**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 the 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.

The board of the directors (the "**Board**") of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on the information currently available to the Board, it is expected to record a loss of approximately HK$42.0 million for the year ended 31 December 2020 (the "**Relevant Period**") as compared to the loss of HK$133.6 million as recorded in the corresponding period in 2019.

The Board considered that the loss for the Relevant Period was mainly due to (i) the substantial fair value losses amounting to approximately HK$16.0 million arising from the Group's unlisted equity investments in the limited partnership engaged in investing in new medicine development projects classified as financial assets at the fair value through its profit and loss during the Relevant Period; and (ii) the impairment of trade deposit amounting to approximately HK$11.0 million relating to the segment of sales of motor vehicles of the Group.

The management of the Group believes the drastic drop in revenue in the segment of the sales of motor vehicle during the Relevant Perod leading to the loss of the Group during the Relevant Period, and that the fair value loss, being a non-cash accounting treatment, will not bring about any material adverse effect on the normal operations and current cash position of the Group.

The information as contained in this profit warning announcement is only based on the unaudited internal management accounts of the Group made up to the year ended 31 December 2020 and the information currently available to the Board, which is not confirmed, reviewed or audited by the Company's auditors. The information in this announcement is disclosed for information only and under the GEM Listing Rules and the Inside Information Provisions. Shareholders of the Company and potential investors are advised to read carefully the annual results announcement of the Company for the year ended 31 December 2020 which is expected to be published before the end of March 2021.

## WARNING

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

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

Hong Kong, 11 March 2021

*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 Benzheng, 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 Rules Governing the Listing of Securities on GEM 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 Company Announcements" page of the website of GEM of The Stock Exchange of Hong Kong Limited at http://www.hkgem.com for at least 7 days from the date of its posting and on the Company's website at http://www.sinofortune.hk.*