

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.



信基沙溪集团股份有限公司
XINJI SHAXI GROUP CO., LTD

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3603)

POSITIVE PROFIT ALERT

This announcement is made by Xinji Shaxi Group Co., Ltd (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) and the Inside Information Provision (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on a preliminary review of the Group’s unaudited consolidated management accounts for the six months ended 30 June 2021 (the “**2021 Interim**”), it is expected that the net profit attributable to the Shareholders for the 2021 Interim is likely to increase by not less than RMB25.0 million but not more than RMB35.0 million as compared to the net profit attributable to the Shareholders of approximately RMB16.2 million in the corresponding period in 2020.

The Board considers that such expected increase is primarily attributable to the absence of fair value losses on investment properties held by the Group, in particular the two shopping malls in Shenyang, the People’s Republic of China (the “**PRC**”), for the 2021 Interim, whereas in the corresponding period of 2020, the fair value losses of the properties held by the Group amounted to approximately RMB46.2 million due to the outbreak of the coronavirus disease 2019 (the “**COVID-19**”). The absence of fair value losses of the investment properties for the 2021 Interim was mainly attributable to the recovery of market demand as a result of the containment of the COVID-19 in the PRC.

The Company is still in the process of finalising the financial results of the Group for the 2021 Interim. The information contained in this announcement is only a preliminary assessment made by the Company’s management based on information currently available to the Board (including the Group’s unaudited consolidated management accounts for the 2021 Interim), and is not based on any data or information reviewed or audited by the Company’s auditor. The interim results of the Group for the 2021 Interim are expected to be published by the end of August 2021.

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

By order of the Board
Xinji Shaxi Group Co., Ltd
Cheung Hon Chuen
Chairman

Guangzhou, the PRC, 11 August 2021

As at the date of this announcement, the Board comprises Mr. Cheung Hon Chuen as chairman and executive director; Mr. Mei Zuoting and Mr. Zhang Weixin as executive directors; Mr. Yu Xuecong, Mr. Lin Lie and Ms. Wang Yixue as non-executive directors; and Dr. Zeng Zhaowu, Mr. Tan Michael Zhen Shan and Mr. Zheng Decheng as independent non-executive directors.