DIT GROUP LIMITED
築友智造科技集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 726)

ANNUAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2025

The board (the "**Board**") of directors (the "**Directors**") of DIT Group Limited (the "**Company**") is pleased to present the audited consolidated results of the Company and its subsidiaries (the "**Group**") for the year ended 31 December 2025, together with the comparative figures for the year ended 31 December 2024 as follows:

FINANCIAL SUMMARY

	For the year ended 31 December		
	2025	2024	Changes
	HK$'000	*HK$'000*	
Revenue	**139,188**	373,990	–62.8%
Gross (loss)/profit	**(25,312)**	9,461	–367.5%
Loss for the year, attributable to	**(1,394,629)**	(494,158)	182.2%
— Owners of the Company	**(1,282,649)**	(464,536)	176.1%
— Non-controlling interests	**(111,980)**	(29,622)	278.0%

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

FINANCIAL INFORMATION

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

		Year ended 31 December	
		2025	2024
	Notes	***HK$'000***	*HK$'000*
Revenue	*3*	**139,188**	373,990
Cost of sales		**(164,500)**	(364,529)
Gross (loss)/profit		**(25,312)**	9,461
Government grants		**729**	6,502
Other income		**1,160**	502
Other losses — net		**(142,427)**	(47,304)
Selling and distribution expenses		**(14,779)**	(37,879)
Administrative expenses		**(177,480)**	(206,302)
Impairment losses recognised on			
— trade and other receivables and prepayments		**(436,308)**	(59,940)
— property, plant and equipment		**(352,203)**	(23,056)
— right-of-use assets		**(10,632)**	(7,258)
— investments in associates		**(87,784)**	–
— inventories		**(15,984)**	(1,319)
Share of losses of associates		**(15,452)**	(39,909)
Operating loss		**(1,276,472)**	(406,502)
Finance costs	*4*	**(79,021)**	(87,935)
Loss before income tax		**(1,355,493)**	(494,437)
Income tax (expense)/credit	*5*	**(39,136)**	279
Loss for the year		**(1,394,629)**	(494,158)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME *(Continued)*

For the year ended 31 December 2025

		Year ended 31 December	
		2025	2024
	Notes	***HK$'000***	*HK$'000*
Other comprehensive income/(loss), which may be reclassified subsequently to profit or loss			
— Exchange differences arising on translation of			
— Foreign operation		**25,794**	(41,529)
— Associates		**2,133**	(3,462)
Other comprehensive income/(loss) for the year, net of tax		**27,927**	(44,991)
Total comprehensive loss for the year		**(1,366,702)**	(539,149)
Loss for the year, attributable to:			
— Owners of the Company		**(1,282,649)**	(464,536)
— Non-controlling interests		**(111,980)**	(29,622)
		(1,394,629)	(494,158)
Total comprehensive loss for the year, attributable to:			
— Owners of the Company		**(1,253,118)**	(509,952)
— Non-controlling interests		**(113,584)**	(29,197)
		(1,366,702)	(539,149)
Losses per share attributable to owners of the Company (expressed in HK$ cents per share)			
— Basic and diluted	*7*	**(41.36)**	(14.98)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

		At 31 December	
		2025	2024
		HK$'000	*HK$'000*
Non-current assets			
Property, plant and equipment		**1,857,611**	2,501,398
Right-of-use assets		**765,209**	816,220
Investment properties		**–**	15,463
Intangible assets		**22,215**	27,060
Deferred income tax assets		**73,285**	111,240
Investments in associates		**41,873**	142,976
Financial assets at fair value through profit or loss		**10,443**	12,959
		2,770,636	3,627,316
Current assets			
Inventories		**75,745**	106,547
Trade and other receivables and prepayments	*8*	**1,254,437**	1,722,876
Cash and cash equivalents		**4,131**	6,435
Restricted cash		**24,040**	26,819
		1,358,353	1,862,677
Current liabilities			
Trade and other payables	*9*	**1,600,129**	1,612,263
Contract liabilities		**30,666**	45,188
Current income tax liabilities		**38,661**	38,819
Lease liabilities		**934**	–
Borrowings		**1,609,853**	959,656
		3,280,243	2,655,926
Net current liabilities		**(1,921,890)**	(793,249)
TOTAL ASSETS LESS CURRENT LIABILITIES		**848,746**	2,834,067

CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)*

As at 31 December 2025

	At 31 December	
	2025	2024
	HK$'000	*HK$'000*
Non-current liabilities		
Amount due to a related party	**79,875**	79,993
Deferred income	**1,691**	1,649
Deferred income tax liabilities	**8,420**	13,895
Lease liabilities	**4,351**	–
Borrowings	**101,010**	719,994
	195,347	815,531
NET ASSETS	**653,399**	2,018,536
Equity attributable to owners of the Company		
Share capital (nominal value)	**1,240,438**	1,240,438
Reserves	**(1,119,422)**	132,131
	121,016	1,372,569
Non-controlling interests	**532,383**	645,967
TOTAL EQUITY	**653,399**	2,018,536

NOTES:

1 GENERAL INFORMATION

DIT Group Limited (the "**Company**") was incorporated as an exempted company with limited liability in Bermuda on 28 February 1991 under the Companies Act 1981 of Bermuda and its issued shares are listed on the main board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") starting from 25 July 1991.

The address of the registered office of the Company is Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda. The principal place of business of the Company in Hong Kong is Units 1602–1605, 16/F, Tower 2, The Gateway, Harbour City, 25 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong.

The principal activities of the Company and its subsidiaries (the "**Group**") are prefabricated construction work, decoration and landscaping services, granting licenses, consulting services and sales of equipment in the People's Republic of China (the "**PRC**").

The consolidated financial statements are presented in Hong Kong dollars ("**HK$**") and rounded to the nearest thousand ("**HK$'000**"), unless otherwise stated.

As at 31 December 2025, the ultimate controlling shareholder of the Company is Mr. Wu Po Sum.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements have been consistently applied to the years presented, unless otherwise stated.

2.1 Basis of preparation

(a) Compliance with HKFRS Accounting Standards and HKCO

The consolidated financial statements of the Company have been prepared in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") and the disclosure requirements of the Hong Kong Companies Ordinance ("**HKCO**") Cap. 622. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets and investment properties which are carried at fair value.

The preparation of financial statements in conformity with HKFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.1 Basis of preparation (Continued)

(b) Going concern basis

The Group incurred a loss of HK$1,394,629,000 for the year ended 31 December 2025 and as at 31 December 2025, the Group's current liabilities exceeded its current assets by HK$1,921,890,000. At the same date, the Group's current borrowings amounted to HK$1,609,853,000 while its cash and cash equivalents amounted to HK$4,131,000 only.

For the year ended 31 December 2025, the Group failed to repay multiple commercial bank borrowings amounted to RMB487,285,000 (equivalent to HK$539,498,000) and interest payable amounted to RMB72,720,000 (equivalent to HK$79,375,000) in total according to the scheduled repayment dates, each of which constituted an event of default (collectively, "**Bank Borrowing Defaults**"). Such events of default resulted in the mentioned borrowings amounted to RMB837,089,000 (equivalent to HK$913,693,000) as at 31 December 2025 becoming immediately repayable if requested by the lenders, of which RMB201,682,000 (equivalent to HK$220,138,000) represented bank borrowings with scheduled repayment dates within one year, while the remaining RMB635,407,000 (equivalent to HK$693,555,000) represented the non-current portion with original maturity dates beyond 31 December 2025 that were reclassified as current liabilities.

As at 31 December 2025, there were various litigations against the Group which were claimed by certain suppliers and banks with respect to overdue payables and borrowings amounted to approximately RMB1,639,784,000 (equivalent to HK$1,815,487,000) in total.

Such conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

In view of such circumstances, the directors of the Company ("**Directors**") have given careful considerations to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial sources to continue as a going concern. The following plans and measures are formulated to mitigate the liquidity pressure and to improve the financial position of the Group:

(i) The Group has also been negotiating with various banks and financial institutions to seek renewal, extension of the other existing borrowings and obtain new borrowings. The Directors believe that, given the Group's long-term relationship with the banks and financial institutions and the availability of the Group's long-term assets as collateral for the borrowings, the Group will be able to renew or extend existing borrowings and obtain new borrowings when needed.

(ii) In respect of the outstanding litigations for overdue payables to the Group's suppliers, the Group is negotiating with suppliers for revised repayment schedules and actively arranging settlement. Subsequent to 31 December 2025, certain overdue payables have been settled and the Directors are confident that the Group is able to reach revised repayment schedules with suppliers and settle the overdue payable accordingly.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.1 Basis of preparation (Continued)

(b) Going concern basis (Continued)

(iii) The Group will continue to implement measures to increase the sales of its prefabricated construction units and decoration and landscaping services, and to speed up the collection of trade receivables.

(iv) The Group will seek opportunities to dispose of certain assets, subsidiaries and investments at reasonable prices to generate cash inflows and mitigate its liquidity pressure.

The Directors have reviewed the Group's cash flow projections prepared by management, which cover a period of not less than twelve months from 31 December 2025. They are of the opinion that, taking into account the above-mentioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 31 December 2025. Accordingly, the Directors are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

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

(i) the successful negotiations with the Group's lenders in respect of the borrowings that were either overdue or in default, so that the relevant lenders will not exercise their contractual rights to demand immediate repayment of the borrowings; the timely repayments according to the scheduled repayment dates as stipulated in the extended borrowing agreements;

(ii) the successful negotiations with the banks and financial institutions for renewal of or extension for repayment of the other existing borrowings and the successful obtaining of additional new sources of financing as and when needed;

(iii) the successful settlement of litigation against the Group which were claimed by suppliers for overdue payables;

(iv) the successful and timely implementation of the measures to increase the sales and speed up the collection of trade receivables, and the successful disposal of relevant assets and investments at reasonable prices and timely collection of the proceeds; and

(v) the successful disposing of the Group's relevant assets, equity interests and investment in its subsidiaries when suitable.

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

3 REVENUE

	At 31 December	
	2025	2024
	HK$'000	*HK$'000*
Revenue from sales of prefabricated construction units	**122,065**	322,099
Revenue from decoration and landscaping services	**4,348**	34,441
Revenue from consulting services	**203**	2,896
Revenue from sales of prefabricated construction equipment	**538**	3,146
Rental income	**12,034**	11,408
	139,188	373,990

4 FINANCE COSTS

	Year ended 31 December	
	2025	2024
	HK$'000	*HK$'000*
Interest expenses on borrowings	**78,788**	87,915
Finance charges on lease liabilities	**233**	20
	79,021	87,935

5 INCOME TAX EXPENSE/(CREDIT)

	Year ended 31 December	
	2025	2024
	HK$'000	*HK$'000*
Current income tax		
— PRC corporate income tax		
Adjustments for current tax of prior periods	**–**	351
— Hong Kong profits tax	**–**	119
	–	470
Deferred income tax	**39,136**	(749)
Total income tax expense/(credit) for the year	**39,136**	(279)

PRC corporate income tax

Under the Corporate Income Tax Law of the PRC ("**CIT Law**"), the CIT rate applicable to the Group's subsidiaries established in mainland China is 25%, while certain subsidiaries are applicable to the preferential tax rate of 15%, those subsidiaries were required to apply for renewal every three years from first year of approval.

The CIT Law and its implementation rules impose a withholding tax at 10% for dividends distributed by a PRC resident enterprise to its immediate holding company outside PRC for earnings generated beginning 1 January 2008 and undistributed earnings generated prior to 1 January 2008 are exempted from such withholding tax. A lower 5% withholding tax rate may be applied when the immediate holding companies are established in Hong Kong according to the tax treaty arrangement between the PRC and Hong Kong. The Company's mainland China subsidiaries did not have plan for distributing dividend to the Company in the foreseeable future, thus no such withholding tax was accrued for the year ended 31 December 2025 (2024: nil).

Hong Kong profits tax

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK$2 million.

6 DIVIDEND

The directors do not recommend of the payment of a dividend for the years ended 31 December 2025 and 2024.

7 LOSSES PER SHARE

(a) Basic

Basic losses per share for the year is calculated by dividing the consolidated losses of the Group attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

	Year ended 31 December	
	2025	2024
Consolidated loss attributable to owners of the Company *(HK$'000)*	**(1,282,649)**	(464,536)
Weighted average number of ordinary shares in issue *('000)*	**3,101,096**	3,101,096
Basic losses per share *(HK cents)*	**(41.36)**	(14.98)

(b) Diluted

Diluted losses per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. Diluted losses per share for the year ended 31 December 2025 and 2024 are equal to respective basic losses per share. The computation of diluted losses per share for the year ended 31 December 2025 and 2024 has not considered the effect of share options given that the effects are anti-dilutive.

8 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	At 31 December	
	2025	2024
	HK$'000	*HK$'000*
Trade receivables — third parties	**810,565**	973,546
Trade receivables — related parties	**684,417**	722,479
Amounts due from related parties	**188,128**	68,916
Notes receivable	**49,695**	46,460
Prepayments — third parties	**112,123**	76,858
Prepayments — related parties	**48,993**	15,893
Land auction deposits	**2,123**	2,244
Value-added tax recoverable	**76**	9,493
Deposits	**5,214**	15,625
Receivables relating to disposal of subsidiaries	**1,874**	1,828
Others	**79,703**	81,700
	1,982,911	2,015,042
Less: Provision for impairment of trade and other receivables *(Note)*	**(728,474)**	(292,166)
	1,254,437	1,722,876

Note: As at 31 December 2025, such balance included provision for impairment of trade and notes receivables of HK$626,727,000 and provision for impairment of other receivables of HK$101,747,000 (31 December 2024: HK$258,386,000 and HK$33,780,000 respectively).

8 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS *(Continued)*

An ageing analysis of trade and notes receivable as at 31 December 2025 and 2024, from the date when they were recognised, is as follows:

	At 31 December	
	2025	2024
	HK$'000	*HK$'000*
Less than 1 year	**136,611**	330,899
1 to 2 years	**264,554**	846,663
Over 2 years	**1,143,512**	564,923
	1,544,677	1,742,485

The maximum exposure to credit risk as at 31 December 2025 and 2024 is the carrying value of each class of receivables mentioned above.

As at 31 December 2025 and 2024, the fair values of trade and other receivables approximate their carrying amounts.

The carrying amounts of the Group's trade and other receivables and prepayments are denominated in the following currencies:

	At 31 December	
	2025	2024
	HK$'000	*HK$'000*
HK$	**10,138**	3,418
RMB	**1,244,299**	1,719,458
	1,254,437	1,722,876

The creation of provision for impairment of receivables has been included in "Net impairment losses" in the condensed consolidated statement of profit or loss and other comprehensive income.

9 TRADE AND OTHER PAYABLES

	At 31 December	
	2025	2024
	HK$'000	*HK$'000*
Trade payables — third parties	**1,057,398**	1,083,001
Trade payables — related parties	**9,968**	16,692
Accrued tax payable	**133,812**	135,738
Accrued payable for property, plant and equipment construction — third parties	**49,436**	99,956
Accrued payable for property, plant and equipment construction — related parties	**34,342**	39,987
Amounts due to related parties	**83,776**	92,221
Accrued payroll	**39,444**	30,035
Deposits	**11,301**	9,342
Interest payable	**132,697**	61,972
Others	**47,955**	43,319
	1,600,129	1,612,263

An ageing analysis of trade payables as at 31 December 2025 and 2024, from the date when they were incurred, is as follows:

	At 31 December	
	2025	2024
	HK$'000	*HK$'000*
Less than 1 year	**94,448**	247,893
Over 1 year	**972,918**	851,800
	1,067,366	1,099,693

As at 31 December 2025 and 2024, the fair values of trade and other payables approximate their carrying amounts.

As at 31 December 2025 and 2024, the carrying amounts of the trade and other payables are primarily denominated in RMB.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

In 2025, the global economic situation was complex and volatile. Affected by factors such as trade wars and tariff wars, China pressed ahead in the face of challenges, with its economy advancing towards innovation and higher-quality development. Industrial production recorded relatively fast growth, investment in manufacturing increased significantly, market sales expanded, and the service retail sector grew rapidly. At the same time, however, multiple challenges remained, and the construction industry was still in a period of adjustment.

In 2025, national real estate development investment amounted to RMB8.28 trillion, representing a year-on-year decrease of 17.2%; newly commenced housing area amounted to 588 million square metres, representing a year-on-year decrease of 20.4%; and sales area of newly constructed commodity properties amounted to 881 million square metres, representing a year-on-year decrease of 8.7%. The area of newly commenced prefabricated buildings nationwide declined for the third consecutive year. The domestic prefabricated construction market remained saturated, with overall overcapacity. Tightened policies and shrinking market size led to increasingly intense competition in the industry. The imbalance between supply and demand had not been fundamentally improved, prices continued their downward trend, leading prefabricated construction enterprises had not invested in new factories for several consecutive years, and the guiding prices in major PC markets across the country declined to varying degrees.

The market environment in 2025 remained challenging. Severe price competition in the PC market and difficulties in securing quality orders inevitably affected the Group's operating results in 2025. During the year ended 31 December 2025, the Group achieved sales revenue of approximately HK$139.2 million, representing a year-on-year decrease of approximately 62.8%; its gross loss was approximately HK$25.3 million; and net loss attributable to the parent amounted to approximately HK$1,282.6 million.

I. Adjusting business strategies to stabilise operations and expanding markets through transformation and upgrading

In 2025, in the face of a challenging market environment, DIT Group withstood the pressure and, based on its actual operating conditions, decisively made substantial adjustments to its business strategies in the second half of the year. With "stopping losses, increasing revenue and asset management" as the main focus, the Group comprehensively implemented a differentiated "one factory, one strategy" approach, categorising PC factories into operating and suspended plants, and adopting classified management and targeted measures to stabilise the fundamentals of production and operation.

Meanwhile, DIT Group accelerated the pace of technical marketing and all-staff marketing on the business front. The Company continued to promote business transformation and market upgrading, and proactively transformed itself into a technology integration and application service enterprise. On the capital front, it stepped up the recovery of receivables, promoted the leasing of idle plants and disposal of idle assets, and bridged cash flow gaps. On the basis of its traditional housing construction business, DIT Group accelerated the transformation and upgrading and the expansion of new businesses.

The cumulative new contracts signed in 2025 amounted to RMB200 million, all being external orders. New orders for transformation and upgrading and new businesses amounted to RMB56 million, accounting for 28%. New orders from central state-owned enterprises and state-owned enterprises amounted to RMB86 million, accounting for 43% and representing an increase of 11 percentage points year-on-year. A total of 19 new orders were secured from strategic customers, with contract value amounting to RMB121 million, accounting for 60%.

Although the domestic prefabricated construction market remained sluggish, overseas markets developed rapidly. Countries under the Belt and Road Initiative showed strong demand for infrastructure construction and became key regions for overseas engineering projects. Central state-owned construction enterprises entered a period of opportunity for overseas development and accelerated their expansion abroad, making overseas markets an important growth driver. In addition, regions such as Australia, North America and South Africa are vigorously developing prefabricated buildings. Following continuous market expansion efforts, DIT Group has achieved certain progress in expanding overseas business in Hong Kong, El Salvador, Australia and other markets.

II. Optimising management and refining production to improve quality and efficiency through united efforts

During the Year, based on its competitive advantages and industry-leading position in the PC business, the Group continued to maintain quality development in its traditional PC business. As at 31 December 2025, the Group had 19 PC factories and one prefabricated decoration industrial park nationwide, with a designed annual production capacity of 725,000 cubic metres.

In 2025, the contract sales of prefabricated PC components of DIT Group amounted to approximately RMB200 million. The output of PC components was approximately 62,000 cubic metres, and the sales volume of PC components was approximately 76,000 cubic metres. In terms of PC components sales by regions, Central China accounted for approximately 52%, the Yangtze River Delta region accounted for approximately 18%, Henan region accounted for approximately 16%, the Greater Bay Area accounted for approximately 12%, and other regions accounted for approximately 2%, reflecting the Company's nationwide production capacity and business layout planning.

In 2025, DIT Group completed operating cash collection of RMB241 million, of which cash receipts amounted to RMB94 million, accounting for 39%; collections from major litigation claims amounted to RMB41.48 million, recovering over RMB10 million from bad debt losses. During the year, 18 new lease contracts were signed, with newly leased land and plant area amounting to 79,800 square metres. The cumulative leased area increased from 64,300 square metres to 144,000 square metres, and rental recovery and proceeds from asset disposals amounted to RMB24.83 million.

In 2025, based on the actual operating conditions of each factory, the Company comprehensively implemented a dynamic labour management model centred on workforce efficiency, adopted a merit-based selection mechanism, and selected and appointed outstanding management personnel. The Company also actively promoted the spirit of heroism, advocated five categories of heroes, and identified 14 exemplary individuals from among frontline employees.

In 2025, leveraging mainly the Company's internal lecturer resources, 10 quality training sessions were organised around key areas such as technical marketing, debt resolution to safeguard operations, and technological innovation, with a total of 1,779 participants and 11 accumulated training hours. These sessions played a positive role in helping employees understand industry trends and implement best practices. The Company also jointly organised a thematic study session on the "Law on the Promotion of the Private Economy" with the Enterprise Party Committee of Jinxia Park in Changsha, highlighting the spirit of the rule of law, advancing in step with the law and keeping pace with the times.

BUSINESS OUTLOOK AND STRATEGY

The year 2026 will be a critical year linking the conclusion of the national "14th Five-Year Plan" and the planning of the "15th Five-Year Plan". At present, with the in-depth implementation of the domestic dual-carbon strategy, the continued strengthening of policies promoting the coordinated development of intelligent construction and construction industrialisation, and the green building materials industry ushering in trillion-yuan market opportunities, together with the release of infrastructure demand along the Belt and Road, the prefabricated construction industry is shifting from improved penetration to in-depth upgrading in terms of intelligence, greenness and application scenarios. Leveraging its core strengths across the entire industry chain, DIT Group will be driven by the integration of technology and digital intelligence, with cost reduction and efficiency enhancement as its key focus, deepen domestic ecosystem cooperation, strive to achieve breakthroughs in overseas markets, and create a new growth pole for the high-quality development of the enterprise.

I. Policy dividends coupled with industrial upgrading are ushering in a golden era for the broad infrastructure sector

(i) Continuous policy empowerment, with intelligent construction as the core direction of development

Under the national dual-carbon strategy, the low-carbon transformation of the construction industry is accelerating. As a core carrier of green construction, prefabricated buildings are expected to enter a window period for policy implementation at the close of the "14th Five-Year Plan". The assessment of the proportion of prefabricated buildings in various regions has been advanced in depth, providing solid support for enhancing industry penetration. The 2026 Government Work Report explicitly proposed to orderly promote the development of "good housing" that is safe, comfortable, green and intelligent, implement projects to improve housing quality, vigorously develop intelligent construction and prefabricated buildings, and foster new quality productive forces in the construction industry. It also proposed to develop intelligent construction and cultivate a modernised construction industry chain, incorporating them into the key directions for improving the quality and upgrading of traditional industries and fostering new growth drivers. BIM technology, construction robots, prefabricated buildings and smart construction sites will all benefit from favourable policies. The plan for stabilising growth in the building materials industry jointly issued by six departments set a target of generating over RMB300 billion in operating revenue from green building materials by 2026. Policies such as promoting green building materials in rural areas and preferential government procurement will create room for the integrated development of upstream and downstream sectors of prefabricated construction.

(ii) Restructuring of market demand, with broad infrastructure becoming the core growth engine

While the real estate industry is transforming towards a new development model, investment in broad infrastructure sectors such as the national water network, high-speed railway and rail transit, rural revitalisation and urban renewal continues to increase, bringing diversified application scenarios for prefabricated buildings. Overseas, countries along the Belt and Road have strong demand for infrastructure construction, and central state-owned construction enterprises are accelerating their expansion abroad. Due to their high efficiency and strong adaptability, prefabricated buildings have become the preferred solution for overseas housing and infrastructure projects, presenting new opportunities for technology export and product export.

(iii) Accelerated industry upgrading, with collaboration across the entire industry chain becoming key to competition

The prefabricated construction industry is upgrading from single-component production to full-lifecycle services covering design, manufacturing, construction and operation. Enterprises with full-chain EMPC capabilities, digital and intelligent management expertise, and core technology patents will develop differentiated competitive advantages. At the same time, the industry has an urgent need for cost reduction and efficiency enhancement, and "standardised products + modular construction + intelligent production" has become the mainstream direction of industry development.

II. Focusing on orders and technology empowerment to expand upgraded application scenarios

DIT Group will take order growth as its core objective and technological innovation as its support, while consolidating collaboration across the entire industry chain. On the basis of stabilising its traditional housing construction business, the Group will expand into high-speed railway and rail transit, water conservancy and municipal engineering, and overseas prefabricated construction businesses. At the same time, it will optimise and upgrade mature application scenarios such as vertical industrial development and wind-concrete hybrid towers, unlock the potential of the existing market, and achieve a comprehensive upgrade of its business structure.

(i) High-speed railway and rail transit

Leveraging the production capacity and locational advantages of the prefabricated production base in Henan Province, the Group will realise localised and large-scale supply of PC components to meet the high-volume and high-standard demands for components in high-speed railway and urban rail transit projects, thereby reducing transportation costs and shortening supply cycles, and creating a virtuous interaction of “bases supporting projects and projects driving production capacity”. Closely following the national rail transit development plan, the Group will expand into the rail transit project markets in provinces surrounding Henan, develop standardised product packages such as prefabricated segments, platform components and protective structures suitable for rail transit projects, and deepen cooperation with central state-owned enterprises such as China Railway Group Limited and China State Construction Engineering Corporation Limited.

(ii) Water conservancy and municipal engineering

The Group will focus on water conservancy projects within Henan Province, while also aligning with the water network development plans for the Yangtze River and Yellow River basins. It will deepen cooperation with central state-owned enterprises in the water conservancy system and local water conservancy institutes, reduce the overall costs of water conservancy projects, and establish a benchmark brand for prefabricated water conservancy engineering. It will also expand into municipal engineering application scenarios, develop products such as prefabricated municipal pipeline networks, utility tunnels and sanitation facilities, and enrich the order structure of its municipal engineering business.

(iii) Upgrading of mature application scenarios

1. Vertical industrial development

In response to the mandatory prefabrication requirements in cities such as Shenzhen, Shanghai and Changsha, the Group will optimise its standardised product package of “laminated panels + prestressed frame beams”, promote the standardisation of construction processes, reduce overall costs, expand into the vertical industrial development markets in the Pearl River Delta and the Yangtze River Delta, and cooperate with local industrial parks to build benchmark prefabricated industrial plants.

2. *Wind-concrete hybrid tower*

Capitalising on the continued growth in onshore wind power installations, the Group will deepen cooperation with Goldwind Science&Technology Co., Ltd., Ming Yang Smart Energy Group Limited and Shanghai Electric Group Company Limited, promote the "Hybrid Tower EPC" model, stabilise the profit margin of individual projects, complete its nationwide market layout for wind-concrete hybrid towers, and meet the demand arising from the construction of wind power bases.

3. *Urban renewal and old house renovation*

Leveraging the homeowner resources of Central China New Life, the Group will promote the use of prefabricated decoration in old house renovation, focus on community renewal and the renovation of old residential communities, advance interior industrialisation, and cooperate with local governments to build demonstration projects for prefabricated urban renewal.

III. Deepening domestic cooperation and striving for breakthroughs in overseas markets

(i) Strengthening strategic cooperation with central state-owned enterprises and state-owned enterprises

The Group will continue to leverage the resources of central state-owned enterprises such as China State Construction Engineering Corporation Limited, China Nuclear Industry Construction Co., Ltd., China Energy Engineering Group Co., Ltd., China Railway Group Limited and China Railway Construction Corporation Limited, and undertake large-scale infrastructure projects through the EPC consortium model so as to enhance project profit margins. It will focus on connecting with major strategic customers such as large central state-owned enterprises and state-owned enterprises, enter into long-term strategic cooperation agreements, maintain relationships with existing customers, further tap cooperation potential, promote all-staff marketing, and incentivise frontline teams to expand orders.

(ii) Accelerating the expansion of overseas markets

Leveraging DIT's listed company platform and technological advantages, the Group will actively connect with and expand overseas order business in regions such as the Middle East and Latin America, and build benchmark overseas projects. Seizing the infrastructure opportunities under the Belt and Road Initiative, the Group will position overseas business as its second growth pole and, through a model of technology export + product export + industrial cooperation, undertake businesses such as prefabricated design, component production and construction guidance for overseas housing and infrastructure projects, thereby achieving scaled breakthroughs in overseas business.

By adopting a product-focused strategy, the Group will take MiC modular buildings and fully-fitted villas as its core export products, while positioning ALC wall panels, doors and windows, aluminium veneers, capsule units, and components of the RIFF system and full-dry system as opportunity products. At the same time, it will carry out overseas green building materials trading business to meet demand in overseas markets for low-rise and mid-rise buildings, affordable housing and villas.

Meanwhile, relying on DIT's years of technological accumulation and industry resources, the Group will cooperate with leading companies in the industry in areas such as architectural design and new building materials to establish innovative business incubation companies, thereby exploring more pathways for DIT's sustainable development.

FINANCIAL REVIEW

Review of Results

The principal activities of the Group are prefabricated construction work, decoration and landscaping services, granting licenses, consulting services and sales of equipment in the People's Republic of China.

Revenue

The revenue of the Group decreased sharply by approximately 62.8% from approximately HK$374.0 million for the year ended 31 December 2024 to approximately HK$139.2 million for the year ended 31 December 2025. The significant decline was primarily attributable to the prolonged downturn in the PRC real-estate market, which led to reduced new project commencements by property developers, cautious client spending amid economic uncertainties, and intensified market competition. This resulted in substantially lower volumes of prefabricated construction ("**PC**") components delivered and slower progress, deferrals or cancellations in decoration and landscaping contracts.

Revenue from sales of prefabricated construction units, the Group's core revenue stream, decreased by approximately 62.1% to HK$122.1 million (2024: HK$322.1 million), accounting for approximately 87.7% of total revenue (2024: approximately 86.1%). The sharp decline reflected fewer residential and commercial PC projects awarded or progressed during the year, as developers deferred or scaled back developments amid the sector's adjustment cycle.

Revenue from decoration and landscaping services fell sharply by approximately 87.4% to HK$4.4 million (2024: HK$34.4 million), mainly due to project deferrals and reduced scope from clients facing liquidity pressures. Consulting services revenue decreased to HK$0.2 million (2024: HK$2.9 million), while revenue from sales of prefabricated construction equipment dropped to HK$0.54 million (2024: HK$3.2 million), reflecting lower demand for ancillary equipment amid the overall contraction in PC activities. Rental income remained relatively stable at HK$12.0 million (2024: HK$11.4 million), primarily from leasing of certain Group-held assets.

Cost of sales

The Group recorded cost of sales of approximately HK$164.5 million (2024: approximately HK$364.5 million) for the year ended 31 December 2025. The decrease was primarily attributable to the substantial reduction in revenue scale from PC components and landscaping/decoration services, with a corresponding decline in direct production, material and subcontracting costs. However, fixed production overheads and certain amortisation expenses continued to be incurred, contributing to pressure on unit costs.

Gross profit and gross profit margin

The Group recorded a gross loss of approximately HK$25.3 million for the year ended 31 December 2025 (2024: gross profit of approximately HK$9.5 million). The gross loss margin was negative 18.2% in 2025 (2024: positive 2.5%). The shift to gross loss was mainly due to intensified market competition leading to lower unit selling prices for PC components, combined with higher per-unit amortisation and production costs arising from reduced order volumes and under-utilised capacity in PC factories. Management has implemented cost optimisation measures, including workforce adjustments and selective project acceptance, to mitigate further margin erosion.

Other income

Other income for the year ended 31 December 2025 amounted to approximately HK$1.2 million (2024: approximately HK$0.5 million), mainly comprising interest income from bank deposits and other non-operating items.

Other losses — net

The Group recorded net other losses of HK$142.4 million in 2025 (2024: HK$47.3 million), representing a substantial increase of approximately 201.1%. The increase was primarily driven by two significant non-operating items:

— loss on deconsolidation of a subsidiary of HK$93.6 million (2024: nil) during the year; and

— fair value loss on investment properties of HK$6.5 million (2024: gain of HK$0.2 million).

Losses on disposal of property, plant and equipment amounted to HK$24.4 million, a modest improvement from HK$28.7 million in 2024, while fair value losses on financial assets at fair value through profit or loss decreased markedly to HK$2.8 million (2024: HK$14.8 million). No overdue interest charges to suppliers were recorded in 2025.

Selling and distribution expenses

Selling and distribution expenses decreased to approximately HK$14.78 million (2024: approximately HK$37.88 million) for the year ended 31 December 2025, mainly due to reduced transportation and delivery activities following the sharp decline in PC component sales volumes.

Administrative expenses

Administrative expenses amounted to approximately HK$177.5 million (2024: approximately HK$206.3 million) for the year ended 31 December 2025. The slight decrease reflected cost-control initiatives,.

Finance costs

Finance costs decreased to approximately HK$79.0 million (2024: approximately HK$87.9 million) for the year ended 31 December 2025, mainly representing interest expenses on borrowings.

Liquidity and Financial Resources

As at 31 December 2025, the cash and cash equivalents of the Group amounted to approximately HK$4.1 million (2024: approximately HK$6.4 million) and the current ratio of the Group was 0.4 (2024: 0.7).

As at 31 December 2025, the borrowings of the Group amounted to approximately HK$1,710.9 million (31 December 2024: approximately HK$1,679.7 million) and the net gearing ratio, calculated as net debt divided by total equity, was 282.3% (2024: 86.0%).

FINAL DIVIDEND

Under the Dividend Policy, provided the Group is profitable and without affecting the normal operations of the Group, the Company may consider to declare and pay dividends to the Shareholders. In deciding whether to propose a dividend and in determining the dividend amount, the board of directors of the Company shall take into account, among others, the operating results, cash flow, financial condition and capital requirements of the Group and the interests of the shareholders of the Company. Declaration of dividend by the Company is also subject to the laws of Bermuda, the bye-laws of the Company and any applicable laws, rules and regulations.

The Dividend Policy will continue to be reviewed from time to time and there can be no assurance that a dividend will be proposed or declared in any specific periods.

The Board does not recommend payment of any dividend for the year ended 31 December 2025 and 2024.

ANNUAL GENERAL MEETING

The forthcoming 2026 AGM is expected to be held on Monday, 1 June 2026. A notice convening the 2026 AGM will be published in due course in the manner required by the Listing Rules.

CLOSURE OF REGISTER OF MEMBERS

The record date for determining the eligibility of shareholders (except for the holders of treasury shares, if any) to attend and vote at the 2026 AGM (or at any adjournment or postponement thereof) is Monday, 1 June 2026. The register of members of the Company will be closed from Wednesday, 27 May 2026 to Monday, 1 June 2026, both dates inclusive, for the purpose of ascertaining the Shareholders' entitlement to attend and vote at the 2026 AGM. In order to be eligible to attend and vote at the 2026 AGM, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 26 May 2026.

GENERAL INFORMATION

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standard corporate governance practices as the Board considers that good and effective corporate governance is essential for enhancing accountability and transparency of a company to the investing public and other stakeholders. During the year ended 31 December 2025, the Company has complied with the code provisions set out in the Corporate Governance Code (the "**Code**") contained in Appendix C1 (previously known as Appendix 14) to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"), except for the following:

Code provision C.2.1 of the Code states that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Guo Weiqiang, being the then chief executive officer of the Company, was appointed as the chairman of the Board on 26 January 2024. Mr. Guo resigned from the positions of the chairman, chief executive officer and an executive Director of the Company with effect from 3 September 2025. Since then, the Company has not appointed any Chairman of the Board or Chief Executive Officer. This constitutes a deviation from Code Provision C.2.1.

The daily operation and management of the Group are monitored by the Executive Directors together with the senior management team. The Board as a whole is responsible for the overall strategic planning and major decisions of the Company. The Board is of the view that, although there is no Chairman and no Chief Executive Officer, the balance of power and authority is ensured by the collective decision-making of the Board, which comprises experienced individuals who meet from time to time to discuss issues affecting the operation of the Group. This arrangement enables the Group to make and implement decisions promptly and achieve its objectives efficiently and effectively in response to the changing environment.

The Company will, at the appropriate time, arrange for the appointment of a suitable candidate to fill the positions of Chairman and/or Chief Executive Officer to fully comply with the Corporate Governance Code.

CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") contained in Appendix C3 (previously known as Appendix 10) to the Listing Rules as its code of conduct regarding Directors' securities transactions. In response to the specific enquiry made to all Directors by the Company, all the Directors confirmed that they have fully complied with the required standard as set out in the Model Code throughout the year ended 31 December 2025.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

During the year ended 31 December 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company.

MATERIAL EVENTS AFTER THE YEAR ENDED 31 DECEMBER 2025

As at the date of this announcement, there were no material events after the year ended 31 December 2025.

EXTRACT OF INDEPENDENT AUDITOR'S REPORT

The following is an extract of the independent auditor's report from the independent auditor of the Group on the consolidated financial statements of the Group for the year ended 31 December 2025.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Material uncertainty related to going concern

We draw attention to note 2 to the consolidated financial statements, which mentions that the Group incurred a loss of HK$1,394,629,000 for the year ended 31 December 2025 and as at 31 December 2025, the Group's current liabilities exceeded its current assets by HK$1,921,890,000. At the same date, the Group's current borrowings amounted to HK$1,609,853,000 while its cash and cash equivalents amounted to HK$4,131,000. For the year ended 31 December 2025, the Group failed to repay multiple commercial bank borrowings amounted to RMB487,285,000 (equivalent to HK$539,498,000) and interest payable amounted to RMB72,720,000 (equivalent to HK$79,375,000) in total according to the scheduled repayment dates, each of which constituted an event of default (collectively, "**Bank Borrowing Defaults**"). Such events of default resulted in the mentioned borrowings amounted to RMB837,089,000 (equivalents to HK$913,693,000) as at 31 December 2025 becoming immediately repayable if requested by the lenders, of which RMB201,682,000 (equivalent to HK$220,138,000) represented bank borrowings with scheduled repayment dates within one year, while the remaining RMB635,407,000 (equivalent to HK$693,555,000) represented the non-current portion with original maturity dates beyond 31 December 2025 that were reclassified as current liabilities.

As at 31 December 2025, there were various litigations against the Group which were claimed by certain suppliers and banks with respect to overdue payables and borrowings amounted to approximately RMB1,639,784,000 (equivalent to HK$1,815,487,000) in total. Such conditions, along with other matters as set forth in note 2 to the consolidated financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

AUDIT COMMITTEE

As at the date of this announcement, the audit committee of the Company (the "**Audit Committee**") comprises three independent non-executive Directors, namely Mr. Jiang Hongqing, Mr. Lee Chi Ming and Mr. Ma Lishan. The Audit Committee has reviewed with the management of the Company, the audited annual results of the Group for the year ended 31 December 2025 and considered that they were prepared in compliance with the relevant accounting standards.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT

This audited annual results announcement is published on the Stock Exchange's website (http://www.hkexnews.hk) and the Company's website (http://dit.aconnect.com.hk). The Company's 2025 annual report containing all information required by the Listing Rules will be dispatched to the shareholders of the Company and will be published on the respective websites of the Stock Exchange and the Company in due course.

By order of the Board
DIT Group Limited
Mr. He Yuanqing
Executive Director

Hong Kong, 26 March 2026

As at the date of this announcement, the Board comprises Mr. He Yuanqing and Ms. Hu Liping as executive directors; Mr. Wang Jun and Mr. Guo Jianfeng as non-executive directors; Mr. Jiang Hongqing, Mr. Lee Chi Ming and Mr. Ma Lishan as independent non-executive directors.