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WHEELOCK AND COMPANY LIMITED
(Incorporated in Hong Kong with limited liability)
Stock Code: 20

PROFIT WARNING

This announcement is made by Wheelock and Company Limited (the “**Company**” and, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) 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) under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong).

Based on the management information currently available to the Company including the latest unaudited management accounts of the Group for the three months ended 31 March 2020, the Board of Directors of the Company (the “**Board**”) wishes to advise shareholders and investors of its preliminary estimation that the Group expects a loss attributable to equity shareholders for the three months ended 31 March 2020 of approximately HK\$6 billion mainly due to the losses and/or reduced profitability of our principal businesses and the effect of unrealised revaluation deficit or impairment of the Group’s investment properties, development properties and hotels thus caused. The Group’s financial performance in 2020 has so far been impacted mainly by the very weak economic environment and the extreme market and operating conditions caused by COVID-19 on the Group’s business.

The information contained in this announcement is only a preliminary assessment by the Board based on information currently available to it, which was not audited by the Company’s auditors. The Group’s half year results are subject to changes in market condition (in particular changes in the valuations of the Group’s hotels and properties) for the six months ending 30 June 2020. Therefore, the results of the Group for the six months ending 30 June 2020 could significantly differ from the information contained in this announcement.

Notwithstanding the above information, the overall financial, business and trading positions of the Group remain healthy.

Reference is made to the announcement (“**Rule 3.5 Announcement**”) jointly issued by Admiral Power Holdings Limited and the Company on 27 February 2020 in relation to, among other things, the Proposal (as defined in the Rule 3.5 Announcement).

The profit warning included in this announcement (“**Profit Warning**”) constitutes a profit forecast under Rule 10 of The Code on Takeovers and Mergers of Hong Kong (“**Takeovers Code**”) issued by the Securities and Futures Commission of Hong Kong and should be reported on by the Company’s financial adviser and auditors in accordance with Rule 10.4 of the Takeovers Code. In view of the requirements of timely disclosures of the inside information under Rule 13.09 of the Listing Rules and the Inside Information Provisions, the Company is required to issue this announcement as soon as practicable and given the time constraints, the Company has encountered genuine practical difficulties (time-wise or otherwise) in meeting the reporting requirements set out in Rule 10.4 of the Takeovers Code.

Under Rule 10.4 of the Takeovers Code, if the Profit Warning is published first in an announcement, it must be repeated in full, together with the reports from the Company’s financial advisers and auditors or accountants on the said profit forecast, in the next document to be sent to the Shareholders. The Profit Warning will be reported on by the Company’s financial advisers and auditors as soon as possible in compliance with the Takeovers Code and such reports will be contained in the next document to be issued by the Company to the Shareholders, which is expected to be the Scheme Document (as defined in the Rule 3.5 Announcement).

Shareholders and potential investors of the Company should note that the Profit Warning has not been reported on in accordance with the requirements under Rule 10 of the Takeovers Code and does not meet the standard required by Rule 10 of the Takeovers Code. Shareholders and potential investors of the Company should therefore exercise caution in placing reliance on the Profit Warning in assessing the merits and demerits of the Proposal (as defined in the Rule 3.5 Announcement). Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Wilson W. S. Chan
Company Secretary

Hong Kong, 28 April 2020

As at the date of this Announcement, the Board of Directors of the Company comprises Mr. Douglas C. K. Woo, Mr. Stephen T. H. Ng, Mr. Stewart C. K. Leung, Mr. Paul Y. C. Tsui, Mr. Ricky K. Y. Wong, Mr. Horace W. C. Lee and Mrs. Mignonne Cheng, together with seven Independent Non-executive Directors, namely, Mr. Tak Hay Chau, Mr. Winston K. W. Leong, Mr. Alan H. Smith, Mr. Richard Y. S. Tang, Mr. Kenneth W. S. Ting, Ms. Nancy S. L. Tse and Dr. Glenn S. Yee.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.