

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.



AUX INTERNATIONAL HOLDINGS LIMITED
奧克斯國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2080)

PROFIT WARNING

This announcement is made by AUX International Holdings Limited (the “**Company**”); together with its subsidiaries, the “**Group**”) pursuant to rule 13.09(2) 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 (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 review of the unaudited consolidated management accounts of the Group for the year ended 31 March 2021 (the “**Management Accounts**”), the Group expects to record a consolidated loss for the year ended 31 March 2021 of not less than HK\$8.5 million as compared to a consolidated profit for the year ended 31 March 2020 of approximately HK\$13.2 million.

Based on the information currently available to the Board, the Board considers that the expected downturn in annual results is mainly attributable to the following factors:

- (1) the decrease in revenue of approximately HK\$37.8 million of the lifestyle entertainment segment for the full financial year ended 31 March 2021, which resulted mainly from the undesirable market and operating conditions of the Group’s clubbing and restaurant business in Hong Kong caused by the outbreak of COVID-19;
- (2) the incurrence of a net exchange loss of approximately HK\$7.3 million in respect of the Renminbi (“**RMB**”) denominated loan from controlling shareholder as a result of the appreciation of RMB against Hong Kong dollars for the full financial year ended 31 March 2021, as compared with a net foreign exchange gain of approximately HK\$7.5 million for the year ended 31 March 2020;

- (3) the impairment loss on goodwill and property, plant and equipment of approximately HK\$7.3 million recorded in the six months ended 30 September 2020 (as disclosed in the profit warning announcement of the Company dated 11 November 2020 (the “**Announcement**”)) and HK\$11.1 million recorded in the year ended 31 March 2021, as a result of the negative impact caused by COVID-19 towards the restaurant and bar outlets and club respectively; and
- (4) the one-off gain on disposal of subsidiary of approximately HK\$5.0 million recorded in the year ended 31 March 2020.

As disclosed in the Announcement for the six months ended 30 September 2020, certain of the above factors had contributed to the Group’s unaudited consolidated loss as compared with the unaudited consolidated profit for the six months ended 30 September 2019. The decrease in revenue in the Group’s lifestyle entertainment segment continued in the six months ended 31 March 2021. The net exchange loss had been recorded in a more substantial amounts on a full year basis. Such factors, together with the impairment loss on goodwill of approximately HK\$7.3 million recorded in the six months ended 30 September 2020, remained to be of relevance for the full financial year ended 31 March 2021 and had been instrumental in bringing about the downturn in annual results.

The Company is still in the process of preparing the annual results of the Group for the year ended 31 March 2021. The information as set out above is only based on the preliminary assessment by the Board of the information currently available to it, including the Management Accounts, which are yet to be confirmed or audited or reviewed by the auditors of the Company and may be subject to change(s) or adjustment(s). The audited consolidated annual results of the Group for the year ended 31 March 2021 are expected to be announced by the Company on or before 29 June 2021.

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

By order of the Board
AUX International Holdings Limited
Zheng Jiang
Chairman

Hong Kong, 8 June 2021

As at the date of this announcement, the executive Directors are Mr. Zheng Jiang, Mr. Chan Hon Ki, Mr. Liang Songluan and Ms. Shen Guoying, and the independent non-executive Directors are Mr. Poon Chiu Kwok, Mr. Bau Siu Fung and Ms. Lou Aidong.