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Xin Point Holdings Limited

信邦控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1571)

PROFIT WARNING

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

The Board wishes to inform the Shareholders and potential investors that, based on the preliminary assessment of the information currently available to the Board, the Group is expected to report a material decrease in consolidated profit attributable to the owners of the Company for the six-month period ending 30 June 2019 as compared to that for the corresponding period in 2018.

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

This announcement is made by Xin Point 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 of the Laws of Hong Kong) (“**SFO**”).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary assessment of the information currently available to the Board, the Group expects to report a material decrease in profit for the six months ending 30 June 2019 as compared with the reported attributable profit of RMB198.3 million for the six months ended 30 June 2018.

Based on the information currently available, the Group is expected to record a decrease in the net profit attributable to owners of the Company for the six months ending 30 June 2019 by approximately 70% as compared with that reported for the six months ended 30 June 2018. Such decline is principally attributable to (1) the global automotive industry is facing a challenging phase since 2019: China faced its first annual decline in vehicles sales in over 20 years, together with the impacts from the shockwaves of Sino-US trade war and, such has resulted in a negative growth of the Group's revenue within China region; (2) the continuing operating losses recorded by our Wuxi Production Bases as the result of disruptions and suspensions of the water treatment services within the industrial park where our Wuxi Production Bases located (for details please refer to the Company's announcement dated 21 December 2018); and (3) the Group is facing with considerable cost pressures in relation to the fixed manufacturing cost and overheads as a result of new production facilities which led to higher growth in the Group's cost when compared to the growth of our revenue.

Notwithstanding the above and in view of the potential impacts of the Sino-US trade war on business and consumer confidence, as well as market sentiment, which in turn may affect the Group's business, the management will continue to strengthen its cost control and improve operational efficacy through business streamlining, use of technology and management innovation while at the same time seek to (1) further our cooperation and communication with our renowned customers to secure additional business to the Group and to explore the possibility of sharing part of the new trade tariffs in case of an escalating trade battle; (2) the launch of our Changzhou production facilities in July 2019 is expected to replace our Wuxi Production Bases production capacities; and (3) explore new business opportunities to diversify the Group's business. The Company will make further announcements in accordance with the Listing Rules, if applicable.

The information contained in this announcement is only based on a preliminary assessment by the management of the Company based on the information currently made available (including the Group's unaudited consolidated management accounts, which are not audited by the Company's auditors). The Company is yet to finalise the interim results of the Group. The actual results of the Group for six-month period ending 30 June 2019 may be different from what is disclosed herein. Further details of the Group's financial performance will be disclosed in the Company's interim results announcement for the six-month period ending 30 June 2019.

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

By Order of the Board
Xin Point Holdings Limited
MA Xiaoming
Chairman

Hong Kong, 19 June 2019

As at the date of this announcement, the Board comprises Mr. MA Xiaoming, Mr. MENG Jun, Mr. ZHANG Yumin, Mr. LIU Jun, Mr. HE Xiaolu and Mr. JIANG Wei as executive directors; and Mr. TANG Chi Wai, Mr. GAN Weimin and Prof. CAO Lixin as independent non-executive directors.