

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



South Shore Holdings Limited

南岸集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 577)

UNAUDITED FINANCIAL INFORMATION FOR THE YEAR ENDED 31 MARCH 2019

This announcement is made by South Shore Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.49(3) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Reference is made to the Company’s announcement dated 28 June 2019 (the “**Announcement**”) in relation to, among other things, the delay in publication of the Company’s audited final results for the year ended 31 March 2019 (the “**Final Results**”). Unless otherwise defined, capitalized terms used in this announcement shall have the same meaning ascribed to them in the Announcement.

In order to keep the Shareholders and the public informed of the Group’s business operation and financial position, the Board would like to provide the Shareholders and the public with the preliminary unaudited consolidated financial information of the Group for the year ended 31 March 2019 (the “**Unaudited Financial Information**”) together with the audited comparative figures for the year ended 31 March 2018.

Consolidated Statement of Profit or Loss

For the year ended 31 March 2019

	Unaudited 2019 HK\$'000	Audited 2018 HK\$'000
Total revenue	9,381,863	6,799,529
Revenue of construction business	9,377,392	6,799,529
Cost of construction business	(8,987,047)	(6,500,794)
	390,345	298,735
Hotel, food & beverage and related services income	4,471	–
Cost of sales and services on hotel, food & beverage and related services	(504,521)	–
Other income	8,627	4,518
Administrative and other expenses	(587,125)	(478,158)
Finance costs	(445,105)	(193,803)
Impairment loss on hotel property/hotel under development	(3,395,549)	(1,203,000)
Impairment loss on prepaid land lease payments	(1,037,877)	–
Impairment loss on property, plant and equipment	(263,574)	–
Impairment allowance on financial assets and contract assets	(6,469)	–
Share of results of associates	(2,560)	(448)
Share of results of joint ventures	2,293	2,116
Loss before tax	(5,837,044)	(1,570,040)
Income tax expense	(4,204)	(334)
Loss for the year	(5,841,248)	(1,570,374)
(Loss) profit for the year attributable to:		
Owners of the Company	(5,847,646)	(1,573,795)
Non-controlling interests	6,398	3,421
	(5,841,248)	(1,570,374)
Loss per share		
Basic (HK cents)	(577.3)	(630.5)
	(577.3)	(630.5)

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2019

	Unaudited 2019 HK\$'000	Audited 2018 HK\$'000
Loss for the year	<u>(5,841,248)</u>	<u>(1,570,374)</u>
Other comprehensive (expense) income for the year:		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences arising from translation of foreign operations	(4,608)	8,648
Share of translation reserve of an associate and joint ventures	<u>(5,490)</u>	<u>8,367</u>
	<u>(10,098)</u>	<u>17,015</u>
Total comprehensive expense for the year	<u><u>(5,851,346)</u></u>	<u><u>(1,553,359)</u></u>
Total comprehensive (expense) income for the year attributable to:		
Owners of the Company	(5,852,872)	(1,564,987)
Non-controlling interests	<u>1,526</u>	<u>11,628</u>
	<u><u>(5,851,346)</u></u>	<u><u>(1,553,359)</u></u>

Consolidated Statement of Financial Position

At 31 March 2019

	Unaudited 2019 HK\$'000	Audited 2018 HK\$'000
NON-CURRENT ASSETS		
Hotel property/hotel under development	3,753,650	6,961,944
Property, plant and equipment	341,500	328,409
Deposits paid for acquisition of property, plant and equipment	29,842	221,698
Deposits for investments	–	110,000
Prepaid land lease payments	338,975	1,403,121
Goodwill	61,646	61,646
Other intangible assets	8,062	8,092
Interests in joint ventures	94,144	97,510
	<u>4,627,819</u>	<u>9,192,420</u>
CURRENT ASSETS		
Prepaid land lease payments	26,269	104,591
Amounts due from customers for contract works	–	1,056,904
Inventories	40,629	46,998
Trade and other debtors, deposits and prepayments	1,037,249	2,115,160
Contract assets	2,129,237	–
Amounts due from associates	18,462	12,628
Amounts due from joint ventures	28,637	121,705
Amounts due from joint operations/other partners of joint operations	55,345	55,077
Amounts due from subsidiaries of a shareholder	94	17,495
Other loans receivable	56,162	32,159
Taxation recoverable	1,421	1,592
Pledged bank deposits	16,044	17,020
Short term bank deposits	94,638	271,887
Bank balances and cash	227,134	899,554
	<u>3,731,321</u>	<u>4,752,770</u>

	Unaudited 2019 HK\$'000	Audited 2018 HK\$'000
CURRENT LIABILITIES		
Amounts due to customers for contract works	–	1,285,325
Trade and other creditors and accrued expenses	3,156,846	2,046,098
Contract liabilities	323,822	–
Deposits/earnest money received	249,000	179,000
Amount due to a joint venture	–	52
Amounts due to joint operations/other partners of joint operations	58,436	58,283
Amount due to a subsidiary of a shareholder	2,244	4,710
Amount due to a related company	2,340	–
Loan from a subsidiary of a shareholder	75,000	75,000
Loan from a related company	107,350	–
Taxation payable	2,122	2,354
Bank and other borrowings – due within one year	4,119,124	4,116,054
	8,096,284	7,766,876
NET CURRENT LIABILITIES	(4,364,963)	(3,014,106)
TOTAL ASSETS LESS CURRENT LIABILITIES	262,856	6,178,314
NON-CURRENT LIABILITIES		
Bank and other borrowings – due after one year	17,500	27,500
Convertible bonds	812,741	684,611
Obligation in excess of interests in associates	9,227	6,836
	839,468	718,947
	(576,612)	5,459,367
CAPITAL AND RESERVES		
Share capital	202,591	202,591
Reserves	(1,006,047)	4,942,013
Equity attributable to owners of the Company	(803,456)	5,144,604
Non-controlling interests		
Share of net assets of subsidiaries	226,844	314,763
TOTAL EQUITY	(576,612)	5,459,367

Shareholders and potential investors should note that the Unaudited Financial Information set out above has not been reviewed or audited by the auditor of the Company, and is therefore subject to possible adjustment and finalisation pending the completion of the audit by the Company's auditor. It is expected that the Final Results will be released on or before 31 July 2019.

Trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 2 July 2019 and will remain suspended until further notice.

Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

By Order of the Board of
South Shore Holdings Limited
Mui Ching Hung, Joanna
Company Secretary

Hong Kong, 17 July 2019

As at the date of this announcement, the directors of the Company are:

Mr Peter Lee Coker Jr.	:	Chairman (Executive Director)
Mr Lau Tom Ko Yuen	:	Deputy Chairman (Executive Director)
Mr Walter Craig Power	:	Non-Executive Director
Ir James Chiu, <i>OBE, JP</i>	:	Independent Non-Executive Director
Professor Lee Chack Fan, <i>GBS, SBS, JP</i>	:	Independent Non-Executive Director
Mr Iain Ferguson Bruce	:	Independent Non-Executive Director
Mr Francis Goutenmacher	:	Independent Non-Executive Director
Mr Chan Kok Chung, Johnny	:	Independent Non-Executive Director