

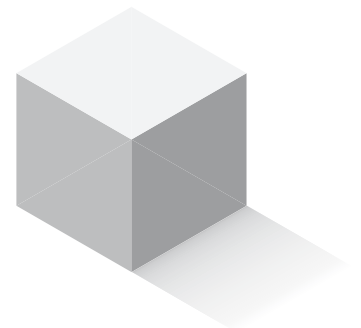
vanke



ANNUAL REPORT **2020**

CHINA VANKE CO., LTD.*

(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 2202)



*For identification purpose only

Important Notice:

1. The Board, the Supervisory Committee and the Directors, members of the Supervisory Committee and senior management of the Company warrant that in respect of the information contained in 2020 Annual Report (the “**Report**”, or “**Annual Report**”), there are no misrepresentations, misleading statements or material omission, and individually and collectively accept full responsibility for the authenticity, accuracy and completeness of the information contained in the Report.
2. The Report has been approved by the sixth meeting of the 19th session of the Board (the “**Meeting**”) convened on 30 March 2021. Mr. XIN Jie and Mr. TANG Shaojie, both being Non-executive Directors, did not attend the Meeting due to business engagement, and had authorised Mr. LI Qiangqiang, also a Non-executive Director, to attend the Meeting and executed voting rights on their behalf. All other Directors attended the Meeting in person.
3. The Company’s proposal on dividend distribution for the year of 2020: Based on the total share capital on the equity registration date when dividends are paid, the total amount of cash dividends proposed for distribution for 2020 will be RMB14,522,165,251.25 (inclusive of tax), accounting for 34.98% of the net profit attributable to equity shareholders of the Company for 2020, without any bonus shares or transfer of equity reserve to the share capital. Based on the Company’s total number of 11,617,732,201 shares at the end of 2020, a cash dividend of RMB12.5 (inclusive of tax) will be distributed for each 10 shares. If any circumstances, such as issuance of new shares, share repurchase or conversion of any convertible bonds into share capital before the record date for dividend distribution, results in the changes in our total number of shares on record date for dividend distribution, dividend per share shall be adjusted accordingly on the premise that the total dividends amount remains unchanged. The abovementioned proposed dividend will be paid to shareholders of the Company on or around 31 August 2021 after such dividend proposal being considered and approved at the annual general meeting of 2020 of the Company.
4. The financial report of the Report has been audited by KPMG, which has issued an auditor’s report with unqualified audit opinion.
5. Mr. YU Liang, Chairman of the Board and Ms. HAN Huihua, Executive Vice President and Finance Principal declare that the financial report contained in the Report is warranted to be true, accurate and complete.
6. The Report contains forward-looking statements in relation to matters such as future plans and development strategies, which do not constitute any specific undertakings to investors by the Group. Investors are advised to be aware of the risks involved, understand the differences between plans, forecasts and undertakings, and pay attention to investment risks.
7. The Report details principal risks faced by the Company and countermeasures thereof. Investors are advised to refer to “Section 8 Corporate Governance Report”.
8. Unless otherwise specified, the currency referred to in the Report is Renminbi.

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

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Term	Meaning
The Company	China Vanke Co., Ltd.
Vanke, the Group	China Vanke Co., Ltd. and its subsidiaries
The Board	The board of directors of the Company
Supervisory Committee	The Supervisory Committee of the Company
Onewo	Onewo Space-Tech Service Co., Ltd.
SCPG	SCPG Holdings Co., Limited, incorporated in the Cayman Islands
VX Logistic Properties	Vanke Logistics Development Co., Ltd.
BG	the abbreviation to Business Group, which refers to business group, including Southern Regional BG, Shanghai Regional BG, Northern Regional BG, Central and Western Regional BG, Northwestern Region BG and Property Service BG.
BU	the abbreviation to Business Unit, which refers to business unit, including SCPG BU, Logistics BU, Long-term Rental Apartment BU, Overseas BU, Hotel and Vacation BU, Meisha Education BU and Food BU
CSRC	China Securities Regulatory Commission
SZSE	Shenzhen Stock Exchange
SEHK	The Stock Exchange of Hong Kong Limited
SZMC	Shenzhen Metro Group Co., Ltd.
Company Law	Company Law of the People's Republic of China
Securities Law	Securities Law of the People's Republic of China
SZSE Listing Rules	Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange
SEHK Listing Rules	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
Corporate Governance Code	Corporate Governance Code set out in Appendix 14 of SEHK Listing Rules
Model Code	Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of SEHK Listing Rules
A Share(s) (RMB-denominated Ordinary Share(s))	domestic ordinary share(s) with a nominal value of RMB1.00 each in the share capital of the Company, which are listed on the SZSE and traded in Renminbi
H Share(s) (Overseas-listed Foreign Share(s))	overseas-listed foreign ordinary share(s) with a nominal value of RMB1.00 each in the share capital of the Company, which are listed on the SEHK and traded in Hong Kong dollars.
Articles of Association	Articles of Association of China Vanke Co., Ltd.
Jinpeng No.1 Plan	Guosen Securities – Industrial and Commercial Bank of China – Guosen Jinpeng No.1 Classified Collective Asset Management Plan
Ying'an Partnership Enterprise	Shenzhen Ying'an Financial Advisory Enterprise (Limited Partnership)
Reporting Period	1 January 2020 to 31 December 2020
RMB	Renminbi, unless otherwise specified

SECTION 1

To Shareholders



The year 2020 marked the end of an era and the beginning of another for the real estate industry.

Judged by sales figure alone, real estate is one of the few industries that still maintained growth amid the pandemic. The sales of commercial housing nationwide increased by 8.7% in 2020. More importantly, however, the industry's competition rules are changing in a profound way.

From the past to the foreseeable future, competition in the real estate industry has gone through three eras, namely, era of land dividends, of financial dividends, and of management dividends. When the value of land had yet to be widely recognized in the early days, some companies that obtained huge tracts of high-quality land at low prices became winners of the first era. The implementation of the "land bidding, auction and listing" system in 2002 marked the beginning of the era of financial dividends, when financial resources became a key element in companies' leapfrog development.

In August 2020, the People's Bank of China and the Ministry of Housing and Urban-Rural Development, together with relevant departments, formulated the rules for fund monitoring and financing management of key real estate companies, known as the policy of three red lines in the industry. With the introduction of the policy, the industry rules were rewritten. Its impact on the industry is no less than that of the land bidding, auction and listing system. The model of relying on high leverage, high liabilities, and high inventory to achieve high growth will not sustain under the new policy, heralding the shift from the era of financial dividends to the era of management dividends.

Characterized by "full competition", the era of management dividends will witness more intense competition. If what mattered in the era of land dividends and the era of financial dividends was how much companies could profit and how fast they could develop, it is now a matter of survival for companies in the era of management dividends. If a company cannot win, it will be knocked out of the market. In the face of the competition in the new era, we should abandon the old model of seeking bigger scale and instead focus more on the quality of growth.

The era of management dividends requires companies to be more capable. On the one hand, companies should have more comprehensive capabilities. "Land" and "finance" are both single resources of key importance, while "management" requires comprehensive capabilities. On the other hand, companies need to have unique advantages. When business models as well as products and services tend to be more homogeneous in a specific industry, companies should develop unique competitive advantages in order to stand out of the competition. In the face of higher-level competitions, we should forge our unique and definitive advantages that will help us leap forward while ensuring balanced development with no specific shortcoming.

The era of management dividends is full of uncertainties and challenges, but crisis and opportunity are always two sides of the same coin. After weighing up the changes and risks, we have to ask ourselves, “Where are the opportunities in the industry?”

Opportunities come from the demands of customers. A company exists to meet customer demand, which is an eternal business logic. But customer demand is not constant. It is like a rose transcending time. When the Internet-driven younger generation became the mainstream of the market, their preferences emerged with unprecedented diversity. A new canvas is unfolding in front of every company. Whoever understands customers’ inner expectation in a more profound way can become a more outstanding maker of better life scenes.

Opportunities come from urban development. Both population and production factors are rational, flowing to places of higher efficiency. The city’s past has become a tradition, while the future city is nurtured and emerging. The flow and concentration of population and resources has led to the evolution and upgrading of industries, and segmentation and upgrading of consumption. Especially as first-tier cities evolve into world-class metropolitan areas, TOD, organic renewal, city-industry integration, smart cities, large complex integrated projects, and new town/new district planning will become necessary elements of future cities.

Opportunities come from exploring the potential value. With the expansion and development of cities, various forms of urban space such as residence, commerce, and office, have grown over time and built a huge scale. But they are not just solid cement and steel, but also something containing countless values to be activated. Only better services, more exciting content, and more efficient interaction can turn quiet hardware resources into a more vivid carrier for a better life. With the emergence of REITs, managers who have long-term asset management capabilities will have huge room for growth.

Opportunities also come from the value released by technology. Human progress grows out of imagination, and technology is the wing that allows imagination to go wild. Technology makes the impossible possible and the possible easy. The industrial revolution that started two hundred years ago empowered humanity to go beyond the restrictions of their weak bodies, so that they gradually shake off hunger and poverty. The artificial intelligence that is arriving quietly will allow human thinking to go beyond the neural limitations and bring a better and more elegant life. For the industry, knowledge and creativity are replacing money and energy as the core resources.

As Peter F. Drucker wrote in his book *Managing in Turbulent Times*, “The greatest danger in times of turbulence is not turbulence itself, but to act with yesterday’s logic.” For companies, what matters is not whether the industry has opportunities, but whether we can seize the opportunities.

Success belongs to those who are able to adapt to changes. Looking back on Vanke’s 36-year journey, we find that the reason we survive is because we have been able to reflect on what we did and remain vigilant time and again in times of crisis, and tided over challenges and adventures with our concerted efforts. Facing the fierce competition in the era of management dividends, it remains our constant pursuit to be one of the best in the industry. We believe that we can climb insurmountable walls, solve unpredictable problems, and explore unfathomable areas to gain an upper hand over our competitors, bring hope, and usher in a time of greater success.

SECTION 2

Corporate Information



1. Company Name (Chinese): 萬科企業股份有限公司
Company Name (English): CHINA VANKE CO., LTD.*
2. Registered address: Vanke Center, No. 33 Huanmei Road, Dameisha, Yantian District, Shenzhen, the People's Republic of China
Postal code: 518083
Office address: Vanke Center, No. 33 Huanmei Road, Dameisha, Yantian District, Shenzhen, the People's Republic of China
Principal place of business in Hong Kong: 55/F, Bank of China Tower, 1 Garden Road, Hong Kong
Website address: www.vanke.com
E-mail address: IR@vanke.com
3. Legal representative: YU Liang
4. Authorised representatives for SEHK: WANG Haiwu and ZHU Xu
Alternate authorised representative for SEHK: YIP Hoi Man
5. Secretary to the Board and the company secretary: ZHU Xu
E-mail address: IR@vanke.com
Securities Affairs Representative: JI Jianghua
E-mail address: IR@vanke.com
Contact address: Vanke Center, No. 33 Huanmei Road, Dameisha, Yantian District, Shenzhen, the People's Republic of China
Telephone number: 86-0755-25606666
Fax number: 86-0755-25531696
Assistant company secretary: YIP Hoi Man
E-mail address: IR@vanke.com
Contact Address: 55/F, Bank of China Tower, 1 Garden Road, Hong Kong
Telephone number: 00852-23098888
Fax number: 00852-23288097
6. Stock exchange on which the Company's A shares are listed: SZSE
Stock short name of A shares: Vanke A
Stock code of A shares: 000002
Stock exchange on which the Company's H shares are listed: SEHK
Stock short name of H shares: China Vanke, Vanke H^{note}
Stock code of H shares: 2202, 299903^{note}

Note: The stock short name and stock code are only applied for trading of the Company's H shares converted from the B shares of the Company held by the original B shareholders of the Company through domestic securities companies' trading system

H share registrar: Computershare Hong Kong Investor Services Limited

Contact address: Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong

* For identification purpose only

7. Media for disclosure of information: “China Securities Journal”, “Securities Times”, “Shanghai Securities News”, “Securities Daily”, CNINFO Network, website of SEHK
 Website address for publication of the Annual Report:
 A shares: www.cninfo.com.cn
 H shares: www.hkexnews.hk
 Place for annual report collection: The Office of the Company’s Board of Directors
8. First registration date of the Company: 30 May 1984
 location: Shenzhen
 Date of change in registration: 14 July 2017
 location: Shenzhen
9. Unified social credit code:
 91440300192181490G
10. Certified public accountants engaged by the Company
 Domestic: KPMG Huazhen LLP
 Address: 8/F, Office Tower E2, Oriental Plaza, 1 East Chang An Avenue, Beijing
 Signing CPA: Chen Yongyi, Li Moran
 Overseas: KPMG
 Public Interest Entity Auditor registered in accordance with the Financial Reporting Council Ordinance
 Address: 8th Floor, Prince’s Building, 10 Chater Road, Central, Hong Kong
11. Legal advisor engaged by the Company
- Domestic:
- | Name | Address |
|-----------------------------------|---|
| Guangdong Shujin Law Firm | 11th to 12th floor, Taiping Finance Tower,
6001 Yitian Road, Futian District, Shenzhen |
| Beijing Junhe (Shenzhen) Law Firm | Suite 2803-04, Tower Three, Kerry Plaza No.1-1,
Zhongxinsi Road, Futian District, Shenzhen |
- Overseas: Paul Hastings
 Address: 21-22/F, Bank of China Tower, 1 Garden Road, Hong Kong



Jilin Songhua Lake – Sea of Flower of Qingshan

SECTION 3

Accounting and Financial Highlights



3.1 Key Accounting Information and Financial Indicators for the Year

Unit: RMB'000

	2020	2019	Fluctuation	2018
Revenue	419,111,678	367,893,878	13.92%	297,083,058
Gross Profit	120,580,201	132,196,660	-8.79%	109,952,059
Profit for the year	59,298,116	55,131,615	7.56%	49,272,295
Net profit attributable to equity shareholders of the Company	41,515,545	38,872,087	6.80%	33,772,652
Net cash generated from operating activities	53,188,023	45,686,810	16.42%	33,618,183
Basic earnings per share (RMB)	3.62	3.47	4.52%	3.06
Diluted earnings per share (RMB)	3.62	3.47	4.52%	3.06
Net return on equity on a fully diluted basis (%)	18.49%	20.67%	decreased by 2.18 percentage points	21.68%
Net return on equity on weighted average basis (%)	20.13%	22.47%	decreased by 2.34 percentage points	23.24%

	31 December 2020	31 December 2019	Fluctuation	31 December 2018
Current assets	1,547,450,938	1,439,063,201	7.53%	1,295,155,915
Current liabilities	1,317,492,690	1,272,610,284	3.53%	1,121,913,937
Total equity attributable to equity shareholders of the Company	224,510,953	188,058,492	19.38%	155,764,132
Share capital (1000 shares)	11,617,732	11,302,143	2.79%	11,039,152
Net assets per share attributable to equity shareholders of the Company (RMB)	19.32	16.64	16.14%	14.11

Accounting and Financial Highlights

3.2 Quarterly Key Financial Indicators

Unit: RMB'000

	The First quarter	The Second quarter	The Third quarter	The Fourth quarter
Revenue	47,774,343	98,575,164	95,141,960	177,620,211
Net profit attributable to equity shareholders of the Company	1,249,359	11,258,160	7,355,308	21,652,718
Net cash generated from operating activities	(2,953,862)	25,559,824	10,774,907	19,807,154

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

Unit: RMB'000

	Net profit attributable to the shareholders of the Company		Total equity attributable to the shareholders of the Company	
	2020	2019	31 December 2020	31 December 2019
According to IFRSs	41,515,545	38,872,087	224,510,953	188,058,492
According to the PRC accounting standards	41,515,545	38,872,087	224,510,953	188,058,492
Breakdown and total reconciled according with IFRSs:	-	-	-	-
According to the IFRSs Differences		Nil		

BUSINESS HIGHLIGHTS

Property management services

In 2020, Onewo realized revenue of RMB18.204 billion, an increase of 27.36% year-on-year. As of the end of 2020, Onewo had a total contract floor space of 751 million square meters, of which 566 million square meters had been taken over.

Property development business

Sold 46.675 million square meters, an increase of 13.5% year-on-year. Sales amount reached RMB704.15 billion, an increase of 11.6% year-on-year. Settled an area of 28.894 million square meters, an increase of 17.4% year-on-year. Realized settlement income from development business of RMB377.42 billion.

Rental housing

As of the end of 2020, the Group had operated approximately 184,400 long-term rental apartments and unveiled a total of 142,400 new apartments. In 2020, the Group's operating income from long-term rental apartment business reached RMB2.540 billion, a year-on-year increase of 72.33%. Overall occupancy rate of projects unveiled was over 95%.

Retail property development and operations

Retail projects unveiled by the Group (including those unveiled by SCPG) totaled an area of 9.898 million square meters. Overall occupancy rate of the Group's unveiled projects was 87.4%, and that of retail property projects opening for more than 3 years was 92.0%.

Hotel and Resort business

The Group currently holds 23 operating hotel properties, covering core cities such as Shenzhen, Guangzhou, Suzhou, Hangzhou, etc., and certain travel destinations. The ski resort business currently focuses on three projects, Lake Songhua Resort in Jilin, Shijinglong and Xishan Ski Resort in Beijing respectively, received 620,000 visits in the snow season.

Education business

Meisha Education has become the largest private education group of Shenzhen after 5 years of development, covering K-12 full-time school, preschool education, outdoor education, and curriculum development.

Logistics and warehousing services

VX Logistic Properties had managed a total of 148 projects in 44 cities, with a floor area of 11.48 million square meters of leaseable properties, the gross floor space of unveiled projects reached 7 million square meters. The occupancy rate in the stable stage of high-standard warehouses and cold storage were 94% and 77%, respectively. During the Reporting Period, managed projects generated an operating income of RMB1.87 billion, a year-on-year increase of 37%.



SECTION 4

Directors' Report



4.1 Review and Analysis of Business Situation

2020 was an extraordinary year. In the face of the huge social and economic impact of the sudden outbreak of COVID-19, Vanke, the Group made every effort in COVID-19 prevention to ensure the safety of its customers and health of employees. With the joint efforts of all the staff, each of the businesses has gradually stepped out of the difficulties caused by the pandemic and seen the recovery gathering momentum.

2020 was also a special year with far-reaching impact on the history of the industry. The introduction of policies such as fund monitoring and financing management of key real estate companies, and real estate loan concentration degree management marks the era of management bonus for the industry. Future competition in the industry will therefore be more comprehensive and adequate.

Faced with the complex business environment, adhering to the goal of seeking long-term maximization of its market value, Vanke is committed to developing future-oriented long-term competitive advantages as a city and town developer and service provider.

During the Reporting Period, Vanke's main financial indicators remained stable. It realized an operating income of RMB419.11 billion, a year-on-year increase of 13.9%. Net profit attributable to shareholders of the Company stood at RMB41.52 billion, up by 6.8% year-on-year. Real estate sales reached RMB704.15 billion, a year-on-year increase of 11.6%. Vanke's credit rating remains top in the industry. As of the end of the Reporting Period, its monetary fund was RMB195.23 billion with a net debt ratio (interest-bearing liabilities minus monetary funds divided by net assets) of 18.1%. The monetary funds cover 2.4 times of interest-bearing liabilities due in one year.

4.1.1 Review of the real estate market in 2020

During the Reporting Period, the business environment went through profound changes. On the one hand, COVID-19, as the biggest “black swan” of the year, had a major impact on every industry while accelerating some trends. On the other hand, the new development pattern of changing impetus of economic development and the dual circulation injected new momentum into many domestic industries. The Group, as a city and town developer and service provider, saw many of its business sectors affected to varying degrees.

After COVID-19 was brought under control in China, the floor area of commercial housing sold was back on a growing track across the country. At the beginning of 2020, the area of commercial housing sold across the country fell sharply as a result of COVID-19. As the virus was gradually brought under control, the market started to stabilize and pick up after March. For the whole year, the floor area of commercial housing sold nationwide reached 1.761 billion square meters, a year-on-year increase of 2.6%. The sales amount totaled RMB17.36 trillion, an increase of 8.7% year-on-year. The growth rate across the country was 26.3%, 3.2%, 9.9% and 12.7% respectively in the four quarters.

Despite the rapid recovery of commercial housing sales, investment in real estate development and newly development projects were still weak. Data from the National Bureau of Statistics show that the newly developed floor area in 2020 nationwide was 2.24 billion square meters, down by 1.2% year-on-year, compared with an increase of 8.5% in the previous year. The total investment in real estate development nationwide was RMB14.1 trillion, an increase of 7.0% year-on-year, down by 2.9 percentage points on growth compared to last year.

Localities increased land supply, increasing the land transaction area to some extent. The land market recovered rapidly after the first quarter, with both supply and demand booming. According to data from the China Index Academy, in 2020, the floor area of residential land supply in 300 cities across the country increased by 3.9% year-on-year, while the transaction area increased by 9.4% year-on-year. Competition in the land market was somewhat fierce throughout the year, with the average premium rate of residential land reaching 15.4%.

As the regulation of this industry is conducted by adhering to the policy that “houses are for living in and not for speculative investment”, the growth of real estate loans fell again. In the second half of the year, market in some cities heated up to some extent. Adhering to the principle that “houses are for living in and not for speculative investment”, local governments introduced city-specific policies to stabilize land price, housing price and expectations in an effort to promote the stable development of the market. To curb financial risks in the industry, the People’s Bank of China and the Ministry of Housing and Urban-Rural Development, together with relevant departments, formulated in August the rules for fund monitoring and financing management of key real estate companies. In December, the People’s Bank of China and the China Banking and Insurance Regulatory Commission introduced a real estate loan concentration degree management system, capping the proportion of real estate loans and individual housing loans in all loans issued by any financial institution. By the end of 2020, the balance of real estate loans of major financial

institutions in the country increased by 11.6% on a year-on-year basis, down by 3.2 percentage points from the end of the previous year. The proportion of the balance of real estate loans in that of all loans dropped to 28.7%.

Policies have been introduced to step up support for house leasing. The Central Economic Work Conference in December proposed to “accelerate the improvement of long-term housing rental policy” and “ensure the orderly development of the long-term housing rental market.” Localities have successively put in place policies on forging and promoting the development of the housing rental market. Housing rental has embraced a new round of development opportunities.

Changes in the macro environment also brought different extent of challenges and opportunities to Vanke's property services, retail property development, logistics and warehousing businesses. Property services companies actively participated in COVID-19 prevention and control, playing an irreplaceable role in the fight against the virus and demonstrating its importance role in primary-level governance. In January 2021, ten ministries and commissions including the Ministry of Housing and Urban-Rural Development, National Development and Reform Commission, and China Banking and Insurance Regulatory Commission released the *Notice on Strengthening and Improving Residential Property Services*, which further unleashed the potential for the property services market. In terms of logistics and warehousing, as people paid more attention to food safety amid the pandemic, the rapid emergence of fresh food retailers and the continuous recovery of consumption in restaurant chains have continuously unleashed the demand in the cold chain market. For retail property development, the pandemic has accelerated the differentiation of the industry. Meanwhile, the continuous increase in retail housing supply has made the competition increasingly fierce, requiring companies to change their business ideas by focusing on innovation of their products and services to improve attraction to customers.

4.1.2 Main work in the Reporting Period

Positioning itself as a city and town developer and service provider, Vanke's main business includes real estate development and property services. On this basis, Vanke adheres to the strategy of “developing with the city and customers”, actively conducting other businesses regarding scenarios of people's good life.

During the Reporting Period, the Group realized an operating income of RMB419.11 billion, a year-on-year growth of 13.9%. Net profit attributable to equity shareholders of the Company stood at RMB41.52 billion, up by 6.8% year-on-year. The basic earnings per share was RMB3.62, a year-on-year increase of 4.5%. The fully diluted equity returns reached 18.5%, a decrease of 2.2 percentage points from 2019.

Categorized by business types. The revenue of the Group from real estate development and related asset operation businesses reached RMB400.45 billion, accounting for 95.5%; revenue from property services reached RMB15.43 billion, accounting for 3.7%.

The Operation of the Group's Main Businesses

Unit: RMB'000

Industry	Revenue		Cost of Sales		Operating Profit Margin	
	Amount	Growth/ decrease	Amount	Growth/ decrease	Amount	Growth/ decrease
1. Core businesses	415,880,947	13.83%	297,462,076	26.39%	21.93%	decreased by 4.65 percentage points
Among which: real estate development and related assets operation businesses	400,448,736	13.55%	284,858,057	26.60%	22.09%	decreased by 4.80 percentage points
Property services	15,432,211	21.51%	12,604,019	21.88%	17.78%	decreased by 0.18 percentage points
2. Other businesses	3,230,731	27.19%	1,069,401	203.98%	66.14%	decreased by 19.10 percentage points
Total	419,111,678	13.92%	298,531,477	26.66%	22.28%	decreased by 4.72 percentage points

Note:

1. The operating profit margins have deducted taxes and surcharges.
2. The revenue of the other businesses mainly includes operating management fees, brand management fees, and business management-related fees collected from joint ventures.
3. The revenue of property services has deducted revenue from intra-group transactions.

1. Business development

(1) Real estate development business

① Sales and settlement

Sales grew. In 2020, the Group sold 46.675 million square meters and the sales amount reached RMB704.15 billion, an increase of 13.5% and 11.6% respectively. Among all the products sold, residential buildings accounted for 88.2%, commercial offices 7.9%, and other ancillary facilities 3.9%. In 2020, the Group's share in the national commercial housing market was approximately 4.03%, and its sales amount ranked first in 23 cities and second in 14 cities of the country.

Sales by geographical regions

	Areas Sold ('0000 square meters)	Proportion	Sales Amount (RMB hundred million)	Proportion
Southern Region	833.00	17.85%	1,502.00	21.33%
Shanghai Region	1,249.11	26.75%	2,377.33	33.76%
Northern Region	1,190.99	25.52%	1,501.74	21.33%
Central and Western Region	928.72	19.90%	1,153.69	16.38%
Northwestern Region	462.05	9.90%	463.95	6.59%
Other	3.59	0.08%	42.75	0.61%
Total	4,667.46	100.00%	7,041.46	100.00%

Note: The following are major cities that had sales during the Reporting Period. The southern region includes Shenzhen, Guangzhou, Qingyuan, Dongguan, Huizhou, Foshan, Zhuhai, Zhongshan, Xiamen, Fuzhou, Zhangzhou, Quanzhou, Sanya, Nanning, Changsha, Jiangmen, and Liuzhou. The Shanghai region includes Shanghai, Hangzhou, Jiaxing, Suzhou, Kunshan, Wuxi, Nanjing, Nanchang, Ningbo, Hefei, Yangzhou, Wenzhou, Wuhu, Xuzhou, Suqian, Nantong, Zhenjiang, Changzhou, Yancheng, Shaoxing, Jinhua, Taizhou (泰州) and Taizhou (台州). The northern region includes Beijing, Qinhuangdao, Tianjin, Shenyang, Fushun, Dalian, Changchun, Harbin, Jilin, Qingdao, Jinan, Yantai, Taiyuan, Jinzhong, Tangshan, Anshan, Shijiazhuang, Zibo, Weihai, Baotou, Linyi, Weifang, Zhangjiakou, Yingkou, Panjin, Baoding and Langfang. The central and western region includes Chengdu, Nanchong, Wuhan, Yichang, Zhengzhou, Chongqing, Guiyang, Ezhou, Kunming, Yuxi, Dali, Xishuangbanna, Meishan, Zhoukou and Xichang. The northwestern region includes: Xi'an, Urumqi, Lanzhou, Yinchuan, Xining, Xianyang and Weinan. Others include: Hong Kong, New York, San Francisco, London, and Seattle.

Revenue from settlement grew. The revenue from the Group's property development and relevant facilities business was RMB398.90 billion, categorized by regions, the southern region, Shanghai region, northern region, central and western region, and northwestern region accounted for 28.11%, 27.64%, 16.91%, 18.85% and 6.91%, respectively. In addition, the Group has overcome the impact of the difficult operating environment of entered overseas cities under the pandemic, and the overseas business contributed revenue of approximately RMB6.29 billion during the year. In 2020, the Group realized settlement area of 28.894 million square meters, representing a year-on-year increase of 17.4%, and revenue settled from development business of RMB377.42 billion, an increase of 13.0% year-on-year. The average settlement price of development business was RMB13,062/square meter (2019: RMB13,577/square meter).

Revenue and profit by different regions

	Revenue (RMB'000)	Proportion	Net Profit Attributable to Vanke's Equity Holding (RMB'000)	Proportion
Southern Region	112,118,019	28.11%	14,218,498	30.16%
Shanghai Region	110,264,563	27.64%	15,686,565	33.27%
Northern Region	67,442,943	16.91%	3,397,471	7.21%
Central and Western Region	75,205,793	18.85%	8,647,003	18.34%
Northwestern Region	27,585,997	6.91%	4,641,966	9.85%
Others	6,286,217	1.58%	551,430	1.17%
Total	398,903,532	100.00%	47,142,933	100.00%

Note: Major cities with settlement of the revenue from real estate business during the Reporting Period. The southern region includes: Shenzhen, Guangzhou, Dongguan, Foshan, Zhuhai, Zhongshan, Changsha, Huizhou, Xiamen, Fuzhou, Sanya, and Nanning. The Shanghai region includes: Shanghai, Hangzhou, Suzhou, Wuxi, Changzhou, Yangzhou, Hefei, Nanjing, Ningbo, Nanchang, Wuhu, Nantong, Jiaxing, Xuzhou, Wenzhou, and Yancheng. The northern region includes: Beijing, Tangshan, Tianjin, Shenyang, Dalian, Changchun, Jilin, Qingdao, Yantai, Taiyuan, Jinan, Harbin, and Shijiazhuang. The central and western region includes: Chengdu, Chongqing, Wuhan, Guiyang, Zhengzhou, and Kunming. The northwestern region includes: Xi'an, Lanzhou and Urumqi.

The resources sold but not settled grew. As of the end of the Reporting Period, within the consolidated statements of the Group, there were 49.186 million square meters of sold resources that had not been completed and settled. The total contract price was approximately RMB698.15 billion, an increase of 14.7% and 14.6% respectively over those by the end of the previous year.



② *Development investment*

The completed floor area continued to grow. In 2020, the newly started floor area of the Group's development projects was approximately 39.604 million square meters, a year-on-year decrease of 6.6%, completing 135.6% of the target set up at the beginning of the year. The completed floor area of its development projects was approximately 33.817 million square meters, an increase of 12.4% and year-on-year, completing 101.9% of the target set up at the beginning of the year.

The Group adhered to rational investment and secured investment quality. The Group adheres to a rational investment strategy, and explores different kinds of project resources while ensuring a balance between safety and development and taking into account of risks and returns. In 2020, the Group acquired 168 new projects, with a total planned gross floor area ("GFA") of 33.665 million square meters, and planned GFA attributable to the Company's equity holding of 20.588 million square meters, the total land premium attributable to the Company's equity holding of approximately RMB138.15 billion, and an average land premium of RMB6,710/square meters for new projects.

Project resources meet the needs of sustainable development. As of the end of the Reporting Period, the Group's total GFA under construction was approximately 107.876 million square meters, and its GFA attributable to the Company's equity holding was approximately 63.808 million square meters. The total GFA of the planned projects was approximately 50.508 million square meters, and its GFA attributable to the Company's equity holding was approximately 31.274 million square meters. In addition, the Group was also engaged some urban renewal projects. According to the current planning conditions, its total GFA attributable to the Company's equity holding was approximately 3.634 million square meters.

Facilitated urban revitalization and renewal. In the process of leading urban renewal projects, the Group has adhered to the concept of respecting historical context, preserving urban memory, injecting new vitality into urban development. In recent years, the Group has built many projects such as Nantou Ancient Town in Shenzhen, Shangsheng Xinsuo in Shanghai, Yongqing Fang in Guangzhou, Wangjing Xiaojie in Beijing, Huaihai Jie in Suzhou, Yantaishan in Fozhou, etc., receiving praises from the society.

Active expansion on TOD projects. Zhenwanhui in Shenzhen, UNI-City in Shanghai, UNI-City in Hangzhou, UNI-City in Foshan and multiple projects built by the Group have become the benchmark for comprehensive development of TOD in the city where it is located.

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

(2) Property services

During the Reporting Period, the name of Vanke Service Development Co., Ltd. was officially changed to “Onewo Space-Tech Service Co., Ltd.” (hereinafter referred to as Onewo). It strives to realize the connection between facilities, equipment, assets, people, commercial activities of property services through digitalization, serving more customers and more aspects of them from property services to space technology.

During the Reporting Period, Onewo realized revenue RMB18.204 billion, an increase of 27.36% year-on-year; revenue from residential property service of RMB10.052 billion, accounting for 55.22%; revenue from commercial property and facility services of RMB5.314 billion, accounting for 29.19%; revenue from smart city service of RMB991 million, accounting for 5.44%; from community life service of RMB985 million, accounting for 5.41%; and revenue from Onewo Growth of RMB862 million, accounting for 4.74%. As of the end of the Reporting Period, 566 million square meters is under service of Onewo.

In the area of residential property services, Vanke Service served 3,051 projects in 100 cities (including Hong Kong), it focuses on high-quality property residential services and improving its service quality through a series of measurements such as setting up chief customer officer and the four-level management and control system. During the pandemic, Onewo ensured zero suspension of its projects and zero infection of its on-the-job employees, and played its role in the reopening. After the outbreak of COVID-19, Vanke Service Wuhan Branch sent the first batch of volunteers to Huoshenshan Hospital, making it the only team to be praised in written by the hospital. Vanke Service has ensured the transparency of the use of elevator advertising revenues in all the residential areas under its management and service, enabling the participation in the management and monitoring of advertising revenues by owners.

In terms of office property services, the brand Cushman & Wakefield Vanke Service was officially launched by Onewo, which is the only domestic property company in China that has strategically allied with the five major international real estate consulting companies. During the pandemic, Cushman & Wakefield Vanke Service edited a handbook of COVID-19 prevention experience in office buildings and shared the experience in COVID-19 control and reopening measures with corporate users and professionals in more than 100 countries around the world to contribute to the global fight against the pandemic. Currently, it serves more than 1,700 projects currently and expanded over 200 new properties management and facilities management projects during the Reporting Period, including 50 major projects with a full income of more than RMB10 million. Breakthroughs have been made in many key areas such as global/national headquarters projects, super high-rise projects, and national distributed workplace projects, continuing to expand its competitive edge.

In terms of urban space services, Onewo launched the brand of City Up, which emerged as the times during the deepening of the government's "streamline administration, delegate powers, and improve regulation and services" reform. It was the first to enter the urban service sector. Through digital, mechanized, and professional operation means, it integrates urban resources, leads various professional operations, and improves the efficiency and level of urban services, so as to become a comprehensive urban service provider based on the model of "city steward". During the Reporting Period, it developed 12 new projects within the reporting period, including Xiamen Gulangyu Island, Jiangmen Talent Island, and Jiangnan District of Wuhan. It planned 16 projects in 10 cities in total.

In terms of technology empowerment, during the Reporting Period, Onewo released the "Stardust System", combining with Vanke Service's operation experience to provide space technology operation process services (BPaaS). In addition, Onewo, as the first batch of companies to carry out the digital RMB pilot, took the lead in completing the docking with the four major state-owned banks, namely BOC, ABC, ICBC and CCB. Users can use the digital currency to pay property fees online in the community app "Live Here" (住這兒).

In addition, Onewo has formed a strategic alliance with Hikivision to incubate Shenzhen Wanyu Security Service Technology Co., Ltd., focusing on security technology, electromechanical maintenance, technical craftsman cultivation and other businesses, and has become the largest security electromechanical integrated service provider in China.



Property Services – The Service of City Up Carried Out in Xiamen Gulangyu Island

(3) Rental housing

The Group's centralized long-term rental products brand, the "Port Apartment", is committed to providing youths who are newly entering the city with a comprehensive rental scene integrating rental, social, entrepreneurship, studying, growth and other services, creating a rental environment for the city's competitive talents.

As of the end of 2020, the Group had operated approximately 184,400 long-term rental apartments and unveiled a total of 142,400 new apartments. During the Reporting Period, the Group unveiled 33,000 long-term rental apartments in 9 major cities, namely, Shenzhen, Tianjin, Beijing, Zhuhai, Jinan, Xi'an, Chengdu, Xiamen, and Guangzhou.

In 2020, the Group's revenue from long-term rental apartment business reached RMB2.54 billion, a year-on-year increase of 72.33%.

As of the end of the Reporting Period, the overall occupancy rate of projects that were up and running exceeded 95%. Among them, all the apartments of the Beijing Chengshousi Community project, the country's first rental housing project on collective land, were rented out just seven days after being unveiled. Shenzhen Cloud City project, as the largest single store in the sector, achieved an occupancy rate of 99%.

Apartment projects owned and managed by the Group

City	Number of projects	Total number of apartments (unit: 10,000)	Number of apartments available for rental (unit: 10,000)
Shenzhen	148	7.58	7.09
Beijing	16	2.53	0.37
Guangzhou	33	1.18	0.95
Tianjin	15	0.75	0.61
Xi'an	11	0.65	0.58
Shanghai	17	0.64	0.32
Jinan	12	0.54	0.43
Xiamen	16	0.53	0.53
Hangzhou	16	0.47	0.42
Ningbo	8	0.43	0.24
Dalian	18	0.41	0.23
Chengdu	10	0.36	0.30
Foshan	7	0.29	0.29
Hefei	6	0.24	0.18
Changchun	13	0.23	0.21
Shenyang	9	0.23	0.19
Zhuhai	7	0.21	0.18
Dongguan	7	0.18	0.14
Qingdao	6	0.15	0.15

City	Number of projects	Total number of apartments (unit: 10,000)	Number of apartments available for rental (unit: 10,000)
Fuzhou	7	0.14	0.14
Wuhan	3	0.13	0.13
Nanjing	5	0.12	0.11
Changsha	5	0.12	0.12
Other cities	18	0.33	0.33
Total	413	18.44	14.24

The quality of services of rental housing business continue to be improved. During the Reporting Period, the Service SOP “1+8” Basic Standard became implemented in 367 stores, realizing the transformation of services from “preliminary status” to “status subject to basic standard”; Cooperating with local communities, Port Apartment has established the “Port Apartment Running Club” (泊跑團), the “Port Apartment Interest Community” (泊玩社) and the “Port Apartment Resident Volunteer Group” (泊友志願團) to carry out volunteer activities and “Spiritual Talks”, making rental warmer. In 2020, it reached cooperation with 166 well-known companies covering finance, technology, construction and other sectors, providing one-stop residential services for nearly 35,000 employees.

The rental housing business has actively explored the business development model of collective land, self-owned land rental housing construction, reconstruction and operation of urban village joint ventures, as well as government rental housing agent construction and management, and built multiple benchmark projects, namely, the Beijing Chengshousi Port Apartment (北京成壽寺泊寓院兒), the Shenzhen Cloud City Port Apartment (深圳雲城泊寓旗艦店), the Nantou City Port Apartment (南頭古城泊寓) and Ji'nan Dingjiashuang Port Apartment (濟南丁家莊泊寓α人才公寓).



Rental Housing – Beijing Chengshousi Port Apartment

(4) Retail property development and operations

As of the end of the Reporting Period, the retail projects unveiled by the Group (including SCPG) totaled an area of 9.898 million square meters.

During the Reporting Period, the Group realized revenue from retail property development and operations (including non-consolidated items) of RMB6.322 billion, a year-on-year increase of 4.33%. Among them, the revenue of retail property projects managed by SCPG stood at RMB4.222 billion, a year-on-year decrease of 1.62%. As of the end of the Reporting Period, the overall occupancy rate of the Group's unveiled projects was 87.4%, and that of retail property projects in the stable development stage (opening for more than 3 years) was 92.0%.

In addition, the floor area of retail property projects under planning and under construction was 4.354 million square meters.

During the Reporting Period, the Group (including SCPG) unveiled a new floor area of 1.289 million square meters, including 3 shopping malls and 20 community retail property facilities. On 30 May 2020, Taiyuan In-City became the first regional shopping mall unveiled in China during the pandemic. Shanghai Nanxiang In-City MEGA became the largest commercial shopping center in Shanghai with a floor area of 340,000 square meters. Within 4 months after being unveiled, the visitor flow exceeded 8 million and the sales value surpassed RMB1.2 billion.

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

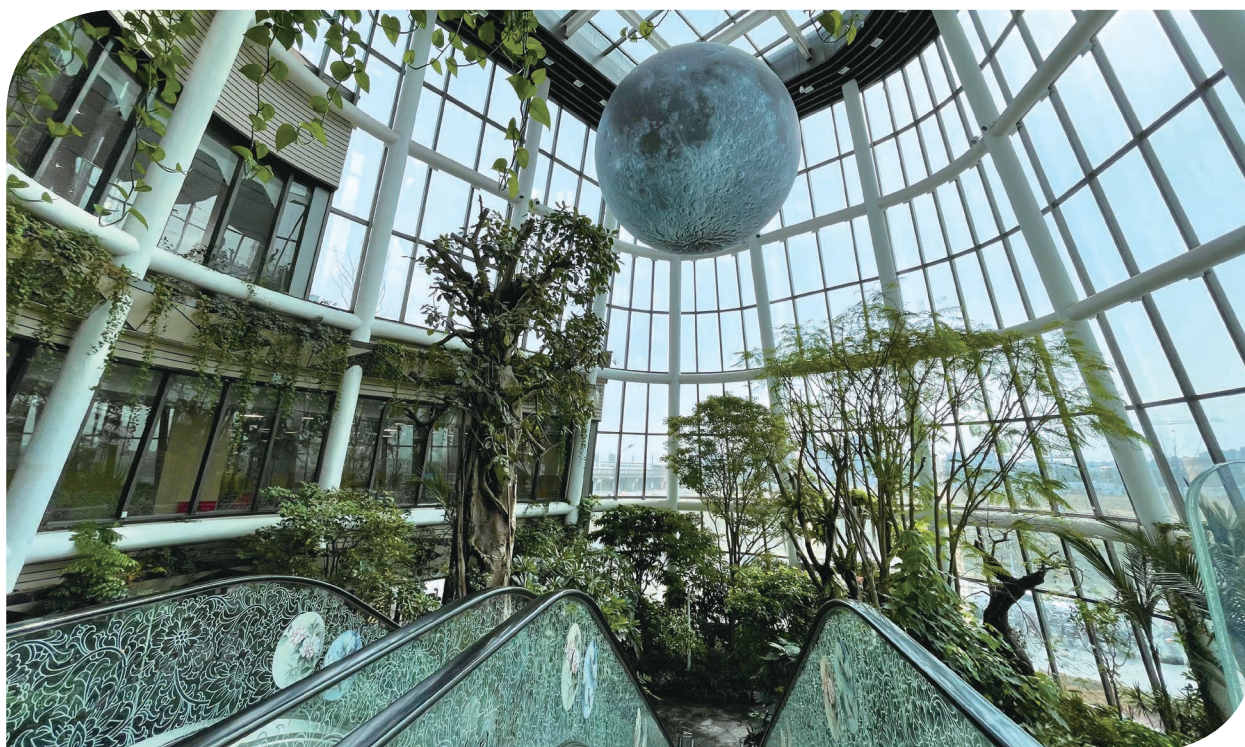
Project	City	Floor area (square meters)	Occupancy rate	
			of 2020	Revenue of 2020 (RMB'0000)
Shanghai Qibao Vanke Plaza	Shanghai	237,193	96.0%	36,757.00
Shenzhen SCPG Center Shopping Plaza	Shenzhen	96,607	95.6%	33,430.69
Hangzhou Xixi In-City	Hangzhou	251,145	95.8%	24,370.92
Longgang Vanke Plaza	Shenzhen	128,925	98.3%	22,542.87
Tianjin Xiqing In-City	Tianjin	228,985	98.6%	14,109.35
Ningbo Yinzhou In-City	Ningbo	113,622	98.9%	13,802.75
Jinan In-City	Jinan	156,630	96.2%	13,427.98
Beijing In-City	Beijing	72,558	91.9%	12,449.95
Nanning In-City	Nanning	127,180	99.1%	11,513.19
Xi'an Longshou In-City	Xi'an	122,833	94.7%	10,978.93



During the period, the Group continued to promote commercial innovation. Wuhan Qingshan In-City has built LIFE HUB product prototypes around the two symbols, namely, “green ecology” and “community-friendliness”. Changsha In-City, Guangzhou Jiangyan Road Vanke City, and Shenzhen Longcheng Vanke City have played an active role in exploring youth culture and night economy, becoming new landmarks of night economy of their respective localities.

SCPG improved its operation and management and enhanced its capacity in serving online malls. Its digital membership operation system covered 62 projects, with the number of members exceeding 8.7 million.

It actively explored asset securitization and formed a model of virtuous cycle that taps the existing high-quality commercial properties. It successively completed the issuance of the CMBS of Yinxiang No.2 and the CMBS of the second phrase of Shenzhen SCPG Center. Shanghai Sanlin In City withdrew after transformation and upgrade, which proved the business logic of existing properties featuring “entering-upgrading-selling”.



Retail Property Development and Operations – Chamber of Shanghai Nanxiang Incity MEGA

(5) Logistic and warehousing services

Using VX Logistic Properties as its logistics and warehousing service platform, it focuses on the development of two core businesses, namely high-standard warehouse and cold storage. After five years of development, it has developed into the largest integrated cold chain logistics service provider in China.

In 2020, VX Logistic Properties continued to improve the distribution of key sectors and acquired 10 new management projects, with a total floor area of 750,000 square meters of leaseable properties. As of the end of the Reporting Period, VX Logistic Properties had run a total of 148 projects in 44 cities, with a floor area of 11.48 million square meters of leaseable properties. Among them 128 were high-standard warehouses, with a leaseable floor area of 10.62 million square meters; 20 were cold storage with a leaseable floor area of 860,000 square meters.

In 2020, VX Logistic Properties unveiled 1.95 million square meters. As of the end of the Reporting Period, the gross floor area of unveiled projects reached 7 million square meters, including 6.66 million square meters of high-standard warehouses and occupancy rate in the stable stage was 94%, and 340,000 square meters of cold storage whose point-of-time occupancy rate was 77%.

During the Reporting Period, the projects managed by VX Logistic Properties generated a revenue of RMB1.87 billion, a year-on-year increase of 37%, of which RMB1.29 billion was generated from the revenue of high-standard warehouses, a year-on-year increase of 29%; and RMB580 million from the revenue of cold storage, a year-on-year increase of 60%.



In 2020, focusing on good products and services, VX Logistic Properties promoted business development with the business strategy of “service + technology”, completing the industry’s first fast-built high-standard cold storage. Meanwhile, it established a standard customer service system for high-standard warehouses and cold chain business, making sustained efforts to improve the application of technology in the service standard process. VX Logistic Properties currently serves more than 850 customers, covering multiple fields such as e-commerce, express delivery, manufacturing, catering, and retail.

In 2020, VX Logistic entered into an cooperation agreement with Singapore Government Investment Corporation (GIC) to jointly establish a sino-foreign joint venture as an investment platform. In June 2020, VX Logistics’ first-phase REITs-quais product “VX Logistics-E Funda Assets-Logistics Warehousing Phase 1 Asset Support Special Plan” was listed on the Shenzhen Stock Exchange, and its assets and operational management capabilities were recognized by the capital market. At the same time, VX Logistic Properties actively assumed social responsibility. Amid the pandemic, VX Xiamen Haicang Cold Chain Park, VX Ningbo Beilun Cold Chain Park, and VX Chengdu Xinjin Cold Chain Park were designated by local governments as transit supervision warehouses to protect the safety of imported cold chain food.

During the Reporting Period, VX Logistic Properties won the “Award for Good Performance of Companies in Logistics Industry in Fighting COVID-19” by the China Federation of Logistics & Purchasing and the “AAA Credit Company” by China Communications and Transportation Association.

Logistic and Warehousing – Dayaowan Project in Dalian



(6) Hotel and resort business

In 2020, the Group established the Hotel and Resort BU on the basis of the previous Ski Resort BU to better manage the existing hotel and resort properties of the Group. The Group currently holds 23 operating hotel properties, covering core cities such as Shenzhen, Guangzhou, Suzhou, and Hangzhou, and certain travel destinations, and has forged two self-owned brands, namely, Zanyee for high-end business travel, and Youxiong for urban culture.

The ski resort business currently focuses on three projects, Jilin Lake Songhua Resort, Shijinglong Ski Resort and Xishan Ski Resort in Beijing respectively. In 2020, while adhering to regular measures of COVID-19 prevention and control, it received 620,000 visits in the snow season. The construction of the Group's participation in the Winter Olympic Village and Mountain News Center in Yanqing competition area of Beijing Olympics was completed on 29 December 2020. The Yanqing competition area will open to public as a high-quality tourism and holiday destination after the Winter Olympics, facilitating the construction of the Beijing-Zhangjiakou Sports Cultural Tourism Belt.

(7) Education business

In the education sector, the Group has built distinctive brands including Meisha Education and Dare to Dream Education. Meisha Education has become the largest private education group of Shenzhen after 5 years of development, covering K-12 full-time school, preschool education, outdoor education, and curriculum development. Vanke Meisha Academy has been listed for three years in a row in the Hurun Education Top International Schools in China, ranking third in Shenzhen in 2020. Up to now, the number of students enrolled in Meisha Education and Dare to Dream Education has exceeded 19,000 altogether.



2. *Products and engineering management*

(1) **Bottom line of safety and quality**

Enhanced safety management and improved the operating environment of workers. In the face of the sudden outbreak of COVID-19 at the beginning of the year, all of the Group's projects strictly implemented prevention and control measures to protect the health and safety of workers. As the virus was brought under control in the country, the Group played an active role in organizing the reopening of production. It enhanced the training of management personnel and workers and implemented work safety procedures, contributing to a further reduction in the safety accident rate.

Strictly controlled the quality of materials from the sources. To ensure product quality, the Group insists on exercising control measures from the sources, continuously updates network testing implementation plans and standards, and conducts quality compliance checks on building materials used in residential properties, port apartments, logistics facilities, and retail property projects. It strives to improve engineering quality through factory monitoring, on-site monitoring, supervision, and corrective measures.

Promoted smart construction site in an effort to achieve safe and high-quality construction. The Group insists on technological innovation in the project construction and built a Vanke 5G+AIoT smart construction site system that includes front-end equipment, communications, functional application, and platform presentation, realizing smart management of the construction sites. On this basis, it conducted online evaluation on four dimensions, namely, quality and safety management, closed-loop management of risks, process management, and personnel management. 100% coverage of the smart construction site was achieved during the year.

Established and improved the evaluation system for the whole construction period. To ensure the quality of engineering projects, the Group entrusted a third-party professional evaluation agency to conduct a full construction-cycle evaluation of projects under construction, and provided professional reference for customers' house inspection through the customer house inspection guide form.

(2) **Building good products and good services**

Built healthy living environment. In the post pandemic era, customers pay more attention to the health attributes of products. On the basis of existing products, the Group started to improve product and services from the basic elements of health such as "air, water, temperature, humidity, light and sound", vigorously promoting the research & development and implementation of healthy buildings.

Improved customer experience. During the Reporting Period, the Group launched the "6+2+2" good service, initiated measures such as co-building beautiful communities with the owners, pre-housingkeeping services, setting up a chief customer service officer, promoting the online opening of construction sites to proactively identify customers' needs and improve their service experience.

(3) Implementing the idea of green and low-carbon development

The Group makes sustained efforts to promote the implementation of green building and residential industrialization towards the sustainable development of settlement, life and environment. All new projects have met the green building standards for seven years in a row. It built 37.027 million square meters of green buildings in the past year, including 36.078 million square meters of one-star and two-star green building projects and 949,000 square meters of three-star green building projects.

The Group made sustained efforts to promote the application of the “5+2” industrial construction system, with 86% of its mainstream projects unveiled during the period adopting industrial construction.

3. *Technology-driven business development*

Technology provides an important impetus for business development. During the Reporting Period, the Group launched the “Dragon Head-raising” to continuously enhance the role of technology in supporting the development of the Group’s businesses in an effort to enhance product quality, improve service experience, and optimize operational efficiency.

In terms of design, it established an AI drawing inspection platform and put it into use across Vanke, using artificial intelligence technology to inspect drawings to improve the efficiency and accuracy. Meanwhile, with the approval of the Ministry of Housing and Urban-Rural Development, it jointly initiated the pilot work of engineering AI drawing inspection in Shenzhen City together with Shenzhen Municipal Bureau of Housing and Construction. By January 2021, all housing construction drawings in Shenzhen had been subject to the AI inspection system. In addition, Group also uses CAD to quickly build BIM model through cloud modeling to support smart design, construction and operation of multiple formats. In terms of engineering, through the construction site management APP and the smart construction site system based on the Internet of Things, the efficiency of management has been improved, avoiding accidents and improving construction quality. In terms of sales, the “online sales office” was quickly launched after the outbreak of the pandemic to enable customers to view houses/apartments and pledge subscriptions online. The Group has also made sustained efforts to improve the VR viewing experience scenes to provide customers with better experience in property purchasing.



While improving its products and services, the Group has also made sustained efforts to improve efficiency in operation and management through digital technology. During the Reporting Period, the Group achieved full visibility of all the cash flow data, standardized collection and payment access and processes, correlated business actions with cash flow collection and payments, improved capabilities of analysis, forecasting and decision support, and further promoted the lean management of cash flow and standardization of business management.

As of now, Vanyi Tech, Vanrui Technology, and Shenzhen Onewo Technology Co., Ltd. under the Group have been recognized by the country as high-tech companies. Vanyi Tech and Shenzhen Onewo Technology Co., Ltd. obtained CMMI3 certification. At present, the Group has a total of 1,022 technology employees.

4. Social responsibilities

The Group actively fulfills its social responsibilities. It carries out activities to contribute to targeted poverty alleviation, rural revitalization, education development, and environmental protection, and strives to safeguard the rights and interests of employees and help them with career development. It also actively promotes the fulfillment of supply chain responsibilities and community development, and seeks a win-win situation with stakeholders.

In July 2020, the Group was included in the Hang Seng ESG50 Index released by Hang Seng Index Company Limited due to its good performance in ESG (Environmental, Social Responsibility, and Corporate Governance).

For details of the Group's social responsibilities during the Reporting Period, please refer to the *2020 Report on Sustainable Development* released on the same day.

4.1.3 Analysis of operational and financial condition of the Group

1. Profit

During the Reporting Period, the Group realized a net profit of RMB59.30 billion, representing an increase of 7.6% year-on-year. Net profit attributable to equity holding amounted to RMB41.52 billion, representing a year-on-year increase of 6.8%.

The gross profit margin of the Group's property development and related business decreased by 4.6 percentage points from that of 2019 to 22.6%. The fully diluted return on equity of the Group was 18.5%, down by 2.2 percentage point from that of 2019.

In 2020, the Group realized an investment income of RMB13.51 billion, representing an increase of 171.1% year-on-year, including the profits from the associates and joint ventures attributable to Vanke's equity holding amounting to RMB9.74 billion.

2. Liabilities

(1) Gearing ratio

As of the end of 2020, the Group's net gearing ratio was 18.1%.

(2) Interest-bearing liabilities and their composition

As of the end of the Reporting Period, the Group's interest-bearing liabilities amounted to RMB258.53 billion in aggregate, representing 13.8% of total assets. These interest-bearing liabilities were mainly medium and long-term liabilities. Among these interest-bearing liabilities, interest-bearing liabilities due within one year amounted to RMB82.91 billion, representing 32.1% of total; interest-bearing liabilities of more than one year amounted to RMB175.62 billion, representing 67.9% of total.

By financing source, bank borrowings, bonds payable and other borrowings accounted for 52.7%, 21.9% and 25.4%, respectively.

By type of interest rates, liabilities with fixed interest rates accounted for 39.3% and liabilities with floating interest rates accounted for 60.7% of the interest-bearing liabilities. Pledged interest-bearing liabilities amounted to RMB4.93 billion, accounting for 1.9% of the total interest-bearing liabilities.

By geographical location, domestic liabilities and overseas liabilities accounted for 74.4% and 25.6% respectively. RMB liabilities and foreign currency liabilities accounted for 74.6% and 25.4%, respectively.



Overview of financing (as of 31 December 2020)

Unit: RMB'000			
Channel	Balance	Range of financing costs	Term structure
Bank loans	136,132,836	Libor + margin to 5.70%	Current and non-current bank loans
Bonds	56,504,054	1.90%-5.35%	Current and non-current bonds
Other borrowings	65,889,480	2.30%-6.16%	Current and non-current borrowings from financial institution
Total	258,526,370		

(3) Financing overview

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

During the Reporting Period, the Group completed the issuance of corporate bonds in four tranches totaling RMB8.98 billion.

During the Reporting Period, the Group's actual interest expenses totalled RMB15.84 billion, of which the capitalised interest amounting to a total of RMB8.06 billion.

(4) Credit rating

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

3. Capital position

The Group insisted on the concept of “continuous creation of true value with emphasis on liquidity” and continued to improve the planning and precision of fund management, achieving a net cash inflow from operations of RMB53.19 billion for the entire year. As of the end of the Reporting Period, the cash and cash equivalents (including pledged and restricted deposits) held by the Group amounted to RMB195.23 billion, which was much higher than the interest-bearing liabilities due within one year of RMB82.91 billion. Among the cash and cash equivalents, Renminbi accounted for 98.1%, whereas US dollar, Hong Kong dollar, British pound and other foreign currencies accounted for a total of 1.9%.

4. Risk of fluctuations in exchange rates

The Group conducts a majority of its business operations in the PRC. Most of the revenue and expenses are denominated in Renminbi.

The continuous appreciation in exchange rate of RMB against foreign currencies since the second quarter of 2020 has resulted in an exchange loss of approximately RMB660 million.

In order to constantly control the medium and long-term fluctuation risks of the exchange rate, the Group persisted with dynamic management of matching of foreign currency asset and liability, term structure and offshore liquidity risk, and utilised natural hedging and purchased hedging instruments to control exchange rate risk at appropriate timing. To lock up the risks arising from the movement in exchange rates of foreign currency liability, the Group's effective cross currency swap (CCS) balance was US\$2,091 million at the end of the Reporting Period. During the Reporting Period, there was no newly-added hedging contract. During the effective period of the hedging contracts, the changes in the fair value of CCS had no impact on the Group's profit and loss.

5. Analysis of inventory

As of the end of the Reporting Period, the Group's inventory amounted to RMB1,002.06 billion, representing an increase of 11.8% from that at the end of 2019; of the aforesaid inventory, projects held for development amounted to RMB201.75 billion, accounting for 20.0%; properties under development amounted to RMB725.08 billion, accounting for 71.9%; and completed properties for sale (existing properties) amounted to RMB74.04 billion, accounting for 7.3%.

The Company appropriated provision for impairment of inventories for projects subject to risks based on its prudent market strategy. As at the end of the Reporting Period, inventory impairment provision amounted to RMB4.185 billion. Details are as follows:

Unit: RMB'000

No.	City	Project	Balance of impairment provision at the beginning of the year	Balance of impairment provision at the end of the year
1	Chengdu	Junyi	289,786	289,786
2	Dalian	Harbour City	334,103	246,453
3	Fushun	The Paradiso	51,046	27,468
4	Hefei	Future Light	852,378	623,665
5	Nanchong	Jinrun Huafu	84,966	20,319
6	Ningbo	Dream Town	12,396	–
7	Shanghai	Tianji	406,812	406,812
8	Shanghai	Jinyulanwan Egret Villa	249,280	–
9	Urumqi	Southern Hillside	208,378	208,378
10	Xiamen	Heron Hill	284,296	238,809
11	Yantai	Haiyuntai	28,784	4,770
12	Yingkou	Harbour City	67,720	31,430
13	Zhenjiang	Blue Mountain Garden	120,149	105,825
14	Langfang	Spring Dew Mansion, Langfang	–	706,217
15	Langfang	The Light of Sailing Langfang	–	397,342
16	Baoding	Xinchen Light, Zhuozhou	–	877,260
Total			2,990,092	4,184,533

The impact of inventory impairment provision made during the year on the net profit after tax during the Reporting Period was RMB1.98 billion and the impact on net profit attributable to the equity shareholders of the Company was RMB1.45 billion.

6. Change of key performance indicators

Unit: RMB'000

Item	2020-12-31	2019-12-31	Change	Description
Other non-current asset	13,840,079	9,107,320	51.97%	Increase in long-term cooperation
Contract assets	6,162,550	3,444,938	78.89%	Expand in construction contracts
Other current asset	172,789	11,746,956	-98.53%	Expiration of some of the wealth management products
Pledged deposit	9,568,344	6,455,944	48.21%	Increase in consideration funds received in advance for sales of assets
Assets held for sale	6,334,728	4,252,755	48.96%	Increase of assets held for sale
Prepaid liabilities	215,331	149,629	43.91%	Impact of accrued losses
Minority shareholders' equity	125,333,521	82,520,624	51.88%	Increase in investment from cooperation parties

Item	January to December 2020	January to December 2019	Change	Description
Other net income	8,842,204	5,686,668	55.49%	Increase in investment income from disposal
Share of profits less losses of associates and joint ventures	9,739,656	3,790,598	156.94%	Increase in investment income

7. Capital expenditure commitments

As of the end of the Reporting Period, the capital commitments of the Group reached RMB195.59 billion, including the construction contracts entered into or to be executed by the Group, as well as the land contracts signed and going or preparing to execute.

8. Contingent liabilities

In accordance with industry practice, the Group provided guarantee for mortgage loans taken by purchasers of the Company's properties of which mainly are provisional guarantee. The terms of the provisional guarantee commenced on the day the guarantee agreement becoming effective up to the day on which the ownership certificates of the properties purchased by the customers being obtained and the mortgage being registered and delivered to the mortgage banks. As of the end of the Reporting Period, the aggregate guarantees provided by the Group for mortgage loans taken by its customers amounted to approximately RMB228.226 billion. The Group has not suffered any material loss due to the aforesaid guarantees. The Group is of the view that it does not need to make any provisions for such guarantees in the financial statements.

9. Seizures, withholding and freezing of major assets

Nil.



10. Analysis of major holding and shareholding companies

Applicable Not applicable

11. Co-investment projects

In 2014, the Group established the co-investment scheme to link the project performance with the interests of staff and encouraged co-investors to create larger value for the Company and its shareholders. As of the end of 2020, co-investment scheme was introduced into a total of 1,002 projects of the Group. Amongst projects acquired during the Reporting Period, the aggregate investment amount subscribed by co-investment scheme was RMB3.745 billion, accounting for 2.09% of capital peak of co-investment projects, and 3.48% of capital peak attributable to equity of Vanke.

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

4.14 Outlook on future development

1. External environment

The current business environment is still complex, the impact of the pandemic on the society and economy continues, and there are many uncertainties in the macro economy. The successive introduction of major policies such as fund monitoring and financing management of key real estate companies, and real estate loan concentration management will redefine the rules of the industry and accelerate the advent of the era of management dividends for the industry. Companies should abandon the old model of pursuing scale expansion and instead focus more on the quality of growth. Companies should build competitive edges that will help achieve a leap in development while achieving balanced development.

Change is opportunity. Although the industry has entered the stage of fierce competition, there is still room for development. The process of urbanization has not ended, and the inadequate and imbalanced development between different regions and different formats of business is still prominent. There is a huge potential for housing rental demand. The urban renewal and the transformation of old residential communities bring about development opportunities. The potential of property services' involvement in community governance and urban governance is huge, and cold chain storage is developing fast amid the pandemic. To make more contributions to the city and the better life of our customers is not only our mission, but also our opportunity.

2. Business strategy in 2021

As a city and town developer and service provider, the Group will rely on the employee partner mechanism, adhere to the long-term management principle of “customer-oriented and cash flow-based approach centered around concerted efforts in partnership to create more real value and achieve quality development” so as to enhance competitive edge and realize “maximum market value in the long run”.

In 2021, following the theme of “improving the basic work, achieving quality development, and embracing the era of management dividends”, the Group will focus on the following work:

- (1) Contributor to real economy: consolidate and improve the fundamentals to provide good products and services that customers are willing to pay for, and create actual value;
- (2) Persist in steady operation: improve resource conversion efficiency, speed up payment collection, keep expenditures within the limits of revenues, safeguard liquidity and strive to return to positive revenue within the year and continuously consolidate the advantage of credit level;
- (3) Stress on both development and operation: From the perspective of the whole category and full cycle, consolidating the comprehensive residential development and service capability, enhance the synergy of various business types of project to achieve the maximization of project value in the full cycle;
- (4) Insist on technology-driven business development: implement the full coverage of AI plan, and account cash income and expenditure management, and unify online customer house-purchasing portals.

In 2021, a floor space of 31.484 million square meters of the Group's existing projects are expected to be started to construct, while 35.875 million square meters are expected to be completed. For detailed information about the Group's plans for projects to be started and completed in 2021, please see *Development Status in 2020 and Development Plans in 2021 of Main Domestic Projects*.

Development of Major Domestic Projects in 2020 and Development Plan for 2021

Unit: sq. m.

Project Name	Location	Shareholding	Site area	GFA	Area					
					Planned construction in 2020	Area commenced construction in 2020	Completed Area in 2020	Accumulated completion area by 2020	Area not yet under construction as at the end of 2020	Area to be commenced construction in 2021
Southern Region										
Zhenshanfu, Shenzhen	Nanshan District	100.0%	48,804	232,842	-	-	110,009	-	-	122,833
Cloud City, Shenzhen	Nanshan District	78.3%	394,044	1,335,510	-	95,037	1,304,348	-	-	31,162
Tianyu Garden, Shenzhen	Longgang District	100.0%	148,616	870,987	-	-	592,368	-	-	-
Shenzhen Bicycle Factory Project	Longgang District	99.3%	44,406	356,370	-	-	-	332,190	329,440	24,180
Vanke City of Stars, Shenzhen	Baoan District	78.6%	122,126	638,884	-	368,405	368,405	-	-	270,479
Zhenwanhui, Shenzhen	Nanshan District	43.0%	68,285	419,000	-	84,064	156,319	-	-	21,239
No.68 Shennan Road, Shenzhen	Luohu District	59.9%	12,841	146,435	-	23,316	146,435	-	-	-
Huilong Business Center, Shenzhen	Longhua District	39.2%	20,339	142,400	-	16,250	142,400	-	-	-
Shen Jingyu Lingfeng Park	Longgang District	5.0%	34,996	107,512	-	-	107,512	-	-	-
Luohu Food Building Project, Shenzhen	Luohu District	99.6%	6,705	64,800	64,800	-	-	-	-	-
Vanke Headquarter Building Project, Shenzhen	Nanshan District	100.0%	22,338	166,660	-	-	-	-	-	-
Yuecheng, Shenzhen	Longhua District	27.8%	95,999	487,279	293,059	75,810	75,810	-	-	113,700
Vanke Metropolis, Shenzhen	Baoan District	60.0%	8,414	58,900	58,900	-	-	-	-	-
Vanke Western Royal, Shenzhen	Guangming District	79.8%	22,340	154,330	154,330	-	-	-	-	-
Vanke Infinity City, Shenzhen	Longhua District	45.8%	42,000	216,000	216,000	-	-	-	-	-
Elegant Pearl, Shenzhen	Nanshan District	91.6%	13,073	62,898	62,898	-	-	-	-	-
Shenzhen Zhenshanhai	Longhua District	36.0%	16,142	93,680	93,680	-	-	-	-	-
Jian'gang Mountain, Shenzhen	Baoan District	100.0%	85,321	189,575	-	-	-	189,575	189,575	-
Sanxing Industrial Zone Project I	Futian District	100.0%	91,541	532,740	-	-	-	532,740	295,340	-
Sanxing Industrial Zone Project II	Futian District	100.0%	38,455	367,000	-	-	-	367,000	-	-
Watersity, Dongguan	Tangxia Town	100.0%	596,786	425,964	61,941	-	343,126	20,897	16,365	-
Dream Town, Humen, Dongguan	Humen Town	57.4%	349,805	782,296	-	-	780,455	-	-	1,841
Vanke Cloud City, Dongguan	Humen Town	74.4%	124,395	373,181	-	15,761	364,876	-	-	3,731
Pearl River East Coast, Dongguan	Machong Town	63.6%	303,695	542,650	-	5,871	542,650	-	-	-
Vanke City Twilight Plaza, Dongguan	Humen Town	88.3%	29,391	136,422	-	81,562	81,562	-	-	38,789
Songlang Garden, Dongguan	Dalang Town	86.9%	75,663	238,702	-	-	238,702	-	-	-
City Garden, Dongguan	Dongcheng District	40.8%	74,813	270,836	-	7,138	270,836	-	-	-
Changan Lianhu Road Project, Dongguan	Changan Town	67.4%	54,178	108,330	108,330	-	-	-	-	27,456
Dongjiang Star, Dongguan	Nancheng District	45.1%	59,200	367,549	-	143,250	345,913	-	-	1,118
No.5 City, Dongguan	Gaobu Town	48.3%	102,054	285,643	-	204,291	204,291	-	-	81,352
Jinyu Plaza, Dongguan	Dongkeng Town	45.0%	17,420	78,388	-	62,106	62,106	-	-	16,282
Royal Palace, Dongguan	Dongcheng District	24.2%	180,523	394,887	-	207,915	207,915	-	-	107,501

Unit: sq. m.

Project Name	Location	Shareholding	Site area	GFA	Area					
					Planned construction	Completed construction	Accumulated completion area by	Area not yet under construction as at the end of 2020	Area to be commenced construction in 2021	Area to be completed in 2021
Imperial Bay No.8 Project, Dongguan	Dongcheng District	24.2%	159,856	119,506	40,533	-	-	-	-	105,362
Skycity, Dongguan	Dalang Town	73.5%	36,874	128,925	-	23,901	23,901	-	-	47,043
Jade Pine Lake, Dongguan	Liaobu Town	90.0%	95,578	190,957	-	96,517	132,155	-	-	52,888
Dongjiang Avenue Project, Dongguan	Wanjiang District	98.4%	21,505	64,515	-	-	-	64,515	-	-
Houjie Yuanxin Second Road Project, Dongguan	Houjie Town	64.0%	16,183	29,100	29,100	-	-	-	-	-
Financial Valley Project in Songshanhu, Dongguan	Songshanhu	99.8%	110,958	168,250	-	-	-	-	-	168,250
Dongguan Golden City Center	Nancheng District	51.4%	13,967	61,696	-	43,107	43,107	-	-	18,589
Binhai Metropolis, Dongguan	Humen Town	78.6%	20,050	60,145	-	29,348	29,348	-	-	16,104
City Garden II, Dongguan	Dongcheng District	49.5%	32,196	89,705	-	89,705	89,705	-	-	-
Vanke Shifu Golden Home, Dongguan	Liaobu Town	18.2%	51,675	186,149	121,408	-	50,708	-	-	-
Jiangnan Yard, Dongguan	Shatian Town	68.2%	84,903	152,422	-	125,700	146,854	-	-	-
Feicuidongwang, Dongguan	Nancheng District	32.4%	67,477	151,796	-	78,905	78,905	-	-	65,598
Huanhulu Project in Songshanhu, Dongguan	Songshanhu	29.6%	23,037	44,142	-	-	-	-	-	-
Fenggang Wonderland, Dongguan	Fenggang Town	39.1%	50,325	101,437	-	46,655	46,655	-	-	54,782
Vanke Jiangwan Garden, Dongguan	Machong Town	78.6%	28,752	86,193	86,193	-	-	-	-	59,370
Machong Dasheng 031 Plot, Dongguan	Machong Town	78.9%	36,215	108,544	108,544	-	-	-	-	77,979
Housha Road Project, Dongguan	Houjie Zhen	64.2%	44,916	53,869	53,869	-	-	-	-	-
Zhujiang Vanke City, Dongguan	Nancheng District	41.0%	15,561	46,524	46,524	-	-	-	-	-
Dongguan Vanke Golden Mile East	Liaobu Town	33.6%	57,766	173,296	173,296	-	-	-	-	-
Dongguan Vanke Hanbang Songhu Peninsula	Dailingshan Town	36.9%	128,605	190,629	190,629	-	-	-	-	66,027
Vanke City of Stars, Dongguan	Hongmei Town	64.2%	43,561	108,869	108,869	-	-	-	-	-
Dream Town, Foshan	Chan Cheng District	100.0%	337,544	776,350	-	-	776,350	-	-	-
Crystal City, Foshan	Shunde District	49.0%	284,036	710,092	-	-	710,092	-	-	-
Vanke Plaza, Foshan	Chan Cheng District	88.0%	114,429	555,820	-	61,741	369,691	-	-	81,521
Nanhai Vanke Plaza, Foshan	Nanhai District	51.0%	89,009	373,821	-	-	373,821	-	-	-
Jinyu Binjiang, Foshan	Shunde District	50.0%	113,224	452,880	-	171,061	422,082	-	-	30,798
Golden Field, Foshan	Nanhai District	100.0%	47,254	354,405	-	-	354,405	-	-	-
A32, Foshan	Nanhai District	100.0%	25,178	146,000	-	104,381	104,381	-	-	41,619
Golden City, Foshan	Nanhai District	98.7%	70,248	210,744	-	-	210,744	-	-	-
Golden Paradise, Foshan	Nanhai District	62.9%	87,157	331,196	-	-	331,196	-	-	-
Golden Miles, Foshan	Chan Cheng District	98.8%	77,562	294,884	-	29,675	294,884	-	-	-
Jinyu Binjiang Phase III, Foshan	Shunde District	98.8%	54,648	161,976	-	88,710	161,976	-	-	-
Vanke Center, Foshan	Nanhai District	100.0%	18,023	99,125	-	-	-	-	-	-
City Twilight, Foshan	Nanhai District	90.7%	72,711	228,312	-	-	228,312	-	-	-
Shangduhui, Foshan	Nanhai District	97.0%	13,718	61,340	-	-	61,340	-	-	-

Section 4

Directors' Report

Unit: sq. m.

Project Name	Location	Shareholding	Site area	GFA	Area						
					Planned construction	Area commenced construction	Completed Area in 2020	Accumulated completion area by 2020	Area not		Area to be completed in 2021
									yet under construction as at the end of 2020	Area to be commenced construction in 2021	
Xijiang Joy, Foshan	Gaoming District	45.4%	97,157	291,378	-	-	291,378	-	-	-	
Yueduhui, Foshan	Chancheng District	100.0%	9,785	58,710	-	-	-	-	-	-	
Jade Riverview, Foshan	Shunde District	98.1%	53,795	134,487	-	101,645	134,487	-	-	-	
Yiduhui, Foshan	Nanhai District	90.0%	13,986	62,937	-	-	24,954	-	-	37,983	
Glamorous City, Foshan	Sanshui District	91.3%	132,954	332,272	-	189,001	332,272	-	-	-	
Star Converge, Foshan	Shunde District	90.0%	23,200	120,664	-	22,895	22,895	-	-	97,769	
Skycity, Foshan	Shunde District	99.1%	86,789	390,553	-	-	-	151,143	50,000	-	
City Garden, Foshan	Sanshui District	65.8%	35,271	98,757	-	58,697	98,757	-	-	-	
Jinyu Academy, Foshan	Shunde District	97.0%	45,432	127,210	-	109,150	127,210	-	-	-	
Jingduhui, Foshan	Shunde District	91.6%	7,708	56,038	-	56,038	56,038	-	-	-	
West of the Paradiso, Foshan	Nanhai District	99.1%	76,956	230,869	-	-	-	-	-	230,869	
Golden Family, Foshan	Nanhai District	99.1%	52,222	182,777	-	-	-	-	-	149,944	
Golden Times, Foshan	Chancheng District	98.9%	40,459	161,837	-	-	-	-	-	81,257	
Jinyu Xijiangfu, Foshan	Gaoming District	49.6%	75,037	187,591	-	-	-	-	-	121,407	
Spring Dew Mansion, Foshan	Shunde District	49.5%	131,842	351,063	138,021	-	-	-	-	-	
Golden Dream, Foshan	Shunde District	99.1%	46,666	233,328	23,593	-	-	209,735	209,735	-	
Vanke Nanhai Skycity, Foshan	Nanhai District	50.8%	178,080	480,816	134,909	-	-	345,907	345,907	-	
Golden Island, Foshan	Gaoming District	90.0%	40,003	100,008	-	-	-	100,008	100,008	-	
Vanke Dazhangxi Coast, Fuzhou	Yongtai County	51.0%	392,000	390,808	75,742	-	183,604	131,462	71,424	-	
Jinyu Zhongyang, Fuzhou	Taijiang District	60.0%	25,397	128,512	-	-	128,512	-	-	-	
Festival Walk, Fuzhou	Minhou County	51.0%	213,602	676,655	-	-	229,518	340,585	-	92,990	
Jinyu Binjiang Garden, Fuzhou	Cangshan District	99.0%	80,013	415,774	-	-	56,629	-	-	166,572	
Cangqianjiuli, Fuzhou	Cangshan District	100.0%	83,099	99,384	-	-	-	-	-	99,384	
Jiurufu, Fuzhou	Gulou District	96.3%	15,456	43,277	-	-	43,277	-	-	-	
Fuzhou Emerald Park Fengqi	Cangshan District	45.2%	23,628	30,932	-	20,697	20,697	-	-	10,235	
Fuzhou Emerald Park Xiwang	Cangshan District	48.2%	35,543	40,427	-	28,130	28,130	-	-	12,297	
Lu Garden, Fuzhou	Cangshan District	69.3%	34,000	77,129	-	47,129	77,129	-	-	-	
Zitai, Fuzhou	Mawei District	38.7%	113,570	156,018	-	-	-	-	-	-	
Jade Light, Fuzhou	Cangshan District	16.8%	81,196	145,500	-	-	-	-	-	95,500	
Taijiang Paiwei Project, Fuzhou	Taijiang District	99.2%	205,862	624,811	-	-	-	-	-	424,811	
World Expo, Guangzhou	Panyu District	51.8%	82,354	451,682	37,415	12,394	97,947	174,579	174,579	88,209	
Racho Sante Fe, Guangzhou	Huadu District	49.0%	210,252	126,172	-	-	126,172	-	-	-	
Yunqi Home Town, Guangzhou	Tianhe District	25.0%	13,200	49,236	-	-	28,769	-	-	-	
Xingfuyu Garden, Guangzhou	Huangpu District	14.3%	259,300	543,938	-	-	510,141	30,025	30,025	-	

Unit: sq. m.

Project Name	Location	Shareholding	Site area	GFA	Area					
					Planned construction	Completed construction	Accumulated completion area by	Area not		Area to be completed
								yet under construction as at the end of 2020	Area to be commenced construction in 2021	
Yun Cheng Miku, Guangzhou	Tianhe District	98.9%	89,229	357,433	-	-	357,433	-	-	-
Hillview Park, Guangzhou	Huangpu District	99.1%	192,923	373,634	-	-	373,634	-	-	-
Chengshizhihuang, Guangzhou	Huangpu District	88.8%	57,686	205,527	119,714	-	85,813	-	-	84,647
Guangzhou Lixiang Garden	Huangpu District	84.5%	103,306	297,739	-	63,409	297,739	-	-	-
Shangcheng Yufu, Guangzhou	Huangpu District	98.1%	127,226	341,832	-	105,356	324,559	-	-	17,273
Xingfuyu Garden Phase III, Guangzhou	Huangpu District	16.3%	112,600	161,800	-	25,681	161,800	-	-	-
Taoyuanli, Guangzhou	Zengcheng District	92.4%	16,492	36,282	-	-	36,282	-	-	-
Spring Breeze Ten Yard, Guangzhou	Zengcheng District	97.0%	51,950	129,875	-	82,431	82,431	-	-	47,444
Wei Lai Zhi Qiu, Guangzhou	Panyu District	95.4%	13,750	22,000	-	-	13,347	-	-	8,653
Heron Hill, Guangzhou	Nansha District	95.6%	58,121	104,618	-	59,970	59,970	-	-	44,648
Taoyuanli Phase II, Guangzhou	Zengcheng District	50.0%	145,736	172,300	10,006	67,026	89,582	49,265	-	33,453
Future Forest Project, Guangzhou	Baiyun District	99.6%	27,129	83,126	-	13,406	13,406	-	-	45,091
Yuanpeili Project, Guangzhou	Huangpu District	99.2%	41,631	62,447	-	-	-	-	-	26,393
Yueshan Project, Guangzhou	Huangpu District	96.9%	88,230	92,395	-	-	-	-	-	42,160
Hai Shang Ming Yue Project, Guangzhou	Nansha District	90.7%	92,219	230,548	-	46,056	46,056	-	-	184,492
Xingfuyu Garden Phase V, Guangzhou	Huangpu District	66.5%	191,580	344,956	76,050	135,369	135,369	-	-	109,587
Golden Miles, Guangzhou	Zengcheng District	43.4%	45,450	136,215	19,060	16,563	16,563	-	-	119,652
Zengcheng Dream Town, Guangzhou	Zengcheng District	71.3%	133,653	400,957	400,957	-	-	-	-	117,211
Guangxin Asset Package Project, Guangzhou	Guangzhou City	50.0%	799,743	2,110,000	22,400	-	-	2,087,600	456,874	-
Jingyuyuefu, Guangzhou	Baiyun District	50.0%	33,321	154,921	154,921	-	-	-	-	28,971
Jinmao Vanke Glamorous City, Guangzhou	Zengcheng District	100.0%	162,497	487,699	-	-	-	487,699	318,710	-
Dream Town, Qingyuan	Qingcheng District	100.0%	1,219,450	2,415,978	-	185,355	1,369,998	590,190	309,902	159,006
Affordable Housing Project in Yazhou District of Hainan Vanke	Yazhou District	89.0%	45,292	113,229	-	-	-	113,229	113,229	-
Gaozhiyuan, Sanya	Tiandu Town	65.0%	387,807	349,026	121,483	-	69,185	158,358	121,483	-
Forest Holiday Park, Sanya	Tiandu Town	65.0%	942,745	459,414	25,808	22,350	379,089	57,853	57,853	-
Lakeside Holiday Park, Sanya	Hedong District	80.0%	397,080	436,425	-	127,898	436,425	-	-	-
Affordable Housing Project in Linchun in Sanya City	Jiyang District	100.0%	39,041	78,082	-	-	-	78,082	78,082	-
Lunas Del Mar, Huizhou	Huidong County	100.0%	704,223	993,349	180,922	19,775	739,459	26,626	-	-
Xiaojinkou, Huizhou	Huicheng District	78.1%	41,895	117,213	117,213	-	-	-	-	64,937
Wanhui Garden, Huizhou	Huiyang District	39.0%	73,333	192,476	192,476	-	-	-	-	-
Jinfeng Garden, Huizhou	Huicheng District	37.6%	111,564	345,848	345,848	-	-	-	-	68,529
Wanyue Garden, Huizhou	Huiyang District	30.4%	60,381	213,566	112,614	-	-	100,952	100,952	-

Unit: sq. m.

Project Name	Location	Shareholding	Site area	Planned GFA	Area					
					commenced construction in 2020	Completed Area in 2020	Accumulated completion area by 2020	Area not yet under construction		Area to be completed in 2021
								as at the end of 2020	in 2021	
Wenhan Garden, Huizhou	Huiyang District	40.0%	44,695	162,673	92,964	-	-	69,709	69,709	-
Jiangmen Vanke Golden City Central Garden	Pengjiang District	56.0%	36,947	92,222	92,222	-	-	-	-	38,883
Jiangmen Vanke Golden City Central Dongyuan	Pengjiang District	55.0%	32,080	88,239	88,239	-	-	-	-	-
Jiangmen Vanke Golden City Central Ziyuan	Pengjiang District	65.0%	21,613	54,033	-	-	-	54,033	54,033	-
Dream Town, Nanning	Qingxiu District	84.7%	355,063	1,409,936	-	152,899	796,042	-	-	217,684
Glamorous City, Nanning	Liangqing District	43.0%	104,174	329,887	-	-	329,887	-	-	-
The Paradiso, Nanning	Liangqing District	69.1%	71,599	224,436	-	44,167	220,298	-	-	4,138
Jinyuzhongyang, Nanning	Liangqing District	40.1%	117,729	601,250	-	30,224	77,771	-	-	234,731
Park Avenue, Nanning	Liangqing District	40.1%	75,941	227,821	-	118,739	220,983	-	-	6,838
Zhen Shanyue, Nanning	Qingxiu District	46.8%	26,956	46,364	-	21,602	21,602	-	-	24,762
Golden Paradise, Nanning	High & New Technology Industries Development Zone	90.2%	54,326	217,302	-	82,683	174,986	-	-	36,669
Joying Gold, Nanning	High & New Technology Industries Development Zone	90.8%	14,948	58,821	-	58,821	58,821	-	-	-
Yuejiangnan Project, Nanning	Jiangnan District	97.0%	78,589	232,489	-	90,818	90,818	-	-	123,158
Jinyu Binjiang, Nanning	Yongning District	28.0%	69,104	171,401	-	82,031	82,031	-	-	89,370
Star Converge, Nanning	High & New Technology Industries Development Zone	76.2%	155,510	506,545	114,848	-	-	-	-	213,998
Xingningdong Project, Nanning	Xingning District	97.0%	69,836	125,704	-	-	-	-	-	41,623
Jinyu International, Nanning	High & New Technology Industries Development Zone	42.0%	79,835	239,504	168,101	-	-	71,403	71,403	-
Bailu Project, Liuzhou	Liubei District	53.6%	280,857	780,225	203,509	-	-	464,301	464,301	112,415
Goutou Commercial Center, Xiamen	Huli District	99.0%	11,190	26,613	-	-	26,613	-	-	-
Haixi Financial Plaza (Phase II), Xiamen	Huli District	100.0%	10,730	17,075	-	-	17,075	-	-	-
Vanke Plaza, Xiamen	Jimei District	100.0%	137,934	710,000	-	136,107	356,058	-	-	-
Vanke Cloud City, Xiamen	Jimei District	97.0%	47,454	148,110	-	-	86,644	-	-	61,466
Vanke Clouds, Xiamen	Huli District	100.0%	19,134	151,188	-	-	151,188	-	-	-
Heron Hill, Xiamen	Xiang'an District	93.5%	86,368	86,976	-	12,698	12,698	-	-	74,278
Heron Hill Phase II, Xiamen	Xiang'an District	47.1%	58,986	88,500	-	-	-	-	-	88,500
Vanke Shimaowang, Xiamen	Tong'an District	31.9%	54,164	119,160	-	-	-	-	-	-
Golden Paradise, Xiamen	Xiang'an District	97.4%	19,080	42,200	-	12,079	12,079	-	-	30,121

Unit: sq. m.

Project Name	Location	Shareholding	Site area	GFA	Area						
					Planned construction	Area commenced construction in 2020	Completed Area in 2020	Accumulated completion area by 2020	Area not yet under construction as at the end of 2020	Area to be commenced construction in 2021	Area to be completed in 2021
Vanke Agile Jinyu Tixiang, Xiamen	Xiang'an District	43.7%	7,964	19,100	-	-	-	-	-	-	19,100
Jinyu Binjiang Phase 2, Jinjiang	Jinjiang City	40.8%	45,789	170,475	-	112,835	112,835	-	-	-	57,640
Jinyu Binjiang Phase 3, Jinjiang	Jinjiang City	40.8%	54,074	167,992	-	-	-	-	-	-	167,992
Jinyu Binjiang Phase 1, Jinjiang	Jinjiang City	44.0%	23,488	77,119	-	-	-	-	-	-	77,119
Dream Town, Quanzhou	Fengze District	60.0%	136,741	478,591	-	18,960	478,591	-	-	-	-
Honor of the City, Quanzhou	Fengze District	30.7%	211,662	849,797	-	95,579	244,522	-	-	-	154,284
Yuecheng, Quanzhou	Qingmeng Development District	16.4%	54,864	198,489	-	100,447	100,447	-	-	-	98,042
Lucheng, Quanzhou	Fengze District	98.9%	40,201	69,122	-	69,122	69,122	-	-	-	-
Dream Town, Zhangzhou	Xiangcheng District	38.1%	235,606	805,196	-	103,207	620,593	-	-	-	104,633
Jiulongtai, Zhangzhou	Xiangcheng District	10.0%	44,201	111,470	-	111,470	111,470	-	-	-	-
Longhai Jinyu Binjiang Garden, Zhangzhou	Longhai City	99.5%	101,725	305,429	216,785	-	-	-	-	-	-
Wonderland, Changsha	Yuelu District	48.6%	479,778	863,600	-	-	-	863,600	432,044	-	-
The Paradiso, Changsha	Furong District	96.2%	120,208	362,976	-	-	362,976	-	-	-	-
Golden Paradise, Changsha	Yuelu District	100.0%	43,737	129,261	-	-	129,261	-	-	-	-
Zitai, Changsha	Tianxin District	70.0%	116,486	272,813	59,236	21,422	143,516	70,060	67,716	-	-
Jinyu Binjiang, Changsha	Yuelu District	58.0%	58,287	207,995	-	61,578	147,563	-	-	-	36,416
Heron Hill, Changsha	Yuelu District	100.0%	100,351	297,167	-	-	297,167	-	-	-	-
Glamorous City, Changsha	Yuhua District	95.0%	460,237	1,307,457	156,242	163,691	967,837	-	-	-	188,462
Jinyu International, Changsha	Yuelu District	51.0%	159,393	518,569	-	122,154	480,273	-	-	-	38,296
Meixi County, Changsha	Yuelu District	99.4%	129,323	310,501	-	-	310,501	-	-	-	-
Golden Wheat Fields, Changsha	Yuhua District	90.0%	16,459	36,706	-	26,842	26,842	-	-	-	9,864
Golden Dream, Changsha	Yuelu District	99.5%	151,064	517,107	75,259	-	-	-	-	-	188,036
Sky Realm, Changsha	Yuhua District	45.0%	68,204	101,051	101,051	-	-	-	-	-	-
Binhe Road, Changsha	Wangcheng District	60.6%	35,324	122,498	122,498	-	-	-	-	-	-
Zhenwanhui, Changsha	Kaifu District	52.6%	39,990	261,188	-	-	-	261,188	261,188	-	-
Baiyuewan, Zhongshan	Huoju Development District	65.0%	251,900	464,621	-	22,492	464,621	-	-	-	-
The Paradiso, Zhongshan	Shiqi District	74.2%	143,852	418,450	-	72,163	404,770	-	-	-	13,680
Dream Town, Zhongshan	Guzhen Town	90.0%	139,968	419,808	-	239,763	419,808	-	-	-	-
Xiwanhui, Zhongshan	Huoju Development District	79.3%	77,974	233,834	-	-	-	-	-	-	75,935
Jinyu Center, Zhongshan	East District	97.7%	68,149	209,447	-	76,444	76,444	-	-	-	125,186
Zhongshan Four Seasons Flower City	Wuguishan Town	60.0%	133,327	226,211	226,211	-	-	-	-	-	50,600
Central Park Phase I, Zhongshan	Guzhen Town	50.0%	21,633	64,897	64,897	-	-	-	-	-	-

Unit: sq. m.

Project Name	Location	Shareholding	Site area	GFA	Planned construction in 2020	Area commenced construction in 2020	Completed Area in 2020	Area not		
								Accumulated completion area by 2020	yet under construction as at the end of 2020	Area to be commenced construction in 2021
Central Park Phase II, Zhongshan	Guzhen Town	60.0%	58,997	181,644	-	-	-	181,644	181,644	-
Western Coast, Zhongshan	Huoju Development District	100.0%	38,836	97,862	-	-	-	97,862	97,862	-
Haiyu Peninsula Garden, Zhuhai	Xiangzhou District	50.0%	76,293	108,544	66,224	-	42,320	-	-	-
Glamorous City, Zhuhai	Doumen District	100.0%	137,061	274,122	-	-	274,122	-	-	-
Shihua No.66, Zhuhai	Xiangzhou District	19.1%	8,117	40,055	-	-	40,055	-	-	-
Mangrove East Coast, Tangjiawan, Zhuhai	Xiangzhou District	16.0%	333,668	500,536	-	24,873	110,181	-	-	110,252
Jade Center, Zhuhai	Xiangzhou District	98.8%	27,077	81,310	-	15,731	15,731	-	-	65,579
Taoyuanliju, Zhuhai	Xiangzhou District	98.6%	16,310	48,929	-	-	-	-	-	48,929
Binhai Metropolis Garden, Zhuhai	Jinwan District	99.6%	110,972	170,997	170,997	-	-	-	-	-
Zhuhai Maritime City	Jinwan District	79.6%	165,047	254,008	-	-	-	254,008	254,008	-
Zhuhai Metropolis Four Seasons	Baoshui District	40.0%	81,383	190,194	-	-	-	190,194	190,194	-
Southern Region subtotal			22,433,068	56,850,536	6,401,338	6,298,244	28,380,438	9,318,217	5,513,585	7,687,646
Shanghai Region										
Jade Binjiang, Shanghai	Pudong New District	100.0%	78,334	207,980	-	-	207,980	-	-	-
Golden City, Shanghai	Pudong New District	60.0%	264,646	359,340	-	-	359,340	-	-	-
Xuhui Vanke Center, Shanghai	Xuhui District	51.0%	107,486	494,437	-	-	165,590	-	-	118,159
Jade Park, Shanghai	Pudong New District	90.0%	79,548	209,696	-	14,720	209,696	-	-	-
King Metropolis, Shanghai	Fengxian District	83.7%	58,531	134,622	-	-	134,622	-	-	-
Anting New Town Project, Shanghai	Jiading District	74.2%	624,428	490,575	87,138	72,467	358,884	44,232	44,232	87,459
Jade Albany, Shanghai	Jing'an District	50.2%	54,499	159,471	-	-	159,471	-	-	-
Sky City, Shanghai	Qingpu District	49.8%	260,119	455,248	83,279	122,693	162,863	7,701	7,701	174,153
Zhongxing Road Project, Shanghai	Jing'an District	49.7%	31,034	109,754	-	-	-	43,493	43,493	66,261
Jin Yu Lan Wan Egret Villa, Shanghai	Pudong New District	49.8%	40,361	48,433	-	48,433	48,433	-	-	-
Longhua Project, Shanghai	Xuhui District	54.8%	49,154	96,780	96,780	-	-	-	-	-
Shanghai City Next	Baoshan District	99.0%	80,805	145,450	-	109,879	141,287	-	-	-
Shanghai Atop the City	Jiading District	74.2%	84,838	194,894	-	-	-	-	-	194,894
Qibao Business District 17-04 Plot, Shanghai	Minhang District	49.6%	22,890	80,113	-	16,206	16,206	-	-	63,907
Qibao Business District 18-03 Plot, Shanghai	Minhang District	49.6%	30,324	87,939	-	-	-	-	-	87,939
Four Seasons Metropolis, Shanghai	Baoshan District	33.2%	69,448	142,229	-	125,572	125,572	-	-	16,657
Skycity of Star Island, Shanghai	Qingpu District	99.7%	49,466	89,039	-	32,962	32,962	-	-	56,077

Unit: sq. m.

Project Name	Location	Shareholding	Site area	GFA	Area						
					Planned construction	Completed construction	Area commenced	Accumulated completion area by	Area not yet under construction as at the end of 2020	Area to be commenced construction in 2021	Area to be completed in 2021
Shanghai Ivy Park	Minhang District	99.7%	71,552	128,794	-	-	-	-	-	-	128,794
Qibao 19-04 Plot, Shanghai	Minhang District	99.7%	34,000	99,000	-	-	-	99,000	99,000	-	-
Qiaogao Project, Shanghai	Xuhui District	33.2%	118,282	356,933	88,293	-	-	268,640	268,640	-	-
Xiaofenglai, Shanghai	Baoshan District	33.2%	386,915	775,796	741,893	-	-	162,397	162,397	94,182	-
Huacao Project, Shanghai	Minhang District	49.5%	34,633	62,339	62,339	-	-	-	-	-	62,339
Junwang Jiadi, Changzhou	Xinbei District	37.3%	67,225	147,664	-	147,664	147,664	-	-	-	-
Park Avenue Phase I, Changzhou	Jintan District	68.7%	191,268	301,950	-	110,965	110,965	190,985	150,000	-	-
Park Avenue Phase II, Changzhou	Jintan District	68.7%	182,741	472,516	173,977	-	-	152,670	152,670	186,330	-
Huangliangbang Plot, Changzhou	Zhonglou District	79.3%	84,285	168,570	74,015	-	-	-	-	-	-
Education Town Project, Changzhou	Tianning District	74.6%	117,458	273,994	273,994	-	-	-	-	-	-
Guobin Road, Changzhou	Zhonglou District	99.3%	64,360	115,848	115,848	-	-	-	-	-	-
Liangzhu Culture Village, Hangzhou	Yuhang District	100.0%	3,108,146	2,676,073	157,707	134,677	1,850,482	65,075	65,075	108,960	-
Gongwang, Hangzhou	Fuyang District	100.0%	517,900	208,981	10,659	-	141,951	27,735	27,735	7,629	-
Metropolis No. 79, Hangzhou	Jiangan District	50.0%	21,915	76,703	-	-	76,703	-	-	-	-
Jiuwang, Hangzhou	Fuyang District	20.0%	129,874	126,751	24,765	505	9,892	-	-	68,788	-
Junwang, Hangzhou	Fuyang District	42.4%	138,233	152,232	-	29,253	105,671	-	-	46,561	-
Quanxueli, Hangzhou	Yuhang District	89.3%	78,527	133,496	-	-	133,496	-	-	-	-
Zhigu, Hangzhou	Gongshu District	90.0%	14,513	50,796	-	50,796	50,796	-	-	-	-
Hangxing Road Tianma, Hangzhou	Yuhang District	80.0%	27,305	68,263	-	68,263	68,263	-	-	-	-
Wei Lai Zhi Guang, Hangzhou	Yuhang District	100.0%	81,828	245,484	-	136,403	136,403	-	-	-	-
Zijingshoufu, Hangzhou	Jiyang Street	36.4%	97,500	195,000	-	-	195,000	-	-	-	-
Zhongchenghui (Phase I), Hangzhou	Gongshu District	36.4%	39,950	103,800	-	-	-	-	-	103,800	-
Zhongchenghui (Phase II), Hangzhou	Gongshu District	99.3%	22,550	56,900	-	-	-	-	-	56,900	-
Olympics Vanke Center, Hangzhou	Xiaoshan District	94.2%	13,969	52,346	-	52,346	52,346	-	-	-	-
Yunhe Vanke Center, Hangzhou	Gongshu District	40.0%	36,592	128,072	-	128,072	128,072	-	-	-	-
Yuehongwan, Hangzhou	Xiaoshan District	24.7%	106,872	277,867	-	-	-	-	-	127,867	-
Lin'an Xiwang, Hangzhou	Lin'an District	92.8%	31,258	56,264	-	56,264	56,264	-	-	-	-
Donghai Xianhucheng Project in Yuhang District, Hangzhou	Yuhang District	14.9%	411,000	550,010	85,873	-	29,648	83,138	-	99,269	-
Zijinruigu, Hangzhou	Xihu District	17.2%	9,078	35,389	-	-	-	-	-	-	-
Jinmao Vanke New Metropolis, Hangzhou	Fuyang District	49.5%	63,457	177,680	-	-	-	-	-	97,432	-
LOFT49 Project, Hangzhou	Gongshu District	38.8%	15,925	36,628	-	-	-	-	-	36,628	-
Wuchang Rail Yard Project, Hangzhou	Yuhang District	50.8%	447,654	782,921	516,758	-	-	-	-	-	-
Mingchengboyuan, Hangzhou	Yuhang District	46.0%	82,981	232,341	-	-	232,341	-	-	-	-

Unit: sq. m.

Project Name	Location	Shareholding	Site area	GFA	Planned construction in 2020	Area commenced construction in 2020	Completed Area in 2020	Area not		
								Accumulated completion area by 2020	yet under construction as at the end of 2020	Area to be commenced construction in 2021
City Twilight, Hangzhou	Binjiang District	46.0%	41,153	90,536	-	-	90,536	-	-	-
Yunhe Vanke Center Phase II, Hangzhou	Yuhang District	42.9%	17,795	62,283	-	-	-	-	-	-
Pingyao Project, Hangzhou	Yuhang District	49.4%	82,935	115,180	115,180	-	-	-	-	-
Guniangqiao Plot, Hangzhou	Xiaoshan District	99.9%	89,246	232,284	232,284	-	-	-	-	-
Hangzhou Rainbow Sky City	Xiaoshan District	50.9%	115,664	176,746	-	-	-	176,746	176,746	-
Sunshine City, Hangzhou	Xiaoshan District	79.8%	68,538	186,798	186,798	-	-	-	-	-
Hangzhou Yuewang Mansion	Fuyang District	47.1%	92,480	93,405	93,405	-	-	-	-	-
Changji Bay, Hangzhou	Xiaoshan District	39.5%	50,176	130,458	130,458	-	-	-	-	-
Chaoqi Dongfang Phase II, Jiaxing	Xucun County	71.8%	54,396	125,111	125,111	-	-	-	-	-
Shengtangjingyuan, Jiaxing	Danghu Town	45.9%	42,348	84,695	-	84,695	84,695	-	-	-
Feicuitianyufu, Jiaxing	Tongxiang County	74.1%	42,027	75,641	-	75,641	75,641	-	-	-
Jade Four Seasons, Jiaxing	Economic & Technological Development Zone	98.5%	56,608	118,847	-	118,847	118,847	-	-	-
City Twilight, Jiaxing	Nanhu District	95.8%	88,411	176,784	-	163,944	163,944	-	-	12,840
Dongshanbei Plot, Jiaxing	Haining City	97.4%	65,142	117,256	117,256	-	-	-	-	117,256
Central West Plot Project, Jiaxing	Economic & Technological Development Zone	92.9%	56,509	112,945	-	-	-	-	-	112,945
Xiangzhangdong Plot Project, Jiaxing	Economic & Technological Development Zone	72.8%	68,211	149,981	149,981	-	-	-	-	-
Metropolis Oriental, Jiaxing	Xu Cun County	98.9%	41,541	103,853	103,853	-	-	-	-	-
Jiaxing Puyue Lakeside	Nanhu District	24.1%	40,962	90,081	90,081	-	-	-	-	-
Binhe Road Huayuan, Jiaxing	Nanhu District	66.5%	40,421	80,722	-	-	-	80,722	80,722	-
Chaoqi Dongfang, Haining	Chang'an Town	44.0%	62,601	137,722	-	137,722	137,722	-	-	-
Guiyu Dongfang (Phase I), Haining	Xucun Town	32.2%	37,696	82,931	-	-	-	-	-	82,931
Guiyu Dongfang (Phase II), Haining	Xucun Town	94.8%	63,805	146,752	-	-	-	-	-	146,752
Metropolis, Shaoxing	Yuecheng District	98.0%	65,200	136,000	-	-	-	-	-	136,000
Junwang, Shaoxing	Zhuji City	46.0%	62,190	74,628	-	-	-	-	-	74,628
Lake Xanadu, Shaoxing	Yuecheng District	42.3%	80,609	121,394	-	-	-	121,394	121,394	-
Shaoxing Fangtanali	Keqiao District	65.7%	37,150	61,826	61,826	-	-	-	-	-
Forest City, Hefei	Luyang District	100.0%	516,459	1,394,439	-	188,910	1,283,132	-	-	89,054
City Mansion, Hefei	Luyang District	49.0%	151,514	424,239	-	4,687	413,944	-	-	10,295

Unit: sq. m.

Project Name	Location	Shareholding	Site area	GFA	Area		Accumulated		Area not	Area to be	
					Planned construction	Completed construction	completion area by	yet under construction as at the end of 2020	commenced construction in 2021	Area to be completed in 2021	
Times Hall, Hefei	Binhu District	40.0%	85,254	218,014	-	-	166,789	-	-	-	39,228
Future Light, Hefei	Feidong County	59.8%	197,179	433,794	127,296	83,000	124,114	61,432	61,432	-	47,955
Central Mansion, Hefei	Changfeng County	39.7%	212,512	410,506	71,270	105,324	203,120	-	-	-	107,673
Times Impression, Hefei	Binhu District	27.6%	115,492	250,571	-	130,677	250,571	-	-	-	-
Metropolis Garden, Hefei	Binhu District	20.2%	111,380	254,572	-	138,834	254,572	-	-	-	-
Vanke Hongjun, Hefei	Feidong County	90.0%	64,328	159,425	-	-	159,425	-	-	-	-
Park Avenue, Hefei	Changfeng District	98.7%	122,070	256,262	-	89,044	89,044	-	-	-	123,424
Hongjun Phase II, Hefei	Feidong County	90.3%	20,890	52,224	-	52,224	52,224	-	-	-	-
Duhui Shangcheng, Hefei	Changfeng County	24.3%	109,852	209,742	43,967	78,864	78,864	-	-	-	55,304
Feicui Tianji, Hefei	Baohu District	24.8%	154,111	357,632	127,034	80,259	80,259	2,262	2,262	-	127,934
Yunfeng Garden, Hefei	Baohu District	24.6%	163,503	418,619	152,684	84,548	84,548	29,895	-	-	76,347
Hefei Gaodi	High & New Technology Industries										
	Development Zone	32.0%	43,281	100,006	100,006	-	-	-	-	-	-
Hefei Xuelin Yayuan	Luyang District	26.6%	24,622	53,510	53,510	-	-	-	-	-	-
Sky City, Nanchang	Nanchang County	20.8%	195,547	480,236	-	166,298	250,718	-	-	-	121,636
Dream Town, Nanchang	High & New Technology Industries										
	Development Zone	32.5%	299,708	417,362	-	22,779	388,605	-	-	-	24,348
Haishang Chuanqi, Nanchang	High & New Technology Industries										
	Development Zone	50.0%	163,213	348,201	-	-	319,159	-	-	-	29,042
Cuidieyuan, Nanchang	Honggutan District	50.0%	80,120	184,273	-	-	156,226	-	-	-	-
Times Square, Nanchang	Honggutan District	30.0%	83,800	293,457	-	-	209,842	-	-	-	75,187
Gongyuanli, Nanchang	Qingshanhu District	43.5%	110,163	176,260	-	-	176,260	-	-	-	-
Hongdu 1951, Nanchang	Qingyunpu District	29.9%	27,879	94,785	-	-	91,122	-	-	-	3,663
Legend on Midtown, Nanchang	Jinkai District	35.9%	87,065	174,124	-	-	174,124	-	-	-	-
Puyueli, Nanchang	Wanli District	8.3%	116,115	201,919	-	2,030	201,919	-	-	-	-
Hongjun, Nanchang	Qingshanhu District	26.0%	121,873	219,371	-	107,391	219,371	-	-	-	-
Jiuli, Nanchang	Honggutan District	45.0%	57,493	145,076	-	42,687	114,324	-	-	-	30,752
Wanchuang Technology Town	Ganjiang New Area										
F04/F02 Plot, Nanchang		27.4%	209,526	391,122	275,125	-	-	115,997	-	-	5,293
Wanchuang Technology Town	Ganjiang New Area										
H01E01 Plot, Nanchang		30.0%	37,373	63,551	63,551	-	-	-	-	-	-

Unit: sq. m.

Project Name	Location	Shareholding	Site area	Planned GFA	Area commenced construction in 2020	Completed Area in 2020	Area not			
							Accumulated completion area by 2020	yet under construction as at the end of 2020	Area to be commenced construction in 2021	Area to be completed in 2021
Hai Shang Ming Yue, Nanchang	High & New Technology Industries Development Zone	24.1%	120,578	265,271	265,271	-	-	-	-	5,882
Nanchang Lianfa Vanke West Coast Spring Breeze	Honggutan District	24.5%	32,640	81,600	81,600	-	-	-	-	-
Star Century, Nanchang	Xinjian District	50.0%	167,707	301,873	178,973	-	-	122,900	122,900	-
Jiuduhui, Nanjing	Yuhuatai District	100.0%	126,058	312,388	-	22,988	290,276	-	-	22,112
Anping Street, Nanjing	Baixia District	100.0%	27,325	21,824	-	9,822	21,824	-	-	-
The Paradise, Nanjing	Jiangning District	100.0%	272,298	545,280	-	-	545,280	-	-	-
Xinduhui, Nanjing	Jiangning District	16.0%	36,043	106,067	-	-	72,691	-	-	-
Dream Town, Nanjing	Lishui District	98.6%	218,794	515,468	-	44,403	515,468	-	-	-
Shangduhui, Nanjing	Yuhuatai District	49.0%	55,308	143,813	-	45,555	143,813	-	-	-
Jade Park, Nanjing	Jiangning District	49.7%	94,624	260,519	-	-	260,519	-	-	-
Metropolis, Nanjing	Yuhuatai District	59.6%	71,334	171,515	-	37,862	171,515	-	-	-
Jinyu International, Nanjing	Jiangning District	98.7%	38,824	188,404	-	-	122,263	-	-	66,141
Duhui Tiandi, Nanjing	Jiangning District	28.2%	108,522	396,343	-	-	-	-	-	140,872
Shi Dai Tian Yue, Nanjing	Jiangning District	19.5%	54,173	174,976	-	64,049	64,049	-	-	53,199
Metropolis Four Seasons, Nanjing	Jiangning District	25.8%	153,261	385,095	-	-	-	-	-	-
Feicui Tianji, Nanjing	Yuhuatai District	29.0%	52,532	125,982	-	-	-	-	-	125,982
Lishui G09 Plot, Nanjing	Lishui District	59.6%	162,782	406,956	272,624	-	-	-	-	-
Nanjingnan Railway Station Project	Jiangning District	49.7%	37,697	94,150	94,150	-	-	-	-	-
Nanjing Vanke Emerald Riverside	Jianye District	39.8%	45,092	108,221	43,467	-	-	64,754	64,754	-
Nanjing Vanke City Halo	Qixia District	69.8%	61,493	175,483	175,483	-	-	-	-	-
Vanke Huayuxi'an, Nanjing	Jiangbei New District	34.1%	78,325	159,682	159,682	-	-	-	-	-
Glamorous City, Zhenjiang	Runzhou District	100.0%	795,100	942,820	-	14,982	920,071	22,749	-	-
Blue Mountain Garden, Zhenjiang	Runzhou District	60.0%	285,683	404,048	-	95,703	329,111	-	-	38,503
Jin Yu Jiang Wan, Zhenjiang	Jingkou District	40.0%	83,500	113,128	-	71,877	113,128	-	-	-
Jade Park, Zhenjiang	Runzhou District	99.0%	112,889	247,050	-	35,639	35,639	143,105	-	19,760
The Paradise, Zhenjiang	Dagang New District	41.9%	133,100	317,654	-	91,049	91,049	129,520	129,520	30,054
Estuary Emerald, Zhenjiang	Runzhou District	40.3%	61,236	104,567	-	42,596	42,596	-	-	21,697
Fei Cui Xin Lake, Nantong	Development District	92.9%	85,145	161,246	-	102,393	117,223	-	-	44,023
Fei Cui Dong Di, Nantong	Gangzha District	72.1%	98,003	155,486	-	86,484	86,484	-	-	69,002
Hushan Yuanzhu, Nantong	Tongzhou District	29.9%	83,920	132,391	-	26,119	60,354	-	-	72,037
Haishang Chuanqi, Nantong	Development District	16.9%	180,729	318,721	-	161,525	161,525	-	-	107,196
Bai Lu Wan, Nantong	Development District	56.2%	67,205	92,811	-	92,811	92,811	-	-	-

Unit: sq. m.

Project Name	Location	Shareholding	Site area	GFA	Area					
					Planned construction	Area commenced construction in 2020	Completed Area in 2020	Accumulated completion area by 2020	Area not yet under construction as at the end of 2020	Area to be commenced construction in 2021
Jade Park, Nantong	Development District	97.0%	111,862	217,008	-	98,833	98,833	-	-	118,175
Chongzhoufu, Nantong	Development District	47.0%	48,794	48,308	-	48,308	48,308	-	-	-
Zhongchuang Metropolis, Nantong	Development District	11.5%	47,963	83,799	-	37,071	83,799	-	-	-
Shengjiluxi Plot	Chongchuan District	79.6%	75,362	167,818	104,603	-	-	-	-	-
City Twilight, Nantong	Tongzhou District	36.0%	62,553	123,415	101,592	-	-	21,833	21,833	33,374
Nantong Sea Moon	Tongzhou District	32.3%	182,772	392,952	392,952	-	-	-	-	-
Nantong Shiguang Yingcui	Tongzhou District	67.3%	71,445	121,456	113,443	-	-	8,013	8,013	-
Peninsula International, Nantong	High & New Technology Industries									
	Development Zone	58.9%	35,469	63,844	63,844	-	-	-	-	-
The One, Nantong	Tongzhou District	46.8%	50,625	91,125	91,125	-	-	-	-	-
Vanke West Land Lot Project, Nantong Haimen	Haimen District	50.5%	46,889	84,401	-	-	-	84,401	84,401	-
Junyuan South Land Lot Project, Nantong Haimen	High & New Technology Industries									
	Development Zone	95.8%	26,730	48,114	-	-	-	48,114	48,114	-
Land Lot North to Experimental School, Nantong	High & New Technology Industries									
	Development Zone	99.4%	52,328	115,122	-	-	-	115,122	115,122	-
Land Lot North to Central Innovation District, Nantong	Chongchuan District	80.0%	73,114	166,000	-	-	-	166,000	166,000	-
Fei Cui Jia Di, Haimen	High & New Technology Industries									
	Development Zone	46.9%	92,886	178,172	-	123,530	123,530	-	-	54,642
Central Park, Haimen	High & New Technology Industries									
	Development Zone	21.2%	141,257	289,379	-	110,680	110,680	-	-	47,597
Gramercy, Ningbo	Yinzhou District	95.8%	53,549	80,312	-	80,312	80,312	-	-	-
East of Baishi Lake, Ningbo	Yinzhou District	69.4%	138,665	140,052	-	66,695	66,695	-	-	73,357
Future Light, Ningbo	Beilun District	97.9%	87,392	174,766	-	174,766	174,766	-	-	-
Hanlin Jiadi Nanyuan, Ningbo	Zhenhai District	59.9%	25,587	38,378	-	38,378	38,378	-	-	-
Vanke Yin, Ningbo	Haishu District	24.6%	42,515	98,439	-	98,439	98,439	-	-	-
Weilaili, Ningbo	Beilun District	96.4%	79,956	177,348	-	35,853	35,853	-	-	141,495
Yungu Center, Ningbo	Jiangbei District	94.1%	149,306	228,256	-	-	-	-	-	165,678
Yunzhu Huayuan, Ningbo	Jiangbei District	98.0%	60,556	166,787	-	-	-	-	-	114,620
Oriental Imprint, Ningbo	Beilun District	18.7%	45,108	81,180	-	81,180	81,180	-	-	-

Unit: sq. m.

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Binhe Road, Ningbo	Jiangbei District	50.5%	86,800	180,834	-	-	-	-	-	94,462
Huaishu Road Project, Ningbo	Jiangbei District	99.7%	29,516	90,720	-	-	-	-	-	-
Weilan City, Ningbo	Zhenhai District	99.1%	65,445	130,876	-	-	-	-	-	130,876
Haishu Duantang Project, Ningbo	Haishu District	49.4%	74,346	157,780	-	-	-	-	-	-
Dongqian Lake Mogu Road Project, Ningbo	Yinzhou District	49.8%	49,902	50,401	50,401	-	-	-	-	-
Zhenhai Camel Project, Ningbo	Zhenhai District	99.3%	159,678	375,417	-	-	-	-	-	-
Binsheng Zhenyuan, Ningbo	Jiangbei District	49.1%	74,357	143,433	143,433	-	-	-	-	-
Oriental Tide, Ningbo	High & New Technology Industries									
	Development Zone	32.3%	55,077	124,614	124,614	-	-	-	-	-
Haiyinglanting, Ningbo	Zhenhai District	99.3%	43,591	98,708	98,708	-	-	-	-	-
Cichen No.11 Land Lot Project, Ningbo	Jiangbei District	48.1%	41,850	66,960	66,960	-	-	-	-	-
Cichen No.12 Land Lot Project, Ningbo	Jiangbei District	49.0%	41,589	62,085	62,085	-	-	-	-	-
Land Lot West to Jiangnan Yipin, Ningbo	High & New Technology Industries									
	Development Zone	99.3%	53,253	113,617	113,617	-	-	-	-	-
Bada Road Project, Jinhua	Wucheng District	41.9%	24,558	36,801	-	-	-	-	-	36,801
Shanhaishili, Taizhou	Luqiao District	99.2%	48,490	121,121	-	-	-	-	-	69,869
Dream Town, Taizhou	Jiaojiang District	65.8%	204,886	467,994	-	-	-	-	-	137,094
East of Dongjiayang Project, Taizhou	Jiaojiang District	50.4%	109,350	273,375	273,375	-	-	-	-	-
West of Dongjiayang Project, Taizhou	Jiaojiang District	50.4%	117,447	293,618	293,618	-	-	-	-	-
Yujianshan, Suzhou	High & New Technology Industries									
	Development Zone	44.5%	167,206	234,059	-	-	233,264	-	-	795
Park Avenue, Suzhou	Wujiang District	40.0%	173,783	359,337	-	36,085	359,337	-	-	-
Daxiang Shan She, Suzhou	High & New Technology Industries									
	Development Zone	49.8%	138,470	193,664	-	-	-	-	-	122,103
Suhewan, Suzhou	Wujiang District	13.3%	16,627	62,583	-	62,583	62,583	-	-	-
Jade Park, Suzhou	Wujiang District	22.5%	105,924	269,488	-	75,409	75,409	-	-	66,989
Feicuisiji Park, Suzhou	High & New Technology Industries									
	Development Zone	20.1%	34,683	46,768	-	46,768	46,768	-	-	-
Zuo'an Project, Suzhou	Industrial District	64.3%	22,826	199,358	-	-	-	199,358	199,358	-

Unit: sq. m.

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Anyuanlu Project, Suzhou	Xiangcheng District	59.7%	88,260	194,172	61,513	-	-	-	-	-	31,052
Xiangyang Road Project, Suzhou	High & New Technology Industries										
	Development Zone	79.5%	93,688	222,214	-	-	-	-	-	-	77,076
Wuzhong Party School Project, Suzhou	Wuzhong District	74.6%	12,735	52,520	-	-	-	52,520	-	-	-
Huayujiangnan, Suzhou	Xiangcheng District	44.6%	57,010	125,422	125,422	-	-	-	-	-	-
Yulinlong, Suzhou	Xiangcheng District	69.7%	63,778	159,445	-	-	-	159,445	159,445	-	-
Gongwang, Changshu	Culture District	42.9%	82,469	197,926	-	-	197,926	-	-	-	-
Pu Yue Ya Zhu, Changshu	Changshu City	75.9%	58,264	87,396	-	87,396	87,396	-	-	-	-
Zhen Wan Ya Zhu, Changshu	Yushan Town	48.0%	90,004	165,715	10,299	112,268	112,268	15,148	15,148	-	-
Golf Project, Kunshan	Bacheng Town	100.0%	433,916	327,891	-	-	-	249,208	-	-	-
Glamorous City, Kunshan	Huaqiao County	100.0%	309,217	773,042	-	87,726	773,042	-	-	-	-
Park Avenue, Kunshan	Zhoushi Town	89.1%	383,117	451,293	-	261,456	390,480	-	-	-	60,813
Haishang Chuanqi, Kunshan	Jinxi Town	56.3%	163,930	246,068	-	33,993	101,500	-	-	-	46,816
Future City, Kunshan	High & New Technology Industries										
	Development Zone	32.5%	350,761	514,618	-	123,729	285,765	64,684	64,684	164,169	-
Yunpu, Kunshan	Huaqiao County	16.0%	18,068	117,701	-	28,607	28,607	-	-	-	89,094
Xiajia River Project, Kunshan	Kunshan Development District										
	District	92.5%	112,727	202,771	122,557	-	-	-	-	-	77,956
Development District Development Project, Kunshan	Kunshan Development District										
	District	59.6%	40,595	93,356	-	-	-	-	-	-	93,356
Kunshan Jiangwan Lanting	High & New Technology Industries										
	Development Zone	50.5%	74,327	186,188	186,188	-	-	-	-	-	-
Taicang Emerald Mansion	High & New Technology Industries										
	Development Zone	96.6%	43,004	90,269	-	90,269	90,269	-	-	-	-
Park Avenue, Zhangjiagang	Zhangjiagang City	46.0%	191,795	469,378	-	115,169	238,363	26,000	-	-	-
Zhongyang Lvzhou D19/24/34 Land Lot, Wenzhou	Lucheng District	97.1%	31,894	74,368	-	74,368	74,368	-	-	-	-
TOD International New City, Wenzhou	Longwan District	16.6%	136,472	433,411	-	-	-	-	-	-	135,494
Vanke Times Center, Wenzhou	Lucheng District	38.8%	24,017	96,103	-	-	96,103	-	-	-	-
Ludaojiaji, Wenzhou	Lucheng District	37.3%	51,458	113,204	-	-	113,204	-	-	-	-
Xijiang Yue, Wenzhou	Ouhai District	26.5%	59,678	149,194	-	149,194	149,194	-	-	-	-

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Yunzhu, Wenzhou	Ouhai District	24.1%	24,848	74,544	-	74,544	74,544	-	-	-
Feicuitiandi (Phase I), Wenzhou	Ouhai District	39.1%	55,896	223,585	-	-	-	-	-	223,585
The Ideal City, Wenzhou	Longwan District	22.0%	65,148	168,065	-	168,065	168,065	-	-	-
Feicuitiandi (Phase II), Wenzhou	Lucheng District	17.1%	10,240	22,528	-	22,528	22,528	-	-	-
Metropolitan, Wenzhou	Ruian City	22.4%	43,253	95,157	-	-	-	-	-	95,157
Ruian Xi'ao Village Plot, Wenzhou	Ruian City	99.6%	70,151	195,717	-	-	-	-	-	-
Wenzhou Emerald Lake	Lucheng District	94.8%	11,989	33,569	-	-	-	-	-	-
Central District D-28-1 Land Lot, Wenzhou	Lucheng District	99.1%	23,543	56,503	-	-	-	-	-	-
Sanxi District B-07 Plot, Wenzhou	Lucheng District	99.5%	69,099	207,297	-	-	-	-	-	-
Wenzhou Central Green Axis Lot D29/31	Lucheng District	6.4%	43,833	10,092	-	-	-	-	-	10,092
Wenzhou Century AD	Longwan District	100.0%	87,184	191,805	-	-	-	191,805	191,805	-
Dream Town, Wuhu	Jiujiang District	100.0%	274,404	491,466	-	-	491,466	-	-	-
Haishang Chuanqi, Wuhu	Yijiang District	48.5%	121,895	413,156	-	44,716	413,156	-	-	-
Jiangdongfu, Wuhu	Jinghu District	40.5%	84,372	112,013	-	50,381	50,381	-	-	61,632
Zhongjiangyuan, Wuhu	Jiujiang District	33.0%	101,475	182,655	182,655	-	-	-	-	49,219
Eastern Longyintai, Wuhu	Jiujiang District	41.0%	52,669	94,804	94,804	-	-	-	-	-
Golden Paradise, Wuxi	Xinwu District	100.0%	224,118	620,713	-	17,894	589,384	-	-	20,210
The Paradiso, Wuxi	Binhu District	100.0%	154,468	354,251	-	-	267,442	86,809	86,809	-
Glamorous City, Wuxi	Binhu District	100.0%	962,116	1,318,257	-	-	1,299,769	-	-	-
Xinchengdao, Wuxi	Binhu District	100.0%	154,119	385,299	-	14,124	385,299	-	-	-
Beimentangshang, Wuxi	Liangxi District	39.2%	55,933	159,788	-	32,161	159,788	-	-	-
Tianyi Jiuzhu, Wuxi	Huishan District	46.0%	88,173	193,726	-	98,163	193,726	-	-	-
Tianyi Xinzhu, Wuxi	Huishan District	19.6%	103,846	275,714	-	203,945	275,714	-	-	-
Jade East, Wuxi	Binhu District	99.3%	108,276	245,256	137,871	105,609	105,609	-	-	-
Guanhu Lizhu, Wuxi	Xinwu District	37.4%	181,761	262,841	-	-	-	58,432	58,432	134,999
Yunhe Chuanqi, Wuxi	Liangxi District	50.3%	81,834	188,286	-	71,885	71,885	-	-	55,102
Jade Light, Wuxi	Binhu District	99.5%	66,829	153,707	-	-	-	-	-	85,101
Nanmen 44-1 Plot Project, Wuxi	Jiangyin City	99.2%	60,267	144,035	-	-	-	-	-	-
Zhenjing, Wuxi	Huishan District	50.2%	51,065	103,197	69,708	-	-	33,489	33,489	-
Meilishangcheng, Wuxi	Xinwu District	72.0%	85,898	172,971	172,971	-	-	-	-	-
Qingteng Park, Wuxi	Huishan District	38.6%	39,669	99,069	32,590	-	-	66,479	66,479	-
Wanshan Lake, Wuxi	Xishan District	50.5%	108,075	214,339	-	-	-	214,339	214,339	-
Chenyang Jiadi, Jingjiang	Jingjiang City	50.0%	370,700	564,917	-	291,572	391,044	-	-	66,319
Dream Town, Xuzhou	Gulou District	100.0%	692,037	1,278,207	-	161,187	1,278,207	-	-	-
Huaihai Paradiso, Xuzhou	Quanshan District	85.0%	226,776	811,924	-	-	525,925	-	-	247,940

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Project Name	Location	Shareholding	Site area	GFA	Area					
					Planned construction	Area commenced construction in 2020	Completed Area in 2020	Accumulated completion area by 2020	Area not yet under construction as at the end of 2020	Area to be commenced construction in 2021
Bei Chen Tian Di, Xuzhou	Gulou District	88.4%	28,149	96,997	-	-	96,997	-	-	-
Shangduhui, Xuzhou	Yunlong District	58.6%	53,697	202,572	-	-	152,946	-	-	49,626
Future City, Xuzhou	Tongshan District	39.3%	49,448	86,589	-	-	86,589	-	-	-
Jade Tianyu, Xuzhou	Quanshan District	88.5%	51,050	158,890	-	135,414	158,890	-	-	-
Xinduhui, Xuzhou	Tongshan District	89.4%	132,703	382,415	-	131,554	313,148	-	-	69,267
Jade Light, Xuzhou	Yunlong District	50.3%	122,207	355,930	-	143,420	143,420	-	-	143,420
Jielu, Xuzhou	Gulou District	30.8%	181,244	284,769	-	119,839	119,839	-	-	114,930
Jingyue, Xuzhou	Yunlong District	27.8%	19,634	52,602	-	52,602	52,602	-	-	-
Maochun Project No.5 Land Project, Xuzhou	Tongshan District	42.8%	72,878	149,137	149,137	-	-	-	-	-
Times Light, Xuzhou	Tongshan District	42.8%	59,137	147,843	-	-	-	-	-	-
He Guang Cheng Yue, Xuzhou	Tongshan District	42.8%	103,670	266,228	-	-	-	-	-	-
Four Season City Xuzhou	Gulou District	22.0%	163,394	444,162	60,918	-	-	-	-	134,870
North Bus Terminal Project, Xuzhou	Gulou District	66.8%	67,922	169,385	169,385	-	-	-	-	-
Vanke Xiwang, Xuzhou	Jiuli District	40.7%	20,410	52,043	52,043	-	-	-	-	-
Vanke Rising Mansion, Xuzhou	Quanshan District	50.0%	39,574	110,410	-	-	-	110,410	110,410	-
Shanshuijian, Xuzhou	Tongshan District	48.6%	166,603	366,527	185,660	-	-	180,867	180,867	-
North Bus Terminal Plot A Project, Xuzhou	Gulou District	98.5%	22,708	47,109	-	-	-	47,109	47,109	-
North Bus Terminal Plot C Project, Xuzhou	Gulou District	93.3%	29,437	70,650	-	-	-	70,650	70,650	-
Future Light, Suqian	Susu Industrial Park	41.0%	123,848	196,452	-	40,495	40,495	-	-	155,957
Shilichunfeng Eastside Plot, Suqian	Sucheng District	43.1%	28,207	62,553	62,553	-	-	-	-	-
Suqian West Lake Metropolis	Sucheng District	35.5%	35,557	88,893	88,893	-	-	-	-	-
Feicui International, Yancheng	Tinghu District	44.7%	54,286	94,638	-	70,943	70,943	-	-	23,695
Feicui Yuntai, Yancheng	City South New District	27.2%	126,022	264,645	-	117,246	117,246	-	-	109,090
Jade College, Yancheng	Tinghu District	44.7%	39,251	78,458	-	32,045	32,045	-	-	46,413
Julongdongfang, Yancheng	Chengnan District	49.4%	66,055	165,137	-	-	-	165,137	165,137	-
Xinghuidongfang, Yancheng	Chengnan District	79.5%	79,231	198,078	-	-	-	198,078	198,078	-
Education Investment Asset Package Yangzhou	Hanjiang District	93.6%	177,381	354,795	64,742	72,228	72,228	-	-	-
Dream Town, Yangzhou	Hanjiang District	100.0%	297,139	313,970	-	-	313,016	-	-	954
City Twilight, Yangzhou	Guangling District	55.1%	95,275	140,261	-	71,381	140,261	-	-	-
Lights of the Grand Canal, Yangzhou	Economic and Technological Development District	71.8%	94,464	151,142	-	47,167	86,596	-	-	64,546
Golden Dream Phase II, Yangzhou	Hanjiang District	27.5%	41,723	66,757	-	18,909	66,757	-	-	-
Spring Dew Mansion, Yangzhou	Guangling District	48.1%	28,103	29,917	-	29,917	29,917	-	-	-

Section 4

Directors' Report

Unit: sq. m.

Project Name	Location	Shareholding	Site area	GFA	Area						
					Planned construction in 2020	Area commenced construction in 2020	Completed Area in 2020	Accumulated completion area by 2020	Area not yet under construction as at the end of 2020	Area to be commenced construction in 2021	Area to be completed in 2021
Project 885, Yangzhou	Guangling District	34.9%	64,452	141,795	-	-	-	-	141,795	141,795	-
Jade Park, Yangzhou	Hanjiang District	27.9%	52,581	90,965	-	63,049	63,049	-	-	-	27,916
Future Light, Yangzhou	Hanjiang District	16.1%	47,137	82,976	-	-	-	-	-	-	82,976
Feicui Yuntai, Yangzhou	Gaoyou City	43.0%	200,000	391,001	-	-	-	-	191,475	191,475	133,463
Four Seasons Metropolis, Yangzhou	Hanjiang District	51.7%	97,220	178,184	178,184	-	-	-	-	-	-
Shanghai Region subtotal			32,884,990	61,760,419	10,587,707	9,344,450	29,597,748	5,183,262	4,419,665	8,948,164	

Northern Region

Aifudun Project, Beijing	Changping District	100.0%	23,084	113,651	-	-	113,651	-	-	-	-
Changyang Bandao, Beijing	Fangshan District	100.0%	437,179	859,085	-	3,335	859,085	-	-	-	-
Ruyuan C1, Beijing	Haidian District	49.0%	85,099	197,813	-	-	197,813	-	-	-	-
Golden Paradise, Beijing	Fangshan District	40.0%	65,967	155,293	-	-	155,293	-	-	-	-
Xihuafu, Beijing	Fengtai District	15.0%	233,209	629,170	-	-	629,170	-	-	-	-
Beijing Xianghe Project 2012	Xianghe County	50.0%	342,826	513,139	22,751	-	223,635	266,753	-	-	-
Vanke Cheng, Beijing	Daxing District	50.0%	43,446	155,207	-	-	155,207	-	-	-	-
Jade Four Season, Beijing	Tongzhou District	50.0%	88,767	210,738	-	27,321	202,304	-	-	-	8,434
Changyang Tiandi, Beijing	Fangshan District	69.0%	112,673	208,350	-	-	174,254	-	-	-	16,652
Jade Four Season (Phase II), Beijing	Tongzhou District	50.0%	61,717	123,434	-	32,079	123,434	-	-	-	-
Shoukai Vanke Centre, Beijing	Daxing District	50.0%	41,092	126,562	-	-	126,562	-	-	-	-
Changyang Bandao, Beijing	Fangshan District	35.0%	63,950	155,502	-	2,699	155,502	-	-	-	-
City Twilight, Beijing	Tongzhou District	35.0%	34,657	122,483	-	-	122,483	-	-	-	-
Tianzhuyuefu, Beijing	Shunyi District	26.2%	10,282	19,541	-	-	-	-	-	-	19,541
Guancheng Villa, Beijing	Shunyi District	35.0%	187,830	170,568	-	80,110	123,435	-	-	-	-
Construction Dream Town, Beijing	Yanqing District	20.0%	166,117	232,564	-	81,988	232,564	-	-	-	-
Shunyi 28 Street District Project, Beijing	Shunyi District	49.5%	22,913	41,200	-	-	41,200	-	-	-	-
TBD Vanke Center, Beijing	Changping District	50.0%	68,944	202,751	-	-	185,219	-	-	-	-
Beijing Vanke City	Daxing District	14.4%	46,924	94,357	-	-	94,357	-	-	-	-
Yunchuang Tiandi, Beijing	Tongzhou District	49.0%	80,131	143,992	-	12,141	42,528	-	-	-	14,800
Harrow Town, Beijing	Xianghe County	50.0%	207,255	345,239	30,472	-	-	294,678	-	-	20,089
South of Cuihu International, Beijing	Haidian District	100.0%	20,680	62,461	-	61,177	61,177	-	-	-	1,284
Jade Garden, Beijing	Changping District	40.9%	255,075	424,899	73,121	15,766	220,904	93,343	-	-	40,846
Jade Chang'an, Beijing	Mentougou District	49.4%	65,821	252,082	-	8,016	150,965	-	-	-	-

Unit: sq. m.

Project Name	Location	Shareholding	Site area	GFA	Area						
					Planned construction	Area commenced construction in 2020	Completed Area in 2020	Accumulated completion area by 2020	Area not yet under construction as at the end of 2020	Area to be commenced construction in 2021	Area to be completed in 2021
Metropolis No.79, Beijing	Chaoyang District	100.0%	16,782	51,895	-	-	-	-	-	-	51,895
Metropolis Binjiang, Beijing	Tongzhou District	88.8%	9,293	86,125	-	-	-	-	-	-	86,125
Junzhuang Project, Beijing	Mentougou District	50.0%	74,720	44,200	-	-	-	44,200	-	-	-
Red Scarf Bridge Project, Beijing	Chaoyang District	59.5%	15,593	90,000	-	90,000	90,000	-	-	-	-
North of Cuihu International, Beijing	Haidian District	50.0%	17,630	53,674	-	53,674	53,674	-	-	-	-
Beijing Vernon Town	Miyun District	40.0%	257,285	236,272	-	91,890	91,890	-	-	-	53,270
Qinglong Lake Project, Beijing	Fengtai District	39.8%	230,356	249,999	33,561	7,995	7,995	60,450	-	-	-
Guancheng Dajia, Beijing	Shunyi District	49.8%	155,133	156,684	-	-	-	-	-	-	91,954
Qixiang Villa, Beijing	Fangshan District	50.4%	89,117	133,675	-	-	-	-	-	-	97,339
Feicuiyuntu, Beijing	Haidian District	98.6%	54,881	104,288	-	-	-	-	-	-	55,019
Feicui Shanxiao, Beijing	Shijingshan District	39.6%	202,551	346,500	133,462	-	-	55,054	55,054	87,899	-
City Twilight Dongwang, Beijing	Tongzhou District	54.9%	110,493	279,378	-	-	-	-	-	-	46,248
Beijing Emerald West Lake	Fengtai District	99.8%	168,663	184,119	117,509	-	-	-	-	-	-
Guangchengwangxi, Beijing	Shunyi District	48.3%	43,326	64,988	6,000	-	-	-	-	-	-
Beijing Lake and Vill a Project	Fangshan District	19.8%	133,033	210,500	42,952	-	-	-	-	-	-
Peacock Lake - 77 Mu Land, 39 Mu Land Project, Bazhou	Bazhou City	64.8%	77,510	116,187	-	-	-	116,187	-	-	-
Times Light, Bazhou	Bazhou City	33.6%	44,355	110,814	-	-	-	87,056	-	-	-
No. 2019039 Plot, Baoding	Gaobeidian City	42.1%	22,320	44,640	-	-	-	-	-	-	-
Plots 231 and 232, Dachang	Dachang Hui Autonomous County	79.8%	76,388	146,269	63,062	-	-	83,207	-	-	-
Plots 233 and 234, Dachang	Dachang Hui Autonomous County	79.8%	50,606	84,303	84,303	-	-	-	-	-	-
The Light of Sailing, Langfang	Yongqing County	89.5%	56,234	100,908	-	-	-	57,918	-	-	-
Dongjianta Project, Langfang	Nanjianta Town	37.6%	38,714	71,790	-	-	-	-	-	-	-
Spring Dew Mansion, Langfang	High-tech Industrial Zone, Longhe	55.6%	71,400	142,718	94,327	-	-	48,391	-	-	-
Intorcity Light, Zhuozhou	Zhuozhou City	90.5%	67,392	268,875	-	-	-	-	-	-	33,565
Xinchen Light, Zhuozhou	Zhuozhou City	79.8%	63,475	126,941	-	-	-	-	-	-	-
Central Park, Baotou	Qingshan District	55.2%	228,173	560,431	80,685	-	-	-	-	-	99,251
Baotou Jade City	Jiuyuan District	57.9%	369,999	845,957	299,409	-	-	546,548	337,454	-	-
Cherry Blossom Garden, Dalian	High-Tech Industrial Zone	100.0%	90,286	237,180	-	80,632	201,915	-	-	-	29,165
Jade Light, Dalian	Jinzhou District	88.6%	83,330	243,918	-	65,138	96,930	-	-	-	-

Unit: sq. m.

Project Name	Location	Shareholding	Site area	GFA	Area not					
					Planned construction	Area commenced construction in 2020	Completed Area in 2020	Accumulated completion area by 2020	Area yet under construction as at the end of 2020	Area to be commenced construction in 2021
Future Light, Dalian	Jinzhou District	53.2%	212,731	464,721	85,568	-	-	108,813	-	122,622
Harbor, Dalian	Pulandian District	55.0%	581,172	968,301	122,755	70,604	363,252	425,710	-	109,339
Dream Town, Dalian	Jinzhou District	100.0%	284,806	658,153	-	46,280	658,153	-	-	-
Blue Mountain, Dalian	Ganjingzi District	100.0%	125,100	214,470	-	-	214,470	-	-	-
Chenghua East Project, Dalian	Shahekou District	51.0%	35,757	64,260	31,652	-	-	-	-	32,608
Park Avenue, Dalian	Ganjingzi District	90.0%	19,131	37,627	-	-	37,627	-	-	-
King Metropolis, Dalian	Ganjingzi District	87.0%	44,085	80,337	-	-	80,337	-	-	-
City Twilight, Dalian	Ganjingzi District	93.4%	153,500	283,975	-	-	274,835	-	-	-
Zhongnanfu, Dalian	Zhongshan District	88.6%	15,300	32,400	-	-	32,400	-	-	-
Jade Garden, Dalian	Ganjingzi District	44.5%	146,290	248,710	-	-	219,895	26,712	26,712	-
Badongshu, Dalian	Ganjingzi District	88.6%	36,169	46,336	-	1,720	46,336	-	-	-
Xinduhui, Dalian	Ganjingzi District	95.7%	55,138	135,345	-	298	135,345	-	-	-
Jade Four Season, Dalian	Ganjingzi District	90.5%	73,601	129,292	-	5,743	129,292	-	-	-
Binhai Metropolis, Dalian	High-Tech Industrial Zone	90.0%	10,955	26,292	-	26,292	26,292	-	-	-
Guan Xian Villa, Dalian	Ganjingzi District	48.7%	126,155	134,550	-	61,188	64,501	-	-	31,692
Metropolis Xinghai, Dalian	Shahekou District	26.5%	7,399	76,778	-	-	-	-	-	76,778
Feicui Chunxiao, Dalian	High-tech Industrial Zone	72.6%	193,011	177,795	68,301	62,618	62,618	42,888	42,888	43,569
Dalian The Stage	Zhongshan District	62.1%	42,400	166,400	39,000	-	-	23,714	23,714	103,686
Dalian Zhong Shan Zhong	Zhongshan District	41.2%	2,968	33,000	-	-	-	-	-	-
Dajia, Dalian	Ganjingzi District	97.5%	25,636	44,232	-	44,232	44,232	-	-	-
Feicui Duhui, Dalian	Ganjingzi District	99.4%	125,744	311,150	-	133,740	133,740	-	-	80,260
Diamond Bay, Dalian	Ganjingzi District	48.4%	67,674	108,646	108,646	-	-	-	-	44,016
Metropolis Park, Dalian	Ganjingzi District	99.6%	138,511	264,100	-	-	-	264,100	264,100	-
City Twilight, Harbin	Xiangfang District	45.0%	110,669	346,437	-	138,799	346,437	-	-	-
Jinyuyuefu, Harbin	Xiangfang District	67.1%	123,043	288,777	288,777	-	-	-	-	-
Park Avenue, Harbin	Daowai District	24.0%	39,392	101,800	-	-	-	-	-	101,800
Binjiang Metropolis, Harbin	Daoli District	49.9%	29,360	120,374	-	-	-	-	-	66,840
Intelligent Future City Project, Harbin	Xiangfang District	54.5%	310,193	556,654	214,664	-	-	341,990	137,091	-
Shenzhen-Harbin Vanke Town Project, Harbin	Songbei District	40.2%	166,982	362,352	237,254	-	-	125,098	125,098	-
Sino-Russia Industrial Zone Project, Harbin	Songbei District	99.3%	150,603	233,082	-	-	-	233,082	233,082	-
Yue Mountain, Jinan	Shizhong District	95.9%	16,906	80,364	-	33,372	80,364	-	-	-
Vanke Haiyan Gate, Jinan	Lixia District	53.6%	31,976	129,838	-	51,531	129,838	-	-	-
City Twilight, Jinan and Zijun, Jinan	Licheng District	24.0%	203,151	451,945	-	125,126	451,945	-	-	-

Unit: sq. m.

Project Name	Location	Shareholding	Site area	GFA	Area					
					Planned construction	Area commenced construction in 2020	Completed Area in 2020	Accumulated completion area by 2020	Area not yet under construction as at the end of 2020	Area to be commenced construction in 2021
King Metropolis, Jinan	Lixia District	30.3%	103,870	316,999	-	-	316,999	-	-	-
Jade Garden, Jinan	Lixia District	50.0%	87,149	220,858	-	220,858	220,858	-	-	-
Feicuishanyu, Jinan	Licheng District	98.8%	126,244	265,098	-	-	-	-	-	162,786
Jiutangfu, Jinan	Licheng District	16.0%	100,470	219,480	-	219,480	219,480	-	-	-
Metropolis, Jinan	Lixia District	32.0%	78,771	245,891	-	33,367	33,367	-	-	105,181
Zhonglufu, Jinan	Zhangqiu District	31.0%	110,411	215,783	-	114,915	114,915	-	-	100,868
Baimaiyuefu, Jinan	Zhangqiu District	25.0%	201,116	402,189	104,003	-	-	108,958	84,910	97,627
Vanke Shanwang, Jinan	Shizhong District	42.1%	120,618	572,429	305,657	107,287	107,287	-	-	129,511
Industrial Town Project, Jinan	Jiyang District	51.0%	176,075	103,455	-	-	103,455	-	-	-
Jiangshan Yipin, Jinan	Zhangqiu District	28.4%	23,856	38,170	-	-	-	-	-	38,170
Quanxueli, Jinan	High & New Technology Industries Development Zone	33.4%	133,532	333,345	-	-	-	-	-	133,345
Vanke Ruyuan, Jinan	High & New Technology Industries Development Zone	32.7%	61,289	85,760	-	-	-	-	-	85,760
Tianchen, Jinan	Licheng District	17.7%	103,211	260,091	-	-	-	-	-	130,067
Glamorous City, Jinan	Licheng District	66.6%	110,494	277,340	90,299	-	-	-	-	73,098
Jinan Golden Yuecheng Xinzhu	Tianqiao District	92.5%	56,742	147,529	147,529	-	-	-	-	-
Jinan Prosperity Lane	Tianqiao District	48.7%	34,968	82,175	-	-	-	82,175	82,175	-
The Light of Beichen, Jinan	Tianqiao District	69.4%	133,789	294,552	89,751	-	-	204,801	199,037	-
Xueshan Dream Town Cangwan, Ji'nan	Licheng District	100.0%	162,256	340,818	-	-	-	340,818	259,000	-
Xueshan Dream Town Metropolis, Ji'nan	Licheng District	100.0%	188,381	382,134	-	-	-	382,134	374,000	-
Times Light, Jiyang	Jiyang District	41.9%	129,000	338,000	-	-	-	100,423	-	137,577
Vanke Jade College, Zibo	Zhangdian District	17.0%	128,501	321,245	-	187,151	187,151	-	-	104,207
Vanke Xinduhui, Zibo	Zhangdian District	50.1%	20,486	71,058	-	-	-	-	-	71,058
Linzi Project, Zibo	Linzi District	54.3%	118,288	295,720	66,549	-	-	128,822	128,822	-
Xinduhui Project, Linyi	Hedong District	52.0%	154,165	354,580	185,927	-	-	-	-	138,471
Lushang Centre Dream Town Zhenyuan, Linyi	Lanshan District	69.5%	129,671	440,881	134,514	-	-	306,367	183,820	-
Lushang Centre Dream Town Ruyuan, Linyi	Lanshan District	50.5%	111,914	258,376	58,136	-	-	200,240	120,144	-
Future City, Qingdao	Shibei District	36.8%	139,768	442,015	-	112,596	425,334	-	-	-
Pingdu Dream Town, Qingdao	Pingdu City	100.0%	59,308	181,845	-	21,288	134,503	-	-	-
Qingdao Town	Huangdao District	34.0%	933,293	947,989	20,085	-	402,900	470,519	284,633	74,570
Meiguili, Qingdao	Chengyang District	60.0%	340,069	535,153	-	-	535,153	-	-	-

Unit: sq. m.

Project Name	Location	Shareholding	Site area	GFA	Planned construction in 2020	Area commenced construction in 2020	Completed Area in 2020	Area not		
								Accumulated completion area by 2020	yet under construction as at the end of 2020	Area to be commenced construction in 2021
Taohuayuan Phase I, Qingdao	Chengyang District	57.2%	129,032	229,399	-	-	229,399	-	-	-
Taohuayuan Phase II, Qingdao	Chengyang District	59.4%	134,669	244,046	-	-	244,046	-	-	-
Ecological New Town, Qingdao	Licang District	100.0%	110,919	350,385	-	-	350,385	-	-	-
King Metropolis Phase I, Qingdao	Chengyang District	58.6%	63,599	127,198	-	-	127,198	-	-	-
King Metropolis Phase II, Qingdao	Chengyang District	59.2%	64,222	128,444	-	37,381	128,444	-	-	-
City Twilight, Qingdao	Huangdao District	55.3%	123,719	284,109	-	157,883	157,883	-	-	92,279
Shiniushan Road Project, Qingdao	Licang District	22.0%	203,831	501,950	-	-	-	501,950	270,000	-
King Metropolis Phase III, Qingdao	Chengyang District	60.0%	56,286	101,315	-	-	-	-	-	-
Feichui Changjiang, Qingdao	Huangdao District	87.8%	25,836	168,348	-	-	-	-	-	132,810
Xinduhui 1907, Qingdao	Shibei District	50.0%	11,222	39,300	-	39,300	39,300	-	-	-
Xingkong, Qingdao	Shibei District	53.6%	5,043	17,649	-	-	-	-	-	17,649
Xinduhui, Qingdao	Huangdao District	46.0%	131,985	308,597	-	-	7,855	-	-	122,705
Beichen Light, Qingdao	Jimo City	49.8%	70,037	112,060	-	-	-	-	-	112,060
Jiaozhou Botanical Garden Project, Qingdao	Jiaozhou City	46.5%	52,937	153,622	153,622	-	-	-	-	-
High-speed Train Town Project, Qingdao	Chengyang District	54.4%	19,270	48,175	-	-	-	-	-	-
Qingdao Yuantong Wulian Project	Huangdao District	93.7%	38,545	96,362	84,799	-	-	-	-	-
Coast Nanshan, Qingdao	Huangdao District	92.3%	20,000	50,000	50,000	-	-	-	-	-
Qingdao Purple County	Jimo City	47.0%	56,758	107,839	74,675	-	-	33,164	33,164	-
Costal Hills Phase I, Qingdao	Huangdao District	41.0%	96,111	235,999	235,999	4,526	4,526	-	-	-
Costal Hills Phase II, Qingdao	Huangdao District	41.0%	86,944	234,749	234,749	-	-	-	-	-
Shenyang Cloud City	Huanggu District	97.2%	334,407	691,697	284,028	-	-	50,449	50,449	135,745
Jade Mansion, Shenyang	Dongling District	100.0%	285,599	284,100	-	-	158,401	-	-	125,699
Chunheii, Shenyang	Shenhe District	100.0%	81,378	350,551	-	-	350,551	-	-	-
King Metropolis, Shenyang	Huanggu District	100.0%	200,000	474,883	-	44,636	474,883	-	-	-
City Sunshine, Shenyang	Tiexi District	62.4%	54,257	166,356	-	57,455	166,356	-	-	-
Fei Cui Zhi Guang Phase I, Shenyang	Tiexi District	18.0%	40,877	199,937	-	-	-	159,442	159,442	40,495
Fei Cui Zhi Guang Phase II, Shenyang	Tiexi District	54.0%	67,305	286,886	-	81,444	286,886	-	-	-
Xihuafu, Shenyang	Economic and Technologica Development District	97.7%	208,177	372,382	-	171,923	372,382	-	-	-
Xinda Dream Town, Shenyang	Hunnan District	40.1%	198,479	407,939	-	131,870	300,625	-	-	107,314
Qianshanfu, Shenyang	Yuhong District	97.0%	19,105	66,867	-	66,867	66,867	-	-	-
Metropolis AD, Shenyang	Huanggu District	47.5%	16,247	113,483	-	113,483	113,483	-	-	-
Fei Cui Xinduhui, Shenyang	Tiexi District	67.4%	61,217	140,799	-	98,262	98,262	-	-	42,537

Unit: sq. m.

Project Name	Location	Shareholding	Site area	GFA	Area					
					Planned construction	Area commenced construction in 2020	Completed Area in 2020	Accumulated completion area by 2020	Area not yet under construction as at the end of 2020	Area to be commenced construction in 2021
Tomorrow Light, Shenyang	Suijiatun District	69.5%	127,099	284,223	-	67,979	167,570	-	-	-
Jade Four Season, Shenyang	Hunnan District	69.5%	60,148	142,097	-	63,277	142,097	-	-	-
Feicui Binjiang, Shenyang	Heping District	99.2%	79,763	159,526	-	73,514	73,514	-	-	86,012
Jibao Project, Shenyang	Hunnan District	99.4%	73,638	186,295	-	-	-	186,295	-	-
Shenyang Emerald Zhenyuan	Hunnan District	98.8%	82,371	140,031	-	57,757	57,757	-	-	82,274
China Travel Dream Town, Shenyang	Hunnan District	49.4%	1,018,234	1,057,074	561,765	187,622	209,689	278,435	243,793	21,276
Furama Project, Shenyang	Heping District	91.0%	14,496	62,000	-	-	-	62,000	62,000	-
Wonderland Dajia (B Plot), Shenyang	Yuhong District	57.2%	77,800	147,970	-	-	-	-	-	67,235
UC Dream Town, Shenyang	Faku County	45.0%	102,154	250,617	-	-	-	146,586	-	43,872
Baoma Project, Shenyang	Tiexi District	98.1%	187,248	280,871	-	-	-	-	-	68,801
Wonderland Dajia (AC Plot), Shenyang	Yuhong District	57.2%	28,909	54,927	30,572	-	-	24,355	24,355	-
Beichenzhiguang, Shenyang	Shenbei New District	48.3%	105,527	232,159	232,159	-	-	-	-	-
Dongdi, Luoyang	Shenhe District	64.0%	60,134	150,335	95,566	-	-	54,769	54,769	-
Shenyang Xichen Light	Tiexi District	59.2%	149,281	268,706	126,938	-	-	141,768	141,768	-
Whistler Town, Anshan	Tiedong District	100.0%	422,171	624,995	-	51,772	624,995	-	-	-
Jinyu International, Anshan	Tiexi District	51.0%	225,715	667,199	200,431	55,135	389,656	-	-	77,112
High & New Dream Town, Anshan	High & New Technology Industries Development Zone	68.0%	420,306	774,891	112,403	-	-	514,188	375,587	160,703
The Paradiso, Fushun	Development District	100.0%	300,150	506,048	-	67,562	415,403	-	-	90,645
Xinglongtai Project, Panjin	Xinglongtai District	98.1%	234,931	679,874	-	-	-	380,808	179,649	134,109
Harbour City, Yingkou	Bayuquan District	100.0%	138,990	329,301	-	122,390	196,600	-	-	105,881
Jade Garden (Phase I), Shijiazhuang	Qiaoxi District	41.0%	53,100	180,466	-	180,466	180,466	-	-	-
Jade Academy, Shijiazhuang	Chang'an District	49.8%	168,944	411,746	-	-	-	170,493	170,493	137,735
Zijun, Shijiazhuang	Chang'an District	48.2%	30,908	95,408	-	-	-	-	-	95,408
Xinduhui, Shijiazhuang	Recycling Chemical Industrial Park	41.0%	60,661	224,049	-	-	-	-	-	181,854
Park Metropolis, Shijiazhuang	Xinhua District	41.0%	48,731	121,347	-	-	-	-	-	-
Jade Garden, Shijiazhuang	Qiaoxi District	48.0%	70,549	167,894	-	-	-	-	-	-
Zhengding Culture Village Project, Shijiazhuang	Zhengding New District	49.0%	61,496	126,622	-	-	-	-	-	36,774
Future City, Shijiazhuang	Luancheng District	46.9%	104,994	196,832	153,707	-	-	-	-	-
Shijiazhuang Jiashi Vanke Purple Terrace	Qiaoxi District	41.6%	56,613	145,653	145,653	-	-	-	-	-
Shijiazhuang Zhengding Cultural Village Project Phase II	Zhengding New District	49.1%	44,134	90,896	90,896	-	-	-	-	-

Unit: sq. m.

Project Name	Location	Shareholding	Site area	GFA	Planned construction	Area commenced in 2020	Completed Area in 2020	Area not		
								Accumulated completion area by 2020	yet under construction as at the end of 2020	Area to be commenced construction in 2021
Shijiazhuang Mechanical and Technical School Project	Xinhua District	67.0%	13,913	31,999	-	-	-	31,999	31,999	-
Vanke Jade Four Seasons, Shijiazhuang	Yuhua District	50.1%	93,957	233,140	-	-	-	233,140	233,140	-
Holiday Views, Qinghuangdao	Haigang District	60.0%	124,672	306,612	-	121,652	306,612	-	-	-
Beidaihe Town, Qinghuangdao	Beidaihe New District	50.0%	76,384	84,881	-	-	84,881	-	-	-
Mijas, Qinghuangdao	Beidaihe New District	100.0%	85,659	92,357	-	-	-	-	-	38,449
Time Sea, Qinghuangdao	Beidaihe New District	16.0%	89,811	94,708	-	22,361	29,657	-	-	-
Future City (Phase II), Qinghuangdao	Haigang District	57.6%	68,011	135,625	-	-	-	-	-	135,625
Golden Paradise, Tangshan	Lubei District	41.0%	53,400	133,499	-	-	133,499	-	-	-
Nanhuchunxiao, Tangshan	Lunan District	24.0%	165,834	431,738	-	108,287	385,042	-	-	46,696
Tangshan Tang Dynasty Mansion	Lunan District	50.4%	106,070	259,591	-	-	-	-	-	119,559
Park Avenue, Tangshan	Lubei District	13.8%	185,802	446,710	-	140,603	140,603	-	-	143,783
Future City, Tangshan	High & New Technology Industries									
	Development Zone	53.6%	208,676	521,166	133,592	-	-	216,999	216,999	54,677
Fengrun King Metropolis, Tangshan	Fengrun District	32.0%	50,879	122,743	-	122,743	122,743	-	-	-
Feicui Blue Mountain, Tangshan	High-tech Industrial Zone, Tangshan	49.2%	80,103	203,966	-	-	-	-	-	103,966
Xinhua Road Project, Tangshan	Lubei District,	49.7%	17,265	120,854	-	-	-	120,854	-	-
Tangshan Gangdao Zhongxin	Fengnan District	53.5%	120,241	244,885	161,544	-	-	-	-	61,817
Tangshan Fengrunquanlan	Fengrun District	47.0%	47,403	52,143	-	-	-	52,143	52,143	-
Park Metropolis Phase I, Tangshan	Lubei District	99.5%	75,961	151,893	-	-	-	151,893	151,893	-
Park Metropolis Phase II, Tangshan	Lubei District	99.0%	41,372	82,545	-	-	-	82,545	-	-
Fengrunziyuan, Tangshan	Fengrun District	47.0%	76,364	152,727	-	-	-	152,727	80,000	-
Park Avenue Phase III, Tangshan	Lubei District	16.3%	230,191	557,692	-	-	-	557,692	94,859	-
Zhangjiakou Jingcheng Shangfang	Xiahuayuan District	32.0%	101,649	225,095	111,932	-	-	113,163	10,000	-
Dream Town, Taiyuan	Xiaodian District	49.6%	323,777	793,157	-	-	793,157	-	-	-
Blue Mountain, Taiyuan	Wanballin District	51.0%	198,392	687,372	-	-	687,372	-	-	-
Transportation Company Land Lot, Taiyuan	Wanballin District	100.0%	37,060	177,415	-	-	-	177,415	-	-
Xinduxin, Taiyuan	Xiaodian District	49.6%	37,876	97,537	-	47,153	97,537	-	-	-
Zijun, Taiyuan	Wanballin District	24.0%	72,496	201,471	-	-	201,471	-	-	-
The Paradise, Taiyuan	Jinyuan District	88.6%	40,047	148,134	-	-	148,134	-	-	-
Zi Yuan, Taiyuan	Yingze District	90.1%	74,373	210,065	-	11,667	210,065	-	-	-

Unit: sq. m.

Project Name	Location	Shareholding	Site area	GFA	Area		Area not		Area to be	
					Planned construction	Completed Area	yet under construction as at the end of 2020	Area to be commenced construction in 2021	Area to be completed in 2021	
City Lights, Taiyuan	Yingze District	90.1%	133,214	400,716	57,993	92,114	92,114	-	-	165,840
Taiyuan Town	Jiancaoping District	89.1%	263,066	434,359	-	189,651	377,830	-	-	56,529
The Paradiso Phase II, Taiyuan	Jinyuan District	50.0%	29,195	116,393	-	3,670	116,393	-	-	-
Central Park, Taiyuan	Jinyuan District	50.0%	35,492	136,854	-	-	-	-	-	-
Jade Garden, Taiyuan	Jinyuan District	36.0%	75,832	257,786	-	153,345	153,345	-	-	77,992
Changfeng Mansion, Taiyuan	Wanbaolin District	42.0%	16,228	56,350	-	-	-	-	-	56,350
Taiyuan Chunhe Jingming	Wanbaolin District	41.0%	239,977	534,439	-	-	-	99,639	-	195,674
Qingxu Project, Taiyuan	Qingxu County	41.0%	107,438	315,678	315,678	-	-	-	-	-
Jade Jinyang Lake, Taiyuan	Jinyuan District	48.8%	127,040	254,079	-	-	-	97,556	-	-
Taiyuan Lanwan Chuanqi	Jinyuan District	41.0%	64,605	231,750	-	-	-	-	-	-
Park Avenue, Taiyuan	Jinyuan District	33.0%	32,450	130,246	-	-	-	-	-	-
Taiyuan Beijing Follow-up Phase	Xiaodian District	49.7%	170,490	536,477	237,655	-	-	298,822	298,822	-
Control Center Project, Taiyuan	Xiaodian District	40.0%	15,225	51,588	51,588	-	-	-	-	-
Taiyuan Chengshizhiguang Dongwang	Yingze District	90.1%	39,062	160,000	129,926	-	-	30,074	30,074	-
Time Light, Taiyuan	Yingze District	39.1%	59,426	184,100	141,442	-	-	42,658	42,658	-
Orient Community, Taiyuan	Xiaodian District	50.1%	153,520	387,200	53,629	-	-	333,571	90,000	-
Metro City, Taiyuan	Xiaodian District	49.7%	8,742	33,220	-	-	-	33,220	33,220	-
Violet, Jinzhong	Yuci District	50.0%	93,947	187,736	-	-	-	-	-	101,616
Glorious, Jinzhong	Yuci District	50.0%	29,143	57,500	-	-	-	-	-	33,378
The Paradiso, Yangqu	Yangqu County	50.0%	84,308	209,643	-	-	-	-	-	209,643
Waterfront, Tianjin	Dongli District	100.0%	2,708,886	1,763,059	-	255,705	1,709,453	29,000	29,000	11,751
King Metropolis, Tianjin	Dongli District	51.0%	221,217	361,213	-	-	361,213	-	-	-
Binhai Metropolis, Tianjin	Binhai New District	26.0%	215,899	685,897	93,876	89,525	190,672	-	-	-
Jinyu International, Tianjin	Binhai New District	100.0%	108,389	192,177	-	-	161,232	-	-	-
Minhexiang, Tianjin	Dongli District	87.0%	257,768	438,230	-	92,784	438,230	-	-	-
Zitai, Tianjin	Binhai New District	40.8%	56,545	136,534	-	49,868	136,534	-	-	-
Dongdi, Tianjin	Xiqing District	40.8%	133,014	308,255	-	101,649	308,255	-	-	-
Xinduhui, Tianjin	Nankai District	49.0%	40,068	139,099	-	-	-	73,599	-	65,500
Haitianyanju, Tianjin	Ji County	53.9%	81,935	78,100	-	39,156	78,100	-	-	-
Jade Avenue South, Tianjin	Xiqing District	34.0%	167,723	325,894	-	58,816	58,816	193,770	-	-
Jade Avenue North, Tianjin	Xiqing District	51.0%	192,144	378,267	89,609	-	-	285,003	-	-
Diecaidao, Tianjin	Hexi District	33.1%	24,013	47,996	-	-	-	-	-	47,996
Tianjin Emerald Riverside	Xiqing District	39.8%	198,161	340,468	70,284	37,195	37,195	135,606	78,812	29,141
Tianjin Vanke City	Dongli District	49.9%	147,353	182,155	-	-	34,000	-	-	-

Unit: sq. m.

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					Planned construction	Area commenced construction in 2020	Completed Area in 2020	Accumulated completion area by 2020	Area not yet under construction as at the end of 2020	Area to be commenced construction in 2021	Area to be completed in 2021
Chengningfu, Tianjin	Beichen District	27.7%	18,500	36,937	-	-	-	-	-	-	-
Qilin Wetland Vanke Town, Tianjin	Dongli District	49.1%	166,735	263,002	56,694	37,454	37,454	3,498	-	-	43,184
Xihuafu, Tianjin	Xiqing District	57.8%	181,503	297,355	-	26,329	26,329	-	-	-	95,861
Guanlan, Tianjin	Binhai New District	48.6%	90,781	196,849	-	-	-	28,625	28,625	-	108,224
Tianjin South Olympic Stadium Jin	Xiqing District	28.5%	40,547	72,985	-	-	-	-	-	-	72,985
Tianjin Dongjun	Dongli District	50.0%	34,710	60,325	-	-	-	-	-	-	60,325
South of Xilu, Tianjin	Xiqing District	99.0%	49,684	81,729	-	-	-	-	-	-	81,729
North of Xilu, Tianjin	Xiqing District	98.8%	52,189	103,963	-	-	-	-	-	-	103,963
Four Seaso Binjiang, Tianjin	Beichen District	69.2%	136,700	291,953	109,639	-	-	182,314	123,580	-	-
Feicuizitai, Tianjin	Xiqing District	37.6%	68,567	109,309	-	-	-	-	-	-	50,280
Baodi 024 Plot Project, Tianjin	Baodi District	99.2%	170,102	281,504	118,070	-	-	22,936	22,936	-	-
Dream Town, Weifang	Weicheng District	99.0%	126,507	306,940	235,694	-	-	71,246	-	-	-
Haiyuntai, Yantai	Zhifu District	100.0%	311,614	444,000	-	-	433,357	-	-	-	-
Yulongshan, Yantai	Zhifu District	51.0%	341,943	504,483	-	51,351	404,163	-	-	-	3,091
Dream Town, Yantai	Development District	51.0%	241,467	469,165	-	17,027	469,165	-	-	-	-
Jade Garden, Yantai	Zhifu District	78.6%	57,892	116,000	-	-	116,000	-	-	-	-
Seattle, Yantai	Zhifu District	41.0%	61,499	120,300	-	120,300	120,300	-	-	-	-
Tianyue Bay, Yantai	High & New Technology Industries										
	Development Zone	93.5%	190,000	401,000	-	-	-	401,000	380,000	-	-
City Twilight II, Yantai	Fushan District	92.9%	58,514	109,477	-	-	-	-	-	-	109,477
Jade Avenue, Yantai	Laishan District	24.0%	189,041	460,414	30,887	-	-	62,305	-	-	236,147
City Twilight III, Yantai	Fushan District	51.1%	55,711	150,600	72,742	86,472	86,472	-	-	-	-
Feicui Chang'an, Yantai	Laishan District	29.4%	105,056	189,100	55,764	-	-	-	-	-	189,100
Nanyao B Plot, Yantai	Zhifu District	24.2%	43,072	107,247	-	-	-	35,503	-	-	-
Chuihu Shanxiao, Yantai	Zhifu District	37.1%	294,800	297,600	101,474	-	-	136,003	136,003	-	69,169
Yulongshan D Plot, Yantai	Zhifu District	42.5%	38,701	42,600	42,600	-	-	-	-	-	-
Emerald Ocean, Yantai	Laishan District	36.0%	69,494	175,691	67,747	-	-	107,944	107,944	-	-
Mocufu, Yantai	Development District	50.0%	112,117	271,432	55,505	-	-	215,927	215,927	-	-
Yiduhui, Yantai	Zhifu District	79.0%	81,207	227,360	-	-	-	227,360	227,360	-	-
Dream Town, Bowenli, Zhifu, Yantai	Zhifu District	39.0%	60,222	147,400	46,379	-	-	101,021	101,021	-	-
Dream Town, Quanxueli, Zhifu, Yantai	Zhifu District	50.0%	32,000	76,900	-	-	-	76,900	76,900	-	-
Jade Park, Weihai	Economic & Technological Development Zone	57.7%	176,746	312,390	36,066	122,097	122,097	-	-	-	74,568

Unit: sq. m.

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					Planned construction	Area commenced construction in 2020	Completed Area in 2020	Accumulated completion area by 2020	Area not yet under construction as at the end of 2020	Area to be commenced construction in 2021
Jade Hill, Weihai	Economic & Technological Development Zone	69.0%	124,947	192,215	-	-	-	192,215	192,215	-
Blue Mountain, Changchun	Erdao District	100.0%	228,670	501,678	-	1,003	455,628	-	-	46,050
Changchun Whistler Town	Jingyue District	50.0%	399,715	484,714	-	4,981	349,964	108,980	40,000	25,770
Baicuiyuan, Changchun	Chaoyang District	100.0%	267,981	503,349	-	16,575	463,086	-	-	40,263
Dream Town, Changchun	Jingyue District	51.0%	350,965	1,068,964	19,262	101,522	853,451	196,251	-	19,262
Changchun Whistler Banff Garden	Jingyue District	45.9%	187,439	243,670	3,299	54,277	243,670	-	-	-
City Twilight, Changchun	Lvyan District	96.3%	181,060	435,039	-	-	261,372	173,667	-	-
Fanrongli Project, Changchun	Chaoyang District	41.7%	16,162	56,567	-	-	56,567	-	-	-
Jade Binjiang, Changchun	Nanguan District	92.3%	346,635	702,386	144,690	186,461	373,846	169,788	-	140,000
Xinduhui, Changchun	High & New Technology Industries Development Zone	95.3%	50,003	103,600	-	74,097	103,600	-	-	-
Changchun The Lake	Nanguan District	53.7%	45,315	140,962	88,884	-	-	-	-	23,000
Jade College, Changchun	High & New Technology Industries Development Zone	49.3%	82,000	174,193	-	43,512	126,911	-	-	47,282
Xichen Light, Changchun	Qikai District	40.0%	154,246	308,500	-	-	-	-	-	158,500
Changchun Life of Resort	Jingyue District	90.0%	80,000	120,000	-	111,312	111,312	-	-	8,688
Xiwang, Changchun	Beihu Technology Development District	93.8%	155,044	289,701	-	-	-	-	-	100,000
Beihu Xiwangdong Plot, Changchun	Beihu Technology Development District	98.3%	129,436	237,602	89,528	-	-	148,074	-	-
Gongzhuling Project, Changchun	Gongzhuling City	41.0%	617,240	1,086,342	418,384	-	-	667,958	300,000	-
Xinlicheng, Changchun	Jingyue District	55.1%	50,349	67,000	47,167	-	-	19,833	-	-
Silicone Valley Avenue Project, Changchun	Gongzhuling City	41.0%	226,629	453,258	180,632	-	-	272,626	150,000	-
Xichen A Plot, Changchun	Qikai District	44.6%	82,107	173,839	128,513	-	-	45,326	-	-
Star Light City, Changchun	Jingyue District	79.9%	307,388	686,000	508,340	-	-	177,660	100,000	-
Sunflower Follow-up Project, Changchun	Fanjiatun Town	41.0%	20,000	37,000	-	-	-	37,000	37,000	-
Violet, Changchun	High & New Technology Industries Development Zone	99.2%	92,000	236,015	-	-	-	236,015	80,000	-

Unit: sq. m.

Project Name	Location	Shareholding	Site area	GFA	Planned construction in 2020	Area commenced construction in 2020	Completed Area in 2020	Area not		
								Accumulated completion area by 2020	yet under construction as at the end of 2020	Area to be commenced construction in 2021
Sunflower Town Follow-up Second Tranche Land Lot Project, Changchun	Fanjiatun Town	50.0%	130,000	239,000	-	-	-	239,000	47,800	-
Times Metropolis, Changchun	Kuancheng District	80.3%	103,000	294,000	-	-	-	294,000	58,800	-
Songhua Lake Project, Jilin	Fengman District	100.0%	531,598	599,999	-	-	277,265	280,491	-	-
Dream Town, Jilin	High & New Technology Industries Development Zone	65.0%	728,139	2,001,721	120,000	198,797	1,269,113	494,140	280,000	120,000
Binjiangjiuli, Jilin	Fengman District	24.5%	35,476	106,428	-	81,137	106,428	-	-	-
Northern Region subtotal			40,055,415	78,503,168	10,775,351	7,537,598	31,863,641	17,344,545	8,906,933	9,350,766
Central and Western Region										
Vanke Huamao Plaza, Chengdu	Chenghua District	100.0%	29,720	208,037	-	-	208,037	-	-	-
No.5 Park Front Boutique Apartment, Chengdu	High-tech Industrial Development Zone	50.0%	87,822	263,464	-	-	80,155	-	-	-
Jinse Yuefu Music Plaza, Chengdu	Chenghua District	60.0%	152,852	757,862	-	161,096	548,143	-	-	-
Jinyu Tixiang, Chengdu	Xindu District	100.0%	111,166	324,251	-	88,803	274,431	-	-	49,820
Vanke City, Chengdu	Pidu District	62.0%	167,375	560,963	-	11,539	560,963	-	-	-
No.5 City, Chengdu	Shuangliu District	97.8%	274,323	819,126	-	-	819,126	-	-	-
Wu Long Shan Lan Shan, Chengdu	Pidu District	95.0%	121,000	145,139	-	-	145,139	-	-	-
Ideal City, Chengdu	Pidu District	93.5%	201,981	640,170	-	126,007	640,170	-	-	-
Jade Garden, Chengdu	Tianfu New District	51.5%	146,745	409,541	-	3,771	409,541	-	-	-
Jiuxitang, Chengdu	Pidu District	60.0%	78,671	183,369	-	-	183,369	-	-	-
Vanke Cloud City (Phase I), Chengdu	Tianfu New District	98.8%	34,501	172,500	-	44,141	44,141	42,001	-	-
Vanke Cloud City (Phase II), Chengdu	Tianfu New District	98.8%	45,067	202,700	-	19,931	19,931	-	-	107,710
Junyi, Chengdu	Tianfu New District	93.1%	27,266	54,531	-	-	-	-	-	54,531
Jinxiu, Chengdu	Tianfu New District	99.3%	157,109	411,349	-	-	-	97,567	97,567	-
Times Runyuan, Chengdu	Pidu District	91.5%	44,976	89,951	-	89,951	89,951	-	-	-
Chenguangheyue, Chengdu	High-tech Industrial Development Zone	21.6%	62,229	166,005	-	120,666	166,005	-	-	-
Light of the Times (Phase I), Chengdu	Qingbaijiang District	41.2%	22,829	68,296	-	25,420	68,296	-	-	-
Light of the Times (Phase II), Chengdu	Qingbaijiang District	41.2%	40,565	120,439	-	120,439	120,439	-	-	-
Yixin Lake 133 Mu Project, Chengdu	Shuangliu District	50.0%	88,336	265,009	-	-	-	265,009	-	-
Yixin Lake 122 Mu Project, Chengdu	Shuangliu District	50.0%	81,356	220,803	-	-	-	220,803	153,274	-

Unit: sq. m.

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					Planned	Area commenced construction in 2020	Completed Area in 2020	Accumulated completion area by 2020	Area not		Area to be completed in 2021
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Chuanshang Project, Chengdu	High-tech Industrial Development Zone	99.8%	20,939	100,505	-	-	-	-	-	-	
Park Legend, Chengdu	Tianfu New District	50.6%	108,704	329,284	-	-	-	-	-	143,676	
Dream Light, Chengdu	Renshou County	50.3%	42,293	93,041	-	90,726	90,726	-	-	2,315	
Jade Heyue, Chengdu	Tianfu New District	33.0%	55,926	82,600	-	82,600	82,600	-	-	-	
Yuehaiyuan, Chengdu	Qingbaijiang District	43.4%	104,624	415,333	81,600	-	-	112,240	112,240	123,047	
Xinchuanhui, Chengdu	High-tech Industrial Development Zone	99.0%	32,637	119,743	-	-	-	-	-	-	
Jingnantang, Chengdu	High-tech Industrial Development Zone	69.5%	84,423	168,446	-	85,506	85,506	-	-	82,940	
Tianfu Dream Town Phase I, Vanke	Renshou County	59.6%	665,368	788,219	161,521	-	-	332,401	246,931	145,575	
Chengdu the Gifted	Shuangliu District	31.5%	104,202	260,386	-	-	-	-	-	110,386	
Garden Metropolis, Chengdu	Tianfu New District	68.2%	47,261	99,221	-	-	-	-	-	99,221	
Guo Shou Jia Yuan, Chengdu	Wenjiang District	40.0%	78,279	117,387	-	-	-	-	-	43,225	
Tianfu Dream Town Phase II, Vanke	Renshou County	59.6%	109,161	141,910	-	-	-	141,910	95,148	-	
Chengdu Vanke Immerse In Garden	Xindu District	99.3%	78,938	157,473	157,473	-	-	-	-	82,768	
Chengdu Vanke Hidden in Garden	Chenghua District	99.0%	54,710	105,946	105,946	-	-	-	-	105,946	
Chengdu Park Town	Tianfu New District	50.8%	186,279	653,977	266,460	-	-	387,517	242,689	-	
Park Jiuli, Chengdu	Shuangliu District	49.0%	136,000	411,842	-	218,417	411,842	-	-	-	
Chengdu Gaoxian Park	Longquanyi District	33.4%	141,338	324,817	-	-	-	324,817	259,331	-	
Meizhou Culture Village, Meishan	Dongpo District	64.0%	624,711	1,026,893	96,915	-	-	553,121	499,088	114,604	
Renfeng, Meishan	Wenlin Town	38.7%	43,661	109,152	-	-	-	-	-	109,152	
Chongli New Town Phase II, Meizhou	Chongli Town	69.5%	632,863	1,381,079	-	-	-	1,381,079	-	-	
Jinrun Huafu, Nanchong	Gaoping District	100.0%	182,012	518,004	-	-	518,004	-	-	-	
Vanke 17 Degrees, Xichang	Xichang County	27.1%	595,021	621,374	-	-	-	314,098	210,685	146,247	
Joy City, Guiyang	Yunyan District	51.0%	85,341	262,728	-	2,501	262,728	-	-	-	
Dream Town, Guiyang	Yunyan District	70.0%	343,142	921,846	-	132,863	921,846	-	-	-	
No.5 Park Front Boutique Apartment, Guiyang	Yunyan District	58.5%	10,927	98,132	-	-	98,132	-	-	-	
Yunyan Metropolis, Guiyang	Yunyan District	20.5%	49,054	275,961	-	137,997	275,961	-	-	-	
Gong Yuan Chuan Qi, Guiyang	Yunyan District	42.7%	34,325	130,392	-	130,392	130,392	-	-	-	
Jade Legend, Guiyang	Yunyan District	46.0%	109,630	314,021	-	70,982	271,945	-	-	42,076	
Vanke Guiyang Chuan Huaxi Metropolis, GuiyangQi, Guiyang	Yunyan District	56.0%	6,555	58,991	-	-	-	-	-	-	
Huaxi Metropolis, Guiyang	Huaxi District	41.8%	173,285	432,277	-	115,203	271,508	-	-	97,436	

Unit: sq. m.

Project Name	Location	Shareholding	Site area	GFA	Planned construction in 2020	Area commenced construction in 2020	Completed Area in 2020	Area not			Area to be completed in 2021
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Vanke Metropolis Huayang, Guiyang	Xiaohu District	60.2%	72,043	367,136	23,169	157,097	314,827	-	-	44,895	
Feicuitianjiao, Guiyang	Guanshan Lake District	32.0%	69,977	243,231	48,856	-	-	-	-	125,896	
Vanke Ideal City, Guiyang	Guanshan Lake District	41.1%	287,563	794,299	35,766	338,459	338,459	127,997	-	160,853	
Jade Binjiang, Guiyang	Nanming District	33.7%	98,327	217,051	63,746	142,790	142,790	-	-	15,131	
Xiwang, Guiyang	Huaxi District	49.8%	101,230	337,555	-	-	-	337,555	250,500	-	
Jade Garden Project, Guiyang	Guanshan Lake District	46.5%	374,968	935,661	330,160	41,234	41,234	457,762	300,401	95,052	
Xinduhui, Guiyang	Guanshan Lake District	45.3%	612,054	816,429	124,261	12,003	221,268	214,490	150,000	148,532	
Vanke Lushan, Guiyang	Yunyan District	39.9%	303,067	783,312	114,847	-	-	423,744	412,387	127,434	
Guanhu, Guiyang	Economical & Technological Development Zone	64.4%	139,940	349,850	142,301	-	-	207,549	180,000	-	
Vanke Home, Wuhan	Hongshan District	98.9%	57,253	262,386	-	44,033	163,619	-	-	95,190	
Golden Lake Courtyard, Wuhan	Jiangnan District	100.0%	72,575	402,716	-	129,199	340,641	62,075	-	-	
Hankou Chuanqi, Wuhan	Jiangnan District	50.0%	251,184	1,261,387	-	120,348	948,583	133,699	133,699	126,840	
Vanke Jincheng, Wuhan	East Lake New Technology Development Zone	95.5%	38,286	203,017	-	397	203,017	-	-	-	
Vanke Fei Cui Jiu Xi, Wuhan	Economic and Technological Development Zone	50.0%	160,682	370,689	-	-	370,689	-	-	-	
Feicui Binjiang, Wuhan	Hanyang District	54.5%	225,157	912,307	588,983	115,347	283,573	-	-	41,471	
Vanke Jinyu International, Wuhan	Hanyang District	94.5%	114,629	569,843	-	-	-	-	-	319,843	
Weipeng Vanke Yuxibinjiang, Wuhan	Jiang'an District	40.0%	43,274	208,964	-	64,980	64,980	-	-	143,984	
Vanke Gaoerluxi'an, Wuhan	Dongxi Lake District	96.0%	35,075	96,278	-	96,278	96,278	-	-	-	
Vanke Colorful City, Wuhan	Gedian Development Zone	41.0%	126,026	295,398	-	101,127	187,163	-	-	37,938	
Vanke Ideal City, Wuhan	Yiling District	82.7%	182,149	437,180	42,547	229,912	229,912	-	-	-	
Vanke Cloud City, Wuhan	Hongshan District	79.8%	119,037	425,989	108,940	41,662	41,662	62,913	62,913	205,641	
Vanke Liantou Ideal Star 083 Land Lot, Wuhan	Jiangxia District	19.3%	65,548	185,404	-	43,147	43,147	-	-	39,577	
Vanke Liantou Ideal Star 082 Land Lot, Wuhan	Jiangxia District	49.0%	64,726	176,069	-	43,163	43,163	-	-	43,276	
Jinyutiandi, Wuhan	Qiaokou District	49.8%	75,608	309,699	18,164	-	-	-	-	68,260	
Vanke Xinduhui, Wuhan	Hongshan District	64.8%	59,917	287,499	-	-	-	-	-	-	
Vanke Poly Ideal City, Wuhan	Hongshan District	49.7%	96,897	336,989	-	-	-	107,401	100,000	116,388	
Vanke Ideal City Yuefu, Wuhan	Yiling District	95.5%	32,041	51,050	-	-	-	-	-	51,050	

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Project Name	Location	Shareholding	Site area	GFA	Area						
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Vanke Cheng, Wuhan	Gedian Economic and Technological Development Zone	65.3%	21,452	80,760	-	-	-	-	-	-	80,760
Wuhan Changzheng Village K2	Hongshan District	100.0%	109,533	342,779	342,779	-	-	-	-	-	-
Wuhan Vanke Park Avenue	Qiaokou District	39.5%	76,538	262,998	262,998	-	-	-	-	-	-
Vanke Boye New Town, Wuhan	Hannan District	39.1%	319,537	512,768	512,768	-	-	-	-	-	-
010 Project, Ezhou	Gedian Development Zone	98.3%	139,997	419,909	136,616	-	-	283,293	273,768	-	-
Vanke Yicuijincheng, Yichang	High & New Technology Industries Development Zone	59.3%	123,457	300,553	228,917	-	-	71,636	71,636	-	-
Park Avenue, Kunming	Guandu District	97.9%	213,037	556,887	-	-	397,812	-	-	-	-
Jinyu International, Kunming	Wuhua District	100.0%	105,484	315,494	59,044	-	256,450	-	-	-	-
Glamorous City, Kunming	Guandu District	100.0%	417,919	1,662,861	-	240,900	1,308,603	-	-	-	91,380
Yinhaiboan Project, Kunming	Dianchi Tourist Resort	29.7%	243,605	432,098	-	55,237	381,815	-	-	-	-
Xinghejiayuan, Kunming	Guandu District	60.0%	108,375	444,473	-	65,183	237,441	-	-	-	61,808
Kunming The Golden Island	Panlong District	99.5%	65,004	287,407	-	136,741	136,741	-	-	-	150,666
Feicui Binjiang, Kunming	Guandu District	30.6%	161,266	525,014	164,019	140,128	212,224	-	-	-	114,270
Baisha Runyuan, Kunming	Panlong District	90.0%	14,932	46,981	-	46,981	46,981	-	-	-	-
Kunming Dream of City	Wuhua District	57.4%	43,053	166,487	-	166,487	166,487	-	-	-	-
Metropolitan, Kunming	Guandu District	24.1%	92,972	286,246	-	124,133	124,133	-	-	-	63,392
500 Miles, Kunming	Guandu District	39.7%	232,914	827,000	277,181	-	-	402,546	333,385	97,273	-
Dream Town, Kunming	Wuhua District	44.8%	246,576	912,045	311,400	-	-	188,781	188,781	184,102	-
Changhong West Road Project, Kunming	Guandu District	39.7%	164,536	519,213	199,084	-	-	320,129	320,129	-	-
Feihu Phase II, Kunming	Guandu District	100.0%	187,924	628,986	-	-	-	628,986	327,853	-	-
Jindaoying Project, Panlong District, Kunming	Panlong District	51.0%	98,998	544,341	-	-	-	544,341	236,549	-	-
Dali Shisanyue	Economic Development Zone	37.3%	152,108	574,053	187,084	-	-	386,969	222,195	-	-
Vanke Morcitta, Xishuangbanna	Menghai County	23.3%	454,043	745,968	-	42,550	42,550	646,271	361,965	57,147	-
China Fuxian Lake International Travel Resort, Yuxi	Chengjiang County	33.8%	4,431,237	1,795,414	78,980	86,786	380,078	1,202,282	610,993	101,173	-
Vanke Metropolis, Zhengzhou	Erqi District	88.6%	333,940	1,000,262	-	132,093	725,028	-	-	-	142,473
Changjiyunlu, Zhengzhou	Zhongmu County	43.0%	191,564	202,590	-	-	59,633	63,765	31,040	79,192	-
Vanke Meijing Glamorous City, Zhengzhou	Airport Economy Zone	51.0%	327,697	802,558	-	185,719	702,667	-	-	-	99,891

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Vanke Meijing Dream Town, Zhengzhou	High & New Technology Industries Development Zone	51.0%	508,421	1,560,281	-	-	1,560,281	-	-	-
Vanke Meijing Lanyuan, Zhengzhou	High & New Technology Industries Development Zone	41.0%	129,527	453,065	-	144,686	144,686	-	-	158,379
Vanke Meijing Chengguo, Zhengzhou	High & New Technology Industries Development Zone	41.0%	7,893	21,589	-	21,589	21,589	-	-	-
Vanke Tianlun Zitai, Zhengzhou	Huaji District	42.7%	205,979	572,421	-	172,632	553,443	-	-	18,978
Racho Sante Fe, Zhengzhou	Zhongmu County	40.8%	181,326	303,582	-	-	159,293	-	-	85,658
Vanke Meijingshijie, Zhengzhou	Jinshui District	68.2%	62,197	186,346	-	186,346	186,346	-	-	-
Vanke Min'an Stars, Zhengzhou	Zhongyuan District	46.0%	17,754	71,933	-	-	71,933	-	-	-
Vanke Min'an Cloud City, Zhengzhou	Huaji District	42.1%	51,704	154,818	-	154,818	154,818	-	-	-
Vanke Xiwang, Zhengzhou	Jingkai District	99.3%	60,374	150,588	-	68,190	68,190	-	-	82,398
Zhengzhou Vanke The City	Jinshui District	40.4%	33,156	172,198	-	-	-	-	-	-
Vanke Min'an Sanduhushan, Zhengzhou	Shangjie District	43.2%	374,620	426,832	-	-	-	324,285	206,485	102,547
Min'an Jiangshanfu, Zhengzhou	Huaji District	46.1%	55,312	220,778	-	-	-	-	-	220,778
Bairong E5 Project, Zhengzhou	Erqi District	99.0%	59,332	236,904	-	-	-	-	-	-
Vanke Luoda Temple Project, Zhengzhou	Zhongyuan District	43.0%	33,812	168,971	168,971	-	-	-	-	-
Yuntu, Zhengzhou	Zhongmu County	40.8%	193,049	350,278	350,278	-	-	-	-	-
Zhengzhou Bagua Temple Project	Erqi District	37.6%	23,438	70,162	70,162	-	-	-	-	-
Vanke Metropolis Xianyueyuan, Zhengzhou	Erqi District	70.0%	58,787	176,361	-	-	-	176,361	176,361	-
Laoyachen 93 Mu Project, Zhengzhou	Huaji District	100.0%	62,282	261,584	-	-	-	261,584	188,118	-
Zhengzhou Nanlong Lake	Xinzheng City	32.2%	116,040	347,405	76,264	-	-	271,141	271,141	-
Vanke Chunhua Xiyuanjiadi, Luoyang	Jianxi District	41.1%	35,616	174,238	-	-	-	174,238	174,238	-
Donglin Lake Land Lot, Xingyang	Xingyang County	50.4%	193,727	362,942	204,744	-	-	158,198	158,198	-
Vanke Putian Long Tang, Zhoukou	Chuanhui District	40.2%	151,933	432,341	203,388	-	-	-	-	228,953
Vanke Putianlongtang Phase III, Zhoukou	Chuanhui District	44.6%	91,533	265,446	-	-	-	265,446	265,446	-
Dream Town, Chongqing	Northern New District	55.0%	278,167	654,420	-	-	654,420	-	-	-
Yuewan, Chongqing	Jiangbei District	45.0%	435,499	587,460	-	-	546,307	23,515	-	-
Joying Gold, Chongqing	Shapingba District	80.0%	175,000	693,541	-	1,823	693,541	-	-	-
The Stage, Chongqing	Jiangbei District	100.0%	129,535	652,923	205,593	165,520	382,408	-	-	43,443
Jinyu Academy, Chongqing	Nan'an District	13.5%	241,314	841,792	-	119,351	726,047	-	-	81,220

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Zhaomushan Project, Chongqing	Yubei District	90.2%	62,111	94,953	-	-	-	-	-	-	94,953
Guancheng, Chongqing	Beibei District	41.6%	195,027	422,567	-	278,852	412,884	-	-	-	3,946
Jinyu Huating, Chongqing	Shapingba District	90.1%	26,325	185,486	-	3,618	185,486	-	-	-	-
17 Miles, Chongqing	Beibei District	97.6%	212,044	216,180	-	197,027	197,027	-	-	-	19,153
The Paradiso, Chongqing	Yubei District	90.7%	105,079	244,344	42,428	-	121,260	-	-	-	-
Tiandi, Chongqing	Yuzhong District	38.4%	228,476	1,365,152	71,242	83,616	291,951	57,181	55,165	107,407	-
King Metropolis, Chongqing	Beibei District	61.8%	128,615	256,575	-	256,575	256,575	-	-	-	-
Feicui Duhui, Chongqing	Yuzhong District	69.5%	23,512	112,357	-	106,534	106,534	-	-	-	5,823
Elingfeng, Chongqing	Yuzhong District	49.7%	27,197	33,743	-	1,436	19,255	-	-	-	14,488
Jinkai Yuefu, Chongqing	Liangjiang New District	69.6%	173,474	306,660	80,981	168,631	168,631	-	-	-	56,715
Jade Garden, Chongqing	Yubei District	97.8%	46,592	117,612	-	41,148	41,148	-	-	-	72,902
Forest Park, Chongqing	Liangjiang New District	65.5%	204,218	396,476	183,109	89,004	89,004	-	-	-	124,364
Jiakaicheng, Chongqing	Jiangbei District	46.0%	31,900	24,658	-	-	24,658	-	-	-	-
Wonderland, Chongqing	Beibei District	41.3%	77,975	194,864	-	-	-	-	-	-	124,438
Ideal City Phase I, Chongqing	Shapingba District	99.0%	104,692	157,034	-	-	-	-	-	-	-
Jade Garden Commercial Project, Chongqing	Yubei District	99.5%	16,168	97,005	97,005	-	-	-	-	-	-
Ideal City Phase II, Chongqing	Shapingba District	50.2%	97,965	153,114	-	-	-	24,545	-	-	71,775
Ideal City Phase III, Chongqing	Shapingba District	48.2%	74,723	131,911	-	-	-	-	-	-	34,208
Yuelai 117 Mu Project, Chongqing	Liangjiang New District	99.2%	78,000	115,577	115,577	-	-	-	-	-	-
Yuelai 493 Mu Project, Chongqing	Yubei District	99.0%	328,787	469,640	243,771	-	-	225,869	192,530	-	-
Shuitu 111 Mu Project, Chongqing	Beibei District	99.0%	73,686	106,661	106,661	-	-	-	-	-	-
Shuitu 103 Mu Project, Chongqing	Beibei District	99.2%	68,554	94,644	94,644	-	-	-	-	-	-
Fenghuanghu 424 Mu Project, Chongqing	Yongchuan District	97.8%	282,795	507,226	281,127	-	-	-	-	-	-
Shuitu 99 Mu Project, Chongqing	Beibei District	97.6%	66,014	98,991	98,991	-	-	-	-	-	-
Skycity Project, Chongqing	Jiangbei District	67.8%	26,447	111,328	111,328	-	-	-	-	-	-
Chongqing Four Seasons Flower City Phase III	Liangjiang New District	98.2%	73,591	183,961	118,607	-	-	65,354	61,180	-	-
Hometown Phase I, Chongqing	Yubei District	98.8%	47,742	71,186	-	-	-	71,186	71,186	-	-
Hometown Phase II, Chongqing	Yubei District	99.0%	33,986	50,979	-	-	-	50,979	50,979	-	-
Star Light Skycity, Chongqing	Shapingba District	99.1%	115,558	150,000	-	-	-	150,000	150,000	-	-
Jieshi 296 Mu Project, Chongqing	Banan District	99.3%	197,351	346,875	-	-	-	346,875	346,875	-	-
Central and Western Region subtotal			27,070,360	60,826,976	8,197,396	7,284,461	24,890,390	13,693,504	8,853,049	6,743,979	

Unit: sq. m.

Project Name	Location	Shareholding	Site area	GFA	Planned construction area in 2020	Area commenced construction in 2020	Completed Area in 2020	Area not		
								Accumulated completion area by 2020	yet under construction as at the end of 2020	Area to be commenced construction in 2021
Northwest Region										
Yuecheng Gold, Xi'an	Lianhu District	80.0%	193,571	682,674	-	974	681,252	-	-	1,422
Ideal City, Xi'an	Xixian New District	90.1%	459,707	901,142	-	198,705	198,705	618,634	618,634	42,201
Jade Guobin, Xi'an	High & New Technology Industries Development Zone	72.3%	161,244	613,226	-	-	-	131,836	125,036	210,908
Vanke Metropolis Phase I, Xi'an	Xixian New District	86.9%	141,500	358,801	105,793	-	-	-	-	245,227
Vanke Metropolis Phase II, Xi'an	Xixian New District	65.9%	135,900	359,384	-	-	-	134,434	134,434	61,335
Vanke Pu Yue, Xi'an	Chan-Ba Ecological District	97.4%	99,494	261,798	140,127	-	-	85,823	21,754	-
Dream Town, Xi'an	Changan District	85.0%	186,849	619,565	-	-	480,819	68,121	-	67,609
Xi'an Daminggong	Weiyang District	70.0%	69,052	222,690	-	60,721	220,260	-	-	-
Dream Town Phase II, Xi'an	Changan District	100.0%	113,231	345,959	-	-	319,343	26,616	-	-
King Metropolis, Xi'an	Jingkai District	100.0%	106,667	384,044	-	-	384,044	-	-	-
Dream Town Yanyuan, Xi'an	Changan District	100.0%	89,377	199,691	-	-	184,474	15,217	-	-
Eastern Metropolis, Xi'an	Chan-Ba Ecological District	100.0%	175,387	701,816	47,148	74,735	512,661	142,007	142,007	-
Jinyu International, Xi'an	Yanta District	90.6%	23,831	152,133	-	-	152,133	-	-	-
Joying Gold Phase IV, Xi'an	Lianhu District	100.0%	36,708	150,122	-	36,964	74,838	-	-	72,179
Prestigious Academy, Xi'an	Yanta District	69.8%	114,745	477,642	-	64,440	444,537	-	-	14,307
Oriental Legend, Xi'an	Yanta District	40.5%	109,695	383,057	-	56,322	367,286	-	-	15,771
City Twilight, Xi'an	Qujiang New District	78.6%	100,340	309,081	-	-	273,687	-	-	14,570
Jade Tianyu, Xi'an	Yanta District	88.6%	74,527	296,106	-	102,009	281,483	-	-	-
Feicui International, Xi'an	Yanta District	41.0%	283,130	1,003,798	150,534	330,710	532,624	267,116	-	4,239
Vanke City Runyuan, Xi'an	Changan District	88.6%	144,467	478,772	-	170,743	398,430	-	-	75,836
Prestigious Academy Phase II, Xi'an	Yanta District	49.8%	55,255	162,661	-	63,023	118,603	-	-	37,714
City Twilight Phase II, Xi'an	Qujiang New District	40.8%	60,136	210,483	-	69,272	116,508	-	-	88,240
Gongyuan Huafu, Xi'an	Yanta District	78.6%	121,741	356,336	-	177,770	317,650	-	-	38,686
Jinyu Weiyang, Xi'an	Weiyang District	60.0%	41,840	204,238	-	198,417	198,417	-	-	-
The Paradise, Xi'an	Baqiao District	90.0%	144,467	146,303	-	43,330	146,303	-	-	-
Dream Town Ruyuan, Xi'an	Changan District	90.0%	83,289	267,268	-	38,182	38,182	-	-	162,220
Yungu, Xi'an	Yanta District	78.7%	31,569	47,353	-	-	-	-	-	16,986
Vanke Golden Paradise, Xi'an	Xixian New District	97.1%	74,515	149,030	149,030	-	-	-	-	-
Xingfu Zhenyuan, Xi'an	Weiyang District	90.0%	49,197	137,636	-	133,932	133,932	-	-	-
Binghe Four Seasons, Xi'an	Fuping County	26.5%	160,997	321,598	-	241,207	321,598	-	-	-

Unit: sq. m.

Project Name	Location	Shareholding	Site area	GFA	Area					
					Planned construction	Area commenced construction in 2020	Completed Area in 2020	Accumulated completion area by 2020	Area not yet under construction as at the end of 2020	Area to be commenced construction in 2021
Yuewan, Xi'an	Chan-Ba Ecological District	47.6%	75,406	178,256	-	-	-	-	-	127,480
Lan'an, Xi'an	Chan-Ba Ecological District	98.4%	140,736	288,027	50,643	-	-	-	-	106,120
Park Avenue, Xi'an	Yanta District	40.0%	49,898	139,668	-	-	-	-	-	71,952
Xi'an Metropolis Cloud	Xixian New District	29.6%	148,195	438,115	-	-	-	-	-	116,531
Vanke Yanming Lake, Xi'an	Chan-Ba Ecological District	65.3%	168,666	337,333	156,057	-	-	181,276	67,935	-
Xi'an Xinhe Xinyuan	International Port District	99.0%	107,647	265,867	265,867	-	-	-	-	100,776
Xi'an Vanke Hyatt House	Weiyang District	50.0%	41,938	155,960	155,960	-	-	-	-	-
Vanke Yanming Lake Phase III, Xi'an	Chan-Ba Ecological District	55.0%	58,449	116,898	33,549	-	-	83,349	83,349	-
Dream Town, Weinan	Linwei District	70.7%	556,062	1,160,770	409,060	-	-	751,710	712,223	-
King Metropolis, Xianyang	Qindu District	61.3%	76,999	265,498	86,771	-	-	-	-	-
Dream Town, Lanzhou	Gaolan County	41.0%	373,305	1,099,787	-	252,256	252,256	175,731	175,731	124,460
Times Light, Lanzhou	Yuzhong County	50.1%	129,835	338,646	4,095	-	-	-	-	125,948
Lanzhou Pu Yue Lan An	Anning District	90.3%	65,510	229,337	-	-	-	-	-	-
Lanzhou Vanke Puyue Zhenyuan	Chengguan District	41.1%	44,549	169,279	169,279	-	-	-	-	-
Star Light Metropolis, Lanzhou	Xigu District	48.5%	74,588	253,603	71,799	-	-	181,804	181,804	-
Dream Town Yunwan, Xining	Chengzhong District	38.2%	70,667	177,143	-	-	-	-	-	127,143
Dream Town Yunjing, Xining	Chengzhong District	38.2%	164,608	439,575	165,900	-	-	-	-	147,377
Dream Town Yunlu, Xining	Chengzhong District	38.2%	37,140	100,311	-	-	-	-	-	-
Dream Town Chengzhong District Follow-up, Xining	Chengzhong District	18.8%	195,454	520,147	242,943	-	-	277,204	277,204	-
Park Avenue, Xining	Chengbei District	34.5%	110,939	277,348	263,193	-	-	14,155	14,155	-
Dream Town Starlight NC-11 Land Lot Project, Xining	Chengzhong District	40.0%	78,928	192,935	-	-	-	192,935	192,935	-
Dream Town Starlight NC-12 Land Lot Project, Xining	Chengzhong District	40.0%	50,697	137,766	-	-	-	137,766	137,766	-
King Metropolis, Urumqi	Xinshi District	82.0%	83,366	245,779	-	-	245,779	-	-	-
Rancho Sante Fe, Urumqi	Shayibake District	60.0%	204,798	208,972	-	-	208,972	-	-	-
Southern Hillside, Urumqi	Urumqi County	100.0%	32,298	15,947	-	-	-	-	-	15,947
Central Park, Urumqi	Shuimogou District	80.0%	80,698	201,745	-	-	201,745	-	-	-
Wonderland, Urumqi	High & New Technology Industries Development Zone	44.5%	169,656	532,713	-	131,699	481,828	-	-	-
Feicuitianjiao, Urumqi	Tianshan District	77.1%	101,984	255,536	-	106,109	106,109	-	-	66,877
Legend of Metropolis, Urumqi	Shayibake District	90.0%	42,879	105,523	-	88,766	101,429	-	-	-

Section 4

Directors' Report

Unit: sq. m.

Project Name	Location	Shareholding	Site area	GFA	Planned construction in 2020	Area commenced construction in 2020	Completed Area in 2020	Area not		
								Accumulated completion area by 2020	yet under construction as at the end of 2020	Area to be commenced construction in 2021
Central Park Phase III, Urumqi	Shuimogou District	80.0%	11,825	41,184	-	41,184	41,184	-	-	-
Gongyuanli, Urumqi	High & New Technology Industries Development Zone	61.0%	61,148	171,166	-	171,166	171,166	-	-	-
Metropolitan, Urumqi	Shuimogou District	80.0%	36,104	162,470	-	162,470	162,470	-	-	-
Tianshan Fu, Urumqi	Tianshan District	78.8%	120,090	280,301	36,723	40,736	40,736	75,113	75,113	103,288
Park Avenue, Urumqi	Midong District	57.8%	85,938	300,782	-	-	-	-	-	124,835
Legend of Metropolis Phase II, Urumqi	Shayibake District	54.3%	38,204	92,975	-	-	-	-	-	83,315
Urumqi Flowery Mansion	High & New Technology Industries Development Zone	92.5%	67,412	160,337	24,616	-	-	-	-	93,852
Urumqi Jinhui in Mansion	High & New Technology Industries Development Zone	68.9%	118,041	280,661	220,652	-	-	60,009	60,009	-
Jingyaoli, Urumqi	Shayibake District	98.4%	146,730	253,222	135,514	-	-	117,708	117,708	-
Urumqi Tianshan Mansion Phase II	Shayibake District	95.9%	41,286	78,790	26,009	-	-	52,781	52,781	-
Guanlanjingyuan Phase II, Urumqi	Shuimogou District	64.4%	17,101	51,281	51,281	-	-	-	-	-
Spring Dew Mansion, Urumqi	Shuimogou District	91.1%	43,000	101,381	58,819	-	-	42,562	42,562	-
Metropolis Future City, Urumqi	Shayibake District	100.0%	362,906	768,867	-	-	-	768,867	192,217	-
Urumqi Tianshan Mansion Phase III	Tianshan District	100.0%	52,945	115,916	-	-	-	115,916	115,916	-
City Light Chuxinyuan, Yinchuan	Xingqing District	22.4%	89,837	152,717	-	139,767	139,767	-	-	12,950
City Light Chenxingyuan, Yinchuan	Xingqing District	32.7%	106,121	180,402	-	62,580	62,580	-	-	62,580
Jade Garden, Yinchuan	Jinfeng District	19.2%	179,686	169,032	-	94,229	94,229	-	-	74,803
Feicui Lake View, Yinchuan	Helan County	32.0%	67,591	107,994	-	-	-	-	-	107,994
Yuchen, Yinchuan	Jinfeng District	16.8%	56,556	84,833	-	-	-	-	-	84,833
Ideal City, Yinchuan	Jinfeng District	25.5%	98,215	196,311	-	-	-	-	-	96,311
Vanke Jade Garden A/B Land Lot, Yinchuan	Jinfeng District	19.3%	297,366	436,211	209,400	-	-	17,685	17,685	-
Metropolis, Yinchuan	Jinfeng District	22.4%	95,935	211,450	211,450	-	-	-	-	-
Yinchuan School of Beijing Normal University Project, Yinchuan	Jinfeng District	40.0%	115,809	231,627	-	-	-	231,627	231,627	-
Northwest Region subtotal			9,488,169	24,382,801	3,642,212	3,352,418	9,208,019	4,968,002	3,790,585	3,144,822
Group total			131,932,002	282,323,900	39,604,004	33,817,171	123,940,236	50,507,530	31,483,817	35,875,377

Special Risk Warning:

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

Changes in macroeconomic as well as the real estate market, or changes in the sales on an individual project;

The new regulations require more stringent project approval, therefore the processing of the licenses and certificates of projects under development may delay and affect the pace of development;

The demolition progress of projects involving demolition may have an impact on the development plan;

Significant weather changes may have an impact on the project schedule and then delay the completion of the project;

Other significant events may have unpredictable impact on the project schedule.

4.2 Investment of the Company**4.2.1 Use of Proceeds**

On 11 June 2020, the Company successfully allotted and issued a total of 315,589,200 new H Shares with net proceeds of approximately HK\$7.865 billion, which was approximately RMB7.165 billion at the exchange rate on 11 June 2020. The Company has completed the issuance of four tranches corporate bonds to eligible investors, totaling RMB8.981 billion. For details, please refer to "6.1.3 Issue and listing of securities" set out in "Section 6 Change in Share Capital and Information on Shareholders".

4.2.2 Investment in Financial Assets**1. Investment of securities**

		Unit: RMB'000					
Stock Code	Stock Name	Stock Exchange which the stock is listed	Initial Investment Amount	Shareholding Percentage in the company	Book Value at the end of the Reporting Period	Gain or Loss in the Reporting Period	Change of ownership interest during the Reporting Period
0267	CITIC Limited	SEHK	98,758.5	approximately 0.04%	-	(3,550.4)	-
Total			98,758.5	approximately 0.04%	-	(3,550.4)	-



2 Investment in derivatives

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

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

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

During the Reporting Period, a floating loss of RMB2.0794 million million was incurred in CCS derivatives investment.

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

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

Nil

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

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

Derivative positions as at the end of the Reporting Period

Unit: RMB'000

Type of contracts	Contract amount as at the beginning of the period	Contract amount as at the end of the period	Profit or loss during the Reporting Period	Contract amount as a percentage of the Company's net assets as at the end of 2020
IRS	4,463,000	–	–	–
CCS	16,089,644	15,027,971	(2,079)	4.30%
Total	20,552,644	15,027,971	(2,079)	4.30%

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

Information on fair value measurement items

Unit: RMB'000

Item	Opening amount	Impact of change in accounting policies	Increase for the current period	Changes in fair value accounted in equity during the period	Impairment accrued in the current period	Disposal during the current period	Closing amount
Financial assets							
Of which: 1. Financial assets measured at fair value and whose changes are included in the current profit and loss	12,409,247	–	257,426	–	–	11,798,434	868,239
Of which: Derivative financial assets	–	–	–	–	–	–	–
2. Other investment in equity instruments	2,249,954	–	–	(648,717)	–	–	1,601,237
Subtotal of financial assets	14,659,201	–	257,426	(648,717)		11,798,434	2,469,476
Financial liabilities							



Information on holdings of foreign currency financial assets and financial liabilities

Unit: RMB'000

Item	Opening amount	Impact of change in accounting policies	Increase for the current period	Changes in fair value accounted in equity during the period	Impairment accrued in the current period	Disposal during the current period	Closing amount
Financial assets							
Of which: 1. Financial assets measured at fair value and whose changes are included in the current profit and loss	177,617	-	26,711	-	-	98,198	106,130
Of which: Derivative financial assets	-	-	-	-	-	-	-
2. Other investment in equity instruments	2,249,954	-	-	(648,717)	-	-	1,601,237
Subtotal of financial assets	2,427,571	-	26,711	(648,717)	-	98,198	1,707,367

Financial liabilities

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

4 Investment in wealth management products

Summary of entrusted wealth management during the Reporting Period

Unit: RMB'000

Specific Type	Source of funds for entrusted wealth management	Amounts for entrusted wealth management	Outstanding balance	The amount due but not receive
Wealth management products of banks	Self-owned capital	18,000,000	171,080	–
Total		18,000,000	171,080	–

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

Applicable Not applicable

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

Applicable Not applicable

4.2.3 Equity investment

(1) During the Reporting Period, new additional investment amounted to RMB52.17 billion, which were used as follows:

- i promoted and established 38 new subsidiaries, each with registered capital of over RMB100 million, and actual investment had been made. The details are as follows:

No.	Name of the newly established company	Currency	Registered capital (original currency)	Actual investment by Vanke (RMB equivalent)	Scope of business
1	Wuxi Ruiting Real Estate Co., Ltd (無錫市睿庭房地產有限公司)	RMB	1,800,000,000.00	990,000,000.00	Property development and operation
2	Foshan Nanhai Wantie Real Estate Development Co., Ltd (佛山市南海區萬鐵房地產開發有限公司)	RMB	1,656,000,000.00	844,560,000.00	Property development and operation
3	Nanjing Wanyan Real Estate Co., Ltd (南京萬燕置業有限公司)	RMB	1,340,000,000.00	938,000,000.00	Property development and operation
4	Jiaxing Wanxing Real Estate Co., Ltd (嘉興萬星置業有限公司)	RMB	1,300,000,000.00	270,000,000.00	Property development and operation
5	Yangzhou Wanhang Real Estate Co., Ltd (揚州萬航置業有限公司)	RMB	1,255,000,000.00	470,625,000.00	Property development and operation
6	Nantong Wanqin Real Estate Co., Ltd (南通萬秦房地產有限公司)	RMB	1,158,740,000.00	566,221,248.42	Property development and operation
7	Nantong Wanyan Real Estate Co., Ltd (南通萬焱房地產有限公司)	RMB	1,000,000,000.00	799,966,700.00	Property development and operation
8	Suzhou Wanyu Real Estate Co., Ltd (蘇州萬禦房地產有限公司)	RMB	900,000,000.00	630,000,000.00	Property development and operation
9	Zhuhai Wanbin Chenjing Real Estate Development Co., Ltd (珠海市萬濱晨璟房地產開發有限公司)	RMB	800,000,000.00	80,000,000.00	Property development and operation
10	Yantai Xinhua Industry & Finance Real Estate Co., Ltd (煙台新華產融置業有限公司)	RMB	710,000,000.00	379,016,766.00	Property development and operation
11	Jinan Wancang Real Estate Co., Ltd (濟南萬倉置業有限公司)	RMB	700,000,000.00	700,000,000.00	Housing leasing; construction of sports facilities; fitness and leisure activities; property management
12	Weihai Wanli Land Co., Ltd (威海萬利置地有限公司)	RMB	700,000,000.00	448,000,000.00	Property development and operation
13	Yancheng Wanwei Real Estate Co., Ltd (鹽城萬威置業有限公司)	RMB	630,000,000.00	504,000,000.00	Property development and operation

No.	Name of the newly established company	Currency	Registered capital (original currency)	Actual investment by Vanke (RMB equivalent)	Scope of business
14	Guangzhou Tianhe Wanshi Enterprise Management Co., Ltd (廣州天河萬世企業管理有限公司)	RMB	600,000,000.00	491,942,000.00	Corporate headquarters management; corporate management
15	Wuxi Shangwan Real Estate Co., Ltd (無錫尚萬房地產有限公司)	RMB	600,000,000.00	198,946,800.00	Property development and operation
16	Yantai Gongyao Real Estate Development Co., Ltd (煙台共耀房地產開發有限公司)	RMB	575,000,000.00	293,250,000.00	Property development and operation
17	Dongguan Wantong Real Estate Co., Ltd (東莞市萬同房地產有限公司)	RMB	572,307,692.00	371,999,999.80	Property development and operation
18	Jiaxing Keyuan Real Estate Co., Ltd (嘉興科元置業有限公司)	RMB	525,000,000.00	367,500,000.00	Property development and operation
19	Yancheng Wanyue Yannan Real Estate Co., Ltd (鹽城萬悅鹽南置業有限公司)	RMB	525,000,000.00	262,500,000.00	Property development and operation
20	Shenzhen Wantong Nantou City Management and Operation Co., Ltd (深圳萬通南頭城市管理運營有限公司)	RMB	500,000,000.00	130,000,000.00	Own property leasing, domestic commerce, business management; business information consulting services;
21	Changzhou Minghan Real Estate Co., Ltd (常州茗涵房地產有限公司)	RMB	480,400,000.00	480,400,000.00	Property development and operation
22	Wuxi Mingting Real Estate Co., Ltd (無錫市銘庭房地產有限公司)	RMB	400,000,000.00	204,000,000.00	Property development and operation
23	Shijiazhuang Vanke Wenjun Real Estate Development Co., Ltd (石家莊萬科文郡房地產開發有限公司)	RMB	350,000,000.00	187,601,400.00	Property development and operation
24	Nantong Wanchu Real Estate Co., Ltd (南通萬楚房地產有限公司)	RMB	345,000,000.00	276,000,000.00	Property development and operation
25	Xuzhou Wanquan Real Estate Co., Ltd (徐州萬泉置業有限公司)	RMB	320,000,000.00	320,000,000.00	Property development and operation
26	Shijiazhuang Vanke Fumei Wenrui Real Estate Development Co., Ltd (石家莊萬科福美文瑞房地產開發有限公司)	RMB	300,000,000.00	137,178,000.00	Property development and operation
27	Zhengzhou Wanhu Real Estate Development Co., Ltd (鄭州萬湖房地產開發有限公司)	RMB	300,000,000.00	149,400,000.00	Property development and operation
28	Nantong Wanjin Real Estate Co., Ltd (南通萬晉房地產有限公司)	RMB	266,000,000.00	159,600,000.00	Property development and operation

No.	Name of the newly established company	Currency	Registered capital (original currency)	Actual investment by Vanke (RMB equivalent)	Scope of business
29	Jiaying Wanmei Real Estate Co., Ltd (嘉興萬美置業有限公司)	RMB	242,000,000.00	47,600,400.00	Property development and operation
30	Nantong Wanhan Real Estate Co., Ltd (南通萬漢房地產有限公司)	RMB	214,120,000.00	214,120,000.00	Property development and operation
31	Sanya Wanyi Real Estate Development Co., Ltd (三亞萬頤房地產開發有限公司)	RMB	200,000,000.00	200,000,000.00	Property development and operation
32	Tangshan Wanhong Real Estate Development Co., Ltd (唐山萬宏房地產開發有限公司)	RMB	160,000,000.00	76,800,000.00	Property development and operation
33	Tianjin Wanjinxi Real Estate Development Co., Ltd (天津萬錦溪房地產開發有限公司)	RMB	150,000,000.00	150,000,000.00	Property development and operation
34	Qingdao Tianwanhezhu Real Estate Co., Ltd (青島天萬合珠置業有限公司)	RMB	113,000,000.00	107,350,000.00	Property development and operation
35	Jinan Wanzhen Real Estate Co., Ltd (濟南萬臻置業有限公司)	RMB	100,000,000.00	70,000,000.00	Property development and operation
36	Jiangmen Vanke Enterprise Co., Ltd (江門萬科企業有限公司)	RMB	100,000,000.00	100,000,000.00	Property development and operation
37	Qingdao Wanyue Real Estate Co., Ltd (青島萬悅置業有限公司)	RMB	100,000,000.00	94,900,000.00	Property development and operation
38	Changsha Metro Vanke Real Estate Co., Ltd (長沙軌道萬科置業有限公司)	RMB	100,000,000.00	45,000,000.00	Property development and operation
Total		-	-	12,756,478,314.22	-

In addition, another 215 new companies were also promoted and established, with a total investment amount of RMB1.30 billion.

ii Major companies acquired during the Reporting Period are as follows:

During the Reporting Period, a total of 67 companies were acquired with a total consideration of RMB7.47 billion.

iii During the Reporting Period, the Group increased the capital of 48 subsidiaries by RMB30.64 billion, among which, RMB18.00 billion was for Vanke Logistics Development Co., Ltd., RMB4.00 billion was for Guangzhou Vanke Enterprise Co., Ltd. and RMB8.64 billion for other companies.

(2) Investment in Projects

During the Reporting Period, the Group had 168 new development projects. The aggregate planned GFA attributable to the Company's equity holding amounted to approximately 20.588 million sq.m., while the aggregate GFA amounted to approximately 33.665 million sq.m.

Unit: sq.m.

No.	Project name	Location	Shareholding	Site area	Planned GFA	GFA Attributable to the Company's Equity Holding	Project process
1	Dongguan Vanke Hanbang Songhu Peninsula	Dalingshan Town	36.9%	128,605	190,629	70,418	Under construction
2	Dongguan Vanke Golden Mile East	Liaobu Town	33.6%	57,766	173,296	58,228	Under construction
3	Dongguan Vanke Star City	Hongmei Town	64.2%	43,561	108,869	69,883	Under construction
4	Dongguan Zhujiang Dream Town	Nancheng District	41.0%	15,561	46,524	19,075	Under construction
5	Golden Dream, Foshan	Shunde District	99.1%	46,666	233,328	231,181	Under construction
6	Foshan The Golden Island	Gaoming District	90.0%	40,003	100,008	90,007	Pre-construction
7	Vanke Nanhai Sky City, Foshan	Nanhai District	50.8%	178,080	480,816	244,350	Under construction
8	Jinmao Vanke Glamorous City, Guangzhou	Zengcheng	100.0%	162,497	487,699	487,699	Pre-construction
9	Affordable Housing Project in Yazhou District of Hainan Vanke South Plot	Yazhou District	89.0%	32,523	81,307	72,364	Pre-construction
10	Affordable Housing Project in Yazhou District of Hainan Vanke North Plot	Yazhou District	89.0%	12,769	31,922	28,411	Pre-construction
11	Jinfeng Garden, Huizhou	Huicheng District	37.6%	111,564	345,848	130,177	Under construction
12	Wanhui Garden, Huizhou	Huiyang District	39.0%	73,333	192,476	75,066	Under construction
13	Wanyue Garden, Huizhou	Huiyang District	30.4%	60,381	213,566	64,924	Under construction
14	Wenhan Garden, Huizhou	Huiyang District	40.0%	44,695	162,673	65,069	Under construction
15	Jiangmen Vanke Golden City Yangdongyuan	Pengjiang District	55.0%	32,080	88,239	48,532	Under construction
16	Jiangmen Vanke Golden City Central Garden	Pengjiang District	56.0%	36,947	92,222	51,654	Under construction
17	Jiangmen Vanke Golden City Yangziyuan	Pengjiang District	65.0%	21,613	54,033	35,121	Pre-construction
18	Liuzhou Bailu Project Phase I	Liubei District	53.6%	138,722	391,081	209,620	Under construction
19	Liuzhou Bailu Project Phase II	Liubei District	53.6%	104,663	276,729	148,327	Pre-construction
20	Jinyu International, Nanning	High & New Technology Industries Development Zone	42.0%	79,835	239,504	100,592	Under construction
21	Affordable Housing Project in Linchun District in Sanya City	Jiyang District	100.0%	39,041	78,082	78,082	Pre-construction
22	Beichen Light, Shenzhen	Longhua District	36.0%	16,142	93,680	33,725	Under construction
23	Jian'gang Mountain, Shenzhen	Bao'an District	100.0%	85,321	189,575	189,575	Pre-construction
24	Vanke Infinity City, Shenzhen	Longhua New District	45.8%	42,000	216,000	98,928	Under construction
25	Shenzhen Shanhai	Nanshan District	91.6%	13,073	62,898	57,615	Under construction

Unit: sq.m.

No.	Project name	Location	Shareholding	Site area	Planned GFA	GFA Attributable to the Company's Equity Holding	Project process
26	Binhe Road, Changsha	Wangcheng District	60.6%	35,324	122,498	74,234	Under construction
27	Sky Realm, Changsha	Yuhua District	45.0%	68,204	101,051	45,473	Under construction
28	Zhenwanhui, Changsha	Kaifu District	52.6%	39,990	261,188	137,254	Pre-construction
29	Zhongshan Four Seasons Flower City	Wuguishan Town	60.0%	133,327	226,211	135,727	Under construction
30	Western Coast, Zhongshan	Huoju Development District	100.0%	38,836	97,862	97,862	Pre-construction
31	Central Park Phase II, Zhongshan	Guzhen Town	60.0%	58,997	181,644	108,987	Pre-construction
32	Central Park Phase I, Zhongshan	Guzhen Town	50.0%	21,633	64,897	32,448	Under construction
33	Zhuhai Metropolis Four Seasons	Baoshui District	40.0%	81,383	190,194	76,078	Pre-construction
34	Zhuhai Maritime City	Jinwan District	79.6%	165,047	254,008	202,216	Pre-construction
35	Guobin Road, Changzhou	Zhonglou District	99.3%	64,360	115,848	115,049	Under construction
36	Hangzhou Rainbow Sky City	Xiaoshan District	50.9%	115,664	176,746	90,017	Pre-construction
37	Sunshine City, Hangzhou	Xiaoshan District	79.8%	68,538	186,798	149,009	Under construction
38	Hangzhou Yuewang Mansion	Fuyang District	47.1%	92,480	93,405	44,022	Under construction
39	Changi Bay, Hangzhou	Xiaoshan District	39.5%	50,176	130,458	51,531	Under construction
40	Hefei Gaodi	High & New Technology Industries Development Zone	32.0%	43,281	100,006	32,002	Under construction
41	Hefei Xuelin Yayuan	Luyang District	26.6%	24,622	53,510	14,234	Under construction
42	Binhe Road Huayuan, Jiaxing	Nanhu District	66.5%	40,421	80,722	53,664	Pre-construction
43	Jiaxing Puyue Lakeside	Nanhu District	24.1%	40,962	90,081	21,746	Under construction
44	Kunshan Jiangwan Lanting	High & New Technology Industries Development Zone	50.5%	74,327	186,188	93,951	Under construction
45	Nanchang Lianta Vanke West Coast Chunfeng	Honggutan District	24.5%	32,640	81,600	19,992	Under construction
46	Star Century, Nanchang	Xinjian District	50.0%	167,707	301,873	150,936	Under construction
47	Nanjing Vanke Emerald Riverside	Jianye District	39.8%	45,092	108,221	43,050	Under construction
48	Vanke Huayuxi'an, Nanjing	Jiangbei New District	34.1%	78,325	159,682	54,436	Under construction
49	Nanjing Vanke City Halo	Qixia District	69.8%	61,493	175,483	122,399	Under construction
50	Peninsula International, Nantong	High & New Technology Industries Development Zone	58.9%	35,469	63,844	37,585	Under construction
51	The One, Nantong	Tongzhou District	46.8%	50,625	91,125	42,674	Under construction
52	Junyuan South Land Lot Project, Nantong Haimen	High & New Technology Industries Development Zone	95.8%	26,730	48,114	46,093	Pre-construction

Unit: sq.m.

No.	Project name	Location	Shareholding	Site area	Planned GFA	GFA Attributable to the Company's Equity Holding	Project process
53	Vanke West Land Lot Project, Nantong Haimen	Haimen District	50.5%	46,889	84,401	42,631	Pre-construction
54	Nantong Haishang Mingyue	Tongzhou District	32.3%	182,772	392,952	126,884	Under construction
55	Times Light, Nantong	Tongzhou District	36.0%	62,553	123,415	44,479	Under construction
56	Nantong Time Ying Cui	Tongzhou District	67.3%	71,445	121,456	81,704	Under construction
57	Land Lot North to Experimental School, Nantong	High & New Technology Industries Development Zone	99.4%	52,328	115,122	114,431	Pre-construction
58	Land Lot North to Central Innovation District, Nantong	Chongchuan District	80.0%	73,114	166,000	132,800	Pre-construction
59	Binsheng Zhenyuan, Ningbo	Jiangbei District	49.1%	74,357	143,433	70,354	Under construction
60	Cichen No.11 Land Lot Project, Ningbo	Jiangbei District	48.1%	41,850	66,960	32,201	Under construction
61	Cichen No.12 Land Lot Project, Ningbo	Jiangbei District	49.0%	41,589	62,085	30,391	Under construction
62	Oriental Tide, Ningbo	High & New Technology Industries Development Zone	32.3%	55,077	124,614	40,275	Under construction
63	Haiyinglanting, Ningbo	Zhenhai District	99.3%	43,591	98,708	98,027	Under construction
64	Ningbo Jiangnan Yipin West Block Project	High & New Technology Industries Development Zone	99.3%	53,253	113,617	112,810	Under construction
65	Xiaofenglai, Shanghai	Baoshan District	33.2%	386,915	775,796	257,254	Under construction
66	Lake Xanadu, Shaoxing	Yuecheng District	42.3%	80,609	121,394	51,350	Pre-construction
67	Shaoxing Fontanali	Keqiao District	65.7%	37,150	61,826	40,595	Under construction
68	Suzhou Huayu Jiangnan	Xiangcheng District	44.6%	57,010	125,422	55,913	Under construction
69	Suzhou Yulinglong	Xiangcheng District	69.7%	63,778	159,445	111,053	Pre-construction
70	Suguan West Lake Metropolis	Sucheng District	35.5%	35,557	88,893	31,557	Under construction
71	Wenzhou Century AD	Longwan District	100.0%	87,184	191,805	191,805	Pre-construction
72	Wuxi Meili Shangcheng	Xinwu District	72.0%	85,898	172,971	124,539	Under construction
73	Wuxi Qingteng Park	Huishan District	38.6%	39,669	99,069	38,280	Under construction
74	Wuxi Wanshan Lake	Xishan District	50.5%	108,075	214,339	108,241	Pre-construction
75	Wuxi Zhenjing	Huishan District	50.2%	51,065	103,197	51,836	Under construction
76	Wuhu Oriental Longyin Terrace	Jiujiang District	41.0%	52,669	94,804	38,889	Under construction
77	Wuhu Zhongjiang Garden	Jiujiang District	33.0%	101,475	182,655	60,276	Under construction
78	Xuzhou North Passenger Terminal A Block Project	Gulou District	98.5%	22,708	47,109	46,411	Pre-construction
79	Xuzhou North Passenger Terminal C Block Project	Gulou District	93.3%	29,437	70,650	65,923	Pre-construction

Unit: sq.m.

No.	Project name	Location	Shareholding	Site area	Planned GFA	GFA Attributable to the Company's Equity Holding	Project process
80	Xuzhou Shanshuiian	Tongshan District	48.6%	166,603	366,527	178,169	Under construction
81	Xuzhou Vanke Chaoming	Quanshan District	50.0%	39,574	110,410	55,205	Pre-construction
82	Xuzhou Vanke Xiwang	Jiuli District	40.7%	20,410	52,043	21,161	Under construction
83	Yancheng Julong Oriental	Chengnan District	49.4%	66,055	165,137	81,627	Pre-construction
84	Yancheng Xinghui Oriental	Chengnan District	79.5%	79,231	198,078	157,511	Pre-construction
85	Yangzhou Four Seasons Metropolis	Hanjiang District	51.7%	97,220	178,184	92,157	Under construction
86	Baotou Jade Metropolis	Jiuyuan District	57.9%	369,999	845,957	489,725	Under construction
87	Times Metropolis, Changchun	Kuancheng District	80.3%	103,000	294,000	236,053	Pre-construction
88	Sunflower Follow-up Project, Changchun	Fanjatun Zhen	41.0%	20,000	37,000	15,182	Pre-construction
89	Sunflower Town Follow-up Second Tranche Land Lot Project, Changchun	Fanjatun Zhen	50.0%	130,000	239,000	119,500	Pre-construction
90	Star Light City, Changchun	Jingyue District	79.9%	307,388	686,000	548,388	Under construction
91	Violet, Changchun	High & New Technology Industries Development Zone	99.2%	92,000	236,015	234,056	Pre-construction
92	Metropolis Park, Dalian	Ganjingzi District	99.6%	138,511	264,100	262,991	Pre-construction
93	Harbin Shenha Vanke City	Songbei District	40.2%	166,982	362,352	145,629	Under construction
94	Intelligent Future City Project, Harbin	Xiangfang District	54.5%	310,193	556,654	303,098	Under construction
95	Sino-Russia Industrial Zone Project, Harbin	Songbei District	99.3%	150,603	233,082	231,357	Pre-construction
96	Beichen Light, Jinan	Tianqiao District	69.4%	133,789	294,552	204,478	Under construction
97	Jinan Fanrongli	Tianqiao District	48.7%	34,968	82,175	40,019	Pre-construction
98	Joying Gold Xinzhe, Jinan	Tianqiao District	92.5%	56,742	147,529	136,524	Under construction
99	Xueshan Dream Town Cangwan, Ji'nan	Licheng District	100.0%	162,256	340,818	340,818	Pre-construction
100	Xueshan Dream Town Metropolis, Ji'nan	Licheng District	100.0%	188,381	382,134	382,134	Pre-construction
101	Lushang Centre Dream Town Ruyuan, Linyi	Lanshan District	50.5%	111,914	258,376	130,351	Under construction
102	Lushang Centre Dream Town Zhenyuan, Linyi	Lanshan District	69.5%	129,671	440,881	306,192	Under construction
103	Costal Hills Phase II, Qingdao	Huangdao District	41.0%	86,944	234,749	96,247	Under construction
104	Costal Hills Phase I, Qingdao	Huangdao District	41.0%	96,111	235,999	96,759	Under construction
105	Qingdao Coast Nanshan	Huangdao District	92.3%	20,000	50,000	46,155	Under construction
106	Qingdao Zijun	Jimo District	47.0%	56,758	107,839	50,684	Under construction
107	Dongdi, Luoyang	Shenhe District	64.0%	60,134	150,335	96,230	Under construction
108	Xichen Light, Shenyang	Tiexi Economic Development Zone	59.2%	149,281	268,706	159,101	Under construction
109	Shijiazhuang Harvest Vanke Yunlu	Xinhua District	67.0%	13,913	31,999	21,439	Pre-construction
110	Shijiazhuang Harvest Vanke Purple Terrace	Qiaoxi District	41.6%	56,613	145,653	60,592	Under construction
111	Vanke Jade Four Seasons, Shijiazhuang	Yuhua District	50.1%	93,957	233,140	116,803	Pre-construction

Unit: sq.m.

No.	Project name	Location	Shareholding	Site area	Planned GFA	GFA Attributable to the Company's Equity Holding	Project process
112	Yingxu Mansion, Zhengding Cultural Village, Shijiazhuang	Zhengding New District	49.1%	44,134	90,896	44,630	Under construction
113	City Twilight Dongwang, Taiyuan	Yingze District	90.1%	39,062	160,000	144,128	Under construction
114	Orient Community, Taiyuan	Xiaodian District	50.1%	153,520	387,200	194,142	Under construction
115	Time Light, Taiyuan	Yingze District	39.1%	59,426	184,100	71,946	Under construction
116	Metro City, Taiyuan	Xiaodian District	49.7%	8,742	33,220	16,520	Pre-construction
117	Tangshan Fengrun Guanlan	Fengrun District	47.0%	47,403	52,143	24,507	Pre-construction
118	Fengrunziyuan, Tangshan	Fengrun District	47.0%	76,364	152,727	71,782	Pre-construction
119	Park Avenue Phase III, Tangshan	Lubei District	16.3%	230,191	557,692	91,071	Pre-construction
120	Park Metropolis Phase I, Tangshan	Lubei District	99.5%	75,961	151,893	151,118	Pre-construction
121	Park Metropolis Phase II, Tangshan	Lubei District	99.0%	41,372	82,545	81,720	Pre-construction
122	Tangshan Future City Phase II	High & New Technology Industries Development Zone	53.6%	140,439	350,591	187,917	Under construction
123	Jade Hill, Weihai	Economic & Technological Development Zone	69.0%	124,947	192,215	132,629	Pre-construction
124	Dream Town, Weifang	Weicheng District	99.0%	126,507	306,940	303,963	Under construction
125	Emerald Ocean, Yantai	Laishan District	36.0%	69,494	175,691	63,249	Under construction
126	Mocuiifu, Yantai	Development District	50.0%	112,117	271,432	135,716	Under construction
127	Yiduhui, Yantai	Zhifu District	79.0%	81,207	227,360	179,614	Pre-construction
128	Dream Town, Bowenli, Zhifu, Yantai	Zhifu District	39.0%	60,222	147,400	57,449	Under construction
129	Dream Town, Quanxueli, Zhifu, Yantai	Zhifu District	50.0%	32,000	76,900	38,450	Pre-construction
130	Chengdu Gaoxian Park	Longquanyi District	33.4%	141,338	324,817	108,619	Pre-construction
131	Jieshi 296 Mu Project, Chongqing	Banan District	99.3%	197,351	346,875	344,571	Pre-construction
132	Hometown Phase II, Chongqing	Yubei District	99.0%	33,986	50,979	50,474	Pre-construction
133	Hometown Phase I, Chongqing	Yubei District	98.8%	47,742	71,186	70,360	Pre-construction
134	Wonderland Phase III, Chongqing	Liangjiang New District	98.2%	73,591	183,961	180,557	Under construction
135	Star Light Skycity, Chongqing	Shapingba District	99.1%	115,558	150,000	148,671	Pre-construction
136	Dali Shisanyue	Economic and Technological Development Zone	37.3%	152,108	574,053	214,122	Under construction
137	010 Project, Ezhou	Gedian Development Zone	98.3%	139,997	419,909	412,855	Under construction
138	Feihu Phase II, Kunming	Guandu District	100.0%	187,924	628,986	628,986	Pre-construction
139	Jindaoying Project, Panlong District, Kunming	Panlong District	51.0%	98,998	544,341	277,614	Pre-construction
140	Vanke Chunhua Xiyuanjiadi, Luoyang	Jianxi District	41.1%	35,616	174,238	71,560	Pre-construction
141	Wuhan Vanke Park Avenue	Qiaokou District	39.5%	76,538	262,998	103,884	Under construction

Unit: sq.m.

No.	Project name	Location	Shareholding	Site area	Planned GFA	GFA Attributable to the Company's Equity Holding	Project process
142	Vanke Boye New Town, Wuhan	Hannan District	39.1%	319,537	512,768	200,493	Under construction
143	Donglin Lake Land Lot, Xinyang	Xinyang County	50.4%	29,879	52,234	26,347	Under construction
144	Xinyang Donglin Lake Block Phase III	Xinyang County	50.4%	83,999	150,750	76,038	Pre-construction
145	Vanke Yicuijincheng, Yichang	High & New Technology Industries Development Zone	59.3%	123,457	300,553	178,288	Under construction
146	Zhengzhou Bagua Temple	Erqi District	37.6%	23,438	70,162	26,388	Under construction
147	Laoyachen 93 Mu Project, Zhengzhou	Huiji District	100.0%	62,282	261,584	261,584	Pre-construction
148	Nanlong Lake Phase I, Zhengzhou	Xinzheng City	32.2%	76,934	230,327	74,142	Under construction
149	Nanlong Lake Phase II, Zhengzhou	Xinzheng City	32.2%	39,106	117,078	37,687	Pre-construction
150	Vanke Metropolis Xianyueyuan, Zhengzhou	Erqi District	70.0%	58,787	176,361	123,453	Pre-construction
151	Vanke Putianlongtang Phase III, Zhoukou	Chuanhui District	44.6%	91,533	265,446	118,256	Pre-construction
152	Vanke Puyue Zhenyuan, Lanzhou	Chengguan District	41.1%	44,549	169,279	69,540	Under construction
153	Star Light Metropolis, Lanzhou	Xigu District	48.5%	74,588	253,603	122,972	Under construction
154	Metropolis FutMetropolis Future City, Urumqiure City, Urumqi	Shayibake District	100.0%	362,906	768,867	768,867	Pre-construction
155	Guanlanjingyuan Phase II, Urumqi	Shuimogou District	64.4%	17,101	51,281	33,000	Under construction
156	Jingyaoli, Urumqi	Shayibake District	98.4%	146,730	253,222	249,195	Under construction
157	Spring Dew Mansion, Urumqi	Shuimogou District	91.1%	43,000	101,381	92,338	Under construction
158	Tianshan Fu Phrase II, Urumqi	Shayibake District	95.9%	41,286	78,790	75,520	Under construction
159	Tianshan Fu Phrase III, Urumqi	Tianshan District	100.0%	52,945	115,916	115,916	Pre-construction
160	Xi'an Xinhe Xinyuan	International Port District	99.0%	107,647	265,867	263,102	Under construction
161	Vanke Yanming Lake Phase III, Xi'an	Chan-Ba Ecological District	55.0%	58,449	116,898	64,294	Under construction
162	Xi'an Vanke Hyatt House	Weiyang District	50.0%	41,938	155,960	77,980	Under construction
163	Park Avenue, Xining	Chengbei District	34.5%	110,939	277,348	95,685	Under construction
164	Dream Town Starlight NC-11 Land Lot Project, Xining	Chengzhong District	40.0%	78,928	192,935	77,174	Pre-construction
165	Dream Town Starlight NC-12 Land Lot Project, Xining	Chengzhong District	40.0%	50,697	137,766	55,106	Pre-construction
166	King Metropolis Phase II, Xianyang	Qindu District	61.3%	14,033	86,771	53,199	Under construction
167	Yinchuan School of Beijing Normal University Project, Yinchuan	Jinfeng District	40.0%	115,809	231,627	92,651	Pre-construction
168	Metropolis, Yinchuan	Jinfeng District	22.4%	95,935	211,450	47,365	Under construction
Total				14,310,599	33,665,335	20,587,940	

The total land premium attributable to the Company's equity holding and the total renovation cost of the above projects amounted to approximately RMB138.15 billion.

From the end of the Reporting Period to the date of this Report, the Group had 21 new development projects. The aggregate planned GFA attributable to the Company's equity holding amounted to approximately 2.085 million sq.m., while the aggregate GFA amounted to approximately 2.767 million sq.m. The details are as follows:

Unit: sq.m

No.	Project name	Location	Shareholding	Site area	Planned GFA	GFA Attributable to Equity Holding	Progress
1	West of Tanze Road 150 Acres Project	Liangqing District	100.0%	100,319	334,848	334,848	Pre-construction
2	Dongguan Hujing Road Commercial and Residential Land Project	Songshan Lake	100.0%	99,734	121,675	121,675	Pre-construction
3	Ningbo Sanguantang TOD Plot Project	Jiangbei District	51.0%	12,089	20,551	10,481	Pre-construction
4	Xuzhou No. 2020-94 Kunlun Avenue North Block Project	Yunlong District	100.0%	65,354	179,070	179,070	Pre-construction
5	Shijiazhuang Xigucheng Vehivle Section Area Phase I Project	Chang'an District	41.0%	40,943	102,054	41,842	Pre-construction
6	Dalian Dongguan Street Cultural and Creative Park Project	Xigang District	100.0%	32,616	47,400	47,400	Pre-construction
7	Yichang Heyi Road 74 Acres Project	Wujiagang District	60.0%	49,016	127,440	76,464	Pre-construction
8	Chengdu Huayang Shopping Center 55 Acres Project	Tianfu New District	60.0%	37,787	158,704	95,222	Pre-construction
9	Nantong CR20027 Ideal City North Plot	Haimen District	40.0%	45,552	91,104	36,442	Pre-construction
10	Jiaxing Shihe Ideal Land Plot 3-2	Nanhu District	32.0%	38,760	45,736	14,645	Under construction
11	Jiaxing Shihe Ideal Land Plot 3-4	Nanhu District	32.0%	36,456	40,102	12,841	Under construction
12	Plot of Wenzhou Shaozhai Industrial Park	Ruian City	100.0%	26,033	83,043	83,043	Pre-construction
13	Hangzhou Yunhe New City Plot 02	Gongshu District	100.0%	54,462	141,601	141,601	Pre-construction
14	Yangzhou GZ229 Wantou Plot	Guangling District	36.2%	38,958	54,541	19,717	Pre-construction
15	Shenyang Putai 12th Hospital Project	Sujiatun District	38.1%	162,261	324,522	123,578	Under construction
16	Shijiazhuang Jade Academy Phase II Project	Chang'an District	70.0%	72,403	181,008	126,705	Pre-construction
17	Wuhan Tibet Building Project	Hongshan District	100.0%	22,545	100,800	100,800	Pre-construction
18	Yichang Ideal City Late Stage 83 Acres Project	Yiling District	100.0%	55,431	88,689	88,689	Pre-construction
19	Chengdu Erxianqiao Cultural and Creative Industrial Park 80 Acres Project	Chenghua District	100.0%	53,159	159,747	159,747	Pre-construction
20	Zhengzhou Vanke City Ninth Phase 116 Acres Project	High & New Technology Industries Development Zone	51.0%	77,038	192,106	97,974	Under construction
21	Xi'an Fengdong New Town 97 Acres Project	Xixian New District	100.0%	64,000	172,000	172,000	Pre-construction
Total				1,184,916	2,766,741	2,084,784	



During the Reporting Period, the Group acquired 10 logistics real estate projects, the leasable GFA of which is approximately 747,600 sq.m.

Unit: '0000 sq.m.

No.	City	Project name	Location	Percentage Interest Attributable to Company	Site Area	Planned Leasable GFA	Leasable GFA Attributable to the Company's Equity Holding	Progress
1	Wuhan	Wanwei Wuhan Huangpi Tingkou Park	Huangpi area	70%	11.60	6.80	4.76	Unstarted
2	Shanghai	Wanwei Shanghai Songjiang Industrial Park	Songjiang area	70%	2.87	2.80	1.96	Under construction
3	Kunshan	Wanwei Kunshan Economic Development Park	Kunshan city	100%	4.80	6.20	6.20	In operation
4	Shanghai	Wanwei Shanghai Fengxian Lingang Park	Fengxian area	99%	7.98	9.69	9.59	Under construction
5	Dongguan	Wanwei Dongguan Changping Smart Industrial Park	Changping Town	100%	14.75	21.00	21.00	Unstarted
6	Shanghai	Wanwei Shanghai Songjiang Xinbang Cold Chain Park	Songjiang area	100%	2.00	1.98	1.98	Under construction
7	Wenzhou	Wanwei Wenzhou Pingyang Park (Phase II)	Pingyang county	100%	4.80	4.04	4.04	Under construction
8	Shanghai	Wanwei Shanghai Pudong Airport Park	Pudong New Area	80%	9.31	10.87	8.70	Unstarted
9	Hangzhou	Wanwei Hangzhou Qiantang New District Cold Chain Park	Xiaoshan area	100%	5.30	4.54	4.54	Under construction
10	Tianjin	Wanwei Tianjin Dongjiang Port Cold Chain Park	Binhai new area	100%	10.06	6.84	6.84	Unstarted
Total					73.47	74.76	69.61	-

4.3 Major Sale of Assets and Equity

4.3.1 Major sale of assets

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

4.3.2 Major sale of equity

On 29 June 2020 (after trading hours of the SEHK), Guangzhou Vanke Real Estate Co., Ltd. ("Guangzhou Vanke"), a wholly-owned subsidiary of the Company, Guangzhou Wanxi Enterprise Management Co., Ltd. ("Guangzhou Wanxi"), a direct wholly-owned subsidiary of Guangzhou Vanke before the completion of the Guangzhou Wanxi Cooperative Agreement, and the Investor have entered into, among other things, the Guangzhou Wanxi Cooperative Agreement. In accordance with the Guangzhou Wanxi Cooperative Agreement, Guangzhou Vanke will transfer its 50% equity in Guangzhou Wanxi ("Target Equity") to the Investor ("Cooperation") with the price of RMB7.04 billion (prepaid premium of RMB3.04 billion inclusive) as ("Target Equity") Consideration for the Cooperation ("Cooperation Consideration"). The market value of the Target Equity has been valued by an independent third-party asset appraisal company with the valuation method of asset-based approach. The Investor will provide a shareholder loan of RMB7.04 billion to Guangzhou Wanxi to repay part of the Group's borrowings previously provided to Guangzhou Wanxi and its subsidiaries, Guangzhou Wanxi will apply to financial institutions for a merger and acquisition loan of not more than RMB33.0 billion, of which RMB24.96 billion will be used to repay the Group's borrowings previously provided to Guangzhou Wanxi and its subsidiaries. The Group will be able to recover a total of RMB39.04 billion of funds. For details, please refer to the announcement disclosed by the Company on 29 June 2020. Save for the above disclosure, the Company did not dispose any significant equity interests during the Reporting Period.

4.4 Major Suppliers and Customers

4.4.1 Percentage of purchases from top five suppliers in total to the total purchase for the year

During the Reporting Period, the Group's purchases from the top 5 materials and equipment suppliers totaled RMB6.23 billion, representing 2.15% of the total purchases in the year and the percentage of which is less than 30%. Among which, the Group's purchases from the largest supplier was approximately RMB1.48 billion, accounting for 0.53% of the total purchases in the year.

4.4.2 Percentage of revenue from the top five customers to the total revenue of the Company

The current main product of the Group is residential properties. The major customers are individuals, which are in a large number and fragmented. Only certain projects constructed for government or group purchases can generate higher turnovers. During the Reporting Period, the revenue from the top five customers was approximately RMB5.75 billion, representing 1.4% of the revenue of the Group for the year, and the percentage of which is less than 30%. Amongst them, the revenue from the largest customer was approximately RMB3.62 billion representing 0.9% of the revenue of the Group for the year.



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

The Group has been always attaching great importance to investor relations. In 2020, the Company continued to enhance the information disclosure management according to the relevant regulations and Administrative Measures on Information Disclosure of China Vanke Co., Ltd., and released 456 domestic and overseas announcements to protect the “right to know” of the investors.

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

In 2020, the Group received visits and telephone conferences of more than 400 times, participated in 24 face to face meetings/online meetings with domestic and overseas institutes, organised 12 monthly sales and operation meetings, 1 Investor Online Reception Day and answered 242 inquiries of investors through the EasyIR platform of Shenzhen Stock Exchange; As impacted by the COVID-19 pandemic, the Company's 2019 annual results presentation and 2020 interim results presentation adopted the approach of online video live broadcast, and issued an announcement in advance to invite investors to actively participate and solicit related questions. As of the end of the Reporting Period on 31 December, the total number of views of the two result presentation conferences was approximately 380,000 person-times; through the “Vanke Investor Relations” WeChat official account, the Group pushed monthly sales announcements, regular reports, regular reports in one picture and other relevant information of the Company to enhance the interaction with investors. The articles it pushed through WeChat have achieved an annual reading quantity of 140 thousand clicks. In addition, the Group also communicates with the investors through website, telephone, email and online interaction platforms, in order to maintain a long-term relationship of trust between the investors and the Company.

The Group established an investor education base in 2015 and was granted the title of “National Securities and Futures Investors Education Base” in 2016. In 2020, after comprehensively considering the needs for the prevention and control of the pandemic, the Group's investor education base strengthened its online publicity of investment and education knowledge services, and held and participated in a total of 14 special investment and education publicity activities, covering the prevention of illegal fundraising, and investor rights protection in accordance with the law and other special investment and education topics. At the same time, the “New Securities Law” and other columns were newly established on the website of Vanke Investment and Education Base to continuously enrich the publicity contents of investment and education, so that the investors can better understand the latest hot topics in the capital market and enhance self-risk prevention awareness.

Details on the Company's investor meetings in 2020 are set out as follows:

Type of meeting	Date	Location	Approach	Types of investors
2019 annual results presentation	2020.3	Online	Video conference	Investors including securities companies, funds, individual investors, etc.
CICC meeting	2020.3	Online	Telephone conference	Investors including securities companies, funds, etc.
J.P. Morgan meeting	2020.3	Online	Telephone conference	Investors including securities companies, funds, etc.
Sinolink Securities meeting	2020.3	Online	Telephone conference	Investors including securities companies, funds, etc.
DBS meeting	2020.3	Online	Telephone conference	Investors including securities companies, funds, etc.
China Merchants Securities Meeting	2020.3	Online	Telephone conference	Investors including securities companies, funds, etc.
Huatai Securities meeting	2020.3	Online	Telephone conference	Investors including securities companies, funds, etc.
CITIC Securities meeting	2020.6	Online	Telephone conference	Investors including securities companies, funds, etc.
UBS meeting	2020.6	Online	Telephone conference	Investors including securities companies, funds, etc.
Credit Suisse meeting	2020.6	Online	Telephone conference	Investors including securities companies, funds, etc.
Guangfa Securities meeting	2020.6	Online	Telephone conference	Investors including securities companies, funds, etc.
Huatai Securities meeting	2020.6	Online	Telephone conference	Investors including securities companies, funds, etc.
Citi meeting	2020.6	Online	Telephone conference	Investors including securities companies, funds, etc.
2020 interim results presentation	2020.8	Online	Video conference	Investors including securities companies, funds, individual investors, etc.
Citi meeting	2020.8	Online	Telephone conference	Investors including securities companies, funds, etc.
J.P. Morgan meeting	2020.8	Online	Telephone conference	Investors including securities companies, funds, etc.
Credit Suisse meeting	2020.8	Online	Telephone conference	Investors including securities companies, funds, etc.
Guangfa Securities meeting	2020.8	Shanghai	On-site meeting	Investors including securities companies, funds, etc.
CITIC Securities meeting	2020.8	Beijing	On-site meeting	Investors including securities companies, funds, etc.
CICC meeting	2020.8	Shenzhen, Guangzhou	On-site meeting	Investors including securities companies, funds, etc.
2020 Investor Open Day Meeting (Shanghai)	2020.9	Shanghai	On-site meeting	Investors including securities companies, funds, etc.
Bank of America Merrill Lynch Meeting	2020.11	Online	Telephone conference	Investors including securities companies, funds, etc.
CICC meeting	2020.11	Beijing	On-site meeting	Investors including securities companies, funds, etc.
CITIC Securities meeting	2020.11	Shenzhen	Face to face	Investors including securities companies, funds, etc.
Huatai Securities meeting	2020.11	Online	Telephone conference	Investors including securities companies, funds, etc.
Investor Online Reception Day	2020.12	Online	Text Q&A	Investors including securities companies, funds, individual investors, etc.
Guangfa Securities meeting	2020.12	Hangzhou	Face to face	Investors including securities companies, funds, etc.
China Securities meeting	2020.12	Shenzhen	Face to face	Investors including securities companies, funds, etc.

Note: The above-mentioned meetings included one-on-one meetings, small group meetings and large group presentation. The Company received or met with investors from over 50 companies.



Type of meeting	Date	Location	Approach	Types of investors
Securities companies	During the Reporting Period	Changzhou, Chengdu, Dongguan, Fuzhou, Hainan, Hangzhou, Jinan, Nanchang, Nanjing, Xiamen, Shanghai, Shenzhen, Tangshan, Tianjin, Wuxi, Wuhan, Xi'an, Xuzhou, Changsha, Zhengzhou, Chongqing, etc.	Small group or one-on-one	Orient Securities, Founder Securities, Goldman Sachs, GF Securities, China International Finance Securities, Huatai Securities, Kaiyuan Securities, Crane Securities, Ping An Securities, Shenwan Hongyuan, Tianfeng Securities, Industrial Securities, Yangtze River Securities, China Merchants Securities, CICC, CITIC China Construction Investment, CITIC Securities, Credit Suisse and other institutions
Funds and other investment companies and individual investors	During the Reporting Period	Foshan, Guiyang, Hangzhou, Nanjing, Ningbo, Qingdao, Wuxi, Yangzhou, Chongqing, Shanghai, Zhengzhou, Chengdu, Wenzhou, Hefei, Fuzhou, Xiamen, Beijing, Shenyang, Wuhu, Xi'an, Nanjing, Dongguan, Wuhan, Shenzhen, Guangzhou etc.	Small group or one-on-one	JP Morgan, Baoying Fund, Boshi Fund, Spring Investment, Orient Securities Asset Management, Hai Fortis Fund, Bank of Communications Schroder Fund, ABCA Fund, Ping An Asset Management, Ruiyuan Fund, Runhui Investment, Merchants Bank Wealth Management, China Post Fund, Hongde Fund and other institutions

During the above investor communication and reception events, major issues discussed by the Company are the Company's daily operations, development strategies and the Company's opinions about the changes of the industry, as well as the provision of public disclosure information of the Company, such as regular reports.

In 2020, the Company received many awards as follows:

No.	Award	Awarding Body
1	Best A-share Listed Company Award in the Real Estate Industry	Asiamoney
2	10th China Securities Gold Bauhinia Awards with Best Listed Company	Hong Kong Ta Kung Wen Wei Media Group
3	Outstanding Contribution Enterprise Award for the 10th Anniversary of Poverty Alleviation	Guangdong Provincial Government
4	"40th Anniversary of the Shenzhen Special Economic Zone" 40 Most Respected Listed Companies	
5	"40th Anniversary of the Shenzhen Special Economic Zone" 40 Most Respected Entrepreneurs – YU Liang	
6	Social Responsibility Award of the 14th China Listed Company Value Selection	Securities Times
7	The 11th China Listed Company Investor Relations Tianma Award – Best Board of Directors	
8	The 11th China Listed Company Investor Relations Tianma Award – Best Secretary to the Board ZHU Xu	
9	2020 Outstanding Achievement Enterprise	21st Century Business Herald
10	2020 Excellent Corporate Citizen	
11	2020 China Outstanding Corporate Social Responsibility Enterprise	Xinhuanet
12	2019-2020 China's Most Respected Enterprise	The Economic Observer
13	The 2nd New Fortune Best Listed Company	
14	The 3rd "New Fortune Best IR Hong Kong Stock Company"	New Fortune
15	The 16th New Fortune Gold Medal Secretary to the Board -ZHU Xu	
16	No. 1 in "Top 50 ESG Best Practice Enterprises of China Real Estate Listed Companies in 2020"	
17	No. 1 in "Top 10 Companies with ESG Best Social (S) Responsibility Practices of China Real Estate Listed Companies 2020"	Real Estate ESG Evaluation Center of Zhongzhi
18	No. 1 in "Top 10 Companies with Best ESG Corporate Governance (G) Practice of China Real Estate Listed Companies in 2020"	Research Institute
19	Top 10 Listed Companies in Shenzhen for Green Governance	
20	Top Ten Secretaries to the Board of Shenzhen Listed Companies in 2020	Shenzhen Corporate Governance Research Association
21	The 3rd China Excellent IR – Best Information Disclosure	Roadshow
22	The 3rd China Excellent IR – Frontier Award for Best Investor Relations	
23	Quanjing Investor Relations Award – Best IR Chairman – YU Liang	
24	Quanjing Investor Relations Award – Outstanding Secretary to the Board – ZHU Xu	
25	Quanjing Investor Relations Award – Outstanding IR Company	Quanjingnet
26	Quanjing Investor Relations Award – Best New Media Operation Award	
27	Certificate of Excellence	Hong Kong Investor Relations Association
28	Annual Impact Enterprise Award	Nanfang Media, Nanfang Daily
29	Annual Anti-pandemic Pioneer Enterprise Award	Political Bureau of Guangzhou City, Daily Newspaper of Guangzhou Daily Newspaper Group, Guangzhou Charity Association



4.6 Permitted Indemnity Provision

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

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

4.7 Management Contracts

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

4.8 Directors and Supervisors' Service contracts

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

4.9 Relationship with Stakeholders

The Company strives to build up a diversified communication mechanism to engage with the government, shareholders, employees, customers and business partners so as to communicate and cooperate with stakeholders through more channels and methods. The Group is committed to responding to the call of national policies and actively creating values for shareholders through engaging our employees, providing quality services for our customers, collaborating with business partners and supporting our community. The Company places significant emphasis on human resources. The Company provides a fair workplace, creating atmosphere of nondiscrimination and diversity among our staff, together with competitive remuneration and benefits, as well as a range of opportunities for career advancement based on employees' merits and performance. The Company administers its health and safety management system and ensures the adoption of the principles throughout the Group. The Company provides regular trainings for staff to keep them abreast of the latest developments in the market and industry, in the form of both internal trainings and trainings provided by experts from external organizations. The Group values the feedback from customers through daily communication, regular inspections and etc. The Group has also established the mechanism about customer service, support and complaints. When dealing with a customer complaint, the Group treats it as an opportunity to improve our relationship with the customer, addressing the concern in a timely manner and in accordance with international standards. For details, please refer to the "2020 Sustainable Development Report".

4.10 Directors' Responsibility in Respect of the Financial Statements

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

The directors are not aware of any material uncertainties or events or conditions that may cast significant effect upon the Group's ability to continue to operate. Please refer to the Independent Auditor's Report for the statement of responsibilities of auditor of the Group for the audit of the consolidated financial statements.

4.11 Charity Donation

During the Reporting Period, the amount of charity donation made by the Group was RMB579 million.

4.12 Compliance with Laws and Regulations

In 2020, the Group maintained compliance with relevant laws and regulations that have significant impacts on operations of the Group.

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

Please refer to Section 7 "Directors, Members of Supervisory Committee, Senior Management and Employees" of the Report for the information of directors, supervisors and senior management of the Company.

4.14 Principal Risks

Details of the principal risks facing the Group were delineated in Section 8 "Corporate Governance Report" of the Report.

4.15 Recommended dividend

For the dividend distribution proposal of the year 2020, please refer to Section 5 "Significant Events" of the Report.

Sea of Flower of Qingshan – 2020 Jilin Vanke Songhua Lake Mountain Flowers Festival



Shanghai Nanxiang Incity MEGA at Night



General's Mansion Hotel in Qionghai 17°C International Tourism Vacation Zone in Xichang, Sichuan



5 Significant Events

5.1 Profit Appropriation and Dividend Distribution Proposal

The financial statements prepared by the Company in accordance with China Accounting Standards and IFRS respectively and audited by auditor, show the net profit attributable to shareholders of the parent company for 2020 was RMB41.516 billion million and the net profit of the parent company was RMB40.985 billion.

The Company's profit appropriation and dividend distribution was based on the Company's profit available for appropriation. The profit available for appropriation of the Group and the Company in 2020 according to the China Accounting Standards for Business Enterprises and IFRS was as follows.

Unit: RMB			
	Calculation method	Parent company (China Accounting Standards for Business Enterprises)	Parent company (IFRS)
Distributable profit carried forward at the beginning of 2020	A	12,912,439,727.77	12,912,439,727.77
Distribution of dividends for the year 2019	B	11,810,739,436.05	11,810,739,436.05
Net profit of the parent company for the year 2020	C	40,984,723,712.04	40,984,723,712.04
Distributable profits of the parent company	D=A-B+C	42,086,424,003.76	42,086,424,003.76

The profit available for distribution to shareholders shall be the distributable profits of the parent company (D) in the above data, i.e. RMB42.086 billion.

According to the relevant rules and requirements of the Company's Articles of Association, considering shareholders' interests and the Company's development needs in the long run, the Board submitted to the shareholders' meeting the following profit appropriation proposal for the year 2020:

1. The reserve of the Company exceeded 50% of the Company's capital, no provision for statutory reserve will be made;
2. To appropriate 65% of the net profit of the Company (C) to discretionary surplus reserve, with a total of RMB26,640,070,412.83;
3. To appropriate 35% of the net profit of the Company (C) and unappropriated profit of the previous year (A-B) for dividend distribution fund, with a total of RMB15,446,353,590.93;

The Company's 2020 dividend distribution proposal: The total amount of cash dividends proposed for distribution for 2020 will be RMB14,522,165,251.25 (inclusive of tax), accounting for 34.98% of the net profit for the year attributable to equity shareholders of the Company for 2020, without any bonus share or transfer of equity reserve to share capital.

Based on the Company's total number of 11,617,732,201 shares at the end of 2020, a cash dividend of RMB12.5 (inclusive of tax) will be distributed for each 10 shares. If any circumstances, such as issuance of new shares, share repurchase or conversion of any convertible bonds into share capital before the record date for dividend distribution, results in the changes in our total number of shares on record date for dividend distribution, dividend per share shall be adjusted accordingly on the premise that the total dividends amount remains unchanged.

The remaining undistributed profits, amounted to RMB924,188,339.68, are retained for the following year.

The independent non-executive directors were of the view that the Company's proposals on the profit appropriation and dividend distribution for the year of 2020 was in compliance with the Company's Articles of Association and the relevant requirements, and took into account the interests of various types of shareholders. The independent non-executive Directors unanimously agreed to submit the relevant proposal to the shareholders' meeting for consideration.

Pursuant to applicable provisions and the implementing rules of the Individual Income Tax Law of the People's Republic of China, the Enterprise Income Tax Law of the People's Republic of China and other applicable laws and regulations and normative documents, the Company shall, as a withholding agent, withhold and pay dividend income tax for the H shareholders in respect of the dividend to be distributed to them, including individual income tax for individual foreign shareholders and enterprise income tax for non-resident enterprise shareholders. For details regarding withholding and payment of dividend income tax for the H shareholders and materials that H shareholders need for tax deduction, please refer to announcements to be published by the Company subsequently.

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

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

Year	Proposal on dividend distribution
2019	Based on the number of shares on the record date for dividend distribution, a cash dividend of RMB10.166131 (including tax) would be distributed for every 10 existing shares held.
2018	Based on the number of shares on the record date for dividend distribution, a cash dividend of RMB10.451020 (including tax) would be distributed for every 10 existing shares held.
2017	Based on the number of shares on the record date for dividend distribution, a cash dividend of RMB9.0 (including tax) would be distributed for every 10 existing shares held.

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

Year	Cash dividend (including tax)	The Company's net profit	Unit: RMB			
			Net profit attributable to equity shareholders of the Company	As a percentage of the Company's net profit	As a percentage of net profit attributable to equity shareholders of the Company	The Group's consolidated profit available for appropriation for the year
2019	11,810,739,436.05	36,050,781,629.60	38,872,086,881.32	32.76%	30.38%	118,785,044,988.01
2018	11,811,892,641.07	22,986,348,424.81	33,772,651,678.61	51.39%	34.97%	103,218,024,960.16
2017	9,935,236,800.90	13,437,215,980.28	28,051,814,882.36	73.94%	35.42%	80,531,154,604.94
Accumulated cash dividends in the past three years as a percentage to the Group's average net profit attributable to equity shareholders of the Company in the past three years					99.98%	

5.2 Undertakings

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

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

(I) Undertakings related to maintenance of independence of the Company

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

"I. Independence of staff of the listed Company

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



II. Financial independence of the listed Company

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

III. Independence of departments of the listed Company

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

IV. Independence of business of the listed Company

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

V. *Independence of assets of the listed Company*

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

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

(II) *Undertakings on avoiding competition in the same industry*

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

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

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



(III) Undertakings on regulating related party transactions

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

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

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

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

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

Applicable Not applicable

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

Applicable Not applicable

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

- 5.4 During the Reporting Period, the Explanation of “Non-standard Auditors’ Report” Given By the Board, the Supervisory Committee and Independent Non-executive Directors (if any)

Applicable Not applicable

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

Applicable Not applicable

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

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

Applicable Not applicable

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

Applicable Not applicable

During the Reporting Period, the Company acquired 320 new subsidiaries and reduced 107 subsidiaries.

Significant Events

5.8 Appointment of Certified Public Accountants

The 2019 annual general meeting resolved to re-appoint KPMG Huazhen LLP and KPMG as the Company's auditors for the year of 2020. The following table shows the details on the appointment of the certified public accountants of the Company:

Type	2020		Years of consecutive service	2019	
Audited item	Auditor	Audit fee (Unit: RMB'0000)		Auditor	Audit fee (Unit: RMB'0000)
The Group's consolidated financial statements prepared in accordance with the PRC accounting standards for business enterprises and the internal control audit report	KPMG Huazhen LLP	1,680	20	KPMG Huazhen LLP	1,400
The Group's consolidated financial statements prepared in accordance with International Financial Reporting Standards	KPMG		28	KPMG	
PRC Signing CPA	Chen Yongyi		5	Chen Yongyi	
PRC Signing CPA	Li Moran		2	Li Moran	

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

5.9 Suspension in Trading or Delisting upon Publication of Annual Report

Applicable Not applicable

5.10 Matters Related to Bankruptcy and Reorganization

Applicable Not applicable

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

5.11 Material Litigation or Arbitration

Applicable Not applicable

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

5.12 Progress in Major Acquisition of Assets

On 29 June 2020 (after trading hours of the SEHK), Guangzhou Vanke Real Estate Co., Ltd. (“Guangzhou Vanke”), a wholly-owned subsidiary of the Company, Guangzhou Wanxi Enterprise Management Co., Ltd. (“Guangzhou Wanxi”), a direct wholly-owned subsidiary of Guangzhou Vanke before the completion of the Guangzhou Wanxi Cooperative Agreement, and the Investor have entered into, among other things, the Guangzhou Wanxi Cooperative Agreement. In accordance with the Guangzhou Wanxi Cooperative Agreement, Guangzhou Vanke will transfer its 50% equity in Guangzhou Wanxi (“Target Equity”) to the Investor (“Cooperation”) with the price of RMB7.04 billion (prepaid premium of RMB3.04 billion inclusive) as consideration for the Cooperation (“Cooperation Consideration”). The market value of the Target Equity has been valued by an independent third-party asset appraisal company with the valuation method of asset-based approach. The Investor will provide a shareholder loan of RMB7.04 billion to Guangzhou Wanxi to repay part of the Group’s borrowings previously provided to Guangzhou Wanxi and its subsidiaries, Guangzhou Wanxi will apply to financial institutions for a merger and acquisition loan of not more than RMB33.0 billion, of which RMB24.96 billion will be used to repay the Group’s borrowings previously provided to Guangzhou Wanxi and its subsidiaries. The Group would be able to recover a total of RMB39.04 billion of funds. For details, please refer to the announcement of the Company titled the “Discloseable Transaction – Entering Into the Guangzhou Wanxi Cooperative Agreement” dated 29 June 2020. As of the end of the Reporting Period, the equity transfer of such transaction was completed.

5.13 Major Connected Transactions

- 1) On 15 May 2020, Foshan City Vanke Property Company Limited (“Foshan Vanke”), a wholly-owned subsidiary of the Company, and Shenzhen Metro Property Group Co., Ltd., a wholly-owned subsidiary of SZMC (“Shenzhen Metro Property”) proposed to jointly invest in the formation of a project company (“Project Company”) to carry out project development and operation as the subject matter of the Vanke UNI-CITY project (covers a site area of 178,100 sq.m., a GFA of 481,000 sq.m., and a saleable area of 428,200 sq.m., hereinafter referred as the “Project”). Foshan Vanke and Shenzhen Metro Property own 51% and 49% equity interests of the Project Company, respectively. The Project Company would be a subsidiary of the Company. Both parties intend to contribute a total capital of not more than RMB6 billion to the Project. The registered capital of the Project Company is RMB1.656 billion. Foshan Vanke and Shenzhen Metro Property will make capital contributions of RMB845 million and RMB811 million, respectively. Foshan Vanke and Shenzhen Metro Property intend to provide approximately not exceeding RMB2.215 billion and RMB2.129 billion as shareholders’ contributions to the Project Company, respectively. For details of the connected transaction, please refer to the announcement of the Company dated 15 May 2020 titled “Connected Transaction-Formation of Joint Venture and Intention to Provide Shareholders’ Contributions.”



- 2) On 29 June 2020, the Company and SZMC entered into a joint venture memorandum after friendly negotiation to strengthen strategic coordinations, realize mutual benefits, promote sustainable development of both parties and to accelerate the implementation of the “railway+property” model. Pursuant to the joint venture memorandum, the parties agreed to establish a joint venture to primarily invest in the major areas and major projects of new infrastructure and rail in Shenzhen and to explore the construction model of TOD large scale projects in the Guangdong-Hong Kong-Macau Greater Bay Area and other core cities. Pursuant to the joint venture memorandum, the parties will jointly establish a joint venture on the same right and equivalent investment basis. The registered capital of the joint venture is initially set at RMB1.0 billion, and the parties will each hold 50% equity interests. The parties shall make capital contributions in proportion to their respective equity interests in the joint venture as set out above. For details of the connected transaction, please refer to the announcement of the Company dated 29 June 2020 titled “Connected Transaction-Formation of Joint Venture” On 9 December 2020, Shenzhen Metro Vanke Industrial Development Co., Ltd., a joint venture has been formed.

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

5.14 Major Contracts and their Implementation

5.14.1 Entrustment, sub-contracting or leasing arrangements

1. *Entrustment*

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

2. *Sub-contracting*

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

3. *Leasing*

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

Significant Events

5.14.2 Major guarantees

1. Guarantees

Unit: RMB'0000

No.	Principal of the guarantee	Guarantor	Remaining guaranteed amount as at the end of the Reporting Period (RMB'0000)	Type of guarantee	Date when the guarantee began	Due date of the guarantee
1	Fozter Limited (100%)	China Vanke Co., Ltd.	16,888.53	Joint liability guarantee	2016/4/14	2021/4/14
2	Sinobird Holding Limited (100%)	Vanke Real Estate (Hong Kong) Company Limited (100%)	15,680.00	Joint liability guarantee	2018/3/28	Expect 2021/12/31
3	Hybest (BVI) Company Limited(100%)	Vanke Real Estate (Hong Kong) Company Limited (100%)	16,320.00	Joint liability guarantee	2018/3/29	Expect 2021/12/31
4	Malola Garden City Sdn Bhd (100%)	Vanke Property (Hong Kong) Company Limited (100%)	58,222.80	Joint liability guarantee	2019/3/26	2021/3/26
5	Chericourt Company Limited (75%)	Vanke Overseas Investment Holding Company Limited (75%)	37,332.54	Joint liability guarantee	2020/6/17	2021/6/17
6	Wealth Honour Limited (95%)	Vanke Property (Hong Kong) Company Limited (100%)	123,575.18	Joint liability guarantee	2020/8/24	2021/8/24
7	Rugby Dragons (HK) Limited (40.95%)	Shenzhen Vanke Commercial Enterprise Property Service Company Limited (深圳萬物商企物業服務有限公司) (40.95%)	490.00	Joint liability guarantee	2020/5/12	2023/5/11
8	Guangzhou Huangpu Wenchong Urban Village Retrofit Investment Co., Ltd. (100%)	Guangzhou Vanke Enterprise Co., Ltd. (100%)	125,000.00	Joint liability guarantee	2020/5/6	2022/5/5
9	Shanghai Shenyang Investment Management Co., Ltd. (41%)	Shanghai Vanke Investment Company Limited (100%)	1,189.00	Joint liability guarantee	2016/12/16	2024/12/15
10	Guangzhou Huangpu Wenchong Urban Village Retrofit Investment Co., Ltd. (100%)	Guangzhou Vanke Enterprise Co., Ltd. (100%)	80,000.00	Joint liability guarantee	2020/8/4	2022/5/3
11	Shenzhen Senmao Land Co., Ltd. (100%)	Shenzhen Vanke Development Company (100%)	112,200.00	Joint liability guarantee	2017/9/15	2022/9/15

Significant Events

Unit: RMB'0000

No.	Principal of the guarantee	Guarantor	Remaining guaranteed amount as at the end of the Reporting Period (RMB'0000)	Type of guarantee	Date when the guarantee began	Due date of the guarantee
12	Yunnan Chengjiang Eagle Tourist Resort Co., Ltd. (36%)	Yunnan Vanke Enterprise Co. Ltd. (100%)	40,511.00	Joint liability guarantee	2017/12/29	2022/12/28
13	Yunnan Chengjiang Eagle Tourist Resort Co., Ltd. (36%)	Yunnan Vanke Enterprise Co. Ltd. (100%)	46,908.00	Joint liability guarantee	2018/1/19	2023/1/19
14	Guangzhou Wanjin Real Estate Co., Ltd. (50%)	Guangzhou Vanke Enterprise Co., Ltd. (100%)	55,900.00	Joint liability guarantee	2018/1/18	2021/1/18
15	Vanke Service (Hong Kong) Co., Limited (63%)	Onewo Space-Tech Service Co., Ltd. (63%)	1,060.00	Joint liability guarantee	2018/4/27	2021/4/27
16	Hefei Bihe Real Estate Co., Ltd. (25%)	Hefei Vanke Enterprise Co., Ltd. (100%)	14,475.00	Joint liability guarantee	2018/6/28	2021/6/28
17	Wuhan Jinwan Property Co., Ltd. (武漢金萬置業有限公司) (50%)	Wuhan Vanke Real Estate Company Limited (100%)	20,921.00	Joint liability guarantee	2018/10/10	2021/10/9
18	Beijing Hengyi Enterprise Management Co., Ltd. (北京恒熾企業管理有限公司) (100%)	Beijing Vanke Enterprises Company Limited (100%)	323,400.00	Joint liability guarantee	2018/10/10	2023/12/31
19	Shanghai Shenyang Investment Management Co., Ltd. (41%)	Shanghai Vanke Investment Company Limited (100%)	507.99	Joint liability guarantee	2019/9/29	2027/9/28
20	Shanghai Shenyang Investment Management Co., Ltd. (41%)	Shanghai Vanke Investment Company Limited (100%)	2,101.25	Joint liability guarantee	2019/9/29	2027/9/28
21	Beijing Wanqixiu Enterprise Consulting Management Company Co., Ltd. (北京萬啟繡企業諮詢管理有限公司) (50%)	Guangzhou Vanke Real Estate Co., Ltd. (100%)	54,340.00	Joint liability guarantee	2019/11/22	2024/12/6
22	Chengdu Wanxing Industrial Town Real Estate Co., Ltd. (成都萬興產城置業有限公司) (99%)	China Vanke Co., Ltd	210,000.00	Joint liability guarantee	2019/12/12	2026/12/12
23	Chengdu Wanxing Industrial Town Real Estate Co., Ltd. (成都萬興產城置業有限公司) (99%)	China Vanke Co., Ltd	130,000.00	Joint liability guarantee	2019/12/10	2026/12/10

Significant Events

Unit: RMB'0000

No.	Principal of the guarantee	Guarantor	Remaining guaranteed amount as at the end of the Reporting Period (RMB'0000)	Type of guarantee	Date when the guarantee began	Due date of the guarantee
24	Wuhan Yutianxinye Land Co., Ltd. (武漢譽天興業置地有限公司) (99%)	China Vanke Co., Ltd	262,500.00	Joint liability guarantee	2019/12/5	2026/12/5
25	Foshan Nanhai District Wanxuan Property Co., Ltd. (佛山市南海區萬軒房地產有限公司) (100%)	China Vanke Co., Ltd	100,000.00	Joint liability guarantee	2019/12/12	2026/12/12
26	Guangzhou Wanxi Enterprise Management Co., Ltd. (50%)	Guangzhou Vanke Enterprise Co., Ltd. (100%)	1,308,000.00	General guarantee obligation	2020/12/3	2025/12/3
27	Shenzhen Vanke Development Co., Ltd. (100%)	Shenzhen Vanke Hongshuwan Property Development Co., Ltd. (96.12%)	107,100.00	Joint liability guarantee	2020/11/11	Two years upon the expiration of the performance period of the master contract

During the Reporting Period, the Company's majority-owned subsidiaries provided RMB4.735 billion guarantees to other majority-owned subsidiaries, and provided RMB13.080 billion guarantees to associates and joint ventures, the Company did not provide new guarantees. The aforementioned entities all performed strict approval procedures pursuant to regulations of the CSRC's Notice of Regulating the External Guarantees of Listed Companies (Zhengjianfa[2005] No. 120). For details, please refer to the announcement of the Company on the website of CNINFO (www.cninfo.com.cn).

As of 31 December 2020, the outstanding amount of guarantees provided by the Company was RMB32.646 billion, accounting for 14.54% of the audited net assets attributable to equity shareholders of the Company as at the end of 2020. The outstanding amount of guarantees provided by the Company and its majority-owned subsidiaries for other majority-owned subsidiaries was RMB17.198 billion, while the outstanding amount of guarantees provided by the Company and its majority-owned subsidiaries for associates and joint ventures was RMB15.448 billion. The Company and its majority-owned subsidiaries did not provide external guarantees. The Company also had no overdue guarantee or guarantees involving with litigations.

Significant Events



2. *Illegal external guarantees*

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

5.14.3 Other major contracts

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

5.15 Penalties and Rectification

Applicable Not applicable

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

5.16 Credit Status of the Company and Its Largest Shareholder

The Company and its largest shareholder SZMC had not failed in performing any valid court verdict and fulfilling any significant payment obligations that fell due during the Reporting Period.

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

Applicable Not applicable

During the Reporting Period, there was no share option incentive scheme, employee shareholding plans or other employee incentives and their implementation of the Company.

5.18 Purchase, Sales or Redemption of the Listed Securities of the Company

During the Reporting Period, save as disclosed in “Section 6.1.3 Issue and Listing of Securities” in the Report the Company and its subsidiaries did not purchase, dispose or redeem any listed securities of the Company or its subsidiaries.

5.19 Pre-emptive Rights

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

5.20 Subsequent Event after the Reporting Period

No.	Brief introduction
1	Completed of the issuance of RMB3 billion corporate bonds for rental housing. Variety I is a 3-year term (with the issuer's call option at the end of the second year, coupon adjustment option and investors' put option), with an issue size of RMB1.9 billion and a coupon rate of 3.38%. Variety II has a term of 7 years (with the issuer's call option at the end of the fifth year, coupon adjustment option and investors' put option), with an issue size of RMB1.1 billion and a coupon rate of 3.98%
2	In order to adjust the debt maturity structure and reduce financial costs, as considered and approved at the fifth meeting of the nineteenth session of the Board of the Company, the Company used its own funds to buy back its existing bonds "17 Vanke 01, 18 Vanke 01, and 18 Vanke 02".

Change in Share Capital and Information on Shareholders

6.1 Change in Share Capital

6.1.1 Change in the shares of the Company (As of 31 December 2020)

Type	Unit: Share				
	31 December 2019			31 December 2020	
	Quantity (Share)	Percentage of shareholding	Increase/ Decrease (+, -)	Quantity (Share)	Percentage of shareholding
1. Restricted Shares					
1. State-owned and state-owned legal person shares	-	-	-	-	-
2. Shares held by domestic legal persons	-	-	-	-	-
3. Shares held by domestic natural persons	9,026,490	0.08%	-2,383,222	6,643,268	0.06%
4. Shares held by foreign investors	-	-	-	-	-
Total number of restricted shares	9,026,490	0.08%	-2,383,222	6,643,268	0.06%
2. Non-restricted Shares					
1. RMB-denominated ordinary shares	9,715,170,043	85.96%	+2,383,222	9,717,553,265	83.64%
2. Overseas listed foreign shares	1,577,946,468	13.96%	+315,589,200	1,893,535,668	16.30%
Total number of non-restricted shares	11,293,116,511	99.92%	+317,972,422	11,611,088,933	99.94%
3. Total number of shares	11,302,143,001	100.00%	+315,589,200	11,617,732,201	100.00%

Note:

- On 11 June 2020, the Company issued a total of 315,589,200 new H Shares. For details, please refer the "6.1.3 Issue and listing of securities" in this section.
- On 30 June 2020, the Company completed the election of the Board and the Supervisory Committee, and according to the relevant regulations, there were changes in the number of restricted shares held by directors, supervisors and senior management of the Company. For details, please refer to the "6.1.2 Change in restricted shares during the Reporting Period".

Change in Share Capital and Information on Shareholders

6.1.2 Change in restricted shares during the Reporting Period

Unit: Share

Name of shareholder	Number of restricted shares held at the beginning of the year	Number of restricted shares with restrictions released during the year	Number of restricted shares increased during the year	Number of restricted shares held at the end of the year	Reason for selling restrictions	Date of selling restrictions released
Yu Liang	5,479,684	0	0	5,479,684		Executed in accordance with
Xie Dong	1,118,059	0	0	1,118,059		the Detailed Implementing
Que Dongwu	0	0	45,525	45,525	Serving as director, member	Rules of the SZSE for
Wang Wenjin	1,735,718	1,735,718	0	0	of Supervisory Committee,	Shareholding Reduction by
Zhang Xu	678,029	678,029	0	0	senior management staff	Shareholders, Directors,
Zhou Qingping	15,000	15,000	0	0		Supervisors and Senior Executives of Listed Companies
Total	9,026,490	2,428,747	45,525	6,643,268		

6.1.3 Issue and listing of securities

A. Issue of securities during the Reporting Period

(1) Placing of H Shares

On 11 June 2020, an aggregate of 315,589,200 new H shares, representing approximately 16.67% and 2.72% respectively, of the total issued H shares and the total issued share capital of the Company after completion of the placing, have been successfully allotted and issued by the Company at the placing price of HK\$25.00 per H share to no less than six (6) places, who and whose ultimate beneficial owners are not connected persons (has the meaning ascribed to it under the SEHK Listing Rules of the Company). The aggregate gross proceeds from the placing was approximately HK\$7.89 billion, and after deducting all applicable costs and expenses (including commission and legal fees), the aggregate gross net proceeds from the placing was HK\$7.865 billion (approximately RMB7.165 billion based on the exchange rate as of 11 June 2020). The net proceeds from the placing have been used to supplement the working capital, specifically repay

Change in Share Capital and Information on Shareholders

the outstanding overseas debt financing of the Company, subject to the provisions of applicable laws, regulations and normative documents or other requirements of regulatory authorities on the use of proceeds and the net proceeds from the Placing will not be used for the development of domestic residential properties. Due to the placing of H Shares, the total number of Shares of the Company increased from 11,302,143,001 to 11,617,732,201 Shares, among which, A Shares account for 9,724,196,533 Shares and H Shares account for 1,893,535,668 Shares.

(2) Issuance of corporate bonds

In 2020, the Company has completed the issuance of four tranches corporate bonds to eligible investors, totaling RMB8.981 billion.

No.	Issuance completion date	Bond abbreviation	Bond size (RMB Billion)	Coupon rate	Terms
1	16 March 2020	20 Vanke 01	1.5	3.02%	3+2 years
2		20 Vanke 02	1	3.42%	5+2 years
3	19 May 2020	20 Vanke 03	1	2.56%	3+2 years
4		20 Vanke 04	1.5	3.45%	5+2 years
5	19 June 2020	20 Vanke 05	0.8	3.2%	3+2 years
6		20 Vanke 06	1.2	3.9%	5+2 years
7	13 November 2020	20 Vanke 07	0.381	3.50%	3+2 years
8		20 Vanke 08	1.6	4.11%	5+2 years

Change in Share Capital and Information on Shareholders

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

6.2 Information of Shareholders (As of 31 December 2020)

6.2.1 Information on shareholders

							Unit: Share
Total number of Shareholders as at the end of 2020 ^{Note 3}	385,297 (including 358,248 A Shareholders and 49 H Shareholders)	Total number of Shareholders as at 28 February 2021 ^{Note 3}	381,956 (including 381,906 A Shareholders and 50 H Shareholders)				
Shareholdings of the top 10 shareholders							
Name of shareholder	Classification of Shareholder	Percentage of shareholding	Total number of shares held	Change in shares during the Reporting Period	Number of restricted shares held	Number of pledged or lock-up shares	
SZMC	Domestic state-owned legal person	27.91%	3,242,810,791	-	-	-	
HKSCC NOMINESS LIMITED ^{Note 1}	Foreign shareholder	16.30%	1,893,452,374	+315,574,100	-	-	
Hong Kong Securities Clearing Company Limited ^{Note 2}	Foreign shareholder	4.61%	535,415,703	+47,057,160	-	-	
Jinpeng No.1 Plan	Others	3.93%	456,993,190	-	-	-	
Central Huijin Asset Management Co., Ltd.	Domestic state-owned legal person	1.63%	189,566,000	-	-	-	
CMS Wealth – CMB – De Ying No. 1 Specialised Asset Management Plan	Others	1.26%	146,255,820	-183,097,000	-	-	
China Securities Finance Corporation Limited	Domestic state-owned legal person	1.14%	132,669,394	-	-	-	
CLIC – Dividend – Personal Dividend -005L-FH002 SZ	Others	0.91%	105,423,170	+8,121,394	-	-	
CLIC – Traditional – Ordinary Insurance Product -005L-CT001 SZ	Others	0.73%	84,877,282	+17,199,562	-	-	
Ying'an Enterprise Partnership	Domestic ordinary legal person	0.56%	65,000,026	+65,000,026	-	-	
Remarks on strategic investor or ordinary legal person becoming top 10 shareholders after placing of new shares	Nil						

Change in Share Capital and Information on Shareholders

Unit: Share

Shareholdings of the top 10 shareholders of non-restricted shares		
Name of shareholder	Number of non-restricted shares held	Class of shares
SZMC	3,242,810,791	A Shares
HKSCC NOMINESS LIMITED	1,893,452,374	H Shares
Hong Kong Securities Clearing Company Limited	535,415,703	A Shares
Jinpeng No.1 Plan	456,993,190	A Shares
Central Huijin Asset Management Co., Ltd.	189,566,000	A Shares
CMS Wealth – CMB – De Ying No. 1 Specialised Asset Management Plan	146,255,820	A Shares
China Securities Finance Corporation Limited	132,669,394	A Shares
CLIC – Dividend – Personal Dividend-005L-FH002 SZ	105,423,170	A Shares
CLIC – Traditional – Ordinary Insurance Product -005L-CT001 SZ	84,877,282	A Shares
Ying'an Enterprise Partnership	65,000,026	A Shares
Remarks on the related party relationship or action in concert of the aforementioned shareholders	The "CLIC – Dividend – Personal Dividend-005L-FH002 SZ" and the "CLIC – Traditional – Ordinary Insurance Product -005L-CT001 SZ" both belongs to the insurance products managed by the China Life Insurance Company Limited; Ying'an Enterprise Partnership is an inferior-grade shareholder of Jinpeng No.1 Plan. Save from that, it is not known to the Company as to whether there are connections or persons deemed to be acting in concert under the Measures for the Administration of the Takeover of Listed Companies among the above-mentioned shareholders.	
Shareholders involved in margin trading business description	Nil	
Shareholders involved in contracted repurchase transactions	Nil	

Notes:

1. HKSCC NOMINEES LIMITED is the nominal holder of the shares held by the Company's non-registered shareholders of H shares.
2. Hong Kong Securities Clearing Company Ltd. is the nominal holder of shares held by non-registered shareholders who hold A shares of the Company through Northbound Trading under Shenzhen-Hong Kong Stock Connect.
3. In the above table, the total number of A shareholders at the end of 2020 and 28 February 2021 refers to the number of shareholders after combining margin trading accounts.

Change in Share Capital and Information on Shareholders

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

Unit: Share

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

6.2.3 Controlling shareholders and de facto controllers

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

6.2.4 Shareholders holding 10% or more of the equity interests in the Company

As of 31 December 2020, SZMC holds 3,242,810,791 A Shares in the Company, representing 27.91% of the total number of shares in the Company, and is the largest shareholder of the Company. Details are set out below:

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

▼ 100%

Shenzhen Metro Group Co., Ltd

▼ 27.91%

China Vanke Co., Ltd.

Change in Share Capital and Information on Shareholders

Basic Information of SZMC is as following:

Date of registration:	31 July 1998
Registered capital:	RMB45,943,160,000
Legal representative:	Xin Jie
Registered address:	Metro Building, No. 1016 Fu Zhong Yi Road, Futian District, Shenzhen
Business Scope:	Planning, design, construction, financing, operation, resource development and operation, land allocation and property development and operation of rail transit and other government investment decision-making projects; (I) Investment and organization of various industrial projects (franchises, proprietary and proprietary projects shall apply separately); (II) Domestic commerce, material supply and marketing (franchises, proprietary and proprietary projects shall apply separately); (III) Design, produce, publish and represent domestic and overseas advertising business; (IV) Property management; (V) Rail transit-related business consulting, education and training.

6.2.5 Shareholding by the substantial shareholders and other persons as defined by the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

To the best knowledge of directors of the Company, as of 31 December 2020, in accordance with relevant requirements under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), other than directors, members of Supervisory Committee or chief executive, the interests and short positions of the Company held by substantial shareholders are as follows:

Name of shareholder	Capacity (types of interest)	Number of shares held/ Number of underlying shares	Nature of Interest	Types of Shares	Percentage of total issued A-Share capital	Percentage of total H-Share capital	Percentage of total issued share capital
SZMC	Beneficial owner	3,242,810,791	Long Position	A Shares	33.35%	-	27.91%
JPMorgan Chase & Co.	Interest of controlled corporations	8,657,674	Long Position	H Shares	-	0.46%	0.07%
	Investment manager	8,390,162	Short Position	H Shares	-	0.44%	0.07%
	Person holding a guaranteed interest in shares	87,718,716	Long Position	H Shares	-	4.63%	0.76%
	Approved lending agent	512,047	Long Position	H Shares	-	0.03%	0.00%
	Investment manager	19,746,184	Long Position	H Shares	-	1.04%	0.17%
GIC Private Limited	Investment manager	157,446,901	Long Position	H Shares	-	11.01%	1.79%



Change in Share Capital and Information on Shareholders

Save as disclosed above, the Company is not aware of any other person (other than the directors, supervisors, chief executives of the Company) who should disclose their interest or short position in accordance with the requirements of Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) and SEHK Listing Rules.

6.2.6 The public float as required by SEHK Listing Rules

As of the publication date of the Report, there are 1,893,535,668 H Shares of the Company listed on the Main Board of SEHK, which are all public float, accounting for 16.30% of total share capital in the Company. The Company has obtained the waiver from strict compliance with the requirement of H shares proportion as the total number of share capital of the Company pursuant to Rule 8.08(1) (b) under the SEHK Listing Rules when the H Share of the Company was listed on Main Board of the SEHK. As at the publication date of the Report, the public float of the Company complied with such waiver.

Directors, Members of Supervisory Committee, Senior Management and Employees



7.1 Current Directors, Members of Supervisory Committee and Senior Management

7.1.1 Basic information and work experience

(1) Directors

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

Mr. ZHU Jiusheng, born in 1969, is currently a director, the President and Chief Executive Officer of the Company. Mr. Zhu worked in Shenzhen branch of China Construction Bank Corporation (a company listed on the Shanghai Stock Exchange, stock code: 601939, and a company listed on the Stock Exchange of Hong Kong, stock code: 0939) from 1993 to 2012, and had successively served as vice president of Futian sub-branch (presiding), general manager of credit department and corporation department, vice president of Shenzhen Branch. He joined Vanke in 2012 and held a position as a senior vice president of the Company from 2012 to 2015. Mr. Zhu has been the chairman of the board of directors of Shenzhen Vanke Financial Consultants Co., Ltd., a wholly-owned subsidiary of Vanke, since 2014 to March 2020, and had been the chairman of the board of directors and general manager of Shenzhen Pengding Chuangying Financial Information Services Co., Ltd, an affiliated enterprise of the Company from 2016 to January 2018. He has been the president and chief executive officer of the Company from 31 January 2018 up to now. Mr. Zhu also used to concurrently serve as a non-executive director of E-House (China) Enterprise Holdings Limited (a company listed on the Stock Exchange of Hong Kong, stock code: 2048). Mr. Zhu obtained a master's degree in Economics from Zhongnan University of Finance and Economics (currently known as Zhongnan University of Economics and Law) in 1993 and a doctor's degree in Economics from Zhongnan University of Economics and Law in 2003.



Directors, Members of Supervisory Committee, Senior Management and Employees

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

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

Directors, Members of Supervisory Committee, Senior Management and Employees

Mr. TANG Shaojie, born in 1968, currently is a director of the Company, a director, general manager and vice secretary of the Party Committee of Shenzhen Talents Housing Group Co., Ltd. Mr. Tang used to work in Shenzhen Planning and Land Resources Committee (Shenzhen Planning and Land Resources Bureau, Shenzhen Planning Bureau), and successively held positions as vice chief director of Rental Housing Management Office, vice director of office, chief director of construction land section, director of Guangming Management Bureau, and chief director of Land Utility Section. Mr. Tang held positions as a member of working committee and vice director of management committee of Shenzhen-Shantou (Shanwei) Special Cooperation Zone from June 2011 to November 2014. Mr. Tang successively held positions as vice director of Management Bureau of Shenzhen Qianhai Modern Service Industrial Cooperation Zone (Qianhai Bay Free Trade Port Area Management Bureau), a member of Party Affairs Committee of Qianhai Cooperation Zone, vice director and member of Party Committee of Shenzhen Qianhai Shekou Zone Management Committee of China (Guangdong) Pilot Free Trade Zone from November 2014 to May 2019. Mr. Tang holds positions as a director, general manager and vice secretary of the Party Committee of SZMC from May 2019 up to February 2021. Mr. Tang holds positions as a director, general manager and vice secretary of the Party Committee of Shenzhen Talents Housing Group Co., Ltd. from February 2021 up to now. Mr. Tang graduated with a bachelor degree of Engineering in Highway and Urban Road major from Tongji University in 1990, and obtained a master degree of Engineering from Tongji University in 1993. Mr. Tang is an engineer.

Mr. LI Qiangqiang, born in 1977, currently is a director and a member of the audit committee of the Company and holds a position as the deputy general manager of SZMC. Mr. Li used to work in Shenzhen Sidian Investment Co., Ltd.* and Shenzhen Shenhua Group Co., Ltd.. From April 2008 to December 2019, he successively held positions as senior supervisor and deputy head of enterprise no.1 department and head of technology park of Shenzhen Investment Holdings Co., Ltd.. From December 2019 up to now, he holds the position as deputy general manager of SZMC. Mr. Li graduated from Jiangxi University of Finance and Economics in Investment Economics major in 1998; and obtained a master degree in Economics from Xiamen University in 2008. Mr. Li owns the title of economist.

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

(2) Independent Non-executive Directors

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

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

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

Directors, Members of Supervisory Committee, Senior Management and Employees

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

(3) Members of Supervisory Committee

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

Directors, Members of Supervisory Committee, Senior Management and Employees

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

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

(4) Senior Management

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

Mr. WANG Haiwu, for the biography of Mr. Wang, please refer to the section "Directors".

Ms. HAN Huihua, born in 1982, currently is an executive vice president and finance principal of the Company. Ms. HAN joined the Company in 2008, and successively held positions of business manager, assistant general manager and vice general manager of finance and internal control department, and central partner of financial management function in management center of the Company. Before joining the Company, Ms. Han used to work in local tax bureau of Xiushui County in Jiujiang City, Jiangxi Province. Ms. HAN graduated from University of Science and Technology with a bachelor degree in administration in 2003, and Jiangxi University of Finance and Economics in accountancy major with a master degree in administration in 2008. Ms. HAN is a non-practising member of the Chinese Institute of Certified Public Accountants.

Directors, Members of Supervisory Committee, Senior Management and Employees

Ms. ZHU Xu, born in 1975, is currently the Secretary of the Board of the Company and is also a member of the 10th session of the listing committee of SZSE, an executive committee member of the second session of the board secretary committee of China Association of Public Companies, a director of the Chinese Tax Institute and the vice chairman of the Mainland China Technical Advisory Group of Hong Kong Institute of Chartered Secretaries. Ms. Zhu also acts as a director of GLP Holdings Limited invested by Vanke. Ms. Zhu joined Vanke in 2016, and before that, she used to work in the Shenzhen Municipal Office of the State Administration of Taxation, Nationz Technologies Inc. (a company listed on SZSE, stock code: 300077), and Shenzhen Grandland Decoration Group Co., Ltd. (a company listed on SZSE, stock code: 002482). Ms. Zhu had successively obtained a bachelor's degree in Economics in Hunan College of Finance and Economics (currently known as Hunan University), a master's degree in Management in Zhongnan University of Economics and Law, a master's degree in Public Policy in University College London and a master's degree in Corporate Governance in Open University of Hong Kong. Ms. Zhu Xu is a British Chevening scholar and a registered tax accountant.

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

On 17 March 2020, upon consideration and approval at the twenty-seventh meeting of the eighteenth Session of the Board, the Board agreed to appoint Ms. HAN Huihua as an Executive Vice President and Finance Principal of the Company. Director Mr. WANG Wenjin ceased to be the Executive Vice President and Finance Principal of the Company, and Director Mr. ZHANG Xu ceased to be the Executive Vice President and Chief Operation Officer of the Company. On 7 April 2020, upon consideration and approval at the Twenty-eighth meeting of the Eighteenth Session of the Board, the Board agreed to appoint Mr. WANG Haiwu as an Executive Vice President and Chief Operation Officer of the Company.

On 30 June 2020, at the Company's annual general meeting of 2019, by means of cumulative voting, HU Guobin, LI Qiangqiang, TANG Shaojie, WANG Haiwu, XIN Jie, YU Liang and ZHU Jiusheng (in alphabetical order of surnames) were elected as Non-independent Directors of the Nineteenth Session of the Board; KANG Dian, LIU Shuwei, NG Kar Ling, Johnny, and ZHANG Yichen (in alphabetical order of surnames) were elected as Independent Directors of the Nineteenth Session of the Board; LI Miao and XIE Dong (in alphabetical order of surnames) were elected as non-staff representative members of the Tenth Session of the Supervisory Committee. Upon voting at the staff representative meeting of the Company, it was approved that Ms. QUE Dongwu was elected as a staff representative supervisor of the tenth session of Supervisory Committee. Ms. QUE Dongwu formed the tenth session of the Supervisory Committee of the Company together with Mr. XIE Dong and Mr. LI Miao.



Directors, Members of Supervisory Committee, Senior Management and Employees

On the same day, LIN Maode, LI Qiang, SUN Shengdian, CHEN Xianjun, WANG Wenjin and ZHANG Xu, members of the Eighteenth Session of the Board, retired from the positions as directors of the Company. ZHENG Ying, ZHOU Qingping, members of the Ninth Session of the Supervisory Committee retired from the positions as supervisors of the Company. The Company would like to express its heartfelt gratitude to the aforementioned directors and supervisors, who were diligent and responsible during their term of office, for their contribution to standardized operation and healthy development of the Company.

On 30 June 2020, at the first meeting of the Nineteenth session of the Board, Mr. YU Liang was elected as the Chairman of the Board of the Company, Mr. ZHU Jiusheng was re-appointed as the President and Chief Executive Officer of the Company, Mr. WANG Haiwu was re-appointed as the Executive Vice President and Chief Operational Officer of the Company, Ms. HAN Huihua was re-appointed as the Executive Vice President and Financial Principal of the Company, and Ms. ZHU Xu was re-appointed as the secretary to the Board and Company Secretary of the Company until the expiry of the term of office of the Nineteenth Session of the Board. On the same day, at the first meeting of the tenth session of Supervisory Committee, Mr. XIE Dong was elected as the Chairman of the tenth session of the Supervisory Committee until the expiry of the term of office of the Tenth Session of the Supervisory Committee.

7.1.3 Details of remuneration for 2020

As at the end of the Reporting Period, the aggregate amount of remunerations before taxation received by the 7 directors, supervisors and senior management who served the Company from the Group in 2020 was RMB58.186 million; and the aggregate amount of remunerations before taxation received by 4 independent directors from the Group during their term of service in 2020 was RMB2.10 million. XIN Jie, HU Guobin, TANG Shaojie, LI Qiangqiang, the directors and LI Miao, the supervisor, had never received remuneration from the Group during the Reporting Period.

Section 7

Directors, Members of Supervisory Committee, Senior Management and Employees

Unit: RMB'0000

Name	Title	Sex	Age	Period of service	Total remuneration (before tax) in 2020	Total remuneration (before tax) in 2019
YU Liang	Chairman of the Board Director	M	56	2017.7~2023.6 1994~2023.6	1,247.3	1,251.7
ZHU Jiusheng	President, CEO Director	M	52	2018-2023.6 2020.7~2023.6	1,123.1	1,127.4
XIN Jie	Director	M	55	2020.7~2023.6	–	N/A
HU Guobin	Director	M	56	2020.7~2023.6	–	N/A
LI Qiangqiang	Director	M	44	2020.7~2023.6	–	N/A
TANG Shaojie	Director	M	53	2020.7~2023.6	–	N/A
WANG haiwu	Director	M	43	2020.7~2023.6	895.8	N/A
	Executive Vice President, Chief Operation Officer			2020.4~2023.6		
KANG Dian	Independent Director	M	73	2017.7~2023.6	60.0	60.0
LIU Shuwei	Independent Director	F	69	2017.7~2023.6	60.0	60.0
NG Kar Ling, Johnny	Independent Director	M	61	2017.7~2023.6	60.0	60.0
ZHANG Yichen	Independent Director	M	58	2020.7~2023.6	30.0	N/A
XIE Dong	Chairman of Supervisory Committee	M	56	2014~2023.6	874.6	878.9
LI Miao	Supervisor	M	48	2020.7~2023.6	–	N/A
QUE Dongwu	Supervisor	F	55	2020.7~2023.6	523.8	N/A
HAN Huihua	Executive Vice President, Finance Principal	F	39	2020.3~2023.6	578.1	N/A
ZHU Xu	Secretary to the Board	F	46	2016~2023.6	575.9	568.3
Total					6,028.6	4,006.3

Note 1: HAN Huihua and WANG Haiwu served as the Executive Vice President on March and April 2020, respectively, the above salaries were the salaries for their service as the Executive Vice President in 2020. QUE Dongwu served as the supervisor of the Company on July 2020, the above salary was the salary for her service during her term of office.

Note 2: The total remuneration before tax include salaries and social insurance paid to directors, supervisors and senior management, as well as the “Five Social Insurances and One Housing Fund” paid by the Company, the contribution coefficient of “Five Social Insurances and One Housing Fund” changed in 2020.

Directors, Members of Supervisory Committee, Senior Management and Employees

The directors and supervisors who resigned from the Company during the Reporting Period received remuneration (before tax) from the Group during their term of service in 2020 with an aggregate amount of RMB1.973 million. According to the personal statements of Lin Maode, Li Qiang, Sun Shengdian, Chen Xianjun, and Zheng Ying that they do not receive remuneration, the Company directly transfers the remuneration (after tax) of the above 5 people to their unit or former unit, the above 5 former directors or former supervisors did not actually receive the signed remuneration.

Unit: RMB'0000

Name	Title	Sex	Age	Period of service	Total remuneration (before tax) for the period of service in 2020	Total remuneration (before tax) in 2019
LIN Maode	Former Deputy Chairman of the Board	M	65	2017.7~2020.6	18.0	36.0
Li Qiang	Former Independent Director	M	49	2017.7~2020.6	30.0	60.0
SUN Shengdian	Former Director	M	66	2017.7~2020.6	18.0	36.0
CHEN Xianjun	Former Director	M	49	2017.7~2020.6	18.0	36.0
WANG Wenjin	Former Director Former Executive Vice President	M	55	2014~2020.6 2007~2020.3	27.0	878.9
ZHANG Xu	Former Director Former Executive Vice President	M	58	2017.7~2020.6 2014~2020.4	27.0	941.0
ZHENG Ying	Former Supervisor	F	51	2017.7~2020.6	18.0	36.0
Zhou Jinping	Former Supervisor	M	52	2010~2020.6	41.3	259.8
Total					197.3	2,283.7

Note 1: In March 2020, WANG Wenjin and ZHANG Xu ceased to be the Executive Vice President of the Company due to position change, the remuneration in above table is for their capacity as executive vice president in 2020;

Note 2: The total remuneration before tax include salaries and social insurance paid to directors, supervisors and senior management.

Section 7

Directors, Members of Supervisory Committee, Senior Management and Employees

Top five paid person of the Company in 2020

Ranking	Total remuneration (before tax) received from the Company (RMB'0000)	Any remunerations received from shareholders or other connected entities
1	1,480.5	No
2	1,469.1	No
3	1,247.3	No
4	1,123.1	No
5	975.5	No
Total	6,295.5	—

Two of top five paid person of the Company in 2020 are directors.

7.1.4 Change in shareholding during the Reporting Period

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

Name	Title	Number of shares held at the beginning of the Period	Number of shares held at the end of the Period	Shares held at the end of Reporting Period as a percentage of total number of shares	Reasons for the change	Number of stock options granted	Number of stock options exercised during the Reporting Period	Unit: Share Number of stock options not yet exercised at the end of the Reporting Period
Yu Liang	Chairman of the Board and an Executive Director	7,306,245	7,306,245	0.0629%	-	0	0	0
Xie Dong	Chairman of Supervisory Committee	1,490,745	1,490,745	0.0128%	-	0	0	0
Que Dongwu	Supervisor	-	60,700	0.0005%	-	0	0	0
Total		8,796,990	8,857,690	0.0762%	-	0	0	0

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

Directors, Members of Supervisory Committee, Senior Management and Employees

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

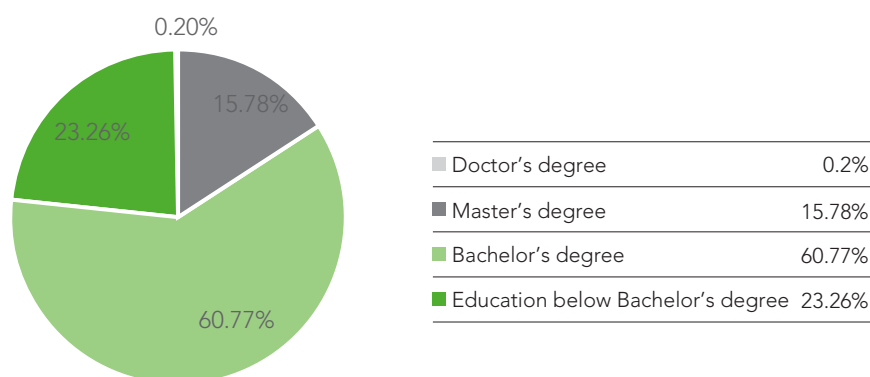
7.2 Number of Employees of the Group and their Composition by Job Classification

During the Reporting Period, due to the need of business development, the security staff of the Group's services division has been transferred to the associate Company of the Group, Shenzhen Wanyu Security Service Technology Co., Ltd. ("Wanyu Security"), there were 43,673 employees from this division as of the end of the Reporting Period.

As of 31 December 2020, there were 140,565 employees (including above-mentioned security staff) on the Group's payroll, representing an increase of 6.9% from that of the previous year. The average age of the employees was 31.22 years old and the average year of service was 2.48 years. Among which 91,062 employees were male, and 49,503 employees were female. The details of composition by business divisions are as follows:

(1) Property development division

There were 19,649 employees engaged in the property development division, representing an increase of 1.43% as compared with last year. The average age of the staff working for this division was 31.53 and the average period of service was 3.30 years. In terms of education level, 0.20% held doctor's degree, 15.78% with master's degree, 60.77% with bachelor's degree, 23.26% with education below bachelor's degree while 76.74% with bachelor's degree or above.



Directors, Members of Supervisory Committee, Senior Management and Employees

Composition by job classification:

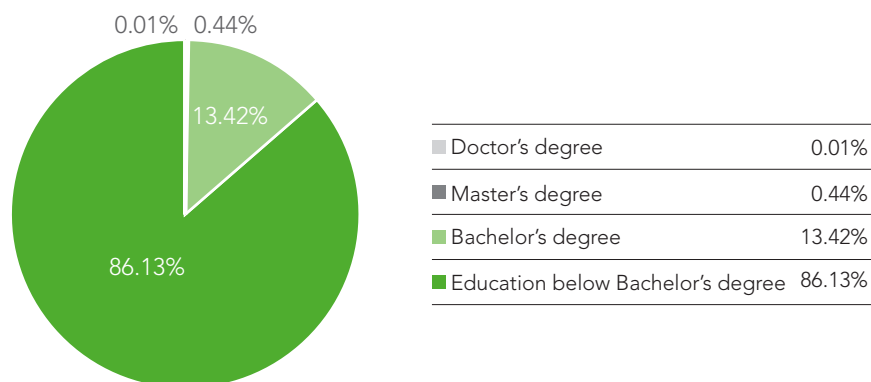
No.	Composition by job classification	Number of individuals	Percentage	Year-on-year change
1	Marketing and sales staff	6,155	31.32%	10.13%
2	Professional technicians	7,581	38.58%	-14.57%
3	Management staff	5,913	30.09%	20.45%

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

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

(2) Property services division

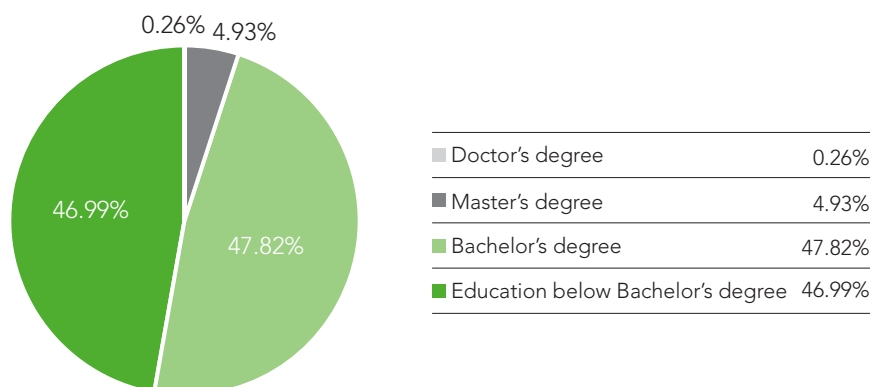
There were 111,185 employees engaged in property services, increased by 10.55% from the previous year. The average age was 31.14 years old and the average period of service was 2.3 years. In terms of education level, 0.01% held doctoral degree, 0.44% held master's degree, 13.42% with bachelor's degree, 86.13% with education below bachelor's degree, and 13.87% with bachelor's degree or above. After deducting the aforesaid number of security personnel of Wanyu Security as aforesaid, there were a total of 67,512 employees engaged in property services. The average age was 31.57 and the average year of service was 2.46. In terms of education level, 0.01% held doctoral degree, 0.69% held master's degree, 20.00% with bachelor's degree, 79.30% with education below bachelor's degree, and 20.70% with bachelor's degree or above.



Directors, Members of Supervisory Committee, Senior Management and Employees

(3) Other divisions

There were 9,731 employees engaged in the other divisions, decreased by 15.81% from the previous year. The average age was 31.52 years old and the average term of service was 2.9 years. In terms of education level, 0.26% held doctor's degree, 4.93% held master's degree, 47.82% with bachelor's degree, 46.99% with education below bachelor's degree, and 53.01% with bachelor's degree or above.



The overall remuneration system of the Group continues to implement the concept of “providing competitive remuneration in the industry in accordance with the principles of marketization to retain and attract outstanding talents”. The remuneration of the Company’s senior management personnel is determined on the basis of market research and based on the overall operating performance of the Group. During the Reporting Period, the Group accrued employee remuneration and benefits totaling RMB16.52 billion.

The Group has always firmly believed in and implemented the talent concept of “talents are Vanke’s valuable capital”, and helped many outstanding business partners to achieve sustainable growth and development through talent discovery and training, and matching of personnel, etc. Up till now, the Fendouzhe School of the Group (本集團奮鬥者大學) has established a distributed talent cultivation college with BGBU, forming a talent cultivation model with its own characteristics. The distributed colleges represented by the Southern Region BG Sixing Academy* (南方區域 BG 思行學院), the Shanghai BG Pujiang Academy* (上海區域 BG 浦江學院), the Properties BG Robin Academy* (物業 BG 知之學院), the Yinli BU Yinxiang Academy* (印力 BU 印象書院) and the long-term rental BU Xiaobo Academy* (長租公寓 BU 小泊學院), combined with the organisation’s strategy, business, and culture, learning content, study items, talent management systems with its own characteristics were established and built respectively, which include the “video micro-classes on business compliance” of Sixing Academy, the “high-potential talent development project of the apprentice series” of Pujiang Academy, the “training and management of key positions” of Robin Academy, etc. Under the guidance of a unified talent concept, each distributed college has been improving the professionalism and professional skills of employees through differentiated talent strategies, enabling them to gain the unanimous recognition from their peers and cross-industry fields.

Based on the Group’s perspective, the Fengdouzhe School of the headquarter of the Group has focused on key content, key population, key carrier and four key organization to carry out various tasks, such as updating the iterative cultural value curriculum system; organized and carried out work method concept promotion; invited internal and external scholars and experts to carry out the series of lectures, the “Vanke Lecture”; organized recruit of new employees, the “New Power Training” for the Group’s schools and the “Mount Everest” for core and key partners.

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



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

8.1 Overview of Corporate Governance

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

Provision A.6.7 of the Corporate Governance Code states that independent non-executive directors and other non-executive directors should attend general meetings and develop an unbiased understanding of the views of shareholders. During the Reporting Period, the Company held a total of one general meeting. Due to other important business engagements or pandemic, part of the directors did not attend the general meeting. For the attendance of directors, please see this section headed "Attendance of directors at the general meeting" under "8.4 Shareholders and General Meeting" in this Report.

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

The Company has established a corporate governance structure with complete functions and checks and balances. The general meeting, the Board, the Supervisory Committee and senior management exercise their rights and obligations in strict accordance with the responsibilities stipulated in the Company's Articles of Association, and effectively implement corporate governance and safeguard the interests of shareholders and the Company by giving full play to the specialized committees of the Board of Directors and independent directors, to ensure sustained and sound development of the Company. In 2020, the Company won the "Best A-share Listed Company Award in the Real Estate Industry" issued by Asiamoney and the "10th China Securities Gold Bauhinia Awards Best Listed Company" issued by the related Hong Kong Ta Kung Wen Wei Media Group.

The directors, supervisors and senior management officers of the Company also complied with Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the SEHK Listing Rules. The directors, supervisors, senior management officers and employees of the Company complied with relevant requirements in the Inside Information and Informer Management System and Rules for the Trading of Securities by Employees of the Company and other regulatory framework, to strictly control and contain inside information. During the Reporting Period, the Company did not have an informer with inside information conducting irregular trading of securities of the Company.

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

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

8.3 An Overview on Horizontal Competition

Applicable Not applicable

8.4 Shareholders and General Meeting

(1) General meeting held during the Reporting Period

Convention of general meetings

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

On 30 June 2020, the Company held the annual general meeting of 2019, the First A Shareholders Class Meeting of 2020 and the First H Shareholders Class Meeting of 2020 at Vanke Center, No.33 Huanmei Road, Dameisha, Yantian District, Shenzhen, China. The shareholders of A Shares and H Shares of the Company participated in the general meeting by way of on-site meeting and internet voting (only applicable to A Shareholders), with total shareholding representing 59.15% of the total issued share capital of the Company, of which the shareholdings of A Shares shareholders and H Shares shareholders representing 59.36% and 57.83% of the A Shares and the H Shares of the Company, respectively. For details, please refer to the announcements dated 30 June 2020 and 1 July 2020 disclosed on the website of SEHK (www.hkexnews.hk) and the website of cninfo (www.cninfo.com.cn) respectively.

Attendance of directors at the general meeting

During the Reporting Period, directors made efforts to attend the general meeting in person and actively understand the views of shareholders.

The attendance of the directors of the Eighteenth Session of the Board of the Company and the director candidates for the Nineteenth session of the Board of the Company at the annual general meeting of 2019, the First A Shareholders Class Meeting of 2020 and the First H Shareholders Class Meeting of 2020 are as follows¹:

Name	Position at the Eighteenth Session of the Board	Candidate Identity for the Nineteenth session of the Board	Attendance in Person (Time)
YU Liang	Chairman, Executive Director	Candidate for Executive Director	1
LIN Maode	Vice Chairman, Non-executive Director	N/A	0
KANG Dian	Independent Non-executive Director	Candidate for Independent Non-executive Director	0
LIU Shuwei	Independent Non-executive Director	Candidate for Independent Non-executive Director	0
NG Kar Ling, Johnny	Independent Non-executive Director	Candidate for Independent Non-executive Director	0
LI Qiang	Independent Non-executive Director	N/A	0
SUN Shengdian	Non-executive Director	N/A	0
CHEN Xianjun	Non-executive Director	N/A	0
WANG Wenjin	Executive Director	N/A	1
ZHANG Xu	Executive Director	N/A	0
XIN Jie	N/A	Candidate for Non-executive Director	1
HU Guobin	N/A	Candidate for Non-executive Director	1
TANG Shaojie	N/A	Candidate for Non-executive Director	1
LI Qiangqiang	N/A	Candidate for Non-executive Director	1
ZHU Jiusheng	N/A	Candidate for Executive Director	1
WANG Haiwu	N/A	Candidate for Executive Director	1
ZHANG Yichen	N/A	Candidate for Independent Non-executive Director	0

¹ Certain directors of the Company and director candidates did not attend the general meeting of 2019, the First A Shareholders Class Meeting of 2020 and the First H Shareholders Class Meeting of 2020 in person due to other important business engagements or the pandemic.

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

Applicable Not applicable

(3) Shareholders' right

Convening of extraordinary general meeting

In accordance with the Articles of Association, any shareholders individually or aggregately holding more than 10% of the shares of the Company are entitled to request the Board to convene an extraordinary general meeting. The Board shall reply, in writing, within ten (10) days of receiving such proposal, whether it consents to such request in accordance with the provisions of the laws, administrative regulations and the Articles of Association. If the Board rejects to convene such a general meeting or fails to reply within five (5) days of receiving such request, such shareholders individually or aggregately holding more than 10% of the shares of the Company are entitled to request the Supervisory Committee to convene such an extraordinary general meeting in writing. If the Supervisory Committee fails to issue a notice of the general meeting within the required period, in which circumstance, shareholders individually or aggregately holding more than 10% of the shares of the Company for more than ninety (90) consecutive days are entitled to convene and chair such a general meeting. During the Reporting Period, shareholders individually or aggregately holding more than 10% of the shares of the Company did not request to convene such an extraordinary general meeting.

Proposal of resolution at general meeting

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

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

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

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

On 28 May 2020, the Company received the “Letter on the additional resolutions to the annual general meeting of 2019 of China Vanke Co., Ltd.” issued by SZMC, proposing to submit one extra resolution (i.e. to consider and elect ZHANG Yichen as an independent director of the Nineteenth Session of the Board of the Company by means of cumulative voting) in the annual general meeting of 2019, take the Resolution Regarding Election of ZHANG Yichen as an Independent Director of the Nineteenth Session of the Board as a sub-resolution of the Resolution Regarding Re-election of the Board of Directors and Election of Independent Directors, as the fifteenth resolution at the annual general meeting, and submit to the annual general meeting for consideration as an extraordinary proposal. The term of office of Mr. ZHANG Yichen as an independent director candidate will be three years upon election, commencing from the date of approval at the annual general meeting of 2019. The Board of the Company agreed to submit such resolution to the annual general meeting of 2019. Save from that, none of the shareholders proposed any resolution to the general meeting during the Reporting Period.

Convening of extraordinary meeting of the Board

An extraordinary meeting of the Board may be convened if proposed by shareholders representing more than 10% of the voting rights. The Chairman shall convene the Board meeting within ten (10) days after receipt of proposal from the shareholders representing more than 10% of the voting rights. During the Reporting Period, shareholders representing more than 10% of the voting rights did not propose to convene such an extraordinary meeting.

Enquiry to the Board

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

As considered and approved at the annual general meeting of 2019, the Articles of Association has been modified and published by the Company. The latest version of the Articles of Association can be inspected on the website of CNINFO Network and SEHK respectively.

(4) Investor relations

As of the end of 2020, the Company has 9,724,196,533 A Shares issued, representing 83.70% of total shares of the Company; 1,893,535,668 H Shares listed on SEHK and issued to overseas investors, representing 16.30% of total shares of the Company. H Shares are all public float and its total market value as at the end of 2020 was approximately HK\$50,652 million. For details, please refer to “Section 6 Changes in Share Capital and Information on Shareholders” in this Report.

The Company weigh the importance of investor relations, and focus on interaction and communication with investors through various means. The details on the Company’s meetings with investors in 2020 can be referred in “4.5 Details on the Company’s Investor Relations Activities and Investor Protection” in “Section 4 Directors’ Report” in this Report.

8.5 Board of Directors

(1) Composition of the Board

In accordance with the Articles of Association, the Board of the Company shall comprise eleven Directors and shall have one Chairman and can have one to two vice chairmen.

Mr. XIAO Min has resigned from the position as a non-executive director of the Company in January 2019 due to his serve as a public officer. The Eigtheenth Session of the Board of the Company comprises 10 Directors, the term of office of which expired on the date of the annual general meeting of 2019. The detailed list of Directors of the eighteenth session of the Board is as follows:

Executive Directors: Mr. Yu Liang (Chairman), Mr. Wang Wenjin, Mr. Zhang Xu.

Non-executive Directors: Mr. Lin Maode (Vice Chairman), Mr. Sun Shengdian, Mr. Chen Xianjun.

Independent Non-executive Directors (Independent Directors): Mr. Kang Dian, Ms. Liu Shuwei, Mr. Ng Kar Ling, Johnny, Mr. Li Qiang.

The nineteenth session of the Board of the Company was elected at the annual general meeting of 2019 of the Company on 30 June 2020, with the term of office of three years commencing from the date of the annual general meeting of 2019. Details are as follows:

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

Non-executive directors: Mr. XIN Jie , Mr. HU Guobin, Mr. TANG Shaojie and Mr. LI Qiangqiang.

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

(2) Duties and responsibilities of the Board and management

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

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

(3) Performance of duties of the Board**1. Board meeting**

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

(1) Board meeting of the Eighteenth Session of the Board

During the Reporting Period, the Eighteenth Session of the Board held a total of 6 meetings, including 3 on-site meetings and 3 communication votings. The attendance of Directors at the Board meeting is as follows:

Name	Position	Number of Board Meetings	Board Meeting Attendance		
			Attendance in person	by authorized person	Absence
YU Liang	Chairman, Executive Director	6	6	0	0
LIN Maode	Vice Chairman, Non-executive Director	6	5	0	1
KANG Dian	Independent Non-executive Director	6	5	1	0
LIU Shuwei	Independent Non-executive Director	6	6	0	0
NG Kar Ling, Johnny	Independent Non-executive Director	6	6	0	0
LI Qiang	Independent Non-executive Director	6	6	0	0
SUN Shengdian	Non-executive Director	6	6	0	0
CHEN Xianjun	Non-executive Director	6	6	0	0
WANG Wenjin	Executive Director	6	6	0	0
ZHANG Xu	Executive Director	6	6	0	0

1) Three on-site Board meetings held by the Eighteenth Session of the Board in 2020

The Twenty-seventh Meeting of the Eighteenth Session of the Board

On 17 March 2020, the Twenty-seventh Meeting of the Eighteenth Session of the Board was held to consider and approve the following resolutions. The announcement regarding the relevant resolutions was published on the website of SEHK after trading hour on 17 March 2020, and was published in China Securities Journal, Securities Times, Shanghai Securities News and Securities Daily and CNINFO Network, respectively, on 18 March 2020.

No.	Resolution
1	The audited financial report for the Year 2019
2	The 2019 Annual Report and its Summary
3	The Company's Major Tasks for the Year 2020
4	The Resolution in relation to the Appropriation and Write-off of the Provision for Impairment in Asset Value for the Year 2019
5	The Proposal on Profit Appropriation for the Year 2019
6	The Internal Control Self-assessment Report for the Year 2019
7	The Resolution in relation to the Reappointment of Certified Public Accountants for the Year 2020
8	The Resolution Regarding Confirmation of Economic Profit Bonus for the Year 2019
9	The Corporate Social Responsibility Report for the Year 2019
10	The Resolution Regarding Proposal to the General Meeting for Re-authorisation of Financial Assistance by the Company and majority-owned subsidiaries to Third Parties
11	The Resolution Regarding Proposal to the General Meeting for Authorisation of Financial Assistance by the Company and majority-owned subsidiaries to Third Parties
12	The Resolution Regarding Upgrade and Define Principles of Annual Bonus Arrangement for Year 2020-2022
13	The Resolution Regarding Revision on Co-investment System
14	The Resolution Regarding Appointment of Ms. HAN Huihua as an Executive Vice President and Finance Principal



The Twenty-ninth Meeting of the Eighteenth Session of the Board

On 27 April 2020, the Twenty-ninth Meeting of the Eighteenth Session of the Board was held to consider and approve the following resolutions. The announcement regarding the relevant resolutions was published on the website of SEHK after trading hour on 27 April 2020, and was published in China Securities Journal, Securities Times, Shanghai Securities News and Securities Daily and CNINFO Network, respectively, on 28 April 2020.

No.	Resolution
1	2020 First Quarterly Report and the Financial Statement
2	Resolution Regarding Further Authorizing the Chairman of the Board to Handle Issues Related to the Issuance of Overseas Listed Foreign Shares (H Shares) under the General Mandate

The Thirtieth Meeting of the Eighteenth Session of the Board

On 15 May 2020, the Thirtieth Meeting of the Eighteenth Session of the Board was held to consider and approve the following resolutions. The announcement regarding the relevant resolutions was published on the website of SEHK after trading hour on 15 May 2020, and was published in China Securities Journal, Securities Times, Shanghai Securities News and Securities Daily and CNINFO Network, respectively, on 16 May 2020.

No.	Resolution
1	The Resolution Regarding the General Mandate for Issuance of H Shares of the Company Granted to the Board of Directors at the General Meeting
2	The Resolution Regarding the General Mandate for Repurchase of Shares Granted to the Board of Directors at the General Meeting
3	The Resolution Regarding Proposed Amendments to the Articles of Association
4	The Resolution Regarding Proposed Amendments to the Procedural Rules for the General Meeting
5	The Resolution Regarding Proposed Amendments to the Procedural Rules for the Board of Directors
6	The Resolution Regarding Re-election of the Board of Directors and Election of Non-executive Directors
7	The Resolution Regarding Re-election of the Board of Directors and Election of Independent Directors
8	The Resolution Regarding Holding Annual General Meeting of 2019 and Shareholders Class Meeting of 2020
9	The Resolution Regarding Supplementing and Improving the Co-Investment Mechanism for Complicated Projects and Non-development Business
10	The Resolution Regarding Connected Transactions on Joint Investment with Shenzhen Metro Property

2) 3 votings via telecommunication by the Eighteenth session of the Board in 2020

No.	Times of Meetings of the Eighteenth Session of the Board	Date of Submission to the Board	Resolution
1	Twenty-eighth Meeting	6 April 2020	The Resolution Regarding the Appointment of Mr. WANG Haiwu as an Executive Vice President and Chief Operation Officer of the Company
2	Thirty-first Meeting	28 May 2020	The Resolution Regarding the Withdrawal of the Nomination of FU Chengyu as an Independent Director Candidate of the Nineteenth Session of the Board of Directors of the Company and the Withdrawal of the Resolution Regarding on the Election of Him as an Independent Director of the Nineteenth Session of the Board of Directors of the Company on the General Meeting The Resolution Regarding the Additional Resolutions to the Annual General Meeting of 2019
3	Thirty-second Meeting	22 June 2020	The Resolution Regarding the Additional Investment in the Third Phase of the Guangcai-Vanke Targeted Poverty Alleviation and Rural Revitalization Special Fund The Resolution Regarding the Capital Injection to Vanke Logistics, a Wholly-owned Subsidiary The Resolution Regarding the Introduction of Strategic Cooperation in Guangxin Assets The Resolution Regarding the Formation of Joint Venture with SZMC

Pursuant to relevant requirements, the progress and important facts of the related issues were published on the website of SEHK after trading hours at night on 7 April 2020, 29 May 2020, 29 June 2020, and also published in China Securities Journal, Securities Times, Shanghai Securities News, Securities Daily and CNINFO Network on 8 April 2020, 30 May 2020 and 30 June 2020.

(2) Board meeting of the Nineteenth Session of the Board

During the Reporting Period, the Nineteenth Session of the Board held a total of 4 meetings, including 3 on-site meetings and 1 communication voting. The attendance of Directors at the Board meeting is as follows:

Name	Position	Attendance of Board meetings			
		Number of Board Meetings	Attendance in person	Attendance by authorized person	Absence
YU Liang	Chairman, Executive Director	4	4	0	0
ZHU Jiusheng	Executive Director	4	4	0	0
XIN Jie	Non-executive Director	4	4	0	0
HU Guobin	Non-executive Director	4	4	0	0
TANG Shaojie	Non-executive Director	4	3	1	0
LI Qiangqiang	Non-executive Director	4	4	0	0
WANG Haiwu	Non-executive Director	4	4	0	0
KANG Dian	Independent Non-executive Director	4	3	1	0
LIU Shuwei	Independent Non-executive Director	4	4	0	0
NG Kar Ling, Johnny	Independent Non-executive Director	4	4	0	0
ZHANG Yichen	Independent Non-executive Director	4	4	0	0

1) Three on-site Board meetings held by the Nineteenth Session of the Board in 2020

The First Meeting of the Nineteenth Session of the Board

On 30 June 2020, the First Meeting of the Nineteenth Session of the Board was held to consider and approve the following resolutions. The announcement regarding the relevant resolutions was published on the website of SEHK after trading hour on 30 June 2020, and was published in China Securities Journal, Securities Times, Shanghai Securities News and Securities Daily and CNINFO Network, respectively, on 1 July 2020.

No.	Resolution
1	The Resolution Regarding the Election of the Chairman of the Nineteenth Session of the Board
2	The Resolution Regarding the Election of the Members of Each Specialised Committee of the Nineteenth Session of the Board
3	The Resolution Regarding the Re-appointment of the President and CEO
4	The Resolution Regarding the Re-appointment of the Secretary to the Board
5	The Resolution Regarding the Re-appointment of other Senior Management
6	The Resolution Regarding the Change of Authorized Representative of the Company
7	The Resolution Regarding the Amendments to the Implementation Rules of the Specialised Committees of the Board
8	The Resolution Regarding the Granting the Decision-making Authorities related to Investment to the President
9	The Resolution Regarding the Granting the Decision-making Authorities related to Financing to the President
10	The Resolution Regarding the Authorizing the Effective Use of Short-term Surplus Funds for Financial Investment to the President

The Second Meeting of the Nineteenth Session of the Board

On 27 August 2020, the Second Meeting of the Nineteenth Session of the Board was held to consider and approve the following resolutions. The announcement regarding the relevant resolutions was published on the website of SEHK after trading hour on 27 August 2020, and was published in China Securities Journal, Securities Times, Shanghai Securities News and Securities Daily and CNINFO Network, respectively, on 28 August 2020.



No.	Resolution
1	2020 Interim Report and its summary, Financial Statements, and Results Announcement
2	Resolution Regarding There Will Be no Distribution of Dividend nor Capitalisation of Equity Reserve for the 2020 Interim Period

The Third Meeting of the Nineteenth Session of the Board

On 29 October 2020, the Third Meeting of the Nineteenth Session of the Board was held to consider and approve the following resolutions. The announcement regarding the relevant resolutions was published on the website of SEHK after trading hour on 29 October 2020, and was published in China Securities Journal, Securities Times, Shanghai Securities News and Securities Daily and CNINFO Network, respectively, on 30 October 2020.

No.	Resolution
1	2020 Third Quarterly Report and the Financial Statement
2	Resolution Regarding Formulating and Issuance Plan of Overseas Listed Foreign Shares (H Shares) under the Authorization of General Mandate
3	Resolution Regarding Authorizing the Chairman of the Board to Deal with Matters in relation to the Issuance of Overseas Listed Foreign Shares (H shares) under the General Mandate

2) 1 voting via telecommunication by the Nineteenth Session of the Board in 2020

No.	Times of Meetings of the Nineteenth Session of the Board	Date of Submission to the Board	Resolution
1	Fourth Meeting	30 November 2020	The Resolution Regarding Connected Transactions related to the Establishment of REITs in Chang'an Vanke Plaza

Pursuant to relevant requirements, the progress and important facts of the related issues were published on the website of SEHK after trading hours at night on 3 December 2020, and also published in China Securities Journal, Securities Times, Shanghai Securities News, Securities Daily and CNINFO Network on 4 December 2020.

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

(1) Issue of bonds

The Company's one-off or multiple issuances of direct debt financing instruments not more than RMB32 billion was considered and approved at the 2018 annual general meeting.

In February 2020, the CSRC approved the Company's issuance of corporate bonds not exceeding RMB9 billion for qualified investors, and the corporate bonds specialized in rental housing not exceeding RMB3 billion issued to qualified investors in public. As of the date of this Report, the Company completed the issuance of the following corporate bonds:

- 1) On 16 March 2020, the Company has completed the issuance of corporate bonds (first tranche) of 2020 to qualified investors in public. This tranche of bonds are mainly divided into two varieties. Variety I is a 5-year term (with the issuer's call option at the end of the third year, coupon adjustment option and investors' put option), with an issue size of RMB1.5 billion and a final coupon rate of 3.02%. Variety II has a term of 7 years (with the issuer's call option at the end of the fifth year, coupon adjustment option and investors' put option), with an issue size of RMB1 billion and a final coupon rate of 3.42%.
- 2) On 19 May 2020, the Company has completed the issuance of corporate bonds (second tranche) of 2020 to qualified investors in public. This tranche of bonds are mainly divided into two varieties. Variety I is a 5-year term (with the issuer's call option at the end of the third year, coupon adjustment option and investors' put option), with an issue size of RMB1 billion and a final coupon rate of 2.56%. Variety II has a term of 7 years (with the issuer's call option at the end of the fifth year, coupon adjustment option and investors' put option), with an issue size of RMB1.5 billion and a final coupon rate of 3.45%.
- 3) On 19 June 2020, the Company has completed the issuance of corporate bonds (third tranche) of 2020 to qualified investors in public. The bonds are mainly divided into two varieties. Variety I is a 5-year term (with the issuer's call option at the end of the third year, coupon adjustment option and investors' put option), with an issue size of RMB0.8 billion and a final coupon rate of 3.20%. Variety II has a term of 7 years (with the issuer's call option at the end of the fifth year, coupon adjustment option and investors' put option), with an issue size of RMB1.2 billion and a final coupon rate of 3.90%.

- 4) On 13 November 2020, the Company has completed the issuance of corporate bonds (fourth tranche) of 2020 to qualified investors in public. The bonds are mainly divided into two varieties. Variety I is a 5-year term (with the issuer's call option at the end of the third year, coupon adjustment option and investors' put option), with an issue size of RMB381 million and a final coupon rate of 3.50%. Variety II has a term of 7 years (with the issuer's call option at the end of the fifth year, coupon adjustment option and investors' put option), with an issue size of RMB1.6 billion and a final coupon rate of 4.11%.
- 5) On 22 January 2021, the Company has completed the issuance of corporate bonds (fourth tranche) of 2021 to qualified investors in public. The bonds are mainly divided into two varieties. Variety I is a 3-year term (with the issuer's call option at the end of the second year, coupon adjustment option and investors' put option), with an issue size of RMB1.9 billion and a final coupon rate of 3.38%. Variety II has a term of 7 years (with the issuer's call option at the end of the fifth year, coupon adjustment option and investors' put option), with an issue size of RMB1.1 billion and a final coupon rate of 3.98%.

(2) Implementation of the proposal on dividend distribution for the year 2019

In accordance with the resolutions passed at the 2019 annual general meeting, the Board had proceeded with the implementation of the proposal on dividend distribution for 2019. The dividend distribution proposal for 2019 is as follows: a total of cash dividend of RMB11,810,739,436.05 (inclusive of tax) is proposed for distribution for 2019, representing 30.38% of the profit for the year attributable to equity shareholders of the Company for 2019. There will be no equity dividend or transfer of equity reserve to the share capital of the Company. If, based on the total number of 11,302,143,001 shares of the Company as at the end of 2019, a cash dividend of RMB10.45 (inclusive of tax) will be distributed for every 10 existing shares held. If there are any changes in the total number of shares on the record date for dividend distribution as a result of additional issue, repurchase, conversion of convertible bonds into equity and other circumstances, the dividend per share will be adjusted accordingly on the condition that the total dividend to be distributed remains unchanged. The Company completed the placing of 315,589,200 new H Shares under the General Mandate on 11 June 2020. The total number of Shares increased from 11,302,143,001 to 11,617,732,201 Shares. Accordingly, the cash dividend payable for every 10 shares in 2019 has been adjusted from RMB10.45 to RMB10.166131 and the total cash dividend remains unchanged.

The actual cash dividend paid to A shareholders and securities investment fund investors of A shares on the basis of every 10 existing shares held was RMB10.166131. When a shareholder transfers his/her shares, China Securities Depository and Clearing Corporation Limited will, according to the Notice from the Ministry of Finance, the State Administration of Taxation and China Securities Regulatory Commission Regarding Policies of Implementation of Differential Individual Income Tax on Dividends of Listed Companies (Cai Shui [2015] No. 101), withhold the amount exceeding the tax amount already deducted and such amount will be paid by the Company on its behalf, in accordance with the actual tax amount to be paid by the shareholder, which is calculated based on the holding period of the shares. Shareholding period is determined in unit of securities account of shareholders. According to the first-in, first-out principle, a supplementary tax amount of RMB2.033226 is required to be paid for transferring every 10 shares held within 1 month (inclusive); a supplementary tax amount of RMB1.016613 is required to be paid for transferring every 10 shares held over 1 month and less than 1 year (inclusive); no supplementary tax is required to be paid for transferring shares held over 1 year.

An actual amount of RMB9.149518 cash dividend, after deducting a withholding income tax at a 10% rate, was paid to non-resident enterprise shareholders of A shares (including qualified foreign institutional investors and qualified foreign institutional investors of Renminbi) on the basis of every 10 existing shares held.

An actual amount of RMB9.149518 cash dividend, after deducting a withholding income tax at a 10% rate, was paid to the Hong Kong market investors holding the A shares of the Company through Shenzhen Hong Kong Stock Connect on the basis of every 10 existing shares held. For the Hong Kong market investors who are tax residents of other countries and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of lower than 10%, those enterprises and individuals may, by themselves or may entrust the Company to, apply to the competent tax authorities for the entitlement of the paid amount in excess of the tax payable based on the tax rate under such tax treaty. Upon approval by the tax authorities, the paid amount in excess of the tax payable based on the tax rate according to such tax treaty will be refunded.

For an individual shareholder of H shares who is a resident of a country or territory which has signed an dividend income tax treaty with the PRC, withholding income tax will be deducted at the relevant rate; for an individual shareholder who is a resident of a country or territory which has no dividend income tax treaty with the PRC, withholding income tax will be deducted at a 20% rate. The record date for A shares was 13 August 2020, and ex-dividend date was 14 August 2020, while the ex-dividend date of H shares was 14 August 2020, the record date for dividend distribution was 23 July 2020 and the date for dividend distribution was 14 August 2020. The exchange rate for H share's cash dividend was HK\$1 = RMB0.91046, being the median price of the exchange rate of Hong Kong dollars for Renminbi published by the People's Bank of China on the first working day (2 July 2020) after the approval of the dividend distribution proposal at the Company's 2019 annual general meeting.

(3) A general mandate to issue additional H shares of the Company

i. Authorization on 2018 annual general meeting

The 2018 annual general meeting approved the granting of a general mandate to the Board by a special resolution to authorise the Board to decide to, subject to market conditions and the needs of the Company, separately or concurrently issue, allot and/or deal with new H Shares not exceeding 20% of the amount of H shares in issue at the date of the approving of such mandate by the 2018 annual general meeting, with issuance price complying with requirements of Rule 13.36(5) of the SEHK Listing Rules and make or grant necessary or plausible necessary offers, agreements and options of placing H shares (including but not limited to options such as warrants, convertible bonds and other securities which carry rights to subscribe for or are convertible into H shares). The Twenty-fourth Meeting of the Eighteenth Session of the Board, by way of telecommunication, considered and approved the Resolution Regarding Matters Concerning Issue of Overseas-listed Foreign Share(s) (H Shares) under General Mandate and the Resolution Regarding Authorizing the Chairman of the Board to Handle Issues Related to the Issuance of Overseas Listed Foreign Shares (H Shares) under the General Mandate on 13 November 2019.

On 11 June 2020, an aggregate of 315,589,200 new H shares, representing approximately 16.67% and 2.72% respectively, of the total issued H shares and the total issued share capital of the Company after completion of the placing, have been successfully allotted and issued by the Company at the placing price of HK\$25.00 per H share to no less than six (6) places, who and whose ultimate beneficial owners are not connected persons (has the meaning ascribed to it under the SEHK Listing Rules) of the Company. The aggregate nominal value of the placing shares is RMB315,589,200.

The aggregate gross proceeds from the placing will be approximately HK\$7.89 billion. The net price (after deducting all applicable costs and expenses, including commission and legal fees) to be raised per H Share upon completion of the placing will be approximately HK\$24.92. The net proceeds from the placing will be used to repay the outstanding overseas debt financing of the Group, subject to the provisions of applicable laws, regulations and normative documents or other requirements of regulatory authorities on the use of proceeds and the net proceeds from the placing will not be used for the development of domestic residential properties. If certain overseas debt(s) is due or need to be repaid before the net proceeds from placing are fully received, the Company could repay such debt(s) with self-raised funds first, and then substituted by net proceeds from Placing after fully received.

As of November 2020, the net proceeds from the placing has been fully used for the repayment of outstanding overseas debt financing of the Group. The use of proceeds is in compliance with that disclosed by the Company. Due to the placing of H Shares, the total number of Shares of the Company increased to 11,617,732,201 Shares, among which, A Shares account for 9,724,196,533 Shares and H Shares account for 1,893,535,668 Shares. The placing of H Shares will further strengthen the financial position of the Company, while increasing the proportion and liquidity of the Company's H Shares.

ii. **Authorization on 2019 annual general meeting**

The 2019 annual general meeting approved the granting of a general mandate to the Board by a special resolution to authorise the Board to decide to, subject to market conditions and the needs of the Company, separately or concurrently issue, allot and/or deal with new H Shares not exceeding 20% of the amount of H shares in issue at the date of the approving of such mandate by the 2019 annual general meeting, with issuance price complying with requirements of Rule 13.36(5) of the SEHK Listing Rules and make or grant necessary or plausible necessary offers, agreements and options of placing H shares (including but not limited to options such as warrants, convertible bonds and other securities which carry rights to subscribe for or are convertible into H shares). The Third Meeting of the Nineteenth Session of the Board considered and approved the Resolution Regarding Matters Concerning formulation and Issue of Overseas-listed Foreign Share(s) (H Shares) under General Mandate and the Resolution Regarding Authorizing the Chairman of the Board to Handle Issues Related to the Issuance of Overseas Listed Foreign Shares (H Shares) under the General Mandate on 29 October 2020.



(4) Training of directors

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

KANG Dian, LIU Shuwei, NG Kar Ling, Johnny and ZHANG Yichen, the independent directors, participated in the Training for Independent Directors of Listed Companies organized by the Shenzhen Stock Exchange; XIE Dong and QUE Dongwu participated in a Series of Online Trainings for Chairman of Supervisory Committee organized by the Shenzhen Association of Listed Companies; ZHU Jiusheng, LI Qiangqiang, WANG Haiwu, KANG Dian, LIU Shuwei, NG Kar Ling, Johnny, ZHANG Yichen, LI Miao and QUE Dongwu participated in the Conference for Improving the Quality of Listed Companies organized by the Shenzhen Securities Regulatory Bureau; YU Liang and ZHU Jiusheng participated in the 2020 Chairman and General Manager Online Training organized by Shenzhen Association of Listed Companies.

In addition, the Directors of the Company inspected the Company's real estate development and new business projects located in various places; inspected a number of well-known companies in Shenzhen to study and exchange advanced experience in technology research and development, corporate culture and corporate governance.

(5) Independent Non-executive Directors

During the Reporting Period, there are four independent non-executive directors, each with a term of three years. Each independent non-executive Director has confirmed his/her independence through independence confirmation letter as required by Rule 3.13 of the SEHK Listing Rules with the Company, and the Company recognizes the independence of the independent non-executive Directors. In 2020, all independent Directors performed their duties with due diligence. Not only did they attend Board meetings and listen to the reports on matters relating to the Company, participate in discussion at specialised committees, and review documents of the Board, but also delivered independent opinion and constructive advice to the Company on aspects such as bonus and dividend distribution, external guarantee, derivatives investment, appointment of accounting firm, appointment of senior management, and internal control. During the Reporting Period, the chairman of the Board and the independent non-executive directors of the Company held 1 meeting without other directors present.

1. Attendance of Independent Non-Executive Directors of the Eighteenth Session of the Board at the Board meetings

Attendance of Independent Non-Executive Directors at the Board meetings					
Name of independent non-executive Directors	Number of attendance required in the Board meetings during the Reporting Period	Attendance in person	Attendance by proxy	Number of Absent	If not attend in person for consecutive two times
KANG Dian	6	5	1	0	No
LIU Shuwei	6	6	0	0	No
NG Kar Ling, Johnny	6	6	0	0	No
LI Qiang	6	6	0	0	No

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

Attendance of Independent Non-Executive Directors at the Board meetings					
Name of independent non-executive Directors	Number of attendance required in the Board meetings during the Reporting Period	Attendance in person	Attendance by proxy	Number of Absent	If not attend in person for consecutive two times
KANG Dian	4	3	1	0	No
LIU Shuwei	4	4	0	0	No
NG Kar Ling, Johnny	4	4	0	0	No
ZHANG Yichen	4	4	0	0	No

3. Issues being disagreed by the Independent Non-executive Directors with the Company

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

(6) Specialized committees of the Board

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

The term of office of each of the Specialised Committees of the Eighteenth Session of the Board expired on 30 June 2020. Each of the Specialised Committees of the Nineteenth Session of the Board is formed on 30 June 2020.

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

Name	Position	Audit Committee Meeting	Remuneration and Nomination Committee Meeting	Investment and Decision-making Committee Meeting
KANG Dian	Convener of Remuneration and Nomination Committee	-	4	-
LIU Shuwei	Member of Audit Committee	3	-	-
NG Kar Ling, Johnny	Convener of Audit Committee, Member of Remuneration and Nomination Committee	3	4	-
LI Qiang	Convener of Investment and Decision-making Committee	-	-	2
LIN Maode	Member of Remuneration and Nomination Committee	-	4	-
CHEN Xianjun	Member of Audit Committee Member	3	-	-
SUN Shengdian	Member of Investment and Decision-making Committee	-	-	2
ZHANG Xu	Member of Investment and Decision-making Committee	-	-	2

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

Name	Position	Audit Committee Meeting	Remuneration and Nomination Committee Meeting	Investment and Decision-making Committee Meeting
KANG Dian	Convener of Remuneration and Nomination Committee	–	2	–
LIU Shuwei	Member of Audit Committee	3	–	–
NG Kar Ling, Johnny	Convener of Audit Committee, Member of Remuneration and Nomination Committee	3	2	–
LI QiangQiang	Member of Audit Committee	3	–	–
XIN Jie	Member of Investment and Decision-making Committee	–	–	1
HU Guobin	Member of Remuneration and Nomination Committee	–	2	–
ZHANG Yichen	Convener of Investment and Decision-making Committee	–	–	1
WANG Haiwu	Member of Investment and Decision-making Committee	–	–	1

1. Audit Committee

The Audit Committee is responsible for auditing the Company's financial information, reviewing the internal control and coordinating the communication, supervising and inspecting of the Company's internal and external audit, and inspecting and evaluating the Company's risk management system.

The Audit Committee of the Eighteenth Session of the Board consists of Ng Kar Ling, Johnny (serving as convener) and Liu Shuwei, both being independent non-executive Directors, and Chen Xianjun, being a non-executive Director. Its term of office have expired on 30 June 2020.

The Audit Committee of the Nineteenth Session of the Board is formed on 30 June 2020, and consists of Ng Kar Ling, Johnny (serving as convener) and Liu Shuwei, both being independent non-executive Directors, and LI Qiangqiang, being a non-executive Director



During the Reporting Period, the Audit Committee convened 6 committee meetings in accordance with the provisions of the Articles of Association and Implementing Regulations of the Audit Committee of the Board and reviewed and discussed matters including the arrangement of annual audit, regular financial reporting, profit distribution plan, internal control, engagement of certified public accountants, economic profit bonus for the year, implementation of new accounting standards, and provision on and write-off inventory falling price reserves.

The Audit Committee reviewed the Company's annual financial statements for the year ended 31 December 2019, the first quarterly financial statements for the three months ended 31 March 2020, the interim financial statements for the six months ended 30 June 2020 and the third quarterly financial statements for the nine months ended 30 September 2020. Furthermore, the Audit Committee convened a meeting to review the unaudited financial report for the year 2020 and agreed to deliver it to the auditor for auditing. The Audit Committee also reviewed the audited financial report for the year ended 31 December 2020, and made recommendations to the Board for their consideration.

Meeting Time	Matter
6 March 2020	Listening to the Report on the Progress of the Preparation of 2019 Annual Financial Statements (draft)
	Listening to the Auditor Report on the Progress of the Audit Work of 2019 Annual Financial Statements (draft)
	Considering the 2019 Financial Report (draft) and Submitting Them to the Auditor for Audit
	Listening to the Internal Control Self-evaluation Reports for the Year 2019
	Listening to the Reports on the Internal Audit Work for the Year 2019

Meeting Time	Matter
16 March 2020	<p>Consideration for the Audited Annual Financial Statements for the Year 2019</p> <p>Consideration for the Resolution in relation to the Appropriation and Write-off of the Provision for Impairment in Asset Value for the Year 2019</p> <p>Consideration for the Resolution Regarding Profit Distribution for the Year 2019</p> <p>Consideration for the Resolution Regarding Confirmation of Economic Profit Bonus for the Year 2019</p> <p>Hear the Special Explanations and Independent Opinions of Independent Directors on the Capital Occupation and External Guarantees of Related Parties of the Company for the Year 2019</p> <p>Hear the Risk Management Report for the Year 2019</p>
27 April 2020	Consideration for 2020 First Quarterly Reports and Financial Statements
30 June 2020	Consideration for the Resolution Regarding the Election of Convener of Audit Committee
24 August 2020	<p>Hear the Interim Financial and Operation Report for the Year 2020</p> <p>Consideration for 2020 Interim Report, its Summary and Financial Statement, and Results Announcement</p> <p>Consideration for the Resolution Regarding no Distribution of Dividend nor Capitalisation of Equity Reserve for the 2020 Interim Period</p>
29 October 2020	<p>Hear the 2020 Third Quarterly Financial and Operation Report</p> <p>Consideration for 2020 Third Quarterly Reports and Financial Statements</p>



2. Remuneration and Nomination Committee

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

The Remuneration and Nomination Committee of the Eighteenth Session of the Board consists of Kang Dian (serving as convener) and Ng Kar Ling, Johnny, both being Independent Non-executive Directors and Lin Maode, a Non-executive Director. Its term of office have expired on 30 June 2020.

The Remuneration and Nomination Committee of the Nineteenth Session of the Board is formed on 30 June 2020, it consists of Kang Dian (serving as convener) and Ng Kar Ling, Johnny, both being Independent Non-executive Directors and Hu Guobin, a Non-executive Director.

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

During the Reporting Period, the Remuneration and Nomination Committee convened 6 committee meetings in accordance with the provisions of the Articles of Association and Implementing Regulations of the Nomination and Remuneration Committee of the Board and considered and reviewed matters including the economic profit bonus for senior management, economic profit bonus, the bonus scheme, the election to change session of the Board, the election of convener and appointment of senior management.

Meeting Time	Matter
18 January 2020	Resolution Regarding the Confirmation of the Company's 2019 Final Remuneration Package for Directors and Senior Management
16 March 2020	Resolution Regarding the 2019 Annual Economic Profit Bonus Resolution Regarding Deducting the Annual Appraisal Scores of certain Reward Targets Resolution Regarding Upgrade and Define the Principles of Annual Bonus Arrangement for year 2020-2022 Resolution Regarding Appointment of Ms. HAN Huihua as Executive Vice President and Finance Principal Notification on the Redemption of Annual Appraisal Scores for 2016 Annual Economic Profit Bonus
6 April 2020	Resolution Regarding Appointment of Mr. WANG Haiwu as Executive Vice President and Chief Operation Officer
14 May 2020	Resolution Regarding Re-election of the Board of Directors and Election of Non-independent Directors Resolution Regarding Re-election of the Board of Directors and Election of Independent Directors
30 June 2020	Resolution Regarding Election of Convener of the Remuneration and Nomination Committee Resolution Regarding Re-appointment of Senior Management
29 December 2020	Resolution Regarding Confirming the Amount of Chairman's 2019 Annual Economic Profit Bonus Notification on the Distribution Plan of Other Beneficiaries for the 2019 Annual Economic Profit Bonus

3. Investment and Decision-making Committee

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

The Investment and Decision-making Committee of the Eighteenth Session of the Board consists of Li Qiang (serving as convener), an Independent Non-executive Director, Sun Shengdian, a Non-executive Director and Zhang Xu, an Executive Director, the term of office of Li Qiang has expired on 30 June 2020.

The Investment and Decision-making Committee of the Nineteenth Session of the Board is formed on 30 June 2020, it consists of ZHANG Yichen (serving as convener), an independent non-executive director, XIN Jie, a non-executive director and WANG Haiwu, an executive director.

During the Reporting Period, the Investment and Decision-making Committee held 3 meetings, the convention of the meetings are in compliance with the provisions of the Articles of Association and Implementing Regulations of the Nomination and Remuneration Committee of the Board and discussed and reviewed the resolutions regarding co-investment system and election of conveners of committees.

Meeting Time	Matter
16 March 2020	Resolution Regarding Revision on Co-investment System Hear to Vanke's 2019 Investment Status Report
15 May 2020	Resolution Regarding Supplementing and Improving the Co-Investment Mechanism for Complicated Projects and Non-development Business Reporting on the Progress of the Introduction of investors into the Guangxin Asset Package
30 June 2020	Resolution Regarding Election of Conveners of the Investment and Decision-making Committee

8.6 Supervisory Committee

As of 31 December 2020, the tenth session of the Supervisory Committee consisted of three members, namely Mr. XIE Dong as the chairman of Supervisory Committee, Mr. LI Miao as a member of Supervisory Committee, and Ms. QUE Dongwu as a member of Supervisory Committee in the capacity as a representative of staff. The biographies of the supervisors are detailed in “Section 7 – Directors, Members of Supervisory Committee, Senior Management and Employees”. Mr. XIE Dong and Mr. LI Miao were elected as the supervisor of the tenth session of the Supervisory Committee at the annual general meeting of 2019, and Ms. QUE Dongwu was elected as the Staff Representative Supervisor at the staff representative meeting of the Company. The term of office of the Tenth Session of the Supervisory Committee is three years, commencing from the date of the annual general meeting of 2019.

The Ninth Session of Supervisory Committee consisted of three members, namely Mr. XIE Dong as the chairman of Supervisory Committee, Ms. ZHENG Ying as a member of Supervisory Committee, and Mr. ZHOU Qingping as a member of Supervisory Committee in the capacity as a representative of staff. Its term of office have expired on 30 June 2020.

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

The main functions and powers of the Supervisory Committee include signing written assessment opinions on the Company’s periodic reports, checking the Company’s finances, and supervising the behavior of directors and senior management in performing company duties. For details of the performance of the Supervisory Committee in 2019, please refer to “Section 9 – Report of Supervisory Committee”.



8.7 Compliance with the Corporate Governance Code by the Company

(1) Corporate Governance Functions

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

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

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

(2) Chairman, President and Chief Executive Officer

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

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

8.8 Securities Transactions of Directors and Supervisors

The Company established rules like Inside Information and Informer Management System and Rules Trading Securities by Employees of the Company. The requirements of the relevant internal rules of the Company are no less strict than the standards set out in the Model Code for Securities Transactions by Directors of Listed Issuers under Appendix 10 to the SEHK Listing Rules (“Model Code”). During the Reporting Period, the Directors and Supervisors did not deal in the shares of the Company. After specified inquiries to the Directors and Supervisors, the Company confirmed that the Directors and Supervisors complied with relevant internal regulations of the Company and the Model Code, and did not conduct any securities transactions in breach of the Model Code.

8.9 Directors and Supervisors’ Interests in Contracts

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

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

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

8.11 Relevant Information on Senior Management

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

(I) Composition of remuneration

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

1. **Fixed salaries.** All staff receive fixed salaries. The amount of a fixed salary is determined according to the importance of the position to the Company and the basic life needs of the staff. The higher the position hold, the smaller proportion the fixed salary will be in the total remuneration that goes with that position.
2. **Annual bonus.** The annual bonus is accrued based on the realization of the annual profit, and is distributed according to the net profit, sales revenue and event partnership, etc. The “Resolution on Principles of Annual Bonus Arrangement for Year 2020-2022” was considered and approved by the Company at the twenty-seventh meeting of the eighteenth session of the Board, defined the principles of annual bonus arrangement for the year 2020-2022.



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

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

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

(II) Appropriation for economic profit bonus for 2019

The total amount of economic profit bonus of the Company in 2019 was RMB1.9997 billion.

The Proposal on Adjustment of the Remuneration Scheme of Directors and Supervisors of the Company was approved on the first extraordinary general meeting of 2018, which specified that the distribution proportion of economic profit bonus for allocation to the Chairman of the Board is set at 1.8% to 2.2% of the annual economic bonus of the Company, and the specific proportion shall be determined by the Remuneration and Nomination Committee under the Board on an annual basis. Accordingly, confirmed in the second meeting of the Remuneration and Nomination Committee under the Nineteenth Session of the Board, the economic profit bonus amount of 2019 obtained by the Company's directors, supervisors and senior management is as follows:

Name	Position	Economic profit bonus amount of 2019 distributed after tax (RMB)
YU Liang	Chairman of the Board	22,181,090
ZHU Jiusheng	President and Chief Executive Officer	13,453,965
XIE Dong	Chairman of Supervisory Committee and Chairman of the Labor Union	10,159,795
WANG Haiwu	Executive Vice President and Chief Operation Officer	15,153,300
HAN Huihua	Executive Vice President and Financial Principal	3,759,170
ZHU Xu	Secretary to the Board	7,223,070
QUE Dongwu	Staff Representative Supervisor	6,090,180
Total		78,020,570

(III) Appropriation for Economic Profit Bonus for 2020

On 30 March 2021, the total amount of economic profit bonus of the Company in 2020 was confirmed as RMB1.905 billion on the Sixth Meeting of the Nineteenth Session of the Board. The economic profit bonus of 2020 is proposed to be distributed after the annual general meeting of 2020, and the details of distribution to directors, supervisors and senior management will be disclosed in the annual report of 2021.



(IV) Shares of the Company held by “collective bonus” of economic profit bonus

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

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

(2) Company secretary

The Company Secretary is Ms. Zhu Xu. Ms. Zhu Xu owns the qualification of a member of the Hong Kong Institute of Chartered Secretaries and meets the requirements under Rule 3.28 of the Listing Rules. At the same time, the Company has appointed Ms. Yip Hoi Man (who works in Hong Kong) as Assistant Company Secretary to assist Ms. Zhu Xu, Ms. Yip Hoi Man also meets the requirements under Rule 3.28 of the SEHK Listing Rules. In 2020, both Ms. Zhu Xu and Ms. Yip Hoi Man have received over 15 hours of relevant profession trainings according to the requirements in Rule 3.29 of the SEHK Listing Rules.

8.12 Internal Control and Risk Management

In 2020, the risk identification, monitoring, prevention and other functions of the Company at the Board level and internal management level were further improved and strengthened. The Board delegated the audit committee to assess and determine the Company’s maximum exposure to risks in achieving its strategic objectives and the nature of such risks, and examine and assess the effectiveness of implementation of the risk management system established by the Company. The headquarter was responsible for the identification, prevention and control of risks at company level, gradually established the risk management function in business groups/units and front-line companies, and conducted risk identification and assessment.

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

The Company conducts self-assessment of internal control on an annual basis. The time range of assessment in 2020 was from 1 January 2020 to 31 December 2020, and the scope of assessment included internal environment, risk assessment and control activities, information and communication and internal supervision. Independent assessment on the design, efficiency and effectiveness of the Company's internal control was also conducted through risk inspection, internal audit and inspection by Supervisors, and the internal control audit report was issued by KPMG Huazhen LLP.

The Board is of the view that there is no major defect in the Company's established internal control system in terms of completeness, compliance, effectiveness and other respects. In 2020, the Company maintained effective internal control of financial reporting, and was not aware of any major defect in the internal control of non-financial reporting matters.

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

The internal control and risk management system of the Group aims to manage rather than eliminate the risk of failure to achieve business objectives, and can only reasonably but not absolutely guarantee that there will be no material misrepresentation or loss.

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

(I) Environment risk

The industry in which the Company operates is closely related to the macro-economy and people's livelihood. In 2020, domestic and foreign risk challenges have risen significantly. Economic structural, institutional and cyclical issues intersected and increased the downward pressure on growth. Some of the traditional factors which have contributed to economic growth over a long period of time, such as demographic dividends, capital investment and export mobility, have all shown signs of fatigue. At the same time, the COVID-19 pandemic in early 2020 seriously affected the normal operation of various industries, and the real estate market was particularly affected.

In order to better respond to the opportunities and challenges from the changes in economy environment and policies, the Company carried out in-depth study on the macro-economy policy direction and dynamics, proposed to "Concentration and focus, consolidate and improve the fundamentals", adhered to the long-term operation guidelines of "Customer-oriented, cash flowbased, striving with partners, continuously creating more realistic values and achieving quality development". The Company focused on the fundamentals business with solid market demand and clear business prospects, won customers with "good housing, good services and good community", strengthened cash flow management and further enhanced the Company's ability to cope with market uncertainties.



(II) Project development risk

During the development process of different property types and large-scale projects, it is challenging to strictly adhere to life safety and the bottom line of quality, achieve the target of project development on schedule with good quality and strict cost control in a safe manner. Delay in supply of construction materials, unskilled construction workers, lack of labor, labor disputes, safety accidents, natural disasters, adverse weather and other factors, may bring risks such as construction progress, project cost, housing quality and customers satisfaction; meanwhile, there is still uncertainty in the COVID-19 pandemic, which under normalized pandemic prevention and control, may lead to the risk that the project may not be properly delivered, and thus affecting the results of operation and reputation of the Company.

The Company has established various systems for management of quality, progress, safety, material and cost of project development. Project management staff of business groups and frontline companies monitoring project progress, construction quality and work site on a timely basis. It conducted strict assessment on suppliers and implemented stringent control on construction changes, improved construction safety protection measures and set specific assessment indicators. In addition, provided that the construction safety is ensured, the Company also improved the quality and efficiency of management by enhancing the technological level of project management, launching intelligent construction site, committing to process improvement and continuously promoting the wide application of industrialized and intelligence construction system and building information model. Under the business idea of “Centering on Customers”, the Company actively conducted customer satisfaction research and follow-up so as to timely respond to demands of customers. The Company created and continuously improved online customer service platforms in order to enhance products and services through online services.

(III) New business risk

Based on the development strategy of being an “city and town development and services provider”, the Company strives to achieve mutual growth with the city and its customers. It gradually enriched its product and service system in accordance with the changes in customer demands. New businesses such as rental housing, commercial development and operation, logistic & warehousing service, skiing resorts, education, food and elderly care continued to develop, while many of them have established independent BU to operate in order to fully serve the new requirements of “better life” as a “solution provider of better life”.

In the Internet era, the business environment in which new businesses are located is changing, customer habits still need to be cultivated, and standard business models need to be explored. Therefore, how to improve the business development model of new business and how to effectively improve the efficiency of capital utilization, the level of new business returns and customer satisfaction are still important challenges faced by the Company. Under the long-term operation guidelines, the Company focuses on the overall strategy to develop and invest in new businesses based on cultivating business models and strengthening business service capabilities. Through a three-year business plan, the Company clearly sets out the development direction and core of capacity building of new businesses, sets periodic development goals for new businesses at different development stages. Systematically monitoring and evaluating the development quality and taking corresponding management measures. Providing organizational resources support for new businesses and strengthening their operational capabilities through the establishment of a business partner mechanism. During the period, the Company proactively to explore and continued to accumulate various types of new business operation experience, strengthened the communication and coordination among various businesses, and promoted the continuous improvement of the overall operation standard.

(IV) Human resources risk

In the face of the challenge of strategic breakthroughs, the insufficient openness of existing organizations and lack of expansion of talent acquisition, especially the lack of leading talents are the important issue. On one hand, the management should reach a consensus and find a breakthrough solution on how to make breakthroughs in the inertial thinking and path reliance in connection with hunting and utilization of personnel, accurately identify the required ability puzzles to complete tasks, and how to attract the most suitable and excellent personnel to join the Company by providing them with platforms to fulfill their potential and utilizing the Company's career, culture and mechanism advantages facing the whole society and industry. On the other hand, in the context of the increasing size, demographic distribution and enhancing complexity of different businesses, and the adjustment of strategy will be faster than before, and the response speed of the organization configuration lagging behind the needs of the business development.

In 2020, the Company continued to promote the reconstruction of the organization and the matching of talents. On the one hand, it conducted annual reviews on the structure, mechanism and ability to re-position all partners of the Group in terms of their duties, ranks and salary levels. On the other hand, it implemented a broadened manpower strategy to introduce internal and external leading personnel, so as to increase their head power. It also built up the personnel training and development mechanism to support the continuous growth and development of employees in Vanke.



(V) Compliance risk

The Company's operation is subject to a wide range of policies and regulations, including the company ordinance of the region where it locates, financial and taxation regulations, regulations in relation to property sales and construction and listing rules of Hong Kong and mainland China etc., and the requirements and changes of laws, regulations and policies may also affect the Company. In 2020, the Company actively complied with laws, regulations and policies, and continuously improved its knowledge and management awareness of compliance requirements.

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

(VI) Data security risk

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

The Company continues to carry out information construction work, covering various core businesses, various control processes and sections, consolidating data security link between various systems through integration to guarantee the security of data in the process of collection, storage, transmission, processing and usage. At the same time, the Company actively promotes the planning, design, and implementation of information security work, passes the information security standard certification and national security level protection certification every year to ensure the continuous and effective operation of the Company's information security management system, formulates and implements information security management systems and security principles, regulating the activities of internal and external transmission of management information, and strengthening the security protection of customers' personal sensitive information to prevent malicious intrusion from outside, reducing information security risks, and protecting the company's information systems and information assets.

(VII) Corruption risk

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

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

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

8.13 Audit

1) Appointment and remuneration of auditors

Please refer to “Appointment of certified public accountants” in Section 5 “Significant Events”.

2) Confirmations by Directors and auditors

All Directors of the Company confirmed their responsibilities for the preparation of consolidated financial statements for the year ended 31 December 2020. KPMG, the auditor of the Company, confirmed its auditor’s responsibilities for the audit of the consolidated financial statements in the Independent Auditor’s Report of the financial statements for the year ended 31 December 2020.

In 2020, the Supervisory Committee of the Company stood firmly on the Company's culture and values, diligently performed their duties and safeguarded the interests of the Company, its shareholders and employees, in accordance with the requirements of Company Law and Articles of Association.

The main duties of the Supervisory Committee for the year 2020 were presented as follows:

9.1 Convention of Meetings

In 2020, a total of 6 meetings were held by the Supervisory Committee, review and approved 21 resolutions. The details of the meetings and resolutions were as follows:

(1) The Thirteenth Meeting of the Ninth Session of the Supervisory Committee

The Thirteenth Meeting of the Ninth Session of the Supervisory Committee was held on 17 March 2020. The meeting considered and approved the following resolutions:

No.	Issues for consideration and approval
1	The 2019 Annual Report and its Summary
2	The Audited Financial Report for the Year 2019
3	The Report of the Supervisory Committee of the Company for the Year 2019
4	The Company's Major Tasks for the Year 2020
5	The Resolution in relation to the Appropriation and Write-off of the Provision for Impairment in Value for the Year 2019
6	The Proposal on Profit Distribution for the Year 2019
7	The Internal Control Assessment Report for the Year 2019
8	The Resolution in relation to the Reappointment of Certified Public Accountants for the Year 2020
9	The Resolution Regarding Confirmation of Economic Profit Bonus for the Year 2019
10	The Corporate Social Responsibility Report for the Year 2019
11	The Resolution Regarding Proposal to the General Meeting for Re-authorisation of Financial Assistance by the Company and majority-owned subsidiaries to Third Parties
12	The Resolution Regarding Proposal to the General Meeting for Authorisation of Providing Guarantee to the Company and majority-owned subsidiaries
13	The Resolution Regarding Upgrade and Define Principles of Annual Bonus Principal for Year 2020-2022
14	The Resolution Regarding Revision on Co-investment System

(2) The Fourteenth Meeting of the Ninth Session of the Supervisory Committee

The Fourteenth Meeting of the Ninth Session of the Supervisory Committee was held on 27 April 2020. The meeting considered and approved the following resolutions:

No.	Issues
1	2020 First Quarterly Report and the Financial Statement

(3) The Fifteenth Meeting of the Ninth Session of the Supervisory Committee

The Company submitted to the Fifteenth Meeting of the Ninth Session of the Supervisory Committee on 15 May 2020, which considered and approved the following resolutions.

No.	Issues
1	The Resolution Regarding Change of Session of the Supervisory Committee and Election of Non-staff representative supervisors
2	The Resolution Regarding Proposed Amendments to the Procedural Rules for the Supervisory Committee

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

The First Meeting of the Tenth Session of the Supervisory Committee was held on 30 June 2020. The meeting considered and approved the following resolutions:

No.	Issues
1	The Resolution Regarding the Election of Chairman of the Tenth Session of the Supervisory Committee

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

The Second Meeting of the Tenth Session of the Supervisory Committee was held on 27 August 2020. The meeting considered and approved the following resolutions:

No.	Issues
1	2020 Interim Report, its Summary and Financial Statement, and Results Announcement
2	The Resolution Regarding No Distribution of Dividend nor Capitalisation of Equity Reserve for the 2020 Interim Period

(6) The Third Meeting of the Tenth Session of the Supervisory Committee

The Third Meeting of the Tenth Session of the Supervisory Committee was held on 29 October 2020. The meeting considered and approved the following resolutions:

No.	Issues
1	2020 Third Quarterly Reports and Financial Statements



9.2 Performance of Duties by Members of the Supervisory Committee

During the Reporting Period, all the 6 meetings were held by the Supervisory Committee according to the Articles of Association, and all members of the Supervisory Committee who have the right to participate attended the meetings in person. Besides, all members of the Supervisory Committee presented at on-site board meetings, when partial members presented at general meeting of the Company, and none of them objected items under their supervision.

9.3 Inspection Tours

In 2020, the Supervisory Committee of the Company carried out more inspecting and visiting work on each BG and BU. Through on-site inspection, meetings and seminars, trainings, audit and investigations, the committee inspected and supervised the operation management, risk management, internal control, the management's performance of duties, protection of shareholders' and employees' interest of the BG and BU. It covered financial, investment, marketing, fund-raising, construction cost and other aspects. The committee supervised relevant personnel to diligently perform their duties, control risks and fine-tune their internal control systems, to prevent professional ethics risk.

9.4 Independent Opinions on Certain Issues of the Company

(1) Statutory compliance

In 2020, members of the Supervisory Committee continued to supervise the Company's operations through presenting at Board meetings, operation decision meetings, reviewing reports on special projects, on-site inspection and meeting with staff. The Supervisory Committee is of the view that the decision-making procedures of the general meeting and the board meeting are lawful and that the Board and the management team of the Company have faithfully fulfilled the resolutions at the general meeting in compliance with the relevant laws, regulations and the Articles of Association, and no actions in violation of laws, regulations and Articles of Association or damage the interest of the Company have been found when directors and senior management discharging the Company's duties.

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

(2) Financial monitoring

In 2020, the Supervisory Committee continued to review the Company's financial situation through the review of financial reports and inspection tours, and monitored the Company's operation and its risks. The Supervisory Committee also provided assessment opinions to each regular report and was of the opinion that the procedures for the preparation and review of regular reports by the Board of the Company were in line with laws, administrative regulations and the provisions of the CSRC, and the contents of the reports reflected the actual situation of the Company in a true, accurate and complete manner, without any false records, misleading statements or major omissions.

(3) Assessment Report on Internal Control

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

(4) Proposed Change of Session Election of the Supervisory Committee

In accordance with the regulations of the Articles of Association and etc., the Supervisory Committee resolved to nominate LI Miao and XIE Dong (in alphabetical order of last name) as candidates for non-staff representative supervisor of the tenth session of the Supervisory Committee, and submitted to the 2019 annual general meeting for consideration and approval, subsequently, XIE Dong is elected as the chairman of the tenth session of the Supervisory Committee.

(5) Proposed Amendments to the Procedural Rules for the Supervisory Committee

In accordance with related laws and regulations, the Supervisory Committee proposed amendments to the Procedural Rules for the Supervisory Committee, and submitted to the 2019 annual general meeting for consideration and approval.

In 2021, the Supervisory Committee of the Company will continue to fulfil their duties, faithfully and diligently perform their supervisory duties and safeguard the interest of the Company, its shareholders and employees, surrounding the overall operational objectives and key tasks of the Company and in accordance with the provisions of Company Law, Securities Law, Articles of Association and the listing rules.



10.1 Basic Information of Corporate Bonds

Name of bonds	Abbreviation of bonds	Code of bonds	Issue Date	Due Date	Balance of bonds (RMB'0000)	Interest rate	The way of repay capital with interest
China Vanke Co., Ltd. corporate bonds in 2017 (first tranche)	17 Vanke 01	112546	14 July 2017 to 18 July 2017	18 July 2022	1,907.75	1.90%	The bonds pay a simple interest on an annual basis, instead of a compound interest. Interest is paid annually and the principal will be returned on the due date, while the last interest payment will be paid together with the principal amount.
China Vanke Co., Ltd. 2018 corporate bonds specialized in rental housing to qualified investors in public (first tranche)	18 Vanke 01	112742	8 August 2018 to 9 August 2018	9 August 2023	150,000	4.05%	
China Vanke Co., Ltd. 2018 corporate bonds specialized in rental housing to qualified investors in public (second tranche)	18 Vanke 02	112784	26 October 2018 to 29 October 2018	29 October 2023	200,000	4.18%	
China Vanke Co., Ltd. 2019 corporate bonds specialized in rental housing to qualified investors in public (first tranche)	19 Vanke 01	112844	25 February 2019 to 26 February 2019	26 February 2024	200,000	3.65%	
China Vanke Co., Ltd. 2019 corporate bonds specialized in rental housing to qualified investors in public (second tranche)	19 Vanke 02	112976	25 September 2019 to 26 September 2019	26 September 2024	250,000	3.55%	
China Vanke Co., Ltd. 2020 corporate bonds to qualified investors in public (first tranche) (variety I)	20 Vanke 01	149056	13 March 2020 to 16 March 2020	16 March 2025	150,000	3.02%	
China Vanke Co., Ltd. 2020 corporate bonds to qualified investors in public (first tranche) (variety II)	20 Vanke 02	149057	13 March 2020 to 16 March 2020	16 March 2027	100,000	3.42%	
China Vanke Co., Ltd. 2020 corporate bonds to qualified investors in public (second tranche) (variety I)	20 Vanke 03	149123	18 May 2020 to 19 May 2020	19 May 2025	100,000	2.56%	

Information on Corporate Bonds

Name of bonds	Abbreviation of bonds	Code of bonds	Issue Date	Due Date	Balance of bonds (RMB'0000)	Interest rate	The way of repay capital with interest
China Vanke Co., Ltd. 2020 corporate bonds to qualified investors in public (second tranche) (variety II)	20 Vanke 04	149124	18 May 2020 to 19 May 2020	19 May 2027	150,000	3.45%	
China Vanke Co., Ltd. 2020 corporate bonds to qualified investors in public (third tranche) (variety I)	20 Vanke 05	149141	18 June 2020 to 19 June 2020	19 June 2025	80,000	3.20%	The bonds pay a simple interest on an annual basis, instead of a compound interest. Interest is paid annually and the principal will be returned on the due date, while the last interest payment will be paid together with the principal amount.
China Vanke Co., Ltd. 2020 corporate bonds to qualified investors in public (third tranche) (variety II)	20 Vanke 06	149142	18 June 2020 to 19 June 2020	19 June 2027	120,000	3.90%	
China Vanke Co., Ltd. 2020 corporate bonds to qualified investors in public (fourth tranche) (variety I)	20 Vanke 07	149296	12 November 2020 to 13 November 2020	13 November 2025	38,100	3.50%	
China Vanke Co., Ltd. 2020 corporate bonds to qualified investors in public (fourth tranche) (variety II)	20 Vanke 08	149297	12 November 2020 to 13 November 2020	13 November 2027	160,000	4.11%	
China Vanke Co., Ltd. 2021 corporate bonds specialized in rental housing to qualified investors in public (first tranche) (variety I)	21 Vanke 01	149357	21 January 2021 to 22 January 2021	22 January 2024	190,000	3.38%	
China Vanke Co., Ltd. 2021 corporate bonds specialized in rental housing to qualified investors in public (first tranche) (variety II)	21 Vanke 02	149358	21 January 2021 to 22 January 2021	22 January 2028	110,000	3.98%	
Trading floor of corporate bonds for listing and trading	SZSE						
Qualified investors arrangement	The bond is in compliance with Administrative Measures for the Issuance and Trading of Corporate Bonds (《公司债券發行與交易管理辦法》) and are issued publicly to qualified investors having a qualified account of A share securities in the Shenzhen branch of the China Securities Depository and Clearing Corporation Limited.						
Payment of interest and the principal amount of the corporate bonds during the Reporting Period	Interest is paid in full on time.						
Implementation of the special terms including the embedded options attached to the bonds given to the issuer or investors or exchangeable terms of the bonds during the Reporting Period (if applicable).	21 Vanke 01 was attached with the issuer's call option at the end of the second year, coupon adjustment option and investors' put option. 18 Vanke 01, 18 Vanke 02, 19 Vanke 01 and 19 Vanke 02 were all attached with the coupon adjustment option and investors' put option at the end of the third year. 20 Vanke 03, 20 Vanke 05 and 20 Vanke 07 were all attached with the issuer's call option, coupon adjustment option and investors' put option at the end of the third year. 20 Vanke 02, 20 Vanke 04, 20 Vanke 06, 20 Vanke 08 and 21 Vanke 02 were all attached with the issuer's call option, coupon adjustment option and investors' put option at the end of the fifth year. During the Reporting Period, none of the options were exercised. 17 Vanke 01 exercised adjustment option and investor's put option during the Reporting Period.						

Note: In order to adjust the term structure of liability and reduce financial cost, as considered and approved at the fifth meeting of the nineteenth session of the Board of the Company, the Company bought back part of its existing bonds "17 Vanke 01", "18 Vanke 01" and "18 Vanke 02".



10.2 Bond Trustee and Credit Rating Institution

Bond trustee:

Name	CITIC Securities Co., Ltd.	Business address	Zhuoyue Time Square (Phase 2) North Tower, Zhongxin 3rd Rd No. 8, Futian, Shenzhen, Guangdong Province	Contact	Chen Xiaodong, Wang Yanjun	Contact Tel	010-60837028
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Credit rating institution which rate for the Company during the Reporting Period:

Name:	China Chengxin International Credit Rating Co., Ltd.	Business address:	Galaxy SOHO Tower 6, No. 2 Nanzhugan Hutong, Chaoyangmen Inner Street, Dongcheng District, Beijing
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During the Reporting Period, the changes in bond trustee and credit rating agencies appointed by the Company, the reasons of changes, the procedures performed and the impacts on the interest of investors (if applicable) N/A

10.3 Use of Proceeds from Corporate Bonds

Use of proceeds from corporate bonds and its compliance	The Company's use of proceeds strictly complies with the relevant regulations and requirements under the agreement of the prospectus for the issuance of the bonds, the Administrative Measures for the Issuance and Trading of Corporate Bonds (《公司債券發行與交易管理辦法》), and the Rules Governing the Listing of Bonds on the Shenzhen Stock Exchange (《深圳證券交易所債券上市規則》). The disclosed information relating to the Company's use of proceeds from corporate bonds were true, accurate, complete, and provided in a timely manner and there were no violations regarding the use and management of proceeds.
The remaining balance at the end of the Year (RMB'0000)	As of 31 December 2020, the fund raised was used as required.
The operating condition of the special account for the proceeds	The Company deposited the proceeds in the special account, performed strict internal approval procedures to the use of proceeds, to ensure its designated use.
Whether the use of proceeds is in compliance with the use, plan and other undertakings made in the prospectus	The use of proceeds from the corporate bonds was in compliance with the undertakings made in the prospectus.



10.4 Credit Rating of Corporate Bonds

During and after the Reporting Period, China Cheng Xin International Credit Rating Co. Ltd. (“China Cheng Xin International”) assigned rating to the corporate bonds within the duration of the Company, with corresponding credit rating reports disclosed on the CNINFO Network (www.cninfo.com.cn). Details are as follows:

Abbreviation of bonds	Credit rating of the Company	Rating outlook of the Company	Credit rating of corporate bonds	Credit rating notice	Latest rating tracking date	Report disclosure date
15 Vanke 01	AAA	Stable	AAA			
17 Vanke 01	AAA	Stable	AAA	Xin Ping Wei Han Zi [2020] Gen Zong No. 0109	23 April 2020	25 April 2020
17 Vanke 02	AAA	Stable	AAA			
18 Vanke 01	AAA	Stable	AAA			
18 Vanke 02	AAA	Stable	AAA	Xin Ping Wei Han Zi [2020] Gen Zong No.0106	23 April 2020	25 April 2020
19 Vanke 01	AAA	Stable	AAA			
19 Vanke 02	AAA	Stable	AAA			
20 Vanke 01	AAA	Stable	AAA			
20 Vanke 02	AAA	Stable	AAA	Xin Ping Wei Han Zi [2020] Gen Zong No. 0108	23 April 2020	25 April 2020
20 Vanke 03, 20 Vanke 04	AAA	Stable	AAA	Xin Ping Wei Han Zi [2020] No. 1357	29 April 2020	14 May 2020
20 Vanke 05, 20 Vanke 06	AAA	Stable	AAA	Xin Ping Wei Han Zi [2020] No. 1724D	29 May 2020	16 June 2020
20 Vanke 07, 20 Vanke 08	AAA	Stable	AAA	Xin Ping Wei Han Zi [2020] No. 2326D	3 November 2020	10 November 2020
21 Vanke 01, 21 Vanke 02	AAA	Stable	AAA	Xin Ping Wei Han Zi [2020] No. G008	7 January 2021	19 January 2021

10.5 Credit Enhancement Mechanism for Corporate Bonds, Debt Repayment Plans and Debt Repayment Protective Measures

During the Reporting Period, no credit enhancement measures had been taken for the corporate bonds issued by the Company.

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

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

10.6 Convention of Bondholders Meetings During the Reporting Period

Up till the date of publication of the Report, the Company has not convened any bondholders meeting for its corporate bonds during the Reporting Period.

10.7 The Performance of Duties of the Bond Trustee During the Reporting Period

The bond trustee of the corporate bonds is CITIC Securities Company Limited. During the Reporting Period, CITIC Securities Company Limited performed its duty as the trustee, in strict compliance with Agreement of Trustee of Bonds, including but not limited to continuously focusing on the Company's credit status and supervising the usage and management of proceeds raised from the corporate bonds in the Company's designated special account.

10.8 Payment of Interest and Principal Amount of Other Bonds and Debt Financing Instruments During the Reporting Period

During the Reporting Period, the Group has paid the interest of other bonds and debt financing instruments on a timely basis and has no event of default.



10.9 Credit Facilities Obtained from Banks, Used and Repaid During the Reporting Period

The Group maintained a good credit standing with banks and other financial institutions. As of the end of December 2020, the Group had been granted facilities with an aggregate amount of RMB445.67 billion from major banks (including Industrial and Commercial Bank of China, Agricultural Bank of China, Bank of China, China Construction Bank, China Merchants Bank, Bank of Communications, etc.), RMB289.22 billion of which had been used by the Group. During the Reporting Period, the Group used the funds according to the bank lending requirements, and fully repaid the principal and interest of bank loans in a timely manner.

10.10 Implementation of the Relevant Provisions or Undertakings Made under the Group's Corporate Bond Prospectus During the Reporting Period

During the Reporting Period, the Group strictly complied with the relevant requirements in the corporate bond prospectus and used the proceeds as prescribed, without prejudicing the interests of bond investors.

10.11 Whether the Corporate Bond has Guarantor

Nil.



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

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

Opinion

We have audited the consolidated financial statements of China Vanke Co., Ltd. ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2020, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

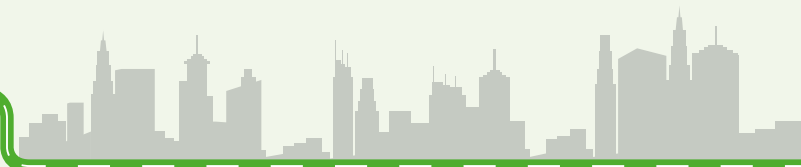
In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2020 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for opinion

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

Key audit matters

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

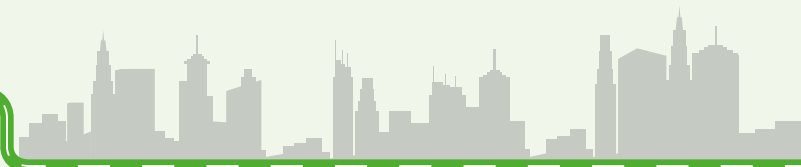


Net realisable value of inventories	
<i>Refer to note 19 to the consolidated financial statements and the accounting policies in note 1(p).</i>	
The Key Audit Matter	How the matter was addressed in our audit
<p>As at 31 December 2020, the aggregate carrying value of the Group's properties held for development ("PHD"), properties under development ("PUD") and completed properties held for sale (together "inventories") was significant. These properties are stated at the lower of cost and net realisable value.</p> <p>The calculation of the net realisable value for each property development project at the financial reporting date is performed by management.</p> <p>The calculation of the net realisable value of inventories involves significant management judgement and estimation in preparing the updated estimations of the costs to complete each property development project for PHD and PUD as well as in assessing the expected future net selling prices for each property development project (with reference to recent sales transactions in nearby locations), the estimated future selling costs and the relevant taxes.</p> <p>We identified the assessment of net realisable value of the Group's inventories as a key audit matter because of the significance of inventories to the assets of the Group and because of the inherent risks involved in estimating the costs to complete each property development project and the future selling prices for each property development project, particularly in light of the current economic circumstances and various property market measures introduced in various cities across Mainland China.</p>	<p>Our audit procedures to assess the net realisable value of inventories included the following:</p> <ul style="list-style-type: none"> • assessing the design, implementation and operating effectiveness of key internal controls over the preparation and monitoring of management budgets and forecasts of construction and other costs for each property development project; • conducting site visits to property development sites, on a sample basis, and discussing with management the progress of each property development project and the development budgets reflected in the latest forecasts for each property development project; • evaluating the valuation methodology adopted by management for assessing the net realisable value of inventories and comparing the key estimates and assumptions adopted in the valuations, including those relating to average net selling prices, with market available data and the sales budget plans maintained by the Group; • comparing the estimated construction costs to complete each property development project with the Group's latest budgets and comparing the costs incurred to 31 December 2020 with budgets made at 31 December 2019 to assess the accuracy of management's forecasting and budgeting process; • performing sensitivity analyses to determine the extent of changes in key estimates and assumptions that, either individually or collectively, would be required for inventories to be materially misstated and considering the likelihood of such a movement in those key estimates and assumptions arising and the potential for management bias in their selection.

Provision for land appreciation tax ("LAT") in Mainland China

Refer to notes 6 and 29 to the consolidated financial statements and the accounting judgement and estimates in note 2(b)(ii).

The Key Audit Matter	How the matter was addressed in our audit
<p>LAT in Mainland China is one of the main components of the Group's taxation charge.</p> <p>LAT is levied on sale of properties at progressive rates ranging from 30% to 60% based on the appreciation of land value. At the end of each financial reporting period, management estimates the provision for LAT based on its understanding and interpretation of the relevant tax rules and regulations and the estimated total sales of properties less total deductible expenditure, which includes lease charges for land use rights, property development costs, borrowing costs and development expenditure. When the LAT is subsequently determined, the actual payments may be different from the estimates.</p> <p>We identified provision for LAT in Mainland China as a key audit matter because of its significance to the consolidated financial statements and because the estimated provisions for LAT are based on management's judgement and interpretation of the relevant tax laws and regulations and practices.</p>	<p>Our audit procedures to assess the provision for LAT in Mainland China included the following:</p> <ul style="list-style-type: none"> • assessing the design, implementation and operating effectiveness of key internal controls over the calculation of the estimated LAT provisions; • engaging our internal taxation specialists to evaluate the Group's LAT provisions as at 31 December 2020 which involved challenging the Group's assumptions and judgements based on our experience, knowledge and understanding of the practices of the application of the relevant tax laws by the various local tax bureaus; • challenging the Group's assumptions and judgements based on our assessment of the value of the deductible expenditure; • re-calculating, on a sample basis, the provision for LAT and comparing our calculations with the amounts recorded by the Group.



Revenue recognition for property development projects (“PDP”)	
<i>Refer to note 3 to the consolidated financial statements and the accounting policies in note 1(y)(i).</i>	
The Key Audit Matter	How the matter was addressed in our audit
<p>Revenue arising from sales of PDP accounted for 91.4% of the Group’s revenue for the year ended 31 December 2020.</p> <p>Such revenue is recognised at a point in time when all of the following criteria have been met:</p> <ul style="list-style-type: none"> the sale and purchase agreement has been signed; the related deposit has been received and the arrangements for the settlement of the remaining proceeds have been confirmed; and the property is accepted by the customer, or deemed as accepted according to the sale and purchase agreement, whichever is earlier. <p>We identified the recognition of revenue for PDP as a key audit matter because of its significance to the Group and because small errors in recognition of revenue for each PDP, in aggregate, could have a material impact on the Group’s profit for the year.</p>	<p>Our audit procedures to assess the recognition of revenue for PDP included the following:</p> <ul style="list-style-type: none"> evaluating the design, implementation and operating effectiveness of key internal controls over the recording of revenue for PDP; inspecting the terms of the standard sale and purchase agreements for sales of PDP to assess the Group’s revenue recognition policies for sales of PDP, with reference to the requirements of the prevailing accounting standards; inspecting, on a sample basis for sales of PDP recognised during the year, documents which evidenced that the properties were accepted by the customer, or deemed as accepted and assessing whether the related revenue has been recognised in accordance with the Group’s revenue recognition accounting policies; inspecting, on a sample basis, documents which evidenced that the properties were accepted by the customers, or deemed as accepted, before and after the end of the financial period to assess whether the related revenue has been recognised in the appropriate financial period.

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

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

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

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

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

Responsibilities of the directors for the consolidated financial statements

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

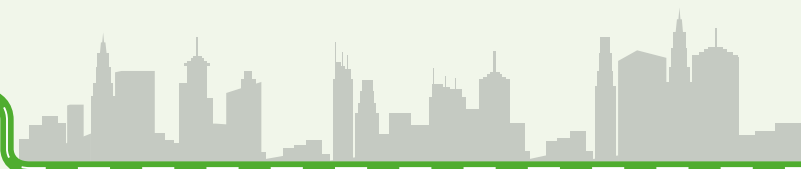
In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate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

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

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

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

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



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

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Chung Kai Ming.



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

30 March 2021

Consolidated statement of profit or loss

For the year ended 31 December 2020

	Note	2020 RMB'000	2019 RMB'000
Revenue	3(a)	419,111,678	367,893,878
Cost of revenue		(298,531,477)	(235,697,218)
Gross profit		120,580,201	132,196,660
Other net income	4	8,842,204	5,686,668
Selling and marketing expenses		(10,636,900)	(9,044,497)
Administrative expenses		(14,505,204)	(15,740,155)
Other operating expenses		(1,506,848)	(1,517,512)
Profit from operations		102,773,453	111,581,164
Finance costs	5(a)	(8,757,580)	(9,255,269)
Share of profits less losses of associates and joint ventures	16	9,739,656	3,790,598
Profit before taxation		103,755,529	106,116,493
Income tax	6(a)	(44,457,413)	(50,984,878)
Profit for the year		59,298,116	55,131,615
Attributable to:			
Equity shareholders of the Company		41,515,545	38,872,087
Non-controlling interests		17,782,571	16,259,528
Profit for the year		59,298,116	55,131,615
Earnings per share (RMB)			
Basic and diluted	10	3.62	3.47

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

Consolidated statement of profit or loss and other comprehensive income

For the year ended 31 December 2020

	Note	2020 RMB'000	2019 RMB'000
Profit for the year		59,298,116	55,131,615
Other comprehensive income for the year (after tax and reclassification adjustments)			
<i>Items that will not be reclassified to profit or loss:</i>			
Equity investments at fair value through other comprehensive income ("FVOCI") – net movement in fair value reserves (non-recycling)		(609,893)	603,230
Share of other comprehensive income of associates		119,802	124,237
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of financial statements of overseas subsidiaries		(177,824)	(37,738)
Cash flow hedge:			
Net movement in the hedging reserve	9	294,509	248,060
Share of other comprehensive income of associates		183,770	(384,532)
Other comprehensive income for the year		(189,636)	553,257
Total comprehensive income for the year		59,108,480	55,684,872
Attributable to:			
Equity shareholders of the Company		41,777,598	39,464,405
Non-controlling interests		17,330,882	16,220,467
Total comprehensive income for the year		59,108,480	55,684,872

The accompanying notes form part of these financial statements.

Consolidated statement of financial position

As at 31 December 2020

	Note	2020 RMB'000	2019 RMB'000
Non-current assets			
Property, plant and equipment	11	31,841,854	29,697,926
Investment properties	12	103,459,740	94,521,281
Intangible assets	14	918,742	786,279
Interests in associates and joint ventures	16	141,895,190	130,475,768
Other financial assets	17	2,298,997	2,923,936
Other non-current assets	18	13,840,079	9,107,320
Deferred tax assets	29(b)(ii)	27,535,431	23,427,586
		321,790,033	290,940,096
Current assets			
Inventories and other contract costs	19	1,008,434,340	901,807,080
Contract assets	20(a)	6,162,550	3,444,938
Trade and other receivables	21	331,115,807	351,616,877
Other current assets	22	172,789	11,746,956
Pledged and restricted deposits		9,568,344	6,455,944
Cash and cash equivalents	23	185,662,380	159,738,651
Assets held for sale	24	6,334,728	4,252,755
		1,547,450,938	1,439,063,201
Current liabilities			
Trade and other payables	25	532,524,608	542,268,303
Contract liabilities	20(b)	630,747,211	577,047,227
Bank loans and borrowings from financial institutions	26	70,299,267	81,822,781
Bonds payable	27	13,689,877	13,263,025
Lease liabilities	28	1,584,257	1,425,644
Current taxation	29(a)	68,647,470	56,783,304
		1,317,492,690	1,272,610,284
Net current assets		229,958,248	166,452,917
Total assets less current liabilities		551,748,281	457,393,013

The accompanying notes form part of these financial statements.

	Note	2020 RMB'000	2019 RMB'000
Non-current liabilities			
Bank loans and borrowings from financial institutions	26	132,036,783	114,319,778
Bonds payable	27	43,576,223	49,645,513
Lease liabilities	28	24,589,946	21,277,366
Deferred tax liabilities	29(b)(ii)	295,348	356,175
Provisions		215,331	149,629
Other non-current liabilities	30	1,190,176	1,065,436
		201,903,807	186,813,897
NET ASSETS			
		349,844,474	270,579,116
CAPITAL AND RESERVES			
Share capital	31	11,617,732	11,302,143
Reserves		212,893,221	176,756,349
Total equity attributable to equity shareholders of the Company			
		224,510,953	188,058,492
Non-controlling interests			
		125,333,521	82,520,624
TOTAL EQUITY			
		349,844,474	270,579,116

Approved and authorised for issue by the board of directors on 30 March 2021.

Zhu Jiusheng
Director

Wang Haiwu
Director

The accompanying notes form part of these financial statements.

Consolidated statement of changes in equity

For the year ended 31 December 2020

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

Consolidated statement of changes in equity

For the year ended 31 December 2020

	Attributable to equity shareholders of the Company											
	Note	Share capital RMB'000	Share premium RMB'000	Statutory reserves RMB'000	Exchange reserve RMB'000	Hedging reserve RMB'000	Fair value reserve (non-recycling) RMB'000	Other reserves RMB'000	Retained profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Balance at 1 January 2019		11,039,152	9,201,769	47,393,246	(1,338,050)	(155,284)	(902,389)	(1,199,162)	91,724,850	155,764,132	79,856,598	235,620,730
Changes in equity for 2019												
Profit for the year		-	-	-	-	-	-	-	38,872,087	38,872,087	16,259,528	55,131,615
Other comprehensive income	9	-	-	-	(362,412)	248,060	706,670	-	-	592,318	(39,061)	553,257
Total comprehensive income		-	-	-	(362,412)	248,060	706,670	-	38,872,087	39,464,405	16,220,467	55,684,872
<hr/>												
Dividends approved in respect of the previous year	31(d)(ii)	-	-	-	-	-	-	-	(11,811,893)	(11,811,893)	-	(11,811,893)
Appropriation to statutory reserves	31(c)(i)	-	-	23,433,008	-	-	-	-	(23,433,008)	-	-	-
Capital contribution from non-controlling interests		-	-	-	-	-	-	-	-	-	9,365,050	9,365,050
Acquisitions of subsidiaries		-	-	-	-	-	-	-	-	-	684,736	684,736
Acquisitions of additional interest in subsidiaries		-	-	-	-	-	-	(2,441,038)	-	(2,441,038)	(3,212,688)	(5,653,726)
Disposals of interest in subsidiaries		-	-	-	-	-	-	439,484	-	439,484	184,877	624,361
Disposals of subsidiaries		-	-	-	-	-	-	-	-	-	(798,473)	(798,473)
Dividends declared to non-controlling interests		-	-	-	-	-	-	-	-	-	(13,392,544)	(13,392,544)
Capital reduction of subsidiaries		-	-	-	-	-	-	-	-	-	(6,387,399)	(6,387,399)
Issuance of shares		262,991	6,380,411	-	-	-	-	-	-	6,643,402	-	6,643,402
Balance at 31 December 2019		11,302,143	15,582,180	70,826,254	(1,700,462)	92,776	(195,719)	(3,200,716)	95,352,036	188,058,492	82,520,624	270,579,116

The accompanying notes form part of these financial statements.

Consolidated cash flow statement

For the year ended 31 December 2020

	Note	2020 RMB'000	2019 RMB'000
Operating activities			
Cash generated from operations	23(b)	94,886,928	88,554,610
Income tax paid		(41,698,905)	(42,867,800)
Net cash generated from operating activities		53,188,023	45,686,810
Investing activities			
Acquisitions of subsidiaries, net of cash acquired	36	(2,528,505)	(5,537,687)
Investment in associates and joint ventures		(12,937,284)	(27,924,932)
Other investments		(154,922)	(573,316)
Acquisitions of property, plant and equipment, investment properties and intangible assets		(7,208,298)	(6,244,192)
Net cash inflow from disposals of subsidiaries	37	4,380,640	2,202,363
Proceeds from disposal of property, plant and equipment		62,313	96,122
Proceeds from disposals of investments		4,636,886	1,760,946
Interest received		4,075,935	3,828,507
Net cash flow from redemptions of wealth management product		11,567,138	853,851
Dividends received		3,903,164	2,911,603
Net cash generated from/(used in) investing activities		5,797,067	(28,626,735)

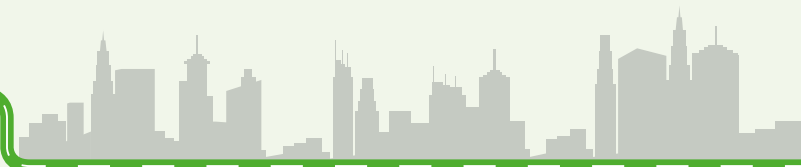
The accompanying notes form part of these consolidated financial statements.

Consolidated cash flow statement

For the year ended 31 December 2020

	Note	2020 RMB'000	2019 RMB'000
Financing activities			
Capital element of lease rentals paid	23(c)	(1,381,926)	(1,475,417)
Interest element of lease rentals paid	23(c)	(985,635)	(986,299)
Proceeds from H shares placement		7,165,296	6,643,402
Capital contributions from non-controlling interests		31,693,649	5,170,883
Payments to non-controlling interests		(11,885,702)	(9,316,229)
Proceeds from bank loans, borrowings from financial institutions and bonds	23(c)	115,076,718	93,620,341
Proceeds from advance payment from contracted parties	23(c)	–	17,958,911
Repayment of bank loans, borrowings from financial institutions and bonds	23(c)	(110,431,891)	(100,715,561)
Repayment of advance payment from contracted parties	23(c)	(27,038,718)	(7,415,335)
Dividends and interest paid		(34,716,051)	(36,822,907)
Net cash used in financing activities		(32,504,260)	(33,338,211)
Net increase/(decrease) in cash and cash equivalents		26,480,830	(16,278,136)
Cash and cash equivalents at 1 January	23(a)	159,738,651	175,668,164
Effect of foreign exchange rate changes		(557,101)	348,623
Cash and cash equivalents at 31 December	23(a)	185,662,380	159,738,651

The accompanying notes form part of these consolidated financial statements.



1 Significant accounting policies

(a) Statement of compliance

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

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

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2020 comprise the Group and the Group’s interest in associates and joint ventures.

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

- other current assets (see note 22);
- equity investments (see note 1(h)); and
- derivative financial instruments (see note 1(i)).

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

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

1 Significant accounting policies (continued)

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

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

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

(c) Changes in accounting policies

The Group has applied the following amendments to IFRSs issued by the IASB to these financial statements for the current accounting period:

- Amendments to IFRS 3, *Definition of a Business*
- Amendment to IFRS 16, *Covid-19-Related Rent Concessions*

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period. Impacts of the adoption of the amended IFRSs are discussed below:

Amendments to IFRS 3, *Definition of a Business*

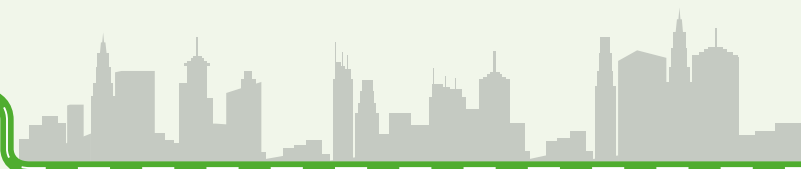
The amendments clarify the definition of a business and provide further guidance on how to determine whether a transaction represents a business combination. In addition, the amendments introduce an optional “concentration test” that permits a simplified assessment of whether an acquired set of activities and assets is an asset rather than business acquisition, when substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The Group has applied the amendments prospectively to transactions for which the acquisition date is on or after 1 January 2020.

Amendment to IFRS 16, *Covid-19-Related Rent Concessions*.

The amendment provides a practical expedient that allows a lessee to by-pass the need to evaluate whether certain qualifying rent concessions occurring as a direct consequence of the COVID-19 pandemic (“COVID-19-related rent concessions”) are lease modifications and, instead, account for those rent concessions as if they were not lease modifications.

The Group has elected to early adopt the amendments and applies the practical expedient to all qualifying COVID-19-related rent concessions granted to the Group during the year. Consequently, rent concessions received have been accounted for as negative variable lease payments recognised in profit or loss in the period in which the event or condition that triggers those payments occurred. There is no impact on the opening balance of equity at 1 January 2020.



1 Significant accounting policies (continued)

(d) Subsidiaries and non-controlling interests

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

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

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

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

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

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

1 Significant accounting policies (continued)

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

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

(e) Associates and joint ventures

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

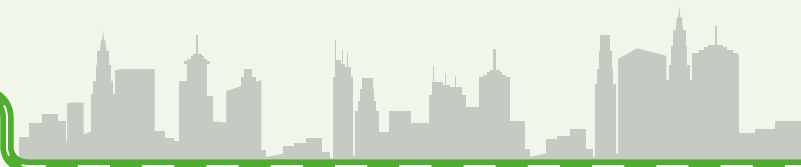
A joint venture is an arrangement whereby the Group or Company and other parties contractually agree to share control of the arrangement, and have rights to the net assets of the arrangement.

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

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

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

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



1 Significant accounting policies (continued)

(e) Associates and joint ventures (continued)

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

(f) Joint operation

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

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

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

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

(g) Goodwill

Goodwill represents the excess of

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

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

1 Significant accounting policies (continued)

(h) Other investments in debt and equity securities

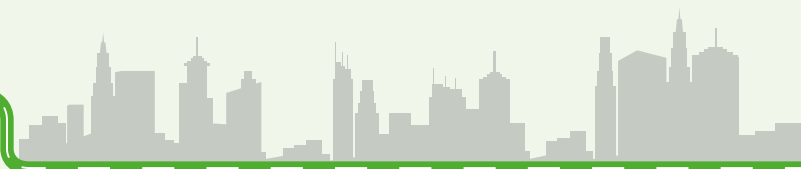
The Group's policies for investments in debt and equity securities, other than investments in subsidiaries, associates and joint ventures, are set out below.

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

Investments other than equity investments

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

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



1 Significant accounting policies (continued)

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

Equity investments

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

(i) Derivative financial instruments

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

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

(j) Cash flow hedges

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

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

1 Significant accounting policies (continued)

(k) Investment properties

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

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

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

(l) Property, plant and equipment

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

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

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

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

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

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

1 Significant accounting policies (continued)

(l) Property, plant and equipment (continued)

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

	Useful life	Residual value %
Leasehold land and properties leased for own use	unexpired term of lease	0%
Buildings held for own use	the shorter of the unexpired term of lease and 70 years	4%
Improvements to premises	5-10 years	0%
Machinery and motor vehicles	5-20 years	4%
Electronics and other equipment	3-5 years	4%

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

(m) Intangible assets (other than goodwill)

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

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

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

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

1 Significant accounting policies (continued)

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

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

(n) Leased assets

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

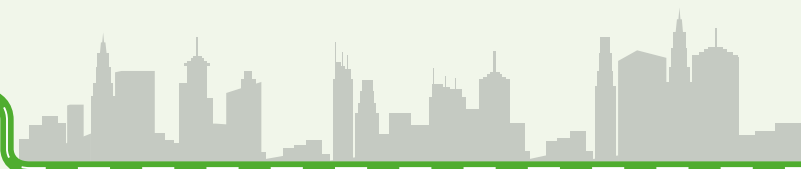
(i) As a lessee

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

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

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

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



1 Significant accounting policies (continued)

(n) Leased assets (continued)

(i) As a lessee (continued)

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

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

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

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

(ii) As a lessor

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

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

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

1 Significant accounting policies (continued)

(o) Credit losses and impairment of assets

(i) Credit losses from financial instruments and contract assets

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

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

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

Measurement of ECLs

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

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

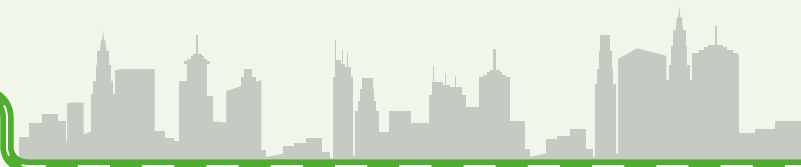
- fixed-rate financial assets, trade and other receivables and contract assets: effective interest rate determined at initial recognition or an approximation thereof; and
- variable-rate financial assets: current effective interest rate;

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

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

ECLs are measured on either of the following bases:

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



1 Significant accounting policies (continued)

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

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

Measurement of ECLs (continued)

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

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

Significant increases in credit risk

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

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

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

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

1 Significant accounting policies (continued)

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

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

Significant increases in credit risk (continued)

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

Basis of calculation of interest income

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

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

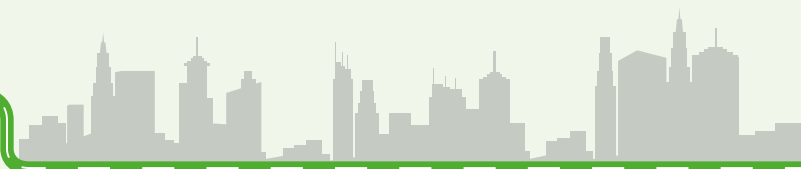
Evidence that a financial asset is credit-impaired includes the following observable events:

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

Write-off policy

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

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



1 Significant accounting policies (continued)

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

(ii) Impairment of other assets

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

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

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

- Calculation of recoverable amount

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

- Recognition of impairment losses

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

- Reversals of impairment losses

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

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

1 Significant accounting policies (continued)

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

(iii) Interim financial reporting and impairment

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

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

(p) Inventories and other contract costs

(i) Property development

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

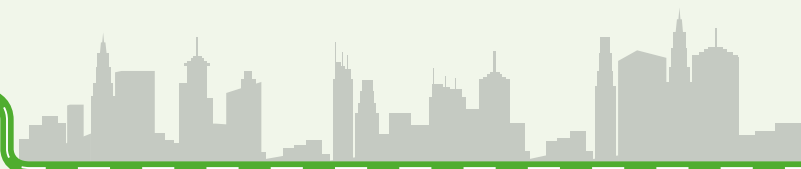
- Property held for development and property under development

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

- Completed property for sale

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

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



1 Significant accounting policies (continued)

(p) Inventories and other contract costs (continued)

(ii) Other contract costs

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

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

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

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

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

(q) Contract assets and contract liabilities

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

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

1 Significant accounting policies (continued)

(q) Contract assets and contract liabilities (continued)

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

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

(r) Trade and other receivables

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

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

(s) Cash and cash equivalents

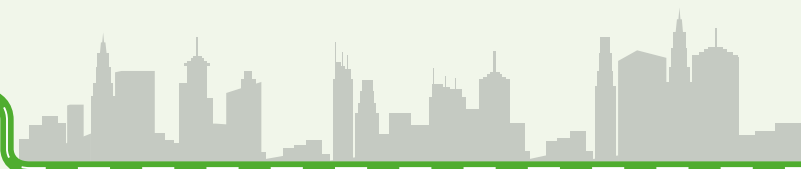
Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within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

(t) Trade and other payables

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

(u) Interest-bearing borrowings

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



1 Significant accounting policies (continued)

(v) Employee benefits

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

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

(ii) Termination benefits

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

(w) Income tax

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

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

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

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

1 Significant accounting policies (continued)

(w) Income tax (continued)

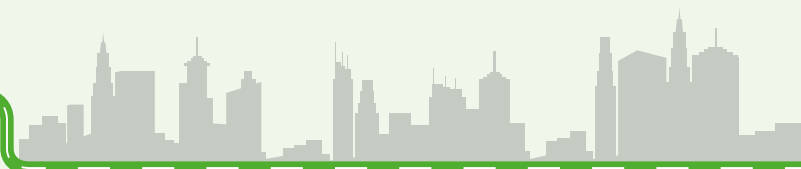
The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business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

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

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

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.



1 Significant accounting policies (continued)

(x) Provisions and contingent liabilities

Provisions are recognised when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(y) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods, the provision of services or the use by others of the Group's assets under leases in the ordinary course of the Group's business.

Revenue is recognised when control over a product or service is transferred to the customer, or the lessee has the right to use the asset, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax and is after deduction of any trade discounts.

Where the contract contains a financing component which provides a significant financing benefit to the customer for more than 12 months, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction with the customer, and interest income is accrued separately under the effective interest method. Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method. The Group takes advantage of the practical expedient in paragraph 63 of IFRS 15 and does not adjust the consideration for any effects of a significant financing component if the period of financing is 12 months or less.

Further details of the Group's revenue and other income recognition policies are as follows:

(i) Sales of properties

Revenue arising from the sale of properties developed for sale in the ordinary course of business is recognized when the property is accepted by the customer, or deemed as accepted according to the contract, whichever is earlier, which is the point in time when the customer has the ability to direct the use of the property and obtain substantially all of the remaining benefits of the property. Deposits and instalments received on properties sold prior to the date of revenue recognition were included in the statement of financial position under contract liabilities (see note 1(q)).

1 Significant accounting policies (continued)

(y) Revenue and other income (continued)

(ii) Provision of services

Revenue from services including property management services is recognised when services are rendered.

(iii) Construction contracts

A contract with a customer is classified by the Group as a construction contract when the contract relates to work on real estate assets under the control of the customer and therefore the Group's construction activities create or enhance an asset under the customer's control.

When the outcome of a construction contract can be reasonably measured, revenue from the contract is recognised progressively over time using the cost-to-cost method, i.e. based on the proportion of the actual costs incurred relative to the estimated total costs.

The likelihood of the Group earning contractual bonuses for early completion or suffering contractual penalties for late completion are taken into account in making these estimates, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

When the outcome of the contract cannot be reasonably measured, revenue is recognised only to the extent of contract costs incurred that are expected to be recovered.

(iv) Rental income from operating leases

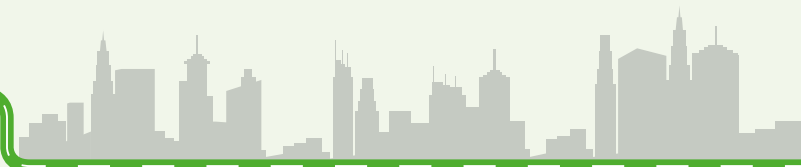
Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are earned.

(v) Dividends

- Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.
- Dividend income from listed investments is recognised when the share price of the investment goes ex-dividend.

(vi) Interest income

Interest income is recognised as it accrues using the effective interest method.



1 Significant accounting policies (continued)

(z) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the company initially recognises such non-monetary assets or liabilities. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

The results of foreign operations are translated into Renminbi at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items are translated into Renminbi at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve. On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

(aa) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

1 Significant accounting policies (continued)

(ab) Non-current assets held for sale

A non-current asset (or disposal group) is classified as held for sale if it is highly probable that its carrying amount will be recovered through a sale transaction rather than through continuing use and the asset (or disposal group) is available for sale in its present condition. A disposal group is a group of assets to be disposed of together as a group in a single transaction, and liabilities directly associated with those assets that will be transferred in the transaction.

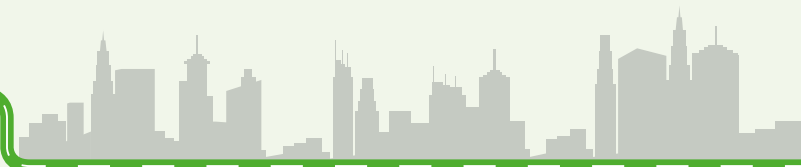
When the Group is committed to a sale plan involving loss of control of a subsidiary, all the assets and liabilities of that subsidiary are classified as held for sale when the above criteria for classification as held for sale are met, regardless of whether the Group will retain a non-controlling interest in the subsidiary after the sale.

Immediately before classification as held for sale, the measurement of the non-current assets (and all individual assets and liabilities in a disposal group) is brought up-to-date in accordance with the accounting policies before the classification. Then, on initial classification as held for sale and until disposal, the non-current assets or disposal groups, are recognised at the lower of their carrying amount and fair value less costs to sell.

Impairment losses on initial classification as held for sale, and on subsequent remeasurement while held for sale, are recognised in profit or loss. As long as a non-current asset is classified as held for sale, or is included in a disposal group that is classified as held for sale, the non-current asset is not depreciated or amortised.

(ac) Related parties

- (1) A person, or a close member of that person's family, is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the Group's parent.



1 Significant accounting policies (continued)

(ac) Related parties (continued)

(2) An entity is related to the Group if any of the following conditions applies:

- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (1).
- (vii) A person identified in (1)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(ad) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

2 Accounting judgement and estimates

(a) Critical accounting judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, management has made the following accounting judgments:

(i) Classification between subsidiaries, joint ventures and associates

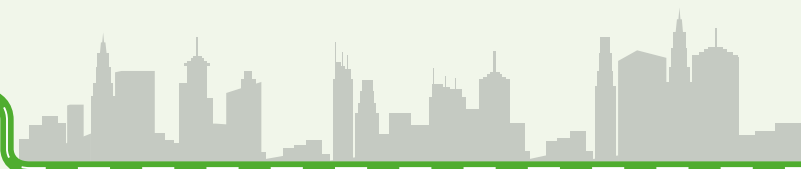
The Group co-operated with certain third parties to engage in property development project through certain entities. In accordance with the respective co-operation agreements, the Group has the right to acquire certain percentage of the equity interest in these entities at a pre-determined price when certain conditions set out in these agreements are met. The Group has made judgment on the classification of these entities to subsidiaries, joint ventures or associates in accordance with the respective agreements, articles of associations and the involvement of the Group and the other parties in these entities. The Group will continuously evaluate the situation and such investments are accounted for in accordance with accounting policies set out in notes 1(d) and (e).

(ii) Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group. Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

(iii) Classification between investment properties and properties held for sale

The Group develops properties held for sale and properties held to earn rentals and/or for capital appreciation. Judgement is made by management on determining whether a property is designated as an investment property or a property held for sale. The Group considers its intention for holding the properties at the early development stage of the related properties. During the course of construction, the related properties under construction are accounted for as properties under development included in current assets if the properties are intended for sale after their completion, whereas, the properties are accounted for as investment properties under construction if the properties are intended to be held to earn rentals and/or for capital appreciation.



2 Accounting judgement and estimates (continued)

(b) Sources of estimation uncertainty

Notes 14 and 32 contain information about the assumptions and their risk factors relating to goodwill impairment and fair value of financial instruments. Other key sources of estimation uncertainty are as follows:

(i) Properties for sale

As explained in note 1(p), the Group's properties for sale are stated at the lower of cost and net realisable value. Based on the Group's recent experience and the nature of the subject properties, the Group makes estimates of the selling prices, the costs of completion in cases for properties held for development and properties under development, and the costs to be incurred in selling the properties based on prevailing market conditions.

If there is an increase in costs to completion or a decrease in net sales value, the net realisable value will decrease and this may result in provision for properties for sale. Such provision requires the use of judgement and estimates. Where the expectation is different from the original estimate, the carrying value and provision for properties in the periods in which such estimate is changed will be adjusted accordingly.

In addition, given the volatility of the property market and the unique nature of individual properties, the actual outcomes in terms of costs and revenue may be higher or lower than that estimated at the end of the reporting period. Any increase or decrease in the provision would affect profit or loss in future years.

(ii) PRC Land Appreciation Tax ("LAT")

As explained in note 6(a), LAT is levied on properties developed by the Group for sale, at progressive rates ranging from 30% to 60% on the appreciation of land value, which under the applicable regulations is calculated based on the proceeds of sales of properties less deductible expenditures including lease charges of land use rights, borrowing cost and relevant property development expenditures. Given the uncertainties of the calculation basis of land appreciation tax to be interpreted by the local tax bureau and the actual appreciation of land value may be different from the original estimates, the actual outcomes may be higher or lower than that estimated at the end of the reporting period. Any increase or decrease in estimates would affect profit or loss in future years.

(iii) Impairment for trade and other receivables

The Group estimates loss allowance for expected credit losses for trade and other receivables resulting from the expected cash shortfalls. The Group bases the estimates on the information about past events, current conditions and forecasts of future economic conditions. If above conditions were to deteriorate, actual provisions would be higher than estimated.

2 Accounting judgement and estimates (continued)

(b) Sources of estimation uncertainty (continued)

(iv) Recognition of deferred tax assets

Deferred tax assets in respect of tax losses and other deductible temporary differences carried forward are recognised and measured based on the expected manner of realisation or settlement of the carrying amount of the assets, using tax rates enacted or substantively enacted at the end of the reporting period. In determining the carrying amounts of deferred tax assets, expected taxable profits are estimated which involves a number of assumptions relating to the operating environment of the Group and require a significant level of judgement exercised by the directors. Any change in such assumptions and judgement would affect the carrying amounts of deferred tax assets to be recognised and hence the net profit in future years.

(v) Revenue recognition

As explained in policy note 1(y), revenue from construction contracts is recognised over time. Such revenue and profit recognition on uncompleted projects is dependent on estimating the total outcome of the contract, as well as the work done to date. Based on the Group's recent experience and the nature of the manufacturing and construction activities undertaken by the Group, the Group has made estimates of the point at which it considered the work was sufficiently advanced such that the outcome of the contract can be reasonably measured. Until this point is reached the related contract assets disclosed in note 20 do not include profit which the Group might eventually realise from the work done to date. In addition, actual outcomes in terms of total cost or revenue may be higher or lower than estimated at the end of the reporting period, which would affect the revenue and profit recognised in future years as an adjustment to the amounts recorded to date.

In addition, the contract assets arising from construction contracts are reclassified to receivables when the right to the consideration has become unconditional and are disclosed in note 21, rather than note 20.

3 Revenue and segment reporting

(a) Revenue

The principal activities of the Group are development and sale of properties in People's Republic of China (the "PRC").

(i) The amount of each significant category of revenue is as follows:

	2020 RMB'000	2019 RMB'000
Revenue from contracts with customers within the scope of IFRS 15		
Sales of properties	382,989,851	340,582,224
Property management and related services	15,432,211	12,700,185
Construction contracts	12,163,895	7,298,634
Other services	2,856,334	2,540,161
	413,442,291	363,121,204
Revenue from other sources		
Gross rentals from investment properties	5,669,387	4,772,674
	419,111,678	367,893,878

The Group's customer base is diversified and does not have a customer with whom transactions have exceeded 10% of the Group's revenue.

(ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

As at 31 December 2020, the aggregated amount of the transaction price allocated to the remaining performance obligations under the Group's existing contracts is RMB664.4 billion (2019: RMB617.2 billion). This amount mainly represents revenue expected to be recognised in the future from pre-completion sales contracts for properties under development and construction contracts entered into by the customers with the Group. The Group will recognise the expected revenue in future when or as the work is completed or, in the case of the properties under development for sale, when the properties are accepted by the customers, which is expected to occur over the next 12 to 36 months (2019: next 12 to 36 months).

3 Revenue and segment reporting (continued)

(a) Revenue (continued)

(ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date (continued)

The Group has applied the practical expedient in paragraph 121 of IFRS 15 to its service contracts such that the above information does not include information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts for sales that had an original expected duration of one year or less or are billed based on performance completed.

The above amount also does not include any amounts of completion bonuses that the Group may earn in the future by meeting the conditions set out in the Group's construction contracts with customers, unless at the reporting date it is highly probable that the Group will satisfy the conditions for earning those bonuses.

(b) Segment reporting

The Group manages its business by divisions, which are organised by a mixture of both business lines (products and services) and geographical location. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purpose of resource allocation and performance assessment, the Group has presented the following six reportable segments.

- Property development (Northern region/Southern region/Shanghai region/Central-western region/Northwestern region): given the importance of the property development division to the Group, the Group's property development business is segregated into five reportable segments on a geographical basis, as the divisional manager for each of these regions report directly to the senior executive team. All five segments derive their revenue mainly from development and sale of properties. Details about the cities covered by each of these regions are set out in note 3(b)(i).
- Property management: this segment provides property management and related services to purchasers and tenants of the Group's own developed residential properties, shopping arcades and office buildings, as well as those developed by external property developers.

Since the development of operating business and change of internal organization structure, the Group divided Central-western region into two regions: Central-western region and Northwestern region in 2020. The Group has not restated segment information for 2019 since the information is not available and the cost to develop it would be excessive. The combined segment information of Central-western region and Northwestern region in 2020 are largely in the same scope of Central-western region in 2019, and no segment information for current period on old basis of segmentation is disclosed.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

3 Revenue and segment reporting (continued)

(b) Segment reporting (continued)

(i) Segment results and assets

For the purpose of assessing segment performance and allocating resources among segments, the Group's most senior executive management monitors the results attributable to each reportable segment on the following bases:

Segment assets include all tangible, intangible assets, other investments and current assets in Mainland China with the exception of deferred tax assets and other corporate assets.

Revenue and expenses are allocated to the reportable segments with reference to sales before sales related taxes generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

The measure used for reporting segment profit is the profit before PRC Corporate Income Tax ("CIT"), excluding share of profits or losses of associates or joint ventures, dividend income, other income and other operating expenses in Mainland China, but including the loss allowance and the profit arising from the inter-segment transactions. LAT which is considered directly attributable to the sale of properties is deducted from the segment profit for the review by the Group's most senior executive management.

Inter-segment sales are priced with reference to prices charged to external parties for similar transactions.

	Property development						Total RMB'000
	Northern region RMB'000	Southern region RMB'000	Shanghai region RMB'000	Central- western region RMB'000	Northwestern region RMB'000	Property management RMB'000	
2020							
Revenue from external customers							
before tax	67,442,943	112,118,019	110,264,563	75,205,793	27,585,997	15,432,211	408,049,526
Inter-segment revenue	76,040	101,299	100,335	214,145	7,049	2,771,609	3,270,477
Reportable segment revenue, before tax	67,518,983	112,219,318	110,364,898	75,419,938	27,593,046	18,203,820	411,320,003
Reportable segment profit	8,902,049	19,685,677	21,572,265	13,924,555	6,772,362	1,720,476	72,577,384
Reportable segment assets	408,101,937	438,776,263	471,942,786	286,500,924	114,618,638	19,545,861	1,739,486,409

3 Revenue and segment reporting (continued)

(b) Segment reporting (continued)

(i) Segment results and assets (continued)

	Property development					Total RMB'000
	Northern region RMB'000	Southern region RMB'000	Shanghai region RMB'000	Central- western region RMB'000	Property management RMB'000	
2019						
Revenue from external customers before tax	71,298,043	119,395,737	95,362,884	67,129,815	12,700,185	365,886,664
Inter-segment revenue	57,809	38,480	230,795	44,209	1,592,848	1,964,141
Reportable segment revenue, before tax	71,355,852	119,434,217	95,593,679	67,174,024	14,293,033	367,850,805
Reportable segment profit	14,161,757	25,775,973	22,705,345	12,929,760	1,426,924	76,999,759
Reportable segment assets	373,798,897	441,359,125	398,383,305	353,461,566	15,235,693	1,582,238,586
	Northern region:	Southern region:	Shanghai region:	Central and western region:	Northwestern region	
	Beijing, Tianjin, Shenyang, Anshan, Dalian, Qingdao, Changchun, Yantai, Jilin, Taiyuan, Tangshan, Langfang, Fushun, Qinhuangdao, Jinzhong, Yingkou, Jinan, Shijiazhuang, Linyi, Baotou, Panjin, Zhangjiakou, Ha'erbin, Zibo, Weihai and Xiong'an,etc	Shenzhen, Guangzhou, Qingyuan, Dongguan, Foshan, Zhuhai, Zhongshan, Changsha, Xiamen, Fuzhou, Huizhou, Sanya, Nanning, Putian, Liuzhou, Quanzhou, Zhangzhou and Jinjiang,etc	Shanghai, Hangzhou, Suzhou, Ningbo, Nanjing, Zhenjiang, Nanchang, Hefei, Yangzhou, Jiaying, Wuhu, Wenzhou, Nantong, Changzhou, Kunshan, Wuxi, Xuzhou, Changshu, Shaoxing, Haining, Jingjiang, Rui'an, Taicang Yancheng, Gaoyou, Suqian, Haimen, Taizhou, Jinhua, Ma'anshan, Huzhou and Jiangyin,etc	Chengdu, Wuhan, Chongqing, Kunming, Guiyang, Nanchong, Zhengzhou, Yichang, Yuxi, Xishuangbanna, Dali, Ezhou, Yongchuan, Xichang, Meishan and Zhoukou,etc	Xi'an, Lanzhou, Yinchuan, Xining, Urumqi, Weinan and Xianyang,etc	

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(Expressed in thousands in Renminbi unless otherwise indicated)

3 Revenue and segment reporting (continued)

(b) Segment reporting (continued)

(ii) Reconciliation of reportable segment revenue, profit or loss and assets

	2020 RMB'000	2019 RMB'000
Revenue		
Reportable segment revenue before tax	411,320,003	367,850,805
Elimination of inter-segment revenue	(3,270,477)	(1,964,141)
Unallocated revenue	11,062,152	2,007,214
Consolidated revenue	419,111,678	367,893,878
Profit		
Reportable segment profit	72,577,384	76,999,759
Elimination of inter-segment profit	(1,454,242)	(161,279)
Share of profits less losses of associates and joint ventures	9,739,656	3,790,598
Dividend income	48,825	62,264
Other income	4,776,600	1,767,812
Other operating expenses, excluding loss allowance	(1,282,386)	(788,578)
Unallocated expenses	(4,730,085)	(5,131,286)
LAT	24,079,777	29,577,203
Consolidated profit before taxation	103,755,529	106,116,493
Assets		
Reportable segment assets	1,739,486,409	1,582,238,586
Elimination of inter-segment receivables	(635,502,979)	(494,412,983)
Unallocated assets	765,257,541	642,177,694
Consolidated assets	1,869,240,971	1,730,003,297

3 Revenue and segment reporting (continued)

(b) Segment reporting (continued)

(iii) Geographical information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment, investment properties, intangible assets, interest in associates and joint ventures, other financial assets and other non-current assets ("specified non-current assets"). The geographical location of customers is based on the location at which the services were provided or the properties sold. The geographical location of the specified non-current assets is based on the physical location of the assets, in the case of property, plant and equipment and investment properties, the location of the operation to which they are allocated, in the case of intangible assets, other financial assets and other non-current assets, and the location of operations, in the case of interest in associates and joint ventures.

	Revenue from external customers	
	2020 RMB'000	2019 RMB'000
Mainland China	412,853,117	367,703,150
Hong Kong Special Administrative Region ("Hong Kong") and overseas	6,258,561	190,728
	419,111,678	367,893,878

	Specified non-current assets	
	31 December 2020 RMB'000	31 December 2019 RMB'000
Mainland China	283,061,356	256,344,761
Hong Kong	2,825,744	2,999,832
The United States of America ("U.S.")	6,017,542	5,844,371
The United Kingdom	2,349,960	2,323,546
	294,254,602	267,512,510

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

4 Other net income

	2020 RMB'000	2019 RMB'000
Interest income	4,680,643	3,530,405
Dividend income	48,825	62,264
Forfeited deposits and compensation from customers	512,727	412,278
Net gain on disposals of subsidiaries, joint ventures and associates	2,596,624	852,218
Gain on previously held interest in subsidiaries upon loss of control	434,881	–
Net gain on disposal of other current assets	695,763	290,298
Net loss on disposal of other financial assets	(3,879)	(11,252)
Net gain/(loss) on disposals of property, plant and equipment	48,381	(9,666)
Fair value changes	5,334	(68,519)
Net exchange (loss)/gain	(663,865)	326,187
Others	486,770	302,455
	8,842,204	5,686,668

5 Profit before taxation

Profit before taxation is arrived at after charging/(crediting):

(a) Finance costs

	2020 RMB'000	2019 RMB'000
Borrowings costs	15,835,664	13,962,773
Less: Borrowing costs capitalised into inventories, investment properties and construction in progress (Note)	(8,063,719)	(5,693,803)
Interest on lease liabilities	985,635	986,299
	8,757,580	9,255,269

Note: The borrowing costs have been capitalised at a rate of 4.77% (2019: 5.01%) per annum.

5 Profit before taxation (continued)

(b) Staff costs

	2020 RMB'000	2019 RMB'000
Salaries, wages and other benefits	16,168,095	16,572,302
Contributions to defined contribution plans	348,047	967,550
	16,516,142	17,539,852

The total Economic Profits Bonus of 2020 were RMB1,905.2 million (2019: RMB1,999.7 million) and included in the staff cost.

The Company and its subsidiaries in Mainland China participate in defined contribution retirement benefit schemes (the "Schemes") organised by the PRC municipal and provincial government authorities, whereby the Company and its subsidiaries in Mainland China are required to make contribution at the rates required by different local government authorities. The local government authorities are responsible for the pension obligations payable to the retired employees covered under the Schemes.

(c) Other items

	2020 RMB'000	2019 RMB'000
Depreciation and amortisation	6,984,906	6,305,602
Impairment loss of trade and other receivables	224,462	216,850
Impairment loss of leasehold land/investment properties	–	512,083
Auditors' remuneration	16,800	14,000
Cost of inventories (note 19(a))	272,953,037	217,934,528

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

6 Income tax in the consolidated statement of profit or loss

(a) Taxation in the consolidated statement of profit or loss represents:

	2020 RMB'000	2019 RMB'000
Current tax		
Provision for CIT, Hong Kong Profits Tax and U.S. income tax	24,231,519	28,936,894
Provision for LAT	24,089,747	29,587,415
Withholding tax	313,243	217,288
	48,634,509	58,741,597
Deferred tax		
Origination and reversal of temporary differences (note 29(b)(i))	(4,177,096)	(7,756,719)
	44,457,413	50,984,878

(i) CIT, Hong Kong Profits Tax and U.S. income tax

The provision for CIT is calculated based on the estimated taxable income at the rates applicable to each company in the Group. The income tax rates applicable to the principal subsidiaries in the PRC are 25% (2019: 25%), except for certain subsidiaries which enjoy a preferential income tax rate.

The provision for Hong Kong Profits Tax for 2020 is calculated at 16.5% (2019: 16.5%) of the estimated assessable profits for the year.

The U.S. income tax comprises federal income tax calculated at 21% and state income tax calculated at the rates ranging from 0% to 10% on the estimated assessable profits of the subsidiaries of the Company which were incorporated in U.S.

(ii) LAT

LAT is levied on properties developed by the Group for sale, at progressive rates ranging from 30% to 60% on the appreciation of land value, which under the applicable regulations is calculated based on the proceeds of sales of properties less deductible expenditures including lease charges of land use rights, borrowing costs and relevant property development expenditures.

6 Income tax in the consolidated statement of profit or loss (continued)**(a) Taxation in the consolidated statement of profit or loss represents: (continued)****(iii) Withholding tax**

A withholding tax of 10% is levied on the overseas subsidiaries in respect of dividend distributions arising from profit of PRC subsidiaries earned after 1 January 2008. Under the China-Hong Kong Tax Treaty and the relevant regulations, a qualified Hong Kong tax resident which is the “beneficial owner” and holds 25% equity interests or more of a PRC enterprise is entitled to a reduced withholding tax rate of 5%. Some overseas subsidiaries of the Group are entitled to a reduced withholding tax rate of 5%.

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

	2020 RMB'000	2019 RMB'000
Profit before taxation	103,755,529	106,116,493
Less: LAT	(24,079,777)	(29,577,203)
Profit before CIT, Hong Kong Profits Tax and U.S. income tax	79,675,752	76,539,290
Notional tax calculated at applicable income tax rate of the relevant group entities concerned	20,270,445	19,388,053
Non-taxable income	(2,446,151)	(963,216)
Non-deductible expenses	2,089,663	1,937,667
Effect of temporary difference not recognised	1,036,960	1,280,936
Utilisation of previously unrecognised tax losses	(421,570)	(174,669)
Over-provision in respect of prior years	(151,711)	(61,096)
CIT, Hong Kong Profits Tax and U.S. income tax	20,377,636	21,407,675
LAT	24,079,777	29,577,203
Income tax expense	44,457,413	50,984,878

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(Expressed in thousands in Renminbi unless otherwise indicated)

7 Directors', supervisors' and chief executive's emoluments

	2020			2019	
	Directors'/ supervisors' fee	Basic salaries, allowances and other benefits RMB'000	Bonuses and retirement benefit RMB'000	Total RMB'000	Total RMB'000
Executive directors					
Mr. YU Liang	–	1,247	11,226	12,473	12,517
Mr. WANG Haiwu [#]	–	823	8,135	8,958	–
Mr. ZHANG Xu*	–	270	–	270	9,410
Mr. WANG Wenjin*	–	270	–	270	8,789
President, executive director and Chief Executive Officer					
Mr. ZHU Jiusheng [#]	–	1,160	10,071	11,231	11,274
Non-executive directors					
Mr. XIN Jie [#]	–	–	–	–	–
Mr. HU Guobin [#]	–	–	–	–	–
Mr. TANG Shaojie [#]	–	–	–	–	–
Mr. LI Qiangqiang [#]	–	–	–	–	–
Mr. LIN Maode*	180	–	–	180	360
Mr. SUN Shengdian*	180	–	–	180	360
Mr. CHEN Xianjun*	180	–	–	180	360
Independent non-executive directors					
Mr. KANG Dian	600	–	–	600	600
Ms. LIU Shuwei	600	–	–	600	600
Mr. NG Kar Ling, Johnny	600	–	–	600	600
Mr. Zhang Yichen [#]	300	–	–	300	–
Mr. LI Qiang*	300	–	–	300	600
Supervisors					
Mr. XIE Dong	–	1,079	7,666	8,745	8,789
Mr. LI Miao [#]	–	–	–	–	–
Ms. QUE Dongwu [#]	–	540	4,698	5,238	–
Mr. ZHOU Qingping*	–	413	–	413	2,598
Ms. ZHENG Ying*	180	–	–	180	360
2020	3,120	5,802	41,796	50,718	57,217

In addition, certain directors and supervisors participated in the Economic Profits Bonus Plan of the Company. Details are disclosed in note 35(a).

* These executive directors, non-executive directors, independent non-executive directors and supervisors were ceased appointment during the year. Their emoluments disclosed above represent the emoluments received during their position as a director or supervisor.

These executive directors, non-executive directors, independent non-executive directors and supervisors were appointed on 30 June 2020. Mr. WANG Haiwu's and Ms. QUE Dongwu's emoluments in 2020 before their appointment as a director or supervisor and in previous year are disclosed in note 35(a)(ii).

8 Individuals with highest emoluments

Of the five individuals with the highest emoluments, 2 (2019: 2) of them are directors or supervisors whose emoluments are disclosed in note 7. The aggregate of the emoluments in respect of the other 3 (2019: 3) individuals are as follows:

	2020 RMB'000	2019 RMB'000
Salaries and other emoluments	3,581	3,511
Discretionary bonuses	35,526	34,502
Contributions to retirement benefit scheme	144	273
	39,251	38,286

In addition, the above individuals participated in the Economic Profits Bonus Plan of the Company. Details are disclosed in note 35(a) respectively.

The emoluments of the 3 (2019: 3) individuals with the highest emoluments are within the following bands:

	2020 Number of individuals	2019 Number of individuals
HK\$11,500,001-HK\$12,000,000	1	–
HK\$13,500,001-HK\$14,000,000	–	1
HK\$14,000,001-HK\$14,500,000	–	1
HK\$15,500,001-HK\$16,000,000	–	1
HK\$17,500,001-HK\$18,000,000	2	–

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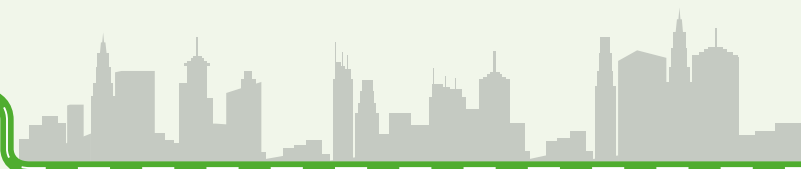
(Expressed in thousands in Renminbi unless otherwise indicated)

9 Other comprehensive income

	2020					
	Attributable to equity shareholders of the Company					
	Exchange reserve RMB'000	Hedging reserve RMB'000	Fair value reserve (non-recycling) RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total OCI RMB'000
<i>Items that will not be reclassified subsequently to profit or loss:</i>						
Equity investments at FVOCI (non-recycling)	-	-	(609,893)	(609,893)	-	(609,893)
Share of other comprehensive income of associates	-	-	99,747	99,747	20,055	119,802
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Exchange differences on translation of financial statements of overseas subsidiaries	324,682	-	-	324,682	(502,506)	(177,824)
Cash flow hedge reserve: Effective portion of changes in fair value of hedging instruments recognised during the year	-	(980,007)	-	(980,007)	-	(980,007)
Cash flow hedge reserve: Reclassification adjustments for amounts transferred to profit or loss	-	960,605	-	960,605	-	960,605
Costs of hedging reserve: Change in fair value for the year	-	313,911	-	313,911	-	313,911
Costs of hedging reserve: Reclassification adjustments for amounts transferred to profit or loss	-	-	-	-	-	-
Share of other comprehensive income of associates	153,008	-	-	153,008	30,762	183,770
Total	477,690	294,509	(510,146)	262,053	(451,689)	(189,636)

9 Other comprehensive income (continued)

	2019					
	Attributable to equity shareholders of the Company					
	Exchange reserve RMB'000	Hedging reserve RMB'000	Fair value reserve (non-recycling) RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total OCI RMB'000
<i>Items that will not be reclassified subsequently to profit or loss:</i>						
Equity investments at FVOCI (non-recycling)	-	-	603,230	603,230	-	603,230
Share of other comprehensive income of associates	-	-	103,440	103,440	20,797	124,237
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Exchange differences on translation of financial statements of overseas subsidiaries	(42,249)	-	-	(42,249)	4,511	(37,738)
Cash flow hedge reserve: Effective portion of changes in fair value of hedging instruments recognised during the year	-	162,269	-	162,269	-	162,269
Cash flow hedge reserve: Reclassification adjustments for amounts transferred to profit or loss	-	(168,175)	-	(168,175)	-	(168,175)
Costs of hedging reserve: Change in fair value for the year	-	326,456	-	326,456	-	326,456
Costs of hedging reserve: Reclassification adjustments for amounts transferred to profit or loss	-	(72,490)	-	(72,490)	-	(72,490)
Share of other comprehensive income of associates	(320,163)	-	-	(320,163)	(64,369)	(384,532)
Total	(362,412)	248,060	706,670	592,318	(39,061)	553,257



10 Earnings per share (“EPS”)

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of RMB41,515,545,000 (2019: RMB38,872,087,000) and weighted average of 11,459,937,601 ordinary shares (2019: 11,214,479,334 shares) in issue during the year, calculated as follows:

Weighted average number of ordinary shares

	2020 No. of shares (‘000)	2019 No. of shares (‘000)
Issued ordinary shares at 1 January	11,302,143	11,039,152
Effect of ordinary shares issued	157,795	175,327
Weighted average number of ordinary shares at 31 December	11,459,938	11,214,479

Diluted EPS is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. As there are no dilutive instruments outstanding, basic and diluted earnings per share are identical.

As disclosed in note 31(b), the Company issued 315,589,200 new H shares in June 2020 under general mandate through a placement, which was included in the calculation of weighted average number of ordinary shares since July 2020 for the current accounting period because the completion of placement was close to 30 June 2020.

11 Property, plant and equipment

	Buildings held for own use RMB'000	Improvements to premises RMB'000	Leasehold land RMB'000	Machinery and motor vehicles RMB'000	Electronic and other equipment RMB'000	Construction in progress RMB'000	Total RMB'000
Cost:							
At 1 January 2019	14,005,932	7,431,791	4,470,087	719,072	1,041,585	1,913,007	29,581,474
Additions	232,227	3,740,412	228,964	67,861	199,083	2,632,924	7,101,471
Transfer	817,235	43,909	-	5,583	12,000	(471,028)	407,699
Disposals	-	(51,953)	-	(51,618)	(49,248)	-	(152,819)
Change in consolidation scope	373,605	3,637	527,584	3,006	12,731	104,936	1,025,499
Exchange adjustments	-	279	-	8	2,001	-	2,288
At 31 December 2019	15,428,999	11,168,075	5,226,635	743,912	1,218,152	4,179,839	37,965,612
At 1 January 2020	15,428,999	11,168,075	5,226,635	743,912	1,218,152	4,179,839	37,965,612
Additions	953,418	1,516,325	-	62,976	240,856	2,029,627	4,803,202
Transfer	1,030,254	2,127,696	716,141	6,523	-	(3,059,779)	820,835
Disposals	(177,340)	(5,422)	-	(22,519)	(92,942)	-	(298,223)
Transfer to investment properties	(304,409)	-	-	-	-	-	(304,409)
Change in consolidation scope	(50,348)	(40)	37,013	(3,995)	36,524	87,163	106,317
Exchange adjustments	-	(1,458)	(35,104)	(61)	(8,532)	-	(45,155)
At 31 December 2020	16,880,574	14,805,176	5,944,685	786,836	1,394,058	3,236,850	43,048,179
Accumulated depreciation:							
At 1 January 2019	2,141,071	2,308,071	315,819	286,564	554,108	-	5,605,633
Charge for the year	751,466	1,543,943	206,413	57,899	162,814	-	2,722,535
Written back on disposals	-	(19,522)	-	(27,057)	(26,669)	-	(73,248)
Change in consolidation scope	-	2,821	117	1,918	7,417	-	12,273
Exchange adjustments	-	121	-	6	366	-	493
At 31 December 2019	2,892,537	3,835,434	522,349	319,330	698,036	-	8,267,686
At 1 January 2020	2,892,537	3,835,434	522,349	319,330	698,036	-	8,267,686
Charge for the year	902,415	1,906,880	136,538	57,995	150,636	-	3,154,464
Written back on disposals	(47,629)	(3,632)	-	(18,236)	(44,569)	-	(114,066)
Transfer to investment properties	(88,796)	-	-	-	-	-	(88,796)
Change in consolidation scope	(11,249)	(31)	939	(2,323)	3,358	-	(9,306)
Exchange adjustments	-	(722)	(885)	(42)	(2,008)	-	(3,657)
At 31 December 2020	3,647,278	5,737,929	658,941	356,724	805,453	-	11,206,325
Net book value:							
At 31 December 2020	13,233,296	9,067,247	5,285,744	430,112	588,605	3,236,850	31,841,854
At 31 December 2019	12,536,462	7,332,641	4,704,286	424,582	520,116	4,179,839	29,697,926

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(Expressed in thousands in Renminbi unless otherwise indicated)

12 Investment properties (a) Reconciliation of carrying amount

	2020		2019	
	Completed properties RMB'000	Properties under development RMB'000	Completed properties RMB'000	Properties under development RMB'000
Cost:				
At 1 January	70,325,985	31,502,488	50,043,155	30,239,804
New lease	5,208,137	–	980,637	–
Additions of construction costs	–	4,508,610	–	7,268,423
Change in consolidation scope	(796,598)	4,315,624	358,596	5,280,993
Transfer from inventories and others	3,954,992	–	6,210,464	2,372,279
Additions	103,650	–	–	–
Exchange adjustment	(192,236)	–	94,190	–
Transfer upon completion	10,248,289	(10,248,289)	13,659,011	(13,659,011)
Transfer to assets classified as held for sale	(4,327,536)	–	–	–
Lease termination	(807,453)	–	(1,020,068)	–
At 31 December	83,717,230	30,078,433	70,325,985	31,502,488
Accumulated depreciation:				
At 1 January	5,681,074	–	2,258,904	–
Change in consolidation scope	(478,665)	–	5,336	–
Charge for the year	3,620,788	–	3,457,206	–
Exchange adjustment	(20,588)	–	7,253	–
Transfer to assets classified as held for sale	(11,504)	–	–	–
Lease termination	(81,300)	–	(47,625)	–
At 31 December	8,709,805	–	5,681,074	–
Impairment provision:				
At 1 January	131,140	1,494,978	131,140	982,895
Charge for the year	–	–	–	512,083
At 31 December	131,140	1,494,978	131,140	1,494,978
Net book value:				
At 31 December	74,876,285	28,583,455	64,513,771	30,007,510

12 Investment properties (continued)

(a) Reconciliation of carrying amount (continued)

As at 31 December 2020, the Group has made impairment provision of RMB1.49 billion (2019: RMB1.49 billion) for Foshan C22 project.

As at 31 December 2020, the fair value of the Group's investment properties, excluding leased properties to earn rental income, was approximately RMB96,016,030,000 (2019: RMB88,734,636,000). This fair value, are determined by the directors of the Company with reference to mainly the valuation performed, using the discounted cash flow ("DCF") approach and the direct market comparison ("DMC"), by Jones Lang LaSalle, which are independent qualified professional valuers.

The valuation for completed properties was arrived at by considering the capitalised income derived from the existing tenancies and the reversionary potential of the properties or, where appropriate, by reference to market evidence of transaction prices for similar properties in the same locations and conditions.

The valuation for properties under development was arrived at by making reference to comparable sales as available in the relevant market. The construction cost incurred, estimated construction cost to complete the development, discount rate and estimated developer's profit as at the date of valuation are also taken into account.

The fair value of the investment properties and assets held for sale as set out in note 24 disclosed at the end of the reporting period is categorised into Level 3 valuations: Fair value measured using significant unobservable inputs, as defined in IFRS 13, *Fair value measurement*.

- (b) The Group leases out investment properties under operating leases. The leases run for an initial period of less than twenty years. The lease payments include fixed rentals and variable lease payment based on business performance of the tenants.

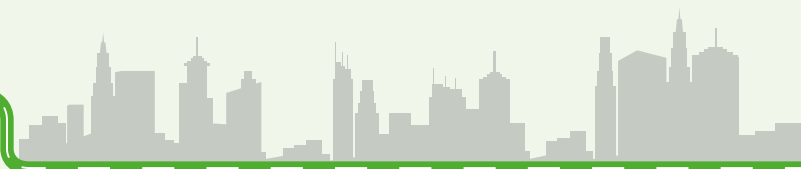
Undiscounted lease payments under operating leases in place at the reporting date will be receivable by the Group in future periods as follows:

	31 December 2020 RMB'000	31 December 2019 RMB'000
Within 1 year	4,890,400	4,185,053
After 1 year but within 2 years	3,854,394	3,593,637
After 2 years but within 3 years	3,627,434	3,594,189
After 3 years but within 4 years	3,611,511	3,545,457
After 4 years but within 5 years	3,697,888	3,671,854
After 5 years	3,881,198	3,877,145
	23,562,825	22,467,335

Certain of the Group's investment properties were pledged for bank loans, see note 26 for details.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)



13 Right-of-use assets

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

	Notes	31 December 2020 RMB'000	31 December 2019 RMB'000
Property, plant and equipment, carried at depreciated cost			
– leasehold land	(i)	5,285,744	4,674,983
– leased properties for own use	(ii)	1,704,518	1,178,757
		6,990,262	5,853,740
Investment properties, carried at depreciated cost			
– leasehold land	(i)	35,895,095	31,921,030
– leased properties to earn rental income	(ii)	23,505,601	20,956,603
		59,400,696	52,877,633
		66,390,958	58,731,373

13 Right-of-use-assets (continued)

Except for interest on lease liabilities as set out in note 5(a), the analysis of expense items in relation to leases recognised in profit or loss is as follows:

	2020 RMB'000	2019 RMB'000
Depreciation charge of right-of-use assets by class of underlying asset:		
Property, plant and equipment	400,162	420,147
Investment properties	2,566,126	2,571,340
	2,966,288	2,991,487
	2020 RMB'000	2019 RMB'000
Expense relating to leases of low-value assets and short-term leases	144,868	107,894

During the year, additions to right-of-use assets are set out in note 11 and note 12(a), respectively.

Details of total cash outflow for leases and the maturity analysis of lease liabilities are set out in notes 23(d) and 28, respectively.

(i) Leasehold land

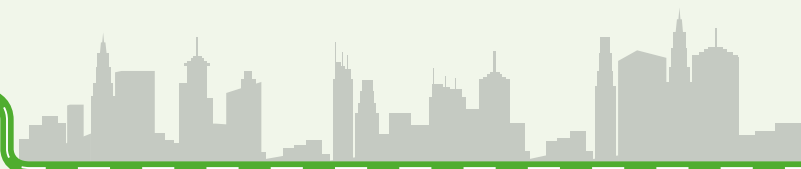
The principal activities of the Group are development and sale of properties in the PRC. The acquisition cost of interests in leasehold land for property development for sale in the ordinary course of business are presented in 'inventory' (see note 19). The interests in leasehold land which are held to earn rental income and/or for capital appreciation are presented in 'investment properties'. The Group presents interests in leasehold land that do not meet the definition of inventory or investment property in 'property, plant and equipment'.

(ii) Leased properties

The Group has obtained the right to use properties for its own use or earn rental income through tenancy agreements. The leases typically run for an initial period of 10 to 20 years.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)



14 Intangible assets

	Operating right and others RMB'000	Goodwill RMB'000	Total RMB'000
Cost:			
At 1 January 2019	1,394,792	217,109	1,611,901
Exchange adjustment	–	3,812	3,812
Additions	5,474	–	5,474
Reduction	(120,000)	–	(120,000)
At 31 December 2019 and 1 January 2020	1,280,266	220,921	1,501,187
Exchange adjustment	–	(14,578)	(14,578)
Additions	356,695	–	356,695
At 31 December 2020	1,636,961	206,343	1,843,304
Accumulated amortisation:			
At 1 January 2019	596,475	–	596,475
Charge for the year	125,861	–	125,861
Reduction	(7,428)	–	(7,428)
At 31 December 2019 and 1 January 2020	714,908	–	714,908
Charge for the year	209,654	–	209,654
At 31 December 2020	924,562	–	924,562
Net book value:			
At 31 December 2020	712,399	206,343	918,742
At 31 December 2019	565,358	220,921	786,279

(a) Operating right and others

The cost of operating right and others mainly represented the fair value of operating rights of public premise acquired.

(b) Goodwill

Goodwill arose from acquisition of Vanke Overseas Investment Holding Company Limited by the Group in 2012. As at the end of the financial reporting period, an impairment test was performed and no impairment loss was recorded.

15 Investments in subsidiaries

The following are the particulars of the subsidiaries which principally affected the results, assets or liabilities of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length. The PRC subsidiaries are of limited liability.

Name of company	Place of incorporation and operation	Particulars of issued and paid up capital ('000)	Proportion of ownership interest			Principal activity
			Group's effective interest	Held by the Company	Held by a subsidiary	
Shenzhen Vanke Development Company Limited	Shenzhen	RMB600,000	100%	95%	5%	Property development
Guangzhou Vanke Enterprises Company Limited	Guangzhou	RMB5,000,000	100%	100%	-	Property development
Shanghai Vanke Enterprises Company Limited	Shanghai	RMB10,000,000	100%	-	100%	Property development
Beijing Vanke Enterprises Company Limited	Beijing	RMB2,000,000	100%	95%	5%	Property development
Foshan Vanke Property Company Limited	Foshan	RMB60,000	100%	-	100%	Property development
Dongguan Vanke Real Estate Company Limited	Dongguan	RMB300,000	100%	-	100%	Property development
Zhuhai Vanke Development Company Limited	Zhuhai	RMB10,000	100%	100%	-	Property development
Xiamen Vanke Enterprises Company Limited	Xiamen	RMB1,200,000	100%	100%	-	Property development
Fuzhou Vanke Development Company Limited	Fuzhou	RMB20,000	100%	100%	-	Property development
Hainan Vanke Corporate Management Company Limited	Hainan	RMB10,000	100%	100%	-	Property development
Nanjing Vanke Enterprises Company Limited	Nanjing	RMB150,000	100%	100%	-	Property development
Suzhou Vanke Enterprises Company Limited	Suzhou	RMB100,000	100%	100%	-	Property development
Ningbo Vanke Enterprises Company Limited	Ningbo	RMB150,000	100%	100%	-	Property development
Hefei Vanke Enterprises Company Limited	Hefei	RMB200,000	100%	100%	-	Property development
Tangshan Vanke Real Estate Development Company Limited	Tangshan	RMB200,000	100%	-	100%	Property development
Tianjin Vanke Real Estate Company Limited	Tianjin	RMB390,000	100%	15%	85%	Property development
Shenyang Vanke Enterprises Company Limited	Shenyang	RMB100,000	100%	95%	5%	Property development
Dalian Vanke Property Company Limited	Dalian	RMB30,000	100%	100%	-	Property development
Changchun Vanke Real Estate Development Company Limited	Changchun	RMB50,000	100%	95%	5%	Property development
Yantai Vanke Enterprises Company Limited	Yantai	RMB30,000	100%	100%	-	Property development
Taiyuan Vanke Real Estate Company Limited	Taiyuan	RMB60,000	100%	100%	-	Property development
Qingdao Vanke Real Estate Company Limited	Qingdao	RMB20,000	100%	100%	-	Property development
Vanke (Chengdu) Enterprises Company Limited	Chengdu	RMB500,000	100%	90%	10%	Property development
Wuhan Vanke Real Estate Company Limited	Wuhan	RMB150,000	100%	95%	5%	Property development
Vanke (Chongqing) Enterprises Company Limited	Chongqing	RMB100,000	100%	100%	-	Property development
Xi'an Vanke Enterprises Company Limited	Xi'an	RMB20,000	100%	100%	-	Property development
Guiyang Vanke Real Estate Company Limited	Guiyang	RMB100,000	100%	100%	-	Property development
Yunnan Vanke Enterprises Company Limited	Kunming	RMB20,000	100%	100%	-	Property development
Vanke (Xinjiang) Enterprises Company Limited	Urumqi	RMB100,000	100%	95%	5%	Property development
Zhejiang Zhenan Vanke Real Estate Company Limited	Wenzhou	RMB1,300,000	100%	100%	-	Property development
Wuhu Vanke Real Estate Company Limited	Wuhu	RMB60,000	100%	100%	-	Property development
Yangzhou Vanke Real Estate Company Limited	Yangzhou	RMB10,000	100%	100%	-	Property development
Zhengzhou Vanke Enterprises Company Limited	Zhengzhou	RMB100,000	100%	100%	-	Property development

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

15 Investments in subsidiaries (continued)

Name of company	Place of incorporation and operation	Particulars of issued and paid up capital ('000)	Proportion of ownership interest			Principal activity
			Group's effective interest	Held by the Company	Held by a subsidiary	
Xuzhou Vanke Enterprises Company Limited	Xuzhou	RMB100,000	100%	100%	-	Property development
Jinan Vanke Enterprises Company Limited	Jinan	RMB100,000	100%	100%	-	Property development
Guangxi Vanke Corporate Management Company Limited	Nanning	RMB10,000	100%	100%	-	Property development
Changzhou Vanke Enterprises Company Limited	Changzhou	RMB20,000	100%	100%	-	Property development
Lanzhou Vanke Enterprises Company Limited	Lanzhou	RMB100,000	100%	100%	-	Property development
Shijiazhuang Vanke Real Estate Development Company Limited	Shijiazhuang	RMB50,000	100%	-	100%	Property development
Zhongshan Vanke Enterprises Company Limited	Zhongshan	RMB100,000	100%	100%	-	Property development
Changsha Vanke Enterprises Company Limited	Changsha	RMB19,000	100%	100%	-	Property development
Zhejiang Vanke Nandu Real Estate Company Limited	Hangzhou	RMB3,650,000	100%	-	100%	Property development
Wuxi Vanke Enterprises Company Limited	Wuxi	RMB20,000	100%	100%	-	Property development
Nantong Vanke Enterprises Company Limited	Nantong	RMB20,000	100%	-	100%	Property development
Jiangxi Vanke Yida Property Investment Company Limited	Nanchang	RMB100,000	50%	50%	-	Property development
Jiaxing Vanke Real Estate Development Company Limited	Jiaxing	RMB100,000	100%	-	100%	Property development
Yancheng Vanke Real Estate Development Company Limited	Yancheng	RMB20,000	100%	-	100%	Property development
Ha'erbin Vanke Enterprises Company Limited	Ha'erbin	RMB100,000	100%	100%	-	Property development
Baotou Vanke Real Estate Company Limited	Baotou	RMB10,000	100%	100%	-	Property development
Jiangmen Vanke Enterprise Company Limited	Jiangmen	RMB100,000	100%	100%	-	Property development
Huizhou Vanke Enterprises Company Limited	Huizhou	RMB20,000	100%	100%	-	Property development
Weifang Vanke Enterprises Company Limited	Weifang	RMB100,000	100%	100%	-	Property development
Linyi Vanke Enterprises Company Limited	Linyi	RMB100,000	100%	100%	-	Property development
Vanke Overseas Investment Holding Company Limited	The Cayman Islands/ Hong Kong	HKD7,500	75%	-	75%	Property Investment holding
Vanke Real Estate (HK) Company Limited	Hong Kong	HKD3,034,200	100%	80%	20%	Investment holding
Vanke Property (HK) Company Limited	Hong Kong	USD490,000	100%	-	100%	Investment holding
Vanke Property Real Estate (HK) Company Limited	Hong Kong	USD90,000	100%	49%	51%	Investment holding
Dongguan Vanke Architectural Technology Research Company Limited	Dongguan	RMB20,000	100%	100%	-	Others
Vanke Holdings USA LLC	U.S.	USD972,501	100%	-	100%	Investment holding
Jilin Songhua Lake International Resorts Company Limited	Jilin	RMB110,000	100%	-	100%	Tourism
Lithium Real Estate (Jersey) Limited	Jersey	GBP27,420	100%	-	100%	Investment holding
Vanke Logistics Development Company Limited	Shanghai	RMB18,100,000	100%	100%	-	Investment holding
Zhuhai Port Apartment Management Company Limited	Zhuhai	RMB5,000	100%	-	100%	Investment holding

No individual non-controlling interest is considered material to the Group as at 31 December 2020 and 2019.

16 Interests in associates and joint ventures

(a) Interest in associates

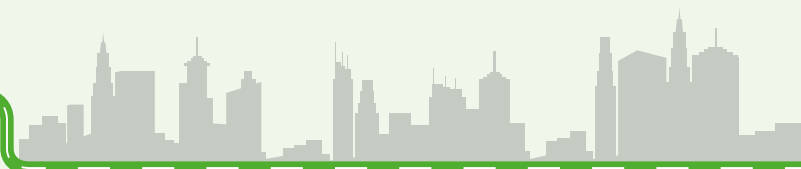
	31 December 2020 RMB'000	31 December 2019 RMB'000
Listed in Hong Kong	5,729,807	6,178,333
Listed in U.S.	2,694,911	–
Unlisted	67,440,577	67,189,233
	75,865,295	73,367,566

As at 31 December 2020, the market value of the investment in associates listed in Hong Kong was RMB3,664,255,000 (2019: RMB4,604,786,000).

As at 31 December 2020, the market value of the investment in an associate listed in U.S. was RMB11,172,033,000 (2019: Nil).

Management considers that none of the associates of the Group will have a significant impact to the financial position and performance of the Group individually.

	2020 RMB'000	2019 RMB'000
Aggregate carrying amount of individually immaterial associates in the consolidated financial statements	75,865,295	73,367,566
Aggregate amounts of the Group's share of those associates' profit or loss for the year	2,792,787	527,604
Aggregate amounts of the Group's share of those associates' other comprehensive income for the year	303,572	(260,295)



16 Interests in associates and joint ventures (continued)

(b) Interest in joint ventures

Management considers that none of the joint ventures of the Group will have significant impact to the financial position and performance of the Group individually.

	2020 RMB'000	2019 RMB'000
Aggregate carrying amount of individually immaterial joint ventures in the consolidated financial statements	66,029,895	57,108,202
Aggregate amounts of the Group's share of those joint ventures' profit or loss and total comprehensive income for the year	6,946,869	3,262,995

17 Other financial assets

	31 December 2020 RMB'000	31 December 2019 RMB'000
Equity securities designated at FVOCI (non-recycling)		
– Listed equity securities	1,601,237	2,249,954
Financial assets measured at FVPL		
– Listed equity securities	–	98,199
– Unlisted equity securities	697,760	575,783
	697,760	673,982

The Group designated its investment in certain companies at FVOCI (non-recycling), as the investment is held for strategic purposes. Dividends of RMB16,101,000 were received on this investment during the year (2019: RMB14,069,000).

(Expressed in thousands in Renminbi unless otherwise indicated)

18 Other non-current assets

	31 December 2020 RMB'000	31 December 2019 RMB'000
Prepayments for acquisitions and properties development	10,980,129	7,199,762
Others	2,859,950	1,907,558
	13,840,079	9,107,320

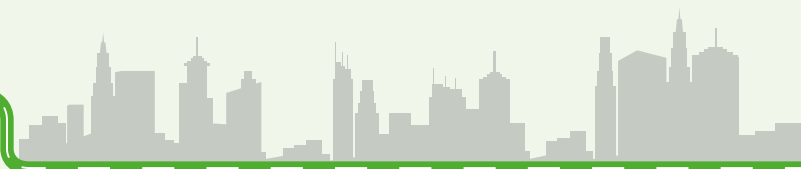
19 Inventories and other contract costs

	31 December 2020 RMB'000	31 December 2019 RMB'000
Properties held for development	201,752,768	207,609,238
Properties under development	725,075,575	622,292,297
Completed properties for sale	74,044,365	66,034,463
Others	1,254,177	1,156,885
Contract costs	6,307,455	4,714,197
	1,008,434,340	901,807,080

(a) The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

	2020 RMB'000	2019 RMB'000
Carrying amount of inventories sold	270,972,219	216,797,855
Write-down of inventories	1,980,818	1,136,673
	272,953,037	217,934,528

Certain of the Group's inventories were pledged for bank loans, see note 26 for details.



19 Inventories and other contract costs (continued)

(b) Contract costs

Contract costs capitalised as at 31 December 2020 relate to the incremental sales commissions paid to property agents whose selling activities resulted in customers entering into sale and purchase agreements for the Group's properties which are still under construction at the reporting date. Contract costs are recognised as part of "selling and marketing expenses" in the statement of profit or loss in the period in which revenue from the related property sales is recognised. The amount of capitalised costs recognised in profit or loss during the year was RMB3,778,977,000 (2019: RMB2,707,871,000).

The amount of capitalised contract costs that is expected to be recovered after more than one year is RMB1,188,977,000 (2019: RMB671,478,000).

20 Contract assets and contract liabilities

(a) Contract assets

	31 December 2020 RMB'000	31 December 2019 RMB'000
Contract assets		
Arising from performance under construction contracts	6,162,550	3,444,938
Receivables from contracts with customers within the scope of IFRS15, which are included in "Trade and other receivables"	3,002,086	2,017,046

The Group's construction contracts include payment schedules which require stage payments over the construction period once milestones are reached. These payment schedules prevent the build-up of significant contract assets.

The amount of contract assets that is expected to be recovered after more than one year is RMB67,318,000 (2019: RMB63,657,000), all of which relates to retentions.

20 Contract assets and contract liabilities (continued)**(b) Contract liabilities**

Contract liabilities	31 December 2020 RMB'000	31 December 2019 RMB'000
Property development	630,747,211	577,047,227

The Group receives 20-100% of the contract value as a deposit from customers when they sign the sale and purchase agreement and the rest of the consideration is paid according to payment schedules. This deposit is recognised as a contract liability until the properties are controlled by the customer.

Movements in contract liabilities

	2020 RMB'000	2019 RMB'000
Balance at 1 January	577,047,227	504,711,414
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	(336,359,017)	(312,055,051)
Increase in contract liabilities as a result of receiving forward sales deposits and instalments excluding amounts recognised as revenue during the year	375,986,591	372,273,401
Change in consolidation scope	14,072,410	12,117,463
Balance at 31 December	630,747,211	577,047,227

The amount of forward sales deposits and instalments received expected to be recognised as income after more than one year is RMB155,753 million (2019: RMB132,308 million).

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

21 Trade and other receivables

		31 December 2020 RMB'000	31 December 2019 RMB'000
	Note		
Trade receivables, net of loss allowance	(a)	3,002,086	2,017,046
Other receivables, net of loss allowance	(b)	120,489,698	120,920,746
Prepayments, net of loss allowance	(d)	78,600,416	113,802,566
Amounts due from associates	(c)	43,071,461	39,832,862
Amounts due from joint ventures	(c)	85,937,385	74,711,399
Derivative financial instruments	(e)	14,761	332,258
		331,115,807	351,616,877

All of the trade and other receivables, apart from receivables of RMB3,808 million (2019: RMB4,767 million), are expected to be recovered within one year.

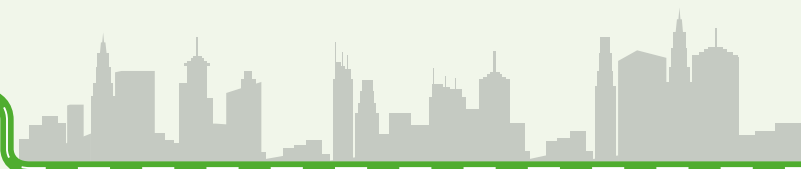
21 Trade and other receivables (continued)**(a) Ageing analysis**

As at the end of the reporting period, the ageing analysis of trade receivables (which are included in trade and other receivables), based on the date the trade receivables recognised and net of loss allowance, is as follows:

	31 December 2020 RMB'000	31 December 2019 RMB'000
Within 1 year	2,294,266	1,346,353
1 to 2 years	268,005	348,291
2 to 3 years	247,874	175,588
Over 3 years	191,941	146,814
	3,002,086	2,017,046

The Group's credit policy is set out in note 32(a).

- (b) Other receivables mainly included deposits paid for the acquisition of land and advances made to non-controlling shareholders of certain subsidiaries. Allowance for other debtors related to certain long outstanding deposits and management assessed that only a portion of the receivables is expected to be recovered.
- (c) The amounts due from associates and joint ventures as at 31 December 2020 include amounts of RMB13,918 million (2019: RMB29,069 million) which are interest-bearing at market rate, unsecured and repayable on demand. The interest income from these associates and joint ventures amounted to RMB570 million (2019: RMB1,112 million). The remaining amounts due from associates and joint ventures are unsecured, interest-free and repayable on demand.
- (d) Prepayments include prepayments for inventories of RMB9,756 million (2019: RMB32,911 million), prepaid CIT of RMB15,428 million (2019: RMB12,142 million) and prepaid LAT of RMB12,976 million (2019: RMB11,334 million) and prepaid value-added tax ("VAT") of RMB34,474 million (2019: RMB31,674 million). Impairment provision for prepayments relates to some prepayments for leasehold land and management assessed that these prepayments are not expected to be recoverable.



21 Trade and other receivables (continued)

- (e) The Group entered into cross currency swap (“CCS”) contracts for hedging purpose. These CCS contracts are measured at fair value. The effective portion of gains and losses on CCS qualifying for hedge accounting as at 31 December 2020 was recognised in the other comprehensive income and calculated separately in equity in hedging reserve.

The notional amount of outstanding CCS contracts as at 31 December 2020 was RMB13,597 million (2019: RMB14,558 million), and the fair value was recognised in derivative financial liabilities at RMB336 million and derivative financial assets at RMB15 million (2019: derivative financial assets at RMB327 million).

22 Other current assets

At 31 December 2020, other current assets mainly represented investments in wealth management products with maturity periods of less than one year.

23 Cash and cash equivalents

(a) Cash and cash equivalents comprise

	31 December 2020 RMB'000	31 December 2019 RMB'000
Cash at bank and on hand	185,662,380	159,738,651

As at the end of the reporting period, bank deposit balances amounted RMB212 million (2019: RMB418 million) were held with Huishang Bank Co., Ltd. an associate of the Group.

(Expressed in thousands in Renminbi unless otherwise indicated)

23 Cash and cash equivalents (continued)

(b) Reconciliation of profit before taxation to cash generated from operation

	Note	2020 RMB'000	2019 RMB'000
Profit before taxation		103,755,529	106,116,493
Adjustments for:			
Write-down of inventories	19(a)	1,980,818	1,136,673
Impairment loss of trade and other receivables	5(c)	224,462	216,850
Impairment loss of investment properties		–	512,083
Depreciation and amortisation	5(c)	6,984,906	6,305,602
Net (gain)/loss on disposals of property, plant and equipment	4	(48,381)	9,666
Net gain on disposals of subsidiaries, joint ventures and associates	4	(2,596,624)	(852,218)
Net loss on disposal of other financial assets	4	3,879	11,252
Gain on previously held interest in subsidiaries upon loss of control	4	(434,881)	–
Net gain on disposal of other current assets	4	(695,763)	(290,298)
Fair value changes	4	(5,334)	68,519
Finance costs	5(a)	8,757,580	9,255,269
Interest income	4	(4,680,643)	(3,530,405)
Dividend income from investments	4	(48,825)	(62,264)
Share of profits less losses of associates and joint ventures		(9,739,656)	(3,790,598)
Net exchange loss/(gain)	4	663,865	(326,187)
Changes in working capital:			
Increase in inventories and other contract costs		(38,155,059)	(107,679,287)
Decrease in trade and other receivables and contract assets		8,565,526	11,244,285
Increase in trade and other payables and contract liabilities		20,355,529	70,209,175
Cash generated from operations		94,886,928	88,554,610

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

23 Cash and cash equivalents (continued)

(c) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated cash flow statement as cash flows from financing activities.

	Bank loans and borrowings from financial institutions RMB'000 Note 26	Bonds payable RMB'000 Note 27	Interest payables RMB'000	Lease liabilities RMB'000 Note 28	Other payables RMB'000	Total RMB'000
At 1 January 2020	195,726,218	62,126,006	1,484,881	22,703,010	28,170,204	310,210,319
Changes from financing cash flows:						
Proceeds from bank loans, borrowings from financial institutions and bonds	106,113,680	8,963,038	-	-	-	115,076,718
Repayment of bank loans, borrowings from financial institutions and bonds	(98,455,410)	(11,976,481)	-	-	-	(110,431,891)
Repayment of advance payment from contracted parties	-	-	-	-	(27,038,718)	(27,038,718)
Interest paid	-	-	(15,431,258)	-	-	(15,431,258)
Capital element of lease rentals	-	-	-	(1,381,926)	-	(1,381,926)
Interest element of lease rentals paid	-	-	-	(985,635)	-	(985,635)
Total changes from financing cash flows	7,658,270	(3,013,443)	(15,431,258)	(2,367,561)	(27,038,718)	(40,192,710)
Exchange adjustments	(951,411)	(2,608,509)	(302,772)	-	-	(3,862,692)
Other changes:						
Increase in lease liabilities from entering into new leases during the period	-	-	-	5,731,037	-	5,731,037
Decrease in lease liabilities from termination of leases during the period	-	-	-	(877,918)	-	(877,918)
Interest expenses (Note 5(a))	-	-	7,456,683	985,635	315,262	8,757,580
Capitalised borrowing costs (Note 5(a))	-	-	8,063,719	-	-	8,063,719
Change in consolidation scope	(410,761)	-	-	-	553,252	142,491
Total other changes	(410,761)	-	15,520,402	5,838,754	868,514	21,816,909
At 31 December 2020	202,022,316	56,504,054	1,271,253	26,174,203	2,000,000	287,971,826

23 Cash and cash equivalents (continued)

(c) Reconciliation of liabilities arising from financing activities (continued)

	Bank loans and borrowings from financial institutions RMB'000 Note 26	Bonds payable RMB'000 Note 27	Interest payables RMB'000	Lease liabilities RMB'000 Note 28	Other payables RMB'000	Total RMB'000
At 1 January 2019	190,065,978	71,141,619	1,463,670	24,184,694	16,959,520	303,815,481
Changes from financing cash flows:						
Proceeds from bank loans, borrowings from financial institutions and bonds	79,016,908	14,603,433	-	-	-	93,620,341
Repayment of bank loans, borrowings from financial institutions and bonds	(76,596,441)	(24,119,120)	-	-	-	(100,715,561)
Proceed from advance payment from contracted parties	-	-	-	-	17,958,911	17,958,911
Repayment of advance payment from contracted parties	-	-	-	-	(7,415,335)	(7,415,335)
Interest paid	-	-	(13,333,126)	-	-	(13,333,126)
Capital element of lease rentals	-	-	-	(1,475,417)	-	(1,475,417)
Interest element of lease rentals paid	-	-	-	(986,299)	-	(986,299)
Total changes from financing cash flows	2,420,467	(9,515,687)	(13,333,126)	(2,461,716)	10,543,576	(12,346,486)
Exchange adjustments	241,794	397,436	161,310	-	-	800,540
Other changes:						
Increase in lease liabilities from entering into new leases during the period	-	-	-	990,478	-	990,478
Decrease in lease liabilities from termination of leases during the period	-	-	-	(996,745)	-	(996,745)
Interest expenses (Note 5(a))	-	102,638	7,499,224	986,299	667,108	9,255,269
Capitalised borrowing costs (Note 5(a))	-	-	5,693,803	-	-	5,693,803
Change in consolidation scope	2,997,979	-	-	-	-	2,997,979
Total other changes	2,997,979	102,638	13,193,027	980,032	667,108	17,940,784
At 31 December 2019	195,726,218	62,126,006	1,484,881	22,703,010	28,170,204	310,210,319

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

23 Cash and cash equivalents (continued)

(d) Total cash outflow for leases

Amounts included in the cash flow statement for leases excluding the acquisition of land use right as inventory, comprise the following:

	2020 RMB'000	2019 RMB'000
Within operating cash flows	144,868	107,894
Within investing cash flows	–	1,568,500
Within financing cash flows	2,367,561	2,461,716
	2,512,429	4,138,110

These amounts relate to the following:

	2020 RMB'000	2019 RMB'000
Purchase of leasehold land for own use	–	1,568,500
Lease rentals paid	2,512,429	2,569,610
	2,512,429	4,138,110

(e) Non-cash transaction

In 2020, the Group re-negotiated and signed supplemental agreements with some non-controlling shareholders in respect of their previous years' investments in certain subsidiaries. According to the terms, these investments, amounted to RMB8,198 million, are treated as equity investments and increased non-controlling interest while no cash inflows or outflows occurred in 2020.

24 Assets held for sale

	31 December 2020 RMB'000	31 December 2019 RMB'000
Investment properties	6,334,728	4,252,755

Assets being classified as held for sale are recognised at the lower of their carrying amount and fair value less costs to sell (see note 1(ab)). The fair value of the Group's assets held for sale, was approximately RMB7,956,305,000 as at 31 December 2020 (2019: RMB5,643,457,000) as determined by the directors of the Company with reference to the valuation performed as set out in note 12(a). No impairment loss was recorded for the assets held for sale and the Group does not have any other comprehensive income related to the assets held for sale.

25 Trade and other payables

	Note	31 December 2020 RMB'000	31 December 2019 RMB'000
Trade creditors and bills payable	(a)	296,291,615	268,222,145
Other payables and accruals	(b)	157,960,642	191,062,757
Amounts due to associates	(c)	23,877,251	23,978,900
Amounts due to joint ventures	(c)	53,146,715	58,233,719
Receipts in advance		912,231	770,782
Derivative financial instrument	21(e)	336,154	–
		532,524,608	542,268,303

Notes:

- (a) An amount of RMB5,101 million (2019: RMB4,613 million) included in trade and other payables is expected to be settled after one year.

Ageing analysis of trade creditors and bills payables included in trade and other payables as at the end of the reporting period, based on the invoice date:

	31 December 2020 RMB'000	31 December 2019 RMB'000
Current or payable on demand	291,191,085	263,609,176
Due after one year	5,100,530	4,612,969
Total	296,291,615	268,222,145

- (b) Other payables and accruals includes advance from non-controlling shareholders of subsidiaries and other parties for the respective property development projects. These balances, except for an amount of RMB11,002 million (2019: RMB8,475 million) which are interest-bearing at market rate, are interest-free, unsecured and repayable on demand.
- (c) The amounts of RMB3,129 million (31 December 2019: RMB7,054 million) due to associates and joint ventures are interest-bearing at market rate, unsecured and repayable on demand. The interest expenses for the year amounted to RMB121 million (2019: RMB337 million). The remaining amounts due to associates and joint ventures are unsecured, interest-free and repayable on demand.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

26 Bank loans and borrowings from financial institutions

This note provides information about the contractual terms of the Group's bank loans and borrowings from financial institutions. For more information about the Group's exposure to interest rate risk, please refer to note 32(c).

	31 December 2020		
	Bank loans RMB'000	Borrowings from financial institutions RMB'000	Total RMB'000
Current			
Secured	7,664,474	–	7,664,474
Unsecured	41,667,859	20,653,200	62,321,059
Interest payables	194,247	119,487	313,734
	49,526,580	20,772,687	70,299,267
Non-current			
Secured	11,061,080	–	11,061,080
Unsecured	75,739,423	45,236,280	120,975,703
	86,800,503	45,236,280	132,036,783

(Expressed in thousands in Renminbi unless otherwise indicated)

26 Bank loans and borrowings from financial institutions (continued)

	31 December 2019		
	Bank loans RMB'000	Borrowings from financial institutions RMB'000	Total RMB'000
Current			
Secured	2,488,595	–	2,488,595
Unsecured	58,285,645	20,632,200	78,917,845
Interest payables	361,714	54,627	416,341
	61,135,954	20,686,827	81,822,781
Non-current			
Secured	17,451,066	–	17,451,066
Unsecured	62,184,852	34,683,860	96,868,712
	79,635,918	34,683,860	114,319,778

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

26 Bank loans and borrowings from financial institutions (continued)

The secured bank loans are secured over share of interest in certain subsidiaries of the Group and other assets as below:

	31 December 2020 RMB'000	31 December 2019 RMB'000
Inventories	6,397,527	6,747,420
Investment properties	8,877,297	9,215,937
Pledged deposit	3,841,600	3,841,600
Property, plant and equipment	509,849	527,514
	19,626,273	20,332,471

Bank loans and borrowings from financial institutions are interest-bearing at 1.33% to 6.16% per annum (2019: 2.16% to 6.16% per annum).

At 31 December, non-current interest-bearing loans and borrowings were repayable as follows:

	2020 RMB'000	2019 RMB'000
After 1 year but within 2 years	53,419,528	23,516,204
After 2 years but within 5 years	75,409,157	87,131,488
After 5 years	3,208,098	3,672,086
	132,036,783	114,319,778

27 Bonds payable

	Note	31 December 2020 RMB'000	31 December 2019 RMB'000
Current			
Bonds issued under Medium Term Note ("MTN") Programme	(a)	1,426,873	–
Bonds issued under Super short-term Commercial Paper ("SCP") Programme	(b)	–	500,000
RMB Corporate Bonds	(c)	3,511,609	8,988,192
RMB MTN Programme	(d)	7,989,349	2,992,301
Interest payables		762,046	782,532
		13,689,877	13,263,025
Non-current			
Bonds issued under MTN Programme	(a)	30,121,235	33,704,352
RMB Corporate Bonds	(c)	13,454,988	7,977,740
RMB MTN Programme	(d)	–	7,963,421
		43,576,223	49,645,513
		57,266,100	62,908,538

Notes:

- (a) Vanke Real Estate Hong Kong ("VREHK"), a wholly owned subsidiary of the Group, established a MTN Programme ("the Programme") which is listed on the Stock Exchange of Hong Kong. These bonds are unsecured and interest-bearing at 2.95% to 5.35% per annum. At 31 December 2020, RMB21,720 million of non-current bonds issued under the Programme are repayable after 2 years but within 5 years, and RMB8,401 million of which are repayable after 5 years.
- (b) In 2019, the Group issued notes of RMB500 million under the SCP Programme which are listed on the National Association of Financial Market Institution Investors in the PRC. This bond bears fixed interest rate of 3.18% per annum, is unsecured. This bond was fully repaid on 14 July 2020.
- (c) The Company was approved by the China Securities Regulatory Commission ("CSRC") for public issuance of corporate bonds not exceeding RMB26 billion to qualified investors. These bonds are unsecured and interest-bearing at 1.90% to 4.18% per annum. At 31 December 2020, RMB8,165 million of non-current bonds are repayable after 2 years but within 5 years and RMB5,290 million of which are repayable after 5 years.
- (d) The Group issued notes under the RMB MTN programme which are listed on the National Association of Financial Market Institution Investors. These bonds are unsecured and interest-bearing at 3.20% to 4.60% per annum.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

28 Lease liabilities

The following table shows the remaining contractual maturities of the Group's lease liabilities at the end of the current reporting period:

	31 December 2020	
	Present value of the lease payments RMB'000	Total lease payments RMB'000
Within 1 year	1,584,257	2,625,258
After 1 year but within 2 years	1,705,502	2,672,296
After 2 years but within 3 years	1,784,369	2,680,362
After 3 years	21,100,075	27,866,513
	24,589,946	33,219,171
Less: total future interest expenses	26,174,203	35,844,429 (9,670,226)
Present value of lease liabilities		26,174,203
	31 December 2019	
	Present value of the lease payments RMB'000	Total lease payments RMB'000
Within 1 year	1,425,644	2,331,631
After 1 year but within 2 years	1,527,584	2,374,161
After 2 years but within 3 years	1,616,371	2,398,817
After 3 years	18,133,411	22,335,258
	21,277,366	27,108,236
Less: total future interest expenses	22,703,010	29,439,867 (6,736,857)
Present value of lease liabilities		22,703,010

29 Income tax in the consolidated statement of financial position

(a) Current taxation in the consolidated statement of financial position represents:

	31 December 2020 RMB'000	31 December 2019 RMB'000
Income taxes	14,113,885	13,016,369
LAT	54,533,585	43,766,935
	68,647,470	56,783,304

LAT provisions have been made pursuant to Guo Shui Fa (2006) No. 187 *Circular of State Administration of Taxation on Relevant Issues of Settlement and Management of Land Appreciation Tax for Real Estate Developers*. The Group considers the timing of settlement is dependent on the practice of local tax bureaus. As a result of the uncertainty of timing of payment of LAT, the provisions have been recorded as current liabilities.

(b) Deferred tax assets and liabilities recognised:

(i) Movement of each component of deferred tax assets and liabilities

The components of deferred tax assets/(liabilities) recognised in the consolidated statement of financial position and the movements during the year are as follows:

	Tax losses RMB'000	Write-down of inventories and impairment of investment properties RMB'000	Accruals for construction costs RMB'000	Accrual for LAT RMB'000	Unrealised profits RMB'000	Impairment loss of trade and other receivables RMB'000	Other temporary differences RMB'000	Fair value adjustments arising from business combinations RMB'000	Capitalised contract costs RMB'000	Withholding tax RMB'000	Total RMB'000
<i>(note 6(a)(iii))</i>											
Deferred tax arising from:											
At 1 January 2019	6,604,008	509,526	1,411,424	5,496,655	1,223,199	310,447	193,946	(258,223)	(257,173)	(107,575)	15,126,234
Credited/(charged) to profit or loss (note 6(a))	2,974,823	(60,596)	241,076	3,700,546	297,237	6,184	330,653	31,484	257,173	(21,861)	7,756,719
Acquisition of subsidiaries	234,970	-	-	-	-	-	-	-	-	-	234,970
Disposals of subsidiaries	(46,512)	-	-	-	-	-	-	-	-	-	(46,512)
At 31 December 2019 and 1 January 2020	9,767,289	448,930	1,652,500	9,197,201	1,520,436	316,631	524,599	(226,739)	-	(129,436)	23,071,411
Credited/(charged) to profit or loss (note 6(a))	1,670,135	(113,077)	141,355	2,531,441	(212,978)	42,148	57,245	30,741	-	30,086	4,177,096
Acquisition of subsidiaries	376,727	-	-	-	-	-	-	-	-	-	376,727
Disposals of subsidiaries	(251,228)	-	-	(133,923)	-	-	-	-	-	-	(385,151)
At 31 December 2020	11,562,923	335,853	1,793,855	11,594,719	1,307,458	358,779	581,844	(195,998)	-	(99,350)	27,240,083

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

29 Income tax in the consolidated statement of financial position (continued)

(b) Deferred tax assets and liabilities recognised: (continued)

(ii) Reconciliation to the consolidated statement of financial position

	31 December 2020 RMB'000	31 December 2019 RMB'000
Representing:		
Deferred tax assets	27,535,431	23,427,586
Deferred tax liabilities	(295,348)	(356,175)
	27,240,083	23,071,411

(c) Deferred tax assets not recognised:

Deferred tax assets has not been recognised in respect of the following items:

	31 December 2020 RMB'000	31 December 2019 RMB'000
Tax losses	6,348,280	5,992,754
Deductible temporary differences	6,423,024	4,455,305
	12,771,304	10,448,059

The deductible temporary differences will not expire under the current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom. The unrecognised tax losses expired/will expire in the following years:

	31 December 2020 RMB'000	31 December 2019 RMB'000
2020	–	59,169
2021	210,926	215,852
2022	1,088,493	1,171,551
2023	1,009,106	1,144,672
2024	1,859,634	3,401,510
2025	2,180,121	–
	6,348,280	5,992,754

29 Income tax in the consolidated statement of financial position (continued)

(d) Deferred tax liabilities not recognised

Pursuant to the Implementation Rules of the Enterprise Income Tax Law, overseas investors of foreign investment enterprises shall be liable for withholding income tax at 10% on the dividend derived from the profits of PRC subsidiaries with effect from 1 January 2008, unless the tax rate is reduced by treaty. Pursuant to the Sino-Hong Kong Double Tax Arrangements, the investor established in Hong Kong which is the beneficiary owner holding not less than 25% of the equity interests of its PRC subsidiaries can enjoy a reduced withholding tax rate of 5% on the dividend received from its PRC subsidiaries. The Group recognised the deferred tax liabilities in relation to the distributable profits expected to be distributed in foreseeable future.

At 31 December 2020, temporary differences relating to the undistributed profits of domestic subsidiaries that have not been recognised as deferred tax liability amounted to approximately RMB17,559 million (2019: RMB17,629 million). At 31 December 2020, deferred tax liabilities of RMB1,217 million (2019: RMB1,258 million) have not been recognised in respect of the tax that would be payable on the distribution of these retained profits as the Group controls the dividend policy of these subsidiaries and management expects that it is probable that these profits will not be distributed in the foreseeable future.

30 Other non-current liabilities

The balance mainly represents the amounts that are held on behalf of the owners committees in the property management sector by the Group and present value of proceeds to be paid by instalments for Qianhai Enterprise Dream Park Project.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

31 Capital, reserves and dividends

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

	Note	Share capital RMB'000	Share premium RMB'000	Statutory reserves RMB'000	Other reserves RMB'000	Retained profits RMB'000	Total equity RMB'000
Balance at 1 January 2019		11,039,152	9,201,769	47,393,246	371,944	12,106,559	80,112,670
Changes in equity for 2019:							
Profit for the year		-	-	-	-	36,050,782	36,050,782
Total comprehensive income		-	-	-	-	36,050,782	36,050,782
Dividends approved		-	-	-	-	(11,811,893)	(11,811,893)
Issuance of H shares	31(b)	262,991	6,380,411	-	-	-	6,643,402
Appropriation of statutory reserves in 2019	31(c)(i)	-	-	23,433,008	-	(23,433,008)	-
Balance at 31 December 2019		11,302,143	15,582,180	70,826,254	371,944	12,912,440	110,994,961
Changes in equity for 2020:							
Profit for the year		-	-	-	-	40,984,723	40,984,723
Total comprehensive income		-	-	-	-	40,984,723	40,984,723
Dividends approved in respect of the previous year	31(d)	-	-	-	-	(11,810,739)	(11,810,739)
Appropriation of statutory reserves in 2020	31(c)(i)	-	-	26,640,070	-	(26,640,070)	-
Issuance of H shares	31(b)	315,589	6,849,707	-	-	-	7,165,296
Balance at 31 December 2020		11,617,732	22,431,887	97,466,324	371,944	15,446,354	147,334,241

31 Capital, reserves and dividends (continued)**(b) Share capital****Issued share capital**

	2020		2019	
	No. of shares ('000)	RMB'000	No. of shares ('000)	RMB'000
A shares-registered, issued and fully paid of RMB1 each:				
At 1 January and 31 December	9,724,197	9,724,197	9,724,197	9,724,197
H shares-registered, issued and fully paid of RMB1 each:				
At 1 January	1,577,946	1,577,946	1,314,955	1,314,955
Shares issued	315,589	315,589	262,991	262,991
At 31 December	1,893,535	1,893,535	1,577,946	1,577,946
At 1 January	11,302,143	11,302,143	11,039,152	11,039,152
At 31 December	11,617,732	11,617,732	11,302,143	11,302,143

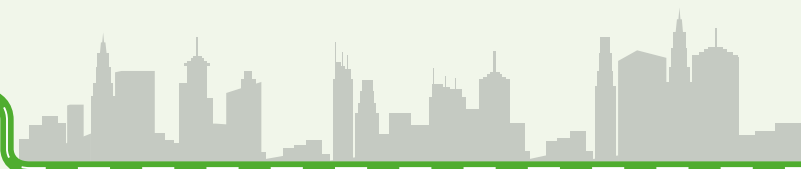
Included in the A shares are 6,643,268 shares (2019: 9,026,490 shares) with restriction to transfer.

On 11 June 2020, the Company issued 315,589,200 new H shares under general mandate through a placement. The aggregate gross proceeds from the placing are approximately RMB7,188 million and the aggregate net proceeds (after deducting all applicable costs and expenses, including commission and legal fees) from the placing are approximately RMB7,165 million. The share capital has increased by RMB315,589,200, while RMB6,850 million were credited to share premium.

The holders of A and H shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. All A and H shares rank equally with regard to the Company's residual assets.

(c) Nature and purpose of reserves**(i) Statutory reserves***Statutory surplus reserve*

According to the PRC Company Law, the Group is required to transfer 10% of its profit after taxation, as determined under PRC Accounting Regulations, to statutory surplus reserve until the reserve balance reaches 50% of the registered capital. The transfer to this reserve must be made before distribution of a dividend to shareholders.



31 Capital, reserves and dividends (continued)

(c) Nature and purpose of reserves (continued)

(i) Statutory reserves (continued)

Statutory surplus reserve (continued)

Statutory surplus reserve can be used to make up for previous years' losses, if any, and may be converted into share capital by the issue of new shares to equity shareholders in proportion to their existing shareholdings or by increasing the par value of the shares currently held by them, provided that the balance after such issue is not less than 25% of the registered capital.

Discretionary surplus reserve

The appropriation to the discretionary surplus reserve is subject to the shareholders' approval. The utilisation of the reserve is similar to that of the statutory surplus reserve.

For the year ended 31 December 2020, the directors proposed to transfer RMB26,640,070,000 (2019: RMB23,433,008,000) of the Company's current year's net profit to this reserve.

(ii) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 1(z).

(iii) Hedging reserve

The hedging reserve consists of cash flow hedge reserve and cost of hedging reserve. Cash flow hedge reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss. The cost of hedging reserve reflects gain or loss on the portion excluded from the designated hedging instrument that relates to the forward element and foreign currency basis spread of forward contracts. It is initially recognised in other comprehensive income and accounted for similarly to gains or losses in the hedging reserve.

(iv) Fair value reserve (non-recycling)

The fair value reserve (non-recycling) comprises the cumulative net change in the fair value of equity investments designated at FVOCI under IFRS 9 that are held at the end of the reporting period.

(v) Other reserves

Other reserves are mainly resulted from transactions with owners in their capacity as owners.

(d) Distributability of reserves and dividends

At 31 December 2020, the aggregate amount of reserves available for distribution to equity shareholders of the Company, as calculated under the provisions of the Company Law of the PRC, was RMB15,446,354,000 (2019: RMB12,912,440,000).

31 Capital, reserves and dividends (continued)**(d) Distributability of reserves and dividends (continued)****(i) Dividend payable to equity shareholders of the Company attributable to the year**

	2020 RMB'000	2019 RMB'000
Dividend to be proposed at the Company's forthcoming annual general meeting of RMB1.25 per share (2019: RMB1.0166131 per share, after the issuance of new shares in 2020)	14,522,165	11,810,739

The dividend to be proposed at the Company's forthcoming annual general meeting has not been recognised as a liability at the end of the reporting period. If any circumstances, such as issuance of new shares or share repurchase before the record date for dividend distribution, results in the changes in our total number of shares on record date for dividend distribution, dividend per share shall be adjusted accordingly on the premise that the total dividends amount remains unchanged.

(ii) Dividend payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

	2020 RMB'000	2019 RMB'000
Final dividend in respect of the previous financial year, approved and paid during the year, of RMB1.0166131 per share (2019: RMB1.045102 per share)	11,810,739	11,811,893

(e) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

31 Capital, reserves and dividends (continued)

(e) Capital management (continued)

The Group monitors its capital structure on the basis of gearing ratio. This ratio is calculated as net debt divided by total equity of the Group. Net debt is calculated as total bank loans and borrowings from financial institutions and bonds payable less cash and cash equivalents and pledged and restricted deposits. The gearing ratio of the Group at 31 December 2020 and 2019 is calculated as follows:

	2020 RMB'000	2019 RMB'000
Bank loans and borrowings from financial institutions	202,022,316	195,726,218
Bonds payable	56,504,054	62,126,006
Less: Cash and cash equivalents	(185,662,380)	(159,738,651)
Pledged and restricted deposits	(9,568,344)	(6,455,944)
Net debt	63,295,646	91,657,629
Total equity	349,844,474	270,579,116
Gearing ratio	18.09%	33.87%

32 Financial risk management and fair values

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to cash and cash equivalents, pledged and restricted deposits, contract assets, trade and other receivables and other financial assets, and the carrying amounts of these assets represent the Group's maximum exposure to credit risk in relation to financial assets. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

Cash and cash equivalents and pledged and restricted deposits held by the Group are mainly deposited in financial institutions such as commercial banks which maintain sound reputation and financial situation. The credit risk is considered low.

Except for the financial guarantees given by the Group as set out in notes 34 and 35(d), the Group does not provide any other guarantees which would expose the Group to credit risk.

32 Financial risk management and fair values (continued)

(a) Credit risk (continued)

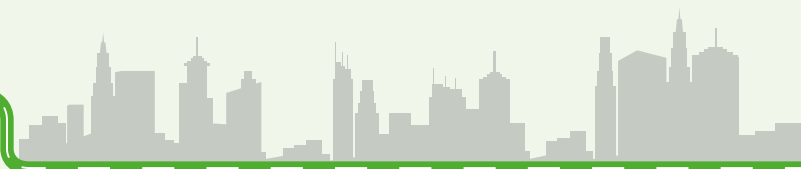
(i) Trade receivables and contract assets

Credit risk from sale of properties is minimised as the Group normally receives full payment from buyers before the transfer of property ownership. Credit risk from construction contracts is minimised as the customers are mainly government related parties with good credit record and the contracts include payment schedules which require stage payments over the construction period once milestones are reached.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At the end of the reporting period, trade receivables amounted to RMB3,002 million or 0.16% of total assets (2019: RMB2,017 million or 0.12% of total assets), and contract assets amounted to RMB6,163 million or 0.33% of total assets (2019: RMB3,445 million or 0.20% of total assets). The corresponding credit risk to the Group is therefore considered insignificant.

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables as at 31 December 2020:

	Gross carrying amount RMB'000	Expected loss rate %	Loss allowance RMB'000
Within 1 year	2,314,203	0.86	19,937
1-3 years	539,448	4.37	23,569
Over 3 years	264,176	27.34	72,235
Total	3,117,827		115,741



32 Financial risk management and fair values (continued)

(a) Credit risk (continued)

(i) Trade receivables and contract assets (continued)

Movement in the loss allowance account in respect of trade receivables and contract assets during the year is as follows:

	2020 RMB'000	2019 RMB'000
Balance at 1 January	73,044	38,820
Amounts reversal during the year	(22,974)	(18,024)
Impairment losses recognised during the year	58,820	52,927
Change in consolidation scope	6,851	(679)
Balance at 31 December	115,741	73,044

No loss allowance in respect of contract assets was accrued during the reporting period since the expected credit loss from contract assets is considered immaterial.

(ii) Other receivables

In respect of amounts due from associates and joint ventures, the Group assesses and closely monitors their financial conditions and profitability to manage their credit risk.

In respect of other receivables due from third parties, the Group monitors the exposures and manages them based on historical settlement records and past experience, current conditions and forecasts of future economic conditions.

At each reporting date, the Group measures the expected credit losses of other receivables in following ways:

If, at the reporting date, the credit risk on other receivable has not increased significantly since initial recognition, the Group measures the loss allowance for other receivable at an amount equal to 12-month expected credit loss. The Group measures the loss allowance for other receivables at an amount equal to the lifetime expected credit loss if the credit risk on other receivable has increased significantly since initial recognition and no impairment loss has occurred. The Group measures the loss allowance for other receivables at an amount equal to the lifetime expected credit loss if impairment losses has occurred since initial recognition.

32 Financial risk management and fair values (continued)**(a) Credit risk (continued)****(ii) Other receivables (continued)**

The following table provides information about the Group's exposure to credit risk and ECLs for other receivables as at 31 December 2020:

	Gross carrying amount RMB'000	12-month expected credit loss allowance RMB'000
For other receivable that the credit risk has not increased significantly since initial recognition:	100,394,407	170,803

	Gross carrying amount RMB'000	Lifetime expected credit loss allowance RMB'000
For other receivable that the credit risk has increased significantly since initial recognition and no impairment loss has occurred:	1,591,707	537,855

(iii) For other receivable that impairment losses has occurred since initial recognition:

	Gross carrying amount RMB'000	Lifetime expected credit loss allowance RMB'000
For other receivable that impairment losses has occurred since initial recognition:	20,346,766	1,134,524

Expected loss rates are based on historical loss experience. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

32 Financial risk management and fair values (continued)

(a) Credit risk (continued)

(iii) For other receivable that impairment losses has occurred since initial recognition: (continued)

Movement in the loss allowance account in respect of other receivables during the year is as follows:

	2020 RMB'000	2019 RMB'000
Balance at 1 January	1,666,982	1,494,248
Amounts reversals during the year	(80,785)	(25,145)
Impairment losses recognised during the year	269,401	207,092
Change in consolidation scope	(12,416)	(9,213)
Balance at 31 December	1,843,182	1,666,982

(b) Liquidity risk

The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and long terms.

The following table details the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities and derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on current rates at the end of the reporting period) and the earliest date the Group can be required to pay:

	Contractual undiscounted cash outflow					
	Carrying amount RMB'000	Total contractual undiscounted cash flow RMB'000	Within 1 year or on demand RMB'000	More than 1 year but less than 2 years RMB'000	More than 2 years but less than 5 years RMB'000	More than 5 years RMB'000
31 December 2020						
Bank loans and borrowings from financial institutions	202,336,050	222,633,847	79,182,009	58,923,398	80,367,985	4,160,455
Bonds payable	57,266,100	64,234,743	15,133,327	2,110,941	32,255,685	14,734,790
Lease liabilities	26,174,203	35,844,429	2,625,258	2,672,296	8,085,410	22,461,465
Trade creditors and accruals	508,535,458	508,656,181	503,555,646	5,100,535	-	-
Other non-current liabilities	1,190,176	1,300,608	-	1,148,778	151,830	-
Total	795,501,987	832,669,808	600,496,240	69,955,948	120,860,910	41,356,710

32 Financial risk management and fair values (continued)**(b) Liquidity risk (continued)**

	Carrying amount RMB'000	Contractual undiscounted cash outflow				
		Total contractual undiscounted cash flow RMB'000	Within 1 year or on demand RMB'000	More than 1 year but less than 2 years RMB'000	More than 2 years but less than 5 years RMB'000	More than 5 years RMB'000
31 December 2019						
Bank loans and borrowings						
from financial institutions	196,142,559	216,827,782	89,512,856	28,971,465	93,220,560	5,122,901
Bonds payable	62,908,538	70,842,579	14,764,219	11,273,636	31,711,539	13,093,185
Lease liabilities	22,703,010	29,439,867	2,331,631	2,374,161	7,237,397	17,496,678
Trade creditors and accruals	518,255,249	518,611,792	513,998,823	4,612,969	–	–
Other non-current liabilities	1,065,436	1,375,536	–	969,336	406,200	–
Total	801,074,792	837,097,556	620,607,529	48,201,567	132,575,696	35,712,764

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises primarily from its bank loans and borrowings from financial institutions. Bank loans and borrowings from financial institutions issued at variable rates expose the Group to cash flow interest rate risk. The interest rate and terms of repayment of the Group's interest-bearing borrowings are disclosed in notes 26 and 27 to the consolidated financial statements.

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

32 Financial risk management and fair values (continued)

(c) Interest rate risk (continued)

(i) Interest rate profile

The following table details the interest rate profile of the Group's borrowings at the end of the reporting period.

	31 December 2020		31 December 2019	
	Effective interest rate %	RMB'000	Effective interest rate %	RMB'000
Fixed rate borrowings:				
Bank loans and borrowings from financial institutions	3.22%~6.00%	49,438,304	3.22%~5.95%	32,017,411
Bonds payable	1.90%~5.35%	53,043,735	2.95%~5.35%	58,262,759
IRS notional amount	–	–	1.15%	4,463,000
		102,482,039		94,743,170
Variable rate borrowings:				
Bank loans and borrowings from financial institutions	Floating rate based on Libor/Hibor/SWAP/LPR	152,897,745	Floating rate based on Libor/Hibor/SWAP/LPR	164,125,148
Bonds payable	Floating rate based on Libor	4,222,366	Floating rate based on Libor	4,645,779
IRS notional amount	–	–	Floating rate based on Hibor	(4,463,000)
		157,120,111		164,307,927
Total net borrowings		259,602,150		259,051,097
Fixed rate borrowings as a percentage of total borrowings		39%		37%

32 Financial risk management and fair values (continued)**(c) Interest rate risk (continued)****(ii) Sensitivity analysis**

At 31 December 2020, it is estimated that a general increase of 50 basis points in interest rates of cash and bank loans and borrowings from financial institutions of the Group, with all other variables held constant, would have decreased the Group's profit after tax and total equity by approximately RMB308 million (2019: RMB383 million).

In respect of the exposure to cash flow interest rate risk arising from floating rate non-derivative instruments held by the Group at the end of the reporting period, the impact on the Group's profit after tax and total equity is estimated as an annualised impact on interest expense or income of such a change in interest rates. The analysis is performed on the same basis for 2019.

The sensitivity analysis above assumes that the change in interest rates had occurred at the end of the reporting period and had been applied to all floating rate bank loans and borrowings from financial institutions, without taking into account the impact of interest capitalisation.

(d) Currency risk

The functional currency of the Company and its principal subsidiaries is Renminbi ("RMB"). The Group is exposed to currency risk primarily on cash and cash equivalents, other financial assets, trade and other receivables and borrowings which are denominated in United States dollars (USD), Hong Kong dollars (HKD), and Great Britain Pound (GBP).

Cash and cash equivalents denominated in foreign currencies are as follows:

	31 December 2020 RMB'000	31 December 2019 RMB'000
USD	356,804	1,332,731
HKD	500,650	34,947
GBP	3,291	30,911

Other financial assets denominated in foreign currencies are as follows:

	31 December 2020 RMB'000	31 December 2019 RMB'000
USD	93,364	11,139
HKD	—	98,199

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

32 Financial risk management and fair values (continued)

(d) Currency risk (continued)

Trade and other receivables denominated in foreign currencies are as follows:

	31 December 2020 RMB'000	31 December 2019 RMB'000
USD	600,727	648,018
HKD	91,289	125,116

Bank loans and borrowings from financial institutions and bonds payable denominated in foreign currencies, excluding amount hedge against by CCS contracts, are as follows:

	31 December 2020 RMB'000	31 December 2019 RMB'000
USD	32,996,516	32,012,479
HKD	7,847,872	5,946,256
GBP	1,148,339	1,213,599

Trade and other payables denominated in foreign currencies are as follows:

	31 December 2020 RMB'000	31 December 2019 RMB'000
USD	6,664	1,069,358
HKD	455	819
GBP	—	7,864

32 Financial risk management and fair values (continued)**(d) Currency risk (continued)****(i) Hedges of foreign exchange risk**

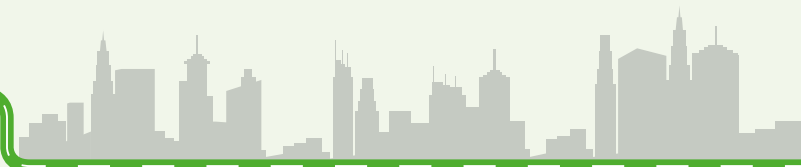
The following table provides information on the CCS contracts which have been designated as cash flow hedges of the foreign exchange risk inherent in the Group's foreign currency borrowings and bonds at the end of the reporting period:

	31 December 2020 RMB'000	31 December 2019 RMB'000
Notional amount		
– CCS contracts	13,597,355	14,557,960
Carrying amount qualified for hedge accounting (note)		
– CCS contracts	646,693	327,380

Note: CCS liabilities amounted to RMB336,154,000 are included in the "Trade and other payables" line item and CCS assets amounted to RMB14,761,000 are included in the "Trade and other receivables" in the consolidated statement of financial position.

The CCS will mature in the next 1 to 7 years. The Group adopts rollover strategy to match the maturity of hedging instruments with the maturity of the related USD borrowings and bonds (see note 32(b)) and have fixed exchange rates of USD against RMB ranging from 6.7280 to 6.9200 (2019: 6.7280 to 6.9200).

The Group seeks to hedge the foreign exchange spot rate only and applies a hedge ratio of 1:1. The existence of an economic relationship between the hedging instruments and hedged items is determined by matching their critical contract terms. The main source of hedge ineffectiveness in these hedging relationships is the effect of the counter parties and the Group's own credit risk on the fair value of the CCS contracts, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in exchange rates.



32 Financial risk management and fair values (continued)

(d) Currency risk (continued)

(i) Hedges of foreign exchange risk (continued)

The following table provides a reconciliation of the cash flow hedge reserve and deferred costs of hedging reserve in respect of foreign exchange risk and shows the effectiveness of the hedging relationships:

	2020 RMB'000	2019 RMB'000
Cash flow Hedge Reserve		
Balance at 1 January	–	–
Effective portion of the cash flow hedge recognised in other comprehensive income	(960,605)	168,175
Amounts reclassified to profit or loss (note (i))	960,605	(168,175)
Balance at 31 December (note (ii))	–	–
Costs of Hedging Reserve		
Balance at 1 January	73,374	(180,592)
Costs of hedging for the year	313,911	326,456
Amounts reclassified to profit or loss (note (i))	–	(72,490)
Balance at 31 December (note (ii))	387,285	73,374
Change in spot element of hedging instruments during the year	(960,605)	168,175
Change in value of hedged item used to determine hedge effectiveness during the year	960,605	(168,175)

Notes:

(i) Amounts reclassified to profit or loss are recognised in the “Finance costs” line item in the consolidated statement of profit or loss (see note 5(a)).

(ii) The entire balance in cash flow hedge reserve and costs of hedging reserve relates to continuing hedges.

32 Financial risk management and fair values (continued)

(d) Currency risk (continued)

(i) Hedges of foreign exchange risk (continued)

Based on the assumption that HKD continue to be pegged to USD, the Group considers the risk of movements in exchange rates between HKD and USD to be insignificant. Management estimated that a 1% (2019: 1%) appreciation of USD/HKD against RMB, the Group's profit and equity would be both decreased by approximately RMB393 million (2019: decreased by RMB379 million respectively). Management estimated that a 1% (2019: 1%) appreciation of GBP against RMB, the Group's profit and equity would be both decreased by approximately RMB10 million (2019: decreased by RMB6 million respectively).

The analysis has been determined assuming that the change in foreign exchange rates had occurred at the end of the reporting period and that all other variables remain constant. Financial assets and liabilities denominated in currencies other than RMB held by subsidiaries of the Group in Hong Kong or overseas which the functional currencies are not RMB were not accounted for in the analysis.

(e) Fair values

(i) Financial instruments measured at fair value

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-levels fair value hierarchy as defined in IFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

• Level 1 valuations:	fair value measured using only level 1 inputs i.e. unadjusted quoted prices in active markets for identical financial instruments
• Level 2 valuations:	fair value measured using level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
• Level 3 valuations:	fair value measured using significant unobservable inputs

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

32 Financial risk management and fair values (continued)

(e) Fair values (continued)

(i) Financial instruments measured at fair value (continued)

31 December 2020

Items	Fair value at 31 December 2020	Fair value measurements as at 31 December 2020 categorised into		
		Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000
Derivative financial instruments:				
– CCS contracts	14,761	–	14,761	–
Unlisted equity securities	697,760	–	–	697,760
Non-trading listed securities	1,601,237	1,601,237	–	–
Other current assets*	170,480	–	–	170,480
Recurring fair value measurement assets	2,484,238	1,601,237	14,761	868,240
Derivative financial instruments – CCS contracts	(336,154)	–	(336,154)	–
Recurring fair value measurement liabilities	(336,154)	–	(336,154)	–
Assets held for sale	6,334,728	–	–	6,334,728
Non-recurring fair value measurement assets	6,334,728	–	–	6,334,728

32 Financial risk management and fair values (continued)**(e) Fair values (continued)****(i) Financial instruments measured at fair value (continued)**

31 December 2019

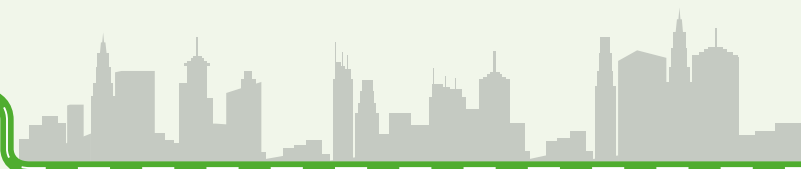
Items	Fair value at 31 December 2019	Fair value measurements as at 31 December 2019 categorised into		
		Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000
Derivative financial instruments:				
– CCS contracts	327,380	–	327,380	–
– IRS contracts	4,878	–	4,878	–
Unlisted equity securities	575,783	–	–	575,783
Trading securities	98,199	98,199	–	–
Non-trading listed securities	2,249,954	2,249,954	–	–
Other current assets*	11,735,265	–	–	11,735,265
Recurring fair value measurement assets				
	14,991,459	2,348,153	332,258	12,311,048
Non-recurring fair value measurement assets				
Assets held for sale	4,252,755	–	–	4,252,755

* Other current assets measured at fair value represents the Group's investments in wealth management products, which were measured at fair value through profit and loss, and the fair value is determined by calculating based on the discounted cash flow method.

During 2020, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3 (2019: Nil).

(ii) Fair value of financial assets and liabilities carried at other than fair value.

The carrying amount of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair value as at 31 December 2019 and 2020.



33 Commitments

Capital commitments outstanding at 31 December 2020 not provided for in the financial statements were as follows:

	2020 RMB'000	2019 RMB'000
Construction and development contracts	189,469,842	176,250,227
Land agreements	6,117,510	20,044,042
	195,587,352	196,294,269

Commitments mainly related to land and development costs for the Group's properties under development.

34 Contingent Liabilities

As at the end of the reporting period, the Group has issued guarantees to banks to secure the mortgage arrangement of property buyers. The outstanding guarantees to the banks amounted to RMB228,226 million (2019: RMB228,152 million), which is guarantees of RMB224,529 million (2019: RMB228,152 million) which will be terminated upon the completion of the transfer procedures with the buyers in respect of the legal title of the properties.

The directors do not consider it probable that the Group will sustain a loss under these guarantees as the bank has the rights to sell the property and recovers the outstanding loan balance from the sale proceeds if the property buyers default payment. The Group has not recognised any deferred income in respect of these guarantees as its fair value is considered to be minimal by the directors.

In addition, the Group is the defendant in certain lawsuits as well as the plaintiff in other proceedings arising in the ordinary course of business. While the outcomes of such contingencies, lawsuits or other proceedings cannot be determined at present, management believes that any resulting liabilities will not have a material adverse effect on the financial position or operating results of the Group.

Details of the financial guarantees issued by the Group for certain associates are set out in note 35(d).

35 Material related party transactions

Except for transactions disclosed in other parts of the financial statements, the details of other material related party transactions are as follows:

(a) Transactions with key management personnel

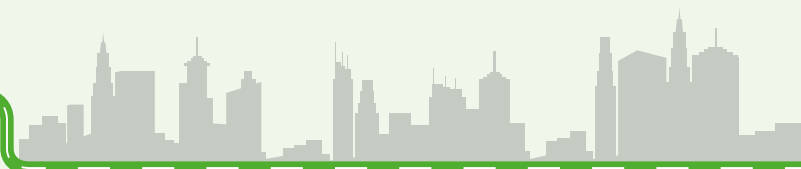
(i) Remuneration for key management personnel of the Group is as follows:

	2020 RMB'000	2019 RMB'000
Short-term employee benefits	62,258	63,275

- (ii) In 2010, the Group launched the Economic Profits Bonus Plan (the "Plan") as a supplement to the existing employee remuneration system. The bonus amount attributable to each year is determined by reference to 10% of the key performance indicator of Economic Profits in the corresponding year. The bonus for 2020 to which the directors and the supervisors of the Company are entitled under the period of their terms of office has not yet been determined. The distribution of the Plan for 2020 will be approved after the 2020 Annual General Meeting and the amounts to which the key management personnel that are entitled will be disclosed in next year's annual financial statements. The bonus distribution, net of individual income tax, entitled by the key management personnel of the Company under the Plan for 2019, was RMB78,020,000. The final amounts may fluctuate due to the arrangement of "Contingent return".

Name	The bonus distribution net of individual income tax for 2019 RMB'000
Mr. YU Liang	22,181
Mr. ZHU Jiusheng	13,454
Mr. XIE Dong	10,160
Mr. WANG Haiwu	15,153
Ms. HAN Huihua	3,759
Ms. ZHU Xu	7,223
Ms. QUE Dongwu	6,090
Total	78,020

- (iii) In 2020, the Group sold some properties to certain key management personnel at total consideration of RMB30,021,000 with cost of sales of RMB8,997,000. (2019: RMB30,243,000 with cost of sales of RMB12,449,000).



35 Material related party transactions (continued)

(b) Project management fee charged by the Group

During 2020, the Group charged associates and joint ventures project management fee amounted to RMB1,370 million (2019: RMB733 million).

(c) Malls management fee paid by the Group

During 2020, the Group paid associates malls management fee amounted to RMB52 million (2019: RMB60 million).

(d) Financial guarantees issued

As at 31 December 2020, the Group provided certain guarantees to secure the loans borrowed by certain associates and joint ventures. The outstanding guarantees amounted to RMB15,449 million (2019: RMB2,381 million).

The directors do not consider it probable that a claim will be made against the Group under any of these guarantees. Accordingly, the Group did not recognise any deferred income in this respect.

(e) Transactions with a shareholder

In 2015, the Group cooperated with Shenzhen Metro Group Co., Ltd. (“Shenzhen Metro Group”) to jointly develop Mangrove Bay and Shenzhen North Station Project (the “Projects”). At 31 December 2020, the Group’s investment in the Projects amounted to RMB5,993 million (31 December 2019: RMB5,993 million) and the outstanding payables balances was RMB9,991 million (31 December 2019: RMB10,097 million).

In 2020, the Group set up Foshan Nanhai Wantie Property Development Co., Ltd. together with Shenzhen Metro Property Co., Ltd., a wholly-owned subsidiary of Shenzhen Metro Group, as a non-controlling shareholder, to jointly develop Foshan Nanhai New Transport Depot Upper Cover Project. As at 31 December 2020, the Group’s investment in the project amounted to RMB2.8 billion.

In 2020, the Group and Shenzhen Metro Group set up a joint venture, Shenzhen Metro Vanke Industrial Development Co., Ltd., to jointly acquire and develop transit-oriented development projects in the Greater Bay Area and other major cities. The Group subscribed for the registered capital in proportion to its 50% equity interest in the joint venture amounted to RMB 500 million.

(f) Security service fee paid by the Group

In 2020, the Group paid security service fee amounted to RMB3,652 million to Shenzhen Wanyu Security Service Technology Co., Ltd., an associate of the Group.

35 Material related party transactions (continued)

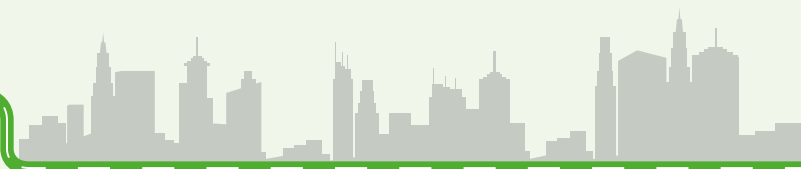
(g) Transaction with private equity fund managed by an associate

In 2020, the Group set up some asset backed special plans using commercial and logistics properties held by some subsidiaries of the Group as underlying assets. As part of these transactions, the Group should transfer the equity interests in related subsidiaries to funds managed by Shenzhen Qianhai Infrastructure Investment Fund Management Co., Ltd., an associate of the Group. As at 31 December 2020, some logistics properties have been disposed with a consideration of RMB359 million and the transaction related to commercial properties have not been completed.

36 Acquisitions of subsidiaries

During the year, the Group has acquired certain subsidiaries which held property development projects. Acquisitions of these subsidiaries enable the Group to expand its land banks. Acquisitions of major subsidiaries by the Group during the year are summarised as follows:

Date of acquisition	Name of subsidiaries acquired	Percentage of equity interest after acquisition	Total Consideration RMB'000
May 2020	Zhongshan Hongqi River Real Estate Development Co., Ltd	51%	457,959
December 2020	Huiyang Jinlida Property Management Co., Ltd	100%	436,502
April 2020	Hunan Zhaoxing Real Estate Development Co., Ltd	51%	251,168
August 2020	LiaoNeng Real Estate (Shenyang) Co., Ltd	65%	183,994
April 2020	Xi'an Zhuhong Real Estate Development Co., Ltd	60%	183,000
May 2020	Xi'an Yijia Real Estate Development Co., Ltd	65%	149,500
June 2020	Kunshan Kaijin Real Estate Co., Ltd	51%	104,082



36 Acquisitions of subsidiaries (continued)

The acquisitions of these subsidiaries had the following combined effect on the Group's assets and liabilities upon the dates of acquisitions:

	2020 RMB'000
Current assets	88,175,345
Non-current assets	2,970,268
Current liabilities	(77,551,222)
Non-current liabilities	(1,561,947)
Non-controlling interests	(4,560,237)
Net assets acquired attributable to the Group	7,472,207
Total consideration	7,472,207
Consideration paid in prior years for the acquisitions	(2,217,765)
Consideration to be paid subsequent to current year	(1,626,414)
Consideration paid during the year	3,628,028
Total cash and cash equivalents acquired	(1,883,405)
Consideration paid for prior years' acquisitions	783,882
Net cash outflow	2,528,505

The above subsidiaries contributed an aggregate revenue of RMB2,703 million and net loss attributable to the equity shareholders of the Company of RMB45 million to the Group for the year ended 31 December 2020. Should the acquisitions have occurred on 1 January 2020, the consolidated revenue and the consolidated profit attributable to the equity shareholders of the Company for the year ended 31 December 2020 would have been RMB419,344 million and RMB41,483 million respectively.

The acquired subsidiaries' major assets are properties held for development, properties under development and completed properties for sale. The directors consider that the purpose of acquiring those subsidiaries is solely to acquire the underlying properties.

37 Disposal of subsidiaries

During the year, the Group has disposed certain subsidiaries which held property development projects. Subsequent to the disposals, these entities are no longer subsidiaries of the Group and certain of these subsidiaries became joint ventures or associate of the Group respectively.

The combined effect of such disposals on the Group's assets and liabilities is set out below:

	2020 RMB'000
Current assets	34,732,044
Non-current assets	3,585,544
Current liabilities	(24,721,713)
Non current liabilities	(101,513)
Non-controlling interests	(2,206,566)
Remaining interest after disposal as interest in joint ventures and associates	(4,103,129)
Net assets attributable to the Group disposed of	7,184,667
Total consideration	9,629,416
Consideration received in prior years for the disposals	(1,789,224)
Consideration to be received subsequent to current year	(2,807,696)
Consideration received, satisfied in cash	5,032,496
Cash and cash equivalents disposed of	(662,408)
Consideration received for disposals in prior years	10,552
Net cash inflow	4,380,640

Notes to the financial statements

(Expressed in thousands in Renminbi unless otherwise indicated)

38 Company-level statement of financial position at 31 December 2020

	2020 RMB'000	2019 RMB'000
Non-current assets		
Property, plant and equipment	3,264,410	3,268,179
Investment properties	888	1,349
Investments in subsidiaries	50,218,211	27,551,150
Interest in associates and joint ventures	5,362,966	4,759,522
Other financial assets	362,839	257,839
Other non-current assets	267,039	267,039
	59,476,353	36,105,078
Current assets		
Trade and other receivables	329,490,742	326,665,812
Other current assets	23,922	11,541,343
Cash and cash equivalents	92,434,811	73,411,486
	421,949,475	411,618,641
Current liabilities		
Bank loans, borrowings from financial institutions	58,570,206	73,005,243
Bonds payable	12,056,023	13,033,258
Trade and other payables	154,049,711	160,236,632
Contract liabilities	3,382,509	3,402,203
	228,058,449	249,677,336
Net current assets	193,891,026	161,941,305
Total assets less current liabilities	253,367,379	198,046,383

38 Company-level statement of financial position at 31 December 2020 (continued)

	2020 RMB'000	2019 RMB'000
Non-current liabilities		
Bank loans and borrowings from financial institutions	92,578,150	71,110,261
Bonds payable	13,454,988	15,941,161
	106,033,138	87,051,422
NET ASSETS	147,334,241	110,994,961
CAPITAL AND RESERVES		
Share capital	11,617,732	11,302,143
Reserves	135,716,509	99,692,818
TOTAL EQUITY	147,334,241	110,994,961

39 Non-adjusting events after the reporting period

(a) After the end of the reporting period the directors proposed a final dividend. Further details are disclosed in note 31(d).

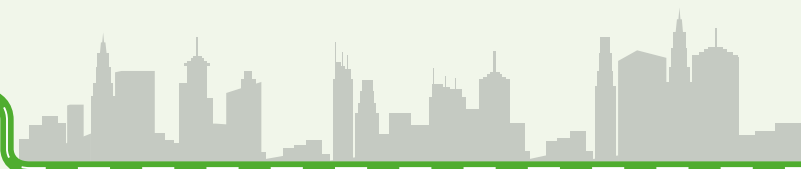
(b) Issuance of bonds

On 22 January 2021, the Group completed a public offering of bonds specialized in rental housing to eligible investors of RMB3 billion, including RMB1.1 billion of 7-year term with a coupon rate of 3.98%, and RMB1.9 billion of 3-year term with a coupon rate of 3.38%.

On 29 January 2021, the Group completed a public offering of MTN to eligible investors of RMB2 billion, including RMB2 billion of 3-year term with a coupon rate of 3.76%.

(c) Redemptions of bonds

On 25 February 2021, the Group used its own funds to buy back its existing bonds "17 Vanke 01, 18 Vanke 01, and 18 Vanke 02" as considered and approved at the fifth meeting of the 19th session of the Board of the Company.



40 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2020

Up to the date of issue of these financial statements, the IASB has issued a number of amendments, and a new standard, IFRS 17, *Insurance contracts*, which are not yet effective for the year ended 31 December 2020 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to IFRS 3, <i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to IAS 16, <i>Property, Plant and Equipment: Proceeds before Intended Use</i>	1 January 2022
Amendments to IAS 37, <i>Onerous Contracts — Cost of Fulfilling a Contract</i>	1 January 2022
Annual Improvements to IFRSs 2018-2020 Cycle	1 January 2022

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

	2020 RMB'000	2019 RMB'000	2018 RMB'000	2017 RMB'000	2016 RMB'000
Consolidated Results					
Revenue	419,111,678	367,893,878	297,083,058	237,344,688	228,916,100
Profit before taxation	103,755,529	106,116,493	87,064,968	64,681,739	49,468,746
Income tax	(44,457,413)	(50,984,878)	(37,792,673)	(27,473,352)	(21,118,491)
Profit for the year	59,298,116	55,131,615	49,272,295	37,208,387	28,350,255
Attributable to:					
Equity shareholders of the Company	41,515,545	38,872,087	33,772,652	28,051,815	21,022,606
Non-controlling interests	17,782,571	16,259,528	15,499,643	9,156,572	7,327,649
Consolidated Assets					
Non-current assets	321,790,033	290,940,096	233,507,500	147,794,085	109,378,786
Inventories and other contract costs	1,008,434,340	901,807,080	754,310,077	597,487,304	466,225,274
Cash and cash equivalents	185,662,380	159,738,651	175,668,164	164,326,007	79,490,015
Other current assets	353,354,218	377,517,470	365,177,674	255,831,977	175,755,346
Bank loans and borrowings from financial institutions	202,336,050	196,142,559	190,065,978	152,138,365	97,287,766
Bonds payable	57,266,100	62,908,538	71,141,619	38,486,048	31,576,557
Receipts in advance/contract liabilities	630,747,211	577,047,227	504,711,414	407,705,940	274,645,554
Other liabilities	629,047,136	623,325,857	527,123,674	380,435,081	265,662,973
Capital and Reserves	349,844,474	270,579,116	235,620,730	186,673,939	161,676,571
Total equity attributable to					
equity shareholders of the Company	224,510,953	188,058,492	155,764,132	132,675,315	113,444,766
Non-controlling interests	125,333,521	82,520,624	79,856,598	53,998,624	48,231,805
Basic earnings per share (RMB)	3.62	3.47	3.06	2.54	1.90
Dividends per share(taxes included) (RMB)	1.25	1.045	1.07	0.90	0.79

- As a result of the adoption of IFRS 16, *Leases*, with effect from 1 January 2019, the Group has changed its accounting policies in respect of the lessee accounting model. In accordance with the transitional provisions of the standard, the changes in accounting policies were adopted by way of opening balance adjustments to recognise right-of-use assets and lease liabilities as at 1 January 2019. After initial recognition of these assets and liabilities, the Group as a lessee is required to recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the previous policy of recognising rental expenses incurred under operating leases on a straight-line basis over the lease term. Figures in years earlier than 2019 are stated in accordance with the policies applicable in those years.
- As a result of the adoption of IFRS 15, *Revenue from contracts with customers*, with effect from 1 January 2018, the Group has changed its accounting policies in respect of revenue recognition. In accordance with the transitional provisions of the standard, the changes in accounting policies were adopted by way of opening balance adjustments to equity as at 1 January 2018. Figures in years earlier than 2018 are stated in accordance with the policies applicable in those years.
- The Group adopted IFRS 9, *Financial instruments*, including the amendments to IFRS 9, *Prepayment features with negative compensation*, from 1 January 2018. As a result, the Group has changed its accounting policies in relation to financial instruments. As allowed by IFRS 9, the Group has not restated information relating to prior years. Differences in the carrying amounts of the financial assets resulting from the adoption of IFRS 9 were recognised in retained earnings and reserves at 1 January 2018. There was no difference in the carrying amounts of the financial liabilities. Prior to 1 January 2018, figures were stated in accordance with the policies applicable in those years.

Contents of Documents Available for Inspection



1. Financial Statements containing the signature and seal of the Company's legal representative and Supervisor of Finance.
2. Original copy of the audit report containing the seal of the account firm and the signature of the certified public accountants.
3. Original copy of the company documents and announcements disclosed in the newspaper designated by CSRC during the reporting period.
4. English version of the Annual Report.
5. Other documents.

The Company should keep the original copy or the legally effective copy of the above documents at the Company's office of the Board.

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