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Alpha Professional Holdings Limited

阿爾法企業控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 948)

PROFIT WARNING

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 and the Inside Information Provisions 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 hereby informs the shareholders and potential investors of the Company that, based on the information currently available, the Group expects to record a loss for the six months ended 30 September 2019 as compared to a profit for the corresponding period of 2018, which was mainly due to:

- (i) an expected loss of approximately HK\$33.6 million (before tax) upon completion of the proposed unwinding (the “**Unwinding**”), details of which was disclosed in the announcement of the Company dated 18 September 2019 (the “**Announcement**”). The loss was mainly attributed by the written down of the carrying amount of the net assets value of the Great Empire International Group Limited and its subsidiaries (the “**GE Group**”) as the closing price per Share dropped from HK\$2.30 as at 29 January 2019 (being the acquisition completion date) to HK\$2.05 as at 31 March 2019 (being the financial year end date), which had resulted in the decrease in fair value of the Acquisition Consideration Shares (as defined in the Announcement).

The expected loss arising from the Unwinding is only an estimate which assumes the completion of the Unwinding had taken place on 31 March 2019. The actual loss on the Unwinding will depend on the fair value of the Acquisition Consideration Shares and the net assets value of the GE Group as at the completion date of the Unwinding;

**For identification purpose only*

- (ii) decrease in sales order from existing customers as they were unable to attend trade shows in Hong Kong due to the recent social unrest. The trade shows are one of the major marketing and sales events of the Group, which also affected the Group's ability to attract new customers' orders; and
- (iii) decrease in selling price of existing products. As the mobile industry has moved into the 5G cellular network era, the price of existing 3G/4G products are expected to decrease. To mitigate potential losses, the management of the Group has taken drastic measures to reduce the selling price of 3G/4G products in order to boost sales and prepare for upgrading the Group's products to 5G technology.

As the Company is still in the process of finalizing its interim results for the six months ended 30 September 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 interim results of the Group for the six months ended 30 September 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, 29 October 2019

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