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KAISUN HOLDINGS LIMITED

凱順控股有限公司*

(incorporated in the Cayman Islands with limited liability)
(Stock Code: 8203)

PROFIT WARNING

This announcement is made by the Company pursuant to rule 17.10 of the GEM Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform the Shareholders and potential investors that, based on information currently available to the Board, the Group is expected to record an increase in loss for the nine months ended 30 September 2019 compared to the corresponding period last year

Notwithstanding that the Group's other business segments had experienced operation improvements during this period, the expected loss for the corresponding period in 2019 is mainly attributable to an expected loss in the fair value of the Group's Hong Kong securities trading business.

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

This announcement is made by Kaisun Holdings Limited (the "Company", and together with its subsidiaries, the "Group") pursuant to rule 17.10 of the Rules Governing the Listing of Securities on Growth Enterprise Market of the Stock Exchange of Hong Kong Limited (the "GEM Listing Rules") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap.571, Law of Hong Kong) (the "SFO").

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “Shareholders”) and potential investors that, based on information currently available to the Board, the Group is expected to record an increase in loss for the nine months ended 30 September 2019 compared to the corresponding period last year. This is primarily attributable to a fair value loss was expected to be recorded on fair value through profit or loss on listed securities investment for the third quarter of 2019, while an unrealized profit on fair value through profit or loss on listed securities investment was recorded for the same period last year, and loss on disposal of financial assets at fair value through profit and loss was expected to be recorded for third quarter of 2019.

Fair value gain or loss was arrived at using following method:

During every financial period the Group’s Hong Kong listed securities' value is calculated using the closing stock prices as at each financial period’s cut-off date.

(i) Any subsequent movement in market price after such cut-off date will be recorded as an “unrealized” gain or loss in the next reporting period compared to the last or corresponding period in case the securities is not sold, and a “realized” gain or loss if the securities is sold.

(ii) Acquisition cost can only be used to calculate the performance of the stock when it is within the same reporting period.

The Group would like to emphasize that most of the expected unrealized and realized loss on the listed securities recorded during third quarter 2019 was mainly attributable to market fluctuation of the stocks the Group invested from a couple of fiscal years ago.

The Company is still in the process of finalising the third quarter results of the Group for the nine months ended 30 September 2019 (the “2019 Third Quarter Results”).

The information contained in this announcement is only a preliminary assessment by the management of the Company based on information currently available to the Board, and is not based on any figures or information which have been audited or reviewed by the Company’s auditor or the audit committee of the Company.

Shareholders and potential investors are advised to refer to details of the financial information to be disclosed in the Company’s announcement of the 2019 Third Quarter Results, which is expected to be published on 11 November 2019.

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

By Order of the Board
Kaisun Holdings Limited
CHAN Nap Kee, Joseph
Chairman

1 November, 2019

** for identification purpose only*

The English text of this announcement shall prevail over the Chinese text in case of inconsistencies.

As of the date of this announcement, the executive Directors are Mr. Chan Nap Kee Joseph and Mr. Yang Yongcheng. The independent non-executive Directors are Mr. Liew Swee Yean, Mr. Siu Siu Ling Robert, Dr. Wong Yun Kuen and Mr. Anderson Brian Ralph.

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: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; (2) there are no other matters the omission of which would make any statement in this announcement misleading or deceptive.

This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for at least 7 days from the date of its publication and on the Company's website at www.kaisun.hk.