Xinming China Holdings Limited
新明中國控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2699)

PROFIT WARNING

This announcement is published by Xinming China 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders (the "**Shareholders**") of the Company and potential investors that, based on the information currently available to the Company, the Group is expected to record a loss of not more than RMB20 million for the year ended 31 December 2019 (the "**Period**") when compared to the profit attributable to the owners of the Company in the sum of approximately RMB21.5 million for the corresponding period in 2018. The expected loss is mainly attributable to the decrease in income from sales of properties due to: (i) the significant decrease in properties sales from the Hangzhou Xinming • Children's World (the "**Property**") project by approximately 77% compared to that of the corresponding period in 2018 which was due to the adjustment on marketing strategy, pursuant to which, part of the unsold areas was leased in short term; and (ii) the decrease in delivered floor areas of properties of other projects apart the Property during the Period by more than 88% compared to that of the corresponding period in 2018 and this was due to the reduction of market investment affected by the Sino-US trade conflict.

The information contained in this announcement is only based on the preliminary assessment by the management of the Company with reference to the unaudited consolidated management accounts of the Company for the year ended 31 December 2019 and the information currently available, which have not been confirmed or reviewed by the auditor or the audit committee of the Company. Please note that the Company is still in the process of finalizing its annual results for the year ended 31 December 2019 and the results may be subject to further revision. Shareholders and potential investors are advised to carefully read the annual results announcement of the Group for the year ended 31 December 2019 for further details.

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

By order of the Board
Xinming China Holdings Limited
Chen Chengshou
Chairman and Chief Executive Officer

Hong Kong, 20 March 2020

As at the date of this announcement, the executive Directors are Mr. Chen Chengshou, Mr. Feng Cizhao, Mr. Chou Chiu Ho and Mr. Pu Wei; the non-executive Director is Ms. Gao Qiaoqin; and the independent non-executive Directors are Mr. Fong Wo, Felix, Mr. Gu Jiong and Mr. Lo Wa Kei, Roy.