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**vanke**

**CHINA VANKE CO., LTD.\***

**萬科企業股份有限公司**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 2202)**

## **ANNOUNCEMENT OF RESOLUTIONS APPROVED AT THE TWENTY-EIGHTH MEETING OF THE NINETEENTH SESSION OF THE BOARD OF DIRECTORS**

### **1. THE CONVENING OF THE MEETING**

The written notice of the twenty-eighth meeting (the “**Meeting**”) of the nineteenth session of the board of directors (the “**Board**”) of China Vanke Co., Ltd.\* (the “**Company**”) was sent to all the directors of the Company by email on 15 March 2023. The Meeting was held on 30 March 2023 in Shenzhen, in the way of physical and communication conference. 11 directors were eligible to attend the Meeting and all of them attended the Meeting in person or by authorization. Mr. XIN Jie, being a non-executive director of the Company, did not attend the Meeting due to business engagement and authorized Mr. HUANG Liping, another non-executive director to attend the Meeting and execute the voting rights on behalf of him. Mr. ZHANG Yichen, being an independent non-executive director of the Company, did not attend the Meeting in person due to business engagement, and authorized Ms. LIU Shuwei, also an independent non-executive director of the Company to attend the Meeting and execute voting rights on behalf of him. Mr. YU Liang, the chairman of the Board, chaired the Meeting, members of the Supervisory Committee and other senior management also attended the Meeting. The convening of the Meeting was in compliance with the relevant rules and the requirements of the Articles of Association of China Vanke Co., Ltd. (the “**Articles of Association**”).

### **2. RESOLUTIONS CONSIDERED AND THE VOTING RESULTS**

#### **(1) The 2022 Annual Report and its Summary were considered and approved**

Voting results: 11 votes in favour, 0 vote against and 0 abstention.

This resolution shall be submitted to the general meeting of the Company for consideration.

#### **(2) The Audited 2022 Annual Report was considered and approved**

Voting results: 11 votes in favour, 0 vote against and 0 abstention.

#### **(3) The Company's Major Tasks for 2023 were considered and approved**

Voting results: 11 votes in favour, 0 vote against and 0 abstention.

**(4) The Resolution on the Appropriation and Write-off of Impairment Provision for 2022 was considered and approved**

In 2022, the total amount of provisions for impairment of the Company amounted to RMB1,029,826,300 was newly appropriated or added due to change of consolidation scope, when a total amount of provisions for impairment amounted to RMB1,600,594,000 was reversed. As at the end of 2022, the total amount of provisions for impairment in asset value of the Company amounted to RMB9,005,418,200, representing a decrease of RMB570,767,800 compared to the end of the previous year.

Of which, in 2022, a provision for credit loss and impairment of prepayments amounting to RMB592,235,000 was newly appropriated or added due to change of consolidation scope, when a provision for credit loss amounting to RMB110,319,400 was reversed. A new provision for impairment of inventory amounted to RMB449,818,200 was appropriated, when a provision for impairment of inventory amounted to RMB1,490,274,700 was written off.

Voting results: 11 votes in favour, 0 vote against and 0 abstention.

**(5) The Proposal on Profit Appropriation for 2022 was considered and approved**

A total of cash dividend of RMB8,063,272,365.72 (inclusive of tax) is proposed for distribution for 2022, representing 35.65% of the profit for the year attributable to equity shareholders of the Company for 2022. There will be no bonus shares nor capitalisation of equity reserve of the Company.

As at today, the total number of shares of the Company is 11,930,709,471 shares. Taking into account 72,955,992 shares that have been repurchased but not cancelled, the total number of shares actually entitled the profit appropriation is 11,857,753,479 shares. If calculated in this way, a cash dividend of RMB6.80 (inclusive of tax) will be distributed for every 10 shares held. If there are any changes in the total number of shares before 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.

According to the rules, the Company's repurchase of shares in cash shall be considered as cash dividends. In 2022, the Company spent RMB1,291,541,933.32 to repurchase 72,955,992 A shares of the Company through centralised bidding. The funds used for such repurchase shall be considered as cash dividends of the Company for 2022, so the total amount of cash dividends of the Company for 2022 will be RMB9,354,814,299.04 (inclusive of tax), accounting for 41.36% of the Company's net profit attributable to shareholders of the parent company in consolidated financial statements of 2022.

Voting results: 11 votes in favour, 0 vote against and 0 abstention.

This resolution shall be submitted to the general meeting of the Company for consideration.

**(6) The Internal Control Self-Assessment Report for 2022 was considered and approved**

Voting results: 11 votes in favour, 0 vote against and 0 abstention.

**(7) The Resolution on Reappointment of the Certified Public Accountants for 2023 was considered and approved**

To re-appoint KPMG Huazhen LLP to audit the financial statements of the Company for 2023 prepared in accordance with the PRC Accounting Standards for Business Enterprises, prepare an internal control audit report, and review the interim financial statements of the Company for 2023 prepared in accordance with the PRC Accounting Standards for Business Enterprises; to re-appoint KPMG to audit the financial statements of the Company for 2023 prepared in accordance with the International Financial Reporting Standards, and review the interim financial statements of the Company for 2023 prepared in accordance with the International Financial Reporting Standards.

Voting results: 11 votes in favour, 0 vote against and 0 abstention.

This resolution shall be submitted to the general meeting of the Company for consideration.

**(8) The Resolution on Confirmation of Economic Profit for 2022 was considered and approved**

The economic profit realized by the Company for 2022 was RMB-1,062,685,170.43, accordingly, the amount repayable for 2022 is RMB106,268,517.04.

Voting results: 11 votes in favour, 0 vote against and 0 abstention.

**(9) The Resolution on the 2022 Sustainability Report was considered and approved**

Voting results: 11 votes in favour, 0 vote against and 0 abstention.

**(10) The Resolution on the Proposal to a General Meeting for Authorizing the Company and its Majority-owned Subsidiaries to Provide Financial Assistance to Third Parties was considered and approved**

In view that project company model is commonly used in the real estate development, generally, registered capital of such project company is unable to cover the capital for projects' operating needs, therefore, short term investment (loan) from shareholder(s) of the project company is necessary. In order to provide capital continuously required for the operations and development of project companies, enhancement of efficiency in decision-making, acceleration on construction projects progress and generation of greater return to shareholders, the Board would propose in the 2022 annual general meeting of the Company that authorization would be re-approved for the Board (or its designated person(s)) in the decision-making of the provision of financial assistance to third parties by the Company and its majority-owned subsidiaries arrangement at a specified amount in accordance with abovementioned rules. Details of the authorization are as follows:

1. The resolution relating to the consideration of financial assistance hereto refers to the acts of the Company and its majority-owned subsidiaries to provide funds or entrusted loans to third parties with or without considerations, and the target receiving such financial assistance shall be an unconsolidated project company or a project company with no more than 50% of equity interest attributable to the Company, or a majority-owned subsidiary established by the Company and its related parties through investment. However, the directors, supervisors, senior management, shareholder(s) who hold 5% or more equity interest, de facto controller and their controlled entities or other organizations of the Company shall not receive such financial assistance;
2. The target receiving such financial assistance shall be engaged in principal business that is real estate development only. The capital of financial assistance shall only be applied to the target's principal business. The target's debt-asset ratio in the latest audit may exceed 70%;
3. The Company shall provide financial assistance to the target that is proportionate to its capital contribution, i.e. other shareholders or any cooperating parties of the target which accept the financial assistance shall also provide financial assistance proportionate to their capital contributions under similar conditions, such as the amount and term of financing, interest rates, and liability for breach of contract and guarantee measures, etc;
4. The newly added total amount of the authorized financing shall not exceed 50% of the Company's latest audited net equity attributable to the equity shareholders of the Company, i.e. RMB121.345 billion. The newly added amount of financing to a single project company shall not exceed 10% of the Company's latest audited net equity attributable to the equity shareholders of the Company, i.e. RMB24.269 billion. Within the limit, the fund could be used on rolling basis, though, the total amount of newly added financial assistance at any moment cannot exceed the total amount authorized by 2022 annual general meeting of the Company;
5. Sources of financial assistance shall be internal resources and self-financing of the Company;
6. To enhance decision-making efficiency, the Board would propose in the Company's general meeting that decision be made on financial assistance matters in compliance with the aforementioned conditions. Upon receiving the authorization in the general meeting, the Board shall further authorize the Company's President to make relevant decision;
7. The above authorization shall be in force from the day of approval of the resolution in the Company's 2022 annual general meeting to the date of the Company's 2023 annual general meeting.

Voting results: 11 votes in favour, 0 vote against and 0 abstention.

This resolution shall be submitted to the general meeting of the Company for consideration.

**(11) The Resolution on the Proposal to General Meeting for Authorizing the Company and its Majority-owned Subsidiaries to Provide Guarantee to Other Majority-owned Subsidiaries was considered and approved**

Pursuant to the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange (2023 Amendment) and Shenzhen Stock Exchange Self-Regulatory Guidelines No. 1 – Standard Operation of Listed Companies on the Main Board, promulgated and implemented by the Shenzhen Stock Exchange in 2023, listed companies which engage in real estate business can obtain certain authorization regarding provision of guarantee to its majority-owned subsidiaries which operate real estate development projects.

In order to promote the development of business, provide funds required by project companies consolidated in financial statements, ensure construction progress of projects consistent with operational plan of the Company, and enhance return to shareholders, the Board would propose in the 2022 annual general meeting of the Company that authorization would be approved for the Board (or its designated person (s)) in the decision-making on the arrangements for the provision of guarantee by the Company and its majority-owned subsidiaries to other majority-owned subsidiaries within a specified amount, in accordance with abovementioned rules. Details of the authorization are as follows:

***1. The Company and its majority-owned subsidiaries provides guarantee to other majority-owned subsidiaries***

The Company and its majority-owned subsidiaries shall provide guarantee to other majority-owned subsidiaries, on its facility business with banks and other financial institutions, with a total newly added amount not exceeding RMB35 billion within the validity period.

Among abovementioned, the newly added amount of guarantee to be provided to majority-owned subsidiaries with the latest debt to asset ratio exceeding 70%, shall not exceed RMB25 billion, and for majority-owned subsidiaries with the latest debt to asset ratio less than 70%, shall not exceed RMB10 billion.

***2. The accumulated amount guarantee to third parties and guarantee overdue***

The balance of amount guaranteed by the Company was RMB21.560 billion as of 31 December 2022, which accounted for 8.88% of the audited net assets attributable to equity shareholders of the Company. Among which, the balance of amount of guarantee provided by the Company and its majority-owned subsidiaries to other majority-owned subsidiaries and joint venture companies was RMB21.532 billion and RMB28 million respectively.

All guarantees provided by the Company are in compliance with relevant laws and regulations, the approval procedures of general meeting in Articles of Association and relevant provisions. No overdue guarantee is observed.

### **3. *Delegation and validity period of the authorization***

In order to enhance the efficiency of decision-making, the Board has agreed to propose in the general meeting that authorization would be given to the Board in the decision making of guarantee items which meet abovementioned conditions, and the Board, in parallel with obtaining the authorization of general meeting, would further delegate the President of the Company to make such decisions and its disclosure when guarantee occurred.

The validity period of abovementioned authorization will be from the date of resolution of 2022 annual general meeting to the date of resolution of 2023 annual general meeting.

Voting results: 11 votes in favour, 0 vote against and 0 abstention.

This resolution shall be submitted to the general meeting of the Company for consideration.

#### **(12) The Resolution on the Delegation of Authority to the President to Decide on Matters Relating to Supply Chain Financing Business was considered and approved**

It is agreed that in the supply chain financing business, the Company will issue a Payment Confirmation for the subordinate company's payables to the supplier based on the supplier's financing needs, confirming that the payables to the subordinate company will fulfill the corresponding payment obligations when they become due, i.e. "debt accession".

It is agreed that for each natural year, the amount of the Payment Confirmation issued by the Company will not exceed 50% of the Company's audited net assets attributable to the shareholders of the parent company for the previous year, i.e. RMB121.345 billion in 2023.

It is agreed that the President of the Company is authorized to make specific decisions on the above matters requiring the issuance of a Payment Confirmation by the Company and to sign the relevant documents, as well as to build and iterate on the corresponding risk control measures. The authorization is valid from the date of consideration and approval by the Board at this Meeting until the date of convention of 2023 annual board meeting.

Voting results: 11 votes in favour, 0 vote against and 0 abstention.

#### **(13) Resolution on Requesting the Board of Directors to Authorize Subsidiaries to Carry out Foreign Exchange Hedging**

Voting results: 11 votes in favour, 0 vote against and 0 abstention.

**(14) Resolution on Amending the Implementation Rules of the Remuneration and Nomination Committee of the Board of Directors**

The full content of amended Implementation Rules of the Remuneration and Nomination Committee of the Board of Directors can be viewed on the HKExnews website of The Stock Exchange of Hong Kong Limited on the same day.

Voting results: 11 votes in favour, 0 vote against and 0 abstention.

By order of the Board  
**China Vanke Co., Ltd. \***  
**Zhu Xu**  
Company Secretary

Shenzhen, the PRC, 30 March 2023

*As at the date of this announcement, the Board of the Company comprises Mr. YU Liang, Mr. ZHU Jiusheng and Mr. WANG Haiwu as executive directors; Mr. XIN Jie, Mr. HU Guobin, Mr. HUANG Liping and Mr. LEI Jiansong as non-executive directors; and Mr. KANG Dian, Ms. LIU Shuwei, Mr. NG Kar Ling, Johnny and Mr. ZHANG Yichen as independent non-executive directors.*

\* For identification purpose only