HAILIANG 海亮

HAILIANG INTERNATIONAL HOLDINGS LIMITED

海亮國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2336)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform the Shareholders and potential investors that the Group is expected to record total comprehensive expenses attributable to owners of the Company for the year ended 31 December 2018 in the range of HK$53 million to HK$55 million (the total comprehensive income attributable to owners of the Company for the year ended 31 December 2017 was approximately HK$14 million).

The Group is expected to record a loss attributable to owners of the Company for the year ended 31 December 2018 in the range of HK$500,000 to HK$2 million (the profit attributable to owners of the Company for the year ended 31 December 2017 was approximately HK$5 million).

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

This announcement is made by Hailiang International 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 on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the inside information provisions (the "**Inside Information Provisions**") under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("**SFO**").

Based on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2018 (the "**2018 Management Accounts**") and the information available to the Company as at the date of this announcement, the board of directors of the Company (the "**Board**") wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that the Group is expected to record total comprehensive expenses attributable to owners of the Company for the year ended 31 December 2018 in the range of HK$53 million to HK$55 million (the total comprehensive income attributable to owners of the Company for the year ended 31 December 2017 was approximately HK$14 million).

The estimated increase in total comprehensive expenses is partly attributable to the fair value losses on equity investment by the Group in the shares (the "**Jinjiang Shares**") of China Jinjiang Environment Holding Company Limited (中國錦江環境控股有限公司) ("**China Jinjiang**") of approximately HK$29 million. The Jinjiang Shares are recorded as financial assets at fair value through other comprehensive income, and will be measured at fair value at the end of each reporting period. The fair value losses on the investment in the Jinjiang Shares were mainly attributable to the decrease in the market price of the Jinjiang Shares.

The estimated increase in total comprehensive expenses is also partly attributable to the exchange loss of approximately HK$24 million on translating foreign operations due to depreciation of Australian dollars against Hong Kong dollars.

The Group is expected to record a loss attributable to owners of the Company for the year ended 31 December 2018 in the range of HK$500,000 to HK$2 million (the profit attributable to owners of the Company for the year ended 31 December 2017 was approximately HK$5 million). The estimated loss attributable to owners of the Company for the year ended 31 December 2018 is primarily attributable to loss from operation.

The preliminary assessment made by the Board as contained in this announcement is based on the information available to the Company as at the date of this announcement, including the 2018 Management Accounts which have not been audited or reviewed by the Company's auditor or the audit committee of the Company. The final results of the Group for the year ended 31 December 2018 have not been finalised as at the date of this announcement. Shareholders and potential investors are advised to read carefully the final results announcement for the year ended 31 December 2018, which is expected to be published in March 2019.

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

By Order of the Board
Hailiang International Holdings Limited
Cao Jianguo 曹建國
Chairman

Hong Kong, 30 January 2019

As at the date of this announcement, the Board comprises three Executive Directors, namely Mr. Cao Jianguo (曹建國先生) (Chairman), Mr. Feng Luming (馮櫓銘先生) (Chief Executive Officer) and Dr. Jin Xiaozheng (金曉錚博士); and five Independent Non-executive Directors, namely Mr. Chang Tat Joel, Mr. Ho Gilbert Chi Hang, Mr. Tsui Kun Lam Ivan, Dr. Chan Wing Mui Helen and Mr. Wang Cheung Yue.