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安全貨倉有限公司

SAFETY GODOWN COMPANY, LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 237)

PROFIT WARNING

Based on preliminary assessment of the latest unaudited consolidated management accounts of the Group and the information currently available to the Company, the Board wishes to inform the Shareholders and potential investors that the Group's loss before tax for the six months ended 30 September 2020 is expected to be approximately HK\$93 million.

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

This announcement is made by Safety Godown Company, Limited (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 of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong).

Based on preliminary assessment of the latest unaudited consolidated management accounts of the Group and the information currently available to the Company, the board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that the Group's loss before tax for the six months ended 30 September 2020 (the “**Period**”) is expected to be approximately HK\$93 million as compared with a loss of approximately HK\$26 million recorded for the previous corresponding financial period. The expected loss was mainly caused by the decline in revenue of approximately 22% and a fair value loss arising from revaluations of the investment properties of the Group amounting to be approximately HK\$170 million based on draft valuation reports prepared by independent valuers (whereas a fair value loss of approximately HK\$66.9 million was recorded for the previous corresponding financial period).

During the Period, the COVID-19 pandemic had an impact on the Group's businesses to a certain extent. Given the Groups' financial strength and effective control policies, the Board is confident that the Group's business operations will remain normal.

The Company is still in the process of finalising the interim results of the Group for the Period. The information contained in this announcement is only based on the information currently available to the Company and such information has not been audited or reviewed by the Company's auditor or audit committee. Shareholders and potential investors are advised to read carefully the interim results announcement of the Company for the Period which is expected to be published in late November 2020.

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

By order of the Board
Safety Godown Company, Limited
Mui Ngar May, Joel
Company Secretary

Hong Kong, 10 November 2020

As at the date of this announcement, the Board comprises one Executive Director, Mr. Lu Wing Yee, Wayne; one Non-executive Director, Mr. Lee Ka Sze, Carmelo; and two Independent Non-executive Directors, namely Mr. Lam Ming Leung and Mr. Leung Man Chiu, Lawrence.