



(Stock Code: 0672.HK)

Zhong An Group Announces 2023 Interim Results

Seeking Progress while Maintaining Stability and Consolidate Internal Strength

Financial and Business Highlights

For the six months ended 30 June 2023:

- The Group's contracted sale was approximately RMB7,449.8 million, representing an increase of approximately 41.5% as compared to the corresponding period of 2022;
- The Group's revenue was approximately RMB4078.1 million;
- The Group's profit was approximately RMB156.1 million, representing an increase of approximately 122.2% as compared to the corresponding period of 2022;
- The Group's profit attributable to owners of the parent was RMB196.6 million, representing an increase of about 42.8% as compared to the corresponding period of 2022;
- At 30 June 2023, the Group's total debt asset ratio and net gearing ratio were approximately 78.5% and 58.8% respectively, which had been maintained at a reasonable level;

(25 August 2023 - Hong Kong) As a leading national property developer in the Yangtze River Delta region of China. The board of directors of **Zhong An Group Limited** ("Zhong An Group" or the "Company", Stock Code: 0672.HK) is pleased to announce the interim results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2023 (the "Period" or the "Period under review").

Looking back at the first half of 2023, under the general environment of recovery and challenges in the domestic market as a whole, the Group focused on its main business and sought progress while maintaining stability, completing the delivery of more than 4000 units of residential properties on the basis of steady development, and the timely and high-quality delivery of a number of projects has been well received by consumers and won high praise. The Group had a total of over 40 projects on sale in several cities and regions within the Yangtze River Delta, maintaining a steady growth in contracted sales while fulfilling the goal of cash collection ahead the schedule. As of 30 June 2023, the Group's accumulated contracted sales of approximately

RMB7.45 billion, the contracted GFA was approximately 357,000 sq.m., and the contracted average selling price was over RMB20,000 per sq.m..

While developing steadily, the Group adhered to quality, improved service quality in all aspects, and strived for high-quality development. In the first half of 2023, many series of products of the Group have won many architectural awards, of which the Taizhou Shanhai Yinghe project won the “Best Landscape Design Award” and the “Best Quality Benchmark Habitat Award” in the GBE Real Estate Design Awards 2023, distinguishing itself from thousands of other entries due to its outstanding product concepts and innovative design. The Group was ranked 64th among the “Top 100 China Real Estate Developers” by virtue of its prudent and in-depth business strategies, continuous advancement of products and services, diversified and synergistic industrial layout, and courageous fulfillment of its responsibilities.

In terms of finance, the Group continued to maintain the three red lines in “green lights” with total debt asset ratio and net gearing ratio were approximately 78.5% and 58.5% respectively, which had maintained at a reasonable level and the stable operation. The Group continued to rank as one of “Top 10 Financial Stability for Listed Real Estate Companies in Hong Kong” and “Top 10 Investment Value for Listed Real Estate Companies in Hong Kong” with steady improvement in performance and continuous optimization of financial performance.

The Property Management Company Listed successfully and Was Recognized by the Market for a New Journey

During the Period under review, Zhong An Intelligent Living Service Limited (hereinafter referred to as “Zhong An Intelligent Living”), a subsidiary of Zhong An Group, was officially listed on the Main Board of the Stock Exchange of Hong Kong Limited, with China Merchants Securities International and Huatai International as the joint sponsors, with a stock code of 02271.HK. As the third listed company of the Zhong An Group, Zhong An Intelligent Living achieved excellent performance on the first day of its listing, closing at HK\$1.21/share, with an increase of 2.54% on the day.

Upon completion of the issuance, Zhong An Group became a large enterprise group in Zhejiang Province that owned three listed companies, namely, real estate, commercial and property, which was not only an affirmation of the capital market's recognition of Zhong An's ability to operate steadily and expectation of sustained growth, but also an encouragement and stimulus for Zhong An Group to embark on a new journey.

In terms of property leasing, the Group implemented measures such as cost reduction and efficiency enhancement and optimized the business model to enhance the influence of its brand.

During the Period under review, the Group's revenue from property leasing amounted to approximately RMB60.6 million, representing a year-on-year increase of approximately 100% as compared to approximately RMB30.3 million for the corresponding period of 2022.

In respect of hotel operations, the management of the hotel group focused on improving restaurant operations and exceeded various benchmarks such as revenue, which has been highly recognized by the industry. During the Period under review, the hotel operation of the Group recorded a revenue of approximately RMB124.4 million, representing an increase of approximately 24.6% as compared to approximately RMB99.8 million for the corresponding period of 2022.

In respect of property management, the management of Property Management Group continued to expand its business and actively acquired more than 9 new projects and was ranked 40th among the list of the Top 100 Property Service Enterprises in China. During the Period under review, the Group's property management and other services recorded a revenue of approximately RMB265.2 million, representing an increase of about 30.4 % as compared to approximately RMB203.4 million for the corresponding period of 2022.

Outlook

With gradual control of the COVID-19 epidemic and further implementation of various policies to stabilize the economy, the economy is expected to maintain the momentum of recovery in the second half of 2023. The development of the real estate market will continue to focus on stability. The Group will adhere to the positioning of "housing is for accommodation, not for speculation" and formulate city-specific policies. Loose monetary policy, counter-cyclical adjustment of real estate financial policy, and the application of a series of market stabilization measures such as the local government property market policy toolbox will help maintain stable and healthy development of the real estate market.

The Yangtze River Delta City Circle has strong economic strength and economic purchasing power and is still in a leading position in the industry. The Group will maintain a prudent view in the short term and an optimistic view in the long term, and leverage on its strong brand name in the Yangtze River Delta region to actively seize market opportunities. While carrying out deep regional cultivation and hard work, the Group will actively reserve abundant resources for the future development. The Group will also strive to reduce costs and enhance efficiency, consolidate its internal strength, and accelerate the capitalization process of certain segments to drive the development of its diversified segments and comprehensively enhance the Group's overall strength.

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About Zhong An Group Limited (0672.HK)

Zhong An Group Limited, the leading real estate developer in Yangtze River Delta region, focuses on the development of mid- to-high-end residential and urban complexes while values the diverse development and is involved in various investments such as property investments, property management and special services. Since its establishment in 1997, the Group has focused on the market in Yangtze River Delta region and has been rewarded a strong brand advantage in the region.

For further information about Zhong An Group Limited, please refer to the company website:

<http://www.zhongangrouphk.com/s/index.php>

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