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華億金控集團有限公司
SINOFORTUNE FINANCIAL HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 08123)

PROFIT WARNING

This announcement is made by Sinofortune Financial Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM of the Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined in the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders and potential investors of the Company that, based on the information currently available to the Board, the Group is expected to record a loss of approximately HK\$30.7 million for the year ended 31 December 2022 (the “**Reporting Period**”) as compared to the loss of approximately HK\$32.1 million as recorded in the corresponding period in 2021. The reasons for the loss in the Reporting Period are mainly attributable to (i) the implementation of the pandemic containment measures under COVID-19 during the Reporting Period and the new wave of COVID-19 outbreak in the People’s Republic of China (“**PRC**”) at the last quarter of 2022, the business under the segment of sales of motor vehicles in the PRC has been affected and stagnated; (ii) the impairment loss on trade receivables recognised during the Reporting Period; and (iii) the increase in the finance costs in various business segments. Although the sales volume of the motor vehicles during the Reporting Period was increased, the profits under this business segment had not improved, which is wholly due to the selling price of the motor vehicles had been marked down in order to boost up the sales and clear the inventories.

As at the date of the announcement, six types of imported motor vehicles of the Group have furnished the certification process to comply with China 6 Standard motor vehicle emission and have been offering for sale at the market of the PRC. In view of the PRC government's recent relaxation of the COVID-19 prevention measures, the Board is optimistic that the business environment and economy in the PRC will be resumed and recovered in 2023 and remains optimistic to the business performance under the segment of sales of motor vehicles in the coming year.

As the Company is still in the process of finalizing its consolidated financial statements for the Reporting Period, the information contained in this announcement is only based on the preliminary assessment by the Board, with reference to the management accounts and the information currently available which are subject to finalization and adjustments, and has not been reviewed by the audit committee nor the auditors of the Company. Further details of the Group's financial results and performance for the Group's Reporting Period will be disclosed in the results announcement for the Reporting Period in accordance with the requirements of the GEM Listing Rules, which is expected to be published before the end of March 2023.

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

By order of the Board
Sinofortune Financial Holdings Limited
Wang Jiawei
Chairman

Hong Kong, 8 March 2023

As of the date of this announcement, the executive directors are Mr. Wang Jiawei and Ms. Lai Yuk Mui, the non-executive director is Mr. Liu Runtong and the independent non-executive directors are Professor Zhang Benzhen, Mr. Li Jianxing and Professor Chen Shu Wen.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Listed Company Information" page of the website of The Stock Exchange of Hong Kong Limited at <http://www.hkexnews.hk> for at least 7 days from the date of its posting and on the Company's website at <http://www.sinofortune.hk>.