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CHINA NEW TOWN DEVELOPMENT COMPANY LIMITED

中國新城鎮發展有限公司

(Incorporated as a business company limited by shares under the laws of the British Virgin Islands)

(Stock Code: 1278)

UNAUDITED INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

The board of directors (the “**Directors**” and the “**Board**”, respectively) of China New Town Development Company Limited (the “**Company**”) is pleased to announce the unaudited interim condensed consolidated financial statements of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 June 2025 (the “**Reporting Period**”), together with relevant comparative figures, as set out below:

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

*(Amount expressed in thousands of Renminbi (“**RMB**”) unless otherwise stated)*

		Six months ended 30 June	
		2025	2024
	Notes	(Unaudited)	(Unaudited)
Operating income		192,234	210,938
Revenue	5	167,569	158,692
Other income	6	24,665	52,246

		Six months ended 30 June	
		2025	2024
	<i>Notes</i>	(Unaudited)	(Unaudited)
Operating expenses		(114,615)	(120,525)
Cost of sales	7	(17,181)	(16,905)
Selling and administrative expenses	7	(51,738)	(48,163)
Finance costs	8	(45,229)	(47,455)
Other expenses	9	(15,934)	(22,120)
Reversal of impairment losses on financial assets		15,467	14,118
Operating profit		77,619	90,413
Share of losses from joint ventures and associates		(4,732)	(7,151)
Profit before tax		72,887	83,262
Income tax	10	(21,395)	(23,575)
Profit for the period		51,492	59,687
Other comprehensive income			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:			
Share of other comprehensive income of associates		5	743
Other comprehensive income for the period, net of tax		5	743
Total comprehensive income for the period, net of tax		51,497	60,430
Profit attributable to:			
Equity holders of the parent		48,680	51,649
Non-controlling interests		2,812	8,038
		51,492	59,687

		Six months ended 30 June	
		2025	2024
	<i>Notes</i>	(Unaudited)	(Unaudited)
Total comprehensive income attributable to:			
Equity holders of the parent		48,685	52,392
Non-controlling interests		<u>2,812</u>	<u>8,038</u>
		<u>51,497</u>	<u>60,430</u>
Earnings per share (RMB per share) attributable to ordinary equity holders of the parent:			
Basic and diluted, profit for the period	12	<u>0.0050</u>	<u>0.0053</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

(Amounts expressed in thousands of RMB unless otherwise stated)

		Group	
		30 June	31 December
		2025	2024
	<i>Notes</i>	(Unaudited)	(Audited)
Assets			
Non-current assets			
Investments in joint ventures		194,806	197,830
Investments in associates		227,342	226,070
Debt instruments at amortised cost	13	87,680	1,436,490
Financial assets at fair value through profit or loss	14	119,947	119,947
Investment property	15	1,465,700	1,465,700
Property, plant and equipment		7,207	7,736
Right-of-use assets	16	18,207	18,370
Other assets		1,952	1,479
		<hr/>	<hr/>
Total non-current assets		2,122,841	3,473,622
		<hr/>	<hr/>
Current assets			
Land development for sale	17	781,206	781,066
Prepayments		2,050	2,581
Other receivables	18	606,300	610,644
Trade receivables	19	45,835	45,629
Debt instruments at amortised cost	13	3,346,737	1,879,280
Other assets		6,383	6,369
Financial assets at fair value through profit or loss	14	34,985	51,097
Cash and bank balances	20	888,301	1,045,466
		<hr/>	<hr/>
Total current assets		5,711,797	4,422,132
		<hr/>	<hr/>
Total assets		7,834,638	7,895,754
		<hr/> <hr/>	<hr/> <hr/>

		Group	
		30 June	31 December
		2025	2024
<i>Notes</i>		(Unaudited)	(Audited)
Equity and liabilities			
Equity			
Attributable to:			
Equity holders of the parent:			
		4,070,201	4,070,201
Share capital			
		(470,283)	(484,202)
Accumulated losses			
		12,391	12,386
Foreign currency translation reserve			
		607,839	607,839
Other reserves			
		4,220,148	4,206,224
Non-controlling interests		494,998	492,186
		4,715,146	4,698,410
Total equity			
Liabilities			
Non-current liabilities			
Interest-bearing loans and borrowings	21	702,317	2,192,759
Other liabilities		5,823	5,900
Deferred tax liabilities		149,304	147,149
		857,444	2,345,808
Total non-current liabilities			

		Group	
		30 June	31 December
		2025	2024
	<i>Notes</i>	(Unaudited)	(Audited)
Current liabilities			
Interest-bearing loans and borrowings	21	1,575,436	108,088
Trade payables	22	85,585	86,762
Other payables and accruals	23	215,975	262,153
Advance from customers		26,729	30,267
Current income tax liabilities		24,923	23,215
Contract liabilities	24	333,400	341,051
Total current liabilities		2,262,048	851,536
Total liabilities		3,119,492	3,197,344
Total equity and liabilities		7,834,638	7,895,754
Net current assets		3,449,749	3,570,596
Total assets less current liabilities		5,572,590	7,044,218

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS*For the six months ended 30 June 2025**(Amounts expressed in thousands of RMB unless otherwise stated)*

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
Cash flows from operating activities		
Profit before tax	72,887	83,262
Adjustments for:		
Reversal of impairment losses	(15,467)	(14,118)
Depreciation of property, plant and equipment	795	564
Depreciation of right-of-use assets	5,451	5,778
Interest from debt instruments at amortised cost and dividend income from other investment	(111,631)	(94,870)
Net loss/(gain) on financial instruments at fair value through profit or loss	14,912	(3,301)
Amortisation of intangible assets	91	65
Share of losses from joint ventures and associates	4,732	7,151
Interest income from bank deposits	(6,699)	(15,097)
Interest expense on lease liabilities	200	381
Interest expense on loans and borrowings	45,029	47,074
Foreign exchange loss/(gain)	511	(612)
Operating profit before working capital changes	10,811	16,277
Increase in land development for sale	(140)	(404)
Decrease in prepayments	531	3
Decrease/(increase) in other receivables and other assets	3,665	(1,792)
(Increase)/decrease in trade receivables	(207)	14,026
Decrease in advances from customers	(3,538)	(6,698)
Decrease in contract liabilities	(7,651)	(19,122)
Decrease in trade and other payables	(71,997)	(17,520)
Cash generated from operating activities	(68,526)	(15,230)
Income tax paid	(17,533)	(13,905)
Net cash outflow from operating activities	(86,059)	(29,135)

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
Cash flows from investing activities		
Purchases of property, plant and equipment	(825)	(208)
Investments in joint ventures and associates	(2,981)	(30,000)
Capital expenditure on an investment property	(5)	(3,375)
Investments in debt instruments at amortised cost	(1,151,500)	(1,061,000)
Proceeds from recovery of debt instruments at amortised cost	1,050,000	973,368
Interest received from debt instruments at amortised cost and other investment	110,617	93,464
Proceeds from redemption in financial assets at fair value through profit or loss	5,367	57,494
Interest received from bank deposits	6,699	15,097
Gain from financial assets at fair value through profit or loss	—	1,389
Net cash inflow from investing activities	17,372	46,229
Cash flows from financing activities		
Proceeds from loans and borrowings	—	642,240
Repayment of loans and borrowings	—	(619,380)
Payment of lease liabilities	(2,361)	(5,628)
Dividends paid	(118)	(7)
Interest paid	(85,738)	(73,827)
Net cash outflow from financing activities	(88,217)	(56,602)
Net decrease in cash and cash equivalents	(156,904)	(39,508)
Effect of exchange rate changes on cash and cash equivalents	(261)	(18)
Cash and cash equivalents at beginning of period	1,045,466	1,454,360
Cash and cash equivalents at end of period	888,301	1,414,834

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

(Amounts expressed in thousands of RMB unless otherwise stated)

Six months ended 30 June 2025 (Unaudited)

	Attributable to equity holders of the parent					Non-controlling interests	Total Equity
	Share capital	Other reserves	Foreign currency translation reserve	Accumulated losses	Total		
As at 1 January 2025	<u>4,070,201</u>	<u>607,839</u>	<u>12,386</u>	<u>(484,202)</u>	<u>4,206,224</u>	<u>492,186</u>	<u>4,698,410</u>
Profit for the period	—	—	—	48,680	48,680	2,812	51,492
Other comprehensive income	<u>—</u>	<u>—</u>	<u>5</u>	<u>—</u>	<u>5</u>	<u>—</u>	<u>5</u>
Total comprehensive income	<u>—</u>	<u>—</u>	<u>5</u>	<u>48,680</u>	<u>48,685</u>	<u>2,812</u>	<u>51,497</u>
Dividends	<u>—</u>	<u>—</u>	<u>—</u>	<u>(34,761)</u>	<u>(34,761)</u>	<u>—</u>	<u>(34,761)</u>
As at 30 June 2025	<u><u>4,070,201</u></u>	<u><u>607,839</u></u>	<u><u>12,391</u></u>	<u><u>(470,283)</u></u>	<u><u>4,220,148</u></u>	<u><u>494,998</u></u>	<u><u>4,715,146</u></u>

Six months ended 30 June 2024 (Unaudited)

	Attributable to equity holders of the parent					Non-controlling interests	Total Equity
	Share capital	Other reserves	Foreign currency translation reserve	Accumulated losses	Total		
As at 1 January 2024	<u>4,070,201</u>	<u>607,839</u>	<u>9,804</u>	<u>(498,349)</u>	<u>4,189,495</u>	<u>480,629</u>	<u>4,670,124</u>
Profit for the period	—	—	—	51,649	51,649	8,038	59,687
Other comprehensive Income	<u>—</u>	<u>—</u>	<u>743</u>	<u>—</u>	<u>743</u>	<u>—</u>	<u>743</u>
Total comprehensive Income	<u>—</u>	<u>—</u>	<u>743</u>	<u>51,649</u>	<u>52,392</u>	<u>8,038</u>	<u>60,430</u>
Dividends	<u>—</u>	<u>—</u>	<u>—</u>	<u>(30,170)</u>	<u>(30,170)</u>	<u>—</u>	<u>(30,170)</u>
As at 30 June 2024	<u><u>4,070,201</u></u>	<u><u>607,839</u></u>	<u><u>10,547</u></u>	<u><u>(476,870)</u></u>	<u><u>4,211,717</u></u>	<u><u>488,667</u></u>	<u><u>4,700,384</u></u>

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(All amounts expressed in thousands of RMB unless otherwise stated)

1. CORPORATE INFORMATION

The Company was incorporated on 4 January 2006 in the British Virgin Islands (the “BVI”). After a series of reorganisations, on 14 November 2007, the Company was listed on the Main Board of the Singapore Exchange Securities Trading Limited (the “SGX-ST”). On 22 October 2010, the Company was listed on the Main Board of the HKEx by way of introduction. As a result, the Company was once dual-listed on the Main Boards of both the SGX-ST and the HKEx. The Company voluntarily delisted from the SGX-ST on 17 February 2017.

On 10 October 2013, the Company, China Development Bank International Holdings Limited (“CDBIH”) and SRE Investment Holding Limited (“SREI”) entered into a share subscription agreement, pursuant to which CDBIH agreed to subscribe for 5,347,921,071 new shares of the Company subject to the terms and conditions contained therein (the “**Subscription**”). The Subscription was completed in the first quarter of 2014. Upon the completion, CDBIH, a wholly-owned subsidiary of China Development Bank Capital Corporation Limited, became the largest shareholder of the Company.

On 11 June 2021, CDBIH entered into a share transfer agreement in respect of approximately 29.99% shares of the Company with Wuxi Communications Industry Group Co., Ltd. (“**Wuxi Communications**”) and Xitong International Holdings (HK) Limited (“**Xitong International**”), a wholly-owned subsidiary of Wuxi Communications, pursuant to which, CDBIH agreed to transfer 2,917,000,000 shares of the Company held by it to Xitong International, which represented approximately 29.99% of the issued shares of the Company (the “**Share Transfer**”). Upon the completion of the Share Transfer on 28 September 2021, Xitong International holds 2,917,000,000 shares (approximately 29.99% of the issued shares) of the Company as the largest shareholder; and CDBIH holds 2,430,921,071 shares (approximately 24.99% of the issued shares) of the Company as the second largest shareholder.

Since 2014, the Group has further optimised its business model in line with the development trend of new urbanization in China. With the business model of “investment + downstream operation”, on top of fixed income investment in urbanization projects, the Group introduces brands of urbanization to the region in the field of people’s livelihood improvement. At the same time, remaining market-oriented, it has expanded its equity investment business into such new economic sectors as the healthcare industry, strategic emerging industries, infotech application innovation industry.

2. BASIS OF PREPARATION

The interim condensed consolidated financial statements of the Group for the six months ended 30 June 2025 have been prepared in accordance with International Accounting Standards (“IAS”) 34 Interim Financial Reporting.

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2024.

The interim condensed consolidated financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand (’000) except when otherwise indicated.

(a) Basis of consolidation

The interim condensed consolidated financial statements include the financial statements of the Group for the Reporting Period. 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. Specifically, the Group controls an investee if, and only if, the Group has:

- (a) Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- (b) Exposure, or rights, to variable returns from its involvement with the investee
- (c) The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group 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(s) with other vote holders of the investee
- (b) Rights arising from other contractual arrangements
- (c) The Group’s voting rights and potential voting rights

The Group re-assesses 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 abovementioned. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are included in the interim condensed consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent company of the Group and to the non-controlling interests, even if it results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. 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.

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, non-controlling interests and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

(b) Operating cycle

The operating cycle of the Group is the period that elapse from the acquisition of assets for processing until their realisation in cash or cash equivalents. Due to the nature of the Group's business, the Group's normal operating cycle is longer than twelve months. The Group's current assets include assets (such as land development for sale) that are sold, consumed or realised within the normal operating cycle even when they are not expected to be realised within twelve months after the end of the Reporting Period, in accordance with International Accounting Standards ("IAS").

3. CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended IAS for the first time for the current period's financial information.

Amendments to IAS 21 — *Lack of Exchangeability*

The nature and impact of the amended IAS are described below:

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking.

The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the Group's interim condensed consolidated financial information.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on its products and services and has the following operating segments. The Group's operational assets and operations are located in Mainland China.

- Land development segment, which provides land infrastructure development, and construction of ancillary public facilities;
- Urbanization development segment, which is responsible for investments in new town projects;
- Property leasing segment, which provides property leasing services of investment property; and
- Others segment, which includes the provision of other services.

Management monitors the operating results of the Group's business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the interim condensed consolidated financial statements. However, group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to the operating segments.

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

The following tables present sales and profit information for the Group's operating segments for the six months ended 30 June 2025 and 2024, respectively:

<i>RMB'000</i>	For the six months ended 30 June 2025 (Unaudited)					Total
	Land development	Urbanization development	Property leasing	Others	Adjustments and eliminations	
Segment results						
External sales	3,010	111,631	52,928	—	—	167,569
Intersegment sales	—	—	—	—	—	—
Total segment sales	3,010	111,631	52,928	—	—	167,569
Segment profit	224	89,644	18,722	9,526	—	118,116
Finance costs					(45,229) ¹	(45,229)
Profit before income tax						72,887

¹ Profit for each operating segment of continuing operations does not include finance costs of RMB45,229 thousand.

For the six months ended 30 June 2024 (Unaudited)						
<i>RMB'000</i>	Land development	Urbanization development	Property leasing	Others	Adjustments and eliminations	Total
Segment results						
External sales	—	94,870	63,822	—	—	158,692
Intersegment sales	—	—	—	—	—	—
Total segment sales	—	94,870	63,822	—	—	158,692
Segment profit/(loss)	<u>12,484</u>	<u>78,110</u>	<u>45,253</u>	<u>(5,130)</u>	—	<u>130,717</u>
Finance costs					<u>(47,455)¹</u>	<u>(47,455)</u>
Profit before income tax						<u>83,262</u>

¹ Profit for each operating segment of continuing operations does not include finance costs of RMB47,455 thousand.

The following table presents assets and liabilities information for the Group's operating segments as at 30 June 2025 and 31 December 2024, respectively:

	Land development	Urbanization development	Property leasing	Others	Adjustments and eliminations	Total
Assets						
30 June 2025 (Unaudited)	<u>942,911</u>	<u>4,331,742</u>	<u>1,549,056</u>	<u>1,010,929</u>	—	<u>7,834,638</u>
31 December 2024 (Audited)	<u>1,000,399</u>	<u>4,677,230</u>	<u>1,662,532</u>	<u>555,593</u>	—	<u>7,895,754</u>
Liabilities						
30 June 2025 (Unaudited)	<u>489,877</u>	<u>49,846</u>	<u>62,864</u>	<u>64,925</u>	<u>2,451,980¹</u>	<u>3,119,492</u>
31 December 2024 (Audited)	<u>500,460</u>	<u>122,726</u>	<u>66,089</u>	<u>36,858</u>	<u>2,471,211¹</u>	<u>3,197,344</u>

¹ Liabilities in segments do not include current income tax liabilities of RMB24,923 thousand, interest-bearing loans and borrowings of RMB2,277,753 thousand, and deferred tax liabilities of RMB149,304 thousand as at 30 June 2025 as these liabilities are managed on a group basis.

Liabilities in segments do not include current income tax liabilities of RMB23,215 thousand, interest-bearing loans and borrowings of RMB2,300,847 thousand, and deferred tax liabilities of RMB147,149 thousand as at 31 December 2024 as these liabilities are managed on a group basis.

5. REVENUE

<i>RMB'000</i>	<i>Notes</i>	Six months ended 30 June 2025 (Unaudited)	Six months ended 30 June 2024 (Unaudited)
Land development	(a)	3,010	—
Property management	(a)	12,921	16,270
Revenue from contracts with customers	(a)	15,931	16,270
Rental income		40,007	47,552
Interest from debt instruments at amortised cost	(b)	111,631	93,474
Others	(c)	—	1,396
Revenue from other sources		151,638	142,422
Total revenue		167,569	158,692

(a) Revenue from contracts with customers

Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

<i>RMB'000</i>	Six months ended 30 June 2025 (Unaudited)		
	Land development	Property leasing	Total
Segments			
Type of goods or service			
Land development	3,010	—	3,010
Property management	—	12,921	12,921
	<u> </u>	<u> </u>	<u> </u>
Total revenue from contracts with customers	<u>3,010</u>	<u>12,921</u>	<u>15,931</u>
Timing of revenue recognition			
Services rendered over time	3,010	12,921	15,931
	<u> </u>	<u> </u>	<u> </u>

The Group's total revenue from contracts with customers is all derived from Mainland China.

<i>RMB'000</i>	Six months ended 30 June 2024 (Unaudited)		
	Land development	Property leasing	Total
Segments			
Type of goods or service			
Land development	—	—	—
Property management	—	16,270	16,270
	<u> </u>	<u> </u>	<u> </u>
Total revenue from contracts with customers	<u>—</u>	<u>16,270</u>	<u>16,270</u>
Timing of revenue recognition			
Services rendered over time	—	16,270	16,270
	<u> </u>	<u> </u>	<u> </u>

The Group's total revenue from contracts with customers is all derived from Mainland China.

(b) The detailed information of interest from debt instruments at amortised cost is as follows:

<i>RMB'000</i>	Six months ended 30 June 2025 (Unaudited)	Six months ended 30 June 2024 (Unaudited)
Wuxi Gaoxin District Industrial Park Project	14,230	14,308
Liyang High-tech District Intelligent Internet Vehicle Test Center Project	13,660	—
Zhuji Pingfengwu Ecological Cemetery Project	13,314	2,795
Wuxi Liangxi District Pharmaceutical Distribution Supply Chain Industry Project	11,654	—
Jiangsu Taizhou Jiangyan District New Infrastructure Industrial Park Project	10,038	—
Yangzhou Hanjiang Industry Upgrading Project	9,949	—
Taizhou Xinghua Urban Regeneration Project	7,542	—
Wuxi Xinwu District Canal Culture and Technology Industrial Park Construction Project	5,692	5,723
Taizhou Jinjiang Chengbei Park Project	5,094	—
Jiangyin Changjing Industrial Park Sewage-treatment Plant Project	4,405	5,523
Yangzhou Guangling Science and Technology Entrepreneurship Park Project	3,795	—
Liyang Economic Development Zone Aerodynamics Research Institute Project	3,679	—
Yangzhou Hanjiang Industrial Park Sewage Treatment Project	2,354	425
Wenzhou Lucheng District Fixed Income Project	887	—
Jingjiang Furuite Aluminum New Material Project	140	—
Yangzhou Hanjiang Industrial Park Infrastructure Project	—	21,969
Liyang High-tech Zone Industrial Base Quality Improvement and Upgrading Phase I Project	—	16,669
Wuxi Liangxi District Food Science and Technology Innovation Center Project	—	10,044
Yangzhou Jiangdu People's Hospital New Project	—	5,998
Hubei Daye Advanced Manufacturing Standard Plant Construction Project	—	4,677
Wuxi Guojin Commercial Factoring Fixed Income Phase II Project	—	1,684
Others	5,198	3,659
	111,631	93,474

(c) The detailed information of others is as follows:

<i>RMB'000</i>	Six months ended 30 June 2025 (Unaudited)	Six months ended 30 June 2024 (Unaudited)
CDB (Beijing) — BOCOMM New-Type Urbanization Development Fund	—	1,396

6. OTHER INCOME

<i>RMB'000</i>	Six months ended 30 June 2025 (Unaudited)	Six months ended 30 June 2024 (Unaudited)
Interest income from bank deposits	6,699	15,097
Investment income from financial instruments at fair value through profit or loss	4,227	23,997
Foreign exchange gain, net	—	612
Others	13,739	12,540
	24,665	52,246

7. EXPENSES BY NATURE

<i>RMB'000</i>	Six months ended 30 June 2025 (Unaudited)	Six months ended 30 June 2024 (Unaudited)
Cost of land development	1,970	60
Depreciation of property, plant and equipment	795	564
Depreciation of right-of-use assets	5,451	5,778
Employee benefits	29,585	22,509
Utility expenses	6,125	6,175
Advertising	110	475
Rental expenses	864	563
Property management service expenses	11,944	12,863
Other expenses	12,075	16,081
Total cost of sales, selling and administrative expenses	68,919	65,068

8. FINANCE COSTS

<i>RMB'000</i>	Six months ended 30 June 2025 (Unaudited)	Six months ended 30 June 2024 (Unaudited)
Interest on bank and other borrowings	45,029	47,074
Interest on lease liabilities	200	381
	<u>45,229</u>	<u>47,455</u>

No borrowing cost during the first half of 2025 and the first half of 2024 was capitalised.

9. OTHER EXPENSES

<i>RMB'000</i>	Six months ended 30 June 2025 (Unaudited)	Six months ended 30 June 2024 (Unaudited)
Bank charges	200	1,356
Net fair value loss on financial instruments at fair value through profit or loss	14,929	20,696
Foreign exchange loss, net	511	—
Others	294	68
	<u>15,934</u>	<u>22,120</u>

10. INCOME TAX

The Group is subject to income tax on an entity basis on profit arising in or derived from the tax jurisdictions in which members of the Group are domiciled and operate.

The Company is a tax-exempted company incorporated in the BVI.

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the Reporting Period.

The principal operating subsidiaries of the Company were subject to income tax at the rate of 25% (2024: 25%) on their taxable income according to the Income Tax Law of the People's Republic of China (the "PRC").

Mainland China — withholding tax

Pursuant to the laws governing the PRC Corporate Income Tax, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. The Group is therefore liable for withholding taxes on dividends distributed and remitted out of PRC by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

Pursuant to the laws governing the PRC Corporate Income Tax, a member of the Group, who is not a tax resident in the jurisdiction of the PRC, is subject to withholding tax at 10% on the income from Mainland China, such as interest income and gains from disposal of equity investments. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. The Group determined that such withholding tax is an income tax in the scope of IAS 12 and has recognised such withholding tax as a tax expense in the statement of profit or loss.

The major components of income tax are as follows:

RMB'000	Six months ended 30 June 2025 (Unaudited)	Six months ended 30 June 2024 (Unaudited)
Income tax charge:		
Current income tax	9,064	5,537
Deferred tax	2,555	11,305
Withholding tax	9,776	6,733
	<u>21,395</u>	<u>23,575</u>
Income tax charge as reported in profit or loss	<u>21,395</u>	<u>23,575</u>

11. DIVIDENDS

The distribution of a final dividend of HK\$0.0039 per ordinary share for the year ended 31 December 2024 (2023: HK\$0.0034) was approved by shareholders at the annual general meeting of the Company held on 19 June 2025.

The Board has declared an interim dividend of HK\$0.0016 per ordinary share during the Reporting Period (2024: nil). The Company expects an interim dividend to be paid to shareholders on Tuesday, 16 September 2025.

12. EARNINGS PER SHARE

The calculation of the basic earnings per share amount is based on the profit attributable to ordinary equity holders of the parent for the Reporting Period.

The following reflects the earnings and share data used in the basic and diluted earnings per share calculations:

RMB'000	Six months ended 30 June 2025 (Unaudited)	Six months ended 30 June 2024 (Unaudited)
Profit attributable to ordinary equity holders of the parent for basic and diluted earnings per share	<u>48,680</u>	<u>51,649</u>
Weighted average number of ordinary shares used to calculate the basic and diluted earnings per share	<u>9,726,246,417</u>	<u>9,726,246,417</u>
Basic and diluted earnings per share (RMB)	<u>0.0050</u>	<u>0.0053</u>

There were no transactions involving ordinary shares or potential ordinary shares during the Reporting Period.

13. DEBT INSTRUMENTS AT AMORTISED COST

<i>RMB'000</i>	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Wuxi Gaoxin District Industrial Park Project	500,000	500,000
Yangzhou Hanjiang Industry Upgrading Project	490,000	—
Zhuji Pingfengwu Ecological Cemetery Project	401,000	401,000
Nanchang Science and Technology Park Project of Chinese Academy of Sciences	400,000	400,000
Liyang High-tech District Intelligent Internet Vehicle Test Center Project	400,000	400,000
Wuxi Liangxi District Pharmaceutical Distribution Supply Chain Industry Project	351,000	351,000
Wuxi Xinwu District Canal Culture and Technology Industrial Park Construction Project	200,000	200,000
Taizhou Xinghua Urban Regeneration Project	200,000	200,000
Taizhou Jinjiang Chengbei Park Project	200,000	—
Liyang Economic Development Zone Aerodynamics Research Institute Project	200,000	—
Wenzhou Lucheng District Fixed Income Project	120,000	—
Yangzhou Guangling Science and Technology Entrepreneurship Park Project	100,000	100,000
Yangzhou Hanjiang Industrial Park Sewage Treatment Project	—	500,000
Jiangsu Taizhou Jiangyan District New Infrastructure Industrial Park Project	—	280,000
Jiangyin Changjing Industrial Park Sewage-treatment Plant Project	—	150,000
Jingjiang Furuite Aluminum New Material Project	—	70,000
Others	214,207	122,707
	3,776,207	3,674,707
Accrued interest	55,368	54,354
	3,831,575	3,729,061
Less: allowance for expected credit losses (“ECLs”)	(397,158)	(413,291)
	3,434,417	3,315,770
Amounts due in the next 12 months classified as current assets	3,346,737	1,879,280
Amounts classified as non-current assets	87,680	1,436,490

14. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

<i>RMB'000</i>	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Wealth management products	11,889	13,071
Equity instruments	143,043	157,973
	<u>154,932</u>	<u>171,044</u>

15. INVESTMENT PROPERTY

<i>RMB'000</i>	30 June 2025 (Unaudited)	31 December 2024 (Audited)
At beginning of Reporting Period/year	1,465,700	1,485,700
Subsequent expenditure and cost adjustment	—	(369)
Gain from increase in fair value	—	(19,631)
	<u>1,465,700</u>	<u>1,465,700</u>

16. RIGHT-OF-USE ASSETS

<i>RMB'000</i>	Building	Motor vehicles	Land	Total
As at 1 January 2024	27,666	269	1,452	29,387
Additions	612	—	—	612
Depreciation expense	(11,250)	(222)	(157)	(11,629)
	<u>17,028</u>	<u>47</u>	<u>1,295</u>	<u>18,370</u>
As at 31 December 2024	17,028	47	1,295	18,370
Additions	14,220	—	—	14,220
Depreciation expense	(5,336)	(47)	(68)	(5,451)
Disposals	(8,921)	—	(11)	(8,932)
	<u>16,991</u>	<u>—</u>	<u>1,216</u>	<u>18,207</u>
As at 30 June 2025	<u>16,991</u>	<u>—</u>	<u>1,216</u>	<u>18,207</u>

17. LAND DEVELOPMENT FOR SALE

<i>RMB'000</i>	30 June 2025 (Unaudited)	31 December 2024 (Audited)
The Mainland China — Shenyang Lixiang New Town Modern Agriculture Co., Ltd.	<u>781,206</u>	<u>781,066</u>

18. OTHER RECEIVABLES

<i>RMB'000</i>	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Balances due from Wuxi Project	20,977	20,977
Due from SREI	89,854	89,854
Balances due from entities disposed of	24,384	24,384
Due from joint ventures	496,816	496,416
Due from associates	789	1,956
Others	52,964	55,876
	<u>685,784</u>	<u>689,463</u>
Less: allowance for ECLs	<u>(79,484)</u>	<u>(78,819)</u>
Other receivables, net	<u>606,300</u>	<u>610,644</u>

19. TRADE RECEIVABLES

<i>RMB'000</i>	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Receivables from land development for sale	32,218	32,218
Others	17,669	17,462
	<u>49,887</u>	<u>49,680</u>
Less: allowance for ECLs	<u>(4,052)</u>	<u>(4,051)</u>
Trade receivables, net	<u>45,835</u>	<u>45,629</u>

An ageing analysis of the carrying amount of the trade receivables, net of allowance for ECLs based on the invoice dates are as follows:

<i>RMB'000</i>	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Within 6 months	13,921	13,715
6 months to 1 year	—	—
1 year to 2 years	—	—
2 years to 3 years	—	19
Over 3 years	31,914	31,895
	<u>45,835</u>	<u>45,629</u>

20. CASH AND BANK BALANCES

<i>RMB'000</i>	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Cash at banks	888,301	1,045,466

RMB equivalent of the following currencies:

<i>RMB'000</i>	30 June 2025 (Unaudited)	31 December 2024 (Audited)
RMB	838,949	990,222
HKD	2,180	5,577
USD	47,172	49,667
	888,301	1,045,466

21. INTEREST-BEARING LOANS AND BORROWINGS

Details of interest-bearing loans and borrowings are as follows:

<i>RMB'000</i>	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Current interest-bearing loans and borrowings		
Lease liabilities	10,246	11,639
Bank loans — secured	55,762	55,886
Guaranteed bonds	1,509,428	40,563
	1,575,436	108,088
Non-current interest-bearing loans and borrowings		
Lease liabilities	5,602	1,265
Bank loans — secured	549,124	549,124
Guaranteed bonds	—	1,498,194
Other borrowings	147,591	144,176
	702,317	2,192,759
	2,277,753	2,300,847

The interest-bearing loans and borrowings are repayable as follows:

<i>RMB'000</i>	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Within 6 months	62,895	6,047
6 months to 9 months	1,492	27,992
9 months to 12 months	1,511,049	74,049
Current interest-bearing loans and borrowings	1,575,436	108,088
1 year to 2 years	60,771	56,443
2 years to 5 years	404,832	1,899,602
Over 5 years	236,714	236,714
Non-current interest-bearing loans and borrowings	702,317	2,192,759
	2,277,753	2,300,847

The Group's interest-bearing loans and borrowings bore interest at 3.53% to 7% per annum for the Reporting Period (2024: at 3.88% to 7% per annum).

Bank loans — secured

As at 30 June 2025, bank borrowings of RMB604,886 thousand (31 December 2024: RMB605,010 thousand) were secured by the investment property, whose carrying amount at 30 June 2025 was RMB1.466 billion (31 December 2024: RMB1.466 billion).

Guaranteed bonds

As at 20 April 2023, CNTD Success Company Limited (“**Success**”), a wholly-owned subsidiary of the Company, completed the issuance of RMB1,500 million of guaranteed bonds with a maturity date of 27 April 2026. The net proceeds (net of underwriting commissions and some other expenses) amounted to RMB1,496 million, which will be used for project construction and supplement of the Company's working capital in accordance with applicable laws and regulations. The guaranteed bonds bear interest at coupon rate of 3.98% and are guaranteed by Wuxi Communications.

22. TRADE PAYABLES

<i>RMB'000</i>	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Payable for land development for sale	85,585	86,762

An ageing analysis of the Group's trade payables is as follows:

RMB'000	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Within 1 year	—	1,177
1 year to 2 years	—	—
Over 2 years	<u>85,585</u>	<u>85,585</u>
	<u>85,585</u>	<u>86,762</u>

Trade payables are non-interest-bearing.

23. OTHER PAYABLES AND ACCRUALS

RMB'000	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Payroll and Welfare	8,498	11,269
Other taxes payable	20,532	21,436
Amounts due to related parties	20,598	20,469
Payable for Intermediary and professional service charges	5,984	9,809
Dividend payables	35,002	359
Payable for investment property	3,817	5,767
Deposits	29,621	102,304
Others	<u>91,923</u>	<u>90,740</u>
	<u>215,975</u>	<u>262,153</u>

24. CONTRACT LIABILITIES

RMB'000	Note	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Contract liabilities arising from:			
Land development	(i)	330,085	338,095
Property management		<u>3,315</u>	<u>2,956</u>
		<u>333,400</u>	<u>341,051</u>

Note:

- (i) As at 30 June 2025 and 31 December 2024, the contract liabilities arising from land development for sale represented the amounts received or receivable from the land authorities or local governments to fulfil the performance obligations of land development services. The amounts received or receivable are non-refundable unless the Group fails to complete the development work. The contract liabilities are classified as current liabilities as the remaining development work is expected to be provided within the normal operating cycle.

25. FAIR VALUE AND FAIR VALUE HIERARCHY

Fair values of financial assets and liabilities

Fair value estimates are made at a specific point in time based on relevant market information and information about the various financial instruments. When an active market exists, such as an authorised securities exchange, the market value is the best reflection of the fair value of the financial instrument. For financial instruments where there is no active market or when current market prices are not available, their fair values are determined using valuation techniques.

The Group's financial assets mainly include debt instruments at amortised cost, cash and bank balances, financial assets at fair value through profit or loss, trade receivables and other receivables. The Group's financial liabilities mainly include interest-bearing loans and borrowings, financial liabilities at fair value through profit or loss and trade and other payables. The fair values of the Group's and the Company's financial instruments are not materially different from their carrying amounts.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair values:

- Level 1: fair values measured based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: fair values measured based on valuation techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: fair values measured based on valuation techniques for which any inputs which have a significant effect on the recorded fair value are not based on observable market data (unobservable inputs)

The following table shows the fair value measurement hierarchy of the Group's assets and liabilities.

Quantitative disclosures of assets and liabilities measured at fair value as at 30 June 2025:

		Fair value measurement using			
	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets/liabilities measured at fair value:					
Financial assets at fair value through profit or loss (<i>Note 14</i>)	30 June 2025	154,932	23,097	11,888	119,947
Investment property (<i>Note 15</i>)	30 June 2025	1,465,700	—	—	1,465,700

There were no transfers into or out of Level 3 during the Reporting Period. Financial assets at fair value through profit or loss of shares in WeRide Inc. were transferred out of Level 2 to Level 1 during the Reporting Period, whose amount was RMB38,026 thousand as at 31 December 2024 and RMB23,097 thousand as at 30 June 2025. Since WeRide Inc. had been listed in 2024 and had a restricted period of sale, the fair value could be measured by significant observable inputs.

Quantitative disclosures of assets and liabilities measured at fair value as at 31 December 2024:

		Fair value measurement using			
	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets/liabilities measured at fair value:					
Financial assets at fair value through profit or loss (<i>Note 14</i>)	31 December 2024	171,044	—	51,097	119,947
Investment property (<i>Note 15</i>)	31 December 2024	1,465,700	—	—	1,465,700

There were no transfers of fair value measurement between Level 1 and Level 2 during the year ended 31 December 2024. Financial assets at fair value through profit or loss of shares in WeRide Inc. were transferred out of Level 3 to Level 2 during the year ended 31 December 2024, whose amount was RMB43,872 thousand as at 31 December 2023 and RMB38,026 thousand as at 31 December 2024. Since WeRide Inc. had been listed in 2024 and had a restricted period of sale, the fair value could be measured by significant observable inputs.

26. FINANCIAL REVIEW/ABSTRACTS

a) Financial review of development of business of the Group during the Reporting Period and of its financial position at the end of the Reporting Period:

Operating Results

Revenue

Our results from operations mainly include land development, urbanization investment and property leasing. In the first half of 2025, the Group recorded revenue of RMB168 million, an increase of 6% as compared with the same period of 2024.

In the first half of 2025, the Group recorded revenue from land development of RMB3,010 thousand, while there was no such revenue for the same period of 2024. Revenue related to investment property leasing of RMB40,007 thousand and property management fee of RMB12,921 thousand were recorded, which represented a decrease of 17% as compared with the corresponding period of 2024, mainly due to a lower occupancy rate in 2025. Revenue from urbanization development increased by 19% to RMB111,631 thousand, which was mainly due to the increase in the balance of investment in urbanization projects as compared with the same period last year, corresponding to an increase in revenue from investment in projects.

Other income

In the first half of 2025, other income decreased by 53% as compared with the same period of 2024, which was mainly due to the decrease in the interest income from bank deposits of RMB8,398 thousand as compared with the same period last year, the decrease in investment income from financial instruments at fair value through profit or loss of RMB19,770 thousand as compared to that of last period, and the decrease in net foreign exchange gain of RMB612 thousand.

Cost of sales, and selling and administrative expenses

In the first half of 2025, cost and expense increased by RMB3,851 thousand as compared with the same period of 2024, which was mainly due to an increase of RMB1,910 thousand in land development cost carried forward for two school projects in the eastern part of Shanghai Golden Luodian Development Co., Ltd. (“SGLD”). Employee benefits increased by RMB7,076 thousand, while legal fees, board fees and litigation fees decreased by RMB530 thousand, RMB790 thousand, and RMB240 thousand respectively.

Other expenses

In the first half of 2025, other expenses decreased by 28% as compared with the same period of 2024, which was mainly due to the decrease in the bank charges of RMB1,156 thousand as compared with the same period of 2024, the net fair value loss on financial instruments at fair value through profit or loss decreased by RMB5,767 thousand as compared with the same period of 2024 and the increase in cost in others of RMB226 thousand as compared with the same period of 2024.

Reversal of impairment loss on financial assets

In the first half of 2024, the Group recorded reversal of impairment losses on financial assets of RMB14,118 thousand, which was mainly due to the reversal of impairment losses of RMB15,000 thousand in the first half of 2024 in respect of the trade receivables received by SGLD from the first level development and management contract of the Eastern Zone of Luodian New Town. In the first half of 2025, the Group recorded a reversal of impairment loss on financial assets of RMB15,467 thousand, mainly due to reversal of an impairment loss of RMB16,881 thousand after the Group adjusted its ECL provision rate from 1% to 0.5% based on the risk profile of investment projects.

Finance costs

In the first half of 2025, finance costs decreased by 4.7% compared with the same period in 2024, mainly due to the decrease in interest expenses on the guaranteed bonds of RMB137 thousand in the first half of 2025, and the decrease in interest of RMB1,225 thousand on a loan from China Merchants Bank Co., Ltd. as compared to the same period last year resulting from a lower interest rates.

Share of losses from joint ventures and associates

In the first half of 2025, the Group’s share of losses from joint ventures and associates was RMB4,732 thousand, representing a decrease of 34% as compared with the same period in 2024. The decrease was mainly because the long-term equity investment in its joint venture, Beijing Guowan Real Estate Co., Ltd. (“**Beijing Guowan**”), had been written down to zero at the end of 2024. Consequently, the investment losses from Beijing Guowan in the first half of 2025 were recognised in the impairment on financial assets.

Taxation

In the first half of 2025, the Group recorded income tax expense of RMB21,395 thousand, representing a decrease of RMB2,180 thousand as compared with the same period in 2024. Specifically, current income tax expenses increased by RMB3,527 thousand, deferred tax decreased by RMB8,750 thousand and withholding tax increased by RMB3,043 thousand.

Financial Position

Investments in associates

The balances as at 30 June 2025 increased by RMB1,272 thousand as compared with that as at 31 December 2024, which was mainly due to the new capital contribution of RMB2,975 thousand to Kaiyuan Education Fund LP, partially offset by the share of losses from associates of RMB1,709 thousand.

Investments in joint ventures

The balances as at 30 June 2025 decreased by RMB3,024 thousand as compared with that of 31 December 2024, which was mainly due to the share of loss of RMB3,024 thousand from joint ventures.

Debt instruments at amortised cost (non-current assets)

As at 30 June 2025, debt instruments at amortised cost (non-current assets) decreased by RMB1,349 million as compared with that of 31 December 2024, which was mainly due to the reclassification of the following investments from non-current to current assets in the first half of 2025: RMB500 million for the Wuxi Gaoxin District Industrial Park Project, RMB400 million for the Liyang High-tech District Intelligent Internet Vehicle Test Center Project, RMB351 million for the Wuxi Liangxi District Pharmaceutical Distribution Supply Chain Industry Project, and RMB200 million for the Wuxi Xinwu District Canal Culture and Technology Industrial Park Construction Project.

Financial assets at fair value through profit or loss (non-current assets)

As at 30 June 2025, financial assets at fair value through profit or loss (non-current assets) remained unchanged as compared to 31 December 2024.

Other receivables

As at 30 June 2025, other receivables decreased by RMB4,344 thousand as compared with that of 31 December 2024, which was mainly due to the decrease in receivables from associates and guarantee deposit receivable from the People's Government of Luodian Town by SGLD.

Debt instruments at amortised cost (current assets)

As at 30 June 2025, debt instruments at amortised cost (current assets) increased by RMB1,467 million as compared with that of 31 December 2024, which was mainly due to the collection of investments of RMB500 million in Yangzhou Hanjiang Industrial Park Sewage-treatment Plant Project, RMB280 million in Jiangsu Taizhou Jiangyan District New Infrastructure Industrial Park Project, RMB150 million in Jiangyin Changjing Industrial Park Sewage-treatment Plant Project, and RMB70 million in Jingjiang Furuite Aluminum New Material Project, the new investments of RMB490 million of Yangzhou Hanjiang Industry Upgrading Project, RMB200 million of Liyang Economic Development Zone Aerodynamics Research Institute Project, RMB200 million of Taizhou Jinjiang Chengbei Park Project, RMB120 million of Wenzhou Lucheng District Fixed Income Project, and the reclassification from non-current to current assets of RMB500 million of Wuxi Gaoxin District Industrial Park Project, RMB400 million of Liyang High-tech District Intelligent Internet Vehicle Test Center Project, RMB351 million of Wuxi Liangxi District Pharmaceutical Distribution Supply Chain Industry Project and RMB200 million of Wuxi Xinwu District Canal Culture and Technology Industrial Park Construction Project in the first half of 2025.

Financial assets at fair value through profit or loss (current assets)

As at 30 June 2025, financial assets at fair value through profit or loss decreased by RMB16,112 thousand as compared with that of 31 December 2024, which was mainly due to the decrease of RMB14,929 thousand in carrying amount of investment in WeRide Inc. as a result of the decline in its share price in the first half of 2025.

Interest-bearing loans and borrowings

As at 30 June 2025, interest-bearing loans and borrowings decreased by RMB23.094 million as compared with that of 31 December 2024, which was mainly due to the decrease of RMB29.329 million in accrued interest on guaranteed bonds of Success, an increase of RMB2.944 million in lease liabilities arising from the leasing of office buildings, and an increase of RMB3.415 million in the accrued interest of other borrowings on a shareholder loan obtained from Huzhou Tongchuang Jintai Huizhong Enterprise Management Partnership (Limited Partnership)* (湖州同創金泰匯眾企業管理合夥企業(有限合夥)). The borrowings were denominated in RMB.

Trade payables

As at 30 June 2025, trade payables decreased by RMB1,177 thousand as compared with that of 31 December 2024, which was mainly due to the payment by SGLD of the guarantee deposit of Plot D1-3 kindergarten project.

Other payables and accruals

As at 30 June 2025, other payables and accruals decreased by RMB46,178 thousand as compared with that of 31 December 2024, which was mainly due to the repayment of RMB70.0 million of the guarantee deposit for the Jingjiang Furuite Aluminum New Material Project, partially offset by the accrual of dividend payable of RMB34,762 thousand.

Contract liabilities

As at 30 June 2025, contract liabilities decreased by RMB7,651 thousand as compared with that of 31 December 2024, which was mainly due to SGLD's receipt of RMB5.0 million management fee for the construction of the eastern part of Luodian New Town and the carrying forward of RMB3,010 thousand of contract liabilities for the construction of two schools in the eastern part of Luodian New Town.

Cash and bank balances

As at 30 June 2025, cash and cash equivalents decreased by RMB160 million as compared with that of 31 December 2024, which was mainly due to the result of net cash outflow from operating activities of RMB86 million, net cash inflow from investing activities of RMB17 million and net cash outflow from financing activities of RMB88 million in the first half of 2025. Cash and bank balances were denominated in RMB, Hong Kong dollar and United States dollar.

As at 30 June 2025, gearing ratio (defined as net debt divided by the sum of shareholders equity and net debt, with net debt defined as total debt less cash and bank balances) was 23%, an increase from 21% as at 31 December 2024, mainly due to an increase in net debt as a result of a decrease in bank balances at the end of the Reporting Period.

Market Overview

In the first half of 2025, amidst heightened complexities from a deep restructuring of the global political and economic landscape, as well as the new issues arising from the domestic structural adjustment which has entered a critical stage, Chinese economy continued to consolidate its recovery with the support of the synergistic macroeconomic policies, broad-based breakthroughs in new quality productive forces, and resilient external demand, etc. The overall economy was characterised by “enhancing quality amidst stability, and deepening shift in growth drivers”. Key macroeconomic indicators are within a reasonable range, and new progress has been made in high-quality development. Gross domestic product in the first half of the year reached RMB66.05 trillion, a year-on-year increase of 5.3%. Consumer price index fell slightly by 0.1% year-on-year as price levels rebounded moderately, with the improved supply and demand structure gradually pushing prices from their low range. The overall employment situation remained stable showing improving trend, with high-tech industries demonstrating strong capability of job creation. Meanwhile, the balance of payments showed notable resilience. Total imports and exports of goods in the first half of the year amounted to RMB21.79 trillion, a year-on-year increase of 2.9%, and in particular, the total export of the “new trio” of green and low-carbon products, namely electric vehicles, lithium batteries and photovoltaic modules, grew by 12.7%, and trade with countries participating in the “Belt and Road Initiative” grew by 4.7% year-on-year.

Jointly driven by new quality productive forces, improving demand structure, and momentum from regional synergy, the country's economic transformation and upgrading have achieved great breakthroughs. Specifically, the added value of high-tech manufacturing increased by 9.5% year-on-year, with particularly significant investments growth in areas such as artificial intelligence and biomanufacturing. From the perspective of the development environment, externally, challenges persist, such as the intensified trend towards regionalised and fragmented global supply chains, increased trade barriers from the United States and Europe, and impact of geopolitical conflicts on energy prices. Domestically, the country needs to further consolidate its recovery of demand and make more efforts to mitigate risks. Despite these persistent short-term challenges, the fundamentals of China's long-term economic improvement remained unchanged. Underpinned by the dual drivers of top-level designed policies with targeted implementation and the development of new driving system, China's economy is forging a more sustainable growth paradigm on its path towards high-quality development, and is on track to its expected economic development targets of the year.

Business Review

In the first half of 2025, the Group has been committed to high-quality development in the new era. Leveraging on the core leading role of party building to drive strategic transformation of the enterprise, adhering to the general principle of seeking progress while maintaining stability, and closely aligning with the country's policies on cultivating new quality productive forces and building a modern industrial system, the Group focused on strategic emerging industries such as high technology and advanced manufacturing, systematically identified high-quality merger and acquisition targets, and accelerated the optimization of existing assets and business structure upgrades.

In the fixed-income investment sector, leveraging the regional resource synergies of its first major shareholder, Wuxi Communications, the Group has actively responded to the national strategy for regional coordinated development, precisely targeted high-quality projects in the developed Yangtze River Delta region, and completed a strategic shift of its investment structure toward high-tier regions. As of 30 June 2025, the fixed-income investment portfolio reached RMB3.237 billion, with an average annualized pre-tax return of approximately 7%, continuing to provide stable cash flow support for the Group. Concurrently, the Group continued to improve the operational efficiency of its high-quality assets. In particular, the Wuhan Optical Valley property project maintained high operational resilience and stable occupancy rates, highlighting its countercyclical management capabilities. In addition, in terms of optimizing existing assets, the Group addressed challenges at its joint venture, Nanjing Guoying Zhongxi Development Co., Ltd. ("**Nanjing Guoying**"), which faced temporary debt repayment pressure and liquidity risks. Guided by the principles of "maintaining the overall asset security of the Group" and "supporting the healthy operation of the school projects in Nanjing", the management actively coordinated resources from all parties to implement the risk mitigation measures, thereby firmly safeguarding the interests of all shareholders, ensuring the school's operating stability, and fulfilling its corporate social responsibilities. In addition, in order to reduce the costs of the Mengtougou District Junzhuang Town Project in Beijing, the Group re-examined the overall situation of the area and negotiated with its partner, Beijing Vanke Enterprises Co. Ltd. ("**Vanke BJ**") and the district government regarding the arrangements to return a portion of land in certain areas, striving to achieve the return of land in part within the year, thereby reducing costs and improving efficiency.

Looking ahead, while reinforcing its baseline risk control approach, the Group will explore innovative business models in a complex external environment. Closely aligning with the national strategic emerging industry plan, the Group will accelerate the transition to new growth drivers. The Group will enhance synergies with shareholder resources, and adopt the dual strategy of optimizing existing assets and pursuing new investments; upholding the principles of market-oriented and professional operation, we will build a sustainable value creation system, to deliver long-term stable returns for shareholders.

Others

Material acquisitions and disposals of subsidiaries, associates and joint ventures

Save as disclosed in the section on financial position in the financial review/abstracts, the Group did not have any material acquisitions and disposals of subsidiaries, associates and joint ventures during the Reporting Period.

Significant investments

Save as disclosed in the financial position section of the financial review/abstracts, the Group did not hold any significant investments or capital assets during the Reporting Period.

Foreign exchange exposure

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to its foreign currency cash and bank balances, financial instruments at fair value through profit or loss.

Treasury policies

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position during the Reporting Period. The Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time. Surplus cash will be invested appropriately so that the Group's cash requirements for the Group's strategy or direction from time to time can be met.

Contingent liabilities

As at 30 June 2025, the Group did not have any significant contingent liabilities.

b) **Details of important events affecting the Group which have occurred since the end of the Reporting Period:**

Nanjing Guoying

As disclosed in the announcement of the Company dated 21 January 2021, on 21 January 2021, Beijing Xincheng Kaiyuan Asset Management Company Limited (“**Xincheng Kaiyuan**”) (formerly known as CDB New Town (Beijing) Asset Management Company Limited, a wholly-owned subsidiary of the Company) entered into a guarantee agreement with Jiangsu Provincial Construction Group Co, Ltd.* (江蘇省建築工程集團有限公司) (“**JPC**”) for the benefit of the bank in connection with the 2021 bank loan, pursuant to which Xincheng Kaiyuan and JPC each agreed to guarantee the timely repayment of the 2021 bank loan (including interests) by the joint venture, in proportion to their respective equity interests in the joint venture (the “**2021 Guarantee**”). The term of the 2021 Guarantee shall commence on the date of the 2021 Guarantee and expire three years from the date on which the repayment obligation for the 2021 bank loan matures. Subsequently, as disclosed in the Company’s announcement dated 23 August 2024, the Company provided financial assistance to the joint venture in 2024 after negotiating with the bank regarding the joint venture’s overdue repayment of the 2021 bank loan. In order to help the joint venture optimise its financial and operating efficiency and mitigate the risks exposed by Xincheng Kaiyuan to the 2021 Guarantee, the Group intends to provide financial assistance to the joint venture to alleviate the pressure on the Group’s financial performance and liquidity. The Group is currently still in negotiations with the bank regarding a loan extension. Any update will be disclosed to shareholders and investors in due course in accordance with the Rules Governing the Listing of Securities on the HKEx (the “**Listing Rules**”).

Beijing Guowan

As disclosed in the announcement of the Company dated 26 October 2016, on 21 October 2016, Xincheng Kaiyuan entered into a series of investment agreements with Vanke BJ, the People’s Government of Junzhuang Town, Beijing Mentougou District, Mengwu Village Co-op, Dongshan Village Co-op and Jiahua Wine Trading (Dalian) Co. Ltd.* (加華酒業貿易(大連)有限公司) in respect of the development of the Junzhuang Town Project (the “**Junzhuang Project**” or the “**Project**”), pursuant to the terms and conditions of which the Group and Vanke BJ shall jointly develop and operate the Project. Moreover, on 26 October 2016, Xincheng Kaiyuan and Vanke BJ entered into the Cooperative Investment Agreement, which sets out the particulars of establishing the joint venture, Beijing Guowan, for the Project, with each party holding a 50% equity interest. Affected by adjustments to the overall urban planning and the operational difficulties of the partner Vanke BJ, the Junzhuang Project has made slow progress since July 2017. In order to help the joint venture alleviate its financial pressure, reduce its operational burden, and accelerate the Group’s efficiency in resolving existing stock projects, the Group intends to provide financial assistance to the joint venture. Further update will be disclosed to shareholders and investors in due course in accordance with the Listing Rules.

c) Business prospects and outlook:

In the second half of the year, the Group will continue to strictly manage project risks and integrate both policy compliance and market adaptability requirements into the optimization of fixed income product models. We will strive to maintain stable returns in a low-interest-rate environment with ample liquidity and solidify the foundation for long-term cash flow. In terms of business strategy, the Group will focus on emerging industries, high-tech, advanced manufacturing, and other new economic sectors to deepen its industrial footprint. It will break through strategic transformation bottlenecks by strictly screening potential investment targets. In addition, to support the Group's business transformation efforts, it will build a "policy-adaptive" financing matrix and use diversified financing methods to empower strategic development and strengthen its ability to navigate economic cycles.

27. PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares, if any) during the Reporting Period. As at 30 June 2025, the Company did not hold any treasury shares.

28. MOVEMENTS IN SECURITIES

There was no movement in securities of the Company during the first half of 2025. At the end of the Reporting Period, the total number of the Company's issued shares was 9,726,246,417.

29. CORPORATE GOVERNANCE

During the Reporting Period, the Company has complied with the code provisions set out in the Corporate Governance Code contained in Part 2 of Appendix C1 to the Listing Rules.

30. EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2025, there were 94 (2024: 89) employees in the Group. During the Reporting Period, total staff costs (including Directors' remuneration) amounted to approximately RMB29.59 million (2024: RMB22.51 million). Staff remuneration is determined with reference to market conditions and the performance of the relevant individuals and are subject to review from time to time. The Group also provides other staff benefits including medical insurance, and grants discretionary incentive bonuses to eligible staff based on their performance and contributions to the Group. The Group also provides and arranges on-the-job training for its employees.

31. DIRECTORS' COMPLIANCE WITH THE CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "**Model Code**") as its code of conduct for dealings in securities of the Company by the Directors. Specific enquiries had been made by the Company to all the current Directors who have confirmed that they had complied with required standard as set out in the Model Code during the Reporting Period.

32. INTERIM DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

The Board has declared an interim dividend of HK\$0.0016 per ordinary share for the Reporting Period (2024: nil) payable to the shareholders whose names appear on the register of members of the Company (the “**Register of Members**”) at the close of business on Tuesday, 26 August 2025, being the record date for determining shareholders’ entitlement to the interim dividend. The Register of Members will be closed on Monday, 25 August 2025 and Tuesday, 26 August 2025, both days inclusive, during which period no transfer of shares will be registered. To qualify for the interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Friday, 22 August 2025. The relevant dividend warrants will be dispatched to shareholders on Tuesday, 16 September 2025.

33. AUDIT COMMITTEE

The audit committee of the Board (the “**Audit Committee**”) has reviewed the accounting principles and standards adopted by the Group, and has discussed and reviewed the internal control and reporting matters.

The unaudited condensed consolidated financial statements of the Group for the Reporting Period and this announcement have been reviewed by the Audit Committee. In addition, Rongcheng (Hong Kong) CPA Limited (“**Rongcheng**”), the Group’s independent auditor, has reviewed the unaudited interim condensed consolidated financial information of the Group for the Reporting Period in accordance with International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the International Auditing and Assurance Standards Board. The report on review of interim condensed consolidated financial information by Rongcheng will be included in the interim report of the Company.

APPRECIATION STATEMENT

It is the Board’s privilege to express our gratitude to our strategic investors and shareholders for their trust and support and to offer our heartfelt thanks to all Directors, executives and staff members in the Group for their team spirit and loyalty.

By Order of the Board
China New Town Development Company Limited
Yang Meiyu
President and Executive Director

Hong Kong, 7 August 2025

As at the date of this announcement, the executive Directors are Ms. Yang Meiyu (President) and Mr. Shi Janson Bing; the non-executive Directors are Ms. Liu Yanhong (Chairman), Mr. Wang Yi and Mr. Xie Zhen; and the independent non-executive Directors are Mr. Lo Wai Hung, Mr. Ji Jiaming and Mr. Yuan Kejian.

* For identification purpose only