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KINGBO STRIKE LIMITED

工蓋有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1421)

PROFIT WARNING

This announcement is made by Kingbo Strike Limited (the “**Company**”, 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders (the “**Shareholders**”) and potential investors of the Company that, based on the information currently available and the preliminary review of the Board of the unaudited consolidated management accounts of the Group for the year ended 30 June 2017 (the “**FY 2017**”), the Group is expected to record a loss of not less than S\$29 million as compared to a profit for the corresponding period in 2016.

The expected loss of the Group was primarily due to:–

1. a provision of not less than S\$40 million for goodwill impairment. Reference is made to the inside information announcement of the Company dated 2 August 2017; and
2. a decrease in fair value of profit guarantee receivable in the amount of approximately S\$9 million,

in respect of the Group’s acquisition of the 60% equity interests in Kahuer Holding Co., Limited and its wholly-owned subsidiaries on 27 May 2016.

The Board wishes to emphasize that the information contained in this announcement is based on the preliminary review of the Board on the latest unaudited consolidated management accounts of the Company for FY 2017, which have not been confirmed and finalised by the Company’s independent external auditor and audit committee of the Company and may be subject to further adjustments. Shareholders and potential investors are advised to read carefully the annual results announcement of the Company for FY 2017 which is expected to be published in due course.

* *For identification purposes only*

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
Kingbo Strike Limited
Liu Yancheng
Chairman

Hong Kong, 2 August 2017

As at the date of this announcement, the directors of the Company are:

Executive Directors

Mr. Liu Yancheng (*Chairman*)

Mr. Liu Xinsheng

Mr. Peng Rongwu

Independent non-executive Directors

Mr. Leung Po Hon

Mr. Li Jin

Dr. Luo Xiaodong

Non-executive Director

Mr. Tam Tak Wah