Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

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 ALERT

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 loss attributable to the equity owners of the Company for the year ended 31 December 2018 (the "**Period**") as compared with the loss attributable to equity owners of the Company for the year ended 31 December 2017. The Board considers that the expected significant decrease in loss was mainly due to the following factor:—

1. the Group made an impairment loss of HK$217.5 million in the subsidiaries mainly engaged in the cloud-related business during the year ended 31 December 2017 but such significant impairment loss is not expected to repeat in the Period.

Other factors that may affect the Group's financial performance in the Period include:—

2. the dramatic increase in costs of the raw materials for manufacturing of Biaxially Oriented Polypropylene films during the Period; and

3. most of the return from property development projects was realised in the year ended 31 December 2017.

The information contained in this announcement is based on the preliminary assessment by the Board on the unaudited consolidated management accounts of the Group for the Period 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 Period. Further information and other details of the Group's financial performance for the Period will be announced in the forthcoming annual results announcement in March 2019.

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, 8 March 2019

As at the date of this announcement, the executive Directors are Mr. Guo Yumin, Ms. Xia Yu and Mr. Zeng Xiangyang and the independent non-executive Directors are Ms. Fan Qing, Mr. Lo Wa Kei, Roy and Mr. Fong Wo, Felix.