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GOLDEN PONDER HOLDINGS LIMITED

金倫控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1783)

PROFIT WARNING

This announcement is made by Golden Ponder 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 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 the potential investors of the Company that, based on the preliminary review on the relevant unaudited consolidated management accounts of the Group for the year ended 31 March 2020 (the “**Relevant Period**”) and information currently available, it is anticipated that the Group would record a net loss attributable to the Shareholders of not less than approximately HK\$2 million for the Relevant Period as compared to a net profit attributable to the Shareholders of approximately HK\$16.8 million for the year ended 31 March 2019.

The Board considers that the net loss was primarily attributable to the following combined effect of:

- (i) decrease in revenue recognized by the Group for the Relevant Period substantially due to the certain on-going projects were at their ending phase and the relevant revenue was already recognized in prior years which resulted in a reduction of revenue contributions;

- (ii) As the impact of the social incidents since June 2019 and the outbreak of novel coronavirus (COVID-19) epidemic in January 2020, the local economy has slipped into a technical recession since the third quarter of 2019 which have severely affected the construction industry and caused the decrease in the number of projects available for tender;
- (iii) decrease in gross profit margin due to loss being incurred in the variation orders of some completed projects; and
- (iv) increase in expected credit loss on certain long outstanding of account receivables.

Despite the expected net loss attributable to the Shareholders for the Relevant Period, the Board is of the view that this will not have any material adverse impact on the financial position of the Group.

As the Company is still in the process of finalizing the annual results of the Group for the Relevant Period, the information contained in this announcement is only based on the preliminary assessment by the Board with reference to the current unaudited consolidated management accounts of the Group and all information currently available, which have not been confirmed by the independent auditor of the Company or the audit committee of the Company and may be subject to further adjustment based on further updated information. Shareholders and potential investors are advised to read carefully the annual results announcement of the Group for the Relevant Period, which is expected to be published on 19 June 2020.

Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.

By order of the Board
Golden Ponder Holdings Limited
Chan Kam Tong
Chairman

Hong Kong, 18 May 2020

As at the date of this announcement, the executive Directors of the Company are Mr. Chan Kam Tong and Mr. Chan Kam Ming, and the independent non-executive Directors of the Company are Mr. Hau Wing Shing Vincent, Mr. Szeto Cheong Mark and Mr. Wan Simon.