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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)

PROFIT WARNING

This announcement is made by China New City Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 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 under 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 review of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2025 (the “**2025 Period**”) and assessment of the latest information currently available to the Board, the Group expects to record a net loss of not more than approximately RMB40 million for the 2025 Period as compared to a net profit of approximately RMB347.5 million for the six months ended 30 June 2024 (the “**2024 Period**”).

The expected change from profit to loss for the 2025 Period is mainly attributable to the completion of the majority of revenue recognition for sales of the Group’s International Office Center (IOC) Building A2.1 project in 2024 (approximately 76% of the contract sales of the project was recognised as of 31 December 2024, and as of 30 June 2025, approximately RMB300 million of sales revenue of the project is estimated to be recognised), resulting in a significant decline in revenue from the commercial property development business segment of the Group of not more than approximately 94% as compared to the 2024 Period. Nonetheless, the Group expects to record an increase in revenue from the property rental business segment of not less than approximately 30% as compared to the 2024 Period, which provides the Group a stable cash inflow.

The information in this announcement is only based on the preliminary review and assessment made by the Board with reference to the information currently available to the Company, including the unaudited consolidated management accounts of the Group for the 2025 Period, and hence may be subject to further adjustments. The unaudited consolidated management accounts of the Group for the 2025 Period have not yet been finalised or reviewed and confirmed by the auditor of the Company or the audit committee of the Board. Details of the financial information and performance of the Group for the 2025 Period will be disclosed in the interim results announcement of the Company for the 2025 Period, which is expected to be published on 22 August 2025.

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

By order of the Board
China New City Group Limited
中國新城市集團有限公司
Shi Zhongan
Chairperson

The People's Republic of China, 20 August 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.