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沪港联合

HONG KONG SHANGHAI ALLIANCE HOLDINGS LIMITED

滬港聯合控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1001)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform the shareholders and potential investors of the Company that, based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended 31st March 2016, which are in the course of being finalised, and are yet to be audited, it is expected that the Group may record a reduction in profit attributable to the equity holders for the year ended 31st March 2016 as compared to the year ended 31st March 2015.

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

This announcement is made by Hong Kong Shanghai Alliance 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 in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (the “SFO”, Chapter 571, Laws of Hong Kong).

The board of directors of the Company (the “Board”) wishes to inform the shareholders and potential investors of the Company that, based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended 31st March 2016 and information currently available to the Board, it is expected that the Group may record a reduction in profit attributable to the equity holders of more than 50% for the year ended 31st March 2016 (the “current year”) as compared to the year ended 31st March 2015. Such expected reduction was mainly due to: (i) unrealised foreign currency translation loss on foreign currency liabilities of the Group’s property holding business; (ii) one-off expenses incurred by the Group on restructuring of its building and design solutions, engineering plastics, steel distribution and recycling businesses in the current year; and (iii) increase of the general and administrative expenses of the Group’s steel recycling business acquired in September 2014.

The information contained in this announcement is based only on the Board's preliminary assessment of the unaudited consolidated management accounts of the Group for the current year and the information available for the time being. The Company is still in the course of finalising such accounts, which are yet to be audited by the auditors of the Group. The audited consolidated final results of the Group for the current year are expected to be announced by the Company in late June 2016.

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

On behalf of the Board
Hong Kong Shanghai Alliance Holdings Limited
Yao Cho Fai Andrew
Chairman

Hong Kong, 27th May 2016

As at the date of this announcement, the Board comprises Mr. Yao Cho Fai Andrew, Ms. Luk Pui Yin Grace and Mr. Lau Chi Chiu (being the executive directors); Mr. Dong Sai Ming Fernando (being the non-executive director); Mr. Tam King Ching Kenny, Mr. Xu Lin Bao, Mr. Tse Lung Wa Teddy and Mr. Yeung Wing Sun Mike (being the independent non-executive directors).