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## **PRECIOUS DRAGON TECHNOLOGY HOLDINGS LIMITED**

**保寶龍科技控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1861)**

### **PROFIT WARNING**

This announcement is made by Precious Dragon Technology Holdings 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 and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary assessment on the unaudited consolidated management accounts of the Group for the year ended 31 December 2021 (the “**Year**”), the Group is expected to record a significant decrease in net profit attributable to the Shareholders by not less than 60.0% as compared to the net profit attributable to the Shareholders of approximately HK\$53.2 million for the year ended 31 December 2020.

Based on the information available to the Board, the Board considers that such expected decrease in net profit was mainly attributable to, among other things, (i) the decrease in overseas sales due to the global economic slowdown as a result of the prolonged COVID-19 pandemic; (ii) the significant increase in raw material prices, including tinplate containers, solvents and gas; and (iii) the surge in sea freight costs as freighters were docked for longer time under the ongoing COVID-19 pandemic.

As at the date of this announcement, the Company is still in the course of preparing the annual results of the Group for the Year. The information contained in this announcement is only based on the preliminary assessment by the Board with reference to the unaudited consolidated management accounts of the Group for the Year, which have not been audited or reviewed by the Company’s auditors or the audit committee of the Board. Such financial information will be subject to finalisation and necessary adjustments. The annual results of the Group for the Year are expected to be announced by the Company before the end of March 2022. Shareholders and potential investors are advised to read the annual results announcement of the Company when it is published.

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

By order of the Board  
**Precious Dragon Technology Holdings Limited**  
保寶龍科技控股有限公司

**Ko Sau Mee**  
*Chairlady and Executive Director*

Hong Kong, 25 February 2022

*As at the date of this announcement, the executive Directors are Ms. Ko Sau Mee, Ms. Lin Hing Lei, Mr. Lin Hing Lung and Mr. Yang Xiaoye; and the independent non-executive Directors are Mr. Lee Yiu Pui, Mr. Poon Tak Ching and Mr. Pang Cheung Wai Thomas.*