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瑞東集團有限公司

*(Incorporated in Hong Kong with limited liability)*

(Stock Code: 376)

## **PROFIT WARNING**

The announcement is made by Reorient Group Limited (the “**Company**”) and its subsidiaries (collectively the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the securities and Future Ordinance (Chapter 571, the Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company and potential investors that, based on the Company’s preliminary unaudited assessment for the six months ended 30 June 2016 (the “**2016 Interim**”), the Group is expected to record a consolidated net loss attributable to equity shareholders of the Company for the 2016 Interim of an amount in excess of HK\$220 million, whereas the consolidated net loss attributable to equity shareholders of the Company for the six months ended 30 June 2015 (the “**Prior Period**”) was HK\$52.18 million.

As disclosed in the 2015 annual results announcement dated 18 February 2016, a group of investors led by Yunfeng Financial Holdings Limited completed a major capital injection and put in place new business development strategies for the Group at the end of 2015. 2016 sets the stage for the Group’s new business strategy. The Group has made significant investment in building its financial technologies-based service capabilities including building I.T. and product development team. Accordingly, corresponding staffing costs have increased significantly when compared to the Prior Period. The growth in staffing costs is considered to be consistent with the pace of the Group’s business developments and expansions. In addition, the fair values of financial assets (measured at fair value through profit or loss) held by the Group are lower than their

values as at 31 December 2015, which resulted in a loss recognized in the consolidated income statement. The consultancy and advisory revenues from corporate finance segment also decreased significantly compared to the Prior Period as revenues generated from certain major projects had been recorded in the Prior Period. Taking into account with the abovementioned factors, the Group recorded a consolidated net loss in 2016 Interim.

The above 2016 interim results of the Company are based on preliminary estimates which have not yet been reviewed by the audit committee of the Company and the independent auditor of the Company. If the Company's future estimates differ materially from above estimates, the Company will provide updates on a timely basis. For further details of the Group's results, shareholders of the Company and potential investors should read the announcement for the Group's interim results, which is expected to be published before the end of August 2016.

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

By Order of the Board  
**REORIENT GROUP LIMITED**  
**Li Ting**  
*Executive Director and Chief Executive Officer*

Hong Kong, 6 July 2016

*As at the date of this announcement, the Board comprises Mr. Yu Feng (who is Chairman and non-executive director), Ms. Li Ting and Mr. Huang Xin (who are executive directors), Mr. Ko Chun Shun, Johnson, Ms. Hai, Olivia Ou and Mr. Huang Youlong (who are non-executive directors), and Mr. Lin Lijun, Mr. Qi Daqing, Mr. Chu Chung Yue, Howard and Dr. Wong Yau Kar, David, BBS, JP (who are independent non-executive directors).*