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**GUANGDONG LAND HOLDINGS LIMITED**  
**粤海置地控股有限公司**  
*(Incorporated in Bermuda with limited liability)*  
**(Stock Code: 00124)**

**2025 Annual Results Announcement**  
**and**  
**Proposed Change of Auditor**

**HIGHLIGHTS**

	Year ended 31 December		Change
	2025	2024	
Revenue (HK\$'000)	<b>8,571,375</b>	6,759,320	+26.8%
Gross profit (HK\$'000)	<b>2,787,183</b>	780,248	+257.2%
Fair value losses on investment properties (HK\$'000)	<b>(520,824)</b>	(44,942)	+1058.9%
Loss attributable to owners of the Company (HK\$'000)	<b>(590,249)</b>	(1,382,983)	-57.3%
Basic loss per share (HK cents)	<b>(34.49)</b>	(80.80)	-57.3%
Proposed final dividend (HK cents)	-	-	N/A
	As at 31 December 2025	As at 31 December 2024	Change
Current ratio	<b>1.4 times</b>	1.5 times	-6.7%
Gearing ratio <sup>1</sup>	<b>399.9%</b>	402.9%	-3.0 ppt
Total assets (HK\$ million)	<b>33,553</b>	40,560	-17.3%
Net asset value per share <sup>2</sup> (HK\$)	<b>1.78</b>	2.08	-14.4%
Number of employees	<b>291</b>	376	-22.6%
Notes:			
1. Gearing ratio = (Interest-bearing loans + Lease liabilities - Cash and cash equivalents - Pledged deposit) ÷ Net assets			
2. Net asset value per share = Equity attributable to owners of the Company ÷ Number of issued shares			

## FINANCIAL RESULTS

The board of directors (the “**Board**”) of Guangdong Land Holdings Limited (the “**Company**”) announces the consolidated results of the Company and its subsidiaries (the “**Group**”) for the year ended 31 December 2025 together with comparative figures for 2024 as follows:

### Consolidated Statement of Profit or Loss For the year ended 31 December 2025

	<i>Notes</i>	<b>2025</b> <b>HK\$'000</b>	<b>2024</b> <b>HK\$'000</b>
<b>Revenue</b>	4	<b>8,571,375</b>	6,759,320
Cost of sales		<b>(5,784,192)</b>	(5,979,072)
Gross profit		<b>2,787,183</b>	780,248
Other income	4	<b>721</b>	1,242
Other losses, net	4	<b>(1,533,976)</b>	(1,046,539)
Fair value losses on investment properties		<b>(520,824)</b>	(44,942)
Selling and marketing expenses		<b>(225,976)</b>	(284,347)
Administrative expenses		<b>(118,053)</b>	(204,126)
Operating profit/(loss)		<b>389,075</b>	(798,464)
Finance income	5	<b>17,879</b>	41,000
Finance costs	5	<b>(420,041)</b>	(388,614)
Finance costs, net		<b>(402,162)</b>	(347,614)
Loss before tax	6	<b>(13,087)</b>	(1,146,078)
Income tax expense	7	<b>(628,775)</b>	(350,725)
<b>Loss for the year</b>		<b>(641,862)</b>	(1,496,803)
Attributable to:			
Owners of the Company		<b>(590,249)</b>	(1,382,983)
Non-controlling interests		<b>(51,613)</b>	(113,820)
<b>Loss for the year</b>		<b>(641,862)</b>	(1,496,803)
<b>Loss per share</b>			
Basic and diluted	8	<b>HK(34.49) cents</b>	HK(80.80) cents

**Consolidated Statement of Comprehensive Income**  
**For the year ended 31 December 2025**

	2025 HK\$'000	2024 HK\$'000
<b>Loss for the year</b>	<b>(641,862)</b>	<b>(1,496,803)</b>
<b>Other comprehensive income</b>		
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent year:</i>		
Equity investments designated at fair value through other comprehensive income - net movement in fair value reserves	(4,630)	1,520
<i>Other comprehensive income to be reclassified to profit or loss in subsequent year:</i>		
Exchange differences on translation of Chinese Mainland operations	106,489	(122,029)
<b>Total comprehensive income for the year</b>	<b>(540,003)</b>	<b>(1,617,312)</b>
<b>Attributable to:</b>		
Owners of the Company	(507,938)	(1,482,320)
Non-controlling interests	(32,065)	(134,992)
<b>Total comprehensive income for the year</b>	<b>(540,003)</b>	<b>(1,617,312)</b>

**Consolidated Statement of Financial Position**  
**As at 31 December 2025**

	<i>Note</i>	2025 HK\$'000	2024 HK\$'000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment		64,763	76,517
Right-of-use assets		6,466	3,034
Intangible assets		18,027	17,584
Investment properties		8,419,542	8,871,756
Equity investments designated at fair value through other comprehensive income		36,579	41,209
Other receivables		-	5,934
Deferred tax assets		223,448	355,939
<b>Total non-current assets</b>		<b>8,768,825</b>	<b>9,371,973</b>
<b>Current assets</b>			
Completed properties held for sale		11,701,959	12,849,321
Properties held for sale under development		8,562,376	13,146,472
Contract costs		63,121	73,556
Trade receivables, other receivables and prepayments		548,298	916,622
Tax recoverable		552,991	790,521
Restricted bank balances		188,909	2,086,729
Cash and cash equivalents		3,166,769	1,324,980
<b>Total current assets</b>		<b>24,784,423</b>	<b>31,188,201</b>
<b>Total assets</b>		<b>33,553,248</b>	<b>40,560,174</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables and accruals	<i>10</i>	(3,409,875)	(4,123,729)
Contract liabilities		(5,972,326)	(9,385,824)
Lease liabilities		(6,454)	(2,539)
Tax payable		(886,603)	(826,432)
Bank and other borrowings		(1,526,783)	(1,925,917)
Loans from related parties		(5,355,765)	(3,913,876)
<b>Total current liabilities</b>		<b>(17,157,806)</b>	<b>(20,178,317)</b>
<b>Net current assets</b>		<b>7,626,617</b>	<b>11,009,884</b>

**Consolidated Statement of Financial Position (continued)****As at 31 December 2025**

	2025 HK\$'000	2024 HK\$'000
<b>Total assets less current liabilities</b>	<b>16,395,442</b>	<b>20,381,857</b>
<b>Non-current liabilities</b>		
Bank and other borrowings	(8,738,119)	(9,820,071)
Loans from related parties	(2,648,183)	(4,790,823)
Lease liabilities	(248)	(671)
Deferred tax liabilities	(1,213,796)	(1,408,310)
Other payables	(16,568)	(16,161)
<b>Total non-current liabilities</b>	<b>(12,616,914)</b>	<b>(16,036,036)</b>
<b>Total liabilities</b>	<b>(29,774,720)</b>	<b>(36,214,353)</b>
<b>Net assets</b>	<b>3,778,528</b>	<b>4,345,821</b>
<b>Equity</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	171,154	171,154
Reserves	2,877,676	3,385,614
	<b>3,048,830</b>	<b>3,556,768</b>
Non-controlling interests	729,698	789,053
<b>Total equity</b>	<b>3,778,528</b>	<b>4,345,821</b>

*Notes:*

**(1) General Information**

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The principal place of business of the Company is located at Office B, 26th Floor, Guangdong Investment Tower, 148 Connaught Road Central, Hong Kong.

The directors consider the ultimate holding company of the Company to be Guangdong Holdings Limited (廣東粵海控股集團有限公司) (“**Guangdong Holdings**”). Guangdong Holdings is a company established in the People’s Republic of China (the “**PRC**”). The immediate parent of the Company is GDH Limited (“**GDH**”). GDH is a private company incorporated in Hong Kong.

During the year, the Group was involved in property development and investment businesses.

The Company’s shares are listed on The Stock Exchange of Hong Kong Limited (“**Hong Kong Stock Exchange**”).

## (2) Basis of Preparation

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

The HKICPA has issued certain amendments to HKFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. The Group has applied the following amendments to HKFRSs issued by the HKICPA to the consolidated financial statements for the current accounting period:

- Amendments to HKAS 21, The effects of changes in foreign exchange rates – Lack of exchangeability

None of these developments have had a material effect on how the Group’s results and financial position for the current or prior periods have been prepared or presented in the consolidated financial statements. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis except that the following assets are stated at their fair value:

- investment property, including interests in leasehold land and buildings held as investment property where the Group is the registered owner of the property interest; and
- investments in equity securities.

### **(3) Segment Information**

For management purposes, the Group is organised into business units based on the projects and has three reportable segments as follows:

- (a) the property development segment;
- (b) the property investment segment, that consists of property investment, leasing and management operations; and
- (c) the other segment consists of corporate and other income and expense items.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about the resource allocation and performance assessment. Segment performance is evaluated based on reportable segment result, which is a measure of adjusted profit before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit/loss before tax except that finance and interest income and finance cost are excluded from such measurement.

Segment assets exclude deferred tax assets as these assets are managed on a group basis.

Segment liabilities exclude deferred tax liabilities as these liabilities are managed on a group basis.

The bank and other borrowings pledged by the assets of the property investment segment used in financing the property development activities were considered as segment liabilities in property development segment by management.

During the current and prior years, there were no intersegment transactions.

(3) **Segment Information** (continued)

	Property development HK\$'000	Property investment HK\$'000	Others HK\$'000	Total HK\$'000
<b>Year ended 31 December 2025</b>				
<b>Segment revenue:</b>				
Sales to external customers	<b>8,509,878</b>	<b>61,497</b>	-	<b>8,571,375</b>
<b>Segment results</b>	<b>907,892</b>	<b>(513,831)</b>	<b>(4,986)</b>	<b>389,075</b>
Reconciliation:				
Finance income				<b>17,879</b>
Finance costs				<b>(420,041)</b>
Loss before tax				<b>(13,087)</b>
<b>Other information</b>				
Write down of completed properties held for sale and properties held for sale under development	<b>(1,541,957)</b>	-	-	<b>(1,541,957)</b>
Fair value losses on investment properties	-	<b>(520,824)</b>	-	<b>(520,824)</b>
Depreciation and amortisation	<b>(19,751)</b>	-	<b>(1,821)</b>	<b>(21,572)</b>
Capital expenditure	<b>(2,655)</b>	-	<b>(15)</b>	<b>(2,670)</b>

(3) **Segment Information** (continued)

	Property development HK\$'000	Property investment HK\$'000	Others HK\$'000	Total HK\$'000
<b>Year ended 31 December 2024</b>				
<b>Segment revenue:</b>				
Sales to external customers	6,720,693	38,627	-	6,759,320
<b>Segment results</b>	<b>(699,035)</b>	<b>(77,403)</b>	<b>(22,026)</b>	<b>(798,464)</b>
Reconciliation:				
Finance income				41,000
Finance costs				(388,614)
Loss before tax				(1,146,078)
<b>Other information</b>				
Write down of completed properties held for sale and properties held for sale under development	(1,063,659)	-	-	(1,063,659)
Fair value losses on investment properties	-	(44,942)	-	(44,942)
Depreciation and amortisation	(27,626)	-	(1,950)	(29,576)
Capital expenditure	(6,037)	-	(6)	(6,043)

(3) **Segment Information** (continued)

	Property development HK\$'000	Property investment HK\$'000	Others HK\$'000	Total HK\$'000
<b>As at 31 December 2025</b>				
<b>Segment assets</b>	<b>24,532,842</b>	<b>8,714,348</b>	<b>82,610</b>	<b>33,329,800</b>
Reconciliation:				
Unallocated assets				<b>223,448</b>
<b>Total assets</b>				<b>33,553,248</b>
<b>Segment liabilities</b>	<b>(28,093,233)</b>	<b>(23,383)</b>	<b>(444,308)</b>	<b>(28,560,924)</b>
Reconciliation:				
Unallocated liabilities				<b>(1,213,796)</b>
<b>Total liabilities</b>				<b>(29,774,720)</b>
<b>As at 31 December 2024</b>				
<b>Segment assets</b>	<b>30,833,873</b>	<b>9,143,906</b>	<b>226,456</b>	<b>40,204,235</b>
Reconciliation:				
Unallocated assets				<b>355,939</b>
<b>Total assets</b>				<b>40,560,174</b>
<b>Segment liabilities</b>	<b>(33,915,843)</b>	<b>(17,531)</b>	<b>(872,669)</b>	<b>(34,806,043)</b>
Reconciliation:				
Unallocated liabilities				<b>(1,408,310)</b>
<b>Total liabilities</b>				<b>(36,214,353)</b>

Geographical information

Revenue and non-current assets information is based on the locations of the customers and the locations of the assets. As the Group's major operations are principally located in Chinese Mainland, no further geographical segment information is provided.

Information about major customers

In 2025, the Group's customer base is diversified and includes one (2024: one) customer with whom transactions of HK\$889,369,000 (2024: HK\$768,461,000) have exceeded 10% of the Group's revenue.

#### (4) Revenue, Other Income and Other Losses, Net

An analysis of revenue, other income and other (losses)/gains, net is as follows:

	2025 HK\$'000	2024 HK\$'000
<b>Revenue</b>		
From contract with customers:		
- Sale of properties recognised at a point in time	8,509,878	6,720,693
From other sources:		
- Rental income	61,497	38,627
	<b>8,571,375</b>	<b>6,759,320</b>
<b>Other income</b>		
Entrusted management services income	721	1,242
<b>Other losses, net</b>		
Write down of completed properties held for sale and properties held for sale under development	(1,541,957)	(1,063,659)
(Loss)/gain on disposal of property, plant and equipment and right-of-use assets	(2,293)	695
Exchange losses, net	(3,242)	(5,018)
Sales deposits forfeiture	2,118	5,742
Others	11,398	15,701
	<b>(1,533,976)</b>	<b>(1,046,539)</b>

(5) **Finance Income/Costs**

	2025 HK\$'000	2024 HK\$'000
<b>Finance income</b>		
- bank interest income	17,879	41,000
<b>Finance costs</b>		
- interest expenses on bank borrowings	395,561	421,827
- interest expenses on other borrowings	271,854	518,093
- others	313	823
Total finance costs incurred	667,728	940,743
Less: amount capitalised in property development projects	(247,687)	(552,129)
Total finance costs expensed	420,041	388,614

For the year ended 31 December 2025, the capitalised interest rate applied to funds borrowed and used for the development of properties is between 1.93% and 5.80% (2024: 2.25% and 6.81%) per annum.

**(6) Loss Before Tax**

The Group's loss before tax is arrived at after charging/(crediting):

	<b>2025</b>	2024
	<b>HK\$'000</b>	HK\$'000
Carrying amount of inventory sold	<b>5,734,552</b>	5,934,403
Depreciation and amortisation	<b>21,572</b>	29,576
Rental expenses (short-term leases)	<b>1,751</b>	381
Taxes and surcharges	<b>45,085</b>	27,383
Auditor's remuneration		
- audit services	<b>1,680</b>	1,740
- non-audit services	<b>1,280</b>	1,320
Directors' emoluments	<b>6,180</b>	5,309
Rentals income from investment properties	<b>(41,430)</b>	(20,432)
Less: direct outgoings	<b>29,197</b>	37,700
	<b>(12,233)</b>	17,268
Staff costs for the year		
- wages and salaries	<b>110,247</b>	143,821
- contributions to defined contribution schemes	<b>18,201</b>	27,902
- reversal of bonus accrual brought forward	<b>(86,963)</b>	(30,315)
	<b>41,485</b>	141,408
Less: amount capitalised in property development projects	<b>12,902</b>	27,021
Total staff costs expensed	<b>28,583</b>	114,387

## (7) Income Tax Expense

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the year (2024: Nil). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates. PRC corporate income tax has been provided at the rate of 25% (2024: 25%) on the estimated assessable profit for the year. Withholding tax has been provided at the rate of 10% (2024: 5%) on the dividend distribution made by subsidiaries in the Chinese Mainland.

Land appreciation tax (“LAT”) has been provided in accordance with the requirements set forth in the relevant PRC laws and regulations. LAT has been provided at ranges of progressive rates of the appreciation values, with certain allowable deductions.

	2025 HK\$'000	2024 HK\$'000
Current tax		
- PRC corporate income tax	482,398	(165,016)
- PRC LAT	222,825	(229,676)
- Withholding tax	10,839	9,940
Deferred tax	(87,287)	735,477
	<b>628,775</b>	<b>350,725</b>

## (8) Loss per Share Attributable to Owners of the Company

The calculation of the basic loss per share amount is based on the loss for the year attributable to owners of the Company of HK\$590,249,000 (2024: HK\$1,382,983,000) and the number of ordinary shares of 1,711,536,850 (2024: 1,711,536,850) in issue during the year.

The Group had no potentially dilutive ordinary shares in issue during the year ended 31 December 2025 and 2024.

## (9) Dividend

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

## (10) Trade and Other Payables and Accruals

The Group's trade and other payables and accruals are non-interest bearing, except for bills payables are interest-bearing. Included in the Group's trade and other payables and accruals as at 31 December 2025 are trade and bills payables of HK\$42,691,000 (2024: HK\$44,976,000). An aging analysis of the Group's trade and bills payables as at the end of the reporting period, based on the payment due date, is as follows:

	<b>31 December 2025 HK\$'000</b>	31 December 2024 HK\$'000
Within 3 months	<b>42,691</b>	44,976

## (11) Guarantees

As at 31 December 2025, the Group provided guarantees to certain banks in respect of mortgages granted by banks relating to the mortgage loans arranged for purchasers of the Group's properties. Pursuant to the terms of the guarantees, upon default in mortgage payments by any of these purchasers, the Group is responsible for repaying the outstanding mortgage principals together with the accrued interest and penalties owed by the defaulting purchasers to the banks, and the Group is entitled but not limited to take over the legal titles and possession of the related properties. The Group's guarantee period starts from the dates of grant of the relevant mortgage loans and ends upon issuance of the real estate ownership certificates. As at 31 December 2025, the Group's outstanding guarantees amounted to HK\$3,183,256,000 (2024: HK\$4,709,488,000) in respect of these guarantees.

## CHAIRMAN’S STATEMENT

In 2025, the economy of the mainland of the People’s Republic of China (the “**PRC**”) (“**Chinese Mainland**”) faced adverse conditions including severe disruptions to the global economic and trade order and growing pains in the transition from old to new growth drivers. Through the implementation of more proactive macroeconomic policies, the national economy persevered under pressure, moving toward new directions and higher quality, achieving new progress in high-quality development and demonstrating remarkable resilience and vitality. In 2025, the aggregate gross domestic product (“**GDP**”) of the PRC amounted to RMB140.19 trillion, representing a year-on-year growth of 5.0% at constant prices; while GDP per capita amounted to RMB99,700, with per capita disposable income of residents increased by 5.0% in nominal terms as compared to the previous year.

In 2025, the central government adjusted its real estate policies from “stopping decline and stabilising recovery” to “focusing on stabilising the market”, with greater emphasis on the stable operation of the real estate market. Since the Government Work Report in March 2025 included “ensuring stability in the property and stock markets” in its overall requirements and emphasised the importance of stabilising residents’ asset prices across all macro-control areas, a dual-track policy system featuring “short-term stopping decline and stabilising recovery and long-term high-quality development” has been gradually established. In June, Executive Meeting of the State Council emphasised “stabilising expectations, stimulating demand, optimising supply, mitigating risks, and exerting greater efforts to halt the decline and stabilise the real estate market”; In July, Central Urban Work Conference set the tone that “China’s urbanisation is transitioning from a period of rapid expansion to one of stable development, while urban development is shifting from large-scale incremental expansion to a phase focused on enhancing the quality and efficiency of existing stock”; In October, “15th Five-Year Plan” proposal explicitly called for “promoting high-quality development in the real estate”; In December, Central Economic Work Conference reiterated the need to focus on stabilising the real estate market, implementing city-specific measures to control new construction, reduce inventory, and optimise supply, deepening reforms of the housing provident fund system, and orderly advancing the construction of “quality housing”. We believe that the central government will maintain policy continuity in easing and remain determined to underpin and stabilise the market in 2026. If the “formulation and implementation of an income increase plan for urban and rural residents” first proposed at the Central Economic Work Conference in December can be effectively implemented, housing demand from both owner-occupied and upgraders may further materialise.

According to the National Bureau of Statistics, in 2024, the gross floor area (“**GFA**”) of newly built commodity housing sold in the PRC was approximately 881 million square metres (“**sq. m.**”), representing a decrease of 8.7% as compared to the previous year; and the sales revenue of newly built commodity housing sold were approximately RMB8.39 trillion, representing a decrease of 12.6% as compared to the previous year. Amidst sustained policy efforts to promote industry-wide stabilisation and recovery, the real estate market in the Guangdong-Hong Kong-Macao Greater Bay Area (the “**Greater Bay Area**”) underwent a bottoming-out process across both supply and demand sides. According to data released by CRIC, new residential house supply of nine cities in Greater Bay Area decreased by 24% as compared to the previous year, and their transactions had a decline of 17% as compared to the previous year. The annual supply of operating land had a year-on-year increase of 1%, and the transactions had an increase of 10% as compared to the previous year. This is mainly due to the context of inventory reduction, where land sales have become more focused on “controlling quantity and improving quality”, leading to improvements in both transaction volume and the rate of unsold land compared to the previous year.

## **CHAIRMAN’S STATEMENT** (continued)

In 2025, amid the complex and challenging industry environment, the Group demonstrated strong strategic resolve and the ability to overcome difficulties, effectively safeguarding the fundamentals of its operational development. In terms of sales and destocking, we flexibly adjusted our volume and pricing strategies to accelerate project launches, continuously improved customer visit and delivery experiences, and strove to speed up the disposal of the saleable portion of our inventory projects. In terms of cost control, we pursue excellence in cost reduction and efficiency enhancement, strengthen the rigidity of budget constraints, and continuously reduce expense outlays. In terms of financial and capital management, we effectively controlled financial costs and improved capital utilisation efficiency. The Guangzhou GDH Future City Project obtained a property loan facility of RMB350 million with a term of 10 years. In terms of safety production, we have consistently adhered to the fundamental principle of “putting people first and prioritising life above all else”, and practiced the core philosophy of “safety before production, development with safety”. We have further advanced various safety management practices, fully prevented and defused major safety risks, and built a solid safety foundation for the smooth implementation of the Group’s annual business objectives.

### **Results**

During the year under review, the Group was engaged in property development and investment businesses. The Group currently holds a number of property development projects and certain investment properties in the Greater Bay Area.

In 2025, the Group recorded a revenue of approximately HK\$8,571 million (2024: HK\$6,759 million), representing an increase of approximately 26.8% from the previous year. The Group recorded a loss attributable to owners of the Company for the year under review of approximately HK\$590 million (2024: HK\$1,383 million).

For the year under review, the increase in revenue was mainly attributable to the increase in the GFA delivered of Guangzhou GDH Future City Project with higher gross profit margins, as compared to the previous year. For details of the Group’s property sales in 2025, please refer to the section headed “Business Review” in the Management Discussion and Analysis. As a result of the aforesaid reason, the Group recorded a decrease in loss attributable to owners of the Company during the year under review.

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

### **Business Review**

In 2025, the policy environment for the real estate industry maintained a loosening trend. The central government continued to ease restrictions and cut interest rates, while local policies of “city-specific approaches and differentiated guidance” became more precise and flexible. However, the lack of significant improvement in residents’ expectations for employment and income remained a key issue, and the current market still faced the triple challenges of supply-demand imbalance, high inventory levels and weak market expectations. The Group adopted targeted measures to optimise its inventory structure, pursued innovative marketing strategies and sales tools while upholding sound business principles, and successfully achieved its annual rental and sales conversion targets.

## **CHAIRMAN’S STATEMENT** (continued)

The Group anchored its vision of becoming “an influential integrated urban development expert in the Greater Bay Area” and achieved an annual revenue of approximately HK\$8.6 billion for the full year. In 2025, the sales and destocking performance of projects including Guangzhou GDH Future City, Shenzhen GDH City and Huizhou One Mansion ranked among the top in their respective regions. Commercial asset operations remained stable overall. Shenzhen GDH City Project Office Building continues to pursue a business strategy centered on targeted tenant recruitment and meticulous operations, focusing on attracting high-quality clients. Meanwhile, the Group continued to advance the exploration of diversified operation of commercial and office assets. Leveraging its full-cycle commercial asset management system, it implemented differentiated and precision-targeted operational strategies tailored to the regional market characteristics and development and operation rhythms of each commercial and office project. Guided by the objectives of shaping brand image, enhancing asset value, integrating high-quality resources, strengthening market expansion, optimising customer service, and refining the operational ecosystem, we continuously enhance project resilience and profitability while consistently improving overall operational efficiency.

### **Outlook**

In 2026, despite the deepening impact of evolving external environment, the prominent contradiction between strong supply and weak demand in the domestic market, and relatively high risks and hidden dangers in key sectors, China's economy boasts solid foundations, multiple strengths, strong resilience and vast potential. The supporting conditions and underlying long-term positive trend of its development remain unchanged, with opportunities still outweighing challenges. Recently, professional institutions forecast that the real GDP growth of the PRC will reach 4.8% in 2026. Overall, the Chinese government will remain steadfast in its confidence and resolve, build consensus, strengthen its capabilities, enhance innovation-driven development, deepen reform and opening-up, and continuously fortify the domestic economic cycle. This will drive the economy toward achieving qualitative improvement and reasonable quantitative growth, ensuring a strong start to the “15th Five-Year Plan” period.

In December 2025, the Central Economic Work Conference stressed that economic work for the next year should “seek progress while maintaining stability and pursue high-quality development and efficiency” and “strengthen counter-cyclical and cross-cyclical adjustment”, indicating that macroeconomic policies in 2026 will continue the “more proactive and effective” stance. At the same time, the Conference emphasised the need to focus on stabilising the real estate market, implementing city-specific measures to control new supply, reduce inventory, and optimise supply. It encouraged the acquisition of existing commercial housing stock, with a focus on using it for affordable housing and other purposes. Deepening reforms to the housing provident fund system and orderly advancing the construction of “quality housing”. Accelerating the establishment of a new real estate development model indicates that “stabilising the property market” remains the top priority for real estate sector in 2026, reaffirming the sector's status as a “vital component of the economy”. Overall, in 2026, the Chinese government’s resolve to “stabilising the property market” will further strengthen. It is expected to implement city-specific measures with greater precision and flexibility, accelerate the reduction of existing inventory, resolve current risks, promote the orderly construction of “quality housing”, and expedite the establishment of a new model for real estate development.

## CHAIRMAN'S STATEMENT (continued)

Since the implementation of 《粵港澳大灣區發展規劃綱要》 (The Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area) entered its sixth year, the region has demonstrated remarkable economic resilience and robust innovation-driven momentum. Moving forward, we will further deepen our study and implementation of the guiding principles from General Secretary Xi Jinping's important speech and directives during his inspection tour of Guangdong. We will steadfastly pursue the goal of building a dynamic and internationally competitive first-class bay area and world-class urban cluster. Working in concert and advancing steadily, we will strive to achieve breakthroughs in key areas and promote comprehensive progress, thereby injecting robust momentum into China's high-quality development. The improvement-driven demand in the Greater Bay Area housing market is expected to remain effectively supported through 2026. Market expectations suggest the market will further stabilise and build a foundation for recovery, underpinned by more robust policy coordination and long-term positive economic fundamentals. The Group holds projects including Shenzhen GDH City, Guangzhou GDH Future City, Guangzhou Laurel House, Foshan Laurel House, Foshan One Mansion, Zhuhai Laurel House, Zhongshan GDH City, Jiangmen GDH City, Jiangmen One Mansion, and Huizhou One Mansion and other projects are all located in core cities of the Greater Bay Area. As the Greater Bay Area further implements key measures for high-quality development and accelerates the construction of a first-class livable home, these projects will benefit from the region's favorable development momentum.

In 2026, the Group will closely align with market dynamics, establish a rapid response mechanism, achieve precise stocking and pricing balance, and strive to accelerate inventory clearance amid market fluctuations. Balance rents and occupancy rates with a focus on value maximisation, effectively attract and retain tenants; build trust through robust delivery capabilities and foster long-term connections with warm, attentive service. Establish a dual-engine development model driven by "quality + service", continuously enhance customer satisfaction and brand reputation to empower sales. We will persistently pursue revenue growth and cost reduction while enhancing efficiency. Prudently selecting opportunities to replenish high-value land reserves, we strive to achieve a strong start for the "15th Five-Year Plan".

Last but not least, on behalf of the Board, I would like to acknowledge the contribution by management and staff to the Group over the previous year. Under the leadership of the Board, the Group is confident in the prospect of its business development and will actively promote the high-quality development of its property business in order to create greater returns for its shareholders as we did in the past.

**ZHONG Yubin**  
*Chairman*

Hong Kong, 26 March 2026

# MANAGEMENT DISCUSSION AND ANALYSIS

## RESULTS

The consolidated revenue of the Group for 2025 amounted to approximately HK\$8,571 million (2024: HK\$6,759 million), representing an increase of approximately 26.8% from the previous year. The increase in revenue was mainly attributable to the increase in the GFA delivered of Guangzhou GDH Future City Project with higher gross profit margins. Please refer to the section headed “Business Review” hereof for details of the Group’s property sale in 2025. During the year under review, the Group recorded a loss attributable to owners of the Company of approximately HK\$590 million (2024: HK\$1,383 million).

The major factors that affected the aforesaid results of the Group for the year ended 31 December 2025 include the following:

- (a) the properties delivered of the Group during the year under review were mainly the Guangzhou GDH Future City Project, the Shenzhen GDH City (Northern Land) Project, the Huizhou One Mansion Project and the Foshan Laurel House Project, among which the Guangzhou GDH Future City Project had higher gross profit margins, therefore the profit derived from the sale of properties increased as compared to 2024;
- (b) due to the latest real estate market conditions, the Group made provision for inventory impairment of approximately HK\$1,542 million (2024: HK\$1,064 million) during the year under review due to signs of impairment in some of the Group’s property projects; and
- (c) during the year under review, the Group recorded fair value losses on investment properties (net of the relevant deferred tax expense) of approximately HK\$391 million (2024: HK\$33.71 million).

# MANAGEMENT DISCUSSION AND ANALYSIS (continued)

## BUSINESS REVIEW

### General Information of the Projects

Name of the property project	Status	Use	Interest held by the Group	Approximate GFA of project (sq. m.)	Approximate GFA included in calculation of plot ratio* (sq. m.)	Expected completion and filing date
<b>Shenzhen City</b>						
Shenzhen GDH City (Northwestern Land)	Completed	Business apartment/ Commercial	100%	167,376	122,083	N/A
Shenzhen GDH City (Northern Land)	Completed	Commercial/ Offices	100%	219,864	153,126	N/A
Shenzhen GDH City (Southern Land)	Completed	Commercial/ Offices	100%	255,373	206,618	N/A
<b>Guangzhou City</b>						
Guangzhou GDH Future City	Sale in progress	Residential/ Business apartment/ Commercial/ Offices	100%	726,990	506,000	2028
Guangzhou Laurel House	Completed	Car-parking spaces	100%	N/A	N/A	N/A
Ruyingju	Completed	Car-parking spaces	80%	N/A	N/A	N/A
Baohuaxuan	Completed	Car-parking spaces	100%	N/A	N/A	N/A
<b>Foshan City</b>						
Foshan Laurel House	Completed	Residential	100%	203,171	151,492	N/A
Foshan One Mansion	Sale in progress	Residential/ Commercial/Offices	51%	154,414	118,122	2026
<b>Zhuhai City</b>						
Zhuhai Laurel House	Sale in progress	Residential/ Commercial	100%	248,598	167,278	2026
<b>Zhongshan City</b>						
Zhongshan GDH City	Sale in progress	Residential	97.64%	321,456	247,028	2026
<b>Jiangmen City</b>						
Jiangmen One Mansion	Completed	Residential/ Business apartment/ Commercial	100%	222,708	164,216	N/A
Jiangmen GDH City (Land No. 3)	Completed	Residential	51%	163,181	122,331	N/A
Jiangmen GDH City (Land No. 4)	Sale in progress	Residential/ Business apartment/ Commercial	51%	299,029	207,419	2029
Jiangmen GDH City (Land No. 5)	To be developed	Residential	51%	89,201	63,150	2029
<b>Huizhou City</b>						
Huizhou One Mansion	Completed	Residential/ Business apartment/ Commercial	100%	140,163	92,094	N/A
Huizhou Huiyang Lijiang Garden	Completed	Car-parking spaces	100%	N/A	N/A	N/A

\*Note: Including (1) underground commercial area of the Shenzhen GDH City Project with a GFA of 30,000 sq. m.; and (2) common area and area transfer to the government of each project.

## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

### Sales of the Projects

Name of the property project	Approximate GFA available for sale (sq. m.)	Approximate GFA contracted		The proportion of accumulated GFA contracted to GFA available for sale	Approximate GFA delivered		The proportion of accumulated GFA delivered to GFA available for sale
		Year under review (sq. m.)	Accumulated (sq. m.)		Year under review (sq. m.)	Accumulated (sq. m.)	
<b>Shenzhen City</b>							
Shenzhen GDH City (Northwestern Land)	114,986	8,050	112,962	98.2%	8,050	112,962	98.2%
Shenzhen GDH City (Northern Land)	84,246	48,298	84,246	100.0%	48,298	84,246	100.0%
<b>Guangzhou City</b>							
Guangzhou GDH Future City	491,197	37,791	165,948	33.8%	63,196	78,529	16.0%
Guangzhou GDH Future City (Car-parking spaces)	64,734	5,423	5,423	8.4%	N/A	N/A	N/A
Guangzhou Laurel House (Car-parking spaces)	2,764	13	2,711	98.1%	13	2,711	98.1%
Ruyingju (Car-parking spaces)	8,052	36	6,718	83.4%	36	6,718	83.4%
Baohuaxuan (Car-parking spaces)	245	-	38	15.5%	-	38	15.5%
<b>Foshan City</b>							
Foshan Laurel House	146,382	18,529	116,814	79.8%	32,118	110,148	75.2%
Foshan Laurel House (Car-parking spaces)	9,914	1,832	6,932	69.9%	2,201	6,525	65.8%
Foshan One Mansion	117,692	20,177	58,545	49.7%	16,343	16,343	13.9%
<b>Zhuhai City</b>							
Zhuhai Laurel House	145,773	19,356	101,157	69.4%	19,750	92,435	63.4%
<b>Zhongshan City</b>							
Zhongshan GDH City	236,728	18,476	123,441	52.1%	20,914	112,417	47.5%
<b>Jiangmen City</b>							
Jiangmen One Mansion	158,407	7,920	153,520	96.9%	16,127	149,436	94.3%
Jiangmen One Mansion (Car-parking spaces)	37,574	777	11,482	30.6%	1,643	11,285	30.0%
Jiangmen GDH City (Land No. 3)	119,334	7,970	112,653	94.4%	9,936	108,719	91.1%
Jiangmen GDH City (Land No. 3) (Car-parking spaces)	29,895	1,183	11,819	39.5%	1,562	11,171	37.4%
Jiangmen GDH City (Land No. 4)	204,229	19,606	71,115	34.8%	21,122	66,530	32.6%
Jiangmen GDH City (Land No. 4) (Car-parking spaces)	40,403	2,387	2,387	5.9%	1,696	1,696	4.2%
Jiangmen GDH City (Land No. 5)	42,254	N/A	N/A	N/A	N/A	N/A	N/A
<b>Huizhou City</b>							
Huizhou One Mansion	89,239	18,597	43,384	48.6%	39,424	39,424	44.2%
Huizhou Huiyang Lijiang Garden (Car-parking spaces)	1,504	13	242	16.1%	13	242	16.1%

## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

During the year under review, the Group's properties recorded the total GFA contracted (including completed properties held for sale and properties held for sale under development) and delivered of approximately 236,000 sq. m. (2024: 314,000 sq. m.) and 302,000 sq. m. (2024: 310,000 sq. m.) respectively.

### The Shenzhen GDH City Project

Located in Buxin Area, Luohu District, Shenzhen City, Guangdong Province, the PRC, the Shenzhen GDH City Project is a multi-functional commercial complex with jewelry as the main theme. The project, which is in close proximity to the urban highways and subway stations and adjoins Weiling Park, is surrounded by several municipal parks within a radius of 1.5 kilometres and enjoys convenient transportation and superb landscape resources. The filing for completion of construction of the whole project was made in August 2023.

For the search of potential commercial occupiers of the Shenzhen GDH City Project, the Group has entered into a property leasing services agreement with 廣東粵海天河城（集團）股份有限公司 (GDH Teem (Holdings) Limited) (“**GDH Teem**”), a fellow subsidiary of the Company, for the shopping mall under the Shenzhen GDH City Project, which operates by GDH Teem under the name of Shenzhen Teem. The Group will share the operating profit with GDH Teem. GDH Teem is principally engaged in the provision of property leasing services, property investment and development, department stores operation, hotel ownership and operations in the PRC, and has extensive industry experience. The agreement enables the Group to benefit from the branding effect of GDH Teem, which is conducive to attracting quality companies to locate in the property. In terms of office leasing, the new leasing area for office buildings owned by the Group in 2026 ranked first among Grade A office buildings in Luohu District. Among which, the mall at the Northern Land of the Shenzhen GDH City Project has opened in December 2022 and the occupancy rate was approximately 94.6% as at 31 December 2025; the mall at the Southern Land of the project has opened in September 2024 and the occupancy rate was approximately 94.8% as at 31 December 2025.

### The Guangzhou GDH Future City Project

The core area of Baiyun New Town, Baiyun District, Guangzhou City, Guangdong Province, the PRC, at which the Guangzhou GDH Future City Project is located, is positioned to be the hub for headquarters, and is planned as a cluster of corporate headquarters, aviation industry and commercial hotel service functions, focusing on the development of headquarters economy and attracting the headquarters of large corporations and small and medium-sized enterprises. Such project is located to the north of Yuncheng South Fourth Road and south of Qixin Road, on the two sides of Yuncheng West Road, and is connected to major transport networks. It is adjacent to Baiyun Park Station of Guangzhou Metro Line 2 and trunk roads such as the Airport Expressway and the Baiyun Avenue, and it is only about 30 kilometres away from the Guangzhou Baiyun International Airport. In addition, after the third phase of the Airport Avenue and Guangzhou Metro Line 12 are expected to open, travel between such project and its surrounding areas will be more convenient in due course. The project is situated in a well-developed neighborhood where commercial shopping centres, schools, hospitals, parks and the Guangzhou Gymnasium are within a three-kilometre radius, and it is close to the scenic area of Baiyun Mountain. With the significant advantage of such project and the development of industries nearby, it has promising market prospects.

## **MANAGEMENT DISCUSSION AND ANALYSIS** (continued)

The project has adopted a model of development by phases. The filing for completion of construction of all properties on Land No. 11 has been made in November 2024, and the filing for completion of construction of all properties on Land No. 9 has been made in February 2025. As at 31 December 2025, the construction works of basement and superstructure of the properties on Land No. 4 were being carried out. The filing for completion of construction of the whole project is expected to be made in 2028. The pre-sale of the project commenced in June 2022 and has maintained a satisfactory level of transaction volume since the pre-sale. In 2025, the transaction amount of the project ranked first in Baiyun District, Guangzhou City. The project entered the delivery stage in November 2024.

### **The Guangzhou Laurel House Project**

The Guangzhou Laurel House Project is located at Zhuguang Road, Yuexiu District, Guangzhou City, Guangdong Province, the PRC. All residential units of the project had been delivered, and car-parking spaces of the project are being sold as planned. During the year under review, the commercial property “GD•Delin (粵海•得鄰)” of the Guangzhou Laurel House Project ushered in several leading businesses and brands with distinctive characters that perfectly fit the position and theme of the project, i.e. its core positioning “high-end education-oriented community”. As at 31 December 2025, the occupancy rate of the commercial building of the Guangzhou Laurel House Project was approximately 85.8%.

### **The Foshan Laurel House Project**

The Foshan Laurel House Project is located at west to Wenhua Road, south to Liming Second Road, Shiwan Area (Chengnan Sub-district) of Chancheng District, Foshan City, Guangdong Province, the PRC. The project is positioned as a modern, top-notch and strong central of Foshan City, which is a place ideal for living, starting business and fostering innovation. Near Wanhua Station, the interchange station of Lines 2 and 3 of Foshan Metro, the project is surrounded by two metro networks, its transportation is much convenient. Together with the well-established education, medical and commercial amenities nearby, the project has the advantages to be forged into an above-twin stations residential community featuring quality lifestyle. With the significant advantage in terms of location resources, the project enjoys promising market prospects. The filing for completion of construction of the whole project has been made in August 2024. The pre-sale of the project commenced in September 2021, and the project entered the delivery stage in December 2023.

### **The Foshan One Mansion Project**

The Foshan One Mansion Project is located at west to Fenjiang Road, north to Lujing Road and east to Luying West Street, Chengnan Sub-district in Chancheng District, Foshan City, Guangdong Province, the PRC, which belongs to the commercial belt of Jihua, and about 200 metres away from Jihua Park Station, the interchange station of Foshan Metro Line 1 and Metro Line 4 (under construction). It is connected to convenient transport networks and its location is excellent. It has mature supporting amenities of education, medical care and commercial area nearby. In addition, the Foshan Municipal Government has actively launched a series of favorable policies, relaxing the threshold for talents to buy houses, and removing the purchase restrictions in Chancheng District, which effectively stimulated the demand of house purchases in the area. The project also complements the Foshan Laurel House Project of the Group in the area to create synergy benefits, achieve regional deep cultivation and increase cost efficiency. The project is being developed in phases. As at 31 December 2025, the filing for completion of construction of the first phase

## **MANAGEMENT DISCUSSION AND ANALYSIS (continued)**

properties of the project was made. The superstructures of other phase properties were topped out and the renovation and masonry works were in progress. The filing for completion of construction of the whole project is expected to be made in 2026. The pre-sale of the project commenced in September 2023, and the project entered the delivery stage in December 2025.

### **The Zhuhai Laurel House Project**

The Zhuhai Laurel House Project is located at west to Jinhui Road and north to Jinhe East Road, the Aviation New Town Sub-district in Jinwan District, Zhuhai City, Guangdong Province, the PRC. The high value potentials of the area where the project is located will enhance the future development of the project. It is expected that there will be sound living and education amenities in the area. With the significant advantage in terms of location resources, the project enjoys promising market prospects. The project is being developed in phases. As at 31 December 2025, the filing for completion of construction of the first phase properties of the project was made. The superstructures of other phase properties were topped out and the renovation and masonry works were in progress. The filing for completion of construction of the whole project is expected to be made in 2026. The pre-sale of the project commenced in June 2021, and the project entered the delivery stage in December 2023.

### **The Zhongshan GDH City Project**

The Zhongshan GDH City Project is located at the starting area of Cuiheng New District, Zhongshan City, Guangdong Province, the PRC. Sitting in the core centre of the Greater Bay Area, the area is the bridgehead at the west bank of the Pearl River connecting to the Shenzhen Zhongshan Bridge. It therefore undergoes a rapid development and generates increasing market demand. With a superior seaview, the project enjoys rich environmental landscape resources. Coupled with the plan to perfecting the region by education, medical care and commercial amenities, the project is suitable to be developed as a low-density, ecological and quality residential community. With the significant advantage in terms of location, industries and transportation resources, the project enjoys promising market prospects. The project is being developed in phases. As at 31 December 2025, the filing for completion of construction of the first phase properties has been made. The superstructures of other phase properties of the project were topped out and the renovation and masonry works were in progress. The filing for completion of construction of the whole project is expected to be made in 2026. The pre-sale of the project commenced in September 2021, and the project entered the delivery stage in October 2023.

### **The Jiangmen One Mansion Project**

The Jiangmen One Mansion Project is located at the southeast to the intersection of Chenyuan Road and Longteng Road and west to Fengxiang Road in Pengjiang District, Jiangmen City, Guangdong Province, the PRC. Jiangmen is positioned as the western gateway of the Greater Bay Area. Subsequent to improvements in the transportation infrastructure across the eastern and western bays, the future development of such area is expected to prosper. The project is situated in a region with high planning position and enjoys strong market prospects, as well as convenient location as a bonus. Possessing rare landscape resources and sound living amenities, the project embraces the conditions in becoming a regional benchmark project. The filing for completion of construction of the whole project was made in August 2022. The pre-sale of the project commenced in January 2021, and the project entered the delivery stage in August 2022.

## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

### The Jiangmen GDH City Project

The Jiangmen GDH City Project is located at three adjoining parcels of land at the east of Ganbei Road, Pengjiang District, Jiangmen City, Guangdong Province, the PRC (the “**Jiangmen Land Nos. 3 to 5**”). The land has been approved for city and town residential and other commercial and service uses. In addition, there is a parcel of land adjacent to the Jiangmen Land Nos. 3 to 5 with a GFA of approximately 41,597 sq. m. (the “**Jiangmen Land No. 6**”), which has been approved for medical and health, and commercial service uses; while subject to the approval of the relevant government authorities in accordance with the policy of “Three Olds” Renovation (「三舊」改造) in relation to the resettlement of the residents. The Group shall be entitled to acquire the relevant land use right in respect of Jiangmen Land No. 6 without paying any land premium. The Jiangmen GDH City Project is located in a traditional old town district in Jiangmen City with high density population and a convenient transportation network. It is also adjacent to Xi River, connects to the Chaolian Talent Island and is accessible to five parks nearby, providing a quality living environment with an excellent river scenery.

The project is being developed in phases. The filing for completion of construction of all properties on Land No. 3 in the first phase has been made in August 2022, the filing for completion of construction of all properties on 4-1 and 4-5 parcels of Land No. 4 has been made in March 2023, the filing for completion of construction of all properties on 4-6 parcels of Land No. 4 has been made in September 2023 and the filing for completion of construction of all properties on 4-2 parcels of Land No. 4 has been made in December 2023. As at 31 December 2025, 4-3 and 4-4 parcels of Land No. 4 and Land No. 5 were pending for development. The filing for completion of construction of the whole project is expected to be made in 2029. The pre-sale of the project commenced in May 2021, and the project entered the delivery stage in November 2022.

### The Huizhou One Mansion Project

The Huizhou One Mansion Project is located at Mamiao, Aotou, Dayawan District, Huizhou City, Guangdong Province, the PRC. It is close to Xin’ao Avenue, a trunk road connecting Huiyang District and Dayawan District, and is only 7 kilometres away from the Highspeed Railway Huiyang Station. The project is positioned to be a quality urban residential community with natural slope land garden view. The filing for completion of construction of the whole project was made in April 2025. The pre-sale of the project commenced in July 2022. The project ranked first in Aotou, Huizhou City in terms of amount of online registration of sales contracts in 2025. The project entered the delivery stage in May 2025.

## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

### FINANCIAL REVIEW

#### Key Financial Indicators

	<i>Note</i>	<b>2025</b>	2024	Change
Loss attributable to owners of the Company (HK\$ million)		<b>(590)</b>	(1,383)	-57.3%
Return on equity (%)	<i>1</i>	<b>-17.9%</b>	-32.2%	+14.3 ppt

	<b>31 December 2025</b>	31 December 2024	Change
Net assets (HK\$ million)	<b>3,779</b>	4,346	-13.0%

*Note:*

1. Return on equity = Loss attributable to owners of the Company ÷ average equity attributable to owners of the Company

During the year under review, the decrease in loss attributable to owners of the Company compared to the previous year was mainly attributable to the increase in the GFA delivered of Guangzhou GDH Future City Project with higher gross profit margins. For details, please refer to the section headed “Results” in this Management Discussion and Analysis.

#### Operating Income, Expenses and Finance Costs

In 2025, the Group recorded selling and marketing expenses of approximately HK\$226 million (2024: HK\$284 million), representing a decrease of approximately 20.4% from the previous year. The decrease in selling and marketing expenses was mainly due to the decrease in the commission expense and labour cost. The Group’s administrative expenses for 2025 amounted to approximately HK\$118 million (2024: HK\$204 million), representing a decrease of approximately 42.2% from the previous year. The decrease in administrative expenses was mainly attributable to the decrease in the labour cost.

During the year under review, the Group borrowed loans to support its business development and recorded finance costs of approximately HK\$668 million (2024: HK\$941 million), of which approximately HK\$248 million was capitalised while the remaining portion of approximately HK\$420 million was charged to the statement of profit or loss.

#### Properties for Sale and Contract Liabilities

As at 31 December 2025, the Group held completed properties for sale amounted to approximately HK\$11,702 million (31 December 2024: HK\$12,849 million) and properties for sale under development amounted to approximately HK\$8,562 million (31 December 2024: HK\$13,147 million), with a total amount of approximately HK\$20,264 million (31 December 2024: HK\$25,996 million). Amongst them, the sales amount of properties that have been contracted and received but have not yet been delivered was approximately HK\$5,972 million (31 December

## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

2024: HK\$9,386 million), which was stated as contract liabilities and would be recognised as revenue upon delivery of the relevant properties

### Financial Resources and Liquidity

As at 31 December 2025, the equity attributable to owners of the Company was approximately HK\$3,049 million (2024: HK\$3,557 million), representing a decrease of approximately 14.3% from that as at the end of 2024. Based on the number of shares in issue as at 31 December 2025, the net asset value per share at the end of the year was approximately HK\$1.78 (2024: HK\$2.08) per share, representing a decrease of approximately 14.4% from that as at the end of 2024.

The Group's cash and bank balances (including restricted bank balances and cash and cash equivalents) as at 31 December 2025 was approximately HK\$3,356 million (2024: HK\$3,412 million), representing a decrease of approximately 1.6% from the previous year. The decrease in cash and bank balances was mainly due to more repayments of borrowings from banks and related parties during the year under review; approximately 98.8% was in RMB and approximately 1.2% was in HKD. Net cash inflows from operating activities for the year amounted to approximately HK\$3,070 million (2024: HK\$1,936 million), representing an increase from the previous year, which was mainly due to less interest paid during the year under review.

As most of the transactions in the Group's daily operations in Chinese Mainland are denominated in RMB, currency exposure from these transactions is low. During the year under review, the Group did not take the initiative to perform currency hedge for such transactions. The Group believed that no significant impact was caused by the fluctuation of RMB exchange rate on the Group's financial position as there is a natural hedging mechanism. Meanwhile, the Group dynamically monitored the foreign exchange exposure and made necessary adjustments in accordance with the change in market environment.

As at 31 December 2025, the Group had interest-bearing borrowings from certain banks and related parties of the Company amounting to approximately HK\$18,269 million (31 December 2024: HK\$20,451 million) in aggregate, from which interest-bearing borrowings from related parties amounting to approximately HK\$8,004 million (31 December 2024: HK\$8,705 million), accounting for approximately 43.8% (31 December 2024: 42.6%) of the total interest-bearing borrowings; the gearing ratio<sup>1</sup> was approximately 399.9% (31 December 2024: 402.9%). According to the relevant loan agreements, approximately HK\$6,883 million of the interest-bearing loans are repayable within one year; approximately HK\$2,123 million are repayable within one to two years; approximately HK\$5,187 million are repayable within two to five years; and the remaining approximately HK\$4,076 million are repayable after five years. The Group obtained funds for business development through different financing channels and effectively controlled its finance costs. As at 31 December 2025, the weighted average effective interest rate of the Group's bank and other borrowings was 3.27% (31 December 2024: 3.92%) per annum. As at 31 December 2025, the banking facilities available to the Group were approximately RMB586 million (equivalent to approximately HK\$648 million). The Group reviews its funding needs from time to time according to the existing projects and other new investment businesses and considers obtaining funds through various financing means and channels so as to secure adequate financial resources for business development.

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<sup>1</sup> Gearing ratio = (Interest-bearing loans + Lease liabilities - Cash and cash equivalents - Pledged deposit) ÷ Net assets

## **MANAGEMENT DISCUSSION AND ANALYSIS** (continued)

### **Asset Pledged and Contingent Liabilities**

As at 31 December 2025, the Group's certain assets amounting to approximately HK\$8,531 million (31 December 2024: HK\$11,218 million) were pledged to secure certain bank loans.

In addition, as at 31 December 2025, the Group provided guarantees of approximately HK\$3,183 million (31 December 2024: HK\$4,709 million) to certain banks in relation to the mortgage loans on properties sold (please refer to note 11 to this announcement for details). Save for the above, the Group did not have any other material contingent liabilities as at 31 December 2025.

### **RISKS AND UNCERTAINTIES**

As the Group is engaged in property development and investment businesses in the Chinese Mainland, the risks and uncertainties of its business are principally associated with the property market and property prices in the Chinese Mainland, and the Group's income in the future will be directly affected accordingly. The property market in the Chinese Mainland is affected by a number of factors which include, among others, economic environment, property supply and demand, the PRC government's fiscal and monetary policies, taxation policies and austerity measures on the real estate sector, etc. At present, property projects held by the Group are all located in first-tier cities or the Greater Bay Area and comprise different property types and uses, thereby effectively diversify the operating risks of the Group.

As property projects have a relatively long development period, the Company may need to seek external funding to partially finance the development of such projects. As such, financing channels and finance costs are subject to the prevailing market conditions, loan interest rates and the financial position of the Group. As at 31 December 2025, the Group had total outstanding interest-bearing loans of approximately HK\$18,269 million (31 December 2024: HK\$20,451 million).

According to the applicable accounting standards, investment properties of the Group were carried at fair value. The fair values of these investment properties are subject to the prices in the property markets in which they are located as at the end of each reporting periods. The fair value changes of such investment properties are recognised in the statement of profit or loss and affect the profit of the Group.

As the property development business has a relatively long product life cycle, the Group's future results and cash flows will be relatively volatile. To reduce the volatility of its revenue and profit, the investment properties of the Shenzhen GDH City Project and the commercial properties of the Guangzhou Laurel House Project are held by the Group for lease in order to generate stable rental income for the Group in the future.

As most of the Company's business operations are located in Chinese Mainland, the Company faces foreign currency risks due to exchange gain/loss from exchange rate fluctuations as well as currency conversion risk due to converted net asset value fluctuations of property development and investment projects in Chinese Mainland. To effectively manage foreign currency risk, the Company closely monitors foreign exchange markets, and utilises multiple strategic approaches, such as optimising cash management strategy and deploying project finance instruments, to control foreign exchange risk.

## **MANAGEMENT DISCUSSION AND ANALYSIS** (continued)

### **RELATIONSHIP WITH CUSTOMERS AND SUPPLIERS**

Holding the interest of every customer in high regard, the Group provides training to its sales staff on a regular basis. The Group also provides its customers with adequate information about its products and responds to any issue and question raised by customers or potential customers regarding the products offered with the aim of building customers' confidence in the Company's products. The Group focuses on customer satisfaction after products sold and delivered. It regularly organises customer satisfaction surveys and continuously improves the company's product attractiveness and customer satisfaction through survey results and customer opinions.

The Group's properties in relation to the property business were largely designed or constructed by a variety of suppliers and contractors. The Group selects appropriate suppliers for its major projects through an open, fair and impartial tendering process, maintains databases of supplier information and brand information, and have proper procedures in place to assess and evaluate suppliers. Besides, the Group attaches great importance to anti-graft and anti-corruption measures, meets with suppliers regularly, and conveys such information to them.

### **POLICY AND PERFORMANCE ON ENVIRONMENTAL, SOCIAL AND GOVERNANCE**

The Group strictly complies with the regulations enacted by the Chinese Mainland and Hong Kong governments, including those in relation to environmental protection, social and governance. The Company's internal management for environmental, social and governance ("ESG") takes into consideration the views of various stakeholders, especially for important ESG issues, and is supported by staff members from all levels and departments of the Group. Staff members jointly implement and execute relevant internal policies and promptly respond to the expectations of stakeholders.

To further refine its ESG policies, the Group has been actively communicating with stakeholders such as employees, customers, business partners and suppliers, shareholders and investors, government authorities and regulators through various channels in order to gather comments and suggestions from them. Coupled with the management's expectations on development, the Group identifies and analyses important topics at two dimensions, namely "Importance to our Stakeholders" and "Importance to Guangdong Land's Development", by conducting proactive and comprehensive stakeholder communication from multiple perspectives in various ways, such as electronic questionnaire, face-to-face communication, email correspondence and telephone interviews, thereby allowing the Group to envisage changes in the operating environment and consequently achieving the goals of sustainability and proper risk management.

The Group operates in the real estate industry and it is very important to strictly comply with environmental laws and regulations on construction works. Any failure to observe the relevant environmental laws and regulations may result in the relevant authorities' rejection of the applications for construction projects. The Group ensures that all newly constructed buildings comply with the environmental protection and energy conservation requirements set by the central and local governments. It also spares no efforts in contributing to environmental protection by actively collaborating with the main contractors of its development projects.

## **MANAGEMENT DISCUSSION AND ANALYSIS** (continued)

The Company is in the process of preparing its ESG report for the year ended 31 December 2025. The information contained in this announcement is based solely on the Company's ESG policies, performance, along with information of internal management. As at the date of this announcement, the ESG information of the Group for the year ended 31 December 2025 has yet to be finalised and may be subject to necessary adjustments. Such information, which may differ from the information contained in this announcement, is expected to be published in April 2026.

### **EMPLOYEE AND REMUNERATION POLICY**

The Group had 291 (31 December 2024: 376) employees as at 31 December 2025. The total employee remuneration and defined contribution schemes (excluding directors' remuneration) in 2025 amounted to approximately HK\$41 million (2024: HK\$141 million).

The remuneration policy of the Group is designed to ensure that the remuneration is competitive and in line with the development objectives and business performance of the Group. The remuneration package includes fixed salary, discretionary bonus, insurance and fringe benefits. The remuneration standards are based on factors such as qualifications, experience, job responsibility and performance of individual employees and market conditions. Discretionary bonus is subject to the performance-based incentive policy.

In terms of employee training, in order to enhance its employees' capabilities and skills, the Group encourages them to attend training and refresher programmes in their spare time for self-improvement, and provides targeted professional training sessions as per its business development requirements and on an as-needed basis.

## PROPOSED CHANGE OF AUDITOR

Messrs. KPMG (“**KPMG**”) has been the Company’s auditor since June 2022. In order to uphold good corporate governance and maintain the independence and objectivity of the Company’s external auditor, the Board and the Audit Committee of the Company (the “**Audit Committee**”) have reviewed the need for a change of auditor. Accordingly, KPMG will retire as the auditor of the Company with effect from the conclusion of the forthcoming annual general meeting of the Company to be held on 18 June 2026 (the “**2026 Annual General Meeting**”).

The Company is incorporated under the laws of Bermuda and to the knowledge of the Board there is no requirement under the laws of Bermuda for the retiring auditor to confirm whether or not there is any matter connected with its retirement which needs to be brought to the attention of the shareholders or creditors of the Company. KPMG has therefore not issued such confirmation. The Board has confirmed that there is no matter in respect of the proposed change of auditor that needs to be brought to the attention of the shareholders of the Company.

The Board resolved, at the recommendation of the Audit Committee and, to propose the appointment of Messrs. Deloitte Touche Tohmatsu (“**Deloitte**”) as the new auditor of the Company following the retirement of KPMG, to hold office until the conclusion of the 2027 annual general meeting of the Company. Such proposed appointment is subject to the approval of the shareholders of the Company at the 2026 Annual General Meeting of the Company. KPMG will carry on the audit work for the year ended 31 December 2025 (the “**2025 Audit**”) of the Group until the conclusion of the 2026 Annual General Meeting. Therefore, the change of auditor will not have any impact on the 2025 Audit of the Group.

The Audit Committee has considered a number of factors in assessing the appointment of Deloitte as the auditor of the Company, including but not limited to (i) the current business size of the Group; (ii) Deloitte’s experience, industry knowledge and technical competence in providing audit work for companies listed on the Hong Kong Stock Exchange; (iii) its market reputation; (iv) its independence from the Group and objectivity; (v) its resources and capabilities including but not limited to the size and structure of the proposed audit team; (vi) its audit proposal and audit fee; and (vii) the relevant guidance issued by the Accounting and Financial Reporting Council.

Based on the above, the Audit Committee has assessed and considered that Deloitte is independent, eligible and suitable to act as the auditor of the Company. The Board and the Audit Committee are of the view that the proposed change of auditor will enhance the cost-effectiveness of the Group’s audit and is in the interest of the Company and its shareholders as a whole.

The Board would like to express its appreciation to KPMG for its services rendered to the Company in the past years.

## **CORPORATE GOVERNANCE AND OTHER INFORMATION**

### **Corporate Governance Code**

The Group recognises the importance of achieving the highest standard of corporate governance consistent with the needs and requirements of its businesses and the best interest of all of its stakeholders and is fully committed to doing so. It is also with these objectives in mind that the Group has applied the principles of the code provisions of the Corporate Governance Code (the “CG Code”) contained in Appendix C1 to the Listing Rules.

In the opinion of the Directors, the Company has complied with the code provisions and, where appropriate, adopted the applicable recommended best practices set out in the CG Code throughout the year ended 31 December 2025.

### **Purchase, Sale and Redemption of Listed Securities**

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities during the year.

### **Closure of Register of Members**

The 2026 Annual General Meeting will be held on Thursday, 18 June 2026.

The register of members of the Company will be closed and no transfer of shares will be effected during the period from Monday, 15 June 2026 to Thursday, 18 June 2026, both days inclusive, for determining the shareholders’ eligibility to attend and vote at the 2026 Annual General Meeting. The record date for determining the shareholders’ eligibility to attend and vote at the 2026 Annual General Meeting will be 18 June 2026.

In order to qualify for attending and voting at the 2026 Annual General Meeting, unregistered holders of shares of the Company should ensure that all transfers documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Friday, 12 June 2026.

### **Review of Annual Results**

The annual results of the Group for the year ended 31 December 2025 have been reviewed by the Audit Committee of the Company.

## **Review of Preliminary Announcement**

The figures in respect of the Group's consolidated balance sheet, consolidated statement of profit or loss, consolidated statement of comprehensive income, and the related notes thereto for the year ended 31 December 2025 as set out in this preliminary announcement have been agreed by the Company's auditor to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by the Company's auditor in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements and Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by the Company's auditor on this preliminary announcement.

By Order of the Board  
**Guangdong Land Holdings Limited**  
**WANG Jian**  
*Managing Director*

Hong Kong, 26 March 2026

*In this announcement, the English names of the PRC entities are translations of their Chinese names, and are included herein for identification purposes only. In the event of any inconsistency, the Chinese names shall prevail.*

*As at the date of this announcement, the Board comprises two Executive Directors, namely Mr. ZHONG Yubin and Mr. WANG Jian; two Non-Executive Directors, namely Mr. WEN Yinheng and Ms. ZHANG Xiaoli; and three Independent Non-Executive Directors, namely Mr. Felix FONG Wo, Mr. Vincent Marshall LEE Kwan Ho and Mr. LEUNG Luen Cheong.*