CAFÉ DE CORAL HOLDINGS LIMITED

大 家 樂 集 團 有 限 公 司*

(Incorporated in Bermuda with limited liability)

Website: www.cafedecoral.com

(Stock Code: 341)

PROFIT WARNING

This announcement is made by Café de Coral 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 (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the "**Board**") wishes to inform shareholders of the Company and potential investors that based on preliminary assessment of information currently available to the Board, the Group is expected to record approximately one-third decrease in profit attributable to shareholders for the six months ended 30 September 2019 (the "**Period**") as compared to the corresponding period last year. The decline in profit was mainly attributable to the unattained growth in the Group's sales amidst the much weakened market sentiment during the Period. In order to maintain sales and market share, more value meals and promotions were launched and as a result margin was affected. Operating costs including rental expenses and labour cost during the Period, on the other hand, had been rising. The Group will continue to take actions of both short term and longer term to control costs and drive efficiency as market sentiment may take some time to improve.

Information contained in this announcement is based on unaudited consolidated management accounts of the Group for the Period, which have not been reviewed or audited by the auditor of the Company. The Company is still in the process of finalising the unaudited consolidated results of the Group for the Period and is expected to publish the interim results announcement for the six months ended 30 September 2019 in late November 2019.

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

By order of the Board
Lo Hoi Kwong, Sunny
Chairman

Hong Kong, 24 October 2019

As at the date of this announcement, the Board comprises Mr Lo Hoi Kwong, Sunny (Chairman), Ms Lo Pik Ling, Anita, Mr Chan Yue Kwong, Michael and Mr Hui Tung Wah, Samuel as non-executive directors; Mr Choi Ngai Min, Michael, Mr Li Kwok Sing, Aubrey, Mr Kwok Lam Kwong, Larry and Mr Au Siu Cheung, Albert as independent non-executive directors; and Mr Lo Tak Shing, Peter (Chief Executive Officer) and Mr Lo Ming Shing, Ian as executive directors.

* *For identification purposes only*