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DA YU FINANCIAL HOLDINGS LIMITED

大禹金融控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1073)

PROFIT WARNING GOODWILL IMPAIRMENT

This announcement is made by Da Yu Financial Holdings 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 (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 of the Laws of Hong Kong).

The Company hereby informs its shareholders and potential investors of the Company that based on the unaudited financial information currently available together with the Group’s unaudited consolidated management accounts for the ten months ended 31 October 2023, owing to goodwill impairment, the Group is expected to record a consolidated net loss of approximately HK\$170 million for the year ending 31 December 2023, as compared to the profit of approximately HK\$5 million for the year ended 31 December 2022. The consolidated net loss is primarily attributable to the anticipated recognition of non-cash impairment loss on goodwill of approximately HK\$178 million for the year ending 31 December 2023. The remaining goodwill balance will be approximately HK\$103 million after the aforesaid impairment. The corporate finance business of the Group is volatile in nature and subject to market sentiment. Given the dampened stock market condition and low activities in the capital markets in Hong Kong, such impairment of goodwill is considered necessary and adequate for the time being. The Group wishes to emphasize that the abovementioned impairment loss on goodwill will not have any cash flow impact to the operations of the Group.

Information contained in this announcement is only a preliminary assessment by the management of the Company based on the unaudited consolidated management accounts of the Group for the ten months ended 31 October 2023 and the financial information currently available, which have not been reviewed by the Company's auditors and/or the audit committee of the Company and are subject to possible adjustments after further review. Shareholders and potential investors of the Company are advised to refer to details in the results announcement of the Company for the year ending 31 December 2023 which is expected to be published by the end of March 2024.

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

By Order of the Board
DA YU FINANCIAL HOLDINGS LIMITED
Lee Wa Lun, Warren
Managing Director

Hong Kong, 23 November 2023

As at the date of this announcement, the Non-Executive Directors are Mr. Kuo Jen-Hao (Chairman) and Mr. Xu Haohao, the Executive Directors are Mr. Lee Wa Lun, Warren (Managing Director), Mr. Lam Chi Shing and Ms. Li Ming, and the Independent Non-Executive Directors are Mr. Chan Sze Chung, Mr. Suen Chi Wai and Mr. Sum Wai Kei, Wilfred.