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# APEX ACE

## APEX ACE HOLDING LIMITED

光麗科技控股有限公司\*

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

**(Stock Code: 6036)**

### SUPPLEMENTAL ANNOUNCEMENT PROFIT WARNING

This announcement is made by Apex Ace Holding 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 (the “**Listing Rules**”) and under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the Company’s profit warning announcement dated 2 July 2019 (the “**Announcement**”). Capitalized terms used herein shall have the same meanings as defined in the Announcement unless the context requires otherwise. The Board wishes to further inform the shareholders and potential investors that based on the preliminary estimates of the unaudited consolidated management accounts of the Group, the Group expects to record a loss for the six months ended 30 June 2019, the details of which are supplemented as below:

The Group is expected to record a loss attributable to the shareholders of the Company within a range of HKD4.0 million to HKD8.0 million for the six months ended 30 June 2019, as compared to a profit of HKD21.8 million for the same period of 2018.

The expected loss was primarily attributable to (i) the significant drop in sales revenue of the Group to HKD785.5 million from HKD2,089.7 million for the six months ended 30 June 2018, representing a decrease of 62.4%, which was mainly due to a reduction in the number of purchase orders received by our Group and deteriorated market conditions driven by the ongoing US-China trade war; (ii) the recognition of an impairment loss arising from the loss allowance on the expected credit losses of the Group’s trade receivables of approximately HKD3.0 million, (iii) an expected provision for impairment in the Group’s inventory of approximately HKD2.0 million resulting from a drop in the net realisable value of certain portion of the inventory of the Group, and (iv) increase in distribution and selling expenses.

\* For identification purpose only

The directors of the Company (the “**Directors**”) consider that, in view of the uncertainty caused by the US-China trade tension and the poor global economy, the year of 2019 shall be a challenging year for the Group. Our Directors anticipate that, as the US-China trade dispute will continue to hinder the Group’s business development, the Group shall thus remain conservative and prudent towards its profitability in the coming months.

The information contained in this announcement is only a preliminary assessment by the management of the Company which is based on the operational data available to the management as well as consolidated management accounts which have not been reviewed or audited by the Company’s auditors. Shareholders and potential investors are advised to refer to the details set out in the interim results announcement of the Company for the Year which is expected to be released in late August 2019.

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

By order of the Board  
**Apex Ace Holding Limited**  
**Lee Bing Kwong**  
*Chairman*

Hong Kong, 12 August 2019

*As at the date of this announcement, the executive Directors are Mr. Lee Bing Kwong (Chairman and Chief Executive Officer), Mr. Lo Yuen Kin and Ms. Lo Yuen Lai; and the independent non-executive Directors are Mr. Cheung Siu Kui, Mr. Yim Kwok Man and Dr. Chow Terence.*