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**HUABAO INTERNATIONAL HOLDINGS LIMITED**

**華寶國際控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 00336)**

**INSIDE INFORMATION**  
**PRINCIPAL ACCOUNTING DATA AND FINANCIAL INDICATORS**  
**FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023**  
**OF HUABAO FLAVOURS & FRAGRANCES CO., LTD.**

This announcement is made by Huabao 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 and Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Huabao Flavours & Fragrances Co., Ltd. ("**Huabao Flavours**") is a subsidiary of the Company and its shares are listed on the ChiNext Market of Shenzhen Stock Exchange (Stock Code: 300741). In compliance with the relevant applicable regulations of Shenzhen Stock Exchange, Huabao Flavours published its 2023 Third Quarterly Report for the nine months ended 30 September 2023 on 28 October 2023 on the information disclosure webpage (巨潮資訊網) of the ChiNext Market of Shenzhen Stock Exchange at [www.cninfo.com.cn](http://www.cninfo.com.cn).

The board of directors of the Company would like to draw the attention of its shareholders and public investors to the appendices of this announcement (the "**Appendices**") which set out the principal accounting data and financial indicators of Huabao Flavours prepared in accordance with the PRC Accounting Standard for Business Enterprises for the nine months ended 30 September 2023.

Please note that the information in the Appendices is an extract of the financial statements prepared by Huabao Flavours in Chinese language. In case of any inconsistency between the Chinese version and the English version, the Chinese version shall prevail.

By Order of the Board  
**Huabao International Holdings Limited**  
**POON Chiu Kwok**  
*Executive Director*

Hong Kong, 28 October 2023

*As at the date of this announcement, the Board comprises six executive directors, namely Ms. CHU Lam Yiu, Messrs. LAM Ka Yu, XIA Liqun, POON Chiu Kwok, Ms. LAM Ka Yan and Ms. CHOY Man Har and three independent non-executive directors, namely Messrs. LEE Luk Shiu, Jonathan Jun YAN and HOU Haitao.*

*\* For identification purposes only*

**APPENDIX I**  
**PRINCIPAL ACCOUNTING DATA AND FINANCIAL INDICATORS OF**  
**HUABAO FLAVOURS & FRAGRANCES CO., LTD.**

**PRINCIPAL ACCOUNTING DATA AND FINANCIAL INDICATORS**

*Unit: RMB (Yuan)*

	Current reporting period*	Increase/ decrease of the current reporting period compared to the corresponding period last year	From the beginning of the year to end of current reporting period	Increase / decrease from the beginning of the year to end of current reporting period compared with the corresponding period last year
Revenue	384,459,821	-17.18%	1,077,484,026	-21.15%
Net profit attributable to Huabao Flavours' shareholders	109,324,747	-19.30%	321,695,381	-39.82%
Net profit attributable to Huabao Flavours' shareholders less the non-recurring items	84,006,783	-40.03%	226,992,464	-48.39%
Net cash flows arising from operating activities	--	--	427,325,657	3.51%
Basic earnings per share (RMB/share)	0.18	-18.18%	0.52	-40.23%
Diluted earnings per share (RMB/share)	0.18	-18.18%	0.52	-40.23%
Weighted average return on net assets	1.52%	-0.35%	4.37%	-2.77%
	End of the current reporting period	End of last year	Increase/decrease of the end of the current reporting period compared to the end of last year	
Total assets	8,266,165,848	9,010,360,198	-8.26%	
Owner's equity attributable to Huabao Flavours' shareholders	7,261,394,406	7,540,478,830	-3.70%	

\*Note: "Current reporting period" refers to three-month period from the beginning of the quarter to the end of the quarter.

**APPENDIX I**  
**PRINCIPAL ACCOUNTING DATA AND FINANCIAL INDICATORS OF**  
**HUABAO FLAVOURS & FRAGRANCES CO., LTD. (CONTINUED)**

**NON-RECURRING GAIN/ LOSS ITEMS AND AMOUNTS**

*Unit: RMB (Yuan)*

Items	Amount for the current reporting period*	Amount from the beginning of the year to end of current reporting period	Explanations
Gain/loss from disposal of non-current assets, including the portion offset from the provision for impairment of assets	2,694,772	7,263,175	
Government subsidies recognized in profit and loss of current period (excluding those closely related to the Company's normal operations and granted under the State's policies according to certain quota of amount or volume)	5,688,761	77,808,955	
Investment income arising from gain or loss resulted from changes in fair value (except those arising from the effective hedging business related to the Company's normal operation) of financial assets held for trading, financial liabilities held for trading, disposal of financial assets held for trading, financial liabilities held for trading and investment income from available-for-sale financial assets	21,487,199	35,322,722	
Non-operating income and expenses other than the above items	-2,902,437	-2,954,464	
Investment income generated from the disposal of subsidiaries and affiliated companies	2,521,321	49,781	
Less: Income tax impact	4,046,871	19,961,104	
Minority interest impact (after tax)	124,781	2,826,148	
Total	25,317,964	94,702,917	--

\*Note: "Current reporting period" refers to three-month period from the beginning of the quarter to the end of the quarter.

**APPENDIX II**  
**CHANGES AND REASONS FOR CHANGES IN MAJOR ACCOUNTING DATA AND FINANCIAL INDICATORS OF**  
**HUABAO FLAVOURS & FRAGRANCES CO., LTD.**

**1. ANALYSIS OF CHANGES IN MAJOR ITEMS IN BALANCE SHEET AND REASONS FOR CHANGES**

*Unit: RMB (Ten Thousands)*

Item	Amount at the end of current reporting period	Amount at the beginning of the year	Increase / decrease	Explanations for significant changes
Cash and bank balances	147,131.88	364,478.26	-59.63%	Mainly due to the purchase of structured deposits and dividend distribution in this period
Financial assets held for trading	332,132.73	163,761.33	102.82%	Mainly due to the increase in the purchase of structured deposits in this period
Accounts receivable	45,107.40	65,946.87	-31.60%	Mainly due to the recovery of some of the sales in this period
Prepayments	1,924.69	1,226.33	56.95%	Mainly due to the addition of prepayment of new factories, equipment, and raw materials in this period
Other receivables	5,819.41	2,186.88	166.11%	Mainly due to the addition of receivables from the disposal of affiliated companies in this period
Construction in progress	4,266.21	12,163.93	-64.93%	Mainly due to the transfer of investment projects to fixed assets in this period
Right-of-use assets	1,457.27	3,282.12	-55.60%	Mainly due to the expiration and disposal of some long-term leases in this period
Other non-current assets	4,530.41	6,968.02	-34.98%	Mainly due to the recovery of prepayments for land purchases in this period
Short-term loans	24,500.00	49,000.00	-50.00%	Mainly due to the repayment of some loans in this period
Accounts payable	10,242.98	17,116.38	-40.16%	Mainly due to the payment of due payables in this period and the decrease in purchases in this period
Contract liabilities	673.99	449.70	49.88%	Mainly due to the increase in advance payments in this period
Taxes payable	11,831.92	21,033.18	-43.75%	Mainly due to the decrease in income in this period corresponding to the decrease in taxes and fees, and the payment of taxes in this period
Other payables	6,690.39	10,622.89	-37.02%	Mainly due to the payment of capital expenditure in this period
Non-current liabilities due within one year	795.59	3,492.98	-77.22%	Mainly due to the repayment of some loans due within a year and the expiration and disposal of some long-term leases in this period
Other current liabilities	1,118.30	1,634.92	-31.60%	Mainly due to the decrease in deferred sales tax in this period
Long-term loans	1,500.00	-	Not applicable	Mainly due to new borrowings in this period
Lease liabilities	842.40	2,231.49	-62.25%	Mainly due to the expiration and disposal of some long-term leases in this period
Other comprehensive income	3,211.90	1,701.88	88.73%	Mainly due to differences in foreign currencies in the current period

**APPENDIX II**  
**CHANGES AND REASONS FOR CHANGES IN MAJOR ACCOUNTING DATA AND FINANCIAL INDICATORS OF**  
**HUABAO FLAVOURS & FRAGRANCES CO., LTD.**  
**(CONTINUED)**

**2. ANALYSIS OF CHANGES IN MAJOR ITEMS IN INCOME STATEMENT AND REASONS FOR CHANGES**

*Unit: RMB (Ten Thousands Yuan)*

Item	Amount from the beginning of the year to end of current reporting period	Amount for the corresponding period last year	Increase / decrease	Explanations for significant changes
Financial expenses	-2,558.21	-4,238.21	39.64%	Mainly due to the amortization of other non-current liabilities in this period
Credit impairment loss	-346.30	-773.71	55.24%	Mainly due to the provision of a single provision for bad debt losses in the previous period
Income from asset disposal	757.00	15.18	4,886.82%	Mainly due to the addition of income from the disposal of real estate and right-of-use assets in this period
Income tax expense	5,559.20	11,101.77	-49.93%	Mainly due to the decrease in profits for the current period

**3. ANALYSIS OF CHANGES IN MAJOR ITEMS IN CASH FLOW STATEMENT AND REASONS FOR CHANGES**

*Unit: RMB (Ten Thousands Yuan)*

Item	Amount from the beginning of the year to end of current reporting period	Amount for the corresponding period last year	Increase / decrease	Explanations for significant changes
Cash received from other operating activities	12,565.25	9,340.19	34.53%	Mainly due to the increase in government subsidies received in this period
Cash received upon maturity of investments	769,000.00	1,137,800.00	-32.41%	Mainly due to the decrease in bank structured deposits due in this period
Cash received from investment income	4,043.63	7,076.11	-42.86%	Mainly due to the decrease in income from bank structured deposits received in this period
Net cash recovered from the disposal of fixed assets, intangible assets, and other long-term assets	2,932.07	145.66	1,912.95%	Mainly due to the recovery of prepayments for land purchases in this period
Net cash paid to acquire subsidiaries and other business units	-	8,723.34	-100.00%	Mainly due to no equity investment occurred in this period
Cash paid for other investing activities	-	2,363.29	-100.00%	Mainly due to no minority shareholder equity acquisition occurred in this period
Cash received from investment absorption	-	1,419.15	-100.00%	Mainly due to no absorption of minority shareholder investment by subsidiaries occurred in this period
Cash received from other financing activities	19,900.00	34,000.00	-41.47%	Mainly due to the decrease in loans in this period
Cash paid for debt repayment	52,966.39	11,072.93	378.34%	Mainly due to the increase in loan repayments in this period
Other cash payments related to financing activities	2,443.78	1,685.23	45.01%	Mainly due to the payment of bill deposit in this period
Effect of changes in foreign exchange rate on cash and cash equivalents	1,203.87	5,310.44	-77.33%	Mainly due to the fluctuation in RMB exchange rate against foreign currencies