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(Incorporated in Hong Kong with limited liability)
(Stock code: 00123)

INSIDE INFORMATION PROFIT WARNING

This announcement is made by Yuexiu Property Company Limited (the “**Company**”) pursuant to the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571) (the “**SFO**”) and Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board (“**Board**”) of directors (“**Directors**”) of the Company (and together with its subsidiaries, the “**Group**”) wishes to inform the shareholders of the Company and potential investors that, based on the preliminary assessment of the Group’s unaudited consolidated management accounts for the year ended 31 December 2025 (the “**Year 2025**”) and information currently available to the Board, it is expected that, for the Year 2025, the profit attributable to equity holders would decrease to approximately RMB50 million to RMB100 million, and the core net profit would decrease to approximately RMB250 million to RMB350 million, representing a year-on-year decrease of approximately 90% to 95% and approximately 80% to 85%, respectively, as compared to those for the year ended 31 December 2024 (the “**Year 2024**”). The core net profit represents profit attributable to equity holders excluding net foreign exchange gains/(losses) recognised in the consolidated statement of profit or loss, net fair value gains/(losses) on investment properties held on a continuing basis (excluding investment properties disposed during the year) and the related tax effect and impairment of intangible assets.

The decrease in profit attributable to equity holders and core net profit was mainly due to: (1) the property market remained in a profound adjustment phase in the Year 2025, with substantial recovery in market confidence and expectations still taking time. In addition, notable market differentiation existed among cities, resulting in a year-on-year decrease in the gross profit margin of the Group’s recognised property sales in the Year 2025; and (2) the overall structure of the Group’s projects that recognised sales in 2025 underwent a phased change, resulting in a decline in the average equity interest ratio of projects that recognised sales for the Year 2025 compared to the Year 2024, and a consequential decrease in profit attributable to equity holders.

Despite the decline in its profitability in the Year 2025, the Group's financial position remained healthy and secure. The Group recorded net cash inflows from operating activities exceeding RMB10 billion in the Year 2025, with its cash balances (including cash and bank balances, time deposits and other restricted deposits) exceeding RMB40 billion at the end of the year, indicating its sufficient capital reserves. The Group continued to optimise its debt structure and significantly lowered its financing costs, maintaining a stable total borrowings at the end of the year, with the Group's "Three Red Lines" indicators all remaining in "green lights". The Group maintained its investment-grade credit rating by Fitch with the outlook upgraded to "stable", and also obtained an investment-grade credit rating from S&P with a "stable" outlook.

In 2025, the Group recorded the value of contracted sales of approximately RMB106.2 billion, securing a ninth place on the industry ranking by China Real Estate Information Corporation (CRIC). This solidified its position as one of the top 10 developers in the industry with a significant improvement in tier-1 cities. Through strategic timing of its land acquisitions, the Group acquired 23 high-quality land parcels over the year, with over 90% of the land premium focusing on 6 core cities, namely Beijing, Shanghai, Guangzhou, Shenzhen, Hangzhou, and Chengdu. The Group continued to optimise its resource allocation to support its future sales and operational quality. The Group comprehensively upgraded its "Yuexiu" product lines, accelerated the development and application of healthy living technology, and integrated "product + service + operation" to promote the construction of "Good Housing, Good Community", thereby driving sales and ensuring steady operations.

Looking forward to 2026, the Group will adhere to its long-term strategies, continue to swiftly respond to market adjustments with precise investment. It will accelerate destocking and the revitalisation of existing assets, while maintaining healthy financial condition and secure liquidity. The Group aims to ensure net cash inflows from operating activities and maintain its "Three Red Lines" indicators all in "green lights" and its investment-grade credit ratings.

As the Group is still in the process of compiling and finalising its annual results for the Year 2025, the information contained in this announcement is based solely on a preliminary assessment made by the Board with reference to the information currently available, and is not based on any data or information audited or reviewed by the Company's auditors. Such information is therefore subject to adjustments upon further review and finalisation of the Group's annual results for the Year 2025 by the Board.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
Yuexiu Property Company Limited
Yu Tat Fung
Company Secretary

Hong Kong, 23 January 2026

As at the date of this announcement, the Board comprises:

Executive Directors: *LIN Zhaoyuan (Chairman), ZHU Huisong, JIANG Guoxiong, HE Yuping, CHEN Jing and LIU Yan*

Non-executive Directors: *ZHANG Yibing and SU Junjie*

Independent Non-executive Directors: *YU Lup Fat Joseph, LEE Ka Lun, LAU Hon Chuen Ambrose and CHEUNG Kin Sang*