

PROFIT GUIDANCE

The Board of Directors (the “**Board**”) of China Kunda Technology Holdings Limited (the “**Company**” and its subsidiaries the “**Group**”) wishes to inform that, based on a preliminary assessment of the unaudited financial results for the third quarter and nine months ended 31 December 2017 (the “**Results**”) of the Company and the Group, the Group expects to record a significant increase in net profit in the Results as compared to the previous corresponding period.

As announced on 14 August 2017, the Group had commenced to undertake the closure of the automobile component production facility of its subsidiary, Beijing Baiju Automobile Component Company Limited (“**BBJ**”) in Beijing, People’s Republic of China (“**Beijing**”) (the “**Production Closure**”).

As previously announced, BBJ was expected to receive non-recurring income from the sale of automobile moulds (“**Non-Recurring Income**”), amounting to HK\$7.0 million if such sale was completed as at 30 June 2017. However, the actual Non-Recurring Income from the key customer, Beijing Hyundai was significantly higher than expected. The improvement in the Results is mainly attributable to significant increase in profit from the Non-Recurring Income as well as gain on disposal of plant and equipment, which were recorded in 3Q2018.

Further details of the Group’s financial performance will be disclosed in the Company’s unaudited financial results for 3Q2018 and 9M2018 to be released before 14 February 2018.

Shareholders and potential investors should exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

By Order of the Board

Cai Kaoqun
Executive chairman and CEO
Singapore, 23 January 2018

This announcement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “**Sponsor**”) for compliance with the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Joseph Au, Associate Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).