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FUJIAN HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00181)

PROFIT WARNING

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

The Board wishes to inform the shareholders of the Company and potential investors that, based on the information currently available to the Board, the Group expects to record a significant drop in net profit for the year ending 31 December 2012 as compared with last year.

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

This announcement is made by Fujian Holdings Limited (the “**Company**”, together with its subsidiaries, collectively 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**”).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that, based on the information currently available to the Board, the Group expects to record a significant drop in its net profit for the year ending 31 December 2012 as compared with last year mainly due to the change of the operation mode of 廈門東南亞大酒店 (Xiamen South East Asia Hotel*) (the “**Hotel**”), a property of the Group.

As disclosed in the annual report of the Company, pursuant to the terms of the agreement dated 4 March 2008 (the “**Management Contract**”) entered into by and between Xiamen South East Asia Company Limited (“**Xiamen Plaza**”), an indirectly wholly-owned subsidiary of the Company, and 廈門敦睦酒店管理有限公司 (Xiamen Friendship International Co., Ltd*) (“**Friendship International**”), Friendship International was granted the operation right of the Hotel for a term of five years starting from 4 March 2008. Under the Management Contract, the annual net income generated to the Group is guaranteed at RMB6.66 million plus 1% of the annual turnover of the Hotel (the “**Guaranteed Income Level**”). Where the audited net income of the Hotel on adding back amortization and depreciation

expenses for a year is less than the Guaranteed Income Level for the same year as at 31 December, Friendship International is required to pay the shortfall to Xiamen Plaza after a consensus is reached between Friendship International and Xiamen Plaza.

The Management Contract was subsequently terminated on 9 October 2012 due to default in payment by Friendship International, and the Hotel has been operated by the Group since 10 October 2012. As such, the Group no longer enjoys the Guaranteed Income Level and any profit or loss generated from the operation of the Hotel has to be borne by the Group. The Hotel has been operating at a profit for the year ended 31 December 2011. As of the date of this announcement, the Group had received RMB3.47 million from Friendship International for the operation of the Hotel for the year ending 31 December 2012 before the termination of the Management Contract.

This profit warning is based on the preliminary assessment of the Board after considering the information currently available, which have not been reviewed nor audited by the Company's auditors. Shareholders of the Company and potential investors are advised to refer to the details of the Group's final results for the year ending 31 December 2012, which is expected to be released in March 2013. **Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By Order of the Board
Chan Tao Ming Alex
Company Secretary

Hong Kong, 28 November 2012

As at the date of this announcement, the existing board of Directors comprises eight Directors, including three executive Directors, namely Mr. Wang Xiaowu, Mr. Wang Ruilian and Mr. Liu Xiaoting, two non-executive Directors, namely Mr. Feng Qiang and Mr. Ye Tao and three independent non-executive Directors, namely Mr. Lam Kwong Siu, Mr. Cheung Wah Fung, Christopher and Mr. Leung Hok Lim.

* *For identification purpose only*