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LOTUS HORIZON HOLDINGS LIMITED

智中國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6063)

PROFIT WARNING

This announcement is made by Lotus Horizon Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the 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 the preliminary assessment on the latest unaudited consolidated management accounts of the Group and other information currently available to the Board, the Group is expected to record a decrease of approximately 60% to 70% in its consolidated net profit (after excluding the impact of the one-off listing expenses recognised during the Interim Period) for the six months ended 30 September 2020 (the “**Interim Period**”) as compared to the audited consolidated net profit of approximately HK\$24.0 million for the corresponding period of 2019 (after excluding the impact of the one-off listing expenses of approximately HK\$5.9 million recognised during the corresponding period).

Such decrease was mainly due to the combined effects of the decline in revenue and gross profit recognized during the Interim Period as a result of the slowdown in the progress of some of the Group’s ongoing projects due to the persistent adverse impact of the COVID-19 pandemic and additional costs incurred in one of the Group’s sizable projects, and the increase in operating and administrative expenses attributable to legal and compliance costs and professional fees incurred

after the listing of the Company's shares on the Main Board together with the relocation of the principal place of business in Hong Kong of the Company.

As at the date of this announcement, the Company is in the course of finalizing the financial results of the Group for the Interim Period. The information contained in this announcement is only based on the preliminary assessment by the Board with reference to the information currently available including the unaudited consolidated management accounts of the Group, which has not been reviewed by the Company's independent auditors or the audit committee of the Company and is subject to adjustments. Shareholders and potential investors are advised to refer to the interim results announcement of the Group for the Interim Period, which is expected to be published on 27 November 2020, for more information.

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

By Order of the Board
Lotus Horizon Holdings Limited
CHU Kwok Fun
Chairman and Chief Executive Officer

Hong Kong, 23 October 2020

As at the date of this announcement, the Board comprises two executive directors, namely Mr. Chu Kwok Fun and Mr. Tsang Chiu Wan; and three independent non-executive directors, namely Ms. Leung Yin Fai, Mr. Ma Tsz Chun and Ms. Yuen Wai Yee.