Sheen Tai Holdings Group Company Limited
順泰控股集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 01335)

PROFIT WARNING

This announcement is made by Sheen Tai Holdings Group Company 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 (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on the Company's preliminary review of the latest unaudited consolidated management accounts of the Group and the information currently available to the Company, the Group expects to record a consolidated net loss for the six months ended 30 June 2017 as compared with the profit of HK$63,000 recorded for the corresponding period of 2016. The reason for turning from profit position to loss position was mainly due to the non-cash accounting treatment of decrease in fair values of convertible bonds issued by the Company of approximately HK$12.8 million for the six months ended 30 June 2017. The aforesaid decrease in fair values changes is a non-cash accounting treatment and has no material impact on the Group's cashflow nor operations.

The information contained in this announcement is only based on the preliminary assessment by the Board on the unaudited consolidated management accounts of the Group for the six months ended 30 June 2017 and is not based on any figure or information which has been audited or reviewed by the Company's auditors and the audit committee of the Company and is subject to possible adjustments upon further review. The Company is in the process of finalising the interim consolidated results of the Group for the six months ended 30 June 2017. Further information and other details of the Group's financial performance for the six months ended 30 June 2017 will be announced in the forthcoming interim results announcement in August 2017.

Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

By order of the Board
Sheen Tai Holdings Group Company Limited
Guo Yumin
Chairman

Hong Kong, 28 August 2017

As at the date of this announcement, the executive Directors are Mr. Guo Yumin, Ms. Xia Yu, Mr. Zeng Xiangyang and Mr. Guo Cheng and the independent non-executive Directors are Ms. Fan Qing, Mr. Lo Wa Kei, Roy and Mr. Fong Wo, Felix.