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(Incorporated in Hong Kong with limited liability)
(Stock Code: 00604)

PROFIT WARNING

This announcement is made by Shenzhen Investment Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) 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 of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on a preliminary review by the management of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2023 (the “**Period**”) and the information currently available to the Board, the Group is expected to record an unaudited consolidated net loss attributable to equity Shareholders of not more than HK\$200 million for the Period as compared to the consolidated net profit attributable to equity Shareholders of approximately HK\$2,361 million for the same period of 2022. The expected turnaround from profit to loss is primarily attributable to the fact that the sales revenue of major projects will mainly be recognized in the second half of the year and the decrease in gross profit margin and the gross floor area of properties completed and delivered to purchasers by the Group during the Period.

Facing the severe industry environment, the Group will actively adopt a variety of countermeasures, including but not limited to strengthening construction period control, accelerating sales and payment collection arrangements, exploring asset securitization, etc., to enhance operating performance. In terms of contracted sales, the Group recorded unaudited total contracted sales of approximately RMB14.789 billion for the first half of the year, representing an increase of 198.0% over the same period of last year, and it will continue to promote marketing and accelerate inventory destocking in the second half of the year. According to the project schedule, nine projects under construction will be completed in the second half of the year. The Group will closely monitor the construction schedule to ensure that the sales revenue of the projects is recognized as planned.

The information contained in this announcement is only based on a preliminary review by the management of the unaudited consolidated management accounts of the Group for the Period and the information currently available to the Board, which have not been audited by the independent auditor or reviewed by the audit committee of the Company. The results of the Group for the Period may be affected by a number of other factors, including but not limited to the share of results of associates, and therefore the actual results of the Group may be subject to amendments and adjustments where necessary. The Company is in the process of finalizing its results for the Period. Shareholders and potential investors are advised to refer to the details in the interim results announcement of the Company for the Period which is expected to be published by end August 2023.

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

By order of the Board
Shenzhen Investment Limited
LU Hua
Chairman

Hong Kong, 4 August 2023

As at the date of this announcement, the Board comprises 8 directors, of which Dr. LU Hua, Mr. WANG Yuwen, Ms. CAI Xun, Mr. XU Enli and Ms. SHI Xiaomei are the executive directors of the Company, and Mr. LI Wai Keung, Dr. WONG Yau Kar, David and Prof. GONG Peng are the independent non-executive directors of the Company.