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## **YTO EXPRESS (INTERNATIONAL) HOLDINGS LIMITED**

**圓通速遞(國際)控股有限公司**

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

**(Stock code: 6123)**

### **PROFIT WARNING**

The Board wishes to inform the Shareholders and potential investors that based on the preliminary review by the Company's management on the unaudited consolidated management accounts of the Group for the year ended 31 December 2019 and other information currently available to the Board, the Group is expected to record a decrease in the revenue and a substantial decrease in the net profit for the year ended 31 December 2019 as compared with the corresponding period in 2018.

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

This announcement is made by YTO Express (International) 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 consolidated management accounts of the Group for the year ended 31 December 2019 and other information currently available to the board of directors (the "**Board**") of the Company, the Board wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that the Group is expected to record a decrease in

the revenue and a substantial decrease in the net profit for the year ended 31 December 2019 as compared to the corresponding period in 2018. The net profit of the Group for the year ended 31 December 2019 is expected to decrease by about 70% as compared to the net profit for the corresponding period in 2018. Such substantial decrease in the net profit is mainly attributable by the following:

- (a) the peripheral economic downturn caused by the trade war between China and the United States and the global macroeconomic uncertainties;
- (b) the decrease of demand for air freight services from customers in the air freight segment;
- (c) the increment of staff cost due to salary increment and recognition of expenses related to the share awards; and
- (d) the recognition of impairment loss on goodwill and intangible asset of about HK\$20.0 million arising from the acquisition of 翼尊國際貨運代理（上海）有限公司, which will gradually cease its business from 2020.

The information contained in this announcement is only based on preliminary assessment by the Company of its unaudited consolidated management accounts for the year ended 31 December 2019 and is not based on any figure or information audited or reviewed by the Company's independent auditors, and may be subject to possible amendments and adjustments. Shareholders and potential investors are advised to refer to details in the annual results announcement of the Company for the year ended 31 December 2019 which is expected to be published by the end of March 2020.

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

By order of the Board  
**YTO Express (International) Holdings Limited**  
圓通速遞（國際）控股有限公司  
**Yu Huijiao**  
Chairman

Hong Kong, 6 February 2020

*As at the date of this announcement, the Board comprises two executive directors, namely, Mr. Lam Chun Chin, Spencer and Mr. Huang Yifeng; four non-executive directors, namely Mr. Yu Huijiao, Mr. Pan Shuimiao, Mr. Li Xianjun and Mr. Lin Kai; and three independent non-executive directors, namely, Mr. Li Donghui, Mr. Xu Junmin and Mr. Chung Kwok Mo John.*