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# **Continental Aerospace Technologies Holding Limited**

## **大陸航空科技控股有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 232)**

### **PROFIT WARNING**

This announcement made by Continental Aerospace Technologies Holding 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 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 of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on the information currently available to the Company and the preliminary review of the unaudited consolidated management accounts of the Group, the Company is expected to record a profit after tax of not less than HK\$6 million (2023: profit after tax of approximately HK\$80 million) for the six months ended 30 June 2024 which was mainly due to the subsidiary in the United States encountering optimization and run-in challenges in the process of implementing the new NetSuite enterprise resource planning system. These challenges have increased the difficulties of controlling business operations, management, and security management, which required more energy and cost than before. At the same time, like most companies in the industry, the Group dealt with a tight supply chain, resulting in a year-to-year decrease in revenue and gross profit in the first half of this year.

Looking forward, as the order volumes of Group are sufficient and the Group is completing the integration of the new NetSuite enterprise resource planning system, the Board believes that the new addition would significantly drive production and operational efficiency, supported by its increasingly automated processes. The Group is expected to realize the cost benefits brought by the new system starting from the second half of 2024.

The Company is still in the course of preparing and finalising the consolidated results of the Group for the six months ended 30 June 2024. The information contained in this announcement is based on the information currently available to the Company and the preliminary assessment of the management accounts of the Group for the six months ended 30 June 2024, which has not been audited nor reviewed by the Company’s auditors or the audit committee of the Company and may subject to adjustments. The overall results of the Group for the six months ended 30 June 2024 will only be ascertained when all the relevant results and accounting treatments are finalised.

The Shareholders and potential investors are advised to read carefully the results announcement of the Company for the six months ended 30 June 2024, which is expected to be published on 28 August 2024.

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

By order of the Board of  
**Continental Aerospace Technologies Holding Limited**  
**Huang Yongfeng**  
*Chairman*

Hong Kong, 21 August 2024

*As at the date of this announcement, the Board comprises Mr. Huang Yongfeng, Mr. Yu Xiaodong, Ms. Jiao Yan, Mr. Zhang Zhibiao and Mr. Li Peiyin as executive Directors; Mr. Chow Wai Kam as non-executive Director; Mr. Chu Yu Lin, David, Mr. Li Ka Fai, David and Mr. Zhang Ping as independent non-executive Directors.*