

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.



HUAXI HOLDINGS COMPANY LIMITED

華禧控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01689)

PROFIT WARNING

This announcement is made by Huaxi Holdings Company Limited (“the **Company**”), 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 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 (the “**Board**”) of the Company wishes to inform the shareholders and potential investors of the Company that based on the information currently available to the management of the Company and the preliminary review of the Group for the year ended 31 December 2021, the Group expects to record a decline in its net profit of around 55% for the year ended 31 December 2021, as compared to the corresponding period in 2020 (the Group’s audited net profit for the year ended 31 December 2020 amounted to HK\$93.28 million).

The decrease was primarily attributable to (i) a decline in the sales revenue from the Cigarette Packaging Business; (ii) the new contracts executed during the year with lower gross profit margin from the Environmental Treatment Business; and (iii) fair value losses in the financial assets through profit or loss due to market fluctuation.

The Company is still in the process of preparing the consolidated financial results of the Group for the year ended 31 December 2021. The information contained in this announcement is only based on the information currently available to the Company and the preliminary review by the Board on the unaudited consolidated management accounts of the Group for the year ended 31 December 2021, which have not been reviewed or audited by the independent auditors and the audit committee of the Company. The actual financial results of the Group for year ended 31 December 2021 may differ from what is disclosed in this announcement. Details of the Group’s performance will be disclosed in the audited annual results of the Group for the year ended 31 December 2021, which is expected to be released before end of March 2022.

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

By order of the Board
Huaxi Holdings Company Limited
Zheng Andy Yi Sheng
Chairman

Hong Kong, 11 March 2022

As at the date of this announcement, the Board comprises Mr. Zheng Andy Yi Sheng and Mr. Zheng Minsheng as executive Directors; Mr. Hao Jiming as non-executive Director and Mr. Lau Kwok Hung, Mr. Fok Po Tin and Mr. Cai Xiaowen as independent non-executive Directors.