瀋陽公用發展股份有限公司

Shenyang Public Utility Holdings Company Limited

(a joint stock limited company incorporated in the People's Republic of China)

(Stock code: 747)

PROFIT WARNING

This announcement is made by Shenyang Public Utility Holdings Company Limited (the "**Company**", together with its subsidiaries, collectively referred to as 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 Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the "**Board**") of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that based on the preliminary review of the Group's unaudited consolidated management accounts for the six months ended 30 June 2018 (the "**Period**"), the Group expects to record a significant decrease of approximately 70% in the profit before tax for the Period as compared to that for the corresponding period in 2017.

The Board considers that such decrease in the Group's profit during the Period was mainly attributable to, (i) the decrease in the revenue from credit business as compared to that for the corresponding period in 2017; (ii) the increase in net exchange loss arising from the exchange variations of Renminbi against Hong Kong dollars for the Period in relation to the loan and interest receivable denominated in Hong Kong dollars; and (iii) the impairment loss of goodwill in relation to credit business.

As the Company is in the process of finalising the interim results of the Group for the Period ("**HY2018 Interim Results**"), the information contained in this announcement is only a preliminary review of the unaudited consolidated management accounts of the Group for the Period which have not been reviewed or audited by either the audit committee or the auditors of the Company and is subject to possible adjustments following further internal review. The Company will announce its HY2018 Interim Results by the end of August 2018 pursuant to the requirements of the Listing Rules.

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

By Order of the Board
Shenyang Public Utility Holdings Company Limited
Zhang Jing Ming
Chairman

Shenyang, the PRC, 20 August 2018

As at the date of this announcement, the executive directors of the Company are Mr. Zhang Jing Ming, Mr. Deng Xiao Gang and Mr. Leng Xiao Rong, the non-executive directors are Mr. Yin Zong Chen and Mr. Ye Zhi E and the independent non-executive directors are Mr. Chan Ming Sun Jonathan, Mr. Guo Lu Jin and Ms. Gao Hong Hong.