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)

VOLUNTARY ANNOUNCEMENT

QUARTERLY UPDATE ON THE IMPLEMENTATION OF ACTION PLANS TO RESOLVE THE DISCLAIMER OF OPINION

Reference is made to (1) the annual report of Zhenro Properties Group Limited (the "**Company**") for the year ended 31 December 2024 (the "**2024 Annual Report**"), in which the Company's auditors expressed a disclaimer of opinion on the Company's financial statements for the year and (2) the announcements (collectively the "**Announcements**") published by the Company on 30 June 2025 and 6 August 2025, respectively. Unless otherwise indicated, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

The board of directors of the Company (the "**Board**") would like to provide the following update to the shareholders of the Company and potential investors regarding the measures taken by the Company to resolve the Disclaimer of Opinion, which indicates the existence of material uncertainties casting significant doubt over the Group's ability to continue as a going concern.

As of the date of this announcement, all the measures (a) to (g) set out on page 85 of the 2024 Annual Report remain in effect.

In respect of measure (a), the Group has been actively negotiating with its legal adviser and financial adviser on its offshore holistic liability management solutions to resolve its liquidity issue and stabilize the Group's operations, taking into account the interest of all its stakeholders. Given that the PRC property market remains weak and the Group's controlling shareholder is in the process of liquidation, the management of the Group is considering various options of the revised Restructuring Plan as announced by the Company on 30 June 2025. The Company is continuing to explore the Restructuring Plan announced on 30 June 2025. As the Restructuring Plan involves both offshore and onshore debt restructuring of the Group, additional time is required to formulate a concrete plan that reflects prevailing market conditions. As at the date of this announcement, no significant progress has been made on the Restructuring Plan.

In respect of measure (b), the Group has been maintaining close contact with existing onshore lenders for the purpose of renewal or extension of repayment of certain borrowings. From 1 January 2025 up to 31 August 2025, the Group has successfully extended approximately RMB3.40 billion of borrowings for periods ranging from one year to six years, with a reduction in interest costs from 0.4% per annum up to 7.4% per annum.

In respect of measure (c), the Group has been actively negotiating with several financial institutions to obtain new loans at a reasonable cost to ensure the delivery of its property projects under development, whilst there have been no new additional borrowings from 1 January 2025 up to the date of this announcement.

In respect of measure (d), the Group will continue to seek for other alternative financing and borrowings to finance the settlement of its existing financial obligations and future operating and capital expenditures, whilst there have been no new additional borrowings from 1 January 2025 up to the date of this announcement.

In respect of measure (e), the Group has prepared a business strategy plan mainly focusing on the acceleration of the sales of properties. The aggregate contracted sales of the Group, together with those of its joint ventures and associated companies, for the eight months ended 31 August 2025 are disclosed in the announcement published by the Company on 5 September 2025, entitled "Unaudited Operating Statistics For August 2025". Achieving a significant volume of sales within a relatively short period would typically require offering properties at substantially larger discounts to market prices. However, as there has been no material improvement in the PRC property market and the Group's current priority remains the preservation of property value, it has not resorted to distressed sales by offering substantial discounts to market prices.

In respect of measure (f), the Group has implemented measures to speed up the collection of outstanding sales proceeds and effectively control costs and expenses, in particular administrative expenses and taxes refunds. The Group has achieved certain savings in the actual expenses incurred against its budgeted costs from 1 January 2025 up to the date of this announcement across its seven operating regions in the PRC.

In respect of measure (g), the Group will continue to seek suitable opportunities to dispose of its equity interests in certain project development companies in order to generate additional cash inflows, despite the PRC property market still being in a downturn. From 1 January 2025 up to date of this announcement, no such disposal activity has occurred.

The Board will continue to implement relevant measures proactively to resolve the uncertainties relating to going concern associated with the Disclaimer of Opinion and will make further announcements as and when appropriate.

The Restructuring Plan may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution 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
Chan King Tak
Chairman

Hong Kong, 30 September 2025

As at the date of this announcement, the executive Directors are Mr Chan King Tak and Mr Jin Mingjie, the non-executive Director is Mr Chow Wai Shing Daniel, and the independent non-executive Directors are Mr Wang Chuanxu, Mr Xie Jun and Ms Yang Yongyi.