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ALCO HOLDINGS LIMITED

愛高集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 328)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules.

The Board wishes to inform the Shareholders and potential investors that the Group is expected to record a significant decrease in net profit for the year ended 31st March 2012 as compared with the previous year.

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

This announcement is made by Alco Holdings Limited (the “Company”, and together with its subsidiaries, the “Group”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

Based on a preliminary review of the unaudited consolidated management accounts of the Company, the board of directors of the Company (the “Board”) wishes to inform the shareholders of the Company (the “Shareholders”) and potential investors that the Group is expected to record a significant decrease in net profit for the year ended 31st March 2012 as compared with the previous year.

The expected decline in the net profit of the Group for the year under review was mainly attributable to a non-recurring revaluation gain of HK\$78 million from an investment property in Fanling, Hong Kong and a non-recurring compensation gain of HK\$34 million in surrendering a piece of land and building in Houjie Town, China. Both of which were recorded in the accounts of the Group for the year ended 31st March 2011. In addition, the weak economy in North America and Europe, resulting in extremely keen price competition in TVs and AV products, also affected the Group’s performance for the year under review.

** for identification purposes only*

Despite the decline in net profit for the year ended 31st March 2012, the Board considers that the overall operation and financial position of the Group remain sound and solid and the Board remains positive on the long term prospect of the Group.

The Company is in the process of finalizing the annual results of the Group for the year ended 31st March 2012. The information contained in this announcement is only a preliminary assessment by the management of the Company based on the consolidated management accounts of the Company currently available, which have neither been confirmed nor audited by the auditors of the Company. Details of the audited consolidated annual results of the Company for the year ended 31st March 2012 will be announced in late June 2012.

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

By Order of the Board
Alco Holdings Limited
LEUNG Kai Ching, Kimen
Chairman

Hong Kong, 1st June 2012

As at the date of this announcement, the executive directors of the Company are Mr. LEUNG Kai Ching, Kimen, Mr. LEUNG Wai Sing, Wilson and Mr. KUOK Kun Man, Andrew. The independent non-executive directors are The Hon LI Wah Ming, Fred, Mr. LAU Wang Yip, Derrick and Mr. LEE Tak Chi.