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ON TIME LOGISTICS HOLDINGS LIMITED

先達國際物流控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6123)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong).

The Board wishes to inform the Shareholders and potential investors that based on the preliminary review by the Company's management on the unaudited management accounts of the Group for the six months ended 30 June 2016 and other information currently available to the Board, the Group is expected to record a significant decrease in revenue and net profit for the six months ended 30 June 2016 as compared with the corresponding period in 2015.

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

This announcement is made by On Time Logistics 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong).

Based on the preliminary review by the Company's management on the unaudited management accounts of the Group for the six months ended 30 June 2016 and other information currently available to the board of directors of the Company (the "**Board**"), the Board wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that the Group is expected to record a significant decrease in revenue and net profit of the Company for the six months ended 30 June 2016 as compared with the corresponding period in 2015, and such decrease is mainly attributable to the following:

- (a) the keen competition in the forwarding market and the oversupply in air cargo space and sea cargo space which led to a drop in selling rate, hence a reduction in the Group's revenue;
- (b) the poor economy in Europe and South America leading to the decrease in exports in China;
- (c) the increase in rental expenses due to the expansion of ancillary and contract logistics services business;
- (d) the increase of investment in the e-commerce business, which has not yet contributed profit to the Group; and
- (e) the severance package paid to the station managers who left the Group during the period.

The information contained in this announcement is only based on preliminary assessment by the Company of its unaudited consolidated management accounts for the six months ended 30 June 2016 and is not based on any figure or information audited or reviewed by the Company's independent auditor, and may be subject to amendments. Shareholders and potential investors are advised to refer to details in the interim results announcement of the Company for the six months ended 30 June 2016 which is expected to be published by the end of August 2016.

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

By Order of the Board
On Time Logistics Holdings Limited
先達國際物流控股有限公司
LAM Chun Chin, Spencer
Chairman & Chief Executive Officer

Hong Kong, 22 July 2016

As at the date of this announcement, the Board comprises five executive directors, namely, Mr. LAM Chun Chin, Spencer, Mr. Hartmut Ludwig HAENISCH, Ms. CHEUNG Ching Wa, Camy, Ms. WONG Pui Wah and Mr. Dennis Ronald DE WIT; and three independent non-executive directors, namely, Mr. POON Ka Lee, Barry, Mr. NG Wai Hung and Mr. WONG See Ho.