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## **Suoxinda Holdings Limited**

### **索信达控股有限公司**

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

**(Stock Code: 3680)**

### **PROFIT WARNING**

This announcement is made by Suoxinda 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 in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform shareholders of the Company and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2022 (the “**Period**”) and preliminary assessment of the information currently available to the Board, the Company is expected to record a net loss attributable to owners of the Company of not less than RMB120 million for the Period, as compared to the net loss attributable to owners of the Company of approximately RMB76 million for the year ended 31 December 2021.

Based on the information currently available, the expected net loss recorded for the Period is mainly attributed to the combined effects of, among others, the following factors: (i) under the impact of the COVID-19 pandemic and the strict lockdown measures in mainland China, the delivery team of the Group was unable to enter the customers’ project sites to complete the work, and as a result, the project completion cycles were extended, leading to an increase in operating costs; (ii) the grant of share options and awarded shares, resulting in an increase in share-based payment; (iii) due to the relocation of three main offices for the purpose of streamlining and optimizing the office space, the amortization expenses of the renovation of the original office was recognised as one lump sum expense in advance during the Period, resulting in an increase in administrative expenses; (iv) based on prudent consideration, the Group increased the provision for impairment of financial and contract assets; and (v) the impairment of fixed assets, intangible assets, and right-of-use assets due to business strategy adjustments.

The information contained in this announcement is made only based on a preliminary assessment by the Board with reference to the unaudited consolidated management accounts of the Group for the Period and the information currently available to the Board, which has not been reviewed or confirmed by the audit committee of the Board, and has not been audited or reviewed by the Company's auditor. The data and information contained in this announcement may be subject to adjustments based on updated information. For details of the financial performance of the Group, shareholders of the Company and potential investors are advised to read carefully the Company's annual results announcement for the Period. The relevant announcement is expected to be published by the end of March 2023.

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

By order of the Board  
**Suoxinda Holdings Limited**  
**Wu Fu-Shea**  
*Chairman of the Board*

Hong Kong, 15 March 2023

*As at the date of this announcement, the Board comprises two executive Directors, namely, Mr. Wu Xiaohua and Mr. Shi Banchao, three non-executive Directors, namely, Dr. Wu Fu-Shea, Mr. Chen Zhenping and Ms. Zhao Yue, and three independent non-executive Directors, namely, Dr. Chen Wei, Mr. Yang Haifeng and Ms. Dan Xi.*