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ELEGANCE COMMERCIAL AND FINANCIAL PRINTING GROUP LIMITED **精雅商業財經印刷集團有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8391)

PROFIT WARNING

This announcement is made by Elegance Commercial and Financial Printing Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

After preliminary review by the Company’s management on the unaudited management accounts of the Group and assessment of the information currently available, the board (the “**Board**”) of directors of the Company (the “**Directors**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that the Group is expected to record a loss not exceeding HK\$4.5 million for the six months ended 30 September 2019, as compared to a loss of approximately HK\$1.9 million for the six months ended 30 September 2018. If the listing expenses of approximately HK\$5.9 million incurred during the six months ended 30 September 2018 were excluded, we would have recorded a profit of approximately HK\$4.0 million for the six months ended 30 September 2018. The loss-making position for the six months ended 30 September 2019 was mainly attributable to:

1. the reduction in the orders from customers for printing services resulting from the increasing concern on environment protection, the popularity of digitalization of information, the rise of online marketing, social media and globalization; and
2. incurrence of additional administrative and other operating expenses including directors’ emoluments, professional fees and audit fees after listing of the shares of the Company on GEM of The Stock Exchange of Hong Kong Limited on 11 May 2018.

As the Company is still in the process of finalizing the consolidated interim results of the Group for the six months ended 30 September 2019, the information contained in this announcement is only based on a preliminary assessment by the Board with reference to the unaudited management accounts of the Group and information currently available, which have not been audited by the auditors of the Company or reviewed by the audit committee of the Company and may be subject to changes and adjustments. The actual interim financial results of the Group may be different from what is disclosed in this announcement. Shareholders and potential investors are advised to read carefully the interim results announcement of the Group for the six months ended 30 September 2019 when it is published.

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

Reference is made to the announcement of the Company dated 2 July, 2 August, 2 September, 2 October and 9 October 2019 in relation to, among other things, a possible general offer of the shares of the Company (“**Possible General Offer**”).

The profit warning included in this announcement (the “**Profit Warning**”) constitutes a profit forecast under Rule 10 of The Code on Takeovers and Mergers of Hong Kong (the “**Takeovers Code**”) issued by the Securities and Futures Commission of Hong Kong and must be reported on by the Company’s financial adviser and auditors or accountants in accordance with Rule 10.4 of the Takeovers Code. In view of the requirements of timely disclosures of the inside information under Rule 17.10 of the GEM Listing Rules and the Inside Information Provisions (as defined under the GEM Listing Rules), the Company is required to issue this announcement as soon as practicable and given the time constraints, the Company has encountered genuine practical difficulties (time-wise or otherwise) in meeting the reporting requirements set out in Rule 10.4 of the Takeovers Code.

Under Rule 10.4 of the Takeovers Code, if the Profit Warning is published first in an announcement, it must be repeated in full, together with the reports from the Company’s financial advisers and auditors or accountants on the said profit forecast, in the next document to be sent to the Shareholders. The Profit Warning will be reported on by the Company’s financial advisers and auditors or accountants as soon as possible in compliance with the Takeovers Code and such reports will be contained in the next document to be issued by the Company to the Shareholders (the “**Shareholders’ Document**”). However, if the interim results for the six months ended 30 September 2019 which fall within the ambit of Rule 10.9 of the Takeovers Code have been published by the time of release of the next Shareholders’ Document and the relevant results together with the notes to the financial statements are included in the next Shareholders’ Document, the requirements to report on the Profit Warning under Rule 10.4 of the Takeovers Code will no longer apply.

WARNING:

Shareholders and potential investors of the Company should note that the Profit Warning has not been reported on in accordance with the requirements under Rule 10 of the Takeovers Code and does not meet the standard required by Rule 10 of the Takeovers Code. Shareholders and potential investors of the Company should therefore exercise caution in placing reliance on the Profit Warning in assessing the merits and demerits of the Possible General Offer. Persons who are in doubt as to the action they should take should consult their licensed securities dealers or registered institutions in securities, bank managers, solicitors, professional accountants or other professional advisers. Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.

On behalf of the Board
Elegance Commercial and Financial Printing Group Limited
SO Wing Keung
Chairman and Chief Executive Officer

Hong Kong, 25 October 2019

As at the date of this announcement, the executive Directors are Mr. SO Wing Keung and Mr. LEUNG Shu Kin, and the independent non-executive Directors are Mr. KWONG Chi Wing, Mr. CHAN Ka Yeung and Mr. TAM Ka Hei Raymond.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

All the Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least seven days after the date of publication and on the Company’s website at www.elegance.hk.