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Lapco Holdings Limited

立高控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8472)

PROFIT WARNING

This announcement is made by Lapco Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on the information currently available to the Board, including the unaudited consolidated management accounts of the Group for the year ended 31 December 2018 (the “**2018 Management Accounts**”), the Group is expected to record a loss for the year ended 31 December 2018 as compared to the net profit after tax (excluding the non-recurring listing expenses of approximately HK\$9.7 million) for the year ended 31 December 2017 (“**FY2017**”) of approximately HK\$1.5 million.

Based on the information currently available to the Board, despite that there was an increase of not less than 18% in revenue for the year ended 31 December 2018 as compared to that for FY2017, the expected loss is mainly attributable to (i) an increase of not less than 20% in the Group’s cost of services for the year ended 31 December 2018 as compared to that for FY2017 because of higher labour costs, petrol expenses and vehicle expenses; (ii) an increase of not less than 30% in the Group’s administrative expenses for the year ended 31 December 2018 as compared to that for FY2017. The increase in the administrative expenses are primarily caused by the full year impact on post-listing professional expenses, higher staff costs, the increase in bank charges resulting from the review of bank facilities and surrender charges of life insurance policies.

The information contained in this announcement is only based on the preliminary assessment of the 2018 Management Accounts by the management of the Company, and is not based on any figure or information which has been audited by the Company’s auditor, nor have the 2018 Management Accounts been reviewed by the audit committee of the Company. The Company is still in the process of finalizing the financial results of the Group. Further details of the Group’s financial information and performance will be disclosed when the Group’s audited financial results for the year ended 31 December 2018 are announced.

Shareholders and potential investors are advised to read carefully the results announcement of the Group for the year ended 31 December 2018 which is expected to be published on or around 22 March 2019.

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

By order of the Board of
Lapco Holdings Limited
Lam Pak Ling
*Chairman, chief executive officer and
executive Director*

Hong Kong, 4 March 2019

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Lam Pak Ling, Mr. Cai Weiming, Mr. Wong Tsz Chun, Jacky and Mr. Tam Yiu Shing, Billy; and three independent non-executive Directors, namely Mr. Mak Kwok Kei, Ms. Lam Kit Yan and Mr. Ho Kin Wai.

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, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no matters the omission of which would make any statement in this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at <http://www.hkgem.com> for at least 7 days from the date of its posting and on the Company’s website at www.lapco.com.hk.

In case of any inconsistency, the English text of this announcement shall prevail over the Chinese text.