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ALLAN INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 684)

PROFIT WARNING

This announcement is made by Allan International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to 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 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 (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 March 2022 and the information currently available to the Board, the Group is expected to record a net loss within the range of HK\$25 million to HK\$29 million for the year ended 31 March 2022 as compared with a net profit of HK\$46.4 million recorded by the Group for the year ended 31 March 2021. The expected loss was mainly due to:

- (a) decrease in sales turnover and gross profit margin
 - shortage in containers and disruption in freight schedules causing shipment delays and increase in related costs and expenses; and
 - increase in material costs, particularly electronic components due to shortage in supply; and
 - increase in energy costs due to shortage in electricity supply in the PRC; and
 - appreciation in RMB currency; and
- (b) the absence of subsidies received under the Employment Support Scheme of the Government of Hong Kong Administrative Region. The subsidies received for the year ending 31 March 2021 was approximately HK\$4.5 million; and
- (c) the absence of government support for reduction in PRC social insurance expense. The social insurance expense paid for the year ended 31 March 2022 was approximately HK\$21.3 million (RMB17.7 million) as compared to approximately HK\$9.0 million (RMB7.7 million) paid for the year ending 31 March 2021.

The Company is still in the course of finalizing its consolidated financial results of the Group for the year ended 31 March 2022. The information contained in this announcement is only a preliminary assessment by the Board based on the information currently available to the Board, which have not been audited or confirmed by the Company's auditor. The Group's audited results for the year ended 31 March 2022 are expected to be published on 29 June 2022.

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

By Order of the Board
Allan International Holdings Limited
Cheung Lai Chun, Maggie
Chairman

Hong Kong, 16 June 2022

As at the date of this announcement, the Executive Directors are Ms. Cheung Lai Chun, Maggie (Chairman), Mr. Cheung Shu Wan (Managing Director), Ms. Cheung Lai See, Sophie and Dr. Cheung Shu Sang, William. The Independent Non-Executive Directors are Ms. Choy Wai Sheun, Susan and Mr. Lai Ah Ming, Leon.