

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.

Eternity Technology Holdings Limited

恒達科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1725)

PROFIT WARNING

This announcement is made by Eternity 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 (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on a preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2019, the Group expects to record a decline in its net profit by approximately 20% to 30% for the year ended 31 December 2019 as compared with the Group’s adjusted profit of approximately RMB35.2 million (which excludes the listing expenses of approximately RMB14.6 million) for the corresponding period in 2018.

The Board believes that the decline in the net profit for the year ended 31 December 2019 was mainly due to the following reasons:

- (i) We continue to offer more competitive price to our mPOS customers and the new customers in 2019 due to fierce competition;
- (ii) Increase in professional fees in 2019 as a result of the listing of the Company on The Stock Exchange of Hong Kong Limited in the second half year of 2018; and
- (iii) Increase in selling and distribution expense due to the increase in credit insurance fees to control the credit risk in 2019.

The information contained in this announcement is only based on a preliminary assessment by the Board with reference to the unaudited consolidated management accounts of the Group for the year ended 31 December 2019 and information currently available to the Company, and is not based on any figures or information which have been reviewed or audited by the Company's independent auditor or have been confirmed by the audit committee of the Company and are subject to adjustments. The Company is in the process of finalising the final results of the Group for the year ended 31 December 2019. Shareholders and potential investors are advised to read carefully the final results announcement of the Company for the year ended 31 December 2019, which is expected to be published by the middle of March 2020 in accordance with the Listing Rules.

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

By order of the Board
Eternity Technology Holdings Limited
Ma Fujun
Chairman

Hong Kong, 17 January 2020

As at the date of this announcement, the Board comprises the following members:

Executive Directors

Mr. Ma Fujun (*Chairman*)
Ms. Chen Xiaoyuan
Mr. Cheng Bin

Independent Non-executive Directors

Mr. Wu Chi-luen
Mr. Chan Chung Kik Lewis
Mr. Chow Kit Ting