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**KINGKEY FINANCIAL INTERNATIONAL (HOLDINGS) LIMITED**

**京基金融國際(控股)有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 01468)**

## **PROFIT WARNING**

This announcement is made 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Law of Hong Kong).

The Board of directors (the “**Board**”) of Kingkey Financial International (Holdings) Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) wishes to inform the shareholders of the Company and potential investors that, based on the preliminary assessment of the latest unaudited financial information, the Group expects to record a net loss for the year ended 31 March 2023 of not less than approximately HK\$1,165 million, representing a significant increase as compared with that of the previous year’s corresponding period (i.e., approximately HK\$78 million).

The remarkable increase in net loss for the year was primarily due to, among other things, the recognition of (i) a loss of approximately HK\$430 million arising from the difference between the fair value of the first tranche consideration shares (i.e. 452,666,666 shares of the Company) pursuant to the sale and purchase agreement dated 4 June 2021 entered into between the Company and Great Return Group Limited (as amended, modified or supplemented from time to time) (the “**Agreement**”) as at the date of issue (i.e 21 February 2023) and the locked-in price of the consideration shares on the completion date; (ii) a fair value loss of contingent consideration payables of the Group, which represented the second tranche consideration shares arrangement pursuant to the Agreement, of approximately HK\$580 million based on the valuation results conducted by an independent professional valuer; and (iii) an impairment on goodwill of approximately HK\$107 million arising from the Group’s securities brokerage business after considering the prolonged glooming prospect of Hong Kong’s securities industry with an expectation that such business will not turnaround in foreseeable future.

In spite of the substantial expenses recognized, the Company would like to stress that they are purely generated as a result of the conformity of accounting standards which are non-cash in nature and as not have any impact on the Group's cash flows.

As the Company is in the process of finalising the annual results of the Group for the year ended 31 March 2023, the information contained in this announcement is only based on the preliminary assessment by the Board with reference to the latest information currently available and the unaudited consolidated management accounts of the Group, which have neither been confirmed nor audited by the Company's auditor or reviewed by the Audit Committee of the Company, and is therefore subject to necessary adjustments. Detailed annual results of the Group for the year ended 31 March 2023 are scheduled to be announced on 27 June 2023.

**Potential investors and shareholders of the Company should exercise caution when dealing in shares of the Company.**

By order of the Board  
**Kingkey Financial International (Holdings) Limited**  
**Chen Jiajun**  
*Executive Director*

Hong Kong, 21 June 2023

*As at the date of this announcement, the Directors are as follows:*

*Executive Directors:*

Mr. Chen Jiajun

Mr. Mong Cheuk Wai

*Independent Non-executive Directors:*

Ms. Mak Yun Chu

Mr. Leung Siu Kee

Mr. Hung Wai Che

Mr. Chan Ting Fung