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 substantial decrease in its consolidated net profit or may even record a loss for the year ended 31 December 2017 as compared with the audited net profit of HK$36,132,000 recorded for the corresponding period of 2016. The Board believes that the substantial decrease in its consolidated net profit or even record a loss is mainly attributable to, including but not limited to, the amount of impairment losses for the goodwill and assets of the subsidiaries (the "**Subsidiaries**") of the Company which mainly engage in the cloud-related business. The exact amount of impairment losses for the goodwill and assets of the Subsidiaries is still in the process of calculation and review of the fair value information by an independent valuer. The Board wishes to draw the attention of the Shareholders and potential investors to the fact that the amount of impairment losses for the goodwill and assets of the Subsidiaries recorded in the profit and loss accounts of the Company are non-cash in nature and will not have any impact on the cash flow of the Group. The Group remains in a healthy and solid financial condition.

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 year ended 31 December 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 annual consolidated results of the Group for the year ended 31 December 2017. Further information and other details of the Group's financial performance for the year ended 31 December 2017 will be announced in the forthcoming annual results announcement in March 2018.

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, 12 February 2018

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.