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## **SH GROUP (HOLDINGS) LIMITED**

**順興集團（控股）有限公司**

*(Incorporated in the Cayman Islands with limited liability)*  
(Stock Code: 1637)

### **PROFIT WARNING AND DECLARATION OF SPECIAL INTERIM DIVIDEND**

This announcement is made by the Company pursuant to Rule 13.09 (2) of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform the Shareholders and potential investors that, based on the preliminary assessment on the unaudited consolidated management accounts of the Group and information currently available to the Board, the Group is expected to record a decrease in the consolidated net profit for the year ended 31 March 2022 by not less than 60% as compared to the consolidated net profit of approximately HK\$44.1 million for the year ended 31 March 2021.

The Board is pleased to announce that at the meeting of the Board held on 4 May 2022, the Board has declared a Special Interim Dividend of HK3.5 cents per share of the Company, amounting to HK\$14.0 million in total.

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

#### **PROFIT WARNING**

This announcement is made by SH Group (Holdings) Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

The board (the “**Board**”) of directors of the Company (the “**Directors**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary assessment on the unaudited consolidated management accounts of the Group and the information currently available to the Board, the Group is expected to record a decrease in the consolidated net profit for the year ended 31 March 2022 by not less than 60% as compared to the consolidated net profit of approximately HK\$44.1 million for the year ended 31 March 2021.

The expected decrease in net profit for the year ended 31 March 2022 is primarily attributable to:

- (i) the adoption of a more competitive pricing strategy in securing new projects due to intensified market competition;
- (ii) manpower shortage and logistic delay caused by the Coronavirus Disease 2019 pandemic which led to (a) the delay of the Group’s projects in progress; and (b) the increase in projects’ material and transportation costs;
- (iii) the decrease in other income relating to the receipt of government grants under the Employment Support Scheme launched by The Government of the Hong Kong Special Administrative Region under the Anti-epidemic Fund for the year ended 31 March 2021 while no similar government grant was received for the year ended 31 March 2022; and
- (iv) the decrease in the value of financial assets at fair value through profit or loss, which is non-cash in nature.

The information contained in this announcement is only based on the preliminary assessment by the Board with reference to the information currently available, including the unaudited consolidated management accounts of the Group, and is not based on any figure or information which has been audited or reviewed by the Company’s auditors or reviewed by the audit committee of the Company, and may be subject to adjustments and changes. Details of the Group’s financial information and performance will be disclosed when the Group’s annual results for the year ended 31 March 2022 are announced, which is expected to be published in June 2022.

## **DECLARATION OF SPECIAL INTERIM DIVIDEND**

In order to celebrate the 35th anniversary of the Group and taking into account that the Group has maintained relatively good operating results in recent years and a solid financial position, the Board is pleased to announce that at the meeting of the Board held on 4 May 2022, the Board has declared a special interim dividend (the “**Special Interim Dividend**”) of HK3.5 cents per share of the Company, amounting to HK\$14.0 million in total. The Special Interim Dividend will be payable on Thursday, 28 July 2022 to the Shareholders whose names appear

on the register of members of the Company on Monday, 4 July 2022.

For the purpose of determining the entitlement of the Shareholders to the Special Interim Dividend, the register of members of the Company will be closed from Monday, 4 July 2022 to Wednesday, 6 July 2022, both days inclusive, during the period no transfer of shares of the Company will be registered. In order to qualify for the Special Interim Dividend, all transfer of shares of the Company accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Thursday, 30 June 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  
**SH Group (Holdings) Limited**  
**Yu Cheung Choy**  
*Chairman*

Hong Kong, 4 May 2022

*As at the date of this announcement, Mr. Yu Cheung Choy, Mr. Lau Man Ching and Mr. Yu Ho Chi are the executive Directors; and Mr. Lam Yim Nam, Mr. Lee Wing Kee and Dr. Law Man Wah are the independent non-executive Directors.*