

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

PROFIT WARNING

This announcement is made by Champion Alliance International Holdings Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on a preliminary review of the unaudited consolidated management accounts (the “**Management Accounts**”) of the Company and its subsidiaries (the “**Group**”) and information available to the Company, the net profit of the Group for the six months ended 30 June 2020 (the “**Period**”) is expected to record a decrease of approximately 50.0% to approximately RMB3.5 million for the Period as compared to approximately RMB7.0 million for the corresponding period in 2019.

Such estimated decline of the results for the Period are mainly attributable to the combined effect of: (i) the increase in selling and distribution expenses in household paper products by approximately RMB8.2 million that arose mainly from the increase in customer rebates of approximately RMB6.0 million, which consequently led to a decrease in net profits by approximately RMB4.2 million; (ii) the interest expenses of approximately RMB3.3 million incurred in relation to a loan from an independent third party; and (iii) offset by the decrease in net loss of cigarette packaging products by approximately RMB4.0 million due to more stringent cost-control measures imposed in light of the loss in this segment in prior year.

The Company is still in the process of finalizing its Management Accounts and the interim results for the Period. The information contained in this announcement is only based on the preliminary assessment by the Board with reference to the Management Accounts and information which have not been finalized nor reviewed by the Company's auditor or reviewed by the audit committee of the Company, and are subject to finalization and material adjustments. The interim results announcement for the Period of the Company is expected to be published in August 2020.

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

By Order of the Board
Champion Alliance International Holdings Limited
Chen Shuming
Chairman and Executive Director

Hong Kong, 7 August 2020

As at the date of this announcement, the Board comprises Mr. Chen Shuming, Mr. Chen Xiaolong, Mr. Hu Enfeng, Ms. Wu Cheuk Yan, 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.