

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.



CMON LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1792)

PROFIT WARNING

This announcement is made by CMON Limited (the “**Company**” and, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) and Rule 13.24A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**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 of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on the preliminary assessment of the unaudited consolidated financial results of the Group for the year ended 31 December 2020 and the information currently available to the Board, the Group is expected to record a net loss of not less than US\$3.8 million for the year ended 31 December 2020 as compared to the adjusted net profit of the Group for the year ended 31 December 2019 of US\$1.9 million.

The main reason was that in the first quarter of 2020, most of China shut down due to the COVID-19 pandemic. This caused our sales to decrease significantly because we could not ship to our customers. Nevertheless, the overall market has continued to stabilize and recover especially for China in the fourth quarter of 2020 and the management is of the view that the overall market has returned to a relatively normal condition since the third quarter of 2020. Unless there is another shut down in China, management is of the view that the pandemic should not negatively impact sales significantly going forward.

The information contained in this announcement is only based on a preliminary assessment by the Board based on information currently available to it, including the unaudited consolidated financial results of the Group for the year ended 31 December 2020, in respect of which the Company’s auditors or the audit committee of the Company have not yet finished their audit and review. The Board also wishes to emphasize that the performance of the Group can be affected by the market environment, including the

development of the global COVID-19 pandemic, the status of the Sino-US trade war and foreign exchange rate of Renminbi. The Group's audited consolidated final results for the year ended 31 December 2020 will be announced by the end of March 2021 in compliance with the Listing Rules.

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

By Order of the Board

CMON Limited

Ng Chern Ann

Chairman, Joint Chief Executive Officer and Executive Director

Singapore, 25 February 2021

As at the date of this announcement, the executive Directors are Mr. Ng Chern Ann, Mr. David Doust and Mr. Koh Zheng Kai; the non-executive Director is Mr. Frederick Chua Oon Kian; and the independent non-executive Directors are Mr. Chong Pheng, Mr. Wong Yu Shan Eugene and Mr. Choy Man.