Nanfang Communication Holdings Limited
南方通信控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1617)

VOLUNTARY ANNOUNCEMENT
PROPOSED DEVELOPMENT OF NANFANG SCIENCE AND TECHNOLOGY ECOLOGICAL INDUSTRIAL PARK

This announcement is made by Nanfang Communication Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") on a voluntary basis. The purpose of this announcement is to provide shareholders of the Company (the "**Shareholders**") and potential investors with preliminary information regarding the Company's intending investment in a large-scale renovation project of its former factory sites in the People's Republic of China (the "**PRC**") into an industrial park.

The board (the "**Board**") of directors (the "**Directors**") of the Company is pleased to announce that the Company will establish a Nanfang Science and Technology Ecological Industrial Park (南方科技生態產業園) by renovating and redeveloping the Company's former factory sites in Changzhou City, Jiangsu Province, the PRC (the "**Proposed Redevelopment Project**"). The Group expects to invest approximately RMB50 million in the Proposed Redevelopment Project.

REASONS FOR AND BENEFITS OF THE PROPOSED REDEVELOPMENT PROJECT

The Board believes that the Proposed Redevelopment Project is in line with the Group's long-term development objectives and business strategies.

At the operation and management level, the Board considers that the consolidation of the production capacity from two separate factory sites will enable scaled and intensive manufacturing. Procurement, logistics and management costs will decrease due to economies of scale. It will also centralize management teams, thereby enhancing production efficiency and flexibility, preparing for the Group to engage in scaled and intensive manufacturing of its products in the future.

Further, it is a good opportunity for the Group to reduce its overall operating costs and generate new cash flows. Conversion of outdated factory sites into a contemporary industrial park could greatly reduce maintenance expenses in maintaining old or obsolete equipment and facilities. The Group will also consider to lease and/or sell the premises within the industrial park, thereby developing new income stream for the Group.

The Board considers that the Proposed Redevelopment Project is a prime opportunity to enhance the Group's image and promote its continuous efforts in striving for breakthroughs in its business strategies. It is expected that the Proposed Redevelopment Project will attract talents and high-calibre candidates for expansion of the Group's business.

Having considered the above, the Board believes that the Proposed Redevelopment Project is in the interests of the Company and Shareholders as a whole.

The Company is currently applying for the necessary permits and licences from the relevant government authorities in the PRC for the Proposed Redevelopment Project. As at the date hereof, the Company has not entered into any formal or legally binding agreement in relation to the Proposed Redevelopment Project. Shareholders and potential investors of the Company should be aware that the Proposed Redevelopment Project is subject to, among other things, the prevailing market conditions and approvals from relevant regulatory authorities, and the Proposed Redevelopment Project may or may not proceed. Further announcement(s) will be made by the Company as and when appropriate and in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

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

For and on behalf of the Board
Nanfang Communication Holdings Limited
Yu Rumin
Chairman

Hong Kong, 15 October 2025

As at the date of this announcement, the executive Directors are Mr. Shi Ming (chief executive officer), Ms. Yu Rumin (chairman) and Ms. Yu Ruping; the non-executive Director is Mr. Yu Jinlai; and the independent non-executive Directors are Mr. Chan Kai Wing, Mr. Liu Cheng Yi and Ms. Ju Hefeng.