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浙江升華蘭德科技股份有限公司

SHENGHUA LANDE SCITECH LIMITED*

(a joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 8106)

PROFIT WARNING

This announcement is made by Shenghua Lande Scitech 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 under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Director(s)**”) of the Company wishes to inform the shareholders and potential investors of the Company that, based on the preliminary review by the Company’s management of the unaudited consolidated management accounts of the Group for the nine months ended 30 September 2022 (the “**Relevant Period**”), the Group is expected to record a net loss attributable to owners of the Company of approximately RMB20,380,000 (the “**Relevant Loss**”) for the Relevant Period as compared to a net loss attributable to owners of the Company of approximately RMB13,485,000 for the corresponding period in the year 2021, representing an approximately 51.13% increase. Based on the relevant information currently available to the Company, the Board considers that the anticipated substantial increase in the net loss attributable to owners of the Company for the Relevant Period was mainly attributable to the reason as mentioned below.

During the Relevant Period, the Group’s provision of e-commerce operation solutions service business segment continued to cultivate and develop the provision of maternal and infant community marketing services business. Compared with the same period of last year, the business has invested more labour costs, other management costs and promotion costs, resulting in a significant loss of the business segment when the business has not yet formed a certain scale benefit. As a result, the net loss attributable to owners of the Company for the Relevant Period is expected to increase substantially comparing to the same period of last year.

On 6 September 2022, the Company entered into an equity transfer agreement (the “**Equity Transfer Agreement**”) for the disposal (the “**Disposal**”) of Zhejiang Dianshi Technology Co., Ltd.* (浙江典石科技有限公司) (“**Zhejiang Dianshi**”), its 41% owned subsidiary. Zhejiang Dianshi and its subsidiaries have been principally engaged in the Group’s provision of maternal and infant community marketing services business. Details of the Equity Transfer Agreement and Disposal were set out in the announcement of the Company dated 6 September 2022. The completion of the Disposal took place on 10 October 2022 and the Group ceased its provision of maternal and infant community marketing services business. The Board believes that the Relevant Loss and Disposal have no material adverse impact on the Group’s overall business operations and the Group maintains a stable financial position.

As the Company is still in the progress of finalising the unaudited consolidated results of the Group for the Relevant Period, the information contained in this announcement is only based on the preliminary assessment made by the Board on the latest consolidated management accounts of the Group and the information currently available, which have not been audited by the auditor of the Company or reviewed by the audit committee of the Company. Shareholders and potential investors of the Company are advised to refer to the Group’s results for the Relevant Period, which will be issued by the Company in accordance with the GEM Listing Rules on 14 November 2022.

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

By order of the Board
Shenghua Lande Scitech Limited*
Wang Feng
Chairman and Chief Executive Officer

Hangzhou City, the People’s Republic of China, 3 November 2022

As at the date of this announcement, the Board comprises three executive Directors, being Mr. Wang Feng, Mr. Guan Zilong and Mr. Xu Jianfeng; one non-executive Director, being Mr. Chen Ping; and three independent non-executive Directors, being Mr. Cai Jiamei, Ms. Huang Lianxi and Mr. Shen Haiying.

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: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and (ii) there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Listed Company Information” page on the Stock Exchange’s website at www.hkexnews.hk for at least 7 days from the day of its posting and on the website of the Company at www.landpage.com.cn.

* For identification purposes only