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建福集團控股有限公司
KENFORD GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00464)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) of Part XIVA of the Securities and Futures Ordinance (Cap.571 of the Laws of Hong Kong).

The Board wishes to inform the shareholders of the Company and potential investors that based on the preliminary review of the unaudited consolidated management accounts of the Group for the six months period ended 30 September 2017, the management of the Company expects that the Group will record an increase in loss attributable to owners of the Company for the six months period ended 30 September 2017 as compared to the loss attributable to owners of the Company of approximately HK\$4,238,000 for the six months period ended 30 September 2016.

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 Kenford Group Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) of Part XIVA of the Securities and Futures Ordinance (Cap.571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that based on the preliminary review of the unaudited consolidated management accounts of the Group for the six months period ended 30 September 2017, the management of the Company expects that the Group will record an increase in loss attributable to owners of the Company for the six months period ended 30 September 2017 as compared to the loss attributable to owners of the Company of approximately HK\$4,238,000 for the six months period ended 30 September 2016.

The expected increase in loss, as compared to the corresponding period in 2016, is primarily attributable to:-

1. The decrease in sales of approximately 9% as a result of a decrease in orders from the European and Mainland China markets caused by their struggling economies and the decrease in selling price for the matured products; and
2. The surge in material cost, especially in packaging material, plastic resins and copper, which has hampered the Company's gross profit margin.

Despite the expectation of the management of the Company that the Group will record an increase in loss for the six months period ended 30 September 2017, the Board considers that the existing business operation, the financial position and cash level of the Group remain healthy.

The information contained in this announcement is only based on the preliminary assessment by the management of the Company with reference to the unaudited consolidated management accounts of the Group for the six months period ended 30 September 2017 and such information have not been reviewed by the Company's auditor or audit committee. The Group's half year results are yet to be finalized and, therefore, the actual results of the Group for the six months ended 30 September 2017 may differ from the information contained in this announcement. Shareholders of the Company and potential investors are advised to read carefully the interim results announcement of the Company for the six months period ended 30 September 2017 which is expected to be published on 29 November 2017.

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

By Order of the Board
KENFORD GROUP HOLDINGS LIMITED

Zhang Huijun
Director

Hong Kong, 27 October 2017

As at the date of this announcement, Board of the Company comprises four executive Directors, namely Mr. Yang Yubin, Ms. Cai Dongyan, Ms. Pauline Lam and Mr. Zhang Huijun, one nonexecutive Director, namely Mr. Kwok Kai Hing Daniel, and three independent non-executive Directors, namely Mr. Fung Chi Kin, Mr. Han Dengpan and Mr. Huang Zhiwei.

Website: www.kenford.com.hk