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MORRIS  
HOLDINGS LIMITED

**MORRIS HOLDINGS LIMITED**

**慕容控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1575)**

**(1) PROFIT WARNING**  
**(2) CHANGE IN HEAD OFFICE AND**  
**PRINCIPAL PLACE OF BUSINESS IN HONG KONG**  
**(3) CHANGE OF ADDRESS OF HONG KONG SHARE REGISTRAR**  
**AND TRANSFER OFFICE**  
**AND**  
**(4) UPDATE ON PROGRESS OF INDEPENDENT INVESTIGATION**

This announcement is made by Morris Holdings Limited (the “**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 (the “**Listing Rules**”), the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the “**SFO**”) and Rule 13.51(5) of the Listing Rules.

**PROFIT WARNING**

The board of directors (the “**Board**”) of the Company would like to inform the shareholders (the “**Shareholders**”) and potential investors that, based on the unaudited consolidated management accounts for the year ended 31 December 2018 of the Group and the information currently available to the Company, the Group is expected to record a decline by more than 40% in the consolidated net profit for the year ended 31 December 2018 as compared with the corresponding period last year. Such significant decrease in the consolidated net profit is primarily due to (i) the additional tariff levied on our export products; (ii) the additional costs in expanding the sales network of the Company; and (iii) the finance cost arisen from the increased debt level during the year.

The information contained in this announcement is only based on a preliminary assessment by the Board according to the unaudited consolidated management accounts of the Group for the year ended 31 December 2018 and the information available to the Board as at the date of this announcement, which have not been reviewed or audited by the auditor of the

Company and are subject to adjustment. The Company is in the process of preparing and finalising the Group's annual results for the year ended 31 December 2018. Details of the Group's financial information for the year ended 31 December 2018 will be disclosed in its annual results announcement which is expected to be published on 10 July 2019.

In addition, the management of the Company expects that there will be a significant drop in the Group's profits for the six month ended 30 June 2019 as compared with the corresponding period last year, which is mainly attributable to a decline in sales revenue of the Group as a result of the continuing US-China trade tensions that have dampened consumer sentiment and continuing uncertainties in the international trade environment. The Company will adopt conservative strategies in operating its business under such unfavourable conditions.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company and, in case of doubt, to seek independent advice from professional or financial advisers.**

#### **CHANGE IN HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG**

The Board hereby announces that with effect from 2 July 2019 the address of the Company's head office and principal place of business in Hong Kong has changed to:

**Unit 2001, 20/F, Citicorp Centre,  
18 Whitfield Road, Causeway Bay,  
Hong Kong**

Telephone number and facsimile number of the Company remain unchanged.

#### **CHANGE OF ADDRESS OF HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE**

The Board hereby announces that with effect from 11 July 2019, the Hong Kong share registrar and transfer office of the Company, Tricor Investor Services Limited (the "**Hong Kong Share Registrar**"), will change its address from Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong to:

**Level 54, Hopewell Centre  
183 Queen's Road East  
Hong Kong**

All telephone and facsimile numbers of the Hong Kong Share Registrar will remain unchanged.

## **UPDATE ON PROGRESS OF INDEPENDENT INVESTIGATION**

Reference is made to the Company's announcement dated 27 June 2019 and capitalised terms used below shall have the same meanings as defined therein.

The Audit Committee of the Company has appointed SWC to conduct an independent investigation and prepare an investigation report in respect of the Queries identified by EY. SWC is still in the process of conducting the independent investigation and preparing the investigation report and further announcement on the findings of the investigation will be published as and when appropriate. Based on the investigation conducted up to the date of this announcement, the Company does not expect the findings of the investigation to have any significant impact on the Board's preliminary assessment of the unaudited financial results of the Group for the year ended 31 December 2018 as disclosed herein.

By order of the Board  
**Morris Holdings Limited**  
**Zou Gebing**  
*Chairman*

Hong Kong, 5 July 2019

*As at the date of this announcement, the executive Directors are Mr. Zou Gebing, Mr. Shen Zhidong, Mr. Zeng Jin and Mr. Wu Yueming; and the independent non-executive Directors are Mr. Liu Haifeng, Mr. Pang Wing Hong and Mr. Chu Guodi.*