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FRASER HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8366)

PROFIT WARNING

This announcement is made by Fraser Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market (“**GEM**”) of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company would like to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on information currently available to the Board, the Group is expected to report a substantial decrease in profit for the nine months ended 31 January 2017 of approximately 30% to 40%, as compared to the nine months ended 31 January 2016, which is mainly attributable to (1) the decrease in revenue due to the completion of certain public sector slope works projects; (2) certain delays in works orders under the Group’s ongoing slope works contracts; (3) the decrease in gross profit margin for the projects as a result of the tougher competitive conditions and challenging operating environment.

This announcement is made based on a preliminary review of the unaudited consolidated accounts of the Group for the nine months ended 31 January 2017 and is not based on any figures or information which has/have been audited or reviewed by the Company’s auditors and audit committee and is subject to possible adjustments upon further review. The Company is in the process of finalizing the quarterly results for the nine months ended 31 January 2017. Details of the financial information and performance of the Group will be disclosed when the quarterly results for the nine months ended 31 January 2017, which is expected to be released before mid-March 2017 in accordance with the GEM Listing Rules.

As this announcement was issued during the offer period, this announcement is regarded as a profit forecast under Rule 10 of the Takeovers Code and would need to be reported on by the Company’s financial advisers and auditors or accountants in accordance with Rule 10.4 of the Takeovers Code, and their reports must be included in the next document to be sent to the Shareholders under Rule 10.4 of the Takeovers Code. Reference is made to the Company’s announcement dated 6 February 2017 in relation to a possible disposal of the issued shares of the Company (the “**Rule 3.7 Announcement**”).

Since this announcement is required to be made pursuant to Rule 17.10 of the GEM Listing Rules and Part XIVA of the SFO, which requires the Company to issue a profit warning announcement as soon as practicable and given the time constraint, the Company has encountered genuine practical difficulties (time-wise or otherwise) in meeting the requirements set out in Rule 10.4 of the Takeovers Code. The Company would like to draw the attention of the Shareholders and potential investors that this announcement does not meet the standard required by Rule 10 of the Takeovers Code. Shareholders and potential investors should exercise caution in placing reliance on such forecast when assessing the merits and demerits of the possible disposal contemplated under the Rule 3.7 Announcement and when dealing in the securities of the Company.

Under Practice Note 2 of the Takeovers Code, the reports from the Company's financial advisers and auditors or accountants on this announcement are required to be included in the next document to be sent to the Shareholders. As the unaudited quarterly results announcement of the Company for the nine months ended 31 January 2017 is expected to be published on or around mid-March 2017, the requirement of "reporting on" under Rule 10 of the Takeovers Code for this announcement is expected to be superseded by the publication of the unaudited quarterly results of the Company.

WARNING:

Shareholders and/or potential investors of the Company should note that this announcement does not meet the standard required by Rule 10 of the Takeovers Code and has not been reported on in accordance with the Takeovers Code, and thus are advised to exercise caution in placing reliance on this announcement when assessing the merits and demerits of the possible disposal contemplated under the Rule 3.7 Announcement and when dealing in the securities of the Company. Persons who are in doubt as to the action they should consult their licensed securities dealers or registered institutions in securities, bank managers, solicitors, professional accountants or other professional advisers.

By order of the Board
Fraser Holdings Limited
Yu Shek Man Ringo
Chairman and Executive Director

Hong Kong, 24 February 2017

As at the date of this announcement, the executive Directors are Mr. Yu Shek Man Ringo and Ms. Wong So Wah; the non-executive Director is Mr. Cheung Kin Keung Martin and the independent non-executive Directors are Mr. Law Yiu Sing, Mr. Wong Kwok Chuen and Mr. Wong Law Fai.

All directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement in this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for a minimum period of 7 days from the date of its posting and on the website of the Company at www.fraserholdings.com.