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## **QUARTERLY UPDATE ON IMPLEMENTATION OF ACTION PLAN TO RESOLVE AUDITOR'S DISCLAIMER OF OPINION**

References are made to the annual report of Sunac China Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) for the year ended 31 December 2024 (“**FY2024**”) published on 28 April 2025 (the “**Annual Report**”) and the announcements of the Company dated 30 June 2025 and 30 September 2025 (the “**Previous Announcements**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those used in the Annual Report and the Previous Announcements.

As disclosed in the Annual Report, the Auditor did not express an opinion on the consolidated financial statements of the Group for FY2024 (the “**Disclaimer of Opinion**”) due to multiple uncertainties relating to going concern, the details of which are set out on pages 75 to 77 of the Annual Report. The Group proposed to implement the action plan as set out on pages 86 to 88 of the Annual Report (the “**Action Plan**”) to address the Disclaimer of Opinion.

In the Previous Announcements, the Group provided updates on the implementation of the Action Plan during the period from 28 April 2025, being the date of publication of the Annual Report, to 30 September 2025. The Group wishes to provide updates on the implementation of the Action Plan during the period from 1 October 2025 to the date of this announcement (the “**Relevant Period**”), as follows:

### **1. OFFSHORE DEBT RESTRUCTURING**

References are made to the announcements of the Company dated 17 April 2025, 13 May 2025, 26 May 2025, 6 June 2025, 24 June 2025, 18 August 2025, 9 September 2025, 15 September 2025, 19 September 2025, 14 October 2025, 5 November 2025, 17 December 2025 and 23 December 2025, and the circular of the Company dated 22 August 2025 in relation to, among other things, the Offshore Debt Restructuring.

During the Relevant Period, the Company has completely addressed its offshore debt risks through the completion of the Offshore Debt Restructuring and the Chiyu Transaction, of which:

- (1) On 23 December 2025, the Company's existing debt of approximately US\$9.6 billion were fully discharged and released. In consideration thereof, the Company has issued MCB 1 and MCB 2 to the Scheme Creditors on same date in accordance with the terms of the Scheme; and
- (2) On 16 December 2025, the Chiyu Loan, of which the outstanding principal was HK\$858 million, was restructured. Pursuant to the terms of the agreement, the Loan will be restructured as follows: (a) an amount equivalent to 35% of the Chiyu Outstanding Principal (i.e., HK\$300.3 million) has a ten-year extension period; and (b) the remaining outstanding amount will be deemed irrevocably and unconditionally discharged by way of the allotment and issue of new Shares by the Company to Chiyu.

## **2. ONSHORE DEBT RESTRUCTURING**

References are made to the announcements of the Company dated 14 November 2024, 21 January 2025 and 4 July 2025 in relation to, among others, the Onshore Debt Restructuring.

During the Relevant Period, the Group has fully implemented Option 3 (debt settlement with asset) under its Onshore Debt Restructuring. As of the date of this announcement, the Group has canceled the onshore bonds totaling approximately RMB10.6 billion, while the remaining bonds with an amount of approximately RMB4.8 billion have been extended to June 2034.

## **3. OTHER PROGRESS**

- (1) The Group has been actively negotiating with other lenders on the extension of borrowings. During the Relevant Period, extension of loans in principal amount of approximately RMB5.618 billion has been agreed.
- (2) The Group has been actively seeking new financing or additional capital inflows through various channels, including but not limited to new financing from asset management companies or financial institutions, special borrowings for guaranteed home delivery and ancillary borrowings, business cooperation with partners, asset disposal, etc. During the Relevant Period, the Group obtained approximately RMB952 million through the aforementioned channels, mainly used for guaranteed home delivery.

- (3) The Group has been actively communicating with creditors to resolve the pending onshore lawsuits, and striving to reach an amicable settlement as soon as possible for the lawsuits which have not yet come to a definitive conclusion at this stage.
- (4) The Group has been taking measures to accelerate the pre-sale and sale of properties under development and completed properties. In addition, the Group has continued to implement initiatives to expedite the collection of sales proceeds and recovery of other receivables.

The Board will continue to use its best endeavours to implement the Action Plan with an aim to resolving the Disclaimer of Opinion as soon as possible. The Company will publish further announcement(s) to keep the Company's shareholders and potential investors informed of the status of implementation of the Action Plan as and when appropriate.

By order of the Board  
**Sunac China Holdings Limited**  
**SUN Hongbin**  
*Chairman*

Hong Kong, China, 31 December 2025

*As at the date of this announcement, the executive directors of the Company are Mr. SUN Hongbin, Mr. WANG Mengde, Ms. MA Zhixia, Mr. HUANG Shuping and Mr. SUN Kevin Zheyi; and the independent non-executive directors of the Company are Mr. POON Chiu Kwok, Mr. ZHU Jia, Mr. MA Lishan and Mr. YUAN Zhigang.*