

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss however arising from or in reliance upon the whole or any part of the contents of this announcement.



Alpha Professional Holdings Limited

阿爾法企業控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 948)

INSIDE INFORMATION PROFIT ALERT AND POTENTIAL NON-FULFILMENT OF PROFIT FORECAST

This announcement is made by Alpha Professional Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

PROFIT ALERT

The board (the “**Board**”) of directors (the “**Directors**”) of the Company hereby informs the shareholders (the “**Shareholders**”) and potential investors of the Company that, based on the information currently available, the Group expects to record a significant increase in the consolidated net profit for the year ended 31 March 2019 as compared to the corresponding period in 2018.

The Board believes that such expected significant increase was mainly attributable to the following factors:

- (a) absence of loss on assets transferred and debts discharged under the scheme of arrangement and relevant expenses of approximately HK\$199.7 million arising from reorganization of the Group for the year ended 31 March 2018. The said reorganization had been fully completed in the year ended 31 March 2018;

* *For identification purposes only*

- (b) driven by expansion to newly targeted markets for its mobiles and accessories business, including but not limited to Russia and further development of existing targeted markets, the Group had recorded an increase in sales volume for the year ended 31 March 2019 as compared to the corresponding period in 2018; and
- (c) the newly acquired biotechnology business had generated a new source of revenue of the Group for the year ended 31 March 2019, which further boosted the business performance of the Group.

POTENTIAL NON-FULFILMENT OF PROFIT FORECAST

Profit forecast for the year ended 31 March 2019

Reference is made to Appendix III to the circular of the Company dated 25 September 2017 in relation to, among other things, the profit forecast attributable to the Shareholders for the year ended 31 March 2019 as set out below:

- 1) profit before income tax and restructuring related costs would be approximately HK\$34,545,000; and
- 2) net profit after income tax and restructuring related costs would be approximately HK\$28,364,000.

(collectively, the “**Profit Forecast**”)

Matters which impact on Profit Forecast

The final results of the Group for the year ended 31 March 2019 is still in the progress of auditing by independent auditors. To the best of the knowledge, information and belief of the Board, despite the expected significant increase in the consolidated net profit for the year ended 31 March 2019 when compared to the corresponding period in 2018, it is expected that the consolidated net profit to be recorded for the year ended 31 March 2019 might still be less than the Profit Forecast as a result of the following reasons: (i) the drop of the gross profit margin of trading of mobile handsets due to the fiercely competitive environment resulted from major international mobile phone manufacturers increasing their competition in the market of low-end smartphone; (ii) the increase in the selling and distribution expenses and staff costs for exploring customers in new targeted markets such as South Africa, Russia and Bangladesh; and (iii) the legal and professional fees of approximately HK\$4.0 million including, inter alia, the additional legal and professional fee of HK\$1.4 million incurred in relation to the acquisition of the newly acquired biotechnology business in January 2019.

As the Company is still in the process of finalizing its annual results for the year ended 31 March 2019, the information contained in this announcement is a preliminary estimate by the management of the Group according to the latest unaudited management account of the Group and is not based on any figures or information that have been reviewed by the independent auditors of the Company. Further details of the financial performance of the Group will be disclosed when the annual results of the Group for the year ended 31 March 2019 are announced.

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
Alpha Professional Holdings Limited
XIONG Jianrui
Chairman

Hong Kong, 15 May 2019

As at the date of this announcement, the executive Directors of the Company are Mr. Xiong Jianrui and Mr. Yi Peijian, and the independent non-executive Directors are Mr. Cui Songhe, Mr. Khoo Wun Fat William and Mr. Lin Tao.