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## **Helens International Holdings Company Limited**

**海倫司國際控股有限公司**

*(A company incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 9869)**

### **PROFIT WARNING**

This announcement is made by Helens International 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 of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors of the Company that, based on the preliminary review of the unaudited management accounts of the Group for the six months ended June 30, 2022 and the information currently available to the Board, it is expected that (i) the revenue of the Group will be within a range from approximately RMB870 million to RMB890 million for the six months ended June 30, 2022, representing an increase of approximately 0.2% to 2.5% as compared with the revenue of approximately RMB868 million for the six months ended June 30, 2021; (ii) the Group will record a net loss for the six months ended June 30, 2022 in a range from approximately RMB290 million to RMB310 million, as compared with the net loss of the Group for the six months ended June 30, 2021 of approximately RMB25 million; and (iii) the adjusted net loss of the Group, which is a non-HKFRS measure, for the six months ended June 30, 2022, will be within a range from approximately RMB90 million to RMB110 million, as compared with the adjusted net profit of the Group for the six months ended June 30, 2021 of approximately RMB81 million.

The expected net loss for the first half of 2022 is primarily attributable to (i) the equity-settled share-based payments of approximately RMB99 million arising from the grant of certain restricted share units on January 16, 2022, details of which please refer to the announcement of the Company dated January 16, 2022; (ii) against the backdrop of the continued impact of the COVID-19 pandemic, based on the strategic consideration of bars optimization and upgrade, the one-off loss caused by the adjustment of more than 100 bars, including the loss from disposal of assets due to the shutdown, and the impairment loss due to the estimated shutdown, totaling approximately RMB90 million to RMB110 million (the “**one-off loss**”); and (iii) the impact of the continued COVID-19 pandemic in many places in China on the operations of our bars.

The Board wishes to highlight that “adjusted net profit/(loss)” is not defined under the Hong Kong Financial Reporting Standards (“**HKFRS**”). It is defined by the Group as profit for the year adjusted by adding back listing expenses, equity settled share-based payments and the one-off loss due to store optimization and upgrade and excluding fair value changes of convertible preferred shares. The management of the Company believes that the presentation of such non-HKFRS measure when shown in conjunction with the corresponding HKFRS measures provides useful information to investors and management in facilitating a comparison of our operating performance from period to period by eliminating potential impacts of certain non-operational or non-recurring expenses that do not affect the ongoing operating performance of the Company, including the fair value changes of convertible preferred shares, equity settled share-based payments, listing expenses and the one-off loss due to store optimization and upgrade. Such non-HKFRS measure allows investors to consider metrics used by our management in evaluating our performance. In particular, changes in fair value of financial liabilities at fair value through profit or loss refer to redeemable preferred shares of the Company, which were converted into ordinary shares of the Company immediately prior to the listing of the shares of the Company and are not expected to recur after such conversion.

The use of the non-HKFRS measure has limitations as an analytical tool, and Shareholders and potential investors of the Company should not consider it in isolation from, or as a substitute for or superior to analysis of, our results of operations or financial condition as reported under HKFRS. In addition, such non-HKFRS measure may be defined differently from similar terms used by other companies and therefore may not be comparable to similar measures presented by other companies.

As of the date of this announcement, the Company is still in the process of finalizing the consolidated interim results of the Group for the six months ended June 30, 2022. The information contained in this announcement is based on a preliminary review of the unaudited consolidated management accounts of the Group and the information currently available to the Board, and is not based on any figure or information which has been audited or reviewed by the independent auditors of the Company or the audit committee of the Board. The actual results of the Group for the six months ended June 30, 2022 may differ from the information contained in this announcement. Shareholders and potential investors are advised to read carefully the announcement of the interim results of the Group for the six months ended June 30, 2022, which is expected to be released in August 2022.

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

By order of the Board  
**Helens International Holdings Company Limited**  
**Mr. Xu Bingzhong**  
*Chairman of the Board and Chief Executive Officer*

Hong Kong, July 29, 2022

*As at the date of this announcement, the executive Directors are Mr. Xu Bingzhong, Ms. Lei Xing, Ms. Cai Wenjun and Ms. Yu Zhen, and the independent non-executive Directors are Mr. Li Dong, Mr. Wang Renrong and Mr. Wong Heung Ming Henry.*