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## **SMART CITY DEVELOPMENT HOLDINGS LIMITED**

### **智城發展控股有限公司**

*(formerly known as Deson Construction International Holdings Limited 迪臣建設國際集團有限公司)*

*(Incorporated in Cayman Islands with limited liability)*

**(Stock Code: 8268)**

### **INSIDE INFORMATION**

### **POSITIVE PROFIT ALERT**

This announcement is made by Smart City Development Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined in the GEM Listing Rules) 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 preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 September 2020, the Group is expected to record a profit of not more than HK\$4 million for the six months ended 30 September 2020, as compared with a loss of approximately HK\$1 million for the corresponding period in 2019. Based on the information currently available to the Board, the profit mainly arose from an operating profit from the securities investment segment of approximately HK\$4 million for the six months ended 30 September 2020, as compared with an operating loss of approximately HK\$3 million for the corresponding period in 2019, despite a decrease in operating profit of the construction contracting and related business by approximately HK\$5 million.

As the Company is still in the process of finalising the Group’s unaudited consolidated financial statements for the six months ended 30 September 2020, the information in this announcement is only based on a preliminary assessment made by the Board with reference to the unaudited consolidated management accounts of the Group for the six months ended 30 September 2020 prepared by the management of the Company, which has not been reviewed or audited by the Company’s independent auditor or the audit

committee of the Board. Shareholders and potential investors are advised to refer to the details of the Group's financial results for the six months ended 30 September 2020, which are expected to be released by way of an announcement by mid-November 2020.

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

By Order of the Board  
**Smart City Development Holdings Limited**  
**Hung Kenneth**  
*Executive Director*

Hong Kong, 3 November 2020

*As at the date of this announcement, the Board comprises Mr. Hung Kenneth and Ms. Lau Po Yee as executive Directors and Mr. Wong Yuk Lun Alan, Mr. Lam Wai Hung and Ms. Au Shui Ming Anna as independent non-executive Directors.*

*This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the "Latest Listed Company Information" page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for a minimum period of seven days from the date of its publication and on the Company's website at [www.smartcity-d.com](http://www.smartcity-d.com).*