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Creative Enterprise Holdings Limited

創毅控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3992)

CLARIFICATION ANNOUNCEMENT POSITIVE PROFIT ALERT

Financial adviser to the Company



References are made to (i) the announcement jointly issued by the Offeror and the Company dated 8 March 2021 regarding, among others, the sale and purchase of the Sale Shares and the Offer, (ii) the announcement jointly issued by the Offeror and the Company dated 26 March 2021 regarding, among others the delay in despatch of the Composite Document with respect to the Offer and (iii) the positive profit alert announcement of the Company dated 12 May 2021 (the “**Positive Profit Alert Announcement**”). Unless otherwise defined, all capitalized terms used herein shall have the same meanings as those defined in the aforesaid announcements.

As stated in the Positive Profit Alert Announcement, the net profit of the Group for the year ended 31 March 2021 has increased substantially by over 80% than that of approximately HK\$29.9 million for the year ended 31 March 2020 (the “**Positive Profit Alert**”). The Board would like to clarify that the Positive Profit Alert constitutes profit forecasts under Rule 10 of the Takeovers Code which is required to be reported on by the Company’s financial advisers and auditors (the “**Profit Forecast Reports**”) in compliance with Note 1(c) to Rules 10.1 and 10.2 and Rule 10.4 of the Takeovers Code.

As the Positive Profit Alert constitutes inside information under Rule 13.09(2)(a) of the Listing Rules and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), timely disclosure must be made. Given additional time is required for the preparation of the Profit Forecast Reports by the Company’s auditors and the Company’s Independent Financial Adviser, i.e. Chanceton Capital Partners Limited in compliance with Rule 10 of the Takeovers Code, due to the time constraints, the Company encountered genuine practical difficulties to include the Profit Forecasts Reports in the Positive Profit Alert Announcement, which also did not comply with Practice Note 2. The Company apologises and will carefully observe and comply with all relevant requirements under the Takeovers Code and Practice Notes through making timely consultation with professional parties in the future.

The Positive Profit Alert will be reported on in accordance with Rule 10 of the Takeovers Code and the relevant reports will be contained in the Composite Document unless the audited annual results announcement for the year ended 31 March 2021 has been published prior to the despatch of Composite Document and those reports will be superseded by the annual results announcement.

CAUTION

Shareholders and potential investors should note that the Positive Profit Alert does not meet the standard required by Rule 10 of the Takeovers Code and has not been reported on in accordance with the Takeovers Code, and thus they are advised to exercise extreme caution in placing reliance on the Positive Profit Alert in assessing the merits and demerits of the Share Sale Completion and the Offer.

Shareholders and potential investors of the Company are reminded to exercise caution under trading in the Shares.

By Order of the Board of
Creative Enterprise Holdings Limited
Poon Kin Leung
Chairman and Executive Director

Hong Kong, 17 May 2021

As at the date of this announcement, the Board comprises Mr. Poon King Leung, Mr. Lee Siu Wah Albert, Mr. Lam Siu Hung Christopher, Mr. Wong King Cheung, Mr. Lai Wai Man and Mr. Wu Ka Chai as executive Directors, and Mr. Wong Chung Kin Quentin, Mr. Tang Yiu Ming and Mr. Wong Si Yuen as independent non-executive Directors.

The Directors jointly and severally accept full responsibility for the accuracy of information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.