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COUNTRY GARDEN HOLDINGS COMPANY LIMITED

碧桂園控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2007)

ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL HIGHLIGHTS

- For the year ended 31 December 2025, the Group together with its joint ventures and associates achieved contracted sales attributable to the shareholders of the Company of approximately RMB33.01 billion, contracted sales GFA attributable to the shareholders of the Company of approximately 4.02 million sq.m..
- During the year, the Group recorded total revenue of approximately RMB154.89 billion, representing a year-on-year decrease of approximately 38.7%.
- During the year, the Group recorded a net profit approximately RMB1.62 billion, and a net profit attributable to the owners of the Company of approximately RMB3.26 billion.
- During the year, the Group's selling and marketing costs and administrative expenses amounted to approximately RMB9.09 billion, representing a year-on-year decrease of 15.7%.

The board (the “**Board**”) of directors (the “**Director(s)**”) of Country Garden Holdings Company Limited (the “**Company**”) hereby announces the audited consolidated results of the Company and its subsidiaries (collectively, the “**Group**” or “**Country Garden**”) for the year ended 31 December 2025.

BUSINESS REVIEW AND OUTLOOK

2025 was a crucial year for the deepening transformation of China’s real estate industry. The 15th Five-Year Plan suggests to expressly list high-quality development of real estate as a core task for safeguarding people’s livelihood, marking a fundamental return of the industry’s positioning as “the cornerstone of people’s livelihood”. Shifting from large-scale, rapid-turnover incremental development towards refined operations, the industry is fully integrated into the overall deployment for safeguarding people’s livelihood and achieving common prosperity.

The 2026 Government Work Report set the tone for “focusing on stabilizing the market” and systematically promoting “city-specific policies to control incremental volume, reduce inventory and optimize supply”, while expressly promoting the conversion of existing inventory into subsidized housing and the construction of safe, comfortable, green and smart “quality houses”. It has simultaneously strengthened the “white list” mechanism to prevent risks, providing clear policy guidance for the industry to fix its balance sheet, and creating a favorable environment.

A clear policy framework is driving the market’s evolution towards a high-quality development model anchored on “quality houses” and refined operations. For Country Garden, this is both a challenge and, at the same time, a strategic opportunity to remain committed to its original aspiration of “products and services”, and to systematically build future-based core competitiveness in fields such as quality real estate and intelligent construction. The Company believes that as the industry gradually advances from the adjustment period, a more robust new development stage that places more focus on quality and people’s livelihood is commencing, which will also provide a broader stage for all enterprises that adhere to sustainability and take the initiative to seek changes.

Over the last three years, the Company found itself in a “no man’s land” of complexity, uncertainty and long-term challenges. After fighting two difficult and protracted battles, namely “ensuring property delivery” and debt restructuring, the Company has achieved decisive results. For the year ended 31 December 2025 (the “**Year**”), the Group recorded revenue of approximately RMB154.89 billion. The Group, together with its joint ventures and associates, completed the delivery of approximately 170,000 units of properties, with a total delivered GFA of approximately 19.82 million square meters, covering 204 cities across 28 provinces. The Company will continue to focus on “high-quality delivery, risk mitigation, asset and liability restoration, and sustainable operations”, while meticulously quantifying the sub-tasks for each core work stream, actively responding to various support policies from national and local governments, and revitalizing resources through various acquisition and storage policies to support the smooth progress of property deliveries.

At the operational level, the Company has always prioritized the maintenance of its stable and sustainable operations, and its core management team was united, stable and of one mind. In 2025, the Group and its joint ventures and associates together achieved contracted sales attributable to the shareholders of the Company of approximately RMB33.01 billion with contracted sales GFA attributable to the shareholders of the Company of approximately 4.02 million square meters. The Company continued to optimize its organizational structure and expense control, with total administrative expenses and selling and marketing cost during the Year decreasing by 15.7% as compared to last year, while operational efficiency was continuously improving. On the sales side, the Company adhered to the refined control of “one strategy for one real estate project”, and formulated reasonable sales prices and supply plans by taking into account the actual situation of the local market as well as the respective capital and debt profile of projects. Such initiatives were to maintain a reasonable rate of flow and striving to maximizing the asset value, and to continuously manage its balance sheet, while preparing for the sale of completed properties. The Company will draw on its experience from the critical task of “ensuring property delivery” to drive a comprehensive operational transition, gradually resume normal operations, maintain positive operating cash flow, and ultimately sustain positive overall cash flow and profit. To this end, the headquarters and regions will work together to promote the reshaping of core capabilities to navigate through cycles by improving mechanisms and systematically enhancing talent teams, and persist in exploring the path of “secondary entrepreneurship” based on actual conditions, ensuring that all measures are implemented effectively and that “every endeavor results in success.”

Decisive progress was made in stabilizing assets and liabilities. The offshore debt restructuring proposal involving a total value of approximately USD17.7 billion officially became effective on 30 December 2025; meanwhile, the onshore debt restructuring proposal (involving nine tranches of bonds) with a total value of approximately RMB13.77 billion has also been fully approved. The cost of new debt financing after the reorganization has been significantly reduced, and the maturity has been significantly extended. This has won a crucial strategic window for the Company to shed its burdens and move forward unencumbered over the next five years.

The “One Core and Two Wings” strategy which the Company has implemented since 2021 is highly consistent with the direction of the industry’s high-quality transformation. Over the past year, significant progress was made in the “Two wings” businesses: Phoenix Zhituo Construction and Management Company Limited (Management and Construction Services) actively responded to the national call for the construction of quality houses by creating innovative products, and its brand influence has received multiple top industry recognitions; while Bright Dream Robotics, under Giant Leap Construction Technology Group Co., Ltd (Technology-enabled Construction), has delivered a cumulative total of over 5,000 construction robots, making solid progress in external market expansion and international applications. The core component of the Company’s strategy will revolve around “building core competitiveness”. We will actively

explore the integrated application of “New Technologies + AI” and promote the transition to data-driven management to navigate the cycle and enter a path of sound development.

Forging resilience to break through challenges, steadily expanding into a new journey. Though the road ahead may be rugged, only by forging ahead can we live up to expectations. The development of Country Garden has benefited deeply from the solid trust of all sectors of society. The Company bears in mind the strategic guidance of the government and regulatory authorities, thanks financial institutions for their staunch support, cherishes our partners who have stood with us through adversity, is grateful for the long-term commitment of our investors, and is especially appreciative of the enduring affection from property owners. Hereby, the Company would like to express the most heartfelt gratitude and highest respect to every partner who has joined us on this journey!

IMPORTANT EVENTS DURING AND AFTER THE FINANCIAL PERIOD

Debt restructuring

Reference is made to the announcements of the Company dated 10 October 2023, 16 January 2024, 7 April 2024, 27 June 2024, 30 September 2024, 9 January 2025, 11 April 2025, 9 May 2025, 23 May 2025, 6 June 2025, 18 August 2025, 13 October 2025, 30 October 2025, 6 November 2025, 5 December 2025, 22 December 2025, 29 December 2025 and 31 December 2025 in relation to, inter alia, the Proposed Restructuring (together, the “**Announcements**” (unless otherwise specified or the context otherwise requires)) and the circular of the Company dated 17 November 2025 (the “**Circular**”). Capitalised terms used in this section shall have the same meanings as ascribed to them in the Announcements, the Circular or the RSA (as defined below) unless otherwise stated or the context otherwise requires.

Following the announcement by the Company of the key terms of the Restructuring Proposal and reaching consensus with seven eminent banks that are long-term lenders to the Group on 9 January 2025, the Group has since achieved significant milestones in implementing the Proposed Restructuring:

- (i) as disclosed in the announcements of the Company dated 11 April 2025, 9 May 2025, 23 May 2025 and 6 June 2025, the Company has entered into a restructuring support agreement (the “**RSA**”) with the AHG, i.e. holders of approximately 30% of the outstanding principal amount of USD senior notes and Existing HKD Convertible Bonds issued by the Group, on 11 April 2025 under which the principal terms of the Restructuring Proposal were agreed;

- (ii) as disclosed in the announcement of the Company dated 18 August 2025, the principal terms of the Restructuring Proposal, pursuant to an amendment agreement to the RSA dated 18 August 2025, have also been agreed with the CoCom, i.e. lenders representing 49% in aggregate principal amount of the Existing Syndicated Loans;
- (iii) as disclosed in the announcement of the Company dated 6 November 2025, the special resolutions regarding the change of governing law of the Existing HKD Convertible Bonds to the laws of Hong Kong were duly passed at the 2023 Convertible Bonds Consent Solicitation Meeting conducted at 5:00 p.m. Hong Kong time on 5 November 2025 and the 2026 Convertible Bonds Consent Solicitation Meeting conducted at 5:30 p.m. Hong Kong time on 5 November 2025. In addition, the Scheme was approved by the requisite statutory majorities of Scheme Creditors (Class 1) and Scheme Creditors (Class 2) at the Scheme Meeting (Class 1) convened at 6:00 p.m. Hong Kong time on 5 November 2025 and the Scheme Meeting (Class 2) convened at 8:00 p.m. Hong Kong time on 5 November 2025, respectively;
- (iv) as disclosed in the announcement of the Company dated 5 December 2025, by an order made by the Court on 4 December 2025 (the “**Sanction Order**”), the Scheme has been sanctioned by the Court. A sealed copy of the Sanction Order was filed with the Hong Kong Registrar of Companies for registration on 5 December 2025. Accordingly, the Scheme Effective Date (as defined in the Scheme) for the Scheme occurred on 5 December 2025 in accordance with the terms of the Scheme;
- (v) as disclosed in the announcement of the Company dated 29 December 2025, the Company designated 30 December 2025 as the Restructuring Effective Date (the “**RED**”); and
- (vi) as disclosed in the announcement of the Company dated 31 December 2025, the RED has occurred on 30 December 2025. The Proposed Restructuring broadly involves the cancellation of the Existing Debt and the release of all Existing Debt Obligors in exchange for the issuance of Scheme Consideration Entitlements (including the SCA Loan, MCB (A), MCB (B), MTI, LTI (A), LTI (B), the SCA Warrants and the Scheme Creditor CVR) to Scheme Creditors under the Scheme on the RED (save for the Scheme Creditor CVR, which will be issued upon completion of the Proposed Disposal). All of the rights, title and interest of Scheme Creditors in respect of the Existing Debt shall be subject to each of the arrangements and compromises set out in the Scheme on the terms and conditions set out in the Scheme.

These developments reflect meaningful progress in the Company’s efforts to stabilise its financial position and address its offshore liabilities.

The successful implementation of the Proposed Restructuring is expected to enable the Group to better focus on housing delivery, continue its business operations, maintain the value of its assets, and implement its business and asset disposal strategies that it believes have the greatest potential to maximise value for all stakeholders.

Onshore Debt Restructuring Proposal

The Group provided a holistic restructuring proposal to the holders of 9 onshore corporate bonds (collectively, the “**Subject Bonds**”), making adjustments to the principal and interest repayment arrangements for the Subject Bonds and providing restructuring options including a repurchase option, a stock option and a general creditor claim option. The aforesaid bonds restructuring was progressed by convening bondholders’ meetings, and during the period between September and December 2025, the restructuring proposal was passed by voting at the meetings of relevant bondholders. Accordingly, the principal and interest repayment arrangements for the Subject Bonds were adjusted in 2025.

In 2026, the Group will, in accordance with relevant provisions of the restructuring proposal, initiate the cash repurchase option, the stock option and the general creditor claim option in sequence, and arrange for bondholders to make selection and allocation in the restructuring proposal options for the corporate bonds held by them.

In February 2026, the Group initiated the repurchase option in accordance with relevant terms of the resolutions of the bondholders’ meetings, with the maximum aggregate amount of funds intended for the repurchase being RMB450 million. As of the date of this announcement, the repurchase applications for the relevant bonds have been completed. The Company will also make further announcements regarding the progress of the subsequent options as and when necessary in accordance with the relevant rules and regulations.

For details regarding the latest information on domestic bonds, please refer to the announcement of the Company dated 4 December 2025, the Announcement of Country Garden Holdings Company Limited on Major Matters of Corporate Bonds (Bond code: 135797) published by the Company on the website of the Shanghai Stock Exchange of the People’s Republic of China (the “**SSE**”), the Announcement of Country Garden Real Estate Group Co., Ltd. on Major Matters of Corporate Bonds (Bond codes: 163015, 175214, 175366, 149407, 149509, 149632 and 149748) published by Country Garden Real Estate Group Co., Ltd. on the websites of the SSE and the Shenzhen Stock Exchange of the People’s Republic of China, and the Announcement of Giant Leap Construction Technology Group Co., Ltd. on Major Matters of Corporate Bonds (Bond code: 136780) published by Giant Leap Construction Technology Group Co., Ltd. on the website of the SSE.

These developments reflect meaningful progress in the Company’s efforts to stabilise its financial position and address its liabilities, which enable the Group to better focus on housing delivery, continue its business operations, maintain the value of its assets, and implement its business and asset disposal strategies that it believes have the greatest potential to maximise value for all stakeholders.

Winding-up petition

A winding-up petition dated 27 February 2024 was filed by Ever Credit Limited (the “**Petitioner**”) at the High Court of the Hong Kong Special Administrative Region (the “**High Court**”) against the Company, in relation to the non-payment of a term loan facility between the Petitioner as lender and the Company as borrower in the principal amount of approximately HK\$1.6 billion, plus accrued interest. The Company opposed the petition vigorously and, following the successful implementation of the Proposed Restructuring, the petition was eventually dismissed by an order of the High Court dated 16 February 2026.

For further details of the winding-up petition, please refer to the announcements of the Company dated 28 February 2024, 4 March 2024, 17 May 2024, 6 June 2024, 29 July 2024, 9 January 2025, 20 January 2025, 11 April 2025, 26 May 2025, 7 August 2025, 31 December 2025 and 16 February 2026.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31 December	
	2025	2024
	<i>Note</i>	
	RMB million	RMB million
ASSETS		
Non-current assets		
Property, plant and equipment	18,983	21,077
Investment properties	15,386	15,687
Intangible assets	665	776
Right-of-use assets	6,258	6,317
Properties under development	–	9,751
Investments in joint ventures	22,631	29,621
Investments in associates	13,950	15,910
Financial assets at fair value through other comprehensive income	4,104	4,627
Trade and other receivables	3 –	783
Deferred income tax assets	10,162	14,409
	<u>92,139</u>	<u>118,958</u>
Current assets		
Properties under development	392,067	465,996
Completed properties held for sale	90,083	112,271
Inventories	3,238	4,996
Trade and other receivables	3 197,153	267,649
Contract assets and contract acquisition costs	5,029	10,137
Prepaid income tax	7,383	17,238
Financial assets at fair value through profit or loss	6,375	8,701
Restricted cash	12,842	23,535
Cash and cash equivalents	5,811	6,362
	<u>719,981</u>	<u>916,885</u>
Total assets	<u><u>812,120</u></u>	<u><u>1,035,843</u></u>

		As at 31 December	
		2025	2024
	<i>Note</i>	<i>RMB million</i>	<i>RMB million</i>
EQUITY			
Equity attributable to owners of the Company			
Share capital and premium	6	52,749	50,783
Other reserves		26,769	27,933
Accumulated losses		<u>(80,377)</u>	<u>(85,901)</u>
		<u>(859)</u>	<u>(7,185)</u>
Non-controlling interests		<u>45,118</u>	<u>58,439</u>
Total equity		<u>44,259</u>	<u>51,254</u>
LIABILITIES			
Non-current liabilities			
Borrowings	5	40,348	26,693
Lease liabilities		2,502	2,324
Deferred government grants		124	136
Deferred income tax liabilities		<u>8,601</u>	<u>12,686</u>
		<u>51,575</u>	<u>41,839</u>
Current liabilities			
Contract liabilities		157,751	281,988
Trade and other payables	4	399,475	394,857
Current income tax liabilities		40,329	38,918
Borrowings	5	107,611	226,795
Financial liabilities at fair value through profit or loss		10,942	–
Lease liabilities		<u>178</u>	<u>192</u>
		<u>716,286</u>	<u>942,750</u>
Total liabilities		<u>767,861</u>	<u>984,589</u>
Total equity and liabilities		<u><u>812,120</u></u>	<u><u>1,035,843</u></u>

CONSOLIDATED INCOME STATEMENT

	Note	Year ended 31 December	
		2025 RMB million	2024 RMB million
Revenue	2	154,893	252,756
Cost of sales	8	<u>(198,011)</u>	<u>(254,443)</u>
Gross loss		(43,118)	(1,687)
Other income, gains and losses — net	7	82,137	(2,207)
Losses arising from changes in fair value of and transfers to investment properties		(212)	(818)
Selling and marketing costs	8	(4,466)	(5,892)
Administrative expenses	8	(4,623)	(4,891)
Research and development expenses	8	(65)	(301)
Net impairment losses on financial assets and guarantees		<u>(10,525)</u>	<u>(1,902)</u>
Operating profit/(loss)		19,128	(17,698)
Finance income	9	187	526
Finance costs	9	(3,111)	(6,975)
Finance costs — net	9	(2,924)	(6,449)
Share of results of joint ventures and associates		<u>(3,339)</u>	<u>1,778</u>
Profit/(loss) before income tax		12,865	(22,369)
Income tax expenses	10	<u>(11,241)</u>	<u>(12,776)</u>
Profit/(loss) for the year		<u>1,624</u>	<u>(35,145)</u>
Profit/(loss) attributable to:			
— Owners of the Company		3,261	(32,835)
— Non-controlling interests		<u>(1,637)</u>	<u>(2,310)</u>
		<u>1,624</u>	<u>(35,145)</u>
Earnings/(losses) per share attributable to owners of the Company (expressed in RMB yuan per share)			
Basic	12	<u>0.12</u>	<u>(1.19)</u>
Diluted	12	<u>0.12</u>	<u>(1.19)</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31 December	
	2025	2024
	<i>RMB million</i>	<i>RMB million</i>
Profit/(loss) for the year	<u>1,624</u>	<u>(35,145)</u>
Other comprehensive (loss)/income		
<i>Items that will not be reclassified to profit or loss:</i>		
— Changes in fair value of financial assets at fair value through other comprehensive income	(198)	39
<i>Items that may be reclassified to profit or loss:</i>		
— Currency translation differences	<u>(372)</u>	<u>(275)</u>
Total other comprehensive loss for the year, net of tax	<u>(570)</u>	<u>(236)</u>
Total comprehensive income/(loss) for the year	<u><u>1,054</u></u>	<u><u>(35,381)</u></u>
Total comprehensive income/(loss) attributable to:		
— Owners of the Company	2,936	(33,077)
— Non-controlling interests	<u>(1,882)</u>	<u>(2,304)</u>
	<u><u>1,054</u></u>	<u><u>(35,381)</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 BASIS OF PREPARATION

1.1 Going concern basis

As at 31 December 2025, the Group had borrowings in the forms of senior notes, corporate bonds and bank and other borrowings amounted to RMB147,959 million in aggregate, of which RMB107,611 million were included in current liabilities, while the Group's cash and cash equivalents amounted to RMB5,811 million and restricted cash amounted to RMB12,842 million.

As at 31 December 2025, an aggregate amount of RMB74,052 million of the Group's borrowings was defaulted or cross-defaulted. Furthermore, the Group is subject to a number of ongoing litigation cases primarily brought by creditors and suppliers.

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

In view of such circumstances, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern for at least 12 months from 31 December 2025, taking into account the following plans and measures:

- (a) The Group has actively adopted and will continue to implement various debt management measures to mitigate its phased liquidity pressure, including:
- the restructuring proposals for nine onshore corporate bonds of the Group were approved at the relevant bondholders' meetings during the year. The principal and interest repayment arrangements for the nine bonds were adjusted, offering the aforesaid bondholders a restructuring proposal including a repurchase option, a stock option and a general creditor claim option. The Group will ensure continued implementation and completion of the aforesaid restructuring;
 - by an order made by the Court on 4 December 2025, the offshore debt restructuring scheme has been sanctioned by the Court. Subsequently, the Company designated 30 December 2025 as the Restructuring Effective Date (the "**RED**"). The proposed restructuring broadly involves the cancellation of the existing debt and the release of all existing debt obligors in exchange for the issuance of scheme consideration entitlements to scheme creditors under the scheme on the RED. All of the rights, title and interest of scheme creditors in respect of the existing debt shall be subject to each of the arrangements and compromises set out in the scheme on the terms and conditions set out in the scheme. The Group will ensure continued implementation and completion of the aforesaid restructuring;

- save for the debt restructuring arrangements above, the Group has also been actively negotiating with other PRC onshore lenders and creditors on the extension or restructuring of borrowings. Due to the diverse lender base and changing market conditions, time is still required to determine the extension plans or restructuring plans on a case-by-case basis. Having considered the Group’s credit history and longstanding relationships with the relevant lenders and creditors, the Directors believe that the Group will be able to materialise the extension or restructuring arrangements step by step;
- (b) The Group will continue to actively adjust its sales activities to respond to market changes and capture demands. The Group believes after undergoing adjustments, the PRC real estate market is expected to usher in new development opportunities. Therefore, the Group will adhere to the refined control of “one strategy for one real estate project”, and formulate reasonable sales prices and supply plans by taking into account the actual situation of the local market and each project, in order to achieve its budgeted sales volume and cash collection;
- (c) 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 disposing of assets when necessary to generate more cash inflows;
- (d) The Group will adapt to current market changes and operational focus, continue to optimise its organisational structure and strictly control various non-core and non-essential operating expenses, to improve operational efficiency continuously; and
- (e) The Group will fully utilise its existing resources and actively engage in negotiations with suppliers and other creditors to reach amicable resolutions as soon as possible, in order to deal with the ongoing litigation cases.

The directors of the Company have reviewed the Group’s cash flow projections, which covers a period of not less than 12 months from 31 December 2025. The directors of the Company are of the opinion that, considering the anticipated cash inflows to be generated from the Group’s operations taking into account reasonably possible changes in operation performance, its cost control measures, as well as the above-mentioned plans and measures, the Group will be able to meet its financial obligations as and when they fall due within twelve months from 31 December 2025. Accordingly, these consolidated financial statements have been prepared on a going concern basis.

Notwithstanding the above, material uncertainties exist as to whether the Group is able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the following:

- (a) Successful completion of the above-mentioned debt management measures, which will be subject to various external conditions that are beyond the Group’s control, including but not limited to the restructuring of the remaining onshore indebtedness of the Group, possible material adverse changes in the market conditions during the process and fulfilment of legal or regulatory requirements;
- (b) Successful implementation of the plans and measures to achieve its budgeted sales volume and timely collection of the relevant sales proceeds;
- (c) Successfully activating resources and disposing of assets;

- (d) Successful implementation of various measures to further streamline organisational structures and to strictly control various non-core and non-essential operating expenses, to improve operational efficiency; and
- (e) Successful amicable resolutions reached with suppliers and other creditors, as well as favourable resolution of ongoing litigation cases.

Should the Group fail to continue to operate as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for further liabilities which might 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 these consolidated financial statements.

1.2 New and amended standards adopted by the Group

In the current year, the Group has adopted all the new and revised HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), that are relevant to its operations and effective for its accounting year beginning on 1 January 2025. HKFRS Accounting Standards comprise Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations. The adoption of these new and revised HKFRS Accounting Standards did not result in significant changes to the Group's accounting policies, presentation of the Group's consolidated financial statements and amounts reported for the current year and prior years.

The Group has not applied the new and revised HKFRS Accounting Standards that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new and revised HKFRS Accounting Standards but is not yet in a position to state whether these new and revised HKFRS Accounting Standards would have a material impact on its results of operations and financial position.

2 REVENUE AND SEGMENT INFORMATION

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

During the year, the executive directors of the Company concluded that the Group only has two reportable segments — Property development and Technology-enabled construction. The Others segment mainly includes property investment and hotel operation, which are individually and collectively insignificant for segment reporting purposes.

The executive directors of the Company assess the performance of the operating segments based on a measure of segment results, adjusted by excluding the gains from the centrally managed offshore and onshore debt restructuring, changes in fair value of derivative financial instruments and including share of results of joint ventures and associates.

Segment assets consist primarily of property, plant and equipment, intangible assets, right-of-use assets, investment properties, financial assets at fair value through other comprehensive income (“FVOCI”), financial assets at fair value through profit or loss (“FVTPL”), properties under development, completed properties held for sale, inventories, investments in joint ventures, investments in associates, trade and other receivables, prepaid income tax, contract assets and contract acquisition costs and operating cash. They exclude deferred income tax assets. Segment liabilities consist primarily of operating liabilities. They exclude current income tax liabilities, borrowings, financial liabilities at FVTPL and deferred income tax liabilities.

Capital expenditure mainly comprises additions to property, plant and equipment, intangible assets and right-of-use assets, excluding those arising from business combinations.

Revenue consists of the following:

	2025	2024
	<i>RMB million</i>	<i>RMB million</i>
Sales of properties	150,490	245,719
Rendering of technology-enabled construction services	1,860	3,432
Rental income	1,040	1,051
Others	1,503	2,554
	<u>154,893</u>	<u>252,756</u>

Sales between segments are carried out according to the terms and conditions agreed by the respective segments’ management.

The Group’s revenue is mainly attributable to the market in Mainland China and over 90% of the Group’s non-current assets are located in Mainland China. 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 information provided to the executive directors of the Company for the reportable segments for the year ended 31 December 2025 is as follows:

	Property development RMB million	Technology- enabled construction RMB million	Others RMB million	Total RMB million
Revenue from contracts with customers	150,490	6,157	2,028	158,675
Revenue from other source:				
Rental income	—	—	1,040	1,040
Segment revenue	150,490	6,157	3,068	159,715
Inter-segment revenue	—	(4,297)	(525)	(4,822)
Revenue from external customers	150,490	1,860	2,543	154,893
Share of results of joint ventures and associates	(3,341)	—	2	(3,339)
Losses arising from changes in fair value of and transfers to investment properties	—	—	(212)	(212)
Depreciation and amortisation expenses of property, plant and equipment, intangible assets and right-of-use assets	(691)	(537)	(659)	(1,887)
Net impairment losses on financial assets and guarantees	(10,525)	—	—	(10,525)
Net write-down of properties under development and completed properties held for sale	(44,507)	—	—	(44,507)
Segment results	<u>(76,591)</u>	<u>(41)</u>	<u>(1,059)</u>	<u>(77,691)</u>
At 31 December 2025				
Total segment assets after elimination of inter-segment balances	<u>709,060</u>	<u>23,517</u>	<u>69,381</u>	<u>801,958</u>
Investments in joint ventures and associates	<u>35,656</u>	<u>—</u>	<u>925</u>	<u>36,581</u>
Capital expenditure	<u>375</u>	<u>260</u>	<u>201</u>	<u>836</u>
Total segment liabilities after elimination of inter-segment balances	<u>486,558</u>	<u>28,620</u>	<u>44,852</u>	<u>560,030</u>

The segment information provided to the executive directors of the Company for the reportable segments for the year ended 31 December 2024 is as follows:

	Property development <i>RMB million</i>	Technology- enabled construction <i>RMB million</i>	Others <i>RMB million</i>	Total <i>RMB million</i>
Revenue from contracts with customers	245,719	11,541	5,450	262,710
Revenue from other source:				
Rental income	<u>–</u>	<u>–</u>	<u>1,051</u>	<u>1,051</u>
Segment revenue	245,719	11,541	6,501	263,761
Inter-segment revenue	<u>–</u>	<u>(8,109)</u>	<u>(2,896)</u>	<u>(11,005)</u>
Revenue from external customers	<u>245,719</u>	<u>3,432</u>	<u>3,605</u>	<u>252,756</u>
Share of results of joint ventures and associates	1,776	–	2	1,778
Losses arising from changes in fair value of and transfers to investment properties	–	–	(818)	(818)
Depreciation and amortisation expenses of property, plant and equipment, intangible assets and right-of-use assets	(585)	(437)	(587)	(1,609)
Net impairment losses on financial assets and guarantees	(1,902)	–	–	(1,902)
Net write-down of properties under development and completed properties held for sale	(4,348)	–	–	(4,348)
Segment results	<u>(13,268)</u>	<u>(1,012)</u>	<u>(1,700)</u>	<u>(15,980)</u>
At 31 December 2024				
Total segment assets after elimination of inter-segment balances	<u>914,748</u>	<u>21,683</u>	<u>85,003</u>	<u>1,021,434</u>
Investments in joint ventures and associates	<u>44,606</u>	<u>–</u>	<u>925</u>	<u>45,531</u>
Capital expenditure	<u>1,361</u>	<u>111</u>	<u>48</u>	<u>1,520</u>
Total segment liabilities after elimination of inter-segment balances	<u>604,878</u>	<u>25,695</u>	<u>48,924</u>	<u>679,497</u>

- (a) During the year ended 31 December 2025, substantially all of the Group's revenue from property development was recognised at a point in time.
- (b) During the year ended 31 December 2025, all of the Group's revenue from technology-enabled construction was recognised over time.
- (c) During the year ended 31 December 2025, the amount of revenue from others recognised at a point in time and recognised over time were RMB740 million (2024: RMB4,017 million) and RMB1,288 million (2024: RMB1,433 million) respectively.

3 TRADE AND OTHER RECEIVABLES

	2025 <i>RMB million</i>	2024 <i>RMB million</i>
Included in current assets		
— Trade receivables — net (<i>note (a)</i>)	18,220	28,127
— Other receivables — net (<i>note (b)</i>)	159,772	216,803
— Other prepayments (<i>note (c)</i>)	19,161	22,719
	<u>197,153</u>	<u>267,649</u>
Included in non-current assets		
— Deposits for acquisitions of companies	—	783
	<u>197,153</u>	<u>268,432</u>

As at 31 December 2025, the carrying value of trade and other receivables approximated their fair value.

- (a) Details of trade receivables are as follows:

	2025 <i>RMB million</i>	2024 <i>RMB million</i>
Trade receivables	19,744	29,343
Less: allowance for impairment	(1,524)	(1,216)
	<u>18,220</u>	<u>28,127</u>

Trade receivables mainly arise from sales of properties and the provision of technology-enabled construction services. Property buyers are generally granted credit terms of 1 to 6 months. The ageing analysis of trade receivables based on dates of delivery of goods and dates of rendering of services is as follows:

	2025	2024
	<i>RMB million</i>	<i>RMB million</i>
Within 90 days	9,904	19,861
Over 90 days and within 180 days	1,350	1,592
Over 180 days and within 365 days	1,210	4,954
Over 365 days	7,280	2,936
	<u>19,744</u>	<u>29,343</u>

As at 31 December 2025 and 2024, trade receivables were mainly denominated in RMB.

The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9. As at 31 December 2025, a provision of RMB1,524 million (2024: RMB1,216 million) was made against the gross amounts of trade receivables.

There is no concentration of credit risk with respect to trade receivables as the Group has a large number of buyers. Trade receivables were mainly collateralised by the titles of the properties sold.

(b) Details of other receivables are as follows:

	2025	2024
	<i>RMB million</i>	<i>RMB million</i>
Amounts due from joint ventures, associates and other related parties	45,737	54,112
Deposits	16,050	20,145
Others (i)	150,714	185,735
	212,501	259,992
Less: allowance for impairment	<u>(52,729)</u>	<u>(43,189)</u>
Other receivables — net	<u>159,772</u>	<u>216,803</u>

(i) These receivables mainly included current accounts due from the other shareholders of certain subsidiaries of the Group, which are mainly interest-free, unsecured and repayable according to contract terms.

- (c) Other prepayments mainly included prepaid value-added taxes and prepayments for purchases of construction materials and services.

4 TRADE AND OTHER PAYABLES

	2025 <i>RMB million</i>	2024 <i>RMB million</i>
Trade payables (<i>note (a)</i>)	245,956	203,978
Other payables (<i>note (b)</i>)	139,138	166,640
Other taxes payable	13,662	21,725
Salaries payable	719	2,514
	<u>399,475</u>	<u>394,857</u>

As at 31 December 2025, the carrying amounts of trade and other payables approximated their fair values.

- (a) The ageing analysis of trade payables is as follows:

	2025 <i>RMB million</i>	2024 <i>RMB million</i>
Within 365 days	206,958	201,041
Over 365 days	38,998	2,937
	<u>245,956</u>	<u>203,978</u>

- (b) Other payables mainly included current accounts due to certain joint ventures, associates and other shareholders of certain subsidiaries of the Group and outstanding considerations to acquire certain subsidiaries, joint ventures and associates. These amounts are mainly interest-free, unsecured and repayable according to contract terms.

5 BORROWINGS

	2025 <i>RMB million</i>	2024 <i>RMB million</i>
Non-current liabilities:		
Senior notes — <i>(note (a))</i>	15,354	42,375
Corporate bonds — <i>(note (b))</i>	7,353	14,301
Convertible bonds — <i>(note (a))</i>	–	3,725
Bank and other borrowings — secured <i>(notes (a))</i>	106,276	131,394
Bank and other borrowings — unsecured <i>(notes (a))</i>	13,735	15,578
	<u>142,718</u>	<u>207,373</u>
Less: current portion of non-current liabilities	<u>(102,370)</u>	<u>(180,680)</u>
	<u>40,348</u>	<u>26,693</u>
Included in current liabilities:		
Senior notes <i>(note (a))</i>	–	30,709
Corporate bonds <i>(note (b))</i>	427	5,458
Convertible bonds <i>(note (a))</i>	–	2,966
Bank and other borrowings — secured <i>(notes (a))</i>	4,187	2,483
Bank and other borrowings — unsecured <i>(notes (a))</i>	627	4,499
Current portion of non-current liabilities	<u>102,370</u>	<u>180,680</u>
	<u>107,611</u>	<u>226,795</u>
Total borrowings	<u><u>147,959</u></u>	<u><u>253,488</u></u>

(a) Offshore debt restructuring

Effective on the RED, the borrowings with carrying amounts of approximately RMB119,396 million, including senior notes, convertible bonds and certain bank and other borrowings, have been discharged in exchange for the issuance of the new senior notes (the “**New Senior Notes**”), the new term loans (the “**New Term Loans**”), the SCA facility loan (the “**SCA Facility Loan**”), the SCA warrants (the “**SCA Warrants**”), the mandatory convertible bonds (the “**MCBs**”), and cash consideration, pursuant to the offshore debt restructuring via a Court-sanctioned Scheme of Arrangement.

Among them, the existing shareholder loans with carrying amounts of approximately RMB7,634 million owed to Concrete Win Limited (“**Concrete Win**”), which is the controlling shareholder of the Company, were discharged, and capitalisation shares will be issued upon delivery by Concrete Win of an issue notice.

The offshore debt restructuring was accounted for as an extinguishment of existing financial liabilities under HKFRS 9. The Court-sanctioned Scheme of Arrangement resulted in legal discharge of the original contractual obligations. Accordingly, the existing debts were fully derecognised, and the new financial liabilities were recognised at their fair values at the RED.

The Company accounted for the MCBs, SCA Warrants, and Equitisation Option as financial liabilities at fair value through profit or loss at the date of initial recognition.

The following table summarises the valuation method adopted and the quantitative information about the significant unobservable inputs used in fair value measurements of the financial instruments recognised in the offshore debt restructuring as at the RED.

Instrument	Fair value at the RED (USD million)	Valuation method	Significant unobservable inputs	Range of significant unobservable inputs
New Senior Notes	2,286	Discounted cash flow model	Discount rate	13.4% to 15.9%
New Term Loans	187	Discounted cash flow model	Discount rate	13.4% to 15.9%
SCA Facility Loan	80	Discounted cash flow model	Discount rate	13.6%
SCA Warrants	8	Binomial option pricing model	Expected volatility rate Risk-free rate	51.5% 2.4%
MCBs (Tranche A, B and C)	837	Binomial option pricing model	Expected volatility rate Discount rate	59.5% to 65.9% 15.8% to 16.1%
Equitisation Option	712	Binomial option pricing model	Expected volatility rate Risk-free rate Discount rate	59.5% 4.1% 16.1%

Relationships of unobservable inputs to fair value are as follows:

- The higher the discount rate, the lower the fair value;
- The higher the expected volatility rate, the higher the fair value of the MCBs and SCA Warrants.

As a result of the above, gains on offshore debt restructuring of approximately RMB85,824 million were recognised in “other income, gains and losses — net” of the consolidated income statement.

Subsequent to the initial recognition, the carrying amounts of the New Senior Notes, New Term Loans and SCA Facility Loan are measured at amortised cost; and the carrying amounts of the MCBs, SCA Warrants, and Equitisation Option are measured at fair values with changes in fair value recognised in profit or loss. As at 31 December 2025, the carrying amounts of the New Term Loans and SCA Facility Loan are included in the bank and other borrowings.

(b) Corporate bonds

(i) Onshore debt restructuring

With effect from the approval of the onshore debt restructuring proposal at the relevant meetings of bondholders from September 2025 to December 2025, the Group completed the restructuring of nine onshore corporate bonds (the “**Nine Corporate Bonds**”) issued by the Company, Country Garden Real Estate Group Co., Ltd and Giant Leap Construction Technology Group Co., Ltd. The restructuring proposal provides four options for bondholders including repayment arrangements adjustment (default option), a repurchase option, a stock option and a general creditor claim option.

The onshore debt restructuring was regarded as a substantial modification under HKFRS 9. As the approval of the onshore debt restructuring proposed for the Nine Corporate Bonds was obtained at the relevant meetings of bondholders in 2025, the carrying amounts of the Nine Corporate Bonds of approximately RMB14,613 million were fully de-recognised. The Nine Corporate Bonds were recognised at their fair values at the effective date of the onshore debt restructuring.

The following table summarises the valuation method adopted and the quantitative information about the significant unobservable inputs used in fair value measurements of the financial instruments recognised in the onshore debt restructuring as at the effective date of the onshore debt restructuring.

Instrument	Fair value at the date of modification (RMB million)	Valuation method	Significant unobservable inputs	Range of significant unobservable inputs
Nine Corporate Bonds	6,957	Discounted cash flow model	Discount rate	10.2% to 10.3%

Relationships of unobservable inputs to fair value are as follows:

- The higher the discount rate, the lower the fair value.

As a result of the above, gains on onshore debt restructuring of RMB7,656 million were recognised in “other income, gains and losses — net” of the consolidated income statement for the year ended 31 December 2025. Subsequent to the initial recognition, the carrying amounts of the Nine Corporate Bonds are measured at amortised cost.

(ii) **Other corporate bonds**

During the year ended 31 December 2025, corporate bonds newly issued and early redeemed by the Group were listed as follows:

Issuer/Name of bonds	Par value <i>RMB million</i>	Interest rate	Issue date	Term of the bonds
Issued during the year:				
Risland (Thailand) Company Limited: Callable and Secured Debentures issued in 2025 — tranche I	154	7.00%	21 August 2025	1 year
Callable and Secured Debentures issued in 2025 — tranche II	175	7.00%	25 November 2025	1 year
Early redeemed during the year:				
Risland (Thailand) Company Limited: Callable and Secured Debentures No. 2/2566 Due B.E. 2567	172	7.50%	20 October 2023	1.75 years
Callable and Secured Debentures issued in 2024 — tranche I	88	7.50%	2 February 2024	1.75 years

6 SHARE CAPITAL AND PREMIUM

	Number of ordinary shares <i>million</i>	Nominal value of ordinary shares <i>HKD million</i>	Equivalent nominal value of ordinary shares <i>RMB million</i>	Share premium <i>RMB million</i>	Total <i>RMB million</i>	Treasury shares <i>RMB million</i>	Group total <i>RMB million</i>
Authorised							
At 1 January 2024, 31 December 2024 and 2025, HKD0.10 per share	100,000	10,000					
Issued and fully paid							
At 1 January 2024 and 31 December 2024	27,988	2,798	2,592	50,416	53,008	(2,225)	50,783
Issued and fully paid							
At 1 January 2025	27,988	2,798	2,592	50,416	53,008	(2,225)	50,783
Payment of offshore debt restructuring costs by way of placing shares	933	93	84	212	296	–	296
Disposal of treasury shares	–	–	–	–	–	1,670	1,670
At 31 December 2025	28,921	2,891	2,676	50,628	53,304	(555)	52,749

7 OTHER INCOME, GAINS AND LOSSES — NET

	2025 <i>RMB million</i>	2024 <i>RMB million</i>
Other income		
— Forfeiture income	125	50
— Government subsidy income	77	128
— Management and other related service income	—	5
	<u>202</u>	<u>183</u>
Other gains/(losses)		
— Gains on debt restructuring arrangements	93,480	—
— Losses on loss of control of subsidiaries	(6,895)	(184)
— Changes in fair value of financial assets at FVTPL	(1,604)	(95)
— Losses on disposals of joint ventures and associates	(852)	(474)
— Losses on disposals of property, plant and equipment	(377)	—
— Impairment losses on property, plant and equipment	(48)	(19)
— Losses on disposals of investment properties	(17)	(44)
— Changes in fair value of derivative financial instruments	—	60
— Others	(1,752)	(1,634)
	<u>81,935</u>	<u>(2,390)</u>
Total other income, gains and losses — net	<u><u>82,137</u></u>	<u><u>(2,207)</u></u>

8 EXPENSES BY NATURE

	2025 <i>RMB million</i>	2024 <i>RMB million</i>
Cost of properties sold, technology-enabled construction services and others	152,263	248,894
Net write-down of properties under development and completed properties held for sale	44,507	4,348
Employee benefit expenses	3,547	4,702
Sales commission to agents	2,393	3,246
Depreciation of property, plant and equipment	1,564	1,254
Other taxes and levies	473	721
Property management and other services expenses	450	527
Advertising and promotion costs	118	348
Depreciation of right-of-use assets	239	201
Amortisation of intangible assets	84	154
Auditor's remuneration	6	7
Others	1,521	1,125
	<u>207,165</u>	<u>265,527</u>
Total cost of sales, selling and marketing costs, administrative expenses and research and development expenses	<u><u>207,165</u></u>	<u><u>265,527</u></u>

9 FINANCE COSTS — NET

	2025 <i>RMB million</i>	2024 <i>RMB million</i>
Finance income:		
— Interest income on bank deposits and others	<u>187</u>	<u>526</u>
Finance costs:		
— Interest expenses on borrowings	(10,246)	(12,813)
— Interest expenses on lease liabilities	<u>(124)</u>	<u>(124)</u>
	(10,370)	(12,937)
Less: amounts capitalised on qualifying assets	<u>4,818</u>	<u>7,723</u>
	<u>(5,552)</u>	<u>(5,214)</u>
— Net foreign exchange gains/(losses)	<u>2,441</u>	<u>(1,761)</u>
	<u>(3,111)</u>	<u>(6,975)</u>
Finance costs — net	<u><u>(2,924)</u></u>	<u><u>(6,449)</u></u>

10 INCOME TAX EXPENSES

	2025 <i>RMB million</i>	2024 <i>RMB million</i>
Current income tax		
— Corporate income tax	2,726	4,473
— Land appreciation tax	<u>8,708</u>	<u>9,053</u>
	11,434	13,526
Deferred income tax	<u>(193)</u>	<u>(750)</u>
	<u><u>11,241</u></u>	<u><u>12,776</u></u>

11 DIVIDENDS

The Board did not recommend or declare the payment of any dividend in respect of the years ended 31 December 2025 and 2024.

12 EARNINGS/(LOSSES) PER SHARE

(a) Basic

Basic earnings/(losses) per share is calculated by dividing the profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Group and held as treasury shares.

	2025	2024
Profit/(loss) attributable to owners of the Company (RMB million)	3,261	(32,835)
Weighted average number of ordinary shares in issue (million)	<u>27,796</u>	<u>27,705</u>
Earnings/(losses) per share — Basic (RMB yuan per share)	<u><u>0.12</u></u>	<u><u>(1.19)</u></u>

(b) Diluted

	2025
Profit attributable to owners of the Company (RMB million)	<u>3,261</u>
Weighted average number of ordinary shares in issue for basic earnings per share (million)	27,796
Effects of dilution from MCBs, Equitisation Options, SCA Warrants, and awarded shares	<u>284</u>
Weighted average number of ordinary shares adjusted for the effect of dilution	28,080
Earnings per share — Diluted (RMB yuan per share)	<u><u>0.12</u></u>

For the year ended 31 December 2025, the share options were excluded from the computation of diluted earnings per share as they are anti-dilutive.

For the year ended 31 December 2024, the share options, awarded share, written call options and convertible bonds were excluded from the computation of diluted losses per share as they are anti-dilutive.

13 CONTINGENCIES

From time to time, the Group may become involved in litigations relating to claims arising from the ordinary course of business. The Group believes that there are currently no claims or actions pending against the Group, the ultimate disposition of which could have a material adverse effect on the Group's financial position, results of operations or cash flows. As at 31 December 2025, in connection with certain litigation cases pending against the Group, certain assets of the Group have been frozen by the relevant courts in the PRC pursuant to court orders, pending the resolution of the respective litigation. The frozen assets comprise investment properties and property inventories (including properties under development and completed properties held for sale) with an aggregate carrying amount of approximately RMB8,139 million, and equity interests in certain subsidiaries. The asset freezes restrict the Group from transferring or otherwise disposing of the affected assets until the relevant litigation is resolved, but do not affect the normal operations of these assets. The Group is in the process of resolving the relevant litigations.

However, litigations are subject to inherent uncertainties and the Group's view of these matters may change in the future. When an unfavorable outcome occurs, there exists the possibility of a material adverse impact on the Group's financial position, results of operations or cash flows for the periods in which the unfavorable outcome occurs, and potentially in future periods.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

The Group's revenue was primarily derived from two business segments as follows: Property Development and Technology-enabled Construction. Revenue of the Group decreased by 38.7% to approximately RMB154,893 million in 2025 from approximately RMB252,756 million in 2024. 97.2% of the Group's revenue was generated from the Property Development segment (2024: 97.2%), and 2.8% from the Technology-enabled Construction and the Others segments (2024: 2.8%).

Property Development

Due to the decrease in GFA delivered, revenue generated from property development decreased by 38.8% to approximately RMB150,490 million in 2025 from approximately RMB245,719 million in 2024. The recognised average selling price of property delivered (value-added taxes not included) was approximately RMB6,908 per sq.m. in 2025.

Technology-enabled Construction

Technology-enabled Construction revenue from external parties decreased by 45.8% to approximately RMB1,860 million in 2025 from approximately RMB3,432 million in 2024, primarily due to the decrease in new construction volume resulting from sluggish market of real estate.

Others

Others segment mainly includes property investment and hotel operation. Revenue from external parties of others segment decreased by 29.5% to approximately RMB2,543 million in 2025 from approximately RMB3,605 million in 2024.

Gross Loss

In 2025, the Group recorded a gross loss of approximately RMB43,118 million (2024: a gross loss of approximately RMB1,687 million), mainly attributable to the net write-down of properties under development and completed properties held for sale by the Group, amounting to approximately RMB44,507 million.

Excluding the impact of such net write-down of properties on the gross loss, the Group's gross profit for 2025 would have been approximately RMB1,389 million.

Selling and Marketing Costs and Administrative Expenses

The Group strictly implemented measures to reduce non-core and non-essential operating expenses. Selling and marketing costs and administrative expenses decreased by 15.7% to approximately RMB9,089 million in 2025 from approximately RMB10,783 million in 2024.

Finance Costs — Net

The Group recorded net finance costs of approximately RMB2,924 million in 2025 (2024: approximately RMB6,449 million).

In 2025, the Group recorded net foreign exchange gains of approximately RMB2,441 million (2024: net foreign exchange losses of approximately RMB1,761 million) due to changes in the trend of exchange rate fluctuations, and finance income of approximately RMB187 million (2024: approximately RMB526 million). Interest expenses amounted to approximately RMB10,370 million in 2025 (2024: approximately RMB12,937 million), of which approximately RMB4,818 million had been capitalised on qualifying assets (2024: approximately RMB7,723 million).

Profit/(Loss) before Income Tax

The Group recorded profit before income tax of approximately RMB12,865 million in 2025 (2024: loss before income tax of approximately RMB22,369 million), mainly because of the following reasons:

- (1) The Group recorded net other income and gains of approximately RMB82,137 million, mainly derived from gains on debt restructuring arrangements;
- (2) Affected by the overall performance of the real estate market, the net write-down of approximately RMB44,507 million was provided for properties under development and completed properties held for sale;
- (3) Affected by multiple adverse factors such as macroeconomic environment, industry environment and negative financial conditions of counter parties, the net impairment losses on financial assets and guarantees of approximately RMB10,525 million were provided; and
- (4) The Group recorded selling and marketing costs and administrative expenses of approximately RMB9,089 million, net finance costs of approximately RMB2,924 million and share of losses of joint ventures and associates of approximately RMB3,339 million.

Profit/(Loss) Attributable to Owners of the Company

In 2025, the profit attributable to owners of the Company was approximately RMB3,261 million (2024: the loss attributable to owners of the Company was approximately RMB32,835 million).

Liquidity, Financial and Capital Resources

Cash position

As at 31 December 2025, the Group's total cash (equals to the sum of cash and cash equivalents and restricted cash) amounted to approximately RMB18,653 million (31 December 2024: approximately RMB29,897 million), including approximately RMB5,811 million in cash and cash equivalents and approximately RMB12,842 million in restricted cash.

As at 31 December 2025, 87.0% (31 December 2024: 87.3%) of the Group's total cash was denominated in Renminbi and 13.0% (31 December 2024: 12.7%) was denominated in other currencies (mainly US dollars, HK dollars and Malaysian Ringgit).

Borrowings Composition

Borrowings decreased from approximately RMB253,488 million as at 31 December 2024, to approximately RMB147,959 million as at 31 December 2025.

As at 31 December 2025, the Group's borrowings, comprising bank and other borrowings, senior notes and corporate bonds, amounted to approximately RMB124,825 million, RMB15,354 million and RMB7,780 million respectively (31 December 2024: bank and other borrowings, senior notes, corporate bonds and convertible bonds amounted to approximately RMB153,954 million, RMB73,084 million, RMB19,759 million and RMB6,691 million respectively).

For bank and other borrowings, approximately RMB107,184 million, RMB16,233 million and RMB1,408 million will be repayable within 1 year, between 1 and 5 years and beyond 5 years respectively (31 December 2024: approximately RMB137,413 million, RMB16,541 million and RMB nil respectively).

As at 31 December 2025 and 31 December 2024, the majority of the Group's borrowings were secured by the Group's certain property, plant and equipment, investment properties, properties under development and financial assets, and/or guaranteed by certain subsidiaries of the Group or secured by the pledge of certain equity interests in the Group's subsidiaries.

Capital Gearing Ratio

The capital gearing ratio is calculated by dividing the net borrowings by total capital. Net borrowings equals borrowings net of total cash (including cash and cash equivalent and restricted cash). Total capital is calculated by adding total equity and net borrowings. The Group's capital gearing ratio decreased from approximately 81.4% as at 31 December 2024 to approximately 74.5% as at 31 December 2025.

Key Risk Factors and Uncertainties

The following lists out the key risks and uncertainties the Group is facing. It is a non-exhaustive list and there may be other risks and uncertainties further to the key risk areas outlined below.

Risks Pertaining to the Property Market and Operation

The Group's business and prospects are closely tied to the performance of the Mainland China property market, which is currently undergoing a period of adjustment. According to the 2026 Government Work Report, property-related policies have evolved from "stopping the decline and stabilizing the market" to "focused efforts on stabilisation". The central government and local authorities are working in concert to systematically advance initiatives through "city-specific policies to control incremental volume, reduce inventory and optimize supply", "exploring multiple channels to revitalize existing commercial housing stock, and encouraging the acquisition of existing commercial properties primarily for use in affordable housing", whilst methodically establishing a new model for real estate development. With the effective mitigation of risks associated with "ensuring housing delivery" and a gradual improvement in market expectations, market analysts suggest that the industry is exhibiting a trend of "short-term fluctuations towards stabilization amidst deepening transformation". This indicates signs of stabilization amid short-term volatility, whilst the long-term direction of transitioning towards a new, high-quality development model is becoming increasingly clear.

Since the onset of the industry's deep adjustment, the Group has consistently implemented comprehensive self-help measures. Centered on the core strategy of "ensuring housing delivery, stabilizing assets and liabilities, and preserving operations", the Group has achieved significant milestone results in mitigating extreme risks, laying the groundwork for a return to normal operations. However, the Group continues to face multiple challenges: although significant progress in both onshore and offshore debt restructuring has provided the Group with valuable breathing space, the sales side continues to experience certain pressures, and its operating cash flow is in the process of recovery. Concurrently, the increase in litigation cases and related legal proceedings persistently impacts operational efficiency. Furthermore, the impact of negative publicity on the Group's brand has also exerted considerable adverse effects on its sustainable operation.

Interest Rate Risk

The Group's bank and other borrowings mainly bear floating rates. As at 31 December 2025, the weighted average borrowing cost of the Group's borrowings was 3.76%, a decrease of 141 basis points compared to 31 December 2024. The Group has implemented certain interest rate risk management measures, including closely monitoring interest rate risk and continuously maintaining communication with financial institution creditors to promote the optimization of borrowings structure and the reduction of interest rate level.

Foreign Exchange Risk

The Group's foreign exchange exposure is mainly derived from the borrowings denominated in USD and HKD. The Group has been paying close attention to the fluctuation of the foreign exchange rate and actively taking measures to mitigate the risk of exchange rate fluctuation.

Liquidity Risk

The Group is facing phased liquidity pressure. In light of the current liquidity position, the Group has undertaken a number of plans and measures to mitigate the liquidity pressure and to improve the financial position of the Group, details of which are set out in note 1.1 to the "NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS" in this announcement.

Guarantees

As at 31 December 2025, the Group had guarantees in respect of mortgage facilities for certain property buyers amounting to approximately RMB225,522 million (31 December 2024: approximately RMB259,095 million).

Pursuant to the terms of the guarantees, upon default in mortgage payments by these buyers, the Group is responsible for repaying the outstanding mortgage principals together with accrued interest and penalty owed by the defaulted buyers to the banks, and the Group is entitled to take over the legal title and possession of the related properties. The guarantees were to be discharged upon the earlier of: (i) issuance of the real estate ownership certificate after the buyers take possession of the relevant properties; and (ii) the satisfaction of mortgage loans by the property buyers.

In addition, as at 31 December 2025, the Group had provided guarantees amounting to approximately RMB6,714 million (31 December 2024: approximately RMB6,185 million) for certain liabilities of the joint ventures, associates and other parties of the Group.

Disposal of approximately 11.063% shares in LandSpace Technology Co., Ltd.* (藍箭航天空間科技股份有限公司) (“LandSpace”) in aggregate

On 7 April 2025, Guangzhou Bilan Enterprise Management Partnership (Limited Partnership)* (廣州碧藍企業管理合夥企業(有限合夥)) (the “**First Seller**”) (an indirect non-wholly owned limited partnership of the Company) (as seller), each of (i) Guangzhou Xinde Jiancheng Technology Investment Partnership (Limited Partnership)* (廣州信德箭成科技投資合夥企業(有限合夥)), (ii) Langma No.98 (Shenzhen) Private Equity Venture Capital Fund Partnership (Limited Partnership)* (朗瑪九十八號(深圳)私募創業投資基金合夥企業(有限合夥)), (iii) Ningbo Meishan Bonded Port Area Rongtai Chengde Venture Capital Partnership (Limited Partnership)* (寧波梅山保稅港區融泰成德創業投資合夥企業(有限合夥)) and Ningbo Meishan Bonded Port Area Rongtai Hengde Venture Capital Partnership (Limited Partnership)* (寧波梅山保稅港區融泰恒德創業投資合夥企業(有限合夥)), (iv) Shanghai Kehui Venture Capital Co.,Ltd.* (上海科慧創業投資有限公司), (v) Nantong Zhongjin Chuanhe Equity Investment Partnership (Limited Partnership)* (南通中金傳合股權投資合夥企業(有限合夥)) and (vi) Zhongjin Zhanxin Venture Capital (Heshan) Partnership (Limited Partnership)* (中金戰新創業投資(鶴山)合夥企業(有限合夥)) (each a purchaser under the relevant share transfer agreements), and LandSpace (as target company) entered into six share transfer agreements in relation to the disposal of approximately 4.536% shares in LandSpace in aggregate at a price of RMB48.74 per share for a total consideration of RMB535,056,997.20.

On 25 April 2025, the First Seller and Foshan Nanhai Ruizheng Equity Investment Partnership (Limited Partnership)* (佛山市南海區睿正股權投資合夥企業(有限合夥)) (an indirect non-wholly owned limited partnerships of the Company) (as sellers), Qingdao Haijin Xingyu Investment Development Partnership (Limited Partnership)* (青島海金星宇投資發展合夥企業(有限合夥)) (as purchaser), and LandSpace (as target company) entered into a share transfer agreement in relation to the disposal of approximately 6.527% shares in LandSpace in aggregate at the same price of RMB48.74 per share for a total consideration of RMB769,999,978.88 (collectively the “**2025 Disposal**”). The 2025 Disposal was entered into as part of the Group’s means to resolve the phased liquidity pressure. As at the date of this announcement, this transaction has been completed.

For further details, please refer to the announcement of the Company dated 25 April 2025.

Employees and Remuneration Policy

Human resource has always been the most valuable resource of the Group. As at 31 December 2025, the Group had approximately 14,069 full-time employees.

Remuneration of employees is determined with reference to the Group's remuneration and benefit policies, employees' performance, the Group's profitability performance, industry benchmarks and prevailing market conditions. The Group participates in social insurance contribution schemes or other retirement schemes administered by local governments, and makes monthly contributions to pension insurance, medical insurance, unemployment insurance and the housing fund, as well as making regular contributions to mandatory provident fund schemes on behalf of employees. As at the date of this announcement, there are no material labour disputes that have adversely affected or are likely to adversely affect the Group's operations.

To achieve sustainable business development and build core competitiveness, the Group has focused on optimizing and refining its approach to talent standards and workforce structure. We have defined the profile of "Three-Quality Talent" for the new era, established standardized identification mechanisms and differentiated retention policies, and strengthened the talent care system. Strategic prioritization in resource allocation has been implemented in areas such as compensation incentives and career development pathways. Through dynamic tracking and evaluation mechanisms, we continuously refine our management strategies, forming a full-cycle closed-loop management system for talent, thereby fully unlocking the strategic value of our human resources.

The Group has approved and/or adopted certain share option schemes, share award scheme and management incentive plan, details can be referred in the sections headed "EMPLOYEE INCENTIVE MECHANISMS" and "MANAGEMENT INCENTIVE PLAN" in this announcement.

Forward Looking

Currently, the policy environment is continuously optimizing, and China's real estate industry is accelerating its transition towards a new model of high-quality development. From the ongoing improvement in the monetary and financial environment, to the implementation of "quality housing" construction and housing quality enhancement projects, to the accelerated refinement of the financing support system aligned with the new development model, and the solid progress in urban renewal initiatives — all these factors have created favorable conditions for the long-term healthy development of the industry.

In the face of new challenges and changes, the Group adheres to a path that combines short-term intensive efforts to overcome difficulties with medium-to-long-term development. In the short term, "ensuring housing delivery" remains at the core of our operations, as we fully commit to fulfilling our social responsibilities. In 2025, the Group and its joint ventures and associates completed the delivery of nearly 170,000 housing units. Over the three-year period from 2023 to 2025, cumulative deliveries totaled nearly 1.15 million units, consistently ranking first in the industry according to third-party listings in terms of delivery volume.

The year 2026 marks the beginning of the “15th Five-Year Plan” period and is also the most critical year for the Group’s transition from “ensuring housing delivery” to normal operations. The Group will comprehensively intensify its core efforts in high-quality delivery, risk mitigation, asset and debt restoration, and sustainable operations, while ensuring the smooth implementation of the offshore debt restructuring scheme. The next three to five years will be a crucial period for the Group to consolidate its foundation and build a new growth curve. The Group’s strategic focus will revolve around “building core competitiveness,” firmly adhering to a market-oriented approach. We will deepen the new strategic framework of “One Core and Two Wings” (Property Development, Technology-enabled Construction, and Management and Construction Services), leveraging our core competitive advantages in “Product Excellence, Service Excellence, and Cost Efficiency.” We will actively explore the integrated application of “New Technologies + AI” to drive a transition towards data-driven management, enabling us to navigate through market cycles and embark on a trajectory of sound development.

In conclusion, the Group is fully aware of the challenges it currently faces, but firmly believes that with the continuous optimization of the real estate policy environment and the industry’s profound self-adjustment, the market will gradually regain its vitality. The Group will carry out its work diligently with more scientific management and greater resilience, striving to enter a more sound and sustainable development path alongside the industry’s recovery.

SCOPE OF WORK OF ZHONGHUI ANDA CPA LIMITED

The figures in respect of the Group’s financial results for the year ended 31 December 2025 as set out in this announcement have been agreed by the Company’s independent auditor, ZHONGHUI ANDA CPA Limited, to the amounts set out in the Group’s consolidated financial statements for the year ended 31 December 2025. The work performed by ZHONGHUI ANDA CPA 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 HKICPA and consequently, no assurance has been expressed by ZHONGHUI ANDA CPA Limited on this announcement.

EXTRACT OF INDEPENDENT AUDITOR’S REPORT

The below section sets out an extract of the independent auditor’s report by ZHONGHUI ANDA CPA 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. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate

audit evidence to provide a basis for an audit opinion on these consolidated financial statements. 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

Scope limitation relating to the assessment on the appropriateness of the going concern basis of preparing the Consolidated Financial Statements

We draw attention to note 2.1(iii) to the consolidated financial statements, which mention that as at 31 December 2025, the Group had borrowings of approximately RMB148.0 billion, out of which approximately RMB107.6 billion was included in current liabilities, while its total cash (including cash and cash equivalents and restricted cash) amounted to approximately RMB18.7 billion. In addition, as at 31 December 2025, the Group had certain indebtedness with an aggregate carrying amount of approximately RMB74.1 billion that were in default or cross-defaulted. Furthermore, the Group is subject to a number of ongoing litigation cases primarily brought by creditors and suppliers. The above events or conditions indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern and, therefore, that the Group may not be able to realise its assets and discharge its liabilities in the normal course of business.

In view of the above circumstances, the directors of the Company (the “**Directors**”) have been undertaking a number of plans and measures to mitigate the liquidity pressure and improve its financial position, details of which are set out in note 2.1(iii) to the consolidated financial statements. To assess the appropriateness of the going concern basis, the management of the Group prepared a cash flow forecast (“**Cash Flow Forecast**”), which takes into account the effects of the success in implementing and completing the aforesaid plans and measures as scheduled, notwithstanding the inherent uncertainties associated with the outcome of these plans and measures. In particular, the positive outcome of the Cash Flow Forecast is dependent upon the following key assumptions: (a) the timely realisation of forecasted sales proceeds from pre-sale and sale of properties; (b) the successful negotiation with creditors on proposals for the settlement or restructuring of outstanding indebtedness; and (c) the successful negotiation with suppliers on proposals for the settlement of outstanding payables and the favourable resolution of ongoing litigation cases. Based on the result of the Cash Flow Forecast, the Directors are of the opinion that the Group will have sufficient working capital to meet its financial obligations as and when they fall due in the foreseeable future and therefore, the Group has the ability to continue as a going concern and will continue its operations for at least 12 months from 31 December 2025. Accordingly, the Directors are of the view that it is appropriate to prepare the consolidated financial statements on a going concern basis.

However, we were unable to obtain sufficient appropriate audit evidence to evaluate the appropriateness of the above key assumptions. In particular, we were unable to conclude on the appropriateness of the assumptions underlying the forecasted sales proceeds given the prevailing conditions in the PRC property market, the inherent uncertainties associated with forecasting property sales, and the further decrease in the Group's pre-sale and revenue from the property development segment compared to the prior year. We were also unable to conclude on the likely outcome of the negotiations with creditors and suppliers, as management advised that whilst negotiations on settlement proposals are ongoing, no formal agreements have been reached as at the date of this report. Furthermore, due to the inherent uncertainties associated with the outcome of litigation, we were unable to conclude that the Group will successfully resolve the ongoing litigation cases.

In view of the above scope limitation, there were no other alternative procedures that we could perform to satisfy ourselves that the Group would be able to implement its plans and measures, as a result, we were unable to obtain sufficient appropriate evidence we considered necessary to conclude whether the use of the going concern basis of accounting to prepare the consolidated financial statements is appropriate.

Should the Group fail to achieve the above-mentioned plans and measures, it might not be able to continue to operate as a going concern, and adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effect of these adjustments has not been reflected in the consolidated financial statements.

The aforesaid "note 2.1(iii) to the consolidated financial statements" in the extract of the independent auditor's report regarding the Group's consolidated financial statements is disclosed as note 1.1 to the "NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS" in this announcement.

AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") assists the Board in providing an independent review of the effectiveness of the financial reporting process, risk management and internal control systems of the Group, overseeing the audit process, and performing other duties and responsibilities as may be assigned by the Board from time to time. The members of the Audit Committee are all independent non-executive Directors, namely Mr. WANG Zhijian, Dr. HAN Qinchun and Mr. TUO Tuo. Mr. WANG Zhijian is the chairman of the Audit Committee.

The annual results have been reviewed by the Audit Committee.

The Audit Committee has discussed with the Board and the Group's management regarding the going concern issue, and on the basis of the orderly implementation of the plans and measures, agreed with the position taken by the Group's management and the Board regarding the accounting treatment adopted by the Company.

The Audit Committee also discussed and understood the concerns of the Auditor that uncertainties exist as to whether the Group's management will be able to achieve its plans and measures. There is no disagreement by the Board, the Group's management nor the Audit Committee with the position taken by the Auditor regarding the going concern issue.

COMPLIANCE WITH THE CG CODE

The Board and the management of the Company are committed to the principles of good corporate governance consistent with prudent management and enhancement of shareholder value. These principles emphasise transparency, accountability and independence.

For the year ended 31 December 2025, the Company has applied the principles and complied with the applicable code provisions set out in Part 2 of the Corporate Governance Code (the "**CG Code**")* under Appendix C1 to the Rules (the "**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

* The amendments to the CG Code effective on 1 July 2025 will apply to corporate governance reports and annual reports for financial years commencing on or after 1 July 2025. For this announcement, the Company shall refer to the then effective CG Code.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") under Appendix C3 of the Listing Rules as the code of conduct for dealing in securities of the Company by the Directors. After specific enquiry, all Directors confirmed that they have complied with the required standard regarding securities transactions set out therein throughout the year ended 31 December 2025.

No incident of non-compliance was noted by the Company for the year ended 31 December 2025. Relevant employees who are likely to be in possession of inside information of the Group are also subject to compliance with written guidelines on no less exacting terms than the Model Code.

EMPLOYEE INCENTIVE MECHANISMS

For the purpose of rewarding the contribution of the senior management (including executive Directors of the Company who are also senior management) and employees of the Group engaging in profitable property development projects of the Group, two

incentive mechanisms (as amended from time to time) (the “**Incentive Mechanisms**”) were adopted by the Group (with the latest versions being adopted on 27 December 2019 and 18 September 2020 respectively), which respectively concern property development projects located in the Mainland China and property development projects located in Hong Kong and other overseas jurisdictions (the “**Property Development Projects**”). Under the Incentive Mechanisms, in general, senior management and employees would primarily be provided with cash rewards, calculated with reference to net profits generated from the Property Development Projects and the Group’s internal rate of return. A portion of these cash rewards would be used as either (i) the consideration for the exercise of the share options granted to them by the Company under the terms of the Share Option Schemes (hereinafter defined) (in respect of certain executive Directors of the Company who are also senior management) (the Share Option Schemes are now expired or terminated, and executive Directors of the Company who are also senior management will be awarded under and according to the terms of the new MIP instead (for details of the new MIP adopted by the Company, please refer to the section headed “**Management Incentive Plan**”)) or (ii) the consideration for the purchase of shares of the Company (the “**Share(s)**”), i.e. the share awards (in respect of senior management who are not Directors and employees of the Company).

(i) Share Award Scheme

The aforementioned share awards to the senior management who are not Directors and employees of the Company are funded by existing Shares, and shall be distributed in accordance with the Principles for Employees’ Shares Conversion Rights (as amended from time to time) adopted by the Group on 11 February 2015 (the “**Share Award Scheme**”). The Share Award Scheme has no fixed expiry date.

According to the trust deed approved by the Board on 27 January 2015, the trustee of the Share Award Scheme is Power Great Enterprises Limited (“**Power Great**”), a wholly-owned subsidiary of the Company. During the year ended 31 December 2025, Power Great as the trustee of the Share Award Scheme had not purchased any Share from the market under the Share Award Scheme, and had not acquired any Share by any other means. During the year ended 31 December 2025, no Shares were granted under the Share Award Scheme. As at 31 December 2025, the total number of Shares in relation to share awards that were granted under the Share Award Scheme was 83,259,032 Shares (being the net number after deduction of the exercised and lapsed share awards). During the year, according to the terms of the Share Award Scheme, 200,000,000 share awards were deemed to have lapsed and disposed by Power Great under a private arrangement with an independent third party for a consideration of approximately HKD118 million. As at 31 December 2025, Power Great held a cumulative total of 83,259,032 Shares available for use under the Share Award Scheme (which includes Shares that have been granted to the relevant employees with the registration and transfer procedures yet to be completed) (31 December 2024: 283,259,032 Shares).

(ii) Share Option Schemes

A share option scheme (the “**2007 Share Option Scheme**”) was approved and adopted by the shareholders of the Company (the “**Shareholders**”) on 20 March 2007 for a period of 10 years commencing on the adoption date. The 2007 Share Option Scheme had expired on 19 March 2017. Another share option scheme (the “**2017 Share Option Scheme**”, together with the 2007 Share Option Scheme, the “**Share Option Schemes**”) was approved and adopted by the Shareholders at the annual general meeting of the Company held on 18 May 2017 for a period of 10 years commencing on the adoption date and ending on 17 May 2027. Subject to the terms and conditions of the 2017 Share Option Scheme, the Board might, at its discretion, grant share options to any eligible person to subscribe for the Shares within the validity period of the scheme. The termination of the 2017 Share Option Scheme was approved by the Board and effective upon the approval and adoption of the MIP (as defined below) by the Shareholders at the extraordinary general meeting of the Company held on 3 December 2025 (the “**EGM**”).

The total number of options available for grant under the Share Option Schemes was 2,048,830,798 Shares as at 1 January 2025 (as at 1 January 2024: 2,048,830,798 Shares) and nil as at 31 December 2025 (as at 31 December 2024: 2,048,830,798 Shares). During the year ended 31 December 2025, no share options were granted to eligible persons in accordance with the terms of the Share Option Schemes (there were also no share options granted during the year ended 31 December 2024).

As at 31 December 2025, the total number of Shares underlying the options granted (including options exercised or outstanding) under the 2017 Share Option Scheme was 71,757,758 Shares.

MANAGEMENT INCENTIVE PLAN

To incentivise senior management and other employees of the Group who are critical to the Group’s operations to execute business plans effectively and to improve the Group’s financial performance and position, satisfy the scheduled payments under the new debt instruments issued under the terms of the Proposed Restructuring, and improve share price performance after the RED, a management incentive plan (the “**MIP**”) was approved and adopted by the Shareholders at the EGM for a period of 10 years commencing upon the fulfillment of all the conditions for the adoption of MIP. All the conditions have been satisfied on the RED. Under the MIP, the Company may grant awards by way of restricted share units, which may vest in the form of Shares or in cash, according to the rules of the MIP and as determined by the Board or the specialised committee of the Board or person(s) to which the Board has delegated its authority to administer the MIP. As at 31 December 2025, no awards were granted under the MIP and the total number of Shares available for issue under the MIP is 2,798,850,794 Shares. According to the trust deed approved by the Board on 30 March 2026, Power Great is the trustee of the MIP.

The Board will continue to monitor the Share Award Scheme and the MIP for motivating the eligible persons, senior management and employees of the Group and consider when it may be appropriate and/or desirable to modify or replace the scheme or plan with and/or adopt any other incentive scheme or plan.

CONVERTIBLE BONDS AND SCA WARRANTS

On 21 November 2018, the Company, Smart Insight International Limited (the “**Issuer**”, a wholly-owned subsidiary of the Company), J.P. Morgan Securities plc, Goldman Sachs (Asia) L.L.C and The Hongkong and Shanghai Banking Corporation Limited (the “**Joint Lead Managers**”) entered into an agreement, under which the Joint Lead Managers agreed to subscribe for the 4.50% secured guaranteed convertible bonds due 2023 to be issued by the Issuer in the aggregate principal amount of HKD7,830 million (the “**2023 Convertible Bonds**”). On 5 December 2018, the Issuer issued the 2023 Convertible Bonds in the principal amount of HKD7,830 million. The 2023 Convertible Bonds are listed on Singapore Exchange Securities Trading Limited (“**SGX**”). The 2023 Convertible Bonds have matured on 5 December 2023 and were defaulted with conversion period expired. The 2023 Convertible Bonds were subsequently cancelled on the RED.

On 20 January 2022, the Company, the Issuer and UBS AG Hong Kong Branch (the “**Sole Bookrunner**”) entered into an agreement, under which the Sole Bookrunner agreed to subscribe for the 4.95% secured guaranteed convertible bonds due 2026 to be issued by the Issuer in the aggregate principal amount of HKD3,900 million (the “**2026 Convertible Bonds**”). On 28 January 2022, the Issuer issued the 2026 Convertible Bonds in the principal amount of HKD3,900 million. The 2026 Convertible Bonds were listed on SGX. The last adjusted conversion price of the 2026 Convertible Bonds (as last adjusted on 13 June 2022) was HKD7.92 per Share. The 2026 Convertible Bonds were cross-defaulted and subsequently cancelled on the RED.

On the RED, the following instruments have been issued by the Company in accordance with the terms of the Scheme for the purposes of implementing the Proposed Restructuring:

- (i) warrants in the principal amount of USD62,821,268 issued under the SCA Warrants Instrument to the original lenders of the SCA Loan (the “**SCA Warrants**”). The SCA Warrants may be issued for a maximum number of 816,676,484 Shares at the subscription price of HKD0.6 per Share. No warrant holders have exercised their subscription right under the SCA Warrants during the year ended 31 December 2025;
- (ii) the zero-coupon mandatory convertible bonds with a maturity date of 78 months from 30 June 2025 in the principal amount of USD7,500,697,253 (the “**MCB (A)**”). The MCB (A) may be converted into a maximum number of 22,502,091,759 Shares at the conversion price of HKD2.6 per Share. No bondholders have exercised their conversion right under the MCB (A) during the year ended 31 December 2025;

- (iii) the zero coupon mandatory convertible bonds with a maturity date of 114 months from 30 June 2025 in the principal amount of USD603,751,513 (the “**MCB (B)**”). The MCB (B) may be converted into a maximum number of 470,926,180 Shares at the conversion price of HKD10 per Share. No bondholders have exercised their conversion right under the MCB (B) during the year ended 31 December 2025; and
- (iv) the zero coupon mandatory convertible bonds with a maturity date of 78 months from 30 June 2025 in the principal amount of USD39,461,396 (the “**MCB (C)**”). The MCB (C) may be converted into a maximum number of 279,817,174 Shares at the conversion price of HKD1.1 per Share. No bondholders have exercised their conversion right under the MCB (C) during the year ended 31 December 2025.

Please refer to announcements of the Company dated 10 October 2023, 16 January 2024, 28 February 2024, 4 March 2024, 28 March 2024, 7 April 2024, 17 May 2024, 27 June 2024, 29 July 2024, 30 September 2024, 31 December 2024, 9 January 2025, 20 January 2025, 21 January 2025, 11 April 2025, 9 May 2025, 23 May 2025, 6 June 2025, 30 June 2025, 18 August 2025, 13 October 2025, 30 October 2025, 6 November 2025, 14 November 2025, 3 December 2025, 5 December 2025, 22 December 2025, 29 December 2025 and 31 December 2025 (together, the “**Announcements**” (unless otherwise specified or the context otherwise requires)), the circular dated 17 November 2025 (the “**Circular**”) and the explanatory statement issued by the Company on 13 October 2025 as supplemented by the supplement to the explanatory statement dated 29 October 2025 (the “**Explanatory Statement**”). Capitalised terms used in this section shall have the same meanings as ascribed to them in the Announcements, the Circular and the Explanatory Statement unless otherwise stated or the context otherwise requires.

Details of convertible bonds and SCA Warrants are set out in note 5(a) to the “**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**” in this announcement.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, bought back, sold or redeemed any of its Shares or listed securities during the year ended 31 December 2025.

For details of additions or redemption by the Company or any of its subsidiaries of its corporate bonds during the year ended 31 December 2025, please also refer to note 5(b) (ii) to the “**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**” in this announcement.

FINAL DIVIDEND

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

CLOSURE OF REGISTERS OF MEMBERS

For the purposes of determining the eligibility of the Shareholders to attend, speak and vote at the forthcoming annual general meeting of the Company, the registers of members of the Company (the “**Registers of Members**”) will be closed as appropriate as set out below:

Latest time to lodge transfer documents for registration with the Company’s branch share registrar and transfer office in Hong Kong	At 4:30 p.m. on Thursday, 21 May 2026
Record date	Friday, 22 May 2026
Closure of the Registers of Members	Friday, 22 May 2026 to Thursday, 28 May 2026 (both days inclusive)

For purposes mentioned above, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than the aforementioned latest time.

PUBLICATION OF ANNUAL RESULTS

This announcement is published on the Company’s website (<http://www.countrygarden.com.cn>) and the Stock Exchange’s designated website (<http://www.hkexnews.hk>).

By order of the Board
Country Garden Holdings Company Limited
CHENG Guangyu
President and Executive Director

Foshan, Guangdong Province, the PRC, 30 March 2026

As of the date of this announcement, the executive Directors are Ms. YANG Huiyan (Chairman), Mr. MO Bin (Co-Chairman), Dr. CHENG Guangyu (President), Ms. YANG Ziyang and Ms. WU Bijun. The non-executive Director is Mr. CHEN Chong. The independent non-executive Directors are Dr. HAN Qinchun, Mr. WANG Zhijian and Mr. TUO Tuo.

* *For identification purpose only*