KINGDOM

KINGDOM HOLDINGS LIMITED
金達控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 528)

INSIDE INFORMATION
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 and potential investors of the Company that, based on the information currently available to the Board and the preliminary assessment of the Group's unaudited consolidated management accounts for the nine months ended 30 September 2017, the Board expects that the net profit of the Group for the year ending 31 December 2017 will decrease by not less than 60% as compared with the year ended 31 December 2016, primarily as a result of the lower gross margin arisen from the Group's strategic reduction of the average selling price of linen yarn since April 2016. In addition, a net exchange gain of RMB14 million was recorded during the year ended 31 December 2016 and a net exchange loss of RMB10.9 million was recorded during the first six months ended 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 nine months ended 30 September 2017, which have not been confirmed or reviewed by the Company's auditors or the audit committee of the Company. The actual results of the Group for the year ending 31 December 2017 may differ from what is disclosed in this announcement. Detailed financial results of the Group for the year ending 31 December 2017 will be disclosed in the final results announcement which is expected to be published in the first quarter of 2018.

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, 17 October 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.