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**Daohe Global Group Limited**

**道和環球集團有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 915)**

## **PROFIT WARNING**

This announcement is made by Daohe Global Group Limited (“**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (“**Board**”) of directors (“**Directors**”) of the Company wishes to inform the shareholders (“**Shareholders**”) of the Company and potential investors that based on the preliminary information available to the Directors, the Group is expected to record total comprehensive loss of not less than US\$67 million (equivalent to HK\$521.3 million) for the six months ended 31 October 2017 as compared to total comprehensive income of approximately US\$2.1 million (equivalent to HK\$16.6 million) recorded for the six months ended 31 October 2016, mainly as a result of (1) impairment loss on goodwill of approximately US\$55.2 million (equivalent to HK\$429.1 million) in relation to the acquisition of Loozee Holdings Inc.; and (2) impairment loss on goodwill of approximately US\$13.6 million (equivalent to HK\$105.8 million) allocated to the sales of merchandise. The Board would like to emphasise that the above impairment losses on goodwill are non-cash items and are one-off charges to the Company’s consolidated interim statement of profit or loss. Such impairment losses are not expected to impact the Group’s daily operations and cash flow.

This profit warning announcement is based on preliminary estimates by management of the Company with reference to the consolidated management accounts of the Group and the latest information available for the time being, which remain subject to finalization and adjustment based on further updated information, and have not been reviewed nor audited by the Company’s independent auditors.

**Detailed financial information of the Group will be disclosed in the unaudited interim results announcement of the Company for six months ended 31 October 2017, which is expected to be published on 14 December 2017. Shareholders and potential investors are advised to read the unaudited interim results announcement of the Group when it is published.**

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

By order of the Board  
**Daohe Global Group Limited**  
**ZHOU Xijian**  
*Chairman and non-executive Director*

Hong Kong, 27 November 2017

*As at the date of this announcement, the non-executive Director of the Company is Mr. ZHOU Xijian, the executive Directors are Mr. ZHANG Qi, Mr. WONG Hing Lin, Dennis and Mr. ZHANG Jifeng, and the independent non-executive Directors are Mr. WANG Arthur Minshiang, Mr. LAU Shu Yan and Mr. ZHANG Huijun.*