



CHINLINK INTERNATIONAL HOLDINGS LIMITED
(Stock code: 0997.HK)

PROFIT WARNING

[24 May 2013 – Hong Kong] **Chinlink International Holdings Limited** (“Chinlink” or the “Company”, stock code: 0997.HK) and its subsidiaries (collectively the “Group”), wishes to inform the shareholders of the Company and potential investors that the Group is expected to record a loss for the year ended 31 March 2013.

Based on the preliminary review of the unaudited consolidated management accounts of Group, the loss was mainly attributable to (i) the decrease in gross profit margin of both the interior decoration work and the trading of furniture and fixtures; (ii) significant increase in finance costs arising from the convertible bonds issued during the year calculated under effective interest rate; and (iii) the discontinuation of operations which were distributed in specie to shareholders of the Company in January 2012.

Pursuant to a group restructure in early 2012, the Group is currently repositioning itself as an integrated finance and logistics services provider in the People’s Republic of China. To implement this corporate strategy, the Group has entered various strategic agreements with existing logistics parks in Xi’an City for the provision of value-added logistics and advisory services and is in the progress of establishing a wholly foreign-owned enterprise to engage in the provision of financing guarantee in Shaanxi Province. The Group will also co-develop a logistics park with features such as product marketplace, warehouses and other supporting facilities in Hanzhong City, Shaanxi Province with the Hanzhong Government. The board of directors believe that the above endeavours will diversify the Group’s income base and improve profitability in the long-run.

About Chinlink International Holdings Limited

Chinlink International Holdings Limited is currently engaged in the provision of interior decoration work, including interior design and renovation services, and the trading of furniture and fixtures in Hong Kong and Macau. The Company is also expanding into the development and operation of trade and logistics centres and the provision of other value-added services.

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This press release is issued by DLK Advisory on behalf of **Chinlink International Holdings Limited**.

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