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CONTINENTAL
HOLDINGS LIMITED
恒和珠寶集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00513)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform the shareholders of the Company and potential investors that the Group is expected to record a loss for the year ended 30 June 2020 as compared to profit for the year ended 30 June 2019.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

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

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company and potential investors that based on the financial information currently available, it is anticipated that the Group is expected to record a loss for the year ended 30 June 2020 in the amount of not more than HK\$20.0 million as compared to a profit of approximately HK\$48.6 million for the year ended 30 June 2019.

The loss for the year was mainly due to (i) decrease in revenue and gross profit as compare to last year; (ii) increase in impairment loss on trade receivables; (iii) loss on change in fair value of investment properties for the year ended 30 June 2020 as compared to a gain of approximately HK\$37.4 million in the last year; and (iv) absence of gain on reversal of overprovided income tax of approximately HK\$22.2 million recognized in last year.

The Company is still in the process of finalising the Group’s annual results for the year ended 30 June 2020. The information contained in this announcement is only based on the Company’s preliminary review of the management accounts of the Group, which have not been audited or reviewed by the auditor of the Company. Further details of the annual results of the Group for the year ended 30 June 2020 is expected to be announced by the end of September 2020.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

By Order of the Board
Continental Holdings Limited
Chan Wai Lap, Victor
Chairman

Hong Kong, 21 September 2020

As at the date of this announcement, Mr. Chan Wai Lap, Victor, Dr. Chan Sing Chuk, Charles, BBS, JP, Ms. Cheng Siu Yin, Shirley, Ms. Chan Wai Kei, Vicki and Mr. Wong Edward Gwong-hing are executive Directors, Mr. Yam Tat Wing is the non-executive Director, Mr. Yu Shiu Tin, Paul, BBS, MBE, JP, Mr. Chan Ping Kuen, Derek, Mr. Sze Irons, BBS, JP and Mr. Cheung Chi Fai, Frank are independent non-executive Directors.