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CHINA CHENGTONG DEVELOPMENT GROUP LIMITED

中國誠通發展集團有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 217)

PROFIT WARNING

The Board wishes to inform the shareholders of the Company and potential investors that based on the preliminary review of the Group's unaudited financial information for FY2014, the Group will record a loss attributable to the owners of the Company of an amount of around HK\$51 million for FY2014 as compared to the profit attributable to the owners of the Company of an amount of approximately HK\$51 million for FY2013 which was mainly due to the reasons stated below.

The Company is still in the process of finalising the consolidated results of the Group for FY2014. The information contained in this announcement is only a preliminary assessment by the management of the Company based on unaudited figures and information made available to the Board as at the date hereof and is not based on any figures or information which has been audited by the Company's auditor. Finalised consolidated results of the Group for FY2014 and other details will be disclosed in the 2014 annual report to be published by the Company.

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

This announcement is made by China Chengtong Development Group Limited ("Company", together with its subsidiaries, the "Group") pursuant to the provisions of inside information under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors ("Board") of the Company would like to inform the shareholders of the Company and potential investors that based on the preliminary review of the Group's unaudited financial information for the year ended 31 December 2014 ("FY2014"), the Group will record a loss attributable to the owners of the Company of an amount of around HK\$51 million for FY2014 as compared to the profit attributable to the owners of the Company of an amount of approximately HK\$51 million for the year ended 31 December 2013 ("FY2013").

The loss recorded by the Group in FY2014 was mainly due to the reasons that (i) the Group recorded substantial loss from the bulk commodity trade business of the Group in FY2014 as a result of substantial decrease in profit margin of bulk commodities and the Group's reduction of its bulk commodity trade business since the beginning of 2014 which led to a drastic decrease in the revenue derived from this segment; (ii) the amount of gain on disposal of subsidiaries recorded in FY2014 was substantially less than the amount of gain on disposal of non-current assets classified as held for sale recorded in FY2013; and (iii) other income recorded in FY2014 substantially decreased mainly as a result of decrease in interest income from entrusted loan receivables and decrease in interest income from bank deposits and short-term investments.

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By Order of the Board
China Chengtong Development Group Limited
Wang Hongxin
Managing Director

Hong Kong, 13 February 2015

As at the date of this announcement, the executive Directors are Mr. Yuan Shaoli, Mr. Wang Hongxin, Mr. Wang Tianlin and Mr. Zhang Bin and the independent non-executive Directors are Mr. Chang Qing, Mr. Lee Man Chun, Tony and Mr. Chan Sheung Lai.