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# 中国忠旺控股有限公司\*

## China Zhongwang Holdings Limited

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 01333)**

### INSIDE INFORMATION

#### PROFIT WARNING

This announcement is made by China Zhongwang Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) 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 Inside Information Provisions (as defined under 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**”) would like to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the latest preliminary assessment of the Group’s current available unaudited management accounts, the Group is expected to record a profit of approximately RMB1.6 billion to RMB1.9 billion for the year ended 31 December 2020, representing a decrease of approximately 50% to 40% as compared to the corresponding period in 2019 (approximately RMB3.18 billion).

Such decrease in the Group’s profit for the year ended 31 December 2020 was mainly due to (i) the impact on the ordinary procurement, production and sales processes of the Group since the outbreak of the COVID-19 epidemic in the first quarter of 2020, and (ii) disruptions to the business of certain customers of the Group due to the recurring COVID-19 epidemic situation, resulting in their delayed payment to the Group, which in turn led to the increase in the delinquent receivables of the Group and a relatively large amount of loss provision.

The Company is still in the process of preparing its annual results for the year ended 31 December 2020. The information contained in this announcement is solely based on the Board’s preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended 31 December 2020 and is not based on any financial information or other information audited or reviewed by the Company’s auditors.

The details of the Group’s financial results are expected to be disclosed in the announcement of the annual results for the year ended 31 December 2020, which is expected to be announced in due course in accordance with the requirements of the Listing Rules. Shareholders and potential investors shall read the announcement carefully when it is announced.

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

By order of the Board  
**China Zhongwang Holdings Limited**  
**Lu Changqing**  
*Chairman*

Hong Kong, 12 March 2021

As at the date of this announcement, the Board consists of:

***Executive Directors***

Mr. Lu Changqing and Ms. Ma Qingmei

***Non-executive Directors***

Mr. Chen Yan, Mr. Lin Jun and Mr. Wei Qiang

***Independent Non-executive Directors***

Mr. Wong Chun Wa, Mr. Wen Xianjun, Mr. Shi Ketong and Mr. Lo Wa Kei, Roy

\* *For identification purpose only*