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Baiying Holdings Group Limited

百應控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8525)

PROFIT WARNING

This announcement is made by Baiying Holdings 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 (the “**GEM Listing Rules**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined in the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Based on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2022 and the information currently available to the board (the “**Board**”) of directors (the “**Directors**”) of the Company, the Board wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that the Group is expected to record a loss attributable to the Shareholders in the range between approximately RMB20.0 million to RMB30.0 million for the year ended 31 December 2022, as compared to the loss of approximately RMB7.1 million for the year ended 31 December 2021.

The expected loss is mainly attributed to: i) the difficulty and prolonged process for disposing collateral provided by default agreements, resulting in an estimated decrease in net realisable value of collateral and an increase in impairment losses; ii) not recognising the deferred tax assets arising from impairment losses after the management’s assessment on the readiness of the supporting documents for tax deduction, which leads to an increase in income tax expense; and iii) the increase in sales expenses for the purpose of developing the business and expanding the market of Fujian Yongchun Qiaoxin Brewing Co., Ltd.* (福建永春僑新釀造有限責任公司).

As the Company is still in the process of finalising the annual results of the Group for the year ended 31 December 2022, the information contained in this announcement is only based on the Board’s preliminary assessment of the unaudited consolidated management accounts of the Group and the information currently available, which have neither been reviewed by the audit committee of the Company nor reviewed or audited by the Company’s auditors. The above information may be subject to further adjustments upon final review by the Board and the Company’s auditors. Shareholders and potential investors are advised to refer to the details in the annual results of the Group for the year ended 31 December 2022, which is expected to be published in late March 2023 in accordance with the GEM Listing Rules.

Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

By order of the Board
Baiying Holdings Group Limited
Zhou Shiyuan
Chairman

Hong Kong, 13 March 2023

As at the date of this announcement, the executive Directors are Mr. Zhou Shiyuan, Mr. Chen Xinwei and Mr. Huang Dake; the non-executive Director is Mr. Ke Jinding; and the independent non-executive Directors are Mr. Chen Chaolin, Mr. Xie Mianbi and Mr. Tu Liandong.

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: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and (2) 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 Announcements” page of the Stock Exchange at www.hkexnews.hk for at least 7 days from the date of its publication and on the Company’s website at www.byleasing.com.

* *For identification purpose only*