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偉祿集團控股有限公司
REALORD GROUP HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 1196)

PROFIT WARNING
AND
UPDATE ON PUBLICATION OF 2019 ANNUAL RESULTS

This announcement is made by Realord Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

PROFIT WARNING

The board of directors (the “**Board**”) of the Company would like to inform shareholders of the Company and potential investors that based on the unaudited consolidated management accounts of the Group for the year ended 31 December 2019 (the “**Management Accounts**”) and information currently available to the management of the Group, the Company expects to record a net profit attributable to the shareholders of the Company of approximately HK\$5 million for the year ended 31 December 2019 (the “**FY2019**”), as compared to that of approximately HK\$363 million for the year ended 31 December 2018 (the “**FY2018**”).

The expected decrease was mainly driven by (i) the fair value loss on the Group’s investment properties of approximately HK\$203 million during the FY2019 (as compared to that of the fair value gain of approximately HK\$671 million during the FY2018); (ii) a decrease in the net exchange gain by approximately HK\$172 million; (iii) an increase in finance costs by approximately HK\$110 million; and (iv) a loss of approximately HK\$83 million on the disposal of listed securities investments held by the Group, which represented a reversal of all accumulated unrealised fair value gain on such investments recognised in prior years while the total net realised gain on such investments over the years was approximately HK\$9.9 million. The aggregate of aforesaid effects to the Group’s financial results for the FY2019 was expected to be partially offset by (v) a fair value gain of approximately HK\$696 million arising from a deemed disposal of an associate due to the Group’s increase in ownership interest therein

from 49% to 51% resulting such company became an indirect 51%-owned subsidiary of the Company during the FY2019; and (vi) the deferred tax benefit of approximately HK\$35 million for the FY2019 (FY2018: deferred tax expense of approximately HK\$158 million) arisen mainly from the fair value change of investment properties during the year.

The Group is still in the process of finalising its annual results for the FY2019. The abovementioned information is only a preliminary assessment of the Group's management based on the Management Accounts and information currently available, which has not been audited or reviewed by the Company's auditors and has not been reviewed by the audit committee of the Company.

UPDATE ON PUBLICATION OF 2019 ANNUAL RESULTS

Reference is made to the announcement of the Company dated 12 March 2020 in relation to the convention of a Board meeting to be held on 30 March 2020 for the purpose of considering and approving, among other things, the annual results of the Group for the FY2019 and considering the payment of a final dividend, if any.

Due to the travel restrictions and quarantine measures in connection with the outbreak of COVID-19 epidemic, the audit process for the Group's annual results for the FY2019 (including the audit field works conducted by the Company's auditors in the People's Republic of China) has been disrupted. The Company expects that it will not be able to publish its annual results announcement for the FY2019 that has been agreed with the Company's auditors (the "**Agreed Annual Results**") by 31 March 2020 in accordance with Rule 13.49 of the Listing Rules. In order to keep the shareholders of the Company and potential investors informed of the business operation and financial position of the Group, the Company will publish the unaudited annual results of the Group for the FY2019 on 30 March 2020. The Agreed Annual Results will be published as soon as practicable after they have been agreed with the Company's auditors. Further announcement(s) will be made by the Company as and when appropriate.

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

By order of the Board
Realord Group Holdings Limited
Lin Xiaohui
Chairman

Hong Kong, 26 March 2020

As at the date of this announcement, the executive directors of the Company are Dr. Lin Xiaohui, Madam Su Jiaohua and Mr. Lin Xiaodong and the independent non-executive directors of the Company are Mr. Yu Leung Fai, Mr. Fang Jixin and Dr. Li Jue.