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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**

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 (the “**Board**”) of directors of the Company 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 six months ended 30 September 2020 (the “**Current Period**”) and other information currently available to the Board, the Group expects to record a decline in the Group’s revenue by approximately 75% to 80% as compared to the six months ended 30 September 2019 (the “**Previous Period**”). Such decline in revenue was mainly attributable to (i) the decline in customers’ demand and sales orders of the Group’s solar energy products as a result of the continuous impact of COVID-19 (the novel coronavirus pneumonia) outbreak on the overall global economy and the escalated Sino-U.S. trade conflicts; (ii) delay of product shipments to some countries, such as the United States and India, because of the lockdown measures and related restrictions imposed by the government(s) of their respective jurisdictions; and (iii) a lower demand for the Group’s products of the jewelry business because of weak consumer sentiment and the postponement of several international jewelry trade shows which in turn reduced the potential buyers.

The Group continues to implement various efficient operating and cost control practices during Current Period to reduce the impact of decrease in revenue. Besides, benefiting from steady rental income from our investment properties and various government subsidies in our operating regions received during the Current Period, the Board expects that the loss attributable to owners of the Company for Current Period was approximately HK\$9.0 million which is expected to be lower than that the Previous Period of HK\$14.7 million. Given the uncertainty brought by the COVID-19 epidemic and the complex and changeable international situation, the Group will continue its effort to maintain the smooth operation of the solar energy business and the jewelry business and will closely monitor market conditions as the COVID-19 situation develops.

The Company is still in the process of finalising the unaudited consolidated financial results of the Group for the Current Period. The information contained in this announcement represents only a preliminary assessment made by the Board with reference to the unaudited consolidated management accounts of the Group for the Current Period and 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 further adjustments. Shareholders and potential investors are advised to refer to the details of the interim results announcement of the Group for six months ended 30 September 2020, which is expected to be published in late November 2020.

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

By order of the Board  
**Central Development Holdings Limited**  
**Chow Chi Shing**  
*Company Secretary*

Hong Kong, 30 October 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.*