Minerva Group Holding Limited
嬴集團控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 397)

PROFIT WARNING

This announcement is made by Minerva Group Holding Limited ("**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**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 ("**Board**") of directors of the Company ("**Directors**") wishes to announce that, based on the preliminary assessment of the latest available unaudited consolidated management accounts of the Group, the Group expects to record a consolidated net loss of no less than HK$48.4 million for the year ended on 31 December 2024 ("**FY2024**"), as compared with the consolidated net loss of HK$104.1 million last year.

The expected loss for the year is primarily due to an estimated loss of approximately HK$74.7 million on fair value changes of financial assets at fair value through profit or loss ("**FVTPL**"), mainly stemming from unrealised losses on listed equity securities.

The Group's investment performance has been negatively affected by the performance of specific sectors, particularly healthcare, where the Hang Seng Composite Industry Index – Healthcare experienced a 20.1% decline in 2024. Additionally, economic conditions in Hong Kong have been worse than anticipated, prompting the Hong Kong Government to revise its real GDP growth forecast for 2024 down to 2.5%, from a previous estimate of 2.5% to 3.5% during the August review. Notably, real GDP grew by only 1.8% year-on-year in the third quarter of 2024. The Group is currently in the process of estimating the fair value of unlisted investment funds, unlisted equity investments, and investment properties as of 31 December 2024. Additional losses on fair value changes of financial assets at FVTPL are anticipated, particularly due to the performance of unlisted equity investments affected by the lackluster stock price performance of comparable healthcare companies.

* *For identification purpose only*

Hong Kong has faced prolonged economic challenges in recent years, evidenced by a surge in overdue loans among the city's largest banks and a significant contraction in corporate lending, rising bad debt, increasing bankruptcies, and a struggling mainland Chinese economy plagued by structural issues further cloud Hong Kong's economic outlook. An assessment of the expected credit loss allowance on loans and interest receivables related to the Group's money lending business and loan portfolio is also underway. As a result, a substantial increase in the expected credit loss allowance for FY2024 is anticipated, reflecting the adverse loan market conditions recorded by the Official Receiver's Office. This includes a continuous rise in bankruptcy petitions and winding-up orders since 2022, compounded by poor economic performance and defaults on some loan receivables for FY2024.

The Group is still in the process of finalising its consolidated financial information for the FY2024. The information contained in this announcement is only based on a preliminary assessment made by the Board with reference to the information currently available, which has not been reviewed by the audit committee of the Board or the auditors of the Company and may be subject to change. Such information may also be subject to adjustment after further review and finalisation of the consolidated financial information for the FY2024. The shareholders and potential investors of the Company are advised to refer to the details of the Company's announcement of its results for the FY2024 to be published in or around late March 2025.

The 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
Li Wing Cheong
Chairman

Hong Kong, 17 January 2025

As at the date of this announcement, the executive Directors are Mr. Li Wing Cheong and Mr. Tong Hin Jo; and the independent non-executive Directors are Ms. Chan Lai Ping, Ms. Tam Mei Chu and Mr. Ho Yuen Tung.