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CHINA VANKE CO., LTD.*

萬科企業股份有限公司

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

(Stock Code: 2202)

PROFIT ALERT

This announcement is made by China Vanke Co., Ltd.* (the “**Company**”) pursuant to Rule 13.09 and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

I. ESTIMATED RESULTS FOR THE PERIOD

- (I) Period of estimated results: From 1 January 2024 to 31 December 2024 (the “**Reporting Period**”)
- (II) Estimated results: The expected net profit is negative

Items	The Reporting Period	The same period of last year
Net profit attributable to shareholders of the Company	Loss: Approximately RMB45,000 million	Profit: RMB12,162.6844 million
	Decreased compared to the same period of last year: 470.0%	
Net profit after deducting non-recurring gains and losses	Loss: Approximately RMB41,000 million	Profit: RMB9,793.8412 million
	Decreased compared to the same period of last year: 518.6%	
Basic earnings per share	Loss: Approximately RMB3.79 per share	Profit: RMB1.03 per share

II. INFORMATION ON COMMUNICATION WITH THE AUDITOR

The Company has communicated with its auditor in respect of this results forecast and relevant issues. This results forecast is preliminary accounting data prepared by the finance department of the Company in accordance with accounting standards and has not yet been audited by the accounting firm.

III. MAIN REASONS FOR LOSSES IN RESULTS IN 2024

The Company expects to incur losses for the following main reasons:

- (I) The scale of real estate development projects' settlements and gross profit margins declined significantly. During the Reporting Period, the profit settlement of real estate development business mainly consist of projects sold in 2022 and 2023 and the completed housing and quasi completed housing inventory digested in 2024. A majority of such projects are land acquired before 2022 with a relatively high land acquisition costs, and with the continuous market downturn during the subsequent sales phase, sales and gross profit margins turned out to be lower than investment expectations, led to a significant reduction in total gross profit on settlement during the Reporting Period.
- (II) Additional provisions for credit impairment and inventory impairment allowance have been made.
- (III) Loss incurred in certain financial investments in non-main businesses.
- (IV) Considerations of some bulk asset transactions and equity transactions are lower than their book values.

The Company deeply apologises for the performance loss and will make every effort to promote business improvement. During the Reporting Period, the Company formulated the “package of plans” for the business reformation and risk mitigation, firmly focusing on streamlining operations, concentrating on its core business, and sparing no effort for self-rescue, thus achieving positive progress: the Company achieved its high-quality delivery of over 180,000 houses, actively promoted the sales in the development business, thereby achieving a sales amount of RMB246.02 billion, and topping the industry ranking in terms of sales area; the Company realized a contract amount from bulk transactions of RMB25.9 billion and vigorously carried out the stock revitalization, recovering over RMB10 billion in cash through the revitalization. Looking forward, the Company considers that the industry has already got through the most difficult time, and is confident that the real estate market will stop falling and stabilise, while believing that the positive improvement in the external environment has also served as good conditions for the Company to resolve its own issues. In 2025, the Company will continue to accelerate the risk mitigation, and confidently complete the delivery with high quality, and will make every effort to achieve its performance improvement in 2025. At the same time, the Company will fully focus on the three main businesses of comprehensive residential development, property services, and rental housing, further enhance the competitiveness of products and services, so as to support itself to quickly get back to a healthy and sustainable development path, and transform towards a high-quality development model.

This results forecast is the result of the Company’s internal preliminary calculation, and the specific financial data is subject to the 2024 annual results announcement which will be officially disclosed. The Company will strictly follow the provisions and requirements of relevant laws and regulations, and make the information disclosure in a timely manner. Investors are advised to make cautious decisions and be aware of the risks associated with investment.

Shareholders of the Company and potential investors are urged to exercise caution when dealing in the securities of the Company.

**Board of Directors of
China Vanke Co., Ltd.***

Shenzhen, the PRC, 27 January 2025

As at the date of this announcement, the Board of the Company comprises Mr. YU Liang and Ms. WANG Yun as executive directors; Mr. XIN Jie, Mr. HU Guobin, Mr. HUANG Liping and Mr. LEI Jiansong as non-executive directors; and Mr. LIU Tsz Bun Bennett, Mr. LIM Ming Yan, Dr. SHUM Heung Yeung Harry and Mr. ZHANG Yichen as independent non-executive directors.

* *For identification purpose only*