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CSI PROPERTIES LIMITED

資本策略地產有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 497)

PROFIT WARNING

This announcement is made by CSI Properties Limited (the “**Company**” and 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 and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the 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 unaudited consolidated management accounts of the Group for the year ended 31 March 2024 and management information currently available, the Group is expected to record a consolidated loss attributable to owners of the Company between HK\$420 million and HK\$470 million for the year ended 31 March 2024, as compared to a profit of HK\$336 million for the year ended 31 March 2023.

The change is mainly attributable to the failure to reach a consensus within the prescribed time limit with the Lands Department of the Government of Hong Kong regarding the land premium payable on the relevant lots situated in Kwu Tung North/Fanling North New Development Areas under the Group’s joint venture project (the “**JV Project**”), resulting in the release of ex-gratia land compensation in return for the resumption of land (the “**Land Resumption**”). In turn, this leads to the anticipated impairment loss in respect of investment in the JV Project to be recognised in the consolidated statement of profit or loss for the year ended 31 March 2024. The Land Resumption will not have a material adverse effect on the business operations, and will have a minimal cashflow impact to the Group.

* *For identification purpose only*

The information contained in this announcement is based on the Board's current assessment of the market conditions and the latest unaudited consolidated management accounts of the Group which have not yet been confirmed or audited. Details of the Group's performance for the year ended 31 March 2024 will be disclosed in the final results announcement of the Group due to be published before the end of June 2024.

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

By Order of the Board
CSI Properties Limited
Kan Sze Man
Company Secretary

Hong Kong, 31 May 2024

As at the date of this announcement, the executive directors of the Company are Mr. Chung Cho Yee, Mico (Chairman), Mr. Kan Sze Man, Mr. Chow Hou Man, Mr. Ho Lok Fai, Mr. Leung King Yin, Kevin and Ms. Chung Yuen Tung, Jasmine; and the independent non-executive directors of the Company are Mr. Cheng Yuk Wo, Mr. Shek Lai Him, Abraham, GBS, JP and Dr. Lo Wing Yan, William, JP.