



China Merchants Land's 2025 H1 Revenue Reached RMB4.89 Billion Numerous Measures Taken to Reduce Cost and Increase Efficiency

15 August 2025 -- China Merchants Land Limited ("China Merchants Land" or the "Company", stock code: 00978.HK) together with its subsidiaries (the "Group") announced a revenue of RMB4,899,155,000 (2024 corresponding period: RMB5,244,150,000) for the six months ended 30 June 2025 (the "Period"). During the Period, the Group's gross profit increased by approximately 23.62% year-on-year to RMB245,562,000, with a gross profit margin of 5.01%. The loss attributable to the owners of the Company for the Period was significantly reduced to approximately RMB230,929,000 (2024 corresponding period: RMB327,653,000), mainly attributable to an improvement in the performance of the real estate sales business segment, higher gross margins of the projects delivered in Nanjing and Chongqing during the Period and the recognition of fair value gains of over RMB400,000,000 due to the reclassification of a joint venture company as a consolidated subsidiary during the Period.

China Merchants Land took numerous measures to reduce cost and increase efficiency, based on the principle of expenses decided by incomes. During the Period, the minimum effective interest rate for the first six months was further reduced to 2.14% (down 6 basis points from the end of 2024), maintaining a leading position in the industry. The Group also spared no effort in revitalizing the existing land resources in response to the new policy of destocking. As a result, the total sales amounts for the Xi'an and Nanjing projects both ranked among the top three in their respective location. Based on and benchmarking against the CMSK Quality Standards for Good Housing, China Merchants Land's projects in Nanjing, Guangzhou and Xi'an earned spots in CRIC's Top 10 Project Rankings in the first half of 2025, underscoring market recognition of its product capability.

As at 30 June 2025, China Merchants Land's bank balances and cash amounted to RMB14,523,418,000, with a net gearing ratio (net interest-bearing debt to equity ratio) of 55%. During the Period, the Group, together with its associated companies and joint venture companies, achieved aggregate contracted sales of approximately RMB16,092,660,000 with an aggregate contracted sales area of approximately 720,958 sq m. The average selling price amounted to approximately RMB22,321 per sq m.

As at 30 June 2025, the Group had 44 property development projects in Foshan, Guangzhou,

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Chongqing, Nanjing, Jurong and Xi'an, with a primary focus on the development of residential properties, as well as residential and commercial complex properties, and product types including apartments, villas, offices and retail shops, etc. For the first half of 2025, projects in Foshan, Guangzhou, Chongqing, Nanjing, Xi'an and Hong Kong accounted for 24.32%, 1.98%, 27.32%, 31.56%, 14.01% and 0.73% of the total revenue of the Group respectively. As at 30 June 2025, the saleable GFA of the properties comprising the projects which had not been sold or pre-sold was 3,791,122 sq m.

During the Period, the Group's wholly-owned subsidiary, being the REIT manager of the China Merchants Commercial Real Estate Investment Trust, recorded asset management service income of approximately RMB7,570,000.

In the second half of the year, China Merchants Land will focus on navigating market shifts with foresight and precision, proactively adapting to the new development model in the industry anchored by four strategic pillars: precision investments, product enhancement, operational value enhancement, and asset revitalization. Development activities will remain concentrated in prime urban locations, with accelerated upgrades to residential and hold-to-rent property portfolios. With respect to asset operations, the Group will clutch to the principle of rigorous refinement and intensify its operational capabilities on the contents of existing assets to enhance quality and efficiency, highlight brand value and ensure steady cash flows for the Company.

China Merchants Land will thoroughly study the new development model of the industry and actively capitalise on favorable policies introduced by various local governments to empower the Company's development. Investment and development activities will be focused on project expansion opportunities with preset standards to enhance the certainty of project profitability so as to aid balance sheet recovery of the Company. The Group will proactively enhance project land banking efforts in core cities and solidify sales rankings. The Group will also leverage China Merchants Group's strong platform advantages to deepen its strategic footprint in Hong Kong and achieve high-quality sustainable development.

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About China Merchants Land Limited

China Merchants Land Limited, a company listed on the Main Board of the Hong Kong Stock Exchange under China Merchants Group, a central government owned enterprise, has a business landscape that reflects the dual brilliance of real estate development and asset management. The Company not only possesses experience in real estate development, but also has built an asset management platform, i.e. Real Estate Investment Trusts (REITs) management, which is an innovative business system that integrates industry and finance, and has built a seamless bridge between capital and industry. China Merchants Land's strategic layout spans across Hong Kong and the Mainland, with a precise focus on first-tier and popular second-tier cities in China.

The Company is indirectly held as to 74.35% by its controlling shareholder, China Merchants Shekou Industrial Zone Holdings Co., Ltd., which provides China Merchants Land with a continuous source of resources and impetus to ensure its steady progress in the face of fierce market competition.

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(Attached with China Merchants Land's condensed consolidated statement of profit or loss and other comprehensive income for the six months ended 30 June 2025)

China Merchants Land Limited (Stock Code: 978.HK)
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Revenue	4,899,155	5,244,150
Cost of sales	(4,653,593)	(5,045,515)
Gross profit	245,562	198,635
Other income	114,256	231,496
Net foreign exchange gains/(losses)	16,676	(15,323)
Selling and marketing expenses	(225,483)	(257,414)
Administrative expenses	(87,670)	(14,486)
Gain on acquisition of a subsidiary	459,924	-
Share of results of associates	(37,035)	50,041
Share of results of joint ventures	(70,626)	(4,822)
Finance costs	(269,693)	(399,489)
Profit/(loss) before tax	145,911	(211,362)
Income tax expense	(400,040)	(29,650)
Loss for the period	(254,129)	(241,012)
Other comprehensive income, net of income tax		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences arising on translation of financial statements of foreign operations	(42,029)	(30,073)
Total comprehensive income for the period	(296,158)	(271,085)
Loss for the period attributable to:		
Owners of the Company	(230,929)	(327,653)
Non-controlling interests	(23,200)	86,641
	(254,129)	(241,012)
Total comprehensive income for the period attributable to:		
Owners of the Company	(272,958)	(357,726)
Non-controlling interests	(23,200)	86,641
	(296,158)	(271,085)
Loss per share		
Basic (RMB cents)	(4.71)	(6.68)