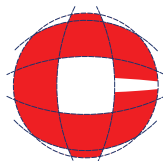


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中持基業控股有限公司  
Kate China Holdings Limited

## KATE CHINA HOLDINGS LIMITED 中持基業控股有限公司

*(incorporated in Hong Kong with limited liability)*

**(Stock code: 8125)**

### PROFIT WARNING

This announcement is made by Kate China Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market (“**GEM**”) of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”).

Based on the information currently available, the board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company and potential investors that:

- (i) the reassessment of the cost budget of a major project during the three months ended 31 December 2014 led to the recognition of a lower gross profit margin than previously anticipated; and the gross profit margin of additional projects during the same period had not been able to compensate for the difference as anticipated at the material time, which in turn, resulted in an overall lower gross profit margin; and
- (ii) the increase in administrative expenses due to the additional hiring in accordance with the Group’s expansion plan had exceeded the previous anticipated cost and had yet to lead to bringing in new additional projects;

the Group expects to record a lower net profits for the nine months ended 31 December 2014 (after adding back the IPO related expenses) which may in turn affect the overall net profits for the year ending 31 March 2015, as compared to the nine months ended 31 December 2013 (after adding back the IPO related expenses) and for the year ended 31 March 2014.

The information contained in this announcement is only based on the preliminary assessment of the consolidated management accounts of the Group and the information currently available. The Group is still in the process of finalising the third quarterly results for the nine months ended 31 December 2014 which is expected to be published on 9 February 2015.

Shareholders of the Company and potential investors are advised to draw your attention to certain risks relating to the business and operations of the Group set out in the prospectus of the Company dated 8 July 2014, in particular, with regard to the fact that the Group's business is project-based and the profit margin depend on the terms of the work contract and may not be regular.

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

By Order of the Board  
**Kate China Holdings Limited**  
**Chan Tat Wah**  
*Chairman and Executive Director*

Hong Kong, 2 February 2015

*As at the date of this announcement, the Board comprises Mr. Chan Tat Wah (Chairman), Mr. Fok Chun Kit (Chief Executive Officer) and Mr. Tsang Kei Cheong as executive Directors; and Mr. Lam Yiu Kin, Mr. Lu Tak Ming and Prof. Lai Kin Keung as independent non-executive Directors.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the website of the GEM of the Stock Exchange at [www.hkgem.com](http://www.hkgem.com) on the "Latest Company Announcements" page for at least 7 days from the date of its posting. This announcement will also be published and remains on the Company's website at [www.katechina.hk](http://www.katechina.hk).*