Enerchina Holdings Limited
威華達控股有限公司*

(Incorporated in Bermuda with limited liability)
(Stock Code: 622)

UPDATE ON POSITIVE PROFIT ALERT – POSSIBLE PROFIT WARNING

This announcement is made by Enerchina 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 (Cap.571, Laws of Hong Kong).

Reference is made to the announcement of the Company dated 3 January 2019 in relation to the positive profit alert (the "**Announcement**"). Unless defined otherwise, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

The Board wishes to update Shareholders and potential investors that due to market volatility for the month of December 2018, the Group recorded losses on financial assets at FVPL of approximately HK$118.04 million for the Year compared to the gain on financial assets at FVPL of approximately HK$17.72 million for the eleven months ended 30 November 2018. Based on the preliminary review on the unaudited consolidated management accounts of the Group for the Year and the information currently available to the Board, the Group is expected to record a consolidated loss for the Year, a reduction of profit by approximately 163% as compared to a consolidated profit of approximately HK$21.29 million for the Previous Year.

Based on the relevant information currently available, the Board considers that such loss is mainly attributable to (i) the reduction of revenue generated from provision of financial services and money lending services from approximately HK$85.56 million for

* *For identification purpose only*

the Previous Year to approximately HK$41.67 million for the Year; (ii) the reduction of other income generated primarily from interest income and dividend income from approximately HK$259.36 million for the Previous Year to approximately HK$171.32 million for the Year; (iii) the reduction of other gains from approximately HK$143.48 million for the Previous Year to approximately HK$86.90 million for the Year; and (iv) the loss on financial assets at FVPL of approximately HK$118.04 million for the Year as compared with the gain on financial assets at FVPL of approximately HK$159.78 million for the Previous Year.

As at the date of this announcement, the Company is in the process of finalising the consolidated annual results of the Group for the Year. The information contained in this announcement is only based on a preliminary assessment of the unaudited consolidated management accounts of the Group and the information currently available to the Board, and is not based on any figures or information which has been audited or reviewed by the independent auditors of the Company nor approved by the audit committee of the Company and therefore the Group's actual results may be subject to amendments and potential adjustments. The Board wishes to emphasize that the results of the Group for the Year may be affected by a number of other factors, including but not limited to the valuation of the unlisted equity securities under financial assets designated at fair value through other comprehensive income. Consequently, such financial information should not be relied upon by Shareholders and potential investors to provide with the same quality of information associated with the financial statements that have been subject to an audit or review.

Shareholders and potential investors must exercise caution when using such data to evaluate the Group's financial condition and results of operations. Shareholders and potential investors are advised to read carefully the announcement of the final results of the Group for the Year which is expected to be released in March 2019.

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

By Order of the Board
Enerchina Holdings Limited
Chow Chi Wah Vincent
Managing Director

Hong Kong, 24 January 2019

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors:
Mr. Sam Nickolas David Hing Cheong *(Acting Chairman)*
Mr. Chow Chi Wah Vincent *(Managing Director)*
Mr. Wong Yat Fai

Independent Non-Executive Directors:
Mr. Cheung Wing Ping
Mr. Hung Cho Sing
Mr. Chan Hak Kan