中国三迪
CHINA SANDI

CHINA SANDI HOLDINGS LIMITED
中國三迪控股有限公司

(incorporated in Bermuda with limited liability)

(Stock Code: 910)

FULFILMENT OF RESUMPTION GUIDANCE AND RESUMPTION OF TRADING

This announcement is made by the board (the "**Board**") of directors (the "**Directors**") of China Sandi Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

References are made to (i) the announcements of the Company dated 5 February 2025, 31 March 2025, 16 April 2025, 29 August 2025 and 27 February 2026 in relation to, among others, the delay in publication of the 2024 Annual Results and the delay in despatch of the 2024 Annual Report, the resignation of company secretary of the Company, and the delay in publication of the 2025 Interim Results and the delay in despatch of the 2025 Interim Report; (ii) the announcements of the Company dated 27 June 2025, 30 September 2025, 8 January 2026, 14 January 2026 and 2 July 2026 in relation to, among others, the resumption guidance issued by the Stock Exchange ("**Resumption Guidance**"), and the quarterly updates on the resumption progress; (iii) the announcement of the Company dated 28 January 2026 in relation to the 2024 Annual Results; (iv) the announcement of the Company dated 6 March 2026 in relation to the 2025 Interim Results; (v) the announcement of the Company dated 11 March 2026 in relation to the appointment of company secretary of the Company; and (vi) the announcement of the Company dated 31 March 2026 in relation to the annual results of the Company (the "**2025 Annual Results**") for the financial year ended 31 December 2025 ("**FY2025**" or "**2025**") (collectively, the "**Announcements**"). Unless otherwise defined herein, the capitalised terms used herein shall have the same meanings as defined in the Announcements.

BACKGROUND

References are made to the announcements of the Company dated 4 December 2024, 5 February 2025 and 27 June 2025 in relation to, among others, the resignation of auditor, the delay in publication of the 2024 Annual Results and the delay in despatch of the 2024 Annual Report, and the appointment of auditor. As disclosed in the announcements, the Group (i) was unable to reach an agreement with Moore CPA Limited ("**Moore**") on the audit fee in respect of the audit of the 2024 Annual Results; and (ii) was unable to immediately appoint a new auditor following the resignation of Moore with effect from 4 December 2024 mainly due to reluctancy of accounting firms accepting Chinese real estate developers as new clients as they are classified as high-risk clients based on the situation of the real estate industry in the PRC; and (iii) appointed CCTH CPA Limited ("**CCTH**") as the new auditor of the Company with effect from 27 June 2025.

Due to the Group's loss making financial performance since 2023, which resulted in tightened cash flow, the management reduced the budget for audit fees and delayed the settlement of certain outstanding agreed upon procedures service fees (i.e. service fees for reviewing the interim results of the Group) in 2024. This led to the resignation of Moore and the subsequent delay in the publication of the 2024 Annual Results and the 2025 Interim Results. Following the appointment of CCTH as the new auditor, the Company has agreed audit fees which fall within the revised budget. All outstanding professional fees (including audit fees and valuation fees) have been fully settled using the Group's internal resources. The audit fees in respect of the 2025 Annual Results have also been fully settled using the Group's internal resources.

The Company will take measures to ensure that it will have sufficient financial resources to comply with the financial reporting requirements and other compliance matters under the Listing Rules in future. With effect from the financial year ending 31 December 2026 ("**FY2026**"), the finance department, under the supervision of the finance general manager, will prepare an annual budget for statutory reporting and compliance expenses (including audit and professional fees) based on prior year actual costs and agreed engagement terms. The budget will be reviewed by the audit committee of the Company (the "**Audit Committee**") and approved by the Board, and the approved amount will be earmarked for such purposes. A designated ledger account has been established to record such expenses. Allocated funds shall not be reallocated without the approval of the finance general manager and the chairman of the Audit Committee. The finance department will monitor utilisation on a monthly basis. In addition, the Company has implemented a quarterly review mechanism under which a 12 month cash flow forecast will be prepared and reviewed by the finance general manager and reported to the Audit Committee to ensure sufficiency of funds. Any projected shortfall will trigger timely remedial actions. The Audit Committee considers the above measures adequate to ensure the Company's compliance with its financial reporting obligations under the Listing Rules.

The Company deeply regrets the delay in the publication of the 2024 Annual Results and the 2025 Interim Results and will use its best endeavours to ensure that similar circumstances will not recur in the future.

RESUMPTION GUIDANCE

As disclosed in the announcement of the Company dated 27 June 2025, the Stock Exchange has set out the following Resumption Guidance for the Company:

(a) publish all outstanding financial results required under the Listing Rules and address any audit modifications;

(b) demonstrate the Company's compliance with Rule 13.24;

(c) re-comply with Rule 3.28; and;

(d) inform the market of all material information for the Shareholders and investors of the Company to appraise the Company's position.

FULFILMENT OF RESUMPTION GUIDANCE

The Company is pleased to announce that, as of the date of this announcement, it has fulfilled all the Resumption Guidance. Details are set out below.

Resumption Guidance (a) – publish all outstanding financial results required under the Listing Rules and address any audit modifications

The Company has published (i) the 2024 annual results announcement and the 2024 annual report on 28 January 2026 and 2 March 2026, respectively; (ii) the 2025 interim results announcement and the 2025 interim report on 6 March 2026 and 15 June 2026, respectively; (iii) the 2025 annual results announcement and the 2025 annual report on 31 March 2026 and 15 June 2026, respectively. As of the date of this announcement, all financial results required to be published by the Company under the Listing Rules have been published.

In respect of the 2025 Annual Results, CCTH, the Company's external auditor, has expressed a disclaimer of opinion with material uncertainties relating to going concern. CCTH also stated that, in all other respects, in their opinion, the consolidated financial statements for FY2025 had been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance. For details of the basis of CCTH's disclaimer of opinion, please refer to the section headed "INDEPENDENT AUDITOR'S REPORT" in the 2025 annual report.

In view of such circumstances, the Directors have given careful consideration to the future liquidity and its available sources of financing in assessing whether the Group will have sufficient funds to fulfil its financial obligations and continue as a going concern. The following plans and measures included in (i) to (vii) below (the "**Plans and Measures**") are formulated to mitigate the liquidity pressure and to improve its cash flows:

(i) regarding the convertible bond and promissory note, the Group has amended the relevant terms such that the maturity date was changed from 30 January 2024 to 30 January 2029 whereas a right shall be granted to the holder of the convertible bond and promissory note to require the Company to redeem all of the outstanding convertible bond and promissory note on demand. However, a right of repayable on demand was given to the holder of the convertible bond and promissory note. In this regard, the holder of convertible bond and promissory note signed a letter of undertaking on 31 March 2026, in writing, to the Company that the holder of convertible bond and promissory note would not exercise the right to demand repayment from the Company for at least twelve months from the date of approval of these consolidated financial statements;

(ii) regarding the amount due to the ultimate controlling shareholder, the ultimate controlling shareholder signed a letter of undertaking on 31 March 2026, in writing, to the Company that they would not exercise the right to demand repayment from the Company for at least one year from the date of approval of these consolidated financial statements;

(iii) The Group has been conducting active negotiations with the lenders on the extension of the repayment schedule of certain borrowings;

(iv) among the other payables, there are repayable on demand balances of RMB398,064,000 advances from third parties, with which, subsequent to the year end date, the management successfully liaised to set the maturities to be at least one year from the date of approval of these consolidated financial statements;

(v) the Group will continue to implement Plans and Measures to accelerate the pre-sales and sales of its properties under development and completed properties held for sale, and to speed up the collection of sales proceeds so as to generate adequate net cash inflows;

(vi) the Group applies cost control measures in cost of sales and administrative expenses; and

(vii) the Group will also continue to seek for new or other alternative financing from financial institutions, such as equity financing to finance the settlement of its existing financial obligations and future operating expenditures.

The Company will publish quarterly update announcement(s) to inform the Shareholders and potential investors of the Company of the progress in the implementation of the Plans and Measures, with a view to addressing the matters giving rise to the disclaimer of opinion and resolving the disclaimer of opinion as soon as practicable.

In assessing whether the above Plans and Measures would be sufficient to address the material uncertainties relating to going concern, the Directors reviewed the cash flow forecast prepared by management (the "**Initial Cash Flow Forecast**"). In preparing the Initial Cash Flow Forecast, the management has taken into account the Group's financial position and, *inter alia*, the following underlying assumptions and estimated financial effects in respect of the Plans and Measures:

(i) pursuant to the letters of undertaking and extension arrangements obtained, the holder of the convertible bond and promissory note, the ultimate controlling shareholder and third party creditors have agreed not to demand repayment of the respective outstanding balances for at least twelve months from the date of approval of the consolidated financial statements and/or to extend or refinance the relevant borrowings, such that no material principal cash outflows in respect of these liabilities were expected to arise;

(ii) in respect of the Group's bank and other borrowings, the Group has been actively communicating and negotiating with the relevant lenders regarding renewal and extension arrangements. As at the date of approval of the consolidated financial statements, none had demanded immediate repayment of the outstanding borrowings nor commenced any legal proceedings against the Group. Based on ongoing discussions with the lenders and prevailing arrangements, management did not expect material principal cash outflows arising from acceleration of such borrowings within the forecast period;

(iii) the Group expected to accelerate the pre-sales and sales of its properties under development and completed properties held for sale based on contracted sales and projected sales plans, and to enhance the collection of sales proceeds. As part of its sales strategy, the Group has increased its engagement of third party sales agencies to enhance sales execution and broaden customer reach. In addition, the Group has strengthened early communication with customers and, where appropriate, assisting customers in liaising more closely with banks to facilitate and expedite mortgage approval processes, which was expected to generate gross cash inflows of approximately RMB3,171.8 million for FY2026, resulting in net operating cash inflows of approximately RMB2,230.7 million;

(iv) the Group expected to implement cost control measures, including workforce streamlining and optimisation of its organisational structure. Sales and administrative expenses for FY2026 were estimated at approximately RMB59.5 million, as compared to approximately RMB58.5 million recorded for FY2025. Notwithstanding the substantial increase in projected revenue for FY2026 as compared to FY2025, the estimated sales and administrative expenses remained broadly stable, reflecting the effectiveness of the Group's cost control measures and improved operating efficiency following the completion of personnel restructuring; and

(v) the Initial Cash Flow Forecast did not assume the receipt of any additional funding for FY2026. While the Group may, where appropriate, explore additional funding opportunities, including but not limited to equity financing, shareholder loans and/or external borrowings, the Company was of the view that the Group's projected cash inflows from operations were sufficient to meet its working capital requirements and existing financial obligations as they fall due during the forecast period, and the Group's ability to continue as a going concern was not dependent on obtaining such additional funding.

As disclosed in the 2025 annual report, CCTH were unable to obtain sufficient appropriate evidence to satisfy themselves that the Plans and Measures are reasonable and supportable, including but not limited to, whether the Group will be able to enter into agreements with the lenders (i.e. banks) on the extension of the repayment schedule of certain borrowings and whether there will be new or other alternative financing from other financial institutions. As a result, CCTH were unable to satisfy themselves about the appropriateness of the use of the going concern basis of accounting in the preparation of the consolidated financial statements by the Directors.

The Audit Committee has reviewed the Initial Cash Flow Forecast and the underlying assumptions and key inputs adopted by the management. In performing its review, the Audit Committee has (i) discussed with management the basis of the projected contracted sales, sales collection schedules and expected timing of cash receipts; (ii) reviewed the status of pre-sales, historical collection patterns and the enhanced engagement arrangements with third-party sales agencies; (iii) examined the cost control measures implemented, including workforce streamlining and the resulting reduction in administrative expenses; and (iv) reviewed the repayment schedules of outstanding borrowings, the letters of undertaking and extension arrangements obtained from relevant creditors. The Audit Committee has also discussed with CCTH the basis of their disclaimer of opinion and the areas where sufficient appropriate audit evidence could not be obtained, including CCTH's requirement for binding agreements from certain lenders in relation to the extension of the repayment schedule of certain bank borrowings. Management explained that banks generally do not issue binding confirmation of extension arrangements until the formal extension agreements are executed. Having considered of the above explanation and the progress of negotiations with the relevant lenders, the Audit Committee is satisfied that management has taken reasonable steps in formulating and implementing the Plans and Measures and has used its best endeavours to advance the extension arrangements under the circumstances.

Having considered the above and taking into account (i) the binding nature of the extension and undertaking arrangements obtained from the holder of the convertible bond and promissory note and the ultimate controlling shareholder, (ii) the Group's contracted sales on hand and historical cash collection track record, (iii) the concrete cost reduction measures already implemented, and (iv) the fact that the Initial Cash Flow Forecast does not assume additional external financing, the Audit Committee was of the view that the Plans and Measures are reasonable and supportable. The Audit Committee was also of the view that the Initial Cash Flow Forecast has been prepared on a reasonable basis. Accordingly, the Audit Committee concurred with the Directors' assessment that it remained appropriate to adopt the going concern basis of accounting in the preparation of the consolidated financial statements.

Revision of Cash Flow Forecast

However, subsequent to the preparation of the Initial Cash Flow Forecast and following the first quarter of 2026 ("**1Q2026**"), management noted that actual contracted sales and cash collections were below the levels projected in the Initial Cash Flow Forecast. The shortfall was primarily attributable to shifts in market demand following property policy adjustments in certain key cities during 1Q2026 that redirected customer interest towards prime urban districts rather than certain of the Group's non-core projects, and cautious market sentiment, with potential purchasers adopting a wait and see approach and, in some cases, delaying contract signing or renegotiating pricing and payment terms. As a result, both the volume and timing of contracted sales and cash collections did not meet the original projections.

In light of the above developments, management has reassessed the assumptions underlying the Initial Cash Flow Forecast and revised the Group's cash flow forecast covering the period from May 2026 to June 2027 (the "**Revised Cash Flow Forecast**"), which has been reviewed and approved by the Directors. The Revised Cash Flow Forecast reflects an updated assessment of sales velocity, pricing and cash collection timing, and aligns projected cash inflows more closely with actual performance trends observed in 1Q2026.

Compared with the Initial Cash Flow Forecast, the Revised Cash Flow Forecast incorporates some major changes in assumptions, including (i) a substantial downward revision of projected contracted sales and corresponding cash receipts for FY2026 to reflect actual sales momentum observed in 1Q2026 and a more gradual recovery trajectory; (ii) a significant reduction and re-phasing of construction expenditures for FY2026 through deferment of certain development activities, with contractor advance funding arrangements taken into account in assessing the timing and magnitude of construction cash outflows (but without assuming any direct cash inflow therefrom); and (iii) updated projections of operating and administrative expenses, including sales commissions payable to third-party sales agencies, based on revised sales volume and the cost control measures implemented by the Group. In respect of bank and other borrowings, the Revised Cash Flow Forecast continues to assume the orderly renewal, extension or refinancing of existing facilities upon maturity and no acceleration or enforcement action by lenders during the forecast period, having regard to completed extensions, ongoing negotiations and the absence of any formal demand for immediate repayment as at the date of this announcement.

In preparing the Revised Cash Flow Forecast, management has undertaken a comprehensive reassessment of the assumptions adopted in the Initial Cash Flow Forecast as follow:

(i) Supportive Policy Environment and Market Developments

The introduction of favourable property policies in key cities such as Shanghai, Xi'an and Hangzhou in early 2026, together with improving transaction activities in prime urban districts, is expected to gradually stabilise market sentiment. However, actual sales performance in 1Q2026 was materially below the assumptions adopted in the Initial Cash Flow Forecast.

For the four months ended 30 April 2026 ("**4M2026**"), the Group recorded contracted sales and cash receipts of approximately RMB9.5 million and RMB50.1 million, respectively, which were substantially below the levels originally projected for the corresponding period under the Initial Cash Flow Forecast. The shortfall was primarily attributable to slower-than-expected market recovery, cautious buyer sentiment and delayed purchasing decisions, resulting in lower transaction volume and absorption rates during the period. Higher cash receipts than contracted sales were recorded for the period mainly due to timing differences in cash receipts, in particular the receipt of government resettlement housing payments and certain bank mortgage disbursements relating to prior-period contracted sales, which did not strictly correspond to the timing of contracted sales recognised during the same period. Further details regarding such timing differences in cash receipts are set out in "(viii) Timing Differences in Cash Receipts" below.

Under the Initial Cash Flow Forecast, contracted sales for FY2026 were projected at approximately RMB1,412.4 million, with corresponding cash receipts of approximately RMB1,291.2 million. Under the Revised Cash Flow Forecast, projected contracted sales and cash receipts for FY2026 have been revised to approximately RMB149.6 million (2025: approximately RMB107.2 million) and RMB186.2 million (2025: approximately RMB131.8 million), respectively. The significant reduction reflects management's reassessment of achievable sales volume and absorption rates based on recent transaction data and prevailing market conditions. The Revised Cash Flow Forecast assumes a gradual recovery in sales momentum rather than an immediate rebound.

(ii) Adjustment of Sales Strategy and Enhanced Engagement of Third Party Agencies

For FY2025, approximately 20% of the Group's contracted sales were generated through third-party sales agencies. The Group expected to increase its use of third-party sales agencies as part of an enhanced sales strategy aimed at improving market penetration and sales execution efficiency. For FY2026, it is expected approximately 60% to 70% of contracted sales will be generated through third-party sales agencies. The commission payable to third-party agencies is generally calculated as a percentage of contracted sales and varies depending on city tier, project location and product type. For residential projects, the commission rate typically ranges from approximately 2% to 6% of contracted sales, while for commercial units it generally ranges from approximately 6% to 10%.

Commission payments are settled progressively and generally correspond to the Group's actual receipt of sales proceeds, subject to project-specific arrangements. In general, commissions are paid in stages upon receipt of down payments and/or subsequent mortgage disbursements, such that the timing of commission payments broadly aligns with cash inflows from the relevant sales.

For FY2026, the Group's total operating expenses are projected to amount to approximately RMB13.0 million (2025: approximately RMB12.5 million), of which approximately RMB7.9 million (2025: approximately RMB1.5 million), are expected to be attributable to third-party sales agency commissions. Despite the projected increase in contracted sales from approximately RMB107.2 million for FY2025 to approximately RMB149.6 million for FY2026, total operating expenses for FY2026 are projected to remain similar to those for FY2025. This is mainly attributable to (i) the timing difference between the receipt of customer payments and the settlement of agency commissions, as the Group is generally required to receive payments from customers before commission payments are made to third-party agencies, and (ii) improved cost control under the Group's enhanced third-party agency model, including a reduction in fixed sales and marketing costs. As a result, the increase in contracted sales does not result in a proportionate increase in operating expenses.

For 4M2026, the aggregate commission expenses incurred by the Group in respect of third-party sales agencies amounted to approximately RMB1.3 million. Such amount remains in line with the Group's revised sales projections and has been incorporated into the Revised Cash Flow Forecast under operating expenses. The forecasted commission amounts are calculated based on the expected monthly sales volume and product mix of each project, taking into account the applicable commission policies. The Revised Cash Flow Forecast reflects a phased improvement in sales performance as the enhanced third-party agency model becomes fully operational and does not assume any abrupt increase in contracted sales.

(iii) Implementation of Cost Control Measures and Administrative Expenses

Under the Initial Cash Flow Forecast, administrative expenses for FY2026 were projected at approximately RMB23.6 million. Under the Revised Cash Flow Forecast, administrative expenses for the corresponding period have been revised to approximately RMB18.8 million (2025: approximately RMB23.2 million).

The reduction is primarily attributable to the Group's implementation of cost control measures in response to the revised business scale. Such measures include workforce streamlining and optimisation of the Group's organisational structure in respect of non-sales and administrative functions. During FY2025, the Group reduced its headcount by over 30 employees, primarily at the mid- to senior-level, as part of its organisational restructuring. The Group has also implemented compensation adjustments for certain non-sales personnel, resulting in lower staff costs and related overhead expenses. Accordingly, projected administrative expenses under the Revised Cash Flow Forecast have decreased.

For 4M2026, the administrative expenses of the Group amounted to approximately RMB9.2 million, which is in line with the Group's historical administrative expense level for FY2025. Administrative expenses are typically higher at the beginning of financial year due to the timing of certain fixed and annual payments, and tend to moderate towards the latter part of the year.

(iv) Project Launch Schedules and Resolution of Operational Constraints

Certain projects have resumed sales following the resolution of bank coordination issues and adjustments to sales strategies, including the Sandi Jinyu Yunyue Project（三迪金域雲樾項目）, which resumed sales in April 2026, and the Sandi Yasong Meizhu Project（三迪雅頌美築項目）, which generated actual sales in May 2026 following the engagement of intermediaries. In addition, new projects are scheduled to commence sales in the second half of 2026 in accordance with updated launch timetables, including the Sandi Bahe Yihao Project（三迪·灞河一號項目）, which commenced sales in June 2026, with additional units expected to obtain pre-sale permits, and the Sandi Century New City Project（三迪世紀新城項目）, which is expected to obtain pre-sale permits and commence sales in September 2026. The Revised Cash Flow Forecast is based on estimated saleable area, updated launch schedules and prevailing market-oriented pricing strategies. In preparing the forecast, management has taken into account current inventory levels, expected construction progress and market positioning of each project. The Revised Cash Flow Forecast does not assume aggressive discounting and is premised on pricing broadly aligned with recent transaction benchmarks in comparable locations.

(v) Completed but Unsold Inventory

The Group has completed but unsold inventory of approximately RMB3.5 billion, which provides a tangible and immediately marketable sales base for the next two to three years. Such inventory comprises residential units with a total saleable area of approximately 81,673 sq.m. and a value of approximately RMB979.9 million, office units with a total saleable area of approximately 47,381 sq.m. and a value of approximately RMB1,206.3 million, retail shops with a total saleable area of approximately 16,777 sq.m. and a value of approximately RMB223.1 million, commercial units with a total saleable area of approximately 3,994 sq.m. and a value of approximately RMB126.8 million, and 7,580 car parking spaces with a value of approximately RMB957.9 million. Management has conducted project-by-project assessments of inventory mix, pricing strategy and expected absorption rates. The Revised Cash Flow Forecast assumes progressive monetisation of such inventory in line with project positioning, prevailing demand conditions and targeted promotional efforts, with sales velocity assumptions benchmarked against recent actual performance.

(vi) Construction Funding Arrangements and Expenditure Timing

Under the Initial Cash Flow Forecast, total construction payments for FY2026 were projected at approximately RMB741.9 million. Under the Revised Cash Flow Forecast, total construction payments for FY2026 have been reduced to approximately RMB47.6 million (2025: approximately RMB133.1 million).

The reduction is primarily attributable to the re-sequencing of development schedules and more prudent capital deployment in light of prevailing market conditions and the revised sales projections (with contracted sales for FY2026 revised from approximately RMB1,412.4 million under the Initial Cash Flow Forecast to approximately RMB149.6 million under the Revised Cash Flow Forecast). Such adjustment reflects a material scaling back and deferral of construction activities originally planned for 2026 to 2027 or later periods. The Board considers that this re-phasing does not represent any suspension or cancellation of projects, but rather a strategic deferral to preserve liquidity while maintaining overall project delivery capability.

In addition, the Group has strengthened its construction funding strategy by cooperating with financially capable contractors, including a state-owned enterprise, which has agreed in principle to provide partial advance funding of approximately 30% to 40% of the relevant construction costs for two projects. Based on current project budgets, the Group expects to obtain approximately RMB180 million to RMB240 million in aggregate advance funding support from this arrangement, representing construction costs to be initially settled by the contractor at its own expense. The Group will subsequently reimburse such construction costs progressively as sales proceeds are received from the relevant projects. The Group is also in discussions with other construction companies regarding similar advance funding arrangements for certain remaining projects and expects to secure additional funding support, subject to finalisation of commercial terms.

For 4M2026, the construction payments of the Group amounted to approximately RMB16.4 million.

(vii) Bank Borrowings, Advances from Third Parties and Financing Arrangements

As at 31 December 2025, the Group's total bank and other borrowings classified as current liabilities amounted to approximately RMB5,553.1 million, of which approximately RMB2,055.1 million represented borrowings in direct default and approximately RMB3,497.9 million were classified as current liabilities due to cross-default provisions.

Details of the borrowings in direct default or subject to cross default provisions as at 31 December 2025 are summarised below:

(A) Borrowings in direct default

Principal Outstanding (approx. RMB million)	**Original Maturity Date**	**Latest Status of Extension**
Major borrowings:		
57.69	11 December 2025	Under negotiation with lender
176.90	18 August 2025	Extended to 18 August 2027
246.86	15 December 2024	Extended to 15 June 2027
150.20	10 December 2024	Extended to 10 June 2027
548.56	15 January 2024	Extended to 4 September 2027
181.45	17 May 2024	Extended to 17 November 2026 and under negotiation with lender for further extension
487.92	30 April 2025	Under negotiation with lender
158.36	23 November 2025	Under negotiation with lender
Other borrowings (comprising multiple smaller facilities):		
47.16	From 1 January 2024 to 15 January 2026	Under negotiation with lenders

Subtotal: approximately RMB2,055.1 million

(B) Borrowings subject to cross-default provisions

Principal Outstanding (approx. RMB million)	Maturity Date	Current Status
Major borrowings:		
203.18	21 May 2029	Interest/principal to be repaid in accordance with repayment schedule
806.38	28 May 2032	Interest/principal to be repaid in accordance with repayment schedule
899.53	10 January 2028	Interest/principal to be repaid in accordance with repayment schedule
98.88	4 August 2030	Interest/principal to be repaid in accordance with repayment schedule
195.38	2 March 2027	Repayment schedule to be re-negotiated with the lender
582.58	31 January 2031	Interest/principal to be repaid in accordance with repayment schedule
696.10	2 February 2027	Repayment schedule to be re-negotiated with the lender
Other borrowings (comprising multiple smaller facilities):		
15.87	After 31 December 2026	Interest/principal to be repaid in accordance with repayment schedule/Repayment schedule to be re-negotiated with the lender

Subtotal: approximately RMB3,497.9 million

For the borrowings subject to cross default provisions, such classification arose primarily due to cross default clauses triggered by the Group's default in certain other borrowings. The Company has communicated with the relevant banks regarding the possibility of waiving the cross default clauses. However, as the enforcement or waiver of such clauses is at the discretion of the banks and forms part of their contractual rights, formal waivers have not been granted. As at the date of this announcement, interest and principal of such borrowings have generally been repaid in accordance with their repayment schedules, and no acceleration notice or formal demand for immediate repayment has been received. The Group has maintained ongoing communication with the relevant lenders, provided updates on its financial position and restructuring progress, and continues to discuss extension, re-negotiate repayment schedule or other appropriate arrangements where necessary.

As at the date of this announcement, no lender has commenced legal proceedings against the Company nor formally demanded immediate repayment of the relevant default or cross-default borrowings. The Group has continued to use its best efforts to negotiate with the relevant lenders for extensions of the repayment schedules of the relevant bank borrowings and has maintained ongoing communication with such lenders. The Group has continued to service interest and, where applicable, principal repayments in accordance with agreed or negotiated arrangements. In view of the foregoing and based on discussions held with the relevant lenders to date, the Company considers that the relevant lenders are not presently anticipated to exercise their rights to demand immediate repayment or accelerate the loans.

In addition to the bank and other borrowings disclosed above, as at 31 December 2025, the Group had certain advances from third parties included under other payables in an aggregate amount of approximately RMB1,258.2 million (the "**Third Party Advances**"), which are repayable on demand or within one year. As at 31 December 2025, management had successfully liaised with the relevant parties to set the maturities of an aggregate amount of approximately RMB398.1 million to be at least one year from the date of approval of the consolidated financial statements for FY2025. For the remaining balances of the Third Party Advances, no written extension agreements have been obtained. However, none of the relevant third parties has demanded immediate repayment or commenced any legal proceedings or enforcement actions against the Group. The Group has maintained communication with the relevant third parties regarding repayment arrangements and will continue to negotiate extensions or other appropriate arrangements where necessary. Based on discussions held to date and the historical relationship with the relevant parties, the Directors are not aware of any present intention of the relevant third parties to demand immediate repayment. Accordingly, the Revised Cash Flow Forecast does not assume any immediate cash outflow in respect of the remaining balances of the Third Party Advances.

The Revised Cash Flow Forecast assumes continued servicing of existing borrowings and orderly renewal or extension of project loans upon maturity and that no immediate repayment will be demanded in respect of the Third Party Advances. Such assumptions are based on (i) completed loan extensions since 31 December 2025, (ii) ongoing discussions with lenders and relevant third parties, (iii) the absence of enforcement actions to date, and (iv) prevailing industry practice and regulatory measures in the PRC. Such regulatory measures include policy support announced by the People's Bank of China and the National Financial Regulatory Administration extending the policy permitting reasonable extensions of existing real estate development loans to 31 December 2026, as well as further supportive arrangements introduced in early 2026 under the real estate financing coordination mechanism for eligible "whitelist" projects, allowing longer extension periods. Notwithstanding the above, there can be no assurance that lenders or relevant third parties will not exercise their contractual rights to demand repayment. The Company will continue to closely monitor its liquidity position and maintain active communication with lenders and relevant third parties to facilitate renewal and extension arrangements.

(viii) Timing Differences in Cash Receipts

Cash inflows from government resettlement housing payments and bank mortgage disbursements may not strictly correspond to the timing of contracted sales due to administrative and processing procedures.

Certain units developed by the Group are subject to government repurchase arrangements pursuant to relevant land grant and project development agreements. The repurchase consideration is payable upon satisfaction of specified milestones and issuance of invoices, and the actual timing of payment is subject to government fiscal allocation and internal approval procedures. Accordingly, such receipts may be concentrated in particular periods and may not align with contracted sales recorded in the same period.

Based on current communication with the relevant authorities, the Company expects to receive approximately RMB55 million of government resettlement housing payments for FY2026. As at the date of this announcement, all of these government resettlement housing payments have been received.

The Group's historical cash collection rates for the three years ended 31 December 2025 were 97.0%, 95.9% and 94.1%, respectively, broadly consistent with the projected cash collection rate of approximately 91.4% adopted in the forecast. In preparing the forecast, management assumed that cash receipts would generally follow projected contracted sales in line with historical collection patterns, subject to normal timing differences.

The actual cash collection rate of approximately 636% recorded in 1Q2026 was primarily attributable to the receipt of the above government resettlement housing payments and mortgage disbursements relating to prior-period sales, whereas contracted sales newly recorded in 1Q2026 amounted to approximately RMB7.5 million. The variance therefore reflects a timing mismatch rather than any fundamental change in the Group's cash collection capability.

(ix) Disposal of Investment Property

Under the Initial Cash Flow Forecast, the Group had assumed potential cash inflows of approximately RMB1.8 billion from the proposed disposal of the Sandi Furniture Plaza located in Taijiang District, Fuzhou City (the "**Investment Property**"). For prudence and to reflect uncertainty as to the timing and completion of any disposal, the Revised Cash Flow Forecast does not incorporate any proceeds from the proposed disposal. Accordingly, the Revised Cash Flow Forecast has been prepared on the basis that the Group will continue to derive recurring rental income from the Investment Property pending any successful disposal. Although the Group has engaged an intermediary and commenced preliminary marketing efforts, completion of any disposal remains subject to negotiations with potential purchasers and prevailing market conditions.

The Audit Committee has reviewed the Revised Cash Flow Forecast and the principal assumptions adopted by management, including the revised sales projections and collection timing, updated project launch schedules, construction re-sequencing and capital expenditure plans, contractor advance funding arrangements and loan extension progress. The Revised Cash Flow Forecast has also been reviewed by CCTH. The Audit Committee has discussed with CCTH the areas of audit concern previously identified and the additional supporting information provided in relation to the Revised Cash Flow Forecast. While noting that the forecast necessarily involves assumptions regarding future market conditions and financing arrangements which are subject to inherent uncertainties and factors beyond the Group's control, and that it has relied on information and explanations provided by management, and notwithstanding that, as at the date of this announcement, there are no binding agreements from certain lenders in relation to the extension of the repayment schedule of certain bank borrowings or in respect of new or alternative financing from other financial institutions, the Audit Committee is of the view that, based on the information currently available and the more prudent and performance aligned assumptions adopted, the Revised Cash Flow Forecast has been prepared on a reasonable basis.

Accordingly, the Audit Committee concurs with the Directors that it remains appropriate to adopt the going concern basis of accounting in the preparation of the consolidated financial statements.

In light of the foregoing, the Company is of the view that Resumption Guidance (a) has been fulfilled.

Resumption Guidance (b) – demonstrate the Company's compliance with Rule 13.24

Business Model and Strategic Focus

The Group principally engages in property development and property investment in the PRC. In view of the continued adjustment of the PRC property market and prevailing financing conditions, the Group has adopted a prudent operating strategy focused on regional concentration, disciplined capital deployment and liquidity management.

The Group's projects are primarily located in the Yangtze River Delta Economic Zone, the West Strait Economic Zone and the Northwest Economic Zone, including Shanghai, Fuzhou, Xi'an and Baoji. The Group primarily focuses on the development of residential properties, as well as residential and commercial complex properties, product types including apartments, offices, retail shops, villas, etc. The Group adopts a selective investment approach and does not pursue aggressive geographical expansion.

In addition to property development, the Group holds certain investment properties, including commercial premises and hotel assets, which generate recurring rental and related income.

Operational Scale

The Group derives its revenue primarily from property sales and, to a lesser extent, property investment including rental income and property management and related fee income. The Group recorded a total revenue of approximately RMB1,267.9 million for the year ended 31 December 2025 (2024: approximately RMB2,078.1 million). For the year ended 31 December 2025, the Group achieved contracted sales of approximately RMB107.2 million (2024: approximately RMB167.0 million), of which approximately RMB97.5 million (2024: approximately RMB139.7 million) were attributable to the Group, and recorded contracted gross floor area ("**GFA**") sold of approximately 20,625 square metres ("**sq.m.**") (2024: approximately 14,140 sq.m.), of which approximately 19,607 sq.m. (2024: approximately 12,103 sq.m.) were attributable to the Group.

As at 31 December 2025, the Group had a quality land bank amounting to a total GFA of approximately 1,619,000 sq.m., of which approximately 1,444,000 sq.m. were attributable to the owners of the Company, located in three locations in the PRC, namely Shaanxi, Fujian and Shanghai. Furthermore, the Group had investment properties with a total GFA of approximately 610,769 sq.m. as at 31 December 2025.

As at the date of this announcement, the Group had nine property development projects under construction across multiple cities, including Shanghai, Hangzhou, Xi'an and Fuzhou, none of which has been suspended and all of which are progressing in an orderly manner. The Group also holds approximately RMB3.5 billion of completed but unsold properties, comprising residential units, commercial units, offices and car parking spaces, which provide an existing saleable resource base and reduce immediate reliance on new construction expenditure. The Group has entered into construction contracts for certain major projects with a large state-owned construction enterprise in the PRC, which has agreed in principle to provide partial construction advance funding arrangements subject to project-specific terms.

The Board considers that, having regard to the current project pipeline and construction arrangements in place, the Group maintains sufficient operational capacity and project delivery capability to support its ongoing development activities.

Asset Base

As at 31 December 2025, the Group's audited total assets amounted to approximately RMB14,631.1 million (31 December 2024: approximately RMB16,857.9 million), among which (i) properties under development for sale amounted to approximately RMB3,159.1 million (31 December 2024: approximately RMB3,427.1 million); (ii) completed properties for sale amounted to approximately RMB4,112.9 million (31 December 2024: approximately RMB5,723.1 million); and (iii) investment properties amounted to approximately RMB5,700.0 million (31 December 2024: approximately RMB6,005.5 million), together representing approximately 88.7% of the Group's total assets (31 December 2024: approximately 89.9%).

The Board considers that the Group maintains a substantial asset base predominantly comprising property development projects, completed inventory and income-generating investment properties, which provides underlying asset support for its operations and future development.

Liquidity and Indebtedness

As at 31 December 2025, the Group had bank and other borrowings of approximately RMB5,553.1 million (31 December 2024: approximately RMB5,833.1 million), all of which were due within one year or on demand. Certain borrowings were overdue and subject to cross-default provisions. As at 31 December 2025, the Group also had convertible bonds and promissory notes with an aggregate carrying amount of approximately RMB1,044.9 million (31 December 2024: approximately RMB1,040.5 million). As at 31 December 2025, the Group had cash and cash equivalents of approximately RMB40.5 million (31 December 2024: approximately RMB100.4 million).

Details of the Group's bank and other borrowings as at 31 December 2025, including those in direct default or subject to cross-default provisions, and the status of negotiations and subsequent developments up to the date of this announcement, are set out in "Revision of Cash Flow Forecast – (vii) Bank Borrowings, Advances from Third Parties and Financing Arrangements" above.

Conclusion

Based on the aforesaid, the Company considers that it carries out a business with a sufficient level of operations and assets of sufficient value to support its operations in compliance with Rule 13.24 of the Listing Rules and therefore, it has fulfilled Resumption Guidance (b).

Resumption Guidance (c) – re-comply with Rule 3.28

Reference is made to the announcement of the Company dated 11 March 2026 in relation to the appointment of company secretary of the Company. As disclosed in the announcement, Mr. Poon Wai Kong has been appointed as the company secretary of the Company with effect from 11 March 2026 and thus the Company re-complied with Rule 3.28 of the Listing Rules. As such, the Company is of the view that Resumption Guidance (c) has been fulfilled.

Resumption Guidance (d) – inform the market of all material information for the Shareholders and investors of the Company to appraise the Company's position

Since the suspension of trading, the Company has kept the Shareholders and investors of the Company informed of all material developments relating to the Group by way of the Announcements and this announcement. Accordingly, the Company is of the view that it has fulfilled Resumption Guidance (d).

RESUMPTION OF TRADING

At the request of the Company, trading in its shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on 1 April 2025. As all the conditions in the Resumption Guidance have now been fulfilled, an application has been made to the Stock Exchange for the resumption of trading in the shares of the Company with effect from 9:00 a.m. on 31 July 2026.

Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.

By Order of the Board
China Sandi Holdings Limited
Guo Jiadi
Chairman

Hong Kong, 30 July 2026

As at the date of this announcement, the Board comprises Mr. Guo Jiadi, Mr. Wang Chao and Dr. Poon Wai Kong, being the executive Directors; Ms. Amika Lan E Guo, being the non-executive Director; Mr. Liao Yiyi, Ms. Yu Huaxiu and Ms. Zhang Jianchan, being the independent non-executive Directors.