SUNAC CHINA HOLDINGS LIMITED
融創中國控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 01918)

AUDITED RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

RESULTS HIGHLIGHTS

For the year ended 31 December 2025:

- Contracted sales amount of the Group and its joint ventures and associates was approximately RMB36.84 billion, representing a decline of approximately 21.8% as compared to last year;
- As at 31 December 2025, attributable land bank of the Group and its joint ventures and associates was approximately 76.513 million sq.m., of which approximately 60.50 million sq.m. was unsold;
- Revenue of the Group was approximately RMB45.12 billion, representing a decline of approximately 39.0% as compared to last year;
- Gross loss of the Group was approximately RMB0.64 billion, as compared to a gross profit of approximately RMB2.89 billion last year;
- Loss attributable to owners of the Company was approximately RMB12.33 billion, representing a significant narrowing in loss of approximately 52.0% as compared to the loss attributable to owners of the Company approximately RMB25.70 billion last year;
- As at 31 December 2025, the Group's total equity was approximately RMB46.84 billion, of which the equity attributable to owners of the Company was approximately RMB34.17 billion;
- As at 31 December 2025, total borrowings of the Group were approximately RMB188.26 billion, representing a significant decline of approximately RMB71.41 billion as compared to total borrowings of approximately RMB259.67 billion at the end of last year; and

- The Board did not recommend the payment of any final dividend for the year ended 31 December 2025.

The board (the "Board") of directors (the "Directors") of Sunac China Holdings Limited (the "Company") announces the audited consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2025 with comparative figures for the year ended 31 December 2024, as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025

		Year ended 31 December	
	Note	**2025**	2024
		RMB'000	*RMB'000*
Revenue	*3*	**45,116,514**	74,019,193
Cost of sales	*9*	**(45,754,387)**	(71,127,085)
Gross (loss)/profit		**(637,873)**	2,892,108
Other income and gains	*10*	**35,567,350**	16,429,425
Selling and marketing costs	*9*	**(2,150,375)**	(2,145,136)
Administrative expenses	*9*	**(3,627,112)**	(3,652,642)
Other expenses and losses	*11*	**(27,116,944)**	(21,132,520)
Net impairment losses under expected credit loss model	*9*	**(2,775,718)**	(3,327,283)
Operating loss		**(740,672)**	(10,936,048)
Finance income	*12*	**87,166**	149,978
Finance expenses	*12*	**(12,004,727)**	(11,831,772)
Finance expenses – net		**(11,917,561)**	(11,681,794)
Share of post-tax losses of associates and joint ventures accounted for using the equity method, net	*4*	**(1,040,439)**	(1,631,036)
Loss before income tax		**(13,698,672)**	(24,248,878)
Income tax expenses	*13*	**(10,411)**	(3,155,149)
Loss and total comprehensive loss for the year		**(13,709,083)**	(27,404,027)

	Note	Year ended 31 December 2025 RMB'000	2024 RMB'000
Loss and total comprehensive loss attributable to:			
– Owners of the Company		**(12,329,083)**	(25,695,200)
– Non-controlling interests		**(1,380,000)**	(1,708,827)
		(13,709,083)	(27,404,027)
Loss per share attributable to owners of the Company (expressed in RMB per share):	*14*		
– Basic		**(1.14)**	(3.00)
– Diluted		**(1.14)**	(3.00)

CONSOLIDATED BALANCE SHEET

AS AT 31 DECEMBER 2025

		As at 31 December	
	Note	**2025**	2024
		RMB'000	*RMB'000*
ASSETS			
Non-current assets			
Property, plant and equipment		**41,089,135**	52,861,880
Investment properties		**15,415,175**	19,237,181
Right-of-use assets		**11,258,847**	12,262,315
Intangible assets		**1,709,825**	3,084,591
Deferred tax assets		**31,236,579**	32,972,177
Investments accounted for using the equity method	*4*	**59,877,447**	62,848,123
Financial assets at fair value through profit or loss		**9,424,077**	10,068,514
Other receivables	*5*	**39,407**	47,015
Prepayments	*6*	**33,995**	34,289
		170,084,487	193,416,085
Current assets			
Properties under development		**357,868,229**	407,393,056
Completed properties held for sale		**103,395,723**	108,413,849
Inventories		**433,571**	541,455
Trade and other receivables	*5*	**46,923,967**	52,171,432
Contract costs		**3,139,366**	4,026,070
Amounts due from related companies		**80,237,864**	72,238,795
Prepayments	*6*	**10,150,079**	13,102,047
Prepaid income tax		**10,063,662**	11,177,420
Financial assets at fair value through profit or loss		**346,833**	642,711
Restricted cash		**6,325,590**	12,014,562
Cash and cash equivalents		**5,681,859**	7,730,669
Other current assets		**28,000**	15,000
		624,594,743	689,467,066
Total assets		**794,679,230**	882,883,151

	Note	As at 31 December 2025 RMB'000	2024 RMB'000
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		**1,120,269**	817,490
Other reserves		**52,910,840**	46,624,606
Accumulated losses		**(19,866,098)**	(6,920,988)
		34,165,011	40,521,108
Non-controlling interests		**12,678,572**	14,625,260
Total equity		**46,843,583**	55,146,368
LIABILITIES			
Non-current liabilities			
Borrowings	*8*	**34,245,372**	73,581,837
Derivative financial instruments		**6,044,836**	–
Lease liabilities		**455,680**	344,611
Deferred tax liabilities		**7,925,773**	10,773,159
Other payables	*7*	**114,197**	50,124
		48,785,858	84,749,731
Current liabilities			
Trade and other payables	*7*	**247,314,068**	264,713,015
Contract liabilities		**131,386,203**	157,208,070
Amounts due to related companies		**70,598,498**	51,028,240
Current income tax liabilities		**66,064,514**	72,512,109
Borrowings	*8*	**154,011,017**	186,085,847
Derivative financial instruments		**17,777,633**	3,430,262
Lease liabilities		**111,527**	100,443
Provisions		**11,786,329**	7,909,066
		699,049,789	742,987,052
Total liabilities		**747,835,647**	827,736,783
Total equity and liabilities		**794,679,230**	882,883,151

NOTES

1 GENERAL INFORMATION

Sunac China Holdings Limited (the "Company") and its subsidiaries (together, the "Group") are principally engaged in the businesses of property development and investment, cultural and tourism city construction and operation, property management services and other services in the People's Republic of China (the "PRC").

The Company is a limited liability company incorporated in Cayman Islands. The address of its registered office is One Nexus Way, Camana Bay, Grand Cayman KY1-9005, Cayman Islands.

The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

These financial statements are presented in Renminbi ("RMB"), unless otherwise stated.

2 ACCOUNTING POLICIES

(i) Compliance with HKFRS and HKCO

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") and the disclosure requirements of the Hong Kong Companies Ordinance Cap. 622 ("HKCO").

(ii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for financial assets at fair value through profit or loss ("FVPL"), derivative financial instruments and investment properties that are measured at fair value.

(iii) Going concern basis

The Group's net loss for the year ended 31 December 2025 amounted to approximately RMB13.71 billion, and the Group's net current liabilities as at 31 December 2025 amounted to approximately RMB74.46 billion.

As at 31 December 2025, the Group's current and non-current borrowings amounted to approximately RMB154.01 billion and RMB34.25 billion respectively, while the Group had total cash (including cash and cash equivalents and restricted cash) amounting to approximately RMB12.01 billion. As at 31 December 2025, the Group had not repaid borrowings in principal amount of approximately RMB107.30 billion in aggregate according to their scheduled repayment dates, and as a result, borrowings in aggregate principal amount of approximately RMB37.06 billion might be demanded for early repayment. As of the date of approval of these consolidated financial statements, the Group had not repaid borrowings in principal amount of approximately RMB110.80 billion in aggregate according to their scheduled repayment dates and as a result, borrowings in aggregate principal amount of approximately RMB32.25 billion might be demanded for early repayment. In addition, the Group was involved in various litigation and arbitration cases for various reasons.

In light of the above, the Directors have conducted prudent assessments on the future liquidity of the Group. The Directors have reviewed the Group's expected cash flow projections for the next 18 months from 31 December 2025 prepared by the management of the Company and have given full consideration to the Group's future liquidity, performance and available sources of financing, and have proactively come up with debt solutions to alleviate the liquidity pressure. The Group has continued to implement the following plans and measures:

- During the period from December 2024 to January 2025, the restructuring plans in relation to the onshore corporate bonds and supply chain asset-backed plans (collectively, the "Onshore Bonds") issued by Sunac Real Estate Group Co., Ltd.* (融創房地產集團有限公司) ("Sunac Real Estate"), a wholly-owned subsidiary of the Group, had all been considered and approved at the relevant meetings of bondholders (the "Onshore Debt Restructuring Plan"). The Onshore Debt Restructuring Plan provided creditors with three options, including bond repurchase (i.e. cash tender offer), payment via equity economic income right (the "Equity Option"), and debt settlement with assets. Since the launch of the Onshore Debt Restructuring Plan, Sunac Real Estate had been coordinating with the bondholders to select and allocate the amount of the Onshore Bonds they held in the onshore debt restructuring options, in accordance with the relevant terms of the bondholder meeting resolutions. In 2025, Sunac Real Estate completed the implementation of the three options under the Onshore Debt Restructuring Plan, resulting in the cancellation of Onshore Bonds with an aggregate principal amount of approximately RMB10.57 billion. As at 31 December 2025, the remaining principal balance of the Onshore Bonds totalling approximately RMB4.79 billion had been extended with the last maturity date being June 2034, and the annual interest rate of historical accrued and unpaid interest and future interest were reduced to 1%. This plan not only significantly reduced the scale of onshore public debts, but also alleviated the Group's debt repayment pressure in the next five years;

- All conditions precedent for the Company's offshore debt restructuring were satisfied on or before 23 December 2025, and the restructuring became effective from 23 December 2025. The existing senior notes, convertible bonds, mandatory convertible bonds, shareholders' mandatory convertible bonds and certain other debts of the Company and its subsidiaries subject to the restructuring (the "Offshore Restructuring Debts") had been fully released and discharged, and simultaneously, the financial guarantees provided by the Company for certain existing debts subject to the restructuring had been fully released and discharged. As restructuring consideration, the Company issued zero coupon mandatory convertible bonds due 2026 ("MCB 1") in principal amount of approximately US$7.26 billion and zero coupon mandatory convertible bonds due 2028 ("MCB 2") in principal amount of approximately US$2.40 billion to the scheme creditors on the restructuring effective date in accordance with the scheme terms. The completion of the offshore debt restructuring completely resolved the Company's debt risks, achieved a sustainable capital structure, and further reinforced the confidence in the Group among various parties through the shareholding structure stability arrangement and the employee stock ownership plan. This will better facilitate the future advancement of various tasks, including resolving debt risks and revitalizing assets related to onshore property projects, and support the gradual recovery of the long-term creditworthiness and operations of the Group's property development segment;

- The Group has been actively negotiating with other lenders on the extension of borrowings, and extension of loans of approximately RMB35.71 billion has been agreed by the Group up to the date of approval of these consolidated financial statements; in addition, as at 31 December 2025, approximately RMB154.85 billion of the Group's borrowings are secured by the Group's assets. The Group continues to actively negotiate with other existing lenders to promote a long-term solution to the current debt issue through a comprehensive approach such as extension, refinancing or restructuring and not to demand immediate repayment until a solution is reached. Due to the diverse lender base and changing market environment, it takes time to finalise the extension plans case-by-case;

- The Group is 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 loan for guaranteed home delivery and ancillary borrowings, business cooperation with partners, asset disposal, etc.; up to the date of approval of these consolidated financial statements, the Group and its joint ventures and associates have obtained special loans for guaranteed home delivery approved by local governments with an aggregate amount of approximately RMB23.02 billion, obtained ancillary bank financing approvals with an aggregate amount of approximately RMB11.27 billion, and received "whitelist project" financing approvals with an amount of approximately RMB4.78 billion. Additionally, the Group secured new funding of approximately RMB6.41 billion through the implementation of collaborative development projects with asset management companies in 2025. The Group will actively respond to various supportive policies of the national and local governments, revitalise resources through all kinds of acquisition and reserve policies, and consider disposal of assets when necessary to generate more cash inflows;

- The Group will continue to actively communicate and negotiate with relevant creditors, and strive to formulate and implement solutions to resolve the pending onshore lawsuits. Up to the date of approval of these consolidated financial statements, the Group has completed the settlement arrangements with certain creditors;

- The Group has adjusted its organizational structure to be flatter, reduced management levels and the headcount to enhance the management efficiency and effectively control costs and expenses; and

- The Group will continue to take measures to accelerate the pre-sale and sale of properties under development and completed properties. In addition, the Group will continue to implement initiatives to expedite the collection of sales proceeds and recovery of other receivables. The Group believes that with the intensifying policy support from the central government, coupled with the stabilization and recovery of the overall economy and the restoration of market confidence, the long-term supply and demand dynamics in the real estate market will rebalance, leading to a gradual stabilization of the market. Therefore, the Group will proactively adjust its sales and pre-sale strategies to respond to market changes and seize emerging demand opportunities.

In the Directors' opinion, in view of the above plans and measures, the Group will be able to adequately fund its ordinary operations and meet its obligations as and when they fall due within the next 18 months from 31 December 2025. Accordingly, the Directors consider that the preparation of the consolidated financial statements for the year ended 31 December 2025 on a going concern basis is appropriate.

The management has formulated a number of plans and taken a number of measures, but the Group's ability to continue as a going concern still depends on:

(i) successful advancement and completion of the aforementioned debt management measures, including successful negotiations with lenders for extension or deferral of repayment of certain borrowings of the Group, and the ability to secure additional or new financing when necessary;

(ii) successful dealing with the litigations involving financial institutions to reach an amicable settlement which have not yet come to a definitive conclusion and have a substantial significant impact on the Group's overall operations; and

(iii) successful implementation of plans and measures to achieve sales targets and collection of sales proceeds, thereby bolstering the Group's overall operational stability.

Since 2022, the real estate market in Mainland China has gone through adjustment with duration and depth beyond previous expectations. There is uncertainty as to the stabilization and recovery of the Group's sales and the continued support from banks and the Group's lenders, hence, there is significant uncertainty as to the Group's ability to implement the above plans and measures.

The above conditions indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern.

If the Group is unable to achieve the above plans and measures and unable to continue as a going concern, adjustments must be made to reduce the carrying amount of the Group's assets to their net realisable amounts, to provide for any further liabilities that may arise, and to reclassify non-current assets and non-current liabilities to current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

(iv) New standards, amendments and interpretations adopted by the Group

The Group has applied the following new standards, amendments and interpretations for the first time for its annual reporting period commencing 1 January 2025:

- *Lack of Exchangeability* – Amendments to HKAS 21

The new standards, amendments and interpretations listed above did not have any material impact on the amounts recognised in prior and current periods.

(v) New standards, amendments and interpretations not yet adopted

Certain new standards, amendments and interpretations have been published that are not mandatory as of 31 December 2025 reporting periods and have not been early adopted by the Group.

	Effective for the financial year beginning on or after
Contracts Referencing Nature-dependent Electricity – Amendments to HKFRS 9 and HKFRS 7	1 January 2026
Amendments to the Classification and Measurement of Financial Instruments – Amendments to HKFRS 9 and HKFRS 7	1 January 2026
Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
Presentation and Disclosure in Financial Statements – HKFRS 18 and *Presentation of Financial Statements – Classification by the Borrower of a Term loan that Contains a Repayment on Demand Clause* – Hong Kong Interpretaion 5	1 January 2027
Subsidiaries without Public Accountability: Disclosures – HKFRS 19 and subsequent amendments in October 2025	1 January 2028
Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures – Amendments to HKFRS 10 and HKAS 28	To be determined

Except for the new HKFRS mentioned below, the Directors anticipate that the application of all new standards, amendments and interpretations to HKFRS will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 *Presentation and Disclosure in Financial Statements*

HKFRS 18 *Presentation and Disclosure in Financial Statements*, which was issued by the HKICPA in July 2024 supersedes HKAS 1 and will result in major amendments to HKFRS including HKAS 8 *Basis of Preparation of Financial Statements* (renamed from *Accounting Policies, Changes in Accounting Estimates and Errors*). Even though HKFRS 18 will not have any effect on the recognition and measurement of items in the consolidated financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

3 SEGMENT INFORMATION

The executive directors of the Company review the Group's internal reporting in order to assess performance and allocate resources of the Group. The executive directors of the Company have determined the operating segments based on these reports.

The executive directors of the Company assess the performance of the Group organised as follows:

- Property development
- Cultural and tourism city construction and operation
- Property management
- All other segments

Other segments mainly include film and culture investment, office building rentals and other business. The results of these operations are included in the "all other segments" column.

The performance of above reportable segments is assessed based on a measure of profit before depreciation and amortisation, finance expenses and income tax expenses, which is defined as segment results. The segment results exclude the onshore and offshore debt restructuring gains, gains or losses from fair value changes on financial assets at FVPL and derivative financial instruments and disposal gains or losses on financial assets at FVPL, which are managed on a central basis.

Segment assets primarily consist of all assets excluding deferred tax assets, prepaid income tax and financial assets at FVPL, which are managed on a central basis. Segment liabilities primarily consist of all liabilities excluding derivative financial instruments, deferred tax liabilities and current income tax liabilities.

The Group's revenue is mainly attributable to the market in the PRC and over 90% of the Group's non-current assets are located in the PRC. No geographical information is therefore presented.

The Group has a large number of customers, none of whom contributed 10% or more of the Group's revenue.

The segment results are as follows:

	Year ended 31 December 2025				
	Property development *RMB'000*	**Cultural and tourism city construction and operation** *RMB'000*	**Property management** *RMB'000*	**All other segments** *RMB'000*	**Total** *RMB'000*
Total segment revenue	**33,050,878**	**4,731,544**	**6,816,162**	**642,274**	**45,240,858**
Inter-segment revenue	**–**	**–**	**(124,344)**	**–**	**(124,344)**
Revenue from external customers	**33,050,878**	**4,731,544**	**6,691,818**	**642,274**	**45,116,514**
Segment gross (loss)/profit	**(1,782,479)**	**2,421,493**	**1,242,532**	**253,471**	**2,135,017**
Net impairment losses under expected credit loss model	**(2,319,553)**	**–**	**(456,165)**	**–**	**(2,775,718)**
Net fair value losses on investment properties	**–**	**(3,693,000)**	**(5,048)**	**(173,504)**	**(3,871,552)**
Interest income	**284,211**	**–**	**3,584**	**–**	**287,795**
Finance income	**61,313**	**4,528**	**21,218**	**107**	**87,166**
Share of post-tax losses of associates and joint ventures accounted for using the equity method, net	**(981,500)**	**(13,421)**	**(1,839)**	**(43,679)**	**(1,040,439)**
Segment results	**(20,667,498)**	**(10,221,584)**	**530,495**	**(384,803)**	**(30,743,390)**
Other information					
Capital expenditure	**241,526**	**384,090**	**144,142**	**86,131**	**855,889**

	As at 31 December 2025				
	Property development *RMB'000*	**Cultural and tourism city construction and operation** *RMB'000*	**Property management** *RMB'000*	**All other segments** *RMB'000*	**Total** *RMB'000*
Total segment assets	**665,659,540**	**58,495,898**	**11,516,592**	**7,936,049**	**743,608,079**
Investments accounted for using the equity method	**57,249,515**	**1,294,329**	**29,000**	**1,304,603**	**59,877,447**
Total segment liabilities	**616,430,623**	**22,910,386**	**4,176,334**	**6,505,548**	**650,022,891**

	Year ended 31 December 2024				
	Property development *RMB'000*	Cultural and tourism city construction and operation *RMB'000*	Property management *RMB'000*	All other segments *RMB'000*	Total *RMB'000*
Total segment revenue	61,234,808	5,208,104	6,969,501	697,262	74,109,675
Inter-segment revenue	–	–	(90,482)	–	(90,482)
Revenue from external customers	61,234,808	5,208,104	6,879,019	697,262	74,019,193
Segment gross profit	407,224	3,068,516	1,582,611	292,944	5,351,295
Net impairment losses under expected credit loss model	(2,998,541)	–	(328,742)	–	(3,327,283)
Net fair value losses on investment properties	–	(1,396,000)	(9,960)	(168,549)	(1,574,509)
Interest income	1,258,985	–	9,026	–	1,268,011
Finance income	105,776	4,364	39,505	333	149,978
Share of post-tax losses of associates and joint ventures accounted for using the equity method, net	(1,572,055)	(6,826)	(829)	(51,326)	(1,631,036)
Segment results	(10,462,387)	(5,841,647)	769,873	(442,645)	(15,976,806)
Other information					
Capital expenditure	2,207,058	853,309	63,579	128,027	3,251,973

	As at 31 December 2024				
	Property development *RMB'000*	Cultural and tourism city construction and operation *RMB'000*	Property management *RMB'000*	All other segments *RMB'000*	Total *RMB'000*
Total segment assets	730,789,184	74,878,607	13,472,514	8,882,024	828,022,329
Investments accounted for using the equity method	59,781,070	1,307,500	33,464	1,726,089	62,848,123
Total segment liabilities	707,373,681	23,576,977	4,847,634	5,222,961	741,021,253

Reportable segment results are reconciled to total loss as follows:

	2025	2024
	RMB'000	*RMB'000*
Total segment results	**(30,743,390)**	(15,976,806)
Depreciation and amortisation	**(3,398,612)**	(2,981,520)
Finance expenses	**(12,004,727)**	(11,831,772)
Other income and gains	**33,103,931**	8,789,363
Other expenses and losses	**(655,874)**	(2,248,143)
Income tax expenses	**(10,411)**	(3,155,149)
Loss for the year	**(13,709,083)**	(27,404,027)

Reportable segments' assets and liabilities are reconciled to total assets and liabilities as follows:

	31 December 2025	31 December 2024
	RMB'000	*RMB'000*
Total segment assets	**743,608,079**	828,022,329
Deferred tax assets	**31,236,579**	32,972,177
Prepaid income tax	**10,063,662**	11,177,420
Financial assets at FVPL	**9,770,910**	10,711,225
Total assets	**794,679,230**	882,883,151
Total segment liabilities	**650,022,891**	741,021,253
Current income tax liabilities	**66,064,514**	72,512,109
Derivative financial instruments	**23,822,469**	3,430,262
Deferred tax liabilities	**7,925,773**	10,773,159
Total liabilities	**747,835,647**	827,736,783

4 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

The amounts recognised in the balance sheet are as follows:

	31 December 2025	31 December 2024
	RMB'000	*RMB'000*
Joint ventures	**44,467,980**	47,334,307
Associates	**15,409,467**	15,513,816
	59,877,447	62,848,123

The share of losses from investments accounted for using the equity method recognised in the statement of comprehensive income is as follows:

	2025	2024
	RMB'000	*RMB'000*
Share of losses of joint ventures, net	**(870,092)**	(805,127)
Share of losses of associates, net	**(170,347)**	(825,909)
	(1,040,439)	(1,631,036)

4.1 Investments in joint ventures

An analysis of the movement of equity investments in joint ventures is as follows:

	2025	2024
	RMB'000	*RMB'000*
At beginning of year	**47,334,307**	53,400,856
Increasing:		
– New investments in joint ventures	**88,952**	126,200
– Subsidiaries becoming joint ventures	**1,479,846**	787,123
Decreasing:		
– Disposal and capital decreasing of joint ventures	**(1,399,308)**	(4,385,154)
– Impact on assets acquisition transactions	**(181,132)**	(1,170,142)
Share of losses of joint ventures, net	**(870,092)**	(805,127)
Dividends from joint ventures	**(1,984,593)**	(619,449)
At end of year	**44,467,980**	47,334,307

4.2 Investments in associates

An analysis of the movement of equity investments in associates is as follows:

	2025	2024
	RMB'000	*RMB'000*
At beginning of year	**15,513,816**	15,850,233
Increasing:		
– New investments in associates	**3,000**	206,000
– Subsidiaries becoming associates	**1,616,717**	348,692
Decreasing:		
– Disposal and capital decreasing of associates	**(1,434,954)**	(51,243)
Share of losses of associates, net	**(170,347)**	(825,909)
Dividends from associates	**(118,765)**	(13,957)
At end of year	**15,409,467**	15,513,816

5 TRADE AND OTHER RECEIVABLES

The amounts recognised in the balance sheet are as follows:

	31 December 2025	31 December 2024
	RMB'000	*RMB'000*
Non-current –		
Other receivables *(iii)*	**40,619**	48,461
Less: loss allowance	**(1,212)**	(1,446)
	39,407	47,015
Current –		
Trade receivables from contracts with customers *(i)*	**4,915,503**	4,645,881
Amounts due from non-controlling interests and their related parties *(ii)*	**19,961,528**	23,006,992
Note receivables	**51,245**	54,896
Deposit receivables	**3,327,013**	5,129,301
Other receivables *(iii)*	**25,786,265**	27,686,456
	54,041,554	60,523,526
Less: loss allowance	**(7,117,587)**	(8,352,094)
	46,923,967	52,171,432

As at 31 December 2025 and 31 December 2024, the carrying amounts of the Group's trade and other receivables were all denominated in RMB and the carrying amounts of trade and other receivables approximated their fair values.

Notes:

(i) Trade receivables mainly arise from sales of properties and rendering of property management services. The consideration in respect of sales of properties is paid by customers in accordance with the credit terms agreed in the property sale contracts. Property management services income is received in accordance with the term of the relevant property service agreements and is due for payment upon rendering of service. The ageing analysis of trade receivables based on dates of delivery of goods and dates of rendering of services is as follows:

	31 December 2025	31 December 2024
	RMB'000	*RMB'000*
Within 90 days	**1,335,106**	1,065,304
91–180 days	**468,633**	525,135
181–365 days	**589,807**	922,553
Over 365 days	**2,521,957**	2,132,889
	4,915,503	4,645,881

(ii) The amounts due from non-controlling interests and their related parties were unsecured, interest free and had no fixed repayment terms.

(iii) Other receivables mainly included the receivables from disposal of equity interests, receivables from project demolition, the cash advance for land use rights acquisition, payments on behalf of customers, interest receivables and amounts due from equity investment partners.

6 PREPAYMENTS

	31 December 2025 *RMB'000*	31 December 2024 *RMB'000*
Non-current –		
Prepayments for purchase of property, plant and equipment ("PP&E")	**33,995**	34,289
Current –		
Prepaid value-added taxes and other taxes	**4,833,578**	5,119,207
Prepayments for land use rights acquisitions	**2,809,024**	5,080,217
Prepayments for construction costs	**1,294,352**	1,353,509
Others	**1,213,125**	1,549,114
	10,150,079	13,102,047

7 TRADE AND OTHER PAYABLES

	31 December 2025 *RMB'000*	31 December 2024 *RMB'000*
Non-current –		
Other payables *(iii)*	**114,197**	50,124
Current –		
Trade payables *(i)*	**92,174,632**	104,168,889
Interest payables	**46,034,499**	39,217,760
Note payables *(iv)*	**21,935,181**	22,985,100
Amounts due to non-controlling interests and their related parties *(ii)*	**12,296,167**	17,437,088
Other taxes payables	**10,525,832**	10,321,444
Consideration payables for acquisition of equity investments	**4,373,574**	4,506,566
Payroll and welfare payables	**802,505**	911,121
Consideration payables arising from non-controlling shareholders' put option	**–**	218,296
Other payables *(iii)*	**59,171,678**	64,946,751
	247,314,068	264,713,015

Notes:

(i) At 31 December 2025, the ageing analysis of trade payables is performed based on the date of the liability recognition on accrual basis. The ageing analysis of the Group's trade payables is as follows:

	31 December 2025 *RMB'000*	31 December 2024 *RMB'000*
Within 90 days	**4,631,906**	6,681,254
91-180 days	**1,422,750**	5,200,003
181-365 days	**2,663,456**	9,247,031
Over 365 days	**83,456,520**	83,040,601
	92,174,632	104,168,889

(ii) The amounts due to non-controlling interests and their related parties are unsecured and have no fixed repayment date.

(iii) As at 31 December 2025, other payables mainly included value-added tax relevant to pre-sale of properties amounted to RMB6.41 billion (as at 31 December 2024: RMB8.80 billion). The remaining payables mainly included deposits from customers, deposits on construction projects, deed tax and maintenance funds received on behalf of customers, amounts due to equity investment partners and accrued expenses.

(iv) As at 31 December 2025, the Group's overdue note payables amounted to RMB21.94 billion (as at 31 December 2024: RMB22.99 billion).

8 BORROWINGS

	31 December 2025 *RMB'000*	31 December 2024 *RMB'000*
Non-current		
Secured,		
– Bank and other institution borrowings	**176,299,724**	214,151,765
– Corporate bonds	**1,344,347**	4,807,288
– Private domestic corporate bonds	**1,144,895**	3,055,432
– Senior notes	**–**	29,894,385
– Convertible bonds	**–**	500,812
	178,788,966	252,409,682
Unsecured,		
– Bank and other institution borrowings	**2,903,689**	2,074,617
	181,692,655	254,484,299
Less: current portion of non-current borrowings	**(147,447,283)**	(180,902,462)
	34,245,372	73,581,837
Current		
Secured,		
– Bank and other institution borrowings	**5,465,450**	3,907,893
Unsecured,		
– Bank and other institution borrowings	**1,098,284**	1,275,492
	6,563,734	5,183,385
Add: current portion of non-current borrowings	**147,447,283**	180,902,462
	154,011,017	186,085,847
Total borrowings	**188,256,389**	259,667,684

8.1 Offshore debt restructuring

On 23 December 2025, the Company's offshore debt restructuring became effective. Pursuant to the terms of the offshore debt restructuring plan, the Offshore Restructuring Debts of the Company and its subsidiaries were fully released and discharged. Simultaneously, the financial guarantees provided by the Company for certain existing debts subject to the restructuring were fully released and discharged. As restructuring consideration, the Company issued MCB 1 in principal amount of approximately US$7.26 billion and MCB 2 in principal amount of approximately US$2.40 billion to the scheme creditors on the restructuring effective date.

The offshore debt restructuring was regarded as a substantial modification under the relevant accounting standard. As a result, on the effective date of the offshore debt restructuring, the Offshore Restructuring Debts with an aggregate carrying amount of approximately US$6.73 billion, and related interest payables of approximately US$0.74 billion were fully derecognised. The following new financial liabilities were recognised at the fair values at the effective date of the offshore restructuring (i.e. 23 December 2025):

(1) MCB1 in principal amount of approximately US$7.26 billion with fair values of the derivative component amounted to approximately US$1.37 billion;

(2) MCB 2 in principal amount of approximately US$2.40 billion with fair values of the derivative component amounted to approximately US$0.82 billion; and

(3) certain debts of subsidiaries included in Offshore Restructuring Debts with fair values of the derivative component amounted to approximately US$1.30 billion.

On 16 December 2025, the Company and its subsidiaries entered into a debt restructuring agreement with Chiyu Banking Corporation Limited ("Chiyu"). Pursuant to the terms of the debt restructuring agreement, the Company issued approximately 279 million ordinary shares on 29 December 2025 to settle part of the existing debts. On the date of share issuance, borrowings with carrying amount of approximately HK$0.86 billion and related interests were derecognised, and the Company's share capital and other reserves increased by approximately RMB25.3 million and RMB303.2 million, respectively. Simultaneously, the Company accounted for borrowings with principal amount of approximately HK$0.30 billion at a fair value of approximately HK$0.11 billion.

As a result of the above mentioned, gains from offshore debt restructuring of approximately RMB28.55 billion were recognised in "other income and gains" of the consolidated statement of comprehensive income for the year ended 31 December 2025.

Subsequent to the initial recognition, the carrying amounts of the derivative components of the mandatory convertible bonds and certain debts of subsidiaries included in Offshore Restructuring Debts are measured at fair values.

As of 31 December 2025, certain holders of MCB 1 exercised the right attached to the bonds to convert the respective bonds into the ordinary shares of the Company. The Directors considered that the fair values of the derivative components of MCB 1 at conversion date were close to those as at the effective date of debt restructuring such that the remeasurement gain or loss was insignificant to the Group. As a result, the share capital and other reserves of the Company increased by approximately RMB78.7 million and RMB930.6 million, respectively, and the same amounts of financial liabilities of the bonds were derecognised. No fair value gain or loss was recognised for the abovementioned conversion for the year ended 31 December 2025.

9 EXPENSES BY NATURE

	2025	2024
	RMB'000	*RMB'000*
Costs of properties sold	**27,958,003**	55,804,342
Value-added tax surcharges	**170,212**	367,292
Staff costs	**5,055,896**	4,935,744
Write-down of properties under development and completed properties held for sale	**6,748,959**	4,700,694
Depreciation and amortisation*	**3,398,612**	2,981,520
Advertisement and promotion costs	**1,435,863**	1,342,955
Net impairment losses under expected credit loss model	**2,775,718**	3,327,283
Professional service expenses	**381,160**	250,319
Auditors' remunerations		
– Audit services	**15,290**	21,690
– Non-audit services	**1,290**	160

* Depreciation and amortisation expense of RMB2.77 billion (2024: RMB2.46 billion) has been charged to cost of sales.

10 OTHER INCOME AND GAINS

	2025	2024
	RMB'000	*RMB'000*
Gains from debt restructuring	**32,967,388**	9,889,504
Gains from disposal of subsidiaries	**428,299**	4,072,171
Interest income	**287,795**	1,268,011
Gains from disposal of joint ventures and associates	**221,259**	97,426
Net fair value gains on derivative financial instruments	**106,375**	–
Net gains on disposal of financial assets at FVPL	**30,168**	–
Others	**1,526,066**	1,102,313
	35,567,350	16,429,425

11 OTHER EXPENSES AND LOSSES

	2025 *RMB'000*	2024 *RMB'000*
Impairment provisions for PP&E	**6,919,726**	5,860,756
Losses from disposal of subsidiaries	**6,759,661**	2,080,210
Provision for litigation and other contingent liabilities	**3,983,501**	4,744,919
Net fair value losses on investment properties	**3,871,552**	1,574,509
Losses from disposal of joint ventures and associates	**2,159,263**	595,141
Losses from disposal of PP&E, investment properties, right-of-use assets and intangible assets	**1,136,212**	2,200,825
Net fair value losses on financial assets at FVPL	**655,874**	502,133
Impairment provision for goodwill and other intangible assets	**585,867**	471,829
Losses on project demolition	**506,578**	790,127
Net fair value losses on derivative financial instruments	**–**	1,680,509
Net losses on disposal of financial assets at FVPL	**–**	65,501
Others	**538,710**	566,061
	27,116,944	21,132,520

12 FINANCE INCOME AND EXPENSES

	2025 *RMB'000*	2024 *RMB'000*
Finance expenses:		
Interest expenses	**26,234,914**	29,731,408
Interest expenses for lease liabilities	**75,919**	39,579
Less: capitalised finance expenses	**(13,506,200)**	(18,464,276)
	12,804,633	11,306,711
Net exchange (gains)/losses	**(799,906)**	525,061
	12,004,727	11,831,772
Finance income:		
Interest income on bank deposits	**(87,166)**	(149,978)
	11,917,561	11,681,794

13 INCOME TAX EXPENSES

	2025	2024
	RMB'000	*RMB'000*
Corporate income tax		
– Current income tax	**406,752**	1,268,204
– Deferred income tax	**(2,809,785)**	(3,021,967)
	(2,403,033)	(1,753,763)
Land appreciation tax	**2,413,444**	4,908,912
	10,411	3,155,149

14 LOSSES PER SHARE

(a) Basic

Basic loss per share are calculated by dividing the loss attributable to owners of the Company by the weighted-average number of ordinary shares in issue during the year, excluding shares purchased for the share award scheme.

	2025	2024
Loss attributable to owners of the Company *(RMB'000)*	**12,329,083**	25,695,200
Weighted-average number of ordinary shares in issue *(thousand)*	**10,846,951**	8,640,287
Adjusted for shares repurchased for share award scheme *(thousand)*	**(76,325)**	(76,325)
Weighted-average number of ordinary shares for basic earnings per share *(thousand)*	**10,770,626**	8,563,962

(b) Diluted

For the years ended 31 December 2025 and 2024, diluted loss per share was the same as the basic loss per share as potential ordinary shares arising from awarded shares and mandatory convertible bonds were not treated as dilutive as the conversion to ordinary shares would not increase the loss per share.

15 DIVIDENDS

No dividend was paid in 2025 (2024: Nil). No declaration of any final dividend was recommended in respect of the year ended 31 December 2025.

16 EVENTS AFTER THE BALANCE SHEET DATE

(a) Dismissal of the Winding-up Petition

On 10 January 2025, the Company received a winding-up petition (the "Petition") filed by China Cinda (HK) Asset Management Co., Limited (the "Petitioner") at the High Court of the Hong Kong Special Administrative Region (the "High Court") in relation to the non-repayment of the loan to the Petitioner as lender by Shining Delight Investment Limited (an indirect wholly-owned subsidiary of the Company) as borrower and the Company as guarantor, in the aggregate principal amount of US$30,000,000 and accrued interests.

Following the completion of the Company's holistic offshore debt restructuring including the above loan on 23 December 2025, and upon the joint application of the Company and the Petitioner by way of consent summons, an order was made by the High Court on 5 January 2026 that the Petition be dismissed.

EXTRACT OF INDEPENDENT AUDITOR'S REPORT

The following is an extract of the independent auditor's report issued by BDO Limited, the external auditor of the Company, regarding the consolidated financial statements of the Group for the year ended 31 December 2025:

Disclaimer of Opinion

We do not express an opinion on the consolidated financial statements of the Group due to the potential interaction of the multiple uncertainties relating to going concern and their possible cumulated effects on the consolidated financial statements as described in the "Basis for Disclaimer of Opinion" section of our report. In all other respects, in our opinion, the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Disclaimer of Opinion

MULTIPLE UNCERTAINTIES RELATING TO GOING CONCERN

As stated in note 2.1(iii) to the consolidated financial statements, the Group incurred a net loss of approximately RMB13.71 billion for the year ended 31 December 2025 and, as at 31 December 2025, the Group had net current liabilities of approximately RMB74.46 billion. The Group's current and non-current borrowings amounted to approximately RMB154.01 billion and RMB34.25 billion as at 31 December 2025 respectively, while the Group had total cash (including cash and cash equivalents and restricted cash) amounting to approximately RMB12.01 billion. As at 31 December 2025, the Group had not repaid borrowings in principal amount of approximately RMB107.30 billion in aggregate according to their scheduled repayment dates, and as a result, borrowings in aggregate principal amount of approximately RMB37.06 billion might be demanded for early repayment. Up to the date of this report, the Group had not repaid borrowings in principal amount of approximately RMB110.80 billion in aggregate according to their scheduled repayment dates and as a result, borrowings in aggregate principal amount of approximately RMB32.25 billion might be demanded for early repayment. In addition, the Group was involved in various litigation and arbitration cases for various reasons as stated in note 36(B) to the consolidated financial statements.

Nevertheless, the consolidated financial statements have been prepared on a going concern basis. The Group has been undertaking a number of plans and measures to improve its liquidity and financial position, and have developed debt solutions which are set out in note 2.1(iii) to the consolidated financial statements. The validity of going concern assumption on which the consolidated financial statements have been prepared depends upon the successful implementation of these plans and measures, which are subject to multiple uncertainties, including (i) successful advancement and completion of the aforementioned debt management measures, including successful negotiations with the lenders for extension or deferral of repayment of certain borrowings of the Group, and the ability to secure additional or new financing when necessary; (ii) successful dealing with the litigations involving financial institutions to reach an amicable settlement which have not yet come to a definitive conclusion and have a substantial significant impact on the Group's overall operations; and (iii) successful implementation of plans and measures to achieve sales targets and collection of sales proceeds, thereby bolstering the Group's overall operational stability. The above conditions indicate the existence of material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern.

As a result of the multiple uncertainties and the cumulative effects on the consolidated financial statements resulting from the potential interaction thereof, we were unable to form an opinion as to whether the going concern basis of preparation is appropriate. Should the Group fail to achieve the intended effects resulting from the plans and measures as mentioned in note 2.1(iii), it might not be able to operate as a going concern, and adjustments would have to be made to write down the carrying amounts of the Group's assets to their net realisable amounts, to provide for any further liabilities that may arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

We disclaimed our audit opinion on the consolidated financial statements for the year ended 31 December 2024 relating to the going concern basis of preparing the consolidated financial statements. The balances as at 31 December 2024 and the amounts for the year then ended are presented as corresponding figures in the consolidated financial statements for the year ended 31 December 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review

1 Revenue

For the year ended 31 December 2025, most of the Group's revenue came from sales of residential and commercial properties business, and the other revenue came from cultural and tourism city construction and operation, property management and other businesses.

As at 31 December 2025, the Group's real estate property development business is mainly located in core cities in the Yangtze River Delta, Bohai Rim, South China, Central region and Western region, which are divided into 10 regional groups or companies for management, namely the Beijing region (including Beijing, Qingdao and Ji'nan, etc.), North China region (including Tianjin, Harbin and Dalian, etc.), Shanghai region (including Shanghai, Nanjing and Suzhou, etc.), Southeastern China region (including Hangzhou, Fuzhou and Hefei, etc.), Central China region (including Wuhan, Changsha and Nanchang, etc.), South China region (including Guangzhou and Sanya, etc.), Northwestern China region (including Xi'an and Taiyuan, etc.), Chengdu-Chongqing region (including Chongqing and Chengdu, etc.), Yun Gui region (including Kunming, Guiyang and Xishuangbanna, etc.) and Henan companies (including Zhengzhou and Luoyang, etc.).

Total revenue of the Group for the year ended 31 December 2025 amounted to approximately RMB45.12 billion, representing a decrease of approximately RMB28.90 billion (approximately 39.0%) compared with the total revenue of approximately RMB74.02 billion for the year ended 31 December 2024. For the year ended 31 December 2025, the total revenue of the Group and its joint ventures and associates was approximately RMB85.75 billion, representing a decrease of approximately RMB91.31 billion (approximately 51.6%) as compared to approximately RMB177.06 billion for the year ended 31 December 2024, of which approximately RMB53.21 billion was attributable to owners of the Company, representing a decrease of approximately RMB50.15 billion (approximately 48.5%) as compared to approximately RMB103.36 billion for the year ended 31 December 2024.

The revenue breakdown by business segment is as follows:

	For the year ended 31 December			
	2025		2024	
	RMB billion	***%***	*RMB billion*	*%*
Revenue from sales of properties	**33.05**	**73.3**	61.23	82.8
Property management income	**6.69**	**14.8**	6.88	9.3
Cultural and tourism city construction and operation income	**4.73**	**10.5**	5.21	7.0
Revenue from other business	**0.65**	**1.4**	0.70	0.9
Total	**45.12**	**100.0**	74.02	100.0
Total gross floor area delivered during the year *(in million sq.m.)*	**3.554**		4.624	

The decrease in revenue for the year was mainly due to the decline in revenue from sales of properties. For the year ended 31 December 2025, revenue from sales of properties amounted to approximately RMB33.05 billion, accounting for approximately 73.3% of the total revenue. The revenue from sales of properties for the year decreased by approximately RMB28.18 billion (approximately 46.0%) as compared with that for the year ended 31 December 2024, mainly due to the decrease in the delivery area and the average selling price of the properties. In recent years, the real estate industry has witnessed a continuous downturn, with the sales market experiencing a significant overall contraction. The debt issues emerging in several real estate companies have led to the lack of confidence of homebuyers for property under construction, further intensifying the difficulties in new houses sales. The liquidity pressure from the contraction in new sales scale and the narrowing of external financing channels has temporarily restricted the delivery progress of sold property projects and the development and promotion and selling progress of new projects. In 2025, the delivery area of properties decreased by approximately 1.07 million sq.m. (approximately 23.1%) as compared with last year, and the average selling price of projects for which revenue was carried forward during the year declined by approximately 29.8% as compared with last year, collectively resulting in a significant decrease in the sales revenue of the Group for the year as compared to last year.

Amid multiple challenges from the external market and internal issues in recent years, the Group has proactively adopted various response initiatives, continuously prioritizing completion and delivery of property projects, proactively executing relevant debt risk resolution and asset revitalization efforts, optimizing the management and control system and reducing the administrative expenses. Meanwhile, the Group concentrated on policy dynamics to strengthen product competitiveness aligned with current sales market, ensuring stable operations and long-term sustainability of the Group.

2 *Cost of Sales*

Cost of sales mainly includes the costs incurred directly in the course of property development for the Group's properties sold, cost of cultural and tourism operations and cost of property management operations.

For the year ended 31 December 2025, the Group's cost of sales was approximately RMB45.75 billion, representing a decrease of approximately RMB25.38 billion (approximately 35.7%) as compared to the cost of sales of approximately RMB71.13 billion for the year ended 31 December 2024. The decrease in cost of sales was mainly due to the decrease in the delivery area of the properties.

3 *Gross (Loss)/Profit*

For the year ended 31 December 2025, the Group's gross loss was approximately RMB0.64 billion, representing a decrease of approximately RMB3.53 billion as compared with the gross profit of approximately RMB2.89 billion for the year ended 31 December 2024. For the year ended 31 December 2025, the Group's gross profit margin was approximately minus 1.4%, representing a decrease as compared with the gross profit margin of approximately 3.9% for the year ended 31 December 2024. The decrease in gross profit and gross profit margin was mainly due to the decline in revenue from sales of properties of the Group for the year, the lower proportion of high margin projects carried forward from the property sales revenue as compared to last year, and the increase in the provision for impairment of properties made by the Group during the year as compared with last year.

For the year ended 31 December 2025, the adjustments of revaluation surplus related to the Group's gains from business combination in previous years for the properties acquired led to the reduction of the gross profit for the year in the amount of approximately RMB1.52 billion. The Group's gross profit would have been approximately RMB2.41 billion and gross profit margin would have been approximately 5.3% for the year ended 31 December 2025 without taking into account the impact of such revaluation surplus adjustments and provision for impairment of properties on gross profit.

4 *Selling and Marketing Costs and Administrative Expenses*

For the year ended 31 December 2025, the Group's selling and marketing costs was approximately RMB2.15 billion, which remained largely consistent with last year.

The Group's administrative expenses decreased by approximately RMB0.02 billion from approximately RMB3.65 billion for the year ended 31 December 2024 to approximately RMB3.63 billion for the year ended 31 December 2025.

5 *Other Income and Gains*

For the year ended 31 December 2025, other income and gains recognised by the Group amounted to approximately RMB35.57 billion, which mainly comprised gains from offshore debt restructuring and onshore debt restructuring totalling approximately RMB32.97 billion, gains from the disposal of subsidiaries, joint ventures and associates of approximately RMB0.65 billion, and interest income received from joint ventures and associates, etc. of approximately RMB0.29 billion.

The other income and gains recognised by the Group for the year represented an increase of approximately RMB19.14 billion as compared with last year, mainly due to an increase of approximately RMB23.08 billion in gains from debt restructuring as compared with last year resulting from the completion of the offshore debt restructuring during the year, and a decrease of approximately RMB3.52 billion in gains from the disposal of subsidiaries, joint ventures and associates during the year as compared with last year.

6 *Other Expenses and Losses*

For the year ended 31 December 2025, other expenses and losses recognised by the Group amounted to approximately RMB27.12 billion, mainly including the losses of approximately RMB8.92 billion from the disposal of subsidiaries, joint ventures and associates, the provision for impairment of long-term assets of approximately RMB7.51 billion, the provision for litigations and other contingent liabilities of approximately RMB3.98 billion, net fair value losses on investment properties of approximately RMB3.87 billion, losses from disposal of various assets of approximately RMB1.14 billion, net fair value losses on financial assets at FVPL of approximately RMB0.66 billion, and losses on project demolition of approximately RMB0.51 billion.

The other expenses and losses recognised by the Group for the year represented an increase of approximately RMB5.99 billion as compared with last year, mainly due to the increase in the provision for impairment of long-term assets and losses from the disposal of subsidiaries, joint ventures and associates recognised during the year as compared with last year.

7 *Net Impairment Losses under Expected Credit Loss Model*

For the year ended 31 December 2025, the Group made provisions for expected credit losses of approximately RMB2.78 billion on amounts due from related companies, amounts due from non-controlling interests and their related parties and other receivables, representing a decrease of approximately RMB0.55 billion as compared to approximately RMB3.33 billion for the year ended 31 December 2024.

8 *Operating Loss*

Concluding from the above analysis, the Group's operating loss for the year ended 31 December 2025 amounted to approximately RMB0.74 billion, representing a decrease of approximately RMB10.20 billion as compared to the operating loss of approximately RMB10.94 billion for the year ended 31 December 2024, mainly due to the combined effect of the following reasons:

(i) gross profit decreased by approximately RMB3.53 billion;

(ii) net impairment losses under expected credit loss model decreased by approximately RMB0.55 billion; and

(iii) other income and gains increased by approximately RMB19.14 billion and other expenses and losses increased by approximately RMB5.99 billion.

9 *Finance Income and Expenses*

For the year ended 31 December 2025, the Group's finance expenses was approximately RMB12.00 billion, representing an increase of approximately RMB0.17 billion as compared to approximately RMB11.83 billion for the year ended 31 December 2024. The Group's finance income decreased by approximately RMB0.06 billion from approximately RMB0.15 billion for the year ended 31 December 2024 to approximately RMB0.09 billion for the year ended 31 December 2025. The increase in finance expenses was mainly due to the following reasons: (i) a decrease in proportion of capitalised interests in total interest expenses in line with the develop process of the Group's property development projects as compared to that of the year ended 31 December 2024, which led to an increase of approximately RMB1.49 billion in expensed interest from approximately RMB11.31 billion for the year ended 31 December 2024 to approximately RMB12.80 billion for the year ended 31 December 2025; and (ii) the change of the Group's exchange gain or loss from a net exchange loss of approximately RMB0.53 billion for the year ended 31 December 2024 to a net exchange gain of approximately RMB0.80 billion for the year ended 31 December 2025 due to the change in trend of foreign exchange rate fluctuations, resulting in a reduction of approximately RMB1.33 billion in finance expenses.

10 *Share of Post-tax Losses of Investments Accounted for Using the Equity Method, Net*

For the year ended 31 December 2025, the Group's recognised share of post-tax losses of investments accounted for using the equity method, net amounted to approximately RMB1.04 billion, representing a decrease of approximately RMB0.59 billion as compared to approximately RMB1.63 billion recognised for the year ended 31 December 2024, mainly due to the decrease in operating loss of the Group's joint ventures and associates for the year.

11 *Loss*

Loss of the Group attributable to owners of the Company decreased by approximately RMB13.37 billion from approximately RMB25.70 billion for the year ended 31 December 2024 to loss of approximately RMB12.33 billion for the year ended 31 December 2025.

The table below sets out loss attributable to owners of the Company and non-controlling interests for the stated years:

	For the year ended 31 December	
	2025	2024
	RMB billion	*RMB billion*
Loss during the year	**13.71**	27.40
Attributable to:		
Owners of the Company	**12.33**	25.70
Non-controlling interests	**1.38**	1.70
	13.71	27.40

12 *Cash Status*

The Group operates in a capital-intensive industry and the Group's liquidity requirements relate to meeting its working capital requirements, funding the development of its new property projects and servicing its debt. The funding sources of the Group mainly include proceeds from the pre-sale and sale of properties, and to a lesser extent, capital contributions from shareholders, share issuances and loans.

The Group's total cash (including cash and cash equivalents and restricted cash) decreased to approximately RMB12.01 billion as at 31 December 2025 from approximately RMB19.75 billion as at 31 December 2024, of which non-restricted cash decreased to approximately RMB5.68 billion as at 31 December 2025 from approximately RMB7.73 billion as at 31 December 2024.

Currently, the Group remains focused on the completion and delivery of its property projects and the improvement of sales performance, while actively carrying out risk resolution work to ensure business stability and sustainable operations of the Group. In 2025, the Group continued to apply to local governments for special loans for guaranteed home delivery to support projects facing delivery challenges. Simultaneously, it has actively pursued ancillary bank financing and "whitelist project" financing to secure the necessary capital for project development and construction. As of the date of this announcement, the Group and its joint ventures and associates have obtained special loans for guaranteed home delivery approved by local governments with an aggregate amount of approximately RMB23.02 billion, obtained ancillary bank financing approvals with an aggregate amount of approximately RMB11.27 billion, and received "whitelist project" financing approvals with an amount of approximately RMB4.78 billion. Additionally, the Group secured new funding of approximately RMB6.41 billion through the implementation of collaborative development projects with asset management companies in 2025. Moving forward, the Group will continue to secure operational funding through property sales proceeds, and applications for special loans for guaranteed home delivery, ancillary bank financing, "whitelist project" financing and collaborations with financial institutions.

13 Borrowings and Securities

As at 31 December 2025, the total borrowings of the Group were approximately RMB188.26 billion, representing a decrease of approximately RMB71.41 billion as compared to approximately RMB259.67 billion as at 31 December 2024. Approximately RMB184.25 billion (as at 31 December 2024: approximately RMB256.32 billion) of the Group's total borrowings were secured or jointly secured by the Group's properties under development, completed properties held for sale, etc. (total amount was approximately RMB302.78 billion (as at 31 December 2024: approximately RMB373.85 billion)), the equity interests of certain subsidiaries of the Group and the right for disposal gains of certain assets of the Group.

The Group will continue to secure additional financing through methods such as applications for special loans for guaranteed home delivery, ancillary bank financing, "whitelist project" financing and collaborations with financial institutions.

14 Gearing Ratio

The gearing ratio is calculated by dividing the net debt by total capital. Net debt is calculated as total borrowings (including current and non-current borrowings) and lease liabilities less cash balances (including restricted cash). Total capital is calculated by adding total equity and net debt. As at 31 December 2025, the Group's gearing ratio was approximately 79.1%, representing a decrease as compared to approximately 81.3% as at 31 December 2024.

The Group's gearing ratio experienced fluctuations, mainly due to the decrease in the Group's total interest-bearing liabilities following the completion of the debt restructuring.

15 Financial Guarantees and Litigation

(a) Financial guarantees

The Group provides guarantees to banks for the mortgage loans of certain property purchasers to ensure that the purchasers perform their obligations of mortgage loan repayment. The amount of such guarantees was approximately RMB48.50 billion as at 31 December 2025 as compared with approximately RMB61.08 billion as at 31 December 2024. Such guarantees will terminate upon the earlier of (i) the transfer of the real estate ownership certificate to the purchasers which will generally occur within an average period of six months after the properties' delivery dates; or (ii) the satisfaction of mortgage loans by the purchasers of the properties. The period of guarantee provided by the Group starts from the date when the mortgage is granted.

(b) Litigation

Up to the date of approval of these consolidated financial statements, various parties have filed litigation against the Group for the settlement of unpaid borrowings, outstanding construction and daily operation payables, delayed delivery of projects and other matters. Among them, there were about 511 cases with individual amounts exceeding RMB50 million, and the aggregated amounts of these cases amounted to approximately RMB175.18 billion, which mainly includes unpaid borrowings and outstanding construction payables. The Group has assessed the impact of the above litigation matters and accrued provision for litigations and interest payables on the consolidated financial statements for the year ended 31 December 2025. The Group is also actively communicating with relevant creditors and seeking various ways to resolve these litigations.

16 *Principal Risks and Uncertainties*

The Group faces certain risks in its business development and operational management. The principal risks and uncertainties are set out below.

(1) Real Estate Market Risk and Operational Risk

The Group's real estate development business is primarily concentrated in the Mainland China market, and market conditions have a significant impact on the Group's business development. Currently, the real estate industry is still in a phase of profound adjustment, with the supply-demand dynamics in the market continuing to restructure, divergences between cities of different tiers intensifying inventory levels remaining high in certain regions and the sales cycle being prolonged. Concurrently, the overall financing environment has tightened, and market risk appetite remains cautious, posing certain constraints on the Group's liquidity management, project development, and expansion of new projects. In addition, affected by the downward trend in the industry's overall profit margin, the selling prices and sales pace of some projects have not met expectations, exerting continuous pressure on gross profit margins carried forward. Coupled with the impact of provisions for impairment of assets such as inventories, the Group has recorded losses for five consecutive years.

Facing a complex operating environment, the Group has actively implemented its primary responsibilities, substantially completed its guaranteed home delivery work, and completed the offshore debt restructuring and onshore public bond restructuring in 2025. Nevertheless, the Group still faces significant operational pressures, mainly reflected in: continued downward pressure on sales scale and prices; a lack of construction funds for some projects; financing channels not yet fully restored, limiting refinancing capabilities; and existence of potential or ongoing debt issues and litigation disputes with creditors, business partners, customers, and other related parties. Furthermore, affected by factors such as debt defaults and litigation, some property projects and cultural and tourism assets still face the risk of being disposed of or auctioned, further intensifying the Group's operational pressures. If the market continues to decline, it will continue to adversely affect the Group's debt risk resolution and long-term business recovery efforts.

(2) Interest Rate Risk

As the Group has no material interest-bearing assets, the Group's income and operating cash flows are almost unaffected by changes in market interest rates.

The Group's interest rate risk arises from long-term borrowings. Long-term borrowings include borrowings issued at variable rates and borrowings issued at fixed rates, of which borrowings issued at variable rates expose the Group to cash flow interest-rate risk which is partially offset by cash held at variable rates while borrowings issued at fixed rates expose the Group to fair value interest-rate risk. Interest rate fluctuations may result in higher interest rates on the Group's floating-rate borrowings, thereby exposing the Group to the risk of increased financing costs.

The table below sets out the Group's exposure to interest rate risks. Included in the table are the liabilities stated at carrying amounts, categorised by maturity dates.

	As at 31 December 2025 *RMB billion*	As at 31 December 2024 *RMB billion*
Floating interests:		
Less than 12 months	**32.14**	48.10
1-5 years	**5.42**	5.41
Over 5 years	**1.01**	0.36
Subtotal	**38.57**	53.87
Fixed interests:		
Less than 12 months	**121.87**	137.99
1-5 years	**25.42**	56.91
Over 5 years	**2.40**	10.90
Subtotal	**149.69**	205.80
Total	**188.26**	259.67

The Group's interest rate risk management measures include optimizing the debt structure, reducing the interest rates, decreasing the debt size and using financial instruments related to interest rate. By constantly paying attention to interest rate risk and aligning closely with policy directions and maintaining proactive communication with financial institutions and other creditors, the Group leverages opportunities to negotiate interest rate reductions and exemptions on borrowings, thereby minimizing the impact of interest rate risks on its operations.

(3) Foreign Exchange Risks

As most of the Group's operating entities are located in China, the Group operates its business mainly in RMB. Given that some of the Group's bank deposits, financial assets at FVPL, derivative financial instruments and other borrowings are denominated in US dollars or Hong Kong dollars, the Group is exposed to foreign exchange risks. The potential impacts of foreign exchange risks on the Group may include the following:

(i) Increased direct repayment costs: The Group needs to purchase foreign exchange using RMB to repay foreign currency principal and interest. If foreign currencies appreciate against the RMB, the Group will incur higher RMB expenditures, leading to increased financial costs;

(ii) Cash flow pressure: Sharp exchange rate fluctuations may require the Group to raise additional RMB funds within a short period, resulting in liquidity strain; and

(iii) Translation risk: At the end of an accounting period, foreign currency liabilities must be converted into RMB at the spot exchange rate. If foreign currencies appreciate, the book value of liabilities will rise, potentially increasing the asset-liability ratio and reducing net assets, among other effects.

For the year ended 31 December 2025, the Group recorded an exchange gain in the amount of approximately RMB0.80 billion due to fluctuations in foreign exchange rates in the market. However, the Group's operating cash flow and liquidity were not significantly affected by fluctuations in foreign exchange rates.

The Group's measures to manage foreign exchange risks include monitoring exchange rate fluctuations, adjusting foreign currency deposits in a timely manner, using financial instruments for hedging, and working with lenders to convert foreign currency debt into local currency debt, etc. The Group will prudently monitor foreign exchange risks, and control foreign exchange risks in line with its current operational realities according to the aforementioned measures in a timely manner to minimise their impact on the Group.

(4) Climate Risk

The Group recognises the impact of climate change on the Company's operations, and analyzes and assesses the impact of climate risks that have a significant impact on its operations with a high probability of occurrence. To this end, the Group has adopted a series of targeted measures to enhance the Company's capacity to respond to climate change, align with the trend of green transformation, and support the Company's low-carbon transition and sustainable development.

The climate risks identified by the Group mainly include (i) physical risks and (ii) transition risks. Physical risks primarily include extreme hot, extreme cold, extreme precipitation, sea-level rise, and typhoons. Such climate events may affect construction progress, cultural and tourism operations, worker health, asset safety, and operating costs. In response, the Group has implemented multiple countermeasures, such as adjusting working hours, adopting cold-resistant and water-resistant materials, strengthening wind-resistant and flood-proof designs, optimizing construction plans, and improving contingency plans to enhance climate adaptability and resilience.

Transition risks encompass aspects such as increasingly stringent policies and regulations, increased investment in green technologies, changing market preferences, and reputational impact. The Group actively promotes its low-carbon transition and ensures sustainable development through initiatives including closely tracking policy developments, investing in low-carbon technology R&D, conducting market research and technology assessments, optimizing supply chain management, strengthening compliance disclosure, and maintaining transparent communication with investors.

17 Impact of Debt Restructuring

The Group completed the offshore debt restructuring and onshore public bond restructuring in 2025. As of 31 December 2025, the borrowings payable by the Group decreased by approximately RMB63.57 billion in principal amount due to the completion of the onshore and offshore debt restructurings, and the Group recorded a gain on onshore and offshore debt restructuring of approximately RMB32.97 billion in 2025. The Group expects that the completion of the holistic offshore debt restructuring and the Chiyu restructuring will increase the total equity attributable to the Company by approximately RMB44.10 billion, of which: (1) in 2025, restructuring gains attributable to owners of the Company of approximately RMB28.34 billion were recognised in the consolidated statement of comprehensive income, and an amount of approximately RMB1.34 billion was directly credited to equity due to the conversion of certain mandatory convertible bonds into shares and the issuance of shares to Chiyu, respectively; and (2) an amount of approximately RMB14.42 billion is expected to be directly credited to equity in 2026 to 2028 following the conversion of the mandatory convertible bonds into shares. The Group's borrowings are primarily categorized into offshore debt, onshore public market debt, and onshore property project debt. The completion of the offshore debt restructuring and onshore public bond restructuring in 2025 has completely resolved the debt risk at the listed company level and the Group's onshore public market debt risk, achieving a sustainable capital structure and further reinforcing the confidence in the Group among various parties through the shareholding structure stability arrangement and the employee stock ownership plan. This will establish a solid foundation for the Group to better advance various tasks in the future, including resolving debt risks and revitalizing assets related to onshore property projects.

Business Review and Outlook

In 2025, the government's overarching policy for the real estate industry was "sustained efforts to halt the downturn and restore stability in the real estate market", and a number of supporting policies were introduced successively. The Group continued to make every effort, with the support of policies and various parties, to advance various tasks such as guaranteed home delivery, debt risk resolution and asset revitalization, and continued to achieve significant progress.

The Group actively responded to the government's requirements for guaranteed home delivery, always made guaranteed home delivery as its primary operational objective and implemented its primary responsibilities. Through the Group's all-out efforts, support from various parties and the backing of policies, in 2025, the Group and its joint ventures and associates completed the delivery of approximately 54,000 houses, and cumulatively delivered over 722,000 houses in the past four years, substantially completing its guaranteed home delivery tasks.

In 2025, the Group made significant progress in resolving its debt risks. The Company completed the holistic offshore debt restructuring on 23 December 2025, and completed the implementation of all options under the onshore bond restructuring plan by the end of December, completely resolving the Company's debt risks and the Group's onshore public market bond risk, achieving a sustainable capital structure and further reinforcing the confidence in the Group among various parties through the shareholding structure stability arrangement and the employee stock ownership plan. This will establish a solid foundation to better advance various tasks in the future, including resolving debt risks and revitalizing assets related to onshore property projects.

The Group also continued to actively promote the revitalization of property projects and the resolution of project-level debt issues. The Group maintained close communication with financial institutions to advance extension plans, while also proactively advanced cooperations with asset management companies, other financial institutions and partners to promote the development of a more complete and comprehensive project revitalization and debt restructuring plan, achieving substantial progress in these efforts. In 2025, the Group revitalized 12 property projects, which is expected to generate approximately RMB11.2 billion in funds to address existing project debt issues and initiate project development and construction. To date, funds in a cumulative amount of approximately RMB8.58 billion have been received. Among these projects, Beijing One Sunac Opus Project* (北京融創壹號院), Wuhan Guanggu One Sino Park* (武漢光穀壹號院) and Tianjin Meijiang One Sino Park Phase II* (天津梅江壹號院二期) have commenced construction smoothly and achieved sales. In 2026, with the basic completion of guaranteed home delivery tasks and the conclusion of public market debt risk resolution, the Group's top priority will be to revitalize projects and resolve project-level debt issues by securing funding. The Group will continuously intensify its collaboration with asset management companies and other institutions that can provide incremental funds, dedicating efforts to accelerate the resolution of project debt risks and the revitalization of high-quality projects.

In 2025, the Group's loss significantly narrowed due to the completion of the offshore debt restructuring, and the scale of interest-bearing liabilities notably decreased. In 2025, continuously affected by market conditions, revenue of the Group was approximately RMB45.12 billion, representing a decline of approximately 39.0% as compared with that last year, while the gross loss was approximately RMB0.64 billion, representing a decrease of approximately 122.1% as compared with the gross profit of approximately RMB2.89 billion last year. The loss attributable to owners of the Company was approximately RMB12.33 billion, representing a significant narrowing of 52.0% as compared with the loss attributable to owners of the Company of approximately RMB25.70 billion last year, primarily due to the gain recorded from offshore debt restructuring during the year. As at the end of 2025, the Group's remaining interest-bearing liabilities were approximately RMB188.26 billion, representing a significant decrease of RMB71.41 billion as compared with the remaining interest-bearing liabilities as at the end of last year; the Group's total equity was approximately RMB46.84 billion, of which the equity attributable to owners of the Company was approximately RMB34.17 billion, indicating that the asset base was stable.

As at the end of 2025, the Group and its joint ventures and associates had a total land bank of approximately 107.772 million sq.m. (attributable land bank was approximately 76.513 million sq.m.), of which the unsold land bank was approximately 86.78 million sq.m. (unsold attributable land bank was approximately 60.50 million sq.m.). Looking ahead, as the real estate market stabilizes, adequate land bank will provide an important foundation for the Group to continuously resolve property project debt and support the gradual recovery of overall operations in the property sector.

In 2025, the Group's property management sector, Sunac Services Holdings Limited ("Sunac Services", stock code: 01516.HK), continued to face pressures and challenges in its overall operations. Through continuous and proactive adjustments and the improvement in management quality and efficiency, Sunac Services maintained stable operations despite the pressure arising from a decline in the average collection rate of property management fees, achieving a revenue of approximately RMB6.82 billion, and the profit attributable to the owners of Sunac Services reached approximately RMB0.20 billion, achieving a turnaround from loss to profit. In 2025, Sunac Services continued to make positive progress in expanding into mid-to-high-end residential properties in core cities and among large commercial and enterprise clients. At the end of 2025, Sunac Services had a gross floor area under management of approximately 0.26 billion sq.m..

In 2025, the Group's cultural and tourism sector (theme park, commercial, hotel and ice and snow) achieved a revenue of approximately RMB4.73 billion, operating relatively steadily but facing overall pressure. Currently, the cultural and tourism industry is undergoing profound adjustments, with the market competition landscape becoming increasingly differentiated, presenting numerous challenges to the Company's operations. To adapt to market changes, the theme park business focuses on outdoor parks and the performance track, enhancing immersive experiences through an integrated model of "performance + commerce + scene + technology", while continuing to refine benchmark integrated cultural and tourism products to achieve stable operation. The commercial business operates based on the fundamental logic of cultural and tourism commerce, introducing cultural and tourism brand formats and innovating marketing activities to precisely activate market vitality. Throughout the year, operating indicators steadily improved, achieving an increase in both visitor traffic and sales volume. In the future, we will further expand the development of cultural and tourism-oriented commercial projects and continue to build a competitive moat in cultural and tourism commercial leasing and operation capabilities. The ice and snow business continuously solidifies its industry-leadership influence, with the successful opening of two new ski resorts in Zhengding and Shenzhen, bringing the number of ski resorts under operation to 11; new projects in Wenzhou, Hangzhou and others have been signed, continuously expanding its footprints in the industry. Going forward, the cultural and tourism sector will adhere to a strategy of proactive adjustment and active optimization, comprehensively integrating internal and external resources to seek new breakthroughs and growth points.

Looking forward, the central government has clearly included "promoting high-quality real estate development" in the 15th Five-Year Plan, proposing to accelerate the establishment of a new model for real estate development, improve the housing system with multiple suppliers, multiple channels of security, and a combination of rental and purchase, and achieve a higher level of adequate housing. The Group expects that the government will, on one hand, continue to increase policy support to further stabilize the housing market, and promote high-quality industry development, and on the other hand, will focus on progressively improving long-term mechanisms and accelerating the implementation of the new real estate development model. The Group will remain steadfast in its long-term confidence and will, in the future, make all-out efforts to advance various tasks including resolving debt risks and revitalizing assets related to onshore property projects, supporting the gradual recovery of the long-term creditworthiness and operations of the Group's property development sector. Concurrently, the Group will respond to policy directives and, based on its own foundation and years of accumulated experience, actively explore the transformation and upgrading of its property development business. The Group will continue to strive to enhance the competitiveness of its light-asset management businesses such as property services, commercial management, ice and snow, and cultural and tourism. At the same time, it will closely monitor the development of policies related to REITs, and in alignment with the development of the Group's light-asset management businesses and the need to resolve debt issues related to self-owned property assets, actively explore the feasibility of establishing REITs platforms to better support the business development and the unlocking of the asset value.

Summary of Land Bank

As at 31 December 2025, the Group and its joint ventures and associates had a total land bank of approximately 107.772 million sq.m. and attributable land bank of approximately 76.513 million sq.m.. The breakdown of land bank by cities is as follows:

Urban circle	City	Attributable land bank *0'000 sq.m.*	Total land bank *0'000 sq.m.*
Yangtze River Delta	Wenzhou	149.9	178.7
	Shanghai	121.3	165.7
	Hangzhou	97.0	179.0
	Shaoxing	94.0	124.2
	Xuzhou	91.1	100.9
	Haiyan	60.0	62.0
	Wuxi	57.0	106.6
	Changzhou	51.8	74.8
	Nantong	48.0	63.3
	Suzhou	45.0	78.6
	Others	210.9	445.5
	Subtotal	**1,026.0**	**1,579.3**
Bohai Rim	Qingdao	514.0	595.9
	Tianjin	418.4	468.8
	Harbin	192.4	207.9
	Taiyuan	157.7	228.9
	Dalian	109.1	109.1
	Ji'nan	106.0	146.9
	Shenyang	103.1	186.2
	Beijing	74.2	90.6
	Tangshan	66.4	75.9
	Langfang	51.9	56.4
	Zhangjiakou	43.7	57.5
	Yantai	42.0	81.9
	Others	91.5	112.7
	Subtotal	**1,970.4**	**2,418.7**

Urban circle	City	Attributable land bank *0'000 sq.m.*	Total land bank *0'000 sq.m.*
Southern China	Jiangmen	165.1	177.4
	Qingyuan	133.7	146.0
	Hainan Province	110.4	130.6
	Huizhou	65.6	69.1
	Zhaoqing	57.7	57.7
	Zhongshan	56.6	57.2
	Guangzhou	50.8	141.4
	Zhuhai	41.7	41.7
	Others	100.6	153.7
	Subtotal	**782.2**	**974.8**
Western region	Chongqing	666.7	1,021.9
	Meishan	653.5	952.3
	Xishuangbanna	238.3	276.7
	Guiyang	194.9	271.0
	Xi'an	130.6	216.3
	Kunming	126.1	232.5
	Chengdu	124.6	185.4
	Dali	82.6	137.7
	Yinchuan	79.3	89.2
	Guilin	70.5	72.7
	Nanning	68.3	101.6
	Yulin	51.0	51.0
	Guigang	43.7	48.4
	Others	307.4	575.0
	Subtotal	**2,837.5**	**4,231.7**

Urban circle	City	Attributable land bank *0'000 sq.m.*	Total land bank *0'000 sq.m.*
Central region	Wuhan	406.4	714.6
	Changsha	156.4	204.8
	Zhengzhou	145.0	189.6
	Xinxiang	98.8	98.8
	Xianning	56.9	81.3
	Ezhou	41.7	95.2
	Others	130.0	188.4
	Subtotal	**1,035.2**	**1,572.7**
	Total	**7,651.3**	**10,777.2**

OTHER INFORMATION

Final Dividend

The Board did not recommend the payment of any final dividend for the year ended 31 December 2025 (2024: Nil).

Purchase, Sale or Redemption of Company's Listed Securities

The Company has adopted a share award scheme (the "Share Award Scheme") on 8 May 2018 (the "Adoption Date"), and for details, please refer to the announcement issued by the Company on 8 May 2018. During the period from the Adoption Date to 30 June 2019, the trustee of the Share Award Scheme purchased on the open market a total of 94,653,000 shares of the Company (the "Shares") at the total consideration of approximately HK$2.57 billion pursuant to the rules of the Share Award Scheme and the terms of the trust deed. Since 30 June 2019 and for the year ended 31 December 2025, the trustee of the Share Award Scheme did not purchase any Shares.

Save as the aforesaid, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the year ended 31 December 2025. As at 31 December 2025, the Company did not hold any treasury shares.

Completion of Onshore Debt Restructuring

Sunac Real Estate Group Co., Ltd.* (融創房地產集團有限公司) ("Sunac Real Estate", a wholly-owned subsidiary of the Company) has restructured a total of ten onshore corporate bonds and supply chain asset-backed special plans (collectively, the "Onshore Bonds") issued by it (the "Onshore Debt Restructuring"). The restructuring plans of the ten Onshore Bonds have all been considered and approved at the relevant meetings of bondholders between December 2024 to January 2025.

As of 31 December 2025, Sunac Real Estate has fully implemented the bonds repurchase option, the payment via equity economic income right option and the debt settlement with asset option under the terms of the Onshore Debt Restructuring, and has repaid the Onshore Bonds totaling approximately RMB10.6 billion, while the remaining Onshore Bonds with an amount of approximately RMB4.8 billion have been extended with the last maturity date being June 2034.

Completion of the Holistic Offshore Debt Restructuring

On 23 December 2025, all conditions precedent to the holistic offshore debt restructuring have been satisfied by the Company, and the restructuring effective date occurred on 23 December 2025. The Company's existing debt of approximately US$9.6 billion has been fully released and discharged. In consideration thereof, the Company issued MCB 1 and MCB 2 with a total amount of approximately US$9.659 billion to the scheme creditors on the restructuring effective date in accordance with the terms of the scheme. Please refer to the announcement of the Company dated 23 December 2025 for details.

Adoption of the Employee Stock Ownership Plan

The Company adopted an employee stock ownership plan (the "ESOP") on 23 December 2025, and for details, please see the announcements of the Company dated 18 August 2025 and 23 December 2025, and the circular dated 22 August 2025. Under the plan terms of the ESOP, the Company will grant share awards to its selected employees as a long-term supplementary form of remuneration by way of allotting and issuing new Shares, and the plan is also to incentivize future continuous contribution of the grantees to the Group, in order to promote the continuous operations and the long-term business recovery and growth of the Group. For the year ended 31 December 2025, the Company did not grant any share awards or issue any new Shares under the ESOP.

Issue of New Shares Under General Mandate

1. ***Implementation of the Payment via Equity Economic Income Right Option in the Onshore Debt Restructuring***

   To facilitate the orderly implementation of payment via equity economic income right option in the Onshore Debt Restructuring, on 3 July 2025, the Company entered into a subscription agreement with a special purpose vehicle, pursuant to which the special purpose vehicle conditionally agreed to subscribe for, and the Company conditionally agreed to allot and issue, an aggregate of 754,468,943 shares. The Company allotted and issued such shares on 9 July 2025 under the general mandate. Onshore funds equivalent to the net proceeds from the special purpose vehicle's disposal of such shares will be used to settle the relevant onshore bonds with an aggregate amount of approximately RMB5.6 billion held by onshore bondholders who elected the payment via equity economic income right option. For details, please refer to the Company's announcement dated 4 July 2025.

2. ***Entry into the Chiyu Restructuring Deed***

   On 16 December 2025, to restructure the only remaining debt of the Company outside the scope of the holistic offshore debt restructuring, the Company, Sanya Qingtian Tourism Industry Corporation Limited* (三亞青田旅遊產業有限公司) ("Sanya Qingtian", a subsidiary of the Company) and Chiyu Banking Corporation Limited ("Chiyu") entered into the Chiyu restructuring deed. As at the date of the Chiyu restructuring deed, the outstanding principal of such loan was HK$858 million. Pursuant to the Chiyu restructuring deed, upon the Chiyu restructuring effective date, all outstanding amounts owed by the Company and Sanya Qingtian to Chiyu under the Chiyu finance documents has been restructured as follows: (a) an amount equivalent to 35% of the Chiyu outstanding principal (i.e., HK$300.3 million) will be restated as the Chiyu restated loan, which 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 279,212,879 new Shares by the Company to Chiyu. The Company issued such Shares under general mandate on 29 December 2025. Please refer to the announcement of the Company dated 17 December 2025 for details.

Significant Investment, Material Acquisitions and Disposals

1. ***The Existing Debt Restructuring and New Financing Revitalization Project in Relation to the Chongqing Bay Project***

   On 23 January 2025, the Group and Great Wall (Tianjin) Equity Investment Fund Management Co., Ltd.* (長城(天津)股權投資基金管理有限責任公司, "Great Wall Investment Fund"), Wuhu Great Wall Real Estate Risky Assets Revitalization Investment Center (Limited Partnership)* (蕪湖長城房地產風險資產盤活投資中心(有限合夥), "Great Wall Risky Assets Revitalization Investment Center"), CITIC Trust Co., Ltd.* (中信信託有限責任公司, "CITIC Trust"), China CITIC Financial Asset Management Co., Ltd* (中國中信金融資產管理股份有限公司, "China CITIC Financial Asset") and Sunshine 100 Real Estate Group Co., Ltd.* (陽光壹佰置業集團有限公司, "Sunshine 100 Real Estate") entered into relevant agreements including a limited partnership agreement, pursuant to which (1) Great Wall Risky Assets Revitalization Investment Center as the senior limited partner proposed to make capital contribution to Wuhu Changzhen Investment Center (Limited Partnership)* (蕪湖長真投資中心(有限合夥)) of not exceeding RMB2.476 billion in cash, of which, in principle, ① not more than RMB1.326 billion would be mainly used for the development and construction of the Chongqing Bay Project (a project located in Chongqing, the PRC mainly for the development of residential and commercial properties for sale) and other funding requirements that may affect the development of the Chongqing Bay Project, and ② not less than RMB1.15 billion (subject to the actual amount eventually purchased by Great Wall Risky Assets Revitalization Investment Center) will be used to purchase the intermediate limited partnership interest held by CITIC Trust; (2) CITIC Trust shall subscribe for the intermediate limited partnership interest with the debts owing by Chongqing Sunshine 100 Real Estate Development Co., Ltd.* (重慶陽光壹佰房地產開發有限公司) (the "Project Company") to the trust scheme managed by CITIC Trust of approximately RMB5.0 billion for a consideration of approximately RMB3.174 billion; (3) China CITIC Financial Asset shall subscribe for the junior limited partnership interest with the debts owing by the Project Company to it; (4) Sunshine 100 Real Estate shall subscribe for the junior limited partnership interest with the debts owing by the Project Company to it or in cash; and (5) the Group shall subscribe for the junior limited partnership interest with the debts owing by the Project Company to it and its certain equity interests in the Project Company. Upon completion of the transaction, the Project Company would no longer be a subsidiary of the Company. Please refer to the announcement of the Company dated 23 January 2025 for details.

Important Events after the Reporting Period

Dismissal of the Winding-up Petition

On 10 January 2025, the Company received a winding-up petition (the "Petition") filed by China Cinda (HK) Asset Management Co., Limited (the "Petitioner") at the High Court of the Hong Kong Special Administrative Region (the "High Court") in relation to the non-repayment of the loan to the Petitioner as lender by Shining Delight Investment Limited (an indirect wholly-owned subsidiary of the Company) as borrower and the Company as guarantor, in the aggregate principal amount of US$30,000,000 and accrued interests.

Following the completion of the Company's holistic offshore debt restructuring including the above loan on 23 December 2025, and upon the joint application of the Company and the Petitioner by way of consent summons, an order was made by the High Court on 5 January 2026 that the Petition be dismissed.

Employee and Remuneration Policy

As at 31 December 2025, the Group had a total of 31,365 employees (as at 31 December 2024: 36,364 employees). The Group's employee remuneration policy is determined by reference to factors such as remuneration standard of the local market, the overall remuneration standard in the industry, inflation level, corporate operating efficiency and employee performance. The Group conducts two performance appraisals for its employees every year, the results of which are applied in annual salary and promotional assessment. Social insurance is paid by the Group for its employees in Mainland China in accordance with the relevant PRC regulations. The Group also operates insurance and mandatory provident fund schemes for Hong Kong employees (if any). The Group also maintains social security or other retirement schemes for its overseas employees (if any) in accordance with local regulations.

Compliance with the 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") contained in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") as the guidelines for the Directors' dealings in the securities of the Company. Following specific enquiries of all the Directors, all the Directors confirmed that they had complied with the required standards as set out in the Model Code in relation to their securities dealings during the year ended 31 December 2025, if any.

Compliance with the Corporate Governance Code

The Company has adopted the Corporate Governance Code (the "Corporate Governance Code") contained in Appendix C1 to the Listing Rules as its own code on corporate governance and had, throughout the year ended 31 December 2025, complied with all applicable code provisions under the Corporate Governance Code.

The Board recognises the importance and benefits of good corporate governance practices and has adopted certain corporate governance and disclosure practices for achieving a higher standard of transparency and accountability. The Board members have regular discussions about the business strategies and performance of the Group. They, together with the relevant senior executives of the Group, have also attended regular training on the Listing Rules and other regulatory requirements. The Company has established an internal reporting practice throughout the Group in order to monitor the operation and business development of the Group.

Audit Committee

The Company has established an audit committee (the "Audit Committee") with written terms of reference in compliance with the Listing Rules. The Audit Committee currently consists of four independent non-executive Directors, namely, Mr. Poon Chiu Kwok, Mr. Zhu Jia, Mr. Ma Lishan and Mr. Yuan Zhigang, and is chaired by Mr. Poon Chiu Kwok who possesses the qualification of professional accountant. The primary duties of the Audit Committee are to assist the Board to fulfill the functions of reviewing and monitoring the financial reporting procedure, internal control and risk management systems of the Company, to review the corporate governance policies and practices and to perform other duties and responsibilities as assigned by the Board.

The Audit Committee has reviewed the accounting principles and practices adopted by the Company and discussed matters concerning the audit, internal control and risk management systems and financial reporting, including reviewing the Group's results for the year ended 31 December 2025.

Review of Results Announcement

The figures in respect of the Group's consolidated balance sheet, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in this results announcement have been agreed by the Group's auditor, BDO Limited, to the figures set out in the Group's audited consolidated financial statements for the year. The work performed by BDO Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by BDO Limited on this announcement.

Publication of the Annual Results Announcement and Annual Report

This announcement is published on the website of the Stock Exchange (www.hkexnews.hk) as well as the website of the Company (www.sunac.com.cn). The Company's 2025 annual report, the annual general meeting ("AGM") circular, the notice of AGM, the proxy form and relevant documents will be published on the aforementioned websites in due course.

Holders of securities and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

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

Hong Kong, China, 27 March 2026

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.

* *For identification purpose only*