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## **BASETROPHY GROUP HOLDINGS LIMITED**

**基地錦標集團控股有限公司**

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

**(Stock Code: 8460)**

### **PROFIT WARNING**

This announcement is made by Basetrophy Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The board (the “**Board**”) of the directors (the “**Directors**”) of the Company wishes to inform the potential investors and shareholders of the Company (the “**Shareholders**”) that, based on a preliminary review on the unaudited consolidated management accounts of the Group for the eight months ended 31 August 2021, the Group is expected to record lower net profit of approximately HK\$0.4 million for the eight months ended 31 August 2021, as compared to a net profit of approximately HK\$2.4 million of the corresponding period in 2020. The Board considers that decrease in net profit was primarily attributable to (i) despite management had taken decisive cost control initiatives to reduce the cost of sales, the decrease in revenue outweighed the benefits of cost savings; (ii) the decrease in government subsidy received under the “Anti-epidemic Fund” due to the outbreak of the coronavirus disease (COVID-19); and (iii) increase in income tax expense mainly due to increase in deferred income tax expense in relation to utilisation of unused tax losses by the reversal of taxable temporary differences and deferred tax asset.

Notwithstanding the above, as disclosed in the announcement dated 21 September 2021 and the supplemental announcement dated 30 September 2021, the Company has entered into sales contracts in relation to disposal of machineries and expects to record a one-off gain of approximately HK\$2.5 million in the month of September 2021, which would attribute to the net profit for the nine months ended 30 September 2021.

The information contained in this announcement is based on the preliminary assessment made by the Board with reference to the information currently available and the unaudited consolidated management accounts of the Group for the eight months ended 31 August 2021, which have not been audited or reviewed by the Group's auditors or audit committee and may be subject to adjustment. Further details of the Group's performance will be disclosed in the Group's third quarterly results announcement for the nine months ended 30 September 2021, which is expected to be published in November 2021.

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

By order of the Board  
**Basetrophy Group Holdings Limited**  
**Lau Chung Ho**  
*Executive Director*

Hong Kong, 26 October 2021

*As at the date of this announcement, the Board comprises Mr. Lau Chung Ho, Mr. Leung Yat Fai Frankie Keith and Ms. Fong Pui Yin Vivian as executive Directors; and Mr. Ng Ki Man, Mr. Iu Tak Meng Teddy and Mr. Lam Chee-yau Timothy as independent non-executive Directors.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the website of The Stock Exchange of Hong Kong Limited at [www.hkexnews.hk](http://www.hkexnews.hk) on the "Latest Listed Company Information" page for at least 7 days from the date of its posting and will be published on the Company's website at [www.wbgroupfw.com.hk](http://www.wbgroupfw.com.hk).*