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華邦金融控股有限公司

Huabang Financial Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 3638)

PROFIT WARNING

This announcement is made by Huabang Financial Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the provisions of inside information 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 the preliminary assessment of the Group’s unaudited consolidated management accounts for the year ended 31 March 2021 and the information currently available to the Company, it is expected that the Group will record a net loss of approximately HK\$90 million to HK\$95 million for the year ended 31 March 2021 as compared to the net profit position for the year ended 31 March 2020.

The Board considers that the deterioration in the performance of the Group for the year ended 31 March 2021 is mainly due to the issues of recoverability of account receivables as a result of the global economic slowdown. For such reason, the provision for impairment loss under the expected credit loss model on the Group’s account receivables is expected to increase by approximately HK\$92 million to HK\$98 million for the year ended 31 March 2021 when compared to that for the last year.

In face of the recent challenging economic and market situation, the management has responded swiftly to take effective actions. The management has been dedicated to building customers base and exploiting business opportunity in the computer and peripheral products business and attained achievements during the year. For the year ended 31 March 2021, it is expected that the total revenue of the Group will be significantly increased by approximately 117% when compared to that for the last year. The Group remains in a healthy and solid financial position and its financial resources are sufficient to support its business operation. As of 31 March 2021, it is expected that the current ratio (calculated by dividing the total current assets by total current liabilities) of the Group will be approximately 1.5 (as of 31 March 2020: 1.7).

As the Company is still in the process of finalising the consolidated annual results for the year ended 31 March 2021, the information contained in this announcement is only based on the Board’s preliminary assessment of the unaudited consolidated management accounts for the year ended 31

March 2021 and the information currently available and is not based on any figures or information audited or reviewed by the Company's auditors or the audit committee, and the information is subject to adjustments and finalisation. Therefore, the actual annual results of the Group for the year ended 31 March 2021 may differ from the information contained in this announcement. Further details of the Group's financial results and performance will be disclosed in the Company's annual results announcement which is expected to be published by the end of June 2021.

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

By order of the Board
Huabang Financial Holdings Limited
George Lu
Chairman and Chief Executive Officer

Hong Kong, 27 May 2021

As at the date of this announcement, the executive Directors of the Company are Mr. George Lu and Ms. Shen Wei; the non-executive Director of the Company is Mr. Pang Chung Fai Benny; and the independent non-executive Directors of the Company are Mr. Loo Hong Shing, Vincent, Mr. Zhu Shouzhong and Mr. Li Huaqiang.