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REF Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1631)

PROFIT WARNING

This announcement is made by REF Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

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 a preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2020 (the “**Current Year**”), the Group is expected to record a decline in revenue for the Current Year of approximately 20% to 25% as compared with that for the year ended 31 December 2019 (the “**Prior Year**”). The net profit after tax for the Current Year is expected to record a decrease of approximately 40% to 50% as compared with the net profit after tax of approximately HKD33.5 million record for the Prior Year.

The Board considers that the expected decrease of the Current Year’s net profit after tax was mainly attributable to:

- (1) the decrement in the revenue generated from the initial public offering (the “**IPO**”) projects as the number of the Company’s successful IPO projects was less than the Prior Year;
- (2) a mark-to-market fair value loss is expected to be recorded on the Group’s financial investments primarily resulting from the volatile conditions of the Hong Kong stock market during the Current Year; and
- (3) the provision for impairment of trade and other receivables is expected to be increased substantially during the Current Year due to the negative market impact caused by the outbreak of novel coronavirus epidemic in the first quarter of 2020.

The Company is still in the process of finalising its consolidated financial results of the Group for the Current Year. The information contained in this announcement is only a preliminary assessment made by the Board based on the latest unaudited consolidated management accounts of the Group for the Current Year and information currently available to the Board, which have not been audited by the auditor or the audit committee of the Company and may be subject to adjustments.

Details of the Group's audited consolidated financial results for the Current Year is expected to be published before mid of March 2021.

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

By Order of the Board
REF Holdings Limited
Lau Man Tak
Chairman

Hong Kong, 26 February 2021

As at the date of this announcement, the Board of the Company comprises Ms. Kwok Kam Lai as executive director; Mr. Lau Man Tak (Chairman) as non-executive director; and Mr. Leung Chi Hung, Mr. Wong Kun Kau and Mr. Lee Hon Man Eric as independent non-executive directors.