KINGDOM HOLDINGS LIMITED
金達控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 528)

PROFIT WARNING

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

The board of directors ("**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 and the preliminary assessment of unaudited consolidated management accounts of the Group for the four months ended 30 April 2017, the Group is expected to record a profit attributable to owners of the Company of approximately RMB3,000,000 for the six months ending 30 June 2017 as compared to the profit attributable to owners of the Company of RMB37,751,000 for the six months ended 30 June 2016. The expected decrease in profit for the six months ending 30 June 2017 was primarily due to the market price of raw materials reached record high since 2016, and lower gross margin resulted from the Group's strategic reduction of the average selling price of linen yarn since April 2016 and the fact that no one-off government grant of approximately RMB25,000,000 in other income and gains received by the Group for the six months ended 30 June 2016 has been or will be received by the Group for the six months ending 30 June 2017.

The information contained in this announcement is only based on a preliminary assessment by the Board based on information currently available to it, including the unaudited consolidated management accounts of the Group for the four months ended 30 April 2017, which have not been confirmed or reviewed by the Company's auditors or the audit committee of the Company and finalized as at the date of this announcement. The actual results of the Group for the six months ending 30 June 2017 may differ from what is disclosed in this announcement. Detailed financial results of the Group for the six months ending 30 June 2017 will be disclosed in the interim results announcement which is expected to be published in August 2017.

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

By order of the Board of
Kingdom Holdings Limited
Ren Weiming
Chairman

Zhejiang, 19 May 2017

As at the date of this announcement, the executive Directors are Mr. Ren Weiming, Mr. Shen Yueming, Mr. Zhang Hongwen and Ms. Shen Hong; the non-executive Director is Mr. Ngan Kam Wai Albert; and the independent non-executive Directors are Mr. Lau Ying Kit, Mr. Lo Kwong Shun Wilson and Mr. Yan Jianmiao.