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C&D INTERNATIONAL INVESTMENT GROUP LIMITED

建發國際投資集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1908)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL HIGHLIGHTS

- For the year ended 31 December 2025, the Group, together with its joint ventures and associates, achieved the cumulative contracted sales attributable to the shareholders of the Company (the “Shareholders”) of approximately RMB90.93 billion with cumulative contracted sales GFA attributable to the Shareholders of approximately 3.653 million sq.m., representing a decrease by approximately RMB12.43 billion and approximately 1.395 million sq.m. respectively (approximately 12.0% and 27.6% respectively) as compared with the previous financial year.
- For the year ended 31 December 2025, cash collected from property development by the Group, together with its joint ventures and associates, totalled approximately RMB127.53 billion.
- For the year ended 31 December 2025, the Group’s total revenue amounted to approximately RMB136.79 billion, which decreased by approximately RMB6.2 billion or 4.3% as compared with the previous financial year. Revenue from property development business amounted to approximately RMB132.36 billion, which decreased by approximately RMB6.26 billion or 4.5% as compared with the previous financial year.
- For the year ended 31 December 2025, the profit attributable to the equity holders of the Company amounted to approximately RMB3.65 billion, which decreased by approximately RMB1.15 billion or 24.0% as compared with the previous financial year.
- The Group’s basic earnings per Share for the year ended 31 December 2025 was RMB1.58.
- The Board recommended payment of a final dividend of HK\$0.9 per Share for the Year (2024: HK\$1.2 per Share), which will be payable in cash, but the Eligible Shareholders will be given the option of electing to receive the final dividend in the form of new Shares in lieu of cash in respect of part or all of the final dividend.

ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

The board (the “Board”) of directors (the “Directors”) of C&D International Investment Group Limited (the “Company”) is pleased to announce the following consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the year ended 31 December 2025 (the “Year”) together with the comparative figures for the year ended 31 December 2024.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

		2025	2024
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	4	136,788,517	142,986,284
Cost of sales		<u>(117,782,366)</u>	<u>(124,013,843)</u>
Gross profit		19,006,151	18,972,441
Other net gain	5	561,738	795,381
Loss on changes in fair value of investment properties		(571,941)	(364,658)
Administrative expenses		(4,718,065)	(4,979,931)
Selling expenses		(4,301,117)	(3,721,690)
Provision for expected credit losses allowance		(111,088)	(155,916)
Finance costs	6	(458,481)	(635,604)
Share of results of associates		(95,573)	79,568
Share of results of joint ventures		<u>423,920</u>	<u>888,805</u>
Profit before income tax	7	9,735,544	10,878,396
Income tax expense	8	<u>(4,193,993)</u>	<u>(4,488,408)</u>
Profit for the year		<u><u>5,541,551</u></u>	<u><u>6,389,988</u></u>

	<i>Notes</i>	2025 RMB'000	2024 <i>RMB'000</i>
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences		<u>71,053</u>	<u>(37,011)</u>
Total comprehensive income for the year		<u>5,612,604</u>	<u>6,352,977</u>
Profit for the year attributable to:			
— Equity holders of the Company		<u>3,650,585</u>	4,803,839
— Non-controlling interests		<u>1,890,966</u>	<u>1,586,149</u>
		<u>5,541,551</u>	<u>6,389,988</u>
Total comprehensive income for the year attributable to:			
— Equity holders of the Company		<u>3,720,324</u>	4,757,275
— Non-controlling interests		<u>1,892,280</u>	<u>1,595,702</u>
		<u>5,612,604</u>	<u>6,352,977</u>
Earnings per share for profit attributable to the equity holders of the Company			
Basic earnings per share	<i>10</i>	<u>RMB1.58</u>	<u>RMB2.38</u>
Diluted earnings per share	<i>10</i>	<u>RMB1.54</u>	<u>RMB2.21</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	<i>Notes</i>	2025 RMB'000	2024 RMB'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		578,532	511,736
Right-of-use assets		235,102	271,354
Investment properties		3,456,724	2,778,052
Intangible assets		727,408	731,623
Interests in associates		21,379,144	18,083,675
Interests in joint ventures		7,685,330	7,438,931
Other financial assets		110,877	111,538
Deposits for land acquisitions		64,166	64,166
Deferred tax assets		3,634,398	5,107,063
		<u>37,871,681</u>	<u>35,098,138</u>
Current assets			
Inventories of properties, other inventories and other contract costs	<i>11</i>		
— Properties under development		192,350,417	223,028,034
— Properties held for sale		26,925,445	21,739,904
— Other inventories		75,299	235,345
— Other contract costs		2,026,534	2,026,697
Contract assets		498,521	316,605
Trade and other receivables	<i>12</i>	12,436,506	16,135,726
Amounts due from non-controlling interests		38,040,420	48,685,189
Deposits for land acquisitions		228,820	1,116,547
Prepaid taxes		7,168,824	6,842,047
Cash at banks and on hand		50,625,746	57,259,153
		<u>330,376,532</u>	<u>377,385,247</u>
Total assets		<u>368,248,213</u>	<u>412,483,385</u>

	<i>Notes</i>	2025 RMB'000	2024 <i>RMB'000</i>
Current liabilities			
Trade and other payables	<i>13</i>	33,378,841	32,730,657
Contract liabilities		123,502,565	159,457,346
Amounts due to related companies		24,292,884	21,355,737
Amounts due to non-controlling interests		9,473,577	6,996,648
Interest-bearing borrowings		6,291,921	6,124,502
Income tax liabilities		3,299,292	4,411,832
Lease liabilities		61,438	67,942
		200,300,518	231,144,664
Net current assets		130,076,014	146,240,583
Total assets less current liabilities		167,947,695	181,338,721
Non-current liabilities			
Loans from intermediate holding company		38,848,973	50,752,538
Lease liabilities		108,942	70,751
Interest-bearing borrowings		32,164,261	27,622,395
Deferred tax liabilities		676,226	388,144
		71,798,402	78,833,828
Total liabilities		272,098,920	309,978,492
Net assets		96,149,293	102,504,893
EQUITY			
Share capital	<i>14</i>	194,538	174,233
Reserves		29,902,312	25,385,637
Equity attributable to the equity holders of the Company		30,096,850	25,559,870
Equity attributable to the subscriber of the perpetual loans		12,000,000	12,000,000
Equity attributable to owners of the parent		42,096,850	37,559,870
Non-controlling interests		54,052,443	64,945,023
Total equity		96,149,293	102,504,893

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. GENERAL INFORMATION

C&D International Investment Group Limited (the “Company”) was incorporated in the Cayman Islands on 18 February 2011 as an exempted company with limited liability under Companies Law (Cap 22 of the Cayman Islands). The address of the Company’s registered office is P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands and its principal place of business in Hong Kong is located at Office No. 3517, 35th Floor, Wu Chung House, 213 Queen’s Road East, Wanchai, Hong Kong. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 26 May 2014.

The Company’s functional currency is Hong Kong Dollars (“HK\$”). However, the consolidated financial statements are presented in Renminbi (“RMB”), as the Directors of the Company consider that RMB is the functional currency of the primary economic environment in which most of the Group’s transactions are denominated and settled in and this presentation is more useful for its current and potential investors. The consolidated financial statements are presented in thousands of RMB (“RMB’000”) unless otherwise stated.

The principal activity of the Company is investment holding. The subsidiaries are principally engaged in the businesses of property development, property management and other related services mainly in the People’s Republic of China (“PRC” or “China”).

Well Land International Limited (“Well Land”) is the Company’s immediate holding company which was incorporated in the British Virgin Islands (“BVI”) with limited liability; C&D Real Estate Corporation Limited* (建發房地產集團有限公司) (“C&D Real Estate”) which was incorporated in the PRC with limited liability is the Company’s intermediate holding company and Xiamen C&D Corporation Limited* (廈門建發集團有限公司) (“Xiamen C&D”) which was incorporated in the PRC with limited liability is the Company’s ultimate holding company.

Certain comparative figures have been re-presented to conform with current year’s presentation. These reclassifications have no effect on financial position, results for the year or cash flows of the Group.

The consolidated financial statements for the year ended 31 December 2025 were approved for issue by the Board on 25 March 2026.

* *The English translation of the names of the companies established in the PRC are for reference only. The official names of these companies are in Chinese.*

2. BASIS OF PREPARATION

The annual consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), which collective term includes all applicable individual HKFRS accounting standards, Hong Kong Accounting Standards and Interpretations (“HKFRS Accounting Standards”) and the accounting principles generally accepted in Hong Kong. The consolidated financial statements also comply with the applicable disclosure requirements of Hong Kong Companies Ordinance and the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”).

2. BASIS OF PREPARATION (Continued)

The material accounting policies have been consistently applied to all the years presented unless otherwise stated. The adoption of new or amended HKFRS Accounting Standards and the impacts on the consolidated financial statements of the Company and its subsidiaries (collectively referred to as the “Group”), if any, are disclosed in note 3.

The consolidated financial statements have been prepared on the historical cost basis, except for investment properties and financial assets at fair value through profit or loss which are stated at their fair values.

It should be noted that accounting estimates and assumptions are used in preparation of the consolidated financial statements. Although these estimates are based on management’s best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates.

3. ADOPTION OF NEW AND AMENDED HKFRS ACCOUNTING STANDARDS

(i) Amended HKFRS Accounting Standards that are effective for annual periods beginning on 1 January 2025

In the current year, the Group has applied for the first time the Amendments to HKAS 21 “Lack of Exchangeability” which are effective for the Group’s consolidated financial statements for the annual period beginning on 1 January 2025.

The amendments do not have a material impact on the financial statements of the Group.

(ii) Issued but not yet effective HKFRS Accounting Standards

At the date of authorisation of the consolidated financial statements, certain new and amended HKFRS Accounting Standards have been published but are not yet effective, and have not been adopted early by the Group.

HKFRS 18	Presentation and Disclosure in Financial Statements ²
HKFRS 19	Subsidiaries without Public Accountability: Disclosures and related amendments ²
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ¹
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent electricity ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKAS 21	Translation to Hyperinflationary Presentation Currency ²
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards — Volume 11 ¹
Amendments to Hong Kong Interpretation 5	Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ²

¹ Effective for annual periods beginning on or after 1 January 2026

² Effective for annual periods beginning on or after 1 January 2027

³ Effective date not yet determined

3. ADOPTION OF NEW AND AMENDED HKFRS ACCOUNTING STANDARDS *(Continued)*

(ii) Issued but not yet effective HKFRS Accounting Standards *(Continued)*

The directors anticipate that all of the pronouncements will be adopted in the Group's accounting policy for the first period beginning on or after the effective date of the pronouncement. Information on new and amended HKFRS Accounting Standards that are expected to have impact on the Group's accounting policies is provided below. Other new and amended HKFRS Accounting Standards are not expected to have a material impact on the Group's consolidated financial statements.

HKFRS 18 “Presentation and Disclosure in Financial Statements” (“HKFRS 18”) and related amendments to Hong Kong Interpretation 5

HKFRS 18 replaces HKAS 1 “Presentation of Financial Statements” (“HKAS 1”). It carries forward many of the existing requirements in HKAS 1, with limited changes, and some HKAS 1 requirements will be moved to HKAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors” and HKFRS 7 “Financial Instruments: Disclosures”.

HKFRS 18 will not impact the recognition and measurement of financial statements items but the presentation of them. It introduces three major new requirements, including:

- reporting newly defined subtotals (namely “operating profits” and “profits before financing and income tax”), and classifying items into five newly defined categories (namely “operating”, “investing”, “financing”, “income tax” and “discontinued operation”), depending on the reporting entity's main business activities, in the consolidated statement of profit or loss and other comprehensive income;
- Disclosure of management-defined performance measures (“MPMs”) in a single note to the financial statements; and
- enhanced guidance of aggregation and disaggregation of information in the financial statements.

Besides, narrow-scope amendments have been made to HKAS 7 “Statement of Cash Flows”, which includes:

- using “operating profit or loss” as the starting point for indirect method for the presentation of operating cash flows purposes; and
- the option for classifying interest and dividend cash flows as operating activities is eliminated.

In addition, there are consequential amendments to several other standards.

HKFRS 18, and the amendments to the other HKFRS Accounting Standards, are effective for annual period beginning on or after 1 January 2027 and must be applied retrospectively with specific transition provisions. The directors of the Group are currently working to identify all the impacts of HKFRS 18, particularly with respect to the structure of the Group's consolidated statement of profit or loss and other comprehensive income, the consolidated statement of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact of how information is grouped in the consolidated financial statements.

4. REVENUE AND SEGMENT INFORMATION

The Group determines its operating segment based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions. The chief operating decision-maker has been identified as the Company's executive directors.

The Group is principally engaged in the businesses of property development and property management and other related services. The property development and property management and other related services businesses has been identified as a single segment on the basis for internal management reports that are regularly reviewed by the chief operating decision-maker. No separate analysis is presented.

As the chief operating decision-maker of the Company considers most of the Group's revenue and results are attributable to the market in the PRC, the Group's assets are substantially located inside the PRC, no geographical information is presented.

For the years ended 31 December 2025 and 2024, none of customers contributed 10% or more of the Group's revenue.

An analysis of the Group's revenue is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Property development	132,361,785	138,623,489
Property management and other related services (<i>Note</i>)	4,426,732	4,362,795
	<u>136,788,517</u>	<u>142,986,284</u>

Note: The balance mainly comprises revenue from property management services of RMB2,518,364,000 (2024: RMB2,086,933,000), construction management services and entrusted construction services of RMB1,172,766,000 (2024: RMB1,071,544,000) and rental income from property leasing of RMB103,263,000 (2024: RMB95,682,000) of which rental income does not fall within the scope of HKFRS 15.

Disaggregation of revenue is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Timing of revenue recognition		
— A point in time	132,543,718	139,348,598
— Over time	4,244,799	3,637,686
	<u>136,788,517</u>	<u>142,986,284</u>

5. OTHER NET GAIN

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest income from:		
— Banks	394,494	567,321
— Loans to associates	14,495	44,509
— Loans to joint ventures	8,338	22,911
— Others	23,294	17,630
	<u>440,621</u>	<u>652,371</u>
Government subsidy income	27,102	27,270
Compensation income	59,768	74,819
Loss on changes in fair value of financial assets measured at fair value through profit or loss	(1,000)	(4,000)
Sundry income	35,247	44,921
	<u>561,738</u>	<u>795,381</u>

6. FINANCE COSTS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest charges on:		
— Bank borrowings	855,216	906,268
— Loans from intermediate holding company	1,293,108	2,036,489
— Amounts due to non-controlling interests	53,095	21,848
— Amounts due to associates	54,861	33,190
— Significant financing component of contract liabilities	3,448,034	4,842,798
— Finance charges on lease liabilities	2,613	5,850
	<u>5,706,927</u>	<u>7,846,443</u>
Total borrowing costs	5,706,927	7,846,443
Less: Interest capitalised	(5,248,446)	(7,210,839)
	<u>458,481</u>	<u>635,604</u>

Borrowing costs have been capitalised at various applicable rates ranging from 0.85% to 10% per annum (2024: 1.2% to 10% per annum).

7. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging/(crediting):

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Auditor's remuneration		
— Audit services	3,014	3,003
— Non-audit services	—	283
Cost of properties sold	114,647,599	121,126,644
Depreciation:		
— Owned assets	56,591	44,571
— Right-of-use assets	79,962	93,529
Amortisation of intangible assets	10,428	9,170
Provision for expected credit loss (“ECL”) allowance on loans to associates and joint ventures	77,864	56,256
Provision for ECL allowance on trade and other receivables, net (Reversal of)/Provision for ECL allowance on amounts due from non-controlling interests	43,880 (10,656)	92,751 6,909
Net foreign exchange loss/(gain)	9,671	(9,687)
Lease charges on short-term leases	53,606	47,382
Provision for inventories of properties and other inventories	3,647,606	3,670,800

8. INCOME TAX EXPENSE

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current income tax		
PRC corporate income tax (“CIT”)		
— Current year	1,957,779	2,567,921
— Under/(Over)-provision in respect of prior years	84,027	(63,847)
	2,041,806	2,504,074
PRC land appreciation tax (“LAT”)	391,440	1,006,174
	2,433,246	3,510,248
Deferred tax	1,760,747	978,160
Total income tax expense	4,193,993	4,488,408

8. INCOME TAX EXPENSE (Continued)

Notes:

(a) Hong Kong profits tax

No Hong Kong profits tax has been provided as the Group did not derive any assessable profit arising in Hong Kong during the years ended 31 December 2025 and 2024.

(b) PRC CIT

The income tax provision of the Group in respect of operations in the PRC has been calculated at the applicable tax rate on the estimated assessable profits for the year, based on the existing legislation, interpretations and practices in respect thereof.

PRC CIT has been provided on the estimated assessable profits of subsidiaries operating in the PRC at 25% (2024: 25%) for the years ended 31 December 2025 and 2024.

(c) PRC LAT

Under the Provisional Rules on LAT Implementation Rules of the PRC implemented on 27 January 1995, all gains from the sales or transfer of land use rights, buildings and their attached facilities in the PRC are subject to LAT at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sale of properties less deductible expenditures including cost of land use rights, borrowing costs, business tax and all property development expenditures. There are certain exemptions available for the sale of ordinary residential properties if the appreciation values do not exceed 20% of the total deductible items (as defined in the relevant PRC tax laws). Sales of commercial properties are not eligible for such an exemption.

(d) PRC withholding income tax

Pursuant to the Detailed Implementation Regulations for implementation of the new CIT Law issued on 6 December 2007, a 10% withholding income tax shall be levied on the dividends remitted by the companies established in the PRC to their foreign investors starting from 1 January 2008. Dividends coming from the profits generated by the PRC companies after 1 January 2008 shall be subject to this withholding income tax.

(e) Cayman Islands corporate tax

Pursuant to the rules and regulations of Cayman Islands, the Group is not subject to any corporate tax in Cayman Islands for the years ended 31 December 2025 and 2024.

(f) British Virgin Islands (“BVI”) profits tax

Pursuant to the rules and regulations of the BVI, the Group is not subject to any income tax in the BVI for the years ended 31 December 2025 and 2024.

9. DIVIDENDS

(a) Dividends attributable to the year

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Proposed final dividend after the reporting date of HK\$0.9 per ordinary share (2024: HK\$1.2) (<i>note</i>)	<u>1,821,017</u>	<u>2,241,585</u>

Note:

Subsequent to 31 December 2025, the Board recommended the payment of a final dividend of HK\$0.9 per share for the year ended 31 December 2025, totalling HK\$2,016,139,000 (equivalent to approximately RMB1,821,017,000) with the eligible Shareholders being given an option to elect to receive the final dividend all in new shares, or partly in new shares and partly in cash, or all in cash. Such dividend is subjected to be approved by the shareholders at the forthcoming Annual General Meeting. The final dividend proposed after the reporting date has not been recognised as a liability as at 31 December 2025.

(b) Dividends attributable to the previous financial year, approved and paid during the year

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Final dividend in respect of the previous financial year, of HK\$1.2 (2024: HK\$1.3) per ordinary share	<u>2,205,856</u>	<u>2,248,509</u>

The final dividend for the year ended 31 December 2024 totalling RMB2,205,856,000 (2024: final dividend for the year ended 31 December 2023 totalling RMB2,248,509,000) has been paid partly in new shares of the Company and partly in cash in July 2025. The number of ordinary shares settled and issued as scrip dividends were 158,376,501 (2024: 121,493,505) ordinary shares and the total amount of dividend paid as scrip dividends was RMB1,887,775,000 (2024: RMB1,596,250,000) while cash dividend amounted to RMB318,081,000 (2024: RMB652,259,000).

10. EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by adjusting the profit for the year attributable to the equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Earnings		
Profit for the year attributable to the equity holders of the Company	3,650,585	4,803,839
Distributions to the subscriber of perpetual loans	<u>(467,673)</u>	<u>(535,419)</u>
Profit used to determine basic earnings per share	3,182,912	4,268,420
Weighted average number of ordinary shares in issue (thousands)	<u>2,017,104</u>	<u>1,792,205</u>
Earnings per share (expressed in RMB per share)	<u>RMB1.58</u>	<u>RMB2.38</u>

(b) Diluted earnings per share

The restricted shares granted by the Company have potential dilutive effect on earnings per share. Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding by the assumption of the conversion of all potential dilutive ordinary shares arising from restricted shares granted by the Company (collectively forming the denominator for computing the diluted earnings per share). In addition, the profit attributable to equity holders of the Company (numerator) has been adjusted by the effect of the restricted shares granted by the Company's non wholly-owned subsidiary.

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Earnings		
Profit for the year attributable to the equity holders of the Company	3,650,585	4,803,839
Dilution effect arising from restricted shares issued by non wholly-owned subsidiary	(2,187)	(5,488)
Distributions to the subscriber of perpetual loans, net of taxation	<u>(467,673)</u>	<u>(535,419)</u>
Profit attributable to equity holders of the Company for the calculation of diluted earnings per share	3,180,725	4,262,932
Shares		
Weighted average number of ordinary shares in issue (thousands)	2,017,104	1,792,205
Adjustments for restricted shares (thousands)	<u>42,465</u>	<u>140,182</u>
Weighted average number of ordinary shares for the calculation of diluted earnings per share (thousands)	<u>2,059,569</u>	<u>1,932,387</u>
Earnings per share (expressed in RMB per share)	<u>RMB1.54</u>	<u>RMB2.21</u>

11. INVENTORIES OF PROPERTIES, OTHER INVENTORIES AND OTHER CONTRACT COSTS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Inventories of properties		
Properties under development	192,350,417	223,028,034
Properties held for sale	<u>26,925,445</u>	<u>21,739,904</u>
	219,275,862	244,767,938
Other inventories	75,299	235,345
Other contract costs	<u>2,026,534</u>	<u>2,026,697</u>
	<u>221,377,695</u>	<u>247,029,980</u>
Inventories of properties	226,634,572	250,522,172
Less: Provision for inventories	<u>(7,358,710)</u>	<u>(5,754,234)</u>
	<u>219,275,862</u>	<u>244,767,938</u>

12. TRADE AND OTHER RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables (note (a))		
From third parties	2,864,337	3,380,255
From related parties	75,074	128,715
Less: Loss allowance	<u>(307,721)</u>	<u>(276,964)</u>
	<u>2,631,690</u>	<u>3,232,006</u>
Other receivables		
Deposits (note (b))	1,665,913	5,201,681
Prepayments	95,196	86,562
Other receivables	1,055,795	866,874
Prepayment for proposed development project (note (c))	849,636	–
Payments on behalf of property owners	68,252	48,853
Value-added-tax receivables	<u>6,161,081</u>	<u>6,777,684</u>
	9,895,873	12,981,654
Less: Loss allowance	<u>(91,057)</u>	<u>(77,934)</u>
	<u>9,804,816</u>	<u>12,903,720</u>
	<u>12,436,506</u>	<u>16,135,726</u>

12. TRADE AND OTHER RECEIVABLES (Continued)

Notes:

- (a) Trade receivables mainly arose from property development and property management and other related services. Trade receivables settled in accordance with the terms stipulated in the property sale and purchase agreements or service agreements.

Based on the invoice dates, the ageing analysis of the trade receivables, net of loss allowance, is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 1 year	1,235,883	2,458,170
Between 1 and 2 years	1,086,229	521,372
Between 2 and 3 years	187,447	149,192
Over 3 years	122,131	103,272
	<u>2,631,690</u>	<u>3,232,006</u>

Movements of the Group's loss allowance on trade receivables are as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Balance at 1 January	276,964	193,563
ECL allowances recognised during the year	30,757	83,401
Balance at 31 December	<u>307,721</u>	<u>276,964</u>

Movements of the Group's loss allowance on other receivables are as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Balance at 1 January	77,934	68,584
ECL allowances recognised during the year	13,123	9,350
Balance at 31 December	<u>91,057</u>	<u>77,934</u>

At each reporting date, the Group revised receivables for evidence of impairment on both individual and collective basis.

- (b) Deposits mainly included rental deposits, utilities deposits, miscellaneous project-related deposits, deposits for construction work and land bidding.

12. TRADE AND OTHER RECEIVABLES (Continued)

- (c) The Group has entered into a contractual arrangement with an independent third party in respect of the proposed acquisition of equity interests in a PRC entity, which own property development project in the PRC.
- (d) The Directors of the Group considered that the fair values of trade and other receivables are not materially different from the carrying amounts because these balances have short maturity periods on their inception.

13. TRADE AND OTHER PAYABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade payables (note (a))	27,438,410	25,851,482
Other payables		
Receipts in advances and other payables	260,764	108,085
Interest payable	26,353	28,586
Salaries payable	895,618	955,979
Value-added-tax payable	729,443	938,856
Deposits received	641,207	717,576
Accrued expenses	2,432,935	2,111,069
Collection and payment on behalf of others	511,798	934,285
Payables in relation to restricted share incentive schemes	442,313	1,084,739
	5,940,431	6,879,175
	33,378,841	32,730,657

Notes:

- (a) The credit terms of trade payables vary according to the terms agreed with different suppliers. Included in trade payables are trade creditors with the following ageing analysis, based on invoice dates, as of the reporting date:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 1 year	18,903,193	19,328,192
Between 1 and 2 years	7,981,208	6,060,240
Over 2 years	554,009	463,050
	27,438,410	25,851,482

- (b) The carrying values of trade and other payables are considered to be a reasonable approximation of their fair values.

14. SHARE CAPITAL

	2025		2024	
	Number of shares	Amount RMB'000	Number of shares	Amount RMB'000
Authorised:				
Ordinary shares of HK\$0.1 each				
At 31 December	<u>3,000,000,000</u>	<u>254,870</u>	<u>3,000,000,000</u>	<u>254,870</u>
Issued and fully paid:				
At 1 January	2,017,177,631	174,233	1,895,684,126	163,148
Issuance of shares in respect of scrip dividend (note (a))	158,376,501	14,432	121,493,505	11,085
Issuance of new shares by the way of placing (note (b))	<u>64,600,000</u>	<u>5,873</u>	–	–
At 31 December	<u>2,240,154,132</u>	<u>194,538</u>	<u>2,017,177,631</u>	<u>174,233</u>

- (a) On 21 March 2024, the Board declared the final dividend of HK\$1.3 per share (equivalent to approximately RMB1.20 per share) for the year ended 31 December 2023. The shareholders were provided with an option to receive the final dividend in form of scrip dividend. On 8 July 2024, 121,493,505 shares were issued at an issue price of HK\$14.4 per share to shareholders who elected to receive share in lieu of cash dividends pursuant to a scrip dividend scheme, totalling approximately HK\$1,749,506,000 (equivalent to approximately RMB1,596,250,000).

On 26 March 2025, the Board declared the final dividend of HK\$1.2 per share (equivalent to approximately RMB1.11 per share) for the year ended 31 December 2024. The shareholders were provided with an option to receive the final dividend in form of scrip dividend. On 8 July 2025, 158,376,501 shares were issued at an issue price of HK\$13.08 per share to shareholders who elected to receive share in lieu of cash dividends pursuant to a scrip dividend scheme, totalling approximately HK\$2,071,565,000 (equivalent to approximately RMB1,887,775,000).

- (b) On 5 August 2025, the Company completed the placing of 64,600,000 ordinary shares at a placing price of HK\$15.80 per share under general mandates with gross proceeds of HK\$1,020,608,000 (equivalent to RMB927,961,000), giving rise to an increase in share premium of approximately RMB922,088,000. Share issuance expenses directly attributable to the issue of new shares amounting to RMB7,502,000 was treated as a deduction against the share premium account.

15. EVENT AFTER THE REPORTING DATE

There are no material subsequent events undertaken by the Company or by the Group after 31 December 2025 and up to the date of this announcement.

MANAGEMENT DISCUSSION AND ANALYSIS

MARKET REVIEW

In 2025, China's real estate industry remained to face the dual challenges of market confidence restoration and developmental transformation. The willingness of residents to invest and consume in home purchases remained weak, placing tremendous pressure on real estate enterprises in terms of capital recovery, project clearance, and transformational development.

From the perspective of the policy environment, the overall macro-policy landscape in 2025 remained relatively accommodative. Concurrently, the Ministry of Housing and Urban-Rural Development further promoted the “quality homes (好房子)” policy. In 2025, the “quality homes” policy was incorporated into the Report on the Work of the Government for the first time, propelling the industry to move away from an extensive scale expansion model and transition towards refined, high-quality, and diversified development.

From the perspective of industry demand, guided by the “quality homes” policy, customer demand for housing has shifted from the concept of “having a place to live” to “living in a quality home”. Customers have created rising and more stringent requirements for housing quality, location, functional design, living environment, supporting facilities, and property management services.

From the perspective of competitive landscape, the competitive dynamics of the real estate industry have undergone profound adjustments. Market resources are accelerating their concentration towards enterprises with sound financial positions and quality layout. The number of enterprises achieving over RMB100 billion in sales has significantly decreased, while the market share of leading real estate enterprises has further increased.

BUSINESS REVIEW

The Group is principally engaged in the business of property development, real estate industry chain investment services and emerging industry investment. During the Year, the main source of revenue for the Company was property development.

During the Year, the revenue of the Group was approximately RMB136.79 billion, representing a year-on-year decrease of approximately RMB6.2 billion (approximately 4.3%) as compared with the previous financial year. The gross profit of the Group amounted to approximately RMB19.01 billion, which increased by approximately RMB33.7 million (approximately 0.2%) as compared with the previous financial year. Profit for the Year decreased from approximately RMB6.39 billion for the year ended 31 December 2024 to approximately RMB5.54 billion in the Year. The profit attributable to the equity holders of the Company decreased by approximately RMB1.15 billion (approximately 24%) to approximately RMB3.65 billion as compared with the previous financial year.

Property Development Business

During the Year, the Group's revenue from property development business was approximately RMB132.36 billion, representing a decrease of approximately RMB6.26 billion as compared with the previous financial year and accounting for approximately 96.76% of the Group's total revenue for the Year. During the Year, the gross floor area ("GFA") of delivered properties was approximately 6.44 million sq.m., representing a decrease of approximately 0.55 million sq.m. as compared with the previous financial year.

The amount recognised for sales by city in 2025 and 2024 are set out in the following table:

City	Amount (RMB ten thousand)	
	2025	2024
Hangzhou	2,326,775	722,881
Suzhou	1,631,367	18,515
Shanghai	1,171,076	1,036,341
Xiamen	784,955	2,683,843
Beijing	772,819	1,280,338
Quanzhou	689,103	688,173
Zhangzhou	596,192	474,256
Nanjing	526,663	13,790
Changsha	440,753	506,100
Taizhou	410,499	7,764
Wuxi	382,393	398,896
Fuzhou	377,034	791,793
Guiyang	322,818	7,421
Wuhan	269,086	932
Putian	233,565	585,458
Ningbo	187,806	889,972
Foshan	183,318	35,993
Longyan	170,472	249,369
Chengdu	169,204	920,233
Dongguan	148,647	–
Lishui	127,728	–
Chongqing	124,446	37,337
Jiaxing	115,033	–
Nanchang	107,866	474,117
Ningde	95,511	434,505
Nanning	87,630	87,601

City	Amount (RMB ten thousand)	
	2025	2024
Yiyang	79,447	8,934
Nantong	75,450	42,553
Nanping	72,698	20,825
Bengbu	64,789	8,630
Huai'an	64,114	74,876
Liuzhou	61,973	4,287
Jinan	57,109	128,615
Zhuzhou	54,125	75,990
Suqian	48,480	137,606
Jiangmen	45,234	17,786
Huangshi	40,915	84,697
Hefei	33,608	18,624
Guangzhou	30,502	146,213
Wenzhou	20,667	114,716
Shaoxing	18,553	252,610
Lu'an	11,181	59,819
Jiujiang	1,764	84,171
Zhuhai	1,115	944
Xuzhou	944	180,417
Shangrao	752	52,824
Shenzhen	–	1,584
Total	13,236,179	13,862,349

Contracted Sales

During the Year, the Group, together with its joint ventures and associates, achieved the cumulative contracted sales attributable to the Shareholders of approximately RMB90.93 billion, representing a decrease of approximately 12.0% as compared to the previous financial year. As at 31 December 2025, the cumulative contracted sales GFA attributable to the Shareholders was approximately 3.653 million sq.m., representing a decrease of approximately 27.6% as compared to the previous financial year.

The amount and GFA for contracted sales attributable to the Shareholders by city in 2025 and 2024 are set out in the following table:

City	2025		2024	
	Amount Sold (RMB ten thousand)	GFA Sold (sq.m.)	Amount Sold (RMB ten thousand)	GFA Sold (sq.m.)
Hangzhou	1,472,512	447,834	1,992,576	539,194
Beijing	1,211,325	157,750	674,175	162,657
Shanghai	1,139,265	258,403	692,719	174,436
Xiamen	1,082,224	303,504	841,535	310,687
Fuzhou	512,130	145,095	228,320	98,316
Chengdu	363,050	139,452	572,396	228,445
Quanzhou	316,345	226,286	390,210	338,168
Wuhan	285,458	78,927	261,386	79,802
Suzhou	217,738	100,040	486,712	228,502
Nanchang	200,511	165,397	240,060	216,731
Wuxi	175,663	103,627	311,293	168,773
Taizhou	172,901	83,070	271,875	133,914
Nanjing	172,146	46,770	311,545	94,901
Foshan	163,031	56,188	250,576	101,401
Changsha	155,253	108,984	368,972	235,547
Ningbo	143,627	51,305	152,271	47,962
Putian	122,752	86,772	140,376	108,644
Zhangzhou	119,077	130,076	215,120	210,110
Chongqing	100,406	58,106	72,630	38,755
Guiyang	100,116	119,286	153,774	161,308
Longyan	95,936	88,070	197,807	178,613
Wenzhou	93,364	48,151	225,124	82,852
Jinan	79,462	59,688	119,844	132,062
Suqian	52,203	51,669	82,350	101,249

City	2025		2024	
	Amount Sold (RMB ten thousand)	GFA Sold (sq.m.)	Amount Sold (RMB ten thousand)	GFA Sold (sq.m.)
Hefei	45,406	20,489	97,329	40,056
Zhuzhou	44,898	73,968	62,425	87,814
Yiyang	44,136	75,013	35,738	59,048
Dongguan	43,976	11,226	70,491	16,020
Nantong	38,037	26,787	91,371	62,714
Lishui	37,120	16,730	70,672	30,578
Huangshi	37,040	53,289	40,192	52,474
Ningde	34,743	44,004	35,138	37,544
Guangzhou	32,139	16,311	58,808	21,252
Jiaxing	27,504	16,721	66,970	37,700
Huai'an	26,728	27,535	32,814	23,562
Xuzhou	22,849	12,921	90,130	38,170
Nanping	20,651	33,836	39,120	46,171
Liuzhou	19,323	18,940	51,577	54,535
Bengbu	12,921	21,172	34,253	30,254
Jiangmen	12,287	18,642	32,538	38,801
Zhuhai	12,139	9,130	13,526	14,993
Shaoxing	9,453	3,389	14,060	6,270
Nanning	6,839	17,562	83,214	102,715
Yiwu	6,727	2,491	5,938	4,447
Yancheng	5,740	11,661	7,515	9,036
Lu'an	5,123	6,188	19,867	28,700
Jiujiang	953	794	12,621	2,594
Shangrao	3	26	15,782	29,612
Total	9,093,230	3,653,275	10,335,735	5,048,089

Land Reserves

As at 31 December 2025, the aggregate saleable GFA of land reserves of the Group was approximately 11.5 million sq.m..

The amount of saleable GFA and attributable GFA of land reserves by city in 2025 and 2024 are set out in the following table:

City	2025		2024	
	Saleable GFA (sq.m.)	Attributable GFA (sq.m.)	Saleable GFA (sq.m.)	Attributable GFA (sq.m.)
Shanghai	1,128,872	891,757	953,918	653,788
Xiamen	741,417	629,950	928,890	815,099
Hangzhou	707,796	397,876	777,718	527,349
Nanchang	705,720	621,427	599,882	496,154
Chengdu	616,009	476,794	687,706	620,447
Wuxi	595,401	362,007	647,279	361,313
Guiyang	584,169	584,169	715,200	715,200
Zhuzhou	493,187	493,187	552,619	552,619
Zhangzhou	447,519	244,398	128,205	85,998
Fuzhou	427,046	268,417	578,376	381,619
Changsha	397,733	272,587	563,563	383,921
Quanzhou	375,465	229,527	236,217	185,082
Suzhou	379,085	318,889	493,961	383,595
Wenzhou	343,950	134,951	339,032	122,805
Suqian	328,052	328,052	377,543	377,543
Beijing	291,023	243,494	210,216	197,804
Huai'an	277,872	222,298	330,553	264,443
Chongqing	272,599	200,542	205,534	128,172
Huangshi	260,249	260,249	326,858	326,858
Putian	255,455	122,318	188,963	102,153
Foshan	168,127	146,238	235,426	205,147
Nanping	167,850	117,713	63,010	43,920
Ningde	154,573	81,083	119,807	69,767
Longyan	144,829	118,387	253,133	208,004
Wuhan	107,965	62,092	128,128	115,255
Jinan	100,114	85,473	204,117	170,089
Nanjing	94,709	73,611	155,703	120,403

City	2025		2024	
	Saleable GFA (sq.m.)	Attributable GFA (sq.m.)	Saleable GFA (sq.m.)	Attributable GFA (sq.m.)
Nantong	93,875	90,406	121,878	117,172
Nanning	93,642	80,644	112,406	98,093
Yancheng	92,635	45,391	116,700	57,183
Jiangmen	87,474	45,456	126,834	66,984
Taizhou	83,028	50,212	200,840	136,486
Ningbo	78,932	52,155	79,235	72,227
Hefei	71,731	37,790	123,351	64,468
Guangzhou	64,677	59,751	84,349	75,750
Yiwu	58,892	19,434	66,470	21,935
Yiyang	52,911	52,911	127,879	127,879
Jiaxing	33,567	25,175	55,862	41,896
Dongguan	24,691	17,283	40,811	28,568
Shaoxing	19,373	9,880	26,018	13,269
Bengbu	16,781	16,781	45,109	45,109
Xuzhou	13,754	10,625	35,742	23,546
Zhuhai	11,910	11,910	21,040	21,040
Lishui	4,922	4,922	21,667	21,667
Liuzhou	2,677	2,677	21,604	21,604
Jiujiang	359	253	1,743	1,048
Shangrao	–	–	124	49
Total	11,472,617	8,621,142	12,431,219	9,670,520

FINANCIAL REVIEW

Revenue

The following table sets forth the Group's revenue from each of these segments and as a percentage of the total revenue for the relevant financial years:

	2025		2024	
	<i>RMB'000</i>	%	<i>RMB'000</i>	%
Property development	132,361,785	96.76	138,623,489	96.95
Property management and other related services (<i>Note</i>)	4,426,732	3.24	4,362,795	3.05
Total	<u>136,788,517</u>	<u>100.00</u>	<u>142,986,284</u>	<u>100.00</u>

Note: Represents income from property management services, construction management services, entrusted construction services and other related services.

Property development

Revenue from property development decreased by approximately RMB6.26 billion from approximately RMB138.62 billion for the year ended 31 December 2024 to approximately RMB132.36 billion for the Year. Saleable GFA delivered for each of the years ended 31 December 2024 and 2025 were approximately 6.99 million sq.m. and approximately 6.44 million sq.m., respectively. As the saleable GFA delivered for the Year decreased compared to the previous financial year, the revenue from property development decreased for the Year.

Property management and other related services

Revenue from property management and other related services for the Year amounted to approximately RMB4.43 billion for the Year, representing an increase of approximately RMB63.9 million or 1.5% as compared with the previous financial year. As at 31 December 2025, the GFA under management of the Group reached approximately 91.7 million sq.m..

Cost of Sales, Gross Profit and Gross Profit Margin

Cost of sales decreased by approximately RMB6.23 billion from approximately RMB124.01 billion for the year ended 31 December 2024 to approximately RMB117.78 billion for the Year. The gross profit amounted to approximately RMB18.97 billion and RMB19.01 billion for each of the years ended 31 December 2024 and 2025 respectively, representing a gross profit margin of approximately 13.3% and 13.9% respectively. The increase in gross profit margin was mainly due to the higher gross profit margin level of certain property development projects delivered during the Year as compared with the previous financial year.

Other Net Gain

Other net gain decreased from approximately RMB0.8 billion for the year ended 31 December 2024 to approximately RMB0.56 billion for the Year. The decrease was mainly due to a decrease in bank interest income in the Year.

Borrowing Costs

Borrowing costs incurred for the construction projects under development were capitalised during the Year. Other borrowing costs were expensed when incurred.

Total borrowing costs (excluding the significant financing component of contract liabilities and the finance charges on lease liabilities) decreased from approximately RMB3.00 billion for the year ended 31 December 2024 to approximately RMB2.26 billion for the Year. The decrease was mainly due to the decrease in total borrowings and the average financing interest rate as compared with the previous financial year.

Loss on Changes in Fair Value of Investment Properties

The loss on changes in fair value of investment properties was approximately RMB0.57 billion for the Year (2024: loss of approximately RMB0.36 billion). The loss reflected the adjustments in the value of investment properties during the Year.

Administrative Expenses

Administrative expenses decreased by approximately RMB0.26 billion to approximately RMB4.72 billion for the Year from approximately RMB4.98 billion for the year ended 31 December 2024. This was primarily due to a decrease in share-based payments within employee expenses during the Year as compared to the previous financial year.

Selling Expenses

Selling expenses increased by approximately RMB0.58 billion to approximately RMB4.30 billion for the Year from approximately RMB3.72 billion for the year ended 31 December 2024. It was mainly due to the increase in marketing expenses for property sales as a result of the market downturn during the Year.

Profit before Income Tax

As a cumulative effect of the foregoing factors, the Group recorded a profit before income tax of approximately RMB9.74 billion for the Year, representing a decrease of approximately RMB1.14 billion (approximately 10.5%) from a profit of approximately RMB10.88 billion in the previous financial year.

Income Tax Expense

Income tax expense decreased from approximately RMB4.49 billion in the previous financial year to approximately RMB4.19 billion for the Year. The decrease in income tax expense was mainly due to the decrease in PRC land appreciation tax for the Year as compared with the previous financial year.

Profit for the Year Attributable to the Equity Holders of the Company

The profit attributable to the equity holders of the Company decreased by approximately RMB1.15 billion (approximately 24.0%) from approximately RMB4.80 billion in the previous financial year to approximately RMB3.65 billion for the Year.

Liquidity and Financial Resources

The long-term funding and working capital required by the Group were primarily derived from income generated from core business operations, bank borrowings, loans from intermediate holding company and cash proceeds derived from receipt in advance from the pre-sale of properties, which were used to finance its business operations and investment in construction projects. The Group's liquidity position was well-managed during the Year.

The Group continued to adopt a prudent financing policy and sustain a sound capital structure with healthy cash flow. As at 31 December 2025, the Group's cash at banks and on hand amounted to approximately RMB50.63 billion (as at 31 December 2024: approximately RMB57.26 billion) while total assets and net assets (after deducting non-controlling interests) were approximately RMB368.25 billion and RMB42.1 billion (as at 31 December 2024: approximately RMB412.48 billion and RMB37.56 billion) respectively. As at 31 December 2025, the Group's working capital amounted to approximately RMB130.08 billion (as at 31 December 2024: approximately RMB146.24 billion). As at 31 December 2025, the Group recorded net debt of approximately RMB33.47 billion (as at 31 December 2024: approximately RMB32.58 billion) with net debt to equity ratio of approximately 34.81% (as at 31 December 2024: approximately 31.78%). Approximately 98.4% of cash and bank balances held by the Group was denominated in RMB, and the remaining of approximately 1.6% was denominated in HK dollars.

As at 31 December 2025, the Group had (i) interest-bearing borrowings of approximately RMB38.46 billion denominated in RMB which borne an interest rate ranging from 0.85% to 2.95% per annum (as at 31 December 2024: approximately RMB33.75 billion, with an interest rate ranging from 1.20% to 3.30% per annum); (ii) loans from intermediate holding company of approximately RMB38.85 billion denominated in RMB which borne an interest rate at 4.06% per annum (as at 31 December 2024: approximately RMB50.75 billion, with an interest rate at 4.53% per annum); (iii) the amounts due to non-controlling shareholders of the Company of approximately RMB2.29 billion denominated in RMB which borne an interest rate ranging from 3.00% to 10.00% (as at 31 December 2024: approximately RMB1.30 billion, with an interest rate ranging from 6.00% to 10.00% per annum); and (iv) the amounts due to associates and joint ventures of the Company of approximately RMB4.50 billion denominated in RMB which borne an interest rate ranging from 1.50% to 4.30% (as at 31 December 2024: approximately RMB4.04 billion, with an interest rate ranging from 1.90% to 4.75% per annum) per annum. No particular trend of seasonality was observed for the Group's borrowing requirements for the Year. Approximately 93.1% and 6.9% of the Group's borrowings carried interest on a floating rate basis and fixed rate basis, respectively.

The Group's gearing ratio (total borrowings divided by total equity) as at 31 December 2025 decreased to 87.5% (as at 31 December 2024: 87.6%) due to a decrease in total borrowings during the Year.

Amongst the total borrowings, approximately RMB13.08 billion are repayable within one year while approximately RMB70.74 billion are repayable after one year but within five years.

To manage liquidity risk, the Group monitors and maintains a level of cash and cash equivalents which the management considers to be adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flow. The Group's management also monitors its net current assets/liabilities and the utilisation of borrowings to ensure efficient use of the available banking facilities and compliance with loan covenants.

Financial Guarantee Contracts

The Group had arranged bank financing for certain purchasers of the Group's property units and provided guarantees to secure obligations of such purchasers for repayments. The balance as at 31 December 2025 was approximately RMB19.05 billion (as at 31 December 2024: approximately RMB43.32 billion). The decrease was mainly attributable to the fact that no guarantee was provided by the Group in respect of the pre-sale real estate mortgage commercial loans for sales of new properties during the Year.

Capital Commitments

Capital commitments were contracts that were concluded but not provided for leasehold improvement, prepayments for intended projects that were concluded but not provided for allowance, nor for the construction of properties under development. The capital commitment balance was approximately RMB35.86 billion as at 31 December 2025 (as at 31 December 2024: approximately RMB59.97 billion). The decrease was mainly attributable to the decrease in construction of properties under development that were concluded but not provided for allowance during the Year as compared with 2024.

Pledge of Assets

As at 31 December 2025, the Group's bank loan was secured by legal charges in respect of investment properties with a fair value of approximately RMB557 million (as at 31 December 2024: approximately RMB623 million) and properties under development with carrying value of approximately RMB13.23 billion (as at 31 December 2024: approximately RMB46.44 billion).

Capital Structure

As at 31 December 2025, the Company's issued share capital was HK\$224,015,413.2, divided into 2,240,154,132 ordinary shares (the "Shares") of HK\$0.1 each (as at 31 December 2024: HK\$201,717,763.1, divided into 2,017,177,631 Shares).

Foreign Currency Exposure

The business operations of the Company's subsidiaries were conducted mainly in the PRC with revenues and expenses denominated mainly in RMB.

As at 31 December 2025, except for the bank deposits denominated in foreign currencies, the Group did not have significant foreign currency exposure from its operations.

As the Directors considered the Group's foreign exchange risk to be insignificant, the Group did not use any financial instruments for hedging purposes during the Year.

Contingent Liabilities

As at 31 December 2025, the Group did not have any material contingent liabilities (as at 31 December 2024: Nil).

Significant Investments, Material Acquisitions and Disposals of Subsidiaries, Joint Ventures and Associates

During the Year, the Group did not hold any significant investment or significant securities investment as part of its asset portfolio, or had no material acquisition or disposal of subsidiaries, joint ventures and associates.

Future Plans for Material Investments or Capital Assets

The Board currently does not have any future plans for material investments or capital assets.

Employees and Emolument Policy

As at 31 December 2025, the Group employed a total of 23,153 full-time employees (as at 31 December 2024: 22,069 full-time employees). Total staff costs, including Directors' emoluments and share-based payments, of the Group were approximately RMB4.05 billion for the Year (2024: approximately RMB4.28 billion). The decrease in staff costs was primarily due to a decrease in share-based payments within employee expenses during the Year. The Group reviews the remuneration policies and packages on a regular basis and makes necessary adjustment that commensurate with the remuneration level in the industry. In addition to a basic monthly salary, year-end bonuses are offered to those staff with outstanding performance. The restricted share incentive schemes have been adopted to attract and retain eligible employees to contribute to the Group.

The same remuneration philosophy is also applicable to the Directors. Apart from benchmarking against the market, the Company reviews individual competence, contributions and the affordability of the Company in determining the exact level of remuneration for each Director.

KEY RISK FACTORS AND UNCERTAINTIES

The property market in China is affected by a number of factors, such as changes in social, political, economic and legal environment and the government's undertakings of fiscal, economic, monetary, industrial and environmental policies. Changes in macro-economic conditions, consumer confidence, consumption spending, and consumption preferences may also affect the Group's business. As such, the Group, taking into account the market situations, implements locally differentiated investment and marketing strategies and nurtures a number of projects across different regional markets so as to reduce reliance on individual markets. In addition, the Group's operations are exposed to a variety of idiosyncratic risks in property development, property investment, and property related businesses. Default by buyers and partners, manual and systematic negligence or mistake in internal processes, and other external factors may have impact on operation. In addition to the aforesaid factors, other risk factors and uncertainties may exist.

EVENTS AFTER REPORTING PERIOD

Details of material events affecting the Group after 31 December 2025 are set out in note 15 to this announcement.

PROSPECT

Given the prevailing market conditions, the real estate market is expected to continue to face challenges in achieving stabilisation. However, the industry's development presents both challenges and opportunities. Looking ahead, the Group will stay aligned with market trends, leverage comprehensive budget management as a key instrument, strengthen its core property development business, accelerate the cultivation of a second growth curve, and further enhance synergies across its industrial chain.

(I) Core Property Development Business: Optimizing Existing Projects, Reinforcing The Increments, And Solidifying Core Competitiveness

1. Optimizing existing projects to consolidate the foundation for development

- (1) Strengthening sales collection to secure scale and cash flow:** With market share as a key objective, we will optimize pricing and sales channels to stabilize our core business. We will adhere to the principle of “expenditure based on income” and strengthen cash flow management for individual projects.
- (2) Ensuring high-quality production and delivery to fulfill our quality commitments:** We are committed to guaranteeing delivery and quality, enhancing front-end design and construction coordination, strictly adhering to safety protocols, and achieving our annual delivery targets to uphold our brand and asset value.
- (3) Deepening cost management to improve operational efficiency:** We will promote strategic centralized procurement to optimize the cost structure. Budgetary discipline will be reinforced through full-cycle management and control, bolstering expense management to drive cost control and enhance efficiency.

2. Expanding incremental projects and fostering growth drivers

- (1) Enhancing investment precision:** We will continue to implement a prudent land acquisition strategy to improve the precision and execution of land acquisitions, while ensuring that investment intensity remains appropriately aligned with the Group's asset-liability position. In terms of city selection, we will focus on core cities and seize structural opportunities in opportunistic cities to steadily increase market share.

- (2) **Pre-configuration of products and operational standards:** During the investment stage, we will determine the business logic and product positioning, comprehensively implement residential intelligent-living standards and coordinate with property management services to plan long-term operation strategies, thereby supporting value creation throughout the entire project lifecycle.
- (3) **Full lifecycle cost and value management:** We will strengthen the standardisation of and control over design changes, solidify baseline costs, dynamically monitor inventory value, and enhance the alignment of marketing expenses with sales progress.

3. *Continuous innovation to enhance core competitiveness*

- (1) **Continuous product innovation:** The Group will continue to strengthen its product leadership and differentiated advantages. Guided by flagship projects, we aim to enhance the quality and reputation of standard projects, securing first-mover advantages in market competition, and delivering more “quality homes (好房子)” that earn the recognition of our customers.
- (2) **Continuous technological innovation:** The Group will actively introduce cutting-edge technologies, with a focus on the application in smart buildings and green buildings. By integrating advanced technologies into product design and production processes, we will continuously enhance the technological content of our products to deliver more differentiated product experiences to customers, and meet customers’ growing demand for high-quality living.

(II) Real Estate Industry Chain: Seizing Market Opportunities And Establishing An Industry Chain Synergy Mechanism

The Group will focus on the synergistic development of the real estate industry chain, continuously enhancing the comprehensive service capabilities of sectors such as property management and construction management, thereby improving the scale and operational quality of its second curve businesses. The Group will also strengthen resource sharing and capability complementarity among different sectors to enhance the Group’s resilience against economic cycles, providing solid support for navigating market fluctuations and achieving sustainable development.

In terms of property management, the Group will uphold positive values, maintain a customer-centric approach, solidify foundational services, and enhance value-added services. The Group will strengthen internal and external synergies to explore new consumption opportunities. Through smart initiatives and organizational restructuring, the Group will improve operational capabilities to drive improvements in both efficiency and effectiveness.

In terms of construction management, the Group will deepen business synergy mechanisms, leveraging the localized resource advantages of its business units to target key regional markets in East China, North China, and Southwest China. In terms of business structure, the Group will focus on strategic emerging sectors such as urban revitalization and dual carbon goals, to increase the proportion of new businesses. Regarding service model upgrades, the Group will establish an integrated “Engineering Hospital” service system to provide technical services throughout the entire project lifecycle.

In 2026, the Group will proactively align with national policies and directions, reignite its entrepreneurial passion, and strive for upward breakthroughs with unwavering determination. By optimizing resource allocation, the Group will impress customers with high-quality products and services, and continuously improve its operational system to enhance efficiency through refined operations and innovation, continuously creating greater value for customers, shareholders, partners, and society.

FINAL DIVIDEND

The Board recommended payment of a final dividend of HK\$0.9 per Share for the Year (2024: HK\$1.2 per Share). Shareholders of the Company whose names appear on the register of members of the Company on Wednesday, 3 June 2026 (the “Eligible Shareholders”) may select to receive the final dividend in the form of new Shares in lieu of cash in respect of part or all of such dividend (the “Scrip Dividend Scheme”).

The Scrip Dividend Scheme is subject to the approval of the resolution relating to the payment of the final dividend at the annual general meeting of the Company (the “AGM”) and the Stock Exchange granting the listing of and permission to deal in the new Shares to be issued pursuant thereto.

A circular containing details of the Scrip Dividend Scheme together with the relevant form of election will be sent to the Eligible Shareholders on or around Thursday, 11 June 2026. If approved by the Shareholders, it is expected that the final dividend and certificates for the new Shares (in case the Eligible Shareholders have elected to receive part or all of the final dividend in the form of new Shares) will be distributed and despatched to the Eligible Shareholders on or around Thursday, 16 July 2026.

ANNUAL GENERAL MEETING

The AGM will be held on Wednesday, 27 May 2026. A notice convening the AGM with all other relevant documents will be published and despatched to the Shareholders in due course.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the Shareholders' entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Thursday, 21 May 2026 to Wednesday, 27 May 2026 (both days inclusive). The record date will be Wednesday, 27 May 2026. In order to qualify for attending and voting at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration by 4:30 p.m. on Wednesday, 20 May 2026.

For the purpose of determining the Shareholders' entitlement to the proposed final dividend for the Year, the register of members of the Company will be closed from Tuesday, 2 June 2026 to Wednesday, 3 June 2026 (both days inclusive). The record date will be Wednesday, 3 June 2026. In order to qualify for the final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at the above-mentioned address for registration by 4:30 p.m. on Monday, 1 June 2026.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company had adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules for dealings in securities of the Company by its Directors. The Company has made specific enquiries to all Directors and each of them confirmed that they have complied with the required standard set out in the Model Code for the Year.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high corporate governance standards. It believes that high corporate governance standards are essential in providing a framework for the Company to safeguard the interests of the Shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability. The Company has complied with all the applicable principles and code provisions as set out in Part 2 of the Corporate Governance Code contained in Appendix C1 to the Listing Rules during the Year.

Further information on the Company's corporate governance practices will be set out in the Corporate Governance Report contained in the Company's annual report for the Year, which will be released in due course.

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

Save for the placing of 64,600,000 new Shares completed in August 2025, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities (including the sale of treasury shares) during the Year.

During the Year and as of the date of this announcement, the Company did not have any treasury Shares.

REVIEW OF RESULTS BY AUDIT COMMITTEE

The audit committee of the Company (comprising all independent non-executive Directors, namely Mr. Wong Chi Wai (committee chairman), Mr. Wong Tat Yan, Paul, Mr. Chan Chun Yee and Mr. Dai Yiyi) has reviewed with management the consolidated financial statements of the Company for the Year.

SCOPE OF WORK OF THE AUDITOR

The figures in respect of the preliminary announcement of the Group's results for the year ended 31 December 2025 have been agreed by the Group's auditor, Grant Thornton Hong Kong Limited (the "Auditor"), to the amounts set out in the Group's draft consolidated financial statements for the Year. The work performed by the Auditor 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 Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by the Auditor on the preliminary announcement.

ANNUAL REPORT

The annual report of the Company for the year ended 31 December 2025 will be despatched to the Shareholders who requested for a printed copy and available on the respective websites of the Stock Exchange and the Company in due course.

APPRECIATION

We would like to take this opportunity to express our sincere gratitude to the Shareholders for their continuing support, and our appreciation to all staff members for the dedication and loyalty to the Group.

By Order of the Board
C&D International Investment Group Limited
Lin Weiguo
Chairman and Executive Director

Hong Kong, 25 March 2026

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

Executive Directors:

Mr. Lin Weiguo (*Chairman*)
Mr. Tian Meitan (*Chief Executive Officer*)
Ms. Zhao Chengmin
Mr. Xu Yixuan

Non-executive Directors:

Mr. Xu Xiaoxi
Ms. Ye Yanliu

Independent Non-executive Directors:

Mr. Wong Chi Wai
Mr. Wong Tat Yan, Paul
Mr. Chan Chun Yee
Mr. Dai Yiyi

This announcement is prepared in both English and Chinese. In the event of inconsistency, the English text of the announcement shall prevail over the Chinese text.

* *denotes English translation of the name of a Chinese company, entity or place and is provided for identification purpose only*