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**TK Group (Holdings) Limited**

**東江集團(控股)有限公司**

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

**(Stock Code: 2283)**

## **POSITIVE PROFIT ALERT**

This announcement is made by TK Group (Holdings) Limited (the “**Company**”), together with its subsidiaries (collectively 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 in 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**”) would like to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that the Group is expected to record a significant increase in its unaudited consolidated profit attributable to owners of the Company for the six months ended 30 June 2021 as compared to that for the six months ended 30 June 2020. The main reasons are:

- (i) the orders and production of the Group have gradually rebounded from the impact of the COVID-19 epidemic since the second half of 2020, and continued through the first quarter of 2021;
- (ii) for the three months ended 31 March 2021 (“**Q1 2021**”), the Group’s unaudited revenue amounted to HK\$486.5 million, representing an increase of 44.5% as compared with the corresponding period in 2020;
- (iii) the Group’s unaudited overall gross profit margin reached 24.2% in Q1 2021, representing an increase of 3.6 percentage points year-on-year. It was primarily due to the improvement in the utilisation rate of the production capacity in Q1 2021 with sufficient amount of orders and the increased idle capacity amid the negative impact of the COVID-19 in the corresponding period in 2020;

(iv) the Group's unaudited consolidated profit attributable to owners of the Company amounted to HK\$51.2 million in Q1 2021, representing a year-on-year increase of 785.2%.

The information contained in this announcement is only a preliminary assessment by the Board based on the information currently available and the expected operating results for Q1 2021 of the Group. Therefore, the actual results of the Group for the relevant period may differ from the information contained in this announcement. Shareholders and potential investors should refer to the interim results announcement of the Company for the six months ending 30 June 2021, which is expected to be published by the end of August 2021, for details of the performance of the Group.

**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  
**TK Group (Holdings) Limited**  
**Li Pui Leung**  
*Chairman*

Hong Kong, 20 April 2021

*As at the date of this announcement, the Board comprises four executive directors, namely Mr. Li Pui Leung, Mr. Yung Kin Cheung Michael, Mr. Lee Leung Yiu and Mr. Cheung Fong Wa, and three independent non-executive directors, namely Dr. Chung Chi Ping Roy, Ms. Christine Wan Chong Leung and Mr. Tsang Wah Kwong.*