

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.



CHINA PROPERTIES GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1838)

ANNOUNCEMENT 2020 INTERIM RESULTS PROFIT WARNING

This announcement is made by China Properties Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and Rule 13.09(2)(a) of the Listing Rules.

The board of directors of the Company (the “**Board**”) wishes to inform potential investors and shareholders of the Company that, based on the information currently available to the Company, it is expected to record a net loss for the six months ended 30 June 2020 (the “**2020 Interim Period**”) mainly due to reasons including but not limited to:

- (a) a decline in the fair value of the Group’s investment properties of not less than RMB1,077 million; and
- (b) provision for settlement fee and other relevant cost incurred in respect of the litigations with certain lenders of approximately RMB419 million.

Based on currently available information, the Company estimates a net loss of not less than RMB1,468 million in loss attributable to owners of the Company for the 2020 Interim Period. Notwithstanding the above, the Board believes that the balance sheet and cashflow conditions of the Group remain substantively stable.

The estimated net loss is due mainly to the revaluation losses in its investment properties, which is non-cash related.

The information contained in this announcement is based on a preliminary review and analysis on the internal management accounts available as of the date of this announcement, which have not been audited or reviewed by the auditors of the Company and may be subject to adjustments.

The Company is still in the process of finalizing the results of the Group for the 2020 Interim Period. Details of the Group's financial information for the 2020 Interim Period is expected to be disclosed in its interim results announcement on 31 August 2020.

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

By Order of the Board
CHINA PROPERTIES GROUP LIMITED
Dr. Wang Shih Chang, George
Chairman

Hong Kong, 19 August 2020

As at the date of this announcement, the Board of the Company comprises Dr. Wang Shih Chang, George, Mr. Wong Sai Chung and Mr. Xu Li Chang as executive directors, Mr. Kwan Kai Cheong as non-executive director and Mr. Warren Talbot Beckwith, Mr. Luk Koon Hoo and Dr. Garry Alides Willinge as independent non-executive directors.