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Dowway Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8403)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 17.10(2) of the GEM Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

Based on the information currently available and the preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2020 by the Board, the Board wishes to inform the Shareholders and potential investors of the Company that the Group expects to record a net loss of approximately RMB2.97 million for the six months ended 30 June 2020, as compared to a net profit of approximately RMB3.24 million for the corresponding period in 2019.

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

This announcement is made by Dowway Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10(2) of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

Based on the information currently available and the preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2020 by the board (the “**Board**”) of directors (the “**Directors**”) of the Company, the Board wishes to inform the shareholders (the “**Shareholders**”) and potential investors of the Company that, the Group expects to record a net loss of approximately RMB2.97 million for the six months ended 30 June 2020, as compared to a net profit of approximately RMB3.24 million for the corresponding period in 2019.

The anticipated net loss for the six months ended 30 June 2020 was primarily attributable to a significant decrease in demand for new contracts for the Group’s exhibition and event management services in the People’s Republic of China and delays in schedule of the provision of contracted exhibition and event management services due to the outbreak and widespread of coronavirus disease (COVID-19) during the six months ended 30 June 2020,

which led to a decrease in the Group's revenue by approximately RMB52.04 million or approximately 55.27% to approximately RMB42.11 million for the six months ended 30 June 2020 from approximately RMB94.15 million during the corresponding period in 2019. Also, during the six months ended 30 June 2020, the Group experienced the absence in other gains of a grant received from the PRC government in 2019 for being a newly listed company in 2018 of approximately RMB5.00 million which was a one-off gain and did not recur during the six months ended 30 June 2020. As a result, the Group expects to record a net loss of approximately RMB2.97 million for the six months ended 30 June 2020.

As the Company is still in the course of finalizing its results for the six months ended 30 June 2020, the information contained in this announcement is only a preliminary assessment by the Board based on the information currently available and the unaudited consolidated management accounts of the Group, which have not been reviewed or audited by the Company's auditors nor confirmed by the Company's audit committee. The overall financial results of the Group for the six months ended 30 June 2020 will only be ascertained when all the relevant results and corresponding treatments are finalized, which may be different from those disclosed in this announcement. Detailed financial information of the Group will be disclosed in the interim results announcement of the Group for the six months ended 30 June 2020 which is expected to be published by the Company within the timeframe as stipulated under the GEM Listing Rules.

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

By Order of the Board
Dowway Holdings Limited
Huang Xiaodi
*Chairman, Chief Executive Officer
and Executive Director*

Hong Kong, 20 July 2020

As at the date of this announcement, the executive Directors are Mr. Huang Xiaodi, Mr. Ma Yong and Mr. Yan Jinghui; the non-executive Director is Mr. Yuen Lai Him; and the independent non-executive Directors are Ms. Xu Shuang, Mr. Gao Hongqi and Mr. Yu Leung Fai.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Company Announcements" page of the GEM website of the Stock Exchange at www.hkgem.com for a minimum period of 7 days from the date of publication and on the website of the Company at www.dowway-exh.com.