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## **CHINA PROPERTIES GROUP LIMITED**

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

**(Stock Code: 1838)**

### **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) 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 consolidated net loss for the year ended 31 December 2020 (the “**Year**”) mainly due to reasons including but not limited to:

- (a) a significant decline in the fair value of the Group’s investment properties of not less than RMB2,058 million; and
- (b) provision for settlement fee and other relevant cost incurred in respect of the litigations with certain lenders of approximately RMB991 million.

Based on currently available information, the Company estimates a consolidated net loss of not less than RMB2,552 million in loss attributable to owners of the Company for the Year. The estimated consolidated net loss for the Year is due mainly to the recognition of a significant fair value loss arising from revaluation of the Group’s 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 Year.

Details of the Group's financial information for the Year will be disclosed in the annual results announcement to be published by the Company.

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

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

Hong Kong, 10 March 2021

*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.*