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HANG YICK HOLDINGS COMPANY LIMITED

恒益控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1894)

PROFIT WARNING

This announcement is made by Hang Yick Holdings Company Limited (the “**Company**“, and 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on its preliminary review of the unaudited management accounts and the information of the Group currently available to the Board, the Group is expected to record a net loss attributable to the owners of the Company of approximately between HK\$55 million and HK\$60 million for the year ended 31 March 2021 as compared to a net profit of HK\$12 million for the year ended 31 March 2020.

The loss for the year ended 31 March 2021 is mainly attributable to, including but not limited to, the following reasons:

- (a) an impairment provision for certain deposits and loans made for the Group’s business; and
- (b) decrease in contribution from the provision of steel and metal engineering services due to the temporary suspension of factory operation in Mainland China after the outbreak of Coronavirus (“**COVID-19**”) pandemic and slower progress in certain construction projects.

The Board would like to emphasize that the aforementioned impairment provision is one-off and would have no impact on the Group's business and operations. The Group's principal operating business have been overall improved during the year ended 31 March 2022 as a result of the ease of the COVID-19 pandemic situation in Hong Kong and the improvement of market conditions in Hong Kong. For the year ended 31 March 2022, the Group is expected to turnaround and record a net profit attributable to the owners of the Company of approximately between HK\$14 million and HK\$17 million.

The Company is still in the course of finalizing its consolidated financial results of the Group for the years ended 31 March 2021 and 31 March 2022. The information contained in this announcement is only a preliminary assessment by the Board based on the information currently available to the Board, which has neither been reviewed nor audited by the Company's auditors. The Group's audited results for the years ended 31 March 2021 and 31 March 2022 are expected to be published in early September of 2022.

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

By order of the Board
Hang Yick Holdings Company Limited
Lee Ka Chun Benny
Interim Chairman

Hong Kong, 24 August 2022

As at the date of this announcement, the Board comprises Mr. Lee Pui Sun, Ms. Lau Lai Ching, Mr. Lee Ka Ho and Mr. Sin Kwok Chi Stephen as executive Directors, Mr. Lee Ka Chun Benny as non-executive Director, and Mr. Au Yeung Wai Key, Mr. Tse Ka Ching Justin and Mr. Cheung Chun Man Anthony as independent non-executive Directors. The duties of Mr. Lee Pui Sun, Ms. Lau Lai Ching and Mr. Lee Ka Ho are suspended.