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# POWER XINCHEN

新 晨 动 力

**XINCHEN CHINA POWER HOLDINGS LIMITED**

新 晨 中 國 動 力 控 股 有 限 公 司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1148)**

## PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform the Shareholders and potential investors that, based on the preliminary review by the Group's management of the unaudited consolidated management accounts of the Group, the Company expects that the profit attributable to its equity shareholders for the year ended 31 December 2019 will record a decrease of approximately 40% as compared to that for the year ended 31 December 2018.

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

This announcement is made by Xinchen China Power Holdings Limited (the “**Company**”, 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 in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary review by the Group's management of the unaudited consolidated management accounts of the Group, the Company expects that the profit attributable to its equity shareholders for the year ended 31 December 2019 will record a decrease of approximately 40% as compared to that which was RMB10.72 million for the year ended 31 December 2018. Despite the fall in impairment losses and foreign exchange losses, such decrease in the profit attributable to its equity shareholders was mainly due to (i) a decrease in sales of engines as the vehicle demand in China remains sluggish, in particular, in the lower-end consumers market and (ii) a decrease in receipt of government grants.

The Company is still in the process of finalizing the annual results of the Group for the year ended 31 December 2019 along with the completion of the annual audit and the final figures may vary from those disclosed in this announcement. The information contained in this announcement is only based on the preliminary assessment by the Group's management of the unaudited consolidated management accounts of the Group and information currently available, and is not based on any figures or information that have been audited or reviewed by the Company's auditors. The Company expects that the announcement of the audited annual results of the Group for the year ended 31 December 2019 will be published in late March 2020.

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

By the order of the Board  
**Xinchen China Power Holdings Limited**  
**Wu Xiao An**  
**(also known as Ng Siu On)**  
*Chairman*

Hong Kong, 16 March 2020

*As at the date of this announcement, the Board comprises two executive Directors, Mr. Wu Xiao An (also known as Mr. Ng Siu On) (Chairman) and Mr. Wang Yunxian (Chief Executive Officer); two non-executive Directors, Mr. Liu Tongfu and Mr. Yang Ming; and four independent non-executive Directors, Mr. Chi Guohua, Mr. Wang Jun, Mr. Huang Haibo and Mr. Wang Songlin.*