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萬城控股有限公司
MILLION CITIES HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2892)

PROFIT WARNING

This announcement is made by Million Cities Holdings Limited (the “**Company**”, 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 and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders (the “**Shareholders**”) of the Company and potential investors that based on the preliminary assessment of the latest consolidated management accounts of the Group for the nine months ended 30 September 2019 and the information currently available, as compared to a profit of approximately RMB77.8 million recorded for the year ended 31 December 2018, the Group is expected to record a loss for the year ending 31 December 2019.

As disclosed in the interim report of the Company for the six months ended 30 June 2019, the construction of Million Cities Legend Phase 2 (萬城名座二期) was substantially completed and it was targeted to be delivered before 31 December 2019. In late November 2019, due to negligence of the Group’s contractor, a fire accident occurred at the temporary construction workers’ dormitory adjacent to residential properties of Million Cities Legend Phase 2. As a result of the fire accident, a notice for temporary suspension in construction was served on such project. No residential properties of Million Cities Legend Phase 2 have been damaged, and no person was injured or killed in the fire accident. As at the date of this announcement, the relevant governmental authority has conducted post-accident investigation and has confirmed that the results

are satisfactory. Construction of Million Cities Legend Phase 2 has also been resumed as at the date of this announcement. Due to the temporary suspension of construction, delivery of Million Cities Legend Phase 2 is expected to take place in the first quarter of 2020. Revenue from the sale of properties of Million Cities Legend Phase 2 would be recognised upon delivery. As a result, the revenue of the Group for the year ending 31 December 2019 would be affected and the Group is expected to record a loss for the year ending 31 December 2019.

The information contained in this announcement is only based on the Board's preliminary assessment after reviewing the latest consolidated management accounts of the Group for the nine months ended 30 September 2019 and the information currently available to the Board. The information contained in this announcement is not based on any figure or information that has been audited or reviewed by the external auditor of the Company. The Group's annual results are subject to changes in market condition for the period ending 31 December 2019 and to be further reviewed by the Board, and will be audited by the Company's external auditor and reviewed by the audit committee of the Board prior to finalisation of such accounts. Therefore, the actual results of the Group for the year ending 31 December 2019 may differ from the information contained in this announcement. Shareholders and potential investors are advised to refer to the details in the annual results announcement of the Company for the year ending 31 December 2019, which is to be released in March 2020.

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

By Order of the Board
Million Cities Holdings Limited
Wong Ting Chung
Chairman and non-executive Director

Hong Kong, 20 December 2019

As at the date of this announcement, the chairman and non-executive Director is Mr. Wong Ting Chung; the executive Directors are Mr. Lau Ka Keung, Mr. Wong Ka Lun and Ms. Lau Pui Kwan; and the independent non-executive Directors are Mr. Ip Shu Kwan, Stephen, Mr. Li Yinquan and Dr. Wu Wing Kuen.