

*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.*



## **CHEUK NANG (HOLDINGS) LIMITED**

**卓能（集團）有限公司**

*(Incorporated in Hong Kong with limited liability)*

(Stock Code: 131)

### **PROFIT WARNING**

This announcement is made by Cheuk Nang (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 (Cap. 571, the Laws of Hong Kong).

Reference is made to the announcement of the Company dated 9 August 2022 in respect of the inside information of the Company (the “**Inside Information Announcement**”). Unless the context requires otherwise, capitalised terms used herein shall have the same meaning as they are used in the Inside Information Announcement.

Further to the disclosure made under the Inside Information Announcement, the board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that, based on further assessment on the information currently available and the preliminary review of the unaudited consolidated management accounts of the Group for the 2022 Financial Year by the Board, the Group expects to record (i) a significant decrease in revenue of approximately HK\$900 million for the 2022 Financial Year as compared to that for the year ended 30 June 2021 (“**2021 Financial Year**”); (ii) decrease in gross profit of approximately HK\$730 million, and may record slight gross loss for the 2022 Financial Year as compared to gross profit for the 2021 Financial Year; and (iii) loss attributable to owners of the Company (before taking into account of changes in fair value of investment properties) of approximately HK\$60 million for the 2022 Financial Year, as compared to profit attributable to owners of the Company (before taking into account of changes in fair value of investment properties) for the 2021 Financial Year, which is resulted from the combined effect of the drop in gross profit for the 2022 Financial Year as abovementioned, and decrease in the Group’s other income, administrative expenses and income tax expenses for the 2022 Financial Year as compared to the 2021 Financial Year.

As disclosed in the Inside Information Announcement, the valuation assessment of fair values of the Group's investment properties is still under progress. The Board wishes to emphasize that (i) the information contained in this announcement is only based on the information currently available to the Company and the preliminary review of the unaudited consolidated management accounts of the Group for the 2022 Financial Year by the Board; and (ii) the Company is still in the process of finalising the Group's results for the 2022 Financial Year which have not been reviewed and confirmed by the auditors of the Company and the audit committee of the Company and may be subject to adjustments including but not limited to the fair value changes of investment properties of the Group. Shareholders of the Company and potential investors are advised to read carefully the Group's annual results announcement for the 2022 Financial Year to be published in September 2022.

**Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.**

By Order of the Board  
**CHEUK NANG (HOLDINGS) LIMITED**  
**Ho Sau Fun Connie**  
*Company Secretary*

Hong Kong, 22 August 2022

*As at the date of this announcement, the Executive Directors are Dr. Chao Sze Tsung Cecil (Chairman), Ms. Chao Gigi (Vice Chairman), Mr. Yung Philip and Ms. Ho Sau Fun Connie; the Non-executive Directors are Mr. Chao Howard and Mr. Lee Ding Yue Joseph and the Independent Non-executive Directors are Mr. Ting Woo Shou Kenneth, Mr. Lam Ka Wai Graham and Mr. Sun Dai Hoe, Harold.*