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Qinqin Foodstuffs Group (Cayman) Company Limited
親親食品集團（開曼）股份有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1583)

POSITIVE PROFIT ALERT

This announcement is made by Qinqin Foodstuffs Group (Cayman) Company Limited (the “**Company**”, and together with its subsidiaries, collectively as 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 (Cap. 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on a preliminary review and assessment of the Group’s draft unaudited consolidated management accounts for the six months ended 30 June 2022 (the “**Period**”) and the information currently available to the Board, it is expected that the Group may record an increase in revenue of approximately RMB26 million, representing an increase of 5% for the Period as compared to the corresponding period in 2021 and the Group may record consolidated net profit of not more than RMB5 million for the Period as compared to the consolidated net loss of approximately RMB9 million for the six months ended 30 June 2021.

The increase in revenue and net profit of the Group for the Period was mainly attributable to the following factors:

- (i) the Group strengthened the management of distribution channels and retail terminals during the Period, resulting in an increase in overall sales. The Group also increased product prices in the Period to offset the impact of increased costs, which resulted in the increase in and both gross profit and gross profit margin during the Period;
- (ii) the Group reduced the sale of low-margin products through e-commerce channels during the Period, and related selling and administrative expenses also decreased accordingly, resulting in an increase in overall profit; and
- (iii) the Group recorded a net loss of approximately RMB14 million during the Period (six months ended 30 June 2021: net gain of approximately RMB2 million) due to the fair value change of the Group’s investment in an unlisted units in investment fund, which were measured at fair value through profit or loss. This has partly offset the increase in profit mentioned above.

The Company is still in the process of finalising the financial results of the Group for the Period. This profit alert announcement is only based on the Board's preliminary review and assessment of the draft unaudited consolidated management accounts of the Group and information currently available to the Board which are subject to finalisation and other potential adjustments, if any, and have not been reviewed or audited by the Company's auditor or reviewed by the Audit Committee of the Company. Shareholders and potential investors of the Company are advised to read carefully the results announcement of the Company for the Period, which is expected to be published in August 2022.

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

By Order of the Board of
Qinqin Foodstuffs Group (Cayman) Company Limited
Hui Ching Lau
Chairman and Executive Director

Hong Kong, 22 July 2022

As of the date of this announcement, the Board comprises 12 directors, of which three are executive Directors, namely Mr. Hui Ching Lau (Chairman), Mr. Wong Wai Leung (Chief Financial Officer and Company Secretary) and Mr. Wu Wenxu (Chief Executive Officer); five are non-executive Directors, namely Mr. Hui Lin Chit, Mr. Sze Man Bok, Mr. Wu Huolu, Mr. Wu Sichuan and Mr. Wu Yinhang; and four are independent non-executive Directors, namely Mr. Cai Meng, Mr. Chan Yiu Fai Youdey, Mr. Ng Swee Leng and Mr. Paul Marin Theil.