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KAKIKO GROUP LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock code: 2225)

PROFIT WARNING

This announcement is made by Kakiko Group 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**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

The board of directors (the “**Directors**” and the “**Board**”, respectively) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on a preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2017 (the “**Year**”) and information currently available to the Board, the Group expects to record a decrease in profit by approximately 36.6% for the Year as compared with that for the preceding financial year (“**Year 2016**”) (excluding one-off listing expenses incurred in the respective financial years).

The decrease in profit (excluding one-off listing expenses) was mainly attributable to, among other factors, (i) the decrease in revenue from approximately S\$45.1 million for Year 2016 to approximately S\$44.4 million for the Year; (ii) we adopted a more aggressive pricing strategy in order to secure new contracts due to intensifying competition in the manpower outsourcing and ancillary services industry; and (iii) the increase in costs of services from approximately S\$29.5 million for Year 2016 to approximately S\$32.7 million for the Year.

As the Company is still in the process of finalising the annual results of the Group for the Year, the information contained in this announcement is only based on the preliminary assessment by the Board with reference to the unaudited consolidated management accounts of the Group for the Year, which have not been audited or reviewed by the Company’s independent auditor or the audit committee of the Board and is subject to adjustment. The annual consolidated financial results of the Group for the Year are expected to be published by the end of March 2018.

Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.

For and on behalf of
Kakiko Group Limited
Kuah Ann Thia

Chairman, Executive Director and Chief Executive Officer

Singapore, 19 March 2018

As at the date of this announcement, the executive Directors are Mr. Kuah Ann Thia (Chairman and Chief Executive Officer) and Ms. Dolly Hwa Ai Kim (also known as Dolly Ke Aijin); and the independent non-executive Directors are Mr. Ong Shen Chieh (also known as Mr. Wang Shengjie), Mr. Lau Kwok Fai Patrick and Mr. Lam Raymond Shiu Cheung.