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香港中旅國際投資有限公司
CHINA TRAVEL INTERNATIONAL INVESTMENT HONG KONG LIMITED

(Incorporated in Hong Kong with limited liability)
(Stock Code: 00308)

ANNOUNCEMENT OF 2025 FINAL RESULTS

CHAIRMAN'S REPORT

I am pleased to present my report to the shareholders:

BUSINESS REVIEW

On behalf of the Board of Directors (the "**Board**") of China Travel International Investment Hong Kong Limited (the "**Company**", together with its subsidiaries, the "**Group**"), I am pleased to present the Group's annual results announcement for the year ended 31 December 2025.

In 2025, the Company's consolidated revenue from continuing operations was HK$4,076 million, a decrease of 2% compared with the previous year. Loss for the year was HK$272 million, of which loss from discontinued operations for the year was HK$503 million and profit from continuing operations for the year was HK$231 million. The loss attributable to shareholders was HK$282 million, compared with a profit attributable to shareholders of HK$106 million in the previous year. Profit attributable to operating activities from continuing operations was HK$264 million, a decrease of 43% compared with the previous year. The Group continues to enjoy a stable and sufficient cash flow, with debt levels remaining sound and manageable, and its financial position remains healthy. As of 31 December 2025, cash and bank balances stood at HK$2,992 million, total assets at HK$18,325 million, and debt-to-equity ratio at 39%.

The Board recommends payment of a final dividend of HK1 cent per share for the year ended 31 December 2025 (2024: Nil), to be paid to shareholders on 30 June 2026, subject to approval at the annual general meeting.

The year 2025 marked the conclusion of the national 14th Five-Year Plan and a pivotal year for laying the groundwork for the 15th Five-Year Plan. The Company has systematically refined its 15th Five-Year Plan strategy, with the vision of becoming a "world-class investment and operational service provider for tourist destinations". It possesses a clear understanding of opportunities across the three key sectors of natural and cultural scenic areas, theme parks, and leisure resorts, and has developed a well-defined business plan. Anchored in its strategic development direction, the Company has focused on strengthening core functions and enhancing core competitiveness. It has coordinated the advancement of key tasks, including capital operations, expansion into new sectors, the upgrading of scenic areas, and IP incubation, as it strives to improve operational efficiency and market influence. The Company has achieved phased results in strategic implementation and project execution.

By the end of 2025, the Company had completed the spin-off of its tourism property business from the Group through a distribution-in-specie arrangement. This effectively optimised the business portfolio and strengthened the Company's risk resilience, laying a solid foundation for it to focus on its core business and concentrate resources on deepening its presence in key sectors. Following the announcement, capital markets showed significant interest, and market enthusiasm and recognition of the Company's investment value were markedly enhanced.

During the year, the Company successfully completed the acquisition of Jilin Songhua Lake International Resorts Development Company Limited and CTS (Beijing) Snow Sports Development Co., Ltd., thereby securing high-quality ski resort resources and a specialised operational team simultaneously, and formally entering the core sector of the winter sports industry, which serves as the new growth driver for the development of the Group. In terms of products and IP, the Company is in its early stages; IP products have already been launched in Anji, Window of the World and the OSR chain, whilst several influential IPs and new products are currently in the planning stage.

EXTERNAL ENVIRONMENT

In 2025, the global economy demonstrated resilience amidst tariff disputes and the shadow of conflict, and the continual deepening of geopolitical tensions. Concurrently, the rapid development of artificial intelligence (AI) profoundly influenced global economic and social development models. Inflationary pressures in the United States eased somewhat, with the US Federal Reserve (the "**Federal Reserve**") cutting interest rates by a cumulative 75 basis points in the second half of the year, which was beneficial for global economic growth. China rolled out a "comprehensive package" of economic stimulus measures, introducing "trade-in" schemes to boost consumption and regulate market competition. Policy priorities centred on developing new quality productive forces, fostering emerging industrial capacity and driving industrial transformation and upgrading. Chinese mainland cumulatively reduced the Loan Prime Rate (LPR) by 10 basis points throughout the year, maintaining a moderately accommodative interest rate environment, whilst the Hong Kong Interbank Offered Rate (HIBOR) also showed a trend of fluctuating declines. According to data from the National Bureau of Statistics, China's gross domestic product (GDP) grew by 5.0% year-on-year in 2025, reflecting overall stability with progress. The Central Economic Work Conference held at the end of 2025 clarified the policy direction for 2026, advocating for a more proactive fiscal policy and a moderately accommodative monetary policy, whilst reaffirming the strategic focus on promoting domestic consumption to lay the foundation for sustained economic growth.

COMPANY DEVELOPMENT

In 2025, domestic tourist arrivals reached 6.522 billion, exceeding the 2019 figure of 6.006 billion, signalling that China's tourism industry has fully transitioned from a recovery phase to a growth phase. According to China Tourism Academy's data, following a three-year slump during the pandemic, domestic tourism has seen a rapid rebound. Even with relatively weak consumption, it has gradually returned to its pre-pandemic growth trajectory, with domestic tourism expenditure projected to reach US$1.038 trillion by 2027. The underlying logic of the tourism sector is shifting from "single-site attractions" to "broad destinations", with cross-sector integration, emotional value and regional mobility as core directions, whilst investment strategies focus on traffic aggregation and deep integration of business formats. From the perspective of the industry chain, tourism destinations are the core link: they not only influence travellers' choices through their natural endowments and brand appeal, but also drive the formation of a closed-loop ecosystem encompassing catering and accommodation, thereby enhancing regional competitiveness. Furthermore, they can attract infrastructure investment, boost economic and cultural development, and elevate our soft power. Successful operation of these destinations can also increase regional prominence and asset value, making them key vehicles for capital deployment.

The Company will strengthen and optimise its core business segments. The natural and cultural scenic spot business will continue to cultivate the four major loop-line regional tourist destinations centred on Ningxia, Yunnan, Guangxi and Xinjiang. We will drive a transformation of business models, leading regional markets through chain-based and scaled operations, and achieve a shift from "managing resources and providing sightseeing" to "serving customers and creating value", while maintaining the leading position in the number of 5A-rated scenic areas operated in Chinese mainland. Specifically, Shapotou Scenic Spot will, through business model upgrades and resource integration, link the Gansu-Ningxia-Inner Mongolia small loop with the Qinghai-Gansu large loop to create a one-stop international desert tourism and holiday destination. Detian Scenic Spot will tap into cultural resources along the China-Vietnam border, advance the development of a cross-border tourism cooperation zone, integrate regional resources and establish a vertical tourism platform to create a world-class cross-border tourism destination. Yunnan Company will take Dali's Erhai Lake as its core, combining light and heavy assets and linking projects such as Lugu Lake and Daocheng Yading to refine the layout of key nodes along the Great Dianxi (Western Yunan) Tourism Loop, thereby generating a regional spillover effect.

The theme park business will leverage IP to revitalise and upgrade Window of the World and Splendid China. Splendid China will focus on Chinese cultural IPs, actively collaborate with the Shenzhen Municipal Government and shareholders, and strive to achieve a project breakthrough. Windows of the World will focus on providing immersive experiences of classic cultures of the world, introducing top-tier IPs and utilise technology to create immersive environments. We will plan and advance the establishment of the Shanghai Aviation Theme Park, carrying out preliminary planning and organising. We will also continue to monitor investment and M&A opportunities within the industry.

The Company further strengthens the development of its Hong Kong and Hainan operations. Regarding Hong Kong, the tender for the Central Harbourfront project has been properly prepared, with an aim to making it an innovative addition to our Hong Kong portfolio and a platform for the operation and testing of our IP business. At the same time, we will promote coastal resorts, integration of bus and ferry services, and distinctive products such as eco-tourism, coastal tours and low-altitude flights. The Company will refine its regional layout strategy for Hainan while closely monitoring new developments in the construction and development of the Hainan Free Trade Port. We will prioritise upgrading and optimising the aerospace tourism experience in Wenchang, enriching distinctive offerings such as immersive launch viewing and aerospace science education, to establish a flagship cultural and tourism destination.

The Company attaches great importance to the State's requirements regarding the improvement and strengthening of market capitalisation management for listed companies controlled by central state-owned enterprises. We aim to achieve breakthroughs in value creation and value realization. While driving performance growth, we will continue to explore measures such as asset revitalisation. Through regular engagement with investors, we will refine the mechanism for regular earnings briefings, diversify channels such as roadshows and reverse roadshows, engage key opinion leaders in the secondary market to enhance the quality of communication, and ensure effective feedback from the market to make assessment of strategic feasibility. We will examine and put forward various initiatives to enhance shareholder return, create synergies in resource allocation and facilitate the implementation of our strategy.

The Group continues to fulfil its corporate social responsibilities, undertaking paired assistance tasks in Shangri-La and Deqin, Yunnan, and successfully completing all assistance missions. We have completed the business format upgrade of the Xia Ruo Starry Sky project, introducing educational tourism programmes to fill the local gap, and creating a new revenue growth point for the project. We have driven the completion of the main building construction for the Tiger Leaping Gorge boutique homestay project and the Haba Snow Mountain boutique homestay project. We spearheaded the organisation of the "CITWarm Spring Assistance Tour: Welcoming the New Year, Promoting Revitalisation through Shopping" exhibition and sales event for agricultural specialities and intangible cultural heritage products. We coordinated effectively with all assistance sites, with participating regions covering 10 cities and counties across 6 provinces including Yunnan, Guizhou, Jiangxi, Sichuan, Gansu and Guangdong. Information regarding the event was featured and published on the official WeChat account of the Ministry of Agriculture and Rural Affairs, "China Rural Revitalisation". We facilitated the commencement of upgrading and renovation work for the Deqin Guzha Hot Springs Project and the Nanji Luo Resort Project. In 2025, 40 promotional articles from the two assisted cities and counties were republished by mainstream media outlets including China News Network, China News and Tencent News.

The Group has consistently prioritised corporate governance, promoting the development of governance frameworks and the refinement of governance mechanisms whilst continuously strengthening comprehensive risk management, internal control systems and compliance management. For key subsidiaries, we plan for both existing and future targets in terms of market and asset integration, with particular attention paid to sustainable development. We systematically advance and implement corrective measures to continuously enhance risk prevention and control capabilities.

LOOKING AHEAD

Looking ahead to 2026, geopolitical conflicts are intensifying, and the prospect of additional tariffs continues to overshadow multilateral trade. Artificial intelligence (AI) is flourishing driving economic and social changes. The complex interplay of factors influencing the Federal Reserve's monetary policy is undermining the certainty of the path to interest rate cuts. Despite a complex and volatile external environment, China continues to accelerate the development of new quality productive forces, supported by deepening supply side reforms to improve the business environment, with the aim of driving a high-quality transformation of the economic development model. Consequently, it is anticipated that China's industrial momentum will continue to shift towards new and high-quality sectors, whilst the economy maintains strong resilience and vitality. With the launch of the 15th Five-Year Plan, China's tourism industry is poised to progress towards the goal of being "tourism-empowered country," with its focus on the deep integration of culture and tourism, high-quality development and digital transformation. The domestic tourism sector is expected to grow continuously, though it will still be exposed to significant challenges.

Hong Kong's economy and stock market are expected to continue on a gradual recovery trajectory, as supported by Hong Kong's status as an international financial centre and its deep integration with the Chinese mainland economy, though still being exposed to relatively challenging conditions given the external environment. Under the 15th Five-Year Plan, Hong Kong will proactively align with national strategies, leverage its strengths as the "hub for cultural and artistic exchanges between East and West," promote the integrated development of "Tourism+" (such as cultural tourism, sports tourism, and sporting events), and build the Greater Bay Area into a world-class tourism destination. As tourism and business activities continue to recover, the tourism sector and private consumption are also expected to improve. Government policies aimed at attracting talent, promoting innovation, and developing emerging industries may provide additional impetus for medium-term growth.

The Group will implement its industry-leading plan to further enhance its competitive edge through measures such as benchmarking to identify gaps, improving key performance indicators, advancing the building of core capabilities, and optimising business competition strategies. Benefited from the strong start in 2026, the Company witnessed the increase in total visitor numbers and revenue from tourist attractions and related businesses by more than 20% in January and February 2026 as compared to the same period last year. The Group will spare no effort in implementing all tasks to maintain steady operational growth, accelerate the pace of overcoming development bottlenecks, and create greater value for shareholders. I would like to take this opportunity to express my sincere gratitude to the Board, the management team and all staff for their unwavering dedication, loyalty and diligence, and for the valuable contributions they have made to the Group through their professional performance.

Wu Qiang
Chairman of the Board

Hong Kong, 31 March 2026

The Board is pleased to present the consolidated results of the Group for the year ended 31 December 2025 together with the comparative figures.

CONSOLIDATED INCOME STATEMENT
For the year ended 31 December 2025

	Notes	2025 HK$'000	2024 HK$'000 (restated)
Continuing operations			
Revenue	4	**4,076,499**	4,168,838
Cost of sales		**(2,864,395)**	(2,664,184)
Gross profit		**1,212,104**	1,504,654
Other income and gains, net	6	**205,738**	98,944
Fair value loss of investment properties		**(183,136)**	(222,092)
Selling and distribution costs		**(214,289)**	(200,702)
Administrative expenses		**(711,592)**	(700,245)
Operating income	6	**308,825**	480,559
Finance income	5	**26,364**	48,032
Finance costs	5	**(54,158)**	(54,149)
Finance costs, net	5	**(27,794)**	(6,117)
Share of profits and losses of:			
– associates		**89,536**	88,475
– joint ventures		**3,543**	(2,557)
Profit before taxation from continuing operations		**374,110**	560,360
Tax expense	7	**(143,440)**	(199,921)
Profit for the year from continuing operations		**230,670**	360,439
Discontinued operations			
Loss for the period/year from discontinued operations		**(502,892)**	(156,801)
(Loss)/profit for the year		**(272,222)**	203,638
Attributable to:			
Equity owners of the Company		**(282,070)**	105,972
Non-controlling interests		**9,848**	97,666
(Loss)/profit for the year		**(272,222)**	203,638
(Loss)/earnings per share for (loss)/profit attributable to equity owners of the Company (HK cents)	9		
Basic and diluted			
– For (loss)/profit for the year		**(5.09)**	1.91

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	2025	2024
	HK$'000	*HK$'000*
(Loss)/profit for the year	**(272,222)**	203,638
Other comprehensive income/(loss) for the year		
Items that will not be reclassified subsequently to profit or loss:		
Equity investments at fair value through other comprehensive income – net movement in fair value reserve (non-recycling), net of tax	**(1,409)**	(9,111)
Exchange differences on translation of foreign operations attributable to non-controlling interests, net	**27,509**	(25,149)
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations attributable to equity owners of the Company, net	**181,117**	(174,088)
Release of exchange fluctuation reserve upon completion of the Distribution in Specie	**152,466**	–
Other comprehensive income/(loss) for the year, net of tax	**359,683**	(208,348)
Total comprehensive income/(loss) for the year	**87,461**	(4,710)
Attributable to:		
Equity owners of the Company	**47,017**	(76,277)
Non-controlling interests	**40,444**	71,567
Total comprehensive income/(loss) for the year	**87,461**	(4,710)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	Note	2025 HK$'000	2024 HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment		**7,999,620**	9,638,670
Investment properties		**3,120,124**	3,232,813
Prepaid land lease payments		**540,379**	444,477
Goodwill		**1,357,413**	1,354,468
Other intangible assets		**121,301**	121,301
Investments in associates		**913,625**	1,335,883
Investments in joint ventures		**69,482**	78,974
Other financial assets		**52,602**	54,101
Prepayments and other receivables		**145,254**	45,846
Deferred tax assets		**252,256**	249,230
Total non-current assets		**14,572,056**	16,555,763
Current assets			
Inventories		**136,875**	147,748
Properties under development		**–**	3,980,836
Completed properties held for sale		**–**	418,276
Trade receivables	*10*	**231,022**	193,463
Deposits, prepayments and other receivables		**228,514**	456,690
Amounts due from holding companies		**13,960**	22,588
Amounts due from fellow subsidiaries		**150,092**	306,619
Tax recoverable		**27**	950
Pledged and restricted deposits		**1,086**	4,811
Cash and bank balances		**2,991,767**	2,444,190
Total current assets		**3,753,343**	7,976,171
Total assets		**18,325,399**	24,531,934

	Note	2025 HK$'000	2024 HK$'000
EQUITY AND LIABILITIES			
EQUITY			
Equity attributable to owners of the Company			
Share capital		**722,295**	9,222,295
Reserves		**10,547,726**	6,883,715
		11,270,021	16,106,010
Non-controlling interests		**1,997,502**	2,025,883
Total equity		**13,267,523**	18,131,893
LIABILITIES			
Non-current liabilities			
Deferred income		**71,715**	561,643
Loans from a fellow subsidiary		**–**	350,957
Lease liabilities		**225,220**	277,681
Bank and other borrowings		**1,138,431**	640,424
Deferred tax liabilities		**448,618**	624,304
Total non-current liabilities		**1,883,984**	2,455,009
Current liabilities			
Trade payables	*11*	**235,146**	763,042
Other payables and accruals		**1,410,708**	2,146,559
Loans from holding companies		**309,369**	337,202
Loans from a fellow subsidiary		**27,679**	86,389
Amounts due to holding companies		**2,789**	9,659
Amounts due to fellow subsidiaries		**48,635**	26,414
Lease liabilities		**105,503**	56,065
Tax payables		**107,414**	128,173
Bank and other borrowings		**926,649**	391,529
Total current liabilities		**3,173,892**	3,945,032
Total liabilities		**5,057,876**	6,400,041
Total equity and liabilities		**18,325,399**	24,531,934

NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION

1 CORPORATE INFORMATION

China Travel International Investment Hong Kong Limited (the "Company") and its subsidiaries (together the "Group") are principally engaged in following activities:

– Tourist attraction and related operations*

– Travel document and related operations

– Hotel operations

– Passenger transportation operations

* In prior year, the tourist attraction and related operations segment mainly included theme park, natural and cultural scenic spots and property development and other tourism related facilities.

During the year, the Group underwent a reorganisation of its tourism property business held by CTG Wellness Retreat Holding Ltd. (the "PrivateCo" or "Discontinued Operation") which primarily comprised property development and ancillary resorts and other tourism related facilities.

On 28 October 2025, the Company announced a proposed distribution in specie of the entire interests of the direct wholly-owned subsidiary, the PrivateCo which are principally engaged in the tourism property business in PRC through its subsidiaries (the "PrivateCo Group"), to the shareholders of the Company. To comply with the Listing Rules, the Company provided a cash consideration of HK$0.336 per share to the Shareholders of the Company opting not to receive the shares of the PrivateCo (the "Cash Alternative") (collectively, the "Distribution in Specie"). On 14 November 2025, the Distribution in Specie was approved by the extraordinary general meeting.

On 22 December 2025, the Company distributed the shares of the PrivateCo to the shareholders of the Company who elect to obtain the shares of the PrivateCo upon the completion of the Distribution in Specie. Upon completion of the Distribution in Specie, the PrivateCo Group ceased to be subsidiaries of the Company. The financial statements and results of the PrivateCo Group are deconsolidated from the Group's consolidated financial statements commencing from the date of completion of the Distribution in Specie, being the date on which the Group lost control on the PrivateCo Group.

After the Distribution in Specie, tourism property business is no longer included in the Group's operation.

The Company is a limited liability company incorporated in Hong Kong and is listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of its registered office is 12th Floor, CTG House, 78-83 Connaught Road Central, Hong Kong.

In the opinion of the Company's directors, the immediate holding company of the Company is China Travel Service (Holdings) Hong Kong Limited ("CTS (Holdings)"), which is incorporated in Hong Kong, and the ultimate holding company is China Tourism Group Corporation Limited, a People's Republic of China (the "PRC") state-owned enterprise.

2.1 Basis of preparation

These consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the Hong Kong Companies Ordinance. This announcement has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

These consolidated financial statements have been prepared under the historical cost convention, except that investment properties, financial assets measured at fair value through other comprehensive income and derivative financial instrument, which have been measured at fair value. These financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

The financial information relating to the years ended 31 December 2025 and 2024 included in this announcement of annual results does not constitute the Company's statutory annual consolidated financial statements for those years. The financial information in respect of the year ended 31 December 2024, is derived from 2024 annual consolidated financial statements and then reclassified and restated to conform with current year's presentation and accounting treatment. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The consolidated 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 has delivered the consolidated 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 Hong Kong Companies Ordinance.

2.2 Changes in accounting policies and disclosures

The Group has adopted Amendments to HKAS 21 *Lack of Exchangeability* for the first time for the current year's financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

The application of the above revised HKFRS Accounting Standard has had no material impact on the Group's financial statements.

2.3 Issued but not yet effective HKFRS Accounting Standards

The Group has not applied the following new and amended HKFRS Accounting Standards, that have been issued but are not yet effective, in these financial statements. The Group intends to apply these new and amended HKFRS Accounting Standards, if applicable, when they become effective.

HKFRS 18	*Presentation and Disclosure in Financial Statements*[2]
HKFRS 19 and its amendments	*Subsidiaries without Public Accountability: Disclosures*[2]
Amendments to HKFRS 9 and HKFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[1]
Amendments to HKFRS 9 and HKFRS 7	*Contracts Referencing Nature-dependent Electricity*[1]
Amendments to HKFRS 10 and HKAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[3]
Amendments to HKAS 21	*Translation to a Hyperinflationary Presentation Currency*[2]
Annual Improvements to HKFRS Accounting Standards – Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7[1]

1 Effective for annual periods beginning on or after 1 January 2026
2 Effective for annual/reporting periods beginning on or after 1 January 2027
3 No mandatory effective date yet determined but available for adoption

The Group has already commenced an assessment of the impact of the above amendments to HKFRS Accounting Standards. So far it has assessed that the adoption of them is unlikely to have a significant impact on the Group's financial statements, except the Group is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the consolidated financial statements.

3 Operating segment information

Executive directors of the Company is the Group's chief operating decision-maker ("CODM") and regularly reviews the segment results. For management purposes, the Group's operating businesses are structured and managed separately, according to the nature of their operations and the products and services they provide. Each of the Group's operating segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of the other operating segments. No operating segments have been aggregated to form the reportable segments.

During the current year ended 31 December 2025, as part of the change of internal management structure due to the Distribution in Specie, information reported to the CODM for the purposes of resource allocation and assessment of segment performance, focuses on the continuing business. The information reviewed by the CODM as at the end of the reporting period analyses the performance of the continuing operations. Comparatives have been restated to conform with the current year's presentation.

After the completion of the Distribution in Specie, the Group has four continuing operating segments as follows:

(a) the tourist attraction and related operations segment mainly includes theme parks and natural and cultural scenic spots in Chinese mainland;

(b) the travel document and related operations segment engages in the provision of travel document and related services in Hong Kong and Chinese mainland;

(c) the hotel operations segment engages in the provision of hotel accommodation, food and beverage services in Hong Kong, Macau and Chinese mainland; and

(d) the passenger transportation operations segment engages in the provision of cross-border transportation services to individuals travelling between Hong Kong, Macau and Chinese mainland, vehicle and vessel rental and charter operations in Hong Kong, Macau and Chinese mainland.

Segment performance is evaluated based on the profit/(loss) attributable to equity owners of the Company of each reportable operating segment excluding changes in fair value of investment properties and a derivative financial instrument, results from acquisition and disposal of subsidiaries, disposal of property, plant and equipment and equity-settled share option expenses.

Segment assets include all tangible and intangible assets and current assets with the exception of investments in associates and joint ventures and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities includes all trade payables, other payables and accruals, bank and other borrowings, tax payables and deferred tax liabilities, except for head office and corporate liabilities that are managed on a group basis.

Inter-segment sales and transfers are transacted with reference to the selling prices for sales transactions made to third parties at the prevailing market prices.

Year ended 31 December 2025

	Continuing operations							Discontinued operations	
	Tourist attraction and related operations HK$'000	Travel document and related operations HK$'000	Hotel operations HK$'000	Passenger transportation operations HK$'000	Total of reportable segments HK$'000	Corporate and others HK$'000	Total HK$'000	Tourist attraction and related operations HK$'000	Consolidated HK$'000
Segment revenue									
Sales to external customers	1,879,613	279,580	887,197	1,006,652	4,053,042	23,457	4,076,499	332,876	4,409,375
Inter-segment revenue	383	–	801	147	1,331	453	1,784	–	1,784
	1,879,996	279,580	887,998	1,006,799	4,054,373	23,910	4,078,283	332,876	4,411,159
Elimination of inter-segment revenue					(1,331)	(453)	(1,784)	–	(1,784)
Revenue					4,053,042	23,457	4,076,499	332,876	4,409,375
Segment results	86,668	111,230	203,991	2,485	404,374	(140,504)	263,870	(345,908)	(82,038)
Non-controlling interests							30,323	(9,486)	20,837
							294,193	(355,394)	(61,201)
Reversal of equity-settled share option expenses, net of tax							6,374	–	6,374
Fair value (loss)/gain of investment properties, net of tax							(173,614)	4,968	(168,646)
Gain on bargain purchase of subsidiaries							132,112	–	132,112
Net loss on disposal of property, plant and equipment, net of tax							(28,395)	–	(28,395)
Loss on derecognition of subsidiaries upon completion of the Distribution in specie							–	(152,466)	(152,466)
Profit/(loss) for the year/period							230,670	(502,892)	(272,222)

	Tourist attractions and related operations HK$'000	Travel document and related operations HK$'000	Hotel operations HK$'000	Passenger transportation operations HK$'000	Total of reportable segments HK$'000	Corporate and others HK$'000	Total HK$'000
Segment assets	6,361,465	1,598,251	5,898,965	1,282,534	15,141,215	2,201,077	17,342,292
Investments in associates	745,072	–	–	154,946	900,018	13,607	913,625
Investments in joint ventures	–	–	–	27,148	27,148	42,334	69,482
Inter-segment receivables	152,773	55,262	58,247	253,671	519,953	8,190,465	8,710,418
	7,259,310	1,653,513	5,957,212	1,718,299	16,588,334	10,447,483	27,035,817
Elimination of inter-segment receivables							(8,710,418)
Total assets							18,325,399
Segment liabilities	2,516,219	119,588	617,157	720,295	3,973,259	1,084,617	5,057,876
Inter-segment payables	1,225,623	202,275	3,595,879	805,944	5,829,721	2,880,697	8,710,418
	3,741,842	321,863	4,213,036	1,526,239	9,802,980	3,965,314	13,768,294
Elimination of inter-segment payables							(8,710,418)
Total liabilities							5,057,876
Other segment information:							
Share of profits and losses of associates	28,728	–	–	48,137	76,865	(670)	76,195
Share of profits and losses of joint ventures	29	–	–	4,087	4,116	(573)	3,543
Capital expenditure (note (a))	1,801,173	9,759	14,450	42,082	1,867,464	54,846	1,922,310
– owned property, plant and equipment	1,241,082	3,212	10,854	23,884	1,279,032	34,236	1,313,268
– right-of-use assets and prepaid land lease payments	452,825	6,547	337	18,198	477,907	–	477,907
– investment properties	107,266	–	3,259	–	110,525	20,610	131,135
Depreciation and amortisation	359,226	22,283	113,268	128,966	623,743	2,545	626,288
– owned property, plant and equipment	281,416	5,595	111,684	113,504	512,199	2,545	514,744
– right-of-use assets and prepaid land lease payments	77,810	16,688	1,584	15,462	111,544	–	111,544
Provision for impairment of trade and other receivables, net	8,226	–	5,190	–	13,416	(2,403)	11,013
Provision for impairment of property, plant and equipment	90,579	–	–	–	90,579	–	90,579
Provision for impairment of investment of an associate	110,779	–	–	–	110,779	–	110,779

Year ended 31 December 2024

	Continuing operations							Discontinued operations	
	Tourist attraction and related operations HK$'000	Travel document and related operations HK$'000	Hotel operations HK$'000	Passenger transportation operations HK$'000	Total of reportable segments HK$'000	Corporate and others HK$'000	Total HK$'000	Tourist attraction and related operations HK$'000	Consolidated HK$'000
Segment revenue									
Sales to external customers	1,886,736	343,908	820,211	1,093,388	4,144,243	24,595	4,168,838	458,587	4,627,425
Inter-segment revenue	939	110	436	230	1,715	2,250	3,965	–	3,965
	1,887,675	344,018	820,647	1,093,618	4,145,958	26,845	4,172,803	458,587	4,631,390
Elimination of inter-segment revenue					(1,715)	(2,250)	(3,965)	–	(3,965)
Revenue					4,144,243	24,595	4,168,838	458,587	4,627,425
Segment results	167,687	176,028	226,660	(10,506)	559,869	(99,435)	460,434	(153,896)	306,538
Non-controlling interests							88,319	(2,905)	85,414
							548,753	(156,801)	391,952
Equity-settled share option expenses, net of tax							(4,306)	–	(4,306)
Fair value loss of investment properties, net of tax							(214,660)	–	(214,660)
Fair value loss of a derivative financial instrument, net of tax							(859)	–	(859)
Gain on disposal of subsidiaries, net of tax							4,892	–	4,892
Net gain on disposal of property, plant and equipment, net of tax							26,619	–	26,619
Profit/(loss) for the year							360,439	(156,801)	203,638

	Tourist attractions and related operations HK$'000	Travel document and related operations HK$'000	Hotel operations HK$'000	Passenger transportation operations HK$'000	Total of reportable segments HK$'000	Corporate and others HK$'000	Total HK$'000
Segment assets	11,763,705	1,652,413	6,027,886	1,345,597	20,789,601	2,327,476	23,117,077
Investments in associates	1,188,877	–	–	133,072	1,321,949	13,934	1,335,883
Investments in joint ventures	13,006	–	–	23,061	36,067	42,907	78,974
Inter-segment receivables	134,833	94,707	788,855	221,633	1,240,028	10,496,487	11,736,515
	13,100,421	1,747,120	6,816,741	1,723,363	23,387,645	12,880,804	36,268,449
Elimination of inter-segment receivables							(11,736,515)
Total assets							24,531,934
Segment liabilities	4,425,163	120,276	621,920	726,870	5,894,229	505,812	6,400,041
Inter-segment payables	3,652,508	58,427	3,894,658	787,293	8,392,886	3,343,629	11,736,515
	8,077,671	178,703	4,516,578	1,514,163	14,287,115	3,849,441	18,136,556
Elimination of inter-segment payables							(11,736,515)
Total liabilities							6,400,041
Other segment information:							
Share of profits and losses of associates	51,611	–	–	20,068	71,679	(598)	71,081
Share of profits and losses of joint ventures	8	–	–	(2,350)	(2,342)	(215)	(2,557)
Capital expenditure *(note (a))*	495,291	53,822	222,810	25,053	796,976	72,550	869,526
– owned property, plant and equipment	417,002	29,861	173,463	2,137	622,463	68,165	690,628
– right-of-use assets and prepaid land lease payments	78,289	23,961	42,803	22,916	167,969	4,385	172,354
– investment properties	–	–	6,544	–	6,544	–	6,544
Depreciation and amortisation	238,958	21,590	96,505	160,559	517,612	7,022	524,634
– owned property, plant and equipment	208,935	6,094	82,313	136,011	433,353	4,246	437,599
– right-of-use assets and prepaid land lease payments	30,023	15,496	14,192	24,548	84,259	2,776	87,035
Provision for impairment of trade and other receivables, net	1,174	–	(36)	–	1,138	–	1,138
Provision for impairment of property, plant and equipment	32,905	–	–	–	32,905	–	32,905
Provision for impairment of investment of an associate	6,669	–	–	–	6,669	–	6,669

Note:

(a) Capital expenditure consists of additions of property, plant and equipment, investment properties, prepaid land lease payments and assets from the acquisition of subsidiaries.

Geographical information

(a) Revenue from external customers

	2025	2024
	HK$'000	*HK$'000*
		(restated)
Hong Kong	**1,944,120**	2,014,515
Chinese mainland and Macau	**2,132,379**	2,154,323
	4,076,499	4,168,838

The analysis of the Group's revenue by geographical area is based on the location of operations at which the services were provided and the location of the customers that the goods were sold.

(b) Non-current assets

	2025	2024
	HK$'000	*HK$'000*
Hong Kong	**8,943,732**	8,868,810
Chinese mainland and Macau	**5,323,466**	7,383,622
	14,267,198	16,252,432

The information about the Group's non-current assets is based on the physical location of assets which exclude financial assets and deferred tax assets.

Information about major customers

There was no revenue from any sales to any single external customer that amounted to 10% or more of the total revenue of the Group during the year ended 31 December 2025 (2024: Nil).

4 Revenue

Revenue represents the net invoiced value of goods sold, after allowances for returns and trade discounts, and the value of services rendered during the year.

Disaggregation of revenue

	2025	2024
	HK$'000	*HK$'000*
		(restated)
Revenue from contracts with customers within the scope of HKFRS 15		
Types of goods or services		
– Tourist attraction and related income	**1,792,022**	1,808,330
– Travel document and related income	**279,580**	343,908
– Hotel income	**792,096**	734,010
– Passenger transportation income	**1,006,652**	1,093,388
– Consultancy and service income	**28,556**	29,042
	3,898,906	4,008,678
Revenue from other sources		
Gross rental income from investment properties		
– Fixed lease payments	**177,593**	160,160
	4,076,499	4,168,838

5 Finance costs, net

	2025	2024
	HK$'000	*HK$'000*
		(restated)
Finance income:		
Bank deposits and entrustment loans	**26,364**	48,032
Interest expense:		
Lease liabilities	**(12,010)**	(10,409)
Bank and other borrowings	**(42,148)**	(43,740)
Finance costs	**(54,158)**	(54,149)
Finance costs, net	**(27,794)**	(6,117)

6 Operating income/(loss)

The Group's operating income/(loss) is arrived at after (charging)/crediting:

		2025	2024
		HK$'000	*HK$'000*
			(restated)
(a)	Other income and gains, net		
	Foreign exchange differences, net	**2,522**	2,198
	Government grants	**14,907**	4
	Management fee income	**672**	216
	(Loss)/gain on disposal of property, plant and equipment, net	**(28,395)**	26,619
	Gain on disposal of subsidiaries	**–**	4,892
	Gain on bargain purchase of a subsidiary	**132,112**	–
	Fair value loss of a derivative financial instrument	**–**	(1,145)
	Other rental income, net	**16,916**	17,389
	Other	**67,004**	48,771
		205,738	98,944
(b)	Other items:		
	Depreciation charge		
	– owned property, plant and equipment	**(456,810)**	(344,280)
	– right-of-use assets	**(83,903)**	(57,328)
		(540,713)	(401,608)
	Amortisation of prepaid land lease payments	**(14,326)**	(17,352)
	Employee benefit expenses (including directors' remuneration)		
	– Wages and salaries	**(1,306,322)**	(1,281,343)
	– Reversal of/(equity-settled share option expenses)	**7,634**	(4,306)
	– Retirement benefit scheme contributions	**(71,920)**	(72,253)
		(1,370,608)	(1,357,902)
	Provision for impairment loss of trade and other receivables, net	**(10,939)**	(1,138)
	Lease payments not included in the measurement of lease liabilities	**(11,227)**	(9,593)
	Direct operating expenses of investment properties	**(1,748)**	(4,254)
	Fuel cost	**(252,455)**	(304,549)
	Auditor's remuneration	**(4,214)**	(4,125)
	Fair value loss of investment properties	**(183,136)**	(222,092)

7 Tax expense

(a) Hong Kong Profits Tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on assessable profits elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

	2025	2024
	HK$'000	*HK$'000*
		(restated)
Current – Hong Kong		
Charge for the year	**64,632**	71,758
Over-provision in prior years	**(1,247)**	(6,316)
	63,385	65,442
Current – Chinese mainland and Macau		
Charge for the year	**54,107**	84,327
Deferred tax	**25,948**	50,152
Total tax expense for the year from continuing operations	**143,440**	199,921
Total tax expense for the period/year from discontinued operations	**15,286**	14,911
Total tax expense	**158,726**	214,832

8 Dividends

	Notes	2025 HK$'000	2024 HK$'000
Interim – Nil (2024: HK1.5 cents) per ordinary share		**–**	83,050
Final – HK1 cent (2024: Nil) per ordinary share	*(i)*	**55,366**	–
Special dividend paid by way of the Distribution in Specie	*(ii)*	**4,875,372**	–

Notes:

(i) The Board recommends payment of a final dividend of HK1 cent per share for the year ended 31 December 2025 (2024: Nil), to be paid to shareholders on 30 June 2026, subject to approval at the annual general meeting.

(ii) On 28 October 2025, the Company announced a proposed payment of special dividend by way of distribution in specie of the entire interests of the direct wholly owned subsidiary, the PrivateCo, which are principally engaged in tourism property business in PRC through its subsidiaries. The distribution was made to the shareholders of the Company based on their shareholding percentage in the Company and it was paid out of the retained profits account of the Company.

Given that PrivateCo is ultimately controlled by China Tourism Group before and after the distribution, the Distribution in Specie in respect of PrivateCo Shares was measured and accounted for using the carrying amount of net assets of PrivateCo Group on the date of distribution. The Distribution in Specie was completed on 22 December 2025. The distributed amount of approximately HK$4,875,372,000 was the net assets of the PrivateCo Group attributable to the shareholders of the Company at the date of Distribution in Specie.

9 (Loss)/earnings per share for (loss)/profit attributable to equity owners of the Company

The calculation of basic and diluted (loss)/earnings per share is based on (loss)/profit attributable to equity owners of the Company and the weighted average of 5,536,633,709 ordinary shares (2024: 5,536,633,709 ordinary shares) in issue during the year.

The share options granted by the Group had no dilutive effect during the years ended 31 December 2025 and 2024.

10 Trade receivables

	2025 HK$'000	2024 HK$'000
Trade receivables	**270,765**	224,109
Less: Loss allowance	**(39,743)**	(30,646)
	231,022	193,463

Ageing analysis

As of the end of the reporting period, the ageing analysis of trade receivables, based on the invoice date and net of loss allowance, is as follows:

	2025	2024
	HK$'000	*HK$'000*
Within 3 months	**139,352**	120,803
Over 3 months to 6 months	**43,237**	40,183
Over 6 months to 12 months	**34,767**	30,370
Over 1 year to 2 years	**13,359**	1,283
Over 2 years	**307**	824
	231,022	193,463

Trade receivables are due within 30 to 90 days from the date of billing.

11 Trade payables

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

	2025	2024
	HK$'000	*HK$'000*
Within 3 months	**130,533**	372,102
Over 3 months to 6 months	**28,063**	134,413
Over 6 months to 12 months	**9,225**	54,783
Over 1 year to 2 years	**29,035**	58,552
Over 2 years	**38,290**	143,192
	235,146	763,042

The trade payables are interest-free and are normally settled on terms ranging from 30 to 90 days.

MANAGEMENT DISCUSSION AND ANALYSIS

RESULTS OVERVIEW

In 2025, against a backdrop of ongoing geopolitical turbulence and mounting domestic pressures, the Chinese economy remained broadly stable. In Hong Kong, the government stepped up efforts to promote local events, resulting in continued growth in the number of inbound visitors. In 2025, the gross domestic product (GDP) of the People's Republic of China ("**China**") grew by 5.0% year-on-year. This directly reflected the results of coordinated macroeconomic policies and demonstrated the strengthening of endogenous growth momentum driven by the gradual recovery of domestic demand and development of new-quality productive forces. According to forecasts by the International Monetary Fund, the Chinese mainland economy is expected to achieve steady and moderate growth of 4.5% in 2026. As this marks the inaugural year of the 15th Five-Year Plan, policy priorities are shifting toward addressing external challenges by boosting domestic demand and stabilising the property market. The Group will continue to pursue its corporate mission and objectives, striving to improve efficiency and reduce costs to further enhance operational performance.

During the year, the Group's the tourism property business was discontinued. The comparative figures in the consolidated statement of profit or loss and other comprehensive income have been restated to reflect this change. For details, please refer to the paragraph headed "Business Development" below.

In 2025, the Group's consolidated revenue from continuing operations was HK$4,076 million, a decrease of 2% compared with the previous year, whilst the pre-tax profit from continuing operations was HK$374 million, compared with a pre-tax profit from continuing operations of HK$560 million in the previous year. Loss for the year was HK$272 million, of which loss from discontinued operations for the year was HK$503 million and profit from continuing operations for the year was HK$231 million. The loss attributable to shareholders was HK$282 million, compared with a profit attributable to shareholders of HK$106 million in the previous year. Profit attributable to operating activities from continuing operations was HK$264 million, a decrease of 43% compared with the previous year. The loss for the year ended 31 December 2025 was primarily attributable to the impairment provision made by the Group in respect of the distributed tourism property business assets, the reclassification of the one-off cumulative exchange differences associated with the distribution in specie of the tourism property business, and a decline in the fair value of investment properties due to market fluctuations.

The Group's financial position remains sound and robust. As of 31 December 2025, total assets stood at HK$18,325 million, representing a decrease of 25% year-on-year; equity attributable to shareholders amounted to HK$11,270 million, a decrease of 30% year-on-year; the total of cash and bank balances and pledged and restricted deposits stood at HK$2,993 million, representing an increase of 22% year-on-year. After deducting borrowings from the holding companies, loans from a fellow subsidiary, bank loans and other borrowings totalling HK$2,402 million, net cash amounted to HK$591 million, representing a decrease of 8% year-on-year.

DIVIDENDS

On 12 October 2025, the Board proposed a special dividend by way of distribution in specie of the shares of CTG Wellness Retreat Holding Ltd ("**CTG Wellness**") to the shareholders of the Company. A shareholder was entitled to one share of CTG Wellness for every one share of the Company held by them, with an alternative cash payment of HK$0.336 per share. The distribution in specie was completed on 22 December 2025.

The Board recommends payment of a final dividend of HK1 cent per share for the year ended 31 December 2025 (2024: Nil), to be paid to shareholders on 30 June 2026, subject to approval at the annual general meeting.

BUSINESS REVIEW

(1) Tourist Attraction and Related Operations

The Group's tourist attraction and related operations primarily comprise:

1. Theme parks: Shenzhen The World Miniature Co., Ltd. ("**Window of the World**"), Shenzhen Splendid China Development Co., Ltd. ("**Splendid China**"), and CTS Southwest (Chongqing) Tourism Development Co., Ltd. ("**Chongqing Amusement Park**");

2. Natural and cultural scenic spots: CTS (Ningxia) Shapotou Tourist Spot Co., Ltd. and CTS (Ningxia) Shapotou Cable Car Co., Ltd. ("**Shapotou Scenic Spot**"), Jiangxi Xing Zi Lu Shan Xiu Feng Passage Cable Car Co., Ltd. ("**Xiufeng Cable Car**"), CTS Guangxi Detian Waterfall Tourism Development Co., Ltd. ("**Detian Scenic Spot**"), CTS Lugu Lake (Lijiang) Tourism Development Co., Ltd. ("**CTS Lugu Lake**"), CTS Xinjiang Tourism Operation Management Co., Ltd. ("**CTS Xinjiang**"), CTS Bairui Xinjiang Tourism Development Co., Ltd. ("**CTS Bairui**"), CTS (Zhejiang) Qiandao Lake Tourism Development Co., Ltd. ("**Qiandao Lake Company**"), CTS (Yunnan) Tourism Development Co., Ltd. ("**Yunnan Company**"), China Heaven International Performing Arts Production and Exchange Co., Ltd. ("**Heaven Creation Company**"), China Travel Zhiye Culture Development (Shenzhen) Co., Ltd. ("**China Travel Zhiye**"), and CTS Scenery (Beijing) Tourism Management Limited ("**CTS Scenery**").

   Non-controlling investments in scenic spots: Huangshan Yuping Passenger Cable Car Company Ltd., Huangshan Taiping Cable Car Co., Ltd., Changsha Colorful World Co., Ltd., Changchun Jingyuetan Youle Co., Ltd., Hangzhou New Century Senbo Tourism Investment Co., Ltd. ("**New Century Senbo**"), Changde City Taoxi Cultural Tourism Investment Company Limited ("**Changde Taoxi**", formerly known as "CTS Taohuayuan (Changde) Cultural Tourism Development Company Limited") and Handhuvaru Ocean Holidays Private Limited ("**HOH Company**").

3. Leisure resorts: Jilin Songhua Lake International Resorts Development Company Limited ("**Songhua Lake Company**"), CTS (Beijing) Snow Sports Development Co., Ltd. ("**Wan Bingxue Company**", formerly known as "Beijing Wanbingxue Sports Co., Ltd."), CTS (Hainan) Aerospace Tourism Development Co., Ltd. ("**CTS Hainan**"), CTS Senbo (Shenzhen) Tourism Resort Co., Ltd. ("**Dapeng Senbo**"), and CTS Holiday Travel Management (Hainan) Co., Ltd. ("**CTS Resort**").

4. Tourism Property (discontinued operations): China Travel Hong Kong (Zhuhai) Ocean Spring Co., Ltd. ("**Zhuhai OSR**"), CTS (Xianyang) Ocean Spring Resort Co., Ltd. ("**Xianyang OSR**"), CTS (Anji) Tourism Development Co., Ltd. ("**Anji Company**") and CTS (Shenzhen) City Development Co., Ltd. ("**CTS City**").

In 2025, the scenic spot business was affected by factors such as the segmentation of consumer spending, a lack of new products and projects, and climate change, resulting in a decline in both overall revenue and profit compared to the previous year. In 2025, the Group's continuing operations for tourist attraction and related operations recorded total revenue of HK$1,880 million, a decrease of 0.4% compared with the previous year. Attributable profit was HK$87 million, whereas the attributable profit for the previous year was HK$168 million.

Theme Parks

In 2025, theme park revenue stood at HK$520 million, a decrease of 13% compared to the previous year. Attributable profit was HK$12 million, a decrease of 81% compared to the previous year.

In 2025, Window of the World collaborated with the Tourism Authority of Thailand to launch "Thai-Land Style Season", held a music festival during the May Day holiday, and introduced IPs such as "Egg Party" and "Nailoong" to celebrate Children's Day on 1 June, thereby enriching its product offerings and visitor experiences. Splendid China launched upgraded performances featuring well-known IPs such as "Dream of Splendour" and "Lychees of Chang'an", driving growth in evening visitor numbers and revenue. It will further explore ethnic cultural IPs and resources for the dynamic inheritance of intangible cultural heritage to create a differentiated product system integrating "culture, performance and technology".

Natural and Cultural Scenic Spots

Revenue from natural and cultural scenic spots amounted to HK$1,267 million, representing a year-on-year decrease of 2%. Attributable profit stood at HK$65 million, a year-on-year decrease of 41%.

Revenue from Shapotou Scenic Spot amounted to HK$445 million, a decrease of 4% year-on-year, whilst attributable profit was HK$35 million, a decrease of 17% year-on-year. Shapotou Scenic Spot hosted the "Youth Desert Camp • Starry Sky Carnival" for the first time. Centred on the theme of "music+starry night+desert", this successful event offered an immersive cultural and tourism experience. In response to market competition, Shapotou Scenic Spot has developed a multi-tiered hotel cluster and enriched its themed activities, striving to establish itself as a first-class desert tourism resort. Detian Scenic Spot discontinued its mountain climbing activities, with revenue maintaining at HK$288 million, which is comparable with last year. Detian Scenic Spot implemented a series of distinctive marketing campaigns for events such as the March 3rd Festival, May Day and the summer holidays. These activities adopted an innovative integrated model of "scene creation+unique experiences+on-site sales", combining folk cultural experiences with product sales and effectively boosted sales conversion. CTS Lugu Lake integrated tourist spot products, resulting in revenue growth. CTS Bairui primarily focuses on site selection and development in scarce core areas of Xinjiang's 5A- and 4A-rated scenic spots and major tourist destinations. Revenue has increased compared to the previous year. CTS Bairui has launched its "one-stop holiday" programme and introduced customised hiking routes that incorporate local cultural elements and provide professional guide services. This has attracted outdoor enthusiasts, extended visitor stay time and encouraged recurring spending. The Kuerdening Scenic Area in Xinjiang has leveraged new media promotion to become a popular "viral" destination, with visitor numbers surging by 145%. Qiandao Lake Company, the unified operational management entity for the Qiandao Island Lake Scenic Area, saw revenue decrease by 2% compared to the previous year. Qiandao Lake Company is accelerating project renovations, strengthening marketing and expansion efforts for the scenic area, and increasing the number of both group and individual visitors. Yunnan Company is undertaking the full operation and maintenance of the Dali Erhai Ecological Corridor. As the Erhai Ecological Corridor project is a new tourism flagship being vigorously developed by Dali Prefecture, Yunnan Company's participation in the investment and operation of local tourism resources will further enhance the Company's brand influence in the southwestern region. In 2025, Yunnan Company launched a series of themed events including "Hello Dali 2025 Spring Festival Charm", generating revenue of HK$175 million, a 32% increase year-on-year, establishing itself as a benchmark for innovation and breakthroughs in ecological scenic areas. It will continue to expand its market reach and commercial approach, enriching the diversified commercial ecosystem of the Dali Erhai Lake Ecological Corridor, and further enhancing the region's commercial value and influence. Heaven Creation Company is engaged in creative planning and performing arts management. During the year, it successfully staged the production "Legend of Kung Fu: Southern Shaolin" at the Quanzhou Theatre in Fujian Province, with revenue increasing by 44% year-on-year. CTS Intelligence provides tourism planning services, with revenue decreasing by 4% year-on-year. CTS Intelligence remains committed to its overarching goal of becoming a first-class national tourism think-tank and will further enhance its capabilities in the three core business areas of planning, marketing and operations.

Leisure Resorts

Revenue from leisure resorts amounted to HK$93 million. Attributable profit was HK$10 million. Among these spots, Songhua Lake Company and Wanbingxue Company contributed HK$78 million and HK$10 million respectively to the Group's revenue.

On 30 September 2025, CTS Scenery, a wholly-owned subsidiary of the Company, entered into a share transfer agreement with Changchun Vanke Real Estate Development Co., Ltd. ("**Changchun Vanke**", a subsidiary of China Vanke Co., Ltd.) and Songhua Lake Company (a wholly-owned subsidiary of Changchun Vanke), pursuant to which the Company agreed to acquire 100% of the equity interest in Songhua Lake Company for a consideration of RMB295 million. Since the safety rectification costs plus the property registration fees as specified in the agreement exceeded RMB20 million, the fourth installment of payment was waived, thus resulting in the final consideration of RMB275 million. On 30 September 2025, the Company entered into a share transfer agreement with Vanke Hotel Management Co., Ltd. (a subsidiary of China Vanke Co., Ltd., "**Vanke Hotel Management**") and Wan Bingxue Company (a wholly-owned subsidiary of Vanke Hotel Management), pursuant to which the Company agreed to acquire 100% of the equity interest in Wan Bingxue Company for a consideration of RMB5 million. The aforementioned acquisition was completed on 27 October 2025. Songhua Lake Company owns the Lake Songhua Resort in Jilin Province and operates the Lake Songhua Ski Resort, Seibu Prince Hotel, the Zhanyun Salomon Hotel, Qing Shan Apartment and a business town. The core businesses of Wan Bingxue Company comprise ski resort development and planning, construction consultation, operations management, marketing promotion, and ski coaching. It manages a total of eight well-known ski resorts and possesses extensive mountain teaching cooperation resources, demonstrating strong capabilities in the integration of the ski industry. This project is in line with the Company's development strategy for urban and leisure resort products. It represents a key strategic choice for the Company to seize opportunities, cultivate new growth drivers, and expand into the ice and snow economy. The project as a whole is of significant strategic importance. For further details, please refer to the Company's announcement dated 30 September 2025.

Tourism Property (Discontinued Operation)

Revenue from tourism property amounted to HK$333 million, a decrease of 27% year-on-year, attributable loss amounted to HK$346 million, an increase of 125% year-on-year. The widening of the loss was primarily attributable to as the impairment provisions made for assets in Zhuhai OSR and Xianyang OSR as well as the reclassification of cumulative exchange differences relating to the distribution in specie of the tourism property business during the year.

Revenue from Zhuhai OSR amounted to HK$130 million, a decrease of 41% year-on-year, primarily due to a reduction in property revenue carried forward. Zhuhai OSR expanded into wellness and recuperation services, launching over 20 DIY itinerary products based on the "ORS Six-Wellness System", and secured major corporate clients such as China Southern Power Grid and Sun Yat-sen University. The "Laughing Bugs" themed area became operational in July 2025. Revenue from Xianyang OSR decreased by 35% year-on-year. Xianyang OSR introduced an innovative "Hot Springs+" composite product matrix, collaborating closely with leading local marketing teams to launch key products such as "Ticket+Accommodation" package and corporate membership cards to enhance market appeal and average spending per customer. Tailored pricing was designed for family and corporate team-building customer segments to maximise the fulfilment of the needs of diverse groups. Due to a significant reduction in property revenue carried forward, Anji Company's revenue decreased by 27% year-on-year. Anji Company introduced the "Cute Chicken Squad" IP and implemented more than 10 fantasy-themed scenes and amusement facilities to create a new integrated model for family-oriented cultural tourism combining "IP+Ecology+Experience". The associate, Zhuhai Evergrande Ocean Spring Land Co., Ltd., recorded an attributable loss of approximately HK$13 million.

(2) Travel Document and Related Operations

The Group's travel document and related operations comprise primarily of China Travel Service Entry Permit Service Hong Kong Limited and China Travel Hi-Tech Computer Hong Kong Ltd.

Benefiting from the relaxation of pandemic-related travel restrictions and social measures in Hong Kong and Chinese mainland, demand for travel document services grew significantly in 2023. In 2024, as the majority of travel documents expired during the pandemic had been renewed in 2023, demand for travel document services returned to normal levels. The National Immigration Service of China implemented a policy on concessionary document fees targeting Taiwanese residents applying for a Mainland Travel Permit for the first time, effective from 1 July 2025. In 2025, revenue from the Group's travel document and related services amounted to HK$280 million, a decrease of 19% year-on-year. Attributable profit was HK$111 million, a decrease of 37% year-on-year. China Travel Hi-Tech Computer Hong Kong Ltd. provides system maintenance and data security services for the Group's travel document business, continuously optimising travel document business systems and supporting the Group in advancing its digital transformation initiatives.

(3) Hotel Operations

The Group's hotel operations comprise:

1. Six hotels and one serviced apartment in Hong Kong and Macau.

2. Beijing Guang'anmen Grand Metropark Hotel Co., Ltd. ("**Beijing Metropark Hotel**").

3. CTS H.K. Metropark Hotels Management Limited.

The Hong Kong Government has organised a series of major events to boost visitor arrivals and revitalise the industry, helping to drive the performance of the hotel business. Despite competition from neighbouring cities, the Group's hotels recorded increases in occupancy rates along with revenue growth. The Metropark Hotel Hung Hom and Green Residence serviced apartment commenced operations in May 2024, expanding the business' profit growth drivers, whilst the hotel operations in Chinese mainland maintained steady development. In 2025, revenue from the Group's hotel operations amounted to HK$887 million, representing an increase of 8% year-on-year. Attributable profit was HK$204 million, a decrease of 10% year-on-year.

Key Operating Data

	2025	2024
Six hotels and one serviced apartment in Hong Kong and Macau *(Metropark Hotel Hung Hom and Green Residence serviced apartment commenced operation in May 2024)*		
Average occupancy rate (%)	**96**	95
Average Room Rate (HK$)	**792**	760
Beijing Metropark Hotel		
Average occupancy rate (%)	**77**	81
Average Room Rate (RMB)	**700**	706

(4) Passenger Transportation Operations

The Group's passenger transportation operations comprise bus and vessel businesses operated under Shun Tak-China Travel Shipping Investments Limited ("**Shun Tak-China Travel**").

In 2025, revenue from passenger transportation operations amounted to HK$1,007 million, a decrease of 8% compared with the previous year. Attributable profit was HK$2 million, compared with an attributable loss of HK$11 million in the previous year.

Shun Tak-China Travel will capitalise on the market recovery following the reopening of border controls and seize on opportunities presented by the "Northbound travelling of Hong Kong residents" trend and the opening of the Shenzhen-Zhongshan Link to expand its market presence. It will launch dedicated post-concert shuttle services and concert shuttle services for events at Kai Tak Sports Park, aiming for a rapid recovery and business growth. Driven by positive factors such as the "Northbound travelling of Hong Kong residents" trend and the National Games, the bus service business achieved revenue of HK$464 million, marking a five-year high. The ferry business, however, saw a decline in revenue due to competitors' more aggressive ticket giveaway strategies.

BUSINESS DEVELOPMENT

Tourist Attraction and Related Operations

In line with its strategic position as a "world-class investment and operational service provider for tourist spots", the Group primarily pursues a corporate mission of "appreciating the beauty of nature and enjoying the essence of culture" through two major business lines: Mainland scenic spot operations and Hong Kong-based operations. Driven by intellectual property and technological innovation, the Group focuses on three key sectors: theme parks, leisure resorts, and natural and cultural scenic spots. By gaining deep insights into customer needs and enriching their travel experience, it is expanding into new areas of business such as winter sports tourism, tourist homestays and scenic spot performances.

The Group remains committed to integrating the spirit of directives and instructions into its overall strategy, embedding them deeply into the formulation of the 15th Five-Year Plan. We are making solid plans for development over the next five years. Building upon a comprehensive review of the 14th Five-Year Plan and taking into account new circumstances and tasks, we have conducted in-depth research and thorough analysis to devise a strategic planning framework for the 15th Five-Year Plan. The plan proposes to consolidate our development foundations by focusing on theme parks and natural and cultural scenic areas as core businesses; utilising IP and technology as the two key drivers of innovation; and building a second growth pattern by entering the new winter sports sector, creating new IP content, and adopting new traffic operation models. Such plan will play a vital strategic guiding role in the Company's future development.

Windows of the World and Splendid China will focus on rebuilding the core competitiveness of their IPs. By deeply exploring cultural connotations and precisely aligning with market demands, they aim to create an IP matrix with high recognition and strong appeal. Using the "Guochao Style" and "world culture" themes to form a virtuous cycle in which "IP empowers business formats and business formats nourish IP", we will strengthen communication with local governments and other stakeholders to explore new avenues for collaborative development. Window of the World's "LOVESHOW" delivers a brand-new visual experience, whilst Splendid China launched the "Green Lake Fantasy", a new Peking Opera courtyard attraction, following the success of "Dream of Splendour". The Company will use the renovation of Splendid China and Window of the World as an opportunity for cooperation with renowned IPs such as Harry Potter, building a theme park that brings together top-tier Chinese and global IPs. We will explore the establishment of an aviation-themed park integrating technology, education and entertainment, and strive to create first-class domestic theme parks on par with Disney and Universal Studios during the 15th Five-Year Plan period.

Shapotou Scenic Spot will pioneer a new "scenic area+boutique hotel" holiday model and establish a national-level tourist resort. The Desert Star Hotel has implemented lean management, whilst the Diamond Hotel, through unique product innovation and precise market positioning, has achieved differentiated revenue across various markets within the year. It will focus on expanding and penetrating market channels to ensure a stable client base. Detian Scenic Spot participated in the "China-Vietnam Year of Cultural Exchange" activities, welcoming 45,600 overseas visitors in 2025, a year-on-year increase of 41%. The People's Daily dedicated a full page to the cultural and tourism cooperation story of the Detian Transnational Waterfall. The "CTS • China-Vietnam Detian (Banyue) Transnational Waterfall Cross-Border Run and 2025 Daxin Half Marathon" was successfully held, enhancing the profile and influence of the cooperation zone. To further ensure operational safety, Xiufeng Cable Car suspended operations in the first half of 2025 for refurbishment and equipment upgrades, with the work now completed. The Lanyue Hotel, operated by CTS Lugu Lake opened in September 2024. Offering a variety of immersive local cultural experiences tailored to the preferences of high-net-worth holidaymakers, the hotel has won multiple awards for its boutique resorts.

The Company operates a management outsourcing business for scenic areas and hotels, providing tourist spots with practical customised solutions and end-to-end operational services. Its subsidiaries, including CTS Scenery, China Travel Zhiye and CTS Resort, possess comprehensive capabilities for integrated management outsourcing across the entire industry chain. The Company currently runs 35 management outsourcing projects comprising six 5A-rated and 11 4A-rated attractions. During the 15th Five-Year

Plan period, the Company will focus on strategic mergers and acquisitions, platform development and capacity building, streamlining standardised processes for scenic spot management, and establishing a replicable management outsourcing model.

The Company's development strategy involves the ongoing review of its business portfolio, and it may consider taking further actions deemed necessary to enhance the Group's core competitiveness and overall profitability with a view to maximising shareholder value. In the second half of 2025, the Company internally reorganised its tourism property business (primarily operated through Zhuhai OSR, Xianyang OSR, Anji Company, CTS City and CTS Haiquanwan Scenery (Chengdu) Real Estate Co., Ltd.) to being held by CTG Wellness, thereby establishing a restructuring of CTG Wellness and its subsidiaries (the "**CTG Wellness Group**"), and spinning off the CTG Wellness Group from the Group through the distribution in specie of CTG Wellness shares ("**Distribution in Specie**"). Shareholders may elect to receive CTG Wellness shares or a cash alternative in proportion to their shareholding in the Company. To facilitate the Distribution in Specie, the Company's controlling shareholder has undertaken to: (i) elect and hold all CTG Wellness shares under the Distribution in Specie (i.e. not to elect the cash alternative); and (ii) in respect to CTG Wellness shares not taken by shareholders electing the cash alternative (if any), to acquire or arrange for its wholly-owned subsidiary to acquire such shares from the Company on or about the completion of the Distribution in Specie, and to pay to the Company consideration equivalent to the cash alternative payable or paid to the shareholders electing for the cash alternative. Upon completion of the Distribution in Specie, CTG Wellness will be ceased to be a subsidiary of the Company and will be held by the Company's controlling shareholder (or its wholly-owned subsidiary) and shareholders who opted for the Distribution in Specie. The financial results of the tourism property business are deconsolidated from the Group's consolidated financial statements commencing from the date of completion of the Distribution in Specie. Through the Distribution in Specie, the Group can reduce its overall debt levels and minimise its exposure to the volatile property market. The Distribution in Specie was completed on 22 December 2025, and the Company recorded a one-off loss of approximately HK$152 million primarily attributable to the reclassification of cumulative exchange differences relating to the tourism property business. For further details, please refer to the Company's announcements dated 12 October 2025 and 14 November 2025, as well as the circular dated 28 October 2025.

Digital Transformation

The Company remains committed to innovation-driven development and the integration of digital and physical realms, comprehensively advancing digital transformation and the practical application of cutting-edge technologies to foster new quality productive forces and drive business growth. In 2025, leveraging the digital platform for tourist destinations, we continued to promote the online migration and integrated operation of our business, providing visitors with a "one-stop travel" experience. The platform has demonstrated significant benefits through repeated patronage, having cumulatively supported 31 projects. Both the platform's annual transaction volume and the number of new members reached record highs with significant year-on-year growth. The data platform has fully integrated core business systems, establishing a unified data foundation encompassing "collection, storage, management and utilisation". It integrates multi-tiered management dashboards covering customer reviews, operational analysis and real-time visitor flow, supporting data-driven insights and operational improvements. We employ AI technology, create immersive experiences and facilitate the low-altitude economy to foster new growth drivers. Based on large language models such as DeepSeek and Qwen3, the Group independently developed an AI agent development platform and launched the "Destination AI Tour Guide" agent, which was rolled out across 12 key scenic spots and recognised as a model case for "AI+Cultural Tourism" application scenarios in Guangdong Province. The Group also introduced the "AI Employee Assistant" and "Customer Review Analysis Agent", which handled nearly 10,000 internal enquiries and automatically analysed over 450,000 review entries to generate in-depth user insight reports and provide data support for refined operations. Five XR/MR projects, including the Shenzhen Window of the World SpaceS Digital Immersion Pavilion, commenced operation, validating the commercialisation for technology-driven cultural tourism. We have proactively positioned ourselves in the low-altitude economy sector, with COHC's operation established with Zhuhai OSR. The Company has signed a low-altitude economy cooperation agreement with China Telecom Shenzhen Branch to create an integrated "flight experience+ground-level consumption" model.

Looking ahead to 2026, the Company aims to reshape its business and management through AI, continue the large-scale application of AI agents, drive the comprehensive upgrade of the destination smart tourism platform, strengthen data insights to empower scientific decision-making, and expand new immersive experience formats, thereby driving the high-quality development of the Company's business through technological innovation.

Passenger Transportation Operations

As for its bus services, in response to the "Northbound travelling of Hong Kong residents" market trend and coinciding with the opening of the Shenzhen-Zhongshan Corridor, we have adjusted relevant routes to provide passengers with a faster travel experience. In line with Hong Kong Government policies to reduce carbon emissions, we will accelerate the procurement of new energy vehicles to save fuel and maintenance costs while seeking further partnership opportunities and striving to resolve operational challenges arising from insufficient quotas through mergers and acquisitions, thereby strengthening Shun Tak-China Travel's leading position in the Greater Bay Area's integrated cross-border transportation sector. The passenger ferry business will continue to implement effective cost controls, divest inefficient assets and low-yield routes, and increase market share in cross-border water transport.

Shun Tak-China Travel will explore the low-altitude economy and capitalise on the trend of Greater Bay Area connectivity to expand its passenger transport business. It will continue to rely on cross-border passenger transport as its revenue base, synergising with the passenger vessel business, seizing opportunities presented by various events and holiday peaks, and formulating diversified vehicle and ferry joint marketing strategies to expand brand influence as it strives to become "the largest cross-border passenger transport platform in the Guangdong-Hong Kong-Macao Greater Bay Area". Furthermore, Shun Tak-China Travel plans to further expand its low-altitude cross-border passenger transport network between Greater Bay Area cities by flexibly utilising existing helicopter resources or introducing new passenger aircrafts. This initiative will not only promote interaction and exchange between the core cities of the Guangdong-Hong Kong-Macao Greater Bay Area but will also enrich the scope of Shun Tak-China Travel's passenger transport services.

Hong Kong and Overseas Operations

The Group adheres to the strategy of "establishing a foothold in Hong Kong, deepening our presence in Hainan, expanding into the Chinese mainland, and refining our overseas operations", and is exploring overseas markets positioning. HOH is making steady progress on the Maldives project, with land reclamation and shoreline protection work on Ambar Island having been completed, along with the design of various specialised schemes. The Group is committed to developing the project into a high-quality resort and will further refine HOH's corporate governance framework.

The Group is researching revitalisation and optimisation plans for its existing assets, including properties in Hong Kong, to enhance asset management efficiency and unlock value. The Metropark Hotel Hung Hom officially commenced operations in May 2024. Positioned in the mid- to high-end market, the hotel is able to provide the Company with stable and competitive returns.

In 2024, the Group entered into a strategic cooperation agreement and service contract with a subsidiary of Sun Hung Kai Properties Limited, under which the Group provides consultancy and operational support services for the cultural and tourism business of Ma Wan Park Phase II. In 2025, the Group continued to advance the rebranding, promotional campaigns, visitor attraction and event organisation for Ma Wan Park Phase II, completing the launch of the "Ma Wan 1868" brand packaging, the filming and production of promotional videos, the October art exhibition and master workshop, and collaborating with China Travel Service (Hong Kong) to gradually attract visitors.

In February 2026, the Company and its joint venture partner established a joint venture to participate in the tender for the Central Harbourfront project in Hong Kong, aiming to create an innovative foothold for the Company in Hong Kong and expand its profit growth opportunities.

The Company has achieved notable results in the capital market, new media marketing and corporate social responsibility. The Company's shares were successfully listed on the Stock Connect scheme again, with both trading volume for the year and average share price showing significant increases compared to 2024.

INTERNAL MANAGEMENT

The Company has deepened operational control to enhance value creation, optimised and improved the corporate performance evaluation systems by refining assessment metrics and increasing the weighting of key indicators, strengthened its leading and exemplary role over subsidiary enterprises, and adhered to value-creation orientation to facilitate the implementation of the Company's strategy. We will continue to strengthen brand marketing, intensify brand promotion efforts, improve marketing conversion rates, and achieve mutual empowerment across brand-related businesses.

Whilst focusing on day-to-day operational management and striving to achieve expected performance targets, the Company will prioritise strengthening its four core competencies of investment capability, product capability, digital capability and operational capability to propel its development to a new level. We will fortify the safety production baseline, improve safety management structures and strengthen the dual-prevention system, as well as safety training and emergency drills for frontline staff.

The Company fully complies with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**") and regulatory requirements. We will continue to optimise governance mechanisms and systems, maintain high standards of corporate governance, improve internal control management and strengthen institutional frameworks, enhance overall risk prevention and control capabilities, reinforce the management of operating cashflow and control of the debt-to-equity ratio, strengthen the governance of loss-making enterprises, relieve pressure on low-efficiency enterprises, and better control the management of the "two types of funds".

EMPLOYEES AND REMUNERATION

As at 31 December 2025, the Group employed 7,009 staff. Employees are remunerated on the basis of work performance, professional experience and prevailing industry practices. The remuneration policy and packages for the Group's employees are periodically reviewed by management. Apart from retirement benefits and in-house training programmes, discretionary bonuses and share options are awarded to certain eligible employees according to assessments of individual performance and the performance of the Group.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group's financial position remains strong. The Group generally finances its operations with internally generated cash flows and loan facilities from banks. As of 31 December 2025, the Group's cash and bank balances, and pledged and restricted deposits amounted to HK$2,993 million, while bank and other borrowings, loans from a fellow subsidiary and loans from the holding companies amounted to HK$2,402 million. The debt-to-equity ratio was 39%. The debt included bank and other borrowings, lease liabilities, trade payables, other payables and accruals, borrowings from the holding company, loans from a fellow subsidiary and amounts due to the holding company and fellow subsidiaries.

FOREIGN EXCHANGE RISK

The Group has certain assets, borrowings and major transactions which are denominated in foreign currencies, and is thus exposed to foreign currency risk. The Group has not engaged in any particular hedge against foreign exchange risk. It will closely monitor and manage its foreign currency exposure and take appropriate measures as required.

PLEDGE OF ASSETS

As of 31 December 2025, certain of the Group's bank deposits and land and buildings were pledged to secure bank guarantees given to suppliers in connection with credit facilities granted.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES, AND SIGNIFICANT INVESTMENTS

Save as disclosed in the "Management Discussion and Analysis" section, the Group did not engage in any material acquisitions and disposal of subsidiaries, associates and joint ventures or significant investments during the year ended 31 December 2025.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in the "Management Discussion and Analysis" section, the Group had no future plans for material investments or capital assets during the year ended 31 December 2025.

CONTINGENT LIABILITIES

As of 31 December 2025, the Group's performance bond given to a customer for due performance of a sale contract was HK$0.3 million (31 December 2024: HK$0.3 million).

OUTLOOK

In 2025, though the global and domestic landscape was becoming increasingly complex, China's economy demonstrated remarkable resilience whilst coping with significant pressures. Macroeconomic policies have been effectively coordinated, striking a balance between stabilising growth, adjusting the economic structure and managing risk. Driven by the dual engines of consumption and exports, and supported by the accelerated development of new quality productive forces, the economy has maintained overall stable operations. According to data released by the National Bureau of Statistics, China's GDP grew by approximately 5.0% year-on-year in 2025.

The international landscape remains complex and volatile, with persistent uncertainty and challenges. Against this backdrop, China has achieved the concluding targets of the 14th Five-Year Plan, with economic development characterised by "stable growth, improved quality and efficiency, and accelerated transformation". This year marks the start of the 15th Five-Year Plan and is a pivotal year for the Company to accelerate transformation and upgrading, comprehensively enhance quality and efficiency, and pursue high-quality and innovative development. We will fully implement all objectives and tasks of the 15th Five-Year Plan to ensure a strong start and a solid foundation.

The year 2026 has barely begun, yet it has already been met with even more explosive turmoil. The Russia-Ukraine conflict has dragged on for four years, the Gaza conflict has raged for nearly two and a half, and the latest hostilities in Iran may escalate into the most destructive turmoil in the Middle East, whilst Venezuela, Cuba and Greenland face a succession of threats. The US dollar is no longer a "safe haven", whilst gold prices have soared to unprecedented heights. The US Supreme Court's ruling on tariffs may trigger a series of potential crises and governance challenges.

The economies of Hong Kong and Chinese mainland are expected to maintain a slow growth trajectory in 2026, with the outlook remaining challenging due to the impact of geopolitical factors and international trade/tariff issues. Until the economic outlook becomes clearer, corporate business investment, expansion and personal consumption are expected to remain conservative in the short term.

In Hong Kong, the stock market has recorded steady growth over the past year, benefiting from robust initial public offerings, low borrowing costs, stable Hong Kong Interbank Offered Rates and favourable government policies.

Overall, the favourable conditions for China's development outweigh the adverse factors, and the trend of steady and positive development in the medium- to long-term will remain unchanged.

Looking ahead, geopolitical risks and trade tensions remain the primary variables affecting the global economic outlook. Hong Kong's recovery is progressing steadily. With the financial markets rebounding and sentiment improving, coupled with the possibility of US interest rate cuts, a more favourable business environment is expected to emerge. The Group remains cautiously optimistic about its business prospects whilst remaining vigilant regarding global economic volatility. Despite the challenges, the Group will remain steadfast in its corporate mission and objectives, and will continue to pursue long-term business and profit growth. The Group will persist in identifying diversified long-term value-enhancing opportunities for shareholders and is committed to strengthening its overall financial position to create even greater value. Whilst striving to achieve sustained growth in recurring profits, the Group also implements rigorous and prudent financial, liquidity and cashflow management to maintain a sound financial position.

SCOPE OF WORK OF ERNST & YOUNG

The figures in respect of the Group's consolidated statement of financial position, consolidated income statement, consolidated statement of 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, Ernst & Young, Certified Public Accountants, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Ernst & Young on the preliminary announcement.

DIVIDENDS

The Board has resolved to recommend the payment of a final dividend of HK1 cent per ordinary share for the year ended 31 December 2025 (2024: Nil).

Subject to shareholders' approval with regard to the proposed payment of the final dividend at the forthcoming annual general meeting to be held on Thursday, 28 May 2026, the proposed dividends are expected to be paid on Tuesday, 30 June 2026.

CLOSURE OF REGISTER OF MEMBER

The Register of Members of the Company will be closed from Friday, 22 May 2026 to Thursday, 28 May 2026 (both dates inclusive), for the purposes of ascertaining shareholders' entitlement to attend and vote at the annual general meeting. In order to be eligible to attend and vote at the forthcoming annual general meeting of the Company, all transfer documents accompanied by the relevant share certificates 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 not later than 4:30 p.m. on Thursday, 21 May 2026.

For the purposes of ascertaining shareholders' entitlement to the proposed final dividend, the Register of Members of the Company will be closed from Thursday, 4 June 2026 to Monday, 8 June 2026 (both dates inclusive). In order to qualify for the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Wednesday, 3 June 2026.

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.

CORPORATE GOVERNANCE

The Group is committed to maintain high standards of corporate governance to safeguard the interests of shareholders and other stakeholders and enhance shareholder value. The Board will continue to monitor and review the Company's corporate governance practices to ensure compliance.

The Company has complied with the code provisions (the "**Code Provision(s)**") of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules throughout the year ended 31 December 2025, except for the following deviations:

– Code Provision C.2.7 specifies that the Chairman should at least annually hold meetings with the Independent Non-Executive Directors without the presence of other directors. During the year, the Chairman did not hold any meeting with the Independent Non-Executive Directors without the presence of other directors because the Independent Non-Executive Directors of the Company may express their views directly to the Chairman from time to time via other means including correspondences and emails and the Chairman is also generally available to meet with the Independent Non-Executive Director(s) in private at reasonable notice. The Company is of the view that there is efficient communication between the Chairman and Independent Non-Executive Directors.

– Code Provision C.3.3 specifies that the Company should have formal letters of appointment for Directors setting out the key terms and conditions of their appointment. The Company did not have formal letters of appointment for Mr. Tsang Wai Hung, Mr. Tao Xiaobin and Mr. Fan Zhishi. However, the said Directors are subject to retirement by rotation at least once every three years in accordance with the Company's articles of association. The key terms and conditions of the appointment of the Directors are subject to the determination and review of the Board (at the recommendation of the relevant committees of the Board) from time to time, and are recorded in the relevant Board minutes/resolutions. In addition, the Directors are expected to refer to the guidelines set out in "A Guide on Directors' Duties" issued by the Companies Registry and "Guidelines for Directors" and "Guide for Independent Non-Executive Directors" (if applicable) published by the Hong Kong Institute of Directors in performing their duties and responsibilities as Directors of the Company. Besides, the Directors are required to comply with the requirements under statute and common law, the Listing Rules, legal and other regulatory requirements and the Company's business and governance policies.

– Code Provision F.1.3 specifies that the Chairman of the Board should attend the annual general meeting. The Chairman of the Board was unable to attend the Company's annual general meeting held on 21 May 2025 (the "**AGM**") due to his other business commitments. Mr. Feng Gang, an executive Director and the General Manager, took chair of the AGM. He, together with other members of the Board and committees of the Board who attended the AGM, were of sufficient calibre and knowledge for answering questions at the AGM, through which the Company maintained effective communication with its shareholders at the AGM.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding Directors' securities transactions 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 to the Listing Rules. In response to a specific enquiry by the Company, all Directors confirmed that they had complied with the required standard set out in the Model Code throughout the year ended 31 December 2025.

AUDIT COMMITTEE

The Audit Committee has reviewed the accounting principles and practices adopted by the Company and discussed the auditing, risk management, internal controls and financial reporting matters including a review of the final results of the Company for the year ended 31 December 2025.

PUBLICATION OF 2025 FINAL RESULTS AND ANNUAL REPORT

This results announcement is published on the HKExnews website at www.hkexnews.hk and the Company website at www.irasia.com/listco/hk/ctii/. The 2025 Annual Report will be available on the HKExnews and the Company websites, and despatched to the shareholders of the Company in due course.

By Order of the Board
Wu Qiang
Chairman

Hong Kong, 31 March 2026

DIRECTORS

As at the date of this announcement, the Directors are:

Executive Directors:
Mr. Wu Qiang, Mr. Feng Gang and Mr. Li Pengyu.

Non-Executive Directors:
Mr. Tsang Wai Hung, Mr. Zheng Jiang and Mr. Fan Zhishi.

Independent Non-Executive Directors:
Mr. Song Dawei, Ms. Fang Xuan and Mr. Qian Jiannong.