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沪港联合

## **HONG KONG SHANGHAI ALLIANCE HOLDINGS LIMITED**

**滬港聯合控股有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1001)**

### **POSITIVE PROFIT ALERT**

This announcement is made by Hong Kong Shanghai Alliance 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 of the Company (the “**Board**”) wishes to inform shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the information currently available to the Board and the preliminary review of the Group’s unaudited consolidated management accounts for the year ended 31st March 2022 (the “**Year**”), the Group is expected to record a profit attributable to owners of the Company of no less than HK\$60 million for the Year, representing a significant increase of no less than 35 times as compared to the profit attributable to owners of the Company of HK\$1.7 million for the year ended 31st March 2021.

The Board considers the expected improvement in profit attributable to owners of the Company for the Year is mainly due to, among other things:

- (i) continuous improvement in performance of **Steels Distribution and Processing Business** (formerly known as **Construction Materials Business**), with its profit before income tax increased by over 110%, contributed by an approximately 29% and 8% increase in order volume of its construction steels processing business and construction steels distribution business in Hong Kong, respectively, together with the expansion of profit margin;
- (ii) continuous improvement in performance of **Building Products Distribution Business** (formerly known as **Building and Design Solutions Business**), with its profit before income tax increased by over 20%, contributed by the notable rebound in renovation projects for commercial buildings and hotels in Hong Kong, as well as successful order fulfillment for key projects in Macau; and
- (iii) based on the latest valuation results as at 31st March 2022, there was minimal fair value gain for the Group’s investment properties during the Year, as compared to a fair value loss of approximately HK\$8.4 million in the same period last year.

The information contained in this announcement has not been reviewed or audited by the Company's auditors, and is only based on the Board's preliminary review of the unaudited consolidated management accounts of the Group for the Year. The Group is still in the course of finalising its accounts, which are subject to further review and assessment by the Board and the Company's auditors. Therefore, the Group's results for the Year may be different from the information as set out in this announcement. The final results of the Group for the Year will be published by the Company within the timeframe stipulated under the Listing Rules.

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

On behalf of the Board  
**Hong Kong Shanghai Alliance Holdings Limited**  
**Yao Cho Fai Andrew**  
*Chairman*

Hong Kong, 17th June 2022

*As at the date of this announcement, the Board comprises Mr. Yao Cho Fai Andrew and Mr. Lau Chi Chiu (being the executive directors); Mr. Tam King Ching Kenny, Mr. Xu Lin Bao, Mr. Yeung Wing Sun Mike and Mr. Li Yinquan (being the independent non-executive directors).*