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## **China Cultural Tourism and Agriculture Group Limited**

**中國文旅農業集團有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 542)**

### **2025 FINAL RESULTS ANNOUNCEMENT**

The Board of Directors (the “**Board**”) of China Cultural Tourism and Agriculture Group Limited (the “**Company**”) hereby announces the audited consolidated results of the Company and its subsidiaries (together the “**Group**”) for the year ended 31 December 2025 together with the comparative figures for the year ended 31 December 2024, as follows:

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

	Notes	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
REVENUE	5	762,337	216,159
Cost of sales		<u>(892,284)</u>	<u>(123,684)</u>
Gross (loss)/profit		(129,947)	92,475
Other income and gains	6	254,827	2,010
Selling expenses		(408)	(1,428)
Administrative and other expenses		(35,624)	(94,303)
Impairment loss of property under development		(82,258)	(10,092)
Impairment loss of property held for sale		(2,639)	(74,149)
Expected credit loss on trade receivables		(1,420)	–
Expected credit loss on other receivables		–	(12,680)
Finance costs	7	<u>(119,721)</u>	<u>(133,517)</u>
LOSS BEFORE TAX	8	(117,190)	(231,684)
Income tax credit/(expense)	9	<u>137,226</u>	<u>(391)</u>
PROFIT/(LOSS) FOR THE YEAR		<u>20,036</u>	<u>(232,075)</u>
Profit/(loss) for the year attributable to:			
Owners of the Company		53,109	(203,483)
Holders of perpetual capital securities		375	–
Non-controlling interests		<u>(33,448)</u>	<u>(28,592)</u>
		<u>20,036</u>	<u>(232,075)</u>
		<i>HK cents</i>	<i>HK cents</i> (Restated)
EARNING/(LOSS) PER SHARE	10		
— Basic		<u>3.46</u>	<u>(13.24)</u>
— Diluted		<u>3.46</u>	<u>N/A</u>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
PROFIT/(LOSS) FOR THE YEAR	<u>20,036</u>	<u>(232,075)</u>
OTHER COMPREHENSIVE LOSS		
Items that may be subsequently reclassified to profit or loss:		
Exchange differences arising on translation of foreign operations	(889)	(6,880)
Release of foreign exchange reserve upon disposal of a subsidiary	<u>(17,996)</u>	<u>–</u>
Other comprehensive loss for the year, net of tax	<u>(18,885)</u>	<u>(6,880)</u>
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	<u><u>1,151</u></u>	<u><u>(238,955)</u></u>
Total comprehensive income/(loss) for the year attributable to:		
Owners of the Company	30,471	(205,201)
Holder of the perpetual capital securities	375	–
Non-controlling interests	<u>(29,695)</u>	<u>(33,754)</u>
	<u><u>1,151</u></u>	<u><u>(238,955)</u></u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	<i>Notes</i>	<b>2025</b> <b>HK\$'000</b>	2024 <i>HK\$'000</i>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		<b>116,527</b>	132,895
Right-of-use assets		<b>39,406</b>	40,665
Properties under development	<i>11</i>	<b>868,861</b>	1,567,804
Licensing rights		<b>83</b>	277
		<hr/>	<hr/>
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,024,877</b>	1,741,641
		<hr/>	<hr/>
<b>CURRENT ASSETS</b>			
Properties held for sale	<i>12</i>	<b>466,940</b>	843,756
Inventories		<b>2,379</b>	2,575
Financial assets at fair value through profit or loss		<b>16,485</b>	–
Trade receivables	<i>13</i>	<b>58,535</b>	1,911
Prepayments, deposits and other receivables		<b>484,745</b>	378,964
Amount due from a director		<b>167</b>	159
Amount due from a non-controlling shareholder		<b>367</b>	351
Restricted bank balances		<b>192,230</b>	100,826
Cash and cash equivalents		<b>144,910</b>	8,656
		<hr/>	<hr/>
<b>TOTAL CURRENT ASSETS</b>		<b>1,366,758</b>	1,337,198
		<hr/>	<hr/>
<b>TOTAL ASSETS</b>		<b>2,391,635</b>	3,078,839
		<hr/>	<hr/>

	<i>Notes</i>	<b>2025</b> <b>HK\$'000</b>	2024 HK\$'000
<b>CURRENT LIABILITIES</b>			
Trade payables, other payables and accruals	<i>14</i>	<b>532,140</b>	641,586
Contract liabilities	<i>15</i>	<b>21,931</b>	34,634
Amounts due to non-controlling shareholders	<i>16</i>	<b>2,258</b>	13,457
Loans and borrowings — due within one year		<b>208,501</b>	800,627
Lease liabilities		<b>394</b>	—
Tax payable		<b>130,823</b>	265,018
		<u><b>896,047</b></u>	<u>1,755,322</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u><b>896,047</b></u>	<u>1,755,322</u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u><b>470,711</b></u>	<u>(418,124)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><b>1,495,588</b></u>	<u>1,323,517</u>
<b>NON-CURRENT LIABILITIES</b>			
Loans and borrowings — due after one year		<b>676,570</b>	713,621
Other payables	<i>14</i>	<b>572,297</b>	251,457
Amount due to a director	<i>17</i>	<b>125,660</b>	153,121
Promissory note payable	<i>18</i>	<b>7,298</b>	136,815
Deferred tax liabilities		<b>81,097</b>	86,591
		<u><b>1,462,922</b></u>	<u>1,341,605</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u><b>1,462,922</b></u>	<u>1,341,605</u>
<b>NET ASSETS/(LIABILITIES)</b>		<u><b>32,666</b></u>	<u>(18,088)</u>
Share capital	<i>19</i>	<b>76,547</b>	76,872
Reserves		<b>(104,881)</b>	(222,818)
		<u><b>(28,334)</b></u>	<u>(145,946)</u>
Deficit attributable to owners of the Company		<b>(28,334)</b>	(145,946)
Perpetual capital securities		<b>75,182</b>	—
Non-controlling interests		<b>(14,182)</b>	127,858
		<u><b>32,666</b></u>	<u>(18,088)</u>
<b>TOTAL EQUITY/(DEFICIT)</b>		<u><b>32,666</b></u>	<u>(18,088)</u>

## NOTES

### 1. CORPORATE INFORMATION

China Cultural Tourism and Agriculture Group Limited (the “**Company**”) was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands. The registered office of the Company was changed from 94 Solaris Avenue, 2nd Floor Camana Bay, Grand Cayman KY1-1203, Cayman Islands to JTC (Cayman) Limited, P.O. Box 30745, 60 Nexus Way, 6th Floor, Camana Bay, Grand Cayman KY1-1203, Cayman Islands with effect from 30 December 2025 and the Company changed its principal place of business from Unit 402, Kowloon City Plaza, 128 Carpenter Road, Kowloon City, Kowloon, Hong Kong to Units 2105 and 2106, Far East Consortium Building, No. 121 Des Voeux Road Central, Hong Kong with effect from 15 January 2025. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

During the year, the Group’s activities mainly comprised properties development, hotel business and trading of food and beverage in the People’s Republic of China (the “**PRC**”).

### 2. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards as 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 (“**Listing Rules**”) and by the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention. These consolidated financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

The preparation of financial statements in conformity with HKFRS Accounting Standards require 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.

#### **Going concern basis**

For the year ended 31 December 2025, the Group recorded a loss before tax of approximately HK\$117.2 million. As at 31 December 2025, the Group’s financial obligations of approximately HK\$874.1 million are due for repayment within the next twelve months. Among these obligations, approximately HK\$208.5 million of loans and borrowings, consisting of approximately HK\$82.5 million of bank loans and approximately HK\$126.0 million of other borrowings, are repayable on demand as at 31 December 2025, while the Group’s available cash and cash equivalents amount to approximately HK\$144.9 million only. These events and conditions indicate the existence of material uncertainties which may cast significant doubt about the Group’s ability to continue as a going concern.

In view of such circumstances, the directors of the Company have given careful consideration to the future liquidity and financial position of the Group, and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern. Certain plans and measures have been taken to mitigate the liquidity pressure and to improve its financial position which include, but not limited to, the following:

- (i) The director and the controlling shareholder of the Company, Mr. Yang Lijun, has agreed to provide financial support to extent of HK\$200.0 million (equivalent to RMB180.0 million) to the Company, if required, to enable the Group to meet its financial obligations as and when they fall due for the foreseeable future.
- (ii) Subsequent to year ended 31 December 2025, the Group signed two letters of intent with independent third parties regarding the sales of properties for a cash consideration of approximately HK\$1,291.6 million (equivalent to RMB1,161.5 million). The letters of intent are non-binding subject to the official sale and purchase agreement of such sales of properties is to be signed and enforceable.
- (iii) The Group is actively looking for other sources of financing including other debt or equity financing to enhance the capital structure and reduce the overall financing expenses.
- (iv) The Group is accelerating the pre-sales of properties under development and speeding up the delivery of completed properties to property buyers.

The directors of the Company have assessed the Group's cash flow projection covering a period of not less than twelve months from 31 December 2025. They are of the opinion that the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within the next twelve months from the date of the consolidated statement of financial position. Accordingly, the directors of the Company are satisfied that it is appropriate to prepare the Group's consolidated financial statements on a going concern basis.

Notwithstanding the above, material uncertainty exists as to whether the Group can achieve the plans and measures described in (ii) to (iv) above. Whether the Group will be able to continue as a going concern would depend upon the Group's ability to successfully sign the sale and purchase agreements with independent third parties and to generate cash inflow from the Group's operations, and secure various sources of financing as and when required.



## **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.

### **4. OPERATING SEGMENT INFORMATION**

For management purposes, the Group identifies reportable segments, on the basis of the products and services, for internal reports about components of the Group that are regularly reviewed by the chief operation decision makers for the purpose of allocating resources to segments and assessing their performances. There are three reportable operating segments identified as follows:

- (a) Property Development Business: Property development and provision of ancillary services including agency and clubhouse operating service;
- (b) Hotel Business: Sub-licensing rights to hotel operators and related hotel management activities; and
- (c) Other Business: Trading of goods.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment results represent the profit or loss earned before tax before taking into account interest income from bank deposits, unallocated other income, unallocated corporate expenses (including central administration costs and directors' remuneration) and finance costs. This is the measure reported to the chief operation decision makers and the board of directors for the purposes of resource allocation and performance assessment.

For the year ended 31 December

	Property Development		Hotel Business		Others		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Segment revenue</b>								
Revenue from contracts with customers								
— recognised at a point in time	752,022	205,577	-	-	296	1,361	752,318	206,938
— recognised over time	9,398	8,602	621	619	-	-	10,019	9,221
	<u>761,420</u>	<u>214,179</u>	<u>621</u>	<u>619</u>	<u>296</u>	<u>1,361</u>	<u>762,337</u>	<u>216,159</u>
Total segment revenue								
	<u>761,420</u>	<u>214,179</u>	<u>621</u>	<u>619</u>	<u>296</u>	<u>1,361</u>	<u>762,337</u>	<u>216,159</u>
Segment profit/(loss)	<u>65,578</u>	<u>(65,746)</u>	<u>(17,277)</u>	<u>(22,416)</u>	<u>(37,935)</u>	<u>(4,026)</u>	<u>10,366</u>	<u>(92,188)</u>
Reconciliation:								
Bank interest income							119	202
Other income							855	500
Other unallocated expenses							(8,809)	(6,681)
Finance costs							(119,721)	(133,517)
Loss before tax							<u>(117,190)</u>	<u>(231,684)</u>

*Note:* There were no inter-segment sales for both of the years ended 31 December 2025 and 31 December 2024.

For the purposes of monitoring segment performance and allocating resources between segments:

- (a) all assets are allocated to reportable segments other than certain restricted bank balances, unallocated prepayments, deposits and other receivables and cash and bank balances.
- (b) all liabilities are allocated to reportable segments other than unallocated other payables and accruals, amounts due to non-controlling shareholders, amount due to a director, promissory note payable and deferred tax liabilities.

## Other segment information

### For the year ended 31 December 2025

	Property Development <i>HK\$'000</i>	Hotel Business <i>HK\$'000</i>	Other Business <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
Additions to non-current assets	58,882	–	709	–	59,591
Depreciation and amortisation	47	20,462	362	–	20,871
Impairment loss of properties under development	82,258	–	–	–	82,258
Impairment loss of properties held for sale	2,639	–	–	–	2,639
Expected credit loss on trade receivables	1,420	–	–	–	1,420
Expected credit loss on other receivables	–	–	–	–	–
	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>

### For the year ended 31 December 2024

	Property Development <i>HK\$'000</i>	Hotel Business <i>HK\$'000</i>	Other Business <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
Additions to non-current assets	29,870	–	68	–	29,938
Depreciation and amortisation	155	20,439	45	1	20,640
Impairment loss of properties under development	10,092	–	–	–	10,092
Impairment loss of properties held for sale	74,149	–	–	–	74,149
Expected credit loss on trade receivables	–	–	–	–	–
Expected credit loss on other receivables	12,480	25	175	–	12,680
	<u>12,480</u>	<u>25</u>	<u>175</u>	<u>–</u>	<u>12,680</u>

*Note:*

Additions to non-current assets excluded those relating to financial instruments.

## Geographical information

The Group operates in one main geographical area — the PRC.

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>REVENUE</b>		
— PRC	<u>762,337</u>	<u>216,159</u>

### Revenue from customers contributing over 10% of the total revenue of the Group

Revenue from individual customer contributing over 10% of the total revenue of the Group is as follow:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Customer A ( <i>Note</i> )	<u>704,872</u>	<u>N/A</u>

*Note:* Customer A did not contribute over 10% of total revenue of the Group during the year ended 31 December 2024.

## 5. REVENUE

Revenue represents the aggregate of income from sales of properties held for sale, sales of goods, sub-licensing of operating rights and property agency income is analysed as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Sales of properties held for sale	752,022	205,577
Sales of goods	296	1,361
Licensing income	621	619
Property agency income	<u>9,398</u>	<u>8,602</u>
	<u>762,337</u>	<u>216,159</u>

### Disaggregated by timing of revenue recognition

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue recognised:		
— Point in time	752,318	206,938
— Over time	<u>10,019</u>	<u>9,221</u>
	<u>762,337</u>	<u>216,159</u>

## 6. OTHER INCOME AND GAINS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Bank interest income	119	202
Rental income	855	500
Waive income from loan and loan interest expenses	18,014	–
Gain on disposal of subsidiaries	235,789	–
Others	50	1,308
	<u>254,827</u>	<u>2,010</u>

## 7. FINANCE COSTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interests on		
Loans and borrowings	95,286	116,661
Amounts due to a director	15,146	13,087
Promissory note payable	11,593	12,258
Lease liabilities	70	–
	<u>122,095</u>	<u>142,006</u>
Less: Amount capitalised on properties under development	<u>(2,374)</u>	<u>(8,489)</u>
	<u>119,721</u>	<u>133,517</u>

The borrowing costs have been capitalised at the rates ranged from 6.5% to 8.1% (2024: 6.5% to 8.1%) per annum.

## 8. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Cost of sales		
Cost of properties sold	891,829	122,396
Cost of inventories sold	258	1,010
Amortisation of licensing rights	197	197
Property agency service charges	–	81
	<u>892,284</u>	<u>123,684</u>
Depreciation of property, plant and equipment	18,431	18,556
Depreciation of right-of-use assets	2,242	1,887
Rental expenses for short-term leases	120	653
Auditors' remuneration	950	989
Employee benefit expenses (including directors' remuneration)		
— Wages and salaries	13,916	19,152
— Retirement benefits scheme contributions	1,221	1,393
Exchange (gain)/losses, net	<u>(27,614)</u>	<u>10,409</u>

## 9. INCOME TAX CREDIT/(EXPENSE)

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current tax expense		
PRC Enterprise Income Tax		
— Provision for the year	–	(8)
PRC Land Appreciation Tax (“LAT”)		
— Provision for the year	(9,164)	(837)
— Overprovision in prior years	<u>140,896</u>	–
	131,732	(837)
Deferred tax	<u>5,494</u>	454
Income tax credit/(expense)	<u>137,226</u>	<u>(391)</u>

No provision for Hong Kong Profits Tax has been made in the consolidated financial statements as the Group has no assessable profit arising in Hong Kong for both of the years presented.

PRC Enterprise Income Tax is calculated at 25% (2024: 25%) of the profits of the group entities in the PRC.

LAT is levied on properties developed by the Group for sale, at progressive rates from 30% to 60% on the appreciation of land value, which under the applicable regulations is calculated based on the proceeds of sales of properties less deductible expenditure including lease charges of land use rights, borrowing costs and all property development expenditure.

## 10. EARNING/(LOSS) PER SHARE

The weighted average number of ordinary shares for the purposes of calculating basic and diluted earning/(loss) per share have been adjusted for the effects of share consolidation with effective from 3 November 2025 on the basis that every 5 issued and unissued then existing shares of HK\$0.01 each in the share capital of the Company be consolidated into 1 consolidated share of HK\$0.05 each (“Share Consolidation”) as if the Share Consolidation had occurred at 1 January 2024, the beginning of the earliest period reported. Details of the Share Consolidation are set out in the circular dated 10 October 2025 issued by the Company.

The calculation of the basic earning/(loss) per share is based on the profit/(loss) attributable to owners of the Company amounted to approximately HK\$53,109,000 (2024: loss of HK\$203,483,000), and approximately 1,535,413,000 (2024: 1,537,431,000 (restated)) weighted average number of ordinary shares in issue, after adjusting the effects of repurchased ordinary shares and share consolidation, during the year.

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

## 11. PROPERTIES UNDER DEVELOPMENT

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Properties under development	<u>868,861</u>	<u>1,567,804</u>

The properties are located in Hengqin and Doumen district, Zhuhai City, the PRC.

## 12. PROPERTIES HELD FOR SALE

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Properties held for sale	<u>466,940</u>	<u>843,756</u>

## 13. TRADE RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables, gross	151,832	83,514
Expected credit loss recognised	<u>(93,297)</u>	<u>(81,603)</u>
	<u>58,535</u>	<u>1,911</u>

Credit period normally granted to customers of the Group is 30 days.

An aged analysis of the trade receivables after expected credit loss recognised, based on invoice date, is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 1 month	57,088	592
1–3 months	167	159
4–12 months	<u>1,280</u>	<u>1,160</u>
	<u><b>58,535</b></u>	<u><b>1,911</b></u>

Movements in expected credit loss recognised on trade receivables are as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
At the beginning of the year	81,603	84,744
Impairment losses recognised	1,420	–
Exchange realignment	<u>10,274</u>	<u>(3,141)</u>
At the end of the year	<u><b>93,297</b></u>	<u><b>81,603</b></u>

#### 14. TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade payables for property development expenditure ( <i>Note a</i> )	159,897	271,030
Value-added tax payable	149,317	97,320
Interest payable	352,643	271,183
Other payables and accruals	<u>442,580</u>	<u>253,510</u>
	<u><b>1,104,437</b></u>	<u><b>893,043</b></u>
Analysed for reporting purpose:		
— Current liabilities	532,140	641,586
— Non-current liabilities	<u>572,297</u>	<u>251,457</u>
	<u><b>1,104,437</b></u>	<u><b>893,043</b></u>

Note:

- (a) The following is an aged analysis of trade payables for property development expenditure presented based on the invoice date:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 1 month	77,516	125,784
1–3 months	<u>82,381</u>	<u>145,246</u>
	<u><u>159,897</u></u>	<u><u>271,030</u></u>

#### 15. CONTRACT LIABILITIES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Advance payments received for sales of properties	<u>21,931</u>	<u>34,634</u>

The Group received payments from customers based on billing schedules as stipulated in the property sale contracts. Payments are usually received in advance of the performance under the sale contracts.

#### 16. AMOUNTS DUE TO NON-CONTROLLING SHAREHOLDERS

The amounts due to non-controlling shareholders are unsecured, interest free and repayable on demand.

#### 17. AMOUNT DUE TO A DIRECTOR

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Amount due to a director repayable:		
— Within a period of more than one year but not exceeding two years (2024: two years)	<u>125,660</u>	<u>153,121</u>

## 18. PROMISSORY NOTES PAYABLE

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Promissory notes payable:		
— Within a period of more than one year but not exceeding six years (2024: seven years)	<u>7,298</u>	<u>136,815</u>

## 19. SHARE CAPITAL

	Number of shares (thousand)	<i>HK\$'000</i>
<b>Authorised</b>		
As at 1 January 2024, 31 December 2024 and 1 January 2025		
Ordinary shares of HK\$0.01 each	100,000,000	1,000,000
Share consolidation ( <i>Note (b)</i> )	<u>(80,000,000)</u>	<u>—</u>
<b>As at 31 December 2025</b>		
Ordinary shares of HK\$0.05 each	<u>20,000,000</u>	<u>1,000,000</u>
<b>Issued and fully paid</b>		
As at 1 January 2024, 31 December 2024 and 1 January 2025		
Ordinary shares of HK\$0.01 each	7,687,158	76,872
<b>Repurchase of shares (treasury shares)</b>		
— 1 September 2025	(22,504)	(225)
— 29 September 2025	(8,000)	(80)
— 30 September 2025	(2,000)	(20)
Share consolidation ( <i>Note (b)</i> )	<u>(6,123,723)</u>	<u>—</u>
<b>As at 31 December 2025</b>		
Ordinary shares of HK\$0.05 each	<u>1,530,931</u>	<u>76,547</u>

*Notes:*

- (a) All the ordinary shares which were issued by the Company rank pari passu with each other in all respects.
- (b) Pursuant to an ordinary resolution passed on 30 October 2025, the Share Consolidation on the basis that every 5 issued and unissued Shares of HK\$0.01 each in the share capital of the Company be consolidated into 1 consolidated share of HK\$0.05 each in the share capital of the Company was approved by the Shareholders and has become effective on 3 November 2025. Immediately after the Share Consolidation, the authorised share capital of the Company remains at HK\$1,000,000,000 but are divided into 20,000,000,000 consolidated shares of HK\$0.05 each and the total number of issued ordinary shares of the Company has adjusted from approximately 7,654,654,000 to approximately 1,530,931,000.
- (c) During the years ended 31 December 2025 and 2024, no share of the Company was issued.

## **20. DIVIDEND**

No dividend was paid or proposed for the year ended 31 December 2025, nor had any dividend been proposed since the end of the reporting period (2024: Nil).

## **21. PROJECT COMMITMENTS**

As at 31 December 2025, the Group had outstanding commitments for property development expenditure and acquisition of land for development contracted but not provided for amounted to approximately HK\$124,116,000 (2024: HK\$273,638,000).

## **22. CAPITAL COMMITMENTS**

The Group did not have any significant capital commitments as at 31 December 2025 (2024: Nil).

## **23. CONTINGENT LIABILITIES**

As at 31 December 2025, the Group had contingent liabilities amounting to approximately HK\$135,232,000 (2024: HK\$280,579,000) in respect of the buy-back guarantee in favour of banks to secure mortgage loan facilities granted to the purchasers of the Group's properties.

## **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 HKFRS Accounting Standards as 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 indicates that, the Group reported a loss before tax of approximately HK\$117.2 million for the year ended 31 December 2025. As at that date, the Group's total loans and borrowings amounted to approximately HK\$885.1 million, of which approximately HK\$208.5 million were repayable within twelve months, while its cash and cash equivalents amounted to approximately HK\$144.9 million only. These events and conditions, along with other matters, as set forth in Note 2 to the consolidated financial statements, indicate the existence of a material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **BUSINESS REVIEW**

For the year ended 31 December 2025, the Group's revenue was approximately of HK\$762.3 million, compared to HK\$216.2 million for 2024. The Group recorded a profit for the year approximately of HK\$20.0 million, compared to the loss of HK\$232.1 million for 2024. The increase in total revenue was mainly due to a substantial increase in the sales of property the Group in 2025. The profits, amongst other things, was mainly attributable to gain on disposal of subsidiaries.

Profit attributable to the owners of the Company for the year ended 31 December 2025 was approximately of HK\$53.1 million, compared to the loss of HK\$203.5 million for the corresponding period in 2024.

### **PROPERTY DEVELOPMENT SEGMENT**

Revenue of the property development segment for the year ended 31 December 2025 was approximately of HK\$761.4 million, compared to HK\$214.2 million for 2024. Profit of the property development segment for the year ended 31 December 2025 was HK\$65.6 million, compared to the loss of HK\$65.7 million for the corresponding period in 2024. The profit was mainly due to the gain on disposal of subsidiaries in 2025.

During the year ended 31 December 2025, the Group had three projects under development on hand, namely German City project located in Hengqin New District, Zhuhai City, Fuyuan Junting project located in Chengdu, and Fuyuan Square project located in Doumen, respectively, and the Group withdrew from the Taishan project located in Taishan City.

German City project holds a land parcel with total gross floor area approximately of 145,176 sq. m. The project is designated to be developed into a research and commercial complex, and had started pre-sales since the 4th quarter of 2019. The project is located in the core area of the Hengqin Guangdong-Macao Deep Cooperation Zone, adjacent to landmark sites such as the Hengqin Culture and Art Center and Tianmu Qintai. It is approximately 3 kilometers in a straight line from the Hengqin Port, benefiting from the policy advantages of the Hengqin — Macau integration. As at 31 December 2025, German City project had achieved sales amounting to 88.49% of its gross saleable areas available for sale. In 2025, the project was renovated into a world-class integrated academic community and has been used as the UM's Transitional Research and Education Site in the Cooperation Zone in Hengqin. Postgraduate teaching activities will commence in September this year. The remaining units for sale in Buildings 1 and 3 are small-sized units with floor heights of 4.2–4.9 meters, allowing flexible spatial configurations and supporting a variety of future uses, including creative office space, as well as leisure and social functions. The construction work of German City project was completed in October 2025.

Fuyuan Junting project holds two land parcels with total gross floor area approximately of 120,500 sq. m., of which 84,425 sq. m. is available for sales. Fuyuan Junting project is to be developed into a residential complex. Fuyuan Junting project had started pre-sales since the 4th quarter of 2019. The project is a fully furnished ready-to-move-in development: purchase and move in immediately. It has a plot ratio of 1.5 and a greening rate of up to 30%. The project enjoys convenient transportation, located approximately 3 minutes by car from the high-speed railway station. It offers seamless access to Metro Line 2 within 8 minutes, 41 minutes to Chunxi Road, and is 3.1 km from Mianyang Foreign Languages School; while key universities such as Mianyang Foreign Languages Experimental School can be reached within an 8-minute drive. Ande was upgraded to Ande Street in December 2019. Within a 500-meter radius, the project is surrounded by Ande Community Health Service Center, Kangjia Hospital, three high schools (Pidu No.3 High School, You'ai Vocational Technical School, and Mianyang Foreign Languages Experimental School), four kindergartens, and one university, providing comprehensive support for the healthy growth of families and children. Directly across the street is a government-planned pedestrian street integrating dining, shopping, and entertainment, featuring large supermarkets such as Hengshengchang (恒生昌) and Huimat (惠馬特), as well as a variety of clothing and retail stores. The community is landscaped with rare and valuable tree species, and its water features use externally introduced living water, reflecting a high-quality living environment. As at 31 December 2025, first phase and second phase of Fuyuan Junting project had achieved sales amounting to approximately of 100% and 90.86% of its respective total gross saleable areas available for sales. Construction work of the first phase of the project had been completed. The completed properties of the first phase of the project had been handed over to the buyers since May 2022. Construction work of the second phase of the project was completed in October 2024 and handed over to buyers from October 2024.

Fuyuan Square project holds a land parcel of gross floor area of approximately 197,391 sq. m. Located in the core area of the New Ecological District of Western Doumen (西部生態新城(鬥門區)), the project occupies a prime position between Jianfeng Mountain to the east and the Huangyang River to the west. Fuyuan Square project is an integrated development comprising an international star-rated hotel with a themed shopping mall, headquarters office spaces, a trendy commercial street district, serviced office apartments, and a shopping center with basement car parks. Designed with a globally leading vision, the project brings together a diverse mix of business formats, including a cinema, lifestyle supermarkets, boutique department stores, branded apparel, fashion jewelry, specialty dining, fitness clubs, and a large-scale conference and convention center. Fuyuan Square project had started pre-sales since July 2020. As at 31 December 2025, Fuyuan Square project had achieved sales contracts approximately 63.04% of its total gross saleable areas available for sale. The expected completion date of the construction works for the Fuyuan Square project has been postponed from October 2025 to December 2027 due to “slow construction progress”. The Company will continue to optimize project management and actively advance the project to achieve completion and handover at the earliest possible date.

Taishan project holds nine parcels of lands with total site area of approximately 534,191 sq. m., for tourism and commercial uses. The project will be developed into a leisure and health resort featuring a range of amenities, including apartments, hotels, and various leisure and commercial facilities. To further optimize the Group’s asset structure and focus on the development of its core businesses, the management has, after careful consideration, resolved that as of the end of the year, the Group has cumulatively disposed of 88% of the equity interests in the project to external parties. For further details, please refer to the Company’s announcements.

The Group is striving to accelerate the progress of pre-sale of properties.

## **HOTEL BUSINESS**

For the year ended 31 December 2025, the hotel business segment recorded revenue from the sub-licensing of operating right amounting to HK\$0.6 million, compared to HK\$0.6 million for the corresponding period 2024. Loss of the segment amounted to HK\$17.3 million for the year ended 31 December 2025, compared to a loss of HK\$22.4 million for the corresponding period 2024. The loss was mainly attributable to the depreciation of property, plant and equipment.

## **Geographical Segment**

During the year, the Group did not have revenue generated from Hong Kong, and the revenue so generated elsewhere in the PRC mainly related to hotel business and property development.

## **MATERIAL DISPOSAL**

On 13 October 2025, TFG Cultural Tourism Group Limited (the “**Vendor**”) (a direct wholly-owned subsidiary of the Company) and High Summit Global Limited (the “**Purchaser**”) entered into the Agreement, pursuant to which the Vendor has agreed to sell, and the Purchaser has agreed to purchase, 47% equity interest in China Cultural Tourism Group Limited (the “**Target Company**”) (an indirectly held 59% subsidiary of the Company prior to the Disposal) at the Consideration of RMB143,350,000 in cash. After the completion of the Disposal, the Target Company was owned as to 88% by the Purchaser and 12% by the Vendor, and it will cease to be a subsidiary of the Company and its financial results will no longer be consolidated into the Group’s consolidated financial statements.

## **REVIEW OF FINANCIAL POSITION**

### **Overview**

As at 31 December 2025, non-current assets of the Group consisted of property under development, property, plant and equipment, right-of-use assets, and licensing rights approximately amounting to a total of HK\$1,024.9 million, compared to HK\$1,741.6 million as at 31 December 2024. Current assets as at 31 December 2025 approximately amounted to a total of HK\$1,366.8 million, compared to HK\$1,337.2 million as at 31 December 2024. Current liabilities as at 31 December 2025 approximately amounted to a total of HK\$896.0 million, compared to HK\$1,755.3 million as at 31 December 2024. Non-current liabilities as at 31 December 2025 approximately amounted to a total of HK\$1,462.9 million, compared to HK\$1,341.6 million as at 31 December 2024. Net assets of the Group as at 31 December 2025 amounted to approximately HK\$32.7 million, as compared to net liabilities of HK\$18.1 million as at 31 December 2024.

### **Capital Structure, Liquidity and Financial Resources**

As at 31 December 2025, the Group’s total interest bearing borrowings amounted to approximately of HK\$1,018.0 million (31 December 2024: HK\$1,804.1 million) which comprised borrowings from financial institutions of HK\$334.8 million (31 December 2024: HK\$537.3 million), borrowings from independent third parties of HK\$486.0 million (31 December 2024: HK\$912.7 million), promissory note payable of HK\$7.3 million (31 December 2024: HK\$136.8 million), other lender of HK\$64.2 million (31 December 2024: HK\$64.2 million), and amount due to a director of HK\$125.7 million (31 December 2024: HK\$153.1 million).

The Group’s total equity as at 31 December 2025 was HK\$32.7 million (31 December 2024: deficiency of HK\$18.1 million).

The Group's gearing ratio as at 31 December 2025 is approximately of 3,116.5% (31 December 2024: not presented). The gearing ratio was calculated on the basis of total interest bearing borrowings over the total equity of the Group.

As part of treasury management, the Group centralises funding for all of its operations at the Group level. The Group's foreign currency exposure relates mainly to Renminbi, which is derived from its hotel business, the sales of the property units in Zhongshan, and other property development projects in the PRC.

### **Capital Commitments**

The Group did not have any significant capital commitment as at 31 December 2025 (31 December 2024: Nil).

### **Project Commitments**

As at 31 December 2025, the Group's outstanding commitments in respect of the costs of property development and acquisition of land for development, contracted but not provided for, amounted to approximately of HK\$124.1 million (31 December 2024: HK\$273.6 million).

### **Contingent Liabilities**

As at 31 December 2025, the Group had contingent liabilities amounting to HK\$135.2 million (31 December 2024: HK\$280.6 million). The contingent liabilities were mainly in respect of buy-back guarantees in favour of banks to secure mortgage loans granted to the property buyers of the Group. The Board considered that in case of default in payments, the related properties will be sold at prices which exceed the outstanding mortgage principals together with the accrued interest and penalty, therefore, no provision has been made in the financial statements for the guarantees.

### **Charges on Group Assets**

As at 31 December 2025, part of the Group's leasehold land and buildings with a carrying amount of HK\$155.4 million (31 December 2024: HK\$173.2 million) had been pledged to a financial institution to secure mortgage loans. Restricted bank balance of HK\$192.2 million (31 December 2024: HK\$100.8 million) were pledged to certain banks for facilities granted to the Group.

## **STAFF ANALYSIS**

The total number of staff employed by the Group as at 31 December 2025 was 66, compared to 90 as at 31 December 2024. As part of the Group's human resources policy, employees are rewarded on a performance-related basis within the general framework of the Group's salary and bonus scale. Currently, the Group continues to implement its overall human resource training and development programme and to equip its employees with the necessary knowledge, skills and experience to deal with the existing and future requirements and challenges.

## **OUTLOOK**

### **Outlook and Planning**

In 2025, China's economy accelerated the pace of recovery. Active fiscal policies became more effective, and the state further improved the confidence and expectations of market participants. Policies in core second-tier cities were fully loosened, while first-tier cities saw significant potential for policy optimisation through ongoing adjustments, such as lower loan interest rates, reduced down payment ratios, and optimisation of purchase restrictions. The comprehensive optimisation of prevention measures also further supported economic recovery throughout 2025. It is now widely believed that the real estate market reached its bottom during this period. With the continued rollout of stimulus policies, the industry began to see clear signs of improvement.

Looking ahead to 2026, the Group will keep abreast of policy changes, grasp changes in the market cycle and adjust its marketing strategies to promote sales returns. We will continue to focus on accelerating sales, ensuring delivery and securing cash flow, and maintain a steady and sustainable growth with like-minded partners and hardworking employees.

The Group will adhere to prudent financial policies, step by step and systematically reduce the total scale of debt through project sales, disposal of existing assets and the reorganization and replacement of non-performing debts, make every effort to improve the Group's debt structure, and increase long-term low-interest liabilities in a timely manner, so as to effectively avoid financial risks and operating pressure, ensure the safety of overall financial funds, and achieve the sustainable, healthy and stable development of the enterprise.

## **COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE**

The Company is committed to maintain high corporate governance standards and uphold accountability and transparency.

During the year ended 31 December 2025, the Company has applied the principles of and complied with the applicable code provisions of the Corporate Governance Code as set out in Appendix C1 of the Listing Rules, except for the below deviation:

Code provision C.2.1 stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Yang Lijun (“**Mr. Yang**”) is the chairman of the Board and the chief executive officer of the Company. As Mr. Yang has extensive experience in the businesses of property development and investment, the Board believes that by holding both roles of the chairman and the chief executive officer, Mr. Yang will be able to provide strong leadership for the Board and effective and efficient business decisions for the Group. The Board believes that the present structure of the Board would provide adequate checks and balances, and a variety of opinions relating to the affairs and the businesses of the Group.

On 1 March 2025, Ms. Chan Chu Hoi resigned as an independent non-executive Director due to focus time and effort on other businesses. Upon the resignation of Ms. Chan Chu Hoi, she also ceased to be the chairman of the Nomination Committee, a member of the Audit Committee and a member of the Remuneration Committee. As a result, the Company temporarily failed to comply with the requirements as set out in Rules 3.11, 3.23 and 3.27 of the Listing Rules. As such, the Company will use its best endeavour to identify a suitable candidate to fill the vacancy on the Board and its committees as soon as practicable, with the relevant appointment to be made within three months from the date of the resignation of Ms. Chan pursuant to Rules 3.11, 3.23 and 3.27 the Listing Rules.

On 4 June 2025, Mr. Tsang Ho Pong has been appointed as an independent non-executive Director, the chairman of the Nomination Committee, a member of the Audit Committee and a member of the Remuneration Committee. Following the appointment of Mr. Tsang Ho Pong, the Company is in compliance with the requirements of (i) Rule 3.10(1) of the Listing Rules that the Board must include at least three independent non-executive Directors; (ii) Rule 3.21 of the Listing Rules that the Audit Committee comprises three members, all of whom are independent non-executive directors; and (iii) Rule 3.27A of the Listing Rules that the Nomination Committee is chaired by an independent non-executive Director.

Save as disclosed above, in the opinion of the Directors, the Company has complied with the relevant provisions of the Corporate Governance Code during the period and up to the date of this announcement.

Further information on the Company’s corporate governance practices during the period under review will be set out in the Corporate Governance Report contained in the Company’s 2025 Annual Report.

## **CHANGES IN DIRECTORS' INFORMATION**

The changes in directors' information, which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules, are set out below:

On 16 January 2026, Mr. Tsang Ho Pong resigned as the financial controller and company secretary of DIT Group Limited, a company listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (stock code: 726) and he resigned as the company secretary of Central China Real Estate Limited, a company listed on the Main Board of the Stock Exchange (stock code: 832).

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code for Securities Transactions by Directors as set out in Appendix C3 of the Listing Rules as its own code of conduct regarding securities transactions by the Directors and relevant employees of the Company. Having made specific enquiry to the Directors and relevant employees, all the Directors and relevant employees confirmed that they had complied with the required standards as set out in the Model Code during the year ended 31 December 2025.

## **PURCHASE, SALE OR REDEMPTION OF SHARES**

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

## **AUDIT COMMITTEE AND REVIEW OF FINAL RESULTS**

The Board has established the audit committee of the Company (the “**Audit Committee**”) which comprises three independent non-executive directors.

The Audit Committee, the auditors and the management of the Company have reviewed the Group's audited consolidated financial statements for the year ended 31 December 2025.

## **SCOPE OF WORK OF CCTH CPA LIMITED**

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

## **DISCLOSURE OF INFORMATION**

The annual report of the Group for the year ended 31 December 2025 containing the relevant information required by the Listing Rules will subsequently be published on the Company's and the Stock Exchange's websites in due course.

By order of the Board  
**China Cultural Tourism and Agriculture Group Limited**  
**YANG Lijun**  
*Chairman*

Hong Kong, 27 March 2026

*As at the date of this announcement, the Board comprises Mr. YANG Lijun (Chairman), and Mr. TAM Kai Wai being the executive Directors, Mr. WONG Yuk Lun, Alan being the non-executive Director, and Ms. CHAN Hoi Ling, Ms. TSUI Wai Ting, Rosalie and Mr. TSANG Ho Pong being the independent non-executive Directors.*