

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



世茂集團

SHIMAO GROUP HOLDINGS LIMITED

世茂集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 813)

ANNUAL RESULTS

FOR THE YEAR ENDED 31 DECEMBER 2025

RESULTS HIGHLIGHTS

1. Contracted sales in 2025 were RMB23.953 billion. Contracted gross floor area amounted to 1.965 million sq.m..
2. Revenue of the Group was approximately RMB28.418 billion.
3. The Group turned from loss to profit in 2025, which was mainly attributable to the gain from the completion of the Company's offshore debt restructuring. Profit for the year was approximately RMB4.477 billion, as compared to loss for the year of approximately RMB43.686 billion last year.
4. As at 31 December 2025, total borrowings of the Group were approximately RMB182.266 billion, representing a significant decline of approximately RMB69.785 billion as compared to approximately RMB252.051 billion at the end of last year.
5. As at 31 December 2025, the Group's land bank was approximately 34.16 million sq.m. (before interests).
6. The Board did not recommend the payment of any final dividend for the year ended 31 December 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

In 2025, the property market of China continued its overall adjustment. Policywise, the central and local governments established a long-term coordinated mechanism for regulation. It had been centering on “precise policy implementation and categorized guidance” and improving the policy system of “demand stimulation + supply optimization + risk mitigation” throughout the year. The policies regarding supply and timely delivery of properties continued to take effect for the long run, and the industry, as a whole, maintained a rational development pace marked by “sales-driven production”. In the land market, as leading real estate companies focused on high-quality plots in core cities, the market was characterized by “higher quality, lower quantity, and scattered hot spots” in general, with competition for high-quality plots continued to intensify. Faced with this complex industry environment, the Group adhered to prudent operations and a steady, progressive approach, comprehensively promoting the smooth operation of its core businesses.

Property Development

1) *Recognized Sales Revenue*

Shimao Group Holdings Limited (“Shimao Group”, “Shimao” or the “Company”) and its subsidiaries (collectively the “Group”) generates its revenue primarily from sales of properties, property management, hotel operation and commercial properties operation business. For the year ended 31 December 2025, revenue of the Group reached RMB28.418 billion. During the year, revenue from property sales amounted to RMB16.539 billion, accounting for 58.2% of the total revenue and the recognized sales area was 1.652 million sq.m..

2) *Contracted Sales Performance*

As the overall size of the real estate industry continued to shrink, product competitiveness and refined operations have become core drivers of development. Insisted on accurate grasp of market and customer needs, the Group focused on improving product quality and creating customer value. It continuously strengthened the refined management throughout the entire process and kept up sales momentum through multi-dimensional promotion and efficient implementation. The Group’s contracted sales for 2025 amounted to RMB23.953 billion, with a total contracted area of 1.9646 million sq.m.. The average selling price for the year was RMB12,192 per sq.m..

The Group seized, with precision, market opportunities from the ongoing recovery and strong momentum in Hong Kong property market. Its residential project in the city, BEACON PEAK, achieved outstanding performance this year. By the end of the year, the cumulative sales have reached approximately RMB1 billion since its launch in September 2025, fully demonstrating the Group’s product competitiveness and brand appeal in the local residential market. The Group remains prudently optimistic about the outlook of Hong Kong market and will continue to flexibly seize market opportunities, striving for steady growth in sales performance.

3) *Ensuring delivery, stabilizing operation, and restoring financial structure*

Adhering to the business policy of seeking progress while maintaining stability, the Group coordinated resource allocation to ensure the gradual advancement of all business operations. Against the backdrop of a slowdown in property sales in recent years, the Group actively raised funds through various means such as asset revitalization and price adjustment for higher sales volume, making every effort to ensure project completion and delivery. From 2022 to 2025, the Group has delivered approximately 281,000 units of 278 projects in 93 cities, protecting the rights and interests of owners and fulfilling its corporate responsibility with concrete actions. Benefiting from the orderly progress of delivery work and the successful implementation of offshore debt restructuring, the Group's net cash flow from operating activities recorded a turnaround during the reporting period, its gearing structure was also optimized and restored, and its overall financial condition steadily improved.

4) *Ensuring future supply through prudent land reserve management*

As of the end of 2025, the Group had an area under construction of approximately 9.18 million sq.m. and an area completed of approximately 2.46 million sq.m. for the year. As at 31 December 2025, the Group had about 192 projects and a total area of approximately 34.16 million sq.m. (before interests) land bank, providing necessary support for the future supply of salable resources. Having taken into account the market conditions, current land bank, and operating liquidity, the Group did not acquire any land in 2025. Going forward, the Group will adhere to prudent and rational investment criteria, focusing on core resources to consolidate the foundation for its business development.

Property Management

In respect of property management business, Shimao Group engaged in property management business through its subsidiary, Shimao Services Holdings Limited (“Shimao Services”).

Over the past few years, the real estate industry in China underwent profound adjustment, transitioning gradually towards a new phase characterized by “improving the quality of existing capacity and fostering sustainable development”. Against this backdrop, players in the property management services industry have also repositioned themselves as lifetime property managers and comprehensive urban services providers, rather than merely community stewards, and are poised for transformation of the traditional property management towards modern services.

In 2025, Shimao Services achieved revenue of RMB7,880.0 million, gross profit of RMB1,400.1 million, net profit of RMB134.6 million, and core net profit of RMB572.1 million. As of 31 December 2025, the operations of Shimao Services covered 145 cities, providing a wide range of services for 1,428 projects, and the gross floor area (GFA) under management amounted to 221.2 million sq.m. and the contracted GFA reached 334.6 million sq.m..

Looking ahead to 2026, Shimao Services will adhere to the principle of “pragmatism and innovation-driven development”, strengthen operational capabilities, boost efficiency, and fortify the foundation for growth; enhance cost control, strengthen the supply chain, and deepen strategic supplier partnerships; increase management effectiveness and invigorate digital intelligence management; and increase brand promotion to elevate brand influence. With premium service offerings serving as the cornerstone, Shimao Services will deepen its commitment to core sectors, including residential properties, universities and colleges and industrial parks. By enhancing project fulfilment capabilities, increasing customer satisfaction and strengthening customer loyalty, thereby solidifying the foundations for healthy growth in the long run.

Hotel Operation

As of 31 December 2025, the Group had a total of 23 hotels in operation, including Conrad Shanghai, InterContinental Shanghai Wonderland, Sheraton Hong Kong Tung Chung Hotel, Conrad Xiamen, Hilton Wuhan Riverside, Le Méridien Shanghai Sheshan, InterContinental Fuzhou, Hilton Nanjing Riverside, Hilton Shenyang, Hilton Changsha Riverside and Yuluxe Hotel Chengdu, offering nearly 8,000 hotel guest rooms. In addition, the Group has three directly managed leased hotels, offering more than 600 hotel guest rooms.

In 2025, demand in the hotel market in China was relatively weak. Overall occupancy rate index declined by 3% year-on-year, and the Average Daily Rate (ADR) index fell by 1%. Although faced with industry pressures, with flexible pricing strategies, enhanced holiday operations and expansion of overseas customer base, Shimao hotels has taken proactive measures to mitigate the impact of market fluctuations. Shimao hotels achieved an occupancy rate of 68% and total revenue of RMB2.18 billion for the year.

While improving service quality, Shimao hotels also anchored medium- to long-term growth through product innovation. On 30 September 2025, Le Méridien Shanghai Sheshan reopened after a renovation to offer global travellers with premium service and creative experiences, writing a new chapter of “upscale lifestyle” hospitality experience. In terms of digital marketing innovations, Shimao hotels kept pace with changing consumer demands by continuously upgrading its online marketing platform, “Shi You Pin (世有品)”. Through collaboration among the Group’s diversified business segments, which span commercial, office, cultural and entertainment spaces, Shimao hotels have been optimizing its membership ecosystem, thereby building long-term competitive edges.

Commercial Properties Operation

In respect of commercial properties operation, Shimao Group is principally engaged in the development of commercial properties through its subsidiary, Shanghai Shimao Co., Ltd. (“Shanghai Shimao”). Shanghai Shimao is determined to develop premium commercial complexes, and regards fulfilling the growing public demand for a better life as its impetus for development.

In 2025, amidst an environment of oversupply in the national commercial market and evolving consumer trends, Shimao commercial closely followed trends of consumption upgrading and scenario innovation, continuously optimizing its business mix and operational services, and actively collaborating with tenants to conduct joint marketing and customer acquisition, demonstrating a degree of operational resilience. Sales to tenants of commercial projects under management increased by 3% year-over-year during the reporting period. Shimao commercial recorded nearly 90% for the overall occupancy rate of commercial projects under management, which was approximately the same as that of the previous year. In the office sector, against a backdrop of intensifying “price-for-volume” competition in the office market and sustained pressure on Grade A office rents in major cities nationwide, Shimao commercial leveraged its prime locations’ advantages to stabilize occupancy rates through flexible leasing policies, enhanced customer service, and refined operations. During the reporting period, Shimao commercial recorded an overall occupancy rate of 73% for office buildings under management, a slight increase from the end of the previous year.

Looking ahead to 2026, Shimao commercial will seize the opportunities arising from government policies to revitalize existing resources, strengthen internal coordination and resource integration, continuously enhance operational efficiency and facilitate business transformation.

Outlook

Looking ahead to 2026, China’s real estate industry has entered a new cycle of high-quality development, with the underlying logic of industry development shifting from scale expansion to quality enhancement and value creation. The Group will actively embrace market changes, adhere to the development model of “One Core with Two Wings”, and continue to return to the essence of its products and services. The Group will promote the collaborative development of diversified businesses, including property development, property management, hotel operation and commercial properties operation. In the future, the Group will remain steadfast in focusing on customer needs, consolidating its operational fundamentals, and striking balance between asset-heavy and asset-light businesses. By integrating online and offline platforms for mutual empowerment, the Group will place efforts on exploring new areas and unlocking new growth drivers, and be dedicated to achieving high-quality and sustainable development for the Group’s businesses.

FINANCIAL ANALYSIS

Key consolidated statement of profit or loss figures are set out below:

	2025	2024
	<i>RMB million</i>	<i>RMB million</i>
Revenue	28,418	59,975
Gross loss	(28,776)	(5,869)
Operating profit/(loss)	15,459	(29,328)
Profit/(Loss) for the year	4,477	(43,686)
Earnings/(Losses) per share – Basic (<i>RMB</i>)	2.61	(9.48)

Revenue

For the year ended 31 December 2025, the revenue of the Group was approximately RMB28,418 million (2024: RMB59,975 million), representing a decrease of 52.6% over 2024. The decrease in revenue was mainly due to the decrease in revenue from sales of properties. New sales in properties have decreased in recent years, and construction paces of properties have slowed down due to the Group's liquidity pressures, collectively leading to a decline in delivered floor area. And 58.2% (2024: 79.9%) of the revenue was generated from the sales of properties and 41.8% (2024: 20.1%) from hotel operation, commercial properties operation, property management and others.

The components of the revenue are set out as follows:

	2025	2024
	<i>RMB million</i>	<i>RMB million</i>
Sales of properties	16,539	47,911
Hotel operation income	2,185	2,225
Commercial properties operation income	1,493	1,667
Property management income and others	8,201	8,172
Total	28,418	59,975

* The income does not include revenue from the Group.

(i) Sales of Properties

Sales of properties for the years ended 31 December 2025 and 2024 are set out below:

	2025		2024	
	<i>Area</i>	<i>RMB</i>	<i>Area</i>	<i>RMB</i>
	<i>(sq.m.)</i>	<i>million</i>	<i>(sq.m.)</i>	<i>million</i>
South and North Region	531,816	4,980	819,439	16,644
Zhejiang District	231,061	4,406	416,198	7,689
Midwest Region	570,714	3,888	1,460,324	13,593
Fujian District	214,303	2,020	628,450	6,212
Jiangsu and Shanghai Region	103,628	1,245	254,850	3,773
Total	1,651,522	16,539	3,579,261	47,911

(ii) *Hotel Income*

Hotel operation income slightly decreased by approximately 1.8% to RMB2,185 million in 2025 from RMB2,225 million in 2024.

Hotel operation income is set out as follows:

	Date of Commencement	2025 RMB million	2024 RMB million
Conrad Shanghai	September 2006	362	334
Four Points by Sheraton Hong Kong Tung Chung	January 2021	280	264
Sheraton Hong Kong Tung Chung Hotel	December 2020	216	210
Conrad Xiamen	August 2016	137	131
InterContinental Shanghai Wonderland	November 2018	136	138
Le Méridien Shanghai Sheshan	November 2005	100	103
Hilton Changsha Riverside	July 2021	99	102
Hilton Wuhan Riverside	July 2016	94	106
InterContinental Fuzhou	January 2014	90	92
Hilton Nanjing Riverside	December 2011	85	92
Hilton Shenyang	January 2018	85	87
Hilton Yantai	August 2017	70	75
Crowne Plaza Shaoxing	March 2014	62	77
Yuluxe Hotel Chengdu	August 2018	54	60
Le Méridien Hangzhou Binjiang	September 2018	54	53
DoubleTree by Hilton Ningbo Beilun	December 2016	45	50
DoubleTree by Hilton Ningbo Chunxiao	December 2015	28	25
Holiday Inn Mudanjiang	December 2010	21	25
Yuluxe Hotel Taizhou	August 2014	20	26
Minimax Hotel Chengdu Longquanyi	October 2021	12	13
Others		135	162
Total		2,185	2,225

(iii) *Commercial Properties Operation Income*

Commercial properties operation income decreased by approximately 10.4% to RMB1,493 million in 2025 from RMB1,667 million in 2024. The decrease in commercial properties operation income was primarily due to the challenges facing the overall economy and the slowdown in consumer market growth, which led to a drop in average rental levels, complied with a reduction in leasable area in certain office buildings and shopping malls as a result of indebtedness settlement with assets.

Commercial properties operation income is analysed as follows:

	Date of Commencement	2025 RMB million	2024 RMB million
Rental Income			
Shanghai Shimao Festival City	December 2004	250	245
Jinan Shimao Festival City	May 2014	170	146
Chengdu Shimao Festival City	April 2021	143	132
Beijing Shimao Tower	July 2009	104	132
Shanghai Shimao Tower	December 2018	80	91
Kunshan Shimao Plaza	April 2012	63	59
Changsha Shimao Global Financial Center	September 2020	62	72
Shenzhen Shimao Qianhai Center	July 2020	46	101
Nanjing Yuhua Shimao (Commercial)	December 2018	40	51
Shaoxing Shimao Dear Town (Commercial)	May 2010	37	51
Nanjing Straits City (Commercial)	December 2014	37	50
Xiamen Shimao Straits Mansion	January 2017	32	38
Xiamen Jimei Shimao Festival City	April 2021	31	36
Suzhou Shimao Canal Scene (Commercial)	June 2010	25	25
Quanzhou Shishi Shimao Skyscraper City	January 2017	21	23
Wuhu Shimao Riviera Garden (Commercial)	September 2009	9	8
Miscellaneous rental income		52	46
Rental income sub-total		1,202	1,306
Commercial properties operation related service income		291	361
Total		1,493	1,667

(iv) Property Management Income, and Others

Property management income, and others slightly increased by approximately 0.4% to RMB8,201 million in 2025 from RMB8,172 million in 2024.

Cost of Sales

Cost of sales decreased by 13.1% to approximately RMB57,194 million in 2025 from RMB65,844 million in 2024, which was in line with the decrease in recognized revenue. This decrease was partially offset by the increase in provision for impairment losses on properties.

Gross Loss

For the year ended 31 December 2025, the Group's gross loss was approximately RMB28,776 million (2024: RMB5,869 million). The increase in gross loss was due to provision for impairment losses on properties increased, which was affected by the continuous downturn in the real estate industry.

Fair Value Losses on Investment Properties – Net

For the year ended 31 December 2025, the Group recorded aggregate fair value losses of approximately RMB4,491 million (2024: RMB2,813 million), mainly caused by the decrease in fair value of most investment properties due to the sustained slump in the commercial property market.

Other Income/Other Gains or (losses) – Net

For the year ended 31 December 2025, the Group recognized net other income and gains of approximately RMB63,349 million (2024: net other losses of RMB13,609 million), which mainly comprised gain on offshore debt restructuring of approximately RMB69,520 million, loss of approximately RMB3,558 million from the liquidation of several subsidiaries which were adjudged bankrupt and under receivership procedures.

Selling and Marketing Costs and Administrative Expenses

For the year ended 31 December 2025, the Group's selling and marketing costs increased by 15.1% to approximately RMB1,037 million from approximately RMB901 million for the year ended 31 December 2024. This increase was mainly due to rising channel cost led by heightened sales challenge amid the market downturn.

For the year ended 31 December 2025, the Group's administrative expenses decreased by 14.1% to approximately RMB3,370 million from approximately RMB3,922 million for the year ended 31 December 2024, benefiting from the Group's continuous focus on organization and business efficiency improvement.

Provision for Impairment on Financial Assets

Given the combined impact of multiple unfavourable factors in macroeconomic, industry and financing environments, the Group made further provisions for expected credit losses of approximately RMB6,095million during the year ended 31 December 2025.

Impairment losses on property and equipment and right-of-use assets

For the year ended 31 December 2025, impairment losses on property and equipment and right-of use were approximately RMB2,323 million (2024: RMB8 million) and RMB235 million (2024: Nil) respectively. The losses mainly compromised the impairment losses on hotel assets of the Group which was mainly due to the downturn of demand in the hotel market in China.

Finance Costs – Net

For the year ended 31 December 2025, net finance costs decreased by 39.8% to approximately RMB7,274 million (2024: RMB12,075 million), which was mainly due to the following reasons: some of the borrowings achieved reduction of effective interest rate; some high-interest-cost borrowings were settled by disposal of assets or restructuring; and foreign exchange gains of borrowings was recorded due to the appreciation of RMB against USD in 2025 instead of foreign exchange losses recognized in 2024.

Share of Results of Associated Companies and Joint Ventures

For the year ended 31 December 2025, share of results of associated companies and joint ventures was losses of approximately RMB1,049 million, representing a increase in loss of approximately RMB415 million compared with the year ended 31 December 2024, which was mainly due to the decrease in gross margin of recognized sales of properties and fair value losses on investment properties of certain of the Group's associated companies and joint ventures.

Taxation

The Group's tax provisions amounted to approximately RMB2,659 million for the year ended 31 December 2025, in which PRC land appreciation tax ("LAT") was RMB3,349 million (2024: RMB1,648 million, in which LAT was RMB990 million). The increase in LAT was mainly due to additional provisions made for multiple projects that have reached liquidation, together with a change in estimates arising from the re-measurement of project final costs and value added.

Profit/(Loss) Attributable to Equity Holders of the Company

Profit attributable to equity holders of the Company for the year ended 31 December 2025 was approximately RMB14.473 billion, as compared to loss of RMB35.905 billion last year. The increase in profit was mainly due to the following reasons: gross loss increased by approximately RMB22.908 billion; and other income and gains increased by approximately RMB76.958 billion mainly due to gain on offshore debt restructuring in 2025.

Liquidity and Financial Resources

As at 31 December 2025, the Group had aggregate cash and bank balances (including restricted cash) of approximately RMB12,070 million, representing a decrease of approximately RMB3,682 million as compared to approximately RMB15,752 million at 31 December 2024, of which restricted cash of approximately RMB3,622 million (31 December 2024: RMB4,399 million) and guarantee deposits for construction of pre-sale properties with an amount of approximately RMB3,590 million (31 December 2024: RMB5,318 million) were included.

As at 31 December 2025, the total amount of borrowings was approximately RMB182.266 billion, representing a significant decrease of approximately RMB69.785 billion as compared to approximately RMB252.051 billion at 31 December 2024. The decrease of amount of borrowings was mainly due to the accomplishment of offshore debt restructuring.

The Group's borrowings-to-assets ratio (total borrowings divided by total assets) was approximately 51.0% as at 31 December 2025 (31 December 2024: 57.8%). The Group's current ratio (current assets divided by current liabilities) was approximately 1.0 as at 31 December 2025 (31 December 2024: 0.9).

Foreign Exchange Risks

The Group's foreign exchange exposure is mainly derived from the borrowings denominated in USD and HKD.

The Group has been paying closely attention to the fluctuation of the foreign exchange rate and will be taking measures to mitigate the risk of exchange rate fluctuation if necessary.

Pledge of Assets

As at 31 December 2025, the Group's total secured borrowings of approximately RMB159.460 billion were secured by its property and equipment, investment properties, land use rights, properties under development, completed properties held for sale and restricted cash (with a total carrying amount of RMB112.251 billion), and/or secured by the pledge of the shares of certain subsidiaries of the Group.

Capital and Property Development Expenditure Commitments

As of 31 December 2025, the Group had contracted capital and property development expenditure but not provided for amounted to RMB26.583 billion.

Employees and Remuneration Policy

As of 31 December 2025, the Group employed a total of 41,335 employees, among whom 621 were engaged in property development. Total remuneration for the year amounted to approximately RMB4.295 billion. The Group has adopted a performance-based rewarding system to motivate its staff. The board of directors of the Company (the “Board”) adopted a share award scheme (the “Share Award Scheme”) of the Company on 30 December 2011. The purpose of the Share Award Scheme is to recognize the contributions by certain selected employees of the Group and to provide them with incentives in order to retain them for the continual operation and development of the Group and to attract suitable personnel for further development of the Group. Further information regarding the Share Award Scheme is set out in the section headed “Share Award Schemes” of the Report of Directors in the Company’s 2025 annual report. In relation to staff training, the Group also provides different types of programs for its staff to improve their skills and develop their respective expertise.

ANNUAL RESULTS

The Board presents the audited consolidated results of the Group for the year ended 31 December 2025, together with comparative figures for 2024. These annual results have been reviewed by the Company's Audit Committee and audited and agreed by the Company's auditor.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

		Year ended 31 December	
		2025	2024
	Notes	RMB'000	RMB'000
Revenue	3	28,417,773	59,975,062
Cost of sales	8	(57,194,154)	(65,843,636)
Gross loss		(28,776,381)	(5,868,574)
Fair value losses on investment properties – net		(4,491,331)	(2,812,958)
Other income/other gains or (losses) – net	9	63,348,982	(13,608,820)
Selling and marketing costs	8	(1,037,353)	(901,207)
Administrative expenses	8	(3,370,063)	(3,921,977)
Provision for impairment on financial assets	8	(6,095,497)	(1,108,622)
Impairment losses on property and equipment	8	(2,322,791)	(8,170)
Impairment losses on right-of-use assets	8	(234,573)	–
Impairment losses on investment in joint ventures	8	(63,402)	–
Impairment losses on intangible assets	8	(65,027)	(45,829)
Other operating expenses	8	(1,433,996)	(1,052,030)
Operating profit/(loss)		15,458,568	(29,328,187)
Finance income		54,128	121,990
Finance costs		(7,327,795)	(12,197,327)
Finance costs – net	10	(7,273,667)	(12,075,337)
Share of results of associated companies and joint ventures accounted for using the equity method		(1,049,006)	(633,935)
Profit/(loss) before income tax		7,135,895	(42,037,459)
Income tax expenses	11	(2,658,801)	(1,648,189)
Profit/(loss) for the year		4,477,094	(43,685,648)

	Year ended 31 December	
	2025	2024
<i>Notes</i>	RMB'000	RMB'000
Other comprehensive (loss)/income for the year:		
<i>Items that will not be reclassified to profit or loss</i>		
Fair value losses on financial assets at fair value through other comprehensive income, net of tax	(50)	(12)
Share of other comprehensive (loss)/income of joint ventures accounted for using the equity method	(23,921)	17,908
<i>Items that may be reclassified to profit or loss</i>		
Exchange differences on translation of foreign operations	(2,378)	(7,213)
Total comprehensive income/(loss) for the year	4,450,745	(43,674,965)
Profit/(loss) for the year attributable to:		
Equity holders of the Company	14,473,362	(35,905,060)
Non-controlling interests	(9,996,268)	(7,780,588)
	4,477,094	(43,685,648)
Total comprehensive income/(loss) for the year attributable to:		
Equity holders of the Company	14,455,104	(35,900,434)
Non-controlling interests	(10,004,359)	(7,774,531)
	4,450,745	(43,674,965)
Earnings/(losses) per share for profit/(loss) attributable to the equity holders of the Company		
– Basic (RMB)	13 2.61	(9.48)
– Diluted (RMB)	13 1.92	(9.48)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

		As at 31 December	
		2025	2024
	Notes	RMB'000	RMB'000
ASSETS			
Non-current assets			
Property and equipment		10,999,451	13,904,656
Right-of-use assets		3,985,682	4,349,689
Investment properties		31,464,433	41,735,180
Intangible assets		2,186,296	2,155,161
Investments accounted for using the equity method		14,419,370	16,132,916
Amounts due from related parties		5,353,577	5,644,798
Financial assets at fair value through other comprehensive income		260,009	260,059
Financial assets at fair value through profit or loss		582,120	–
Deferred income tax assets		609,471	1,060,771
Other non-current assets		2,337,737	2,174,041
		<u>72,198,146</u>	<u>87,417,271</u>
Current assets			
Inventories		163,002,829	218,513,766
Trade and other receivables and prepayments	4	37,304,277	40,838,595
Prepayment for acquisition of land use rights		2,791,837	3,775,484
Prepaid income taxes		1,086,169	1,429,828
Amounts due from related parties		66,195,130	67,480,889
Financial assets at fair value through profit or loss		110,000	–
Restricted cash		3,621,845	4,398,874
Cash and cash equivalents		8,448,072	11,352,828
		<u>282,560,159</u>	<u>347,790,264</u>
Assets of a disposal group classified as held for sale	6	2,456,655	1,221,462
		<u>285,016,814</u>	<u>349,011,726</u>
Total assets		<u>357,214,960</u>	<u>436,428,997</u>

		As at 31 December	
		2025	2024
	<i>Notes</i>	RMB'000	RMB'000
EQUITY			
Equity attributable to the equity holders of the Company			
Share capital		820,994	384,165
Reserves		(987,891)	(22,038,498)
		(166,897)	(21,654,333)
Non-controlling interests		12,806,654	25,000,269
Total equity		12,639,757	3,345,936
LIABILITIES			
Non-current liabilities			
Borrowings	7	63,704,774	41,835,621
Lease liabilities		19,433	25,628
Deferred income tax liabilities		6,027,312	6,987,554
Amounts due to related parties		2,029,993	–
		71,781,512	48,848,803
Current liabilities			
Trade and other payables	5	79,872,455	83,083,588
Contract liabilities		36,896,450	48,355,145
Dividend payable		–	892,268
Income tax payable		22,244,935	20,015,870
Borrowings	7	118,561,395	210,215,789
Derivative financial instruments		277,921	–
Lease liabilities		14,532	31,531
Amounts due to related parties		12,931,593	20,425,864
		270,799,281	383,020,055
Liabilities of a disposal group classified as held for sale	6	1,994,410	1,214,203
		272,793,691	384,234,258
Total liabilities		344,575,203	433,083,061
Total equity and liabilities		357,214,960	436,428,997

NOTES

1 GENERAL INFORMATION

Shimao Group Holdings Limited (the “Company”) was incorporated in the Cayman Islands on 29 October 2004 as an exempted company with limited liability under the Cayman Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The Company is principally engaged in investment holding. The principal activities of the Company and its subsidiaries (together, the “Group”) are property development, commercial properties operation, property management and hotel operation in the People’s Republic of China (the “PRC”).

The Company’s shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 5 July 2006.

These consolidated financial statements are presented in Renminbi (“RMB”), unless otherwise stated.

2 BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with HKFRS Accounting Standard issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the applicable disclosures required by the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange and by the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, as modified by the revaluation of investment properties, financial assets at fair value through other comprehensive income (“FVOCI”), derivative financial instruments and financial assets at fair value through profit or loss (“FVTPL”) which are carried at fair value.

The preparation of the consolidated financial statements in conformity with HKFRS Accounting Standard requires the use of certain key assumptions and estimates. It also requires the directors of the Company (the “Directors”) to exercise its judgements in the process of applying the accounting policies. The areas involving critical judgements and areas where assumptions and estimates are significant to the consolidated financial statements.

(a) Going concern basis

As at 31 December 2025, the Group had borrowings in a total of approximately RMB182.3 billion, out of which approximately RMB118.6 billion will be due for repayment within the next twelve months, while its total cash (including cash and cash equivalents and restricted cash) amounted to approximately RMB12.1 billion. As at 31 December 2025, the Group had not repaid borrowings of RMB92.5 billion in aggregate according to their scheduled repayment dates. In addition, the Group was involved in various litigation and arbitration cases for various reasons.

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

In view of such circumstances, the Directors have devised a number of plans and measures to mitigate the liquidity pressure and to improve its financial position. Certain plans and measures have been or will be taken by the Directors include, but are not limited to, the following:

- (i) On 21 July 2025, all the conditions precedent to the Group's proposed offshore indebtedness restructuring scheme (the "Restructuring Scheme") have been satisfied and the Restructuring Scheme became effective. As a result, the Group's offshore indebtedness under the Restructuring Scheme, including the US\$-denominated senior notes with a total principal amount of approximately US\$6.8 billion and borrowings from various offshore banks and financial institutions with the total principal amounts of approximately US\$2.1 billion and HK\$20.4 billion together with the relevant accrued interests, has been fully discharged by the relevant scheme creditors in exchange for the issue of new short term instruments, new long term instruments and the zero coupon mandatory convertible bonds in 2025;
- (ii) Concurrent with the Restructuring Scheme becoming effective, amounts and dividend payable in the aggregate amount of approximately HK\$7.8 billion due to the controlling shareholder of the Company by the Group has been discharged in exchange for the controlling shareholder notes and controlling shareholder mandatory convertible bonds in 2025;
- (iii) Save for the Restructuring Scheme, the Group has also been actively negotiating with other PRC onshore lenders and creditors on the extension or restructuring of borrowings. Due to the diverse lender base and changing market conditions, time is still required to determine the extension plans or restructuring plans on a case-by-case basis. Taking into account the extension cases and the Group's credit history and longstanding relationships with the relevant lenders and creditors, the Directors believe that the Group will be able to complete the signing of the relevant extension or restructuring agreements for the existing borrowings step by step;
- (iv) Up to the date of these consolidated financial statements, a total of approximately RMB451 million new loans was drawn according to the local governments' whitelists, a financing coordination mechanism launched by the Ministry of Housing and Urban-Rural Development and the National Financial Regulatory Administration in year 2024 that qualifies the property projects of the PRC property developers for financial support from financial institutions;
- (v) The Group will continuously focus on the acceleration of sales and delivery of its existing inventory of properties;
- (vi) The Group will actively seek other alternative financing and borrowings to finance the settlement of its existing financial obligations and future operating and capital expenditures; and
- (vii) The Group will actively face the current situation and seek various ways to resolve the pending litigations of the Group. The Group is positive that it will be able to reach a solution to the litigations which have not yet reached a definite outcome at the current stage.

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

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

- Successful in negotiating with the remaining lenders and creditors in the PRC on the extension or deferral of the repayment of the Group's PRC onshore borrowings;
- Successful implementation of the plans and measures to ensure the sales strategy can be executed to achieve its budgeted sales and timely collection of the relevant sales proceeds and other receivables; and
- Successful in raising sufficient funds through alternative financing and borrowings to finance the settlement of its existing financial obligations and future operating and capital expenditures.

The property market sector in mainland China exhibited persistent contraction throughout 2025, the Group's overall pre-sales have continued to decline. There is uncertainty as to the stabilisation and recovery of the Group's sales and the continued support from the Group's lenders and creditors, hence, there is significant uncertainty as to the Group's ability to implement the above plans and measures.

Should the Group be unable to continue as a going concern, adjustments would have to be made to the consolidated financial statements to adjust the value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets as current assets and non-current liabilities as current liabilities. The effects of these potential adjustments have not been reflected in the consolidated financial statements.

(b) Adoption of new or amended HKFRS Accounting Standards

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

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

3 SEGMENT INFORMATION

The Group’s operating segments are identified on the basis of internal report about the components of the Group that are regularly received by the chief operating decision maker (“CODM”) in order to allocate resources to segments and to assess their performance.

As majority of the Group’s consolidated revenue and results are attributable to the market in the PRC and most of the Group’s consolidated assets are located in the PRC, therefore no geographical information is presented.

The CODM assesses the performance of the operating segments based on a measure of revenue and profit before tax. The information provided to the CODM is measured in a manner consistent with that in the consolidated financial statements.

(a) Revenue

Revenue of the Group consists of the following revenue recognised during the year:

	Year ended 31 December	
	2025	2024
	RMB’000	RMB’000
Sales of properties	16,539,177	47,911,418
Hotel operation income	2,184,546	2,224,745
Commercial properties operation income	1,493,484	1,666,670
Property management income, and others	8,200,566	8,172,229
	<u>28,417,773</u>	<u>59,975,062</u>

(b) Segment information

The segment results for 31 December 2025 are as follows:

	Property development and investment		Shimao Services Holdings Limited (“Shimao Services”)**	Unallocated***	Total
	Shanghai Shimao Co., Ltd. (“Shanghai Shimao”)*	Others			
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
Revenue					
– Sales of properties					
– Recognised at a point in time	3,683,376	12,855,801	–	–	16,539,177
– Hotel operation income	226,002	1,958,544	–	–	2,184,546
– Commercial properties operation income	1,093,575	399,909	–	–	1,493,484
– Property management income, and others	271,446	304,043	7,880,037	–	8,455,526
Total revenue before elimination	<u>5,274,399</u>	<u>15,518,297</u>	<u>7,880,037</u>	<u>–</u>	<u>28,672,733</u>
Elimination					(254,960)
Total revenue					<u>28,417,773</u>
Operating (loss)/profit	(11,076,938)	(44,697,409)	161,531	71,071,384	15,458,568
Finance income	4,301	23,922	23,383	2,522	54,128
Finance costs	(1,615,472)	(3,472,281)	(1,477)	(2,238,565)	(7,327,795)
Share of results of associated companies and joint ventures accounted for using the equity method	(5,886)	(1,044,875)	1,755	–	(1,049,006)
(Loss)/profit before income tax	<u>(12,693,995)</u>	<u>(49,190,643)</u>	<u>185,192</u>	<u>68,835,341</u>	<u>7,135,895</u>
Income tax expense					(2,658,801)
Profit for the year					<u>4,477,094</u>
Other segment items are as follows:					
Capital expenditures	2,892	67,296	411,781	162	482,131
Fair value (losses) on investment properties – net	(3,266,118)	(1,225,213)	–	–	(4,491,331)
Fair value gain on derivative financial instruments	–	–	–	1,595,101	1,595,101
Depreciation and amortisation charge	88,179	466,202	196,643	10,572	761,596
Amortisation of right-of-use assets	9,381	105,561	18,159	–	133,101
Provision for impairment on financial assets	3,592,790	2,167,231	335,476	–	6,095,497
Impairment losses on property and equipment	399,378	1,923,413	–	–	2,322,791
Impairment losses on right-of-use assets	–	234,573	–	–	234,573
Impairment losses on investment in joint ventures	63,402	–	–	–	63,402
Impairment losses on intangible assets	–	–	65,027	–	65,027
Provision for impairment losses on properties under development and completed properties held for sale	<u>2,900,852</u>	<u>23,112,159</u>	<u>1,184</u>	<u>–</u>	<u>26,014,195</u>

* The Group owns an effective equity interest of 66.18% in Shanghai Shimao as at 31 December 2025.

** The Group owns an effective equity interest of 54.95% in Shimao Services as at 31 December 2025.

*** Unallocated mainly represent corporate level activities.

The segment results for 31 December 2024 are as follows:

	Property development and investment		Shimao Services** RMB'000	Unallocated*** RMB'000	Total RMB'000
	Shanghai Shimao* RMB'000	Others RMB'000			
Revenue					
– Sales of properties					
– Recognised at a point in time	4,773,677	43,137,741	–	–	47,911,418
– Hotel operation income	228,362	1,996,383	–	–	2,224,745
– Commercial properties operation income	1,278,994	387,676	–	–	1,666,670
– Property management income, and others	395,098	113,561	7,895,536	–	8,404,195
Total revenue before elimination	<u>6,676,131</u>	<u>45,635,361</u>	<u>7,895,536</u>	<u>–</u>	<u>60,207,028</u>
Elimination					(231,966)
Total revenue					<u>59,975,062</u>
Operating loss	(9,266,093)	(19,702,547)	(157,636)	(201,911)	(29,328,187)
Finance income	11,235	68,268	31,501	10,986	121,990
Finance costs	(4,549,795)	(7,603,439)	(30,879)	(13,214)	(12,197,327)
Share of results of associated companies and joint ventures accounted for using the equity method	<u>(133,104)</u>	<u>(510,101)</u>	<u>9,270</u>	<u>–</u>	<u>(633,935)</u>
Loss before income tax	<u>(13,937,757)</u>	<u>(27,747,819)</u>	<u>(147,744)</u>	<u>(204,139)</u>	<u>(42,037,459)</u>
Income tax expense					<u>(1,648,189)</u>
Loss for the year					<u>(43,685,648)</u>
Other segment items are as follows:					
Capital expenditures	398,352	60,113	333,465	–	791,930
Fair value (losses)/gain on investment properties – net	(2,813,455)	497	–	–	(2,812,958)
Depreciation and amortisation charge	110,255	550,695	208,397	11,085	880,432
Amortisation of right-of-use assets	9,091	110,733	33,190	–	153,014
Provision for impairment on financial assets	628,839	319,293	160,490	–	1,108,622
Impairment losses on intangible assets	–	–	45,829	–	45,829
Provision for impairment losses on properties under development and completed properties held for sale	3,094,555	8,258,437	31,818	–	11,384,810
Impairment losses on property and equipment	<u>–</u>	<u>–</u>	<u>8,170</u>	<u>–</u>	<u>8,170</u>

* The Group owns an effective equity interest of 66.18% in Shanghai Shimao as at 31 December 2024.

** The Group owns an effective equity interest of 62.87% in Shimao Services as at 31 December 2024.

*** Unallocated mainly represent corporate level activities.

The segment assets and liabilities at 31 December 2025 are as follows:

	Property development and investment		Shimao Services**	Total
	Shanghai Shimao*	Others		
	RMB'000	RMB'000	RMB'000	RMB'000
Investments accounted for using the equity method	696,728	13,132,200	590,442	14,419,370
Intangible assets	1,382	30,980	2,153,934	2,186,296
Other segment assets	48,206,252	278,948,287	9,113,076	336,267,615
Total segment assets	48,904,362	292,111,467	11,857,452	352,873,281
Deferred income tax assets				609,471
Financial assets at FVOCI				260,009
Financial assets at FVTPL				692,120
Assets of a disposal group classified as held for sale				2,456,655
Other assets				323,424
Total assets				357,214,960
Borrowings	25,810,854	130,282,095	4,495	156,097,444
Other segment liabilities	37,461,464	109,464,495	4,882,487	151,808,446
Total segment liabilities	63,272,318	239,746,590	4,886,982	307,905,890
Corporate borrowings				26,168,725
Deferred income tax liabilities				6,027,312
Derivative financial instruments				277,921
Liabilities of a disposal group classified as held for sale				1,994,410
Other liabilities				2,200,945
Total liabilities				344,575,203

The segment assets and liabilities at 31 December 2024 are as follows:

	Property development and investment		Shimao Services** RMB'000	Total RMB'000
	Shanghai Shimao* RMB'000	Others RMB'000		
Investments accounted for using the equity method	688,126	14,943,361	501,429	16,132,916
Intangible assets	2,054	51,945	2,101,162	2,155,161
Other segment assets	71,576,081	335,232,299	7,970,915	414,779,295
Total segment assets	72,266,261	350,227,605	10,573,506	433,067,372
Deferred income tax assets				1,060,771
Financial assets at FVOCI				260,059
Assets of a disposal group classified as held for sale				1,221,462
Other assets				819,333
Total assets				436,428,997
Borrowings	29,698,041	142,583,156	–	172,281,197
Other segment liabilities	44,070,736	112,149,669	2,780,268	159,000,673
Total segment liabilities	73,768,777	254,732,825	2,780,268	331,281,870
Corporate borrowings				79,770,213
Deferred income tax liabilities				6,987,554
Liabilities of a disposal group classified as held for sale				1,214,203
Other liabilities				13,829,221
Total liabilities				433,083,061

Total segment assets consist primarily of property and equipment, investment properties, right-of-use assets, other non-current assets, properties under development, completed properties held for sale, receivables, prepayments and cash balances. They also include goodwill recognised arising from acquisition of subsidiaries relating to respective segments. They exclude corporate assets, deferred income tax assets, financial assets at FVOCI, financial assets at FVTPL and assets of a disposal group classified as held for sale.

Total segment liabilities comprise operating liabilities. They exclude corporate liabilities, corporate borrowings, deferred income tax liabilities, derivative financial instruments and liabilities of a disposal group classified as held for sale.

The Group has recognised the following liabilities related to contracts with customers:

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Related to development and sales of properties contracts		
Contract liabilities (<i>Note</i>)	36,896,450	48,355,145

Note: Contract liabilities have been disclosed with the value-added tax of approximately RMB2.4 billion deducted in 2025 (2024: approximately RMB3.1 billion).

Revenue from sales of properties totally approximately RMB14.5 billion was recognised in the current reporting year that was included in the contract liability balance at the beginning of the year. Management expects that the majority of the contract amounts allocated to unsatisfied performance obligations totally approximately RMB6.6 billion as of 31 December 2025 will be recognised as revenue from sales of properties during the next reporting year.

4 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Trade receivables (<i>Note (a)</i>)	8,686,800	8,684,777
Bidding deposits for land use rights (<i>Note (b)</i>)	3,793,534	3,720,756
Prepayments for construction costs	9,030,740	9,010,356
Loan receivables (<i>Note (c)</i>)	359,903	361,767
Prepaid tax and surcharges on pre-sale proceeds	659,486	742,499
Deposits paid	5,066,534	8,284,367
Receivables from disposals of equity interests	223,317	222,808
Payments on behalf of customers	449,664	417,086
Other receivables	12,846,272	12,099,929
	41,116,250	43,544,345
Provision for impairment	(3,811,973)	(2,705,750)
	37,304,277	40,838,595

Notes:

- (a) Consideration in respect of properties sold is paid in accordance with the terms of the related sales and purchase agreements. The ageing analysis of trade receivables at the respective year-ended dates is as follows:

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Within 180 days	5,836,053	5,834,694
Over 180 days and within 365 days	1,256,329	1,256,036
Over 365 days	1,594,418	1,594,047
	<u>8,686,800</u>	<u>8,684,777</u>

As at 31 December 2025, receivables arising from sales of properties were approximately RMB2,952,231,000 (2024: RMB3,663,029,000).

- (b) Bidding deposits for land use rights mainly represented deposits placed by the Group to various government related bodies for the acquisition of leasehold land.
- (c) As at 31 December 2025, loan receivables of RMB359,903,000 (31 December 2024: RMB361,767,000) were secured by the pledge of certain properties, notes receivable or credit guaranty of borrowers, bearing interest rate at a range from 10.0% to 18.0% per annum and repayable within one year.

Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value. As at 31 December 2025, the fair value of trade receivables, bidding deposits for land use rights, loan receivables and other receivables of the Group approximate their carrying amounts, as the impact of discounting is not significant.

5 TRADE AND OTHER PAYABLES

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Trade payables (<i>Note (a)</i>)	29,434,003	33,928,563
Other payables (<i>Note (b)</i>)	19,568,548	10,786,223
Other taxes payable	5,804,429	6,410,906
Accrued expenses	25,065,475	31,957,896
	<u>79,872,455</u>	<u>83,083,588</u>

Notes:

- (a) As at 31 December 2025, the aging analysis of the trade payables based on invoice date is as follows:

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Within 90 days	12,126,809	14,240,868
Over 90 days and within 1 year	15,452,852	17,652,608
Over 1 year	1,854,342	2,035,087
	<u>29,434,003</u>	<u>33,928,563</u>

- (b) Other payables comprise:

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Deposits received from customers	2,815,408	2,653,344
Deposits from constructors	1,082,356	860,000
Rental deposits from tenants and hotel customers	940,460	1,181,106
Payables for equity interest	803,228	991,860
Fees collected from customers on behalf of government agencies	329,709	318,979
Amount due to liquidated subsidiaries or disposed subsidiaries	12,030,891	3,798,845
Others	1,566,496	982,089
	<u>19,568,548</u>	<u>10,786,223</u>

6 A DISPOSAL GROUP OF ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE

As at 31 December 2025, the completion of certain debt settlement arrangements entered into during 2024 was pending the Group's satisfaction of necessary conditions precedent. The investment properties associated with these arrangements were amounted to approximately RMB15.0 million as at that date. All other related assets and liabilities were disposed of by the Group during the year ended 31 December 2025.

In addition to the above, the Group entered into several equity transfer agreement and supplementary agreements with an independent third party, pursuant to which the Group conditionally agreed to sell and the independent third parties conditionally agreed to purchase 100% equity interest in a property development company, an indirect non-wholly-owned subsidiary of the Company, for a consideration of RMB596.3 million. The Group is currently in the process of clearance and settlement of certain liabilities, including project related payments with the independent third party. Such related matters remained outstanding as at 31 December 2025.

In these regards, the management of the Group classified the group of relevant assets and liabilities as assets and liabilities held for sale and is presented separately in the consolidated statement of financial position as at 31 December 2025. The major classes of assets and liabilities classified as held for sale are as follows:

	At 31 December 2025 RMB'000
Property and equipment	247
Investment properties	1,474,433
Intangible assets	20
Inventories	386,516
Trade and other receivables and prepayments	148,199
Deferred income tax assets	442,594
Cash and cash equivalents	4,646
	<hr/>
Assets of a disposal group classified as held for sale	2,456,655
	<hr/>
Trade and other payables	940,848
Contract liabilities	266,832
Deferred income tax liabilities	46,878
Borrowings	739,852
	<hr/>
Liabilities of a disposal group classified as held for sale	1,994,410
	<hr/>

As at 31 December 2024, certain debt settlements entered before remain pending completion as the Group is still in the process of satisfying the necessary conditions precedent. The Group's inventories and investment properties associated with these debt settlements amounted to approximately RMB1.19 billion as at 31 December 2024.

In addition to the above, the Group entered into an equity transfer agreement with two independent third parties on 31 December 2024, pursuant to which the Group conditionally agreed to sell and the independent third parties conditionally agreed to purchase 51% equity interest in a property management company, an indirectly non-wholly owned subsidiary of the Company, for a consideration of RMB2.8 million. The transaction was completed during the year ended 31 December 2025.

In this regard, the management of the Group classified the group of relevant assets and liabilities as a disposal group of assets and liabilities held for sale and is presented separately in the consolidated statement of financial position as at 31 December 2024. The major classes of assets and liabilities of a disposal group classified as held for sale are as follows:

	At 31 December 2024 <i>RMB'000</i>
Property and equipment	144
Investment properties	228,000
Intangible assets	1,737
Inventories	957,000
Trade and other receivables and prepayments	14,273
Deferred income tax assets	781
Cash and cash equivalents	19,527
	<hr/>
Assets of a disposal group classified as held for sale	1,221,462
	<hr/>
Trade and other payables	20,843
Contract liabilities	7,739
Deferred income tax liabilities	621
Borrowings	1,185,000
	<hr/>
Liabilities of a disposal group classified as held for sale	1,214,203
	<hr/>

7 BORROWINGS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Borrowings included in non-current liabilities		
Long-term borrowings – secured	102,831,746	128,455,339
Long-term borrowings – unsecured	12,610,174	14,932,852
Senior notes – secured	18,959,386	46,078,543
Medium-term notes – unsecured	3,040,000	3,040,000
Long-term bonds – secured	18,863,234	18,859,161
	156,304,540	211,365,895
Less: Portion of long-term borrowings due within one year	(79,438,054)	(116,167,348)
Portion of senior notes due within one year	–	(46,078,543)
Portion of medium-term notes due within one year	(3,040,000)	(3,040,000)
Portion of long-term bonds due within one year	(10,121,712)	(4,244,383)
Amounts due within one year	(92,599,766)	(169,530,274)
	63,704,774	41,835,621
Borrowings included in current liabilities		
Short-term borrowings – secured	18,805,741	21,969,590
Short-term borrowings – unsecured	6,876,638	15,748,609
Senior notes – secured	–	2,688,066
Private placement notes	279,250	279,250
Current portion of non-current borrowings	92,599,766	169,530,274
	118,561,395	210,215,789

Note:

Offshore Debt Restructuring

On 21 July 2025 (the “RED”), the offshore debt restructuring of the Company became effective pursuant to a Court-sanctioned Scheme of Arrangement under the laws of Hong Kong. Upon the RED, the offshore creditors fully discharged the existing debts of the Company amounting to approximately US\$12.6 billion (equivalent to approximately RMB89.2 billion), in exchange for the issuance of the new senior notes, short-term and long-term loans, and mandatory convertible bonds (“MCB(s)”).

In addition, the existing shareholder loan of approximately HK\$7.8 billion owed to Mr. Hui Wing Mau (the Controlling Shareholder) was discharged, and long-term notes (“Controlling Shareholder Notes”) and controlling shareholder mandatory convertible bond (“Controlling Shareholder MCB”) were issued in exchange.

The following table summarises the key terms of the new financial instruments issued pursuant to the offshore debt restructuring:

Financial Instrument	Principal amount <i>USD million</i>	Key terms and features	Maturity date
Short-term Loan (2031)	726.9	It is secured by the shares of the Group's subsidiaries, and the interest is accrued and payable semi-annually in arrears on an amount equal to 50% of the outstanding principal amount in the following manner: <ul style="list-style-type: none"> – for the first four years after the RED, the Company may elect either to fully pay in cash at the interest rate of 5.0% per annum or pay in kind at the interest rate of 6.0% per annum; and – fully pay in cash at the interest rate of 5.0% per annum starting from the fifth year after the RED. 	21 July 2031
Long-term Loan (2034)	1,232.3	It is secured by the shares of the Group's subsidiaries, and the interest is accrued and payable semi-annually in arrears on the outstanding principal amount in the following manner: <ul style="list-style-type: none"> – for the first six years after the RED, the Company may elect either to fully pay in cash at the interest rate of 2.0% per annum or pay in kind at the interest rate of 3.0% per annum; and – fully pay in cash at the interest rate of 2.0% per annum starting from the seventh year after the RED. 	21 Jan 2034
Senior Notes (2031)	3,366.2	Sames as Short-term Loan (2031).	21 July 2031
Senior Notes-Series A	691.9	Sames as Long-term Loan (2034).	21 July 2032
Senior Notes-Series B	1,037.9	Sames as Long-term Loan (2034).	21 July 2033
Senior Notes-Series C	1,037.9	Sames as Long-term Loan (2034).	21 Jan 2034
MCBs (including Controlling Shareholder MCB)	4,999.7	All MCBs are unsecured and convertible into ordinary shares of the Company at a conversion price of HK\$6 per share, subject to mandatory conversion in four equal tranches at three, six, nine and twelve months after the RED.	21 July 2026
Controlling Shareholder Notes	600.0	They are secured by the shares of the Group's subsidiaries, and the interest is accrued and payable in kind semi-annually in arrears on the outstanding principal amount at the interest rate of 2.0% per annum.	21 Jan 2035

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

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

Instrument	Fair value at RED <i>USD million</i>	Valuation method	Significant unobservable inputs	Range of significant unobservable inputs
MCBs (including Controlling Shareholder MCB)	538.0	Binomial model	Discount rate (risk free)	4.07%
New loans and senior notes (including Controlling Shareholder Notes)	3,643.7	Discounted cash flow model	Discount rate	Range from 19.48% to 19.80%

As a result of the above mentioned, gain on offshore debt restructuring of approximately RMB69.5 billion was recognised in “Other income and gains – net” of the consolidated profit or loss and increases in reserves attributable to owners of the Group were recognised in the consolidated statement of changes in equity for the year ended 31 December 2025.

Up to 31 December 2025, 73.7% holders of the MCBs have exercised the conversion options to convert the respective bonds into 4,804,508,201 ordinary shares of the Company. As a result, the Group’s share capital and reserves increased by approximately RMB0.4 billion and approximately RMB1.5 billion, respectively, and the financial liabilities of the bonds of approximately RMB3.5 billion were derecognised.

As at 31 December 2025, the Company remeasured the remaining derivative components of the MCBs at their fair values. As a result, the Group recognised changes in fair value on derivative financial instruments of RMB1.6 billion in “Other income and gains – net” for the year ended 31 December 2025.

8 EXPENSES BY NATURE

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Cost of properties sold and others	27,441,925	50,402,382
Taxes and surcharges	351,967	309,744
Staff costs – including directors' emoluments	3,853,024	4,361,650
Advertising, promotion and commission costs	849,726	623,889
Direct expenses arising from hotel operation	807,335	780,402
Corporate and office expenses	856,508	997,888
Consulting fee	78,546	234,243
Depreciation and amortisation	761,596	880,432
Amortisation of right-of-use assets	133,101	153,014
Charitable donations	–	5,135
Penalties	931,069	887,774
Auditor's remuneration		
– Audit services	6,300	8,000
– Non-audit services	–	–
Provision for impairment losses on financial assets	6,095,497	1,108,622
Provision for impairment losses on properties under development and completed properties held for sale	26,014,195	11,384,810
Impairment losses on property and equipment	2,322,791	8,170
Impairment losses on right-of-use assets	234,573	–
Impairment losses on investment in joint ventures	63,402	–
Impairment losses on intangible assets	65,027	45,829
Other expenses	950,274	689,487
	<u>71,816,856</u>	<u>72,881,471</u>

9 OTHER INCOME/OTHER GAINS OR (LOSSES) – NET

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Other income		
Government grants received	<u>29,840</u>	<u>46,499</u>
Other gains/(losses) – net		
Gain on offshore debt restructuring	69,520,153	–
Gain on derivative financial instruments	1,595,101	–
Penalty income <i>(note (a))</i>	38,099	7,075
Net losses on disposal of subsidiaries with loss of control	(1,006,795)	(556,857)
Net losses on liquidation of subsidiaries	(3,558,412)	(430,818)
Net losses on deregistration of subsidiaries	(1,199)	(50,118)
Net losses on deemed disposal of joint ventures and associated companies	–	(813,853)
Net losses on disposal of joint ventures	(1,845,584)	–
Net losses on disposal of associated companies	(705,349)	(64,824)
Net losses on liquidation of associated companies	(65,763)	–
Loss on settlement of indebtedness	–	(9,653,825)
Loss on restructuring of certain PRC on-shore debts	(747,368)	(2,448,882)
Loss on impairment of assets of a disposal group classified as held for sale	(80,518)	(2,305)
Others	<u>176,777</u>	<u>359,088</u>
	<u>63,319,142</u>	<u>(13,655,319)</u>
	<u>63,348,982</u>	<u>(13,608,820)</u>

Note:

- (a) Penalty income represents penalty received from property buyers who do not execute sales and purchase agreements on property sales or from tenants who early terminate tenancy agreements.

10 FINANCE COSTS – NET

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Finance income		
– interest income on short-term bank deposits	<u>(54,128)</u>	<u>(121,990)</u>
Interest on borrowings	15,365,725	16,203,317
Interest charges paid/payable for lease liabilities	<u>2,227</u>	<u>4,198</u>
	15,367,952	16,207,515
Net foreign exchange (gains)/losses (<i>note</i>)	(2,844,126)	2,219,171
Less: interest and foreign exchange losses capitalized	<u>(5,196,031)</u>	<u>(6,229,359)</u>
Finance costs	<u>7,327,795</u>	<u>12,197,327</u>
Net finance costs	<u>7,273,667</u>	<u>12,075,337</u>
<i>Note:</i> Net foreign exchange (gains)/losses is mainly derived from the translation of foreign currency borrowings.		

11 INCOME TAX EXPENSE

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Current income tax		
– PRC enterprise income tax	543,833	748,224
– PRC land appreciation tax	<u>3,349,476</u>	<u>990,190</u>
	<u>3,893,309</u>	<u>1,738,414</u>
Deferred income tax		
– PRC enterprise income tax	<u>(1,234,508)</u>	<u>(90,225)</u>
	<u>2,658,801</u>	<u>1,648,189</u>

(a) **Hong Kong profits tax**

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits.

(b) **PRC enterprise income tax**

PRC enterprise income tax is almost provided for at 25% of the profits for the PRC statutory financial reporting purpose, adjusted for those items which are not assessable or deductible for the PRC enterprise income tax purposes.

(c) **PRC land appreciation tax**

PRC land appreciation tax is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sales of properties less deductible expenditures including cost of land use rights, borrowing costs, business taxes and all property development expenditures. The tax is incurred upon transfer of property ownership.

(d) **PRC withholding income tax**

According to the new Enterprise Income Tax Law of the PRC, starting from 1 January 2008, a 10% withholding tax will be levied on the immediate holding companies outside the PRC when their PRC subsidiaries declare dividend out of profits earned after 1 January 2008. A lower 5% withholding tax rate may be applied when the immediate holding companies of the PRC subsidiaries are established in Hong Kong according to the tax treaty arrangements between the PRC and Hong Kong.

Gain on disposal of an investment in the PRC by overseas holding companies and intra-group charges to the PRC subsidiaries by overseas subsidiaries may also be subject to withholding tax of 10%.

12 DIVIDENDS

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

13 EARNINGS/(LOSSES) PER SHARE

Basic earnings/(losses) per share is calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	Year ended 31 December	
	2025	2024
Profit/(loss) attributable to the equity holders of the Company (<i>RMB'000</i>)	14,473,362	(35,905,060)
Weighted average number of ordinary shares (<i>thousands</i>)	5,552,763	3,787,569
Basic earnings/(losses) per share (<i>RMB</i>)	2.61	(9.48)

Diluted earnings/(losses) per share is calculated by adjusting the weighted average number of ordinary shares in issue for the potential dilutive effect caused by the shares granted under the Share Award Scheme and the shares converted under the MCB assuming they were exercised. No diluted loss per share for the year ended 31 December 2024 is presented as the effects caused by the shares granted under the Share Award Scheme is anti-dilutive. The calculation of the diluted earnings per share for the year ended 31 December 2025 is based on the following:

	Year ended 31 December 2025
Profit attributable to the equity holders of the Company for the purpose of calculating basic earnings per share (<i>RMB'000</i>)	14,473,362
Less: Fair value gain on MCBs	<u>(1,595,101)</u>
Profit attributable to the equity holders of the Company for the purpose of calculating diluted earnings per share (<i>RMB'000</i>)	<u>12,878,261</u>
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share (<i>thousands</i>)	5,552,763
Effect of dilutive potential ordinary shares arising from the MCBs and the Share Award Scheme (<i>thousands</i>)	<u>1,165,005</u>
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share (<i>thousands</i>)	<u>6,717,768</u>
Diluted earnings per share (<i>RMB</i>)	<u>1.92</u>

14 COMMITMENTS

Commitments for capital and property development expenditure

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Contracted but not provided for		
– Property and equipment	476,598	516,707
– Land use rights (including those related to associated companies and joint ventures)	3,457,820	5,897,469
– Properties being developed by the Group for sale	<u>22,648,661</u>	<u>21,199,167</u>
	<u>26,583,079</u>	<u>27,613,343</u>

15 EVENTS AFTER THE REPORTING PERIOD

Subsequent to the reporting period and up to the date of approval of these consolidated financial statements, a total number of 570,575,127 new shares were issued at the conversion price of HK\$6 per share pursuant to the conversion of the Zero Coupon Mandatory Convertible Bonds due 2026 issued on 21 July 2025, which accounted for 6.6% of the total number of issued shares before the relevant event.

REVIEW OF RESULTS ANNOUNCEMENT BY INDEPENDENT AUDITOR

The figures in respect of the Group's results for the year ended 31 December 2025 as set out in this results announcement have been agreed by the Company's independent auditor, Zhonghui ANDA CPA Limited, to the amounts set out in the Group's consolidated financial statements. The work performed by Zhonghui ANDA CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently, no assurance has been expressed by Zhonghui ANDA CPA Limited on this results announcement.

EXTRACT OF INDEPENDENT AUDITOR'S REPORT

The below sections set out an extract of the independent auditor's report by Zhonghui ANDA CPA Limited, the external auditor of the Company, regarding the consolidated financial statements of the Group for the year ended 31 December 2025:

DISCLAIMER OF OPINION

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements. In all other respects, in our opinion, the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Disclaimer of Opinion

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

We draw attention to note 2(a) to the consolidated financial statements, which mention that as at 31 December 2025, the Group had borrowings in total of approximately RMB182.3 billion, out of which approximately RMB118.6 billion will be due for repayment within the next twelve months, while its total cash (including cash and cash equivalents and restricted cash) amounted to approximately RMB12.1 billion. As at 31 December 2025, the Group had not repaid borrowings of RMB92.5 billion in aggregate according to their scheduled repayment dates. In addition, the Group was involved in various litigation and arbitration cases for various reasons, as disclosed in note 38(c) to the consolidated financial statements. The above events or conditions indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern and, therefore, that the Group may not be able to realise its assets and discharge its liabilities in the normal course of business.

The consolidated financial statements have been prepared on a going concern basis. The directors of the Company (the “Directors”) devised a number of plans and measures to mitigate the liquidity pressure and to improve its financial position, details of which are set out in note 2(a) to the consolidated financial statements. To assess the appropriateness of the going concern basis, the management of the Group prepared a cash flow forecast (“Cash Flow Forecast”), which takes into account the effects of the success in implementing and completing the aforesaid plans and measures as scheduled, notwithstanding the inherent uncertainties associated with the outcome of these plans and measures. In particular, the positive outcome of the Cash Flow Forecast is dependent upon the following key assumptions: (a) the timely realisation of forecasted sales proceeds from pre-sale and sale of properties; (b) the continued forbearance by creditors in not demanding repayment within the next 12 months from the end of the reporting period; and (c) the successful negotiation with suppliers to defer settlement of outstanding payables. Based on the result of the Cash Flow Forecast, the Directors are of the opinion that the Group will have sufficient working capital to meet its financial obligations as and when they fall due in the foreseeable future and therefore, the Group has the ability to continue as a going concern and will continue its operations for at least 12 months from 31 December 2025. Accordingly, the Directors are of the view that it is appropriate to prepare the consolidated financial statements on a going concern basis.

In respect of the forecasted sales proceeds from pre-sale and sale of properties, we were unable to obtain sufficient appropriate audit evidence to conclude on the appropriateness of the assumptions underlying the forecasted sales proceeds given the prevailing conditions in the PRC property market and the inherent uncertainties associated with forecasting property sales, together with the significant decrease in the Group’s pre-sale and revenue from the property development segment compared to the prior year.

In respect of the continued forbearance by creditors, we were advised by management that the Group is engaging in ongoing negotiations with its creditors to seek extensions of repayment terms. However, formal extension agreements have not been signed for the majority of these liabilities. Accordingly, we were unable to obtain sufficient appropriate audit evidence to conclude that creditors will continue to forbear from demanding repayment within the next 12 months from the end of the reporting period.

In respect of the deferral of supplier payments, we were unable to obtain sufficient appropriate audit evidence to conclude that the Group will be able to successfully negotiate deferrals of payments to its suppliers due to the absence of formal agreements with suppliers regarding payment deferrals.

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

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

OTHER MATTERS

Had we not disclaimed our opinion regarding the matters described in the Basis for Disclaimer of Opinion section above, we would otherwise have qualified our opinion regarding the scope limitations on our audit relating to the matter detailed below.

Limitation of scope on the comparative figures — loss on settlement of debts relating to a property project

As described in the Basis for Qualified Opinion section of our auditor's report dated 28 March 2025 on the consolidated financial statements of the Group for the year ended 31 December 2024, we were unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to the reasonableness and appropriateness of the significant unobservable inputs and assumptions used in the valuation of a portfolio of investment properties and inventories relating to one of the Group's major property projects in the PRC as at 31 December 2023.

Pursuant to a court judgement received in June 2024, the Group mandatorily transferred the aforesaid investment properties and inventories to a creditor in settlement of a portion of outstanding borrowings and accrued interests. A loss on the settlement of the aforesaid debts amounting to approximately RMB9.7 billion was recognised in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2024. As the carrying amounts of the investment properties and inventories at the date of transfer were affected by the abovementioned scope limitation, we were unable to determine whether the loss on settlement of approximately RMB9.7 billion for the year ended 31 December 2024 was free from material misstatement.

Any adjustments to the figures as described above might have a consequential effect on the Group's financial performance and cash flows for the year ended 31 December 2024 and the related disclosures thereof in the consolidated financial statements.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Compliance with the Model Code set out in Appendix C3 to the Listing Rules

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix C3 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") as the code of conduct regarding securities transactions by the directors of the Company (the "Directors"). The Company has made specific enquiry of all Directors and all Directors confirmed that they had complied with the required standard set out in the Model Code throughout the year ended 31 December 2025.

Compliance with the Corporate Governance Code

The Company complied with the code provisions set out in the Corporate Governance Code contained in Appendix C1 to the Listing Rules throughout the year ended 31 December 2025, except for the following deviations:

- (a) Code provision C.1.7 – Company should arrange appropriate insurance cover for legal action against its Directors.

The Company has not yet made this insurance arrangement as director liability insurance with a reasonable insurance premium while providing adequate suitable security to Directors has not yet been identified on the market.

- (b) Code provision C.2.1 – The roles of chairman and chief executive should be separate and should not be performed by the same individual.

The Company believes that Mr. Hui Sai Tan, Jason's ("Mr. Hui") dual roles as Chairman of the board of Directors (the "Board") and President of the Company will enable the Group to execute its business strategies effectively and facilitate daily operations. Although the responsibilities of the Chairman and the President are vested in one person, all major decisions are made in consultation with the Management and the Board. The Board considers that there is a sufficient balance of power and enhances the efficiency of the operation of the Group. The Board currently comprises three Executive Directors, two Non-executive Directors and three Independent Non-executive Directors and, therefore, has a strong independent element in its composition.

- (c) Code provision F.1.3 – The chairman of the board should attend the annual general meeting.

Mr. Hui did not attend the annual general meeting of the Company held on 12 June 2025 due to other commitments.

Purchase, Sale or Redemption of Listed Securities

During the year ended 31 December 2025:

1. The Company decreased its holdings of 110,000,000 shares of Shimao Services through its wholly-owned subsidiary, with an average consideration of HK\$0.76 per share; and
2. The Company decreased its holdings of 85,500,000 shares of Shimao Services through its wholly-owned subsidiary, with services as consideration.

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

Final Dividend

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

PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the website of the Stock Exchange (www.hkexnews.hk) as well as the website of the Company (www.shimaogroup.hk). The Company's 2025 annual report will be despatched to its shareholders (where applicable) and published on the aforementioned websites in due course.

On behalf of the Board
Shimao Group Holdings Limited
Hui Sai Tan, Jason
Chairman and President

Hong Kong, 27 March 2026

As at the date of this announcement, the Board comprises three Executive Directors, namely, Mr. Hui Sai Tan, Jason (Chairman and President), Mr. Xie Kun and Mr. Zhao Jun; two Non-executive Directors, namely, Ms. Hui Mei Mei, Carol and Mr. Shao Liang; and three Independent Non-executive Directors, namely, Mr. Lyu Hong Bing, Mr. Lam Ching Kam and Mr. Fung Tze Wa.