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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 Xin Point Holdings Limited (the “**Company**”, together with its subsidiaries, collectively 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, Laws of Hong Kong).

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 its preliminary review on the relevant unaudited consolidated management accounts of the Group for the year ended 31 December 2019 (the “**Year**”) and information currently available, it is expected to record a significant decrease in the profit attributable to the Shareholders for the Year as compared with that reported for the year ended 31 December 2018. The Group is expected to record a net profit attributable to equity holders of the Company for the year ended 31 December 2019 of approximately RMB201.7 million (before taking into account any possible adjustments in relation to finalisation of the annual results of the Group for the year ended 31 December 2019) as compared with a net profit attributable to equity holders of the Company of approximately RMB394.8 million for the year ended 31 December 2018.

The Board considers that the decrease was mainly attributable to the much-weakened automotive market sentiment in China during the Year. The automotive industry of China was under high pressure in 2019 as it was affected by such factors as China-U.S. economic and trade frictions, adoption of stricter emission standards and NEV (new energy vehicle) subsidy cuts. Overall vehicle production in 2019 totaled 25.7 million units, reflecting a 7.5% y/y decline, while sales totalled 25.8 million units, reflecting an 8.2% y/y decline. On the other hand, our Wuxi Production Bases incurred an operating loss in the 1H 2019 as a result of disruptions and suspensions of the water treatment services, the fact that revenue increased at a proportion less than cost of sales increases for the Year, and as a result, the Group’s profit attributable to the Shareholders for the Year decreased by approximately 48.9%.

Nonetheless, the Board considers the overall financial position of the Group remains healthy and solid and the Board remains optimistic about the prospects of the Group.

This profit warning announcement is only based on the preliminary review on the relevant unaudited consolidated management accounts of the Group for the year ended 31 December 2019 and the information currently available, which have not been confirmed or reviewed by the Company's auditors. The Company is in the process of finalizing the annual results for the year ended 31 December 2019 and Shareholders and potential investors are advised to read carefully the annual results announcement of the Company for the year ended 31 December 2019, which is expected to be released before the end of March 2020.

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

By order of the Board  
**Xin Point Holdings Limited**  
**Ma Xiaoming**  
*Chairman*

Hong Kong, 3 February 2020

*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.*