

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 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)

ANNOUNCEMENT OF ANNUAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2024

FINANCIAL HIGHLIGHTS

	For the year ended 31 December		Change
	2024	2023	
	<i>RMB'000</i>	<i>RMB'000</i>	
Revenue	4,103,756	1,297,235	216.3%
Gross profit	2,059,209	368,097	459.4%
Profit/(loss) for the year	485,768	(425,133)	214.3%
Profit/(loss) attributable to owners of the parent	503,909	(404,136)	224.7%
Earnings/(loss) per share attributable to ordinary equity holders of the parent			
– Basic	RMB25.1 cents	RMB(20.1) cents	
– Diluted	RMB25.1 cents	RMB(20.1) cents	
	As at 31 December		Change
	2024	2023	
	<i>RMB'000</i>	<i>RMB'000</i>	
Total assets	13,385,727	13,533,007	-1.1%
Net assets	5,342,134	4,840,839	10.4%
Net assets value per share	RMB2.66	RMB2.41	10.4%

The board of directors (the “**Board**” or the “**Directors**”) of China New City Group Limited (the “**Company**”) is pleased to announce the consolidated annual results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2024 (the “**FY2024**”), together with the comparative figures for the corresponding year ended 31 December 2023 (the “**FY2023**”), and such annual results have been reviewed by the audit committee of the Company (the “**Audit Committee**”) and agreed with the auditors of the Company.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2024

	<i>Notes</i>	2024 RMB'000	2023 RMB'000
Revenue	4	4,103,756	1,297,235
Cost of sales		<u>(2,044,547)</u>	<u>(929,138)</u>
Gross profit		2,059,209	368,097
Other income and gains, net	4	54,956	12,669
Selling and distribution expenses		(147,582)	(171,979)
Administrative expenses		(120,407)	(170,607)
Other expenses		(95,250)	(59,897)
Finance costs	5	(118,180)	(101,976)
Share of losses of joint ventures		(7,264)	(663)
Changes in fair value of investment properties		<u>(495,100)</u>	<u>(352,311)</u>
Profit/(loss) before tax	6	1,130,382	(476,667)
Income tax (expense)/credit	7	<u>(644,614)</u>	51,534
Profit/(loss) for the year		<u>485,768</u>	<u>(425,133)</u>
Attributable to:			
Owners of the parent		503,909	(404,136)
Non-controlling interests		<u>(18,141)</u>	<u>(20,997)</u>
		<u>485,768</u>	<u>(425,133)</u>
Earnings/(loss) per share attributable to ordinary equity holders of the parent	8		
Basic		<u>RMB25.1 cents</u>	<u>RMB (20.1 cents)</u>
Diluted		<u>RMB25.1 cents</u>	<u>RMB (20.1 cents)</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Profit/(loss) for the year	<u>485,768</u>	<u>(425,133)</u>
Other comprehensive income		
Other comprehensive income that may be reclassified to profit/(loss) in subsequent periods:		
Exchange differences:		
Exchange differences on translation of foreign operations	<u>10,114</u>	<u>(30,295)</u>
Net other comprehensive income that may be reclassified to profit/(loss) in subsequent periods	<u>10,114</u>	<u>(30,295)</u>
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Exchange differences:		
Exchange differences on translation of foreign operations	17,370	(17,524)
Equity investments designated at fair value through other comprehensive income:		
Changes in fair value	(17,041)	3,861
Income tax effect	<u>4,260</u>	<u>(965)</u>
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	<u>4,589</u>	<u>(14,628)</u>
Total comprehensive income for the year	<u>500,471</u>	<u>(470,056)</u>
Attributable to:		
Owners of the parent	518,612	(449,059)
Non-controlling interests	<u>(18,141)</u>	<u>(20,997)</u>
	<u>500,471</u>	<u>(470,056)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	<i>Notes</i>	2024 RMB'000	2023 <i>RMB'000</i>
Non-current assets			
Property and equipment		2,183,115	2,313,326
Investment properties		4,336,900	4,840,200
Properties under development		439,451	955,096
Right-of-use assets		17,081	75,440
Equity investments designated at fair value through other comprehensive income		340,354	357,395
Long term prepayments		358,632	297,615
Investment in joint ventures		24,499	36,389
Deferred tax assets		36,959	66,899
Restricted cash		–	105,000
		<hr/>	<hr/>
Total non-current assets		7,736,991	9,047,360
Current assets			
Completed properties held for sale		4,085,699	1,276,276
Properties under development		–	2,362,183
Inventories		24,425	36,410
Trade receivables	10	61,081	70,013
Prepayments, other receivables and other assets		326,819	442,965
Amounts due from a related company		237,788	–
Financial assets at fair value through profit or loss		37	36
Restricted cash		47,088	98,009
Cash and cash equivalents		838,999	181,155
Investment properties classified as held for sale		26,800	18,600
		<hr/>	<hr/>
Total current assets		5,648,736	4,485,647
Current liabilities			
Trade payables	11	1,543,308	575,018
Other payables and accruals		301,256	321,663
Contract liabilities		923,714	3,060,168
Amounts due to related companies		46,479	329,924
Interest-bearing bank and other borrowings		1,072,160	584,860
Lease liabilities		10,669	49,110
Tax payable		1,157,891	411,449
		<hr/>	<hr/>
Total current liabilities		5,055,477	5,332,192

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 31 December 2024

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Net current assets/(liabilities)	<u>593,259</u>	<u>(846,545)</u>
Total assets less current liabilities	<u><u>8,330,250</u></u>	<u><u>8,200,815</u></u>
Non-current liabilities		
Interest-bearing bank and other borrowings	2,327,020	2,534,180
Deferred tax liabilities	640,576	733,923
Lease liabilities	<u>20,520</u>	<u>91,873</u>
Total non-current liabilities	<u>2,988,116</u>	<u>3,359,976</u>
Net assets	<u><u>5,342,134</u></u>	<u><u>4,840,839</u></u>
Equity		
Equity attributable to owners of the parent		
Share capital	160,220	160,220
Reserves	<u>5,105,278</u>	<u>4,586,666</u>
	5,265,498	4,746,886
Non-controlling interests	<u>76,636</u>	<u>93,953</u>
Total equity	<u><u>5,342,134</u></u>	<u><u>4,840,839</u></u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

1. Corporate and Group information

China New City Group Limited (the “**Company**”) is a limited liability company incorporated as an exempted company in the Cayman Islands on 2 July 2013 under the Companies Act of the Cayman Islands. The registered office address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The Company was separately listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) with the stock code “**1321**” on 10 July 2014 and raised capital amounting to HK\$608 million from the market.

The Company is an investment holding company. The Company and its subsidiaries (together, the “**Group**”) were members of Zhong An Group Limited (“**Zhong An**”) and its subsidiaries (“**Zhong An Group**”). Zhong An, the shares of which have been listed on the Main Board of the Stock Exchange since November 2007, is the holding company of Zhong An Group.

The Group is principally engaged in commercial property development, leasing and hotel operations.

In the opinion of the Company’s directors (the “**Directors**”), the ultimate holding company of the Company is Whole Good Management Limited, a company incorporated in the British Virgin Islands on 3 May 2007.

2. Basis of preparation and accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (“**IFRSs**”), which comprise standards and interpretations approved by the International Accounting Standards Board (the “**IASB**”), and International Accounting Standards and Standing Interpretations Committee interpretations approved by the International Accounting Standards Committee and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, investment properties classified as held for sale, equity investments designated at fair value through other comprehensive income and financial assets at fair value through profit or loss which have been measured at fair value as explained in the accounting policies set out below. These financial statements are presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2024. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group’s voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 Changes in accounting policies and disclosures

The Group has adopted the following new and revised IFRSs for the first time for the current year's financial statements.

Amendments to IFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to IAS 1	<i>Classification of Liabilities as Current or Non-current (the "2020 Amendments")</i>
Amendments to IAS 1	<i>Non-current Liabilities with Covenants (the "2022 Amendments")</i>
Amendments to IAS 7 and IFRS 7	<i>Supplier Finance Arrangements</i>

The revised standards have had no significant financial effect on these financial statements.

2.3 Issued but not yet effective International Financial Reporting Standards

The Group has not applied the following new and revised IFRSs, that have been issued but are not yet effective, in these financial statements. The Group intends to apply these revised IFRSs, if applicable, when they become effective.

IFRS 18	<i>Presentation and Disclosure in Financial Statements³</i>
IFRS 19	<i>Subsidiaries without Public Accountability: Disclosures³</i>
Amendments to IFRS 9 and IFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments²</i>
Amendments to IFRS 9 and IFRS 7	<i>Contracts Referencing Nature-dependent Electricity²</i>
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture⁴</i>
Amendments to IAS 21	<i>Lack of Exchangeability¹</i>
<i>Annual Improvements to HKFRS Accounting Standards – Volume 11</i>	<i>Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7²</i>

¹ Effective for annual periods beginning on or after 1 January 2025

² Effective for annual periods beginning on or after 1 January 2026

³ Effective for annual/reporting periods beginning on or after 1 January 2027

⁴ No mandatory effective date yet determined but available for adoption

2.3 Issued but not yet effective International Financial Reporting Standards (continued)

The Group is in the process of making an assessment of the impact of these new and revised IFRSs upon initial application. So far, the Group considers that, these new and revised IFRSs are unlikely to have a significant impact on the Group's results of operations and financial position.

3. Operating segment information

For management purposes, the Group is organised into business units based on income derived from business and has four reportable operating segments as follows:

- (a) the commercial property development segment develops and sells commercial properties in Chinese Mainland and Japan;
- (b) the property rental segment leases investment properties in Chinese Mainland;
- (c) the hotel operations segment owns and operates hotels; and
- (d) the "others" segment comprises, the Group's project management business and other business that the Group is involved in.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit/loss before tax except that interest income and finance costs are excluded from the measurement.

Segment assets exclude deferred tax assets, tax recoverable, cash and cash equivalents, and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude interest-bearing bank and other borrowings, tax payable, deferred tax liabilities and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

Year ended 31 December 2024	Commercial property development <i>RMB'000</i>	Property rental <i>RMB'000</i>	Hotel operations <i>RMB'000</i>	Other services <i>RMB'000</i>	Total <i>RMB'000</i>
Segment revenue					
Sales to external customers	3,704,508	122,274	224,586	52,388	4,103,756
Intersegment sales	–	20,052	–	3,873	23,925
	<u>3,704,508</u>	<u>142,326</u>	<u>224,586</u>	<u>56,261</u>	<u>4,127,681</u>
<i>Reconciliation:</i>					
Elimination of intersegment sales					<u>(23,925)</u>
Revenue					<u>4,103,756</u>
Segment results	1,776,220	(488,642)	(31,514)	(24,790)	1,231,274
<i>Reconciliation:</i>					
Interest income					17,288
Finance costs					<u>(118,180)</u>
Profit before tax					<u>1,130,382</u>
Segment assets	6,201,139	4,673,438	1,913,326	765,905	13,553,808
<i>Reconciliation:</i>					
Elimination of intersegment receivables					(1,144,777)
Corporate and other unallocated assets					<u>976,696</u>
Total assets					<u>13,385,727</u>
Segment liabilities	2,479,054	371,202	679,232	412,300	3,941,788
<i>Reconciliation:</i>					
Elimination of intersegment payables					(1,144,777)
Corporate and other unallocated liabilities					<u>5,246,582</u>
Total liabilities					<u>8,043,593</u>
Other segment information:					
Share of losses of joint ventures	–	–	–	7,264	7,264
Impairment losses recognized in the statement of profit or loss	–	–	49,141	28,523	77,664
Depreciation and amortisation	9,642	6,408	77,292	28,442	121,784
Investment in joint ventures	–	–	–	24,499	24,499
Capital expenditure	<u>11,618</u>	<u>8,824</u>	<u>22,907</u>	<u>1,641</u>	<u>44,990</u>

Year ended 31 December 2023	Commercial property development <i>RMB'000</i>	Property rental <i>RMB'000</i>	Hotel operations <i>RMB'000</i>	Other services <i>RMB'000</i>	Total <i>RMB'000</i>
Segment revenue					
Sales to external customers	825,373	110,712	257,923	103,227	1,297,235
Intersegment sales	–	31,989	–	–	31,989
	825,373	142,701	257,923	103,227	1,329,224
<i>Reconciliation:</i>					
Elimination of intersegment sales					(31,989)
Revenue					<u>1,297,235</u>
Segment results	65,040	(366,308)	(51,238)	(26,060)	(378,566)
<i>Reconciliation:</i>					
Interest income					3,875
Finance costs					(101,976)
Loss before tax					<u>(476,667)</u>
Segment assets	6,958,645	4,877,191	1,904,211	416,944	14,156,991
<i>Reconciliation:</i>					
Elimination of intersegment receivables					(1,270,427)
Corporate and other unallocated assets					646,443
Total assets					<u>13,533,007</u>
Segment liabilities	4,202,164	355,875	690,886	463,448	5,712,373
<i>Reconciliation:</i>					
Elimination of intersegment payables					(1,270,427)
Corporate and other unallocated liabilities					4,250,222
Total liabilities					<u>8,692,168</u>
Other segment information:					
Share of losses of joint ventures	–	–	–	663	663
Impairment losses recognized in the statement of profit or loss	–	–	–	21,280	21,280
Depreciation and amortisation	8,808	215	96,287	44,216	149,526
Investment in joint ventures	–	–	–	36,389	36,389
Capital expenditure	2,206	758	13,926	54,009	70,899

Geographical information

(a) *Revenue from external customers*

Revenue	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Chinese Mainland	4,103,008	1,281,033
Others	748	16,202
	<u>4,103,756</u>	<u>1,297,235</u>

The revenue information above is based on the locations of the customers.

(b) *Non-current assets*

Non-current assets	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Chinese Mainland	7,299,787	8,542,737
Others	59,891	80,329
	<u>7,359,678</u>	<u>8,623,066</u>

The non-current asset information above is based on the locations of the assets and excludes equity investments designated at fair value through other comprehensive income and deferred tax assets.

Information about major customers

No sales to a single customer or a group of customers under common control accounted for 10% or more of the Group's revenue for the years ended 31 December 2024 and 2023.

4. Revenue, other income and gains, net, and other expenses

An analysis of revenue is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
<i>Revenue from contracts with customers</i>	3,981,482	1,186,523
<i>Revenue from other sources</i>		
Gross rental income from investment property operating leases	<u>122,274</u>	<u>110,712</u>
	<u>4,103,756</u>	<u>1,297,235</u>

Revenue from contracts with customers

(i) *Disaggregated revenue information*

For the year ended 31 December 2024

Segments	Commercial property development <i>RMB'000</i>	Hotel operations <i>RMB'000</i>	Other services <i>RMB'000</i>	Total <i>RMB'000</i>
Types of goods or services				
Sale of properties	3,704,508	–	–	3,704,508
Hotel operation services	–	224,586	–	224,586
Other services	–	–	52,388	52,388
Total revenue from contracts with customers	<u>3,704,508</u>	<u>224,586</u>	<u>52,388</u>	<u>3,981,482</u>
Timing of revenue recognition				
At a point in time	3,704,508	224,586	–	3,929,094
Over time	–	–	52,388	52,388
Total revenue from contracts with customers	<u>3,704,508</u>	<u>224,586</u>	<u>52,388</u>	<u>3,981,482</u>

For the year ended 31 December 2023

Segments	Commercial property development <i>RMB'000</i>	Hotel operations <i>RMB'000</i>	Other services <i>RMB'000</i>	Total <i>RMB'000</i>
Types of goods or services				
Sale of properties	825,373	–	–	825,373
Hotel operation services	–	257,923	–	257,923
Other services	–	–	103,227	103,227
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total revenue from contracts with customers	<u>825,373</u>	<u>257,923</u>	<u>103,227</u>	<u>1,186,523</u>
Timing of revenue recognition				
At a point in time	825,373	257,923	–	1,083,296
Over time	–	–	103,227	103,227
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total revenue from contracts with customers	<u>825,373</u>	<u>257,923</u>	<u>103,227</u>	<u>1,186,523</u>

Revenue from the sale of properties recognised during the year ended 31 December 2024 that was included in contract liabilities at the beginning of the reporting period amounted to RMB3,002,283,000 (2023: RMB403,290,000).

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Other income		
Subsidy income*	478	871
Interest income	17,288	3,875
Others	7,049	7,404
	<u> </u>	<u> </u>
	24,815	12,150
Gains		
Gain on disposal of items of right-of-use assets	24,402	–
Gain on compensation of lease termination	2,876	–
Gain on disposal of items of property and equipment	–	519
Gain on disposal of subsidiaries	2,863	–
	<u> </u>	<u> </u>
	30,141	519
	<u> </u>	<u> </u>
	54,956	12,669

* There are no unfulfilled conditions or contingencies relating to these grants.

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Other expenses		
Impairment provision for property and equipment	(59,481)	(1,653)
Impairment of an investment in a joint venture	(5,626)	–
Impairment provision for right-of-use assets	(2,166)	(729)
Loss on disposal of items of property and equipment	(2,749)	–
Impairment of financial assets	(10,391)	(18,898)
Loss on disposal of subsidiaries	–	(8,189)
Loss on disposal of investment properties	–	(4,382)
Loss on disposal of right-of-use assets	–	(4,834)
Foreign exchange loss	(1,359)	(6,844)
Donations	(1,712)	(21)
Compensation	(912)	(7,305)
Others	(10,854)	(7,042)
	<u>(95,250)</u>	<u>(59,897)</u>

5. Finance costs

An analysis of the Group's finance costs is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Interest on bank and other borrowings	178,170	221,372
Interest on lease liabilities	<u>3,342</u>	<u>5,074</u>
Total interest expense on financial liabilities		
not at fair value through profit or loss	181,512	226,446
Less: Interest capitalised in properties under development	<u>63,332</u>	<u>124,470</u>
	<u>118,180</u>	<u>101,976</u>

6. Profit/(loss) before tax

The Group's profit/(loss) before tax is arrived at after charging/(crediting):

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Cost of properties sold	1,818,398	655,548
Depreciation of property and equipment	104,297	122,768
Depreciation of right-of-use assets	17,487	25,913
Amortisation of other intangible assets	–	845
Lease payments not included in the measurement of lease liabilities	7,266	10,000
Auditor's remuneration	1,970	2,100
Staff costs including directors' and chief executive's remuneration:		
– Salaries and other staff costs	79,288	106,584
– Pension scheme contributions*	14,281	17,687
Foreign exchange differences, net	1,359	6,844
Direct operating expenses (including repairs and maintenance arising on investment properties)	5,028	4,910
Loss on disposal of investment properties	–	4,382
(Gain)/loss on disposal of subsidiaries	(2,863)	8,189
Compensation of lease termination	(2,876)	–
(Gain)/loss on disposal of right-of-use assets	(24,402)	4,834
Loss/(gain) on disposal of items of property and equipment	2,749	(519)
Fair value losses, net:		
Changes in fair value of investment properties	495,100	352,311
Changes in fair value of financial assets at fair value through profit or loss	–	16
Impairment of financial assets **	10,391	18,898
Impairment provision for property and equipment **	59,481	1,653
Impairment of an investment in a joint venture	5,626	–
Impairment provision for right-of-use assets**	2,166	729

* There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

** Included in "Other expenses" in the consolidated statement of profit or loss.

7. Income tax

The Group's subsidiaries incorporated in Hong Kong and the Japan were not liable for income tax as they did not have any assessable profits currently arising in Hong Kong and the Japan during the year (2023: Nil).

The provision for the PRC income tax has been provided at the applicable income tax rate of 25% (2023: 25%) on the assessable profits of the Group's subsidiaries in Chinese Mainland.

LAT is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from the sale of properties less deductible expenditures including land costs, borrowing costs and other property development expenditures. The Group has estimated, made and included in taxation a provision for LAT according to the requirements set forth in the relevant PRC tax laws and regulations. Prior to the actual cash settlement of the LAT liabilities, the LAT liabilities are subject to the final review/approval by the tax authorities.

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Current – PRC corporate income tax for the year	208,507	44,797
Current – PRC LAT for the year	495,254	17,839
Deferred	(59,147)	(114,170)
	<u>644,614</u>	<u>(51,534)</u>
Total tax charge for the year	<u>644,614</u>	<u>(51,534)</u>

A reconciliation of the tax credit applicable to loss before tax using the statutory rate for the jurisdiction in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rate is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Profit/(loss) before tax	<u>1,130,382</u>	<u>(476,667)</u>
Tax at the statutory tax rate of 25% (2023: 25%)	282,596	(119,167)
Effect of withholding tax at 10% on the distributable profits of the Group's PRC subsidiaries	6,726	(1,188)
Expenses not deductible for tax	479	301
Tax losses utilised from previous periods	(24,009)	–
Tax losses and temporary differences not recognised	7,381	55,141
Provision for LAT	495,254	17,839
Tax effect on LAT	(123,813)	(4,460)
	<u>644,614</u>	<u>(51,534)</u>
Tax charge at the Group's effective rate	<u>644,614</u>	<u>(51,534)</u>
Tax payable in the consolidated statement of financial position represents:		
PRC corporate income tax	638,778	193,768
PRC LAT	519,113	217,681
	<u>1,157,891</u>	<u>411,449</u>

8. Earnings/(loss) per share attributable to ordinary equity holders of the parent

The calculation of basic earnings/(loss) per share is based on the profit for the year attributable to ordinary equity holders of the parent of RMB503,909,000 (2023: loss of RMB404,136,000) and the weighted average number of ordinary shares of 2,010,768,000 (2023: 2,010,768,000) outstanding during the year, as adjusted to reflect the rights issued during the year.

The calculation of basic loss per share is based on:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Profit/(loss)		
Profit/(loss) attributable to ordinary equity holders of the parent	<u>503,909</u>	<u>(404,136)</u>
	Number of shares	
	2024	2023
Shares		
Weighted average number of ordinary shares in issue during the year	<u>2,010,768,000</u>	<u>2,010,768,000</u>

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2024 and 2023.

9. Dividends

The Board does not recommend the payment of final dividend for the year ended 31 December 2024 (2023: Nil).

10. Trade receivables

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally one month, extending up to three months for major customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables related to various diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. The balances of trade receivables are non-interest-bearing and unsecured.

An ageing analysis of the trade receivables as at the end of the reporting period is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Within six months	55,063	67,535
Over six months but within one year	4,802	2,478
Over one year but within two years	<u>1,216</u>	<u>–</u>
	<u>61,081</u>	<u>70,013</u>

11. Trade payables

An ageing analysis of the Group's trade payables as at the end of the reporting period, based on the payment due dates, is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Within six months	701,370	482,634
Over six months but within one year	828,857	75,001
Over one year but within two years	3,557	17,383
Over two years but within three years	9,524	–
	<u>1,543,308</u>	<u>575,018</u>

The trade payables are unsecured and interest-free and are normally settled based on the progress of construction.

12. Commitments

(a) The Group had the following commitments for property development expenditure at the end of the reporting period:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Contracted, but not provided for: Properties under development	<u>160,697</u>	<u>1,497,185</u>

(b) *Payment commitment arising from the settlement deed*

On 7 January 2019, the Company allotted and issued 178,280,000 shares to settle the consideration of the acquisition of 22.65% equity interests in Zhejiang Xinnongdou Holdings Group Limited (“XND”) by Zhejiang Zhongan Shenglong Commercial Co., Ltd. (the “Purchaser”), an indirect non-wholly owned subsidiary of the Company, from Hangzhou Oriental Culture Tourism Group Co., Ltd. (the “Seller”) under the equity transfer agreement announced on 20 July 2018 (the “Transaction”). After the completion of the Transaction, the Seller filed a lawsuit against the Company and the Purchaser with respect to the Transaction. By mediation through the High People's Court of Zhejiang Province, the Company, the Purchaser and the Seller entered into a settlement deed, which became effective on 27 May 2024, to resolve and settle finally and absolutely all disputes of the parties with respect to the Transaction. Pursuant to the settlement deed, among other things, the Purchaser is required to pay RMB210,000,000 to the Seller by 30 June 2025. As at 31 December 2024, a sum of RMB130,000,000 out of the RMB210,000,000 was fully paid by the Purchaser to the Seller and the Group had a payment commitment of approximately RMB80,000,000 arising from the above settlement deed.

13. Contingent liabilities

Mortgage facilities granted by banks

The Group provided guarantees in respect of the mortgage facilities granted by certain banks to the purchasers of the Group's properties. Pursuant to the terms of the guarantee arrangements, in case of default on mortgage payments by the purchasers, the Group is responsible for repaying the outstanding mortgage loans together with any accrued interest and penalty owed by the defaulted purchasers to the banks. The Group is then entitled to take over the legal titles of the related properties. The Group's guarantee periods commence from the dates of grant of the relevant mortgage loans and end after the execution of individual purchasers' collateral agreements.

The Group did not incur any material losses during the reporting period in respect of the guarantees provided for mortgage facilities granted to purchasers of the Group's properties. The directors consider that in case of default on payments, the net realisable value of the related properties can cover the repayment of the outstanding mortgage loans together with any accrued interest and penalty, and therefore no provision has been made in connection with the guarantees.

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Guarantees given to banks for:		
Mortgage facilities granted to purchasers of the Group's properties	<u>359,727</u>	<u>363,960</u>

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

The Group is a large-scale enterprise integrating commercial development and operation, hotel management, film and television, education, cultural tourism and other industries, underpinned by ample commercial property resources with its sector layout spanning across the country. Bolstered by its forward-looking strategic vision and operating concepts that keep abreast of the times, the Group has now developed into a remarkable comprehensive commercial property developer in the Yangtze River Delta Region. It has been recognised as a “China’s Top Ten Commercial Property Developer”, “China Top 100 Commercial Property Enterprises”, “China’s Outstanding Real Estate Urban Renewal Enterprises” and “China’s Top 10 Commercial Property Companies in Brand Value” among others.

Business Review

Focusing on the four major business segments of industrial property development, commercial operations, hotel management, and industrial investment as its core, the Group also diversifies its business layout further in other emerging industries such as industrial services, rural cultural tourism, wholesale of agricultural products with intelligent approach, film and television education, and digital health. As such, a “golden circle” with strong synergy and circulation effects has been formed successfully between different segments.

Over the years, the Group has always adhered to prudent operations and continued to improve operating efficiency leveraging on its diversified industrial layout backed by strong urban development and operation services and industrial resource integration capabilities. For the FY2024, the Group’s consolidated revenue was approximately RMB4,103.8 million, representing a year-on-year increase of 216.3%; gross profit was approximately RMB2,059.2 million, representing a year-on-year increase of 459.4%, which is much higher than the revenue growth rate. The gross profit margin is approximately 50.2%, representing an increase of approximately 21.8 percentage points as compared to the FY2023. As at 31 December 2024, the Group’s total equity was approximately RMB5,342.1 million. The carrying amount of cash was approximately RMB886.1 million.

The Group’s turnaround from loss to profit for the FY2024 was mainly attributable to the revenue recognised from properties delivered by the Group for the International Office Centre (IOC) project, which recorded strong sales performance, during the FY2024.

Prospects and Outlook

The 2024 government work report of the People’s Republic of China (the “PRC”) delineates three pivotal tenets for China’s real estate sector: risk mitigation, adherence to baselines, and market stabilization. This policy framework supports the sector’s robust growth trajectory. Central government policies will maintain their efficacy, with local governments anticipated to refine their regulatory tactics. More importantly, the PRC government reiterates its commitment to the reasonable financing demands of real estate firms, heralding a more accommodative financing climate for private and mixed-ownership entities.

As market supply-demand dynamics evolve, the resurgence of buyer confidence and market sentiment is paramount. The real estate market is projected to recover incrementally as economic conditions and household incomes stabilize.

In this context, the Group will adhere to a prudent management ethos, ensuring financial solidity and efficient resource integration. We will vigorously pursue business innovation and steadfastly advance urban renewal projects, invigorating cities. Within the existing property market, we will explore innovative development paradigms to adeptly navigate market fluctuations, maintaining the Group's leading position in the competitive landscape.

DEVELOPMENT OF MAJOR PROJECTS

Hangzhou, Zhejiang Province

Fashion Color City

It is located in Xinjie Village, Xiaoshan District, Hangzhou. It consists of deluxe loft apartments, large flat floor apartments and shops, with a total floor area of approximately 26,087 sq.m. and a total GFA of approximately 78,261 sq.m., and is for commercial purposes. The construction of the project commenced in the third quarter of 2020 and the pre-sale started in the fourth quarter of 2020. It was completed in 2023. The pre-sales volume was within expectation during the year under review. As at the date of this announcement, this project had been substantially sold out apart from some car parking spaces and a few shops.

International Office Centre (IOC)

IOC is a large-scale integrated commercial complex located in Qianjiang Century City (錢江世紀城), Xiaoshan District, Hangzhou, comprising serviced apartments, shopping malls and offices. The total site area of Plot A for the project is 92,610 sq.m. and planned total GFA is 798,795 sq.m. The project is constructed in three phases, consisting of Plots A1, A2 and A3, among which, Plot A3 was completed in 2015, comprising serviced apartments, shops and underground car parking spaces with a total GFA of approximately 327,996 sq.m. Plot A3 had been sold out apart from a few units and car parking spaces. The construction of Plot A2 commenced in 2019 with a total GFA of approximately 263,555 sq.m and the pre-sale started in the third quarter of 2020. The sales volume of Plot A2 was within expectation during the year under review.

Long Ying Hui Jin Zuo (Bin He Yin)

It is located in Beigan Technology Innovation Park, Xiaoshan District, Hangzhou, and consists of large flat floors and shops, with a total floor area of approximately 12,819 sq.m., and a total GFA of approximately 44,867 sq.m., and is for commercial purposes. The construction of the project commenced in the fourth quarter of 2021 and the pre-sale was started in the third quarter of 2022, which is expected to be completed in 2024. The pre-sales volume was within expectation during the year under review. As at the date of this announcement, this project had been substantially sold out apart from a few units and car parking spaces.

2024 Recognised Sales

For the FY2024, the recognised sales of properties sold and delivered were approximately RMB3,704,508,000 (FY2023: approximately RMB825,373,000). For the FY2024, the total of the recognised GFA of properties delivered was approximately 119,695 sq.m. (FY2023: approximately 58,015 sq.m.). Details of the recognised sales of properties sold and delivered for the FY2024 are set out below:

	2024 (RMB million)	2023 (RMB million)
International Office Centre (IOC) A2	2,853.3	–
Long Ying Hui Jin Zuo (Bin He Yin)	373.9	–
Fashion Color City	220.6	547.2
Hidden Dragon Bay	193.8	226.4
Cixi New City	46.1	38.9
Jia Run Mansion	–	6.4
Xixi Manhattan	10.3	5.5
Commercial Plot 8 (Chaoyang Ginza)	3.3	–
Yuyao Zhong An Times Square Phase II	3.2	0.6
Xixi New City	–	0.4
	3,704.5	825.4

2024 Contracted Sales

The contracted sales area of the Group was approximately 69,727 sq.m. for the FY2024 (FY2023: approximately 102,717 sq.m.) and contracted sales revenue was approximately RMB1,312,600,000 for the FY2024 (FY2023: approximately RMB1,589,300,000). Details of the contracted sales of the major projects for the FY2024 are set out below:

Projects	City	Contracted amount (RMB million)	Contracted GFA sold (sq.m.)
International Office Centre A2	Hangzhou	674.7	13,791
Xinnongdu	Hangzhou	176.1	26,338
Fashion Color City	Hangzhou	181.2	11,400
Long Ying Hui Jin Zou (Bin He Yin)	Hangzhou	193.9	8,510
Cixi New City	Cixi	57.2	8,443
Hidden Dragon Bay	Hangzhou	12.6	296
Zhong An Times Square Phase II	Yuyao	3.4	–
International Office Centre A3	Hangzhou	1.1	–
Others (Commercial)	Hangzhou	12.4	949
		1,312.6	69,727

Land Reserve

As at 31 December 2024, the total GFA of land reserves held for development and/or sale of the Group was approximately 3,690,924 sq.m. (as at 31 December 2023: approximately 3,836,135 sq.m.).

Hotel Management

As at the date of this report, there are four hotels under the management of the Group, namely, Holiday Inn Hangzhou Xiaoshan, Qiandao Lake Bright Resort Hotel, Ningbo Bright Hotel and Huaibei Bright Hotel. For the FY2024, the hotel operation of the Group recorded a revenue of approximately RMB224,586,000 (FY2023: approximately RMB257,923,000), representing a decrease of approximately 12.9% during the FY2024 mainly due to the weak market, and the hotel occupancy rate dropped to approximately 63% (FY2023: approximately 69%).

Commercial Operation

The commercial operation income of the Group mainly comes from the leasing income of Highlong Plaza, International Office Centre (IOC), Yiwu Zhong An Square and Yuyao Zhong An Square with types of business including offices, shopping malls and community commercial complexes. The total revenue from such leasing business for the FY2024 was approximately RMB122,274,000 (FY2023: approximately RMB110,712,000), representing an increase of approximately 10.4%. The average occupancy rate of leasing properties (calculated by dividing total lease area by total area available for lease) was approximately 81% (FY2023: approximately 86%). The growth in total revenue from commercial operations this year was primarily driven by Yiwu Zhong An Square and the opening of newly added community commercial projects.

FINANCIAL ANALYSIS

REVENUE

The consolidated revenue of the Group amounted to approximately RMB4,103,756,000 for the FY2024, representing an increment of approximately RMB2,806,521,000 or 216.3% as compared to the FY2023. It mainly resulted from the substantial increase in the revenue from sales of commercial properties of approximately RMB2,879,135,000 as compared to FY2023. Among which, the International Office Centre (IOC) A2 project contributed approximately RMB2,853,287,000 to property sales.

GROSS PROFIT

The gross profit of the Group amounted to approximately RMB2,059,209,000 for the FY2024, representing an increase of approximately RMB1,691,112,000 or 459.4% as compared to the FY2023. Gross profit margin of the Group for the FY2024 was approximately 50.2%, enhanced by approximately 21.8 percentage points as compared to the FY2023. The outperformance in gross profit was mainly due to the increase in gross profit from the increase in property sales.

OTHER INCOME AND GAINS, NET

The other income and gains, net of the Group amounted to approximately RMB54,956,000 for the FY2024, representing an increase of approximately RMB42,287,000 or 333.8% as compared to the FY2023. The increase was mainly attributable to the Group recognizing gain on disposal of right-of-use assets amounting to approximately RMB24,402,000 from the termination of several leased assets in the FY2024, and a year-on-year increase of approximately RMB13,413,000 in interest income.

SELLING AND DISTRIBUTION EXPENSES

The selling and distribution expenses of the Group amounted to approximately RMB147,582,000 for the FY2024, representing a decrease of approximately RMB24,397,000 or 14.2% as compared to the FY2023. Such decline was attributable to the effective implementation of control measures to reduce costs and increase efficiency by the Group.

ADMINISTRATIVE EXPENSES

The administrative expenses of the Group amounted to approximately RMB120,407,000 for the FY2024, representing a decrease of approximately RMB50,200,000 or 29.4% as compared to the FY2023. Such decline was attributable to the effective implementation of control measures to reduce costs and increase efficiency by the Group.

OTHER EXPENSES

The other expenses of the Group amounted to approximately RMB95,250,000 for the FY2024, representing an increase of approximately RMB35,353,000 or 59.0% as compared to the FY2023. The increase was primarily due to an impairment provision for hotel assets of approximately RMB49,141,000 during the year.

FINANCE COSTS

The finance costs of the Group amounted to approximately RMB118,180,000 for the FY2024, representing an increase of approximately RMB16,204,000 or 15.9% as compared to the FY2023.

PROFIT FOR THE YEAR

The profit attributable to the Group was approximately RMB485,768,000 for the FY2024, as compared to a net loss of approximately RMB425,133,000 for the FY2023. Such profit for the FY2024 was mainly due to the revenue carried forward from commercial property projects of the Group in 2024, while sales of related properties generated EBIT of approximately RMB1,776,220,000 during the FY2024.

CAPITAL EXPENDITURE

The Group's capital expenditure requirements mainly relate to additions of its property and equipment. The Group spent approximately RMB44,990,000 on property and equipment during the FY2024.

SIGNIFICANT INVESTMENTS

The Group did not hold any significant investments during the FY2024.

CAPITAL STRUCTURE

As at 31 December 2024, the Group had aggregate cash and cash equivalents and restricted cash of approximately RMB886,087,000 (as at 31 December 2023: approximately RMB384,164,000). The current ratio (as measured by current assets to current liabilities) as at 31 December 2024 was 1.12 (as at 31 December 2023: 0.84).

As at 31 December 2024, the bank loans and other borrowings of the Group repayable within one year and after one year were approximately RMB1,072,160,000 and approximately RMB2,327,020,000, respectively (as at 31 December 2023: approximately RMB584,860,000 and approximately RMB2,534,180,000, respectively). As at 31 December 2024, except for certain bank and other borrowings amounting to approximately RMB390,680,000 (as at 31 December 2023: approximately RMB557,500,000) that bear interests at fixed rates, all bank loans bear interests at floating rates.

As at 31 December 2024, the Group's gearing ratio was 46% (as at 31 December 2023: 46%), which is net debt divided by capital plus net debt. Net debt includes interest-bearing bank and other borrowings, trade payables, other payables and accruals, and lease liabilities, less cash and cash equivalents. Capital represents equity attributable to owners of the parent.

PLEDGE OF ASSETS

As at 31 December 2024, the Group's bank borrowings and other borrowings of approximately RMB3,399,180,000 (as at 31 December 2023: approximately RMB3,119,040,000) were secured by the Group's pledge of assets as follows:

	As at 31 December 2024 RMB'000	As at 31 December 2023 RMB'000
Property and equipment	957,123	1,081,614
Investment properties	3,043,315	2,993,909
Properties under development	–	1,551,833
Completed properties held for sale	<u>2,328,953</u>	<u>–</u>
	<u>6,329,391</u>	<u>5,627,356</u>

FOREIGN EXCHANGE RISK AND TREASURY POLICIES

Foreign exchange risk represents the risk to the Group's financial conditions and results of operations arising from fluctuations of foreign exchange rate. The Group principally operates in the PRC and the revenue, operating cost and borrowings were mainly denominated in RMB. As a result, the Group has minimal exposure to exchange rate fluctuation. The interest rates for the Group's borrowings were both floating and fixed. Upward fluctuations in interest rates will increase the cost of borrowings.

The Group adopts conservative treasury policies in cash and financial management. Cash is generally placed in short-term deposits mostly denominated in RMB. The Group did not use any financial instruments for hedging purposes for the FY2024.

GUARANTEES AND CONTINGENT LIABILITIES

As at 31 December 2024, the Group's contingent liabilities were approximately RMB359,727,000 (as at 31 December 2023: approximately RMB363,960,000), which were mainly the guarantees provided by the Group in favor of certain banks for the grant of mortgage loans to purchasers of the Group's properties.

CAPITAL COMMITMENTS

As at 31 December 2024, the Group's capital commitments for property development expenditures amounted to approximately RMB160,697,000 (as at 31 December 2023: approximately RMB1,497,185,000). It is expected that the Group will finance such capital commitments from its own funds and bank loans.

As at 31 December 2024, the Group had a payment commitment of approximately RMB80,000,000 which arose from a settlement deed (the "**Settlement Deed**") entered into between Zhejiang Zhongan Shenglong Commercial Co., Ltd* (浙江眾安盛隆商業有限公司) ("**Zhong An Shenglong**"), an indirect non-wholly owned subsidiary of the Company, the Company and Hangzhou Oriental Culture Tourism Group Co., Ltd.* (杭州東方文化園旅業集團有限公司) ("**Hangzhou Oriental**") and which became effective on 17 May 2024, pursuant to which, among other things, Zhong An Shenglong was required to pay RMB210,000,000 to Hangzhou Oriental by 30 June 2025. As at 31 December 2024, a sum of RMB130,000,000 was fully paid by Zhong An Shenglong to Hangzhou Oriental in connection with the above Settlement Deed. Further details on the Settlement Deed were disclosed and set out in the Company's announcements dated 28 May 2024 and 5 August 2024, respectively, and the Company's circular dated 18 October 2024.

HUMAN RESOURCES AND REMUNERATION POLICY

As at 31 December 2024, the Group had 1,232 employees (as at 31 December 2023: 1,256). The employees' remuneration policy was determined by reference to factors such as remuneration information in respect of the local market, the overall remuneration standard in the industry, inflation level, corporate operating efficiency and performance of the employees. The Group conducts performance appraisal once every year for its employees, the results of which are applied to annual salary review and promotion assessment. The Group's employees are considered for the entitlement of annual bonus according to certain performance conditions and appraisal results. The Group also provides continuous learning and training programs to its employees to enhance their skills and knowledge, so as to maintain and enhance their competitiveness.

STRATEGIES

The management has developed sound strategies to overcome the abovementioned challenges and address the uncertainties faced by the Group, including formulating effective marketing strategies and plans and improving our products and services quality to consolidate our brand. The Group will put more effort into formulating new policies, guidelines, systems and processes to facilitate effective cost management, risk management, internal control and sustainable environmental management to enhance company management standards and corporate governance standards. For growth strategy, the Group will focus on identifying possible acquisitions with future development prospects and profitability to improve the returns on assets. The Group will further emphasise investor relations management, and continue to convey clearly the operation vision, business updates and future development strategies of the Group and other information to various stakeholders through press conferences, roadshows, media delegation visits and one-on-one analyst or investor interview and otherwise to strive for the recognition and support from various stakeholders and obtain more resources for business development and maximizing shareholders' value.

RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

Employees, customers and suppliers are the key stakeholders who affect the sustainability of our business. Engaging with those stakeholders will not only help us understand the possible risks and opportunities to our business, but also help us to mitigate risk and seize the opportunities in the real market situation.

The Group believes that our people are critical factors to the Group's success and competitiveness in the market. As such, we adopted a share option scheme on 20 May 2015 for the purpose of providing incentives and rewards to eligible participants who contributed to the success of the Group's operations.

Customer satisfaction with our services and products has profound effects on our profitability. Our dedicated sales team constantly communicates with our customers and potential customers to uncover and create customer needs and help customers make informed decisions. Grasping the market trend is the key for the Group to timely adjust our operating strategies to meet the market demands.

EVENTS AFTER THE REPORTING YEAR

There have been no significant events occurred after 31 December 2024 and up to the date of this announcement which require disclosure.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE ASPECTS

The Group has always been committed to maintaining the highest environmental and social standards to ensure sustainable business development. Our environmental, social and governance report is prepared in accordance with the Environmental, Social and Governance Reporting Code set out in Appendix C2 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and will be published on the websites of the Company and the Stock Exchange, respectively.

FINAL DIVIDEND

The Board does not recommend the payment of any final dividend for the FY2024 (FY2023: Nil).

SCOPE OF WORK OF ERNST & YOUNG

The figures above in respect of this annual results announcement for the FY2024 have been agreed with the Company's auditor, Ernst & Young, certified public accountants ("**Ernst & Young**"), to be consistent with the amounts set out in the Group's consolidated financial statements for the FY2024. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Ernst & Young on this announcement.

AUDIT COMMITTEE

The Audit Committee (comprising all the independent non-executive Directors) has reviewed the consolidated annual results of the Group for the FY2024, and reviewed with the management of the Group regarding the accounting standards and practices adopted by the Group, and discussed with them the internal controls and financial reporting matters.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the FY2024, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any Shares (including sale of treasury shares (as defined in the Listing Rules)) on the Stock Exchange (FY2023: Nil).

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding the Directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules.

The Company has made specific enquiries with all Directors and all Directors have confirmed that they have complied with the required standards set out in the Model Code during the FY2024 and up to the date of this announcement.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has adopted, in so far as they are applicable, the principles and the code provisions set out in the Corporate Governance Code in Appendix C1 to the Listing Rules (“CG Code”) as the basis of the Company’s corporate governance practices. The Board has reviewed the Company’s corporate governance practices and is satisfied that the Company has complied with the applicable code provisions set out in the CG Code during the FY2024 and up to the date of this announcement.

ANNUAL GENERAL MEETING

The annual general meeting (the “AGM”) of the Company will be held on 5 June 2025, Thursday. Notice of the AGM will be published on the websites of the Company (www.chinanewcity.com.cn) and the Stock Exchange (www.hkexnews.hk), and will be dispatched to the shareholders of the Company within the prescribed time and in such manner as required under the Listing Rules.

CLOSURE OF REGISTER OF MEMBERS

For determination of the entitlement to attend and vote at the AGM, the transfer books and register of members of the Company will be closed from 2 June 2025, Monday to 5 June 2025, Thursday (both days inclusive) during which period no transfer of shares of the Company will be effected. In order to qualify for attending and voting at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong branch registrar and transfer office, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on 30 May 2025, Friday.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT ON THE WEBSITES OF THE COMPANY AND THE STOCK EXCHANGE

This announcement is published on the websites of the Company (www.chinanewcity.com.cn) and the Stock Exchange (www.hkexnews.hk). The annual report of the Company for the FY2024 containing the relevant information required under the Listing Rules will be published on the above websites and dispatched to the Company’s shareholders in due course.

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, 27 March 2025

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

* For identification purpose only