Zhenro Properties Group Limited

正 榮 地 產 集 團 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6158 and Debt Stock Code: 4596, 40572, 40516)

INSIDE INFORMATION
REDUCTION IN LOSS

This announcement is made by Zhenro Properties Group Limited (the "**Company**" and together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the "**Board**") of the Company wishes to inform the shareholders of the Company and potential investors that, based on a preliminary assessment of the unaudited management accounts of the Group for the year ended 31 December 2024 ("**Year 2024**") and the other information currently available, it is expected that the Group will record a loss attributable to owners of the parent of approximately RMB6,000 million to approximately RMB7,000 million (loss attributable to owners of the parent for the year ended 31 December 2023 ("**Year 2023**"): approximately RMB8,468 million) and a core loss (representing net loss excluding impacts from non-cash items such as impairment losses, fair value changes and exchange gains or losses) of approximately RMB2,500 million to approximately RMB3,500 million (core loss for Year 2023: approximately RMB1,758 million) in Year 2024.

The loss attributable to owners of the parent was mainly attributable to the following factors: (i) the decline in overall demand of the real estate sector in the People's Republic of China, leading to lower project selling prices and gross profit, as well as provisions for impairment of properties under development, completed properties held for sale and other assets; (ii) an increase in non-capitalized financing interest; and (iii) a decline in the fair value of investment properties for Year 2024.

The expected reduction in loss was primarily attributable to an increase in gross profit and a decrease in provisions for impairment losses in Year 2024 as compared to Year 2023.

The information contained in this announcement is only based on a preliminary assessment by the Board of the unaudited management accounts of the Group for Year 2024 and the other information currently available to the Board, which have not been audited or reviewed by the Company's auditors or the audit committee of the Company, and may be subject to further adjustments or amendments. Shareholders and potential investors of the Company are advised to read carefully the annual results announcement of the Company for Year 2024, which is expected to be published on 28 March 2025.

Shareholders and potential investors of the Company are advised to exercise caution and not to place undue reliance on the information set out in this announcement when dealing in the securities of the Company, and to seek professional advice from their own professional or financial advisers when in doubt.

By order of the Board
Zhenro Properties Group Limited
Liu Weiliang
Chairman of the Board

Hong Kong, 19 March 2025

As at the date of this announcement, the executive directors of the Company are Mr. Liu Weiliang and Mr. Li Yang, and the independent non-executive directors of the Company are Mr. Wang Chuanxu, Mr. Xie Jun and Ms. Yang Yongyi.