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Ching Lee Holdings Limited
正利控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 3728)

PROFIT WARNING

This announcement is made by Ching Lee Holdings Limited (the "**Company**", and 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 and potential investors of the Company that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 March 2019, the Group expects that the net profit of the Group for the year ended 31 March 2019 would decline by approximately 40% to 45% as compared to the net profit of the Group for the year ended 31 March 2018 of approximately HK$19.7 million. The Board considers that the decline was mainly attributable to (i) the decrease in revenue is substantially due to the completion/substantial completion of the on-going projects in second half of FY2018 and the new projects are still in a preliminary stage. Less revenue was recognized in FY2019; (ii) the increase in finance cost; and (iii) the increase in expected credit loss on financial assets.

The Company is still in the course of finalizing its consolidated financial results of the Group for the year ended 31 March 2019. The information contained in this announcement is only based on the preliminary assessment made by the Board with reference to the unaudited consolidated management accounts and the information currently available to the Board. The actual annual financial results of the Group may be different from what is disclosed in this announcement. Such information has neither been confirmed nor audited by the auditor or audit committee of the Board and may be subject to change. Shareholders and potential investors are advised to read carefully the annual results announcement of the Group for the year ended 31 March 2019 when it is published.

Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

By order of the Board
Ching Lee Holdings Limited
Mr. NG Choi Wah
Chairman

Hong Kong, 19 June 2019

As at the date of this announcement, the executive Directors are Mr. Ng Choi Wah, Mr. Lui Yiu Wing and Mr. Lam Ka Fai; and the independent non-executive Directors are Dr. Wai Wing Hong Onyx, Mr. Tong Hin Sum Paul and Mr. Chau Kam Wing Donald.