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中國農林低碳控股有限公司
China Agroforestry Low-Carbon Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(stock code: 01069)

PROFIT WARNING

This announcement is made by China Agroforestry Low-Carbon 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 of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Capital 571 of the Laws of Hong Kong) (the “**Inside Information Provisions**”).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders (the “**Shareholders**”) of the Company and potential investors that, based on the information currently available and a preliminary review of the unaudited management accounts of the apparel business of the Group for the financial year ended 31 December 2013, the Company expects to record a substantial decrease in turnover as compared to that of the financial year ended 31 December 2012 and a net loss in its apparel business. The Board considers that the decrease in turnover and the net loss derived from its apparel business were mainly attributable to (i) pressure on the selling prices and decreased number of sales orders of the Group’s apparel products as a result of fierce competition in the garment industry in China; and (ii) the increase in the operating costs of the Group, in particular, the increase in the labour costs.

The Company has commenced its forestry management business since late 2013, whose results of operations will be included in the consolidated financial statements. Further, earnings in the consolidated financial statements are subject to the fair value adjustments of the forests owned by the Group which will be appraised by an independent valuer.

As the Company is still preparing and finalizing its consolidated accounts for the financial year ended 31 December 2013, which are still being audited by the external auditors of the Company and have not been reviewed and approved by the Company’s audit committee. The information contained in this profit alert announcement is only based on information currently available to the Company and the Company’s preliminary review of the unaudited consolidated management accounts of the Group for the financial year ended 31 December 2013 and for information only.

Shareholders and potential investors are advised to read carefully the audited consolidated annual results announcement of the Group for the financial year ended 31 December 2013, which is expected to be published in late March 2014.

The information contained in this announcement is only the preliminary assessment made by the Company and has not been audited by its auditors. 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
China Agroforestry Low-Carbon Holdings Limited
Lei Zuliang
Chairman and Executive Director

Shenzhen, the PRC, 27 January 2014

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Lei Zuliang, Mr. Long Weihua and Mr. Cai Shuiyong; one non-executive Director, namely Professor Liu Zhikun; and three independent non-executive Directors, namely, Ms. Tian Guangmei, Mr. Zhou Wei and Mr. Liang Guoxin.