



## **China Vanke Co., Ltd.**

### **Announcement of Resolutions Approved at the Ninth Meeting of the Sixteenth Board of Directors**

The written notice of the ninth meeting (“Meeting”) of the sixteenth board (the “Board”) of directors (“Directors”) of China Vanke Co., Ltd. (“Vanke” or “the Company”) was dispatched to all the Directors of the Company by email on 7 February 2013. The Meeting was held on 26 February 2013 at Vanke Center, No. 33 Huanmei Road, Dameisha, Yantian District, Shenzhen. The Meeting required the presence of 11 Directors, and 11 Directors and/or their authorised representatives were present at the Meeting. Director Qiao Shibo and Director Jiang Wei were not able to attend the Meeting in person due to business engagements and authorised Director Yu Liang to attend the Meeting and vote on their behalf. Director Wang Yin was not able to attend the Meeting in person due to business engagements and authorised Director Xiao Li to represent him and vote on his behalf at the Meeting. Independent Director Qi Daqing was not able to attend the board meeting in person due to business engagements and authorised Independent Director Elizabeth Law to represent him and vote on his behalf at the Meeting. The convention of the Meeting was in compliance with the relevant rules and requirements of the Company’s Articles of Association.

The Meeting has considered all the resolutions. On the “Resolution regarding continued cooperation with China Resources”, connected directors – Director Qiao Shibo, Director Wang Yin and Director Jiang Wei abstained from voting; this resolution was approved with 8 votes in favour, zero against and zero abstention. Other resolutions were approved with 11 votes in favour, zero against and zero abstention.

The resolutions being considered at the Meeting are as follows:

**1. Considered and approved the resolution regarding the appropriation and write-off of the provision for diminution in asset value for the year 2012**

As at the end of 2012, the total amount of provisions for diminution in asset value of the Company amounted to RMB346,682,900, representing an increase of RMB84,812,100 from that at the end of 2011. Included in the aforesaid total amount of provisions was a provision for bad debts of RMB339,275,500, representing an increase of RMB84,812,100 from that at the end of 2011, and a provision for diminution in value of inventory of RMB7,407,400, which was the same as the previous year.

**2. Considered and approved the 2012 audited financial report**

**3. Considered and approved the special remarks on the deposit and use of proceeds raised from previous fund-raising exercises during 2012**

**4. Considered and approved the internal control self-assessment report for the year 2012**

**5. Considered and approved the proposal on profit appropriation and dividend distribution for the year 2012**

Profit appropriation and dividend distribution are based on the Company's profit available for appropriation. Details on the consolidated and the Company's profit available for appropriation for the year 2012 in accordance with the PRC Accounting Standards are as follows:

(Unit: RMB)

	Consolidated	The Company
Profit after taxation available for appropriation	30,056,422,494.32	5,644,079,543.48
Include: Net profit for 2012	12,551,182,392.23	5,613,873,212.56
Profit available for appropriation at the start of the year	18,934,617,430.43	1,459,583,659.26
Allocation of dividend for 2012	(1,429,377,328.34)	(1,429,377,328.34)

According to the relevant rules and requirements of the Company's Articles of Association, and 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 2012:

1. to appropriate 10 per cent of the net profit of the Company to statutory surplus reserve;
2. to appropriate 50 per cent of the net profit of the Company to discretionary surplus reserve;
3. to appropriate 40 per cent of the net profit of the Company and the unappropriated profit of the previous year for dividend distribution fund;

The allocation of the profit available for appropriation for the year 2012 is as follows:

(Unit: RMB)

	The Company	As a percentage of the Company's net profit for the year	As a percentage of the consolidated net profit for the year
Net profit for 2012	5,613,873,212.56	100%	44.73%
Transfer to statutory surplus reserve	561,387,321.26	10%	4.47%
Transfer to discretionary surplus reserve	2,806,936,606.29	50%	22.36%
Transfer to dividend distribution fund for 2012	2,245,549,285.01	40%	17.89%
Profit available for appropriation at the beginning of the year	30,206,330.92	0	0
Distribution of cash	1,979,199,561.24	35.26%	15.77%

dividend for 2012*			
Retained profit for appropriation for the following financial year	296,556,054.69	-	-

\*Calculated based on the total number of shares of the Company as at the end of 2012

**Dividend distribution proposal:** Based on the total share capital as at the record date for dividend distribution, a cash dividend of RMB1.8 (including tax) will be distributed for every 10 existing shares held.

The independent directors unanimously were of the view that the preparation of the Company's proposals on the profit appropriation and dividend distribution for the year 2012 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 directors unanimously agreed to submit the relevant proposals to the shareholders' meeting for consideration.

**6. Considered and approved the resolution regarding the reappointment of certified public accountants for the year 2013**

Agreed to submit the following resolution to the 2012 annual general meeting for consideration: to continue to appoint KPMG Huazhen Certified Public Accountants to audit the 2013 financial statements of the Company and those of certain of its subsidiaries in accordance with the PRC Accounting Standards, and audit the Company's 2013 financial statements in accordance with the International Financial Reporting Standards, and prepare an internal control audit report in accordance with the requirements of the PRC regulatory bodies. The remuneration for the services will be RMB8.50 million, while the Company will not be responsible for travelling expenses or any other expenses.

All of the independent directors unanimously agreed on the related matters.

**7. Considered and approved the 2012 annual report and its summary**

**8. Considered and approved the corporate social responsibility report for the year 2012**

**9. Considered and approved the resolution regarding continued cooperation with China Resources**

The Board agreed to submit to a shareholders meeting for consideration of the resolution regarding the grant of authority to the Board to determine, within the scope mentioned below, the continued cooperation with China Resources (Holdings) Co., Limited and its connected companies (collectively "China Resources"), including entering into loan agreements with China Resources Bank of Zhuhai Co., Ltd., using the trust funds under China Resources SZITIC Trust Co., Ltd. and the funds under Harvest Capital Partners Limited, and joint investment with China Resources SZITIC Trust Co., Ltd. and Harvest Capital Partners Limited. The aggregate amount of the new loans, capital from the funds and joint investment each year shall not be more than RMB12.7 billion (i.e. not more than

20% of the Company's audited net assets value as at the end of 2012).

The terms of the said cooperation shall be based on the principles of fair trade and normal commercial terms, which include:

1. The cost of capital of the loan obtained from China Resources Bank of Zhuhai Co., Ltd. shall not be higher than that under the terms of cooperation with other commercial banks.
2. The project company jointly established with China Resources SZITIC Trust Co., Ltd. or Harvest Capital Partners Limited shall be an equity joint venture, with each party holding the same type of shares carrying the same voting rights, while profits and risks shall be equally shared by all parties.
3. The cost of debt financing from China Resources SZITIC Trust Co., Ltd. or Harvest Capital Partners Limited shall be determined with reference to the prevailing market price and the characteristics of the projects and the terms of such financing shall not be worse than the terms from an independent third party.

The granted authority is valid for two years from the passing of the relevant resolution at a shareholders meeting.

Independent directors of the Company had given a written prior approval before the Board's consideration of the said resolution, and agreed to submit the matters related to the cooperation to the Board for consideration.

All the independent directors unanimously are of the view that the continued cooperation on financing between Vanke and China Resources will enable the Company to better utilise its shareholders' resources and broaden its financing channels, which will facilitate the Company's expansion, increase its ability to avert risk and enhance return on assets. The matters regarding the cooperation and the related decision making procedure are in compliance with the relevant requirements of the Company Law, the Securities Law, the Rules Governing Listing of Stocks on the Shenzhen Stock Exchange and Company's Articles of Association. The cooperation is in the interests of the Company and its shareholders as a whole, and does not prejudice the interests of the Company and other shareholders, especially the small and medium shareholders and non-connected shareholders.

#### **10. Considered and approved the resolution regarding nomination of director candidates**

Mr Wang Yin and Mr Jiang Wei had submitted to the Board their resignations as the Company's directors, and the said resignations were effective from the date of submission. The Board takes this opportunity to express its sincere gratitude to Mr Wang Yin and Mr Jiang Wei for their significant contribution to the Company's development.

The Board resolved to nominate Mr Wei Bin and Mr Chen Ying to be director candidates of the sixteen Board and to submit the relevant proposal to the shareholders' meeting for consideration. Please refer to the appendix for the biographies of the director candidates.

The independent directors unanimously were of the view that the nomination procedure

and the qualifications of Mr Wei Bin and Mr Chen Ying as director candidates are in compliance with the relevant requirements.

#### **11. Considered and approved the resolution regarding the convention of the 2012 annual general meeting**

For details, please refer to the “Notice regarding 2012 Annual General Meeting”) published today by the Company.

Board of Directors  
China Vanke Co., Ltd.

Shenzhen, 28 February 2013

#### Appendix: Biographies of director candidates

Wei Bin, male, born in 1969, received a bachelor's degree in auditing from Zhongnan University of Economics in 1992. In 2001, he received a master's degree in finance from Jinan University. He is a senior accountant and senior auditor as well as a non-practicing member of the Institute of Certified Public Accountants in China. He joined China Resources (Holdings) Company Limited in 2001. He is currently the chief accountant and general manager of the Finance Department of China Resources (Holdings) Company Limited. He is also a non-executive director of China Resources Enterprise, Limited, China Resources Power Holdings Company Limited, China Resources Land Limited, China Resources Cement Holdings Limited, China Resources Gas Group Limited and China Resources Microelectronics Limited, as well as a director of China Resources Sanjiu Medical & Pharmaceutical Co., Ltd., Shandong Dong-E E-Jiao Co., Ltd and China Resources Double-Crane Pharmaceutical Co., Ltd.

Chen Ying, male, born in 1970, received a bachelor's degree in architectural management from Tsinghua University in 1993 and a master's degree in business administration in the University of Oxford in 2007. Mr Chen joined China Resources (Holdings) Company Limited in 1993. From 1993 to 2002, he worked as project engineer, project manager, manager of procurement department as well as executive director at China Resources Construction (Holdings) Company Limited. From 2002 to 2011, he worked as a managing director at China Resources Land (Beijing) Company Limited. From 2003 to 2006, he worked as a director of China Resources Land Limited. , In 2011, he was appointed as the general manager of the Strategy Management Department of China Resources (Holdings) Company Limited, a non-executive director of China Resources Cement Holdings Limited, China Resources Power Holdings Company Limited, China Resources Enterprise, Limited, China Resources Gas Group Limited and China Resources Land Limited, and a director of China Resources Medications Group Limited, China Resources Sanjiu Medical & Pharmaceutical Co., Ltd. and China Resources Double-Crane Pharmaceutical Co., Ltd..

The abovementioned director candidates did not hold any shares of the Company and have

not been subjected to the punishment of the China Securities Regulatory Commission nor any other relevant department or the reprimand of the stock exchange. Their appointment complies with the requirements of the relevant laws such as the Company Law, rules and regulations for the appointment of senior managers of the Company.