LAI FUNG HOLDINGS

Lai Fung Holdings Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1125)

PROFIT WARNING

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

The Board wishes to inform that the final results of the Group for the year ending 31 July 2019 are expected to record a significant decrease from last year. The decrease in profit attributable to owners of the Company for the year ending 31 July 2019 is expected to be a mix of: (i) increased profit contribution from the recognition of the sale of properties; (ii) a significant decrease in the fair value gain arising from revaluation of the Group's investment properties; and (iii) absence of profit contribution from the property sales of a joint venture project of the Company as the sale of the project has been completed.

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

This announcement is made by Lai Fung Holdings Limited ("**Company**", and together with its subsidiaries, "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**") and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance, Chapter 571, the Laws of Hong Kong ("**SFO**").

The principal activity of the Company is investment holding. The principal activities of the Company's subsidiaries include property development for sale and property investment for rental purposes, and development and operation of and investment in cultural, leisure, entertainment and related facilities in the People's Republic of China. Based on the latest unaudited consolidated management accounts and the currently available operational information of the Group, the board of directors of the Company ("**Board**") wishes to inform shareholders of the Company ("**Shareholders**") and potential investors that the profit attributable to owners of the Company for the year ending 31 July 2019 is expected to record a significant decrease from that of HK$1,180.1 million for the year ended 31 July 2018.

The decrease in profit attributable to owners of the Company for the year ending 31 July 2019 is expected to be a mix of: (i) increased profit contribution from the recognition of the sale of properties; (ii) a significant decrease in the fair value gain arising from revaluation of the Group's investment properties; and (iii) absence of profit contribution from the property sales of a joint venture project of the Company as the sale of the project has been completed.

As the Group's final results for the year ending 31 July 2019 have not yet been finalised, the information contained in this announcement is based on information that is currently available. The audited final results of the Group for the year ending 31 July 2019 are expected to be published in late October 2019.

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

By order of the Board
Lai Fung Holdings Limited
Chew Fook Aun
Chairman

Hong Kong, 28 June 2019

As at the date of this announcement, the Board comprises seven Executive Directors, namely Mr. Chew Fook Aun (Chairman), Dr. Lam Kin Ming (Deputy Chairman), Mr. Lam Kin Hong, Matthew (Executive Deputy Chairman), Mr. Lam Hau Yin, Lester (Chief Executive Officer), Madam U Po Chu, Mr. Cheng Shin How and Mr. Lee Tze Yan, Ernest; two Non-executive Directors, namely Mr. Lucas Ignatius Loh Jen Yuh and Mr. Puah Tze Shyang (also alternate to Mr. Lucas Ignatius Loh Jen Yuh); and five Independent Non-executive Directors, namely Messrs. Lam Bing Kwan, Ku Moon Lun, Law Kin Ho, Mak Wing Sum, Alvin and Shek Lai Him, Abraham.