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CROSSTEC Group Holdings Limited
易緯集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3893)

PROFIT WARNING

This announcement is made by CROSSTEC Group Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, 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 information currently available, the Group is expected to record consolidated net loss for the year ended 30 June 2018 (the "**Current Year**") ranging from approximately HK$22 million to approximately HK$24 million as compared to the consolidated net loss of approximately HK$20.7 million for the year ended 30 June 2017 (including non-recurring listing expenses of approximately HK$4.9 million).

The Board considers that the increase in the consolidated net loss of the Group for the Current Year was mainly attributable to the following reasons:

(i) the decrease in revenue and gross profit, which was primarily due to the delay of implementing the business strategies in relation to renovation and new shops roll out of certain major customers of the Group; and

(ii) the relocation of its headquarter and principal place of business in Hong Kong during the Current Year with higher rental expenses.

The information contained in this announcement is only based on the preliminary assessment of the information currently available to the Board, including the unaudited consolidated management accounts of the Group for the year ended 30 June 2018 which have not been audited by the Company's auditor nor reviewed by the Company's audit committee, and may be subject to adjustments. Details of the Group's financial information and performance will be disclosed in the Group's annual results announcement for the year ended 30 June 2018 which is expected to be released before the end of September 2018.

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

By Order of the Board
CROSSTEC Group Holdings Limited
Lee Wai Sang
Chairman and Chief Executive Officer

Hong Kong, 25 July 2018

As at the date of this announcement, the Board comprises Mr. Lee Wai Sang, Mr. Lau King Lok, Mr. Leung Pak Yin and Mr. Lai Hon Lam Carman as executive Directors; and Mr. So Chi Hang, Mr. Lau Lap Yan John and Mr. Heng Ching Kuen Franklin as independent non-executive Directors.