宏信建发
CDHORIZON

宏信建設發展有限公司
HORIZON CONSTRUCTION DEVELOPMENT LIMITED
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 9930)

PROFIT WARNING

This announcement is made by Horizon Construction Development 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 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 a preliminary review on the unaudited consolidated management accounts of the Company for the six months ended 30 June 2025 (the "**2025 Half Year**") and information presently available to the Board, the Group is expected to (i) record a decrease in total revenue of approximately 10% for the 2025 Half Year, as compared to the revenue of RMB4,872,421,000 for the six months ended 30 June 2024 (the "**2024 Half Year**"); (ii) record a decrease in profit attributable to Shareholders of 80%-90% for the 2025 Half Year, as compared to the profit attributable to Shareholders of approximately RMB268,228,000 for the 2024 Half Year.

Based on information currently available, the Board believes that the expected decrease in the Company's revenue and profit attributable to Shareholders in the first half of 2025 is mainly attributable to the following reasons:

(i) under the market environment of the equipment operation industry in Mainland China, the rental price of the equipment has continued to decline. Although the utilisation rate of the Group's aerial work platforms remained stable as compared to the same period of last year, the domestic operating lease revenue and gross profit in the first half of the year decreased year-on-year due to the price factor;

(ii) with the implementation of an active contraction strategy for the material business in Mainland China, the Group has disposed of certain material assets since the second half of 2024, resulting in a year-on-year decrease in the Group's revenue from engineering and technical services. Subject to time lags in the settlement of labor and premise costs for the material business, the gross profit margin of the engineering and technical services revenue was affected. Meanwhile, the downward trend in steel prices since the beginning of this year has led to a year-on-year decline in the Group's trading revenue and gross profit from the sale of material assets;

(iii) the Group continued to transport domestic equipment and materials to overseas business outlets for operation since the beginning of this year. However, such equipment was unable to generate business revenue when they were in the period of pre-shipment preparation, transportation and customs clearance, hence the Group's utilization rate of equipment was affected;

(iv) in the first half of this year, the revenue of the Group's overseas business segment has grown rapidly and a certain scale of profit has been achieved. However, as the overseas business segment was still in the growth stage and the base of the business scale was lower than that of the Group's domestic business, the profit scale of the overseas business segment in the first half of the year was not yet possible to fully hedge against the downward impact of the domestic market.

The above information is only a preliminary assessment by the management of the Company based on the information currently available to the Group, and is not based on any figures or information which has been audited or reviewed by the Company's auditors. Further, the information in this announcement is not based on any figures or information reviewed or approved by the audit committee of the Company. The Company is still in the process of finalising its consolidated interim results for the 2025 Half Year, which are subject to possible adjustments upon further review. Shareholders and potential investors of the Company should refer to the Group's 2025 interim results announcement, which is expected to be published on 31 July 2025 after approval by the Board.

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

By Order of the Board
Horizon Construction Development Limited
KONG Fanxing
Chairman

Hong Kong, 18 July 2025

As at the date of this announcement, the executive directors of the Company are Mr. ZHAN Jing (Chief Executive Officer) and Mr. TANG Li, the non-executive directors of the Company are Mr. KONG Fanxing (Chairman), Mr. XU Huibin, Mr. HE Ziming, Mr. YUAN Shaozhen and Ms. GUO Lina, and the independent non-executive directors of the Company are Mr. LIU Jialin, Mr. XU Min, Ms. JIN Jinping and Mr. SUM Siu Kei.