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GOLDEN POWER GROUP HOLDINGS LIMITED

金力集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3919)

PROFIT WARNING

This announcement is made by Golden Power Group Holdings Limited (金力集團控股有限公司) (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities (“**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary review of the Group’s unaudited consolidated management accounts for the financial year ended 31 December 2021 (the “**FY2021**”) and information currently available, the Group is expected to record a net profit for FY2021 of approximately HK\$4.7 million, representing a decrease of approximately 61.8% as compared to a net profit of approximately HK\$12.3 million for the financial year ended 31 December 2020.

The Board believes that the decrease in net profit for FY2021 is mainly attributable to (i) the appreciation in Renminbi (“**RMB**”) during FY2021 resulting in unfavourable exchange rate in RMB; (ii) the increase in cost of sales as a result of the increase in labour cost and the prices of raw materials and packaging materials, while such increase in cost of sales could not be timely reflected in the prices of the products; and (iii) a drastic increase in freight costs and delay in delivery of the products owing to container shortages.

The information contained in this announcement represents only a preliminary assessment by the Board with reference to information currently available, including the unaudited consolidated management accounts of the Group for FY2021, which is yet to be finalised by the Company and has not been reviewed nor audited by the Company's auditor or reviewed by the audit committee of the Company. As such, the actual financial results of the Group for FY2021 may be different from what is disclosed in this announcement. Shareholders and potential investors are advised to pay attention to and read carefully the annual results announcement of the Company for FY2021, which is expected to be published in late March 2022.

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

By order of the Board
Golden Power Group Holdings Limited
Chu King Tien
Chairman and Executive Director

Hong Kong, 11 March 2022

As at the date of this announcement, the executive Directors are Mr. Chu King Tien, Ms. Chu Shuk Ching, Mr. Tang Chi Him and Mr. Chu Ho Wa, and the independent non-executive Directors are Mr. Hui Kwok Wah, Mr. Ma Sai Yam and Mr. Chow Chun Hin Leslie.