

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 howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



HENG TAI CONSUMABLES GROUP LIMITED

亨泰消費品集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00197)

PROFIT WARNING

This announcement is made by Heng Tai Consumables Group Limited (the “**Company**”, together with its subsidiaries as the “**Group**”), pursuant to Rule 13.09(2)(a) of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and 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 wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on information currently available, the consolidated financial results of the Group for the financial year ended 30 June 2019 (the “**2019 Results**”) are expected to record a decrease in revenue and a significant increase in loss as compared to the financial results of the previous financial year.

The Board considered that the Group’s 2019 Results were adversely affected by the continuous weakening demand in the PRC consumer market and continuous competition from domestic and international brands against the consumable goods and agri-products as well as the associated logistic services which the Group are trading coupled with the unfavorable and ongoing adverse global trading environment and the depreciation of Renminbi.

Further to and as a result of the decrease in revenue, (i) substantial impairment on the goodwill, intangible assets, biological assets, property, plant and equipment of all the Group’s business segments would be recognized (where those related to the Group’s consumable goods, agri-business, logistics business and securities and brokerage business segments were affected more significantly); and (ii) impairment on certain prepayments and other receivables of the Group would also be recognized, which further caused the significant increase in loss in the current financial year.

As the Company is still in the process of finalizing the 2019 Results, this profit warning announcement is only based on preliminary assessment by the Board in accordance with the information currently available and the latest consolidated management accounts of the Group, which are subject to finalization and are not based on any figures or information reviewed or audited by the Company's auditors. Shareholders and potential investors should read the 2019 Results announcement carefully, which is expected to be published before end of September 2019.

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

By order of the Board
Heng Tai Consumables Group Limited
Lam Kwok Hing
Chairman

Hong Kong, 16 September 2019

As at the date of this announcement, the Board comprises four executive directors, namely Mr. Lam Kwok Hing (Chairman), Ms. Lee Choi Lin, Joey, Ms. Gao Qin Jian and Mr. Chan Cheuk Yu, Stephen; and three independent non-executive directors, namely Ms. Mak Yun Chu, Mr. Poon Yiu Cheung, Newman and Mr. Hung Hing Man.