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Standard Development Group Limited

標準發展集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1867)

PROFIT WARNING

The announcement is made by Standard Development Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 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 (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company and potential investors that, based on the information currently available to the Board, the Group is expected to record a net loss of not less than HK\$9.0 million for the six months ended 30 September 2021 as compared with a net profit of approximately HK\$6.2 million for the corresponding period in 2020. The Board considers that the net loss was mainly attributable to (i) the decrease in gross profit margin of the Group’s projects due to the delays in certification of projects work done completion; (ii) the provisions made on expected credit loss regarding to the legal dispute (for further details, please refer to the Company’s announcement dated 15 October 2021); and (iii) the increase in administrative and other operating expenses due to the increase in staff costs including directors’ emoluments.

The Company is still in the process of finalising the interim results of the Group for the six months ended 30 September 2021. The information contained in this announcement is based on a preliminary assessment made by the Board with reference to the information currently available and the unaudited consolidated management accounts of the Group for the six months ended 30 September 2021, which have not been audited or reviewed by the Group’s auditors and the audit committee of the Company and may be subject to adjustment. Shareholders and potential investors are advised to read carefully the announcement of the interim results of the Company for the six months ended 30 September 2021, which is expected to be published in November 2021.

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

By order of the Board
Standard Development Group Limited
Liu Zhancheng
Chairman and Executive Director

Hong Kong, 2 November 2021

As at the date of this announcement, the Board comprises Mr. Liu Zhancheng, Ms. Qin Mingyue and Mr. Ye Zuobin as executive Directors; and Dr. Su Lixin, Mr. Liang Rongjin and Dr. Yan Bing as independent non-executive Directors.