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# 萬桐園

**CHINA WAN TONG YUAN (HOLDINGS) LIMITED**

**中國萬桐園(控股)有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 8199)**

## **PROFIT WARNING**

The board of directors (the “**Board**”) of China Wan Tong Yuan (Holdings) Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) makes this announcement pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The Board wishes to inform shareholders of the Company and potential investor that based on information currently available to the Board, the Group is expected to record a decrease in profit and total comprehensive income attributable to owners of the Company of approximately 41.1% for the six months ended 30 June 2019 compared with the same period in 2018. Such decrease was primarily attributable to (i) the decrease in revenue from sales of burial plots and columbarium units of approximately RMB6.7 million primarily due to record of sales of three columbarium halls amounted to approximately RMB4.1 million in previous year, while no such sales was recognised for the six months ended 30 June 2019 and sales of columbarium units is expected to be recognized in the second half of this year; (ii) the increase in professional fees and other expenses incurred in 2019 for the application for transfer of Listing from GEM to Main Board of approximately RMB5.3 million; (iii) the increase in income tax expenses of approximately RMB1.7 million mainly attributable to the decrease in deferred tax credit resulting from loss on fair value changes of financial assets at fair value through profit or loss for the six months ended 30 June 2018; and partially net off by (iv) the decrease in loss on fair value changes of financial assets at fair value through profit or loss of approximately RMB13.4 million.

The Company is still in the process of finalising the unaudited consolidated interim results of the Group for the six months ended 30 June 2019 (the “**Interim Results**”). The information contained in this announcement is only a preliminary assessment by the management of the Company based on information currently available to the Board, and is not based on any figures or information which have been audited or reviewed by the Company’s auditor or the audit committee of the Company.

The management of the Company expected that the Group will achieve its full year operating targets.

Shareholders and potential investors are advised to refer to details of the financial information to be disclosed in the Company’s announcement of the Interim Results.

**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  
**China Wan Tong Yuan (Holdings) Limited**  
**Zhao Ying**  
Chairman

Hong Kong, 7 August 2019

*As at the date of this announcement, the Board comprises the Chairman and non-executive Director, namely Ms. Zhao Ying, two executive Directors, namely Ms. Li Xingying and Mr. Huang Guangming, and three independent non-executive Directors, namely Mr. Cheung Ying Kwan, Dr. Wong Wing Kuen Albert and Mr. Choi Hon Keung Simon.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the “Latest Listed Company Information” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its publication and will also be published on the “Latest Listed Company Information” page of the Stock Exchange’s website at [www.hkexnews.hk](http://www.hkexnews.hk) and on the Company’s website at [www.lfwt.com](http://www.lfwt.com).*