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**CENTRAL DEVELOPMENT HOLDINGS LIMITED**  
**中發展控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 475)**

**PROFIT WARNING**  
**AND**  
**BUSINESS UPDATE ON THE IMPACT OF**  
**NOVEL CORONAVIRUS PANDEMIC**

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

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders (the “**Shareholder**”) of the Company and potential investors that based on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 March 2020 (the “**Year 2020**”) and other information currently available to the Board, the Group expects to record a decline in the Group’s revenue by approximately 30% to 35% and a decline in the Group’s gross profit by approximately 75% to 80% for Year 2020, as compared to the year ended 31 March 2019 (the “**Previous Year**”). This was mainly due to the unpredictable impact of COVID-19 (the novel coronavirus pneumonia) outbreak on the overall economic activities in the PRC and around the world, leading to a combination of the following to the Group: (i) an overall decline in sales orders of the Group’s solar intelligent technology products in the PRC and the United States of America; (ii) a decrease in revenue from the provision of energy efficiency analysis and technical improvement advisory services on solar energy projects as the Group’s downstream customers have delayed their works at the solar photovoltaic project sites after lockdown measures were taken by the government(s) of their respective jurisdictions; and (iii) a lower demand for the Group’s products in the jewelry business due to restricted or limited business travelling of salespersons between Hong Kong and PRC, within PRC, or to a number of overseas countries for major international jewelry trade shows, which have been either cancelled or postponed and therefore significantly reducing sales opportunities.

Having implemented efficient operating and cost control practices during Year 2020, the impact of decrease in revenue and gross profit had been reduced, the Company is expected that the loss attributable to owners of the Company for Year 2020 remained largely similar when compared to the Previous Year.

Since the development of COVID-19 outbreak remains uncertain, the Company is unable to exclude the possibility that the outbreak will cause further adverse impact on the Group's future operating results. In the present, the Group is gradually resuming to normal operations. The Company will continue to closely monitor market conditions as the COVID-19 situation develops and will apply further cost control practices, fine-tune the Group's product mix and other necessary measurements accordingly.

The information contained in this section of this announcement represents only a preliminary assessment made by the Board based on the information made available to the Board as at the date hereof, which has not been reviewed or audited by the Company's auditors or audit committee and may be subject to change. Shareholders and potential investors are advised to refer to the details of the annual results of the Group for the year ended 31 March 2020, which is expected to be published in late June 2020.

By order of the Board  
**Central Development Holdings Limited**  
**Chan Wing Yuen, Hubert**  
*Chief Executive and Executive Director*

Hong Kong, 8 May 2020

*As at the date of this announcement, the Board consists of three executive Directors, namely Mr. Wu Hao, Mr. Hu Yangjun and Mr. Chan Wing Yuen, Hubert; a non-executive Director, namely Mr. Li Wei Qi, Jacky; and three independent non-executive Directors, namely Mr. Wu Chi Keung, Mr. Jin Qingjun and Ms. Sun, Ivy Connie.*