CARPENTER TAN HOLDINGS LIMITED

譚木匠控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 837)

PROFIT WARNING

This announcement is made by Carpenter Tan 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 and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the "**Board**") wishes to advise 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 and the information currently available, the Group is expected to record a decrease in consolidated net profit after tax by approximately 70% for the six months ended 30 June 2020 (the "**Interim Period**") as compared to the corresponding period in 2019.

The lower net profit for the Interim Period as compared to the same period in 2019 was mainly attributed to lower revenue level. With the outbreak of the novel coronavirus (COVID-19) in Mainland China at the beginning of 2020, a number of provinces and cities have initiated various public health emergency policies, including but not limited to, locking down certain cities, postponing the date of resumption of work after the Chinese New Year holidays, issuing compulsory quarantine orders and prohibiting the movement of people between different provinces and cities. Some of the franchise stores of the Group had been temporarily affected by the abovementioned policies since after the Chinese New Year. The Group's production and logistics center in Wanzhou has only obtained approval from the relevant Government authorities to resume production and operation on 3 March 2020.

The information in this announcement is only based on the Company's preliminary review of the information currently available and unaudited consolidated management accounts of the Group for the Interim Period. The Company is still preparing and finalizing its consolidated accounts for the six months ended 30 June 2020, which are subject to be reviewed by the auditors and the audit committee of the Company. Therefore, the actual results of the Group for the Interim Period may differ from the information contained in this announcement. Shareholders and investors are advised to read carefully the announcement expected to be released by the Company on 31 August 2020 in respect of the results of the Group for the Interim Period.

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

By order of the Board
Carpenter Tan Holdings Limited
Tan Chuan Hua
Chairman

Hong Kong, 21 July 2020

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Tan Chuan Hua, Mr. Tan Di Fu and Mr. Tan Lizi; two non-executive Directors, namely Madam Tan Yinan and Madam Huang Zuoan; and three independent non-executive Directors, namely Madam Liu Liting, Mr. Yang Yang and Mr. Chau Kam Wing, Donald.

* *For identification purpose only*