**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)**

# CONNECTED TRANSACTION
# RECEIPT OF THE FINANCIAL ASSISTANCE FROM SUBSTANTIAL SHAREHOLDER AND PROPOSED PROVISION OF ASSET COLLATERAL

On 21 July 2026 (after trading hours), the Company entered into the Loan Agreement with Shenzhen Metro Group, the substantial shareholder of the Company, pursuant to which Shenzhen Metro Group agreed to provide a loan to the Company with a total amount not exceeding RMB519 million; the Group is required to provide a pledge in favor of Shenzhen Metro Group to secure the Company's performance of its obligations under the Loan Agreement. The subject matter of the pledge is Collection of Accounts Receivable of RMB519 million owed to the subsidiary controlled by the Group (i.e. a loan-to-value ratio of 100%), serving as security under the Loan Agreement.

As at the date of this announcement, Shenzhen Metro Group is a substantial Shareholder holding approximately 27.18% of the total issued share capital of the Company, and hence a connected person of the Company pursuant to Chapter 14A of the Listing Rules. Therefore, the Transactions contemplated thereunder constitute a connected transaction of the Company. Pursuant to Rule 14A.81 of the Listing Rules, the Transactions shall be aggregated with the Previous Transaction, which was entered into with the same party during the 12 months immediately preceding the date of the Transactions. As one or more of the applicable percentage ratios calculated in accordance with Rule 14.07 of the Listing Rules in respect of the Transactions, on a standalone basis and when aggregated with the Previous Transaction, exceed 0.1% but are all below 5%, the Transactions are therefore subject to the reporting and announcement requirements but are exempt from the circular, independent financial advice and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

## INTRODUCTION

On 21 July 2026 (after trading hours), the Company entered into the Loan Agreement and the Asset Collateral with Shenzhen Metro Group, a substantial Shareholder, pursuant to which Shenzhen Metro Group agreed to provide a loan to the Company with a total amount not exceeding RMB519 million; the Group is required to provide a pledge in favor of Shenzhen Metro Group to secure the Company's performance of its obligations under the Loan Agreement. The subject matter of the pledge is Collection of Accounts Receivable of RMB519 million owed to the subsidiary controlled by the Group (i.e. a loan-to-value ratio of 100%), serving as security under the Loan Agreement.

## THE LOAN AGREEMENT

The principal terms of the Loan Agreement are set forth below:

**Date:** 21 July 2026

**Parties:**
(a) the Company (as borrower); and

(b) Shenzhen Metro Group (as lender).

**Maximum principal amount:** RMB519 million

**Term of the Loan:** The principal and interest on the Loan shall be repaid based on the actual Collection of Accounts Receivable by the Company and/or its subsidiaries, but no later than the date on which three years from the First Drawdown Date expired. Where the borrower makes the drawdowns in instalments, the latest due date for each instalment of the Loan shall be the same as that of the first instalment. The last permitted drawdown date of the Loan is 31 July 2026. As of the date of this announcement, the Company has not made any drawdown.

**Interest rates and payment:** Subject to compliance with the applicable laws and regulations, the floating interest rate of the Loan for each drawdown shall be the one-year LPR minus 71 basis points (i.e., LPR-0.71%). As of the date of this announcement, the applicable interest rate is 2.29%; upon adjustment of the loan interest rate under legal and regulatory policies and in other circumstances, the loan interest rate under the Loan Agreement will be adjusted accordingly.

The interest rate is determined on normal commercial terms or better, after arm's length negotiations and with reference to the considerations set out in the section headed "BASIS FOR DETERMINING THE INTEREST RATE OF THE LOAN AND THE LOAN-TO-VALUE RATIO OF THE ASSET COLLATERAL, AND REASONS FOR AND BENEFITS OF THE TRANSACTIONS" of this announcement.

Unless the Loan Agreement states otherwise, the interest is calculated on a daily basis from the actual drawdown date, and shall be settled on a quarterly basis. When the loan is due, the remaining accrued interest shall be settled together with the principal, which is intended to be funded by the Group's internal resources.

**Use of proceeds:** The proceeds from the Loan will be used to repay the principal and interests accrued under various bonds issued by the Company in the open market, as well as the interests accrued under other designated debts repayable by the Company as agreed by the lender. For details, please refer to the section headed "BASIS FOR DETERMINING THE INTEREST RATE OF THE LOAN AND THE LOAN-TO-VALUE RATIO OF THE ASSET COLLATERAL, AND REASONS FOR AND BENEFITS OF THE TRANSACTIONS" of this announcement.

**Source of funds for and arrangements of repayment:** Including but not limited to accounts receivable entitled by Hainan Wanjun, a subsidiary controlled by the Group, the Collection of Accounts Receivable on proceeds from the disposal of such accounts receivable and other own funds available to the borrower.

Even if the latest due date for the Loan is stipulated in the Loan Agreement, the Company shall repay the principal and interest on the Shareholders' loan under the Loan Agreement according to the actual repayment status on the Collection of Accounts Receivable by the Company and/or its subsidiaries, for which:

(1) the Company and/or its subsidiaries unanimously agree that, unless otherwise stipulated in the Shareholders' loan agreement, prior to the full settlement of the Company's debts under the Shareholders' loan agreement, any Collection of Accounts Receivable shall be applied on a priority basis to the repayment of the Company's debts under the Shareholders' loan agreement.

(2) On the date when the Company and/or its subsidiaries receive any instalment of Collection of Accounts Receivable (including the Collection of Accounts Receivable in instalments or as a lump sum), they shall serve Shenzhen Metro Group with a written notice of the receipt of such Collection of Accounts Receivable; where the Company or its subsidiaries require retained funds for their own use, they shall also obtain written confirmation from Shenzhen Metro Group regarding the estimated amount to be retained; Shenzhen Metro Group shall have the right to decide whether to approve the applications from the Company and/or its subsidiaries to retain and use such funds; funds may only be retained or used upon written consent from Shenzhen Metro Group; otherwise, the Company and/or its subsidiaries shall apply the entire amount in accordance with the terms of this agreement to repay the Company's debts under the Shareholders' loan agreement.

(3) The balance after deducting the amount retained for use as confirmed by Shenzhen Metro Group shall constitute the balance of the Collection of Accounts Receivable. Upon receipt of the Collection of Accounts Receivable and confirmation of the balance of such Collection of Accounts Receivable by Shenzhen Metro Group, the principal and interest of the Loan under the Shareholders' loan agreement equivalent to the balance of that instalment of Collection of Accounts Receivable shall become due; Shenzhen Metro Group shall have the right to require the Company to repay such debts as they become due until all the Company's debts under the Loan Agreement have been fully settled.

If the Company fails to repay the debt as agreed above, Shenzhen Metro Group shall not waive the repayment obligation of the Company; the Company shall fulfill its relevant obligations in accordance with the Loan Agreement.

**Conditions precedent:** Unless Shenzhen Metro Group agrees to provide loans in advance, any drawdown of the Loan is conditional upon satisfaction of the following requirements:

(i) the Group has provided corresponding guarantees as required by Shenzhen Metro Group, has signed the guarantee agreements, and has completed the relevant guarantee procedures;

(ii) there is no breach of the Loan Agreement or other agreements entered into between the Company and Shenzhen Metro Group;

(iii) the evidence materials for the use of proceeds of the Loan provided by the Company are consistent with the agreed use under the Loan Agreement;

(iv) the borrowing and repayment arrangements under the Loan Agreement have complied with the relevant resolution and announcement procedures in accordance with laws, regulations and the Listing Rules, and neither the Shenzhen Stock Exchange nor the Hong Kong Stock Exchange has raised any objection to the borrowing, repayment and related procedures under the Loan Agreement; and

(v) the Company has provided all other information as required by Shenzhen Metro Group (which, for the avoidance of doubt, is public information disseminated in accordance with applicable laws and regulations, and hence equally accessible to all Shareholders).

As at the date of this announcement, conditions precedent for the drawdown of the Loan under the Loan Agreement have not yet been fully satisfied.

**Asset Collateral:** The Group is required to provide a pledge in favor of Shenzhen Metro Group to secure the Company's performance of its obligations under the Loan Agreement. The subject matter of the pledge is Collection of Accounts Receivable of RMB519 million owed to the subsidiary controlled by the Group (i.e. a loan-to-value ratio of 100%), serving as security under the Loan Agreement. The parties shall enter into a corresponding asset pledge agreement in accordance with the Loan Agreement.

During the duration of the Loan, if the proceeds from the Collection of Accounts Receivable held by the Group are insufficient to repay the principal, interest, and other fees payable by the Company under the Loan Agreement, the Company shall fully repay the shortfall or, with the consent of Shenzhen Metro Group, provide additional qualified security. If the establishment of the right of pledge proposed by the Group on the pledge over the Collection of Accounts Receivable cannot be implemented, Shenzhen Metro Group shall have the right to require the Company to provide other security acceptable to Shenzhen Metro Group for the Loan. The Company shall provide sufficient security as required by Shenzhen Metro Group. The relevant security measures shall become effective after the Company has completed all necessary resolution procedures in accordance with laws, regulations and the Listing Rules, and completed the relevant security formalities (if required).

The Company shall promptly notify Shenzhen Metro Group in case of disputes on ownership of properties, sealing or seizures regarding the Asset Collateral, and separately provide other guarantees approved by Shenzhen Metro Group.

For details of the Asset Collateral, please refer to the section headed "PROPOSED PROVISION OF ASSET COLLATERAL" in this announcement.

**Covenants:** The Company shall promptly notify Shenzhen Metro Group upon the occurrence of any of the following circumstances:

(i) merger, division, capital reduction, equity pledge, major asset and debt transfer, external guarantee, major external investment, substantial increase in debt financing, or other actions being carried out by the Company that may adversely affect the rights and interests of Shenzhen Metro Group;

(ii) change in the articles of association, business scope, registered capital, or legal representative of the Company;

(iii) foreclosure, dissolution, liquidation, suspension of business for rectification, revocation of business license, cancellation of or application for (or being applied for) bankruptcy of the Company;

(iv) the Company being involved, or probably being involved in major disputes, litigation, arbitration, or property or collateral being sealed, seized, or supervised by law, or creating new substantial liabilities on the security;

(v) shareholders, directors, and current senior management personnel of the Company being suspected of involvement in significant cases or economic disputes;

(vi) material breach of other contracts by the Company affecting the Company's repayment ability;

(vii) the Company encounters operational difficulties and deterioration in financial conditions;

(viii) the pledge of accounts receivable as agreed in the Loan Agreement cannot be implemented; and

(ix) other significant adverse matters affecting the Company's debt repayment ability.

The Company also covenants the following in favor of Shenzhen Metro Group:

(i) withdraw and use the Loan in accordance with the terms and purposes stipulated in the Loan Agreement;

(ii) the Loan withdrawn not be used for shareholders' dividends, bonuses, fines, investments in financial assets, fixed assets, and equity, inflating fiscal revenue, increasing hidden local government debts, or illegally entering into the real estate market or flowing into the securities market, the futures market, or any other areas or purposes prohibited or restricted by relevant national laws, regulations or regulatory requirements in any form;

(iii) repay the principal, interest, and other payable amounts of the Loan in accordance with the terms of the Loan Agreement;

(iv) accept and cooperate with Shenzhen Metro Group in inspecting and supervising the use of the Loan including the purpose by way of account analysis, certificate inspection and on-site investigation, and periodically report the use of the Loan as required by Shenzhen Metro Group, providing financial accounting information and other information reflecting the Company's debt repayment ability (such as the balance sheet and profit or loss statement which, for the avoidance of doubt, are public information disseminated in accordance with applicable laws and regulations, and hence equally accessible to all Shareholders), and actively assist and cooperate with Shenzhen Metro Group in investigating, understanding, and supervising the Company's production, operation and financial conditions;

(v) timely, comprehensively, and accurately disclose related party relationships and related transactions to Shenzhen Metro Group;

(vi) timely sign and acknowledge receipt of all notices sent by Shenzhen Metro Group, whether by mail or other means;

(vii) not to dispose of its own assets in a manner that reduces debt repayment ability, and not to provide guarantees to third parties that may harm Shenzhen Metro Group's interests;

(viii) periodically submit complete, true, and accurate information on external guarantees to Shenzhen Metro Group;

(ix) ensure the repayment order of the Loan is at least equal to the Company's similar debts to other creditors; and

(x) strengthen the management of environmental, social, and governance risks, and accept Shenzhen Metro Group's supervision and inspection in this regard.

**Others:** The Loan Agreement contains the following representations and warranties from the Company to Shenzhen Metro Group, which shall remain valid throughout the term of the Loan Agreement:

(i) the Company is qualified to act as principal of the borrower and has the qualification and the ability to execute and perform the Loan Agreement;

(ii) at the time the Loan Agreement becomes effective, all necessary authorisations or approvals have been obtained, and the execution and performance of the Loan Agreement do not violate the Company's articles of association or relevant laws and regulations, nor do they contradict with obligations under other contracts of the Company;

(iii) the Company operates in compliance with the law, maintains good credit standing, and has no malicious defaults on principal or interest owed to Shenzhen Metro Group;

(iv) the Company has a sound organizational structure and financial management system, and no major violations or disciplinary actions have occurred in the course of its production and operations in the past year;

(v) all documents and materials provided by the Company to Shenzhen Metro Group are true, accurate, complete, and effective, with no false records, significant omissions, or misleading statements;

(vi) the accounting reports provided by the Company to Shenzhen Metro Group (which, for the avoidance of doubt, are public information disseminated in accordance with applicable laws and regulations, and hence equally accessible to all Shareholders), are prepared in accordance with the PRC accounting standards and accurately, fairly, and completely reflect the Company's operating conditions and liabilities;

(vii) the Company has not concealed any litigation, arbitration, or claims it is involved in from Shenzhen Metro Group, and there are no ongoing litigation, arbitration, other administrative procedures, or claims that may affect the Company's ability to sign or perform and repay the Loan under the Loan Agreement; and

(viii) the Company has not concealed any matters that have occurred or are occurring that may affect the financial condition and debt repayment ability from Shenzhen Metro Group.

## PROPOSED PROVISION OF ASSET COLLATERAL

The Group is required to provide a pledge in favor of Shenzhen Metro Group to secure the Company's performance of its obligations under the Loan Agreement. The subject matter of the pledge is accounts receivable of RMB519 million owed to Hainan Wanjun, the subsidiary controlled by the Group (i.e. a loan-to-value ratio of 100%), serving as security under the Loan Agreement.

The initial security level of the Asset Collateral is determined based on a loan-to-value ratio of 100%, calculated using the following formula:

$$\text{Loan-to-value ratio} = A / B$$

Where:

A = the total sum of principal accrued under the Loan; and

B = the carrying amount of the Group's Collection of Accounts Receivable.

## BASIS FOR DETERMINING THE INTEREST RATE OF THE LOAN AND THE LOAN-TO-VALUE RATIO OF THE ASSET COLLATERAL, AND REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Company considered that obtaining the Loan by entering into the Loan Agreement would be the most effective way to raise funds for the Group. The Company will arrange for the use of the proceeds from the Loan Agreement in accordance with its actual funding requirements which will be used to repay the principal of and accrued interest on the bonds issued by the Company in the open market and the accrued interest on designated debts agreed by Shenzhen Metro Group.

To ensure sufficient asset collateral for the Loan and thereby mitigate its financial risks, Shenzhen Metro Group requires the Group to provide the Asset Collateral for the Loan. After considering the negotiations between both parties regarding the Loan, and given that the Loan's interest rate and the initial loan-to-value ratio for the Asset Collateral were determined through arm's length negotiations to be mutually acceptable and beneficial for both the Company and Shenzhen Metro Group, taking into account the prevailing market interest rates and standards as detailed below, the Company agreed to provide the Asset Collateral to Shenzhen Metro Group.

The Loan's interest rate and initial loan-to-value ratio of the Asset Collateral are similar to those of the similar historical borrowing and collateral arrangements between the Company and Shenzhen Metro Group (such as the Supplementary Agreement to the 2025 Loan Framework Agreement and the 2026 Loan Framework Agreement entered into by the parties on 12 May 2026, and the Loan Agreement entered into by the parties on 12 June 2026; for details, please refer to the Company's announcement and/or circular published by the Company on 12 May 2026, 14 May 2026 and 12 June 2026, respectively), and taking into account (i) the interest rate of LPR minus 0.71% (i.e. 2.29% as of the date of this announcement) under the Loan Agreement, which is lower than LPR; and (ii) the loan-to-value ratio of the Collection of Accounts Receivable at 100%, which is no less favourable than the prevailing market usual standard of domestic financial institutions; the Company considered that the terms of the Transactions, while adhering to market-oriented principles, are more favorable as compared to the market rates. This fully reflects Shenzhen Metro Group's support for the Company.

## APPROVAL OF THE BOARD

The thirty-eighth meeting of the twentieth session of the Board approved the entering into of the Loan Agreement and the proposed provision of the Asset Collateral on 20 July 2026.

The related Directors, namely Mr. HUANG Liping and Mr. LEI Jiangsong, have abstained from voting on the Board resolution in respect of this matter. Save for the aforesaid, none of the other Directors has any material interest in such matter, and no Director is required to abstain from voting on such resolution.

Having regard to the foregoing, the Directors believe that the Transactions were determined after arm's length negotiations between the parties, which meet the business and financial needs of the Group and will not adversely affect the financial performance or operating results of the Group. The Directors (including the independent non-executive Directors) are of the view that, while the Transactions are not entered into in the ordinary and usual course of business of the Group, they are on normal commercial terms or better which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## INFORMATION OF THE PARTIES

### The Company

The Company is a joint stock limited company incorporated in the PRC on 30 May 1984, and its H shares are listed on the Main Board of the Hong Kong Stock Exchange and its A shares are listed on the Shenzhen Stock Exchange. The Company is principally engaged in property development and property investment in the PRC.

### Shenzhen Metro Group

Shenzhen Metro Group, incorporated on 31 July 1998, is a large-scale state-owned proprietary enterprise under the direct control of the Shenzhen State-owned Assets Supervision and Administration Commission. Shenzhen Metro Group is principally engaged in metro constructions, rail operations, property development, commercial operations, property management, engineering investigations and design, etc. Shenzhen Metro Group has undertaken the construction of the "Combination of Three Rails into One" ("三鐵合一") project, combining national railways, intercity railways and urban rail transit, and the operation of the "four-in-one" ("四位一體") core value chain consisting of railway construction, railway operation, station-city development and resource management, and is striving to build up an open, innovative and inclusive "Railway+" ecosystem.

## LISTING RULES IMPLICATIONS

As at the date of this announcement, Shenzhen Metro Group is a substantial Shareholder holding approximately 27.18% of the total issued share capital of the Company, and hence a connected person of the Company pursuant to Chapter 14A of the Listing Rules. Therefore, the Transactions constitute a connected transaction of the Company. Pursuant to Rule 14A.81 of the Listing Rules, the Transactions shall be aggregated with the Previous Transaction, which was entered into with the same party during the 12 months immediately preceding the date of the Transactions. As one or more of the applicable percentage ratios calculated in accordance with Rule 14.07 of the Listing Rules in respect of the Transactions, on a standalone basis and when aggregated with the Previous Transaction, exceed 0.1% but are all below 5%, the Transactions are subject to the reporting and announcement requirements but are exempt from the circular, independent financial advice and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

## DEFINITIONS

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| "Asset Collateral" | the pledge provided by the Group in favor of Shenzhen Metro Group to secure the Company's performance of its obligations under the Loan Agreement. The subject matter of the pledge is accounts receivable of RMB519 million owed to Hainan Wanjun, the subsidiary controlled by the Group (i.e. a loan-to-value ratio of 100%), serving as security under the Loan Agreement |
| "Board" | the board of directors of the Company |
| "Collection of Accounts Receivable" | the collection of accounts receivable and other available funds held by the Group |
| "Company" | China Vanke Co., Ltd.* (萬科企業股份有限公司), a joint stock limited company incorporated in the PRC on 30 May 1984, the shares of which are listed on the Shenzhen Stock Exchange and the Hong Kong Stock Exchange |
| "Director(s)" | the director(s) of the Company |
| "First Drawdown Date" | the date on which the first instalment of the borrowed funds was actually paid to the receiving account designated by the Company |
| "Group" | the Company and its subsidiaries |
| "Hainan Wanjun" | Hainan Wanjun Management Service Co., Ltd., a limited company incorporated in the PRC, a subsidiary controlled by the Group |
| "Hong Kong" | the Hong Kong Special Administrative Region of the PRC |
| "Hong Kong Stock Exchange" | The Stock Exchange of Hong Kong Limited |
| "Listing Rules" | the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange |
| "Loan" | the loan in the aggregate amount not exceeding RMB519 million to be provided by Shenzhen Metro Group to the Company under the Loan Agreement |
| "Loan Agreement" | the loan agreement dated 21 July 2026 entered into between the Company and Shenzhen Metro Group in respect of the Loan |

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| "LPR" | the loan prime rate as published by the National Interbank Funding Center (authorized by the People's Bank of China) as at the applicable day prior to the drawdown date of the Loan |
| "PRC" or "China" | the People's Republic of China |
| "Previous Transaction" | on 12 June 2026 (after trading hours), the Company entered into the Loan Agreement with Shenzhen Metro Group, a substantial Shareholder of the Company, pursuant to which Shenzhen Metro Group agreed to provide a loan to the Company with a total amount not exceeding RMB1,140 million; the Group shall provide a pledge in favour of Shenzhen Metro Group to secure the Company's performance of its obligations under the Loan Agreement. The subject matter of the pledge is accounts receivable of RMB1,140 million in total from the debt on accounts receivable entitled by Beijing Zhongsheng Xingjian Real Estate Development Co., Ltd, a subsidiary of the Company (i.e. a loan-to-value ratio of 100%), serving as security under the Loan Agreement |
| "RMB" | Renminbi, the lawful currency of the PRC |
| "Shareholder(s)" | shareholder(s) of the Company |
| "Shenzhen Metro Group" | Shenzhen Metro Group Co., Ltd. (深圳市地鐵集團有限公司), a state-owned proprietary enterprise established in the PRC on 31 July 1998, which primarily engages in metro constructions, rail operations, property development, commercial operations, property management, engineering investigations and design, etc. and is an existing substantial Shareholder of the Group and a connected person of the Company |
| "substantial Shareholder(s)" | has the meaning ascribed to it under the Listing Rules |
| "Transactions" | the transactions contemplated under the Loan Agreement |
| "%" | per cent |

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

Shenzhen, the PRC, 21 July 2026

*As at the date of this announcement, the Board comprises Mr. HUANG Liping, Mr. HU Guobin and Mr. LEI Jiangsong as non-executive Directors; Ms. WANG Yun as executive Director; and Mr. LIU Tsz Bun Bennett, Mr. LIM Ming Yan and Dr. SHUM Heung Yeung Harry as independent non-executive Directors.*

* *For identification purpose only*