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新明中国控股
XINMING CHINA

# Xinming China Holdings Limited
# 新明中國控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*
**(Stock Code: 2699)**

## PROFIT WARNING

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

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders (the "**Shareholders**") and potential investors of the Company that, based on the information currently available to the Company, the Group is expected to record a loss attributable to owners of the Company of not more than approximately RMB791.1 million for the year ended 31 December 2020 as compared to a loss of approximately RMB117.0 million for the corresponding period in 2019. The expected significant loss is mainly attributable to (1) exclusion of interests on bank and other borrowings from the interest capitalization of not more than approximately RMB253.4 million during the period; (2) the loss arising from changes in fair value of investment properties, properties under development and completed properties held for sale of not more than approximately RMB354.6 million due to the negative market impact caused by the novel coronavirus (COVID-19) epidemic during the period; (3) the provision for impairment of trade and other receivables and provision for commercial contracts compensation of not more than approximately RMB252.0 million during the period; and (4) properties sales weakened due to the outbreak of COVID-19 in the first quarter of 2020. Despite there was slight improvement on the sales of commercial properties in the second half of the year, the sales were still weak.

The information contained in this announcement is only based on the preliminary assessment by the management of the Company with reference to the unaudited consolidated management accounts of the Company for the year ended 31 December 2020 and the information currently available, which have not been confirmed or reviewed by the auditor or the audit committee of the Company. Please note that the Company is still in the process of finalizing its annual results for the year ended 31 December 2020 and the results may be subject to further revision. Shareholders and potential investors are advised to carefully read the annual results announcement of the Group for the year ended 31 December 2020 for further details.

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

By order of the Board
**Xinming China Holdings Limited**
**Chen Chengshou**
*Chairman and Chief Executive Officer*

Hong Kong, 10 February 2021

*As at the date of this announcement, the executive Directors are Mr. Chen Chengshou, Mr. Feng Cizhao and Mr. Pu Wei; the non-executive Directors are Ms. Gao Qiaoqin and Mr. Chou Chiu Ho; and the independent non-executive Directors are Mr. Fong Wo, Felix, Mr. Gu Jiong and Mr. Lo Wa Kei, Roy.*

*If there is any discrepancy between the English version and the Chinese translation, the English version shall prevail.*