

vanke

余寒料峭知春近 星光不负赶路人

2023 Annual Results Announcement

March 2024

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# **1. Results Key Points**

## Operating cash flow

Positive for **15**  
consecutive years

## Cost of newly acquired onshore financing

**3.61%**  
Down **27bp** from the previous year

## Average debt maturity

**5.14 years**  
Increased by **0.35 years** from the previous year

## Debt-to-asset ratio after deduction of advance receipts

**65.5%**  
Down **2.1pct** from the beginning of the year

## Development business

Sales revenue: **RMB 376.12 billion**

Sales volume ranks 2<sup>nd</sup> in the industry with **289,000 units** delivered with high quality

## Operating service business

Aggregate revenue: **RMB 55.81 billion**, up **8.9% YoY**

Made breakthrough for publicly traded REITs  
Achieved progress in Pre-REITS private funds

## Property management services

Number of Onewo Towns increased to **621**

Overall efficiency improved by **4.5pct** for renovated Onewo Towns

## Rental housing

EBITDA improved by **32.3%**

Achieved overall **profitability** under cost approach

## Logistics and warehousing

NOI **RMB 2.19 billion**

Up **10.6% YoY**

## Retail property development and operations

SCPG occupancy rate: **94.8%**

Up **1.6pct YoY**  
Tier-1 and-2 cities made up over **90%** of total floor area

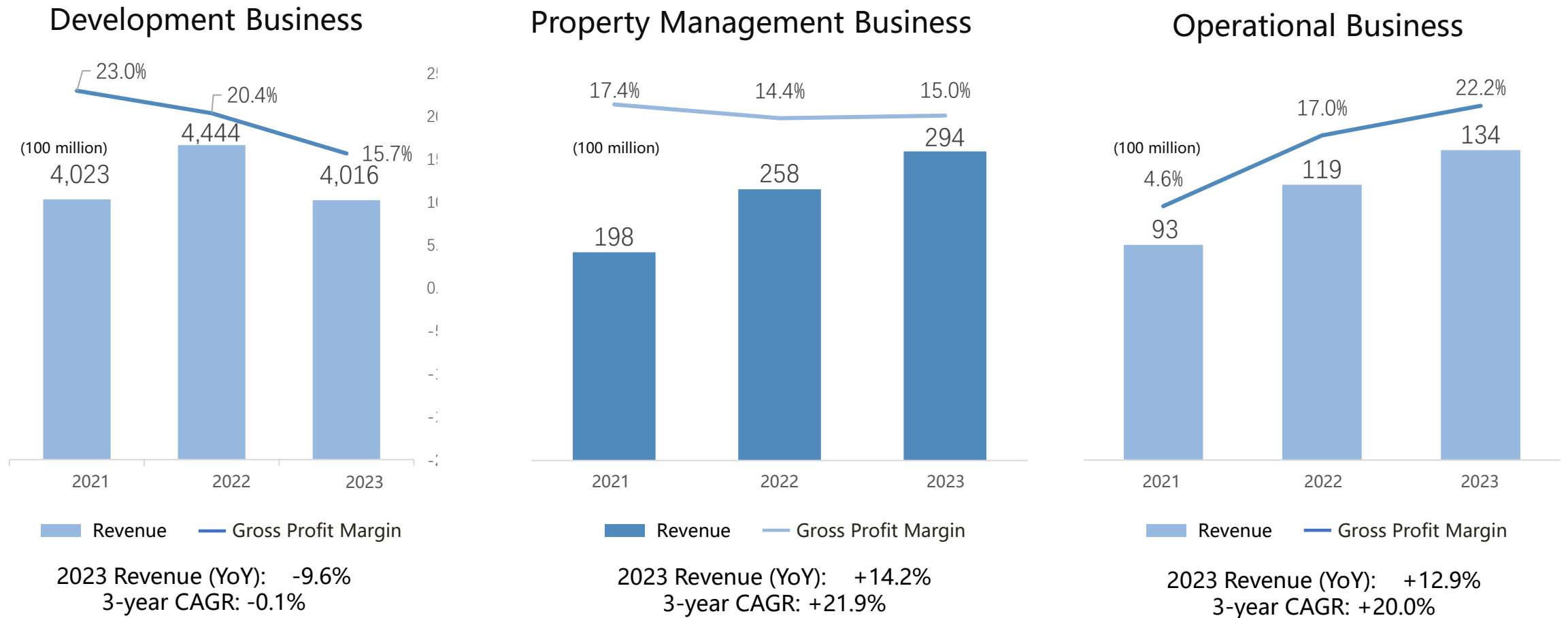
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## **2. Financial Review**

- Net profit attributable to shareholders' equity amounted to 12.16 billion yuan, down by 46.4% YoY. The primary reasons for this decline were the reduced settlement size and gross margin of development business, as well as the impairment provisions made for certain development projects.
- Due to the increasing proportion of land costs in selling prices in recent years, the overall gross margin before tax was 15.2%, representing a year-on-year decrease of 4.3 percentage points. The company adopts the cost method for accounting of operating assets. After adding back depreciation and amortization, the gross margin stood at 16.3%, a decline of 4.3 percentage points.
- Based on a prudent market strategy, the company made impairment provisions of 4.85 billion yuan for inventory projects (including non-consolidated projects) with impairment risks, which reduced the net profit attributable to shareholders of the parent company by 3.55 billion yuan.

# Revenue and Gross Profit Margin

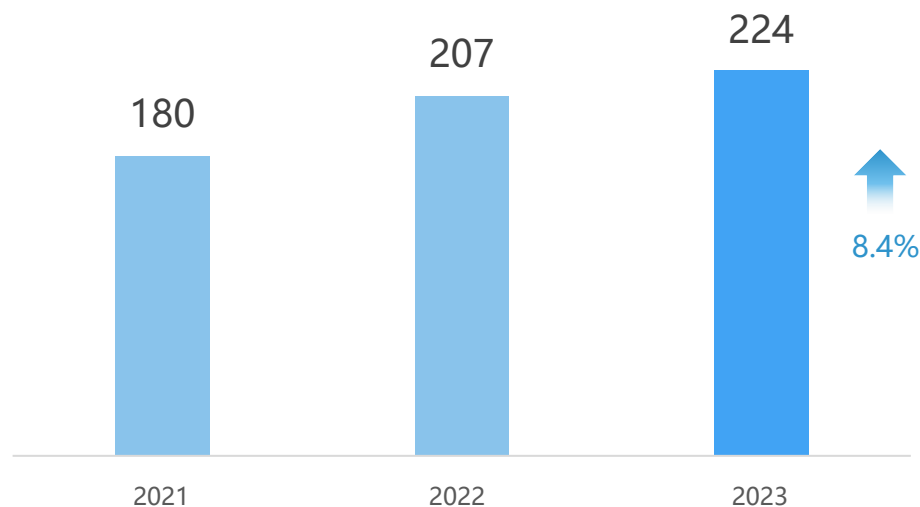
- The group's overall operating revenue was 465.74 billion yuan, down by 7.6% year-on-year. Among the business segments, revenue and gross profit margin from the development business declined, while property management services and operational business revenues were 29.4 billion and 13.4 billion, grew by 14.2% and 12.9% respectively. Gross profit margin for these two segments increased by 0.5 and 5.2 percentage points.
- The total revenue of the operation & service business was 55.8 billion yuan, an increase of 8.9% YoY.



- Operational businesses maintained industry leadership in their respective fields, with continuous growth in revenue and NOI. Operating business revenue (including non-consolidated projects) reached 22.4 billion yuan, up by 8.4% YoY. Net Operating Income (NOI) amounted to 11.1 billion yuan, up by 5.4% YoY.

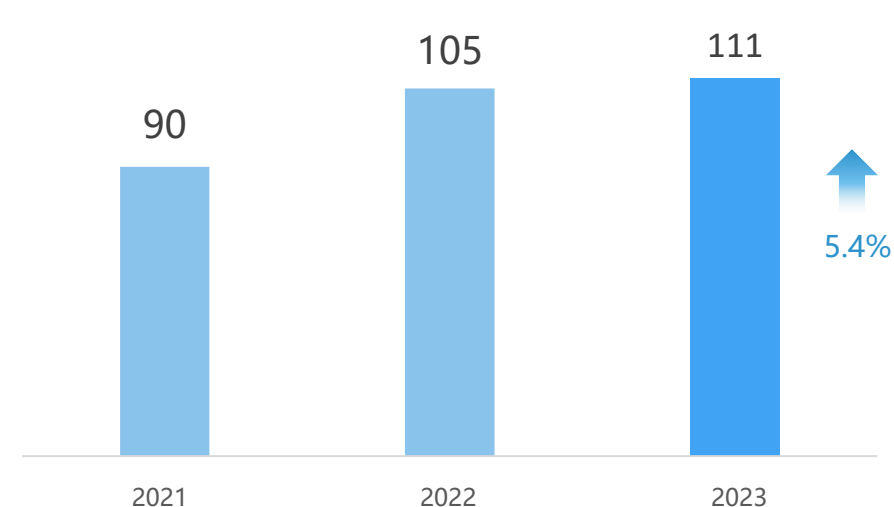
## Operational business revenue

(including non-consolidated projects)



## NOI of operational business

(including non-consolidated projects)

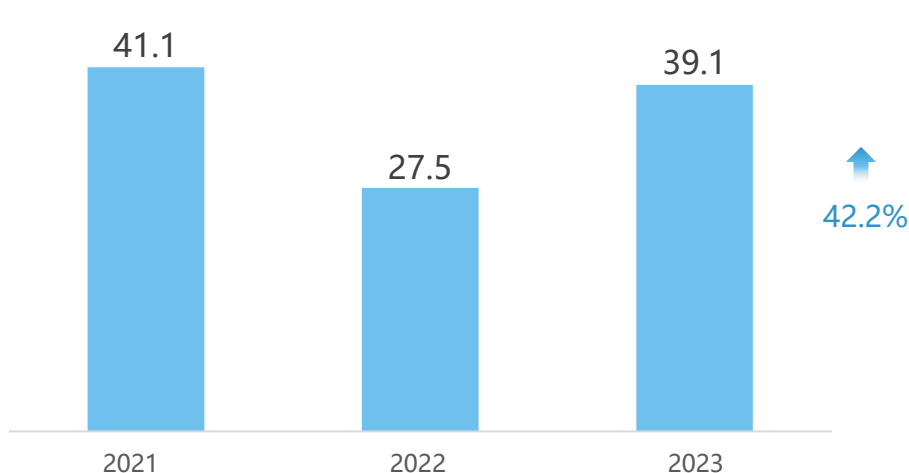


Note: The above NOI includes logistics and warehousing, commercial development and operation, rental housing, hotel and industrial office business.

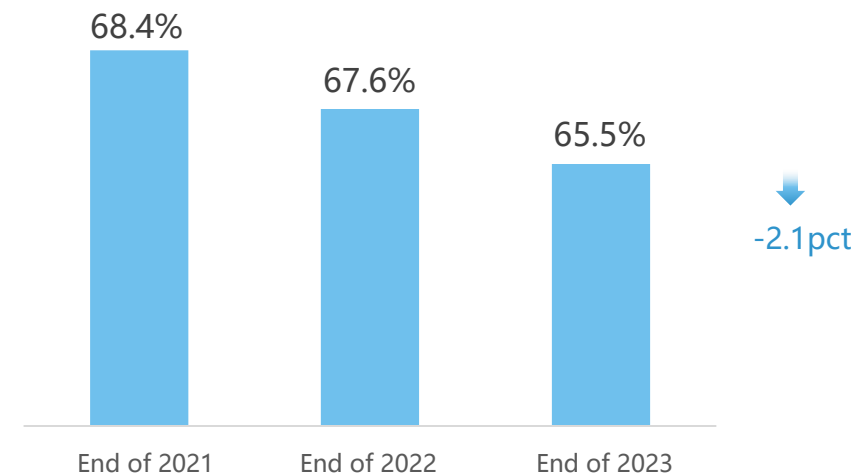


- Net operating cash flow stayed positive for **15 years** in a row. Net operating cash flow for the whole year stood at **RMB 3.91 billion**, which is an increase of **RMB 3.67 billion** from the third quarter, up **RMB 1.16 billion** from the year of 2022.
- Cash on hand is **RMB 99.81 billion**, sufficient to cover interest-bearing liabilities maturing within one year at **1.6X**.
- Debt ratio continued to decline for **5 consecutive years**. Debt ratio after deduction of advance receipts fell to **65.5%** from the peak of 76% in 2008, decreased by **2.1pct** from the beginning of the year.
- Net gearing ratio stood at **54.7%**, maintaining a healthy level.

Net operating cash flow(100 million)



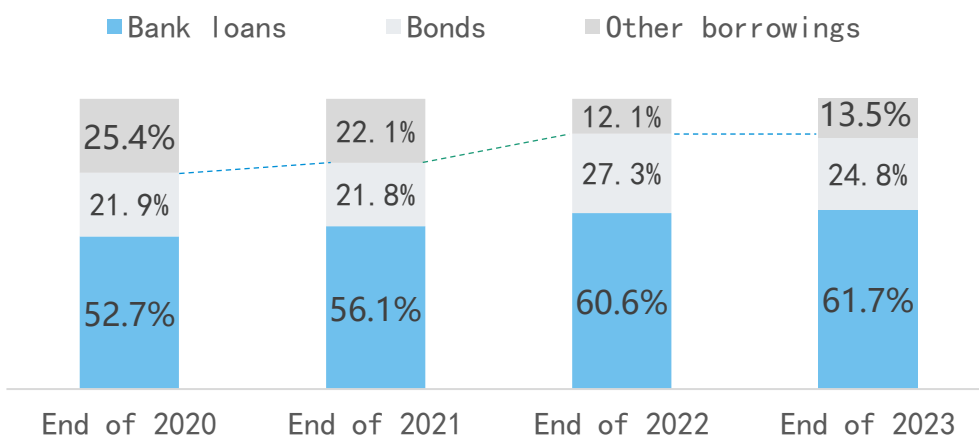
Debt ratio after deduction of advance receipts



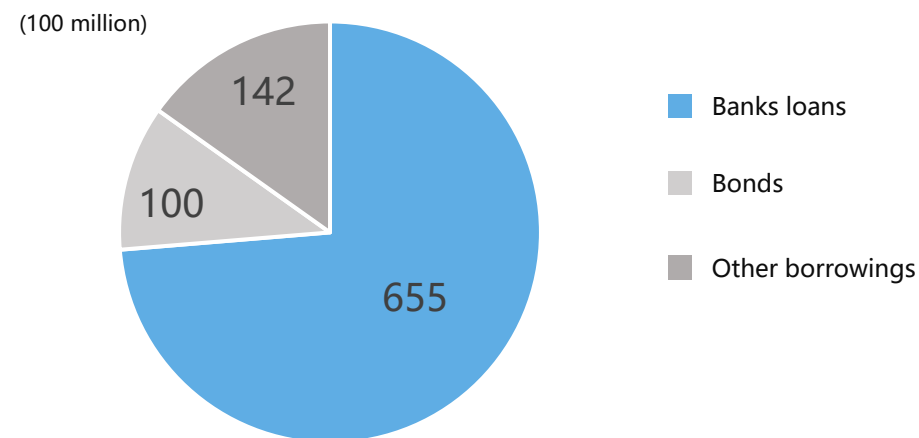
# Strong Support from Financial Institutions

- Enhanced interaction and communication with financial institutions. Proactively interacted with financial institutions and investors, and dynamically adjusted financing strategy to secure extensive support. Newly acquired financing of RMB 89.7 billion for the whole year, including RMB 76.6 billion for onshore financing and RMB 13.1 billion for offshore financing.
- Closely followed national real estate financial support policy, and stepped up efforts for financing products such as operating property loans, rental housing, and shantytown renewal projects. Since the beginning of 2024, the Group has increased operating property loans of RMB 10.89 billion.
- Proactively transitioned to new financing models since the implementation of urban real estate financing coordination mechanism. By the end of March 2024, the Group has applied for 42 white list projects in 22 cities under the MOHURD Urban Property Financing Coordination obtained new financing of RMB 16.95 billion, and will continue to proactively apply for other projects according to detailed rules of each city.

## Financing Structure

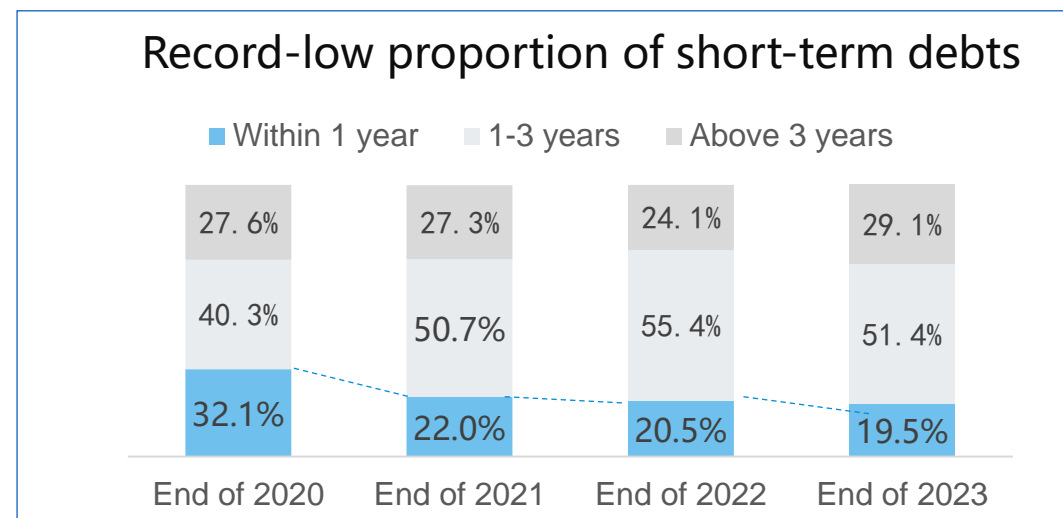
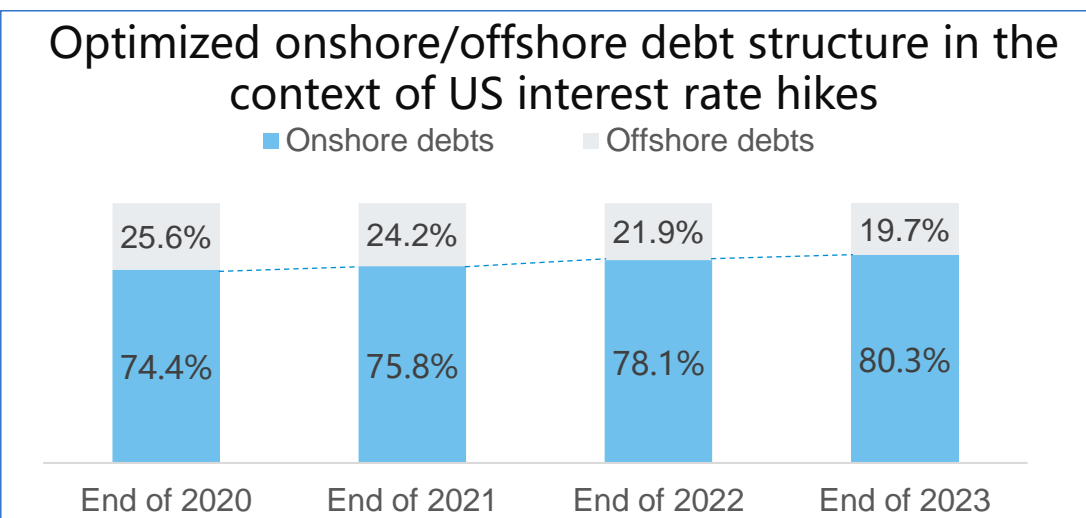
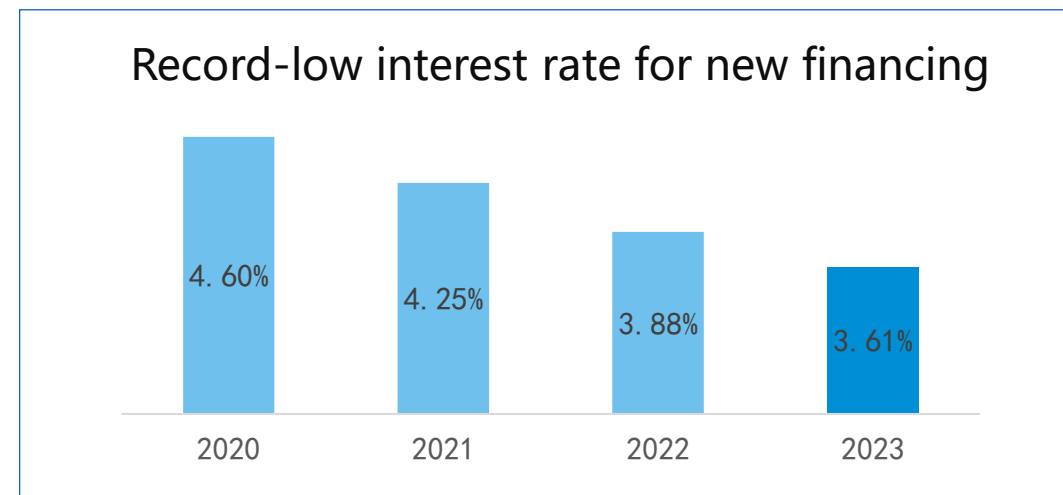
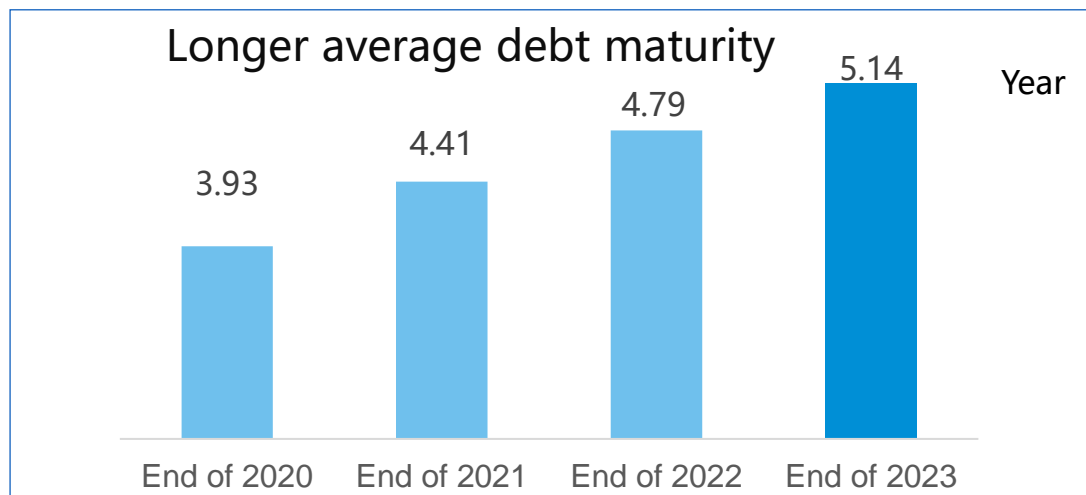


## Newly Acquired Debt



# Improving Debt Structure

Total amount of interest-bearing debt reached **RMB 320.05 billion**. Debt structure further improved with offshore debt down to less than **20%**, percentage of short-term debt to total debt reduced to **19.5%**, and debt maturity increasing from 4.79 years by the end of 2022 to **5.14 years**, and the interest rate of new financing hit a record low of **3.61%**.



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# **3. Business Review**

## Sales

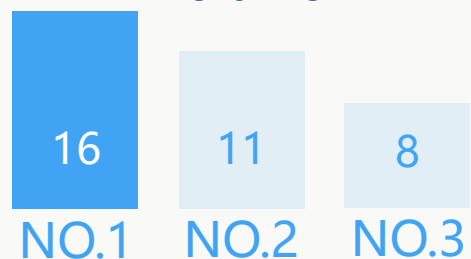
Sales volume

RMB 376.12 billion  
(-9.8%)

Sales Collection/ Sales  
Volume

101%

Ranked among top 3  
in 35 cities for sales  
volume



Contract amount of  
area sold but not  
booked

RMB 360.44  
billion

## Sales of Key Projects



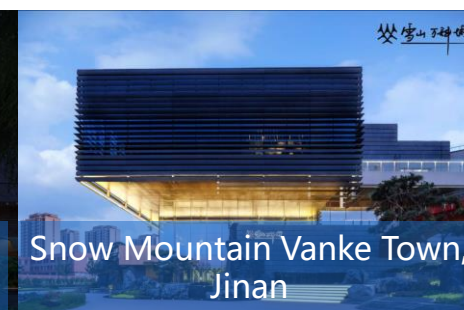
- No.7 for sales volume in the industry: RMB 12 billion
- No.1 for sales of units and floor area in Shanghai: 2,103 units, 238,000 m<sup>2</sup>



No.6 for sold area in the  
industry  
325,000 m<sup>2</sup>



No.9 for sold area in the  
industry  
299,000 m<sup>2</sup>



No.11 for sold area in the  
industry  
290,000 m<sup>2</sup>

# Development Business: Fruitful Product Line Development with Stable and Quality New Completions

- “Shi Series” is an integrated residential upgrade product series developed and implemented in 2021, and completed initial implementation in Shanghai, Hangzhou and Chengdu, product iteration in Ningbo, Suzhou and Hefei, and mass implementation for 16 projects in 7 cities in 2023. It took an average cycle of 114 days from land acquisition to opening for sale for newly acquired “Shi Series” projects, and 10 out of the 12 new projects realized a sales volume of RMB 12.2 billion within the year.
- Implemented the first Future City project in Jiading District, Shanghai: The Ideal Place, winning customer recognition of new products under the “Vitality”, “Low-carbon” and “Intelligent” core scenarios.
- 10 projects received major awards of China’s construction industry. Among them, Chengdu Tianfu International Conference Center received Luban Award, Jinan Quanxueli, Jinan Zhonglu Mansion Phase 1, Panjin Vanke Ruyuan Garden, Shenyang Jade Riverside, Shenyang Hongmei Culture & Creativity Park, and Dalian Yulandao received Guangsha Award, and Shenyang Feicui Guanlan received Zhantianyou Award.



Shanghai Langshi Huayu



Suzhou Yuhu Langshi



Tianfu International Conference Center: Luban Award



Shenyang Feicui Guanlan: Zhantianyou Award



Shanghai Jiading Future City: Market fair “Chunxiji”

Partnered with Bloom, an architecture studio, to create retail spaces of distinctive forms and diverse activities. There are 9 brands at the first floor and 4 brands at the second floor, offering art exhibitions, food, fashion, and coffee and wine shops.

# Development Business: Improved Post-Delivery Customer Experience and Increased Occupancy Rate for Large Residential Projects

- Stable delivery: Completed quality delivery of over 289,000 units of dwellings, commercial properties, and offices throughout the year, and realized ownership certificate delivery upon property delivery for 191 batches.
- Open worksite: Opened worksites on a daily basis to visitors, and carried out 10,400 quality participation activities for 371 projects with 160,000 customer participations.
- Improved living experience: Improved amenities for 35 large residential projects to foster a lively community atmosphere, thereby increasing occupancy rate by an average of more than 30pct. For instance, 1,677 households moved into Changchun Sunflower Town, 1,064 households moved into Jiaxing Ideal Land, and 1,003 households moved into Wuhan Ideal City.



- **Desirable sales rate of newly opened projects.** Opened 50 projects for sale throughout the year, which contributed RMB 70.6 billion in sales revenue with a first-day sales rate of 67%. Among them, 13 projects achieved a first-day sales rate of 80%, and 6 projects in Hefei, Dongguan, Hangzhou and Shanghai were sold out on the first day of sale.
- **Increasing sales rate of inventory.** Through refined management of resources available for sale, the Group has sold nearly RMB 200 billion of inventory from the beginning of the year, including RMB 28.0 billion for commercial and office properties and RMB 9.6 billion for parking spaces, with a sales rate above 60%, up 3pct from 2022.
- **Improving resource structure by activating resources.** Where policy permitted, the Group converted resources unlocked and optimized within the year into sales worth RMB 9.02 billion.

Connected with old and new customers through livestreaming and Home Share app

- Completed 15,000 livestreaming sessions between September and the end of year,
- Changsha subsidiary generated 25% of sales performance through digital marketing
- “Home Sharing” online customer acquisition tool referred 920,000 customer clues, up 39% YoY, contributing 14% of total sales.

New strategy facilitated sales of existing homes/parking spaces

- **Changchun Jade Riverside:** Invented the Existing Property Archive Card, and sold 166 completed units from the beginning of the year with a resource conversion ratio of 98%.
- **Lanzhou Light of Times:** Implemented the Existing Property Archive Card, lighting toolkit, and traffic route optimization, resulting in a 413% sales improvement from 2022.
- **Guiyang Subsidiary:** Carried out the group sales strategy, resulting in the sales of 6,626 parking spaces, hitting new records in both the number and value.



# Development Business: High-quality Precision Investment with an 88% Investment Fulfillment Rate

## Focusing on regions with real demand

- Acquired 43 new projects with new projects in Beijing, Shanghai, Hangzhou and Chengdu accounting for nearly 40% of new merchandise value.

|                   |   |  |
|-------------------|---|--|
| Total land price  | Average land price of newly acquired projects | Proportion of investments in tier-1 and 2 cities |
| RMB 84.91 billion | RMB 13,899/m <sup>2</sup>                     | 98%  |

## Ensured new project fulfilment

- Cycle from land acquisition to opening for sale was shortened to **4.4 months**. Among the 43 newly acquired projects, 33 have opened for sale, and achieved an average gross sales profit margin of **19.8%**, with a sales volume of **51 billion**.
- The investment fulfilment rate of new project stood at **88%**.

## Construction start and completion

Newly started and restarted construction area reached 17.063 million m<sup>2</sup>, accounting for 102.0% of plan for the whole year.

Completed a construction area of RMB 31.335 million m<sup>2</sup>, fulfilling 97.1% of plan set at the beginning of the year.

## Case——Beijing Donglu

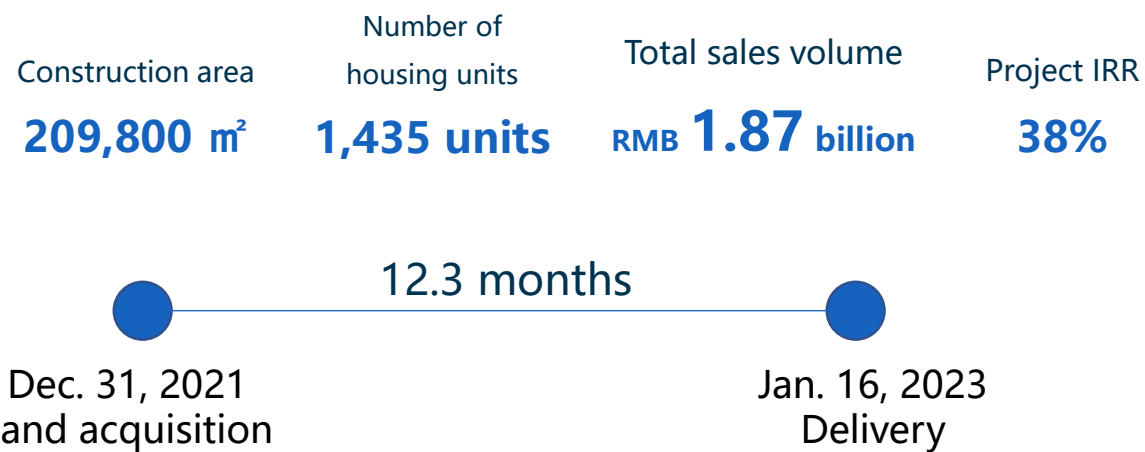
- Applied product module innovations such as “large and small enclosures”, “M-series holistic product lines”, and “Feiniaoji community commerce”;
- Acquired in August 2023, and opened for sale on November 19, 2023 with purchase offers worth RMB 1.02 billion at the unit price of RMB 58,811/m<sup>2</sup> and pre-tax gross margin of 18.7% ;
- Realized purchase offers worth RMB 1.329 billion for the whole year of 2023, ranking first in terms of sales volume in Q4 for Tongzhou District, Beijing.



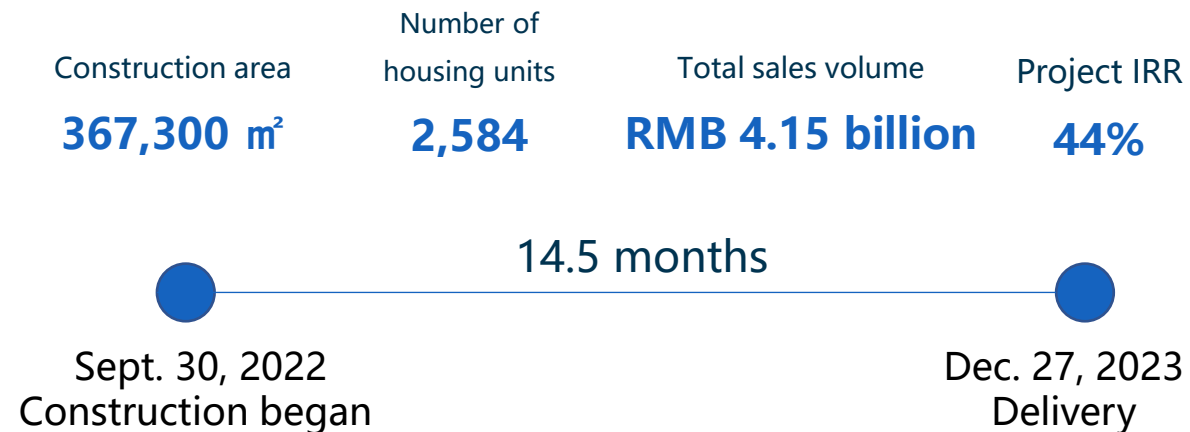
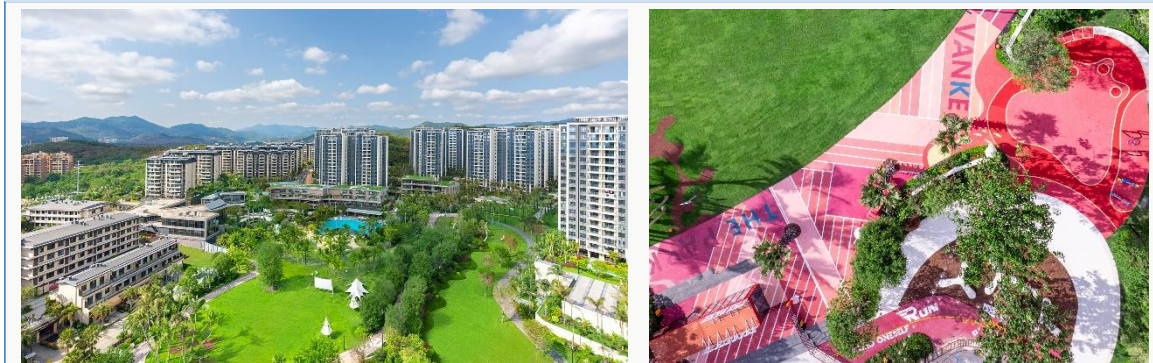
# Development Business: Improving Development Efficiency and Fostering Leading Advantages in Completed Housing Project Sales

Improved efficiency through product design, engineering, and process optimization. It took only 12.3 months and 14.5 months for Hainan Jinse Licheng and Hainan Gongyuanli affordable housing projects to complete the process from projects development to home delivery, respectively.

Typical case: Hainan Jinse Licheng affordable housing project



Typical case: Hainan Gongyuanli affordable housing project



# Development Business: Strengthening the Advantages of EPC and Construction Management Business

- Our key clientele comprises government agencies, financial institutions, high-tech enterprises, among others. Project types range from schools, affordable housing, industrial facilities, urban revitalization, healthcare facilities, to commercial and residential developments.
- In 2023, the EPC and construction management business achieved a revenue of RMB 12.31 billion and garnered 132 awards across various levels, including the International Safety Award, China Construction Decoration Award, China Steel Structure Gold Award, Provincial/Municipal High-Quality Structure Award, National Workers' Pioneer, as well as Provincial/Municipal Demonstration Sites, among others.

| Cumulative projects under management | Cumulative GFA under management | Current projects under management | Current GFA under management | Revenue       |
|--------------------------------------|---------------------------------|-----------------------------------|------------------------------|---------------|
| 341                                  | 39.97million m <sup>2</sup>     | 89                                | 15.06 million m <sup>2</sup> | 12.31 billion |



## Shenzhen Nantou Ancient City

Positioned as "the capital of eastern Guangdong, the cradle of Hong Kong and Macao," this transformative project rejuvenates a cultural district with a history spanning 1,700 years. By breathing new life into the monument, it establishes itself as the city's iconic landmark.



## Shenzhen Nanshan Smart City

This is a key project in the construction of the Guangzhou-Shenzhen Science and Technology Innovation Corridor and one of Shenzhen's major initiatives. It has garnered nearly 70 awards at the national, provincial, and municipal levels, including the Berlin Design Award and National AAA Standardized Site recognition.



## Shenzhen Bay Super Headquarters Base B Tower

It stands as one of the tallest in-construction building in the Shenzhen Bay Super Headquarters Base, designed to accommodate a diverse array of businesses, including commercial, cultural, office, and cloud office spaces.



## Wuxi Zhouxin Old Street

This street merges diverse sectors such as cultural preservation, commerce, cultural creation, offices, and upscale housing. It offers an open and vibrant commercial environment which blends Southern Chinese culture with contemporary influences, integrating cultural tourism and nightlife economy.

# Onewo: Implementing Onewo Strategy for Robust Core Business Growth

Onewo Revenue RMB 33.42 billion (+10.2%)

Community space residential consumption services

|                            |                  |
|----------------------------|------------------|
| Revenue                    | Share of revenue |
| RMB 18.93 billion (+13.0%) | 56.6%            |

Commercial and urban space integrated services

|                          |                  |
|--------------------------|------------------|
| Revenue                  | Share of revenue |
| RMB 11.7 billion (+4.6%) | 35.0%            |

AIoT and BPaaS solutions

|                           |                  |
|---------------------------|------------------|
| Revenue                   | Share of revenue |
| RMB 2.79 billion (+16.9%) | 8.4%             |

Residential property service projects

3,810

Contractual projects of residential properties

4,658

## Onewo Strategy



Cumulative investment RMB 300 million+

Onewo Towns implemented

621

up 37 from the end of 2022

Cumulative completion of Onewo Town process renovations

150

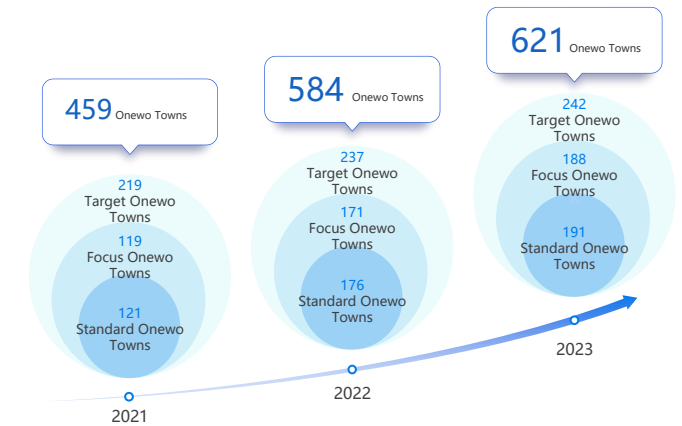
Cumulative renovation of residential projects

1,124

Gross margin of Onewo Towns after renovation

4.5pct

## Steady increase in the number of Onewo Towns



Note 1: Onewo revenue of RMB 33.42 billion includes revenue from services offered to Vanke Group, and the variance of revenue from Onewo's disclosure is due to variance between the PRC and the IFRS standards.  
 Note 2: Onewo Towns: each project serves as the center of a neighborhood circle with a radius of 20 to 30 minutes walk to provide integrated community, commercial, corporate and urban space services with shared property management service personnel and swift response in Onewo Towns, providing all spaces within the neighborhood with integrated services.

# Onewo: Commercial & Enterprise Services Focused on Industry Customers for Stable Growth

- Commercial property services expanded five-segment customer base with a saturated revenue up 51.7% YoY;
- Increased contractual projects by 398 within the year based on excellent market service and development capabilities, including 15 ultra-high-rise projects;
- Broadened service scope for multi-business explorations, realizing a contractual volume of RMB 543 million, up 107.5% YoY.

New service projects

412

New contractual projects

398

Cumulative service projects

2,241

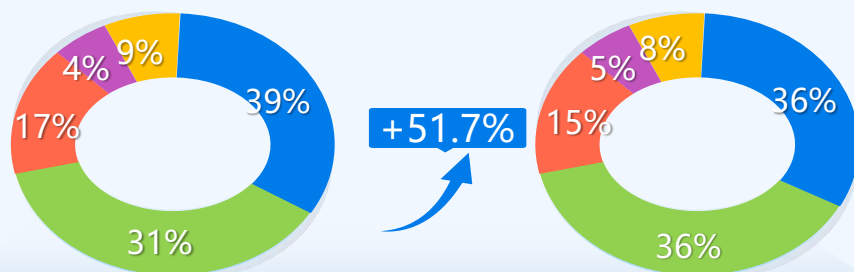
Cumulative contractual projects

2,531

## Steady progress on the five segments

Annualized saturated revenue for 2022: RMB 2.06 billion

Annualized saturated revenue for 2023: RMB 3.12 billion



■ Internet 
 ■ High-end manufacturing 
 ■ Finance 
 ■ Biomedicine 
 ■ Multinational companies

## New commercial & enterprise property management projects



Hubei Radio & Television Media Base



Central Park Huang Pu



Zhongshan Future Gate

- The impact of technology products has been substantial. Leveraging technologies, we have elevated the quality of our professional services across residential, commercial, and urban domains. In 2023, our Pineapple No.1 property self-service machine recorded **3.2 million** uses, while the Black Cat access equipment system registered **4.12 billion** uses. Additionally, residential projects incorporating technology products achieved a four-star customer satisfaction rate of **80%**.
- Growth in revenue and gross profit derived from technology. In 2023, technology revenue amounted to **2.79 billion**, up by **16.9%** YoY. The share of technology in gross profit has reached **16.9%**.

**2.79** billion yuan  
Technology-driven income

**+16.9%**  
YoY

**810** million yuan  
Technology-driven gross profit

**+8.2%**  
YoY

**8.4%**  
Share of total revenue

**16.9%**  
Share of total gross profits

## Residential service

Reduce unnatural deaths in the service area

- By the end of 2023, **39,821** active service providers had received CPR training and **2,870** AEDs have been installed. In 2023, **12** lives have been saved using CPR and AEDs, bringing the cumulative total to **19** lives saved since 2022.
- Funded **3.58 million** for renovation projects under "Beautiful Communities" and "Friendly Neighborhood" initiatives, revitalizing **23** projects

## Commercial service

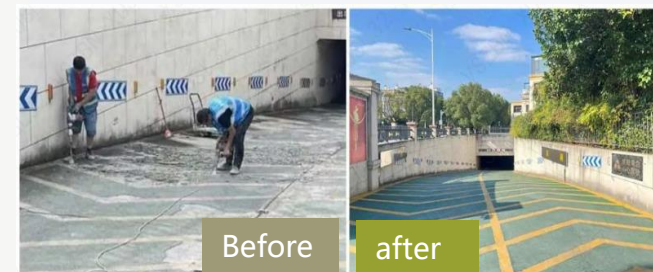
Ongoing improvement of professional service

- We have obtained ISO 41001 facility management system certification and successfully integrated and implemented the integrated management system, covering quality, environment, occupational safety, information security, energy, and facility management.
- We unveiled our energy business strategy and established Wulian Energy in collaboration with Tc Technology to address the "last kilometer" of low-carbon properties.

## Urban service

Technology-enabled service upgrade

- 98 urban space integration service projects have been launched across 26 cities in China.
- The Gulangyu Smart City Project integrates various intelligent technologies, such as the "Central Control Sand Table," "Cloud Eagle Drone AI Inspection," and "Intelligent Sprinkler Irrigation," effectively elevating service quality.



Examples of Vanke Service's Community Transformation at Fengjing Yiting, Suzhou

# Residential Housing: Industry-leading Scale and Operational Efficiency

## The largest portfolio of centralized apartments in China

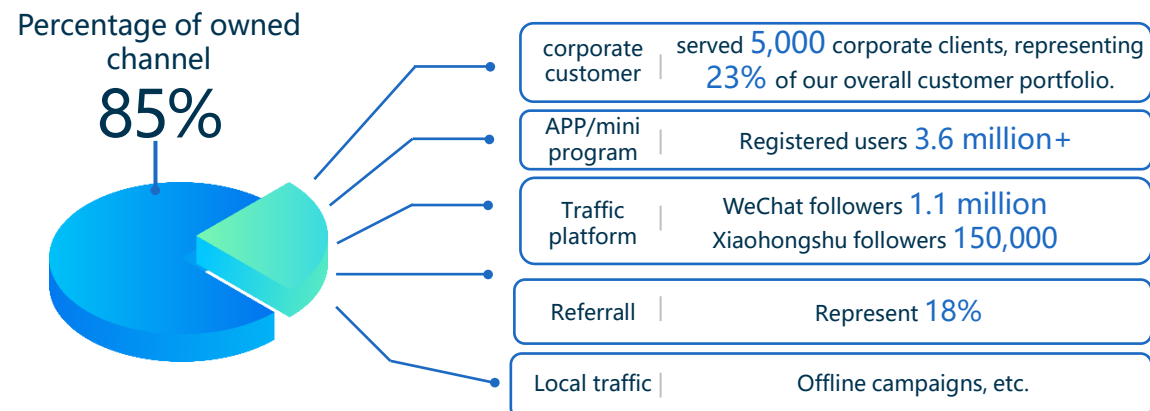


## Operational efficiency steadily improving

|                            | 2023  | 2022  | Change  |
|----------------------------|-------|-------|---------|
| Occupancy rate             | 95.8% | 95.6% | +0.2pct |
| Marketing expense ratio    | 0.6%  | 0.8%  | -0.2pct |
| GOP margin of front office | 88.4% | 87.5% | +0.9pct |
| EBITDA                     | 665M  | 503M  | +32.3%  |

Developed a more mature and stable single-store operation model. store operating profit growth > revenue growth > scale growth > operating cost growth, for three consecutive years

## Customer acquisition costs declining



## Continuously enhance tenants' living experience through a "reliable and attentive living service" approach.



Vibrant community

Hosted 1390+ community events in 2023



# Rental Housing: Diversifying Product Portfolios and Shaping a Multi-brand Growth Strategy

## Rental housing designed for comfortable living

Family-oriented apartments offered by 36 projects across 15 cities.

|  |   |  |
|--|---|--|
| <b>Kunming</b>   | <b>Jinan</b>  | <b>Beijing</b>   |
| <b>Zijin Central Store</b>   164 rooms<br>Occupancy rate 99.6%             | <b>Xichen Community</b>   291 rooms<br>Occupancy rate 97% | <b>Caoqiao community</b>   200 rooms<br>Occupancy rate 92.8%       |
| Port Apartment' s debut in Kunming<br>10000m <sup>2</sup> commercial space | Community kindergarten                                    | Kindergarten and nursing home<br>Children's recreational amenities |



Xiamen Guanyinshan Flagship Store | 825 rooms  
Occupancy rate 99%

## High-quality dormitory for blue-collar workers

Managing over 10,000 beds in 10 cities

|  |  |   |
|--|--|---|
| <b>Nanjing</b>   | <b>Hefei</b>   | <b>Shenzhen</b>   |
| <b>Longshan Lanyuan Talent Apartment</b>   486 beds<br>Occupancy rate 100% | <b>Haiheng Haier Talent Apartment</b>   1424 beds<br>Occupancy rate 100% | <b>Port Apartment Nantou Ancient City Store</b>   310 beds<br>Occupancy rate 100% |
| Tailored staff dormitory for NAC   | Tailored staff dormitory for Haier Group                                 | Tailored staff dormitory for companies such as SF Express, Shangri-La Hotel, etc. |



Suzhou · Yanshan Talent Apartment | 1400 rooms  
Occupancy rate 96.5%

Xiamen · Po Apartment YuanEr Bay Community

7874 rooms  
Occupancy rate 95%



## A sizable youth community integrating commercial, residential, and social amenities

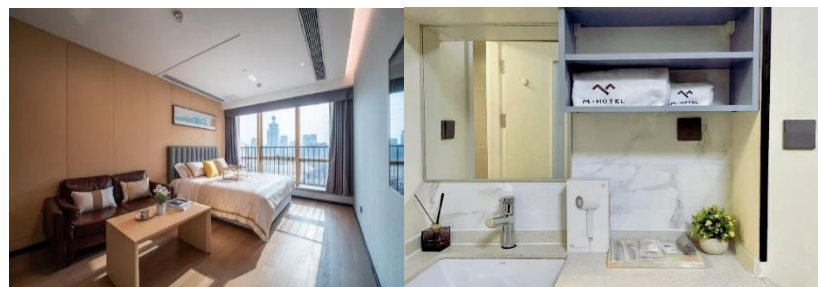
Operates and manages 19 large-scale rental communities in 11 cities, with more projects in the pipeline.

|      |                                      |   |      |                         |                          |      |                         |                     |
|------|--------------------------------------|---|------|-------------------------|--------------------------|------|-------------------------|---------------------|
| 2023 | Shunde International Youth Community | Nanjing Longshan Lanyuan Talent Apartment | 2024 | Beijing Yinghai Project | Beijing Taihubei Project | 2025 | Beijing Jiugong Project | Beijing BBD Project |
|      | 1690 rooms                           | 1946 rooms                                |      | 4589 rooms              | 8467 rooms               |      | 1505 rooms              | 4135 rooms          |



# Rental Housing: Expanding Services to the Real Economy and Enhancing Collaboration and Support for Corporate Clients

- Through innovative initiatives such as the "Flexible Lease Term" model, implementation of the KA manager system, strategic cultivation of corporate clients, and the establishment of a CRM system for key accounts, the proportion of corporate clients has risen from 19% to 23%, contributing to a more stable client structure for the business.
- We've partnered with SOEs and other investors in subsidized housing to facilitate the transition from non-residential to rental properties, with the goal of developing a closed-loop real estate business model. In 2023, the proportion of non-Vanke assets in newly acquired projects increased to 75%, marking a 23% year-on-year increase.



## Flexible lease terms for corporate clients

"Short-term rentals", "Monthly lease for business travelers", "Long-term leasing".

Cumulatively served companies  
**5000+**

Share of corporate clients  
**23%**

## Corporate tenants in China



7000+ rooms · night

8-day National Day "mini vacation" in 2023.

**608818**

rooms · night

In 2023:  
359 stores in 33 cities

Extensive service for BYD  
From Shenzhen Pingshan to the whole country



2021  
**405rooms**

Shenzhen Pingshan  
Yanziling Store

2022  
**583rooms**

Shenzhen Pingshan,  
Longhua and other stores

2023  
**1700+rooms**

Shenzhen, Xi'an, Foshan, Jinan,  
Guangzhou, Tianjin, Shenyang...

# Logistics & Warehousing: Cold chain business continues to lead with sustained and steady growth in operating revenue

## Growth in unveiled projects

- We currently operate and manage 162 projects across 47 cities, with a total leasable GFA of 12.10 million m<sup>2</sup>.
- The leasable GFA of our existing projects and newly unveiled projects are 10.02 million m<sup>2</sup> and 440,000 m<sup>2</sup> respectively.

## The cold chain sector showed robust growth and a steady improvement in operational efficiency

- The revenue from our cold chain business reached 1.88 billion yuan, up by 33.9% YoY.
- Our cold chain parks, covering 2.03 million m<sup>2</sup>, lead the industry in terms of management scale.
- The NOI of our logistics business reached RMB 2.19 billion, representing an 10.6% YoY growth, with the cold chain segment contributing RMB 420 million, up by 32.5% YoY.
- Our cold chain operations were acknowledged for their service capability. Joining hands with Shenzhen International (00152.HK), we launched the first asset-light management project in Shenzhen.

## Stable occupancy rate

- The occupancy rate of high-standard warehouses during the stable period was 88%.
- The utilization rate for the cold chain during the stable period was 77 %.

## Operational services as a core competency

- Digital Solutions: trackable, visible, digital, and intelligent park management systems.
- Vertical and In-depth Service Advantages: Offer integrated supply chain solutions for clients across diverse industries. Develop standardized products such as BBC and UWD and actively engage in customers' supply chain management.
- Lean Operations: Establish systematic evaluation indices and operational systems for cold chain operations, warehousing, and distribution.

# Logistics & Warehousing: Continuously Enhancing Operational Service Competitiveness and Elevating Customer Service Quality

- In the end consumer market of the cold chain, we serve prominent players in chain stores of supermarket, restaurant chains, fruit and vegetable, and other related industries.

## Adhere to service standards that surpass industry requirements, effectively enhancing customer stickiness

- **Strictly uphold quality and safety standards.** Our 8 cold chain parks, such as Shanghai Lingang Park and Shenzhen Yantian Park, have ranked No. 1 in China in multiple annual quality and safety audits conducted by our customers.
- **Obtained international certifications:** Shanghai Haigang Park and Langfang Economic Development Park have obtained the highest AA certification from the Global Standard for Storage and Distribution (BRCGS S&D), while Xiamen Haicang Park and Shanghai Lingang Park have been granted A certification.

## BBC: Provides omni-channel services by deploying the same warehouse for both B-end and C-end businesses, catering to the diverse operational needs of industry customers.

- consistent quoting, punctuality commitment, next-day/two-day delivery options, uninterrupted cold chain delivery with temperature measurement and temperature control traceability.
- Pilot projects have been initiated in 10 parks across Nanjing, Shanghai, and other cities, introducing e-commerce drop shipping services for Sanzhiyang, Guangzhou Restaurant, and Guoquanshihui.

## UWD: Introducing a "shuttle bus" operation model for cold chain distribution to reduce logistics costs through consolidated shipping.

- Utilize shared warehouse and distribution resources along with a dedicated transportation network, employing fixed routes, schedules, and dedicated drivers, to reduce logistics costs.
- A network of more than 100 routes has been established nationwide, offering UWD services for companies such as Naixue, Hefu Noodle, and Tyson.



# Logistics & Warehousing: Establishing an Operation and Distribution Center **vanke** 28 for Supermarket and Catering Clientele - VX Cold Chain Xinqiao Park

- Located in Shanghai, VX Cold Chain Xinqiao Park is positioned as an operation and distribution center designed for supermarket and catering clients. Providing comprehensive warehouse and distribution solutions, the facility boasts 12 temperature-controlled zones equipped with round-the-clock temperature monitoring. This ensures operators can swiftly address any temperature anomalies as they occur.
- As the online fulfillment center for Sam's Club Shanghai and Walmart's fresh food distribution hub, the park offers a range of business functions including home delivery, cloud warehouse delivery, and product production/processing. Recognized for its lean operation and management model by top-tier customers, the park processed over 600,000 orders during peak season.

## VX Cold Chain Xinqiao Park



### Net leasable area:

28,031m<sup>2</sup>

### Offerings:

Single-story warehouse comprising 12 storage areas, categorized into 4 temperature zones: frozen, chilled, room temperature, and constant temperature.

### Park Profile:

Total capacity of 27,079 pallet spaces;  
Temperature range from -18°C to 20°C.

Start of ownership: 2020.3

Start of construction: 2020.5

Start of operation: 2021.4



## Business Scope

### Home delivery

|                                      |           |
|--------------------------------------|-----------|
| Incoming & outgoing goods management | Shelving  |
| Inventory management                 | Sorting   |
| Returns handling                     | Packaging |
| Defective goods management           | Counting  |

Daily operation volume: 1.5W+ units

Inventory turnover rate: 300%

### Cloud warehouse delivery

receiving and dispatch management  
cloud warehouse sorting  
ice production  
damage control and disposal

Daily operation volume:

14W+ units

Inventory turnover rate: 300%

### Production & processing

meat cutting  
seafood and cooked food packaging  
bread packing  
labeling and weighing

Daily operation volume: 7000+ units

units

Inventory turnover rate: 300%



Sam's Club  
E-commerce  
operation center

# Retail Property Development and Operations: Prioritizing Areas with Potential for Asset-Heavy and Light Co-Development

## Growth in occupancy rate and revenue

- The total revenue (including non-consolidated items) reached **RMB 9.11 billion (+4.6%)**, of which SCPG contributed **RMB 5.7 billion**.
- SCPG's occupancy rate stood at **94.8%**, up **1.6 pct** YoY.

## Focus on regions with growth potential

- The cumulative opening area totaled **11.58 million m<sup>2</sup>** (excluding asset-light output management projects)
- Cities in the Yangtze River Delta and Pearl River Delta accounting for more than **52%** of the scale.
- **90%** of the cumulative opening area is in first- and second-tier cities, with **24%** of this area concentrated in four first-tier cities.

## Establishing foundation with asset-heavy projects and forging breakthroughs with asset-light projects

### Asset-heavy operation

- Build flagship projects
- Expand brand influence



| GALA at Shenzhen Longgang Vanke Plaza Occupancy rate 99.6%

After a decade of meticulous operation, we have established an inclusive large community public center, positioned as a "Composite Social Archipelago", pioneering the first international light luxury shopping center in eastern Shenzhen.



| Shanghai Nanxiang InCity Mega Occupancy rate 97.6%

Its strategic positioning as a "one-day holiday resort" is firmly established, boasting brand recognition surpassing that of the West Shanghai and Jiading-Kunshan-Taicang Economic Circle. With the introduction of multiple brands, Nanxiang InCity has become a flagship destination for business, culture, tourism, shopping, and living in the city.

### Asset-light operation

- Prioritize key cities and partnerships
- Stable cash flow growth
- Lead the domestic market in terms of development scale.



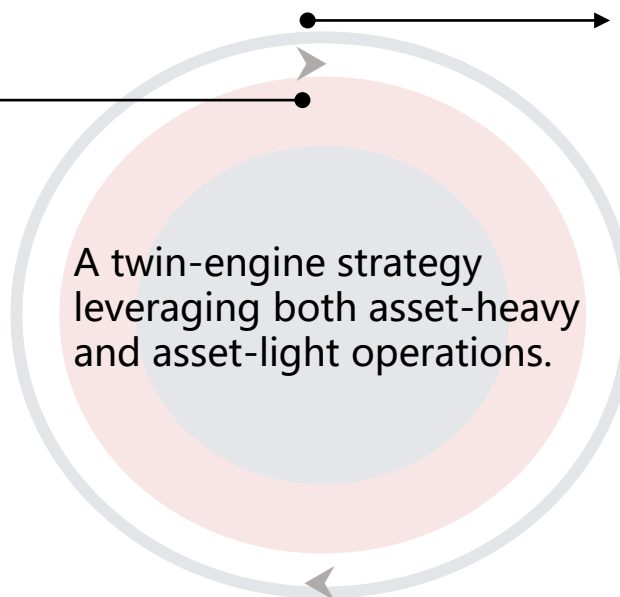
| Shanghai Caohejing InCity occupancy rate has stayed at 95% since its inauguration

Caohejing InCity stands out as an innovative and trend-setting destination, seamlessly integrating art and cultural elements to create a dynamic social hub and avant-garde artistic experience for young professionals and urbanites.



| Jingjiang InCity occupancy rate has stayed at 95% since its inauguration

The project has attracted over 130 premier international brands, with half of them making their debut or representing city-exclusive offerings. Featuring pioneering spatial designs and the latest lifestyle trends, it contributes significantly to the comprehensive enhancement of the city's commercial quality of life.



## 1. Leading management scale

- 11 million+ m<sup>2</sup> of commercial space under management
- 200+ projects under management
- Covering 55+ cities nationwide
- Served 800 million+ people throughout the year

## 2. Diverse management portfolios

- InCity MEGA, featuring extensive offerings and experiences
- Vanke Plaza and InCity, catering to family leisure activities
- VANKELI and INLANE, enriching community well-being
- Non-standard historical and cultural districts such as Yongqingfang, Nantou Ancient City, and Columbia Circle.

## 3. Customized product development

- Deep dive into local culture and consumer demand
- Customized design of unique commercial spaces and content
- Focus on innovating new consumption scenarios.

## 4. Extensive partnership network

- Cooperating with over 12,000 brands
- Uncover and support domestic brands

## 5. Technology enhances membership management

- 34.32 million digitized members by the end of 2023
- Peak monthly active membership surpassed 4.29 million
- Monthly active membership up by 39.6% YoY.



Fujian Yantai Mountain

Launched in September 2022 after eight years of meticulous planning, Fuzhou Yantai Mountain represents an urban renewal project positioned as an arts and culture street. Serving as a hub for local culture and owner brands, it offers consumers a diverse range of businesses and a shopping experience amidst an enriching architectural environment.

Attracting 28 debut stores and welcoming a total footfall of 11 million visitors, it has emerged as the most sought-after tourist destination in Fujian. Recognized by the Ministry of Culture and Tourism, it was awarded the title of National Nighttime Culture and Tourism Consumption Clustering Area.

# Retail Property Development and Operations: Newly Opened Projects Received Positive Feedback and Existing Projects Improved Operations

- In 2023, we launched 15 commercial projects, garnering positive reception from consumers due to our adaptability to evolving consumption trends and our emphasis on integrating local cultures.

## Newly unveiled

### Chongqing InCity:

Introduced key brands including the first Galeries Lafayette store in Southwest China, the first Tsutaya Books outlet in Chongqing, BLT (a boutique grocery store brand), and Neobio, making the store a central hub for high-quality urban living experiences.

Upon inauguration, Chongqing InCity achieved a remarkable recruitment rate of 98.2%, attracting 830,000 visitors during its opening period and generating a total sales volume of 41.27 million.



### Shanghai LonghuaHui:

The Longhua Temple Fair's cultural heritage and the artistry of Peking Opera converge within its street venue, forging an urban neighborhood that preserves folklore narratives and cultural traditions while embodying youth trends and promoting ecological sustainability.

Hosting more than 70 national debut stores, the venue opened on September 26th, attracting millions of visitors in its inaugural week. With over 70 debut stores of Shanghai or national significance, it received special coverage from CCTV and Xuexi.cn.



- We enhance project performance and reputation through refined operations in existing projects.

## Stronger operation

### Urumqi Tianshan Vanke Plaza:

Combining ethnic-inspired products with cultural experiences, it enriches leisure activities for locals and offers a diverse shopping experience for visitors nationwide.

In 2023, customer traffic surged by 94% and sales increased by over 85%



### Chengdu Tianhui Vanke Plaza:



Targeted at the Z-generation customer group, its goal is to establish a flagship center for contemporary and trendy lifestyles through collaborative brand initiatives and innovative physical spaces.

Annual traffic surged by 52% year-on-year, with sales climbing by 48%. 79% of the stores were national or city debuts. Recognized as a Trend Influential Landmark and awarded for being the Most Trendy and Charming Business, it was also named the Innovative Trendy Youth Destination of the Year.

- Prioritize robust operations and efficiency. We serve customers primarily from the modern service, financial, and technology sectors across key cities like Beijing, Shanghai, Guangzhou, Shenzhen, Chengdu, and Hangzhou. Among our clientele, 609 corporate tenants have leased over 1,000 square meters of office space, constituting about 65% of the total operating GFA. Moreover, those with remaining contractual terms exceeding 24 months occupy more than 61% of the total operating GFA.

## Total operating GFA

4.2 million m<sup>2</sup>

## Projects in operation

90

## Total revenue

4.33 billion yuan

## NOI margin

68%



### Shanghai Hongqiao Vanke Center

Gathered cornerstone corporate clients such as KPMG, Li Auto, CKGSB, etc.



### Guangzhou Siyou Vanke Center

Gathering cornerstone clients represented by the State PipeChina, Guangzhou Futures Exchange, SPD Bank, PICC, etc., it is a flagship project in the CBD area of Zhujiang New Town, Guangzhou.



### Chengdu Co-Innovation and Cooperation Center

Home to regional headquarters of esteemed corporate clients like KPMG, SAIC Volkswagen, and Luzhou Bank, it stands as a prominent landmark in Chengdu High-tech Zone.



### Hangzhou Huanglong Vanke Center

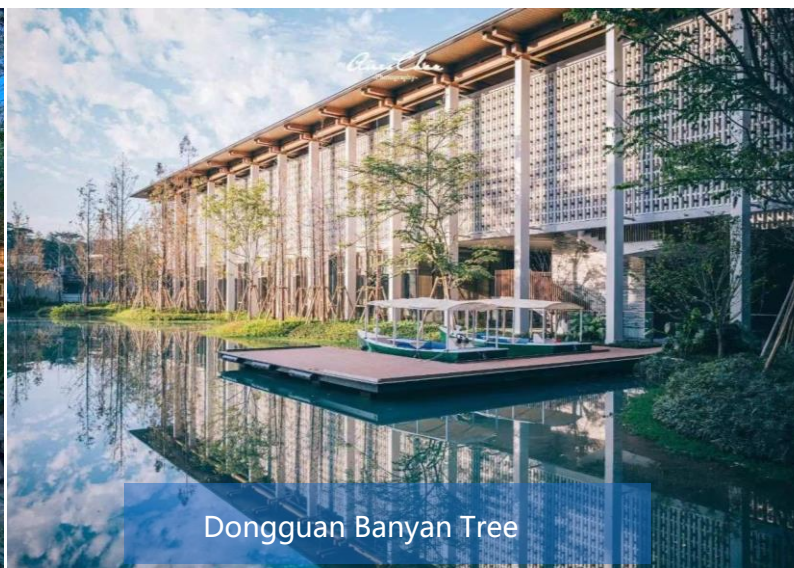
Hosting esteemed corporate clients such as Junhe Law Firm and Ant Group, it stands as a premium development in Hangzhou's Huanglong district, seamlessly linked to two metro lines.



- Operating **33** hotels across key cities like Beijing, Shenzhen, Guangzhou, Chengdu, and tourist hotspots such as Yangshuo and Lijiang, we've introduced two proprietary brands. "Zhanyun" caters to discerning business travelers, while "Youxiong" embodies vibrant urban culture. In 2023, we unveiled two Youxiong hotels which are Chaozhou Ancient City and Suzhou Changyuan.
- During the 2023-2024 snow season, V-SKI operated **4** ski resorts: Songhua Lake Resort in Jilin, Shijinglong Ski Resort, Xishan Ski Resort in Beijing, and Mabing Mountain Ski Resort in Hohhot. With a combined total of **68** slopes, these resorts welcomed **730,000** visitors in 2023. Songhua Lake Resort has been honored with the World Ski Awards - China's Best Ski Resort title for the seventh consecutive year.



Youxiong Suzhou Changyuan



Dongguan Banyan Tree



Songhua Lake Resort in Jilin

## Achieved breakthrough in public REITs issuance

- CICC-SCPG consumption-related REIT, valued at RMB **3.96 billion**, have completed offline inquiries and officially set the on-sale price.
- The application of VX Warehouse & Logistics REITs has been accepted by China Securities Regulatory Commission.
- Subsidized rental housing REITs completed asset sorting and evaluation, with the declaration process underway.

This initiative can support the establishment of a comprehensive closed-loop business model covering investment, financing, management, and divestment for operational activities. It will also enhance asset and fund management efficiency, promoting sustainable business development while minimizing financial strain.

## Progress in PE funds

- Established the CCB-Vanke Housing Leasing Fund in collaboration with CCB, totaling **10 billion** yuan.
- Signed five projects worth a total of RMB 2.815 billion, delivering 5,021 subsidized rental units.
- Assets span diverse categories, including commercial, rental, collective land rental housing, and newly-built rental housing within self-owned properties.

These initiatives contribute to the revitalization of current apartment assets, improve capital flow, and enhance asset efficiency. Additionally, we're actively pursuing opportunities in funds like the Consumer Infrastructure Fund and the Logistics and Warehousing Facilities Fund.

## The value of our operational assets is widely acknowledged, and bulk asset transactions are proceeding smoothly.

- In February 2024, we transferred the remaining 50% interest in Shanghai Qibao Vanke Plaza to Link REIT for a transaction consideration of 2.384 billion.
- From the acquisition of the land parcel in 2008, through development, construction, operation, and management until our exit, we realized an **IRR of 15.7%** for shareholders and generated over **1 billion** in profit according to accounting statements.

## CICC-SCPG consumption-related REIT

- The underlying asset, Hangzhou Xixi InCity, is the largest city-level TOD shopping center in western Hangzhou, with an expansive GFA of 250,000 square meters.
- Operational performance continues to excel, with a weighted average occupancy rate of 98.1% from 2018 to 2022, further increasing to 98.7% in 2023. Annual customer traffic surged to 21 million, marking a remarkable 39.6% year-on-year increase. Additionally, monthly rental efficiency per square meter reached RMB191.3, up by 9.9% year-on-year. These positive operational outcomes propelled the growth of project revenue and net operating income.
- The project is valued at 3.96 billion, with an estimated distribution yield of 5.21% in 2024.
- Vanke remains dedicated to elevating the asset quality of its operational real estate, aligning with the criteria necessary for REITs issuance. With 51 SCPG projects operational for over three years, each holds potential for further fundraising.



# Fostering Strategic Partnerships, Showcasing Versatile Expertise Across Various Industry Scenarios, and Securing Sustainable Business Growth Through Comprehensive Capabilities **vanke** 35

- Shenzhen SASAC and major shareholders offered steadfast support to Vanke. Shenzhen SASAC's positive stance played a pivotal role in bolstering market confidence, while Shenzhen Metro, one of Vanke's major shareholders, actively engaged in commercial consumer REIT placements, providing tangible support to Vanke. Additionally, various SOEs in Shenzhen backed Vanke through project transactions and REITs subscriptions.
- We've strengthened partnerships with industry leaders to offer a wide range of B2B services, including residential group purchasing, property management, staff apartment leasing, and commissioned asset construction and operation. Our strategic alliances with companies like Huawei, CITIC, Tencent, ZTE, GAC, SIHC, and Shenzhen SEZ Construction Group enable us to collectively expand our business offerings. Furthermore, we provide robust support to our partners in major transactions, facilitating wholesale/leasing of commercial properties and asset management through targeted account recommendations

## Deepen cooperation with Huawei in whole house intelligence

- Through cross-disciplinary collaboration with Huawei in whole house intelligence, we've initiated numerous projects in cities like Shenzhen and Dongguan. Together with Huawei, we've established the Ark One Spatial Intelligence Open Laboratory.
- Drawing upon the industry resources and technical edges of both entities, this partnership will drive the evolution of intelligent building and digital home ecosystems. By advancing whole-house intelligence, it will unlock more opportunities and potential in the spatial intelligence market, delivering intelligent, convenient, and aesthetically pleasing solutions to a wider array of households and industries.



Signed whole house intelligence cooperation agreements with Huawei

# Recognized for Strong ESG Performance, Actively Pursuing Green and Low-Carbon Practices, and Maintaining Sustainable Operations

## Industry-leading ESG ratings

Sustainalytics  
**Low risk**

Industry-leading performance, ranked top 3 in risk assessment score within the industry.

Hang Seng Sustainability Index  
**A+**

Top-rated real estate developer with continued inclusion in Hang Seng Mainland & Hong Kong Corporate Sustainability Index, Hang Seng ESG50 Index

SCSE CNI ESG  
**AAA**

Ranked **No. 1** in the environmental category  
Included in the Shenzhen 100 ESG Leading Index

MSCI-ESG  
**BBB**

Total tax contribution  
**53.37** billion yuan

## Commitment to green design

New projects

Have met green building evaluation standards for

**10 consecutive years**

3-Star green building certificates  
new  
**42**

LEED Platinum/Gold certificate  
new  
**6**

GFA of green buildings

cumulative  
**over 328M m<sup>2</sup>**

New real estate development projects  
**48%**  
introduced renewable energy design

New cold stores  
**100%**  
distributed PV coverage

## Promote green building

GFA of industrial buildings

cumulative  
**Over 230M m<sup>2</sup>**

New projects

**Over 90%**

adopted industrial applications

## Expand green rental

Retail property development and operations

Lease contracts  
**100%**  
included in the Green Lease Initiative

Long-term-lease apartment

Individual lease contracts  
**100%**  
adopted Green Initiative clauses & paperless contracting.

## Widely-recognized ESG performance

Listed Companies' Best ESG Practices in 2023

CAPCO

**Best ESG TOP 1**

Institutional Investor

**Best for ESG in China**

Asiamoney

**the Fifth New Fortune Best Listed Company Award for Best ESG Practices**

New Fortune



VX Tianjin Dongjiang Port Cold Chain Park gained LEED Platinum certification

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## **IV. Priorities for 2024**

## **I. Uphold the safety bottom line**

- Sustain the outperformance of our development business against the market, securing a positive cash flow for operations.
- Strengthen bulk trading and equity transactions, collecting over 30 billion yuan to reinforce our safety cushion.

## **II. Persistently reduce leverage and transform our financing model**

- Reduce interest-bearing debt by 100 billion yuan over the next two years.
- Actively seek out financing instruments such as operating property loans, fully integrate into the urban real estate financing coordination mechanism to drive the transformation of our financing model.

## **III. Maintain our customer reputation by delivering excellent products and services**

- Ensure high-quality project delivery, fortify our reputation among customers and in the market through excellent products and services.
- Enhance our advantage through synergistic expertise in products, facilities, and property services

## **IV. Reduce costs through lean and efficient operation**

- Streamline our organization for efficiency, retaining a stable core team for business growth.
- Take cost-saving actions, and lower management costs.

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# Appendix

# Appendix: Condensed Consolidated Statement of Profit or Loss

For the year ended 31 December 2023

|   | Jan – Dec 2023<br>RMB'000 | Jan – Dec 2022<br>RMB'000 |
|---|---------------------------|---------------------------|
| Revenue   | 465,739,077               | 503,838,367               |
| Cost of revenue   | (398,290,869)             | (405,784,703)             |
| <b>Gross profit</b>   | <b>67,448,208</b>         | <b>98,053,664</b>         |
| Other net income  | 6,573,051                 | 9,903,438                 |
| Selling and marketing expenses                                | (12,272,116)              | (12,412,367)              |
| Administrative expenses                                       | (10,126,726)              | (14,059,033)              |
| Other expenses  | (973,702)                 | (1,404,718)               |
| <b>Profit from operations</b>                                 | <b>50,648,715</b>         | <b>80,080,984</b>         |
| Interest on lease liabilities                                 | (893,775)                 | (980,908)                 |
| Finance costs   | (4,843,698)               | (4,905,644)               |
| Share of profits less losses of associates and joint ventures | 58,934                    | (776,606)                 |
| <b>Profit before taxation</b>                                 | <b>44,970,176</b>         | <b>73,417,826</b>         |
| Income tax  | (24,514,618)              | (35,805,267)              |
| <b>Profit for the year</b>                                    | <b>20,455,558</b>         | <b>37,612,559</b>         |
| <b>Attributable to:</b>                                       |                           |                           |
| Equity shareholders of the Company                            | 12,162,684                | 22,688,552                |
| Non-controlling interests                                     | 8,292,874                 | 14,924,007                |
| <b>Profit for the year</b>                                    | <b>20,455,558</b>         | <b>37,612,559</b>         |
| <b>Earnings per share (RMB)</b>                               |                           |                           |
| Basic and diluted   | 1.03                      | 1.96                      |



# Appendix: Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2023

|   | Jan – Dec 2023<br>RMB'000 | Jan – Dec 2022<br>RMB'000 |
|---|---------------------------|---------------------------|
| <b>Profit for the year</b>  | <b>20,455,558</b>         | <b>37,612,559</b>         |
| <b>Other comprehensive income for the year<br/>(after tax and reclassification adjustments)</b>                                   |                           |                           |
| Items that will not be reclassified to profit or loss :   |                           |                           |
| Equity investments at fair value through other comprehensive income("FVOCI") – net movement in fair value reserve (non-recycling) | (245,030)                 | (625,364)                 |
| Share of other comprehensive income of associates   | (234,334)                 | (138,224)                 |
| Items that may be reclassified subsequently to profit or loss:  |                           |                           |
| Exchange differences on translation of financial statements of overseas subsidiaries  | 47,513                    | 642,399                   |
| Cash flow hedge:<br>Net movement in the hedging reserve   | 130,617                   | (449,795)                 |
| Share of other comprehensive income of associates   | 1,673,473                 | (5,531,624)               |
| <b>Other comprehensive income for the year</b>  | <b>1,372,239</b>          | <b>(6,102,608)</b>        |
| <b>Total comprehensive income for the year</b>  | <b>21,827,797</b>         | <b>31,509,951</b>         |
| <b>Attributable to:</b>   |                           |                           |
| Equity shareholders of the Company  | 13,037,744                | 17,088,326                |
| Non-controlling interests   | 8,790,053                 | 14,421,625                |
| <b>Total comprehensive income for the year</b>  | <b>21,827,797</b>         | <b>31,509,951</b>         |

# Appendix: Condensed Consolidated Statement of Financial Position

As at 31 December 2023

|   | 31 December 2023<br>RMB'000 | 31 December 2022<br>RMB'000 |
|---|-----------------------------|-----------------------------|
| <b>Non-current assets</b>                             |                             |                             |
| Property, plant and equipment                         | 38,332,903                  | 35,133,670                  |
| Investment properties                                 | 128,215,536                 | 119,407,195                 |
| Intangible assets and goodwill                        | 9,751,014                   | 10,309,985                  |
| Interest in associates and joint ventures             | 130,562,531                 | 129,511,502                 |
| Biological assets                                     | 218,250                     | 319,393                     |
| Other financial assets                                | 2,191,465                   | 5,131,808                   |
| Other non-current asset                               | 5,938,836                   | 6,494,070                   |
| Deferred tax assets                                   | 39,379,575                  | 36,140,933                  |
|   | <b>354,590,110</b>          | <b>342,448,556</b>          |
| <b>Current assets</b>                                 |                             |                             |
| Inventories and other contract costs                  | 706,998,914                 | 913,730,553                 |
| Contract assets                                       | 13,678,360                  | 10,927,515                  |
| Trade and other receivables                           | 329,777,411                 | 353,511,585                 |
| Other current assets                                  | 13,614                      | 18,142                      |
| Pledged and restricted deposits                       | 2,871,178                   | 2,782,965                   |
| Cash and cash equivalents                             | 96,942,577                  | 134,424,670                 |
|   | <b>1,150,282,054</b>        | <b>1,415,395,430</b>        |
| <b>Current liabilities</b>                            |                             |                             |
| Trade and other payables                              | 383,118,158                 | 473,072,657                 |
| Contract liabilities                                  | 308,638,338                 | 465,580,958                 |
| Bank loans and borrowings from financial institutions | 43,572,666                  | 48,146,286                  |
| Bonds payable   | 20,458,192                  | 17,950,541                  |
| Lease liabilities                                     | 1,959,530                   | 1,958,553                   |
| Current taxation                                      | 64,038,374                  | 71,092,578                  |
|   | <b>821,785,258</b>          | <b>1,077,801,573</b>        |
| <b>Net current assets</b>                             | <b>328,496,796</b>          | <b>337,593,857</b>          |
| <b>Total assets less current liabilities</b>          | <b>683,086,906</b>          | <b>680,042,413</b>          |

# Appendix: Condensed Consolidated Statement of Financial Position

As at 31 December 2023

|  | 31 December 2023<br>RMB'000 | 31 December 2022<br>RMB'000 |
|--|-----------------------------|-----------------------------|
| <b>Non-current liabilities</b>   |                             |                             |
| Bank loans and borrowings from financial institutions                  | 197,764,143                 | 180,773,281                 |
| Bonds payables   | 59,871,016                  | 68,815,570                  |
| Lease Liabilities  | 19,644,594                  | 22,065,726                  |
| Deferred tax liabilities   | 1,159,455                   | 1,214,557                   |
| Provisions   | 450,399                     | 412,292                     |
| Other non-current liabilities  | 1,263,768                   | 1,124,157                   |
|  | <b>280,153,375</b>          | <b>274,405,583</b>          |
| <b>NET ASSETS</b>  | <b>402,933,531</b>          | <b>405,636,830</b>          |
| <b>CAPITAL AND RESERVES</b>  |                             |                             |
| Share capital  | 11,930,709                  | 11,630,709                  |
| Treasury shares  | (1,291,800)                 | (1,291,800)                 |
| Reserves   | 240,145,704                 | 232,986,466                 |
| <b>Total equity attributable to equity shareholders of the Company</b> | <b>250,784,613</b>          | <b>243,325,375</b>          |
| Non-controlling interests  | 152,148,918                 | 162,311,455                 |
| <b>TOTAL EQUITY</b>  | <b>402,933,531</b>          | <b>405,636,830</b>          |

# Appendix: Condensed Consolidated Cash Flow Statement

For the year ended 31 December 2023

|   |                     |                     |
|---|---------------------|---------------------|
| <b>Operating activities</b>   |                     |                     |
| Cash generated from operations  | 33,712,517          | 40,089,968          |
| Income Tax paid   | (29,800,194)        | (37,339,518)        |
| <b>Net cash generated from operating activities</b>                     | <b>3,912,323</b>    | <b>2,750,450</b>    |
| <b>Investing activities</b>   |                     |                     |
| Acquisitions of property, plant and equipment and investment properties | (8,334,153)         | (12,826,706)        |
| Other cash flows generated from/(used in) investing activities          | 3,718,511           | (203,565)           |
| <b>Net cash used in investing activities</b>                            | <b>(4,615,642)</b>  | <b>(13,030,271)</b> |
| <b>Financing activities</b>   |                     |                     |
| Dividends and interest paid   | (34,273,873)        | (33,167,700)        |
| Other cash flows (used in)/arising from financing activities            | (2,539,291)         | 36,606,618          |
| <b>Net cash (used in)/generated from financing activities</b>           | <b>(36,813,164)</b> | <b>3,438,918</b>    |
| Effect of foreign exchange rate changes                                 | 34,390              | 557,114             |
| <b>Net decrease in cash and cash equivalents</b>                        | <b>(37,516,483)</b> | <b>(6,840,903)</b>  |
| Cash and cash equivalents at 1 January                                  | 134,424,670         | 140,708,459         |
| <b>Cash and cash equivalents at 31 December</b>                         | <b>96,942,577</b>   | <b>134,424,670</b>  |

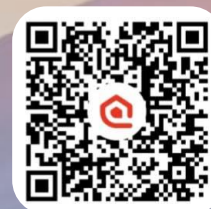
# THANKS!



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## IMPORTANT NOTICE:

The content of this material is extracted from Vanke's 2023 Annual Report. If there is any discrepancy, please refer to the annual report

Vanke Center, No. 33 Huanmei Road, Dameisha, Yantian District, Shenzhen, China

[www.vanke.com](http://www.vanke.com) 0755-25606666 [IR@vanke.com](mailto:IR@vanke.com)