

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Xin Point Holdings Limited

信邦控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1571)

PROFIT WARNING

This announcement is made by Xin Point Holdings Limited (the “**Company**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that, based on the preliminary assessment of the unaudited consolidated management accounts of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 December 2021 (the “**FY2021**”) and the information currently available, it is expected that, for FY2021, the profit for the year, which has the same meaning as stated in the Group’s 2020 Annual Report, of the Group will experience a decrease ranging from approximately 30% to 40%, as compared to that for the year ended 31 December 2020 (the “**FY2020**”).

The above-mentioned expected decrease of profit for the year for FY2021 by the Group, among other things, is mainly due to:

1. the increase in cost of sales due to commodity price increases and higher shipping prices;
2. a decrease in the Group’s overall gross profit margin as our factory in Mexico still recorded operating losses for FY2021;
3. continued appreciations of the Chinese RMB against both US\$ and EUR during FY2021 had impacts on the Group’s profitability and a higher exchange loss figure is expected to be recorded for FY2021; and

4. there was an increase in income tax expense for FY2021 due to the increase in profit of certain subsidiaries.

In the opinion of the Board, the profit for the year of the Group will decrease for FY2021 in view of the above-mentioned reasons, as compared to that for FY2020. Meanwhile, our plentiful experience in research and developments and surface treatment technologies, together with our long-term investment strategy on production capacity and one-stop service capability will be beneficial to the sustainability of the Group. Therefore, the Board is confident of the long-term development and prospects of the Group.

The Board wishes to emphasize that the information contained in this announcement is only a preliminary assessment made by the management of the Company based on the unaudited consolidated management accounts of the Group for FY2021 and the information currently available to the Board. Such information has not been audited or reviewed by the auditors and the audit committee of the Company. The above information may be subject to adjustments, if any. Details of the financial results and performance of the Group for FY2021 will be disclosed in the annual results announcement of the Group, which is expected to be announced by the end of March in 2022.

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

By order of the Board
Xin Point Holdings Limited
Ma Xiaoming
Chairman

Hong Kong, 4 March 2022

As at the date of this announcement, the Board comprises Mr. MA Xiaoming, Mr. MENG Jun, Mr. ZHANG Yumin, Mr. LIU Jun, Mr. HE Xiaolu and Mr. JIANG Wei as executive directors; and Mr. TANG Chi Wai, Mr. GAN Weimin and Prof. CAO Lixin as independent non-executive directors.