

万科企业股份有限公司  
CHINA VANKE CO., LTD. (000002.SZ, 2202.HK)

# 2020年度业绩推介会

2020 ANNUAL RESULTS ANNOUNCEMENT

31 March 2021

[www.vanke.com](http://www.vanke.com)

The background image is an aerial rendering of a modern urban development. It features a central canal with a pedestrian bridge crossing it. The canal is flanked by walkways, trees, and greenery. On either side of the canal are tall, modern residential or commercial buildings with balconies. The sky is clear and blue, suggesting a bright day. The overall scene depicts a well-planned, integrated urban environment.

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**Shanghai • Uni-City**

Note: Renditions / photos in this presentation are selected from projects that Vanke participated in construction, redevelopment or operation

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坊慶永

坊慶永  
YONG · QING · FANG

廣東劇團與堂

南吳工藝

騰設緣  
Hua She Yuan

騰設緣  
Hua She Yuan

# 1 Results Overview

Guangzhou · Yong Qing Fang



## Net profit attributable to Vanke's equity holding



**RMB41.52** billion  
10 years CAGR over  
19%

## Weighted average ROE



**20.1%**  
Over 19% for 10  
consecutive years

## Annual dividend distribution



**RMB14.52** billion  
Cash dividend distribution for  
29 consecutive years  
Since its listing, total dividend  
distribution amounted to  
RMB 83.69 billion

## Operating cash flow



**RMB53.19** billion  
Remain positive for  
12 consecutive years

## Net gearing ratio



**18.1%**  
Remain lower than 40%  
for 20 consecutive years

## Credit rating



Moody's S&P Global Fitch Rating  
**Baa1 BBB+ BBB+**  
Continue to maintain a leading  
rating in the industry

## Property development



Contract sales amount  
**RMB704.15**  
billion

## Rental housing



- An aggregate of **142,400** units in operation, the **largest** centralised apartment operation in the country
- The overall occupancy rate of projects in operation exceeded **95%**

## Property service "Onewo"



- Realized revenue **RMB18.20 billion**
- **Urban services** in **10** cities, with **12** new projects added during the year (total **16 projects**)



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## 2 Financial Overview

Beijing • Wangjing Street Block



## Steady growth in operating results, further optimisation of asset and debt structure

Profit and loss	Unit	2020	2019	% change
Revenue	RMB billion	419.11	367.89	13.92%
GP margin (after tax)	%	22.7%	27.3%	-4.6 pct
Net profit	RMB billion	59.30	55.13	7.56%
Net profit attributable to equity shareholders of the Company	RMB billion	41.52	38.87	6.80%
Earnings per share	RMB	3.62	3.47	4.52%
Dividend per share (estimated)	RMB	1.25	1.02	22.96%

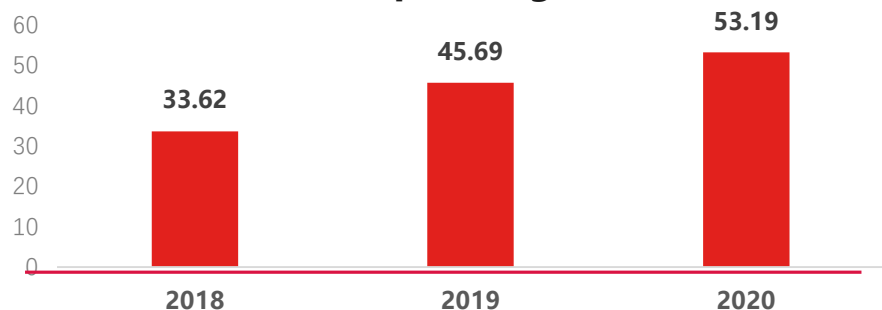
Balance sheet	Unit	31 Dec 2020	31 Dec 2019	% change
Cash and cash equivalents (including pledged and restricted deposits)	RMB billion	195.23	166.19	17.47%
Total assets	RMB billion	1,869.18	1,729.93	8.05%
Interest-bearing liabilities	RMB billion	258.53	257.85	0.26%
Of which: interest-bearing liabilities due within 1 year	RMB billion	82.91	93.89	-11.69%
Shareholders equity	RMB billion	349.84	270.58	29.29%
Equity attributable to equity shareholders of the Company	RMB billion	224.51	188.06	19.38%
Net assets per share	RMB	19.32	16.64	16.14%

# Maintain a stable cash-to-debt ratio for a long period of time

## Positive operating cash flow for 12 consecutive years

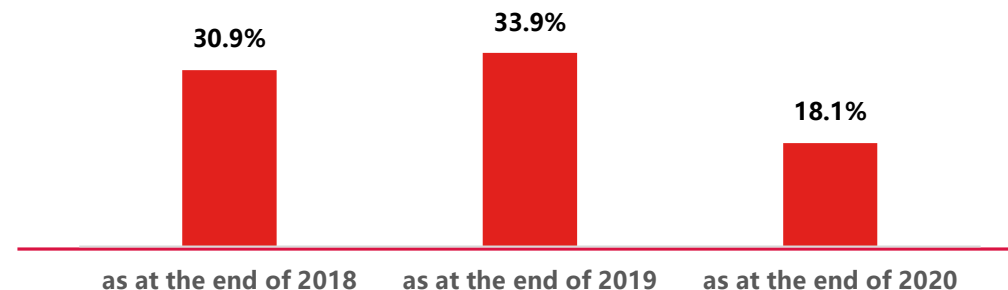
RMB billion

### Positive operating cash flow



## Net gearing ratio 18.1%, remained below 40% for 20 consecutive years

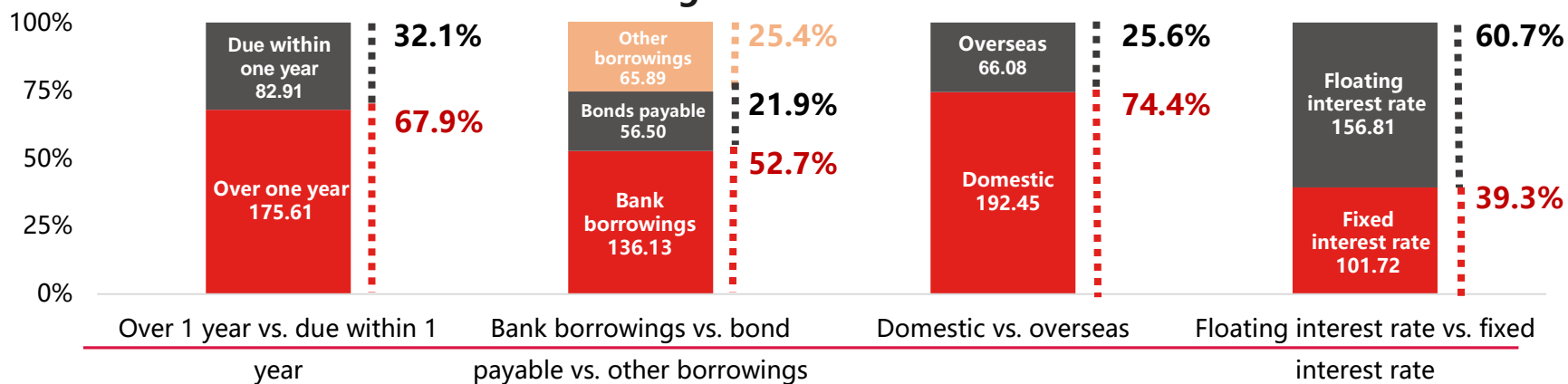
### Net gearing ratio



## Interest-bearing liabilities accounted for 13.8% of total assets; interest-bearing liabilities due over one year accounted for 67.9%; maintain a safe term structure

RMB billion

### Interest-bearing liabilities structure at the end of 2020



# Maintain a leading credit rating and low financing cost in the industry continuously

## Stable credit ratings

### Moody's

**Baa1** / Stable

### S&P Global

**BBB+** / Stable

### Fitch Ratings

**BBB+** / Stable

### CCXI

**AAA** / Stable

## Fund monitoring and financing management

	Asset-liability ratio excluding receipts in advance	Cash to short-term debt ratio	Net gearing ratio
Green-tier requirement	<70%	>1X	<100%
Vanke's performance	<b>70.4%</b>	<b>1.8X</b>	<b>18.1%</b>

## Financing cost maintained at a low level

Financing channels	Balance (RMB billion)	Financing cost range
Bank loans	136.13	LIBOR + margin ~5.70%
Bonds	56.51	1.90%-5.35%
Other borrowings	65.89	2.30%-6.16%
<b>Total interest-bearing liabilities</b>	<b>258.53</b>	

(As at 31 December 2020)



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Festa Dei Sapori Italiani

### 3 Operation Overview

Shanghai • Columbia Circle

# Property development and operation business: sales amount exceeded RMB700 billion, ranked among the top three in 43 cities

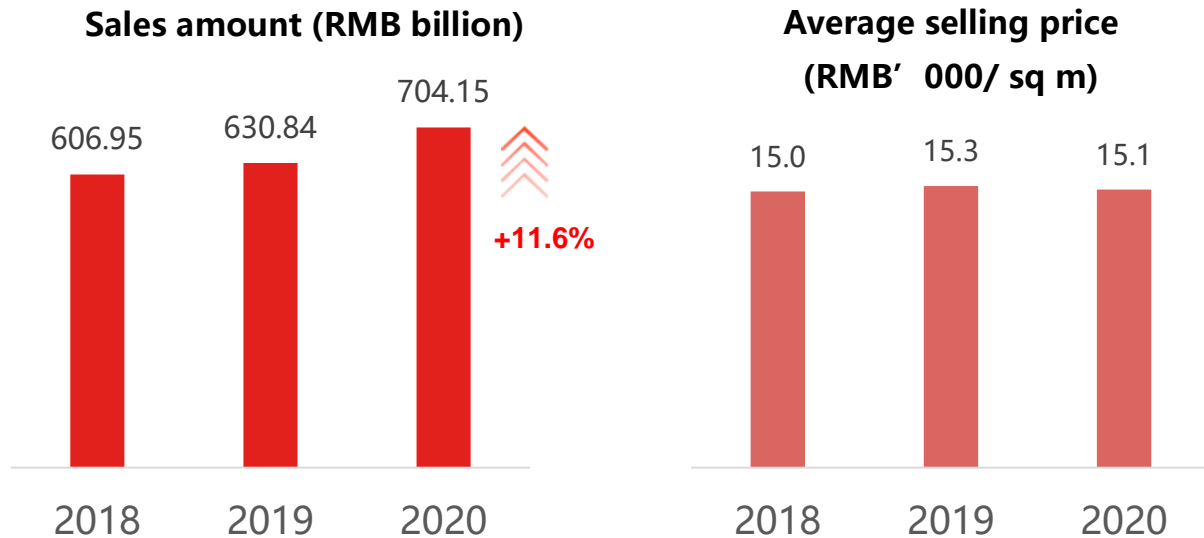
- Reached a sales amount of RMB**704.15** billion in 2020, up by **11.6%** yoy
- Enjoyed a market share of approx. **4.03%**, ranked **first** in **23** cities, ranked among **top three** in **43** cities
- Average selling price remained stable

## Ranked among top three in market ranking in 43 cities

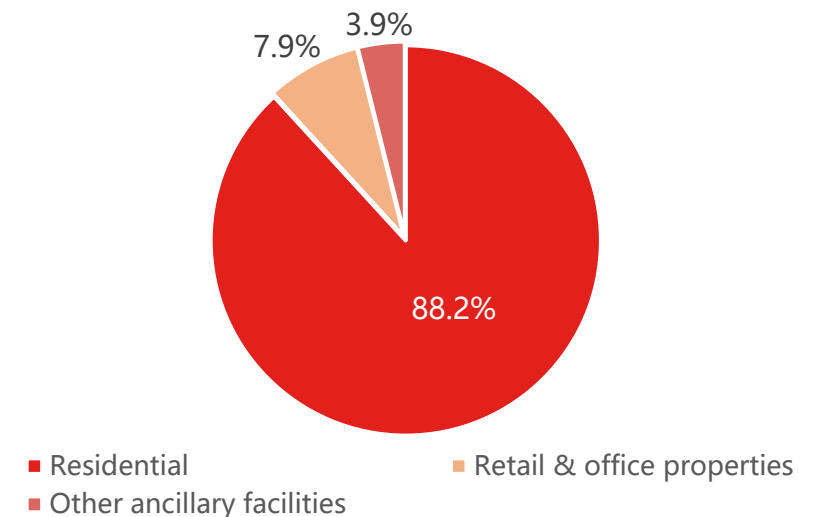
<b>NO.1</b>	Shanghai, Chengdu, Suzhou, Xi'an, Hefei, Fuzhou, Nanchang, Shenyang, Changchun, Dalian, Dongguan, Zhongshan, etc.	<b>23</b>
<b>NO.2</b>	Tianjin, Nanjing, Kunming, Zhengzhou, Zhuhai, Wuxi, Ningbo, Xuzhou, etc.	<b>14</b>
<b>NO.3</b>	Beijing, Hangzhou, Guangzhou, Chongqing, Guiyang, Zhangzhou, etc.	<b>6</b>

Note: The sales ranking in the above cities is based on the city's record statistics as the main indicator

## Sales revenue and average selling price

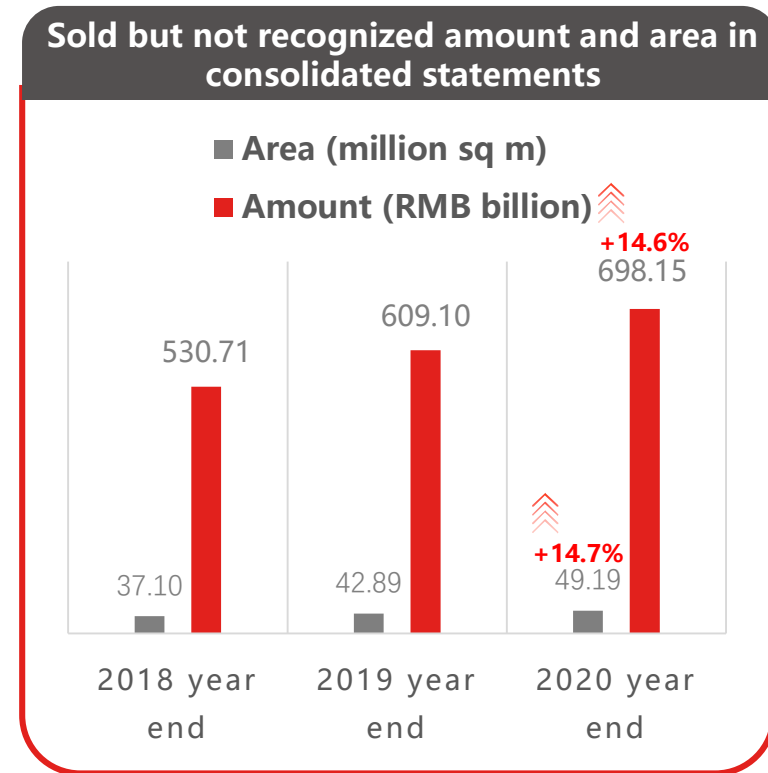
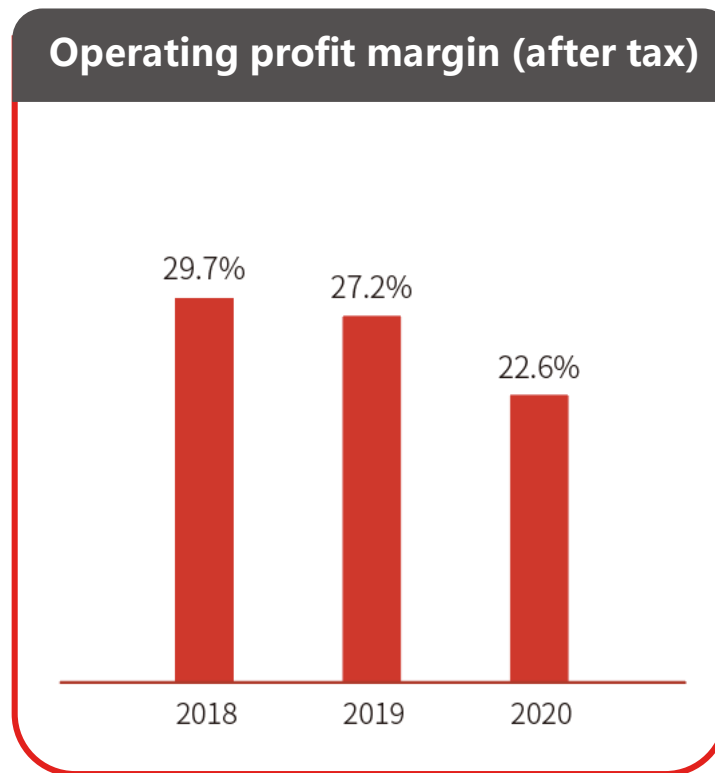
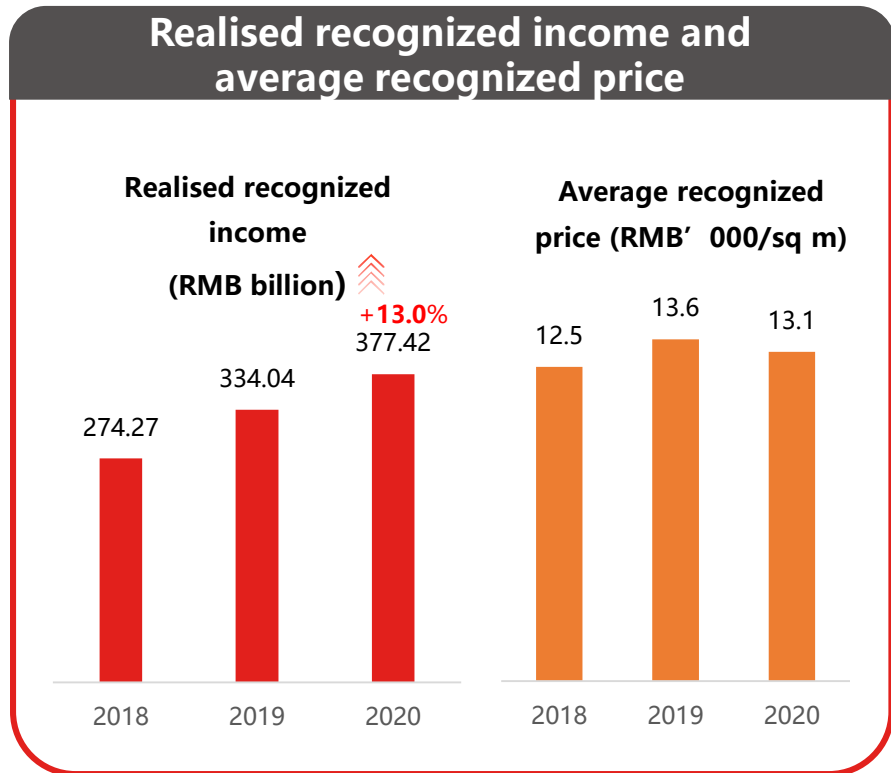


## Sales breakdown by product in 2020



# Property development and operation business: sold but not recognized amount reached almost RMB698.15 billion, providing support for future performance

- Newly commenced construction reached **39.60 million** sq m, representing **135.6%** of that planned at the beginning of the year; completed floor area amounted to **33.82 million** sq m, representing **101.9%** of that planned at the beginning of the year
- Realised a recognized area of **28.89 million** sq m (+17.4%), realised recognized income of RMB**377.42 billion** (+13.0%)
- Sold but not recognized contract amount in the consolidated statements was RMB**698.15 billion** (+14.6%)



Property development and operation business: 86.6% of newly acquired projects located in key conurbations; project resources meet the needs of sustainable development

Reasonable land bank, sufficient for 2-3 years' development

Acquired projects GFA  
**33.67 million m<sup>2</sup>**

Average land premium of newly projects  
**RMB 6710 per m<sup>2</sup>**

Total land premium attributable to Vanke's equity holding  
**RMB 138.15 billion**

Planned GFA of new projects attributable to Vanke's equity holding  
**20.59 million m<sup>2</sup>**

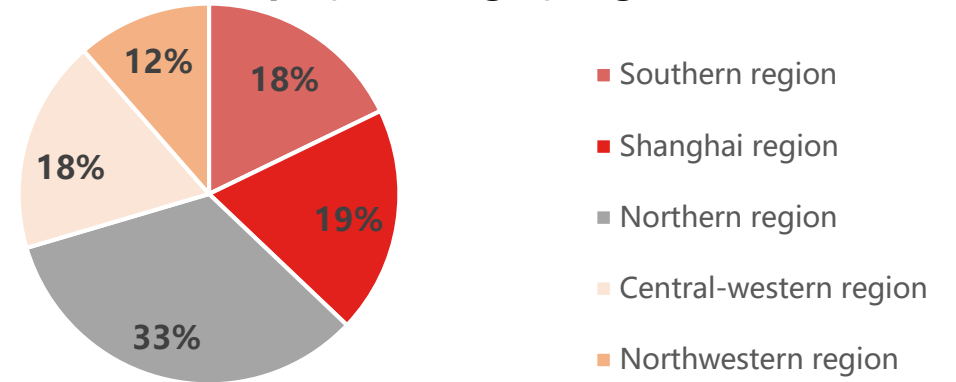
Focus on major cities of conurbations

Investment amount in newly acquired projects attributable to Vanke's equity holding:  
**86.6%** located in key conurbations

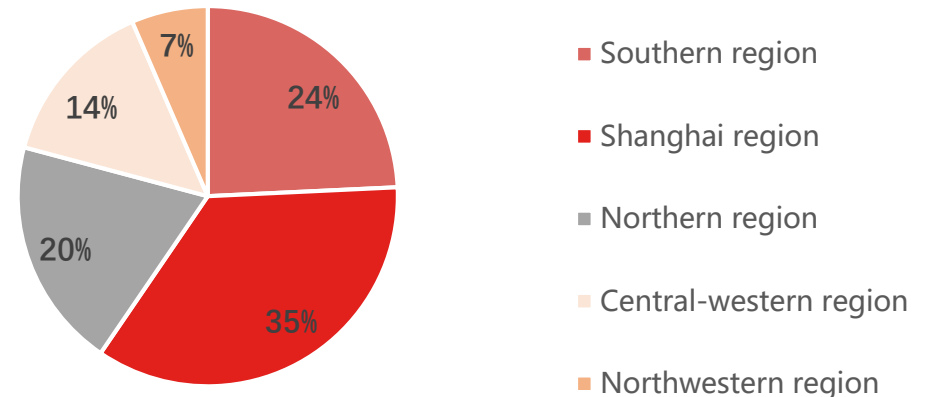
Area of newly commenced construction

2021 estimated area commenced construction of existing projects:  
**31.48 million m<sup>2</sup>**

Area of land acquired attributable to Vanke's equity holding by region



Land premium of projects acquired attributable to Vanke's equity holding by region



# Property development and operation business: develop in tandem with cities; continued to enhance comprehensive development and operational capabilities of TOD projects

After exploration and practice, Vanke is capable of performing 4 types of TOD development models, and has created a number of benchmark projects

### Shanghai Uni-City

On top of rail lines



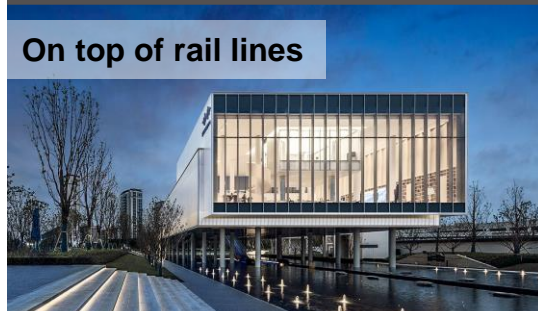
Residential, Office, Commercial, Education, Sports

Site area	GFA
Approx. 260,000 m <sup>2</sup>	Approx. 680,000 m <sup>2</sup>

- Comprehensive development along the rail lines and above stations; operation of self-owned commercial properties
- Shanghai TOD benchmark project, Da Hongqiao District Vitality Centre

### Hangzhou Uni-City

On top of rail lines




Residential, Office, Commercial, Education, Sports, Culture

Site area	GFA
Approx. 450,000 m <sup>2</sup>	Approx. 1.29 million m <sup>2</sup>

- Comprehensive development along the rail lines and above stations
- Mammoth-size, composite operation, with advanced planning technique
- We created an archetype of a future smart railway-integrated city featuring greenness, city-industry-function integration

### Shenzhen Zhenwanhui

Station integrates into the city  
On top of station



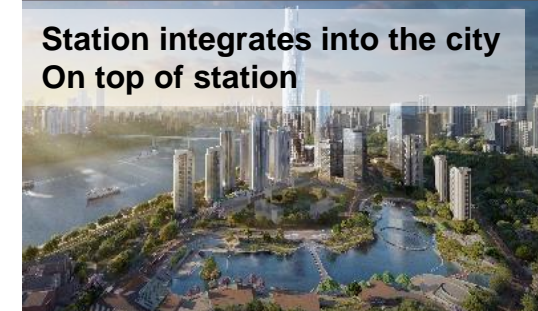
Apartment, Office, Hotel, Commercial, Park

Site area	GFA
Approx. 70,000 m <sup>2</sup>	Approx. 540,000 m <sup>2</sup>

- 3 subway lines + public transport interchange
- Multiple parks, with three-dimensional greening
- Large-scale concentration of commercial, high-end residential skyscrapers
- Surpassing headquarters-grade office buildings, international 5-star hotels

### Chongqing Tiandi

Station integrates into the city  
On top of station



Apartment, Office, Hotel, Commercial, Park

Site area	GFA
Approx. 230,000 m <sup>2</sup>	Approx. 1.80 million m <sup>2</sup>


- Integrated design, atop two subway stations
- Tallest building in Chongqing, with a height of 458 m
- We were responsible for the construction of stations, which would provide seamless connection

**Property development and operation business: develop in tandem with cities; continued to enhance comprehensive development and operational capabilities of TOD projects (cont'd)**

After exploration and practice, Vanke is capable of performing 4 types of TOD development models, and has created a number of benchmark projects

**Hangzhou Huanglong Vanke Center**

**Site connection**




Commercial, office, education, culture, art

Site area	GFA
Approx. 70,000 m <sup>2</sup>	Approx. 420,000 m <sup>2</sup>

- A cluster of 9 commercial and office buildings in the core CBD area of Hangzhou Huanglong Commercial District
- The Knowledge City Innovation Zone provides innovative business office and elite living service models for new economy enterprises

**Shanghai Xuhui Vanke Center**

**Site connection**



Office, commercial, park, cinema, culture and shows

Site area	GFA
Approx. 110,000 m <sup>2</sup>	Approx. 720,000 m <sup>2</sup>

- 65,000 sq m of green axis city park, multi-business with a variety of functions, integrated development of TOD
- With the design concept of "TOD+Park 3-dimensional Park", we created a healthy, efficient, convenient and high-quality urban public space

**Nanjing Metro Height**

**Built within 200 m of the station**




Apartments, office, commercial, residential, community park

Site area	GFA
Approx. 110,000 m <sup>2</sup>	Approx. 580,000 m <sup>2</sup>

- West of Nanjing South Railway Station, high-end residential buildings, Grade A office buildings, commercial buildings, apartments, etc in the core area of the Southern New City
- We created a comprehensive life-cycle Vanke community.

**Hefei City Apartment**

**Built within 200 m of the station**



Commercial, office, residential, cultural, public ancillary

Site area	GFA
Approx. 150,000 m <sup>2</sup>	Approx. 560,000 m <sup>2</sup>

- Integrated design, atop two subway stations
- Tallest building in Chongqing, with a height of 458 m
- We were responsible for the construction of stations, which would provide seamless connection



# Urban renewal: Equal emphasis on renewal and operation, revitalising city blocks with cultural heritage

## Guangzhou Yongqingfang

A vibrant community with start-ups and residences, remodel integrated industrial eco-system

### Area

Approx. **270,000** m<sup>2</sup>

### Location

**Enning Road, Liwan district, Guangzhou**

On the one hand, we tried to restore the historic character and charm of the Xiguan district; on the other hand, we merged modern elements with heritage through introducing unique restaurants, art exhibition, leisure retail to rejuvenate the district, thereby adhering to the micro renewal concept of "restoring the heritage building to its original look" .



## Shenzhen Nantou Ancient City

Example of a thousand-year-old cultural heritage, a miniature of a rapidly developed city

### Area

Approx. **350,000** m<sup>2</sup>

### Location

**Nantou Tianqiaobei, Nanshan district, Shenzhen**

The "capital city of Eastern Guangdong, the cradle of history and culture of Shenzhen and Hong Kong" . On the one hand, we restored the district to its former glory; on the other hand, we introduced four types of activities to the area, namely industrial office, cultural exhibition, leisure retail, youth apartment, thereby establishing Nantou ancient city as the new cultural landmark of the bay area.



## Shanghai Columbia Circle

An architecture you can read, a street where you can stroll, and a city that is heartwarming

### Area

Approx. **50,000** m<sup>2</sup>

### Location

**Yan' an Xi Road, Changning district, Shanghai**

Basing on the renewal strategy focused on "space, culture and content" , we introduced trendy stores such as Tsutaya bookstore, opened Sun Ke villa and other historic buildings to the public, as well as constructed an "art street" , while carrying forward the 100-year old heritage of the buildings, thus creating a lifestyle inspired by the new Shanghainese culture.





## Shenyang Hongmei Cultural and Creative Park

We paid tribute to the city by highlighting its culture and supporting the future development through introduction of various business segments

### Area

**60,000** m<sup>2</sup>

### Location

**44 Weigong North Street, Tiexi District, Shenyang**

We introduced international design resources, restoration and transformation design concepts, analyzed and studied its history, art, and application in different ages and referred to the extent of damage to the building, and successfully reproduced the style of industrial districts. Through cultural and artistic empowerment, we connected innovative cultural formats, and created venues for cultural and artistic life interaction



## Fuzhou Cangqian Jiuli

Historic revitalization area, cultural and commercial ecosystem

### Area

**110,000** m<sup>2</sup>

### Location

**53 Guanjing Road, Cangshan District, Fuzhou**

We integrated modern history and culture, architecture styles of all nations, fashionable leisure retail, and exquisite lifestyle on the riverside, realizing the inheritance of local culture and the rejuvenation and integration of commercial activities





# Urban renewal: Equal emphasis on renewal and operation, transforming old-fashioned street blocks into new cultural landmark

## Beijing·Wangjing Street Block

A retail street block redevelopment and management involving public funding under the direction of government

**Length**  
**Over 380** m

**Location**  
**Wangjing street block, Chaoyang district, Beijing**

Wangjing street block is the first project that Vanke pushes the boundary of urban renewal to street blocks and alleys – the “capillaries” of a city.

We created a venue bringing new dynamic experience around the clock -- Wangjing Fang, and brought in Beijing Design Week; we established art gallery leveraging resources of the Central Academy of Fine Arts; we introduced popular KOL brands, and recreated the ambience of European towns. We established Wangjing as a new cultural landmark, creating a platform for international cultural exchange.



## Huaihai Street, Suzhou

Looking at the future urban renewal from the revival of traditional street culture

**Area**  
**20,000** m<sup>2</sup>

**Location**  
**High-tech Zone, Suzhou City**

Since Suzhou's opening up of its economy, it has developed into a place for cultural exchanges between China and foreign countries for more than 30 years. This was an attempt by the government and Vanke on urban renewal, and it has also brought more possibilities for future exploration.

The transformation has taken into account the original style of streets and local businesses, and integrated design differentiation into street aesthetics. It not only retains the urban atmosphere of Suzhou's "Wu Culture", but also highlights the unique image positioning of the high-tech zone for foreign investments.



# Rental housing: the largest centralized apartment operation in China with an aggregate of 142,400 units in operation

## Industrial leader in the scale

- **33,000** units commenced operation in 9 major cities in 2020
- An aggregate of **142,400** units in operation in **33** cities
- The overall occupancy rate of projects in operation was **> 95%**
- Operating income was **RMB2.54 billion**, **+72.33%** yoy

## 6 types of joint department



Provision of full-process service of design, construction and operation



Using collective development land to build leasing residence



Cooperation platform with state-owned enterprise



Cooperation with provincial/municipal/district governments



Development and operation of apartment projects on commercial and office site



Urban renewal

## Youth InnovativeEco Community

Establish "Port Apartment Running Club", "Port Apartment Interest Community", "Port Apartment Reading Club", to create unique identity for around the clock youth innovative eco communities, and organize various activities focusing on residents' interest and hobbies and career development to empower talent development in various aspects, thereby creating a caring living environment.





# Benchmark projects



**Beijing - Port Apartment | Yuan Er - Chengshousi Community**

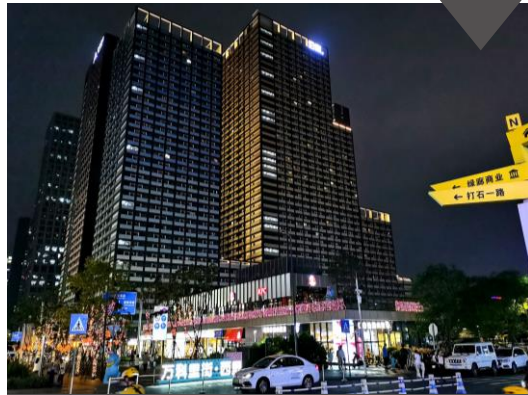
**Largest single centralised rental community**  
**Location:** Liuxiandong headquarters, Nanshan District, Shenzhen  
**Number of units:** 4,813  
The Cloud City flagship project of Port Apartment attracts talent with high education, providing support to Shenzhen development of key areas; officially commenced operation in May 2019; as of now, the occupancy is 99%, servicing over 6000 young people.



**Shanghai - Hong Apartment | Port Apartment • Hongkou Jiangwan project**

**Example of a redeveloped long-term rental apartment in Shenzhen urban village**  
**Location:** Shuiwei new village, Longhua District, Shenzhen  
**Number of units:** 2,293  
Dalang Shuiwei Modern Community of Port Apartment commenced operation in December 2018. The current occupancy rate was 98%. As an example of centralised redevelopment of urban village in Shenzhen, the project is named by the Housing and Construction Bureau of Longhua District as the first housing for talent of an urban village.

**The first newly developed long-term rental apartment project on collective land in China**  
**Location:** Chengshousi Village, Nanyuan Township, Fengtai District, Beijing  
**Number of units:** 901  
Chengshousi Community of Port Apartment has 5 theme units namely female, fitness, pets, SOHO, and live broadcast, among which 235 units of phase I were fully let upon opening in 2020.



**Shenzhen - Nanshan Cloud City flagship**

**Established a joint venture company with a state-owned enterprise to construct and operate rental apartment**  
**Location:** Xinshi North Road, Hongkou District, Shanghai  
**Number of units:** 256  
The State-owned enterprise Hongfang Group of Shanghai Hongkou District and Shanghai Port Apartment established a joint venture company to jointly construct and operate rental housing projects in Hongkou District. The first cooperative project commenced operation in December 2019 with a current occupancy rate of 98%.



**Shenzhen - Vancun Port Apartment Dalang Shuiwei Modern Community**

**Onewo: with an area of 566 million sq m under management, and a revenue of RMB18.20 billion**

## Expand business layout

Onewo is positioned as a dimension technology service provider, and its business strategy includes residential property service, commercial property and facility service, smart city service, community life service and Onewo Growth.

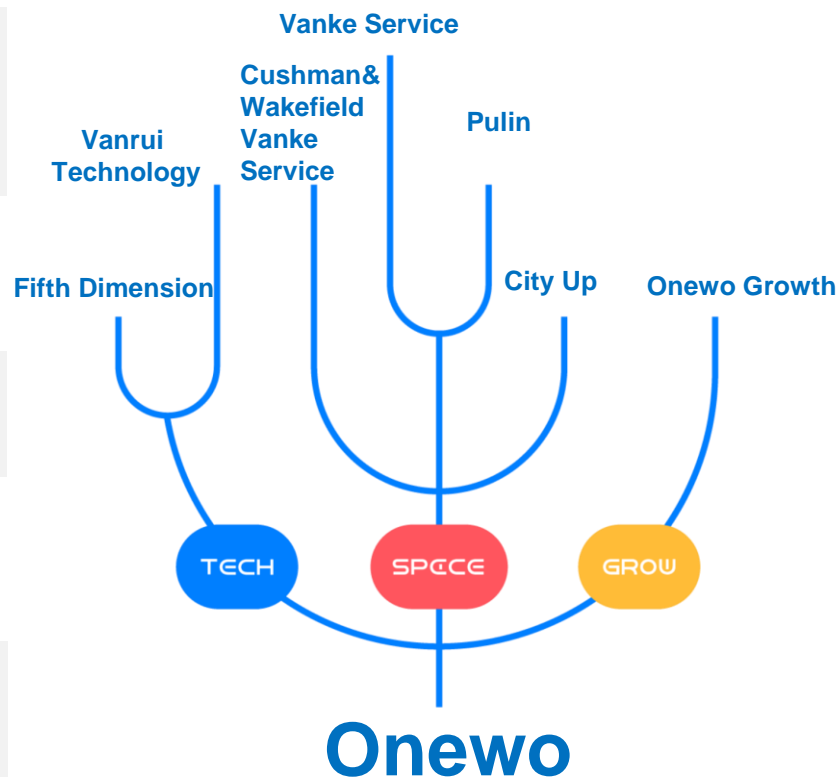
## Enter steady growth

In 2020, Onewo realized an income of **RMB18.20 billion**, with a CAGR of **34%** over the past five years.

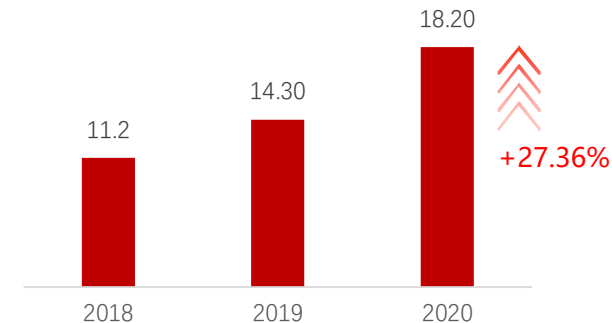
## Expansion of takeover area

As at the end of 2020, Onewo had an area of **566 million** sq m under management, of which **47%** was derived from non-Vanke projects.

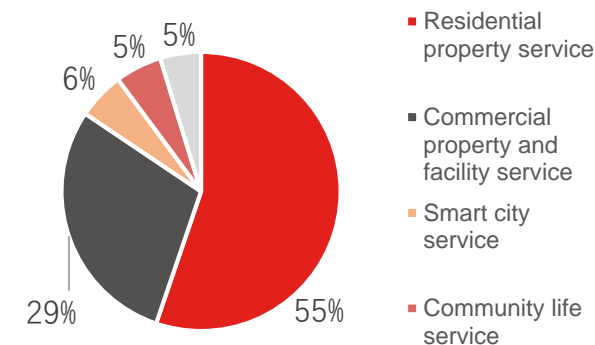
### Onewo brand tree



### Revenue (RMB billion)



### Revenue structure



# Onewo: actively launched digitalised development and facilitated business layout and development



## Residential property service

Servicing **3051** projects in **100** cities, communities under its management realised transparency in elevator advertising income



## Smart city service

In 2020, there was an aggregate of **16 projects** in **10 cities**; pushed ahead with smart city transformation

## Onewo Growth

The Company's incubator continues to connect peers with other mature companies to foster innovative companies  
During the year, sealed partnership with **54** peers in the field of property service.



## Commercial property & facility service

Leading corporate headquarters + nationwide workspace, with presence in **149 cities**, with over **1,700** service projects. Acquired over **200** new projects during the year, including **50** major projects with a full income of over **RMB10 million**.



## Community life service

Provided asset management services; GTV, the first-hand agency business, launched during the year, had a revenue of over **RMB5.5 billion**  
Connecting communities, with over **22 million** users



**Unmanned**  
Realised intelligent security service without physical security duty, effectively prevent stalking, enhanced community security and significantly lower management costs



**Web-based**  
Revolutionized traditional passive working mode. Realised mobile synergetic efficiency, enhanced efficacy of street block services



**Remote operation**

- Wuhan digital operation centre
- Urban E Control Centre
- Field operations

- Strives to realise all-space digital operations, released the "Stardust System" and initially possesses ability to offer BPaaS (business process as service) and to connect an extensive range of IoT (internet of things)
- 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" .
- Two national high-tech enterprises: Shenzhen Onewo and Vanrui Technology



## Retail property development and operation: an aggregate of 9.90 million sq m Retail area commenced operations

- **A number of retail projects successfully commenced operations amidst pandemic:** the Group (including SCPG) has **1.29 million** sq m of retail area commenced operations, including **3** shopping malls, **20** community retail facilities. The aggregate retail area in operation amounted to **9.9 million** sq m.
- **Maintained steady growth in operating income:** Operating income from retail segment amounted to **RMB6.32 billion**, representing a yoy increase of **4.33%**. Operating income from SCPG retail property projects was **RMB4.2 billion**. Commercial area under planning and construction amounted to **4.35 million** sq m
- **Upgrade in digitalisation, enhancement in standards of operation management:** the operation system for digital members cover **62** projects. Number of SCPG members exceeds **8.7 million**.
- **Explores asset securitization:** completed the issuance of Yinxiang No.2 CMBS, and CMBS the second phase of Shenzhen SCPG Center.



Shanghai Qibao Vanke Plaza



Shenzhen SCPG Center



Hangzhou Xixi Incity



## Shanghai Nanxiang Incity MEGA

The largest standalone pure retail shopping centre

Total GFA	% of first store in Shanghai and new concept store	% of first store in the district
<b>340,000</b> m <sup>2</sup>	<b>40%</b>	<b>85%</b>

- Inaugurated on 25 August 2020, sets the record of receiving a visitor flow of 300,000 and achieving a sales amount of RMB25 million.
- Established an Olympic standards ice rink, eco botanical garden, sky runway; the Fun Age Theatre was located in the Shanghai Shopping Mall for the first time.



Eco Botanical Garden



Sky Runway



Fun Age Theatre



# Logistics and warehousing services: projects in operation with an aggregate of 7 million sq m GFA, operating income from project management increased by 37% YOY

## Steady growth in operating income

In 2020, VX Logistic Properties generated an operating income of RMB **1.87 billion**, representing a YOY increase of **37%**, with RMB **1.29 billion** generated from high-standard warehouses, the figure was **29%** higher YOY; and RMB **580 million** from cold storage, a YOY growth of **60%**.

## Continued expansion in scale

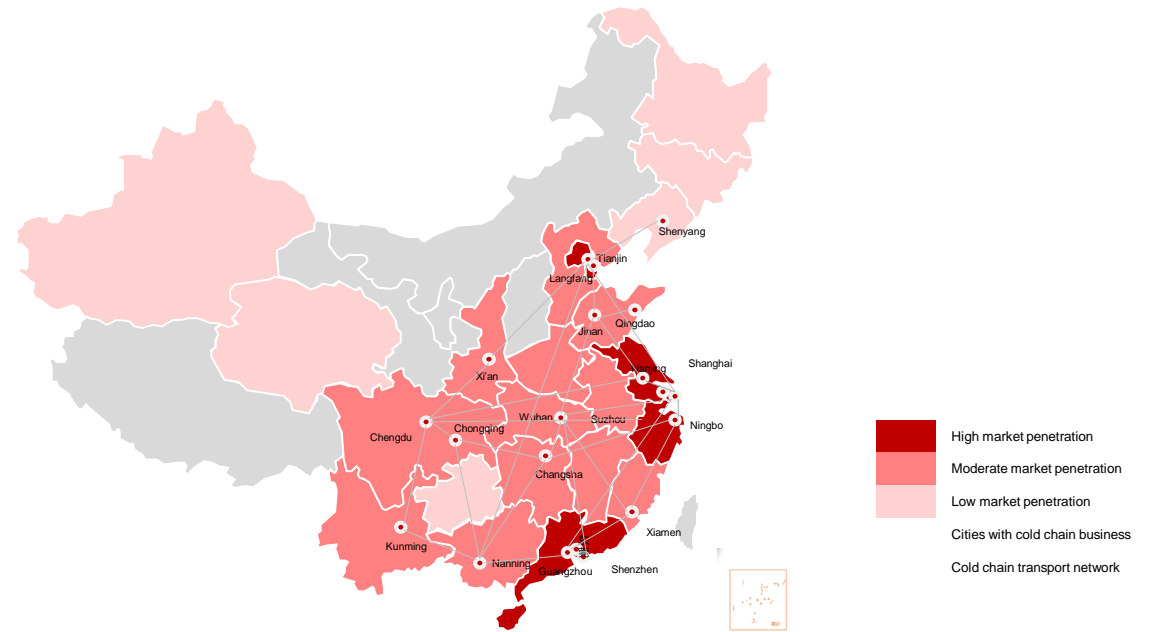
Managed an aggregate of **148** projects with a leasable floor area of **11.48 million** sq m in **44** cities. Among the projects under its management, **128** were high-standard warehouses with a leasable floor area of **10.62 million** sq m, **20** were cold storage warehouses with a leasable floor area of **860,000** sq m.

## Enhancement in development efficiency

Completed **the sector's first** rapid-construction high-standard cold storage  
To support the mission of COVID-19 vaccine storage, converted Beijing Yizhuang project in **68 days** to become an extended vaccine cold storage facility approved by partner Sinopharm

## Commitment to social responsibility

The **3** cold-chain parks in Xiamen, Ningbo and Chengdu had been designated by the local governments as transshipment supervised warehouses.



Shanghai Songjiang Xinbin Cold Chain Logistics Park



Kunming Hi-Tech Logistics Park



## VX Shanghai Seaport Cold Chain Logistics Park

GFA

43,330 m<sup>2</sup>

Temperature-controlled areas

Thermostat, refrigeration, frozen

### Project niches and achievements

The **first cold storage project in China** being awarded the **LEED Platinum** certification

Seven independent cold storage warehouses

Offers multiple storage temperature from **-25°C ~ 15 °C** in accordance with customers' specification

Access to **Shanghai city and** the peripheral area of the **Yangtze river delta region**



High-end development standards



4 types of independent temperature controlled areas



Comprehensive temperature controlled environment



Precise temperature control within  $\pm 0.5^{\circ}\text{C}$



Excellent storage management system



## Hotel and Vacation Business



**Hotel business:** Currently has **23** hotel assets in operation across such core cities as **Shenzhen, Guangzhou, Suzhou and Hangzhou**, and in certain tourist spots.

**Ski Resort business:** Currently operates three projects namely Jilin Lake Songhua, Beijing Shijinglong and Beijing Xishan Ski Resort, and received a total of **620,000** ski tourists during the 2020 skiing season. Jilin Lake Songhua Resort was named the Best Ski Resort in China by the World Ski Awards for the **fourth consecutive year**.

## Education business



**Education business:** Successfully established the unique brands of Vanke Meisha Academy and DTD Education. After five years' development, Vanke Meisha Academy has become the largest private education group in Shenzhen. Vanke Meisha Academy has been listed on the "Hurun Education Top 100 International School" for **three consecutive years**, and ranked **third** in Shenzhen in 2020. Up to present, Vanke Meisha Academy and DTD Education together have over **19,000** enrolled students.

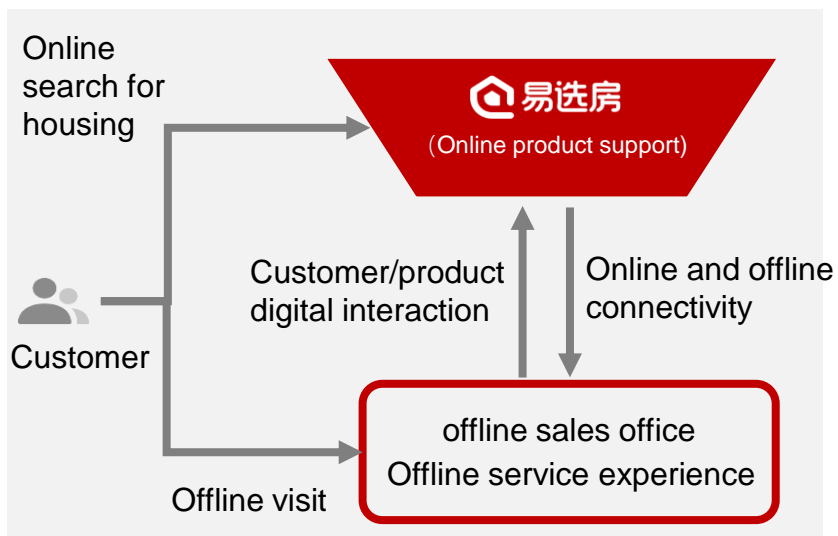
# Technology empowerment: realisation of intelligent drawing review, digital marketing, and automated cash flow management



## AI intelligent drawing review

Use AI technology to realize intelligent drawing review

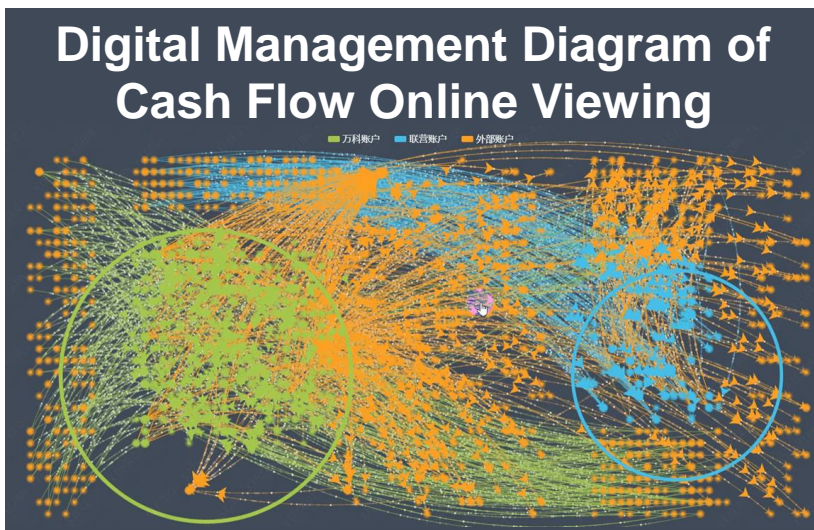
- The speed of drawing review is **8 times** that of manual work
- Has been widely promoted and applied in Shenzhen
- Research and development of 820 industry design codes for five major area: architecture, structure, water supply and drainage, HVAC, and electrical



## “E-house” mini program

The only access connecting potential buyers and the Company

- **Business process digitization:** digital simulation, VR parking lot selection, online housing viewing, online housing selection, digital business cards, digital scenario
- **GMV of 268 billion**, with **total users > 10 million**



## “One coin” project

Use digital technology to manage every dollar

- **Provide customers with a better experience:** smart cash registers, online refunds, fast commission settlement
- **Improve the efficiency of capital usage and the quality of operation management:** automated and intelligent cash flow management, based on algorithms to find anomalies, make analysis and forecasts, and help speed up financial statements

# Technology empowerment: rental housing, building a leading digital operation platform in the industry

## Apartment asset operation service platform

### SAAS of the whole business process

132 SKUs such as house viewings, appointments, contract signing, payment collections, and repairs become SaaS;

### Cockpit of operation management

Real-time monitoring of operating data, diagnosis of operating efficiency indicators, and positioning to stores to ensure operating efficiency;

### Steward Work Order System

Store work is assigned to the store steward through online allocation realising, customer expansion and service **clear designation of responsibility, and working online;**

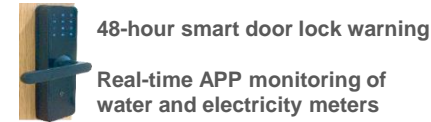
## Smart Security Community

### Triple access control



### Five monitoring locations + intelligent warning

- 01 入口大堂 (Entrance lobby)
- 02 电梯前厅 (Elevator lobby)
- 03 共享空间 (Shared space)
- 04 走廊尽头 (Corridor end)
- 05 院落空间 (Courtyard space)

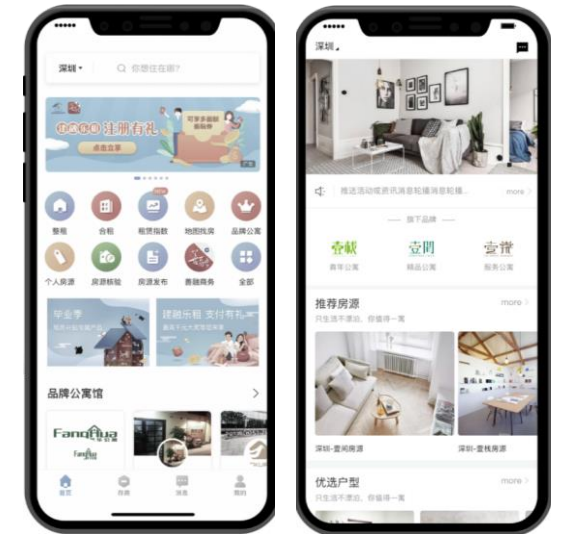
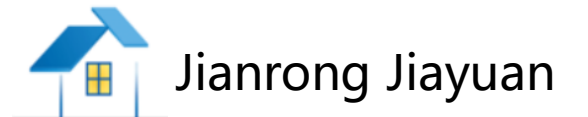


### Security management of personnel + housing + contract

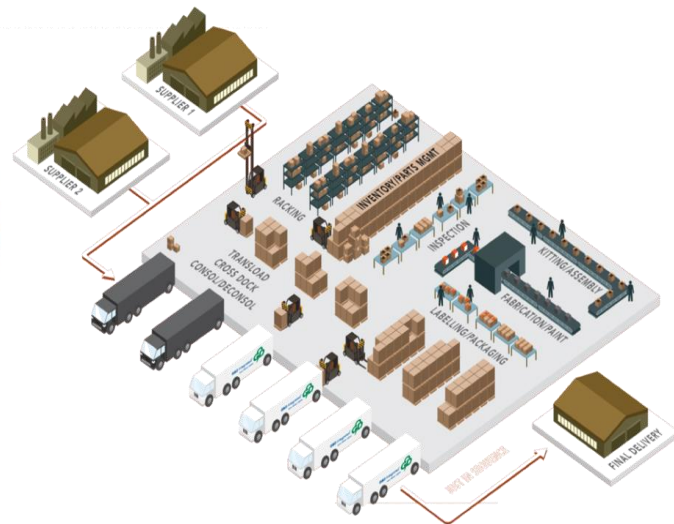
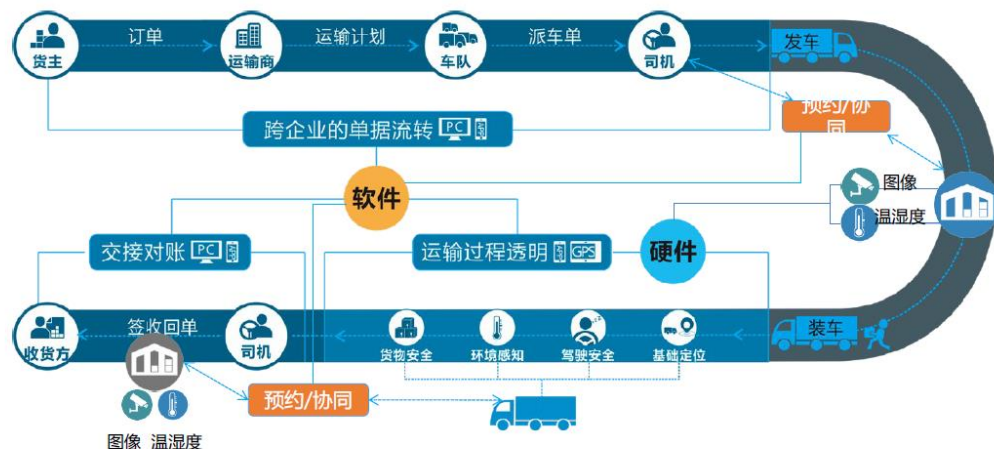
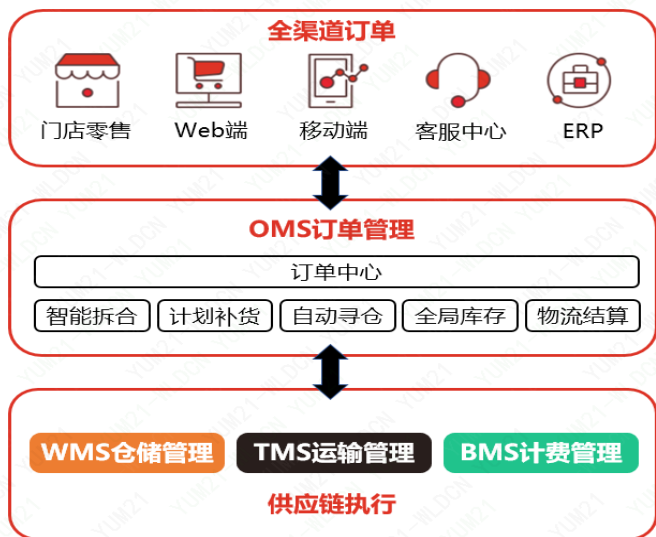


- House
- Tenant
- Contract
- Mobility management of people
- Housing management

## Technology service output



# Technology empowerment: VX Logistics to build a smart logistics platform that supports end-to-end supply chain business



## OMS Order Management System

OMS is an effective tool for improving order planning and resource execution

- Quick access to multi-channel orders without additional cost
- Connect warehousing and transportation services faster and participate in collaborative work
- Achieve optimal profit by defining inventory allocation strategy

## TMS Transportation Management System

TMS safeguards the "lifeline" of goods

- Real-time temperature monitoring, the whole process can be tracked
- Order progress follow-up, service planning, performance quantification
- Automatic data upload to improve operational efficiency and ensure data quality and authenticity

## WMS Warehouse Management System

WMS improves accuracy and optimizes the operation process in the warehouse

- Intelligent task allocation, the system dispatches orders automatically
- Intelligent allocation of storage space and location of goods
- Greatly improve the efficiency of cargo movement in the warehouse

# Implement ESG, lead the industry in standardised construction and green buildings

- Green construction:** All the newly constructed projects complied with green building standards **for the 7th consecutive year**; the area of newly added green buildings reached **37.03 million** sq m. As at the end of 2020, the cumulative area of the Group' s projects complying with green building standards amounted to **231 million** sq m
- Standardised construction, prefabricated construction:** Residential construction standardisation can effectively lower energy and material consumption during the construction process; extensive application in 85 major cities in five key regions; with an aggregate prefabricated buildings area exceeding **170 million** sq m. Solve construction quality issues through technical means; created and continues to implement "5+2+X" standardised construction system.

No. of projects permitted for early pre-sale as incentives for adopting construction standardisation

**25** projects

% of newly constructed mainstream projects standardised construction

**86%**

## 万科参与绿色供应链品类:

- 供应链企业环境合规
- 铝合金无铬钝化
- 木材来源合法化
- 室内装饰人造板及其制品甲醛控制
- 聚苯乙烯类保温材料
- HDCD 阻燃剂有害性控制
- 石材产品清洁生产
- 水性涂料烷基酚聚氧乙烯醚 (APEO)

## Promote "5+2+X" prefabricated construction system application

<b>铝合金模板</b>  配合混凝土体系的模板技术从高精木模、大钢模到铝模的演进	<b>混凝土外墙</b>  从源头解决核心部位渗漏问题	<b>装配式内隔墙</b>  内墙体系实现预制与干法施工, 免抹灰, 提升质量	<b>穿插管理</b>  实现穿插施工, 提升施工效率	<b>自升式爬架系统</b>  墙面精度大幅提升, 立面施工时间缩短, 内外施工隔断
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<b>装配式内装整体厨卫</b>  分电	<b>适度预制叠合楼</b>  预制楼
--	---

通过技术体系和工具, 实现提质、提效、减少对现场人工依赖、减少排放

5 + 2 + X

## Shanghai Xuhui Vanke Center

Shanghai Xuhui Vanke Center obtained three-star green building and LEED CS gold certification, setting a model for green building



The phase III of Xuhui Vanke Center project has a total GFA of 500,000 sq m and is adjacent to Shanghai South Railway Station. It is designed to be an "ultra-convenient intelligent shopping district with greenery". The heating and air-conditioning energy consumption of the project has been reduced by 15.10%; high-efficiency water-cooled centrifuges and COPs of the screw machine are 6% higher than specification, and the thermal efficiency of the boiler is 92%; the water consumption of sanitary appliances is 23% lower than ordinary commercial projects due to adopting first-class water-saving appliances.

## Targeted poverty alleviation and rural revitalisation

Donated RMB200 million to help Shaoguan, Hechi and Baise in Guangxi; completed the Scenic Countryside Development in Heyuan and Shanwei; supported construction of schools in Fujian, Guizhou, Gansu, and Yunnan

## Building a "sustainable community"

Organized hundreds of charity events, actively exert efforts in various aspects such as zero wastage, protection of biodiversity, and response to climate change, and strived to achieve sustainable goals

## Fight the epidemic

Donated RMB100 million to Wuhan

Received the 2020 "China Charity Award" from the Ministry of Civil Affairs



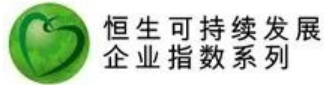




# Actively realize the concept of sustainable development, continued progress, optimize ESG management

- Conduct stakeholder survey to identify key points for sustainable development: opportunities for green building, occupational health and safety, product quality and safety
- Establish a board-management-executive ESG management structure, integrating ESG management into the daily operation
- Continued improvement in our ESG rating

## Sustainable development is widely recognized



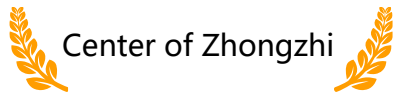
**Continue to be included** in the Hang Seng Corporate Sustainability Index



Included in the Hang Seng ESG50 Index **for the first time**



Rating in the MSCI-ESG index has been **raised from BB to BBB**



**No. 1** in "Top 50 ESG Best Practice Enterprises of China Real Estate Listed Companies in 2020"

vanke

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## 4 Future Prospects

Hangzhou • Future Uni-City



## “Strengthen its fundamentals, achieve quality development and embrace an era highlighting management strength”

- **Persist in serving the real economy:** consolidate and improve fundamentals, and offer quality products and services meeting the budget and needs of customers, create true value;
- **Persevere with steady and healthy operation:** enhance resource conversion efficiency, speed up payment collection, manage its expenditure with reference to revenue, ensure sufficient liquidity, strive to return to the "green tier" within the year, continue to consolidate favourable position in credit rating;
- **Insist on paying equal attention to development and operation:** from the perspective of full product category and full service cycle, consolidate comprehensive residential community development and service capabilities, enhance the coordination of a project's various operation formats, and maximize the value of the entire project cycle;
- **Adhere to business development supported by technology:** Realize 100% AI drawing review, comprehensive management of cash receipts and payments account, unify online customer purchase portals.

# THANKS!

## IMPORTANT NOTICE:

The content of this material is extracted from Vanke's 2020 Annual Report. If there is any discrepancy, please refer to the annual report.



Vanke Weekly



Vanke IR



E-house

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