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Kelfred Holdings Limited

恒發光學控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1134)

PROFIT WARNING

This announcement is made by Kelfred Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities of 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 of the Company (the “**Shareholders**”) and potential investors that based on the preliminary review of the draft unaudited consolidated management accounts of the Group for the year ended 31 December 2019, the Group is expected to record a substantial decrease in profit attributable to the Shareholders for the year ended 31 December 2019 by approximately 70% to 80% as compared to that of the year ended 31 December 2018. Such decrease was mainly due to (i) a decrease in revenue due to the delay of delivery schedule which is affected by the social unrest in the second half of 2019; (ii) an increase in non-recurring listing expenses; and (iii) an increase in the selling and distribution expenses due to an increase in sampling expenses.

The Company is still in the process of finalising the Group's results for the year ended 31 December 2019. The financial information contained in this announcement is only based on the preliminary assessment made by the Board with reference to the draft unaudited consolidated management accounts of the Group for the year ended 31 December 2019 and the other information currently available, which have not been audited or reviewed by the Company's auditor and have not been reviewed by the audit committee of the Company, and is therefore subject to possible change and adjustment upon further review. Shareholders and potential investors are advised to read carefully the results announcement of the Company for the year ended 31 December 2019, which will be published in late March 2020 in accordance with the requirements of the Listing Rules.

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

By order of the Board
Kelfred Holdings Limited
Kwok Kwan Fai
Chairman

Hong Kong, 5 March 2020

As at the date of this announcement, the executive Directors are Mr. Kwok Kwan Fai and Mr. Kwok Kwan Yu, the non-executive Directors are Mr. Kwok Mau Kwan and Ms. Chan Yin Wah, and the independent non-executive Directors are Mr. Lee Wai Ming, Mr. Chu Kin Ming and Mr. Chan Hon Wah.