SUNAC CHINA HOLDINGS LIMITED
融創中國控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 01918)

SHARE TRANSACTION
ISSUANCE OF CONSIDERATION SHARES UNDER GENERAL MANDATE
ACQUISITION OF 100% EQUITY INTEREST IN ERJIN MANAGEMENT

The Board is pleased to announce that on 24 August 2026, the Purchaser (an indirect wholly-owned subsidiary of the Company) and the Vendor entered into the Sale and Purchase Agreement, pursuant to which the Vendor conditionally agreed to sell, and the Purchaser conditionally agreed to acquire, 100% equity interest in the Target Company. The Target Company indirectly holds 100% of the equity interest in Erjin Management. The consideration for the acquisition of the Target Equity Interest is RMB123,150,000 (equivalent to HK$142,361,400, based on the exchange rate of RMB1 = HK$1.156), which will be satisfied by the Company by way of allotment and issuance of the Consideration Shares (being an aggregate of 260,258,500 new Shares) to the Vendor at Completion.

In response to industry changes and to better align with industry development trends and policy directions, leveraging its own resources and competitive advantages, the Group has established "asset management + asset operation" as its strategic direction for transformation and upgrade. For its real estate business, the Group plans to transform and upgrade from the traditional integrated investment and development model into a business model under which the two business segments of asset management and project construction and operation management will develop independently of each other. Asset management and project construction and operation management will independently explore market-oriented businesses, while also supporting and coordinating with each other for synergistic development.

Erjin Management focuses on developing asset-light real estate project construction and operation management and asset management business. It has established the relevant business system capabilities and has built up considerable industry influence and business scale, emerging as an innovative service provider in the sector of comprehensive high-end real estate solutions. It has initially established a business layout anchored in the Yangtze River Delta and expanding to key regions nationwide. As of the present date, the projects under Erjin Management cover regions including Zhejiang, Anhui, Fujian, Shanghai and Jiangsu, with a cumulative total of 73 projects secured and an aggregate contracted floor area of approximately 8.34 million square meters.

The business model of Erjin Management is highly consistent with the direction of transformation and upgrade of the Group's real estate development business. The Acquisition will reinforce the business pillar for the strategic transformation and upgrade of the Group's real estate segment and support the implementation of the overall strategic transformation and upgrade. Through sustained efforts and accumulation, Erjin Management has established its capabilities and competitive advantages in providing project construction and operation management services to third-party property owners, and has built a comprehensive management system covering multiple dimensions, including project expansion, daily project management, and team incentives. The Acquisition will help the Group rapidly integrate and enhance its capabilities in the expansion and management of third-party project construction and operation management businesses; at the same time, it will also enable the Erjin Management team to leverage its professional expertise and amplify its competitive advantages on a larger platform, achieving better development.

IMPLICATIONS UNDER THE LISTING RULES

As all applicable percentage ratios in respect of the Acquisition are less than 5% and the consideration will be satisfied by the allotment and issuance of the Consideration Shares, the Acquisition constitutes a share transaction and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As Completion is conditional upon the fulfilment (or waiver, as applicable) of certain conditions precedent set out in the Sale and Purchase Agreement, the Acquisition may or may not proceed. Shareholders and investors are advised to exercise caution when dealing in the Shares.

I. SALE AND PURCHASE AGREEMENT

The principal terms of the Sale and Purchase Agreement are set out below:

1. Date

24 August 2026

2. Parties

(1) The Purchaser; and

(2) The Vendor.

3. Target Assets

Pursuant to the Sale and Purchase Agreement, the Vendor conditionally agreed to sell, and the Purchaser conditionally agreed to acquire, the Target Equity Interest. The Target Company indirectly holds 100% of the equity interest in Erjin Management.

4. **Consideration**

The consideration for the acquisition of the Target Equity Interest is RMB123,150,000 (equivalent to HK$142,361,400, based on the exchange rate of RMB1 = HK$1.156), which will be satisfied by the Company by way of allotment and issuance of the Consideration Shares (being an aggregate of 260,258,500 new Shares) to the Vendor at Completion.

5. **Basis of Determination of Consideration**

The Consideration was determined by the Purchaser and the Vendor after arm's length negotiation with reference to, among other things, (i) the valuation (the "**Valuation**") of the 100% equity interest in the Target Company as at 30 June 2026 ("**Valuation Date**") conducted by the Valuer using market approach, being approximately RMB164,200,000; (ii) the factors set out in the section headed "**Reasons for and Benefits of the Acquisition**", and (iii) a discount of 25% as mutually agreed between the parties after negotiation. The Company's acquisition of the Target Company at a price discounted from the Valuation is beneficial to the Group and is in the overall interests of the Company and the Shareholders.

6. **Valuation**

(a) Selection of valuation methods

In valuing the equity interest in the Target Company, the Valuer considered three generally accepted valuation approaches, namely the market approach, the asset-based approach and the income approach. The Target Company is engaged in the project construction and operation management business in the PRC and, through its subsidiary Erjin Management, which is engaged in asset management and project construction and operation management businesses in the PRC.

The Valuer considers that the asset-based approach is not appropriate for the valuation of a going-concern business because it does not directly incorporate information regarding the economic benefits associated with the business of the Target Company. The income approach is also considered inappropriate, primarily because the Target Company's future financial performance, market demand and cash flows are subject to a high degree of uncertainty, making it difficult for management to make reliable and objective long-term projections, thereby undermining the accuracy of the valuation results derived from the income approach.

The market approach relies on market data from comparable companies or comparable transactions, reflecting what investors are currently willing to pay for other business entities of similar nature. Based on the quantity and quality of information provided, the availability of data, the availability of relevant market transactions, the type and nature of the underlying assets, the purpose and objective of the valuation and professional judgment, the Valuer is of the view that the market approach is more suitable for assessing the market value of the Target Company.

(b) Valuation assumptions

Set out below are the valuation assumptions adopted by the Valuer in determining the market value of the Target Company:

- the information provided by the Company has been reasonably prepared after full and careful consideration;

- all relevant statutory approvals and commercial certificates or licenses required for the operation of the Target Company's business have been duly obtained or are obtainable upon request;

- there will be no material changes to the current tax laws in the regions where the Target Company operates or intends to operate, the applicable tax rates will remain unchanged, and all applicable laws and regulations have been complied with;

- there will be no material changes in the political, legal, economic or financial conditions in the regions where the Target Company operates or intends to operate that would adversely affect the revenue and profitability attributable to the Target Company;

- there will be no material changes in the current and future levels of interest rates and exchange rates in the regions where the Target Company operates;

- the Target Company will retain a competent management team and key employees to support the continuation of its business operations;

- there will be no material changes in the core business operations of the Target Company from those currently conducted or anticipated;

- the historical financial information provided by the Company is correct and accurate; and

- the information provided by the Company regarding the Target Company is true and accurate. There are no hidden or unexpected circumstances of the Target Company that could adversely affect the reported value. Furthermore, the Valuer assumes no responsibility for changes in market conditions after the Valuation Date.

(c) Certain details of the market approach

The market approach includes two methods, namely the comparable company method and the comparable transaction method.

The comparable company method focuses on analyzing the data and valuation multiples of publicly listed companies that are considered comparable to the valuation target. Adjustments are made to the comparable companies to reflect differences between them and the valuation target. Finally, appropriate valuation multiples are applied to the standard financial data of the valuation target, i.e., the Target Company, to arrive at the Valuation.

The comparable transaction method measures value based on prices paid by other buyers in the market for companies reasonably considered comparable to the valuation target. In applying the comparable transaction method, information on prices paid for reasonably comparable companies are collected. Adjustments are made to the comparable companies to reflect differences between them and the valuation target. The application of the comparable transaction method requires an estimate of the price that could reasonably be expected to be realized from the sale of the company.

Under the market approach, due to the lack of sufficient comparable transactions, the comparable transaction method is considered not appropriate for the Valuation. Therefore, the Valuer ultimately adopted the comparable company method under the market approach.

Benchmark Multiple

The Valuer is of the view that the market approach is the most appropriate valuation method for the Target Company. The Valuer considered various commonly used valuation multiples, including (i) price-to-earnings ratio ("**P/E**"); (ii) price-to-sales ratio ("**P/S**"); and (iii) price-to-book ratio ("**P/B**"). The P/S multiple is commonly used to assess the value of start-up companies. However, the P/S multiple ignores the cost structure of a company and thus its profitability, which is critical to the fair value of the total equity of the Target Company. The P/B multiple is commonly used to value asset-intensive companies. However, the P/B multiple does not take into account the profitability of a company. The Valuer considers the P/E multiple to be the most relevant and has therefore adopted the P/E multiple in this valuation exercise, as the P/E multiple is the most commonly used valuation multiple for profitable businesses, and earnings are one of the most direct drivers of equity value. Taking into account the Target Company's business cycle and profitability, the Valuer considered the P/E multiple to be appropriate and therefore adopted such multiple in the Valuation.

Selection of Comparable Companies

In determining the market multiples for valuation purposes, the Valuer identified comparable companies based on the following criteria:

(i) the comparable companies are principally engaged in real estate project construction and operation management services, or disclose such services as a separate business segment in their annual reports;

(ii) the comparable companies are listed on the Stock Exchange, the Shanghai Stock Exchange or the Shenzhen Stock Exchange, and their financial information is publicly available; and

(iii) the comparable companies recorded positive net profit attributable to owners of the parent as at the Valuation Date, which is important for the determination of the P/E multiple.

Based on the above criteria, the Valuer has, on a best-efforts basis, identified an exhausive list of comparable companies for the Valuation based on the aforesaid criteria. The details of the comparable companies are set out below:

Comparable Company Name	**Stock Code**	**Principal business**
Greentown Management Holdings Company Limited	9979.HK	The provision of project construction and operation management services in the PRC.
Central China Management Company Limited	9982.HK	The provision of real estate project construction and operation management services in Henan Province and other provinces in the PRC.
Midea Real Estate Holding Limited	3990.HK	The provision of project construction and operation management services, property management services, asset operations and real estate technology in the PRC.

The market value of the Target Company was determined by reference to the financial and operational information of the comparable companies as set out as follows:

	Company Name	Stock Code	Market Value as at the Valuation Date *(RMB million)*	Net Profit Attributable to Owners of the Parent *(RMB million)*	P/E
1.	Greentown Management Holdings Company Limited	9979.HK	3,115	419 [Note 1]	7.4
2.	Central China Management Company Limited	9982.HK	328	48 [Note 1]	6.9
3.	Midea Real Estate Holding Limited	3990.HK	3,342	508 [Note 2]	6.6
	Median				**6.9**

Notes:

1. Information compiled from the audited financial statements for the year ended 31 December 2025 published by the comparable companies.

2. Information complied for the last twelve-month period based on the most recent financial statements published by Midea Real Estate Holding Limited (derived by adding the corresponding figures for the six months ended 30 June 2026 to those for the year ended 31 December 2025 and deducting the corresponding figures for the six months ended 30 June 2025).

(d) Key inputs to the Valuation

Adjustments Made to the Valuation Basis

1) Discount for Lack of Marketability

The concept of marketability relates to the liquidity of an ownership interest, i.e., the speed and ease with which the owner can convert such interest into cash should they choose to sell. The discount for lack of marketability reflects the fact that shares in a private company do not have an immediate market, and that ownership interests in a private company generally do not enjoy immediate market liquidity as compared to similar interests in a public company. Accordingly, the value of shares in a private company is generally lower than that of shares in a listed company.

Therefore, since the Target Company is not a listed company, the Valuer applied a discount for lack of marketability in calculating its valuation.

The Valuer referred to the Stout Restricted Stock Study & DLOM Calculator, an online database and calculation tool that provides empirical support for quantifying the discount for lack of marketability, and considered that 18.2% is sufficient to reflect the lack of marketability of the Target Company.

2) Control Premium

A control premium refers to the premium that an investor is willing to pay over the marketable minority interest value in order to obtain control of the subject business. The published market prices of each of the identified comparable companies are based on minority shares of the target companies. Therefore, an adjustment has been made to reflect the level of control associated with the entire equity interest of the Target Company.

In the valuation, with reference to the BVR Control Premium Study (an online resource that provides empirical support for quantifying control premiums and implied minority discounts), the Valuer is of the view that 28.7% is considered sufficient to reflect the control premium in relation to the entire equity interest of the Target Company.

(e) Calculation of the Valuation Results of the Target Company

The median P/E multiple of such comparable companies (the "**Median P/E Ratio**") was applied to the Target Company's net profit attributable to shareholders for the latest twelve months as at the Valuation Date, with adjustments for the discount for lack of marketability and the control premium, to arrive at the market value of the Target Company.

The market value of the equity interest in the Target Company as at the Valuation Date is calculated as follows:

Parameter	**As at 30 June 2026** *Unit: RMB*
Median P/E ratio of such comparable companies	6.9x
Net profit attributable to shareholders of the Target Company as at the Valuation Date	22,609,856
Estimated market value of the Target Company	156,008,004
Less: Discount for lack of marketability (18.2%)	-28,393,457
Add: Control premium (28.7%)	+36,625,375
Total equity value of the Target Company as at the Valuation Date (rounded)	164,200,000

(f) View of the Board

The Board has reviewed the Valuation, including the valuation methods, the valuation assumptions, the selection criteria for comparable companies, the valuation multiples and adjustments. The Board notes that (a) the valuation assumptions are those commonly adopted in valuations and are in line with market practice; (b) the asset-based approach and the income approach were rejected by the Valuer because (i) the asset-based approach is not applicable to the valuation of a going-concern business and (ii) the Target Company's future financial performance, market demand and cash flows are subject to a high degree of uncertainty; and the historical financial performance is not representative and does not reflect the expected revenue and profitability. Having considered that there are directly comparable companies in the market with comprehensive financial disclosures, which can provide a reliable indication of their value, the Board is of the view that the market approach is the most appropriate and reasonable among the three valuation methods; and (c) the key inputs and adjustments to the Valuation are fair and reasonable.

In view of the foregoing, the Board is of the opinion that the valuation method and assumptions are fair and reasonable.

In assessing whether the Consideration is fair and reasonable, the Board has taken into account, among other things, the following principal factors:

1) The Consideration was determined by the Buyer and the Seller through arm's length negotiations after reference to the Valuation of the Target Company as assessed by the Valuer using the market approach. The Consideration represents a discount to the Valuation, rather than a premium.

2) As disclosed further below in the announcement, the business model of Erjin Management is highly aligned with the transformation and upgrade direction of the Group's real estate development business. The Acquisition will strengthen the business pivot for the strategic transformation and upgrade of the Group's real estate segment and support the implementation of the overall strategic transformation and upgrade. The Acquisition will help the Group rapidly integrate and enhance its capabilities in the expansion and management of third-party project construction and operation management businesses, and will also enable the Erjin Management team to leverage its professional expertise and amplify its competitive advantages on a larger platform, achieving better development.

In view of the foregoing, the Directors (including the independent non-executive Directors) are of the view that the Consideration is fair and reasonable and in the overall interests of the Company and the Shareholders.

(g) ***The Valuer***

The Valuation was conducted by Mr. Bruce Oong (翁振德) and Ms. Grace Lam (林淑敏) of Cushman & Wakefield Limited (戴德梁行有限公司). Mr. Bruce Oong holds the qualification of a Canadian Chartered Accountant, has over 18 years of professional valuation experience, and is a Senior Director of Cushman & Wakefield Limited. Ms. Grace Lam is a Registered Professional Surveyor, a member of the Royal Institution of Chartered Surveyors and a member of the Hong Kong Institute of Surveyors, has over 30 years of property valuation experience, and is a Senior Director of Cushman & Wakefield Limited. The Valuer confirmed that, to the best of its knowledge and belief, it is independent of the Company and the Target Company and has not breached any independence requirement imposed by its professional membership. Its fee is not contingent upon the results of the Valuation.

7. Conditions Precedent

Completion is conditional upon the satisfaction of the following conditions:

(a) the Purchaser being satisfied with the results of its due diligence investigation into the business, operations, assets, financial and legal aspects of the Target Group;

(b) the Listing Committee of the Stock Exchange having approved the listing of, and permission to deal in, the Consideration Shares;

(c) the representations, warranties and undertakings given by the Vendor under the Sale and Purchase Agreement remaining true, accurate and not misleading in all material respects;

(d) the Vendor having complied with and performed its obligations under the Sale and Purchase Agreement on or prior to the Completion Date; and

(e) no event having occurred since the signing of the Sale and Purchase Agreement which has a material adverse effect on the financial condition and operations of any company in the Target Group.

The Purchaser may waive any of the above conditions precedent (in whole or in part, and with or without conditions) at its sole discretion at any time, except for condition (b) above, which cannot be waived.

If condition (b) above is not satisfied on or before the Long Stop Date, or any other condition precedent is not satisfied or waived (as the case may be) on or prior to the Completion, the Company may terminate the Sale and Purchase Agreement by giving written notice to the Vendor, whereupon all rights and obligations of the parties under the Sale and Purchase Agreement shall cease, save for certain provisions which shall remain effective and rights and liabilities that have arisen under the Sale and Purchase Agreement prior to such termination.

8. Completion

Subject to all of the above conditions precedent being satisfied or waived (as applicable), Completion shall take place on the fifth business day after condition (b) above is satisfied, or such later date as may be agreed in writing between the Company and the Vendor under the Sale and Purchase Agreement.

Following Completion, the Target Company will become an indirect wholly-owned subsidiary of the Company, and the financial results of the Target Company will be consolidated in the financial statements of the Group.

9. Consideration Shares

The number of Consideration Shares to be allotted and issued to the Vendor is 260,258,500 new Shares, representing approximately 1.30% of the issued share capital of the Company as at the date of this announcement and approximately 1.29% of the issued share capital of the Company as enlarged by the allotment and issuance of the Consideration Shares in full (assuming that there is no other change in the issued share capital of the Company from the date of this announcement to the Completion Date of the Acquisition).

The Consideration Shares will be allotted and issued at an Issue Price of HK$0.547 per share, based on the average closing price of the Shares over the five (5) consecutive trading days immediately preceding the date of the Sale and Purchase Agreement.

Issue Price

An Issue Price of HK$0.547 per share represents:

(a) a premium of approximately 0.37% to the closing price of the Shares of HK$0.545 per share as quoted on the Stock Exchange on the date of the Sale and Purchase Agreement; and

(b) the average closing price of the Shares for the five (5) consecutive trading days immediately preceding the date of the Sale and Purchase Agreement.

The Issue Price was determined by reference to the prevailing market price of the Shares. The Directors are of the view that the Issue Price is fair and reasonable.

The aggregate nominal value of the Consideration Shares is HK$26,025,850.

General Mandate

The Consideration Shares will be allotted and issued pursuant to the general mandate (the "**General Mandate**") granted to the Directors by the Company at the annual general meeting held on 26 May 2026. Under the General Mandate, the Directors are authorised to allot and issue an aggregate of 3,361,871,049 new Shares. As at the date of this announcement, the General Mandate has not been utilised, and the Company has 3,361,871,049 Shares available for allotment and issuance under the General Mandate. Accordingly, the issue of the Consideration Shares does not require the approval of the Shareholders of the Company.

Ranking of the Consideration Shares

The Consideration Shares will be allotted and issued pursuant to the General Mandate, credited as fully paid, and will rank pari passu in all respects with the Shares in issue on the date of allotment and issuance of the Consideration Shares, and shall be free from all encumbrances.

Application for listing

The Company will make an application to the Listing Committee of the Stock Exchange for approval of the listing of, and permission to deal in, the Consideration Shares.

II. REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group has continued to deepen its presence in China's real estate market and established a business layout centerd on real estate development, property management and cultural tourism operations (including commercial, ice & snow, theme parks, hotels, etc.). In response to industry changes and better align with industry development trends and policy directions, the Group has established "asset management + asset operation" as its strategic direction for transformation and upgrading, leveraging its own resources and competitive advantages.

The property management segment, with Sunac Services Holdings Limited as its independent listed entity, focuses on asset-light businesses such as property management and commercial operation management, targeting mid-to-high-end properties in first – and second-tier cities, and covering a diverse range of property types including residential, office buildings, industrial parks, hospitals, shopping malls and others. The cultural and tourism segment, as one of the largest asset holders and operators in China's cultural and tourism industry, holds assets encompassing various business formats such as commercial properties, indoor ski resorts, outdoor theme parks, water parks, aquariums, hotels and others. And leveraging its over RMB100 billion of investment and years of operational expertise, it has cultivated four independently developed asset-light cultural and tourism operation management companies specialising in commercial, ice & snow, theme park and hotel operations, which, while rooted in self-owned assets, actively expand third-party business. Among them, the ice & snow management company ("**Bonski**") and the hotel management company (**"Yongle Huazhu**", a joint venture with H World Group) have achieved notable breakthroughs in market-oriented development, with the number of third-party projects under management exceeding that of self-owned projects. Going forward, the property management and cultural and tourism segments will continue to refine their operational management capabilities across various business formats, actively expand third-party business, explore the establishment of asset management platforms such as funds and REITs, and promote a synergistic development model that combines asset-heavy and asset-light approaches with mutual support and reinforcement, thereby realising the strategic transformation of "asset management + asset operation".

For the real estate segment, in view of the new landscape and changes, the Group, leveraging its leading project operation capabilities, brand influence and abundant high-quality project pipeline, continues to promote strategic collaborations with capital providers such as asset management companies and partners, and has successfully revitalised a number of high-quality projects through a fund-like model. Under this model, capital providers inject funds into the projects to resolve legacy issues such as existing debt and provide construction funds for the projects, thereby revitalising the projects and jointly creating value. The capital providers' funds are ring-fenced at the project level, ensuring capital safety, while the Group continues to leverage its project operation and brand advantages, focusing on the enhancement and realisation of asset value. In essence, this model puts into practice the exploration and implementation of the new "asset management + asset operation" model in the real estate development field. Going forward, the Group will more clearly advance the transformation and upgrade of its real estate business from the traditional integrated investment and development model into a business model under which the two business segments of asset management and project construction and operation management will develop independently of each other. The asset management business will focus on fund integration and the identification of investment opportunities in the real estate sector, creating stable investment returns for capital providers and generating asset management income. The project construction and operation management business will provide professional real estate construction, operation, sales and other services to the investment projects of the asset management business and third-party market-based projects, empowering project value enhancement and generating service income through an light-asset model. Asset management and project construction and operation management will independently pursue market-based business expansion while also supporting and coordinating with each other for synergistic development.

Erjin Management focuses on the development of the asset-light real estate project construction and operation management and asset management business. It has established the relevant business system capabilities and has built up considerable industry influence and business scale, emerging as an innovative service provider in the sector of comprehensive high-end real estate solutions. Erjin Management focuses on intensive cultivation in core cities, initially forming a business layout with the Yangtze River Delta as its base and extending to key regions across the country. As of the present date, the projects under Erjin Management cover regions including Zhejiang, Anhui, Fujian, Shanghai and Jiangsu, with a cumulative total of 73 projects secured and an aggregate contracted floor area of approximately 8.34 million square meters. Erjin Management has been recognised for consecutive years with industry awards from professional institutions, including "2023–2026 China Real Estate Project Construction and Operation Excellent Enterprise TOP10" (China Index Academy), "2025 Influential Project Construction and Management Enterprise TOP10" (Guandian Index), and "2025 China Project Construction and Management Enterprise Product Capability TOP5" (EH Consulting).

The business model of Erjin Management is highly aligned with the transformation and upgrade direction of the Group's real estate development business. The Acquisition will strengthen the business pivot for the strategic transformation and upgrade of the Group's real estate segment and support the implementation of the overall strategic transformation and upgrade. Through continuous efforts and accumulation, Erjin Management has built up capabilities and competitive advantages in providing project construction and operation management services to third-party project owners, and has established a comprehensive management system covering multiple dimensions, such as project acquisition, daily project management and team incentives. The Acquisition will help the Group to rapidly integrate and enhance its capabilities in the expansion and management of third-party project construction and operation management businesses; at the same time, it will also help the Erjin Management team to leverage its professional expertise on a larger platform and amplify its competitive advantages, achieving better development.

In view of the foregoing, the Directors (including the independent non-executive Directors) are of the view that the terms of the Sale and Purchase Agreement and the transactions contemplated thereunder have been entered into on normal commercial terms, are fair and reasonable, and are in the interests of the Company and its Shareholders as a whole.

III. INFORMATION ON THE TARGET GROUP

The Target Company is a company incorporated in the British Virgin Islands with limited liability, principally engaged in investment holding.

As at the date of this announcement, the Target Company indirectly holds 100% of the equity interest in Erjin Management. Erjin Management is a company established in the PRC with limited liability and a wholly-owned subsidiary of the Target Company, principally engaged in the real estate project construction and operation management business.

Set out below is a summary of the financial information of the Target Group as extracted from its unaudited financial statements for the two financial years ended 31 December 2025:

	For the year ended 31 December	
	2025	2024
	RMB0'000	*RMB0'000*
Profit before taxation	3,322.8	3,068.6
Profit after taxation	2,495.1	1,979.7

The unaudited net asset value of the Target Group as at 30 June 2026 was approximately RMB54,019,000.

IV. INFORMATION ON THE PARTIES

1. Information on the Group

The Company is an investment holding company and operates through its subsidiaries. With the brand philosophy of "passion for perfection", the Group is committed to providing wonderful living environment and services for Chinese families through high-quality products and services and integration of high-quality resources. With a focus on its core business of real estate, the Group implements its strategic layout in real estate development, property management, ice & snow operation management, cultural and tourism and other business segments. After more than 20 years of development, the Group has become one of the most influential high-quality property development enterprise and property service enterprise in China's real estate industry, a leading ice & snow industry operator and a leading cultural and tourism industry operator and property owner in China.

2. Information on the Purchaser

The Purchaser is an indirect wholly-owned subsidiary of the Company,a company incorporated in the British Virgin Islands with limited liability, principally engaged in investment holding.

3. Information on the Vendor

The Vendor is a company incorporated in the Cayman Islands with limited liability, principally engaged in investment holding. As at the date of this announcement, Mr. Wang Peng indirectly holds 65% of the equity interest in the Vendor, Mr. Sun Hongbin indirectly controls 25% of the equity interest in the Vendor, and other independent natural person indirectly holds the remaining 10% of the equity interest in the Vendor. Mr. Sun Hongbin is the chairman of the Board, an executive Director and a substantial Shareholder.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of Mr. Wang Peng and the other ultimate beneficial owner of the Vendor (excluding Mr. Sun Hongbin) is independent of the Company and its connected persons.

V. IMPACT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY UPON THE ISSUE OF THE CONSIDERATION SHARES

The table below sets out the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately following the allotment and issuance of the Consideration Shares (assuming that there is no other change in the issued share capital of the Company from the date of this announcement to the Completion Date of the Acquisition):

	As at the date of this announcement		**Immediately following the allotment and issuance of the Consideration Shares**	
	Number of Shares (Share)	*Percentage (%)*	*Number of Shares (Share)*	*Percentage (%)*
Mr. Sun Hongbin (Note 1)	4,624,054,068	23.16	4,624,054,068	22.86
Mr.Wang Mengde	17,177,000	0.09	17,177,000	0.08
Mr. Huang Shuping	5,400,000	0.03	5,400,000	0.03
Ms. Ma Zhixia	3,829,000	0.02	3,829,000	0.02
Mr. Sun Kevin Zheyi (Note 2)	261,000	0.001	261,000	0.001
The Vendor	–	–	260,258,500	1.29
Other Public Shareholders	15,314,778,552	76.70	15,314,778,552	75.72
Total	**19,965,499,620**	**100.00**	**20,225,758,120**	**100.00**

Notes:

1. Of these 4,624,054,068 Shares, (a) 19,930,000 Shares were held by Mr. Sun Hongbin, (b) 2,681,078,233 Shares were held by Sunac International Investment Holdings Ltd ("**Sunac International**"), (c) 48,706,000 Shares were held by 天津標的企業管理有限公司 (for identification only, Tianjin Biaodi Enterprise Management Limited) ("**Tianjin Biaodi**"), and (d) 1,874,339,835 Shares were held by Sun Holdings II LLC. 70% of the issued shares of Sunac International and all the shares of Tianjin Biaodi were held by Sunac Holdings LLC. All issued shares of Sunac Holdings LLC were held by the HBS Family Trust (the "**Family Trust**"). South Dakota Trust Company LLC was the trustee of the Family Trust. The Family Trust was established by Mr. Sun Hongbin and Mr. Sun Hongbin and some of his family members are the beneficiaries. All issued shares of Sun Holdings II LLC were held by the new family trust (the "**New Family Trust**") established by Mr. Sun Hongbin. South Dakota Trust Company LLC was the trustee of the New Family Trust. Mr. Sun Hongbin and some of his family members are the beneficiaries of the New Family Trust. In accordance with the SFO, Mr. Sun Hongbin was deemed to be interested in the aforesaid Shares.

2. Mr. Sun Kevin Zheyi is the son of Mr.Sun Hongbin.

VI. IMPLICATIONS UNDER THE LISTING RULES

As all applicable percentage ratios in respect of the Acquisition are less than 5% and the consideration will be satisfied by the allotment and issuance of the Consideration Shares, the Acquisition constitutes a share transaction and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As Completion is conditional upon the fulfilment (or waiver, as applicable) of certain conditions precedent set out in the Sale and Purchase Agreement, the Acquisition may or may not proceed. Shareholders and investors are advised to exercise caution when dealing in the Shares.

VII. DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the meanings set out below:

"Acquisition"	the proposed acquisition of the Target Equity Interest by the Purchaser pursuant to and in accordance with the terms and conditions of the Sale and Purchase Agreement
"Board"	the board of Directors
"Company"	Sunac China Holdings Limited, a company incorporated under the laws of the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 01918)
"Completion"	completion of the Acquisition in accordance with the terms and conditions of the Sale and Purchase Agreement
"Completion Date"	the date on which Completion takes place
"Consideration Share(s)"	260,258,500 new Shares to be allotted and issued by the Company to the Vendor at Completion as settlement of the consideration for the Acquisition
"Director(s)"	the director(s) of the Company

"Erjin Management"	Erjin Construction Management Group Co., Ltd. (而今建設管理集團有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Target Company
"General Mandate"	has the meaning ascribed thereto in the section headed "**Consideration Shares**" in this announcement
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollar, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Issue Price"	HK$0.547 per Consideration Share
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Long Stop Date"	31 December 2026, or such other date as may be agreed in writing between the parties to the Sale and Purchase Agreement
"PRC"	the People's Republic of China
"Purchaser"	Sunac Property Management Limited (融創房地產管理有限公司), a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company
"RMB"	Renminbi, the lawful currency of the PRC
"Sale and Purchase Agreement"	the sale and purchase agreement entered into between the Purchaser and the Vendor on 24 August 2026 in relation to the sale and purchase of the Target Equity Interest
"Share(s)"	ordinary share(s) of HK$0.1 each in the share capital of the Company
"Shareholder(s)"	holder(s) of Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

"Target Company"	Sun Success Investment Limited (融順投資有限公司), a company incorporated in the British Virgin Islands with limited liability and is owned as to 100% by the Vendor
"Target Equity Interest"	one share in the Target Company, representing 100% of the issued share capital of the Target Company
"Target Group"	the Target Company and its subsidiaries
"Valuer"	Cushman & Wakefield Limited (戴德梁行有限公司), an independent valuer engaged by the Company to conduct the valuation of the Target Equity Interest
"Vendor"	Sunus Holdings Limited (融者共創控股有限公司), a company incorporated in the Cayman Islands with limited liability
"%"	per cent

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

Hong Kong, China, 24 August 2026

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