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瑞安建業有限公司\*  
**SOCAM Development Limited**  
(Incorporated in Bermuda with limited liability)  
(Stock Code: 983 and Debt Stock Code: 40137)

## FINANCIAL PERFORMANCE UPDATE

This announcement is made by SOCAM Development Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) in accordance with Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) concerning disclosure of inside information and Rules 13.09(2)(a) and 37.47B(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Board of Directors of the Company (the “**Board**”) wishes to inform the holders of securities of the Company (the “**Securities Holders**”) and potential investors that, based on a preliminary assessment of the latest unaudited consolidated management results of the Group and other information currently available to the Company, the Group is expected to record an increase in consolidated net profit for the year ended 31 December 2020 (the “**Year 2020**”) to around HK\$45 million, as compared to the consolidated net profit of approximately HK\$7 million for the year ended 31 December 2019 (the “**Year 2019**”) and net loss of approximately HK\$130 million for the six months ended 30 June 2020 (the “**2020 Interim Period**”).

Such expected increase in the Group’s consolidated net profit is primarily due to a foreign exchange gain of approximately HK\$150 million for the Year 2020 attributable to the significant appreciation of Renminbi against Hong Kong dollars in the second half of 2020, as compared to the respective foreign exchange losses of approximately HK\$50 million and HK\$44 million recognised for the Year 2019 and the 2020 Interim Period, in addition to the relief under the Employment Support Scheme of The Government of the Hong Kong Special Administrative Region. However, the positive effect would largely be offset by an expected further downward adjustment in fair value of the Group’s investment properties in Mainland China, resulting in an increase in fair value losses (net of deferred tax provision) on such properties for the Year 2020 from HK\$38 million loss recorded for the 2020 Interim Period, as compared to a HK\$39 million fair value gain for the Year 2019.

The information contained in this announcement is only based on the preliminary assessment by the Board with reference to the latest unaudited consolidated management results of the Group and other information currently available to the Company. The actual operating and financial performances of the Group for the Year 2020 are subject to the Group's investment properties valuation and audit of its financial statements by independent professional valuer and auditors of the Group respectively, and are yet to be quantified. Securities Holders and potential investors are advised to read carefully the final results announcement of the Company for the Year 2020, which is expected to be published towards the end of March 2021.

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

By Order of the Board  
**SOCAM Development Limited**  
**Lee Chun Kong, Freddy**  
*Executive Director and Chief Executive Officer*

Hong Kong, 7 January 2021

*At the date of this announcement, the Executive Directors of the Company are Mr. Lo Hong Sui, Vincent and Mr. Lee Chun Kong, Freddy; the Non-executive Director of the Company is Ms. Lo Bo Yue, Stephanie; and the Independent Non-executive Directors of the Company are Ms. Li Hoi Lun, Helen, Mr. Chan Kay Cheung and Mr. William Timothy Addison.*

*\* For identification purpose only*

*Website: [www.socam.com](http://www.socam.com)*