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## **LIFESTYLE INTERNATIONAL HOLDINGS LIMITED**

### **利福國際集團有限公司**

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

**(Stock Code: 1212)**

### **PROFIT WARNING**

This announcement is made by Lifestyle International Holdings Limited (the “**Company**”, together with its subsidiaries collectively the “**Group**”) 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 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 (the “**Board**”) of the Company wishes to inform shareholders of the Company and potential investors that based on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2021 (the “**Year**”) and the information currently available, the Group is expected to record a loss attributable to owners of the Company of approximately HK\$1,300 million for the Year, as compared to a profit of approximately HK\$139 million for the year ended 31 December 2020.

The expected loss for the Year is mainly attributable to a combination of (i) a significant net investment loss of approximately HK\$1,900 million as compared to an investment income of approximately HK\$34.5 million as recorded in the previous year; and (ii) a much smaller fair value loss of approximately HK\$32 million as compared to the fair value loss of approximately HK\$418 million recorded last year in respect of the Group’s investment properties. The turnaround to loss in the second half of the Year and the net investment loss was a direct result of the unrealized fair value loss of approximately HK\$2,280 million being recorded from the Group’s holding of certain equity and debt securities issued by certain property development groups based in mainland China, with an aggregate fair value of HK\$157 million and HK\$741 million respectively as at 31 December 2021.

Notwithstanding the amount of unrealized fair value loss abovementioned being significant, the Board believes that as the unrealized fair value loss is non-cash, it will not result in any further cash outflows for the Group and therefore will not have a material adverse effect on the Group's operations. On the other hand, the Board noted that business performance of the Group's department store operations has been improving during the Year and the Group expects to record positive growth in its revenue for the Year.

The Company is still in the process of finalizing its annual results of the Group for the Year and the information contained in this announcement represents only a preliminary assessment by the management of the Company based on the information currently available and is not based on any figures or information which have been reviewed or audited by the Company's auditors. The actual results of the Group for the Year may be different from the estimates disclosed herein.

Details of the Group's annual results for the Year are expected to be announced on 28 February 2022. Shareholders of the Company and potential investors are advised to read the results announcement of the Company when it is published.

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

By order of the Board  
**Lifestyle International Holdings Limited**  
**Poon Fuk Chuen**  
*Company Secretary*

Hong Kong, 28 January 2022

*As at the date of this announcement, the Board comprises Mr. Lau Kam Sen and Ms. Lau Kam Shim as executive directors; Mr. Lau Luen Hung, Thomas, Mr. Doo Wai Hoi, William and Ms. Lau Yuk Wai, Amy as non-executive directors; and Mr. Lam Siu Lun, Simon, Mr. Shek Lai Him, Abraham, Mr. Hui Chiu Chung and Mr. Ip Yuk Keung as independent non-executive directors.*