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SITOY GROUP HOLDINGS LIMITED

時代集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1023)

PROFIT WARNING

This announcement is made by Sityoy Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) 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 Futures Ordinance (Chapter 571 of the 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 of the Company that, based on a preliminary review of the Group’s unaudited interim condensed consolidated financial statements for the six months ended 31 December 2023 and other information currently available to the Board, the Group is expected to record a significant decrease in profit attributable to the owners of the Company for the six months ended 31 December 2023 with a range from 45% to 55%, as compared to a profit attributable to owners of the Company of approximately HK\$106,103,000 for the corresponding period in 2022. It is mainly due to 1) global inflationary pressures and geographical tensions which created uncertainty to the global economy and had impacted our manufacturing business; and 2) exchange loss that is expected to be recorded for the six months ended 31 December 2023 while exchange gain of approximately HK\$22,376,000 was recognised for the corresponding period in 2022.

The revenue from manufacturing business segment for the six months ended 31 December 2023 is expected to significantly decrease when compared to the segment revenue of approximately HK\$716,923,000 for the corresponding period in 2022. It is expected that the segment profit before tax for the six months ended 31 December 2023 will decrease as compared to a segment profit before tax of approximately HK\$107,908,000 for the corresponding period in 2022. Due to global economic uncertainties, customers were more cautious when placing their orders, however the gross profit margin from manufacturing business remains stable.

The segment revenue and the segment profit before tax from retail business segment for the six months ended 31 December 2023 are expected to increase when compared to the segment revenue of approximately HK\$232,518,000 and the segment profit before tax of approximately HK\$10,003,000 for the corresponding period in 2022. This is mainly due to the effort and resource allocated to the e-commerce channel which had achieved satisfactory results and considerable returns.

The revenue from property investment segment for the six months ended 31 December 2023 is expected to decrease when compared to the segment revenue of approximately HK\$7,045,000 for the corresponding period in 2022. However, it is expected to record a segment profit before tax for the six months ended 31 December 2023 when compared to the segment loss before tax of approximately HK\$3,096,000 in the corresponding period in 2022. This is mainly due to lower fair value loss on investment properties revaluation that is expected to be recorded for the six months ended 31 December 2023.

Although the profit attributable to owners of the Company for the six months ended 31 December 2023 is expected to decrease, the Board wishes to inform the Shareholders that the dividend payout policy of the Company remains unchanged.

The Company is still in the process of finalising the interim condensed consolidated financial statements of the Group for the six months ended 31 December 2023. The information contained in this announcement is only based on the preliminary assessment made by the Board with reference to the information currently available, which has not been reviewed or audited by the external auditors and the audit committee of the Company and may be subject to change, and the actual interim results of the Group for the six months ended 31 December 2023 may be different from what is disclosed herein. Shareholders and potential investors of the Company are advised to refer to the Group's interim results announcement for the six months ended 31 December 2023 to be published in due course.

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
Sitoy Group Holdings Limited
Yeung Michael Wah Keung
Chairman

Hong Kong, 9 February 2024

As at the date of this announcement, the executive directors of the Company are Mr. Yeung Michael Wah Keung, Dr. Yeung Wo Fai, Mr. Yeung Andrew Kin and Mr. Chan Tung Chit, non-executive director is Dr. Lau Kin Shing, Charles; and the independent non-executive directors are Mr. Yeung Chi Tat, Mr. Kwan Po Chuen, Vincent, Mr. Lung Hung Cheuk and Ms. Lee Pao Yue.