

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CHINA MERCHANTS LAND LIMITED

招商局置地有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 978)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

The board (the “**Board**”) of directors (the “**Directors**”) of China Merchants Land Limited (the “**Company**”) announces the consolidated results of the Company and its subsidiaries (together referred to as 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 AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

(Expressed in Renminbi (“RMB”))

	NOTES	2025 RMB'000	2024 RMB'000
Revenue	3	26,250,540	20,661,233
Cost of sales		(24,591,117)	(19,675,813)
Gross profit		1,659,423	985,420
Other income	3	218,683	357,603
Finance costs	6	(470,490)	(577,247)
Net foreign exchange gain/(loss)		7,077	(75,285)
Selling and marketing expenses		(927,300)	(761,655)
Administrative expenses		(218,791)	(169,003)
Impairment loss on goodwill		–	(160,210)
Impairment loss on interests in joint ventures		(24,069)	(211,453)
Allowance of expected credit losses		(70,289)	(335,148)
Fair value (loss)/gain on financial asset at fair value through profit or loss (“FVTPL”)		(142)	29,649
Loss on disposal of a joint venture		–	(1,820)
Loss on disposal of subsidiaries		(2,542)	–
Gain on remeasurement of previously held interest of a joint venture		459,924	–
Share of results of associates		(854,594)	(128,635)
Share of results of joint ventures		(220,975)	(117,677)

	<i>NOTES</i>	2025 RMB'000	2024 <i>RMB'000</i>
Loss before tax	8	(444,085)	(1,165,461)
Income tax expense	7	<u>(1,683,720)</u>	<u>(524,169)</u>
Loss for the year		<u>(2,127,805)</u>	<u>(1,689,630)</u>
Other comprehensive income, net of income tax			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of financial statements of foreign operations		<u>(82,380)</u>	<u>12,432</u>
Total comprehensive income for the year		<u>(2,210,185)</u>	<u>(1,677,198)</u>
Loss for the year attributable to:			
Owners of the Company		(2,201,077)	(1,850,755)
Non-controlling interests		<u>73,272</u>	<u>161,125</u>
		<u>(2,127,805)</u>	<u>(1,689,630)</u>
Total comprehensive income for the year attributable to:			
Owners of the Company		(2,283,457)	(1,838,323)
Non-controlling interests		<u>73,272</u>	<u>161,125</u>
		<u>(2,210,185)</u>	<u>(1,677,198)</u>
Losses per share			
Basic and diluted (RMB cents)	10	<u>(44.87)</u>	<u>(37.73)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

(Expressed in Renminbi (“RMB”))

		At 31 December	
		2025	2024
	NOTES	RMB'000	RMB'000
Non-current assets			
Property, plant and equipment		370,615	401,997
Right-of-use assets		2,917	16,294
Investment properties		6,703,611	2,942,343
Interests in associates		10,479,691	11,217,742
Interests in joint ventures		2,270,886	3,139,765
Financial asset at FVTPL		121,529	121,671
Other receivables		19,263,210	18,997,696
Deferred tax assets		808,021	760,899
		<u>40,020,480</u>	<u>37,598,407</u>
Current assets			
Properties for sale		50,230,391	59,254,675
Deposits paid for acquisitions of land use rights		383,624	152,847
Trade and other receivables	11	7,505,883	11,520,006
Contract costs		276,488	326,532
Prepaid income tax		2,754,754	3,138,317
Bank balances and cash		11,120,731	12,734,449
Assets held for sale		–	18,797
		<u>72,271,871</u>	<u>87,145,623</u>
Current liabilities			
Contract liabilities		17,562,169	23,958,048
Trade and other payables	12	29,570,968	28,179,946
Lease liabilities		24,127	29,425
Loans from non-controlling interests		155,289	129,420
Loan from a fellow subsidiary		574,204	528,409
Bank and other borrowings		3,918,913	4,021,610
Income tax payable		2,746,394	2,760,147
		<u>54,552,064</u>	<u>59,607,005</u>
Net current assets		<u>17,719,807</u>	<u>27,538,618</u>
Total assets less current liabilities		<u>57,740,287</u>	<u>65,137,025</u>

	At 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Non-current liabilities		
Loans from non-controlling interests	1,568,025	1,498,268
Loans from an intermediate holding company	8,378,357	12,699,218
Loans from a fellow subsidiary	265,917	573,699
Bank and other borrowings	16,626,787	16,621,727
Lease liabilities	176,399	258,117
Deferred tax liabilities	378,256	391,988
	<u>27,393,741</u>	<u>32,043,017</u>
NET ASSETS	<u>30,346,546</u>	<u>33,094,008</u>
CAPITAL AND RESERVES		
Share capital	39,132	39,132
Reserves	5,697,352	7,982,731
	<u>5,736,484</u>	<u>8,021,863</u>
Equity attributable to owners of the Company	5,736,484	8,021,863
Non-controlling interests	24,610,062	25,072,145
	<u>30,346,546</u>	<u>33,094,008</u>
TOTAL EQUITY	<u>30,346,546</u>	<u>33,094,008</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Renminbi (“RMB”) unless otherwise indicated)

1 GENERAL

The Company is incorporated in the Cayman Islands as a limited liability company and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The address of the registered office and principal place of business of the Company are disclosed in the “Corporate Information” section to the annual report.

The principal activity of the Company is investment holding and the principal activities of its subsidiaries are mainly investment holding, property development and assets management.

The Company’s immediate holding company is Success Well Investment Limited, a limited liability company incorporated in the British Virgin Islands (the “**BVI**”). One of its intermediate holding companies is China Merchants Shekou Industrial Zone Holding Co., Ltd. (“**China Merchants Shekou**”), which is established in the People’s Republic of China (the “**PRC**”) and listed on the Shenzhen Stock Exchange Limited. The ultimate holding company of the Company is China Merchants Group Limited (“**CMG**”). CMG is a PRC enterprise regulated and directly managed by the State-owned Assets Supervision and Administration Commission of the State Council and is owned and controlled by the PRC government.

The consolidated financial statements are presented in Renminbi (“**RMB**”), which is also the functional currency of the Company.

2 CHANGES IN ACCOUNTING POLICIES

The Group has applied amendments to HKAS 21, The effects of changes in foreign exchange rates – Lack of exchangeability issued by the HKICPA to these financial statements for the current accounting period. The amendments do not have a material impact on these financial statements as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

Amendments to HKFRSs in issue but not yet effective

Up to the date of issue of these financial statements, the HKICPA has issued a number of new or amended standards, which are not yet effective for the year ended 31 December 2025 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Company.

**Effective for
accounting
periods beginning
on or after**

<i>Amendments to HKFRS 9, Financial instruments and HKFRS 7, Financial instruments: disclosures – Contracts referencing nature-dependent electricity</i>	1 January 2026
<i>Amendments to HKFRS 9, Financial instruments and HKFRS 7, Financial instruments: disclosures – Amendments to the classification and measurement of financial instruments</i>	1 January 2026
<i>Annual improvements to HKFRS Accounting Standards -Volume 11</i>	1 January 2026
<i>HKFRS 18, Presentation and disclosure in financial statements</i>	1 January 2027
<i>HKFRS 19, Subsidiaries without public accountability: disclosures</i>	1 January 2027

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements except for the following:

HKFRS 18, Presentation and disclosure in financial statements

HKFRS 18 will replace HKAS 1 Presentation of financial statements and aims to improve the transparency and comparability of information about an entity's financial statements. HKFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and is to be applied retrospectively.

Among other changes, under HKFRS 18, entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to provide specific disclosures about management-defined performance measures in a single note in the financial statements.

The Group does not plan to early adopt HKFRS 18 and is still in the process of assessing the impact of the adoption.

3 REVENUE

An analysis of the Group's revenue for the year is as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
By types of goods or services		
Asset management segment		
Asset management services income (<i>Note 4</i>)	<u>12,881</u>	<u>17,422</u>
Properties segment		
Sales of properties for sale	25,803,680	20,261,274
Properties operation income	106,109	98,192
Income from hotel operation	33,816	33,106
Rental income from investment properties (<i>Note 8</i>)	<u>294,054</u>	<u>251,239</u>
	<u>26,237,659</u>	<u>20,643,811</u>
	<u>26,250,540</u>	<u>20,661,233</u>
By timing of revenue recognition		
At a point in time	25,803,680	20,261,274
Over time	<u>152,806</u>	<u>148,720</u>
Revenue from contracts with customers (<i>Note</i>)	25,956,486	20,409,994
Rental income from investment properties	<u>294,054</u>	<u>251,239</u>
	<u>26,250,540</u>	<u>20,661,233</u>

Note: Revenue from contracts with customers are mainly derived from Chinese Mainland except for RMB12,881,000 (2024: RMB17,422,000) related to the operation in Hong Kong.

4 SEGMENT INFORMATION

The Group has adopted HKFRS 8 *Operating Segments*, which requires operating segments to be identified on the basis of internal report about the components of the Group that are regularly reviewed by the chief operating decision makers (“CODM”) in order to allocate resources to segments and to assess their performance. The CODM is the Company’s executive directors.

For management purpose, the Group is organised into different property projects engaged in development and sales of properties, property leasing and assets management in various cities within the PRC, each of which is considered as an operating segment by the CODM. For segment reporting purpose, these operating segments have been aggregated into two reportable segments: (i) Development and sales of properties and property leasing (“**Properties Segment**”); and (ii) Asset management for office premises and shopping malls (“**Asset Management Segment**”), according to the nature and similarity of their products and services, the customer type or class, the method of products distribution or providing services, and the regulatory environment, which give rise to a more meaningful presentation.

Segment revenue and results

The following is an analysis of the Group’s revenue and results by reportable and operating segments.

	Asset management segment RMB’000	Properties segment RMB’000	Consolidated RMB’000
For the year ended 31 December 2025			
Segment revenue			
– external customers	<u>12,881</u>	<u>26,237,659</u>	<u>26,250,540</u>
Segment results	<u>7,063</u>	<u>(177,604)</u>	<u>(170,541)</u>
Unallocated net foreign exchange gain			8,738
Unallocated income			102,506
Unallocated expenses			(53,584)
Unallocated finance costs			<u>(331,204)</u>
Loss before tax			<u>(444,085)</u>

	Asset management segment <i>RMB'000</i>	Properties segment <i>RMB'000</i>	Consolidated <i>RMB'000</i>
For the year ended 31 December 2024			
Segment revenue			
– external customers	<u>17,422</u>	<u>20,643,811</u>	<u>20,661,233</u>
Segment results	<u>10,501</u>	<u>(818,020)</u>	<u>(807,519)</u>
Unallocated net foreign exchange loss			(57,541)
Unallocated income			129,251
Unallocated expenses			(64,550)
Unallocated finance costs			<u>(365,102)</u>
Loss before tax			<u>(1,165,461)</u>

There was no inter-segment sales during both years.

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 2. Segment results represent the profit earned by each segment without allocation of unallocated corporate costs, certain finance costs, certain other income and certain net foreign exchange losses or gains. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

	Asset management segment <i>RMB'000</i>	Properties segment <i>RMB'000</i>	Consolidated <i>RMB'000</i>
At 31 December 2025			
Segment assets	<u>62,630</u>	<u>102,440,498</u>	102,503,128
Other unallocated assets			<u>9,789,223</u>
Total assets			<u>112,292,351</u>
Segment liabilities	<u>3,455</u>	<u>50,423,461</u>	50,426,916
Other unallocated liabilities			<u>31,518,889</u>
Total liabilities			<u>81,945,805</u>
	Asset management segment <i>RMB'000</i>	Properties segment <i>RMB'000</i>	Consolidated <i>RMB'000</i>
At 31 December 2024			
Segment assets	<u>66,147</u>	<u>113,162,089</u>	113,228,236
Goodwill			–
Other unallocated assets			<u>11,515,794</u>
Total assets			<u>124,744,030</u>
Segment liabilities	<u>6,398</u>	<u>56,744,461</u>	56,750,859
Other unallocated liabilities			<u>34,899,163</u>
Total liabilities			<u>91,650,022</u>

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

- all assets, other than goodwill and assets of the investment holding companies, are allocated to reportable and operating segments; and
- all liabilities, other than loans from an intermediate holding company, bank and other borrowings and other payables of the investment holding companies, are allocated to reportable and operating segment.

Other segment information

Amounts included in the measure of segment profit or loss or segment assets.

	Asset management segment RMB'000	Properties segment RMB'000	Consolidated RMB'000
At 31 December 2025			
Addition to non-current assets (<i>Note</i>)	–	617,942	617,942
Interest income	–	89,384	89,384
Depreciation of property, plant and equipment	2	39,419	39,421
Depreciation of investment properties	–	253,958	253,958
Depreciation of right-of-use assets	–	8,288	8,288
Write-down of losses on properties for sale	–	1,137,050	1,137,050
Allowance of expected credit losses	–	70,104	70,104
Impairment losses on interests in joint ventures	–	24,069	24,069
	<u>–</u>	<u>24,069</u>	<u>24,069</u>

	Asset management segment RMB'000	Properties segment RMB'000	Consolidated RMB'000
--	---	---	---------------------------------

At 31 December 2024

Addition to non-current assets (<i>Note</i>)	–	627,653	627,653
Interest income	–	205,559	205,559
Depreciation of property, plant and equipment	5	37,461	37,466
Depreciation of investment properties	–	152,408	152,408
Depreciation of right-of-use assets	–	21,496	21,496
Write-down of losses on properties for sale	–	542,057	542,057
Allowance of expected credit losses	–	334,610	334,610
Impairment losses on interests in joint ventures	–	211,453	211,453
	<u>–</u>	<u>211,453</u>	<u>211,453</u>

Note: Non-current assets exclude deferred tax assets and non-current other receivables.

The Group's revenue from external customers is derived from the PRC, including Hong Kong. No single customer of the Group contributed 10% or more to the Group's revenue for both years.

Geographical information

The Group's Properties Segment is located in Foshan, Guangzhou, Nanjing and Jurong, Chongqing, Xi'an, and Hong Kong.

Information about the revenue from external customers is presented based on the location of the operations. Assets of Properties Segment and Asset Management Segment are presented based on the location of the operation and place of management decision.

	Revenue from external customers		Segment assets	
	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Foshan	4,391,955	744,938	7,982,642	3,384,766
Guangzhou	1,334,942	1,506,184	23,772,703	26,341,472
Nanjing and Jurong	5,409,394	8,409,004	28,760,922	31,866,751
Chongqing	4,415,486	4,355,990	19,844,231	23,359,210
Xi'an	10,628,084	5,574,929	18,872,687	24,696,880
Hong Kong	70,679	70,188	3,269,943	3,579,157
	<u>26,250,540</u>	<u>20,661,233</u>	<u>102,503,128</u>	<u>113,228,236</u>

As at 31 December 2025, except for investment properties amounting to RMB917,445,000 (2024: RMB952,744,000), the Group's non-current assets (excluding deferred tax assets, financial instruments or investments in associate and joint venture) are located in Chinese Mainland.

5 OTHER INCOME

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Bank interest income	84,243	139,212
Interest income on amounts due from associates	98,857	127,708
Interest income on amounts due from joint ventures	10,256	52,774
Interest income on amounts due from non-controlling interests	–	13,916
Interest income on amounts due from third parties	1,841	743
Interest income on amount due from an investee	–	238
Others	23,486	23,012
	<u>218,683</u>	<u>357,603</u>

6 FINANCE COSTS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest on:		
– bank and other borrowings	744,181	803,394
– lease liabilities	9,564	15,493
– loans from an intermediate holding company	298,965	478,742
– loans from non-controlling interests	8,294	27,447
– loans from a fellow subsidiary	<u>22,104</u>	<u>31,476</u>
Total borrowing costs	1,083,108	1,356,552
Less: Amounts capitalised in the cost of qualifying assets	<u>(612,618)</u>	<u>(779,305)</u>
	<u>470,490</u>	<u>577,247</u>

7 INCOME TAX EXPENSE

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
The income tax expenses comprise of:		
Hong Kong Profits Tax		
– Current year	133	60
PRC Enterprise Income Tax (“EIT”)		
– Current year	873,528	252,243
– Under provision in prior year	9,963	19,527
Withholding tax expenses	–	1,693
LAT	<u>860,950</u>	<u>187,771</u>
	1,744,574	461,294
Deferred taxation	<u>(60,854)</u>	<u>62,875</u>
	<u>1,683,720</u>	<u>524,169</u>

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the statutory EIT rate of the subsidiaries incorporated in the PRC is 25%. Further, 5% or 10% withholding income tax is generally imposed on dividends relating to profits earned by Chinese Mainland entities that are owned by Hong Kong or foreign entities within the Group.

LAT is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sales of properties less estimated deductible expenditures including cost of land use right, borrowing costs and the relevant property development expenditures.

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for the years ended 31 December 2025 and 2024. The directors of the Company considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements.

8 LOSS BEFORE TAX

	2025	2024
	RMB'000	RMB'000
Loss before tax has been arrived at after charging/(crediting):		
Employee benefits expenses (including directors' remuneration):		
Salaries and other allowances	275,008	313,244
Pension scheme contributions	35,105	39,863
	<hr/>	<hr/>
Total staff costs	310,113	353,107
Less: Amounts capitalised to properties for sale	(167,052)	(214,350)
	<hr/>	<hr/>
	143,061	138,757
	<hr/>	<hr/>
Gross rental income from investment properties (<i>Note 3</i>)	(294,054)	(251,239)
Less: Direct operating expenses incurred, excluding depreciation	179,022	156,825
Less: Depreciation of investment properties	253,958	152,408
	<hr/>	<hr/>
	138,926	57,994
	<hr/>	<hr/>
Cost of carrying amount of properties sold	22,812,292	18,773,251
Write-down of properties for sale	1,137,050	542,057
Depreciation of investment properties	253,958	152,408
Depreciation of right-of-use assets	8,288	21,496
Depreciation of property, plant and equipment	39,421	37,466
Auditor's remuneration:		
Audit service	2,400	2,476
Non-audit service	835	524
Impairment loss on goodwill	–	160,210
Impairment loss on interests in joint ventures	24,069	211,453
Allowance of expected credit losses	70,289	335,148
Loss on disposal of property, plant and equipment	44	48
	<hr/>	<hr/>

9 DIVIDENDS

During the year ended 31 December 2025, no final dividend in respect of the year ended 31 December 2024 (2024: HK\$0.012 per ordinary share in respect of the year ended 31 December 2023) was declared and paid to the shareholders of the Company.

10 LOSSES PER SHARE

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

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Loss for the year attributable to owners of the Company	<u>(2,201,077)</u>	<u>(1,850,755)</u>
	2025	2024
Weighted average number of ordinary shares	<u>4,905,257,860</u>	<u>4,905,257,860</u>

No diluted losses per share for the years ended 31 December 2025 and 2024 were presented as there were no potential ordinary shares in issue for both years.

11 TRADE AND OTHER RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivable		
– contract with customers	9,134	9,352
– operating lease receivables	<u>4,948</u>	<u>6,606</u>
	<u>14,082</u>	<u>15,958</u>

Trade receivables mainly arise from properties operation income and rental income from the Properties Segment.

The Group's credit terms with its trade customers are generally within 30 days. The Group seeks to maintain strict control over its outstanding receivables in order to minimise credit risk. Overdue balances are reviewed regularly by senior management.

Considerations in respect of properties leasing are paid in accordance with the terms of the rental agreements, normally within 30 days from the date of invoices.

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

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
0 - 180 days	9,926	11,770
181 - 365 days	1,042	60
Over 1 year	3,114	4,128
	<u>14,082</u>	<u>15,958</u>

12 TRADE AND OTHER PAYABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade payables	<u>7,986,829</u>	<u>7,807,293</u>

- (i) Trade payables arise from Properties Segment comprise construction costs and other project-related expenses which are payable based on project progress and the credit period of these trade payables would be as long as one year. The Group has financial risk management policies in place to ensure that all payables are within the credit timeframe.

The following is an aging analysis of trade payables, based on the invoice date, at the end of the reporting period:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 1 year	6,660,273	6,754,703
1 to 2 years	719,283	592,331
2 to 3 years	230,744	208,486
Over 3 years	376,529	251,773
	<u>7,986,829</u>	<u>7,807,293</u>

MANAGEMENT DISCUSSION AND ANALYSIS

MARKET REVIEW

In 2025, China's GDP grew by 5%, with the total economic output exceeding RMB140 trillion, indicating generally stable economic performance. The economy is currently at a critical stage of transitioning between old and new growth drivers, with consumption having replaced investment as the primary driving force — total retail sales of consumer goods now exceed total fixed asset investment. Vice Premier He Lifeng has made it clear that in 2026, expanding domestic demand will be the primary task, with strong efforts to boost consumption and accelerate China's transformation from a “manufacturing powerhouse” to a “consumption powerhouse”.

Against the backdrop of profound economic structural adjustment, the real estate sector's correction also demonstrates complexity and longevity. According to data from the National Bureau of Statistics, the sales floor area of new commercial housing in China decreased by 8.7% year-on-year to 880 million square meters in 2025; sales value fell by 12.6% year-on-year to RMB8.4 trillion, a decline of over 50% from the peak in 2021. As China's urbanization transitions from a period of rapid growth to stable development, urban development is also shifting from large-scale incremental expansion to a phase focused on improving the quality and efficiency of existing stock. Currently, the real estate market continues to face significant downward pressure, with no signals of price stabilization and volume recovery, nor signs of bottoming out and rebounding.

However, structural opportunities in the market remain worthy of attention. Currently, Chinese Mainland's real estate market size still stands at RMB8.4 trillion, gradually concentrating among leading enterprises, with strong demand for “good housing” projects and in the urban renewal sector. Meanwhile, the Hong Kong market is showing signs of recovery — rental yields have exceeded mortgage rates, driving a rebound in transaction volume. These positive changes provide opportunities for the Company to expand into new markets during this adjustment period.

FINANCIAL REVIEW

For the year of 2025, loss amounted to RMB2,127,805,000 (2024: loss of RMB1,689,630,000), representing a year-on-year increase in loss of approximately 25.9%. The loss attributable to the owners of the Company was RMB2,201,077,000 (2024: loss of RMB1,850,755,000), representing a year-on-year increase in loss of approximately 18.9%. Basic and diluted losses per share was RMB44.87 cents (2024: basic and diluted losses per share of RMB37.73 cents), representing a year-on-year increase in loss of approximately 18.9%.

As at 31 December 2025, equity attributable to owners of the Company was RMB5,736,484,000 (2024: RMB8,021,863,000), representing a decrease of approximately 28.5% compared to the end of the previous year.

TURNOVER

In 2025, the Group recorded turnover of RMB26,250,540,000 (2024: RMB20,661,233,000), representing a year-on-year increase of approximately 27.1%. During the same period, projects in Nanjing and Jurong, Xi'an, Chongqing, Guangzhou, Foshan and Hong Kong contributed approximately 20.6%, 40.5%, 16.8%, 5.1%, 16.7% and 0.3% respectively to the total revenue of the Group.

GROSS PROFIT

Gross profit amounted to RMB1,659,423,000 (2024: RMB985,420,000), representing a year-on-year increase of approximately 68.4%. This was mainly due to the relatively high proportion of projects with higher gross profit margin in the carried forward income. The gross profit margin was approximately 6.32% (2024: approximately 4.77%), reflecting 1.55 percentage points year-on-year incline.

SHARE OF RESULTS OF ASSOCIATES AND JOINT VENTURES

For the year ended 31 December 2025, the Group's share of results of associates and joint ventures both recorded a loss of RMB854,594,000 (2024: loss of RMB128,635,000) and RMB220,975,000 (2024: loss of RMB117,677,000), respectively.

This financial performance was mainly attributable to the fact that the associates and joint ventures in which the Group had invested in earlier years suffered losses at the project level amidst the unfavourable environment of the overall downturn in the property market, which affected the overall performance.

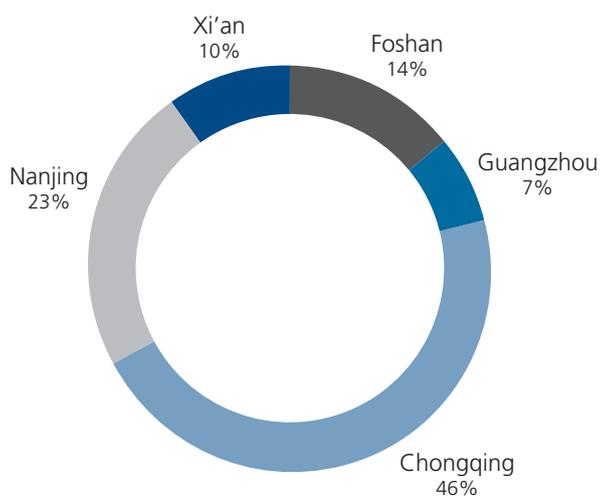
BUSINESS REVIEW

Property Development Business

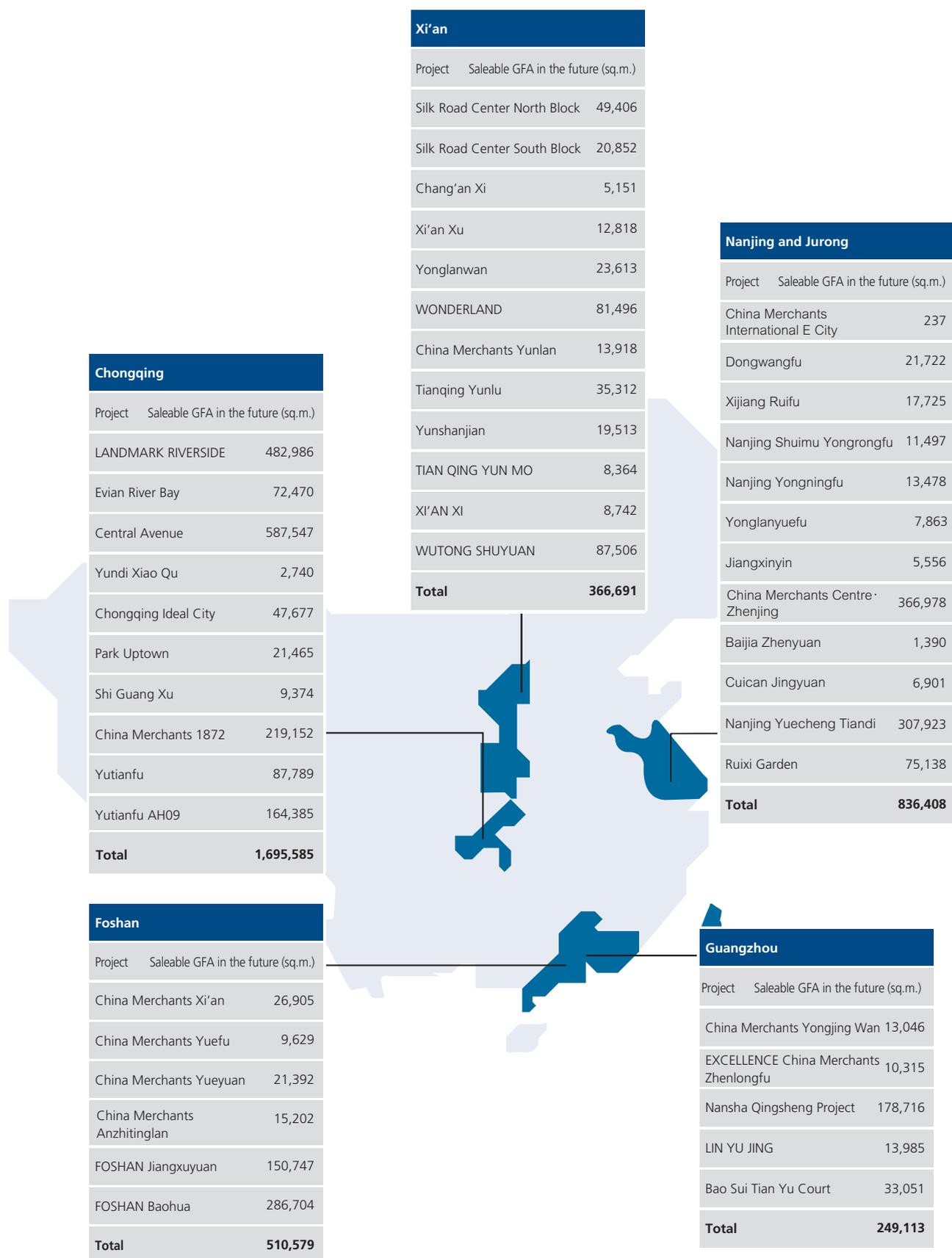
As at 31 December 2025, the Group's portfolio of property development projects consisted of 45 projects in Guangzhou, Foshan, Chongqing, Xi'an, Nanjing and Jurong, with a primary focus on the development of residential properties, as well as residential and commercial complex properties, types of products include apartments, villas, offices and retail shops, etc.

A breakdown of land bank by cities and a map showing the geographical locations and the land bank of the projects of the Group in the PRC are set out below. The saleable gross floor area of properties which had not been sold or presold as at 31 December 2025 ("**Land Bank**") was 3,658,376 sq.m..

Land Bank by cities



A map showing the geographical location and land bank of the projects of the Group in the PRC as at 31 December 2025



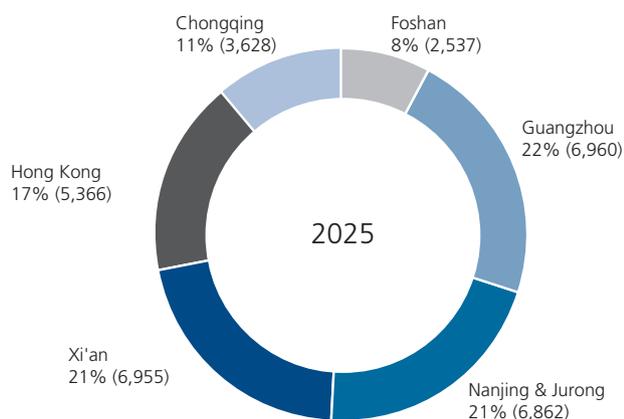
The table below shows the details of the Group's property development projects as at 31 December 2025 which (i) had been completed, (ii) were under development, or (iii) were held for future development. All figures in relation to area are rounded up to the nearest whole number:

Project	The Company's attributable interest in the projects	Completed							Under development			Future development	
		Total GFA	Future Total GFA Saleable	GFA completed	Total GFA saleable/rentable	Of which sold and delivered	Of which but not yet delivered	Of which not pre-sold/ held for investment	GFA under development	Total GFA saleable/rentable	Of which sold	GFA	Total GFA saleable/rentable
China Merchants Xi'an	60%	231,607	26,905	231,607	198,663	171,296	462	26,905	-	-	-	-	-
China Merchants Yuefu	50%	326,112	9,629	326,112	249,777	240,148	-	9,629	-	-	-	-	-
China Merchants Yueyuan	50%	309,372	21,392	309,372	270,402	248,956	54	21,392	-	-	-	-	-
China Merchants Anzhitinglan	90%	182,220	15,202	182,220	170,256	149,587	5,467	15,202	-	-	-	-	-
FOSHAN Jiangxuyuan	100%	261,349	150,747	-	-	-	-	-	171,980	127,852	43,136	89,369	66,031
FOSHAN Baohua	51%	535,349	286,704	161,646	125,381	108,828	1,916	14,637	51,672	33,903	7,756	322,031	245,920
Foshan subtotal		1,846,009	510,579	1,210,957	1,014,479	918,815	7,899	87,765	223,652	161,755	50,892	411,400	311,951
China Merchants Yongjing Wan	60%	283,587	13,046	283,587	283,587	270,528	13	13,046	-	-	-	-	-
EXCELLENCE China Merchants Zhenlongfu	50%	111,684	10,315	111,684	73,493	62,553	625	10,315	-	-	-	-	-
Nansha Qingsheng Project	100%	327,509	178,716	128,973	83,440	48,490	4,559	30,391	61,625	56,146	-	136,911	92,179
LIN YU JING	100%	125,928	13,985	-	-	-	-	-	125,928	87,574	73,589	-	-
Bao Sui Tian Yu Court	50%	142,582	33,051	142,582	96,277	8,170	55,056	33,051	-	-	-	-	-
Guangzhou subtotal		991,290	249,113	666,826	536,797	389,741	60,253	86,803	187,553	143,720	73,589	136,911	92,179
LANDMARK RIVERSIDE	50%	1,840,645	482,986	1,619,718	1,566,238	1,222,724	8,173	335,341	122,250	121,503	72,535	98,677	98,677
Evian River Bay	100%	546,270	72,470	546,270	526,135	453,213	452	72,470	-	-	-	-	-
Central Avenue	50%	1,768,548	587,547	1,665,011	1,501,651	1,001,118	16,523	484,010	-	-	-	103,537	103,537
Yundi Xiao Qu	100%	136,704	2,740	136,704	122,814	120,074	-	2,740	-	-	-	-	-
Chongqing Ideal City	51%	190,499	47,677	153,949	143,242	124,147	30	19,065	36,550	30,621	2,009	-	-
Park Uptown	100%	103,749	21,465	103,749	101,703	80,238	-	21,465	-	-	-	-	-
Shi Guang Xu	100%	39,505	9,374	39,505	36,342	26,689	279	9,374	-	-	-	-	-
China Merchants 1872	100%	474,346	219,152	275,901	264,850	208,228	1,866	54,756	171,543	154,072	16,354	26,902	26,678
Yutianfu	100%	193,220	87,789	154,271	154,271	101,519	1,995	50,757	38,949	38,949	1,917	-	-
Yutianfu AH09	100%	322,038	164,385	192,239	192,239	139,551	3,442	49,246	75,358	75,358	14,660	54,441	54,441
Chongqing subtotal		5,615,524	1,695,585	4,887,317	4,609,485	3,477,501	32,760	1,099,224	444,650	420,503	107,475	283,557	283,333
China Merchants International E City	100%	372,916	237	372,916	323,952	319,698	4,017	237	-	-	-	-	-
Dongwangfu	51%	315,482	21,722	315,482	234,820	213,098	-	21,722	-	-	-	-	-
Xijiang Ruifu	20%	278,840	17,725	278,840	227,412	208,487	1,200	17,725	-	-	-	-	-
Nanjing Shuimu Yongrongfu	28%	239,621	11,497	239,621	189,248	177,120	631	11,497	-	-	-	-	-
Nanjing Yongningfu	51%	351,438	13,478	351,438	283,978	270,094	406	13,478	-	-	-	-	-
Yonglanyuefu	51%	105,618	7,863	105,618	85,310	76,924	523	7,863	-	-	-	-	-
Jiangxinjin	51%	140,370	5,556	140,370	136,464	129,411	1,497	5,556	-	-	-	-	-
China Merchants Centre · Zhenjing	80%	734,393	366,978	734,393	623,013	241,210	14,825	366,978	-	-	-	-	-
Baijia Zhenyuan	82%	87,546	1,390	87,546	71,023	69,633	-	1,390	-	-	-	-	-
Cuican Jingyuan	80%	114,037	6,901	114,037	114,037	89,678	17,458	6,901	-	-	-	-	-
Nanjing Yuecheng Tiandi	35%	600,076	307,923	385,423	345,024	144,109	10,565	190,350	214,653	119,330	1,757	-	-
Ruixi Garden	26%	119,358	75,138	-	-	-	-	-	119,358	80,866	5,728	-	-
Nanjing subtotal		3,459,695	836,408	3,125,684	2,634,281	1,939,462	51,122	643,697	334,011	200,196	7,485	-	-
Silk Road Center North Block	51%	160,808	49,406	160,808	137,287	72,771	15,110	49,406	-	-	-	-	-
Silk Road Center South Block	51%	136,297	20,852	136,297	114,997	74,561	19,584	20,852	-	-	-	-	-
Chang'an Xi	26%	63,272	5,151	63,272	51,254	46,103	-	5,151	-	-	-	-	-
Xi'an Xu	51%	158,971	12,818	158,971	135,994	119,078	4,098	12,818	-	-	-	-	-
Yonglanwan	51%	225,380	23,613	225,380	207,656	167,370	16,673	23,613	-	-	-	-	-
WONDERLAND	100%	500,427	81,496	260,489	219,111	76,560	140,103	2,448	239,938	216,222	137,174	-	-
China Merchants Yunlan	70%	121,849	13,918	121,849	121,849	107,931	-	13,918	-	-	-	-	-
Tianqing Yunlu	100%	171,592	35,312	171,592	158,236	91,858	31,066	35,312	-	-	-	-	-
Yunshanjian	99%	171,588	19,513	171,588	148,189	124,123	4,553	19,513	-	-	-	-	-
TIAN QING YUN MO	100%	128,458	8,364	128,458	117,829	87,346	22,119	8,364	-	-	-	-	-
XTAN XI	100%	119,659	8,742	-	-	-	-	-	119,659	119,659	110,917	-	-
WUTONG SHUYUAN	100%	129,086	87,506	-	-	-	-	-	129,086	129,086	41,580	-	-
Xi'an subtotal		2,087,387	366,691	1,598,704	1,412,402	967,701	253,306	191,395	488,683	464,967	289,671	-	-
Total		13,999,905	3,658,376	11,489,488	10,207,444	7,693,220	405,340	2,108,884	1,678,549	1,391,141	529,112	831,868	687,463

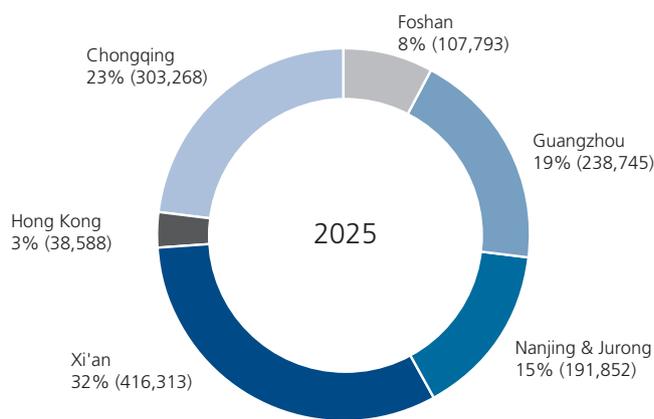
Contracted sales

For the year ended 31 December 2025, the Group, together with its associated companies and joint venture companies, achieved aggregate contracted sales of approximately RMB32,308 million (2024: RMB42,462 million) with an aggregate contracted sales area of approximately 1,296,558 square meters (2024: 1,895,802 sq.m.). The average selling price for the year ended 31 December 2025 amounted to approximately RMB24,918 per square meter (2024: RMB22,398 per sq.m.).

**Contracted sales amount by region
(RMB million)**



**Contracted sales in area by region
(sq.m.)**



New Investment Projects

The following table shows the new investments in which the Group has significant control during the year ended 31 December 2025:

Cities	Projects	Total land consideration (RMB ten thousand)	Total site area (ten thousand sq.m.)	Total permissible area (ten thousand sq.m.)	Average land premium per permissible area (RMB/sq.m.)
Nanjing	Nanjing Hexi Green Expo Park South Plot G28	320,400	3.95	7.11	45,063
Nanjing	Jiangning District Jiulonghu Plot No. 2025G18	114,000	3.66	6.59	17,299
Chongqing	Unit J07 Block 01 Plot 004, Liangjiang New Area	58,155	4.85	7.27	7,999
Xi'an	Plot CB2-2-272, Chanba International Port	157,195	7.73	15.46	10,168
Xi'an	77 Mu, Huanyuan Middle Road, Weiyang District	73,800	5.13	11.79	6,260
Foshan	Foshan Baohua Phase II YDCR44060500102800 Plot	9,543	0.89	3.17	3,010
Foshan	Foshan New City Administrative Committee Plot 208030-011	127,053	6.73	18.15	7,000

Foshan

In 2025, contracted sales amount of the Group (together with its associates and joint ventures) in Foshan was approximately RMB2,537 million and contracted sales area was 107,793 sq.m. Foshan Baohua Project (佛山寶華) was one of the major projects.

As at 31 December 2025, total GFA of the Group's projects in Foshan reached 1,846,009 sq.m. and the saleable GFA in the future will amount to 510,579 sq.m..

Introduction of Foshan Baohua Project

The project is located in the core area of Qiandeng Lake, Guicheng, Nanhai District, Foshan City, covering an area of about 149,600 square meters, with a total construction area of about 860,000 square meters, and will be built into a large-scale complex metropolis in the future.

The project is surrounded by very mature supporting facilities and a strong living atmosphere. It is close to Foshan Guicheng's landmark – Qiandeng Lake Park, and large-scale commercial complexes such as China Merchants Land Center, Wanda Plaza and Xin Kai Plaza.

Guangzhou

In 2025, contracted sales amount of the Group (together with its associates and joint ventures) in Guangzhou was approximately RMB6,960 million and contracted sales area was 238,745 sq.m.. Guangzhou Xipai Tianhe Xu Project (廣州西派天河序) was one of the major projects.

As of 31 December 2025, total GFA of the Group's projects in Guangzhou reached 991,290 sq.m. and the saleable GFA in the future will amount to 249,113 sq.m..

Introduction of Guangzhou Xipai Tianhe Xu Project (廣州西派天河序)

The Xipai Tianhe Xu project is jointly developed by two central government-owned enterprises, presenting four to five bedrooms with perfect space, and a pure improvement community with a low plot ratio of 3.0 meticulously designed by world-renowned designers, that elevates urban living to new heights.

As Guangzhou's premier "wisdom + quality" benchmark, Xipai Tianhe Xu is designed with 125-240 square metres of all-round improvement units to meet users' unlimited imagination of home. The Baiyun Mountain is close at hand, and the Meihuayuan Station of Metro Line 3 is only around 200 metres away, which is 5 stops away from the Tianhe Road business circle, which is home to a number of high-end commercial centres such as Grandview Mall, Teemall, Parc Plaza, Taikoo Hui and K11.

Chongqing

In 2025, contracted sales amount of the Group (together with its associates and joint ventures) in Chongqing was approximately RMB3,628 million and contracted sales area was 303,268 sq.m.. LANDMARK RIVERSIDE (長嘉匯) was one of the major projects.

As of 31 December 2025, total GFA of the Group's projects in Chongqing reached 5,615,524 sq.m. and the saleable GFA in the future will amount to 1,695,585 sq.m..

Introduction of LANDMARK RIVERSIDE (長嘉匯)

Located on Taichang Road in Nan'an District, Chongqing, China, with a total gross floor area of approximately 1.5 million square metres, LANDMARK RIVERSIDE is an integrated urban living project comprising residential and commercial properties.

The “Two Rivers Peak” series, with a gross floor area of approximately 400-460 square metres and a 174 square metre high-rise, occupies a more central position along the river, with a panoramic view of the landmarks of Chaotianmen, Jiangbeizui and Nanbin Road as well as the landmark where the Jialing and Yangtze rivers meet. The project is well-equipped with a wide range of transport, medical, education, financial and living facilities.

The commercial properties of the project are located in the golden triangle of Chongqing's CBD, with famous facilities such as LANDMARK RIVERSIDE Shopping Park, Danzishi Old Street and Danzishi Square, among which LANDMARK RIVERSIDE Shopping Park gathers global fashion trends and Danzishi Old Street is listed as a national 4A tourist scenic area. The Danzishi Square is a broader view of the confluence of the two rivers and is known as the “best place to take photographs of the confluence of the two rivers”.



Computerised photos

Nanjing and Jurong

In 2025, contracted sales amount of the Group (together with its associates and joint ventures) in Nanjing and Jurong was approximately RMB6,862 million and contracted sales area was 191,852 sq.m.. China Merchants•Jinling Xu was one of the major projects.

As of 31 December 2025, total GFA of the Group's projects in Nanjing and Jurong reached 3,459,695 sq.m. and the saleable GFA in the future will amount to 836,408 sq.m..

Introduction of China Merchants•Jinling Xu

China Merchants•Jinling Xu is situated in Nanyuan Street, Jianye District, Nanjing, boasting a prime location. The surrounding area features well-developed rail transit, with close proximity to metro stations such as Jiqingmen Street and dense bus routes. Educational facilities are abundant, offering multiple high-quality primary schools, secondary schools, and kindergartens within a 3-kilometer radius. Medical resources are comprehensive, with several hospitals, including Nanjing First Hospital (Hexi Branch), located within a short distance. The area enjoys a mature commercial atmosphere, with an array of large shopping centers. Its eco-friendly and livable environment is complemented by numerous nearby parks, ideal for daily leisure. This property integrates convenient transportation, quality education, complete healthcare, vibrant commerce, and natural ecology into a single package, offering an exceptionally high standard of living convenience.

Xi'an

In 2025, contracted sales amount of the Group (together with its associates and joint ventures) in Xi'an was approximately RMB6,955 million and contracted sales area was 416,313 sq.m.. Xi'an Xi was one of the major projects.

As at 31 December 2025, total GFA of the Group's projects in Xi'an reached 2,087,387 sq.m. and the saleable GFA in the future will amount to 366,691 sq.m..

Introduction of Xi'an Xi

China Merchants Xi'an Xi is located in Xi'an Chanba International Port, situated about 90 meters south of Lvgang Lucheng Xi'an Quanyun Village on Gangxing 4th Road, offering an excellent location. The surrounding area features well-developed rail transit, with access to six metro stations such as Olympic Sports Center within a 3-kilometer radius, and convenient bus routes are available. Educational resources are abundant, with 34 kindergartens and several high-quality primary and secondary schools in the vicinity, including affiliated campuses of renowned institutions such as Tieyi Middle School and Gaoxin No. 1 Middle School. Commercial facilities cater to daily needs, with shopping centers nearby. The area is ecologically friendly and livable, featuring nine parks within a 3-kilometer range, making it ideal for leisure activities. Overall, the comprehensive living amenities ensure high residential convenience.

Asset Management Business

The Company commences its REIT management business through China Merchants Land Asset Management Co., Limited, a wholly-owned subsidiary of the Company and the REIT manager of the China Merchants Commercial Real Estate Investment Trust. During the year ended 31 December 2025, the Group recorded asset management services income of approximately RMB12,881,000 (2024: RMB17,422,000).

FINANCIAL AND TREASURY MANAGEMENT PRINCIPLES

As at 31 December 2025, the net current assets of the Company amounted to RMB17,719,807,000 (2024: RMB27,538,618,000).

As at 31 December 2025, bank balances and cash was RMB11,120,731,000 (2024: RMB12,734,449,000). In terms of currency denomination, bank balances and cash can be divided into RMB10,321,466,000 in Renminbi, RMB56,936,000 in US\$ and RMB742,329,000 in Hong Kong dollars (“**HK\$**”).

As at 31 December 2025, total interest-bearing debt of the Group was RMB29,115,274,000 (2024: RMB34,908,872,000). In terms of maturity, the outstanding total interest-bearing debt can be divided into RMB4,193,359,000 repayable within one year, RMB12,259,201,000 repayable after one year but within two years, RMB11,475,854,000 repayable after two years but within five years and RMB1,186,860,000 repayable after five years.

As at 31 December 2025, the Group’s net interest-bearing debt (total interest-bearing debt minus bank balances and cash) to equity (including non-controlling interests) ratio (the “**Net Gearing Ratio**”) was 59% (2024: 67%). The Group further utilizes the flexibility of its capital structure and resources in a rational manner according to project needs. The capital cost of the Group still remained at industry-low level. As at 31 December 2025, the weighted average finance costs of the interest-bearing debt is 3.09%, of which the average finance costs of bank and financial institution borrowings was 2.90%.

The monetary assets and liabilities and business transactions of the Group are mainly carried and conducted in RMB, US\$ and HK\$. The Group maintains a prudent strategy in its foreign exchange risk management, where foreign exchange risks are minimised via balancing the monetary assets versus monetary liabilities.

NON-COMPETITION DEED

To minimise actual and potential competition, the Group and China Merchants Property Development Co., Ltd.* (招商局地產控股股份有限公司) (“**CMPD**”) (a company later merged with CMSK (as defined below) in December 2015) entered into a non-competition deed on 19 June 2013 as amended and supplemented on 4 October 2013 (the “**Non-Competition Deed**”). On 30 December 2015, the Company, CMPD and China Merchants Shekou Industrial Zone Holdings Co., Ltd. (招商局蛇口工業區控股股份有限公司) (“**CMSK**”) ^{Note 1} had entered into a deed of amendment and novation, pursuant to which all the obligations, undertakings, interests and benefits of CMPD under the Non-Competition Deed were novated to and undertaken by CMSK in replacement of CMPD as if CMSK has been a party to the Non-Competition Deed in substitution of CMPD with effective from 30 December 2015. Other than that, all the other terms of the Non-Competition Deed shall remain unchanged ^{Note 2}. On 17 December 2018, the Company and CMSK entered into an amended and restated non-competition deed which supersede and replace in its entirety the Non-Competition Deed (the “**Amended and Restated Non-Competition Deed**”), and subsequently entered into a re-amended and restated non-competition deed (the “**Re-Amended and Restated Non-Competition Deed**”) on 21 October 2019, which supersede and replace in its entirety the Amended and Restated Non-Competition Deed.

Notes:

1. According to the announcements published by CMSK and CMPD on the Shenzhen Stock Exchange, on 30 December 2015, CMSK and CMPD had completed the major asset restructuring and integration exercise pursuant to which, among other things, all assets, liabilities, businesses, employees, contracts and all others rights and obligations of CMPD have been taken up and assumed by CMSK in replacement of CMPD, CMPD was delisted from the Shenzhen Stock Exchange and the shares of CMSK became listed on the Shenzhen Stock Exchange, all with effect from 30 December 2015.
2. In the above paragraph under the heading of “Non-competition Deed”, for the avoidance of doubt, references to CMSK should be construed as referring to CMPD in the context of any time before 30 December 2015.

* For identification purpose only

Pursuant to the Amended and Restated Non-Competition Deed, (i) CMSK and its subsidiaries (excluding the Group) (“**CMSK Group**”) will not compete with the Group in the cities of Foshan, Guangzhou, Nanjing, and Jurong (the “**Four CML Cities**”) except for certain operation transitional assets (“**Operation Transitional Assets**”) located in Foshan which would be retained by CMSK Group but managed by the Group under certain operation agreement entered into between the Group and CMSK; (ii) with respect to Chongqing and Xi’an, the Company is considering to cease to conduct Property Business (other than participating in property-related investments on a minority basis across the PRC (the “**Non-Controlling Investment Arrangement**”)) in and exit from such two cities in due course, depending on the results of an annual review process; (iii) CMSK Group will not compete with the Group in the cities of Chongqing and Xi’an unless the Group ceases to conduct Property Business (other than the Non-Controlling Investment Arrangement) in such city; (iv) the Group will not compete with CMSK in 46 other cities in the PRC (“**CMSK Cities**”) except the Group will have the rights to participate in the Non-Controlling Investment Arrangement across the PRC (including the CMSK Cities); (v) the Group will also be entitled to conduct the Asset Management Business for office premises in Beijing and Shanghai exclusively, subject to the duly transfer of all equity interest of CMSK Group in Asset Management Business for office premises in Beijing and Shanghai to the Group (the “**Proposed Transfer I**”); and (vi) the Company will no longer have the perpetual right of first refusal to conduct Property Business (the “**Right of First Refusal**”) for other cities in the PRC in which neither the Group nor the CMSK Group has an Property Business as at the date of the Non-Competition Deed (“**Unoccupied Cities**”).

Pursuant to the Re-Amended and Restated Non-Competition Deed, the Group will have the rights to participate in the REIT Management Business for REITs with underlying properties permitted to be situated in or come from all over the PRC on an exclusive basis. In return, the Company (by itself or through its subsidiaries) are entitled to receive cash and/or units in the REITs. Other than the inclusion of the REIT Management Business and the updates to the terms with respect to the Asset Management Business for Office Premises in Beijing and Shanghai in order to reflect the situation at the time of the completion of the Proposed Transfer I, the other terms with respect to the (a) Non-Controlling Investment Arrangement; (b) Asset Management Business for Office Premises in Four CML Cities, Xi’an and Chongqing plus Beijing and Shanghai; and (c) Property Business of the Re-Amended and Restated Non-Competition Deed remain unchanged compared to the Amended and Restated Non-Competition Deed.

For details of the Non-Competition Deed and Operation Transitional Assets, please refer to the section headed “Relationship with the Controlling Shareholders” in the circular of the Company dated 10 October 2013.

For details of the Amended and Restated Non-Competition Deed, the Four CML Cities, Property Business, Non-Controlling Investment Arrangement, the CMSK Cities, Asset Management Business, the Proposed Transfer I, the Right of First Refusal and the Unoccupied Cities, please refer to the circular of the Company dated 10 January 2019.

For the details of the Re-Amended and Restated Non-Competition Deed, REIT Management Business and REITs, please refer to the circular of the Company dated 21 October 2019.

The independent board committee comprising all the independent non-executive Directors of the Company, had (i) reviewed the reports prepared by the Company's management containing latest information on the respective property projects portfolios of CMSK Group and the Group; (ii) carried out a review on the implementation of and compliance with Re-Amended and Restated Non-Competition Deed by CMSK Group and the Group during the year ended 31 December 2025; and (iii) confirmed that the terms of the Re-Amended and Restated Non-Competition Deed had been complied with by CMSK Group and the Group during the year ended 31 December 2025.

The Group will continue to operate its traditional property development business in Guangzhou, Foshan, Nanjing and Jurong. In addition, upon the annual review of the portfolio of the Group's Property Business for the year ended 31 December 2025, taking into account the financial resources available to the Group at the relevant time and the relevant market conditions, the Group decides to continue its Property Business in Chongqing and Xi'an for the time being.

PROSPECTS AND OUTLOOK

The year 2026 marks the starting point of the "15th Five-Year Plan". According to the "Government Work Report" delivered by Premier Li Qiang, China's real estate industry has officially established the core goal of "striving to stabilize the real estate market", entering a comprehensive phase of high-quality development characterized by "inventory revitalization, quality improvement, and long-term mechanism construction". Official reports and authoritative interpretations indicate that the policy focus has shifted from emergency risk management to the systematic construction of a new development model, charting the course for industry participants.

At the macro level, policies employ a combination of measures tailored to local conditions: “controlling increments, reducing inventory, and optimizing supply”. The core is encouraging the acquisition of existing commercial housing for conversion into affordable housing, aiming to digest market inventory while addressing shortcomings in people’s livelihoods. On the demand side, policies demonstrate precision, proposing for the first time to strengthen housing support for “families with first marriages and first births”, supporting the improvement needs of families with multiple children. This deeply integrates housing policies with population development strategies, supplemented by reforms to the housing provident fund system. Building on this foundation, the industry is comprehensively shifting towards quality upgrades, systematically promoting the construction of “good housing” and implementing housing quality improvement projects. This signifies a profound transformation of the industry’s logic from scale expansion to quality living environments. In terms of risk prevention and control, the “whitelist” system for ensuring housing delivery will become routine, and the supporting institutional construction of a new model linking the elements of “people, housing, land, and money” will be deeply advanced, pushing the long-term mechanism towards a closed loop.

Aligning with these macro trends, the Company has clearly defined its focus on asset turnover, prioritizing inventory reduction as a top priority. The Group actively seeks policy support from local governments in areas such as affordable housing acquisition and storage, land replacement, and urban renewal, continuously innovating asset revitalization methods. These concrete actions respond to the national “inventory reduction” call, transforming policy dividends into corporate development momentum. On the investment front, the Group adheres to a strategy of focus and refocus, strictly following the land acquisition principle of “good cities, good locations, good prices”, ensuring all three are indispensable. By implementing a “sales-oriented investment” mechanism, with the digestion cycle and profit bottom line as rigid constraints, the Group resolutely avoids acquiring financially unviable land or undertaking projects that do not meet requirements. This aligns closely with the macro policy guidance on risk prevention and “optimizing supply”. In terms of products and services, the Company focuses on enhancing the professional capabilities of its development business, continuously iterating its “China Merchants Good Housing” product system. It aims to make this system synonymous with quality, design, innovation, and service, responding to customers’ original aspirations with high-quality products, practicing first-principles thinking with innovation, returning to the essence of living, and creating genuine value. Simultaneously, the Group benchmarks against the industry’s best practices across the board, continuously improving cost control and refined management capabilities. It also intensifies research on overseas markets like Hong Kong, steadily enhancing its international development capabilities, and continuously forging comprehensive competitiveness capable of navigating cycles. Through these concrete actions, the Group transforms macro policy guidance into steady steps towards its own high-quality development.

EMPLOYEE REMUNERATION AND RELATIONS

The Group remunerates the employees by reference to their qualifications, experience, responsibilities, profitability of the Group and current market conditions.

As at 31 December 2025, the Group had 670 (2024: 712) employees in the Chinese Mainland and Hong Kong. The Group determines its staff remuneration based on various factors such as qualifications, length of service, market conditions and performance of the individual employees. For the year ended 31 December 2025, the Company had no share option scheme in effect.

FINANCIAL GUARANTEE CONTRACTS

The Group has contingent liabilities amounted to RMB4,084,475,000 as at 31 December 2025 (2024: RMB5,400,816,000).

PLEDGE OF ASSETS

As at 31 December 2025, land included in properties for sale and located in Chongqing, Xi'an and Nanjing with carrying values of approximately RMB11,250,767,000 (2024: RMB12,233,355,000), investment properties with carrying values of approximately RMB2,807,954,000 (2024: RMB1,538,548,000) and trade receivables with carrying value of approximately RMBNil (2024: RMB199,000) have been pledged to secure bank borrowings amounting to RMB3,252,926,000 (2024: RMB3,099,149,000) granted to the Group.

DIVIDENDS

The Directors have resolved not to recommend a final dividend for the year ended 31 December 2025 (2024: Nil per share).

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in this announcement, the Group had no plans authorised by the Board for material investments or additions of capital assets as at 31 December 2025.

EVENTS AFTER THE REPORTING PERIOD

Save for the Company's announcements which have been published on the Stock Exchange and the Company's website, there are no material events undertaken by the Group after 31 December 2025 to the date of this announcement.

CLOSURE OF REGISTER OF MEMBERS

Details of the annual general meeting of the Company to be held in 2026 and the determination of the shareholders who will be entitled to attend will be published in the circular and notice of the annual general meeting of the Company.

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

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

AUDIT COMMITTEE

The Audit Committee comprises two independent non-executive directors and one non-executive director. Dr. Wong Wing Kuen, Albert, chairman of the Audit Committee, has the appropriate professional qualification and experience in financial matters as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"). This committee is authorised by the Board and is responsible for reviewing the financial reports, internal control principles and for maintaining an appropriate relationship with the Company's auditors. The Audit Committee has reviewed the Group's consolidated financial statements for the year ended 31 December 2025, including the internal controls, financial reporting matters, accounting principles and practices adopted by the Group.

SCOPE OF WORK OF KPMG

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Group's auditor, KPMG, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board of Directors on 12 March 2026. The work performed by KPMG in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by KPMG on the preliminary announcement.

CORPORATE GOVERNANCE CODE

The Company had complied with the code provisions of the Corporate Governance Code as set out in Appendix C1 of the Listing Rules during the year ended 31 December 2025, save that:

Code Provision B.2.2 stipulates that every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. All Directors do not have specific terms of appointment. However, all of them are subject to retirement by rotation and re-election at annual general meeting according to the Company's articles of association. The Board considers that the requirement has the same effect of accomplishing the same objective as a specific term of appointment.

Code Provision C.1.5 stipulates that independent non-executive directors and other non-executive directors should attend general meetings, to gain and develop a balanced understanding of the views of shareholders. At the extraordinary general meeting of the Company held on 28 February 2025, Mr. JIANG Tiefeng (then a non-executive Director) and Ms. CHEN Yanping (an independent non-executive Director) were unable to attend owing to other important business commitments/engagements. At the Company's annual general meeting ("2025 AGM") held on 5 June 2025, all non-executive Directors and Dr. SHI Xiping (an independent non-executive Director) were unable to attend due to other important business commitments/schedules. However, there were sufficient Directors, including executive Directors, independent non-executive Directors and non-executive Director, present to enable the Board to develop a balanced understanding of the views of the Company's shareholders.

Code Provision F.1.3 stipulates that the chairman of the Board should attend the annual general meeting. Mr. JIANG Tiefeng, the then-chairman of the Board, could not attend the 2025 AGM due to other business engagement. However, he had appointed Mr. WONG King Yuen, an executive Director as his alternate director who presided at the AGM and answered questions for shareholders of the Company.

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Group has adopted its code of conduct for securities transactions by Directors of the Company on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 of the Listing Rules. Following specific enquiry by the Company, all the Directors have confirmed that they have complied with the required standard set out in the Model Code throughout the year ended 31 December 2025.

PUBLICATION OF ANNUAL REPORT ON THE STOCK EXCHANGE WEBSITE

The annual report of the Company for the year of 2025 containing all information required by the Listing Rules will be despatched to the Company's shareholders and published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at ir.cmland.hk.

On behalf of the Board
China Merchants Land Limited
ZHU Wenkai
Chairman

Hong Kong, 12 March 2026

As at the date of this announcement, the Board comprises Mr. ZHU Wenkai, Mr. YU Zhiliang and Mr. LI Yao as non-executive Directors; Dr. SO Shu Fai, Mr. WONG King Yuen and Ms. CHEN Yan as executive Directors and Dr. WONG Wing Kuen, Albert, Ms. CHEN Yanping, Dr. SHI Xinping and Mr. IP Man Ki Ryan as independent non-executive Directors.