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**萬達酒店發展有限公司**  
**WANDA HOTEL DEVELOPMENT COMPANY LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code : 169)**

**SUPPLEMENTAL ANNOUNCEMENT**  
**IN RELATION TO**  
**PROFIT WARNING**

Reference is made to the profit warning announcement (the “**Announcement**”) of Wanda Hotel Development Company Limited (the “**Company**”) dated 28 May 2020. Unless the context otherwise requires, capitalised terms in this announcement shall have the same meanings as defined in the Announcement.

The Board wishes to provide further information to the Shareholders and potential investors that, based on the preliminary information currently available to the Board, the Group is expected to record a decrease of no less than 40% in the unaudited consolidated revenue of the Group in respect of continuing operations of the Group (or a decrease of no less than 50% in the unaudited consolidated revenue of the Group including revenue from discontinued operation of property sales) for the quarter ended 31 March 2020 (the “**Quarter**”) as compared to the unaudited consolidated revenue for the corresponding period in 2019. The Board considers that the decrease in revenue is primarily attributable to the combined effect of the following factors:

- (i) a decrease in hotel management fee income by approximately 63% for the Quarter as compared to the corresponding period in 2019 primarily due to a sharp decline in occupancy rate of the hotels in the PRC to which the Group provides management services to approximately 24% during the Quarter as compared to approximately 54% in the corresponding period in 2019, as a result of the outbreak of COVID-19 coronavirus;
- (ii) the absence of revenue from the Hengli City project for the Quarter, as compared to the corresponding period in 2019, as a result of the disposal of 53% interest in Amazing Wise Limited as disclosed in the Company’s announcements dated 13 December 2019, 27 December 2019 and 25 March 2020 respectively; and
- (iii) a decrease in revenue from the Group’s Guilin project by approximately 79% for the Quarter as compared to the corresponding period in 2019 primarily due to absence of sale of properties for the Quarter as compared to revenue from the sale of properties of approximately HK\$40.4 million in the corresponding period in 2019.

In response to the difficult business environment as a result of the outbreak of COVID-19 coronavirus, the Group has sought to reduce costs as a counter-measure. The effectiveness of the measures remain to be observed. As the situation continues to evolve, the Board will continue to monitor the situation closely and keep reviewing the Group's strategies and operations with a view to improve its business performance.

The numbers mentioned above are estimates based on information available to date. The actual operating and financial conditions of the Group for the Quarter and the Period are to be quantified.

The information contained in this announcement is only based on a preliminary assessment of the consolidated management accounts and relevant revenue estimates made available to the Board as at the date hereof and which have not been audited or reviewed by the Company's auditors.

**Shareholders and potential investors are advised to exercise caution in dealing in the shares of the Company. If in doubt, they should consult their own professional advisers.**

By order of the Board  
**Wanda Hotel Development Company Limited**  
**Ding Benxi**  
*Chairman*

Hong Kong, 3 June 2020

*As at the date of this announcement, Mr. Ding Benxi (Chairman), Mr. Han Xu and Mr. Zhang Lin are the non-executive Directors; Mr. Ning Qifeng is the executive Director; and Mr. He Zhiping, Dr. Teng Bing Sheng and Dr. Chen Yan are the independent non-executive Directors.*