Derivative financial instrument	(d)	721,411	336,154
Contingent consideration	36	191,792	-
		541,059,314	532,524,608

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

25 Trade and other payables (continued)

Notes:

- (a) An amount of RMB6,676 million (31 December 2020: RMB5,101 million) included in trade and other payables is expected to be settled after one year.

Ageing analysis of trade creditors and bills payables included in trade and other payables as at the end of the reporting period, based on the invoice date:

	31 December 2021 RMB'000	31 December 2020 RMB'000
Current or payable on demand	323,860,523	291,191,085
Due after one year	6,676,050	5,100,530
Total	330,536,573	296,291,615

- (b) Other payables and accruals mainly include advances from non-controlling interests of certain subsidiaries and other parties for the respective property development projects. These balances, except for an amount of RMB4,617 million (31 December 2020: RMB11,002 million) which are interest-bearing at market rate, are interest-free, unsecured and repayable on demand.
- (c) The amounts of RMB3,807 million (31 December 2020: RMB3,129 million) due to associates and joint ventures are interest-bearing at market rate, unsecured and repayable on demand. The interest expenses for the year amounted to RMB109 million (2020: RMB121 million). The remaining amounts due to associates and joint ventures are unsecured, interest free and repayable on demand.
- (d) The Group entered into cross currency swap ("CCS") contracts for hedging purpose. These CCS contracts are measured at fair value. The effective portion of gains and losses on CCS qualifying for hedge accounting as at 31 December 2021 was recognised in the other comprehensive income and calculated separately in equity in hedging reserve.

The notional amount of outstanding CCS contracts as at 31 December 2021 is RMB11,929 million (31 December 2020: RMB13,597 million), and the fair value of related derivative financial liability is RMB721 million (31 December 2020: derivative financial liabilities at RMB336 million and derivative financial assets at RMB15 million).

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

26 Bank loans and borrowings from financial institutions

This note provides information about the contractual terms of the Group's bank loans and borrowings from financial institutions. For more information about the Group's exposure to interest rate risk, please refer to note 32(c).

	31 December 2021		
	Bank loans RMB'000	Borrowings from financial institutions RMB'000	Total RMB'000
Current			
Secured	14,014,944	–	14,014,944
Unsecured	15,533,304	24,068,000	39,601,304
Interest payables	215,891	10,138	226,029
	29,764,139	24,078,138	53,842,277
Non-current			
Secured	2,080,932	–	2,080,932
Unsecured	117,567,667	34,673,680	152,241,347
	119,648,599	34,673,680	154,322,279



Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

26 Bank loans and borrowings from financial institutions (continued)

	31 December 2020		
	Bank loans RMB'000	Borrowings from financial institutions RMB'000	Total RMB'000
Current			
Secured	7,664,474	–	7,664,474
Unsecured	41,667,859	20,653,200	62,321,059
Interest payables	194,247	119,487	313,734
	49,526,580	20,772,687	70,299,267
Non-current			
Secured	11,061,080	–	11,061,080
Unsecured	75,739,423	45,236,280	120,975,703
	86,800,503	45,236,280	132,036,783

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

26 Bank loans and borrowings from financial institutions (continued)

The secured bank loans are secured over share of interests in certain subsidiaries of the Group and other assets as below:

	31 December 2021 RMB'000	31 December 2020 RMB'000
Inventories	4,898,578	6,397,527
Investment properties	8,867,026	8,877,297
Pledged deposit	3,866,175	3,841,600
Property, plant and equipment	492,938	509,849
	18,124,717	19,626,273

Bank loans and borrowings from financial institutions are interest-bearing at 1.14% to 6.16% per annum (2020: 1.33% to 6.16% per annum).

At 31 December, non-current interest-bearing loans and borrowings were repayable as follows:

	31 December 2021 RMB'000	31 December 2020 RMB'000
After 1 year but within 2 years	66,846,309	53,419,528
After 2 years but within 5 years	76,765,869	75,409,157
After 5 years	10,710,101	3,208,098
	154,322,279	132,036,783

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

27 Bonds payable

	Note	31 December 2021 RMB'000	31 December 2020 RMB'000
Current			
Bonds issued under			
Medium Term Note (“MTN”) Programme	(a)	504,432	1,426,873
RMB Corporate Bonds	(b)	4,501,313	3,511,609
RMB MTN Programme	(c)	–	7,989,349
Interest payables		1,570,462	762,046
		6,576,207	13,689,877
Non-current			
Bonds issued under MTN Programme	(a)	30,510,074	30,121,235
RMB Corporate Bonds	(b)	16,521,269	13,454,988
RMB MTN Programme	(c)	5,989,229	–
		53,020,572	43,576,223
		59,596,779	57,266,100

Notes:

- (a) Vanke Real Estate Hong Kong (“VREHK”), a wholly owned subsidiary of the Group, established a MTN Programme (“the Programme”) which is listed on the Stock Exchange of Hong Kong. These bonds are unsecured and interest-bearing at 3.15% to 5.35% per annum. At 31 December 2021, RMB10,317 million of non-current bonds issued under the Programme are repayable after 1 year but within 2 years, RMB11,950 million of non-current bonds issued under the Programme are repayable after 2 year but within 5 years, and RMB8,243 million of which are repayable after 5 years.
- (b) The Company was approved by the China Securities Regulatory Commission (“CSRC”) for public issuance of corporate bonds not exceeding RMB37 billion to qualified investors. These bonds are unsecured and interest-bearing at 1.90% to 4.11% per annum. At 31 December 2021, RMB10,085 million of non-current bonds are repayable after 2 years but within 5 years, and RMB6,436 million of which are repayable after 5 years.
- (c) The Group issued notes under the MTN programme which are listed on the National Association of Financial Market Institution Investors. These bonds are unsecured and interest-bearing at 3.08% to 3.76% per annum. At 31 December 2021, RMB5,989 million of non-current bonds issued under the programme are repayable after 2 years but within 5 years.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

28 Lease liabilities

The following table shows the remaining contractual maturities of the Group's lease liabilities at the end of the current reporting period:

	31 December 2021	
	Present value of the lease payments RMB'000	Total lease payments RMB'000
Within 1 year	1,925,950	2,923,431
After 1 year but within 2 years	2,048,164	2,946,560
After 2 years but within 3 years	2,095,182	2,918,475
After 3 years	20,166,296	27,852,812
	24,309,642	33,717,847
Balance at 31 December	26,235,592	36,641,278
Less: total future interest expenses		(10,405,686)
Present value of lease liabilities		26,235,592
	31 December 2020	
	Present value of the lease payments RMB'000	Total lease payments RMB'000
Within 1 year	1,584,257	2,625,258
After 1 year but within 2 years	1,705,502	2,672,296
After 2 years but within 3 years	1,784,369	2,680,362
After 3 years	21,100,075	27,866,513
	24,589,946	33,219,171
Balance at 31 December	26,174,203	35,844,429
Less: total future interest expenses		(9,670,226)
Present value of lease liabilities		26,174,203

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

29 Income tax in the consolidated statement of financial position

(a) Current taxation in the consolidated statement of financial position represents:

	2021 RMB'000	2020 RMB'000
Income taxes	12,799,799	14,113,885
LAT	58,384,406	54,533,585
	71,184,205	68,647,470

LAT provisions have been made pursuant to Guo Shui Fa (2006) No. 187 “Circular of State Administration of Taxation on Relevant Issues of Settlement and Management of Land Appreciation Tax for Real Estate Developers”. The Group considers the timing of settlement is dependent on the practice of local tax bureaus. As a result of the uncertainty of timing of payment of LAT, the provisions have been recorded as current liabilities.

(b) Deferred tax assets and liabilities recognised:

(i) Movement of each component of deferred tax assets and liabilities

The components of deferred tax assets/(liabilities) recognised in the consolidated statement of financial position and the movements during the year are as follows:

	Tax losses RMB'000	Write-down of inventories and impairment of investment properties RMB'000	Accruals for construction costs RMB'000	Accrual for LAT RMB'000	Unrealised profits RMB'000	Impairment loss of trade and other receivables RMB'000	Other temporary differences RMB'000	Fair value adjustments arising from business combinations RMB'000	Withholding tax RMB'000	Total RMB'000
<i>(note 6(a)(iii))</i>										
Deferred tax arising from:										
At 1 January 2020	9,767,289	448,930	1,652,500	9,197,201	1,520,436	316,631	524,599	(226,739)	(129,436)	23,071,411
Credited/(charged) to profit or loss (note 6(a))	1,670,135	(113,077)	141,355	2,531,441	(212,978)	42,148	57,245	30,741	30,086	4,177,096
Acquisition of subsidiaries	376,727	-	-	-	-	-	-	-	-	376,727
Disposals of subsidiaries	(251,228)	-	-	(133,923)	-	-	-	-	-	(385,151)
At 31 December 2020 and 1 January 2021	11,562,923	335,853	1,793,855	11,594,719	1,307,458	358,779	581,844	(195,998)	(99,350)	27,240,083
Credited/(charged) to profit or loss (note 6(a))	3,092,346	(202,917)	170,286	1,772,464	44,380	(15,304)	869,386	56,260	(50,573)	5,736,328
Acquisition of subsidiaries	301,880	-	-	-	-	-	-	(1,054,873)	-	(752,993)
Disposals of subsidiaries	(50,032)	-	-	-	-	-	-	-	-	(50,032)
At 31 December 2021	14,907,117	132,936	1,964,141	13,367,183	1,351,838	343,475	1,451,230	(1,194,611)	(149,923)	32,173,386

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

29 Income tax in the consolidated statement of financial position (continued)

(b) Deferred tax assets and liabilities recognised: (continued)

(ii) Reconciliation to the consolidated statement of financial position

	2021 RMB'000	2020 RMB'000
Representing:		
Deferred tax assets	33,517,920	27,535,431
Deferred tax liabilities	(1,344,534)	(295,348)
	32,173,386	27,240,083

(c) Deferred tax assets not recognised:

Deferred tax assets has not been recognised in respect of the following items:

	2021 RMB'000	2020 RMB'000
Tax losses	6,263,474	6,348,280
Deductible temporary differences	8,119,603	6,423,024
At 31 December	14,383,077	12,771,304

The deductible temporary differences will not expire under the current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom. The unrecognised tax losses expired/will expire in the following years:

	2021 RMB'000	2020 RMB'000
2021	–	210,926
2022	448,103	1,088,493
2023	883,615	1,009,106
2024	302,975	1,859,634
2025	1,595,917	2,180,121
2026	3,032,864	–
	6,263,474	6,348,280



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29 Income tax in the consolidated statement of financial position (continued)

(d) Deferred tax liabilities not recognised

Pursuant to the Implementation Rules of the Enterprise Income Tax Law, overseas investors of foreign investment enterprises shall be liable for withholding income tax at 10% on the dividend derived from the profits of PRC subsidiaries with effect from 1 January 2008, unless the tax rate is reduced by treaty. Pursuant to the Sino-Hong Kong Double Tax Arrangements, the investor established in Hong Kong which is the beneficiary owner holding not less than 25% of the equity interests of its PRC subsidiaries can enjoy a reduced withholding tax rate of 5% on the dividend received from its PRC subsidiaries. The Group recognised the deferred tax liabilities in relation to the distributable profits expected to be distributed in foreseeable future.

At 31 December 2021, temporary differences relating to the undistributed profits of domestic subsidiaries that have not been recognised as deferred tax liability amounted to RMB15,145 million (31 December 2020: RMB17,559 million). Deferred tax liabilities of RMB993 million (31 December 2020: RMB1,217 million) have not been recognised in respect of the tax that would be payable on the distribution of these retained profits as the Group controls the dividend policy of these subsidiaries and management expects that it is probable that these profits will not be distributed in the foreseeable future.

30 Other non-current liabilities

The balance mainly represents the amounts that are held on behalf of the owners committees in the property management sector by the Group, present value of proceeds to be paid by instalments for Qianhai Enterprise Dream Park Project.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

31 Capital, reserves and dividends

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

	Note	Share capital RMB'000	Share premium RMB'000	Statutory reserves RMB'000	Other reserves RMB'000	Retained profits RMB'000	Total equity RMB'000
Balance at 1 January 2020		11,302,143	15,582,180	70,826,254	371,944	12,912,440	110,994,961
Changes in equity for 2020:							
Profit for the year		-	-	-	-	40,984,723	40,984,723
Total comprehensive income		-	-	-	-	40,984,723	40,984,723
Issuance of shares	31(b)	315,589	6,849,707	-	-	-	7,165,296
Dividends approved in respect of the previous year	31(d)	-	-	-	-	(11,810,739)	(11,810,739)
Appropriation of statutory reserves	31(c)(i)	-	-	26,640,070	-	(26,640,070)	-
Balance at 31 December 2020 and 1 January 2021		11,617,732	22,431,887	97,466,324	371,944	15,446,354	147,334,241
Changes in equity for 2021:							
Profit for the year		-	-	-	-	24,945,811	24,945,811
Total comprehensive income		-	-	-	-	24,945,811	24,945,811
Issuance of shares	31(b)	7,651	123,179	-	-	-	130,830
Dividends approved in respect of the previous year	31(d)	-	-	-	-	(14,522,165)	(14,522,165)
Appropriation of statutory reserves	31(c)(i)	-	-	13,720,196	-	(13,720,196)	-
Balance at 31 December 2021		11,625,383	22,555,066	111,186,520	371,944	12,149,804	157,888,717

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

31 Capital, reserves and dividends (continued)

(b) Share capital

Issued share capital

	2021		2020	
	No. of shares ('000)	RMB'000	No. of shares ('000)	RMB'000
A shares-registered, issued and fully paid of RMB1 each:				
At 1 January and 31 December	9,724,197	9,724,197	9,724,197	9,724,197
H shares-registered, issued and fully paid of RMB1 each:				
At 1 January	1,893,535	1,893,535	1,577,946	1,577,946
Shares issued	7,651	7,651	315,589	315,589
At 31 December	1,901,186	1,901,186	1,893,535	1,893,535
At 1 January	11,617,732	11,617,732	11,302,143	11,302,143
At 31 December	11,625,383	11,625,383	11,617,732	11,617,732

Included in the A shares are 6,643,268 shares (2020: 6,643,268 shares) with restriction to transfer.

On 25 August 2021, the Company granted the "scrip dividend" option to H shareholders in the 2020 profit distribution plan and completed the placing of 7,651,174 overseas listed foreign shares (H shares), which increased RMB7,651,174 of share capital and RMB123,179,203 of capital reserve.

The holders of A and H shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. All A and H shares rank equally with regard to the Company's residual assets.



Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

31 Capital, reserves and dividends (continued)

(c) Nature and purpose of reserves

(i) Statutory reserves

Statutory surplus reserve

According to the PRC Company Law, the Group is required to transfer 10% of its profit after taxation, as determined under PRC Accounting Regulations, to statutory surplus reserve until the reserve balance reaches 50% of the registered capital. The transfer to this reserve must be made before distribution of a dividend to shareholders.

Statutory surplus reserve can be used to make up for previous years' losses, if any, and may be converted into share capital by the issue of new shares to equity shareholders in proportion to their existing shareholdings or by increasing the par value of the shares currently held by them, provided that the balance after such issue is not less than 25% of the registered capital.

Discretionary surplus reserve

The appropriation to the discretionary surplus reserve is subject to the shareholders' approval. The utilisation of the reserve is similar to that of the statutory surplus reserve.

For the year ended 31 December 2021, the directors proposed to transfer RMB13,720,196,000 (2020: RMB26,640,070,000) of the Company's current year's net profit to this reserve.

(ii) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 1(z).

(iii) Hedging reserve

The hedging reserve consists of cash flow hedge reserve and cost of hedging reserve. Cash flow hedge reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss. The cost of hedging reserve reflects gain or loss on the portion excluded from the designated hedging instrument that relates to the forward element and foreign currency basis spread of forward contracts. It is initially recognised in other comprehensive income and accounted for similarly to gains or losses in the hedging reserve.

(iv) Fair value reserve (non-recycling)

The fair value reserve (non-recycling) comprises the cumulative net change in the fair value of equity investments designated at FVOCI under IFRS 9 that are held at the end of the reporting period.

(v) Other reserves

Other reserves are mainly resulted from transactions with owners in their capacity as owners.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

31 Capital, reserves and dividends (continued)**(d) Distributability of reserves and dividends**

At 31 December 2021, the aggregate amount of reserves available for distribution to equity shareholders of the Company, as calculated under the provisions of the Company Law of the PRC, was RMB12,149,804,000 (31 December 2020: RMB15,446,354,000).

(i) Dividend payable to equity shareholders of the Company attributable to the year

	2021 RMB'000	2020 RMB'000
Dividend to be proposed at the Company's forthcoming annual general meeting of RMB0.97 per share (2020: RMB1.25 per share)	11,276,622	14,522,165

The dividend to be proposed at the Company's forthcoming annual general meeting has not been recognised as a liability at the end of the reporting period. If any circumstances, such as issuance of new shares or share repurchase before the record date for dividend distribution, results in the changes in our total number of shares on record date for dividend distribution, dividend per share shall be adjusted accordingly on the premise that the total dividends amount remains unchanged.

(ii) Dividend payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

	2021 RMB'000	2020 RMB'000
Final dividend in respect of the previous financial year, approved and paid during the year, of RMB1.25 per share (2020: RMB1.0166131 per share)	14,522,165	11,810,739

(e) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

31 Capital, reserves and dividends (continued)

(e) Capital management (continued)

The Group monitors its capital structure on the basis of gearing ratio. This ratio is calculated as net debt divided by total equity of the Group. Net debt is calculated as total bank loans and borrowings from financial institutions and bonds payable less cash and cash equivalents and pledged and restricted deposits. The gearing ratio of the Group at 31 December 2021 and 2020 is calculated as follows:

	2021 RMB'000	2020 RMB'000
Bank loans and borrowings from financial institutions	207,938,527	202,022,316
Bonds payable	58,026,317	56,504,054
Less: Cash and cash equivalents	(140,708,459)	(185,662,380)
Pledged and restricted deposits	(8,643,985)	(9,568,344)
Net debt	116,612,400	63,295,646
Total equity	392,772,777	349,844,474
Gearing ratio	29.69%	18.09%

32 Financial risk management and fair values

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to cash and cash equivalents, pledged and restricted deposits, contract assets, trade and other receivables and other financial assets, and the carrying amounts of these assets represent the Group's maximum exposure to credit risk in relation to financial assets. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

Cash and cash equivalents and pledged and restricted deposits held by the Group are mainly deposited in financial institutions such as commercial banks which maintain sound reputation and financial situation. The credit risk is considered low.

Except for the financial guarantees given by the Group as set out in notes 34 and 35(d), the Group does not provide any other guarantees which would expose the Group to credit risk.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

32 Financial risk management and fair values (continued)

(a) Credit risk (continued)

(i) Trade receivables and contract assets

Credit risk from sale of properties is minimised as the Group normally receives full payment from buyers before the transfer of property ownership. Credit risk from construction contracts is minimised as the customers are mainly government related parties with good credit record and the contracts include payment schedules which require stage payments over the construction period once milestones are reached.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At the end of the reporting period, trade receivables amounted to RMB4,771 million or 0.25% of total assets (31 December 2020: RMB3,002 million or 0.16% of total assets), and contract assets amounted to RMB10,390 million or 0.54% of total assets (2020: RMB6,163 million or 0.33% of total assets). The corresponding credit risk to the Group is therefore considered insignificant.

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables as at 31 December 2021:

	Gross carrying amount RMB'000	Expected loss rate %	Loss allowance RMB'000
Within 1 year	3,836,260	1.80	68,873
1-3 years	741,799	8.66	64,257
Over 3 years	433,508	24.72	107,158
	5,011,567		240,288

Movement in the loss allowance account in respect of trade receivables during the year is as follows:

	2021 RMB'000	2020 RMB'000
Balance at 1 January	115,741	73,044
Amounts reversal during the year	(21,443)	(22,974)
Impairment losses recognised during the year	65,770	58,820
Change in consolidation scope	80,220	6,851
Balance at 31 December	240,288	115,741

No loss allowance in respect of contract assets was accrued during the reporting period since the expected credit loss from contract assets is considered immaterial.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

32 Financial risk management and fair values (continued)

(a) Credit risk (continued)

(ii) Other receivables and other non-current assets

In respect of amounts due from associates and joint ventures, the Group assesses and closely monitors their financial conditions and profitability to manage their credit risk.

In respect of other receivables due from third parties, the Group monitors the exposures and manages them based on historical settlement records and past experience, current conditions and forecasts of future economic conditions.

At each reporting date, the Group measures the expected credit losses of other receivables in following ways:

If, at the reporting date, the credit risk on other receivable has not increased significantly since initial recognition, the Group measures the loss allowance for other receivable at an amount equal to 12-month expected credit loss. The Group measures the loss allowance for other receivables at an amount equal to the lifetime expected credit loss if the credit risk on other receivable has increased significantly since initial recognition and no impairment loss has occurred. The Group measures the loss allowance for other receivables at an amount equal to the lifetime expected credit loss if impairment losses has occurred since initial recognition.

The following table provides information about the Group's exposure to credit risk and ECLs for other receivables as at 31 December 2021:

	Gross carrying amount RMB'000	12-month expected credit loss allowance RMB'000
For other receivables that the credit risk has not increased significantly since initial recognition:	126,070,188	187,154

	Gross carrying amount RMB'000	Lifetime expected credit loss allowance RMB'000
For other receivables that the credit risk has increased significantly since initial recognition and no impairment loss has occurred:	1,879,584	612,392

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

32 Financial risk management and fair values (continued)

(a) Credit risk (continued)

	Gross carrying amount RMB'000	Lifetime expected credit loss allowance RMB'000
For other receivables that impairment losses have occurred since initial recognition:	2,084,048	1,184,817

Expected loss rates are based on historical loss experience. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Movement in the loss allowance account in respect of other receivables during the year is as follows:

	2021 RMB'000	2020 RMB'000
Balance at 1 January	1,843,182	1,666,982
Amounts reversals during the year	(67,147)	(80,785)
Impairment losses recognised during the year	250,966	269,401
Change in consolidation scope	(42,638)	(12,416)
Balance at 31 December	1,984,363	1,843,182

During the year, management concluded that the credit risk of investment instruments which included in other non-current assets increased significantly since initial recognition. An impairment loss of RMB52 million was made during the year ended 31 December 2021 (2020: nil).

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

32 Financial risk management and fair values (continued)

(b) Liquidity risk

The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and long terms.

The following table details the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on current rates at the end of the reporting period) and the earliest date the Group can be required to pay:

	Contractual undiscounted cash outflow					
	Carrying amount RMB'000	Total contractual undiscounted cash flow RMB'000	Within 1 year or on demand RMB'000	More than 1 year but less than 2 years RMB'000	More than 2 years but less than 5 years RMB'000	More than 5 years RMB'000
31 December 2021						
Bank loans and borrowings from financial institutions	208,164,556	231,364,554	61,374,928	73,520,107	81,428,558	15,040,961
Bonds payable	59,596,779	65,081,844	7,352,811	13,865,993	29,078,588	14,784,452
Lease liabilities	26,235,592	36,641,278	2,923,431	2,946,560	8,633,366	22,137,921
Trade creditors and accruals	522,602,741	522,699,239	516,023,191	6,676,048	–	–
Other non-current liabilities	1,201,342	1,208,127	–	1,208,127	–	–
Total	817,801,010	856,995,042	587,674,361	98,216,835	119,140,512	51,963,334

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

32 Financial risk management and fair values (continued)

(b) Liquidity risk (continued)

	Contractual undiscounted cash outflow					
	Carrying amount RMB'000	Total contractual undiscounted cash flow RMB'000	Within 1 year or on demand RMB'000	More than 1 year but less than 2 years RMB'000	More than 2 years but less than 5 years RMB'000	More than 5 years RMB'000
31 December 2020						
Bank loans and borrowings						
from financial institutions	202,336,050	222,633,847	79,182,009	58,923,398	80,367,985	4,160,455
Bonds payable	57,266,100	64,234,743	15,133,327	2,110,941	32,255,685	14,734,790
Lease liabilities	26,174,203	35,844,429	2,625,258	2,672,296	8,085,410	22,461,465
Trade creditors and accruals	508,535,458	508,656,181	503,555,646	5,100,535	-	-
Other non-current liabilities	1,190,176	1,300,608	-	1,148,778	151,830	-
Total	795,501,987	832,669,808	600,496,240	69,955,948	120,860,910	41,356,710

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises primarily from its bank loans and borrowings from financial institutions. Bank loans and borrowings from financial institutions issued at variable rates expose the Group to cash flow interest rate risk. The interest rate and terms of repayment of the Group's interest-bearing borrowings are disclosed in notes 26 and 27 to the consolidated financial statements.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

32 Financial risk management and fair values (continued)

(c) Interest rate risk (continued)

(i) Interest rate profile

The following table details the interest rate profile of the Group's borrowings at the end of the reporting period.

	31 December 2021		31 December 2020	
	Effective interest rate %	RMB'000	Effective interest rate %	RMB'000
Fixed rate borrowings:				
Bank loans and borrowings from financial institutions	2.99%~6.16%	58,522,629	3.22%~6.00%	49,438,304
Bonds payable	1.90%~5.35%	55,448,168	1.90%~5.35%	53,043,735
		113,970,797		102,482,039
Variable rate borrowings:				
Bank loans and borrowings from financial institutions	Floating rate based on Libor/Hibor/SWAP/LPR	149,641,927	Floating rate based on Libor/Hibor/SWAP/LPR	152,897,745
Bonds payable	Floating rate based on Libor	4,148,611	Floating rate based on Libor	4,222,366
		153,790,538		157,120,111
Total net borrowings		267,761,335		259,602,150
Fixed rate borrowings as a percentage of total borrowings		43%		39%

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

32 Financial risk management and fair values (continued)**(c) Interest rate risk (continued)****(ii) Sensitivity analysis**

At 31 December 2021, it is estimated that a general increase of 50 basis points in interest rates of bank loans and borrowings from financial institutions of the Group, with all other variables held constant, would have decreased the Group's profit after tax and total equity by approximately RMB313 million (31 December 2020: RMB308 million).

In respect of the exposure to cash flow interest rate risk arising from floating rate non-derivative instruments held by the Group at the end of the reporting period, the impact on the Group's profit after tax and total equity is estimated as an annualised impact on interest expense or income of such a change in interest rates. The analysis is performed on the same basis for 2020.

The sensitivity analysis above assumes that the change in interest rates had occurred at the end of the reporting period and had been applied to all floating rate bank loans and borrowings from financial institutions, without taking into account the impact of interest capitalisation.

(d) Currency risk

The functional currency of the Company and its principal subsidiaries is Renminbi ("RMB"). The Group is exposed to currency risk primarily on cash and cash equivalents, other financial assets, trade and other receivables and borrowings which are denominated in United States dollars (USD), Hong Kong dollars (HKD), and Great Britain Pound (GBP).

Cash and cash equivalents denominated in foreign currencies are as follows:

	31 December 2021 RMB'000	31 December 2020 RMB'000
USD	5,813,480	356,804
HKD	341,753	500,650
GBP	2,993	3,291

Other financial assets denominated in foreign currencies are as follows:

	31 December 2021 RMB'000	31 December 2020 RMB'000
USD	85,720	93,364

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

32 Financial risk management and fair values (continued)

(d) Currency risk (continued)

Trade and other receivables denominated in foreign currencies are as follows:

	31 December 2021 RMB'000	31 December 2020 RMB'000
USD	929,816	600,727
HKD	1,681	91,289
GBP	66	–

Bank loans and borrowings from financial institutions and bonds payable denominated in foreign currencies, excluding amount hedge against by CCS contracts, are as follows:

	31 December 2021 RMB'000	31 December 2020 RMB'000
USD	25,863,947	32,996,516
HKD	14,829,355	7,847,872
GBP	360,906	1,148,339

Trade and other payables denominated in foreign currencies are as follows:

	31 December 2021 RMB'000	31 December 2020 RMB'000
USD	3,889	6,664
HKD	28,884	455

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

32 Financial risk management and fair values (continued)

(d) Currency risk (continued)

(i) Hedges of foreign exchange risk

The following table provides information on the CCS contracts which have been designated as cash flow hedges of the foreign exchange risk inherent in the Group's foreign currency borrowings and bonds at the end of the reporting period:

	31 December 2021 RMB'000	31 December 2020 RMB'000
Notional amount		
– CCS contracts	11,929,122	13,597,355
Carrying amount qualified for hedge accounting (note)		
– CCS contracts	721,411	646,693

Note: CCS liabilities amounted to RMB721,411,000 are included in the "Trade and other payables" line item in the consolidated statement of financial position.

The CCS will mature in the next 6 years. The Group adopts rollover strategy to match the maturity of hedging instruments with the maturity of the related USD borrowings and bonds (see note 32(b)) and have fixed exchange rates of USD against RMB ranging from 6.7280 to 6.9200 (2020: 6.7280 to 6.9200).

The Group seeks to hedge the foreign exchange spot rate only and applies a hedge ratio of 1:1. The existence of an economic relationship between the hedging instruments and hedged items is determined by matching their critical contract terms. The main source of hedge ineffectiveness in these hedging relationships is the effect of the counter parties and the Group's own credit risk on the fair value of the CCS contracts, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in exchange rates.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

32 Financial risk management and fair values (continued)

(d) Currency risk (continued)

(i) Hedges of foreign exchange risk (continued)

The following table provides a reconciliation of the cash flow hedge reserve and deferred costs of hedging reserve in respect of foreign exchange risk and shows the effectiveness of the hedging relationships:

	2021 RMB'000	2020 RMB'000
Cash flow Hedge Reserve		
Balance at 1 January	–	–
Effective portion of the cash flow hedge recognised in other comprehensive income	(237,617)	(960,605)
Amounts reclassified to profit or loss (note (i))	237,617	960,605
Balance at 31 December (note (ii))	–	–
Costs of Hedging Reserve		
Balance at 1 January	387,285	73,374
Costs of hedging for the year	(250,544)	313,911
Amounts reclassified to profit or loss (note (i))	–	–
Balance at 31 December (note (ii))	136,741	387,285
Change in spot element of hedging instruments during the year	(237,617)	(960,605)
Change in value of hedged item used to determine hedge effectiveness during the year	237,617	960,605

Notes:

- (i) Amounts reclassified to profit or loss are recognised in the “Finance costs” line item in the consolidated statement of profit or loss (see note 5(a)).
- (ii) The entire balance in cash flow hedge reserve and costs of hedging reserve relates to continuing hedges.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

32 Financial risk management and fair values (continued)**(d) Currency risk (continued)****(i) Hedges of foreign exchange risk (continued)**

Based on the assumption that HKD continue to be pegged to USD, the Group considers the risk of movements in exchange rates between HKD and USD to be insignificant. Management estimated that a 1% (2020: 1%) appreciation of USD/HKD against RMB, the Group's net profit and equity would be both decreased by approximately RMB350 million (2020: decreased by RMB393 million respectively). Management estimated that a 1% (2020: 1%) appreciation of GBP against RMB, the Group's net profit and equity would be both decreased by approximately RMB4 million (2020: decreased by RMB10 million respectively).

The analysis has been determined assuming that the change in foreign exchange rates had occurred at the end of the reporting period and that all other variables remain constant. Financial assets and liabilities denominated in currencies other than RMB held by subsidiaries of the Group in Hong Kong or overseas which the functional currencies are not RMB were not accounted for in the analysis.

(e) Fair values**(i) Financial instruments measured at fair value***Fair value hierarchy*

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-levels fair value hierarchy as defined in IFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

• Level 1 valuations:	fair value measured using only level 1 inputs i.e. unadjusted quoted prices in active markets for identical financial instruments
• Level 2 valuations:	fair value measured using level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
• Level 3 valuations:	fair value measured using significant unobservable inputs

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

32 Financial risk management and fair values (continued)

(e) Fair values (continued)

(i) Financial instruments measured at fair value (continued)

31 December 2021

Items	Fair value at 31 December 2021	Fair value measurements as at 31 December 2021 categorised into		
		Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000
Unlisted equity securities	1,036,983	–	–	1,036,983
Non-trading listed securities	1,833,455	1,833,455	–	–
Trading listed equity securities	4,156	4,156	–	–
Other current assets*	20,587	–	–	20,587
Recurring fair value measurement assets	2,895,181	1,837,611	–	1,057,570
Derivative financial instruments – CCS contracts	(721,411)	–	(721,411)	–
Contingent consideration	(191,792)	–	–	(191,792)
Recurring fair value measurement liabilities	(913,203)	–	(721,411)	(191,792)
Assets held for sale	892,423	–	–	892,423
Non-recurring fair value measurement assets	892,423	–	–	892,423

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

32 Financial risk management and fair values (continued)

(e) Fair values (continued)

(i) Financial instruments measured at fair value (continued)

31 December 2020

Items	Fair value at 31 December 2020	Fair value measurements as at 31 December 2020 categorised into		
		Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000
Derivative financial instruments:				
– CCS contracts	14,761	–	14,761	–
Unlisted equity securities	697,760	–	–	697,760
Non-trading listed securities	1,601,237	1,601,237	–	–
Other current assets*	170,480	–	–	170,480
Recurring fair value measurement assets				
	2,484,238	1,601,237	14,761	868,240
Derivative financial instruments				
– CCS contracts	(336,154)	–	(336,154)	–
Recurring fair value measurement liabilities				
	(336,154)	–	(336,154)	–
Assets held for sale	6,334,728	–	–	6,334,728
Non-recurring fair value measurement assets				
	6,334,728	–	–	6,334,728

* Other current assets measured at fair value represent the Group's investments in wealth management products, which were measured at fair value through profit and loss, and the fair value is determined by calculating based on the discounted cash flow method.

During 2021, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3 (2020: Nil).

(ii) Fair value of financial assets and liabilities carried at other than fair value.

The carrying amount of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair value as at 31 December 2020 and 2021.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

33 Commitments

Capital commitments outstanding at 31 December not provided for in the financial statements were as follows:

	31 December 2021 RMB'000	31 December 2020 RMB'000
Construction and development contracts	218,056,728	189,469,842
Land agreements	7,450,810	6,117,510
	225,507,538	195,587,352

Commitments mainly related to land and development costs for the Group's properties under development.

34 Contingent liabilities

As at the end of the reporting period, the Group has issued guarantees to banks to secure the mortgage arrangement of property buyers. The outstanding guarantees to the banks amounted to RMB244,427 million (31 December 2020: RMB228,226 million) which will be terminated upon the completion of the transfer procedures with the buyers in respect of the legal title of the properties.

The directors do not consider it probable that the Group will sustain a loss under these guarantees as the bank has the rights to sell the property and recovers the outstanding loan balance from the sale proceeds if the property buyers default payment. The Group has not recognised any deferred income in respect of these guarantees as its fair value is considered to be minimal by the directors.

In addition, the Group is the defendant in certain lawsuits as well as the plaintiff in other proceedings arising in the ordinary course of business. While the outcomes of such contingencies, lawsuits or other proceedings cannot be determined at present, management believes that any resulting liabilities will not have a material adverse effect on the financial position or operating results of the Group.

Details of the financial guarantees issued by the Group for certain associates and joint ventures are set out in note 35(d).

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

35 Material related party transactions

Except for transactions disclosed in other parts of the financial statements, the details of other material related party transactions are as follows:

(a) Transactions with key management personnel**(i) Remuneration for key management personnel of the Group is as follows:**

	2021 RMB'000	2020 RMB'000
Short-term employee benefits	36,498	62,258

- (ii) In 2010, the Group launched the Economic Profits Bonus Plan (the "Plan") as a supplement to the existing employee remuneration system. The bonus amount attributable to each year is determined by reference to 10% of the key performance indicator of Economic Profits in the corresponding year. The bonus for 2021 to which the directors and the supervisors of the Company are entitled under the period of their terms of office has not yet been determined. The distribution of the Plan for 2021 will be approved after the 2021 Annual General Meeting and the amounts to which the key management personnel that are entitled will be disclosed in next year's annual financial statements. The bonus distribution, net of individual income tax, entitled by the key management personnel of the Company under the Plan for 2020, was RMB51,203,000. The final amounts may fluctuate due to the arrangement of "Contingent return".

Name	The bonus distribution net of individual income tax for 2020 RMB'000
Mr. YU Liang	9,615
Mr. ZHU Jiusheng	8,361
Mr. XIE Dong	6,239
Mr. WANG Haiwu	6,946
Ms. HAN Huihua	5,570
Mr. LIU Xiao	5,532
Ms. ZHU Xu	4,470
Ms. QUE Dongwu	4,470
Total	51,203

- (iii) In 2021, the Group sold some properties to certain key management personnel at total consideration of RMB7,351,000 with cost of sales of RMB4,673,000 (2020: RMB30,021,000 with cost of sales of RMB8,997,000).



Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

35 Material related party transactions (continued)

(b) Project management fee charged by the Group

During 2021, the Group charged associates and joint ventures project management fee amounted to RMB781 million (2020: RMB1,370 million).

(c) Malls management fee paid by the Group

During 2021, the Group paid associates malls management fee amounted to RMB41 million (2020: RMB52 million).

(d) Financial guarantees issued

As at 31 December 2021, the Group provided certain guarantees to secure the loans borrowed by certain associates and joint ventures. The outstanding guarantees amounted to RMB13,938 million (2020: RMB15,449 million).

The directors do not consider it probable that a claim will be made against the Group under any of these guarantees. Accordingly, the Group did not recognise any deferred income in this respect.

(e) Transactions with a shareholder

In 2015, the Group cooperated with the Shenzhen Metro Group to jointly develop Mangrove Bay and Shenzhen North Station Project (the "Projects"). At 31 December 2021, the Group's investment in the Projects amounted to RMB5,993 million (31 December 2020: RMB5,993 million) and the outstanding payables balances was RMB8,676 million (31 December 2020: RMB9,991 million).

In 2020, the Group set up Foshan Nanhai Wantie Property Development Co., Ltd. together with Shenzhen Metro Property Co., Ltd., a wholly-owned subsidiary of Shenzhen Metro Group, as a non-controlling shareholder, to jointly develop Foshan Nanhai New Transport Depot Upper Cover Project. As at 31 December 2021, the Group's investment in the project amounted to RMB2.8 billion (31 December 2020: RMB2.8 billion) and the outstanding payables balances was RMB545 million (31 December 2020: RMB1.9 billion).

In 2020, the Group and Shenzhen Metro Group set up a joint venture, Shenzhen Metro Vanke Industrial Development Co., Ltd, to jointly acquire and develop transit-oriented development projects in the Greater Bay Area and other major cities. The Group subscribed for the registered capital in proportion to its 50% equity interest in the joint venture amounted to RMB500 million. At 31 December 2021, the Group's investment in the Projects amounted to RMB25 million.

(f) Security service fee paid by the Group

In 2021, the Group paid security service fee amounted to RMB4,591 million (2020: RMB3,652 million) to Shenzhen Vanyu SecurePro Co., Ltd., an associate of the Group.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

36 Acquisitions of subsidiaries

During the year, the Group has acquired certain subsidiaries which held property development projects or engaged in the provision of property management and related services. Acquisitions of major subsidiaries by the Group during the year are summarised as follows:

Date of acquisition	Name of subsidiaries acquired	Percentage of equity interest after acquisition	Total consideration RMB'000
August 2021	Bon Property	100%	2,006,192
October 2021	Yango	100%	5,030,681

Bon Property was set up by in Fuzhou on 25 July 2005, and principally engaged in the provision of property management and related services. Bon Property was previously held by Fujian Jiamenkou Investment Co, Ltd. On 31 August 2021, the Group obtained control over Bon Property by acquiring 100% of the equity interests in Bon Property with a fixed cash consideration of RMB1,814,400,000 and a contingent cash consideration of RMB191,792,000 determined by the profit for the year of 2021 which are included in the "Trade and other payables" line item in the consolidated statement of financial position.

Yango was set up on 29 July 2020, and principally engaged in the provision of property management and related services. Yango was previously held by Yango Group Co.,Ltd. On 1 October 2021, the Group obtained control over Yango by acquiring 100% of the equity interests in Yango with a consideration of RMB5,030,681,000.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

36 Acquisitions of subsidiaries (continued)

The acquisitions of these subsidiaries had the following combined effect on the Group's assets and liabilities upon the dates of acquisitions:

2021

	Bon Property RMB'000 (a)	Yango RMB'000 (a)	Others RMB'000 (b)	Total RMB'000
Current assets	439,607	1,383,882	57,206,417	59,029,906
Non-current assets	1,268,703	3,011,039	1,421,691	5,701,433
Current liabilities	(583,254)	(1,012,045)	(35,403,834)	(36,999,133)
Non-current liabilities	(323,527)	(739,608)	(2,149,308)	(3,212,443)
Non-controlling interest	(434)	(27,504)	(3,779,826)	(3,807,764)
Net assets acquired attributable to the Group	801,095	2,615,764	17,295,140	20,711,999
Goodwill on acquisition	1,205,097	2,414,917	–	3,620,014
Total consideration	2,006,192	5,030,681	17,295,140	24,332,013
Consideration paid in prior years for the acquisitions	–	–	(2,646,754)	(2,646,754)
Consideration to be paid subsequent to current year	(418,392)	–	(2,157,845)	(2,576,237)
Non-cash consideration	–	(2,030,681)	–	(2,030,681)
Consideration paid during the year	1,587,800	3,000,000	12,490,541	17,078,341
Total cash and cash equivalents acquired	(70,523)	(90,830)	(1,753,620)	(1,914,973)
Consideration paid for prior years' acquisitions	–	–	754,637	754,637
Net cash outflow	1,517,277	2,909,170	11,491,558	15,918,005

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

36 Acquisitions of subsidiaries (continued)

- (a) As at the acquisition date, uncompleted property management contracts and customer relationships, and brand were identified as intangible assets. The goodwill is attributable mainly to the synergies expected to be achieved in the Group's future business.
- (b) The acquired subsidiaries' major assets are properties held for development, properties under development and completed properties for sale. The directors consider that the purpose of acquiring those subsidiaries is solely to acquire the underlying properties.

The above subsidiaries contributed an aggregate revenue of RMB2,485 million and net profit attributable to the equity shareholders of the Company of RMB178 million to the Group for the year ended 31 December 2021. Should the acquisitions have occurred on 1 January 2021, the consolidated revenue and the consolidated profit attributable to the equity shareholders of the Company for the year ended 31 December 2021 would have been RMB462,927 million and RMB24,070 million respectively.

37 Disposal of subsidiaries

During the year, the Group has disposed certain subsidiaries which held property development projects. Subsequent to the disposals, these entities are no longer subsidiaries of the Group and certain of these subsidiaries became joint ventures or associate of the Group respectively.

The combined effect of such disposals on the Group's assets and liabilities is set out below:

	2021 RMB'000
Current assets	11,976,193
Non-current assets	6,777,479
Current liabilities	(15,641,606)
Non-current liabilities	(1,900,853)
Non-controlling interests	(101,150)
Remaining interest after disposal as interest in joint ventures and associates	(7,000)
Net assets attributable to the Group disposed of	1,103,063
Total consideration	2,072,654
Consideration received in prior years for the disposals	(329,727)
Consideration to be received subsequent to current year	(85,420)
Consideration received, satisfied in cash	1,657,507
Cash and cash equivalents disposed of	(464,981)
Consideration received for the disposals in prior years	2,029,406
Net cash inflow	3,221,932

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

38 Company-level statement of financial position at 31 December 2021

	Note	31 December 2021 RMB'000	31 December 2020 RMB'000
Non-current assets			
Property, plant and equipment		3,266,004	3,264,410
Investment properties		427	888
Investments in subsidiaries		59,203,911	50,218,211
Interest in associates and joint ventures		5,170,275	5,362,966
Other financial assets		482,839	362,839
Other non-current assets		267,039	267,039
		68,390,495	59,476,353
Current assets			
Trade and other receivables		390,092,147	329,490,742
Other current assets		32,869	23,922
Cash and cash equivalents		50,296,118	92,434,811
		440,421,134	421,949,475
Current liabilities			
Bank loans, borrowings from financial institutions		39,654,057	58,570,206
Bonds payable		5,873,517	12,056,023
Trade and other payables		167,246,951	154,049,711
Contract liabilities		4,043,297	3,382,509
		216,817,822	228,058,449
Net current assets		223,603,312	193,891,026
Total assets less current liabilities		291,993,807	253,367,379

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

38 Company-level statement of financial position at 31 December 2021 (continued)

	Note	31 December 2021 RMB'000	31 December 2020 RMB'000
Non-current liabilities			
Bank loans and borrowings from financial institutions		111,594,593	92,578,150
Bonds payable		22,510,497	13,454,988
		134,105,090	106,033,138
NET ASSETS			
		157,888,717	147,334,241
CAPITAL AND RESERVES			
Share capital	31(b)	11,625,383	11,617,732
Reserves		146,263,334	135,716,509
TOTAL EQUITY			
		157,888,717	147,334,241

39 Non-adjusting events after the reporting period

(a) After the end of the reporting period the directors proposed a final dividend. Further details are disclosed in note 31(d).

(b) Issuance of bonds

25 January 2022 – 26 January 2022, the Group issued a public offering of MTN of RMB3 billion of 3-year term with a coupon rate of 2.95% per annum.

14 February 2022 – 15 February 2022, the Group issued a public offering of MTN of RMB3 billion of 3-year term with a coupon rate of 2.98% per annum.

23 February 2022 – 24 February 2022, the Group issued a public offering of MTN of RMB2 billion of 3-year term with a coupon rate of 3.0% per annum.

3 March 2022 – 4 March 2022, the Group issued a public offering of corporate bonds to qualified investors of RMB1.99 billion, including RMB0.89 billion of 3-year term with a coupon rate of 3.14% per annum, and RMB1.1 billion of 5-year term with a coupon rate of 3.64% per annum.

(c) Redemptions of bonds

On 28 February 2022, the Group bought back the remaining 19,970,000 shares of bonds "19 Vanke 01" amount to RMB1,997,000,000 (excluding interests). And on 7 March 2022, the Group redeemed the remaining 30,000 shares of bonds "19 Vanke 01" amount to RMB3,000,000 (excluding interests) in advance.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

40 Comparative figures

Certain comparative figures have been reclassified to conform with current year's presentation.

41 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2021

Up to the date of issue of these financial statements, the IASB has issued a number of amendments, and a new standard, IFRS 17, Insurance contracts, which are not yet effective for the year ended 31 December 2021 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to IFRS 3, <i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to IAS 16, <i>Property, Plant and Equipment: Proceeds before Intended Use</i>	1 January 2022
Amendments to IAS 37, <i>Onerous Contracts – Cost of Fulfilling a Contract</i>	1 January 2022
Annual Improvements to IFRSs 2018-2020 Cycle	1 January 2022
Amendments to IAS 1, <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
Amendments to IAS 1 and IFRS Practice Statement 2, <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to IAS 8, <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to IAS 12, <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to IFRS 10 and IAS 28, <i>Sale or contribution of assets between an investor and its associate or joint venture</i>	to be determined

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

	2021 RMB'000	2020 RMB'000	2019 RMB'000	2018 RMB'000	2017 RMB'000
Consolidated Results					
Revenue	452,797,774	419,111,678	367,893,878	297,083,058	237,344,688
Profit before taxation	70,352,749	103,755,529	106,116,493	87,064,968	64,681,739
Income tax	(32,283,222)	(44,457,413)	(50,984,878)	(37,792,673)	(27,473,352)
Profit for the year	38,069,527	59,298,116	55,131,615	49,272,295	37,208,387
Attributable to:					
Equity shareholders of the Company	22,524,033	41,515,545	38,872,087	33,772,652	28,051,815
Non-controlling interests	15,545,494	17,782,571	16,259,528	15,499,643	9,156,572
Consolidated Assets					
Non-current assets	338,369,823	321,790,033	290,940,096	233,507,500	147,794,085
Inventories and other contract costs	1,083,598,314	1,008,434,340	901,807,080	754,310,077	597,487,304
Cash and cash equivalents	140,708,459	185,662,380	159,738,651	175,668,164	164,326,007
Other current assets	376,016,180	353,354,218	377,517,470	365,177,674	255,831,977
Bank loans and borrowings from financial institutions	208,164,556	202,336,050	196,142,559	190,065,978	152,138,365
Bonds payable	59,596,779	57,266,100	62,908,538	71,141,619	38,486,048
Receipts in advance/contract liabilities	636,858,514	630,747,211	577,047,227	504,711,414	407,705,940
Other liabilities	641,300,150	629,047,136	623,325,857	527,123,674	380,435,081
Capital and Reserves	392,772,777	349,844,474	270,579,116	235,620,730	186,673,939
Total equity attributable to					
equity shareholders of the Company	235,953,134	224,510,953	188,058,492	155,764,132	132,675,315
Non-controlling interests	156,819,643	125,333,521	82,520,624	79,856,598	53,998,624
Basic earnings per share (RMB)	1.94	3.62	3.47	3.06	2.54
Dividends per share (taxes included) (RMB)	0.97	1.25	1.045	1.07	0.90

Contents of Documents Available for Inspection

1. Financial Statements containing the signature and seal of the Company's legal representative and Supervisor of Finance.
2. Original copy of the audit report containing the seal of the account firm and the signature of the certified public accountants.
3. Original copy of the company documents and announcements disclosed in the newspaper designated by CSRC during the reporting period.
4. English version of the Annual Report.
5. Other documents.

The Company should keep the original copy or the legally effective copy of the above documents at the Company's office of the Board.

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