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Tomson Group

RIVERA (HOLDINGS) LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 281)

PROFIT WARNING

This announcement is made by the Company under Part XIVA of the SFO and pursuant to Rule 13.09(2)(a) of the Listing Rules.

The Board wishes to inform Shareholders and potential investors that based on a preliminary assessment, the Group is expected to record a significant decrease of approximately 86% in its consolidated profit after tax attributable to the Shareholders for the year ended 31st December, 2020 as compared with that of HK\$112 million for the corresponding period in 2019.

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

This announcement is made by Rivera (Holdings) Limited (the “**Company**”, and when together with its subsidiaries, the “**Group**”) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“**SFO**”) and 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**”).

The board of directors of the Company (the “**Board**”) wishes to inform shareholders of the Company (the “**Shareholders**”) and potential investors that the Group is expected to record a significant decrease of approximately 86% in its consolidated profit after tax attributable to the Shareholders for the year ended 31st December, 2020 as compared with that of HK\$112 million for the corresponding period in 2019.

Notwithstanding an improvement in both of the results of the property development and investment of the Group and the Group’s share of profit of an associate engaged in property development and investment in Shanghai, the expected decrease in the results of the Group for the year under review is mainly attributable to a significant drop in the results of the securities trading and investment of the Group. An unrealized loss on changes in fair value of trading securities investments held by the Group was reported owing to fluctuation of the global financial market, which should be recorded in the financial statements of the Group for the year ended 31st December, 2020 according to the accounting standards adopted by the

Group. There was also a decrease in dividend income received from a long-term equity investment of the Group in Hong Kong.

Although a decline in the consolidated results of the Group may be recorded, the Board believes that this will not have any material adverse impact on the financial position of the Group.

As the Company is still in the process of finalizing the annual results of the Group for the year ended 31st December, 2020, the information contained in this announcement is only based on a preliminary assessment by the Company with reference to the information currently available and the consolidated management accounts of the Group, which have neither been confirmed nor audited by the Company's auditor. Details of the audited consolidated annual results of the Group for the year ended 31st December, 2020 are expected to be announced by the Company in mid-March 2021.

Reference is made to the joint announcement of Step Famous Investment Limited (the "Offeror") and the Company dated 18th January, 2021 (the "Joint Announcement") in relation to the proposal to privatise the Company by the Offeror by way of a scheme of arrangement under Section 673 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

The profit warning included in this announcement (the "Profit Warning") constitutes a profit forecast under Rule 10 of the Hong Kong Code on Takeovers and Mergers (the "Takeovers Code") 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(2)(a) of the Listing Rules and pursuant to Part XIVA of the SFO, 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 a profit forecast is made by the Company during an offer period and the forecast is published first in an announcement, it must be repeated in full, together with the reports from the Company's financial adviser and auditors on the said profit forecast, in the next document to be sent to the Shareholders by the Company under the Takeovers Code (the "Shareholders' Document"). However, as the audited consolidated results of the Group for the year ended 31st December, 2020 will have been published by the time of release of the Shareholders' Document and the relevant results together with the notes to the financial statements will be included in the Shareholders' Document, the requirements to report on the Profit Warning under Rule 10.4 of the Takeovers Code will no longer apply.

WARNING: Shareholders and potential investors 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 should therefore exercise caution in placing reliance on the Profit Warning in assessing the merits and demerits of the Proposal (as defined in the Joint Announcement). Shareholders and potential investors are advised to exercise caution when dealing in securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

By order of the Board of
RIVERA (HOLDINGS) LIMITED
Hsu Feng
Executive Director

Hong Kong, 19th February, 2021

As at the date of this announcement, there are nine members of the Board comprising a non-executive Chairman who is Madam Liu Ying; four executive directors who are Madam Hsu Feng, Mr Albert Tong, Mr Tong Chi Kar Charles and Mr Zhao Haisheng; one non-executive director who is Mr Sung Tze-Chun; and three independent non-executive directors who are Mr Zhang Hong Bin, Mr Tsang Kam Chuen and Mr Ng Chi Him.

The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, 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.