Champion Alliance International Holdings Limited
冠均國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1629)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2019

Reference is made to the announcements of the Company dated 30 March 2020 and 29 April 2020 in relation to (i) the unaudited annual results of the Group for the year ended 31 December 2019 (the "**2019 Unaudited Results Announcement**"); (ii) the delay in publication of audited annual results and despatch of annual report; and (iii) the clarification announcement on the delay in publication of audited annual results and despatch of annual report. Capitalised terms used herein, unless otherwise defined, shall have the same meanings as those defined in the 2019 Unaudited Results Announcement. As stated in the 2019 Unaudited Results Announcement, the annual results for the year ended 31 December 2019 contained therein was not then yet agreed by the Company's auditor as required under Rule 13.49(2) of the Listing Rules.

The board (the "**Board**") of directors (the "**Directors**") of the Company is pleased to announce that as at the date of this announcement, the Company's auditor has completed its audit of the annual results of the Group for the year ended 31 December 2019 (the "**Audited Annual Results**").

The consolidated results of the Group for the year ended 31 December 2019 together with the comparative results for the year ended 31 December 2018 are as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
Year ended 31 December 2019

	2019	2018
	RMB'000	*RMB'000*
REVENUE	**530,713**	217,491
Cost of sales	**(455,045)**	(184,542)
Gross profit	**75,668**	32,949
Other income and gains, net	**1,324**	1,646
Selling and distribution expenses	**(23,390)**	(14,244)
Administrative expenses	**(23,810)**	(16,107)
Impairment of trade receivables, net	**(2,103)**	(744)
Other expenses, net	**(9,935)**	(8,441)
Finance costs	**(603)**	(975)
PROFIT/(LOSS) BEFORE TAX	**17,151**	(5,916)
Income tax credit/(expense)	**(9,410)**	1,292
PROFIT/(LOSS) FOR THE YEAR ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY	**7,741**	(4,624)
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of the Company's financial statements into its presentation currency	**497**	–
OTHER COMPREHENSIVE INCOME FOR THE YEAR	**497**	–
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY	**8,238**	(4,624)
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY		
Basic and diluted *(RMB cents per share)*	**1.55**	(0.92)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2019

	2019	2018
	RMB'000	*RMB'000*
NON-CURRENT ASSETS		
Property, plant and equipment	**26,651**	29,446
Investment property	**4,614**	4,878
Right-of-use assets	**21,821**	–
Prepaid land lease payments	**–**	11,364
Computer software	**93**	63
Deferred tax assets	**–**	1,703
Total non-current assets	**53,179**	47,454
CURRENT ASSETS		
Inventories	**108,182**	73,892
Trade and bills receivables	**141,347**	124,851
Prepayments, deposits and other receivables	**17,356**	2,960
Income tax recoverable	**415**	–
Restricted cash	**17,475**	38,120
Cash and cash equivalents	**35,694**	5,912
Total current assets	**320,469**	245,735
CURRENT LIABILITIES		
Trade and bills payables	**143,720**	151,472
Other payables and accruals	**45,845**	13,077
Income tax payable	**319**	–
Bank and other borrowings	**50,748**	15,000
Lease liabilities	**10,784**	–
Total current liabilities	**251,416**	179,549
NET CURRENT ASSETS	**69,053**	66,186
TOTAL ASSETS LESS CURRENT LIABILITIES	**122,232**	113,640
NON-CURRENT LIABILITIES		
Deferred government grants	**944**	1,090
Total non-current liabilities	**944**	1,090
Net assets	**121,288**	112,550
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY		
Issued capital	**4,459**	4,459
Reserves	**116,829**	108,091
Total equity	**121,288**	112,550

MATERIAL DIFFERENCES BETWEEN THE ANNUAL RESULTS IN THE 2019 UNAUDITED RESULTS ANNOUNCEMENT AND THE AUDITED ANNUAL RESULTS

Taking into account that the financial information contained in the 2019 Unaudited Results Announcement has not been audited and has not been agreed with the Company's auditor as at the date of its publication and subsequent adjustments have been made to such information, the shareholders and potential investors of the Company are advised to pay attention to the material differences between the annual results set out in the 2019 Unaudited Results Announcement and the Audited Annual Results. Pursuant to Rule 13.49(3)(ii)(b) of the Listing Rules, the material differences are (i) the recognition of a consultancy fee expense of approximately RMB1.9 million in profit or loss from prepayment; and (ii) the reclassification of a bank loan of approximately RMB15.0 million from non-current liabilities to current liabilities based on the loan term of one year.

Save as disclosed above, all other information contained in the 2019 Unaudited Results Announcement remains materially unchanged.

SCOPE OF WORK OF THE COMPANY'S AUDITOR

The figures in respect of the Group's consolidated statement of financial position and consolidated statement of profit or loss and other comprehensive income as set out in the Audited Annual Results for the year ended 31 December 2019 have been agreed by the Company's auditor to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by the Company's auditor in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by the Company's auditor on this announcement.

AUDIT COMMITTEE REVIEW

The Audited Annual Results have been reviewed and approved by the Audit Committee and the Audit Committee is of the opinion that the Audited Annual Results comply with the applicable accounting standards, the Listing Rules and all other applicable legal requirements. The Audit Committee therefore recommended the Board's approval of the Group's consolidated financial statements for the year ended 31 December 2019.

ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

The annual general meeting of the shareholders (the "**Shareholders**") of Company is scheduled to be held on Wednesday, 24 June 2020 (the "**2020 AGM**"). Notice and circular of the 2020 AGM will be delivered to the Shareholders in accordance with the Listing Rules and the articles of association of the Company in due course.

For the purpose of determining the Shareholders who are entitled to attend and vote at the 2020 AGM, the register of members of the Company will be closed from Thursday, 18 June 2020 to Wednesday, 24 June 2020 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the 2020 AGM, all completed share transfer instruments accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, no later than 4:30 p.m. on Wednesday, 17 June 2020.

PUBLICATION OF ANNUAL REPORT

The annual report of the Company will be published on the Company's website at www.championshipintl.com and the Stock Exchange's website at www.hkexnews.hk on Friday, 15 May 2020 and will be despatched to the Shareholders in due course.

By order of the Board
Champion Alliance International Holdings Limited
Chen Shuming
Chairman and executive Director

Hong Kong, 15 May 2020

As at the date of this announcement, the Board comprises Mr. Chen Shuming, Mr. He Guangrui, Mr. Chen Xiaolong, Mr. Hu Enfeng, Mr. Zhang Shihua and Ms. Chen Xiaoyan as executive Directors and Mr. Chen Hua, Mr. Zhao Zhendong and Mr. Chan Yee Ping Michael as independent non-executive Directors.