華潤置地有限公司
China Resources Land Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1109)

ANNOUNCEMENT OF RESULTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

HIGHLIGHTS

- Consolidated revenue for Year 2022 amounted to RMB207.06 billion, down by 2.4% YoY. Development property revenue down by 4.2% YoY to RMB176.16 billion, revenue of investment property (including hotel operations) down by 2.4% YoY to RMB17.02 billion, if excluding rental relief impact, revenue was RMB19.26 billion, up by 10.5% YoY.

- Consolidated gross profit margin was 26.2% in Year 2022 compared to 27.0% in Year 2021. Development property gross profit margin was 23.0% in Year 2022 compared to 23.7% in Year 2021, while the gross profit margin of investment property (including hotel operations) was 65.6% in Year 2022 compared to 68.2% in Year 2021.

- In 2022, core profit attributable to the owners of the Company excluding revaluation gain from investment properties reached RMB27.00 billion, representing a YoY growth of 1.5%; profit attributable to the owners of the Company including the revaluation gain from investment properties down by 13.3% YoY to RMB28.09 billion.

- Contracted sales in 2022 was RMB301.33 billion, the attributable contracted sales was RMB208.81 billion; booked GFA was 12.33 million square meters.

- As of 31 December 2022, the Group had locked in unbooked contracted value of RMB249.3 billion that are subject to recognition in 2023 and years to come, among which, RMB163.2 billion will be recognized in 2023 as development property revenue.

- During Year 2022, the Group acquired land bank of 10.95 million square meters. As of 31 December 2022, the Group's total land bank was 64.78 million square meters.

- As of 31 December 2022, cash and cash equivalents was RMB97.5 billion; the total interest-bearing debt ratio was 40.2%, and the net gearing ratio was 38.8%; the three red line indicators stayed in green area; three international rating agencies S&P's, Moody's and Fitch Ratings maintained the Company's IG credit ratings as Baa1/BBB+ with stable outlook; weighted average funding cost was 3.75%; average debt tenor was extended to 5.4 years.

- Earnings per share in Year 2022 achieved RMB3.94, as compared with RMB4.54 in Year 2021, while core earnings per share attributable to the owners of the Company increased by 1.5% YoY to RMB3.79.

- The Board recommended a final dividend of RMB1.219 per share (equivalent to HKD1.394). Together with the interim dividend of RMB0.182 per share (equivalent to HKD0.208), the total dividend for Year 2022 was up by 1.5% YoY to RMB1.401 per share (equivalent to HKD1.602).

The board of directors (the "Board") of China Resources Land Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2022 ("Year 2022") as follows:

CONSOLIDATED INCOME STATEMENT

		Year ended 31 December	
	NOTES	**2022**	2021
		RMB'000	*RMB'000*
Revenue	*3*	**207,061,119**	212,108,358
Cost of sales		**(152,770,509)**	(154,908,702)
Gross profit		**54,290,610**	57,199,656
Gain on changes in fair value of investment properties		**6,977,861**	7,794,642
Net gain on changes in fair value of financial instruments at fair value through profit or loss		**6,400**	42,710
Other income, other gains and losses		**3,112,873**	4,394,285
Selling and marketing expenses		**(5,894,694)**	(6,093,808)
General and administrative expenses		**(5,385,588)**	(5,871,565)
Share of profits of investments in joint ventures		**3,484,705**	2,808,150
Share of profits of investments in associates		**616,706**	1,488,915
Finance costs	*4*	**(1,699,518)**	(1,397,227)
Profit before taxation		**55,509,355**	60,365,758
Income tax expenses	*5*	**(23,139,594)**	(22,970,370)
Profit for the year	*6*	**32,369,761**	37,395,388
Profit for the year attributable to:			
Owners of the Company		**28,091,865**	32,401,239
Non-controlling interests		**4,277,896**	4,994,149
		32,369,761	37,395,388
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY		***RMB***	*RMB*
Basic			
— For profit for the year	*8*	**3.94**	4.54

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31 December	
	2022	2021
	RMB'000	*RMB'000*
Profit for the year	**32,369,761**	37,395,388
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Fair value hedges and cash flow hedges:		
Changes in fair value of hedging instruments due to forward elements and effective portion arising during the year	**(333,152)**	(75,756)
Exchange differences on translation of foreign operations	**663,343**	(231,532)
Net other comprehensive income/(losses) that may be reclassified to profit or loss in subsequent years	**330,191**	(307,288)
Item that will not be reclassified subsequently to profit or loss		
Loss on changes in fair value of equity instruments designated at fair value through other comprehensive income	**(19,801)**	(11,775)
Other comprehensive loss that will not be reclassified to profit or loss in subsequent years	**(19,801)**	(11,775)
Other comprehensive income/(losses) for the year	**310,390**	(319,063)
Total comprehensive income for the year	**32,680,151**	37,076,325
Total comprehensive income attributable to:		
Owners of the Company	**28,161,565**	32,153,983
Non-controlling interests	**4,518,586**	4,922,342
	32,680,151	37,076,325

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	NOTE	**31 December 2022** *RMB'000*	31 December 2021 *RMB'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**16,011,713**	15,427,154
Right-of-use assets		**5,773,760**	6,239,461
Investment properties		**237,885,277**	217,530,118
Intangible assets		**1,425,515**	76,356
Goodwill		**1,816,263**	11,544
Investments in joint ventures		**50,824,202**	40,940,180
Investments in associates		**24,893,083**	21,059,848
Equity instruments designated at fair value through other comprehensive income		**1,074,060**	1,100,462
Financial assets at fair value through profit or loss		**150,000**	152,374
Time deposits		**2,558,608**	2,474,608
Prepayments for non-current assets		**1,401,467**	1,525,343
Deferred taxation assets		**11,591,017**	11,214,154
Amounts due from related parties		**10,168,102**	11,992,508
Amounts due from non-controlling interests		**2,474,207**	4,787,416
		368,047,274	334,531,526
CURRENT ASSETS			
Properties for sale		**495,498,250**	402,563,432
Other inventories		**462,830**	463,065
Trade receivables, other receivables, prepayments and deposits	*9*	**45,010,794**	48,461,358
Contract assets and contract costs		**2,046,081**	1,547,444
Financial assets at fair value through profit or loss		**1,066,801**	1,237,439
Amounts due from related parties		**30,899,781**	25,921,325
Amounts due from non-controlling interests		**26,858,943**	14,801,388
Prepaid taxation		**13,973,575**	11,529,164
Restricted bank deposits		**1,922,996**	1,975,335
Cash and bank balances		**95,544,576**	106,772,788
		713,284,627	615,272,738

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

	NOTE	**31 December 2022** *RMB'000*	31 December 2021 *RMB'000*
CURRENT LIABILITIES			
Trade and other payables	*10*	**140,858,316**	131,692,790
Lease liabilities		**998,721**	1,044,306
Contract liabilities		**247,765,203**	212,719,073
Financial liability at fair value through profit or loss		**–**	3,510
Amounts due to related parties		**39,185,729**	25,928,254
Amounts due to non-controlling interests		**10,563,199**	9,187,825
Taxation payable		**26,641,869**	29,507,461
Bank and other borrowings — due within one year		**52,336,890**	49,321,902
Medium-term notes — due within one year		**8,906,126**	5,222,066
		527,256,053	464,627,187
NET CURRENT ASSETS		**186,028,574**	150,645,551
TOTAL ASSETS LESS CURRENT LIABILITIES		**554,075,848**	485,177,077
EQUITY			
Share capital		**673,829**	673,829
Reserves		**243,373,240**	225,855,441
Equity attributable to owners of the Company		**244,047,069**	226,529,270
Non-controlling interests		**97,659,981**	65,546,704
		341,707,050	292,075,974

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

	31 December 2022 *RMB'000*	31 December 2021 *RMB'000*
NON-CURRENT LIABILITIES		
Bank and other borrowings — due after one year	**97,924,016**	90,746,848
Senior notes — due after one year	**13,744,457**	12,575,147
Medium-term notes — due after one year	**44,191,898**	22,108,888
Lease liabilities	**6,116,805**	4,757,826
Financial liabilities at fair value through profit or loss	**390,860**	–
Amounts due to related parties	**14,211,080**	21,694,690
Amounts due to non-controlling interests	**3,654,950**	11,686,927
Long-term payables	**101,635**	126,278
Derivative financial instruments	**212,742**	251,575
Deferred taxation liabilities	**31,820,355**	29,152,924
	212,368,798	193,101,103
TOTAL OF EQUITY AND NON-CURRENT LIABILITIES	**554,075,848**	485,177,077

1. BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the disclosure requirements of the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared under the historical cost convention, except for investment properties and certain financial instruments which have been measured at fair value.

In the application of the Group's accounting policies, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

2. APPLICATION OF NEW AND REVISED HKFRSs

The Group has adopted the following revised HKFRSs for the first time in the current year:

Amendments to HKFRS 3	*Reference to the Conceptual Framework*
Amendments to HKAS 16	*Property, Plant and Equipment: Proceeds before Intended Use*
Amendments to HKAS 37	*Onerous Contracts — Cost of Fulfilling a Contract*
Annual Improvements to HKFRSs 2018–2020	Amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 41

The adoption of the other standards did not require the Group to change its accounting policies or make retrospective adjustments as they did not have a material effect on the Group' financial statements.

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements:

Amendments to HKFRS 10 and HKAS 28 (2011)	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[3]
Amendments to HKFRS 16	*Lease Liability in a Sale and Leaseback*[2]
HKFRS 17	*Insurance Contracts*[1]
Amendments to HKFRS 17	*Insurance Contracts*[1, 5]
Amendment to HKFRS 17	*Initial Application of HKFRS 17 and HKFRS 9 — Comparative Information*[6]
Amendments to HKAS 1	*Classification of Liabilities as Current or Non-current (the "2020 Amendments")*[2, 4]
Amendments to HKAS 1	*Non-current Liabilities with Covenants (the "2022 Amendments")*[2]
Amendments to HKAS 1 and HKFRS Practice Statement 2	*Disclosure of Accounting Policies*[1]
Amendments to HKAS 8	*Definition of Accounting Estimates*[1]
Amendments to HKAS 12	*Deferred Tax related to Assets and Liabilities arising from a Single Transaction*[1]

2. APPLICATION OF NEW AND REVISED HKFRSs (CONTINUED)

[1] Effective for annual periods beginning on or after 1 January 2023
[2] Effective for annual periods beginning on or after 1 January 2024
[3] No mandatory effective date yet determined but available for adoption
[4] As a consequence of the 2022 Amendments, the effective date of the 2020 Amendments was deferred to annual periods beginning on or after 1 January 2024. In addition, as a consequence of the 2020 Amendments and 2022 Amendments, Hong Kong Interpretation 5 *Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause* was revised to align the corresponding wording with no change in conclusion
[5] As a consequence of the amendments to HKFRS 17 issued in October 2020, HKFRS 4 was amended to extend the temporary exemption that permits insurers to apply HKAS 39 rather than HKFRS 9 for annual periods beginning before 1 January 2023
[6] An entity that chooses to apply the transition option relating to the classification overlay set out in this amendment shall apply it on initial application of HKFRS 17

3. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision makers ("CODM") of the Group, was specifically focused on business units based on their types of activities for the purpose of resource allocation and performance assessment. The Group's operating segments under HKFRS 8 *Operating Segments* are identified as four main operations:

Development properties for sale: this segment represents the income generated from development and sales of residential properties, office and commercial premises.

Property investments and management: this segment represents the lease of investment properties, which are self-developed or under subleases by the group to generate rental income and to gain from the appreciation in the properties' values in the long term, together with income generated from property management and related services for investment properties.

Hotel operations: this segment represents the income generated from hotel accommodation and catering services.

Construction, decoration services and others: this segment represents the income generated from construction and decoration services, property management and related services for residential properties, urban development and operation, leasing apartment, senior housing, cinema and others.

Segment results represent the profit earned or loss incurred before taxation by each segment without allocation of income or expenses which are not recurring in nature or unrelated to the CODM's assessment of the Group's operating performance, e.g. other income, other gains and losses, gain on changes in fair value of investment properties, net gain on changes in fair value of financial instruments at fair value through profit or loss, central administration costs, and finance costs. Segment revenues and results are the measure reported to the CODM for the purposes of resource allocation and performance assessment. Inter-segment sales are transacted at mutually agreed prices.

3. SEGMENT INFORMATION (CONTINUED)

The following is an analysis of the Group's revenue and results by operating and reportable segments:

For the year ended 31 December 2022

	Development properties for sale *RMB'000*	Property investments and management *RMB'000*	Hotel operations *RMB'000*	Construction, decoration services and others *RMB'000*	Consolidated *RMB'000*
SEGMENT REVENUES AND RESULTS					
Revenue					
Revenue from contracts with customers					
Recognised at a point in time	**139,510,927**	**–**	**–**	**6,406,022**	**145,916,949**
Recognised over time	**36,651,408**	**4,234,351**	**1,393,972**	**22,817,070**	**65,096,801**
Revenue from other sources					
Rental income	**–**	**12,283,776**	**–**	**–**	**12,283,776**
Segment revenue	**176,162,335**	**16,518,127**	**1,393,972**	**29,223,092**	**223,297,526**
Inter-segment revenue	**–**	**(890,753)**	**(436)**	**(15,345,218)**	**(16,236,407)**
Revenue from external customers	**176,162,335**	**15,627,374**	**1,393,536**	**13,877,874**	**207,061,119**
Results					
Share of profits of investments in joint ventures and associates	**3,822,711**	**334,464**	**(3,881)**	**(51,883)**	**4,101,411**
Segment results (including share of profits of investments in joint ventures and associates)	**39,073,801**	**8,529,065**	**(332,156)**	**998,011**	**48,268,721**
Other income, other gains and losses					**3,112,873**
Gain on changes in fair value of investment properties					**6,977,861**
Net gain on changes in fair value of financial instruments at fair value through profit or loss					**6,400**
Unallocated expenses					**(1,156,982)**
Finance costs					**(1,699,518)**
Profit before taxation					**55,509,355**

3. SEGMENT INFORMATION (CONTINUED)

For the year ended 31 December 2021

	Development properties for sale *RMB'000*	Property investments and management *RMB'000*	Hotel operations *RMB'000*	Construction, decoration services and others *RMB'000*	Consolidated *RMB'000*
SEGMENT REVENUES AND RESULTS					
Revenue					
Revenue from contracts with customers					
Recognised at a point in time	151,581,756	36,552	–	2,252,393	153,870,701
Recognised over time	32,279,568	4,977,787	1,567,246	21,093,811	59,918,412
Revenue from other sources					
Rental income	–	13,012,606	–	–	13,012,606
Segment revenue	183,861,324	18,026,945	1,567,246	23,346,204	226,801,719
Inter-segment revenue	–	(2,159,527)	(87)	(12,533,747)	(14,693,361)
Revenue from external customers	183,861,324	15,867,418	1,567,159	10,812,457	212,108,358
Results					
Share of profits of investments in joint ventures and associates	3,503,858	801,059	(186)	(7,666)	4,297,065
Segment results (including share of profits of investments in joint ventures and associates)	40,697,686	9,707,465	(290,684)	242,765	50,357,232
Other income, other gains and losses					4,394,285
Gain on changes in fair value of investment properties					7,794,642
Net gain on changes in fair value of financial instruments at fair value through profit or loss					42,710
Unallocated expenses					(825,884)
Finance costs					(1,397,227)
Profit before taxation					60,365,758

4. FINANCE COST

	Year ended 31 December	
	2022	2021
	RMB'000	*RMB'000*
Total interest including bank and other borrowings, senior notes, medium-term notes and others	**9,202,050**	8,075,236
Total interest on lease liabilities	**295,034**	267,677
Total bank charges	**158,960**	166,766
Less: Amounts capitalised in properties under development for sale, investment properties under construction and construction in progress	**(7,956,526)**	(7,112,452)
	1,699,518	1,397,227

5. INCOME TAX EXPENSES

	Year ended 31 December	
	2022	2021
	RMB'000	*RMB'000*
The income tax expenses comprise of:		
Current taxation		
People's Republic of China ("PRC") Enterprise Income Tax ("EIT") and withholding income tax	**10,688,929**	9,997,111
PRC Land Appreciation Tax ("LAT")	**9,322,150**	9,198,673
Tax charge in other jurisdiction	**13,106**	13,848
	20,024,185	19,209,632
Less: Over provision in prior years	**(58,980)**	(54,343)
Deferred taxation	**3,174,389**	3,815,081
	23,139,594	22,970,370

(a) EIT

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of most of the Group's PRC subsidiaries is 25% from 1 January 2008 onwards.

(b) PRC withholding income tax

PRC withholding income tax of 10% shall be levied on the dividends declared by the companies established in the PRC to their foreign investors out of their profits earned after 1 January 2008. A lower 5% withholding tax rate may be applied when the immediate holding companies of the PRC subsidiaries are incorporated or operated in Hong Kong and fulfil the requirements to the tax treaty arrangements between the Chinese Mainland and Hong Kong.

5. INCOME TAX EXPENSES (CONTINUED)

(c) LAT

The provision for LAT is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT has been provided at ranges of progressive rates of the appreciation value, with certain allowable deductions.

(d) Hong Kong Profits Tax

Hong Kong Profits Tax is calculated at 16.5% (2021: 16.5%) of the estimated assessable profits.

(e) Overseas income tax

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law, Cap. 22 of the Cayman Islands and accordingly, is exempted from Cayman Islands income tax. The Company's subsidiaries incorporated in the British Virgin Islands were incorporated under the International Business Companies Act of the British Virgin Islands and, accordingly, are exempted from British Virgin Islands income tax.

(f) Tax charge in other jurisdiction

Tax charge in other jurisdiction mainly represents the current tax charge in the United Kingdom (the "UK"). Under the United Kingdom Tax Law, the tax rate of the subsidiary operating in the UK is 19% (2021:19%).

6. PROFIT FOR THE YEAR

	Year ended 31 December	
	2022	2021
	RMB'000	*RMB'000*
Profit for the year has been arrived at after charging the following items:		
Depreciation of property, plant and equipment	**813,660**	884,768
Depreciation of right-of-use assets	**444,422**	416,659
Amortisation of intangible assets	**75,141**	4,337

7. DIVIDENDS

	Year ended 31 December	
	2022	2021
	RMB'000	*RMB'000*
2022 interim dividend, RMB0.182 (2021: RMB0.173) per ordinary share	**1,346,582**	1,224,211
2022 final dividend, proposed, of RMB1.219 (2021: RMB1.207) per ordinary share *(Note)*	**8,692,615**	9,032,747
	10,039,197	10,256,958

7. DIVIDENDS (CONTINUED)

Note: At a meeting held by the Board on 29 March 2023, the Board proposed the payment of a final dividend in respect of the year ended 31 December 2022 of RMB1.219 (equivalent to HKD1.394) per ordinary share of the Company, totalling approximately RMB8,692,615,000 based on the latest number of ordinary shares of 7,130,939,579 shares of the Company in issue. This proposed dividend is not reflected as a dividend payable in these consolidated financial statements, but will be reflected as a profit appropriation in the consolidated financial statements of the Company for the year ending 31 December 2023.

A final dividend for the year ended 31 December 2021 of RMB1.207 (equivalent to HKD1.484) per ordinary share, totalling approximately RMB9,032,747,000, had been approved in the Company's annual general meeting on 15 June 2022 and paid during the year.

8. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to ordinary equity holders of the Company is based on the following data:

	Year ended 31 December	
	2022	2021
	RMB'000	*RMB'000*
Earnings		
Earnings for the purpose of basic earnings per share (profit for the year attributable to ordinary equity holders of the Company)	**28,091,865**	32,401,239

	2022	2021
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**7,130,939,579**	7,130,939,579

No diluted earnings per share is presented for the years ended 31 December 2022 and 2021 as there were no potential ordinary shares outstanding.

9. TRADE RECEIVABLES, OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

	31 December 2022 *RMB'000*	31 December 2021 *RMB'000*
Trade and bills receivables *(Note)*	**3,323,815**	2,425,042
Less: Provision for impairment *(Note)*	**(99,176)**	(91,371)
	3,224,639	2,333,671
Prepayments for acquisition of land use rights	**4,886,826**	4,851,777
Other receivables	**15,594,747**	17,058,068
Less: Provision for impairment	**(304,928)**	(292,088)
	15,289,819	16,765,980
Prepayments and deposits	**21,609,510**	24,509,930
	45,010,794	48,461,358

Note:

Proceeds receivable in respect of the sale of properties are settled in accordance with the terms stipulated in the sale and purchase agreements. Rental income from leases of properties and proceeds from construction contracts are generally receivable in accordance with the terms of the relevant agreements.

Except for the proceeds from sales of properties, rental income from leases of properties and proceeds from construction contracts which are receivable in accordance with the terms of the relevant agreements, the Group generally allows a credit period of not exceeding 30 to 45 days to its customers or does not grant its customers with any credit period.

The following is an aging analysis of trade and bills receivables (net of provision for impairment) at the end of the reporting period:

	31 December 2022 *RMB'000*	31 December 2021 *RMB'000*
0–30 days	**1,028,939**	738,688
31–60 days	**426,852**	235,526
61–90 days	**219,301**	108,269
91–180 days	**598,322**	297,431
181–365 days	**740,220**	485,830
Over 1 year	**211,005**	467,927
	3,224,639	2,333,671

10. TRADE AND OTHER PAYABLES

	31 December 2022	31 December 2021
	RMB'000	*RMB'000*
Trade and bills payables *(Note a)*	**99,908,865**	91,622,135
Other payables *(Note b)*	**40,949,451**	40,070,655
	140,858,316	131,692,790

Notes:

(a) Trade and bills payables

The average credit period of the trade and bills payables is determined according to the terms stipulated in the contract, normally ranging from 30 days to 1 year.

The following is an aging analysis of trade and bills payables at the end of the reporting period based on the invoice date:

	31 December 2022	31 December 2021
	RMB'000	*RMB'000*
0–30 days	**21,161,893**	13,775,960
31–60 days	**11,723,707**	9,880,454
61–90 days	**4,762,964**	5,364,314
91–180 days	**16,903,527**	19,167,599
181–365 days	**26,208,838**	26,116,162
Over 1 year	**19,147,936**	17,317,646
	99,908,865	91,622,135

(b) Other payables

The amounts mainly include other taxes payable, temporary receipts and accrued salaries.

CHAIRMAN'S STATEMENT

In recent years, with growth rate gradually slowing down, the scale of China's property market has peaked and the industry has entered a stage that competing for existing or even shrinking demand. Market performance has revealed intensifying divergence among cities, while cities with robust fundamentals have demonstrated their resilience. With increasing market consolidation, high-quality real estate companies have solidified their industry position thanks to prudent operations and strong risk resistance capacity. Looking ahead, the industry will shift towards a new development model characterized by a healthier and more virtuous cycle, while enterprises prioritize stable operation and high-quality development.

For the past 26 years since its listing, the Group has consistently exhibited strategic foresight. Bearing long-termism and prudent operation philosophy, the Group adheres to its strategic positioning as "an operator in urban investment, development, and operation", and has established "3+1" integrated development business model. The three main businesses comprise development property business, investment property business, and asset-light business, which are mutually reinforcing and co-developing, has supported the Group achieving top industry rankings in the contracted sales performance, higher returns from its investment property assets, and a leading position in commercial management represented by its subsidiary China Resources Mixc Lifestyle Services Limited (1209.HK, hereinafter referred to as "CR Mixc Lifestyle"). The Group's unique, stable, diversified yet mutually-correlative business model serves as its core strength and guarantee for long-term sustainable development.

In 2022, China's economy has demonstrated its resilience and potential with long-term growth momentum amid headwinds from complex and grim international and domestic environment. The Group seized the favorable opportunity of economic stabilization and growth, firmly implemented strategic driven investment and lean management in production and operation as two supporting systems, while consistently optimized organizational reform, financial innovation and technology utilization as three development engines, on top of which, the Group adopted a "tough battle" approach to overcome the critical and arduous tasks which otherwise constrain high-quality development. The Company's strategic focus, organizational capability, development momentum, industrial strength, and cultural cohesion have been fully showcased and continually fortified, explained significant progress across various domains.

Strategic driven high-quality investment. The Group adhered to penetration strategy in key cities for precise investment to optimize its land bank structure, investment rhythm and geographic exposure. In 2022, the Group allocated 92% of total investment in Tier-1 and Tier-2 cities, acquired 71 new projects, including premium commercial complex projects acquired in Shenzhen and Nanjing, etc.. Meanwhile, the development property business obtained high-quality M&A projects under market orientation principles; CR Mixc Lifestyle acquired Yuzhou Property Service Co. Ltd., Jiangsu Zhongnan Property Services Co. Ltd. and Sichuan Jiuzhou Qiancheng Property Service Co. Ltd., which has lifted the property management scale into top ten in the industry.

Lean management for higher efficiency in production and operation. The Group adheres to the management principle of "cost reduction, quality enhancement and efficiency improvement" to improve the refinement of production and operation. As a result, asset turnover for residential opening and delivery as well as shopping mall opening have been shortened at par with industry forefront. The product quality is at sector-high level, with a series of showcase residential projects, and the newly opened shopping malls led the market in both quality and reputation. The Group has promoted precise cost reduction and refined expense control to effectively reduce SG&A ratios and maintain stable margins in tough market environment. By strengthening technological innovation and digital transformation, the Group's digital level of operation has entered the first echelon of the industry. Through its distinctive "tough battle" model, the Group has made substantive breakthroughs in critical and arduous tasks, such as building up of industry-leading non-residential sales capabilities, and effective improving in supplier quality and partnership.

Organizational transformation generated efficiency through management. The Group promoted regional companies integration, implemented the "two and a half levels" management structure, improved organizational capacity and management efficiency throughout the regional companies' entire value chain. Through organizational and personnel reform, we vigorously cultivated prospective leaders, implemented a "Winning Plan" for external recruitment and a "Voyage Plan" for internal exchange, seized opportunities in the labor market to improve the quality of workforce. Through remuneration reform, frontline and key employees are offered more incentives following market-based principle, so as to differentiate their income based on contributions. The above measures have successfully stimulated organizational vitality, so as to create an "agile, efficient, capable and energetic" organization with streamlined structure, elite teams, and precise incentives.

Fully utilized first mover advantages and strived for transformation and innovation. The Group develops its eco-system elementary business based on the principle of "managerial independence, financial self-sufficiency, core competence and self-owned brands building". Relying on practical experience in the development of large stadiums, large-scale infrastructure, and affordable housings, we actively expanded our construction and operation business. During the year, the Group successfully won the bidding for providing smart city operation service to Shenzhen Houhai Central District with a site area of 3.5 square kilometers, a substantial step towards the transformation to "urban operator". Focusing on two major fields of intelligence and health, industrial property carried out model projects and launched the first batch of pre-REITs funds for industrial parks in China, further explored the path of balancing the asset-light and asset-heavy business model. During the year, the Group firmly responded to the policy that encourages both house purchase and leasing, promoted the construction of affordable rental housings. Our leasing apartment business has footprints in 15 cities, managing 56 thousand rooms in 56 projects. We have successfully issued the first public REIT (508077. SH) for affordable rental housing operated by a market-oriented institution in China, realized a closed loop of investment, financing, management, and exiting.

Stringent financial policy ensures stable operation. The Group consistently adopted prudent financial management policies, strengthened cash flow management, pioneered in commercial asset-backed securitization, optimized financial structure to enhance financial flexibility, and maintained the sector-low debt ratio and funding costs. During the year, the Group stayed in green zone under the "three red lines" policy, while S&P, Moody's and Fitch maintained the Group's credit ratings at "BBB+/Stable", "Baa1/Stable", and "BBB+/Stable" respectively.

Committed to social responsibility and green and sustainable development. The Group has formulated an ESG strategic plan, which sets ESG goals and paths by 2030. During the year, the development of green buildings was strengthened, and two venues of the Shenzhen International Low Carbon City Convention and Exhibition Center developed and operated by the Group were certified as "Zero Energy Buildings (Design Signs)". We shouldered social responsibility during the epidemic, and worked with our partners to overcome difficulties by granting rental relief to micro, small, and medium-sized enterprises, as well as individual business tenants. The Group's ESG rating was upgraded to A by MSCI, and was selected as the State-owned ESG50 Pioneer Index and recognized as the exemplary enterprise on corporate governance of central state-owned enterprises (primary-level enterprises) by the State-owned Assets Supervision and Administration Commission of the State Council.

In 2022, the contracted sales of the Group's development property business ranked up to fourth, further consolidated its industry leading position. Under the impact of the epidemic, the rental income of investment property business still achieved a positive growth of 10.5% after excluding rental relief impact, showing stable operating capability. CR Mixc Lifestyle was selected as a component of the Hang Seng Index and achieved high-quality development. The Group's diverse, multi-segment, counter cyclical business model offered development resilience and outperformed the market with high quality growth.

In 2023, the long term growth momentum of the Chinese economy will not change, neither will the position and role of the real estate industry in the national economy, given its great potential. Coupled with risks of declining demand, limited profit margin, and intensifying regional divergence, the industry is transitioning into a new development model while the country strives to develop affordable rental housing, the industry segments are set to be amplified and expanded. Opportunities will usher in for leasing apartment, industrial property REITs to release the values from investment properties, and new opportunities will also arrive for technological innovation and smart city construction, etc.

Facing an industry transition period with both challenges and opportunities, the Group will stick to its strategic focus and has strong confidence in future development. It will strengthen the research and exploration over new development models, stick to and optimize its integrated development business model of "3+1", keep focus on key regions and maintain strong control over investment, effectively grasp the opportunities posed by the implementation of the country's regional strategies and high quality development of cities, proactively follow up high-quality M&A opportunities to strengthen market position; further lean management in production and operation, continue to promote "cost reduction, quality enhancement and efficiency improvement", build product power platform, supply chain platform and fast turnover model up to the industry benchmark level to iterate the management system to "the most ideal systemic cost" for full management; deepen organizational transformation, strengthen the incentive model featuring accuracy and differentiation, prioritize the enhancement in regional companies' organization abilities along the whole value chain; facilitate financial innovation, build up core competence in "financing, investment, construction, management, and exiting", promote the secondary-issuing of Youtha REIT, initiate on commercial private equity fund, commercial public REITs and industry public REITs to release the values of investment properties; strengthen technology utilization, improve the level of digital operations, promote technology application in production, implement energy-saving and emissions-reducing measures, and further upgrade regional coordination of smart city operations.

For development property business, the Group will optimize both inventory and incremental investment, prioritize sales proceeds management, focus on de-stocking and sales-driven production, guarantee delivery quality, improve project performance with project specific management to realize stable development in the long term. For investment property business, the Group will put emphasis on tenant sourcing and operations for luxury brands, fully enhance the operational efficiency of stores, continuously improve the asset value of commercial complexes, and strengthen the competitive edges of its market leading position. The asset-light business aims to become the world's top-notch enterprise, continue to expand scale, improve management expertise, speed up innovative business to build the secondary growth curve, and maintain its number one market capitalization in the sector. The eco-system elementary business will steadily promote business focus, accelerate the development of leasing apartment, industrial properties, the construction and operation services, incubate the smart city operation model until maturity, and further enhance the operational capacities of sport and cultural stadiums by guaranteeing sports event for the 31st Chengdu Summer Universiade and the 19th Hangzhou Asian Games.

The Group will uphold prudent financial policies, ceaselessly enhance its management on cash flows, increase its financial flexibility and risk resilience. Meanwhile, the Group will improve its market value management, diversify communication channels with the capital market, enhance information disclosure quality, and keep frequent dialogues with domestic and abroad investors, to effectively unveil and deliver the values of CR Land and continue to improve shareholders' return.

Finally, on behalf of the Board of Directors, I would like to express my sincere appreciation to shareholders, customers and all stakeholders of the Group for their long-term support and trust in the Group.

MANAGEMENT DISCUSSION AND ANALYSIS

In 2022, against multiple challenges from resurgent pandemic in China, the industry downturn and the weak RMB exchange rate, the Group actively adjusted the sales strategy and took various measures to improve operational efficiency and quality, and thus maintaining steady performance amidst extreme difficulties. During the year, the Group continued its mutual benefit and win-win philosophy by providing a rental relief scheme for qualified tenants, which was believed to enhance the Group's long-term and stable growth. Consolidated revenue for the year was RMB207.06 billion, fell 2.4% YoY while core profit attributable to the owners of the Company reached RMB27.0 billion, up by 1.5% YoY. The Board recommended a total dividend of RMB1.401 per share, up by 1.5% YoY with a dividend payout ratio of 37% for the year. As of 31 December 2022, net asset per share reached RMB34.22, up by 7.7% YoY.

Development Property Business

1. Review of Contracted Sales

Contracted sales for the Year 2022 was RMB301.33 billion, fell 4.6% YoY, and contracted GFA fell 18.8% YoY to 14.25 million square meters.

The Group's contracted sales breakdown by region in 2022 is set out in the table below:

Region	**Contracted Sales**		**Contracted GFA**	
	RMB'000	***%***	***Sqm***	***%***
North China Region	68,496,342	22.7%	2,468,258	17.3%
East China Region	96,271,252	31.9%	3,534,566	24.8%
South China Region	25,558,416	8.5%	1,623,664	11.4%
West China Region	31,693,731	10.5%	2,249,444	15.8%
Northeast China Region	17,632,347	5.9%	1,625,144	11.4%
Central China Region	29,233,026	9.7%	1,777,066	12.5%
Shenzhen Region	31,733,075	10.5%	974,388	6.8%
Hong Kong Region	707,454	0.3%	2,028	0.0%
Total	301,325,643	100.0%	14,254,558	100.0%

2. Review of Revenue

Development property revenue for the Year 2022 was RMB176.16 billion, fell 4.2% YoY, and booked GFA fell 16.5% YoY to 12.33 million square meters, while the gross profit margin of development property maintained at a sector-high level of 23.0%.

The Group's revenue breakdown by region in 2022 is listed as below:

Region	**Revenue**		**GFA Booked**	
	RMB'000	***%***	***Sqm***	***%***
North China Region	17,306,863	9.8%	1,407,361	11.4%
East China Region	35,800,878	20.3%	2,110,864	17.1%
South China Region	20,193,786	11.5%	1,616,549	13.1%
West China Region	25,851,630	14.7%	2,229,347	18.1%
Northeast China Region	27,761,103	15.8%	2,653,986	21.5%
Central China Region	17,935,904	10.2%	1,491,727	12.1%
Shenzhen Region	31,312,171	17.7%	820,803	6.7%
Total	176,162,335	100.0%	12,330,637	100.0%

As of 31 December 2022, the Group had unbooked contracted sales of RMB249.3 billion that are subject to future recognition as development property revenue, among which RMB163.2 billion will be recognized in 2023, a solid foundation for good results in 2023.

Investment Property Business

1. Shopping Mall

In 2022, the revenue from shopping malls of the Group reached RMB13.76 billion, fell 1.3% YoY (if excluding rental relief impact during the year, the YoY actual growth could have been 13.0%). The occupancy rate was 96.2%, 0.8 percentage point lower YoY. The total carry amount of the Group's shopping malls was RMB187.32 billion after a revaluation gain of RMB7.98 billion, accounted for 17.3% of the Group's total assets. As at 31 December 2022, the GFA of the Group's shopping malls in operation achieved 7.98 million square meters, increased by 19.3% YoY, while the attributable GFA was 6.60 million square meters.

2. Office

In 2022, the revenue from office of the Group reached RMB1.87 billion, fell 3.0% YoY (if excluding rental relief impact during the year, the YoY actual growth could have been 10.1%). The occupancy rate was 79.2%, the same as last year. The total carry amount of the Group's office was RMB32.61 billion after revaluation, accounted for 3.0% of the Group's total assets. As at 31 December 2022, the GFA of the Group's office in operation achieved 1.26 million square meters, decreased by 2.2% YoY (due to the conversion of some operational office to office for sale), while the attributable GFA was 0.97 million square meters.

3. Hotel

In 2022, the revenue from hotel of the Group reached RMB1.39 billion, with a YoY decrease of 11.1% due to the epidemic disturbance. The average occupancy rate was 41.7%, 4.6 percentage points lower YoY. The book value of the Group's hotels in operation was RMB11.18 billion (including land use right), accounted for 1.0% of the Group's total assets. As at 31 December 2022, the GFA of the Group's hotels in operation achieved 0.73 million square meters, increased by 8.4% YoY, while the attributable GFA was 0.61 million square meters.

Details of the Group's key investment properties opened in 2022 are listed below:

Investment Property		**City**	**Interest Attributable to the Group**	**Total GFA** *(Sqm)*	**Attributable GFA** *(Sqm)*
Nanning Zhongshan Road Mixc One		Nanning	50.0%	55,372	27,686
Comprising:	Commercial			38,872	19,436
	Car Park			16,500	8,250
Beijing Yaojiayuan Mixc One		Beijing	100.0%	84,897	84,897
Comprising:	Commercial			47,494	47,494
	Car Park			37,403	37,403
Shenyang Huanggu Mixc One		Shenyang	100.0%	137,705	137,705
Comprising:	Commercial			94,353	94,353
	Car Park			43,352	43,352
Wuhan Mixc		Wuhan	51.0%	263,586	134,429
Comprising:	Commercial			182,724	93,189
	Car Park			80,862	41,240

Investment Property		City	Interest Attributable to the Group	Total GFA *(Sqm)*	Attributable GFA *(Sqm)*
Fuzhou Mixc		Fuzhou	100.0%	160,903	160,903
Comprising:	Commercial			89,753	89,753
	Car Park			71,150	71,150
Haikou Mixc		Haikou	100.0%	204,996	204,996
Comprising:	Commercial			113,553	113,553
	Car Park			91,443	91,443
Qingdao Laoshan Mixc One		Qingdao	55.0%	78,978	43,438
Comprising:	Commercial			68,576	37,717
	Car Park			10,402	5,721
Dongguan Songshan Lake Mixc One		Dongguan	100.0%	157,744	157,744
Comprising:	Commercial			101,552	101,552
	Car Park			56,192	56,192
Shenzhen Sungang Mixc One		Shenzhen	70.0%	123,725	86,608
Comprising:	Commercial			78,788	55,152
	Car Park			44,937	31,456
Nanjing Mixc World		Nanjing	100.0%	131,518	131,518
Comprising:	Commercial			83,589	83,589
	Car Park			47,929	47,929
Nanchang Mixc		Nanchang	100.0%	232,199	232,199
Comprising:	Commercial			155,445	155,445
	Car Park			76,754	76,754
Shanghai Suhewan Mixc World		Shanghai	50.0%	227,216	113,609
Comprising:	Commercial			58,949	29,475
	Office			95,083	47,542
	Car Park			73,184	36,592
Dalian Huanan Mixc One		Dalian	100.0%	156,967	156,967
Comprising:	Commercial			100,711	100,711
	Car Park			56,256	56,256

Investment Property	City	Interest Attributable to the Group	Total GFA *(Sqm)*	Attributable GFA *(Sqm)*
Beijing Future City Block F Office	Beijing	59.1%	32,395	19,141
Hefei Kunlun Mansion Office	Hefei	100.0%	16,202	16,202
Nanning Shangri-La Hotel	Nanning	55.0%	56,229	30,926
Total			**2,120,632**	**1,738,968**
Comprising:	**Commercial**		**1,214,359**	**1,021,419**
	Office		**143,680**	**82,885**
	Car Park		**706,364**	**603,738**
	Hotel		**56,229**	**30,926**

Asset Light Business

In 2022, the commercial operation and property management business of the Group's subsidiary China Resources Mixc Lifestyle Services Limited (1209.HK, hereinafter referred to as "**CR Mixc Lifestyle**") tackled market challenges and maintained high quality growth. As of 31 December 2022, the Group's property management business covered 178 cities across China, and the contracted area for property management business was 349 million square meters, representing an increase of 78.0% from the year end of 2021. During the year, CR Mixc Lifestyle's revenue increased by 35.4% YoY to RMB12.016 billion, of which RMB7.802 billion was from residential property management services, and RMB4.214 billion was from commercial operation and property management services.

Eco-System Elementary Business

In 2022, the revenue of the Group's eco-system elementary business (including building operations, construction and operation services, leasing apartment and industrial property, etc.) was RMB18.27 billion (including intra-group business), of which RMB16.39 billion was from building operations (including intra-group business), RMB1.04 billion was from construction and operation services and RMB0.39 billion was from leasing apartment.

Sales and Marketing Expenses and Administrative Expenses

Benefiting from continued improvement in operational management efficiency, sales and marketing expenses of the Group accounted for 2.8% of the revenue in 2022, reduced by 0.1 percentage point YoY, and general and administrative expenses accounted for 2.6% of the revenue, reduced by 0.2 percentage point YoY.

Share of Profits of Investments in Associates and Joint Ventures

In 2022, the Group's share of profits of investments in associates and joint ventures totaled RMB4.10 billion, with a YoY decrease of 4.6%. During the year, the share of profits of investments in associates was RMB0.62 billion, fell 58.6% YoY, and the share of profits of investments in joint ventures was RMB3.48 billion, up 24.1% YoY.

Income Tax Expenses

Income tax expenses include enterprise income tax (including deferred taxation) and land appreciation tax. In 2022, the Group's income tax expenses were RMB23.14 billion, up by 0.7% YoY. In particular, the enterprise income tax expenses were RMB13.82 billion, up by 0.3% YoY, while the land appreciation tax was RMB9.32 billion, up by 1.3% YoY.

Land Bank

In 2022, the Group acquired 71 quality land parcels totaling 10.95 million square meters in GFA with a total land premium of RMB144.23 billion (attributable land premium amounted to RMB110.20 billion). As of 31 December 2022, total GFA of the Group's land bank was 64.78 million square meters.

1. Development Properties

As of 31 December 2022, the Group's land bank for development property business totaled 54.91 million square meters with attributable GFA of 39.02 million square meters.

Region	Total GFA *(Sqm)*	Attributable GFA *(Sqm)*
North China Region	7,271,773	3,943,975
East China Region	8,772,402	5,629,062
South China Region	8,719,495	5,923,072
West China Region	8,730,644	7,689,136
Northeast China Region	5,853,882	5,327,729
Central China Region	9,054,148	6,344,161
Shenzhen Region	6,451,649	4,129,837
Hong Kong Region	53,295	36,781
Total	54,907,288	39,023,753

2. Investment Properties

As of 31 December 2022, the Group's land bank for investment properties totaled 9.87 million square meters with attributable GFA of 6.82 million square meters. Among which, the commercial land bank was 6.73 million square meters, accounting for 68.2%, with key distribution in 30 core cities such as Beijing, Shanghai, Shenzhen, Guangzhou, Hangzhou, Nanjing and Chengdu.

Investment properties business, shopping malls in particular, remains as the Group's key business. Next two to three years will continue to be the peak years for new openings of shopping malls. The Group will further improve efficiency in development and operation of its investment properties to ensure stable rental income growth and its profitability.

Product	Total GFA *(Sqm)*	Attributable GFA *(Sqm)*
Total GFA	9,869,736	6,818,215
Comprising:		
Commercial	6,732,392	4,749,689
Office	1,451,450	888,887
Hotel	816,006	590,250
Apartment	750,040	493,514
Senior Housing	79,892	79,892
Industrial Park	39,956	15,983

Sufficient land bank reinforces the foundation for sustainable growth. Looking ahead, while keeping a balance between healthy financial position and growth pursuit, the Group will strictly follow its financial hurdles and adhere to prudent investment strategy with further penetration in key cities for high-quality capital increment, as well as continuously optimize its investment structure in land bank structure, the investment rhythm and the geographic exposure.

DEBT RATIOS

As of 31 December 2022, the Group's total debt outstanding balance was equivalent to RMB230.0 billion while its cash and bank balance was equivalent to RMB97.5 billion, net interest-bearing debt to equity (including minority interests) ratio maintained at sector-low level of 38.8%, 8.4 percentage points higher compared to 30.4% as of year-end 2021.

FINANCING COST

As of 31 December 2022, the non-RMB net interest-bearing debt exposure of the Group was 16.8%. Approximately 27% of the total interest-bearing debt was repayable within one year while the rest was long-term interest-bearing debt. The Group maintained its weighted average financing cost at a sector-low level of approximately 3.75% as at 31 December 2022, edging up 4 basis points from 3.71% as of year-end 2021.

FINANCING IN OPEN MARKET

To better support future growth, broaden funding channels and further reduce funding cost, the Group raised a total of RMB39.1 billion by issuing corporate bonds, medium-term notes and asset-backed securities, etc. during the year.

Details of the Group's funding in open market in 2022 are as follows:

Issuer/Property	Currency	Product Name	Amount *(Million)*	Value Date	Maturity Date	Term *(Years)*	Coupon Rate
China Resources Land Holdings Company Limited	RMB	Medium-term Notes	2,000	2022/3/25	2025/3/25	3	3.10%
China Resources Land Holdings Company Limited	RMB	Medium-term Notes	1,000	2022/3/25	2027/3/25	5	3.54%
China Resources Land Holdings Company Limited	RMB	Medium-term Notes	2,000	2022/4/27	2025/4/27	3	3.05%
China Resources Land Holdings Company Limited	RMB	Medium-term Notes	1,800	2022/9/22	2025/9/22	3	2.90%
China Resources Land Holdings Company Limited	RMB	Medium-term Notes	1,200	2022/9/22	2027/9/22	5	3.35%
China Resources Land Holdings Company Limited	RMB	Medium-term Notes	3,000	2022/11/15	2027/11/15	5	2.84%
China Resources Land Holdings Company Limited	RMB	Corporate Bonds	5,000	2022/4/22	2027/4/22	5	3.63%
China Resources Land Holdings Company Limited	RMB	Corporate Bonds	1,000	2022/4/27	2025/4/27	3	2.79%
China Resources Land Holdings Company Limited	RMB	Corporate Bonds	1,000	2022/6/2	2025/6/2	3	2.60%
China Resources Land Holdings Company Limited	RMB	Corporate Bonds	1,000	2022/6/2	2027/6/2	5	3.30%
China Resources Land Holdings Company Limited	RMB	Corporate Bonds	2,000	2022/7/14	2027/7/14	5	3.37%
China Resources Land Holdings Company Limited	RMB	Corporate Bonds	1,800	2022/8/30	2025/8/30	3	2.80%
China Resources Land Holdings Company Limited	RMB	Corporate Bonds	1,200	2022/8/30	2027/8/30	5	3.20%
China Resources Land Holdings Company Limited	RMB	Corporate Bonds	1,000	2022/9/13	2025/9/13	3	2.88%
China Resources Land Holdings Company Limited	RMB	Corporate Bonds	1,000	2022/9/13	2027/9/13	5	3.25%
China Resources Land Holdings Company Limited	RMB	Corporate Bonds	2,000	2022/11/25	2025/11/25	3	2.40%
China Resources Land Holdings Company Limited	RMB	Corporate Bonds	3,000	2022/11/25	2027/11/25	5	2.90%
Shenyang Tiexi Mixc One	RMB	CMBS*	2,100	2022/4/29	2040/2/27	3+3+3+3+3+3	3.30%
Beijing CR Building	RMB	CMBS*	3,000	2022/9/28	2034/8/26	3+3+3+3	2.98%
Shijiazhuang Mixc	RMB	CMBS*	3,000	2022/10/25	2040/8/27	10+8	4.00%
Total			**39,100**				

* *Commercial Mortgage Backed Securities*

CREDIT RATINGS

In 2022, Standard and Poor's, Moody's and Fitch maintained the Company's credit ratings at BBB+/stable, Baa1/stable and BBB+/stable respectively.

ASSET PLEDGE

As of 31 December 2022, the Group had a total loan credit line of RMB55.1 billion through asset pledge with tenors ranging from 2 to 25 years, and the Group's total balance of asset-pledged loan was RMB35.5 billion.

FOREIGN EXCHANGE RISK

As of 31 December 2022, the Group had principal amount of approximately USD0.6 billion (equivalent to RMB4.18 billion) cross-currency swap contracts to hedge exchange rate. Two-way volatility of RMB exchange rate may increase as RMB exchange mechanism becomes more market-oriented. However, the Group's foreign exchange risk is well under control and RMB exchange rate fluctuations will not pose a material impact on the Group's financial position. The Group will closely monitor its exchange risk exposure and make necessary adjustment based on market changes.

EMPLOYEE AND COMPENSATION POLICY

As of 31 December 2022, the Group had 55,311 employees in Chinese Mainland and Hong Kong. The Group remunerates its employees based on their performance, working experience and market salary levels. In addition, performance bonus is granted on a discretionary basis. Other employee benefits include provident fund, insurance and medical coverage.

CONTINGENT LIABILITIES

Certain temporary guarantees were provided to banks with respect to mortgage loans procured by some purchasers of the Group's properties. Such guarantees will be released by banks upon the issuance of the real estate ownership certificate to the purchasers and completion of the relevant mortgage properties registration. In the opinion of the Board, the fair value of these financial guarantee contracts is insignificant.

CORPORATE GOVERNANCE

The Company and the board of directors (the "**Board**") are committed to establishing good corporate governance practices and procedures. The Company recognizes the importance of maintaining high standards of corporate governance to the long-term stable development of the Group. The Company has adopted the Corporate Governance Code (the "**CG Code**") set out in Appendix 14 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

Except the following deviation from Code Provision C.2.1. The Company has complied with the code provisions that were in force as set out in the CG Code for the period from 1 January 2022 to 31 December 2022.

Code Provision C.2.1 of the CG Code provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Since 5 May 2022 and up to 25 July 2022, Mr. Li Xin, an executive Director, held both roles of the Chairman of the Board and the president of the Company to provide the Group with consistent leadership, which was not in strict compliance with Code Provision C.2.1 of the CG Code. With effect from 26 July 2022, Mr. Li Xin resigned and Mr. Wu Bingqi was appointed as the president of the Company, the Company has re-complied with Code Provision C.2.1.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix 10 to the Listing Rules as code of conduct regarding securities transactions by the Directors of the Company. Having made specific enquiry with all Directors, all Directors confirmed that they have complied with the required standard set out in the Model Code during the year under review.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2022.

AUDIT COMMITTEE AND AUDITOR

Final results for the year ended 31 December 2022 have been reviewed by the Audit Committee which comprises four independent non-executive Directors. The financial information included in this preliminary results announcement for the year ended 31 December 2022 has been agreed by the auditor of the Company.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the annual general meeting of the Company to be held on 7 June 2023, the register of members of the Company will be closed from 2 June 2023 to 7 June 2023 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the above meeting, unregistered holders of shares of the Company should ensure that all transfer forms accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company, Tricor Standard Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on 1 June 2023.

For determining the entitlement to the proposed final dividend for the year ended 31 December 2022 (subject to approval by the shareholders at the annual general meeting), the register of members of the Company will be closed from 13 June 2023 to 14 June 2023 (both days inclusive), during which no transfer of shares of the Company will be registered. In order to be eligible for the above proposed final dividend, unregistered holders of shares of the Company should ensure that all transfer forms accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company, Tricor Standard Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on 12 June 2023.

FINAL DIVIDEND

The Board recommended a final dividend ("**2022 Final Dividend**") of RMB1.219 per share (equivalent to HKD1.394) for the year ended 31 December 2022 (2021: RMB1.207 (equivalent to HKD1.484)) payable on Friday, 28 July 2023 to shareholders whose names appear on the register of members of the Company on Wednesday, 14 June 2023.

The 2022 Final Dividend will be payable in cash to each shareholder in Hong Kong Dollars ("**HKD**") unless an election is made to receive the same in Renminbi ("**RMB**").

Shareholders will be given the option to elect to receive all or part of the 2022 Final Dividend in RMB at the exchange rate of HKD1.0:RMB0.8747, being the average benchmark exchange rate of HKD to RMB as published by the People's Bank of China during the five business days immediately before 29 March 2023. If shareholders elect to receive the 2022 Final Dividend in RMB, such dividend will be paid to shareholders at RMB1.219 per share. Unless a permanent election on dividend currency had been made by shareholders, shareholders should complete the dividend currency election form which is expected to be dispatched to shareholders in late June 2023 as soon as practicable after the record date of 14 June 2023 to determine shareholders' entitlement to the 2022 Final Dividend, and lodge it to branch share registrar of the Company, Tricor Standard Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on 7 July 2023.

Shareholders who are minded to elect to receive all or part of their dividends in RMB by cheques should note that (i) they should ensure that they have an appropriate bank account to which the RMB cheques for dividend can be presented for payment; and (ii) there is no assurance that RMB cheques can be cleared without material handling charges or delay in Hong Kong or that RMB cheques will be honored for payment upon presentation outside Hong Kong. The cheques are expected to be posted to the relevant shareholders by ordinary post on 28 July 2023 at the shareholders' own risk.

If no duly completed dividend currency election form in respect of that shareholder is received by the branch share registrar of the Company by 4:30 p.m. on 7 July 2023, such shareholder will automatically receive the 2022 Final Dividend in HKD. All dividend payments in HKD will be made in the usual ways on 28 July 2023.

If shareholders wish to receive the 2022 Final Dividend in HKD in the usual way, no additional action is required.

Shareholders should seek professional advice with their own tax advisers regarding the possible tax implications of the dividend payment.

PUBLICATION OF ANNUAL RESULTS ON THE WEBSITE OF THE STOCK EXCHANGE

The Company's Year 2022 Annual Report containing the relevant information required by the Listing Rules will be published on the website of the Stock Exchange and the Company (http://www.crland.com.hk) in due course.

By Order of the Board
China Resources Land Limited
Li Xin
Chairman

Hong Kong, 29 March 2023

As at the date of this announcement, the executive directors of the Company are Mr. Li Xin, Mr. Wu Bingqi, Mr. Zhang Dawei, Mr. Xie Ji, and Mr. Guo Shiqing; the non-executive directors of the Company are Mr. Liu Xiaoyong, Mr. Dou Jian and Ms. Cheng Hong; and the independent non-executive directors of the Company are Mr. Ho Hing Ngai, Bosco, Mr. Andrew Y. Yan, Mr. Wan Kam To, Peter, Mr. Zhong Wei and Mr. Sun Zhe.