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## **Zhixin Group Holding Limited**

**智欣集團控股有限公司**

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

**(Stock code: 2187)**

### **PROFIT WARNING**

This announcement is made in accordance with Rule 13.09(2)(a) 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 in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of Zhixin Group Holding Limited (the “**Company**”) wishes to inform the shareholders and potential investors of the Company that, based on the preliminary review of unaudited consolidated management accounts of the Company, together with its subsidiaries (the “**Group**”), and the information currently available to the Group for the year ended 31 December 2021 (the “**Year**”), it is expected that the Group will record a reduction of approximately 70% in the Group’s net profit for the Year as compared with the net profit of approximately RMB62.6 million for the year ended 31 December 2020 despite a slight decrease in revenue as compared to previous year. Such reduction is mainly attributable to: (i) the slight decrease in revenue as a result of temporarily suspension and delays in certain construction projects impacted by the COVID-19 pandemic and increase in days with adverse weather conditions during the Year; and (ii) the significant increase in cost of sales as a result of the global increase in commodity prices such as steel and iron during the Year, which led to the increase in raw material costs and decrease in the gross profit margin of precast concrete component products.

As the Group's results for the Year are subject to further review and have not been finalised, the information contained in this announcement is solely based on the information currently available and the preliminary review by the Board of the unaudited sales and other financial information of the Group for the Year, which are subject to finalisation and necessary adjustments and have not yet been audited. Therefore, the actual consolidated results of the Group for the year ended 31 December 2021, which are expected to be released and set out in the annual results announcement of the Company by the end of March 2022, may differ from the information contained in this announcement. Shareholders and potential investors of the Company are therefore advised to peruse the results with care when the results announcement is released.

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

By order of the Board  
**Zhixin Group Holding Limited**  
**Ye Zhijie**  
*Chairman and Executive Director*

Hong Kong, 25 February 2022

*As at the date of this announcement, the Board comprises Mr. Ye Zhijie, Mr. Huang Wengui, Mr. Qiu Limiao, Mr. Ye Dan and Mr. Huang Kaining as executive Directors; and Ms. Wong Tuen Sau, Mr. Cai Huinong and Mr. Jiang Qinjian as independent non-executive Directors.*