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CTEH INC.

加達控股有限公司

(incorporated in Ontario, Canada and continued in the Cayman Islands with limited liability)

(Stock Code: 1620)

PROFIT WARNING

This announcement is made by CTEH INC. (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 Future Ordinance (Cap. 571, Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on a preliminary assessment of the latest available unaudited consolidated management accounts of the Group for the year ended December 31, 2020 (the “**Year**”), the Group is expected to record a net loss of not less than HK\$40.0 million in the consolidated statements of comprehensive income for the Year, as compared to the net profit of approximately HK\$10.7 million for the year ended December 31, 2019. Based on the information currently available, the expected net loss for the Year was mainly attributable to:

- (i) decrease in the transaction volume of air tickets sales and gross sales proceeds generated from air tickets sales due to the travel restrictions imposed by nations of its own and across the world by the pandemic of the coronavirus disease 2019 (“**COVID-19**”) as a result of declining international travel; and
- (ii) a substantial amount of expected credit losses allowance made in accordance with International Financial Reporting Standard 9 to certain non-financial assets due to consideration of COVID-19 and such amount is estimated to be not less than HK\$50.0 million.

The Company is still in the process of finalizing the final results of the Group for the Year. The information contained in this announcement is only a preliminary assessment by the management of the Company based on information currently available to the Company and has not been reviewed or audited by the Company's external auditors nor approved by the audit committee of the Company. The actual results of the Group for the Year may be different from the information disclosed herein. Shareholders and potential investors should read carefully the final results announcement of the Company for the Year, which is expected to be published in late March 2021.

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

By order of the Board
CTEH INC.
Mrs. Rita Pik Fong Tsang
Chairperson and executive Director

Hong Kong, March 29, 2021

As at the date of this announcement, the executive Directors are Mrs. Rita Pik Fong Tsang and Ms. Annie Shuk Fong Tsu, the non-executive Director is Dr. Kwok Chun Dennis Chu and the independent non-executive Directors are Dr. Michael Edward Ricco, Mrs. Kitty Yuk Yee Yeung and Mr. Sik Yuen Lau.