Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

瑞威资本
REALWAY CAPITAL

上海瑞威資產管理股份有限公司

Shanghai Realway Capital Assets Management Co., Ltd.

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1835)

PROFIT WARNING

This announcement is made by Shanghai Realway Capital Assets Management Co., Ltd. (the "**Company**", and 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 the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (the "**SFO**"). Reference is also made to the profit warning announcement of the Company dated 19 July 2019 (the "**Announcement**").

The Board wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on preliminary review of the unaudited consolidated financial information of the Group for year ended 31 December 2019 (the "**Year**") and information currently available to the board (the "**Board**") of directors (the "**Directors**") of the Company, the Group is expected to record a net profit of less than RMB26.4 million for the Year as compared to the net profit of approximately RMB46.5 million recorded for the year ended 31 December 2018, representing a decrease of not less than 43.2%.

The expected decrease in net profits of the Group was mainly due to (1) the decline in regular management fees charged by the Group as (i) the Group has taken a more cautious approach in procuring new investment projects for its managed funds during the Year in order to handle the deteriorating private equity investors' sentiment due to macro-economic factors as set out in the Announcement; (ii) the Group took more time to commence investment projects during the Year due to the increasingly stringent vetting process relating to fund establishments during the Year as set out in the Announcement; and (iii) taking the forward-looking factors specific to the debtors and the economic environment into consideration, the Group has recognised a loss allowance regards to trade receivables based on lifetime expected credit losses as at 31 December 2019; and (2) the decline in performance fee for our managed funds received by the Group as compared to that of approximately RMB43.9 million for the year ended 31 December 2018 due to the fact that there was no planned exits from investment projects during the Year.

Looking forward, the Board will continue to assess the impact of (i) the challenging macro-economic environment; (ii) the PRC's slower economic growth, and (iii) the Novel Coronavirus on the Group's operation and financial performance and closely monitor the Group's exposure to the risks and uncertainties. The Company is currently negotiating with the business partners, investee companies, and investors of our managed funds in order to explore if there are any measures which could be implemented to improve the financial performance or alleviate the financial pressure of our managed funds. The Group will make further announcement(s) on any further material developments in connection with the negotiation with the business partners, investee companies, and investors of our managed funds as and when appropriate.

As at the date of this announcement, the Group is still in the process of finalising its annual results for the Year. The information contained in this announcement is made solely on the basis of the preliminary assessment by the management of the Company with reference to the information currently available to it, including the unaudited consolidated management accounts of the Group available for the time being, which have not been audited or reviewed by the Company's auditors, nor confirmed or reviewed by the audit committee of the Board. It is, therefore, subject to further assessment by the management of the Company, finalisation and adjustments (if considered by the management of the Company to be necessary). Details of the annual results of the Group for the Year will be announced around the end of March 2020.

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

By Order of the Board
Shanghai Realway Capital Assets Management Co., Ltd.
Mr. Zhu Ping
Chairman, Chief Executive Officer and Executive Director

Shanghai, the PRC
13 February 2020

As of the date of this announcement, the Board comprises Mr. Zhu Ping, Mr. Duan Kejian and Ms. Su Yi as executive Directors; Mr. Wang Xuyang and Mr. Cheng Jun as non-executive Directors; and Ms. Yang Huifang, Mr. Shang Jian and Mr. Liu Yunsheng as independent non-executive Directors.