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盛源 SHENG YUAN

盛源控股有限公司

SHENG YUAN HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 851)

POSITIVE PROFIT ALERT

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

The board of directors of the Company (the "**Board**") wishes to inform the shareholders and potential investors of the Company that, based on the information currently available to the Board and the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2020 ("**FY2020**"), it is expected that the Group's will record a net profit of approximately HK$11 million for FY2020, as compared with the net loss of approximately HK$77 million for the year ended 31 December 2019 ("**FY2019**").

The increase in net profit is mainly attributable to: (i) the Group structure being continuously optimized and the existing businesses having been significantly restructured, expanded and developed; and (ii) a significant increase in revenue generation due to recruitment of registered officers and licensed representatives in the asset management, securities brokerage and placing and financial advisory teams.

The Company is still in the process of finalising the annual results of the Group for FY2020. The information contained in this announcement is only a preliminary assessment of the management accounts of the Group for the year ended 31 December 2020 and other information currently available to the Board, which have not been reviewed or audited by the Company's auditor or reviewed by the audit committee of the Company and are subject to adjustment. The actual annual results of the Group for FY2020 may be different from what is disclosed in this announcement. Shareholders and potential investors are advised to read carefully the annual results announcement of the Company for FY2020, which is expected to be published in late March 2021 in accordance with Listing Rules.

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

By order of the Board
Sheng Yuan Holdings Limited
Liu Yang
Chairman

Hong Kong, 26 February 2021

As at the date of this announcement, the Board consists of Mr. Liu Yang, Mr. Zhou Quan and Mr. Zhao Yun (all being executive directors), Mr. Huang Shaunggang (being a non-executive director), Mr. Zhang Jinfan, Ms. Wen Han Qiuzi and Ms. Huang Qin (all being independent non-executive directors).