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Chuan Holdings Limited

川 控 股 有 限 公 司 *

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1420)

INSIDE INFORMATION PROFIT WARNING

This announcement is made by Chuan Holdings Limited (the “**Company**”, and 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 in 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**”) would like to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary assessment of the unaudited consolidated management accounts of the Group, the Group is expected to record a significant decrease in its consolidated profit attributable to owners of the Company for the year ended 31 December 2019 as compared to that for the year ended 31 December 2018. Based on the information currently available to the Board, such a significant decrease in the consolidated profit attributable to owners of the Company was mainly attributable to:

- (i) the decrease in revenue as a result of significant impact brought about by volatile global economy such as (i) the drawn-out trade war between China and the United States; (ii) rising trade barriers and associated uncertainties which weighed heavily on business sentiment and inhibited economic activities globally; and (iii) magnified cyclical and structural slowdowns, which increased the competition in Singapore construction market resulting in the Group’s strategy to lower the bid price to secure new projects which lead to a fall in revenue; and

* For identification purposes only

- (ii) the increase in operating cost such as dumping fee and diesel cost in 2019 as compared to 2018.

The Company is in the process of finalising the Group's audited financial results for the financial year ended 31 December 2019. The information contained in this announcement is only based on a preliminary assessment made by the Board on the unaudited consolidated management accounts of the Group and information currently available to the Board, and such information has not been reviewed by the Company's independent auditors. Shareholders and potential investors are advised to refer to the details of the Group's financial results for the financial year ended 31 December 2019, which are expected to be released by way of an announcement on or around 30 March 2020.

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

By order of the Board
Chuan Holdings Limited
Lim Kui Teng
Chairman and Executive Director

Hong Kong, 26 March 2020

As at the date of this announcement, the Board comprises Mr. Lim Kui Teng, Mr. Quek Sze Whye, Mr. Bijay Joseph, Mr. Lau Yan Hong and Mr. Wong Kee Chung as executive Directors; and Mr. Lee Cheung Yuet Horace, Mr. Phang Yew Kiat and Mr. Wee Hian Eng, Cyrus as independent non-executive Directors.