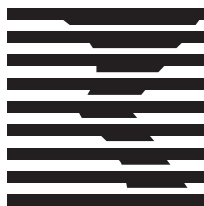


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ROAD KING INFRASTRUCTURE LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1098)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

HIGHLIGHTS	2025	2024
Property sales (including joint venture and associate projects)	RMB7,390 million	RMB12,462 million
Property delivery (including joint venture and associate projects)	RMB11,604 million	RMB31,592 million
Toll revenue from expressway projects in Indonesia	HK\$1,695 million	HK\$1,765 million
Loss for the year attributable to owners of the Company	HK\$5,982 million	HK\$4,122 million

RESULTS

The Board of Directors (the “Board”) of Road King Infrastructure Limited (the “Company”) announces the audited consolidated statement of profit or loss and consolidated statement of profit or loss and other comprehensive income of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2025 and consolidated statement of financial position of the Group as at 31 December 2025 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 31 DECEMBER 2025

	NOTES	2025 HK\$'000	2024 HK\$'000
Revenue	3	5,321,879	5,536,911
Cost of sales		<u>(7,668,942)</u>	<u>(6,927,009)</u>
Gross loss		(2,347,063)	(1,390,098)
Interest income		16,724	78,477
Other income		64,370	111,680
Other gains and losses	5	(1,567,173)	(2,294,989)
Selling expenses		(225,412)	(247,350)
Administrative expenses		(568,218)	(687,823)
Gains on disposal of subsidiaries	6	–	1,869,286
Share of results of associates		11,390	(11,102)
Share of results of joint ventures	7	(98,489)	(32,325)
Finance costs	8	<u>(599,248)</u>	<u>(736,331)</u>
Loss before taxation	9	(5,313,119)	(3,340,575)
Income tax credit	10	<u>10,955</u>	<u>32,266</u>
Loss for the year		<u>(5,302,164)</u>	<u>(3,308,309)</u>
(Loss) profit for the year attributable to:			
Owners of the Company		(5,981,508)	(4,121,870)
Owners of perpetual capital securities		545,971	540,452
Other non-controlling interests of subsidiaries		<u>133,373</u>	<u>273,109</u>
		<u>(5,302,164)</u>	<u>(3,308,309)</u>
Loss per share	12		
– Basic		<u>(HK\$7.98)</u>	<u>(HK\$5.50)</u>
– Diluted		<u>N/A</u>	<u>N/A</u>

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**

FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loss for the year	<u>(5,302,164)</u>	<u>(3,308,309)</u>
Other comprehensive (expense) income		
<i>Items that may be subsequently reclassified to profit or loss:</i>		
Exchange differences arising on translation of foreign operations	(161,095)	(93,121)
Share of other comprehensive expense of joint ventures	(148)	(4,053)
<i>Item that will not be subsequently reclassified to profit or loss:</i>		
Exchange differences arising on translation to presentation currency	<u>241,270</u>	<u>(797,940)</u>
Other comprehensive income (expense) for the year	<u>80,027</u>	<u>(895,114)</u>
Total comprehensive expense for the year	<u><u>(5,222,137)</u></u>	<u><u>(4,203,423)</u></u>
Total comprehensive (expense) income for the year attributable to:		
Owners of the Company	(5,893,471)	(4,861,121)
Owners of perpetual capital securities	545,971	540,452
Other non-controlling interests of subsidiaries	<u>125,363</u>	<u>117,246</u>
	<u><u>(5,222,137)</u></u>	<u><u>(4,203,423)</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2025

	<i>NOTE</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
ASSETS			
Non-current assets			
Property, plant and equipment		194,178	53,986
Right-of-use assets		18,714	13,122
Investment properties		4,564,648	5,323,712
Interests in associates		1,007,799	979,661
Interests in joint ventures		9,916,651	12,518,517
Deferred tax assets		182,241	268,821
Amounts due from joint ventures and associates		1,835,100	2,716,752
Loan receivables		309,058	510,580
Financial assets at fair value through profit or loss (“FVTPL”)		428,187	551,560
		18,456,576	22,936,711
Current assets			
Inventory of properties		19,158,287	23,732,260
Amounts due from joint ventures and associates		566,191	1,092,002
Amounts due from other non-controlling interests of subsidiaries		587,501	1,208,249
Loan receivables		77,856	79,110
Debtors, deposits and prepayments	<i>13</i>	2,387,216	2,398,980
Prepaid income tax		1,320,156	1,371,083
Pledged bank deposits		32,789	421,169
Bank balances and cash		2,565,732	4,273,571
		26,695,728	34,576,424
Total assets		45,152,304	57,513,135

	<i>NOTE</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		74,934	74,934
Reserves		<u>5,244,233</u>	<u>10,740,513</u>
		5,319,167	10,815,447
Owners of perpetual capital securities		7,669,178	7,123,442
Other non-controlling interests of subsidiaries		<u>2,044,473</u>	<u>2,961,290</u>
Total equity		<u>15,032,818</u>	<u>20,900,179</u>
Non-current liabilities			
Bank and other borrowings		2,016,973	13,314,706
Deferred tax liabilities		980,949	1,031,449
Lease liabilities		<u>12,600</u>	<u>4,636</u>
		3,010,522	<u>14,350,791</u>
Current liabilities			
Creditors and accrued charges	<i>14</i>	4,037,661	4,602,375
Amounts due to joint ventures and associates		3,675,434	5,386,445
Amounts due to other non-controlling interests of subsidiaries		512,522	861,938
Contract liabilities		3,753,329	4,391,491
Lease liabilities		8,070	10,377
Income tax payable		2,024,496	3,172,632
Bank and other borrowings		13,097,452	2,912,542
Financial liabilities at FVTPL		<u>–</u>	<u>924,365</u>
		27,108,964	<u>22,262,165</u>
Total equity and liabilities		<u>45,152,304</u>	<u><u>57,513,135</u></u>

NOTES:

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standard issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments which are measured at fair values.

Going concern

In preparing the consolidated financial statements, the directors of the Company (the “Directors”) have given careful consideration to the future liquidity, the financial position, the performance of the Group and its available sources of financing in assessing the Group’s ability to continue as a going concern. The Group incurred a loss of HK\$5,302,164,000 and a net operating cash outflow of HK\$492,581,000 for the year ended 31 December 2025. In addition, in August 2025, the Group decided to suspend payment of all principal and interest on its senior notes, offshore bank loans and perpetual capital securities. The suspended payment has triggered events of default under certain financing arrangements and may lead to certain creditors of the Group demanding accelerated repayment of the Group’s offshore bank loans and senior notes and/or taking enforcement action pursuant to the relevant terms. In October 2025, certain creditors of the Group have exercised such rights, accelerating repayment of a portion of the Group’s offshore bank and other borrowings and taking enforcement actions. As at 31 December 2025, the Group’s offshore bank loans of HK\$913,512,000 and senior notes of US\$1,456,692,000 (equivalent to HK\$11,332,475,000) have become repayable on demand prior to their contractual maturity dates. Accordingly, senior notes which were originally due over one year and classified as non-current liabilities have been reclassified as current liabilities.

As part of its plans and measures formulated by the Group with the objective of improving the liquidity and cash flows of the Group, the Group has initiated a restructuring proposal, which has been introduced to a number of relevant creditors including but are not limited to the followings:

- (i) conversion of some of its existing debts to convertible bonds to be issued by creditor special purpose vehicle (“Creditor SPV”), which will hold 70% equity interest in Road King Expressway International Holdings Limited (“Creditor Interest”), with the Company facilitating the disposal of the Creditor Interest;
- (ii) settlement of some of its existing debts through a tender offer for cash; and
- (iii) conversion of some of its existing debts through the issuance of a new 3% p.a. coupon medium-term instrument and new ordinary shares.

The Directors performed an assessment of the Group's future liquidity and cash flows, which included a cash flow projection for a period of not less than twelve months from 31 December 2025 and a review of assumptions about the likelihood of reaching an agreement of the restructuring proposal with the relevant creditors to meet the Group's financing needs. Taking into account the restructuring proposal and considering the underlying bases of management's cash flow projection, the Directors are of the opinion that the Group will have funds available to meet its financial obligations as and when they fall due within the next twelve months from 31 December 2025. Accordingly, the Directors consider it is appropriate to prepare the Group's consolidated financial statements on a going concern basis.

Notwithstanding the above, the restructuring proposal has not been agreed with the relevant creditors of the Group as at the date of approval of the consolidated financial statements, material uncertainties exist as to whether the Group can continue as a going concern.

Should the Group fail to reach an agreement of the restructuring proposal with the relevant creditors, it might not be able to continue as a going concern and adjustments might have to be made to write down the carrying value of the Group's assets to their recoverable amount, recognise a liability for any contractual commitments that may have become onerous and to reclassify certain non-current liabilities as current liabilities with consideration of the contractual terms. The effects of these adjustments are not reflected in these consolidated financial statements.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

2.1 Amendments to a HKFRS Accounting Standard that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to a HKFRS Accounting Standard as issued by the HKICPA for the first time, which are mandatorily effective for the Group's annual periods beginning on 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability
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The application of the amendments to a HKFRS Accounting Standard in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2.2 New and amendments to HKFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency ³
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS Accounting Standards HKFRS 18	Annual Improvements to HKFRS Accounting Standards – Volume 11 ² Presentation and Disclosure in Financial Statements ³

¹ *Effective for annual periods beginning on or after a date to be determined.*

² *Effective for annual periods beginning on or after 1 January 2026.*

³ *Effective for annual periods beginning on or after 1 January 2027.*

Except for the new HKFRS Accounting Standards mentioned below, the Directors anticipate that the application of all other amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 “Presentation and Disclosure in Financial Statements”

HKFRS 18 “Presentation and Disclosure in Financial Statements”, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 “Presentation of Financial Statements”. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 and HKFRS 7. Minor amendments to HKAS 7 “Statement of Cash Flows” and HKAS 33 “Earnings per Share” are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. HKFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss.

3. REVENUE

(a) Disaggregation of the Group's revenue from contracts with customers

Segment	2025			2024		
	Property development and investment <i>HK\$'000</i>	Investment and asset management <i>HK\$'000</i>	Total <i>HK\$'000</i>	Property development and investment <i>HK\$'000</i>	Investment and asset management <i>HK\$'000</i>	Total <i>HK\$'000</i>
Types of goods or services						
Property sales	4,158,206	76,893	4,235,099	4,321,580	12,112	4,333,692
Property management and service income	842,882	23,413	866,295	944,606	15,268	959,874
Total	5,001,088	100,306	5,101,394	5,266,186	27,380	5,293,566
Geographical market						
Mainland China	4,885,020	100,306	4,985,326	4,994,758	27,380	5,022,138
Hong Kong	116,068	-	116,068	271,428	-	271,428
Total	5,001,088	100,306	5,101,394	5,266,186	27,380	5,293,566
Timing of revenue recognition						
Goods recognised at a point in time	4,158,206	76,893	4,235,099	4,321,580	12,112	4,333,692
Services recognised over time	842,882	23,413	866,295	944,606	15,268	959,874
Total	5,001,088	100,306	5,101,394	5,266,186	27,380	5,293,566

(b) Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information

Segment	2025			2024		
	Property development and investment <i>HK\$'000</i>	Investment and asset management <i>HK\$'000</i>	Total <i>HK\$'000</i>	Property development and investment <i>HK\$'000</i>	Investment and asset management <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue from contracts with customers <i>(note 3(a))</i>	5,001,088	100,306	5,101,394	5,266,186	27,380	5,293,566
Rental income from commercial properties and other revenue	211,025	9,460	220,485	233,245	10,100	243,345
Total revenue of the Group <i>(note 4)</i>	5,212,113	109,766	5,321,879	5,499,431	37,480	5,536,911

(c) **Total revenue of the Group**

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Property sales and service income	5,101,394	5,293,566
Rental income from commercial properties and other revenue	220,485	243,345
Total revenue of the Group	5,321,879	5,536,911
Group's share of revenue of property joint ventures and associates	3,894,987	10,812,854
Group's share of toll revenue of infrastructure joint ventures	690,451	1,015,612
Revenue of the Group and Group's share of revenue of joint ventures and associates	9,907,317	17,365,377

4. SEGMENT INFORMATION

The Group determines its operating segments based on internal reporting about components that are regularly reviewed by the chief operating decision makers (the "CODM"). Information reported to the Group's CODM, who mainly are the executive directors of the Company, for the purposes of resource allocation and assessment of performance is mainly focused on the different management teams of the related business operations (including interests in joint ventures and associates) stated as below:

Property development and investment	–	development of properties for sale and for rental income and/or potential capital appreciation
Toll road	–	development, operation and management of toll roads
Investment and asset management	–	property development and investment, integrated with property fund, cultural, tourist and commercial businesses

The following is an analysis of the Group's revenue, (loss) profit, assets, liabilities and other information by operating and reportable segments for the years under review:

	2025				2024			
	Property development and investment <i>HK\$'000</i>	Toll road <i>HK\$'000</i>	Investment and asset management <i>HK\$'000</i>	Total <i>HK\$'000</i>	Property development and investment <i>HK\$'000</i>	Toll road <i>HK\$'000</i>	Investment and asset management <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment revenue	<u>5,212,113</u>	<u>-</u>	<u>109,766</u>	<u>5,321,879</u>	<u>5,499,431</u>	<u>-</u>	<u>37,480</u>	<u>5,536,911</u>
Segment (loss) profit	<u>(3,714,469)</u>	<u>207,065</u>	<u>(1,755,685)</u>	<u>(5,263,089)</u>	<u>(2,984,795)</u>	<u>1,811,313</u>	<u>(2,050,442)</u>	<u>(3,223,924)</u>
Segment assets (including interests in joint ventures and associates)	<u>35,890,562</u>	<u>4,405,191</u>	<u>4,608,637</u>	<u>44,904,390</u>	<u>46,656,622</u>	<u>4,468,757</u>	<u>6,023,059</u>	<u>57,148,438</u>
Segment liabilities	<u>(28,796,960)</u>	<u>(37,892)</u>	<u>(683,115)</u>	<u>(29,517,967)</u>	<u>(35,217,989)</u>	<u>(64,639)</u>	<u>(714,748)</u>	<u>(35,997,376)</u>

(a) Measurement

The accounting policies of the operating and reportable segments are the same as the Group's accounting policies.

Segment (loss) profit represents profit or loss generated from each segment, which includes share of results of associates, share of results of joint ventures, net gains on disposals/written off of property, plant and equipment, impairment losses on loan receivables and amounts due from joint ventures, fair value losses on transfer of completed properties held for sale to investment properties, change in fair value of investment properties, change in fair value of financial asset (liabilities) at FVTPL, net exchange gains (losses), gains on buyback of senior notes, net (loss) gains on disposal of interests in joint ventures, gains on disposal of subsidiaries, depreciation of property, plant and equipment and right-of-use assets, relevant interest income, finance costs and income tax credit (expenses) attributable to the relevant segment but without allocation of headquarters income and expenses.

Segment revenue comprises revenue from external customers. There was no inter-segment revenue.

Segment assets include property, plant and equipment, right-of-use assets, investment properties, interests in associates, interests in joint ventures, inventory of properties, amounts due from joint ventures and associates, amounts due from other non-controlling interests of subsidiaries, loan receivables, debtors, deposits and prepayments, prepaid income tax, financial assets at FVTPL, pledged bank deposits, bank balances and cash and deferred tax assets which are directly attributable to the relevant reportable segment.

(c) Other segment information

	2025					2024				
	Property development and investment	Toll road	Investment and asset management	Unallocated	Consolidated total	Property development and investment	Toll road	Investment and asset management	Unallocated	Consolidated total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Amounts included in the measure of segment loss:										
Interest income	15,706	170	382	466	16,724	67,876	3,034	314	7,253	78,477
Gains on disposal of subsidiaries	-	-	-	-	-	6,890	1,862,396	-	-	1,869,286
Net (loss) gains on disposal of interests in joint ventures	(6,361)	8,467	19,140	-	21,246	-	-	17,414	-	17,414
Net gains on disposals/written off of property, plant and equipment	744	-	-	-	744	599	-	4,813	-	5,412
Impairment loss on loan receivables	(161,117)	-	(42,965)	-	(204,082)	-	-	(789,071)	-	(789,071)
Impairment loss on amounts due from joint ventures	(494,093)	-	(32,223)	-	(526,316)	(572,057)	-	(166,418)	-	(738,475)
Fair value losses on transfer of completed properties held for sale to investment properties	-	-	-	-	-	(331,197)	-	(7,382)	-	(338,579)
Change in fair value of investment properties	(337,830)	-	(521,126)	-	(858,956)	(327,743)	-	(99,270)	-	(427,013)
Depreciation of property, plant and equipment	(22,262)	(386)	(3,347)	-	(25,995)	(9,094)	(474)	(2,198)	-	(11,766)
Depreciation of right-of-use assets	(5,350)	(226)	-	(4,649)	(10,225)	(7,251)	(784)	-	(4,826)	(12,861)
Finance costs	(116,997)	(39)	(446,877)	(35,335)	(599,248)	(73,556)	(39,617)	(577,827)	(45,331)	(736,331)
Income tax credit (expenses)	71,265	(17,624)	(42,686)	-	10,955	412,878	(404,337)	23,725	-	32,266
Share of results of associates	-	-	11,390	-	11,390	-	-	(11,102)	-	(11,102)
Share of results of joint ventures	(279,572)	251,298	(70,215)	-	(98,489)	(248,470)	456,771	(240,626)	-	(32,325)
Amounts included in the measure of segment assets:										
Right-of-use assets	10,425	386	-	7,903	18,714	8,240	696	-	4,186	13,122
Investment properties	3,817,021	-	747,627	-	4,564,648	4,048,176	-	1,275,536	-	5,323,712
Interests in associates	-	-	1,007,799	-	1,007,799	-	-	979,661	-	979,661
Interests in joint ventures	4,706,287	4,253,454	956,910	-	9,916,651	7,209,081	4,338,630	970,806	-	12,518,517
Financial assets at FVTPL	-	-	428,187	-	428,187	-	-	551,560	-	551,560
Additions to non-current assets during the year	65,528	151	-	8,367	74,046	39,580	-	1,307	-	40,887

(d) Revenue from major products and services

The Group's revenue for the year mainly comprises sale of completed residential properties developed by the Group for sale purposes and property management service income.

(e) Information about geographical areas

All of the Group's revenue is attributable to customers in Mainland China and Hong Kong. Details on the revenue by geographical areas are set out in note 3.

The Group's total non-current assets (excluding deferred tax assets and financial instruments) of HK\$11,298,773,000 (2024: HK\$14,467,079,000) are located in Mainland China. The remaining non-current assets of HK\$4,403,217,000 (2024: HK\$4,421,919,000) are substantially located in Hong Kong and Indonesia.

(f) Information about major customers

In view of the nature of the toll road business, there are no major customers. For the property business and investment and asset management business, there was no customer who accounted for over 10% of the total revenue generated from the relevant operating and reportable segments.

5. OTHER GAINS AND LOSSES

	2025	2024
	HK\$'000	HK\$'000
Net exchange gains (losses)	132,941	(608,011)
Change in fair value of financial assets at FVTPL		
– relating to investment in an unlisted entity	(130,634)	(8,452)
Change in fair value of financial liabilities at FVTPL		
– relating to participation rights	–	28,990
– relating to contingent consideration	–	34,281
– relating to sale loan with redemption right	(2,116)	(62,452)
Gains on buyback of senior notes	–	590,967
Net gains on disposals/written off of property, plant and equipment	744	5,412
Gains on disposal of interests in joint ventures	21,246	17,414
Impairment loss on loan receivables	(204,082)	(789,071)
Impairment loss on amounts due from joint ventures	(526,316)	(738,475)
Fair value losses on transfer of completed properties held for sale to investment properties	–	(338,579)
Change in fair value of investment properties	(858,956)	(427,013)
	(1,567,173)	(2,294,989)

6. GAINS ON DISPOSAL OF SUBSIDIARIES

In November 2023, the Group entered into a sale and purchase agreement to dispose of its interest in Road King (China) Infrastructure Limited to an independent third party at the consideration of RMB4,411,800,000 (equivalent to HK\$4,902,000,000). The disposal was completed and the consideration was received in full in April 2024. The gain on the disposal transaction amounting to HK\$1,862,396,000 was recognised in profit or loss during the year of 2024.

In August 2024, the Group entered into sale and purchase agreement with an independent third party to dispose 90.1% equity interests in 東莞市雋越投資發展有限公司, at a cash consideration of RMB14,140,000 (equivalent to HK\$15,172,000). The consideration was fully received in 2024 and the gain on disposal of the subsidiary amounting to HK\$6,890,000 was recognised in profit or loss during the year of 2024.

The aggregate net assets of the subsidiaries at the date of completion of the disposals were as follow:

	2024 HK\$'000
Cash considerations	<u>4,917,172</u>
Analysis of assets and liabilities over which control were lost:	
Interests in joint ventures	2,983,989
Deferred tax assets	293
Inventory of properties	152,383
Debtors, deposits and prepayments	1,377
Amount due from a joint venture	79,991
Bank balances and cash	13
Amounts due to group companies	(186,594)
Deferred tax liabilities	<u>(24,966)</u>
Net assets disposed of	<u>3,006,486</u>
Gains on disposal of:	
Cash considerations	4,917,172
Direct transaction costs and expenses	(41,400)
Net assets disposal of	<u>(3,006,486)</u>
Gains on disposal of before taxation	1,869,286
Income tax expenses	<u>(372,511)</u>
Gains on disposal of, net of related income tax	<u>1,496,775</u>
– attributable to owners of the Company	<u>1,123,469</u>
– attributable to other non-controlling interests of subsidiaries	<u>373,306</u>

7. SHARE OF RESULTS OF JOINT VENTURES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Share of profits of infrastructure joint ventures before amortisation and taxation	382,427	593,315
Less share of:		
Amortisation of toll road operation rights	(56,737)	(108,177)
Income tax expenses	(74,392)	(28,367)
	<u>251,298</u>	<u>456,771</u>
Share of loss of property and other joint ventures	(349,787)	(489,096)
	<u>(98,489)</u>	<u>(32,325)</u>

8. FINANCE COSTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest on borrowings	840,545	1,122,199
Interest on lease liabilities	615	1,059
Other interest and finance costs	44,890	105,723
	<u>886,050</u>	<u>1,228,981</u>
Less: Capitalised in properties under development for sale	(286,802)	(492,650)
	<u>599,248</u>	<u>736,331</u>

Borrowing costs on general borrowings capitalised during the year are calculated by applying a capitalisation rate of 6.00% (2024: 6.33%) per annum to expenditure on qualifying assets.

9. LOSS BEFORE TAXATION

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loss before taxation has been arrived at after charging:		
Depreciation of property, plant and equipment	26,397	12,019
Depreciation of right-of-use assets	<u>10,225</u>	<u>12,861</u>
	36,622	24,880
Less: Capitalised in properties under development for sale	<u>(402)</u>	<u>(253)</u>
	<u>36,220</u>	<u>24,627</u>
Salaries and other benefits	585,765	700,544
Provident fund scheme contributions, net of forfeited contributions of HK\$83,000 (2024: HK\$377,000)	132,698	143,229
Less: Capitalised in properties under development for sale	<u>(17,083)</u>	<u>(30,356)</u>
Total staff costs (excluding Directors' emoluments)	<u>701,380</u>	<u>813,417</u>
Audit fee	4,647	4,647
Cost of inventory of properties recognised as an expense (including write down of inventories amounting to HK\$2,041,865,000 (2024: HK\$682,068,000))	6,507,719	5,922,696
and after crediting:		
Bank interest income	<u>11,029</u>	<u>41,195</u>

10. INCOME TAX CREDIT

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current tax:		
Hong Kong profits tax	1,852	8,441
PRC enterprise income tax (“EIT”)	113,166	338,953
PRC land appreciation tax (“LAT”)	(183,057)	(258,659)
Withholding tax	33,165	68,305
	<u>(34,874)</u>	<u>157,040</u>
Deferred tax	23,919	(189,306)
	<u>(10,955)</u>	<u>(32,266)</u>

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits derived from Hong Kong.

The Group operates in a jurisdiction that have implemented the Pillar Two Rules, which impose a global minimum effective tax rate of 15%. Based on the Group’s preliminary assessment for the year ended 31 December 2025 and the information currently available, the overall impact of Pillar Two Rules on the Group’s income tax position is not material. The Group will continue to monitor developments in Pillar Two legislation across relevant jurisdiction and assess the potential future impact on its financial statements.

EIT has been provided at the appropriate tax rates of 25% (2024: range from 10% to 25%) prevailing in the countries in which the Group operates on the estimated assessable profits for the year. EIT for the year ended 31 December 2024 included the income tax expenses of HK\$372,511,000 on the disposal of four expressway projects in Mainland China. Further details could be referred to note 6.

The provision of LAT is estimated according to the requirements set forth in the relevant the People’s Republic of China (“PRC”) tax laws and regulations which is charged at progressive rates ranging from 30% to 60% of the appreciation value, with certain allowable deductions.

11. DIVIDENDS PAID

The Group has not paid any interim and final dividends both in 2025 and 2024.

The Board has resolved not to recommend the payment of any final dividend in respect of 2025.

12. LOSS PER SHARE

The calculation of the basic loss per share attributable to owners of the Company is based on the following data:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loss for the purposes of basic loss per share attributable to owners of the Company	<u>(5,981,508)</u>	<u>(4,121,870)</u>
	2025 Number of shares '000	2024 Number of shares '000
Weighted average number of ordinary shares for the purpose of basic loss per share	<u>749,337</u>	<u>749,337</u>

No diluted loss per share for the years of 2025 and 2024 were presented as there were no dilutive potential ordinary shares in issue for both years.

13. DEBTORS, DEPOSITS AND PREPAYMENTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Aged analysis of trade debtors, presented based on invoice dates (<i>note</i>):		
Within 60 days	149,592	81,882
61 to 90 days	10,374	10,991
More than 90 days	<u>17,461</u>	<u>46,020</u>
Trade debtors from contracts with customers derived from goods and services	177,427	138,893
Prepayment for land development cost	545,554	536,481
Deposits paid for acquisition of inventory of properties	383,833	385,036
Prepayment of value added tax and other taxes	496,307	539,600
Consideration receivable	24,550	24,142
Deferred selling commission	81,043	66,869
Other receivables, deposits and prepayments	<u>678,502</u>	<u>707,959</u>
	<u>2,387,216</u>	<u>2,398,980</u>

Note:

The debtors are mainly arisen from sale of properties. Consideration in respect of properties sold is paid in accordance with the terms of the related sale and purchase agreements, normally within 60 to 90 days from the agreements. For most of the Group's property projects, consideration will be fully received prior to the delivery of the properties to the property purchasers.

In determining the recoverability of trade debtors, the Group considers any change in the credit quality of the trade debtor from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited because the customer base is large and unrelated. The Directors consider that no credit loss provision is required at the end of the reporting period for trade debtors.

14. CREDITORS AND ACCRUED CHARGES

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Aged analysis of creditors presented based on invoice date:		
Trade payables		
Within 60 days	406,393	315,469
61 to 90 days	23,641	40,777
More than 90 days	536,524	780,723
	966,558	1,136,969
Accrued construction costs	1,807,488	1,885,507
	2,774,046	3,022,476
Accrued taxes (other than EIT and LAT)	163,114	227,583
Consideration payable for the acquisition of joint ventures	206,608	213,687
Construction related deposits	194,524	230,283
Earnest deposit for purchase of properties	104,000	265,201
Other payables	595,369	643,145
	4,037,661	4,602,375

15. TOTAL ASSETS LESS CURRENT LIABILITIES/NET CURRENT LIABILITIES

The Group's total assets less current liabilities at 31 December 2025 amounted to HK\$18,043,340,000 (2024: HK\$35,250,970,000). The Group's net current liabilities at 31 December 2025 amounted to HK\$413,236,000 (2024: net current assets amounted to HK\$12,314,259,000).

DIVIDEND

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

MANAGEMENT DISCUSSION AND ANALYSIS

Results for 2025

For the year ended 31 December 2025, property sales of the Group (including joint venture and associate projects) were RMB7,390 million, representing a decrease of approximately 41% as compared to last year. The Group's expressway projects in Indonesia recorded toll revenue of HK\$1,695 million in 2025, a decrease of approximately 4% compared to the previous year; excluding the impact of exchange rates, it remained flat compared to the previous year. In 2025, the Group recorded a loss after tax of HK\$5,302 million, loss attributable to shareholders of HK\$5,982 million, and loss per share of HK\$7.98.

Business Overview

In 2025, the global and Mainland China macroeconomic environments continued to face multiple uncertainties. The real estate market of Mainland China remained in an adjustment phase, with no significant improvement seen in the industry's overall sales and financing environment.

As a pillar industry of the national economy, the stable operation of the real estate sector is crucial to socio-economic development. During the year, the Central Government continued to introduce policies to stabilize the market. In April, it emphasized "consolidating the stable trend of the real estate market" and "increasing the supply of high-quality housing". In June, it proposed the goal of "halting the decline and achieving stability", clarifying the systematic direction of "stabilizing expectations, expanding demand, optimising supply, and preventing risks". In October, it set the tone for "promoting the high-quality development of real estate" and in December, the Central Economic Work Conference further laid out the task of "striving to stabilize the real estate market". However, affected by the global trading environment and the overall economic downturn, coupled with the fact that expectations for personal income and housing prices have not yet fully improved, the comprehensive market recovery still faces challenges and remains in a bottoming-out phase despite continuous policy support. During the year, core cities experienced a phased recovery driven by favorable policies, but the recovery momentum weakened from the second quarter onwards, and third- and fourth-tier cities continued to be constrained by high inventory and downward pressure on housing prices.

Facing a challenging operating and sales environment, the Group achieved total sales in Mainland China (including joint venture and associate projects) of RMB5,551 million in 2025, of which contracted sales amounted to RMB5,213 million and outstanding subscribed sales amounted to RMB338 million. Yangtze River Delta region was the major sales region.

Driven by factors such as high rental levels and interest rate cuts, properties purchase demand in the Hong Kong real estate market rebounded, with the real estate market in 2025 exhibiting a recovery trend of “a low start followed by stabilization”. In the first quarter, the transaction volume of Hong Kong projects slowed down due to the sluggish market and throat-cutting promotion of competitive projects in the same district. Subsequently, Mori took the lead in launching additional residential units with preferential discounts, which was met with a positive market response and boosted the sales. The Group’s three projects in Hong Kong (including Southland and Crescent Green) achieved total sales of RMB1,839 million and delivery of RMB3,095 million for the year.

The management team strictly controlled construction progress and made every effort to ensure the on-schedule delivery of projects, thereby effectively protecting the rights and interests of buyers. In 2025, the Group’s total property delivery in Mainland China and Hong Kong (including joint venture and associate projects) was approximately RMB11,604 million, with approximately 7,000 units and an area of approximately 510,000 sqm. Affected by the continuous downturn in the real estate market and throat-cutting promotion of competitive projects in the same district, the Group’s property sales dropped in both volume and price, resulting in a loss of HK\$3,714 million in the property segment during the year.

In 2025, the overall transaction volume in Mainland China land market remained at a low level with sluggish performance. Only premium land parcels in certain core cities saw relatively active bidding, state-owned enterprises remained the major participants in land acquisitions. In view of the significant liquidity pressure faced by the Group and the commencement of debt restructuring, participation in land auctions has been suspended in order to reserve funds to support the Group’s daily operations. Therefore, no new projects or land parcels were acquired during the year. As at 31 December 2025, the Group had a total land reserve of approximately 2,200,000 sqm of which approximately 310,000 sqm was pre-sold but yet to be delivered.

In 2025, the average daily traffic of the Group's Indonesian expressway projects was approximately 87,300 vehicles, a slight increase of approximately 1% compared to the previous year. The toll revenue recorded for the year was approximately HK\$1,695 million, a decrease of approximately 4% compared to the previous year. Excluding the impact of the depreciation of the Rupiah against the Hong Kong dollar, toll revenue would have remained flat compared to the previous year. During the year, Indonesia's gross domestic product grew by approximately 5% compared to the previous year. However, affected by geopolitical tensions and changes in international trade policies, the growth of commerce and logistics along certain project routes was constrained, while local residents' willingness to travel and consume became more cautious. In addition, extreme weather and natural disasters also exerted pressure on the operational performance of the projects. Against this backdrop, the Indonesia expressway projects recorded only slight growth in traffic volume, with toll revenue remained flat compared to the previous year.

In 2025, the profit of the Group's toll road segment (net of head office expenses and taxation) was HK\$207 million, representing a decrease of HK\$1,604 million from HK\$1,811 million in the previous year. Excluding the one-off net gain after taxation of approximately HK\$1,490 million from disposal of the expressway projects in Mainland China in the previous year and their operating profit prior to the disposal and other one-off items, the core operating profit of the toll road segment remained flat compared to the previous year.

According to the toll road concession agreement for each project, each project may apply to the Indonesian Government for a toll rate adjustment in 2025. Among them, the SN Expressway and SB Expressway projects obtained the approval of special toll rate adjustments of approximately 25.0% and 29.5% respectively, which have been implemented in January and March 2026 respectively. In addition, the NKK Expressway project has also obtained approval for a regular tariff increase of approximately 4.1%, which has been implemented in January 2026. In the long term, the Indonesian Government will strengthen the development of domestic industry and logistics. In line with Indonesia's continued economic growth, the industrial and tourism sectors are expected to see steady growth, leading to an increase in truck and passenger vehicle traffic in 2026 and beyond.

Business Segments Analysis:

i) *Property Segment*

In 2025, the property segment achieving total property sales of RMB7,139 million (including joint venture and associate projects). Property sales comprised contracted sales of RMB6,839 million and outstanding subscribed sales of RMB300 million, representing a decrease of approximately 41% as compared with that in 2024.

Set out below is an analysis of the property segment's property sales and delivery by region (including joint venture and associate projects) for 2025:

Regions (Notes)	Sales		Delivery	
	Amount RMB'million	Area sqm	Amount RMB'million	Area sqm
Yangtze River Delta Region	2,662	189,000	6,702	273,000
Bohai Rim Region	1,464	98,000	1,094	100,000
Guangdong-Hong Kong-Macao Greater Bay Area ("Greater Bay Area")	2,932	68,000	3,476	80,000
Other Regions	81	12,000	75	11,000
Total (2025)	<u>7,139</u>	<u>367,000</u>	<u>11,347</u>	<u>464,000</u>
Total (2024)	<u>12,231</u>	<u>593,000</u>	<u>31,353</u>	<u>1,170,000</u>

Notes:

Yangtze River Delta Region comprises Shanghai, Jiangsu Province and Zhejiang Province.

Bohai Rim Region comprises Beijing, Tianjin, Hebei Province and Shandong Province.

Greater Bay Area comprises Guangdong Province and Hong Kong.

Other Regions comprise Henan Province.

In 2025, the average selling price of properties in the property segment was RMB19,000 per sqm, of which the average price of properties in Mainland China was RMB15,000 per sqm and the average price of properties in Hong Kong was RMB115,000 per sqm. The Greater Bay Area and the Yangtze River Delta region were the major sales regions, accounting for 41% and 37% of total sales respectively. As at 31 December 2025, the total area of properties pre-sold but yet to be delivered was approximately 300,000 sqm.

The revenue of the Group's property segment for 2025 was mainly derived from the delivery of properties, of which projects in the Yangtze River Delta region accounted for approximately 59% of the total delivery revenue. Due to the downturn in the real estate market and throat-cutting promotion of competitive projects in the same district, both the sales volume and prices of the Group's properties declined, and the property segment recorded a loss of HK\$3,714 million during the year.

ii) Toll Road Segment

In 2025, the total traffic volume of the Group's Indonesian expressway projects was 31.88 million vehicles, with an average daily traffic volume of approximately 87,300 vehicles, a slight increase of approximately 1% compared to the previous year. The toll revenue in Rupiah from the Indonesia expressway projects remained flat compared to last year. However, when translated into Hong Kong dollars, the toll revenue was affected by the approximately 4% depreciation of the Rupiah against the Hong Kong dollar, causing it to decrease to HK\$1,695 million.

The traffic volume and toll revenue of the expressway projects in Indonesia are as follows:

Projects	Average Daily Traffic Volume Vehicles	Increase (Decrease) %	Toll Revenue		Toll Revenue IDR Increase (Decrease) %
			HKD'million	IDR'million	
SN Expressway	19,800	–	492	1,019,543	–
NKK Expressway	18,400	2	343	710,910	3
MKTT Expressway	21,600	(1)	269	555,904	(2)
SB Expressway	27,500	1	591	1,223,811	1
Total (2025)	<u>87,300</u>	1	<u>1,695</u>	<u>3,510,168</u>	–
Total (2024)	<u>86,800</u>		<u>1,765</u>	<u>3,494,388</u>	

In 2025, the Group's share of profits from the joint ventures of the expressway projects in Indonesia was HK\$251 million, a decrease of HK\$72 million compared to the previous year. This was primarily due to the recognition in the previous year of an one-off accumulated unused tax losses available to offset against future profits as deferred tax assets ("Income Tax Credit Recognition").

The profit of the Group's toll road segment (net of head office expenses and taxation) was HK\$207 million, a decrease of HK\$1,604 million from HK\$1,811 million in the previous year. Excluding the one-off net gain after taxation of approximately HK\$1,490 million from the disposal of expressway projects in Mainland China recognised in the previous year and their operating profit prior to the disposal, the aforementioned Income Tax Credit Recognition, and other one-off expenses, the operating profit of the toll road segment in 2025 remained flat compared to the previous year.

The Group's Indonesian expressway projects distributed dividends totalling approximately HK\$85 million to the Group in 2025. Together with the receipt of the settlement balance of approximately HK\$97 million for the equity interest in the joint ventures of Tangjin Expressway project (the Group's toll concession right of this expressway was expired in 2023), the Group received a total distribution from joint ventures of approximately HK\$182 million for the full year.

iii) Investment and Asset Management Segment ("IAM Segment")

In 2025, the property development projects of IAM segment (including joint venture and associate projects) achieved property sales of approximately RMB251 million, comprising the contracted sales of RMB213 million and outstanding subscribed sales of RMB38 million. During the year, property delivery amount was approximately RMB257 million, with an area of approximately 40,000 sqm. The business scale of the original investment and asset management businesses, which mainly comprised property fund investments and cultural and tourism businesses, has been significantly reduced after restructuring and rectification, including non-core businesses closed and non-core assets sold. Going forward, the Group will continue to review the operation of its remaining businesses and take appropriate action in due course.

FINANCIAL REVIEW

Liquidity and Financial Resources

As at 31 December 2025, the equity attributable to owners of the Company was HK\$5,319 million (2024: HK\$10,815 million). Net assets per share attributable to owners of the Company was HK\$7.10 (2024: HK\$14.43).

As at 31 December 2025, the Group's total assets were HK\$45,152 million (2024: HK\$57,513 million) and bank balances and cash were HK\$2,566 million (2024: HK\$4,274 million), of which 80% was denominated in Renminbi and the remaining 20% was mainly denominated in US dollar or Hong Kong dollar.

Certain of the Group's borrowings bore fixed interest rates per annum, including guaranteed senior notes with an outstanding principal amount of US\$1,401 million (with interest rates ranging from 5.125% to 6.7% per annum). In addition, the Group also issued three senior guaranteed perpetual capital securities with the outstanding principal amount of US\$890.50 million as at 31 December 2025.

As at 31 December 2025, the net gearing ratio and the net capitalisation ratio of the Group were 83% and 45% respectively. Net gearing ratio represents the difference between the Group's total interest-bearing borrowings (excluding amounts due to non-controlling interests of subsidiaries) and the bank balances and cash (including pledged bank deposits) ("Net Debt") to the total equity. The net capitalisation ratio represents the Net Debt to the sum of Net Debt and total equity.

In 2025, despite facing a severe market environment, the Group remained committed to maintaining stable business operations and onshore financing arrangements. In 2025, the Group repaid loans equivalent to a total of HK\$1,542 million, resulting in a decrease in its debt size. However, in view of the slower-than-expected pace of market recovery, the Group expects that it will continue to face debt repayment and liquidity pressures in the future.

In response to offshore debt pressure, the Group launched a consent solicitation in the second half of 2025 for five series of senior notes maturing between 2028 and 2030. However, as not all series of notes reached the consent threshold, the proposed amendments and waivers were ultimately not implemented. In view of this, the Group has decided to suspend payments of all principal and interest on all of its offshore bank borrowings, senior notes and perpetual capital securities, and has formally commenced debt restructuring work. The Group is maintaining continuous and candid communication with its professional advisors and major creditors, striving to reach a restructuring proposal that takes into account the reasonable interests of all parties. The Company believes that the successful implementation of its offshore debt restructuring would allow the Group to right size its balance sheet and restore its capital structure to a healthy and sustainable level such that the Group's business would be able to continue as a going concern and thrive moving forward.

A winding-up petition was filed in the Eastern Caribbean Supreme Court in the High Court of Justice, Virgin Islands (Commercial Division) (“BVI Court”) against New Select Global Limited (“New Select”), the holding company of expressway projects in Indonesia under the Company and one of the guarantors of the Group’s senior notes. The Company has sought advices from its financial and legal advisors and taken all appropriate measures, including filing an application with the BVI Court for the appointment of provisional liquidators.

Since the beginning of 2026, the financial advisors of the Company and the financial advisors of the creditors have continued to engage in constructive discussions to explore a revised restructuring proposal that would be supported by the creditors. After multiple rounds of discussions, an in-principle agreement was finally reached with a number of relevant creditors in mid-March, which will form the basis for further negotiations to achieve more detailed terms and a detailed long-form documentation.

In view of the progress made in the debt restructuring negotiations, the BVI Court has agreed to adjourn the hearing of the application for the appointment of provisional liquidators over New Select and the winding-up application against New Select to no earlier than 8 June, in order to facilitate the smooth conduct of negotiations with a view to formally launching the restructuring proposal to all relevant creditors as soon as practicable.

Charges on Assets

As at 31 December 2025, bank balances of HK\$33 million (2024: HK\$421 million) were pledged as security in favour of banks for certain mortgage facilities granted to customers of the Group’s property projects and banking credit facilities granted to the Group. In addition to these pledged bank deposits, properties with carrying value of HK\$8,401 million (2024: HK\$9,493 million) were pledged as security for certain loan facilities.

As at 31 December 2025, the Group’s borrowings with outstanding principal amount of HK\$393 million (2024: HK\$468 million) were secured by the pledges of the equity shares of subsidiaries of the Company.

Exposure on Foreign Exchange Fluctuations and Interest Rates

The Group’s borrowings are mainly denominated in Renminbi and US dollar but the cash flow is mainly generated from projects whose earnings are denominated in Renminbi and Rupiah. As a result, the Group is exposed to the foreign exchange risk on the fluctuation of Renminbi, US dollar and Rupiah. In 2025, the Group recorded a net foreign exchange gain of approximately HK\$133 million, which was mainly attributable to the rebound in the exchange rate of the Renminbi. The Group will pay close attention to the impact of changes in the international environment on exchange rate fluctuations and will enter into foreign currency forward contracts, when appropriate, to mitigate foreign exchange risks.

The Group's exposure to interest rate risk is mainly from fluctuation in interest rates relating to its borrowings denominated in Renminbi and US dollar. Although the monetary policies implemented by Mainland China and the US governments continue to have a major impact on the Group's results and operation, the Directors consider that the interest rate fluctuation caused by the fluidity and instability of the global economy and financial systems also has an impact on the operation of the Group.

Save for the aforesaid, the Group has no significant exposure to foreign exchange risk and interest rate risk. The Group will continue to closely monitor the above risks and may arrange hedging against the risks exposed as and when appropriate and cost effective.

Financial Guarantee Contracts

As at 31 December 2025, the Group had provided guarantees of HK\$2,883 million (2024: HK\$4,042 million) to banks in respect of the mortgage loans of the purchasers of the Group's properties. The guarantees would be released after the purchasers have pledged their property ownership certificates as securities to the banks for the mortgage loans granted.

As at 31 December 2025, the Group had also provided guarantees of HK\$837 million (2024: HK\$2,061 million) for banking facilities granted to the joint ventures of the Group.

Employees

The Group had 3,454 employees as at 31 December 2025. Expenditure on staff (including expenditure on staff assigned to or participated in joint ventures and associates, but excluding Directors' emoluments) amounted to HK\$718 million. Employees are remunerated according to their performance and contribution. Other employee benefits include provident fund, insurance, medical cover and training programs, as well as share option scheme. During the year, no share option was granted.

WORK PLAN

Looking forward to 2026, the real estate market in Mainland China is expected to continue its pattern of divergent adjustment, with core cities remaining resilient but the overall market still in a bottoming-out phase. Transaction volumes are expected to contract further, with the divergence in market performance across first-tier to fourth-tier cities intensifying. A full market recovery remains dependent on an improvement in personal income of resident's expectations and the gradual resolution of the debt risks of property enterprises. In addition, as the Group is negotiating a holistic solution for its offshore debt with creditors, the Group's future investment decisions and funding arrangements will be more prudent.

As mentioned above, the economic development in Mainland China is facing challenges currently, with operational difficulties faced by enterprises. Coupled with the complex and severe international economic and political environment, especially escalating situation in the Middle East and the Trump administration, the economy of Mainland China will continue to be affected in the short term. While the outlook of the real estate market is expected to remain grim in the short term, it is generally recognised that the real estate sector in Mainland China still plays an important role in supporting economic growth. The Group stays cautious in regard to the long-term outlook of property business development in Mainland China.

Looking ahead, the Group will continue to focus on its core tasks: making every effort to advance the offshore debt restructuring; adhering to ensuring delivery, stabilizing operations and strictly controlling cash flow; while continuing to pursue sale of its expressways projects in Indonesia and expanding real estate-related businesses, including commercial and property management. The management team will adopt a prudent and pragmatic attitude, working hand in hand with all stakeholders, and strive to lead the Group through cyclical challenges, return to a path of steady development, and create long-term value for shareholders.

REPURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE GROUP

Neither the Company nor any of its subsidiaries repurchased, sold or redeemed any of the Group's listed securities during the year ended 31 December 2025.

CORPORATE GOVERNANCE CODE

The Company has complied with all applicable code provisions set out in the Corporate Governance Code contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the year ended 31 December 2025.

REVIEW AND AUDIT OF ACCOUNTS

The consolidated financial statements of the Group for the year ended 31 December 2025 have been reviewed by the Audit Committee of the Company and audited by the Company's external auditor.

EXTRACT OF INDEPENDENT AUDITOR’S REPORT

The following is an extract from the independent auditor’s report to be issued by the external auditor of the Company for the year ended 31 December 2025:

Disclaimer of Opinion

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements. In all other respects, in our opinion the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Disclaimer of Opinion

As disclosed in note 3.1 to the consolidated financial statements, the Group incurred a loss of HK\$5,302,164,000 and a net operating cash outflow of HK\$492,581,000 for the year ended 31 December 2025. In addition, in August 2025, the Group decided to suspend payment of all principal and interest on its senior notes, offshore bank loans and perpetual capital securities. The suspended payment has triggered events of default under certain financing arrangements and may lead to certain creditors of the Group demanding accelerated repayment of the Group’s offshore bank loans and senior notes and/or taking enforcement action pursuant to the relevant terms. In October 2025, certain creditors of the Group have exercised such rights, accelerating repayment of a portion of the Group’s offshore bank and other borrowings and taking enforcement actions. As at 31 December 2025, the Group’s offshore bank loans of HK\$913,512,000 and senior notes of US\$1,456,692,000 (equivalent to HK\$11,332,475,000) have become repayable on demand prior to their contractual maturity dates. Accordingly, senior notes that were originally due over one year and classified as non-current liabilities have been reclassified as current liabilities.

The existence of these events or conditions may cast significant doubt on the Group’s ability to continue as a going concern.

The Group has formulated various plans and measures with the objective of improving liquidity and cash flows of the Group. As a result, the Group has initiated a restructuring proposal, which has been introduced to a number of relevant creditors including but are not limited to the followings: (i) conversion of some of its existing debts to convertible bonds to be issued by creditor special purpose vehicle (“Creditor SPV”), which will hold 70% equity interest in a subsidiary (“Creditor Interest”), with the Company facilitating the disposal of the Creditor Interest; (ii) settlement of some of its existing debts through a tender offer for cash; and (iii) conversion of some of its existing debts through the issuance of a new 3% p.a. coupon medium-term instrument and new ordinary shares, in which the details are set out in note 3.1 to the consolidated financial statements. The validity of the going concern assumptions on which the consolidated financial statements

of the Group have been prepared depends on reaching an agreement of the restructuring proposal with the relevant creditors. The Directors have considered the likelihood of reaching an agreement of the restructuring proposal with the relevant creditors and considered the underlying bases of management's cash flow projection, the Directors are of the opinion that the Group will have funds available to meet its financial obligations as and when they fall due within the next twelve months from 31 December 2025. Accordingly, the Directors considered it is appropriate to prepare the Group's consolidated financial statements on a going concern basis.

However, given the restructuring proposal has not been agreed with the relevant creditors of the Group as at the date of approval of the consolidated financial statements, we are unable to obtain sufficient appropriate evidence we considered necessary to assess whether the Group will be able to continue as a going concern. There were no other satisfactory procedures that we could adopt to satisfy ourselves that the appropriateness of the Directors' use of the going concern basis of accounting and adequacy of the related disclosures in the consolidated financial statements.

Should the Group fail to reach an agreement of the restructuring proposal with the relevant creditors, it might not be able to continue as a going concern and adjustments might have to be made to write down the carrying value of the Group's assets to their recoverable amount, recognise a liability for any contractual commitments that may have become onerous and to reclassify certain non-current liabilities as current liabilities with consideration of the contractual terms. The effects of these adjustments are not reflected in these consolidated financial statements.

The possible effects on the consolidated financial statements of undetected misstatements, if any, could be both material and pervasive.

The aforesaid "note 3.1 to the consolidated financial statements" is disclosed as note 1 in this announcement.

ANNUAL GENERAL MEETING

The annual general meeting of the Company will be held at Jade and Lotus Rooms, 6th Floor, Marco Polo Hongkong Hotel, Harbour City, 3 Canton Road, Tsimshatsui, Kowloon, Hong Kong on Friday, 22 May 2026 at 10:00 a.m. and the notice of annual general meeting will be published on the Company's website (www.roadking.com.hk) and the HKEXnews website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk).

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the forthcoming annual general meeting, the register of members of the Company will be closed from Tuesday, 19 May 2026 to Friday, 22 May 2026, both dates inclusive, during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the forthcoming annual general meeting, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:00 p.m. on Monday, 18 May 2026 for registration.

PUBLICATION OF THE FINAL RESULTS AND ANNUAL REPORT

This results announcement is published on the Company's website (www.roadking.com.hk) and the HKEXnews website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk). The Annual Report containing all the information required by the Listing Rules will be published on the aforesaid websites and despatched to the shareholders of the Company (if requested) in due course.

APPRECIATION

The Board would like to take this opportunity to express hearty gratitude to all shareholders, business partners, and loyal and dedicated staff.

By Order of the Board
Road King Infrastructure Limited
Zen Wei Peu, Derek
Chairman

Hong Kong, 26 March 2026

As at the date of this announcement, the Board comprises Messrs. Zen Wei Peu, Derek, Fong Shiu Leung, Keter and Ng Fun Hung, Thomas as Executive Directors, Mr. Yan Zhongyu and Ms. Deng Hongyu as Non-executive Directors and Mr. Wong Wai Ho, Mr. Cheung Hon Kit, Edwin, Mr. Ho Tai Wai, David and Ms. Lam Man Kuen, Phyllis as Independent Non-executive Directors.