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融太集團股份有限公司
MAGNUS CONCORDIA GROUP LTD

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1172)

PROFIT WARNING

This announcement is made by Magnus Concordia Group Limited (the "**Company**" and together with its subsidiaries, the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and Part XIVA of the Securities and Futures Ordinance.

The board of directors of the Company (the "**Board**") wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 September 2020 and information currently available to the management, the Group is expected to record a decrease in profit attributable to owners of the Company ranging from approximately HK$21 million to HK$46 million for the six months ended 30 September 2020, as compared with the profit of approximately HK$31 million for the six months ended 30 September 2019.

The Board considers that the decrease in profit or possibly turnaround of the Group's results was mainly attributable to the absence of a one-off bargain purchase gain of approximately HK$60 million attained during the corresponding period last year upon completion of acquisition of a property development project in Zigong City, Sichuan Province, the People's Republic of China, resulting in a drop in contribution from the property development segment. This was partially offset by (i) the reduction in valuation losses of certain investment properties; (ii) the increase in fair value gain on mark-to-market valuation of corporate bonds portfolio; and (iii) the various cost savings measures adopted by the Group.

The Board considers that the overall business operation and financial position of the Group remain healthy and solid. The revenue of the Group was expected to increase significantly by over 200% for the six months ended 30 September 2020 owing to the upsurge in sales of completed residential units from the aforementioned property development project in Zigong City which was acquired in August 2019, as compared with the revenue of approximately HK$231 million for the six months ended 30 September 2019.

The Company is still in the process of finalizing the interim results of the Group for the six months ended 30 September 2020 (the "**Interim Results**"). The information contained in this announcement is only based on the preliminary assessment of the Group's unaudited consolidated management accounts and information currently available to the management of the Group, which is subject to finalization and adjustments, if any, and have not been reviewed by the independent auditor of the Company nor the audit committee of the Board. The Interim Results announcement will be published in due course pursuant to the requirements of the Listing Rules.

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

By Order of the Board
Magnus Concordia Group Limited
Li Qing
Director

Hong Kong, 12 November 2020

As at the date of this announcement, Mr. Li Qing, and Ms. Au Hoi Lee Janet are the executive directors of the Company, and Mr. Lam Chi Hung Louis, Mr. Hung Kin Man and Mr. Ho Man are the independent non-executive directors of the Company.