

**Vanke reports 2021 1H revenue of RMB167.1 billion  
with a net gearing ratio of 20.2%  
Healthy operations keep it in the “Green threshold”**

29 August 2021, Hong Kong - China Vanke Co., Ltd. (“Vanke” or the “Company”, together with its subsidiaries “the Group”, stock code: 2202.HK) reported a revenue of RMB167.11 billion, representing a year-on-year increase of 14.2 per cent for the six months ended 30 June 2021 (the “Period”). Net profit attributable to equity shareholders of the Company was RMB11.05 billion, down by 11.7 per cent. Basic earnings per share were RMB0.95; the Company’s fully diluted return on equity for the Period was 4.98 per cent. The Group ranks 160<sup>th</sup> in the Fortune 500 list of 2021. There will be no dividend distribution for the 2021 interim period.

The Group continued to maintain a safe and sound financial and capital position. At the end of the first quarter, the Group successfully returned to “green threshold”, meeting all guidances regarding the requirements of capital monitoring and financing management rules for key real estate enterprises. As at the end of the Period, the Group’s net gearing ratio stood at 20.2 per cent, with monetary funds of RMB195.22 billion, which was 2.3 times of the total interest-bearing liabilities due within one year. During the Period, the three major international credit rating agencies S&P, Moody’s and Fitch maintained “BBB+”, “Baa1” and “BBB+” long-term corporate credit ratings for the Company respectively, with a “stable” rating outlook.

**With dual emphasis on housing for purchase and lease: sales of property development remain stable, long-term rental housing servicing an aggregate of over 500,000 individuals**

The Group’s property development business maintained growth in sales during the Period. Its property development business achieved a contracted sales area of 21.92 million sq.m, an increase of 5.5 per cent year-on-year, and a contracted sales amount of RMB354.43 billion, an increase of 10.6 per cent year-on-year. Of the contracted sales amount in the first half of the year, 86.7 per cent was attributable to residential properties, 9.1 per cent to commercial and office properties and 4.2 per cent to other ancillary facilities. As at the end of the Period, within the consolidated statements of the Group, there were 53.78 million sq.m. of sold resources that had not been completed and booked, with a total contract amount of approximately RMB781.91 billion, representing increases of 9.3 per cent and 12.0 per cent respectively from those at the end of the previous year.

The Group insisted on keeping expenditure within the limits of revenues and appropriately replenished project resources on the premise of giving priority to safeguarding the quality of investment. In the first half of the year, the Group acquired 95 new projects with a planned GFA attributable to the Company’s equity holding of 11.01 million sq m. The total land

premium of the above projects amounted to RMB112.63 billion, with an average price of RMB7,480 per sq.m. and the land premium attributable to the Company's equity holding amounted to approximately RMB88.65 billion. As at the end of the Period, the Group's projects under construction and planning had an aggregate GFA of approximately 160.66 million sq m. In addition, the Group also participated in certain urban renewal projects; based on the current planning conditions, the aggregate GFA of such projects attributable to Vanke's equity holding was approximately 3.40 million sq.m. as at the end of the Period.

In rental housing, the Group continued to reinforced the brand awareness of Port Apartment, and to provide housing solution for youngsters. As at the end of the Period, Port Apartment remained the number one centralised apartments operator and has established a presence in 33 cities across China with an aggregate of 148,000 apartments launched for operation, and had serviced an aggregate of over 510,000 individuals, with a 95 percent occupancy rate for projects in operation. Its revenue for the Period was RMB1,319 million, representing a 25.6 per cent year-on-year growth. There were around 6,000 units launched during the period.

Port Apartment actively responded to government policy and market demand, providing over 30,000 talent housing units in various cities. The Vancun operations under Port Apartment has 64,000 units in operation. Their average rental was 30 per cent lower than that of Port Apartment in average cities. Vancun's overall occupancy rate was 95 per cent. It offers low to mid-income individuals in cities accommodation of low rental and with convenient traffic. Port Apartment also provided one-stop living services to an aggregate of 35,000 employees from 166 renowned enterprises from financial, manufacturing and construction sectors.

### **Gradual transformation: intensifies city and town development and services, enhances competitiveness of various segments**

During the Period, Onewo realized a revenue of RMB10.38 billion, an increase of 33.3 per cent year-on-year, among which RMB5.71 billion was revenue from residential property service, accounting for 55.0 per cent; RMB3.16 billion was revenue from commercial property and facility services, accounting for 30.4 per cent; RMB630 million was revenue from smart city service, accounting for 6.1 per cent; RMB560 million was revenue from community life service, accounting for 5.4 per cent; RMB320 million was revenue from Onewo Growth, accounting for 3.1 per cent of total.

In terms of community space services, Onewo's business covered 105 cities, providing services for 3,490 projects, and drawing on its 30 years' experience on residential properties to establish online operation of its business processes. In terms of office space services, it provides services to over 1,900 projects including over 50 leading internet hi-tech enterprises and unicorn enterprises; among them, over 20 enterprises have a

market capitalization of over USD10 billion. In terms of urban space services, Onewo provides integrated urban space services including urban space management, community renewal operation, community collaborative governance and ecological housekeeping services. Its business now covers 21 cities including Beijing, Shenzhen, Guangzhou, Xiongan New Area, Chengdu, Qingdao and Xiamen, with an aggregate of 31 contracted projects.

VX Logistic Properties generated a revenue of RMB1.34 billion, a year-on-year increase of 64 per cent, of which RMB920 million was generated from revenue of high-standard warehouses and RMB420 million from revenue of cold storage. As at the end of the Period, VX Logistic Properties managed an aggregate of 148 projects in 44 cities, with a floor area of unveiled projects reaching 7.97 million sq m. The occupancy rate of high-standard warehouses in stable stage was 94 per cent.

VX Logistic Properties actively explored new business such as medical logistics and enhanced its logistic service capabilities in various vertical segments. During the Period, VX Logistic Properties supported the emergency storage task of COVID-19 vaccine, and took just 68 days to transform the Beijing Yizhuang project into a vaccine extension cold storage, in compliance with the requirement of China National Pharmaceutical Group and with the GMP certification of State Food and Drug Administration.

As for retail property development and operation,, the revenue of commercial business was RMB3.63 billion, representing a year-on-year growth of 19.0 per cent during the Period. Newly inaugurated retail area amounted to 308,000 sq.m. during the Period. As at the end of the Period, aggregate unveiled floor area of retail property development increased by 18.3 percent to 9.89 million sq m. As at the end of the Period, the overall occupancy rate of the Group's inaugurated projects was 92.3 per cent, and that of those in operation for more than 3 years was 93.9 per cent. The overall average occupancy rate of Top10 projects in terms of revenue was 98.5 percent during the Period.

Vanke stated in the interim report that, in the future, the Group will emphasize on "consolidating and enhancing its fundamentals" and "transforming from property development focus to paying equal attention to real estate development, operation and services" to achieve strategic breakthrough for transformation and advancement.

(Attached is Vanke's unaudited condensed consolidated statement of profit or loss for the six months ended 30 June 2021)

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For media enquiry:



## Press Release

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**China Vanke Co., Ltd.**  
**Unaudited Condensed Consolidated Statement of Profit or Loss**  
**for the six months ended 30 June 2021**  
**(Prepared in accordance with International Financial Reporting Standards)**

	Six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
<b>Revenue</b>	<b>167,110,935</b>	146,349,507
Cost of revenue	<u>(128,782,060)</u>	<u>(99,797,572)</u>
<b>Gross profit</b>	<b>38,328,875</b>	46,551,935
Other net income	<b>4,020,829</b>	2,721,865
Selling and marketing expenses	<b>(4,303,557)</b>	(3,184,895)
Administrative expenses	<b>(6,661,302)</b>	(6,307,735)
Other operating expenses	<u>(521,957)</u>	<u>(583,038)</u>
<b>Profit from operations</b>	<b>30,862,888</b>	39,198,132
Finance costs	<b>(4,337,322)</b>	(4,519,524)
Share of profits less losses of associates and joint ventures	<b>2,211,526</b>	1,712,341
<b>Profit before taxation</b>	<b>28,737,092</b>	36,390,949
Income tax	<b>(12,563,573)</b>	(17,761,755)
<b>Profit for the Period</b>	<u><b>16,173,519</b></u>	<u>18,629,194</u>
<b>Attributable to:</b>		
Equity shareholders of the Company	<b>11,046,938</b>	12,507,519
Non-controlling interests	<b>5,126,581</b>	6,121,675
<b>Profit for the Period</b>	<u><b>16,173,519</b></u>	<u>18,629,194</u>
<b>Earnings per share (RMB)</b>		
Basic and diluted	<u><b>0.95</b></u>	<u>1.11</u>