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NEW CITY DEVELOPMENT GROUP LIMITED
新城市建設發展集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0456)

INSIDE INFORMATION

The announcement is made by the board (the "**Board**") of directors (the "**Directors**") of New City Development Group Limited (the "**Company**", which together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

On 13 February 2026 (after trading hours), the Board was notified that, the investment properties (the "**Investment Properties**") situated at Nos. 20-22 Chigang West Road, Haizhu District, Guangzhou City, Guangdong Province, the Mainland China (commonly known as "**Changliu Industrial Park**" (暢流工業園)), which was held by Guangdong Changliu Investment Company Limited* (廣東暢流投資有限公司) ("**Guangzhou Changliu**"), a subsidiary of the Group, has been included by the government in a unified public welfare land acquisition scope in early 2025. This has resulted in the forced termination of the rental agreement entered into between Guangzhou Changliu and Guangdong Changna Investment Development Company Limited* (廣東暢納投資開發有限公司) ("**Guangdong Changna**") in respect of the Investment Properties. Guangdong Changna claims that it was a cooperating participant in the rental agreement. Therefore, Guangdong Changna has indicated that, as the principal tenant of the Investment Properties, its partners, as stakeholders, have requested to jointly participate in the follow-up handling of this matter with Guangzhou Changliu.

As the government requires enterprises included in the public welfare land acquisition scope not only to cooperate with the government to complete demolition and relocation work as soon as possible, but also to maintain social stability; accordingly, Guangdong Changna and its partners and Guangzhou Changliu have reached a settlement agreement: Guangzhou Changliu is required to pay compensation of RMB180 million (the "**Compensation**") to Guangdong Changna and its partners.

* *For identification purposes only*

In relation to the Compensation, the Group is evaluating the impacts and in discussions with Guangdong Changna and its partners on the payment method and schedule. In order to protect the interests of the Guangzhou Changliu and pending the finalisation of the land acquisition and demolition compensation terms from the relevant government departments to settle the compensation liability under the settlement agreement, the Board has resolved to grant a RMB-denominated note to Guangdong Changna and its partners or their nominees, with a one-year term and an annual interest rate of 4%. Simultaneously, the Board has instructed that the issue of the note be arranged in compliance with relevant laws and regulations of Hong Kong and the Mainland China, to reach a consensus and assist the Guangzhou Changliu in continuing to strive for and complete the land acquisition compensation arrangement with the government as early as possible.

The Group will make further announcements as and when required in accordance with the Listing Rules.

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

By order of the Board
New City Development Group Limited
Han Junran
Chairman

Hong Kong, 15 February 2026

As at the date of this announcement, the Board comprises (1) two executive Directors, namely Mr. Han Junran (Chairman) and Mr. Luo Min; and (2) five independent non-executive Directors, namely Mr. Chan Yiu Tung, Anthony, Dr. Ouyang Qingru, Mr. Zhang Jing, Mr. Leung Kwai Wah Alex and Mr. Luo Zhen.