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大中華控股(香港)有限公司
GREAT CHINA HOLDINGS (HONG KONG) LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 21)

ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025

The Board of Directors (the “Board”) of Great China Holdings (Hong Kong) Limited (the “Company”) is pleased to announce the consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the year ended 31 December 2025 together with the comparative figures for the corresponding year in 2024 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2025

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i> (Restated)
REVENUE	7	60,629	132,584
Cost of sales and services		<u>(48,124)</u>	<u>(92,367)</u>
Gross profit		12,505	40,217
Other income and gains	7	493	667
Selling and distribution expenses		(3,040)	(2,631)
Administrative and operating expenses		(25,416)	(30,267)
Fair value loss on investment properties		(37,554)	(11,602)
Impairment loss on goodwill		(44,719)	–
Impairment loss on loan receivable from an associate		–	(125,767)
Impairment loss on completed properties held for sales		(13,317)	–
Foreign exchange (loss) gain, net		(41,528)	26,710
Finance costs	8	<u>(1,086)</u>	<u>(1,166)</u>
LOSS BEFORE TAX	9	(153,662)	(103,839)
Income tax credit (expenses)	10	<u>5,307</u>	<u>(4,823)</u>
LOSS FOR THE YEAR		<u>(148,355)</u>	<u>(108,662)</u>

	<i>Notes</i>	2025 HK\$'000	2024 HK\$'000 (Restated)
OTHER COMPREHENSIVE INCOME (LOSS) FOR THE YEAR			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		<u>75,189</u>	<u>(55,301)</u>
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		<u>(73,166)</u>	<u>(163,963)</u>
LOSS FOR THE YEAR ATTRIBUTABLE TO:			
– Owners of the Company		(148,355)	(108,662)
– Non-controlling interests		<u>–</u>	<u>–</u>
		<u>(148,355)</u>	<u>(108,662)</u>
TOTAL COMPREHENSIVE LOSS FOR THE YEAR ATTRIBUTABLE TO:			
– Owners of the Company		(73,166)	(163,963)
– Non-controlling interests		<u>–</u>	<u>–</u>
		<u>(73,166)</u>	<u>(163,963)</u>
LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY			
Basic and diluted	<i>12</i>	<u>HK3.73 cents</u>	<u>HK2.73 cents</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i> (Restated)
NON-CURRENT ASSETS			
Property, plant and equipment		207,039	188,190
Right-of-use assets		1,726	542
Investment properties		186,083	205,447
Goodwill		154,655	190,783
Interests in associates		–	–
Loan receivable from an associate, net		–	–
Properties under development		605,518	573,263
		<hr/>	<hr/>
Total non-current assets		1,155,021	1,158,225
CURRENT ASSETS			
Properties held for sale		727,711	753,787
Trade receivables	<i>13</i>	1,986	2,844
Prepayments, deposits and other receivables		16,067	12,476
Cash and bank balances		16,962	32,760
		<hr/>	<hr/>
Total current assets		762,726	801,867
CURRENT LIABILITIES			
Trade payables	<i>14</i>	22,476	25,311
Other payables and accruals		117,874	125,745
Promissory note		16,800	16,800
Lease liabilities		1,427	554
Amounts due to related companies		241,937	232,255
Amounts due to substantial shareholders		759,756	725,132
Tax payables		8,649	6,529
		<hr/>	<hr/>
Total current liabilities		1,168,919	1,132,326
NET CURRENT LIABILITIES		(406,193)	(330,459)
TOTAL ASSETS LESS CURRENT LIABILITIES		748,828	827,766

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i> (Restated)
NON-CURRENT LIABILITIES		
Lease liabilities	332	–
Deferred tax liabilities	143,655	149,759
	<hr/>	<hr/>
Total non-current liabilities	143,987	149,759
	<hr/>	<hr/>
Net Assets	604,841	678,007
	<hr/>	<hr/>
EQUITY		
Share capital	983,266	983,266
Other reserves	(378,438)	(305,272)
	<hr/>	<hr/>
Equity attributable to owners of the Company	604,828	677,994
	<hr/>	<hr/>
Non-controlling interests	13	13
	<hr/>	<hr/>
Total Equity	604,841	678,007
	<hr/>	<hr/>

NOTES:

1. CORPORATE INFORMATION

Great China Holdings (Hong Kong) Limited (the “Company”, together with its subsidiaries are collectively referred to as the “Group”) is a limited liability company incorporated in Hong Kong. Its registered office is located at Room 6668, 66/F., The Center, 99 Queen’s Road Central, Hong Kong.

The Company is investment holding and the principal activities of its subsidiaries are engaged in property development and investment.

2. BASIS OF PREPARATION

The Group had net current liabilities of approximately HK\$406,193,000 at 31 December 2025. Notwithstanding of the above, the directors of the Company consider the going concern basis of preparation of the consolidated financial statements is appropriate after taking into consideration of the following:

- (a) the Group is able to generate operating profits and cash inflows from future sales of properties; and
- (b) a substantial shareholder has confirmed that he will provide financial support to the Group to meet its financial obligations as they fall due, if required, including not to demand repayment of the amounts due to him and companies controlled by him in aggregate of approximately HK\$973,972,000 until the Group is in a position to do so.

Should the Group be unable to continue as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts and to provide for any further liabilities which might arise; and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effect to these adjustments has not been reflected in the consolidated financial statements.

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

The consolidated financial statements have been prepared under the historical cost convention, except for investment properties which have been measured at fair value.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand except where otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and all of its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting period as that of the Company using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between subsidiaries of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control as stated below. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

- the contractual arrangement with the other vote holders of the investee;
- rights arising from other contractual arrangements; and
- the Group’s voting rights and potential voting rights.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group’s share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

Prior year adjustment

Restatement of loan receivable from an associate

The Group holds 50% equity interests in Success Yield Group Limited (“Success Yield”) and its subsidiaries (collectively refer to the “Associates”) which is engaged in property development of a real estate project in the People’s Republic of China (the “PRC”) (the “Property Development Project”). The Group accounted for its interests in the Associates using equity method of accounting. Furthermore, the Group recorded a loan receivable from an associate of approximately HK\$125,767,000 (after net of impairment loss of approximately HK\$5,603,000) at 31 December 2024.

In the preparation of the consolidated financial statements for the year ended 31 December 2024 (the “2024 Consolidated Financial Statements”), the Group has taken all reasonable steps and used its best endeavour to request the Associates to provide the updated financial information and relevant supporting documents, including but not limited to the books and records of the Associates as at and for the year ended 31 December 2024. No response was received up to the date of approval of the 2024 Consolidated Financial Statements. Therefore, the management was only able to adopt the financial information of the Associates that were obtained in previous years for the preparation of the 2024 Consolidated Financial Statements.

During the year ended 31 December 2025, the Group undertook all necessary actions to request repayment of the loan from Associates, including but not limited to filing a civil complaint into the PRC court and initiating appropriate litigation procedures. In the course of preparing and submitting evidentiary materials for the potential legal proceedings, the Group identified that a significant portion of the Property Development Project had been committed for assignment to other parties as settlement of outstanding debts owed by the Associates' fellow subsidiary during the year ended 31 December 2024.

The management reassesses the recoverable amount of the loan receivable from an associate with reference to the realisable value of the Property Development Project. In light of the fact that the Property Development Project represented the core assets of the Associates and significant portion of the Property Development Project was no longer belonged to the Associates as a result of its commitment for assignment to other parties in settlement of outstanding debts during the year ended 31 December 2024, the management concluded that the recoverability of loan receivable from an associate was remote since then. Accordingly, the management determined that a further impairment loss on loan receivable from an associate of approximately HK\$125,767,000 should have been recognised in profit or loss for the year ended 31 December 2024. This has been recorded as a prior year adjustment in the consolidated financial statements.

The effects of the above restatements on the consolidated financial statements for the year ended 31 December 2024 are summarised as follows:

	As previously reported <i>HK\$'000</i>	Prior year adjustment <i>HK\$'000</i>	Restated <i>HK\$'000</i>
For the year ended 31 December 2024			
<i>Consolidated Statement of Comprehensive Income</i>			
Impairment loss on loan receivable from an associate	–	(125,767)	(125,767)
Profit (Loss) before tax	21,928	(125,767)	(103,839)
Profit (Loss) for the year	17,105	(125,767)	(108,662)
Total comprehensive loss for the year	(38,196)	(125,767)	(163,963)
Earnings (Loss) per share attributable to owners of the Company			
Basic and diluted	HK0.43 cents	HK(3.16) cents	HK(2.73) cents
At 31 December 2024			
<i>Consolidated Statement of Financial Position</i>			
Loan receivable from an associate, net	125,767	(125,767)	–
Other reserves	(179,505)	(125,767)	(305,272)

There are no prior year adjustments on the opening consolidated statement of financial position of the Group at 1 January 2024.

5. PRELIMINARY ANNOUNCEMENT OF ANNUAL RESULTS

The financial information relating to the years ended 31 December 2025 and 2024 included in this preliminary announcement of 2025 annual results does not constitute the Company's statutory annual consolidated financial statements for those years but is derived from those financial statements. Further information relating to those statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance is as follows:

The Company had delivered the financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance. The financial statements for the year ended 31 December 2025 have yet to be reported by the Company's auditor and will be delivered to the Registrar of Companies in due course.

The Company's auditor had reported the financial statements of the Group for the year ended 31 December 2024. The auditor's report was qualified and did not refer to any matter to which the auditor drew attention by way of emphasis without qualifying the reports. It also contained a statement under sections 407(2) and 407(3) of the Companies Ordinance (Cap. 622). The auditor's report did not contain a statement under section 406(2) of the Companies Ordinance (Cap. 622).

6. OPERATING SEGMENT INFORMATION

The Group has a single reportable segment based on the location of the operations, which is property development and investment located in the PRC. Information reported to the Group's chief operating decision makers for the purpose of resources allocation and performance assessment focuses on the operating results of the Group as a whole as the Group's resources are integrated and no discrete operating segment financial information is available. Accordingly, no operating segment information is presented.

Information about major customers

The Group's customer base is diversified, where there was no individual customer with whom transactions exceeded 10% of the Group's revenue during the years ended 31 December 2025 and 2024.

7. REVENUE AND OTHER INCOME AND GAINS

An analysis of revenue and other income and gains is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue from contracts with customers within HKFRS 15:		
Sales of properties	49,914	122,322
Property management income	9,460	8,850
	59,374	131,172
Revenue from other sources:		
Gross rental income	1,255	1,412
Total revenue	60,629	132,584
Other income and gains:		
Bank interest income	24	254
Others	469	413
	493	667

The revenue from contracts with customers within HKFRS 15 is disaggregated as follows:

	Sales of properties <i>HK\$'000</i>	Property management income <i>HK\$'000</i>	Total <i>HK\$'000</i>
Year ended 31 December 2025			
Timing of revenue recognition:			
– At a point in time	49,914	–	49,914
– Over time	–	9,460	9,460
	49,914	9,460	59,374
Year ended 31 December 2024			
Timing of revenue recognition:			
– At a point in time	122,322	–	122,322
– Over time	–	8,850	8,850
	122,322	8,850	131,172

8. FINANCE COSTS

An analysis of finance costs is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest on lease liabilities	92	69
Interest on loan from a substantial shareholder	156	150
Interest on promissory note	838	947
	<hr/> 1,086	<hr/> 1,166

9. LOSS BEFORE TAX

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Staff costs (including directors' remuneration)		
Salaries, allowances and benefits in kind	16,890	18,462
Pension scheme contributions	2,052	1,811
	<hr/> 18,942	<hr/> 20,273
Cost of properties sold	42,434	88,004
Depreciation of property, plant and equipment	21	47
Depreciation of right-of-use assets	1,653	2,002
Auditor's remuneration	880	930
Direct operating expenses arising from investment properties that generated rental income	387	400
Loss on disposal of a subsidiary	–	833
Short-term lease payments	38	44
	<hr/> 38	<hr/> 44

Note:

For the years ended 31 December 2025 and 2024, there were no forfeited contribution which were available to reduce the Group's existing level of contributions to the MPF Scheme and the PRC pension scheme.

10. INCOME TAX (CREDIT) EXPENSES

Pursuant to the rules and regulations of the British Virgin Islands (the “BVI”), the Group is not subject to any taxation under this jurisdiction.

No provision for Hong Kong Profits Tax has been made as the Group incurred a loss for taxation purposes during the years ended 31 December 2025 and 2024.

The Group’s entities established in the PRC are subject to Enterprise Income Tax (“EIT”) of the PRC at a statutory rate of 25% for the years ended 31 December 2025 and 2024.

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

	2025	2024
	<i>HK\$’000</i>	<i>HK\$’000</i>
EIT in the PRC	85	6,571
LAT in the PRC	8,013	4,494
Deferred tax credited to profit or loss	(13,405)	(6,242)
	<u> </u>	<u> </u>
Total income tax (credit) expenses for the year	<u>(5,307)</u>	<u>4,823</u>

A reconciliation of the income tax (credit) expenses to loss before tax at the statutory rates of the countries/ jurisdictions in which the Company and the majority of its subsidiaries are domiciled is as follows:

	2025	2024
	<i>HK\$’000</i>	<i>HK\$’000</i>
		(Restated)
Loss before tax	<u>(153,662)</u>	<u>(103,839)</u>
Tax at the statutory tax rate applicable to loss in respective countries	(30,492)	(16,877)
Income not subject to tax	(676)	(4,824)
Expenses not deductible for tax	13,204	23,498
Tax losses not recognised	4,679	2,439
LAT	8,013	4,494
Utilisation of previously unrecognised tax losses	–	(3,456)
Others	(35)	(451)
	<u> </u>	<u> </u>
Income tax (credit) expenses	<u>(5,307)</u>	<u>4,823</u>

11. DIVIDENDS

The board of directors does not recommend the payment of any dividend for the years ended 31 December 2025 and 2024.

12. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of basic and diluted loss per share is based on the following data:

	2025	2024 (Restated)
Loss for the year attributable to owners of the Company (<i>HK\$ million</i>)	148.36	108.66
Weighted average number of ordinary shares (<i>Million</i>)	3,975	3,975
Basic and diluted loss per share (<i>HK cents per share</i>)	<u>3.73</u>	<u>2.73</u>

The calculation of diluted loss per share is the same as basic loss per share as there were no dilutive potential ordinary shares during the years ended 31 December 2025 and 2024.

13. TRADE RECEIVABLES

Trade receivables mainly represent sale proceeds in respect of sold properties and property management fee receivables. Sale proceeds in respect of sold properties are payable by the purchasers pursuant to the terms of sale and purchase agreements. Rental in respect of leased properties is payable in advance by the tenants pursuant to the terms of the tenancy agreements. Under normal circumstances, the Group does not grant credit terms to its customers. The Group seeks to maintain strict control over its outstanding receivables and to minimise credit risk. Overdue balances are regularly reviewed by the management. In view of the aforementioned and the fact that the Group's trade receivables relate to a certain number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing and unsecured. The carrying amounts of the trade receivables approximate to their fair values. An ageing analysis of the trade receivables at the end of the reporting period, based on the invoice date, is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 30 days	893	1,804
31 to 60 days	23	22
61 to 90 days	25	24
Over 90 days	<u>1,045</u>	<u>994</u>
	<u>1,986</u>	<u>2,844</u>

The amount of trade receivables that were past due but not impaired is the same as the above ageing analysis of trade receivables.

Receivables that were past due but not impaired relate to a number of diversified customers. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

The Group applies the simplified approach to provide for expected credit loss (“ECL”) prescribed by HKFRS 9. To measure ECL, trade receivables have been grouped based on shared credit risk characteristics which is the days past due. Expected loss rate of the overall trade receivables is assessed to be 0.1%. Based on evaluation on expected loss rate and gross carrying amount, the directors of the Company are of the opinion that the ECL in respect of these balances is considered immaterial and therefore there has not been a provision of loss allowance.

14. TRADE PAYABLES

An ageing analysis of the trade creditors at the end of the reporting period, based on the invoice date, is as follows:

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Within 30 days	187	253
31 to 60 days	187	347
61 to 90 days	11	817
Over 90 days	22,091	23,894
	<u>22,476</u>	<u>25,311</u>

MANAGEMENT DISCUSSION AND ANALYSIS

RESULTS

For the year ended 31 December 2025, the Group recorded a turnover of approximately HK\$60.63 million, representing a decrease of approximately 54% as compared to the turnover of approximately HK\$132.58 million for last year. The decrease in turnover was mainly resulted from the decrease in areas delivered in the sales of properties.

Loss attributable to owners of the Company was approximately HK\$148.36 million for the year ended 31 December 2025 compared to the loss attributable to the owners of Company of approximately HK\$108.66 million (restated) for last year. This was mainly attributable to (i) the decrease in turnover; (ii) the exchange loss of approximately HK\$41.53 million arising from the translation of the Group's financial liabilities; (iii) a fair value loss on investment properties of approximately HK\$37.55 million; (iv) an impairment loss on goodwill of approximately HK\$44.72 million; and (v) an impairment loss on completed properties held for sales of approximately HK\$13.32 million for the year ended 31 December 2025. Due to the continuing deterioration of the property market in the regions where the Group's investment properties and development projects are located, the Group recorded fair value loss on investment properties and impairment losses on completed properties held for sale and on goodwill arising from the acquisition of the indirect wholly-owned subsidiaries.

BUSINESS REVIEW

Property Development and Investment Business

The Gold Coast Project

The Company, through its indirect wholly-owned PRC subsidiary, owns a resort located in 中國廣東省汕尾市海豐縣鮎門鎮百安半島 (Baian Peninsula, Houmen Town, Haifeng County, Shanwei City, Guangdong Province, the PRC*) (the "Gold Coast Resort"). Development of the Gold Coast Project will be divided into two phases with an aggregated gross floor area of approximately 430,000 sq.m. The first phase of the project comprises high block residential buildings with car parks while the second phase of the project comprises high block residential buildings, villas and serviced apartments etc.

As at the date of this announcement, pre-sale permit for phase 1 properties has been obtained. The Company has set up a sales center and show room for phase 1 which will be opened soon. The construction plan for phase 2 is currently being vetted by the relevant bureau of Shenzhen-Shanwei Special Cooperation Zone. Construction of phase 2 will be commenced once the plan is being approved.

The Tanghai County Project

The Group has acquired 99.99% of equity interest of 唐山市曹妃甸區中泰信和房地產開發有限公司 (Tangshan Caofeidian Zhongtai Xinhe Real Estate Company Limited*) (“Tangshan Caofeidian”) (“Tanghai Acquisition”) in January 2013, the major asset of which consists of the right of use of 唐海縣七農場通港水庫內側2號及3號島 (Nos. 2 and 3 Island inside Tonggang Reservoir of the Seventh Farm in Tanghai County*).

The Group has paid a total sum of approximately RMB92.49 million as consideration of the Tanghai Acquisition. The vendors of Tangshan Caofeidian are subject to pay the PRC individual income tax derived from the transfer of the equity interest of Tangshan Caofeidian. At the date of completion of the Tanghai Acquisition, such PRC individual income tax had not been settled. It was agreed by the vendors that they will not require the Company to pay the remaining portion of the consideration of RMB12 million until the outstanding PRC individual income tax is settled by them.

The Group has appointed several external firms to conduct reconnaissance and began designing work. At the date of this announcement, the piling of the town house and the construction of the clubhouse in phase, and the basic construction of villas of phase 2 was completed. It was noted that the local government of the Tanghai Country Project has granted the area where the Tanghai Country Project locates as a natural reserve area thus the Company’s original planning of the project may need to be modified in accordance with the local government’s guideline. The Company is actively discussing with the local government regarding the overall planning of the project.

The Daya Bay Project

The Company, through its indirect wholly-owned PRC subsidiary, owns 東方新天地大廈 (Eastern New World Square*), which is a comprehensive property development project with a total gross floor area of approximately 69,171.7 sq.m. located at 中國廣東省惠州市大亞灣澳頭鎮中興中路一號 (No.1 Zhongxing Zhong Road, Aotou Town, Daya Bay, Huizhou City, Guangdong Province, the PRC*). During the year ended 31 December 2025, rental income of approximately HK\$1.26 million (2024: approximately HK\$1.41 million) from commercial outlets and car park of Eastern New World Square was recognised as revenue.

The Shanwei Projects

On 16 October 2013, the Group completed the acquisition of Jin Bao Cheng Project and Hong Hai Bay Project through a wholly-owned subsidiary of the Company from Mr. Huang Shih Tsai, the chairman and executive director of the Company. The details of Jin Bao Cheng Project and Hong Hai Bay Project are set out as below:

(1) Jin Bao Cheng Project

Jin Bao Cheng Project contains two parcels of land located on 中國廣東省汕尾市區汕尾大道 (Shanwei Main Road, Shanwei City, Guangdong Province, the PRC*), with a total site area of approximately 50,656 sq.m. and three 12-storey close to completion residential blocks erected thereon, among which, (a) one parcel of land is located at the vicinity of 汕尾大道香洲頭地段西側與紅海大道交界口 (the junction of the western side of Shanwei Main Road, Xiangzhoutou Section and Honghai Main Road*), and (b) one parcel of land is located at the vicinity of 汕尾大道荷包嶺段西側實力汽車修配廠後面與紅海大道交界口 (the junction of the western side of Shanwei Main Road, Hebaoling Section, behind the Shili Car Repair Factory and Honghai Main Road*).

Jin Bao Cheng Project is a residential and commercial complex. Sales and pre-sales of phase 1, phase 2 and phase 3 of the residential portion of Jin Bao Cheng Project was commenced. The sales of properties in Jin Bao Cheng Project of approximately HK\$49.91 million was recognised as revenue for the year ended 31 December 2025 (2024: approximately HK\$122.32 million) and approximately HK\$33.31 million was received from pre-sales of Jin Bao Cheng Project as contract liabilities at 31 December 2025 (31 December 2024: approximately HK\$52.26 million).

(2) Hong Hai Bay Project

Hong Hai Bay Project contains four parcels of land located at the vicinity of the junction of No. S241 Province Road and No. X141 County Road Shanwei City, Guangdong Province, the PRC with a total site area of approximately 273,534.2 sq.m., among which, (a) one parcel of land is located on 遮浪南澳旅遊區「湖仔山」東側 (the east of Wuzishan, Zhelang Nanao Tourist Area*), (b) one parcel of land is located on 遮浪街道宮前南澳路東 (Gongqian Nanao Road East, Zhelangjiedao*); and (c) two parcels of land are located on 遮浪街道南澳旅遊區灣灘坑 (Wantankeng, Zhelangjiedao Nanao Tourist Area*). Currently, the development of Hong Hai Bay Project is suspended. The Company is re-evaluating the Hong Hai Bay Project's positioning. The Company may commence the project development as and when appropriate, depending on market condition, the Group's resource allocation and the local government's development guideline.

In 2020, 中建二局第三建築工程有限公司 (the “Contractor”), a contractor of the Hong Hai Bay Project, had filed a civil suit to Shanwei Intermediate People’s Court (汕尾市中級人民法院) (the “Intermediate Court”) against the Group for terminating the construction agreements entered with the Group and claim for a total amount of approximately RMB48.5 million, comprising the alleged incurred construction cost and the related interest of approximately RMB15.8 million, the potential profit of the remaining work under the construction agreement of approximately RMB12.7 million and the idle time cost of approximately RMB20.0 million. One of the land parcels of Hong Hai Bay Project was seized by the Intermediate Court. With reference to a legal opinion from the PRC lawyer, the Group may be liable for paying the outstanding construction cost that actually incurred which shall be determined by the Intermediate Court in accordance with evidence submitted by both parties but not the amount claimed by the Constructor which has no reasonable ground. Also, 汕尾大中華國際實業有限公司 is still entitled to the ownership of the seized land. Notwithstanding the above, with best and conservative estimation by the management, the Company provided in profit or loss of approximately RMB14.0 million (equivalent to approximately HK\$15.8 million) claimed by the Constructor for the alleged outstanding construction cost during the year ended 31 December 2020.

During the year ended 31 December 2023, the Intermediate Court issued a final judgement in relation to the civil case which require the Group to pay the Constructor for a total of approximately RMB18.5 million (equivalent to approximately HK\$20.3 million). Subsequently, the Group has lodged an appeal against the judgement to the High People’s Court of Guangdong Province (the “High Court”) and it was accepted by the High Court.

For the year ended 31 December 2024, the High Court has issued a judgement and required the Group to pay the Constructor for a total of approximately RMB16.7 million (equivalent to approximately HK\$18.1 million). The Group has subsequently lodged a written retrial petition to the The Supreme People’s Court of the PRC and is pending for the hearing.

The Heqing Project

On 16 December 2013, the Company and its wholly owned subsidiary, Great China Properties (Shanghai) Limited, entered into a cooperation agreement with Greenland Hong Kong Holdings Limited (“Greenland HK”) and its subsidiaries, pursuant to which the parties to the cooperation agreement conditionally agree to jointly develop the two parcels of land located in Shanghai, the PRC (the “Land”), among which (a) 上海浦東新區合慶鎮，四至範圍東至13-02地塊，西至上海市慶利路，南至13-02地塊，北至上海市環慶南路 (one parcel of land with boundaries East to land with Lot No. 13-02, West to Qingli Road, South to land with Lot No.13-02, North to South Huanqing Road, Heqing Town, Pudong New Area, Shanghai, the PRC*); and (b) 上海浦東新區合慶鎮，四至範圍東至14-03地塊，西至上海市凌楊路，南至14-03地塊，北至上海市環慶南路 (one parcel of land with boundaries East to land with Lot No. 14-03, West to Lingyang Road, South to land with Lot No. 14-03, North to South Huanqing Road, Heqing Town, Pudong New Area, Shanghai, the PRC*). The Land is used for commercial and office purposes.

On 10 January 2014, all the conditions precedent under the cooperation agreement had been satisfied and completion took place on the same date. Upon completion, each of the Group and Greenland HK hold a 50% stake in the project. The investment of the Group and the loans made to associates have been accounted for as interests in associates and loan receivable from an associate using the equity method from the date of completion, respectively. Details please refer to the announcement of the Company dated 16 December 2013 and the circular of the Company dated 30 January 2014. Development of the Heqing Project were completed.

In January 2025, the Company has received a civil complaint (the “Complaint”) issued by The First Intermediate People’s Court of Shanghai (上海市第一中級人民法院) (the “Court”), informing that the Court has accepted the case filed by the Company as the plaintiff (the “Plaintiff”) against Greenland HK and 上海合茂房地產發展有限公司, an associate of the Company, as the defendants (the “Defendants”) in respect of the shareholder’s loan under the cooperation agreement.

Based on the Complaint, the claims (the “Claims”) alleged by the Plaintiff under the Complaint are to request the Defendants to pay to the Plaintiff the shareholder’s loan of approximately RMB123.9 million (equivalent to approximately HK\$134.2 million), the relevant interests and all litigation costs of this case to be borne by the Defendants. Subsequently, the Court has decided that the case shall be governed by the laws of Hong Kong and advised the Company to withdraw this case from the Court. The Company withdrew this case accordingly.

For the year ended 31 December 2025, during the course of searching relevant information for the potential legal proceedings, the Group noted that a significant portion of the Land together with the properties erected thereon had been committed for assignment to creditors of Greenland HK to settle the outstanding debts owed by Greenland HK's subsidiary. In light of this development, the Group has filed another civil claim ("2026 Claim") with the Court in February 2026 and the Court registered 2026 Claim in March 2026. Under the 2026 Claim, the Group demanded (among others) the Defendants to repay the principal and accrued interest of the shareholder's loan and all defendants shall bear jointly and several liability of the repayment. As at the date of this announcement, the hearing date has not been fixed. The Company shall inform its shareholders about the progress of this case as and when appropriate.

CONNECTED TRANSACTION – PROPERTY LEASE AGREEMENTS

On 1 March 2024, (i) 滙通天下控股(中國)有限公司 (Waytung Global Holding (China) Limited*) ("Waytung China") and 大中華國際集團(中國)有限公司 (Great China International Group Limited*) ("GCI") entered into the Property Leasing Agreement I; (ii) 大中華實業(惠州)有限公司 (Great China Enterprises (Huizhou) Limited*) ("Great China (Huizhou)") and GCI entered into the Property Leasing Agreement II; and (iii) 汕尾市大中華實業有限公司 (Shanwei Great China Enterprises Limited*) ("Great China (Shanwei)") and GCI entered into the Property Leasing Agreement III. In accordance with HKFRS 16 "Leases", the Group had recognised right-of-use assets in its consolidated statement of financial position in respect of the leased properties under the Property Lease Agreements. The Property Lease Agreements expired on 31 March 2025.

On 1 April 2025, the Company renewed the Property Lease Agreement I with Waytung China, the Property Lease Agreement II with Great China (Huizhou) and Property Lease Agreement III with Great China (Shanwei) respectively for a period of two years commencing from 1 April 2025. Subsequently, GCI entered into supplemental agreement with Great China (Huizhou) and Great China (Shanwei) to reduce the monthly rental.

Each of Waytung China, Great China (Huizhou) and Great China (Shanwei) is a wholly-owned subsidiary of the Company. GCI is indirectly wholly-owned by Mr. Huang Shih Tsai, the executive Director, controlling shareholders and chairman of the Group. As such, GCI is a connected person to the Company. Pursuant to Chapter 14A of the Listing Rules, the transactions contemplated under the Property Lease Agreements constitute a one-off connected transaction of the Company.

According to the Property Lease Agreements (as supplemented by supplemental agreement, if applicable), (i) Waytung China shall pay a monthly rental of RMB28,000; (ii) Great China (Huizhou) shall pay a monthly rental of RMB26,712; and (iii) Great China (Shanwei) shall pay a monthly rental of RMB45,401. Please refer to the announcement of the Company dated 1 April 2025 for details of the transactions.

BUSINESS OUTLOOK

The PRC property development industry is facing extreme difficulty and uncertainty in recent years. It has put forward higher requirements for the Company in terms of its future strategy planning. The Group will review and adjust its development and sales schedule in accordance with the market conditions and the overall environment. The Group's business and future strategy will continue to be focusing on mid-end and high-end commercial and tourism property development and investment. Riding on its solid foundation, the Group remains on the lookout for high quality and cost effective investment opportunities to enhance investment returns, as well as gradually diversify its income source.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2025, bank balances and cash of the Group amounted to approximately HK\$16.96 million (31 December 2024: approximately HK\$32.76 million). The Group's total current assets as at 31 December 2025 amounted to approximately HK\$762.73 million, which comprised properties held for sale, trade receivables, prepayments, deposits and other receivables, cash and bank balances. The Group's total current liabilities as at 31 December 2025 amounted to approximately HK\$1,168.92 million, which comprised trade payables, other payables and accruals, promissory notes, lease liabilities, amounts due to related companies, amounts due to substantial shareholders and tax payables. As at 31 December 2025, the Group's gearing ratio, defined as interest-bearing liabilities divided by total equity, was approximately 3.5% (31 December 2024: 3.0% (restated)).

CAPITAL COMMITMENT

As at 31 December 2025, the Group had a total capital commitment of approximately HK\$410.91 million (31 December 2024: approximately HK\$398.81 million), contracted for but not provided in the consolidated financial statements, which comprised (i) approximately HK\$198.06 million (31 December 2024: approximately HK\$196.33 million) in respect of the construction and development of properties and (ii) approximately HK\$212.85 million (31 December 2024: approximately HK\$202.48 million) in respect of the loan contributions payable to an associate.

EXCHANGE RATES EXPOSURE

The Group derives its turnover, makes purchases and incurs expenses denominated mainly in RMB and HK\$. The majority of assets and liabilities are denominated in RMB and HK\$ and there are no significant assets and liabilities denominated in other currencies. Currently, the Group has not entered into agreements or purchased instruments to hedge the Group's exchange rate risks. Any material fluctuation in the exchange rates of HK\$ or RMB may have an impact on the operating results of the Group. The exchange rate of RMB to HK\$ is subject to the rules and regulations of foreign exchange control promulgated by the PRC government. The Group manages foreign currency risk by closely monitoring the movement of the foreign currency rates.

SIGNIFICANT INVESTMENTS AND MATERIAL ACQUISITIONS AND DISPOSALS

The Group made no significant investment and material acquisitions and disposals during the year ended 31 December 2025.

CONTINGENT LIABILITIES

As at 31 December 2025, the Group has contingent liabilities of approximately RMB155.63 million (equivalent to approximately HK\$173.44 million) (2024: approximately RMB155.63 million (equivalent to approximately HK\$164.99 million)) of which the Group has given guarantees of approximately RMB155.63 million (equivalent to approximately HK\$173.44 million) (2024: approximately RMB155.63 million (equivalent to approximately HK\$164.99 million)) to banks for housing loans extended by the banks to the purchasers of the Group's properties for a period from the date the loans are granted to the purchasers up to the date of issuance of property title certificates to the purchasers.

The fair value of the guarantees is not significant and the directors of the Company consider that, in case of default in payments by the purchasers, the net realisable value of the related properties will be sufficient to cover the repayment of the outstanding mortgage principals together with the accrued interests and penalties and therefore the guarantees have not been recognised in the consolidated financial statements for the years ended 31 December 2025 and 2024.

CHARGES ON ASSETS

As at 31 December 2025, the Group did not charge any of its assets (31 December 2024: Nil).

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this announcement, there is no significant subsequent event after the reporting period.

EMOLUMENT POLICY

The emoluments of the employees of the Group are determined on the basis of their merit, qualification and competence. The management's remuneration proposals are reviewed and approved by the remuneration committee with reference to the Board's corporate goals and objectives. The emoluments of the directors and senior management of the Company are determined by the remuneration committee of the Company, having regard to the Company's operating results, individual performance and comparable market statistics.

As at 31 December 2025, the Group employed 102 employees (excluding directors) (31 December 2024: 81 employees) and the related staff costs amounted to approximately HK\$17.19 million (2024: approximately HK\$18.52 million). Staff remuneration packages, which are reviewed annually, include salary/wage and other benefits, such as medical insurance coverage, provident fund and share options.

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

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

CORPORATE GOVERNANCE

The Company has adopted and complied generally with the code provisions of the Corporate Governance Code as set out in Appendix C1 of the Listing Rules throughout the year ended 31 December 2025.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix C3 of the Listing Rules as its own code of conduct regarding securities transactions by the directors. Having made specific enquiry of all directors, they confirmed that they have complied with the required standard set out in the Model Code throughout the year ended 31 December 2025.

AUDIT COMMITTEE AND REVIEW OF ANNUAL RESULTS

The Company has an Audit Committee which was established in accordance with the requirements as set out in Appendix C1 of the Listing Rules, for the purposes of reviewing and providing supervision over the Group’s financial reporting process and internal controls. The Audit Committee comprises three Independent Non-executive Directors of the Company, namely Mr. Cheng Hong Kei (Chairman of the Audit Committee), Mr. Leung Kwan, Hermann and Mr. Wang Hongxin Charles. The Group’s final result for the year ended 31 December 2025 has been reviewed by the Audit Committee.

SCOPE OF WORK OF FORVIS MAZARS CPA LIMITED

The figures in respect of the Company’s consolidated statement of financial position at 31 December 2025, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in this announcement have been agreed by the Company’s auditors, Forvis Mazars CPA Limited (“Forvis Mazars”), to the amounts set out in the Company’s draft consolidated financial statements for the year ended 31 December 2025. The work performed by Forvis Mazars in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Forvis Mazars on this announcement.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 2 June 2026 to Friday, 5 June 2026, both days inclusive, during the period of closure no transfer of shares will be registered. In order to ascertain the right to attend the 2026 annual general meeting, all share certificates with completed transfer forms either overleap or separately must be lodged with the Company's share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Monday, 1 June 2026.

* *for identification purpose only*

By Order of the Board
Great China Holdings (Hong Kong) Limited
Huang Shih Tsai
Chairman

Hong Kong, 31 March 2026

As at the date of this announcement, the Board comprises two Executive Directors, namely Mr. Huang Shih Tsai (Chairman) and Ms. Huang Wenxi (Chief Executive Officer); one Non-executive Director, namely Mr. Li Zhizhen; and three Independent Non-executive Directors, namely Mr. Cheng Hong Kei, Mr. Leung Kwan, Hermann and Mr. Wang Hongxin Charles.