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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)

INSIDE INFORMATION TRADING UPDATE

The Board wishes to inform the Shareholders and potential investors that, based on the Board's preliminary assessment of the Group's latest unaudited consolidated management accounts and the information currently available, the Group's turnover and loss before tax for the Period are expected to be approximately HK\$123 million and HK\$73 million respectively, as compared with the Group's turnover and loss before tax of approximately HK\$109.8 million and HK\$136.0 million recorded for the previous corresponding financial period respectively.

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, collectively 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).

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 Board's preliminary assessment of the Group's latest unaudited consolidated management accounts and the information currently available, the Group's turnover and loss before tax for the year ended 31 March 2022 (the "**Period**") are expected to be approximately HK\$123 million and HK\$73 million respectively, as compared with the Group's turnover and loss before tax of approximately HK\$109.8 million and HK\$136.0 million recorded for the previous corresponding financial period respectively.

Subject to our auditor's review, the expected loss was mainly attributable to:

- (i) a fair value loss arising from revaluations of the investment properties of the Group as at 31 March 2022 amounting to approximately HK\$137 million based on the draft valuation reports prepared by an independent valuer (whereas a fair value loss of approximately HK\$232.3 million recorded for the year ended 31 March 2021); and
- (ii) a fair value gain on the financial assets at fair value through profit or loss of approximately HK\$11 million recorded for the Period compared with a fair value gain of approximately HK\$46.5 million recorded for the year ended 31 March 2021.

During the Period, Hong Kong had experienced the outbreak of the fifth wave of COVID-19 pandemic and the Group proactively adopted all necessary precautionary and control measures from the corporate to operational levels in order to mitigate the identified risks and threats of the Group to the greatest extent possible and to ensure the safety and wellbeing of the employees, tenants and customers. Given the Groups' solid financial strength and effective risk management and internal 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 annual 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 annual results announcement of the Company for the Period which is expected to be published around the end of June 2022.

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, 25 May 2022

As at the date of this announcement, the Board comprises the following directors of the Company:

Executive Director:

Mr. Lu Wing Yee, Wayne

Non-executive Director:

Mr. Lee Ka Sze, Carmelo

Independent Non-executive Directors:

Mr. Lam Ming Leung

Mr. Leung Man Chiu, Lawrence

Ms. Oen Li Lin