

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.



大昌行集團有限公司
DAH CHONG HONG HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 01828)

PROFIT WARNING

This announcement is made by Dah Chong Hong Holdings Limited (“**DCH**” or the “**Company**” and 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 (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company and potential investors that, based on a preliminary review of the draft unaudited consolidated management accounts of the Group for the six months ended 30 June 2019 and the information currently available to the Board, the Company expects the profit attributable to shareholders of the Company for the six months ended 30 June 2019 to decrease by approximately 30% as compared to the corresponding period in 2018.

A number of factors are contributing to the forecasted reduced profit:

DCH has been facing increasing headwinds in the sectors and markets in which it operates. The motor business, the largest profit contributor to the Group, continues to face market slowdown and intensified competition particularly in its largest market - mainland China. This resulted in a further squeeze on margin levels leading to lower than expected profit for the Group. Despite improvements made in DCH’s mainland China food and fast moving consumer foods business, it remains unprofitable.

In addition, certain provisions are expected to be made including inventory and receivable.

The Company is in the process of preparing and finalizing the interim results of the Group for the six months ended 30 June 2019, the information contained in this announcement is only a preliminary assessment by the management of the Company based on the draft unaudited consolidated management accounts for the six months ended 30 June 2019 and other information currently available and is not based on any figures or information which has been audited or reviewed by the auditor of the Company. Details on the financial information of the Company for the six months ended 30 June 2019 to be disclosed in the interim results announcement (which is expected to be published in August 2019) of the Company shall prevail.

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

By Order of the Board
Dah Chong Hong Holdings Limited
Lai Ni Hium
Executive Director and Chief Executive Officer

Hong Kong, 10 July 2019

As at the date of this announcement, the Directors are:-

Executive Directors: Lai Ni Hium and Lee Tak Wah

Non-executive Directors: Zhang Jijing (Chairman), Yin Ke, Kwok Man Leung and Fei Yiping

Independent non-executive Directors: Chan Kay Cheung, Chan Hui Dor Lam, Doreen, Woo Chin Wan, Raymond, Zhang Lijun and Cheng Jinglei