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遠東宏信有限公司
FAR EAST HORIZON LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock code: 3360)

UNAUDITED OPERATION SUMMARY FOR THE FIRST QUARTER OF 2021 AS AT 31 MARCH 2021

This announcement sets out the unaudited operation summary of Far East Horizon Limited (the “**Company**”) and its subsidiaries (the “**Group**”) for the first quarter ended 31 March 2021 (the “**Period under Review**”).

This announcement is made in accordance with the requirements of Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

During the Period under Review, China saw a positive economic development trend underpinned by rising favorable factors, but its economic recovery remained unbalanced. The Group continued to enhance its operating capabilities and management level, while improving its comprehensive service capabilities. During the first quarter, the Group’s operating income increased by more than 30% year on year, and the profit attributable to ordinary shareholders increased by approximately 30% year on year. At the same time, the financial structure continued to show a diversified trend, with income from non-traditional business accounting for more than 30%. Details of all aspects of the Group’s operation and management are as follows:

Traditional business: The overall segment maintained steady growth. The total interest-earning assets at the end of the first quarter continued to grow as compared to the beginning of 2021. Interest rate pricing was basically synchronized with market trend, with stable interest margins. Service fee income continued to recover. Leveraging on good asset layout and management capabilities, the asset quality remained stable, as exemplified by steady non-performing asset ratio and provision coverage ratio.

New business: The sustained rapid growth of this segment doubled the corresponding income year on year.

Horizon Construction Development: It seized the massive opportunities of major infrastructure upgrades with comprehensive, multi-dimensional, and full-cycle service capabilities. As of the end of the Period under Review, the number of operating equipment maintained by Horizon Construction Development continued to grow, with approximately 65,000 aerial work platforms, and approximately 1.4 million tons of neo-excavation support systems and neo-formwork systems. With the continuous expansion in covered regions and customer base, the operating scale has further expanded and the operational efficiency has been further enhanced. During the Period under Review, despite detrimental factors such as the suspension of work during the Spring Festival, Horizon Construction Development still delivered a significant year-on-year increase in operating revenue by more than 50%.

Horizon Healthcare: Founded on the consolidation and strengthening of assets, operational efficiency has been further improved, with the revenue maintaining a steady pace of growth. During the Period under Review, the operating revenue increased by more than 30% year on year.

In addition, as of 31 March 2021, the Group continued to adhere to the steady and prudent risk management strategy. The hedging management measures for interest rates and exchange rates remained prudent and effective, and the liquidity position remained stable and sound as always.

During the Period under Review, US\$200 million convertible bonds issued by the Group in 2020 were fully converted into ordinary shares, which supplemented our equity capital and laid a solid foundation for the Group's business development.

Looking ahead to 2021, the Group will as always uphold the development strategy of "finance + industry" and move along the pathway of "comprehensive services and three-dimensional operation". Against a backdrop where economic recovery and challenges coexist at home and abroad, the Group will strive to achieve further optimization of its financial structure and work on steady and healthy progress.

CAUTION STATEMENT

The board of directors (the "**Board**") of the Company hereby reminds investors that the above operation summary for the first quarter ended 31 March 2021 is based on the Group's internal data and management accounts which are not reviewed or audited by auditors. In the meantime, investors are advised to exercise caution in dealing in the shares of the Company.

Words such as "may", "could", "will", "expect", "intend", "estimate", "anticipate", "believe", "plan", "seek", "continue" or similar expressions in this announcement are forward-looking statements. These forward-looking statements are not guarantees of future performance. Rather, they are based on current views and assumptions and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Group and are difficult to predict, that will or may cause actual results to differ materially from any future results or developments expressed or implied from the forward-looking statements. Such risks and uncertainties include the effects of volatility in domestic and international financial markets and macro-economics, economic conditions in individual markets in which the Group operates, and other factors affecting the level of Group's business activities and the costs and availability of financing for Group's activities.

Any forward-looking statements contained in this announcement should not be taken as a representation that such trends or activities will continue in the future. No statement in this announcement is intended to be a profit forecast or to imply that the earnings of the Group as at the date of this announcement or in future will necessarily match or exceed the historical or published earnings of the Group. Each forward-looking statement speaks only as of the date of the particular statement. The Group expressly disclaims any obligation or undertaking to release publicly any updated figures or revisions to any forward-looking statements contained herein to reflect any change in the Group's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

By order of the Board
Far East Horizon Limited
KONG Fanxing
Chief Executive Officer and Executive Director

Hong Kong, 20 April 2021

As at the date of this announcement, the executive directors of the Company are Mr. KONG Fanxing and Mr. WANG Mingzhe, the non-executive directors of the Company are Mr. NING Gaoning (Chairman), Mr. YANG Lin, Mr. LIU Haifeng David, Mr. KUO Ming-jian and Mr. John LAW, and the independent non-executive directors of the Company are Mr. CAI Cunqiang, Mr. HAN Xiaojing, Mr. LIU Jialin and Mr. YIP Wai Ming