



**China Merchants Land's 2022 Revenue Rose By Over 15% to RMB29.8 billion,
Focusing On Building Corporate Advantages
With Stable Business Development**

16 March 2023 -- China Merchants Land Limited ("China Merchants Land" or "the Company", stock code: 00978) and its subsidiaries (the "Group") announced an audited revenue of RMB29,871,347,000 (2021: RMB25,921,416,000) for the year ended 31 December 2022 (the "Year"), representing a year-on-year increase of approximately 15.2 per cent. Profit for the Year amounted to RMB1,730,026,000 (2021: RMB1,582,866,000), representing a year-on-year increase of approximately 9.3 per cent. The Group's basic earnings per share for the Year were RMB6.72 cents (2021: RMB11.43 cents). The board of China Merchants Land recommended the payment of a final dividend of HK\$0.03 per share in respect of the year ended 31 December 2022.

In 2022, sales from projects in Foshan, Guangzhou, Chongqing, Nanjing and Jurong, Xi'an and Hong Kong accounted for approximately 4.8 per cent, 4.9 per cent, 16.8 per cent, 47.4 per cent, 25.9 per cent and 0.2 per cent, respectively, of the total revenue of the Group. During the Year, the Group, together with its associates and joint ventures, achieved an aggregate contracted sales of RMB47,861,000,000 (2021: RMB55,196,000,000). Aggregate contracted sales area was 1,931,711 sq m (2021: 2,392,049 sq m). The average selling price was approximately RMB24,777 per sq m (2021: RMB23,075 per sq m), representing a year-on-year increase of approximately 7.4 per cent.

The Group's financial position remained sound. As at 31 December 2022, the Group's net gearing ratio was 70 per cent (2021: 65 per cent). The Group further utilizes the flexibility of its capital structure and resources in a rational manner according to project needs. In addition, the capital cost of the Group remained at an industry-low level. The weighted average finance costs of the interest-bearing debt was 4.31 per cent at the end of the Year. Among them, the average finance costs of bank and financial institution borrowings was 3.94 per cent.

As at 31 December 2022, the Group had 45 property development projects in Guangzhou, Foshan, Chongqing, Xi'an, Nanjing and Jurong, with a primary focus on the development of residential properties, as well as residential and commercial complex properties; types of products include apartments, villas, offices and retail shops, etc. The saleable gross floor area of properties which had not been sold or presold was approximately 4.60 million sq m as at 31 December 2022.

During the Year, the Group recorded asset management services income of approximately RMB30,457,000 (2021: RMB18,934,000).

The State Council's government work report at the Two Sessions set the GDP growth rate of 2023 at approximately 5 per cent, and gave much support for real estate policy. With the introduction of favourable policies such as the "three arrows" of real estate policy and the "16 points financial measures", the credibility of real estate enterprises and real estate sales are expected to improve. The probability of a rebound in property sales will increase in the coming year, leading to a stabilization of property investment and substantial credit easing. China Merchants Land will strive to keep the level of three expenses below the industry benchmark, reduce the cost of capital and strive for management bonus. With a "people-oriented" philosophy, the Company will practically improve the quality of products and services, and strengthen the cultivation of staff talent. The Company will also strengthen the application of digital empowerment while leveraging online marketing to speed up inventory turnover and maintain long-term stable operation.

About China Merchants Land Limited

China Merchants Land is a Hong Kong main board listed company with comprehensive capabilities in property development and asset management. The Company has also successfully built an asset management platform that encompasses industrial and financial capability, with a portfolio comprising value added real estate fund and REITs. The Group's property development, value added real estate fund investment management, and asset management businesses span across Hong Kong as well as first and second-tier major cities in China. Its controlling shareholder China Merchants Shekou Industrial Zone Holdings Co., Ltd. indirectly owns a 74.35 per cent equity interest in the Company.

Media enquiries: CorporateLink Limited

Zoe Mak

Tel: 2801 6090

Email: zoe@corporatelink.com.hk

(Attached with China Merchants Land's consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2022)

China Merchants Land Limited (Stock Code: 978.HK)
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2022

	2022	2021
	RMB'000	RMB'000
Revenue	29,871,347	25,921,416
Cost of sales	(25,867,814)	(21,129,665)
Gross profit	4,003,533	4,791,751
Other income	395,564	314,198
Net foreign exchange gains	(100,322)	53,622
Selling and marketing expenses	(796,621)	(822,717)
Administrative expenses	(296,312)	(277,676)
Allowance of expected credit losses on amounts due from associates and joint ventures	(59,059)	(262,073)
Fair value gain on financial asset at fair value through profit or loss	10,606	10,937
Gain on disposal of subsidiaries	56,710	–
Gain on acquisition of additional interests in an associate	130,518	–
Share of results of associates	143,788	330,551
Share of results of joint ventures	120,148	83,937
Finance costs	(627,910)	(691,661)
Profit before tax	2,980,643	3,530,869
Income tax expense	(1,250,617)	(1,948,003)
Profit for the year	1,730,026	1,582,866
Other comprehensive expense, net of income tax <i>Item that may be reclassified subsequently to profit or loss:</i>		
Exchange differences arising on translation of financial statements of foreign operations	46,870	(36,839)
Total comprehensive income for the year	1,776,896	1,546,027
Profit for the year attributable to:		
Owners of the Company	329,659	560,569
Non-controlling interests	1,400,367	1,022,297
	1,730,026	1,582,866
Total comprehensive income for the year attributable to:		
Owners of the Company	376,529	523,730
Non-controlling interests	1,400,367	1,022,297
	1,776,896	1,546,027
Earnings per share		
Basic (RMB cents)	6.72	11.43