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Cinese International Group Holdings Limited **富盈環球集團控股有限公司**

(incorporated in Ontario, Canada and continued in the Cayman Islands with limited liability)
(Stock Code: 1620)

PROFIT WARNING

This announcement is made by Cinese International Group 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 in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571, 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 that, based on a preliminary assessment of the latest available unaudited consolidated management accounts of the Group for the year ended 31 December 2021 (the “**Year**”), the Group is expected to record a net loss of approximately HK\$75.4 million in the consolidated statement of comprehensive income for the Year, representing an increase in net loss by approximately 56.8% as compared to the net loss of approximately HK\$48.1 million for the year ended 31 December 2020. Based on the information currently available, the expected net loss for the Year was mainly attributable to:

- (i) a provision of Departure and Deemed Disposition Taxes of approximately HK\$31.5 million, which was based on a preliminary assessment of the tax representative of the Group, and subject to the final tax assessment of the Canadian Tax Authority, was charged as income tax expense as a result of the change in control of the Company on 19 July 2021. For details of the tax implication in relation to the change of Canadian residency of the Company, please refer to the announcement jointly issued by the Company and the offeror dated 6 June 2021; and
- (ii) expected credit losses allowance of approximately HK\$39.3 million was made in accordance with International Financial Reporting Standard 9 to certain financial assets in light of the unfavourable market condition caused by the sustained outbreak of COVID-19.

The Company is still in the process of finalising the final results of the Group for the Year. The information contained in this announcement is only a preliminary assessment by the management of the Company based on information currently available to the Company and has not been reviewed or audited by the Company's external auditors nor approved by the audit committee of the Company. In particular, the provision of Departure and Deemed Disposition Taxes mentioned above is based on the preliminary assessment of the tax representative of the Group, and is subject to the final tax assessment of the Canadian Tax Authority. The actual results of the Group for the Year may be different from the information disclosed herein. Shareholders and potential investors should read carefully the final results announcement of the Company for the Year, which is expected to be published in late March 2022.

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

By order of the Board
Cinese International Group Holdings Limited
富盈環球集團控股有限公司
Ms. Kou Chung Yin Mariana
Chairperson and executive Director

Hong Kong, 18 March 2022

As at the date of this announcement, the executive Directors are Mr. Liu Xue Bin and Ms. Kou Chung Yin Mariana, the non-executive Director is Mr. Liu Jiefeng, and the independent non-executive Directors are Mr. Fong Wai Bun Benny, Ms. Suen Yin Wah Chloe and Ms. Kwan Ka Yee.