合寶豐年
ALPHA ERA

Alpha Era International Holdings Limited
合寶豐年控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8406)

PROFIT WARNING

This announcement is made by Alpha Era International Holdings 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 Future Ordinance (Chapter 571 of the Law of Hong Kong) (the "**SFO**") and Practice Note 2 of The Code on Takeovers and Mergers (the "**Takeovers Code**").

Reference is made to the composite offer document and response document jointly issued by Ms. Yan Ping and the Company on 29 October 2021 (the "**Composite Document**"). Unless otherwise defined herein or the context requires otherwise, capitalised terms used herein shall have the same meanings as those defined in the Composite Document.

The Board wishes to inform the Shareholders and potential investors that based on a preliminary review of the latest unaudited consolidated management accounts of the Group and the information currently available, the Group is expected to record a significant decrease in net profit attributable to the owners of the Company of over 50% for the nine months ended 30 September 2021 as compared with the corresponding period in 2020. Such decrease is mainly attributable to the decrease in gross profit margin due to (i) the orders of lower profit margin received from some major customers; (ii) the increase in the purchase price of materials; and (iii) no relief of contribution to retirement benefits scheme allowed by the PRC government in 2021.

The information contained in this announcement is only based on the preliminary assessment made by the Board on the latest unaudited consolidated management accounts of the Group and the information currently available, which have not been audited or reviewed by the auditors or the audit committee of the Company and may be subject to adjustment. The Shareholders and potential investors are advised to read carefully the third quarterly results announcement of the Group for the nine months ended 30 September 2021 (the "**Q3 Announcement**") which is expected to be published on 8 November 2021.

Given that new information regarding the Company is announced during the Offer Period, it is expected that an announcement (the "**IFA Advice Announcement**") will be published on 8 November 2021 as to whether the Independent Financial Adviser would have any change of opinion on its advice in relation to the terms and conditions of the Offer and as to the acceptance of the Offer as set out in the section headed "Letter from the Independent Financial Adviser" in the Composite Document in light of the information contained in this announcement and the Q3 Announcement to be published on 8 November 2021.

The profit warning included in this announcement (the "**Profit Warning**") constitutes a profit forecast under Rule 10 of the Takeovers Code and is required to be reported on by both the Company's financial advisers and its auditors or accountants in accordance with Rule 10.4 of the Takeovers Code. In view of the requirements of timely disclosures of inside information under Rule 17.10 of the GEM Listing Rules and the Inside Information Provisions under Part XIVA of the SFO, the Company is required to issue this announcement as soon as practicable and given the time constraints, the Company has encountered genuine practical difficulties (timewise or otherwise) in meeting the reporting requirements set out in Rule 10.4 of the Takeovers Code.

The requirement to report on the Profit Warning under Rule 10.4 of the Takeovers Code will no longer apply after the issue of the Q3 Announcement (which falls within the ambit of Rule 10.9 of the Takeovers Code) and the IFA Advice Announcement on 8 November 2021.

Shareholders and potential investors of the Company should note that the Profit Warning does not meet the standard required by Rule 10 of the Takeovers Code and has not been reported on in accordance with the Takeovers Code. Shareholders and potential investors of the Company should exercise caution when placing reliance on the Profit Warning in assessing the merits and demerits of the Offer and dealing in the securities of the Company. If the Shareholders and potential investors are in any doubt about their position, they should consult their stock brokers, bank managers, solicitors or other professional advisers.

By order of the Board
Alpha Era International Holdings Limited
Huang Xiaodong
Chairman and executive Director

Hong Kong, 4 November 2021

As at the date of this announcement, the Board comprises Mr. Huang Xiaodong and Mr. Xiao Jiansheng as executive Directors; Mr. Lee Kin Kee as non-executive Director; and Mr. Mao Guohua, Mr. Liu Zexing and Mr. Ho Hin Chung as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited 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.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, 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 website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk on the "Latest Listed Company Information" page for at least 7 days from the date of its posting and on the Company's website at www.alpha-era.co.