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## **CHINA AEROSPACE INTERNATIONAL HOLDINGS LIMITED**

**中國航天國際控股有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 31)**

### **PROFIT WARNING**

This announcement is made by China Aerospace International Holdings Limited (the “Company”) pursuant to the provisions of Part XIVA of the Securities and Futures Ordinance and Rule 13.09 of the Listing Rules.

The Board of Directors (the “Board”) of the Company wishes to inform the shareholders and potential investors of the Company that, based on the Company’s preliminary assessment of the unaudited consolidated management accounts, the Company is expected to record a loss before taxation of not less than HK\$270,000,000 for the six months ended 30 June 2022, representing a substantial decrease of not less than HK\$678,000,000 as compared to the records of profit before taxation of approximately HK\$408,000,000 for the same period in 2021. Accordingly, the Company is expected to record a substantial net loss for the six months ended 30 June 2022.

The expected loss is mainly attributable to the one-off provision made in accordance with the accounting policy in relation to the termination of lease agreement between Shenzhen Aerospace Technology Investment Company Limited\*(深圳市航天高科投資管理有限公司) (“Shenzhen Aerospace”), a 60% indirect owned subsidiary of the Company and Shenzhen Hangke Houhai Investment Development Company Limited\*(深圳市航科后海投資發展有限公司) (“Hangke Houhai”) for the billed and unbilled rental receivables from Hangke Houhai in aggregate of approximately RMB437,000,000 (equivalent to approximately HK\$536,000,000).

The Company expects to record free cash and bank balance of approximately HK\$2 billion as at 30 June 2022. The cash flow remains sufficient for future business development and provides adequate capital reserve to cope with market changes. Despite the results for the period was affected by the termination of lease agreement (please refer to the announcement of the Company dated 5 July 2022) by Shenzhen Aerospace, the overall production and operating conditions of the Company remain robust. Following the termination of the office whole lease agreement with Hangke Houhai, Shenzhen Aerospace will implement to operate on a self-operating mode and take over the existing tenants pursuant to the termination agreement, continue to do better in property leasing and management. Continuous effort will also be made in sourcing high quality new tenants to improve the occupancy level and rental yields of the property. It is expected that Shenzhen Aerospace will continue to bring revenue to the Company.

The actual results of the Company will be published on 30 August 2022 upon review by the Company's auditor and approval by the Audit Committee of the Company and the Board.

**Shareholders of the Company and potential investors should exercise with caution when dealing in the shares of the Company.**

By order of the Board  
**Zhou Limin**  
*Chairman & Executive Director*

Hong Kong, 19 August 2022

*As at the date of this Announcement, the Board of Directors of the Company comprises:*

<i>Executive Directors</i>	<i>Non-Executive Directors</i>	<i>Independent Non-Executive Directors</i>
Mr Zhou Limin ( <i>Chairman</i> )	Mr Liu Xudong	Mr Luo Zhenbang
Mr Jin Xuesheng ( <i>President</i> )	Mr Hua Chongzhi	Mr Wang Xiaojun
	Mr Mao Yijin	

*For the purposes of this announcement, the translation of Renminbi into Hong Kong dollars has been calculated using the exchange rate of RMB1.00 : HK\$1.2265. Such exchange rate is for illustration purposes only and does not constitute a representation that any amount has been, could have been or will be translated at such exchange or at all.*

*\* This PRC entity does not have an English name, the English name sets out herein is for identification purpose only.*