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## **KA SHUI INTERNATIONAL HOLDINGS LIMITED**

**嘉瑞國際控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 822)**

### **PROFIT WARNING**

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

The Board wishes to inform the shareholders of the Company and potential investors that, based on a preliminary review of the unaudited consolidated management accounts of the Group, the consolidated profit attributable to owners of the Company for the six months ended 30 June 2022 is expected to record a decrease in the range of approximately 55 to 70% when compared with the same period last year.

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

This announcement is made by Ka Shui International Holdings Limited (the “**Company**”) 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) of Part XIVA of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company and potential investors that, based on a preliminary review of the unaudited consolidated management accounts of the Company and its subsidiaries (collectively the “**Group**”), the consolidated profit attributable to owners of the Company for the six months ended 30 June 2022 is expected to record a decrease in the range of 55 to 70% when compared with the same period last year. Such expected decline was mainly attributable to

the following factors:

- (i) COVID-19 pandemic weakening both local and global consumption market and also the sales of the Group;
- (ii) Interruptions in business activities due to COVID-19 pandemic in the second quarter of 2022 imposing an adverse impact on domestic and global supply chains, resulting in higher cost of production of the Group; and
- (iii) change of orders from customers and product mix leading to a decrease in the Group's gross profit margin.

In response to this difficult and challenging operating environment, the Group will continue to implement stringent cost control measures, increase automation in production and develop new products and technology with a view to enhancing operational efficiency and achieving product diversification, as well as closely monitoring the market situation and making necessary adjustments to its strategies and operations.

The Company is still in the process of finalising the interim results of the Group for the six months ended 30 June 2022, and the information contained in this announcement is only based on the Board's preliminary assessment of the Group's unaudited consolidated management accounts for the six months ended 30 June 2022, which have not been reviewed by the Company's auditors and the Company's audit committee. The interim results of the Group for the six months ended 30 June 2022 is expected to be published in late August 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  
**Ka Shui International Holdings Limited**  
**Lee Yuen Fat**  
*Chairman*

Hong Kong, 9 August 2022

*As at the date of this announcement, the Board comprises four executive directors, namely Mr. Lee Yuen Fat, Mr. Wong Wing Chuen, Mr. Chu Weiman and Ms. Chan So Wah, and four independent non-executive directors, namely Professor Sun Kai Lit Cliff BBS, JP, Ir Dr. Lo Wai Kwok GBS, MH, JP, Mr. Andrew Look and Mr. Kong Kai Chuen, Frankie.*