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APEX ACE
APEX ACE HOLDING LIMITED
光麗科技控股有限公司*
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 6036)

PROFIT WARNING

This announcement is made by Apex Ace Holding 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) and 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 (the “**Shareholders**”) and potential investors of the Company that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2022 (“**Year 2022**”) and the information currently available to the Board, the Group is expected to record a net loss attributable to the Shareholders for the Year 2022 ranging from HK\$30.0 million to HK\$35.0 million whilst net profit attributable to Shareholders of approximately HK\$6.7 million was recorded for the year ended 31 December 2021 (“**Year 2021**”).

The expected net loss was primarily attributable to the decline in gross profit of the Group resulting from the decrease in gross profit margin from approximately 8.6% for the Year 2021 to approximately 4.3% for the Year 2022, which was mainly due to the increase in product costs was more than that in the product selling price of the Group during the Year 2022, while the sales in the Year 2022 is roughly at the same level as that in the Year 2021. Another reason is the increase in finance cost from approximately HK\$9.0 million for the Year 2021 to approximately HK\$19.9 million, which edged up on the back of an increased use of factoring loans, import loans and trust receipts loans during the year and increase in market interest.

As at the date of this announcement, the Company is still in the process of finalising the Group’s consolidated results for the Year 2022. As such, this announcement is made solely on the basis of a preliminary assessment by the Board with reference to the information currently available to it, including the unaudited consolidated management accounts of the Group for the Year 2022 which have not been confirmed or reviewed by the Company’s independent auditors and/or the audit committee of the Board, and are subject to adjustment. Shareholders and potential investors are advised to refer to the financial information and other details of the Group in the announcement of results of the Group for the Year 2022 which is expected to be published in late March 2023.

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

By order of the Board
Apex Ace Holding Limited
Lee Bing Kwong
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 14 March 2023

As at the date of this announcement, the executive Directors are Mr. Lee Bing Kwong (Chairman and Chief Executive Officer), Mr. Lo Yuen Kin and Ms. Lo Yuen Lai; and the independent non-executive Directors are Mr. Cheung Siu Kui, Mr. Yim Kwok Man and Dr. Chow Terence.

** For identification purpose only*