BILLION INDUSTRIAL HOLDINGS LIMITED
百宏實業控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2299)

ANNOUNCEMENT
PROFIT WARNING

This announcement is made by Billion Industrial Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provision (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders and potential investors of the Company that, based on a preliminary assessment by the management of the Group on the unaudited consolidated management accounts of the Group for the six months ended 30 June 2020, the Company expects to record a significant decline in the Group's profit for the six months ended 30 June 2020 (the "**Period**") of not more than 50% as compared to the same period in 2019. The decline was primarily attributable to the decrease in the sales of the Group's products under the impact of 2019 novel coronavirus disease ("**COVD-19**") since early this year.

The information contained in this announcement is only based on a preliminary assessment by the management of the Group on the unaudited consolidated management accounts of the Group for the Period, which is yet to be finalised and has not yet been reviewed by the Company's auditors or the audit committee of the Company. Further details of the Company's performance will be disclosed when the interim results of the Company for the Period are announced. Despite the expected decline in the Group's profit for the Period due to the reasons mentioned above, the management considered that the position of the Group remains sound and healthy and the management is positive on the long-term prospect of the Group.

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

By Order of the Board
Billion Industrial Holdings Limited
Sze Tin Yau
Co-chairman

Hong Kong, 17 July 2020

As at the date of this announcement, the Board comprises Mr. Sze Tin Yau and Mr. Wu Jinbiao, as executive Directors, Mr. Zhang Shengbai as a non-executive Director and Mr. Chan Shek Chi, Mr. Lin Jian Ming and Mr. Shih Chun Pi as independent non-executive Directors.