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魏橋紡織股份有限公司
Weiqiao Textile Company Limited*

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2698)

POSITIVE PROFIT ALERT

This announcement is made by Weiqiao Textile Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance.

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and the potential investors that, based on the unaudited management account of the Group for the five months ended 31 May 2021, it is expected that there would be an increase of over 200% in the net profit of the Group for the six months ended 30 June 2021 as compared to the corresponding period of 2020, the main reasons for which are as follows:

- (1) as the global COVID-19 pandemic (the “**Pandemic**”) has been brought under control, consumption in the domestic and overseas textile and apparel markets gradually recovered, leading to an overall increase in the demand for textile products. The sales volume of the Group’s cotton textile products recorded a significant year-on-year increase, and the sales prices also increased as compared to the same period of last year; and the net profit of the Group was at a low level due to the adverse impacts brought by the Pandemic during the same period of last year; and
- (2) the Group’s electricity business continued to maintain steady profitability.

The information contained in this announcement is only based on the preliminary assessment on the information currently available to the Board (including the unaudited consolidated management account of the Group for the five months ended 31 May 2021). This information has not been confirmed or reviewed by the Company’s auditor or the audit committee of the Company. Detailed financial results of the Group for the six months ended 30 June 2021 will be disclosed in the interim results announcement of the Group, which is expected to be published by the end of August 2021.

Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

By Order of the Board
Weiqiao Textile Company Limited*
Zhang Jinglei
Executive Director and Company Secretary

Shandong, the PRC
16 June 2021

As at the date of this announcement, the Board comprises nine directors, namely Ms. Zhang Hongxia, Ms. Zhang Yanhong, Ms. Zhao Suwen, Mr. Wei Jiakun and Mr. Zhang Jinglei as executive directors; Ms. Zhao Suhua as non-executive director; and Mr. George Chan Wing Yau, Mr. Chen Shuwen and Mr. Liu Yanzhao as independent non-executive directors.

* *The Company is registered in Hong Kong as a non-Hong Kong company under the English name “Weiqiao Textile Company Limited” and the Chinese name of the Company under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).*