

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



CHINA CHENGTONG DEVELOPMENT GROUP LIMITED

中國誠通發展集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 217)

PROFIT WARNING

This announcement is issued by China Chengtong Development Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) 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).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary assessment of the unaudited consolidated management accounts of the Company for the year ended 31 December 2024 (“**FY2024**”) and the information currently available to the Board, the Group is expected to record a consolidated profit after tax within a range from approximately HK\$37 million to HK\$39 million for FY2024, which represented a decrease of approximately 43% to 46% as compared with the consolidated profit after tax recorded for the year ended 31 December 2023 (“**FY2023**”). The financial performance of the Group for FY2024 was mainly affected by the impact of external factors such as fluctuating interest rates, global inflation, geopolitical tensions and economic growth. The Group adopted more conservative approach to capitalise on market opportunities and was more discerning in engaging new leasing arrangements during FY2024. The revenue from the leasing segment decreased by approximately HK\$166 million or 28% from FY2023. Hence, the consolidated gross profit and net interest income of the Group for FY2024 decreased by approximately HK\$85 million or 29% year-on-year. In addition, the value of the Group’s investment property continued to be impacted by the downtrend of the overall real estate market in the People’s Republic of China in FY2024 and recorded an increase in the fair value loss on investment properties by more than HK\$7 million as compared with FY2023. The above impact was, however, partially offset by the reduction in impairment losses under expected credit loss model on the Group’s finance lease receivables and loan receivables and in finance costs by approximately HK\$48 million and approximately HK\$5 million respectively.

The Company is still in the process of finalising the consolidated results of the Group for FY2024. The information contained in this announcement is only a preliminary assessment by the management of the Company based on unaudited figures and information made available to the Board as at the date hereof and is not based on any figures or information which has been audited by the Company's auditor. Detailed financial information of the Company for FY2024 will be disclosed in the annual results announcement of the Company, which is expected to be published on 3 March 2025.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
China Chengtong Development Group Limited
Li Qian
Chairman

Hong Kong, 24 February 2025

As at the date of this announcement, the executive directors of the Company are Mr. Li Qian and Ms. Sun Jie; and the independent non-executive directors of the Company are Professor Chang Qing, Mr. Lee Man Chun, Tony and Professor He Jia.