

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



China Hongqiao Group Limited

中國宏橋集團有限公司

(Incorporated under the laws of Cayman Islands with limited liability)

(Stock Code: 1378)

PROFIT WARNING

This announcement is made by China Hongqiao Group 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 provisions of inside information under Part XIVA of the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the unaudited management accounts of the Group for the six months ended 30 June 2023, the net profit of the Group for the six months ended 30 June 2023 is expected to decrease by approximately 70% as compared to that of the corresponding period in 2022. The main reasons are as below:

In the first half of 2022, the sales prices of the Group’s aluminum products remained at a high level and the Group’s net profit was higher; whereas the sales prices of the Group’s aluminum products in the first half of 2023 decreased by approximately 13% as compared to that of the corresponding period in 2022, resulting in a year-on-year decrease in sales revenue, and the purchase prices of the Group’s major raw materials increased, which led to a significant decrease in the Group’s gross profit per tonne of aluminum during the period, resulting in a significant decrease in gross profit as compared to that of the corresponding period in 2022.

Based on the aforementioned main reasons, the Group’s net profit for the first half of 2023 is expected to decrease by approximately 70% as compared to that of the corresponding period in 2022. However, it is expected that the Group will have a significant increase in the net profit for the first half of 2023 when compared to the net profit for the second half of 2022.

The information contained in this announcement is based solely on the preliminary estimates made by the Board based on the information currently available to the Group, including the unaudited management accounts of the Group for the six months ended 30 June 2023. The information contained in this announcement is not based on any figures or information which have been audited or reviewed by the Company's auditors. Shareholders and potential investors are advised to read the interim results announcement of the Company for the six months ended 30 June 2023 carefully, which will be published in due course pursuant to the requirements of the Listing Rules.

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

By order of the Board
China Hongqiao Group Limited
Zhang Bo
Chairman

Hong Kong
28 July 2023

As at the date of this announcement, the Board comprises twelve directors, namely Mr. Zhang Bo, Ms. Zheng Shuliang, Ms. Zhang Ruilian and Ms. Wong Yuting as executive Directors, Mr. Yang Congsen, Mr. Zhang Jinglei, Mr. Liu Xiaojun (Mr. Zhang Hao as his alternate) and Ms. Sun Dongdong as non-executive Directors, and Mr. Wen Xianjun, Mr. Han Benwen, Mr. Dong Xinyi and Ms. Fu Yulin as independent non-executive Directors.