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SOHO CHINA LIMITED

SOHO 中國有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 410)

**RESULTS ANNOUNCEMENT FOR
THE YEAR ENDED 31 DECEMBER 2025**

FINANCIAL HIGHLIGHTS

- The Group's average occupancy rate of investment properties defied the market pressure and reached 82.8% by the end of the Year.
- Under the unfavorable conditions of a weakening macroeconomic environment and continued pressure on the office and commercial property leasing market, the Group recorded a total revenue of approximately RMB1,372 million for the Year.
- Gross profit margin from property leasing business remained stable at approximately 82% for the Year.
- Underlying profit attributable to owners of the Company from operating activities (excluding valuation changes on investment properties and one-off tax fees) was approximately RMB134 million for the Year. Loss attributable to owners of the Company was approximately RMB291 million for the Year.
- As at 31 December 2025, the net gearing ratio of Group was approximately 39.7%.

The board (the “**Board**”) of directors (the “**Directors**”) of SOHO China Limited (the “**Company**” or “**SOHO China**” or “**we**”) is pleased to announce the audited consolidated annual results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2025 (the “**Year**”), together with the comparative figures for the year ended 31 December 2024 as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2025

	Notes	Year ended 31 December	
		2025	2024
		RMB'000	RMB'000
Revenue	2	1,372,220	1,540,432
Cost of sales		<u>(249,849)</u>	<u>(260,037)</u>
Gross profit		1,122,371	1,280,395
Fair value changes on investment properties		(185,939)	(133,877)
Other income and gains		388,860	471,606
Selling expenses		(42,547)	(32,388)
Administrative expenses		(95,073)	(95,667)
Other operating expenses and losses		<u>(632,340)</u>	<u>(710,928)</u>
Operating profit		555,332	779,141
Finance income	3	2,387	4,802
Finance expenses	3	<u>(653,352)</u>	<u>(721,631)</u>
(Loss)/Profit before income tax		(95,633)	62,312
Income tax expense	4	<u>(191,508)</u>	<u>(179,996)</u>
Loss for the Year		<u>(287,141)</u>	<u>(117,684)</u>
(Loss)/Profit attributable to:			
– Owners of the Company		(290,782)	(113,441)
– Non-controlling interests		<u>3,641</u>	<u>(4,243)</u>
Loss for the Year		<u>(287,141)</u>	<u>(117,684)</u>
Loss per share (RMB per share)	5		
Basic loss per share		<u>(0.06)</u>	<u>(0.02)</u>
Diluted loss per share		<u>(0.06)</u>	<u>(0.02)</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Loss for the Year	(287,141)	(117,684)
Other comprehensive income/(expense):		
<i>Item that may be reclassified to profit or loss</i>		
Exchange difference on translation of financial statements of foreign operations	<u>22,609</u>	<u>(9,268)</u>
Other comprehensive income/(expense) for the Year, net of tax	<u>22,609</u>	<u>(9,268)</u>
Total comprehensive expense for the Year	<u>(264,532)</u>	<u>(126,952)</u>
Total comprehensive (expense)/income for the Year attributable to:		
– Owners of the Company	(267,600)	(123,089)
– Non-controlling interests	<u>3,068</u>	<u>(3,863)</u>
	<u>(264,532)</u>	<u>(126,952)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

		As at 31 December	
		2025	2024
	Notes	RMB'000	RMB'000
ASSETS			
Non-current assets			
Investment properties		62,881,200	63,079,400
Property and equipment		869,668	904,385
Deferred tax assets		635,573	810,867
Trade and other receivables	6	68,743	68,743
Investment in other financial assets		270,798	284,967
		<u>64,725,982</u>	<u>65,148,362</u>
Total non-current assets			
Current assets			
Completed properties held for sale		1,596,122	1,605,127
Investment in other financial assets		224,632	140,864
Prepayments		82,090	101,645
Trade and other receivables	6	513,417	520,047
Restricted bank deposits		24,778	25,808
Cash and cash equivalents		516,236	589,623
		<u>2,957,275</u>	<u>2,983,114</u>
Total current assets			
		<u>67,683,257</u>	<u>68,131,476</u>
Total assets			
EQUITY			
Equity attributable to owners of the Company			
Share capital		106,112	106,112
Other reserves		35,770,070	36,037,670
		<u>35,876,182</u>	<u>36,143,782</u>
Non-controlling interests		<u>927,358</u>	<u>924,290</u>
Total equity		<u>36,803,540</u>	<u>37,068,072</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)*As at 31 December 2025*

		As at 31 December	
		2025	2024
	<i>Notes</i>	RMB'000	RMB'000
LIABILITIES			
Non-current liabilities			
Bank and other borrowings	7	9,986,329	9,823,169
Long-term deposits		300,758	297,826
Deferred tax liabilities		10,014,465	10,004,805
Total non-current liabilities		20,301,552	20,125,800
Current liabilities			
Bank and other borrowings	7	5,017,521	5,732,567
Receipts in advance		577,044	538,050
Trade and other payables	8	3,370,305	3,011,512
Current income tax liabilities		1,613,295	1,655,475
Total current liabilities		10,578,165	10,937,604
Total liabilities		30,879,717	31,063,404
Total equity and liabilities		67,683,257	68,131,476

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 BASIS OF PREPARATION

(i) Compliance with HKFRS Accounting Standards and Hong Kong Companies Ordinance

The consolidated financial statements of the Group have been prepared in accordance with HKFRS Accounting Standards which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants and the accounting principles generally accepted in Hong Kong.

The consolidated financial statements also comply with the applicable requirements of the Hong Kong Companies Ordinance and include the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

As at 31 December 2025, the Group's current liabilities exceeded its current assets by approximately RMB7,620.9 million (2024: RMB7,954.4 million). Total bank and other borrowings amounted to RMB15,003.8 million (2024: RMB15,555.7 million), comprising a current portion of RMB5,017.5 million (2024: RMB5,732.6 million) and a non-current portion of RMB9,986.3 million (2024: RMB9,823.1 million) as disclosed in Note 7. The Group's cash and cash equivalents of approximately RMB516.2 million (2024: RMB589.6 million). The Group's borrowings of RMB14,893.3 million (2024: RMB15,207.9 million) are secured by investment properties with an aggregate carrying value of approximately RMB53,747.7 million (2024: RMB53,859.5 million) as of 31 December 2025.

A subsidiary of the Company, Beijing Wangjing SOHO Real Estate Co., Ltd. ("**Beijing Wangjing**") received a demand from the local tax authority for the payment of Land Appreciation Tax ("**LAT**") amounting to approximately RMB1,733.3 million. This liability related to two towers of the Wangjing SOHO project and was due by 1 September 2022. Beijing Wangjing did not settle the LAT by the specified deadline, resulting in daily surcharges of 0.05% on the outstanding balance. As at 31 December 2025, approximately RMB180.6 million (2024: RMB155.6 million) of the LAT has been paid. The LAT balance and accrued surcharges totalling approximately RMB2,565.9 million (2024: RMB2,305.2 million) remained outstanding as at 31 December 2025.

The late payment of LAT might trigger cross-defaults of certain bank borrowings of the Group in aggregate total amounting to RMB4,022.0 million (2024: RMB4,144.0 million) as at 31 December 2025 (the "**Cross-Defaulted Borrowings**"). The Cross-Defaulted Borrowings with a total principal amount of RMB4,022.0 million (2024: RMB4,144.0 million) and interest of RMB14.9 million (2024: RMB13.9 million), including those with original contractual repayment dates beyond 31 December 2025, were reclassified as current liabilities as at 31 December 2025 as they are due upon demand if requested by the respective lenders.

The above conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. In view of such circumstances, management of the Company has 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. Certain plans and measures have been or will be taken by management to mitigate the Group's liquidity pressure and to improve its cashflows which including, but are not limited to, the following:

- (a) The Group has been in continuous communications with the local tax authority for a feasible settlement plan on the outstanding LAT and associated surcharges. The Group continued to dispose of certain of its commercial properties to settle a portion of the outstanding LAT payable. With the support and coordination of relevant government bodies and tax authorities, from 1 September 2022 to the date of this announcement, the Group has completed the sale of certain commercial properties, and settled LAT amounting to approximately RMB180.6 million (2024: RMB155.6 million) by 31 December 2025.

The Group continues to communicate with the local tax authority and takes measures to dispose of further commercial properties in order to settle the outstanding LAT to mitigate any further potential negative impact due to late payment;

- (b) The Group has been in proactive and continuous communication and will continue to negotiate with relevant lenders, including those associated with the Cross-Defaulted Borrowings, not to take any actions to demand the immediate repayment of the whole borrowings and to revise the repayment terms. Based on latest communications between the management and the lenders of the Cross-Defaulted Borrowings, there is no indication that these lenders have any current intention to take action or demand immediate payment from the Group. During the year ended 31 December 2025, the Group successfully entered into agreements and/or supplemental agreements with lenders to revise the contractual terms and repayment schedules for borrowings totalling approximately RMB5,180.0 million (2024: RMB1,880.0 million).

Subsequent to 31 December 2025 and up to the date of this announcement, the Group has entered into agreements and/or supplemental agreements with lenders (one of the lenders of Cross-Defaulted Borrowings), to revise the contractual terms and repayment schedules for borrowings with total principal amounts of RMB1,680.0 million (2024: supplemental agreements were reached with other lenders of Cross-Defaulted Borrowings totalling RMB4,580.0 million); and

- (c) The Group will continue to take proactive measures to improve operating cash flow by controlling administrative costs and containing capital expenditure.

The Directors have reviewed the Group's cash flow projections prepared by management, which cover a period of not less than twelve months from 31 December 2025, on the assumptions that the Group is able to refinance the bank borrowings when due. The Directors are of the opinion that, considering the above-mentioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 31 December 2025. Accordingly, the Directors are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Notwithstanding the above, material uncertainties exist as to whether management of the Company will be 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) Whether the local tax authority will demand immediate payment of the outstanding LAT and related surcharges before the Group is able to secure sufficient funding to do so; as well as it will take any further actions against the Group including detention, seizure and sale of the Group's properties or imposing penalties;
- (b) Whether the lenders of the bank and other borrowings, including those of the Cross-Defaulted Borrowings, will call for repayment ahead of the stipulated repayment dates as a result of any developments of the LAT or other matters;
- (c) Whether the Group will be able to successfully and timely reach agreements with the lenders of the bank and other borrowings to restructure its borrowings, or to obtain new financing; and
- (d) The Group's ability to generate operating cash flows to meet the Group's ongoing funding needs as well as successfully controlling administrative costs and capital expenditure.

Should the Group be unable to achieve the above-mentioned plans and measures, it might not be able to continue to operate as a going concern, adjustments would have to be made to write down the carrying value 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 effects of these adjustments have not been reflected in these consolidated financial statements.

(ii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis except that the following assets are measured at their fair value as explained in the accounting policies set out below:

- Investment properties;
- Office premises; and
- Investment in other financial assets.

(iii) Amended HKFRS Accounting Standards that are effective for annual periods beginning on 1 January 2025

In the current year, the Group has applied the amendments to HKAS 21 "Lack of Exchangeability" for the first time. These amendments are effective for the Group's consolidated financial statements for the annual period beginning on 1 January 2025.

The amendments to HKAS 21 specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. In addition, the amendments require an entity to disclose additional information that enables users of its financial statements to understand how a currency that is not exchangeable into another currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments did not have a material impact on the Group's consolidated financial statements.

(iv) **New and amendments to HKFRS Accounting Standards that are not yet adopted by the Group**

Certain new and amendments to HKFRS Accounting Standards have been published that are not mandatory for the Year and have not been early adopted by the Group.

- HKFRS 18 “Presentation and Disclosure in Financial Statements”;
- HKFRS 19 “Subsidiaries without Public Accountability: Disclosure and related Amendments”;
- Amendments to HKFRS 9 and HKFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”;
- Amendments to HKFRS 9 and HKFRS 7 “Contracts Referencing Nature-dependent Electricity”;
- Amendments to HKFRS 10 and HKAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”;
- Amendments to HKAS 21 “Translation to a Hyperinflationary Presentation Currency”;
- Amendments to HKFRS Accounting Standards “Annual Improvements to HKFRS Accounting Standards – Volume 11”; and
- Amendments to Hong Kong Interpretation 5 “Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause”.

The Directors anticipate that all of the pronouncements will be adopted in the Group’s accounting policy for the first period beginning on or after the effective date of the pronouncement. Information on new and amended HKFRS Accounting Standards that are expected to have impact on the Group’s accounting policies is provided below. Other new and amended HKFRS Accounting Standards are not expected to have a material impact on the Group’s consolidated financial statements.

HKFRS 18 “Presentation and Disclosure in Financial Statements” and related amendments to Hong Kong Interpretation 5

HKFRS 18 replaces HKAS 1 “Presentation of Financial Statements”. It carries forward many of the existing requirements in HKAS 1, with limited changes, and some HKAS 1 requirements will be moved to HKAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors” and HKFRS 7 “Financial Instruments: Disclosures”.

HKFRS 18 will not impact the recognition and measurement of the consolidated financial statements items but the presentation of them. It introduces three major new requirements, including:

- reporting newly defined subtotals (namely “**operating profits**” and “**profits before financing and income tax**”), and classifying items into five newly defined categories (namely “**operating**”, “**investing**”, “**financing**”, “**income tax**” and “**discontinued operation**”), depending on the reporting entity’s main business activities, in the consolidated statement of profit or loss;

- disclosure of management-defined performance measures (“MPMs”) in a single note to the consolidated financial statements; and
- enhanced guidance of aggregation and disaggregation of information in the consolidated financial statements.

Besides, narrow-scope amendments have been made to HKAS 7 “Statement of Cash Flows”, which includes:

- using “operating profit or loss” as the starting point for indirect method for the presentation of operating cash flows purposes; and
- the option for classifying interest and dividend cash flows as operating activities is eliminated.

In addition, there are consequential amendments to several other standards.

HKFRS 18, and the amendments to the other HKFRS Accounting Standards, are effective for annual period beginning on or after 1 January 2027 and must be applied retrospectively with specific transition provisions. The Directors of the Group are currently working to identify all the impacts of HKFRS 18, particularly with respect to the structure of the Group’s consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact of how information is grouped in the consolidated financial statements, including the items currently labelled as “other”.

2 REVENUE

The Group is principally engaged in real estate development, the provision of property leasing and related services in the People’s Republic of China (the “PRC”). Revenue is analyzed as follows:

	<i>Note</i>	2025 RMB’000	2024 RMB’000
Rental income		1,366,795	1,534,716
Sale of property units	<i>(i)</i>	<u>5,425</u>	<u>5,716</u>
		<u>1,372,220</u>	<u>1,540,432</u>

- (i) During the Year, revenue from sale of property units is recognized at a point in time.
- (ii) No single customer contributed 10% or more of the Group’s revenue during the Year.

3 FINANCE INCOME AND FINANCE EXPENSES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Finance income		
Interest income	2,288	4,490
Net foreign exchange gains	<u>99</u>	<u>312</u>
	<u>2,387</u>	<u>4,802</u>
Finance expenses		
Interest expenses on bank and other borrowings	652,829	720,918
Bank charges and others	<u>523</u>	<u>713</u>
	<u>653,352</u>	<u>721,631</u>

4 INCOME TAX EXPENSE

(i) Income tax in the consolidated income statement represents:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current income tax		
– PRC corporate income tax	6,525	54,008
– PRC LAT	29	55,869
Deferred income tax	<u>184,954</u>	<u>70,119</u>
	<u>191,508</u>	<u>179,996</u>

Current income tax includes PRC corporate income tax and PRC LAT.

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (“BVI”), the Company and the Company’s subsidiaries incorporated in the Cayman Islands and the BVI are not subject to any income tax.

Provision for Hong Kong Profits Tax is calculated at 16.5% (2024: 16.5%) of the estimated assessable profits for the Year.

In accordance with the Corporate Income Tax Law of the PRC, the corporate income tax rate applicable to the Company’s subsidiaries in the PRC is 25% (2024: 25%).

In accordance with the Macau Complementary Tax Law, complementary tax is imposed on a progressive rate scale ranging from 3% to 9% for taxable profits below or equal to MOP300,000 and 12% for taxable profits over MOP300,000. Taxable profits below MOP32,000 are exempt from tax.

In accordance with the Provisional Regulations on Land Appreciation Tax of the PRC, LAT is levied at the properties developed and sold in the PRC by the Group. LAT is charged on the appreciated amount at progressive rates ranging from 30% to 60%.

According to the Implementation Rules of the Corporate Income Tax Law of the PRC, the Company's subsidiaries in the PRC are levied a 10% withholding tax on dividends declared to their foreign investment holding companies arising from profit earned subsequent to 1 January 2008. In respect of dividends that are subject to the withholding tax, provision for withholding tax is recognized for the dividends that have been declared, and deferred tax liabilities are recognized for those to be declared in the foreseeable future.

5 LOSS PER SHARE, BASIC AND DILUTED

The calculation of basic and diluted loss per share is based on the loss attributable to owners of the Company of RMB290,782,000 (2024: RMB113,441,000) and the weighted average number of 5,199,524,000 (2024: 5,199,524,000) ordinary shares in issue during the Year, calculated as follows:

(i) Loss attributable to owners of the Company

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Loss attributable to owners of the Company	<u>(290,782)</u>	<u>(113,441)</u>
Loss attributable to owners of the Company (diluted)	<u>(290,782)</u>	<u>(113,441)</u>

(ii) Weighted average number of ordinary shares

	2025 <i>Share'000</i>	2024 <i>Share'000</i>
Issued ordinary shares at the beginning	<u>5,199,524</u>	<u>5,199,524</u>
Weighted average number of ordinary shares during the Year	<u>5,199,524</u>	<u>5,199,524</u>
Weighted average number of ordinary shares during the Year (diluted)	<u>5,199,524</u>	<u>5,199,524</u>

(iii) Loss per share

	2025	2024
	RMB	RMB
Basic loss per share	(0.06)	(0.02)
Diluted loss per share	(0.06)	(0.02)

6 TRADE AND OTHER RECEIVABLES

		As at 31 December	
		2025	2024
	<i>Notes</i>	RMB'000	RMB'000
Non-current			
Other receivables		68,743	68,743
Current			
Trade receivables	<i>(i)</i>	398,320	371,257
Less: allowance for impairment of trade receivables	<i>(ii)</i>	(50,358)	(47,290)
Trade receivables – net		347,962	323,967
Amounts due from related parties		24,740	24,740
Amounts due from non-controlling interest		46,493	46,493
Other receivables		204,592	234,931
Less: allowance for impairment of other receivables	<i>(ii)</i>	(110,370)	(110,084)
Other receivables – net		165,455	196,080
Total of current portion		513,417	520,047

The carrying amounts of trade and other receivables approximate their respective fair values as at 31 December 2025 and 2024.

(i) Aging analysis

The aging analysis of trade receivables based on due date is as follows:

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Amounts not past due	<u>327,908</u>	<u>289,334</u>
Less than 1 month past due	7,637	768
1 to 6 months past due	6,106	8,253
6 months to 1 year past due	5,955	21,657
More than 1 year past due	<u>50,714</u>	<u>51,245</u>
Amounts past due	<u>70,412</u>	<u>81,923</u>
	<u>398,320</u>	<u>371,257</u>

(ii) Impairment of trade and other receivables

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance and general approach for all trade and other receivables.

7 BANK AND OTHER BORROWINGS

(i) The borrowings of the Group were as follows:

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Bank borrowings	9,518,342	10,026,228
Other borrowings	<u>5,485,508</u>	<u>5,529,508</u>
	<u>15,003,850</u>	<u>15,555,736</u>

(ii) The borrowings were repayable as follows:

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Within 1 year or on demand	<u>5,017,521</u>	<u>5,732,567</u>
After 1 year but within 2 years	835,600	821,589
After 2 years but within 5 years	3,647,077	3,535,503
After 5 years	<u>5,503,652</u>	<u>5,466,077</u>
	<u>9,986,329</u>	<u>9,823,169</u>
	<u><u>15,003,850</u></u>	<u><u>15,555,736</u></u>

(iii) Compliance with loan covenants

As at 31 December 2025, the current borrowings included (i) the Cross-Defaulted Borrowings of RMB4,036,952,000 (2024: RMB4,157,912,000); and (ii) the other borrowings, which are not yet overdue or defaulted but with contractual repayment dates prior to 31 December 2026, of RMB980,569,000 (2024: RMB1,574,655,000).

8 TRADE AND OTHER PAYABLES

	Note	As at 31 December	
		2025	2024
		<i>RMB'000</i>	<i>RMB'000</i>
Trade payables	(i)	857,753	927,982
Amounts due to related parties		812,732	812,732
Late payment fees		1,013,142	727,529
Rental deposits		225,788	231,813
Other taxes payable		77,094	86,646
Payroll and welfare payables		2,707	3,554
Others		<u>381,089</u>	<u>221,256</u>
		<u><u>3,370,305</u></u>	<u><u>3,011,512</u></u>

The carrying amounts of trade and other payables approximate their fair value.

(i) The aging analysis of trade payables based on due date is as follows:

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Due within 1 month or on demand	<u>857,753</u>	<u>927,982</u>

9 DIVIDENDS

The Board resolved not to declare a final dividend for the year ended 31 December 2025 (2024: Nil).

BUSINESS REVIEW

Market Review and Outlook

Throughout the years, even as the market has faced continuous pressures, SOHO China has always adhered to our goal and principles and moved forward against challenging trends. In 2025, the Company's occupancy rate reached 82.8%, up 77.7% year over year. In the face of market pressures, we adjusted our strategy, we adopted flexible prices in exchange for occupancy and vitality so that every square meter of our assets is made to the best use. This year, we committed to a bottom line: no headcount and salary cuts, no delay of supplier payments, and no extension of customer schedules. In difficult times, this commitment has become the solid confidence to our stability.

SOHO China is like a dynamic cell within the organism that is our society and economy. Our 1,650 colleagues and several million square meters of properties are our foundation, and the hundreds of thousands of office workers and countless partners make up our biosphere and symbiotic blood. After 30 years of this journey together, we have become one, and it is our greatest responsibility to keep this "cell" healthy and dynamic.

Everyone has been able to sense the changing temperature of the economic climate. While we may find ourselves surrounded by confusion and uncertainty, we must keep in mind that darkness is not the norm, it is just a period of time before the light arrives. The light within a person's heart is an anchor in difficult times, and a bright lighting pointing the direction forward. This light was hidden struggle of Huawei at Leeza SOHO, in the classrooms of in HKU Business School Shanghai Center at Bund SOHO, under the lights of the crowded Qianmen Avenue, in the enthusiasm of Trip.com's employees at Sky SOHO, and in the creative energy of the Xiaohongshu team at SOHO Fuxing Plaza.

In 2025, we completed over 6,770 safety checks, with a 100% improvement rate of hidden dangers ensuring safe building operations. We took the lead in the ESG space, achieving a five-star rating from GRESB (Global Real Estate Sustainability Benchmark), and obtained SBTi (Science Based Targets initiative) official approval. We have signed more than 1,700 green contract tenants and achieved a 25% reduction in carbon emissions. All our commercial projects have been certified by WELL Health and Safety Evaluation (WELL HSR).

Over the past 20 years, the internet has restructured the entire world. SOHO China has witnessed and contributed to the growth of many companies, such as Meituan, Xiaohongshu, Ali Cloud, ByteDance, XPENG, SHEIN, and VFS among others. Now, as we face the transformation of the AI era, we embrace change proactively. We already save 7 million kilowatt-hours per year using our AI-enabled carbon management system. In 2025, the Company held 116 training sessions to more than 9,800 people, with the goal of promoting growth through learning, and expanding the boundaries of cognition with knowledge.

Looking ahead to 2026, SOHO China has always won success through service, high quality, and honesty towards clients. We adhere to the principals of consultation before action, service as the foundation, and greatly value every client partnership. Let us continue to be a healthy and energetic cell, with light in our hearts, our feet on the ground, breathing in sync with this era, growing together, and advancing together towards a better future.

Rental Portfolio and Major Projects

Wangjing SOHO

Wangjing SOHO is a large-scale office and retail project in the Wangjing area of Beijing, consisting of a total GFA of approximately 522,272 sq.m.. With a height of nearly 200 meters, Wangjing SOHO is now a landmark in central Beijing. The project comprises three towers (Towers 1, 2 and 3), among which Towers 1 and 2 were mostly sold in 2014.

The Group holds Wangjing SOHO Tower 3 and some units of Towers 1 and 2. Tower 3 was completed in September 2014, with a total GFA of approximately 157,318 sq.m.. The Group is entitled to a leasable GFA of approximately 133,766 sq.m., including approximately 123,568 sq.m. of office area and approximately 10,198 sq.m. of retail area.

Wangjing area has become the emerging hub for internet companies in the northeast of Beijing. Wangjing area is also home to the headquarters of many prestigious multinational companies in the PRC.

Guanghualu SOHO II

Guanghualu SOHO II is located at the heart of the central business district in Beijing, close to subway lines 1 and 10. The total GFA of the project is approximately 117,179 sq.m. and the total leasable GFA attributable to the Group is approximately 94,279 sq.m., including approximately 63,308 sq.m. of office area and approximately 30,971 sq.m. of retail area. The project was completed in November 2014.

Qianmen Avenue project

Qianmen Avenue project is located in the Qianmen area, immediate south of Tiananmen Square and within one of the largest “Hutong” (traditional Beijing courtyards) conservation areas in Beijing. The total leasable GFA attributable to the Group is approximately 51,889 sq.m. of retail area. The Group has been working towards its goal of developing Qianmen Avenue into a premier tourist destination. Leveraging on its massive visitor traffic, the Group aims to continue attracting and retaining high-quality tenants that fit the positioning of the project.

Leeza SOHO

Leeza SOHO is located in the center of the Lize Financial Business District in Beijing. The site is to the south of Lize Road, less than one kilometer away from the West Second Ring Road, and is already connected to subway line 14 to date and is adjacent to the planned subway lines 11 and 16 as well as the New Airport line and the Lize Business District Financial Street connection line. Located between Beijing's West Second and Third Ring Roads, the Lize Financial Business District is expected to be developed into Beijing's next financial district, acting as an extension to Beijing's current Financial Street which we believe is one of the most expensive office markets in the world. The Lize Financial Business District is planned to provide quality offices, apartments, exhibition centers, commercial zones and leisure facilities aiming to accommodate the increasing demand arising from the continued expansion of financial companies around the current Financial Street area.

Leeza SOHO has a total GFA of approximately 156,485 sq.m., and a total leasable GFA of approximately 135,637 sq.m.. The project was completed in December 2019.

SOHO Fuxing Plaza

SOHO Fuxing Plaza is located at Huai Hai Road Central, the most vibrant and cosmopolitan commercial street in Shanghai with direct access to subway lines 10 and 13. It is right next to Shanghai Xintiandi, the most bustling and diverse commercial area of Shanghai. SOHO Fuxing Plaza has a total GFA of approximately 124,068 sq.m. and a leasable GFA of approximately 88,234 sq.m., of which approximately 46,344 sq.m. is for office use and approximately 41,890 sq.m. is for retail use. The project was completed in September 2014.

Bund SOHO

Bund SOHO is located on the Bund in Shanghai. Bund SOHO is very close to Shanghai's famous City God Temple and next to the Bund's multi-dimensional transportation hub and yacht wharf.

The Group is entitled to a leasable GFA of approximately 72,006 sq.m., including approximately 50,347 sq.m. of office area and approximately 21,659 sq.m. of retail area. The project was completed in August 2015.

SOHO Tianshan Plaza

SOHO Tianshan Plaza is located at a prime location in the Hongqiao Foreign Trade Center in Changning District in Shanghai. The Hongqiao Foreign Trade Center area is Shanghai's first central business district for foreign enterprises and a gathering place for Changning's office buildings, business and high-end residential apartments. In close proximity to the Tianshan Road Commercial Street, SOHO Tianshan Plaza has direct access to Loushanguan Station on subway line 2.

SOHO Tianshan Plaza has a total GFA of approximately 155,827 sq.m.. The office and retail parts of SOHO Tianshan Plaza were completed in December 2016, with a total leasable GFA of approximately 97,750 sq.m., including approximately 74,498 sq.m. of office area and approximately 23,253 sq.m. of retail area. Hyatt Place Shanghai Tianshan Plaza, which is located at SOHO Tianshan Plaza, was completed in November 2017 and has started operations since the end of February 2018.

Gubei SOHO

The land for Gubei SOHO is located in the core area of the Hongqiao Foreign Trade Center in Shanghai's Changning District, only 1 kilometer away from SOHO Tianshan Plaza.

The land is bordered by Yili Road to the east, Hongbaoshi Road to the south, Ma'nao Road to the west and Hongqiao Road to the north. The project is accessible underground from Yili Station on subway line 10 and with close proximity to Gubei Fortuna Plaza and other Grade A office buildings.

The project has a total GFA of approximately 146,692 sq.m. and a total leasable GFA of approximately 112,541 sq.m.. The project was completed in January 2019.

FINANCIAL REVIEW

Revenue

Despite the office and retail property leasing markets are under continuing pressure due to weak macro-economic environment, the Group has achieved revenue of approximately RMB1,372 million for the Year, representing a decrease of approximately 10.9% as compared with approximately RMB1,540 million in 2024.

Profitability

Gross profit for the Year was approximately RMB1,122 million, representing a decrease of approximately 12.3% as compared with approximately RMB1,280 million in 2024.

Gross profit margin was approximately 82% for the Year, as compared with approximately 83% in 2024.

Cost control

The Group continuously implemented effective cost control measures during the Year. Selling and administration expenses for the Year were approximately RMB138 million, as compared with approximately RMB128 million in 2024.

Finance income and expenses

Finance income for the Year was approximately RMB2 million, representing a decrease of approximately RMB3 million as compared with approximately RMB5 million in 2024.

Finance expenses for the Year were approximately RMB653 million, representing a decrease of approximately RMB69 million as compared with approximately RMB722 million in 2024.

Income tax expense

Income tax expense for the Year was approximately RMB192 million, representing an increase of approximately RMB12 million as compared with approximately RMB180 million in 2024.

Bank borrowings, other borrowings and collaterals

As at 31 December 2025, total borrowings of the Group were approximately RMB15,004 million. As at 31 December 2025, borrowings of the Group of approximately RMB14,893 million were collateralized by the Group's investment properties.

Risks of foreign exchange fluctuation and interest rate

As at 31 December 2025, offshore borrowings of the Group were approximately RMB111 million, accounting for approximately 0.7% of total borrowings of the Group (31 December 2024: offshore borrowings were approximately RMB348 million, accounting for approximately 2.2% of total borrowings of the Group). In the meantime, the Company's average funding cost remained relatively low at approximately 4.2% as at 31 December 2025 (31 December 2024: approximately 4.3%). During the Year, the Group's operating cash flow and liquidity had not been subject to significant influence from fluctuations in exchange rate.

Contingent liabilities

The Group had entered into agreements with certain banks to provide guarantees in respect of mortgage loans offered to buyers of property units. As at 31 December 2025, the total amount of the mortgage loans guaranteed by the Group relating to such agreements was approximately RMB4 million (31 December 2024: approximately RMB8 million).

Capital commitment

As at 31 December 2025, the Group's total capital commitment was approximately RMB7 million (31 December 2024: approximately RMB8 million).

Employees and remuneration policy

As at 31 December 2025, the Group had approximately 1,650 employees, including 1,474 employees for the property management company.

The remuneration package of the Group's employees mainly includes basic salary and bonuses. Bonuses are determined on a monthly basis based on performance reviews.

OTHER INFORMATION

Principal activities

The principal activities of the Group are real estate development, property leasing and related services management businesses. There were no significant changes in the nature of the Group's principal activities during the Year.

Dividends

The Board resolved not to declare a final dividend for the Year (2024: Nil).

Closure of register of members

The register of members of the Company will be closed from Tuesday, 19 May 2026 to Friday, 22 May 2026, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the annual general meeting to be held on Friday, 22 May 2026, all transfer forms accompanied by the relevant share certificates must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Monday, 18 May 2026. The record date for determining the shareholders' entitlement to attend and vote at the Annual General Meeting is Friday, 22 May 2026.

Share capital

As at 31 December 2025, the Company had 5,199,524,031 shares in issue (31 December 2024: 5,199,524,031 shares).

Purchase, sale or redemption of listed securities of the Company

As at 31 December 2025, there are no treasury shares held by the Company.

Neither the Company nor any of its subsidiaries had purchased, sold, or redeemed any of the Company's listed securities (including sale of treasury shares) during the Year.

Events after the reporting period

No significant subsequent events affecting the Group have occurred since the end of the Year up to the date of this announcement.

Compliance with the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”)

The Company has adopted the Model Code as set out in Appendix C3 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) as the code of conduct for securities transactions carried out by the Directors. The Company has made specific enquiries to all Directors and all Directors have confirmed that they had complied with the required standard set out in the Model Code throughout the Year.

Compliance with the Corporate Governance Code

In the opinion of the Directors, the Company had been in compliance with the code provisions of the Corporate Governance Code contained in Appendix C1 to the Listing Rules during the Year.

Audit Committee

The audit committee of the Company had reviewed the audited consolidated annual results of the Company for the year ended 31 December 2025 which had been agreed with the auditor of the Company, namely Grant Thornton Hong Kong Limited (“**Grant Thornton**”), and considered that the Company had complied with all applicable accounting standards and requirements and had made adequate disclosure.

SCOPE OF WORK OF AUDITOR

The financial figures in respect of the Group’s consolidated statement of financial position as at 31 December 2025, consolidated income statement, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in this announcement have been compared by the Group’s external auditor, Grant Thornton, to the amounts set out in the Group’s audited consolidated financial statements for the year and the amounts were found to be in agreement. The work performed by Grant Thornton in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Grant Thornton on this announcement.

EXTRACT OF INDEPENDENT AUDITOR’S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

The following is an extract of the independent auditor’s report on the Company’s consolidated financial statements for the year ended 31 December 2025. The report includes particulars of the material uncertainty related to going concern without qualified opinion:

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Material Uncertainty Related to Going Concern

We draw attention to Note 2.1(a) to the consolidated financial statements which indicates that as at 31 December 2025, the Group’s current liabilities exceeded its current assets by RMB7,620.9 million. At the same date, the Group’s total bank and other borrowings amounted to RMB15,003.8 million. As stated in Note 2.1(a), these conditions, along with other matters as set forth in Note 2.1(a), indicate that a material uncertainty exists that may cast significant doubt on the Group’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Publication of results announcement

This annual results announcement is available for viewing on the websites of the Stock Exchange at www.hkexnews.hk and the Company at www.sohochina.com.

By order of the Board
SOHO China Limited
Xu Jin
Chairman

Hong Kong, 31 March 2026

As at the date of this announcement, the executive Directors are Mr. Pan Shiyi, Mrs. Pan Zhang Xin Marita, Ms. Xu Jin and Mr. Qian Ting; and the independent non-executive Directors are Mr. Huang Jingsheng, Mr. Xiong Ming Hua and Mr. Zhang Mingeng.