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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
SUPPLEMENTAL ANNOUNCEMENT TO 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).

Reference is made to the announcement of the Company dated 26 March 2020 in relation to the profit warning of the Company.

The board of directors of the Company (the "**Board**") would like to further inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on preliminary assessment of the unaudited consolidated management accounts of the Group, the Group is expected to record a significant decrease of approximately 67.3% in its consolidated profit attributable to owners of the Company for the year ended 31 December 2019 ("**FY2019**") of approximately S$1.0 million as compared to the consolidated net profit for the year ended 31 December 2018 ("**FY2018**") of approximately S$3.1 million. Based on the information currently available to the Board, such significant decrease in the consolidated profit was mainly attributable to (i) the decrease in revenue of approximately 16.9% from approximately S$93.4 million in FY2018 to approximately S$77.7 million in FY2019 as a result of the volatile global economy and the lower bid price for new projects under intense competition, and the substantial completion of work relating to the Kuala Lumpur-Singapore High Speed Rail project; (ii) the increase in operating cost such as dumping fee and diesel cost of approximately 13.1% from approximately S$12.1 million in FY2018 to approximately S$13.7 million in FY2019; and (iii) the decrease in gross profit of approximately 31.9% from approximately S$8.7 million in FY2018 to approximately S$5.9 million in FY2019.

* *For identification purposes only*

The Company is in the process of finalising the Group's audited financial results for FY2019. 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 FY 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, 27 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.