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China New City Group Limited

中國新城市集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 1321)

**VOLUNTARY ANNOUNCEMENT
JOINT PROMOTION AND ESTABLISHMENT OF HONG KONG
REAL WORLD ASSETS GLOBAL INDUSTRY ALLIANCE**

This announcement is made by China New City Group Limited (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) on a voluntary basis.

JOINT PROMOTION AND ESTABLISHMENT OF THE ALLIANCE

The board of directors of the Company (the “**Board**”) is pleased to announce that the Company officially participated as one of the inaugural members in the joint promotion and establishment of the Hong Kong Real World Assets Global Industry Alliance (the “**Alliance**”) on 30 July 2025.

The Alliance is an initiative established to promote the digital transformation of real-world assets (“**RWAs**”). It aims to integrate global resources and foster cross-sector collaborations among academicians, experts and institutions from various industries to support the growth of the RWAs ecosystem in a compliant and coordinated manner. The Alliance is expected to, among other things, (i) focus on blockchain, artificial intelligences and Internet of Things (IoT) technologies to drive breakthroughs in asset digitalisation transformation across sectors such as real estate, green finance and cross-border trades; and (ii) explore mechanisms for cross-border asset digitalisation cooperations with ASEAN.

REASONS FOR AND BENEFITS OF JOINTLY PROMOTING AND ESTABLISHING THE ALLIANCE

As at 31 December 2024, the Group’s financial statements reported an investment property portfolio valued at approximately RMB4,336.9 million. The Board has observed that the Group’s market capitalisation has consistently been lower than the book value of its net assets, indicating that the asset value has not been fully reflected in the capital market. As global corporations and institutions increasingly embrace digital currencies and decentralised finance, tokenisation of RWAs is emerging as a strategic component of financing needs and asset management. By leveraging the Alliance’s technical expertise, regulatory knowledge and collaborative resources, and through exploring tokenisation of RWAs, the Group aims to provide a more objective measure of the fair value of its assets and facilitate the release of their value.

GENERAL

The Company will make further announcement(s) on the Group's development in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, where applicable, as and when appropriate. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
China New City Group Limited
Shi Zhongan
Chairperson

The People's Republic of China, 31 July 2025

As at the date of this announcement, the Board comprises Mr Shi Nanlu, Mr Jin Jianrong and Ms Chen Jing as executive Directors; Mr Shi Zhongan as non-executive Director; and Mr Xu Chengfa, Mr Lam Yau Yiu and Mr Yuan Yuan as independent non-executive Directors.