

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

RESULTS HIGHLIGHTS

- The Group (including its joint ventures and associates) continually adhered to ensuring delivery and completed delivery of over 120,000 residential units in total during the period from 2023 to 2025.
- Total contracted sales amounted to RMB26,310 million, representing a YoY decrease of 25%.
- Revenue amounted to RMB14,837 million, representing a YoY decrease of 37%. The Group actively promoted business transformation during the year, increasing the share of revenue from asset-light businesses. The revenue contribution from property management and related services and other real estate related businesses rose to 41%.
- Gross loss was RMB10,583 million.
- Profit attributable to owners of the Company was RMB6,756 million, as compared to loss attributable to owners of the Company of RMB18,624 million for the year of 2024. The profit for the year was mainly attributable to the non-cash gains recorded from the completion of the offshore debt restructuring and significant progress made in the onshore debt restructuring by the Group.
- Total borrowings reduced to RMB50,852 million and total equity increased to RMB1,899 million, as a result of the significant progress made in its debt restructuring by the Group during the year.

The Board is pleased to announce the audited consolidated results of the Group for the year ended 31 December 2025.

REVIEW OF THE ANNUAL RESULTS

Due to the continuous downturn in the overall real estate market in the PRC, for the twelve months ended 31 December 2025, the Group recorded RMB14,837 million in revenue, representing a YoY decrease of approximately 37%; gross loss was RMB10,583 million (2024: gross loss of RMB398 million) and the gross loss margin was 71% (2024: gross loss margin of 2%). Profit attributable to owners of the Company was RMB6,756 million and earnings per share (basic and diluted) were RMB0.660 and RMB0.503, respectively.

MARKET REVIEW AND OUTLOOK

For the real estate industry, 2025 was a year of trial — one marked by intensive bottoming out and revolutionary transition. The Central Government and local governments continued to release positive signals, striving to stabilizing the real estate market, while the industry remained in a serious adjustment phase, operating at a low level in general. In 2025, investment in real estate development totaled RMB8,278.8 billion nation-wide, a YoY decrease of 17.2%; GFA of newly built commodity housing sold was 881.01 million sq.m., a YoY drop of 8.7%; the contracted sales of newly built commodity housing was RMB8,393.7 billion, a YoY decline of 12.6%. The continued pressure on investment and sales data reflects that it will be a long way before risks in the industry can be cleared, and the transformation of business models and the elimination of weaker players have entered a more profound stage.

Looking ahead to 2026, policies will drive a coordinated approach from three aspects: demand, supply, and institutional development, with a long-term perspective of the healthy development of the industry. On the demand side, it will meet both rigid demand and diversified needs for improved housing. On the supply side, the focus is on stringent control on new supply, revitalizing existing stock, and improving quality. At the same time, establishment of fundamental institutions includes corporatization of development projects, putting in place a lead financing bank system, and gradually pushing forward with selling completed properties, thus shifting the industry to a healthier and more stable existence. Diverse demands will drive industry transformation, opening up vast space for renovation of stock properties, professional operation, and asset securitization. Against this backdrop, the real estate industry is reinventing itself from a 'develop and sell' model to 'hold and operate' and comprehensive service supply.

FINANCIAL REVIEW

Revenue

The components of the revenue are analyzed as follows:

<i>(RMB million)</i>	2025	2024	Change
Property development	8,480	17,273	-51%
Property investment	292	321	-9%
Property management and related services	2,641	2,710	-3%
Other real estate related businesses	3,424	3,337	3%
Total	<u>14,837</u>	<u>23,641</u>	-37%

The Group's revenue in 2025 decreased by approximately 37% to RMB14,837 million, from RMB23,641 million in 2024. Property development segment was accounted for about 57% of total revenue (2024: 73%). During 2025, the revenue from property development contributed by the Beijing, Bohai Rim, Eastern, Southern, Central and Western Regions were 18%, 34%, 4%, 25%, 13% and 6%, respectively. We will persistently maintain a balanced project portfolio for mitigating the risk from single market fluctuations and enabling more effective usage of resources.

Property management and related services include (i) property management services; (ii) community value-added services; and (iii) value-added services to non-property owners.

The other real estate businesses include whole-industrial chain construction services, senior living services, asset-light agent construction, internet data center, and etc.

Cost of sales

The Group's total cost for the year increased by approximately 6% to RMB25,420 million, from RMB24,039 million in 2024.

The Group's total cost of sales was mainly the cost of property development, which mainly consisted of land cost and construction cost.

Excluding carparks, average land cost per sq.m. of property development business in 2025 was approximately RMB6,400 (2024: RMB6,300 per sq.m.). Average construction cost per sq.m. (excluding carparks) for property development business decreased to approximately RMB4,800 for the year, as compared to RMB5,200 for the year of 2024.

Gross loss

Gross loss for the year was RMB10,583 million (2024: RMB398 million). Gross loss margin was 71% in 2025 (2024: 2%). The gross loss recorded for the year was primarily attributed to the continuous adjustment in the overall PRC real estate market during 2025, which led to (i) the decreasing industry gross profit margin; and (ii) the provision made by the Group for inventories.

Interest and other income and other losses (net)

Interest and other income decreased by approximately 14% to RMB602 million in 2025, compared to RMB700 million in 2024. The decrease was mainly attributable to the decrease in the interest income during 2025.

The Group recorded other losses (net) of RMB5,187 million in 2025 (2024: RMB4,651 million). The recorded losses in 2025 were primarily due to the deep adjustment and operational difficulties in the real estate market in the PRC. It was mainly comprised of the provisions for litigations and other contingent liabilities, fair value losses of financial assets at fair value through profit or loss and derivative financial instruments and goodwill impairment during the year.

Gains from debt restructuring

The Group recorded gains from debt restructuring of RMB46,872 million in 2025 (2024: nil). The one-off and non-cash gains were derived from the completion of offshore debt restructuring and the significant progress made in its onshore debt restructuring by the Group during the year.

Revaluation of investment properties

Due to the continual deep adjustment of the real estate industry in the PRC, the Group recognized fair value losses on its investment properties (before tax and non-controlling interests) of RMB1,279 million for 2025 (2024: RMB747 million).

Operating expenses

Selling and marketing expenses for 2025 were RMB730 million (2024: RMB710 million), which increased by approximately 3% as compared to 2024. The increase was mainly caused by several newly launched projects in 2025. These costs accounted for approximately 2.8% of the total contracted sales amount for 2025 (2024: 2.0%).

Administrative expenses incurred for 2025 decreased to RMB1,465 million (2024: RMB1,630 million), representing approximately 9.9% of the total revenue for 2025 (2024: 6.9%). The Group will continue to adopt strict cost control measures to maintain these costs at a relatively stable and lower level.

Net impairment losses under expected credit loss model

The Group recorded the net impairment losses under expected credit loss model of RMB18,938 million for the year (2024: RMB7,699 million). The expenses included the provisions made for expected credit losses on the trade and other receivables and financial guarantee by the Group during 2025.

Finance costs

Our weighted average interest rate increased from 5.36% (restated) for the year of 2024 to 7.23% for the year of 2025, which was primarily due to the impact on finance costs and borrowings arising from debt restructuring. The total interest expenses paid or accrued decreased to RMB5,001 million in 2025 (2024: RMB5,398 million (restated)), of which RMB3,657 million (2024: RMB3,688 million (restated)) was not capitalized and charged through consolidated income statement during the year.

Taxation

The aggregate of enterprise income tax and deferred tax credit was RMB429 million in 2025 (2024: tax expense of RMB329 million), the recorded tax credit was mainly attributed to the combined effects of the decrease in revenue and the recorded gross loss during the year. In addition, land appreciation tax expense for 2025 was RMB234 million (2024: tax credit of RMB834 million). It was mainly due to the reversal of the previous recognized land appreciation tax expense for several projects during 2024.

Profit/(loss) attributable to owners of the Company

The profit attributable to owners of the Company was RMB6,756 million for the year of 2025 (2024: loss of RMB18,624 million). The recorded profit for the reporting period was mainly attributed to the non-cash gains recorded from the completion of the offshore debt restructuring and the significant progress made in the onshore debt restructuring by the Group. Excluding the impact of the aforementioned one-off gains from debt restructuring, the Group recorded a loss attributable to owners of the Company for the year of 2025, which was mainly attributed to (i) the continuous adjustment in the overall real estate market of China in recent years, resulting in a decrease in revenue and gross profit margin, and an increase in the provision for impairment of property projects; and (ii) a decrease in the share of results from joint ventures and associates.

Financial resources and liquidity

As at 31 December 2025, the Group had total cash resources (including cash and cash equivalents and restricted bank deposits) of RMB6,023 million, of which approximately 99.7% (31 December 2024: 99.0%) of the Group's cash resources were denominated in RMB with the remaining balances denominated in other currencies, such as USD and HKD. The current ratio was 0.91. During the year, we took the initiative in mitigating liquidity risks, so as to secure the Group will have sufficient cash resources to continue as a going concern and pay its debts.

As at 31 December 2025, the Group's net gearing ratio (i.e. total borrowings less total cash resources divided by total equity) was approximately 2,361%. The improvement in the capital structure was mainly due to the completion of the Group's offshore debt restructuring and the significant progress made in the Group's onshore debt restructuring in 2025, which led to the increase in recorded gains and total equity and the decrease in total debt. In 2026, with the dividends from easing macro policies in the real estate industry, we would continue to resolve the debt risk and focus on ensuring the delivery of property projects and lowering the net gearing ratio.

The maturities of the Group's total borrowings are set out as follows:

<i>(RMB million)</i>	As at 31 December 2025	As a percentage of total borrowings	As at 31 December 2024 (Restated)	As a percentage of total borrowings (Restated)
Within 1 year	24,815	49%	65,935	67%
1 to 2 years	6,010	12%	13,489	14%
2 to 5 years	4,172	8%	13,285	13%
Over 5 years	15,855	31%	5,664	6%
Total	50,852	100%	98,373	100%

BUSINESS REVIEW

Property Development

Recognized sales

Revenue from property development business decreased by approximately 51% in 2025, amounting to RMB8,480 million (2024: RMB17,273 million). Saleable GFA delivered decreased by 41% from approximately 1,507,000 sq.m. in 2024 to approximately 886,000 sq.m. in 2025 accordingly. Excluding carparks sales, the average selling price recognized in 2025 decreased to approximately RMB10,700 per sq.m. (2024: RMB12,600 per sq.m.). The decrease was mainly due to less projects in tier-one cities being delivered in 2025.

Revenue and saleable GFA delivered by cities during 2025 are set out as follows:

Regions	Cities	Revenue (RMB million)	Saleable GFA delivered (sq.m.)	Approximate average selling price recognized (RMB/sq.m.)
Beijing Region	Beijing	40	1,523	26,300
	Taiyuan	311	31,688	9,800
	Qinhuangdao	192	13,212	14,500
	Langfang	800	59,570	13,400
		1,343	105,993	12,700
Bohai Rim Region	Tianjin	592	35,673	16,600
	Qingdao	64	8,411	7,600
	Jinan	1,777	209,570	8,500
	Dalian	132	16,105	8,200
	Shenyang	110	10,317	10,700
		2,675	280,076	9,600
Eastern Region	Suzhou	6	736	8,200
	Suqian	1	71	14,100
	Wenzhou	92	6,370	14,400
		99	7,177	13,800

Regions	Cities	Revenue <i>(RMB million)</i>	Saleable GFA delivered <i>(sq.m.)</i>	Approximate average selling price recognized <i>(RMB/sq.m.)</i>
Southern Region	Shenzhen	1,120	46,084	24,300
	Guangzhou	286	20,307	14,100
	Maoming	1	200	5,000
	Fuzhou	113	8,946	12,600
	Foshan	1	90	11,100
	Jiangmen	131	18,456	7,100
	Zhongshan	283	35,160	8,000
	Zhanjiang	124	23,674	5,200
		2,059	152,917	13,500
Central Region	Wuhan	337	27,516	12,200
	Nanchang	7	927	7,600
	Ganzhou	592	83,166	7,100
		936	111,609	8,400
Western Region	Chengdu	279	23,576	11,800
	Chongqing	41	3,040	13,500
	Xi'an	7	324	21,600
	Guiyang	97	14,615	6,600
		424	41,555	10,200
	Other projects	740	73,105	10,100
Subtotal (excluding carparks)		8,276	772,432	10,700
Carparks (various projects)		204	113,234	1,800
Total		8,480	885,666	9,600

Contracted sales

Due to the impact caused by the continuous adjustment in the overall real estate market in the PRC, the contracted sales of the Group, together with its joint ventures and associates, for the twelve months ended 31 December 2025 decreased to RMB26,310 million, representing approximately 25% decrease compared to RMB35,160 million in 2024. Contracted saleable GFA sold in 2025 decreased by approximately 28% to 2,143,000 sq.m. (2024: 2,996,800 sq.m.). The average selling price (excluding car parks) increased to approximately RMB13,800 per sq.m. (2024: RMB12,800 per sq.m.). The increase was mainly due to more projects launched in the first-tier cities during 2025.

The contracted sales amounts and saleable GFA sold by cities in 2025 are set out below:

Regions	Cities	Contracted sales (RMB million)	Approximate saleable GFA sold (sq.m.)	Approximate average selling price (RMB/sq.m.)
Beijing Region	Beijing	2,186	100,000	21,900
	Shijiazhuang	9	2,300	3,900
	Taiyuan	206	21,100	9,800
	Qinhuangdao	393	32,500	12,100
	Langfang	270	27,300	9,900
	Zhangjiakou	2	1,400	1,400
	Jinzhong	100	16,200	6,200
		3,166	200,800	15,800
Bohai Rim Region	Tianjin	2,797	209,700	13,300
	Qingdao	36	6,000	6,000
	Jinan	1,549	108,800	14,200
	Dalian	54	6,900	7,800
	Shenyang	27	2,100	12,900
	Changchun	40	7,400	5,400
		4,503	340,900	13,200

Regions	Cities	Contracted sales <i>(RMB million)</i>	Approximate saleable GFA sold <i>(sq.m.)</i>	Approximate average selling price <i>(RMB/sq.m.)</i>
Eastern Region	Shanghai	1,017	31,800	32,000
	Suzhou	67	6,400	10,500
	Wuxi	648	32,500	19,900
	Changzhou	42	4,700	8,900
	Wenzhou	383	17,500	21,900
	Jinhua	23	3,400	6,800
	Yangzhou	2	300	6,700
	Zhenjiang	277	35,600	7,800
	Suqian	149	23,500	6,300
		2,608	155,700	16,800
Southern Region	Shenzhen	7,858	144,800	54,300
	Guangzhou	70	5,800	12,100
	Fuzhou	65	5,300	12,300
	Foshan	258	18,800	13,700
	Xiamen	241	13,100	18,400
	Maoming	14	6,800	2,100
	Jiangmen	81	10,900	7,400
	Zhongshan	470	47,700	9,900
	Zhanjiang	38	6,300	6,000
	Sanya	120	4,200	28,600
		9,215	263,700	34,900
Central Region	Wuhan	356	22,100	16,100
	Zhengzhou	762	72,600	10,500
	Hefei	31	10,800	2,900
	Changsha	342	39,100	8,700
	Nanchang	31	5,300	5,800
	Ganzhou	189	25,000	7,600
		1,711	174,900	9,800

Regions	Cities	Contracted sales <i>(RMB million)</i>	Approximate saleable GFA sold <i>(sq.m.)</i>	Approximate average selling price <i>(RMB/sq.m.)</i>
Western Region	Chengdu	224	16,300	13,700
	Chongqing	83	17,600	4,700
	Xi'an	446	29,300	15,200
	Kunming	7	2,300	3,000
	Guiyang	1,182	207,700	5,700
	Urumqi	118	12,100	9,800
	Lanzhou	72	18,100	4,000
	Xining	201	22,400	9,000
	Xishuangbanna	44	5,500	8,000
	Baoshan	1,872	378,400	4,900
		4,249	709,700	6,000
	Other projects	105	10,400	10,100
Subtotal (excluding carparks)		25,557	1,856,100	13,800
Carparks (various projects)		753	286,900	2,600
Total		26,310	2,143,000	12,300

Landbank and Construction in Progress

The Group's total GFA and total saleable GFA (including its joint ventures and associates) completed in 2025 were approximately 3,762,400 sq.m. and 2,343,000 sq.m., respectively, which decreased by 32% and 44%, respectively, as compared to that of 2024.

As at 31 December 2025, the landbank of the Group (including its joint ventures and associates) decreased to approximately 27,051,000 sq.m. (31 December 2024: 31,072,000 sq.m.) and landbank with attributable interest decreased to approximately 14,160,000 sq.m. (31 December 2024: 16,464,000 sq.m.) accordingly. In terms of saleable GFA, the average land cost per sq.m. for our landbank as at 31 December 2025 was approximately RMB6,100 (31 December 2024: RMB6,200 per sq.m.).

The landbank details of the Group and its joint ventures and associates as at 31 December 2025 are set out as follows:

Regions	Cities	Projects	Districts	Approximate	Approximate	Remaining	Interest
				total GFA	total		
				(<i>'000 sq.m.</i>)	saleable GFA	landbank	to the Group
					(<i>'000 sq.m.</i>)	(<i>'000 sq.m.</i>)	(%)
Beijing Region	Beijing	Captain House	Fengtai District, Beijing	131	100	3	51.00%
		Central Peak	Changping District, Beijing	256	193	176	50.00%
		Gold Mansion	Daxing District, Beijing	118	99	79	25.00%
		Grand Harmony Emerald Residence	Daxing District, Beijing	224	165	88	40.00%
		Hilltime	Mentougou District, Beijing	430	344	430	10.00%
		Jasper Epoch	Daxing District, Beijing	92	78	8	100.00%
		Jialihua Project, Shunyi District	Shunyi District, Beijing	277	206	277	100.00%
		Liangxiang Project	Fangshan District, Beijing	126	102	38	11.10%
		Ocean LA VIE	Chaoyang District, Beijing	318	305	40	85.72%
		Ocean Metropolis	Mentougou District, Beijing	330	276	47	58.00%
		Ocean Poetic Dwelling	Shijingshan District, Beijing	249	187	56	31.00%
		Ocean Wulieepoch	Shijingshan District, Beijing	595	458	102	21.00%
		Our New World	Fangshan District, Beijing	109	91	13	100.00%
		Plot 6002, Mentougou New Town	Mentougou District, Beijing	125	97	75	21.00%
		Royal River Villa	Chaoyang District, Beijing	132	118	12	20.00%
		Sino-Ocean Apple Garden No.6	Shijingshan District, Beijing	69	50	42	51.00%
		Vision Place	Chaoyang District, Beijing	27	21	27	28.57%
		World View	Chaoyang District, Beijing	71	52	71	25.00%
		Xanadu & Ocean Epoch	Chaoyang District, Beijing	230	193	27	50.00%
		Xanadu & Ocean Palace	Daxing District, Beijing	300	207	96	50.00%
		Xiji Plot E, Tongzhou District	Tongzhou District, Beijing	139	136	139	50.00%
		Xinchi Tower	Daxing District, Beijing	67	41	67	70.00%
		Yongjingtaoyuan Project	Chaoyang District, Beijing	692	554	692	52.15%
				5,107	4,073	2,605	
	Shijiazhuang	Ande Memorial Park	Jingxing County, Shijiazhuang	110	110	109	88.89%
		Gaocheng Logistics Project	Gaocheng District, Shijiazhuang	54	-	54	64.30%
		Harmony Palace	Zhengding New District, Shijiazhuang	152	140	29	38.35%
				316	250	192	

Regions	Cities	Projects	Districts	Approximate	Approximate	Remaining	Interest
				total GFA ('000 sq.m.)	total saleable GFA ('000 sq.m.)	landbank ('000 sq.m.)	attributable to the Group (%)
	Taiyuan	Glory Mansion	Xinghualing District, Taiyuan	288	198	288	52.15%
		Jiefang Road Aegean Place	Xinghualing District, Taiyuan	125	-	125	52.15%
		Ocean Crown	Xiaodian District, Taiyuan	53	38	53	100.00%
		Ocean Seasons	Wanbailin District, Taiyuan	308	254	45	100.00%
		Sky Masion	Yingze District, Taiyuan	394	286	116	36.21%
		Sky of Palace	Wanbailin District, Taiyuan	897	529	897	26.60%
		Villa Epoch	Yangqu County, Taiyuan	54	34	18	44.00%
		Wangjiafeng Aegean Place	Yingze District, Taiyuan	109	-	109	36.21%
				2,228	1,339	1,651	
	Qinhuangdao	Seatopia	Funing District, Qinhuangdao	1,438	1,243	1,058	100.00%
	Langfang	Capital Palace	Anci District, Langfang	404	292	18	52.15%
		Ocean Brilliant City	Guangyang District, Langfang	1,897	954	1,138	43.20%
		Plot I, Guangyang Logistics Project	Guangyang District, Langfang	41	-	41	64.30%
		Yanjiao Sanhe Internet Data Center	Yanjiao County, Langfang	73	-	73	29.16%
				2,415	1,246	1,270	
	Zhangjiakou	Centrality Mansion	Qiaodong District, Zhangjiakou	203	163	3	60.00%
	Jinzhong	Sky Masion	Yuci District, Jinzhong	2,067	1,537	748	30.85%
				13,774	9,851	7,527	
Bohai Rim Region	Tianjin	Capital Palace	Jizhou District, Tianjin	346	213	193	52.15%
		Happy Light Year	Wuqing District, Tianjin	207	176	29	49.98%
		Jixian Aegean Place	Jizhou District, Tianjin	87	-	87	52.15%
		Neo-metropolis	Beichen District, Tianjin	2,579	2,013	1,346	51.00%
		Ocean Fantastic Time	Dongli District, Tianjin	151	115	7	100.00%
		Ocean Orient	Binhai New Area, Tianjin	164	126	64	100.00%
		Sky Masion	Binhai New Area, Tianjin	388	231	5	52.15%
		Sky Masion Bay	Binhai New Area, Tianjin	253	182	15	52.15%
		UPED	Binhai New Area, Tianjin	653	445	410	51.00%
		Xanadu	Binhai New Area, Tianjin	185	135	185	30.00%
				5,013	3,636	2,341	

Regions	Cities	Projects	Districts	Approximate	Approximate	Remaining	Interest
				total GFA (<i>'000 sq.m.</i>)	total saleable GFA (<i>'000 sq.m.</i>)		
	Qingdao	Ocean Glory	Shibei District, Qingdao	102	76	1	10.75%
		Sino-Ocean Harmony	Shibei District, Qingdao	377	270	5	43.00%
		Sino-Ocean Landscape	Jimo District, Qingdao	113	86	16	100.00%
				592	432	22	
	Jinan	Fantastic Time	Tianqiao District, Jinan	535	435	535	100.00%
		Minghu Mansion	Tianqiao District, Jinan	555	461	328	100.00%
		Ocean Crown	Huaiyin District, Jinan	103	87	95	70.00%
		Ocean Epoch	Lixia District, Jinan	390	371	145	50.00%
		Ocean Mansion	Huaiyin District, Jinan	228	190	18	79.60%
		Ocean Orient	Licheng District, Jinan	544	422	100	42.00%
		Ocean Precious Land	Licheng District, Jinan	226	172	1	38.95%
		Sino-Ocean Metropolis	Tianqiao District, Jinan	379	255	45	70.00%
		Sky Masion	Shanghe County, Jinan	583	520	298	30.66%
				3,543	2,913	1,565	
	Dalian	Diamond Bay	Ganjingzi District, Dalian	1,497	1,345	545	100.00%
		Joy of Mountain and Sea	Ganjingzi District, Dalian	189	150	1	51.00%
		Ocean Orient	Jinpu New Area, Dalian	116	113	116	70.00%
		Ocean Tower River Bay	Lvshunkou District, Dalian	234	200	194	100.00%
				2,036	1,808	856	
	Shenyang	Ocean Elite River Prospect	Shenbei New District, Shenyang	400	313	246	60.00%
		Ocean Noble Mansion	Tiexi District, Shenyang	47	32	3	100.00%
				447	345	249	
	Changchun	Dream Jilin	Shuangyang District, Changchun	326	255	216	52.15%
	Anshan	International Plaza	Tiedong District, Anshan	350	294	39	52.15%
				12,307	9,683	5,288	

Regions	Cities	Projects	Districts	Approximate	Approximate	Remaining	Interest	
				total GFA (<i>'000 sq.m.</i>)	total saleable GFA (<i>'000 sq.m.</i>)			landbank (<i>'000 sq.m.</i>)
Eastern Region	Shanghai	Baoshan Sky Masion	Baoshan District, Shanghai	213	115	53	52.15%	
		Lingang Aegean Place	Pudong New Area, Shanghai	66	–	66	52.15%	
		Moon Mirage	Chongming District, Shanghai	922	588	481	41.03%	
		Ocean Fortune Center	Pudong New Area, Shanghai	59	45	16	100.00%	
					1,260	748	616	
	Suzhou	Mansion Yue	Wujiang District, Suzhou	150	147	47	70.00%	
		Rocker Park	Huqiu District, Suzhou	240	198	2	30.00%	
		Royal Seasons	Taicang City, Suzhou	105	77	28	34.00%	
		Scenert East	Zhangjiagang City, Suzhou	108	77	68	100.00%	
		Shengze Sky Masion	Wujiang District, Suzhou	262	211	10	45.60%	
		Shihu Project	Wuzhong District, Suzhou	49	–	49	100.00%	
					914	710	204	
	Wuxi	Life in Park	Xinwu District, Wuxi	196	157	52	15.00%	
		One Residence	Xinwu District, Wuxi	211	154	25	21.66%	
					407	311	77	
	Changzhou	Aegean Place	Wujin District, Changzhou	197	–	197	52.15%	
		International Plaza	Wujin District, Changzhou	508	374	48	52.15%	
					705	374	245	
	Wenzhou	Aegean Place	Longwan District, Wenzhou	82	–	82	100.00%	
		Four Seasons Mansion	Longwan District, Wenzhou	85	60	10	100.00%	
Harbor Heart		Ouhai District, Wenzhou	87	66	10	100.00%		
Peninsula No.9		Ouhai District, Wenzhou	276	174	138	41.36%		
				530	300	240		
Yangzhou	Home Furniture Mall	Hanjiang District, Yangzhou	81	–	81	52.15%		
	Sky Masion	Hanjiang District, Yangzhou	467	348	467	52.15%		
				548	348	548		

Regions	Cities	Projects	Districts	Approximate	Approximate	Remaining	Interest
				total GFA (<i>'000 sq.m.</i>)	total saleable GFA (<i>'000 sq.m.</i>)	landbank (<i>'000 sq.m.</i>)	attributable to the Group (%)
	Jinhua	Mountain Courtyard	Wucheng District, Jinhua	171	124	123	26.60%
	Zhenjiang	Central Mansion	Danyang City, Zhenjiang	607	502	311	50.00%
	Suqian	Shuyang Sky Masion	Shuyang County, Suqian	545	407	33	100.00%
		Sky Masion	Sucheng District, Suqian	484	411	182	14.08%
				1,029	818	215	
	Huzhou	Anji Internet Data Center	Anji County, Huzhou	135	-	135	64.30%
				6,306	4,235	2,714	
Southern Region	Shenzhen	Ocean Express	Longgang District, Shenzhen	556	437	75	100.00%
		Ocean Filter	Longgang District, Shenzhen	92	64	29	100.00%
		Ocean No.163 Project	Nanshan District, Shenzhen	141	106	141	48.00%
		Ocean Purity	Longgang District, Shenzhen	152	108	152	39.20%
		Ocean Seafront Towers	Nanshan District, Shenzhen	115	52	59	80.00%
		Shanxia Project	Longgang District, Shenzhen	323	303	323	81.00%
				1,379	1,070	779	
	Guangzhou	East Bay	Zengcheng District, Guangzhou	141	96	8	40.00%
		Hibiscus Villa	Huadu District, Guangzhou	179	87	2	51.00%
		Natural Mansion	Zengcheng District, Guangzhou	76	48	8	100.00%
		Ocean Prospect	Zengcheng District, Guangzhou	133	96	10	100.00%
				529	327	28	
	Fuzhou	Ocean Tianfu	Cangshan District, Fuzhou	128	97	33	100.00%
	Foshan	Delight River	Sanshui District, Foshan	207	192	46	100.00%
		Landscape	Shunde District, Foshan	80	63	39	49.00%
		Natural Mansion	Nanhai District, Foshan	140	107	71	50.00%
				427	362	156	

Regions	Cities	Projects	Districts	Approximate	Approximate	Remaining	Interest
				total GFA ('000 sq.m.)	total saleable GFA ('000 sq.m.)		
	Xiamen	Ocean Prospect	Tong'an District, Xiamen	199	144	41	51.00%
	Maoming	Sino-Ocean Landscape	Maonan District, Maoming	299	249	148	100.00%
	Jiangmen	Cloud Mansion	Pengjiang District, Jiangmen	176	133	28	51.00%
		Top Mansion	Pengjiang District, Jiangmen	131	101	32	100.00%
				307	234	60	
	Zhongshan	Blossoms Valley	Shenwan Town, Zhongshan	1,172	1,037	807	75.00%
		Ocean Palace	Southern District, Zhongshan	181	134	107	100.00%
				1,353	1,171	914	
	Zhanjiang	Ocean City	Xiashan District, Zhanjiang	612	493	162	67.50%
	Sanya	Ocean Hill	Jiyang District, Sanya	177	111	74	100.00%
	Hong Kong	Mt. La Vie	Islands District, Hong Kong	3	3	3	100.00%
				5,413	4,261	2,398	
Central Region	Wuhan	Aegean Place	Xinzhou District, Wuhan	62	-	62	52.15%
		Dongxihu Xingou Logistics Project	Dongxihu District, Wuhan	112	-	112	64.30%
		Huazhong Big Data Industrial Park	Jiangxia District, Wuhan	89	-	89	14.87%
		Oriental World View	Hanyang District, Wuhan	1,917	1,430	99	70.00%
		Oriental Worldview II	Hanyang District, Wuhan	322	229	322	7.75%
		Yangtze Opus	Jiang'an District, Wuhan	178	80	97	70.00%
				2,680	1,739	781	
	Zhengzhou	Fontaine Polaris	Zhongmu County, Zhengzhou	176	141	176	24.50%
		Glory Mansion	Xinzheng City, Zhengzhou	135	103	56	28.68%
		Grand Apartment	Jinshui District, Zhengzhou	172	133	172	38.88%
		Ocean Landscape Courtyard	Yingyang District, Zhengzhou	204	150	14	55.00%
		Ocean Melody	Zhongmu County, Zhengzhou	43	38	8	69.30%
		Ocean Prospect	Xinzheng City, Zhengzhou	169	158	34	100.00%
Rong Fu		Xinzheng City, Zhengzhou	156	101	118	23.64%	
Rulinchenzhang	Guanchenghuizu District, Zhengzhou	299	198	299	100.00%		
The Collection	Erqi District, Zhengzhou	182	141	182	49.00%		
			1,536	1,163	1,059		

Regions	Cities	Projects	Districts	Approximate	Approximate	Remaining	Interest
				total GFA	total		
				(‘000 sq.m.)	(‘000 sq.m.)	(‘000 sq.m.)	(%)
	Hefei	Ideal Bourn	Feidong County, Hefei	104	83	104	100.00%
		Ocean Landscape	Feidong County, Hefei	200	180	31	70.00%
				304	263	135	
	Changsha	Aegean Place	Yuhua District, Changsha	69	-	69	41.72%
		Sky Masion	Yuhua District, Changsha	878	616	448	41.72%
		Special Mansion	Wangcheng District, Changsha	482	384	482	24.50%
				1,429	1,000	999	
	Nanchang	Cloud View	Jingkai District, Nanchang	81	61	6	51.00%
		Ocean Palace	Wanli District, Nanchang	173	122	11	51.00%
		Sky Masion	Wanli District, Nanchang	175	163	31	52.15%
				429	346	48	
	Ganzhou	Sky Masion	Nankang District, Ganzhou	888	705	82	53.59%
				7,266	5,216	3,104	
Western Region	Chengdu	Ocean Ecological Land	Xindu District, Chengdu	199	127	61	100.00%
		Ocean Luxury City	Qingyang District, Chengdu	122	106	11	24.50%
		Qingbaijiang Internet Data Center, Zone A	Qingbaijiang District, Chengdu	193	-	193	38.88%
		Wenjiang Internet Data Center	Wenjiang District, Chengdu	54	-	54	29.16%
				568	233	319	
	Chongqing	Fenghua Melody	Shapingba District, Chongqing	102	71	20	24.50%
		Fontaine Island	Nan’an District, Chongqing	178	132	3	24.50%
		Life In Art Dist	Jiulongpo District, Chongqing	52	37	18	34.00%
		Sino-Ocean Garden	Banan District, Chongqing	592	480	34	56.10%
				924	720	75	
	Xi’an	Aegean Place	Xincheng District, Xi’an	104	-	104	26.60%
		Emperor Chic	Weiyang District, Xi’an	321	316	215	24.50%
		Fontaine Island	Chanba Ecological District, Xi’an	147	111	147	24.50%
		Ocean Mansion	Weiyang District, Xi’an	558	416	373	42.33%
		Sino-Ocean Royal Landscape	Chanba Ecological District, Xi’an	292	208	31	80.00%
		Sky Masion	Xincheng District, Xi’an	462	312	462	26.60%
				1,884	1,363	1,332	

Regions	Cities	Projects	Districts	Approximate	Approximate	Remaining	Interest
				total GFA ('000 sq.m.)	total saleable GFA ('000 sq.m.)		
	Kunming	In Galaxy (formerly known as Chenggong Project)	Chenggong District, Kunming	222	218	84	71.66%
		In Galaxy (formerly known as Chenggong Project, Phase II)	Chenggong District, Kunming	99	88	99	71.66%
				321	306	183	
	Guiyang	Sino-Ocean Aristocratic Family	Shuanglong New District, Guiyang	165	135	90	100.00%
		Sino-Ocean Prospect	Yunyan District, Guiyang	100	75	11	100.00%
		Sky Masion	Guanshanhu District, Guiyang	297	120	297	26.60%
		Sky Masion, Retail	Guanshanhu District, Guiyang	36	–	36	26.60%
				598	330	434	
	Urumqi	Royal Mansion	Saybag District, Urumqi	402	293	171	28.97%
	Lanzhou	Sky Masion	Yuzhong County, Lanzhou	397	301	264	31.29%
	Liuzhou	Aegean Place	Yufeng District, Liuzhou	85	–	85	76.55%
		Glory Mansion	Yufeng District, Liuzhou	357	251	106	76.55%
				442	251	191	
	Luzhou	Sky Masion	Jiangyang District, Luzhou	279	207	279	52.15%
	Xining	Aegean Place	Haihu New District, Xining	121	–	121	76.55%
		Sky Masion	Chengzhong District, Xining	1,278	1,018	512	41.72%
		Sky Palace	Chengxi District, Xining	311	254	117	76.55%
				1,710	1,272	750	
	Xishuangbanna	Rainforest Resorts	Jinghong City, Xishuangbanna	515	429	153	26.07%
	Baoshan	Qinghuahai Park ¹	Longyang District, Baoshan	2,704	1,751	1,803	26.07%
				10,744	7,456	5,954	
Other Region	Jakarta	Auraya	Greater Jakarta, Indonesia	66	57	66	28.00%
				66	57	66	
Total				55,876	40,759	27,051	

Note 1: The landbank project was newly included during 2025.

Property investment

In 2025, revenue from property investment decreased by approximately 9% to RMB292 million (2024: RMB321 million). As at 31 December 2025, the Group and its joint ventures and associates held more than 23 operating investment properties. Citylane in Wuhan and Ocean We-life Plaza in Suqian officially opened in April and September 2025 respectively and has become popular local check-in spots; in addition, several commercial office projects in Beijing are scheduled to come to market in 2026.

The investment properties of the Group and its joint ventures and associates as at 31 December 2025 are set out as follows:

Projects	Districts	Approximate leasable area (sq.m.)	Office premises (sq.m.)	Retail space (sq.m.)	Logistics projects (sq.m.)	Others (sq.m.)	Occupancy rate (%)	Interest attributable to the Group (%)
E-wing Center (Beijing)	Haidian District, Beijing	12,000	12,000	-	-	-	93%	100%
Grand Canal Place (Beijing)	Tongzhou District, Beijing	111,000	60,000	51,000	-	-	48%	65%
Ocean Incom (Beijing)	Shunyi District, Beijing	49,000	32,000	2,000	-	15,000	53%	100%
Ocean International Center (Beijing)	Chaoyang District, Beijing	103,000	76,000	9,000	-	18,000	78%	100%
Ocean International Center (Tianjin)	Hedong District, Tianjin	53,000	53,000	-	-	-	69%	100%
Shuyang Ocean We-life Plaza (Suqian)	Shuyang County, Suqian	39,000	-	39,000	-	-	100%	100%
Citylane (Wuhan)	Hanyang District, Wuhan	19,000	-	19,000	-	-	100%	70%
Ocean We-life Plaza (Ganzhou)	Nankang District, Ganzhou	49,000	-	49,000	-	-	95%	54%
Other projects		22,000	5,000	-	-	17,000		
Subtotal		457,000	238,000	169,000	-	50,000		
Other								
INDIGO (Beijing)	Chaoyang District, Beijing	181,000	52,000	48,000	-	81,000	96%	50%
Ocean International Center, Phase II (Beijing)	Chaoyang District, Beijing	70,000	46,000	13,000	-	11,000	91%	12%
Ocean Plaza (Beijing)	Xicheng District, Beijing	30,000	26,000	-	-	4,000	80%	72%
Ocean Office Park (Beijing)	Chaoyang District, Beijing	93,000	81,000	12,000	-	-	81%	29%
Eco-city Ocean We-life Plaza (Tianjin)	Binhai New Area, Tianjin	42,000	-	42,000	-	-	95%	52%
Grand Canal Place (Tianjin)	Hedong District, Tianjin	97,000	-	97,000	-	-	94%	34%
Ocean We-life (Tianjin)	Binhai New District, Tianjin	28,000	-	28,000	-	-	90%	70%
Ocean We-life Plaza (Tianjin)	Hedong District, Tianjin	42,000	-	42,000	-	-	98%	64%
Ocean We-life Plaza (Jinan)	Shanghe County, Jinan	34,000	-	34,000	-	-	74%	31%
H88 Yuehong Plaza (Shanghai)	Xuhui District, Shanghai	56,000	56,000	-	-	-	62%	61%
Haixing Plaza (Shanghai)	Huangpu District, Shanghai	14,000	10,000	-	-	4,000	59%	30%
Grand Canal Place (Hangzhou)	Gongshu District, Hangzhou	132,000	-	81,000	-	51,000	95%	60%
Ocean We-life Plaza (Suzhou)	Wujiang District, Suzhou	49,000	-	49,000	-	-	93%	26%
Ocean We-life Plaza (Suqian)	Sucheng District, Suqian	54,000	-	54,000	-	-	54%	14%
Grand Canal Place (Fuzhou)	Cangshan District, Fuzhou	95,000	-	95,000	-	-	97%	31%
Other projects		2,009,000	257,000	135,000	1,592,000	25,000		
Subtotal		3,026,000	528,000	730,000	1,592,000	176,000		
Total		3,483,000	766,000	899,000	1,592,000	226,000		

COMPLETION OF HOLISTIC DEBT MANAGEMENT FOR RELEVANT OFFSHORE DEBTS

References are made to the announcements of the Company (collectively, the “**Offshore Debts Announcements**”) dated 18 July 2024, 3 February 2025, 6 February 2025, 19 February 2025 and 27 March 2025 in relation to, among others, the holistic debt management of the relevant offshore debts of the Group (the “**Offshore Debts Restructuring**”).

As set out in the Offshore Debts Announcements, on 27 March 2025, each of the conditions to the Offshore Debts Restructuring had been satisfied and the effective date of the Offshore Debts Restructuring occurred on the same date (the “**Restructuring Effective Date**”). The Offshore Debts Restructuring involves the discharge and release of all claims of the in-scope creditors under the in-scope debts amounting to approximately USD6,315 million upon the distribution of the consideration to the in-scope creditors on the Restructuring Effective Date consisting of (a) new debts in an aggregate principal amount of approximately USD2,200 million, which consists of new loan and new notes, and (b) mandatory convertible bonds and/or the new perpetual securities in a combined aggregate principal amount of approximately USD4,115 million.

The successful implementation of the Offshore Debts Restructuring reduced the Group’s leverage by approximately USD4 billion, which significantly improved its asset-liability structure and greatly alleviated its offshore liquidity pressures.

For further details of the Offshore Debts Restructuring, please refer to the Offshore Debts Announcements.

RELEVANT INFORMATION ON ONSHORE OPEN MARKET DEBTS

References are made to the announcements of the Company published on the Stock Exchange and the announcements of Sino-Ocean Holding published on The Shanghai Stock Exchange, both dated 9 May 2025, 30 May 2025, 12 June 2025, 19 June 2025, 10 July 2025, 18 July 2025, 28 July 2025, 1 August 2025, 14 August 2025, 26 November 2025 and 4 February 2026, in relation to the onshore open market debts of the Group (collectively, the **“Onshore Open Market Debts Announcements”**).

As set out in the Onshore Open Market Debts Announcements, to advance sustainable operations going forward, in light of Sino-Ocean Holding’s current situation, the Group planned to provide an overall restructuring plan to holders of certain existing onshore corporate bonds and interbank directed debt financing instruments (collectively, the **“Target Bonds”**). This plan would adjust the repayment arrangements for the principal and interest of the Target Bonds and offer multiple settlement options, including cash repurchase, equity economic income right, and debt settlement with assets. Sino-Ocean Holding would advance the restructuring of the Target Bonds by convening bondholders’ meeting(s). The final restructuring plan shall be subject to the resolutions set forth in the bondholders’ meeting notice(s). In order to implement the subsequent repayment arrangements of relevant bonds, ensure fair information disclosure and protect the interests of bond investors, the trading of Sino-Ocean Holding’s seven subsisting corporate bonds (collectively, the **“Corporate Bonds”**) had been suspended with effect from the commencement of trading hours of The Shanghai Stock Exchange on 15 August 2025.

During the trading suspension period, bondholders’ meetings for the Corporate Bonds had been convened, at which the resolutions concerning the restructuring of the relevant bonds were approved, and the Corporate Bonds have resumed trading since the commencement of trading hours of The Shanghai Stock Exchange on 27 November 2025. Pursuant to the announcements regarding the results of the relevant bondholders’ meetings, the cash repurchase option, the equity economic income right option, and the debt settlement with assets option (debt settlement with proceeds from residential projects and debt settlement with proceeds from commercial projects) would be subsequently initiated, in sequence, by the relevant parties. Specific arrangements shall be subject to subsequent announcements to be issued by Sino-Ocean Holding.

Please refer to the Onshore Open Market Debts Announcements for details.

IMPORTANT EVENTS AFTER THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Save as disclosed in the above paragraphs headed **“RELEVANT INFORMATION ON ONSHORE OPEN MARKET DEBTS”** and note 13 to the audited consolidated financial statements in this annual results announcement, as at the date of this annual results announcement, there was no important event affecting the Group after the financial year ended 31 December 2025.

The audited consolidated results of the Group for the year ended 31 December 2025 are as follows:

Consolidated Statement of Profit or Loss

	Notes	Year ended 31 December	
		2025 RMB'000	2024 RMB'000 (Restated)
Revenue	4	14,837,433	23,640,619
Cost of sales	5	(25,420,491)	(24,038,814)
Gross loss		(10,583,058)	(398,195)
Interests and other income		601,560	699,676
Other losses — net	6	(5,187,499)	(4,651,287)
Fair value change on investment properties		(1,279,398)	(746,505)
Selling and marketing expense	5	(730,361)	(710,007)
Impairment losses under expected credit loss model	5	(18,938,387)	(7,698,585)
Administrative expense	5	(1,465,467)	(1,629,734)
Operating loss		(37,582,610)	(15,134,637)
Gains from debt restructuring		46,871,652	—
Finance costs	7	(3,657,491)	(3,687,788)
Share of results of joint ventures		(2,000,591)	(833,635)
Share of results of associates		(227,718)	164,647
Profit/(loss) before income tax		3,403,242	(19,491,413)
Income tax credit	8	195,331	504,425
Profit/(loss) for the year		3,598,573	(18,986,988)
Attributable to:			
Owners of the Company		6,756,387	(18,623,957)
Non-controlling interests		(3,157,814)	(363,031)
		3,598,573	(18,986,988)
Earnings/(loss) per share attributable to owners of the Company during the year (expressed in RMB)			
Basic earnings/(loss) per share	9	0.660	(2.445)
Diluted earnings/(loss) per share	9	0.503	(2.445)

Consolidated Statement of Comprehensive Income

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000 (Restated)
Profit/(loss) for the year	3,598,573	(18,986,988)
Other comprehensive income/(loss), net of tax Items that will not be reclassified subsequently to profit or loss:		
Fair value change on financial assets at fair value through other comprehensive income, net of tax	16,561	(90,940)
Items that may be reclassified subsequently to profit or loss:		
Currency translation differences	152,088	(478,136)
Share of other comprehensive loss of investments accounted for using the equity method	(80,669)	(227,739)
Other comprehensive income/(loss) for the year	87,980	(796,815)
Total comprehensive income/(loss) for the year	3,686,553	(19,783,803)
Total comprehensive income/(loss) for the year attributable to:		
Owners of the Company	6,853,649	(19,483,226)
Non-controlling interests	(3,167,096)	(300,577)
Total comprehensive income/(loss) for the year	3,686,553	(19,783,803)

Consolidated Statement of Financial Position

		As at 31 December	
		2025	2024
	Notes	RMB'000	RMB'000 (Restated)
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		2,080,433	3,324,732
Right-of-use assets		1,163,210	1,501,265
Land use rights		77,904	179,062
Intangible assets		198,207	309,670
Goodwill		541,559	1,233,053
Investment properties		13,119,513	13,204,011
Interests in joint ventures		11,163,095	13,315,357
Interests in associates		2,748,745	3,951,093
Financial assets at fair value through other comprehensive income		469,147	693,897
Financial assets at fair value through profit or loss		2,458,311	3,662,917
Trade and other receivables and prepayments	11	4,695,970	6,725,443
Deferred income tax assets		2,313,970	2,133,907
Total non-current assets		41,030,064	50,234,407
Current assets			
Properties under development		34,308,718	40,901,782
Inventories, at cost		972,787	1,152,367
Land development cost recoverable		554,178	1,295,282
Completed properties held for sale		19,019,881	25,098,776
Financial assets at fair value through profit or loss		11,366	53,277
Trade and other receivables and prepayments	11	48,998,181	57,775,129
Contract assets		56,965	65,674
Restricted bank deposits		4,470,272	2,922,791
Cash and cash equivalents		1,552,758	1,905,661
Total current assets		109,945,106	131,170,739

		As at 31 December	
		2025	2024
	<i>Notes</i>	RMB'000	<i>RMB'000</i> (Restated)
Current liabilities			
Borrowings		24,814,907	65,935,047
Lease liabilities		127,268	140,186
Trade and other payables	12	52,196,683	50,875,469
Contract liabilities		18,204,883	14,263,642
Income tax payable		12,601,376	12,115,304
Derivative financial instruments		238,000	–
Provisions		12,609,818	5,028,329
		<hr/>	<hr/>
Total current liabilities		120,792,935	148,357,977
		<hr/>	<hr/>
Net current liabilities		(10,847,829)	(17,187,238)
		<hr/>	<hr/>
Total assets less current liabilities		30,182,235	33,047,169
		<hr/>	<hr/>
Non-current liabilities			
Borrowings		26,036,724	32,437,489
Lease liabilities		1,286,896	1,626,530
Trade and other payables	12	165,814	47,762
Deferred income tax liabilities		793,842	1,397,545
		<hr/>	<hr/>
Total non-current liabilities		28,283,276	35,509,326
		<hr/>	<hr/>
Net assets/(liabilities)		1,898,959	(2,462,157)
		<hr/> <hr/>	<hr/> <hr/>
EQUITY			
Equity attributable to owners of the Company			
Share capital		28,130,087	27,329,232
Perpetual securities		1,038,891	–
Other reserves		(4,131,243)	(8,918,260)
Accumulated losses		(24,671,493)	(31,070,263)
		<hr/>	<hr/>
		366,242	(12,659,291)
Non-controlling interests		1,532,717	10,197,134
		<hr/>	<hr/>
Total equity		1,898,959	(2,462,157)
		<hr/> <hr/>	<hr/> <hr/>

Notes to the consolidated financial statements

1. GENERAL INFORMATION

Sino-Ocean Group Holding Limited (the “**Company**”) is a limited liability company incorporated in Hong Kong on 12 March 2007. The address of its registered office is Suite 601, One Pacific Place, 88 Queensway, Hong Kong. The Company and its subsidiaries (together the “**Group**”) are principally engaged in investment holding, property development and property investment in the People’s Republic of China (the “**PRC**”).

The consolidated financial statements are presented in Renminbi (“**RMB**”), unless otherwise stated. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited. The consolidated financial statements have been approved for issue by the board of directors of the Company (the “**Board**”) on 27 March 2026.

The financial information relating to the years ended 31 December 2025 and 2024 included in this announcement of annual results 2025 do not constitute the Company’s statutory annual consolidated financial statements for those years but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The Company has delivered the financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance and will deliver the financial statements for the year ended 31 December 2025 in due course.

The Company’s auditor has reported on the financial statements of the Group for both years. The auditor’s report for the years ended 31 December 2025 and 2024 was disclaimed; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance. For details, please refer to sub-section under “EXTRACT OF INDEPENDENT AUDITOR’S REPORT”.

2. BASIS OF PREPARATION AND PRIOR YEAR ADJUSTMENT OF THE FINANCIAL STATEMENT

2.1 Basis of measurement and going concern assumption

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards and requirements of the Hong Kong Companies Ordinance (Cap. 622). They have been prepared under the historical cost convention, as modified by the revaluation of investment properties, financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, which are carried at fair values.

The preparation of the consolidated financial statements in conformity with HKFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies.

The Group incurred a loss of approximately RMB43.27 billion for the year ended 31 December 2025 after excluding the gains on debt restructuring of RMB46.87 billion and, as of that date, the Group’s current liabilities were in excess of current assets by approximately RMB10.85 billion. The Group had total borrowings of approximately RMB50.85 billion as at 31 December 2025, of which the current borrowings amounted to approximately RMB24.81 billion, while the Group had cash and cash equivalents of approximately RMB1.55 billion only.

As at 31 December 2025, the Group had not repaid borrowings (comprising bank borrowings and other borrowings but excluding bonds) in principal amount of approximately RMB15.79 billion in aggregate according to their scheduled repayment dates. The Group had not repaid onshore bonds with total principal amount of approximately RMB3.39 billion in aggregate according to their scheduled repayment dates. As of the approval date of the consolidated financial statements, the Group is still in communication with the creditors on adjusting the repayment schedules of these debts.

In addition, the Group has been involved in various litigation cases for unpaid borrowings, outstanding construction and daily operations payables and other matters for which the Group has made provision.

During the year ended 31 December 2025, the real estate sector in the PRC remained volatile. The continued downturn in the property market, coupled with the weakening consumer sentiment in the PRC, gave rise to decline in property sales and intensified liquidity pressure on the PRC property developers, including the Group.

The Group experienced a contraction in internal funds and encountered significant challenges in financing its construction projects due to restricted access to external financing. The current macroeconomic conditions and the uncertain timeline for recovery in real estate sector have resulted in increased material uncertainties for the Group. These factors have made it increasingly difficult for the Group to generate operating cash inflows or refinance guaranteed notes, corporate bond and bank and other borrowings.

In view of these circumstances, the directors of the Company (the “**Directors**”) have carefully considered the Group’s cash flow forecast for the next eighteen months from 31 December 2025 and have given due consideration to the matters that give rise to material doubt as to its ability to continue as a going concern, and accordingly, have proactively come up with certain plans and measures to ensure the Group to have sufficient financial resources to continue as a going concern and pay its debts when they fall due. Certain plans and measures have been taken or will be taken to enable the Group to have sufficient financial resources to meet its financial commitments as and when they fall due which include, but not limited to, the following:

- During the year, the restructuring plan in relation to certain onshore bonds (“**Onshore Bonds**”) issued by Beijing Sino-Ocean Group Holding Limited (“**Sino-Ocean Holding**”), a wholly-owned subsidiary of the Group, have been considered and approved at the relevant meetings of bondholders, whereby the repayment arrangements in regard to the principal and interest of the Onshore Bonds were adjusted, the repayment period has been extended 5.5 to 10 years with the interest rates for both historical accrued and unpaid interest and future interest reduced to 1% per annum, and restructuring plan options including cash repurchase, equity economic income right, and debt settlement with assets are provided (“**Onshore Debt Restructuring**”). As a next step, Sino-Ocean Holding will coordinate with the bondholders to select and allocate options under the restructuring plan based on the amount of the Onshore Bonds they hold, in accordance with the relevant provisions of the bondholder meeting resolutions;

- On 27 March 2025, the offshore debt restructuring of the Group became effective. Under the offshore debt restructuring, the offshore creditors fully discharged the offshore debt restructuring in-scope existing debts and certain bank borrowings of the Group amounting to approximately USD6.38 billion in aggregate in exchange for the issue of the new loans and new notes (the “**New Debts**”), the new mandatory convertible bonds and/or new perpetual securities;
- The Group has been proactively seeking ways to resolve the outstanding litigations of the Group. The Group is positive that it can continue to reach an amicable solution on the litigations which have not yet reached a definite outcome;
- The Group is actively in discussions with the other existing lenders to renew the Group’s certain borrowings and/or not to demand immediate repayment until the Group has successfully completed the property construction projects and generated sufficient cash flows therefrom. These discussions have been constructive and focused on possible actions in light of current circumstances but do require time to formulate or implement due to ongoing changes in market conditions;
- The Group will continue to seek to obtain additional new sources of financing through all possible channels such as assets disposal;
- The Group will continue to maintain active dialogue to secure a continuing and normal business relationship with major constructors and suppliers, including agreement on the payment arrangements with them and to complete the construction progress by them as scheduled;
- The Group will continue to implement measures to accelerate the pre-sales and sales of its properties under development and completed properties, and to speed up the collection of outstanding sales proceeds and other receivables. Subject to the market sentiment, the Group will actively adjust sales and pre-sale activities to better respond to changing markets to achieve the latest budgeted sales and pre-sales volumes and amounts; and
- The Group will continue to control administrative costs and contain unnecessary capital expenditures to preserve liquidity. The Group will also continue to actively assess additional measures to further reduce discretionary spending.

The Directors consider that, assuming the success of the above-mentioned assumptions, plans and measures, the Group will have sufficient working capital to finance its operations and to meet its obligations as and when they fall due for at least twelve months from 31 December 2025. Accordingly, the Directors are of the opinion that it is appropriate to prepare the consolidated financial statements on a going concern basis.

However, the validity of the going concern assumption depends upon the successful outcome of the Group's plans and measures, including:

- Successful negotiation with existing lenders on the renewal of the Group's certain borrowings and not to demand immediate repayment of bank and other borrowings until the Group has successfully completed the construction projects and generated sufficient cash flows therefrom; the Group's ability to successfully obtain additional new financing as and when needed;
- The Group's ability to reach an amicable solution on the litigations which have not yet reached a definite outcome; and
- The Group's ability to maintain continuing and normal business relationship with major constructors and suppliers; to accelerate the pre-sales and sales of its properties under development and completed properties, and to speed up the collection of outstanding sales proceeds and other receivables; to successfully implement its business strategy and cost control measures so as to improve the Group's working capital and cash flow position.

These indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern, and therefore the Group may not be able to realise its assets and discharge its liabilities in the normal course of business.

Should the Group fail to achieve the intended effects resulting from the above-mentioned plans and measures on a timely basis, it may not be able to continue to operate as a going concern, and adjustments would have to be made to write down the carrying amounts of the Group's assets to their realisable 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 the consolidated financial statements.

2.2 Prior year adjustment

Background

In June 2019 and December 2019, a wholly-owned subsidiary of the Company, Beijing Sino-Ocean Group Holding Limited (北京遠洋控股集團有限公司) (“**Such Company**”), entered into the perpetual bond investment contracts with Shaanxi International Trust Co., Ltd. (陝西省國際信託股份有限公司) (“**Shaanxi International Trust**”) and Kunlun Trust Co.,Ltd. (昆侖信託有限責任公司) (“**Kunlun Trust**”), respectively, pursuant to which the Group issued perpetual bonds (the “**Perpetual Bonds**”) to raise a total of approximately RMB2.359 billion, which was recognized as non-controlling interests in the Group’s financial statements in accordance with the investment contracts. Subsequently, Such Company entered into several supplementary agreements with Shaanxi International Trust in October 2023 and December 2023; and with Kunlun Trust in April 2023 and June 2023. In July 2024 and May 2025, Such Company received notice letters from Shaanxi International Trust requesting the termination of the relevant perpetual bond investment contracts and demanding payment of outstanding amounts. In September 2024, Such Company received an arbitration application submitted by Kunlun Trust to the Beijing Arbitration Commission, requesting repayment of outstanding amounts. In March 2025, the Beijing Arbitration Commission ordered Such Company to pay Kunlun Trust the principal, interest and related expenses associated with the Perpetual Bonds.

The self-inspection of the Company and its impact on the financial statements of the Group

Based on the current actual circumstances described above, in conjunction with the relevant provisions of legal documents, the management believed that the Perpetual Bonds imposed on the Group an inevitable contractual obligation to repay principal and pay interest, and therefore no longer meets the criteria for recognition as an equity instrument. Consequently, the management reclassified the Perpetual Bonds totaling approximately RMB2.679 billion as of 31 December 2024 (including the issuance amount of approximately RMB2.359 billion and interest of RMB320 million) from non-controlling interests to borrowings. Accordingly, the opening balances of 2025 and the comparative financial statements have been adjusted. The following table discloses the adjustments made by the Company to the items in the consolidated statement of profit or loss for the year ended 31 December 2024, and the consolidated statement of financial positions as of 1 January 2024 and 31 December 2024, to correct certain identified errors for prior periods:

	Effect on year ended 31 December 2024 RMB'000
Increase in finance costs	(99,363)
Increase in loss before income tax	(99,363)
Increase in loss for the year	(99,363)
Increase in loss for the year attributable to non-controlling interests	<u>(99,363)</u>

	Effect on 31 December 2024 RMB'000
Increase in current borrowings	2,359,000
Increase in trade and other payables	<u>320,159</u>
Decrease in total equity	(2,679,159)
Decrease in equity attributable to non-controlling interests	<u>(2,679,159)</u>
	Effect on 1 January 2024 RMB'000
Increase in current borrowings	2,359,000
Increase in trade and other payables	<u>220,796</u>
Decrease in total equity	(2,579,796)
Decrease in equity attributable to non-controlling interests	<u>(2,579,796)</u>

As mentioned above, this restatement will result in the Group's loss for the year ended 31 December 2024, further increasing to RMB18.987 billion. This will have no impact on basic loss per share or the diluted loss per share. The total equity as at the beginning of 2024 and the end of 2024 will be RMB18.212 billion and RMB -2.462 billion, respectively.

Save as above, the management confirms that the restatement will have no ongoing impact on the future consolidated financial statements of the Group.

3. SUMMARY OF ACCOUNTING POLICIES

The accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 Changes in accounting policy and disclosures

(a) Amended standards adopted by the Group

The Group has applied the following amendments for the first time for their annual reporting period commencing 1 January 2025:

Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability
Amendments to Illustrative Examples on HKFRS 7, HKFRS 18, HKAS 1, HKAS 8, HKAS 36 and HKAS 37	Disclosures about Uncertainties in the Financial Statements

These amendments listed above did not have any impact on the amounts recognized in prior periods or disclosure are not expected to significantly affect the current or future periods.

(b) New standards and interpretations not yet adopted by the Group

There are a number of standards, amendments to standards, and interpretations which have been issued by the HKICPA that are effective in future accounting periods that the Group has decided not to adopt early.

The following amendments are effective for the period beginning on or after 1 January 2026:

- Classification and Measurement of Financial Instruments (Amendments to HKFRS 9 and HKFRS 7)
- Annual Improvements to HKFRS Accounting Standards — Volume 11 (Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7)
- Contracts Referencing Nature-dependent Electricity (Amendments to HKFRS 9 and HKFRS 7)

The following standards and amendments are effective for the period beginning on or after 1 January 2027:

- HKFRS 18 Presentation and Disclosure in Financial Statements
- HKFRS 19 Subsidiaries without Public Accountability: Disclosures
- Amendments to HK Int 5 Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

The effective date of the following amendments is to be determined:

- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to HKFRS 10 and HKAS 28)

The Group is currently assessing the impact of these new or amended HKFRS Accounting Standards. Except for the below, these new or amended HKFRS Accounting Standards are preliminary assessed and are not expected to have any significant impact on the Group's financial statements.

HKFRS 18 replaces HKAS 1 Presentation of Financial Statements. While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, which is renamed as HKAS 8 Basis of Preparation of Financial Statements. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 Statement of Cash Flows, HKAS 33 Earnings per Share and HKAS 34 Interim Financial Reporting. In addition, there are minor consequential amendments to other HKFRSs. HKFRS 18 and the consequential amendments to other HKFRSs are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group currently has no plans to adopt it in advance.

4. SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the executive directors of the Company who make strategic decisions.

The executive directors of the Company consider the business from both a geographic and product perspective. From the product perspective, the management considers the performance of property development, property management and property investment. Property development businesses are further segregated geographically.

Other operations as carried out by the Group mainly are senior living services and asset-light agent construction, etc.. These are not included within the reportable operating segments, as they are not included in the reports provided to the executive directors of the Company. The results of these operations are included in the "All other segments" column.

The executive directors of the Company assess the performance of the operating segments based on a measure of operating profit. This measurement basis excludes the effects of other gains/losses from the operating segments. Finance costs and corporate finance income are not included in the result for each operating segment that is reviewed by the executive directors of the Company, as they are driven by activities of the central treasury function, which manages the cash position of the Group. The measure also excludes the effects of any share of profits/losses from interests in joint ventures and associates as well as fair value change from investment properties, corporate overheads and gains from debt restructuring. Other information provided to the executive directors of the Company, except as noted below, is measured in a manner consistent with that in the financial statements.

Total segment assets exclude corporate cash and cash equivalents, interests in joint ventures and associates, financial assets at fair value through other comprehensive income, financial assets at fair value through profit or loss and deferred income tax assets, all of which are managed on a central basis. Total segment liabilities exclude borrowings, deferred income tax liabilities and derivative financial instruments, all of which are managed on a central basis as well. These are part of the reconciliation to total statement of financial position assets and liabilities.

The segment information provided to the executive directors of the Company for the reportable segments for the years ended 31 December 2025 and 2024 is as follows:

	Property development						Property investment	Property management	All other segments	Total
	Beijing Region	Bohai Rim Region	Eastern Region	Southern Region	Central Region	Western Region				
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Year ended 31 December 2025										
Total revenue	1,632,832	2,859,936	378,133	2,105,015	1,074,957	438,000	307,702	2,724,158	4,352,704	15,873,437
Inter-segment revenue	(960)	(1,067)	(1,257)	(14)	(5,954)	-	(15,284)	(82,700)	(928,768)	(1,036,004)
Revenue (from external customers)	1,631,872	2,858,869	376,876	2,105,001	1,069,003	438,000	292,418	2,641,458	3,423,936	14,837,433
Segment operating (loss)/profit	(912,113)	(1,332,635)	(3,145,853)	(3,803,239)	(3,161,897)	(774,058)	152,565	(1,562,214)	(16,470,955)	(31,010,399)
Depreciation and amortization (Note 5)	(18,349)	(169)	(127)	(889)	(254)	(41)	(57)	(44,325)	(294,466)	(358,677)
Year ended 31 December 2024										
Total revenue	1,681,408	3,720,102	5,098,645	2,945,443	2,304,919	1,536,642	327,033	2,840,029	5,449,825	25,904,046
Inter-segment revenue	(4,734)	(3,823)	(5,625)	(55)	-	-	(5,852)	(130,142)	(2,113,196)	(2,263,427)
Revenue (from external customers)	1,676,674	3,716,279	5,093,020	2,945,388	2,304,919	1,536,642	321,181	2,709,887	3,336,629	23,640,619
Segment operating (loss)/profit	(230,597)	(946,153)	(159,464)	(383,902)	(551,737)	(437,113)	149,237	(104,724)	(6,942,914)	(9,607,367)
Depreciation and amortization (Note 5)	(18,228)	(273)	(106)	(718)	(671)	(431)	(64)	(57,907)	(383,121)	(461,519)
As at 31 December 2025										
Total segment assets	15,358,128	11,498,635	2,924,572	20,948,254	12,154,050	6,196,805	13,031,015	2,174,570	47,443,736	131,729,765
Additions to non-current assets (other than financial instruments and deferred income tax assets)	4,965	8	30	26,963	5	-	722,139	-	15,964	770,074
Total segment liabilities	7,261,434	10,118,447	4,719,812	20,465,719	5,749,425	3,807,651	1,564,714	1,191,864	42,313,672	97,192,738
As at 31 December 2024 (Restated)										
Total segment assets	17,610,657	15,111,517	10,060,120	19,054,276	13,487,318	7,225,222	13,176,745	3,752,185	58,054,798	157,532,838
Additions to non-current assets (other than financial instruments and deferred income tax assets)	1,149	4,104	-	11,883	-	17	106,049	67,214	14,304	204,720
Total segment liabilities	7,431,003	11,263,040	6,094,619	10,931,467	6,166,325	3,902,851	796,670	1,801,798	35,709,449	84,097,222

A reconciliation of segment operating loss to profit/(loss) before income tax is provided as follows:

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
		(Restated)
Segment operating loss	(31,010,399)	(9,607,367)
Corporate finance income	11	61
Corporate overheads	(105,325)	(129,539)
Gains from debt restructuring	46,871,652	–
Fair value change on investment properties	(1,279,398)	(746,505)
Other losses — net	(5,187,499)	(4,651,287)
Finance costs	(3,657,491)	(3,687,788)
Share of results of joint ventures	(2,000,591)	(833,635)
Share of results of associates	(227,718)	164,647
	<u>3,403,242</u>	<u>(19,491,413)</u>
Profit/(loss) before income tax	<u>3,403,242</u>	<u>(19,491,413)</u>

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

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
		(Restated)
Total segment assets	131,729,765	157,532,838
Corporate cash and cash equivalents	80,771	61,860
Interests in joint ventures	11,163,095	13,315,357
Interests in associates	2,748,745	3,951,093
Financial assets at fair value through other comprehensive income	469,147	693,897
Financial assets at fair value through profit or loss	2,469,677	3,716,194
Deferred income tax assets	2,313,970	2,133,907
	<u>150,975,170</u>	<u>181,405,146</u>
Total assets per consolidated statement of financial position	<u>150,975,170</u>	<u>181,405,146</u>
Total segment liabilities	97,192,738	84,097,222
Current borrowings	24,814,907	65,935,047
Non-current borrowings	26,036,724	32,437,489
Deferred income tax liabilities	793,842	1,397,545
Derivative financial instruments	238,000	–
	<u>149,076,211</u>	<u>183,867,303</u>
Total liabilities per consolidated statement of financial position	<u>149,076,211</u>	<u>183,867,303</u>

The Company was incorporated in Hong Kong, with most of its major subsidiaries domiciled in the PRC. Revenues from external customers of the Group are mainly derived in the PRC for the years ended 31 December 2025 and 2024.

As at 31 December 2025, total non-current assets (other than financial instruments and deferred income tax assets) located in the PRC amounted to approximately RMB31,092,145,000 (2024: RMB36,981,430,000), total non-current assets located in Hong Kong and in the United States amounted to approximately RMB521,000 (2024: RMB872,000) and approximately nil (2024: RMB35,941,000), respectively.

For the years ended 31 December 2025 and 2024, the Group does not have any single customer with the transaction value over 10% of the total external sales.

5. EXPENSES BY NATURE

Expenses by nature comprised cost of sales, selling and marketing expense, impairment losses under expected credit loss model and administrative expense as follows:

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
Cost of properties and land use rights sold:		
— Land use rights	3,800,930	7,948,708
— Capitalised interest	642,752	879,662
— Construction related cost	4,584,998	8,530,938
Cost of upfitting services rendered	1,676,612	1,732,719
Direct investment property expenses	92,210	122,857
Employee benefit expense	1,950,272	1,904,815
Consultancy fee	189,372	334,755
Auditor's remuneration	16,706	17,970
— Audit services	12,649	12,670
— Non-audit services	4,057	5,300
Depreciation of property, plant and equipment	170,290	181,323
Depreciation of right-of-use assets	132,834	162,956
Amortization of land use rights and intangible asset	55,553	117,240
Advertising and marketing	651,718	631,029
Business taxes and other levies	203,551	166,795
Impairment losses under expected credit loss model	18,938,387	7,698,585
— Impairment loss on trade and other receivables	10,457,799	3,922,538
— Provisions for financial guarantee provided to related parties and third parties	8,480,588	3,776,047
Impairment loss on properties under development	5,242,635	1,109,682
Impairment loss on completed properties held for sale	5,672,623	449,852
Impairment loss on land development cost recoverable	451,253	—
Derecognition of goodwill	—	10,129
Office expenditure	68,962	82,418
Properties maintenance expenses	1,120,901	1,102,948
Energy expenses	360,634	315,427
Others	531,513	576,332
	46,554,706	34,077,140

6. OTHER LOSSES — NET

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Losses on disposal of interests in subsidiaries	(600,247)	(101,514)
Fair value change of financial assets at fair value through profit or loss and derivative financial instruments	(1,375,191)	(1,568,435)
Impairment loss on interest in a joint venture	–	(1,706,630)
Losses on disposal of joint ventures and associates	(166,262)	(543,639)
(Losses)/gains on deemed disposal of joint ventures and associates	(163,221)	116,710
Payment for the settlement of contracted obligations	(1,493)	(122,095)
(Losses)/gains on disposal of property, plant and equipment	(4,925)	11,534
Gains/(losses) on disposal of investment properties	11,563	(1,057)
Losses on disposal of land use rights	–	(20,637)
Impairment loss on property, plant and equipment	(304,691)	–
Impairment loss on goodwill	(691,494)	–
Provision for litigations and other contingent liabilities	(1,801,326)	(631,410)
Exchange losses, net	(62,845)	(70,161)
Other losses, net	(27,367)	(13,953)
	<u>(5,187,499)</u>	<u>(4,651,287)</u>

7. FINANCE COSTS

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000 (Restated)
Interest expense:		
— Bank borrowings	2,095,732	2,113,936
— Other borrowings	2,827,618	3,172,742
— Lease liabilities	78,042	111,472
	<u>5,001,392</u>	<u>5,398,150</u>
Less: interest capitalised at a capitalisation rate of 7.23% (2024: 5.36% (Restated)) per annum	(1,343,901)	(1,710,362)
	<u>3,657,491</u>	<u>3,687,788</u>

8. INCOME TAX CREDIT

Majority of the Group entities are subjected to PRC enterprise income tax, which has been provided based on the statutory income tax rate of 25% of the assessable income of each of these Group entities for the years ended 31 December 2025 and 2024. Other Group entities are mainly subject to Hong Kong profits tax.

The amount of income tax credit charged to the statement of profit or loss represents:

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Current income tax:		
— PRC enterprise income tax	341,031	405,099
— PRC land appreciation tax	234,100	(833,866)
Deferred income tax	(770,462)	(75,658)
	<u>(195,331)</u>	<u>(504,425)</u>

9. EARNINGS/(LOSS) PER SHARE

(a) Basic

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to owners of the Company, after deducting distributions related to perpetual securities, by the weighted average number of ordinary shares in issue during the year.

	Year ended 31 December	
	2025	2024
Profit/(loss) attributable to owners of the Company (RMB'000)	6,756,387	(18,623,957)
Distributions related to perpetual securities (RMB'000)	<u>(66,579)</u>	<u>—</u>
Profit/(loss) used to determine basic earnings/(loss) per share (RMB'000)	<u>6,689,808</u>	<u>(18,623,957)</u>
Weighted average number of ordinary shares in issue (thousands)	<u>10,130,677</u>	<u>7,616,096</u>
Basic earnings/(loss) per share (RMB per share)	<u>0.660</u>	<u>(2.445)</u>

(b) Diluted

Diluted earnings/(loss) per share is calculated by adjusting the weighted average number of ordinary shares outstanding to, assume conversion of all dilutive potential ordinary shares. The Company has three categories of dilutive potential ordinary shares: share options, mandatory convertible bonds and equity economic right.

	Year ended 31 December	
	2025	2024
Profit/(loss) attributable to owners of the Company (RMB'000)	6,756,387	(18,623,957)
Distributions related to perpetual securities (RMB'000)	(66,579)	–
Interest on equity economic right (RMB'000)	20,516	–
	<hr/>	<hr/>
Profit/(loss) used to determine diluted earnings/(loss) per share (RMB'000)	6,710,324	(18,623,957)
	<hr/>	<hr/>
Weighted average number of ordinary shares in issue (thousands)	10,130,677	7,616,096
	<hr/>	<hr/>
Weighted average number of ordinary shares for diluted earnings/(loss) per share (thousands)	13,347,170	7,616,096
	<hr/>	<hr/>
Diluted earnings/(loss) per share (RMB per share)	0.503	(2.445)
	<hr/> <hr/>	<hr/> <hr/>

10. DIVIDENDS

The Board did not recommend the payment of final dividend for the year ended 31 December 2025 and 2024.

11. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Trade receivables (a)	3,151,222	4,443,710
Other receivables and prepayments (b)	50,542,929	60,056,862
	<hr/>	<hr/>
Less: non-current portion	53,694,151	64,500,572
	(4,695,970)	(6,725,443)
	<hr/>	<hr/>
Current portion	48,998,181	57,775,129
	<hr/> <hr/>	<hr/> <hr/>

(a) Trade receivables

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Trade receivables	5,503,485	5,435,317
Less: provision for impairment of trade receivables	(2,352,263)	(991,607)
	<u>3,151,222</u>	<u>4,443,710</u>
Less: non-current portion	–	–
Current portion	<u>3,151,222</u>	<u>4,443,710</u>

Proceeds from services and sales rendered are to be received in accordance with the term of respective agreement, and the credit term is very short. An ageing analysis of gross trade receivables mainly based on invoice or bills issuance date at the respective statement of financial position dates is as follows:

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Within 6 months	1,492,778	2,415,321
Between 6 months to 1 year	815,852	1,303,311
Between 1 year to 2 years	1,615,939	775,069
Between 2 years to 3 years	767,627	566,693
Over 3 years	811,289	374,923
	<u>5,503,485</u>	<u>5,435,317</u>

As at 31 December 2025, trade receivables with carrying amount of approximately RMB182,021,000 (2024: RMB349,192,000) were pledged for the Group's borrowings.

Movements on the provision for impairment of trade receivables are as follows:

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
At 1 January	(991,607)	(779,951)
Provision for receivable impairment	(1,400,556)	(233,028)
Disposal of subsidiaries	39,900	21,372
At 31 December	<u>(2,352,263)</u>	<u>(991,607)</u>

(b) Other receivables and prepayments

	As at 31 December					
	Current RMB'000	2025 Non-current RMB'000	Total RMB'000	Current RMB'000	2024 Non-current RMB'000	Total RMB'000
Entrusted loans due from joint ventures	271,103	95,208	366,311	2,350,583	58,592	2,409,175
Entrusted loans due from associates	-	24,510	24,510	-	24,510	24,510
Entrusted loans due from third parties	878,423	391,107	1,269,530	1,533,356	397,600	1,930,956
Amounts due from joint ventures	25,982,632	1,906,179	27,888,811	23,221,078	1,910,522	25,131,600
Amounts due from non-controlling interests	5,135,239	-	5,135,239	5,132,363	-	5,132,363
Amounts due from associates	9,602,750	611,696	10,214,446	9,743,545	611,696	10,355,241
Amounts due from third parties	13,812,922	-	13,812,922	16,313,490	-	16,313,490
	55,683,069	3,028,700	58,711,769	58,294,415	3,002,920	61,297,335
Less: provision for impairment	(22,088,533)	(2,021,162)	(24,109,695)	(19,821,390)	(63,064)	(19,884,454)
	33,594,536	1,007,538	34,602,074	38,473,025	2,939,856	41,412,881
Receivables from government	653,419	-	653,419	670,058	-	670,058
Payment for the cooperation of potential properties development projects	1,447,812	-	1,447,812	1,447,812	-	1,447,812
Receivables from disposal of interest in subsidiaries	79,102	3,027,344	3,106,446	79,102	2,993,960	3,073,062
Receivables from disposal of interest in a joint venture	27,137	-	27,137	337,706	-	337,706
Other receivables	1,483,676	-	1,483,676	3,061,067	-	3,061,067
	3,691,146	3,027,344	6,718,490	5,595,745	2,993,960	8,589,705
Less: provision for impairment	(1,342,676)	(78,427)	(1,421,103)	(1,184,736)	(68,757)	(1,253,493)
	2,348,470	2,948,917	5,297,387	4,411,009	2,925,203	7,336,212
Tax prepayments	6,242,282	2,518	6,244,800	5,916,156	2,061	5,918,217
Other prepayments	3,661,671	736,997	4,398,668	4,531,229	858,323	5,389,552
	9,903,953	739,515	10,643,468	10,447,385	860,384	11,307,769
Total other receivables and prepayments	45,846,959	4,695,970	50,542,929	53,331,419	6,725,443	60,056,862

12. TRADE AND OTHER PAYABLES

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
		(Restated)
Trade payables (i)	11,993,239	13,340,695
Accrued expenses	9,378,182	7,542,128
Amounts due to joint ventures (ii)	9,546,278	7,950,594
Amounts due to associates (ii)	1,371,200	1,009,299
Amounts due to non-controlling interests (ii)	510,247	926,122
Amounts due to government	529,544	504,528
Other taxes payable	4,256,457	4,046,311
Deposits received	1,478,879	1,617,461
Other payables	13,298,471	13,986,093
	<u>52,362,497</u>	<u>50,923,231</u>
Less: non-current portion	(165,814)	(47,762)
Current portion	<u>52,196,683</u>	<u>50,875,469</u>

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

- (i) An ageing analysis of the trade payables (including amounts due to related parties of trading in nature) mainly based on the date of invoice is as follows:

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Within 6 months	2,991,851	4,581,262
Between 6 months to 1 year	1,345,818	899,873
Between 1 year to 2 years	2,439,967	2,542,196
Between 2 years to 3 years	2,013,760	2,501,237
Over 3 years	3,201,843	2,816,127
	<u>11,993,239</u>	<u>13,340,695</u>

- (ii) Amounts due to joint ventures, associates and non-controlling interests are unsecured, interest free, and repayable on demand.

13. EVENTS AFTER THE END OF THE REPORTING PERIOD

On 23 March 2026, one of the offshore creditors fully discharged all debts owed by the Group in exchange for the issuance of new notes and new mandatory convertible bonds. As a result, the Group's existing debt of approximately HKD400 million (equivalent to approximately RMB352 million) was fully derecognized.

EXTRACT OF INDEPENDENT AUDITOR'S REPORT

The Company's external auditor, BDO, did not express an opinion on the independent auditor's report on the Group's consolidated financial statements for the year ended 31 December 2025. An extract from the independent auditor's report is as follows:

Disclaimer of Opinion

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

Basis for Disclaimer of Opinion

Multiple Uncertainties Relating to Going Concern

The Group incurred a loss of approximately RMB43.27 billion for the year ended 31 December 2025 after excluding the gains on debt restructuring of RMB46.87 billion and, as of that date, the Group's current liabilities were in excess of current assets by approximately RMB10.85 billion. As at 31 December 2025, the Group had total borrowings of approximately RMB50.85 billion, of which current borrowings amounted to approximately RMB24.81 billion, while the Group had cash and cash equivalents of approximately RMB1.55 billion only.

As at 31 December 2025, the Group had not repaid borrowings (comprising bank borrowings and other borrowings but excluding bonds) in principal amount of approximately RMB15.79 billion in aggregate according to their scheduled repayment dates. The Group had not repaid onshore bonds with total principal amount of approximately RMB3.39 billion in aggregate according to their scheduled repayment dates. As of the approval date of the consolidated financial statements, the Group is still in communication with the creditors on adjusting the repayment schedules of these debts.

In addition, the Group has been involved in various litigation cases for unpaid borrowings, outstanding construction and daily operations payables and other matters for which the Group has made provision.

In view of these circumstances, the Directors have carefully considered the Group's cash flow forecast for the next eighteen months from 31 December 2025, and have given due consideration to the matters that give rise to material doubt as to its ability to continue as a going concern, and accordingly, have proactively come up with certain plans and measures to ensure the Group will have sufficient financial resources to continue as a going concern and pay its debts when they fall due. Certain plans and measures have been taken or will be taken to enable the Group to have sufficient financial resources to meet its financial commitments as and when they fall due which include, but not limited to, the completion of offshore debt restructuring and significant progress made in the onshore debt restructuring by the Group during the year ended 31 December 2025 and those set out in the consolidated financial statements. The consolidated financial statements have been prepared on a going concern basis, the validity of which depends upon the successful implementation of these plans and measures including, but not limited to:

- Successful negotiation with existing lenders on the renewal of the Group's certain borrowings and not to demand immediate repayment of bank and other borrowings until the Group has successfully completed the construction projects and generated sufficient cash flows therefrom; the Group's ability to successfully obtain additional new financing as and when needed;
- The Group's ability to reach an amicable solution on the litigations which have not yet reached a definite outcome; and
- The Group's ability to maintain continuing and normal business relationship with major constructors and suppliers; to accelerate the pre-sales and sales of its properties under development and completed properties, and to speed up the collection of outstanding sales proceeds and other receivables; to successfully implement its business strategy and cost control measures so as to improve the Group's working capital and cash flow position.

These indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern, and therefore the Group may not be able to realise its assets and discharge its liabilities in the normal course of business.

Should the Group fail to achieve the intended effects resulting from the plans and measures as mentioned in the consolidated financial statements, it may not be able to continue to operate as a going concern basis, and adjustments would have to be made to write down the carrying amounts of the Group's assets to their realisable amounts, to provide for any further liabilities that may arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

AUDITOR'S PROCEDURES PERFORMED ON THIS ANNOUNCEMENT OF ANNUAL RESULTS

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto in this announcement of annual results for the year ended 31 December 2025 have been agreed by the Group's auditor, BDO, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by BDO in this respect did not constitute an assurance engagement in accordance with HKSAAs, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by HKICPA and consequently no assurance has been expressed by BDO on this announcement of annual results.

FINAL DIVIDEND

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

ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

The AGM will be held on Monday, 29 June 2026. The notice of the AGM will be published and disseminated to the Shareholders in the manner as required by the Listing Rules in due course.

The register of members of the Company will be closed from Wednesday, 24 June 2026 to Monday, 29 June 2026 (both dates inclusive), during which period no transfer of Shares will be registered. In order to ascertain the right to attend and vote at the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, 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 Tuesday, 23 June 2026. The record date for determining the eligibility of the Shareholders (except for the holders of treasury shares, if any) to attend and vote at the AGM will be Monday, 29 June 2026.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities (including the sale of treasury shares, if any) of the Company during the year under review. As at 31 December 2025, the Company did not hold any treasury shares.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

In the opinion of the Board, the Company had applied the principles of the CG Code to its corporate governance structure and practices which will be described in the Corporate Governance Report contained in the annual report of the Company for the year ended 31 December 2025 and complied with the applicable code provisions of the CG Code throughout the year ended 31 December 2025, except for the deviations as disclosed below.

The roles of the Chairman and the CEO are served by Mr. LI Ming and have not been segregated as required under code provision C.2.1 of the CG Code. The Company considers that the combination of the roles of the Chairman and the CEO involves a realignment of power and authority under the existing corporate structure and facilitates the ordinary business activities of the Company. Although the responsibilities of the Chairman and the CEO are vested in one person, all major decisions are made in consultation with the Board and the senior management of the Company. The Board considers that there is sufficient balance of power and that the current arrangement maintains a strong management position and also facilitates efficiency in the ordinary business activities of the Company. The Board will review the current structure from time to time and will make any necessary arrangement as appropriate.

Code provision C.5.7 of the CG Code stipulates that if a substantial shareholder or a director has a conflict of interest in a matter to be considered by the board which the board has determined to be material, the matter should be dealt with by a physical board meeting rather than a written resolution. During the year under review, the Board approved a connected transaction (the "**Transaction**") by way of passing written resolutions in lieu of a physical board meeting, in respect of which a substantial Shareholder and certain Directors who were nominated by such substantial Shareholder were regarded as having material interests. It is considered that the adoption of written resolutions in lieu of the physical board meeting allowed the Board to make decision in relation to the Transaction in a more efficient manner. Prior to the execution of the written resolutions, Board papers regarding details and information, reasons for and benefits, as well as fairness of the Transaction were provided to all Directors in advance for their review and consideration, and all Directors had declared their interests in the matters (if any) in accordance with the Articles and applicable laws. The Directors who had material interests in the Transaction abstained from passing the written resolutions.

Code provision C.6.2 of the CG Code stipulates that a board meeting should be held to discuss the appointment of the company secretary and the matter should be dealt with by a physical board meeting rather than a written resolution. The appointment of the Company Secretary was made in December 2025, and the appointment was approved by way of passing written resolutions in lieu of a physical board meeting in accordance with the Articles. Prior to the execution of the written resolutions, Board papers regarding the appointment of the Company Secretary were provided to all Directors in advance for their review and consideration. It is considered that the approval process by way of the adoption of the written resolutions is an efficient and appropriate way for the appointment of the Company Secretary.

Further information of the Company's corporate governance practices will be set out in the corporate governance report of the annual report of the Company for the year ended 31 December 2025 which will be disseminated to the Shareholders in due course.

REVIEW OF FINANCIAL STATEMENTS

The Audit Committee has reviewed the annual results of the Group for the year ended 31 December 2025.

PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND THE ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This announcement has been published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.sinooceangroup.com). The Company's annual report for the year ended 31 December 2025 will be despatched by the Company to the Shareholders in the manner as they elect to receive corporate communication and available on the websites of the Stock Exchange and the Company in due course.

APPRECIATION

The Board would like to extend its deepest gratitude to all Shareholders, investors, local authorities, business partners and customers who have been most supportive; also to our Directors, management and the entire staff for their dedicated hard work.

DEFINITIONS

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

“AGM”	annual general meeting of the Company
“Articles”	the articles of association of the Company
“Audit Committee”	the audit committee of the Company
“BDO”	BDO Limited
“Board”	the board of directors of the Company
“CEO”	the chief executive officer of the Company
“CG Code”	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
“Chairman”	the chairman of the Board
“China” or “PRC”	the People’s Republic of China
“Company”	Sino-Ocean Group Holding Limited (遠洋集團控股有限公司), a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 03377)
“Company Secretary”	the company secretary of the Company
“Director(s)”	the director(s) of the Company
“GFA”	gross floor area
“Group” or “we”	the Company and its subsidiaries
“HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“net gearing ratio”	total borrowings less total cash resources divided by total equity
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of the Company with no nominal value
“Shareholder(s)”	shareholder(s) of the Company
“Sino-Ocean Holding”	Beijing Sino-Ocean Group Holding Limited (北京遠洋控股集團有限公司) (formerly known as Sino-Ocean Holding Group (China) Limited (遠洋控股集團(中國)有限公司)), a company established under the laws of the PRC with limited liability and a wholly-owned subsidiary of the Company
“sq.m.”	square metres
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“USD”	United States dollars, the lawful currency of the United States
“Xishuangbanna”	Xishuangbanna Dai Autonomous Prefecture
“YoY”	year-on-year
“%”	per cent

By order of the Board
Sino-Ocean Group Holding Limited
LI Ming
Chairman

Hong Kong, 27 March 2026

As at the date of this announcement, the Board comprises Mr. LI Ming, Mr. WANG Honghui, Mr. CUI Hongjie and Ms. CHAI Juan as executive Directors; Mr. ZHANG Zhongdang, Mr. YU Zhiqiang, Ms. SUN Jianxin and Ms. WANG Manling as non-executive Directors; and Mr. HAN Xiaojing, Mr. LYU Hongbin, Mr. LIU Jingwei, Mr. JIANG Qi and Mr. CHEN Guogang as independent non-executive Directors.