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## **SOUTH CHINA ASSETS HOLDINGS LIMITED**

**南華資產控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 08155)**

### **PROFIT ALERT — REDUCTION OF LOSS**

This announcement is made by South China Assets Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) pursuant to Rule 17.10 of the Rules Governing the Listing on GEM of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”) and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of the directors (the “Board”) of the Company wishes to inform the shareholders of the Company (the “Shareholders”) and potential investors of the Company that, based on the information currently available to the Company and preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2021 (the “Interim Period”), the Group is expected to record (i) a turnaround of profit attributable to owners of the Company of approximately HK\$1.7 million for the three months ended 30 June 2021 as compared to the loss attributable to owners of the Company of approximately HK\$5.3 million for the three months ended 30 June 2020, and (ii) a substantial decrease in loss attributable to owners of the Company of approximately HK\$10.7 million for the Interim Period representing approximately 87% as compared to the loss attributable to owners of the Company of approximately HK\$12.3 million for the six months ended 30 June 2020.

The Board considers that the expected decrease in loss was mainly attributable to the following factors:

1. an increase in total revenue by approximately HK\$13 million for the Interim Period as compared to that for the six months ended 30 June 2020, mainly attributable to property project management services in property development segment; and
2. a decrease in finance costs for the Interim Period by approximately HK\$3.3 million as compared to that for the six months ended 30 June 2020 as a result of certain repayment on the shareholders’ loans in the second half of 2020.

As the Company is still in the process of finalising the interim results of the Group for the Interim Period, the information contained in this announcement is only based on the Company's preliminary assessment of the unaudited consolidated management accounts of the Group and information currently available to the Group. The interim results of the Group for the Interim Period are not yet finalised nor reviewed by the audit committee of the Company. Further details of the Group's financial information for the Interim Period will be disclosed in the unaudited interim results announcement, which is expected to be published on 10 August 2021.

## **CONTINUED SUSPENSION OF TRADING**

At the request of the Company, trading in its shares has been suspended with effect from 9:00 a.m. on 28 January 2021 and will continue to be suspended until further notice. Further announcement(s) will be made by the Company as and when appropriate and in accordance with the requirements of the GEM Listing Rules.

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

By Order of the Board  
**South China Assets Holdings Limited**  
南華資產控股有限公司  
**Cheung Choi Ngor**  
*Executive Director*

Hong Kong, 5 August 2021

*As at the date of this announcement, the directors of the Company are (1) Mr. Ng Hung Sang, Ms. Cheung Choi Ngor, Mr. Richard Howard Gorges and Ms. Ng Yuk Mui Jessica as executive directors; (2) Mr. Ng Yuk Yeung Paul as non-executive director; and (3) Mr. Cheng Hong Kei, Ms. Pong Scarlett Oi Lan, BBS, J.P. and Mr. Yeung Chi Hang as independent non-executive directors.*

*This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the "Latest Company Announcements" page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least seven days from the date of its publication and on the website of the Company at [www.scassets.com](http://www.scassets.com).*