

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



PROFIT WARNING

This announcement is made by Tai United Holdings Limited (“**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 (“**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules).

The board of directors (“**Board**” or “**Directors**”) of the Company wishes to inform the shareholders and potential investors of the Company that, based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2021 (“**1H2021 Period**”) and the information currently available to the Board, the Group expects to record, for 1H2021 Period, (i) an increase in revenue by more than 150%; and (ii) a decrease in loss before tax by around 40% to 60%. For the corresponding period in the year 2020 (“**1H2020 Period**”), the unaudited revenue and the unaudited consolidated loss before tax of the Group were approximately HK\$6.5 million and HK\$68.6 million respectively.

The substantial increase in revenue of the Group was mainly attributable to (i) inorganic growth contributed by the rental and management services income generated from the newly acquired shopping mall businesses in the People’s Republic of China (“**PRC**”) in the property investment segment; and (ii) the increase in revenue in the medical equipment trading segment. For 1H2020 Period, the segment revenue of property investment and medical equipment trading were approximately HK\$47,000 and HK\$6.4 million respectively.

The Board attributes the decrease in loss before tax to the combined effect of among others, (i) a decrease in other income due to the decrease in interest income from disposal receivable of a subsidiary, which held an investment property in Hangzhou, the PRC (1H2020 Period: approximately HK\$39.2 million); (ii) reversal of impairment losses under expected credit loss model due to an improvement of the receipt of other receivables (1H2020 Period: recognition of impairment losses under expected credit loss model of approximately HK\$13.7 million); (iii) a change in other gains and losses from losses of approximately HK\$12.8 million in 1H2020 Period to gains in 1H2021 Period; (iv) increases in employee benefits expenses and other operating expenses (1H2020 Period: approximately HK\$12.0 million and HK\$12.2 million respectively); (v) a decrease in impairment losses on mining rights (1H2020 Period: approximately HK\$52.9 million); and (vi) an increase in finance costs (1H2020 Period: approximately HK\$4.8 million).

The Company is in the process of finalizing its consolidated financial results for 1H2021 Period. The information contained in this announcement is only based on the preliminary assessment made by the Board with reference to the unaudited consolidated management accounts of the Group and currently available information of the Group, which has not been reviewed by the auditors of the Company or the audit committee of the Board. The above information may be subject to adjustments and amendments. Finalised results of the Group and other details will be disclosed in the results announcement for 1H2021 Period to be published by the end of August 2021.

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
Tai United Holdings Limited
Wang Hongfang
Chairman

Hong Kong, 10 August 2021

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors:

Mr. Wang Hongfang (*Chairman*)
Dr. Kwong Kai Sing Benny (*Chief Executive Officer*)
Mr. Chen Weisong
Mr. Chow Chi Wah Vincent
Mr. Zheng Yuchun

Independent non-executive Directors:

Dr. Gao Bin
Ms. Liu Yan
Mr. Tang King Shing

Non-executive Director:

Mr. Xiao Yiqun