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廣州富力地產股份有限公司
GUANGZHOU R&F PROPERTIES CO., LTD.

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock code: 2777)

QUARTERLY UPDATE ON IMPLEMENTATION OF ACTION PLAN TO RESOLVE AUDITOR'S DISCLAIMER OF OPINION ON THE ANNUAL CONSOLIDATED FINANCIAL STATEMENTS

References are made to the annual report of Guangzhou R&F Properties Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) for the year ended 31 December 2024 (“**FY2024**”) published on 29 April 2025 (the “**Annual Report**”) and the announcements of the Company dated 30 June 2025 and 30 September 2025 (the “**Update Announcements**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those used in the Annual Report.

As disclosed in the Annual Report, the Auditor did not express an opinion on the consolidated financial statements of the Group for FY2024 (the “**Disclaimer of Opinion**”) due to multiple uncertainties relating to going concern, the details of which are set out on pages 39 to 42 of the Annual Report. The Company proposed to implement the action plan as set out on pages 51 to 52 of the Annual Report (the “**Action Plan**”) to address the Disclaimer of Opinion.

The Company provided updates on the implementation of the Action Plan during the period from 29 April 2025 to 30 September 2025 in the Update Announcements, and wishes to provide further updates on the implementation of such Action Plan for the period from 1 October 2025 to the date of this announcement (the “**Relevant Period**”), as follows:

I. Offshore Restructuring

References are made to the announcements of the Company dated 16 December 2024, 23 January 2025, 28 February 2025, 31 March 2025, 16 May 2025, 31 July 2025, 12 September 2025, 26 September 2025, 10 October 2025, 14 October 2025, 14 November 2025 and 28 November 2025 in relation to, among other things, the restructuring of the in-scope debt comprising the 6.5% Cash/7.5% PIK Senior Notes due in 2025, 2027 and 2028 (the “Notes”) respectively issued by Easy Tactic Limited (the “Notes Issuer”), a subsidiary of the Company, and any other financial indebtedness of the Group as designated by the Company, the Notes Issuer and R&F Properties (HK) Company Limited (“R&F (HK)”, and together with the Company and the Notes Issuer, the “Transaction Companies”) at their sole discretion (the “Offshore Restructuring”).

On 16 December 2024, the Company announced a restructuring proposal for the Offshore Restructuring and the related terms of the restructuring support agreement (the “RSA”). On 14 October 2025, the Transaction Companies entered into an amendment agreement to effect certain amendments to the RSA which were considered beneficial to the interests of the scheme creditors and other stakeholders as a whole. As announced on 28 November 2025, scheme creditors representing approximately 77% of the aggregate outstanding principal amount of the in-scope debt have acceded or are taking steps to accede to the RSA as at noon Hong Kong time on that date. The Offshore Restructuring entails a significant deleveraging of the Group’s offshore indebtedness, which will enable the Company to better manage its operations and deliver long-term value for its stakeholders upon consummation.

As of the date of this announcement, the Offshore Restructuring is in progress. Further announcement(s) will be made by the Company to inform shareholders and other investors of the Company of any material developments relating to the Offshore Restructuring as and when appropriate.

II. Onshore Restructuring

References are made to the announcements of the Company dated 10 September 2025 and 11 November 2025 in relation to the restructuring of the Company’s domestic corporate bonds (the “Onshore Restructuring”).

In view of the Company’s overall operating situation, the Company has proposed to offer a holistic restructuring of the Company’s domestic corporate bonds for the Company’s domestic bondholders, including cash repurchase (現金購回), debt settlement with assets (以物抵債), debt offsetting by accounts receivable trust units (應收賬款信託份額抵債), debt offsetting by asset trust units (資產信託份額抵債), payment via equity economic income right (股票經濟收益權兌付) and full debt retention and long-term extension (全額留債長展期). In November 2025, the restructuring proposal in relation to one of the domestic bonds in the outstanding principal amount of approximately RMB1.68 billion has been passed in the relevant bondholders’ meeting. The Company will continue to advance the Onshore Restructuring by convening bondholders’ meetings for the remaining domestic bonds within the scope of the Onshore Restructuring.

If the Onshore Restructuring plan can be smoothly implemented and completed, it will ease the Company's short-term debt repayment pressure, reduce the Company's debt ratio, optimize the debt structure, and improve the financial situation; at the same time, it will enable the Company to focus more on its core business, stabilize operations, and improve operational capabilities.

As of the date of this announcement, the Onshore Restructuring is in progress. The Company will make further announcement(s) as and when necessary in accordance with relevant rules and regulations.

III. Acceleration of sales and pre-sales

The total contracted sales of the Group in September to November 2025 have improved as compared to same period last year. The Group's total contracted sales for the months of September to November 2025 amounted to approximately RMB3.290 billion (September to November 2024: approximately RMB3.084 billion) with 318,300 sq.m. (September to November 2024: 232,100 sq.m.) of GFA.

The cumulative total contracted sales in 2025 as at the end of November 2025 have also improved as compared to same period last year. At the end of November 2025, the Group's cumulative total contracted sales were approximately RMB12.7 billion (at the end of November 2024: approximately RMB10.19 billion) with 1,261,600 sq.m. (at the end of November 2024: 763,600 sq.m.) of GFA sold.

The Group will continue to implement measures to accelerate the pre-sales and sales of its properties under development and completed properties, and to speed up the collection of outstanding sales proceeds and other receivables. The Group will also continue to actively adjust sales and pre-sale activities to better respond to changing markets to achieve the latest budgeted sales and pre-sales volumes and amounts.

IV. Other progress

In addition to the above, during the Relevant Period, the Group has been in active discussions with the relevant existing lenders to extend, refinance or restructure the Group's borrowings and has successfully extended certain borrowings. The Group has also continued to make adjustments to control administrative costs and contain unnecessary capital expenditures to preserve liquidity as well as to actively assess additional measures to further reduce discretionary spending. Furthermore, the Group has also continued to seek suitable opportunities to dispose of the equity interest in certain project development companies to generate additional cash inflows. While it has continued to seek for new sources of financing to address upcoming financial obligations and future operating cash flow requirements, these efforts are ongoing and would require time to formulate or implement due to ongoing changes in market conditions. Lastly, the Group has continued to use its best endeavours to reach a solution on the outstanding litigations of the Group.

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

By Order of the Board
Guangzhou R&F Properties Co., Ltd.
Li Sze Lim
Chairman

31 December 2025, Hong Kong

As at the date of this announcement, the executive directors of the Company are Dr. Li Sze Lim, Mr. Zhang Hui, Mr. Xiang Lijun and Mr. Zhao Feng; the non-executive directors are Ms. Zhang Lin and Ms. Li Helen; and the independent non-executive directors are Mr. Zheng Ercheng, Mr. Ng Yau Wah, Daniel and Mr. Wong Chun Bong.

** For identification purpose only*