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NEW TOWN

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)

MAJOR TRANSACTION IN RELATION TO PROVISION OF FINANCIAL ASSISTANCE TO THE JOINT VENTURE

THE 2025 FINANCIAL ASSISTANCE

As disclosed in the announcement of the Company dated 21 January 2021, on 21 January 2021, Xincheng Kaiyuan (a wholly-owned subsidiary of the Company) and JPC entered into a guarantee in favor of the Bank relating to the 2021 Bank Loan, pursuant to which each of Xincheng Kaiyuan and JPC agreed to guarantee the due and punctual payment of the 2021 Bank Loan (including interest) by the Joint Venture according to the proportion of their respective equity interest in the Joint Venture.

On 22 October 2025, the Joint Venture (as borrower), the Bank (as lender), Xincheng Kaiyuan (as guarantor) and JPC (as guarantor) entered into the 2025 Loan Extension Agreement, pursuant to which the expiry dates of the 2021 Bank Loan and its repayment schedule shall be extended by two years from 4 January 2031 (before extension) to 4 January 2033 (after extension) (i.e. the Extended Loan), and both Xincheng Kaiyuan and JPC (as guarantors under the 2021 Guarantee) shall, on the terms of the 2021 Guarantee, continue to guarantee the due and punctual payment of the Extended Loan by the Joint Venture, according to the guarantee ratio (i.e. 50% for each guarantor) under the 2021 Guarantee. As at the date of this announcement, the outstanding principal amount owed by the Joint Venture to the Bank under the Extended Loan is approximately RMB423 million.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio calculated pursuant to Chapter 14 of the Listing Rules in respect of the 2025 Financial Assistance (whether (i) aggregated with the 2024 Financial Assistance or (ii) on a standalone basis) is more than 25% but less than 100%, the 2025 Financial Assistance and the transactions contemplated thereunder constitute a major transaction of the Company under Chapter14 of the Listing Rules, and are therefore subject to the announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder or any of their respective associates has any material interest in the 2025 Financial Assistance and the transactions contemplated thereunder. As such, none of the Shareholders is required to abstain from voting if the Company were to convene a general meeting for the approval of the provision of the 2025 Financial Assistance and the transactions contemplated thereunder.

The Company has obtained a written approval from Xitong International and CDBIH (being a closely allied group of Shareholders), which respectively held 2,917,000,000 Shares and 2,430,921,071 Shares as at the date of this announcement, representing approximately 29.99% and 24.99% of the issued share capital of the Company, respectively, for the 2025 Financial Assistance and the transactions contemplated thereunder in lieu of a resolution to be passed at a general meeting of the Company pursuant to Rule 14.44 of the Listing Rules. As such, no extraordinary general meeting will be convened by the Company to approve the provision of the 2025 Financial Assistance and the transactions contemplated thereunder.

Pursuant to Rule 14.41(a) of the Listing Rules, a circular containing, among other things, further details of the 2025 Financial Assistance and the transactions contemplated thereunder and such other information as required under the Listing Rules, is expected to be despatched to the Shareholders for information purposes, on or before 3 December 2025.

BACKGROUND

As disclosed in the announcement of the Company dated 21 January 2021, on 21 January 2021, Xincheng Kaiyuan (a wholly-owned subsidiary of the Company) and JPC entered into a guarantee in favor of the Bank relating to the 2021 Bank Loan, pursuant to which each of Xincheng Kaiyuan and JPC agreed to guarantee the due and punctual payment of the 2021 Bank Loan (including interest) by the Joint Venture according to the proportion of their respective equity interest in the Joint Venture (the "**2021 Guarantee**"), for the period from the date of the 2021 Guarantee and ending on the date of three years commencing from the expiry date of the repayment obligation of the 2021 Bank Loan. Subsequently, as disclosed in the announcement of the Company dated 23 August 2024, the Company provided the 2024 Financial Assistance to the Joint Venture after negotiations held with the Bank in relation to the delayed payment of the 2021 Bank Loan by the Joint Venture.

PROVISION OF FINANCIAL ASSISTANCE

In view of the current financial conditions of the Joint Venture, on 22 October 2025, the Joint Venture (as borrower), the Bank (as lender), Xincheng Kaiyuan (as guarantor) and JPC (as guarantor) entered into the 2025 Loan Extension Agreement, the principal terms of which are set out as follows:

Date:	22 October 2025
Parties:	(1) the Joint Venture (as the borrower); (2) the Bank (as the lender); (3) Xincheng Kaiyuan (as guarantor); and (4) JPC (as guarantor) To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of JPC, the Bank and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

Subject matter:

(1) The expiry dates of the 2021 Bank Loan (a loan facility of RMB500 million principal amount) and its repayment schedule shall be extended by two years from 4 January 2031 (before extension) to 4 January 2033 (after extension) (the 2021 Bank Loan so extended shall hereinafter be referred to as the "**Extended Loan**"). As at the date of this announcement, the outstanding principal amount owed by the Joint Venture to the Bank is approximately RMB423 million.

(2) Both Xincheng Kaiyuan and JPC (as guarantors under the 2021 Guarantee) shall, on the terms of the 2021 Guarantee, continue to guarantee ("**2025 Guarantee**") the due and punctual payment of the Extended Loan (including the relevant interests) by the Joint Venture, according to the guarantee ratio (i.e. 50% for each guarantor) under the 2021 Guarantee. The guarantee period shall end on the date of the third anniversary of the expiry date of the repayment obligation of the Extended Loan.

(3) The Loan Extension Agreement shall be an amendment and supplement to the 2021 Bank Loan and the 2021 Guarantee; save and except the above, all other terms and conditions (including interest rate) of the 2021 Bank Loan and the 2021 Guarantee shall remain unchanged.

As part of the above arrangement, on 22 October 2025,

(i) Xincheng Kaiyuan has executed a liquidity support letter ("**Liquidity Support Letter**"), pursuant to which, in the event that the Joint Venture is unable to fulfil its repayment obligations under the Extended Loan, Xincheng Kaiyuan shall provide liquidity support to the Joint Venture for the shortfall between the required repayment amount and the actual repayment amount made by the Joint Venture. The liquidity support shall be limited to the guarantee amount and guarantee ratio attributable to Xincheng Kaiyuan under the 2025 Guarantee (therefore not increasing the overall level of financial assistance provided to the Joint Venture) and shall be used by the Joint Venture for the purpose of fulfilling its repayment obligations under the Extended Loan; and

(ii) the Company has entered into a letter of undertaking, pursuant to which it undertakes that it shall continue to beneficially own the entire equity interest in Xincheng Kaiyuan during the period of the Extended Loan.

REASONS AND BENEFITS FOR PROVISION OF THE 2025 FINANCIAL ASSISTANCE

Considering the macroeconomic environment and the financial condition of the Joint Venture, the loan extension is an active measure to manage the potential risks of the Joint Venture and the Group. Through extending the 2021 Bank Loan (i.e. the Extended Loan) and the 2021 Guarantee (i.e. the 2025 Guarantee), the guarantors (Xincheng Kaiyuan and JPC) continue to provide guarantee in favour of the Joint Venture according to the original guarantee ratio (50% by each guarantor) without enhancing or widening risk exposure. As such, the provision of the 2025 Financial Assistance will allow the Joint Venture more time and room to arrange and optimize its finances and operational efficiency and provide a more stable environment to the Joint Venture, thereby lowering the risk of triggering the 2021 Guarantee of Xincheng Kaiyuan and subsequently alleviating the pressure on the Group's financial performance and liquidity. The 2025 Financial Assistance therefore represents a more economical solution to manage the potential risks faced by the Joint Venture. As demonstrated above, the terms of the 2025 Financial Assistance were determined after arm's length negotiations between the parties to the Loan Extension Agreement, taking into account the financial conditions of the Joint Venture and with a view to managing the potential risks faced by it and avoiding the potential risk of triggering the 2021 Guarantee.

Moreover, the Company noted that the Joint Venture has been attempting to implement various measures to optimize its operations and financial capabilities and, in particular, has been considering measures to enhance operational efficiency and occupancy rates of its properties, implement stringent cost controls, accelerate capital recovery through exploring various proposals on asset disposals, and reduce overall financial costs through structured financing.

Furthermore, the provision of the 2025 Financial Assistance can also help to maintain a stable operation and continuity of the international school, the campus of which is let by the Joint Venture (as lessor), and to avoid the potential adverse effect affecting the normal education activities in the campus at this stage. The Board believes that not only can this protect the Group's socially responsible image as a state-owned enterprise, it can also ensure the stable stream of rental income of the Joint Venture and maintain the corporate value of the Joint Venture.

As such, the Directors are of the view that the 2025 Financial Assistance and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. The Group will finance the 2025 Financial Assistance from its internal resources.

INFORMATION ON THE GROUP AND XINCHENG KAIYUAN

The Group is primarily engaged in the business segment of new urbanization, which invests, develops and operates diversified urbanization projects nationwide in the PRC.

Xincheng Kaiyuan, a wholly-owned subsidiary of the Company, is principally engaged in investment and operation of township development business.

INFORMATION ON THE JOINT VENTURE

The Joint Venture is a jointly controlled entity of the Group, which was established in the PRC with limited liability. It is principally engaged in the construction and development of the school projects in Nanjing, China. As at the date of this announcement, the Joint Venture is held as to 50% by Guoxi Nanjing and 50% by the First Construction Company of JPC. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the ultimate beneficial owner of the First Construction Company of JPC is an individual (Mr. Zhao Jinpei), who is an Independent Third Party.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio calculated pursuant to Chapter 14 of the Listing Rules in respect of the 2025 Financial Assistance (whether (i) aggregated with the 2024 Financial Assistance or (ii) on a standalone basis) is more than 25% but less than 100%, the 2025 Financial Assistance and the transactions contemplated thereunder constitute a major transaction of the Company under Chapter14 of the Listing Rules, and are therefore subject to the reporting, announcement, circular, and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder or any of their respective associates has any material interest in the 2025 Financial Assistance and the transactions contemplated thereunder. As such, none of the Shareholders is required to abstain from voting if the Company were to convene a general meeting for the approval of the provision of the 2025 Financial Assistance and the transactions contemplated thereunder.

The Company has obtained a written approval from Xitong International and CDBIH (being a closely allied group of Shareholders), which respectively held 2,917,000,000 Shares and 2,430,921,071 Shares as at the date of this announcement, representing approximately 29.99% and 24.99% of the issued share capital of the Company, respectively, for the 2025 Financial Assistance and the transactions contemplated thereunder in lieu of a resolution to be passed at a general meeting of the Company pursuant to Rule 14.44 of the Listing Rules. As such, no extraordinary general meeting will be convened by the Company to approve the provision of the 2025 Financial Assistance and the transactions contemplated thereunder.

None of the Directors (i) has any material interest in the 2025 Financial Assistance and transactions contemplated thereunder, and (ii) is required to abstain from voting on the relevant Board resolution of the Company in respect of the 2025 Financial Assistance and transactions contemplated thereunder.

Pursuant to Rule 14.41(a) of the Listing Rules, a circular containing, among other things, further details of the 2025 Financial Assistance and the transactions contemplated thereunder and such other information as required under the Listing Rules, is expected to be despatched to the Shareholders for information purposes, on or before 3 December 2025 which is more than 15 business days after publication of this announcement as additional time is required by the Company to prepare the relevant information in the circular.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following respective meanings.

"2021 Bank Loan"	the loan facility of RMB500 million granted by the Bank to the Joint Venture pursuant to the fixed asset facility agreement (no. 32010420200001328) entered into between the Joint Venture and the Bank. As at the date of this announcement, the outstanding principal amount under the 2021 Bank Loan is approximately RMB423 million
"2021 Guarantee"	the guarantee dated 21 January 2021 entered into by Xincheng Kaiyuan and JPC in favour of the Bank relating to the 2021 Bank Loan
"2024 Financial Assistance"	the payment by Guoxi Nanjing (for and on behalf of the Joint Venture) to the Bank of an aggregate sum of no more than RMB35 million to assist the Joint Venture in repaying the then overdue principal, the accrued Interest and related penalty interest in relation to the 2021 Bank Loan in the then remaining period of 2024, further details of which were set out in the announcement of the Company dated 23 August 2024. Guoxi Nanjing has already paid approximately RMB34.41 million in 2024
"2025 Financial Assistance"	the provision of the 2025 Guarantee (through the entering into of the Loan Extension Agreement) and the Liquidity Support Letter by Xincheng Kaiyuan

"2025 Guarantee"	has the meaning ascribed to it under section headed "Provision of Financial Assistance" in this announcement
"Bank"	Agricultural Bank of China Limited, Nanjing Yuhuatai Sub-branch
"Board"	the board of Directors
"CDBIH"	China Development Bank International Holdings Limited, a company incorporated in Hong Kong and a substantial shareholder of the Company
"Company"	China New Town Development Company Limited, a company incorporated in the British Virgin Islands with limited liability, the shares of which are listed on the Stock Exchange
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company
"Extended Loan"	has the meaning ascribed to it under section headed "Provision of Financial Assistance" in this announcement
"Group"	the Company and its subsidiaries
"Guoxi Nanjing"	Guoxi Nanjing Investment Development Co., Ltd.* (國錫南京投資發展有限公司), formerly known as CDB Nanjing Investment Development Co., Ltd.* (國開南京投資發展有限公司), a company established in the PRC and an indirectly wholly-owned subsidiary of the Company
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Third Party(ies)"	the independent third party(ies) who is/are, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, independent of and not connected with the Company and the connected person(s) (as defined in the Listing Rules) of the Company
"Joint Venture"	Nanjing Guoying Zhongxi Development Company Limited* (南京國英中西建設開發有限公司), a company established in the PRC and a jointly controlled entity of the Group

"JPC"	Jiangsu Provincial Construction Group Co., Ltd.* (江蘇省建築工程集團有限公司), a company established in the PRC and a non-wholly owned subsidiary of Greenland Holdings Corporation Limited (the shares of which are listed on the Shanghai Stock Exchange (600606.SH))
"Liquidity Support Letter"	has the meaning ascribed to it under section headed "Provision of Financial Assistance" in this announcement
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Loan Extension Agreement"	the loan extension agreement dated 22 October 2025 entered into among the Joint Venture (as the borrower), the Bank (as the lender), Xincheng Kaiyuan (as guarantor) and JPC (as guarantor), the details of which are set out in the section headed "Provision of Financial Assistance" in this announcement
"PRC"	the People's Republic of China, for the purpose of this announcement only, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary share(s) of the Company
"Shareholders"	the holders of Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"The First Construction Company of JPC"	The First Construction Company of Jiangsu Provincial Construction Group Co., Ltd.* (江蘇省建築工程集團第一工程有限公司), a company established in the PRC and the ultimate beneficial owner of which is Mr. Zhao Jinpei
"Xincheng Kaiyuan"	Beijing Xincheng Kaiyuan Asset Management Company Limited* (北京新成開元資產管理有限公司), previously known as CDB New Town (Beijing) Asset Management Company Limited* (國開新城(北京)資產管理有限公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company

"Xitong International"	Xitong International Holdings (HK) Limited, a company incorporated in Hong Kong and a substantial shareholder of the Company
"%"	per cent

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

Hong Kong, 22 October 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, Mr. Xie Zhen and Ms. Qin Yangfan; and the independent non-executive Directors are Mr. Lo Wai Hung, Mr. Ji Jiaming and Mr. Yuan Kejian.

* *for identification purposes only*