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CAPITAL ESTATE LIMITED

冠中地產有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 193)

PROFIT WARNING

This announcement is made 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 Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (the “**SFO**”).

The board of the directors (the “**Board**”) of Capital Estate Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) would like to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on information currently available, the Group is expected to record a loss attributable to owners of the Company of not less than HK\$55.0 million for the six-month period ended 31 January 2022, compared to a loss attributable to owners of the Company of HK\$3.2 million for the six-month period ended 31 January 2021.

As disclosed in the Company’s annual report for the year ended 31 July 2021, the Group held debt securities relating to PRC-based real estate companies and recorded fair value loss from such investments after the year end date. Loss for the six-month period ended 31 January 2022 was mainly attributable to the fair value loss of the Group’s financial investment portfolio of over HK\$41.0 million (six-month period ended 31 January 2021: fair value gain of HK\$3.0 million) and decrease in interest income from such investment by over HK\$7.0 million.

The information contained in this announcement is only based on the preliminary assessment according to figures and information that have not been audited or reviewed by the Company’s auditors. Details of the Group’s performance for the six-month period ended 31 January 2022 will be finalised and disclosed in its interim results announcement to be issued in March 2022.

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

By Order of the Board
CAPITAL ESTATE LIMITED
Tsui Wing Tak
Chairman

Hong Kong, 14 March 2022

As at the date of this announcement, the Board comprises Mr. Tsui Wing Tak, Mr. Chu Nin Yiu, Stephen as executive directors, Mr. Lam Yiu Cho as non-executive director and Mr. Li Sze Kuen, Billy, Mr. Wong Kwong Fat and Mr. Leung Kam Fai as independent non-executive directors.