Karrie International Holdings Limited
嘉利國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1050)

POSITIVE PROFIT ALERT

This announcement is made 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 in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board of directors (the "**Board**") of Karrie International Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 March 2017, the consolidated net profit of the Group for the year ended 31 March 2017 is expected to increase by approximately 40% to 50% when compared with the year ended 31 March 2016. Such expected increase was mainly attributable to (i) the production efficiency improvement of the Group brought by the merging of plants and the continuous deepening of automation application; (ii) the mitigation of production cost pressure due to Renminbi depreciation; and (iii) the decrease in operating loss of the consumer and services business for the year ended 31 March 2017 when compared with the year ended 31 March 2016.

The information contained in this announcement is only based on the preliminary assessment of the unaudited consolidated management accounts of the Group for year ended 31 March 2017, which have not been reviewed nor confirmed by the Company's auditors or the audit committee. The specific financial figures will be disclosed and published by the Group in its annual results for the year ended 31 March 2017, which is expected to be published by the Company by the end of June 2017.

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

By Order of the Board
Karrie International Holdings Limited
Company Secretary
Tang Wing Fai

Hong Kong, 25 May 2017

As at the date of this announcement, the executive Directors are Mr. Ho Cheuk Fai, Ms. Chan Ming Mui, Silvia, Mr. Zhao Kai and Mr. Chan Raymond; the non-executive Directors are Mr. Ho Cheuk Ming and Mr. Ho Kai Man; the independent non-executive Directors are Mr. So Wai Chun, Mr. Fong Hoi Shing and Mr. Yam Chung Shing.

* *For identification purposes only*