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21 Holdings Limited

21 控股有限公司*

(incorporated in Bermuda with limited liability)

(stock code: 1003)

POSITIVE PROFIT ALERT

This announcement is made by the Company pursuant to Part XIVA of the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong and Rule 13.09(2) of the Listing Rules.

The Board wishes to inform the Shareholders and potential investors that the Group is expected to record a consolidated net profit for the year ended 31 December 2013, as compared to a consolidated net loss for the same corresponding period in 2012. This positive profit alert announcement is only based on the preliminary assessment on the unaudited management accounts of the Group, which are in the course of finalizing and have yet to be confirmed.

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

This announcement is made by 21 Holdings Limited (the “Company”) pursuant to Part XIVA of the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong and Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

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 the management’s preliminary assessment of the management accounts and information currently available, the Company and its subsidiaries (the “Group”) is expected to record a consolidated net profit for the year ended 31 December 2013, as compared to a consolidated net loss for the same corresponding period in 2012.

The expected consolidated net profit is principally due to the recognition of the provision for losses on litigation of HK\$86,500,000 as other income, details announced on 5 September 2013, and such amount would outweigh the loss resulted from possible impairment on goodwill and intangible assets (the “Impairment”) relating to the property agency business in the People’s Republic of China (the “PRC”) and Hong Kong. The Impairment reflects the management’s expectation on the poor market conditions in the property markets in the PRC and Hong Kong in the ensuing year.

** for identification purpose only*

The property agency business in the PRC has been continuously affected by certain on-going regulatory policies being implemented and enforced by the PRC government since 2011 to curb the overheated real estate market. As such, the potential profitability of the property agency in the PRC is undoubtedly impaired.

The property market in Hong Kong has been adversely affected by regulating measures, which includes the implementation of Residential Properties (First-hand Sales) Ordinance (Chapter 621 of the Laws of Hong Kong) in April 2013 and across-the-board rise in Ad Valorem Stamp Duty rates in late February 2013. The management considers that these discouraging measures would continue to hinder the property agency business in Hong Kong for a considerable period of time.

The information in this announcement is based on the preliminary assessment by the management of the Company after reviewing and considering the unaudited management accounts of the Group. Such information has not been audited or reviewed by the auditors of the Group and thus the Board is not in a position to assess the exact financial implication at this stage. The annual results announcement of the Company is expected to be published on or before 31 March 2014.

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

By Order of the Board
21 Holdings Limited
Ng Kai Man
Chairman

Hong Kong, 28 January 2014

As at the date of this announcement, the Board comprises Mr. Ng Kai Man (Chairman) as executive Director and Mr. Lui Siu Tsuen, Richard, Mr. Ding Chung Keung and Ms. Cheung Sze Man as independent non-executive Directors.