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# **STELUX** Holdings International Limited

寶光實業(國際)有限公司\*

*Incorporated in Bermuda with limited liability*

website: <http://www.stelux.com>

Stock Code: 84

## **PROFIT WARNING**

This Announcement is made by Stelux Holdings International Limited (the “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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap 571 Laws of Hong Kong) (the “SFO”).

The Group wishes to inform shareholders and potential investors of the Company that based on information currently available to the Board of directors of the Company (the “Board”), the Group is expected to record a consolidated net loss attributable to equity holders of the Company for the year ended 31 March 2021 of no less than HK\$60 million. The Group’s consolidated net loss for the year ended 31 March 2021 is expected to be lower than that of last year of HK\$402.9 million after taking into the following factors:

- 1) A gain on disposal of a subsidiary of HK\$95 million (relating to a property in Hong Kong) was recorded during the year ended 31 March 2021;
- 2) A decline in revenues due to COVID-19 severely disrupted economic activities with lockdowns in some of our operating regions during the year ended 31 March 2021;
- 3) An impairment loss (non-cash) due to revaluation of properties as at 31 March 2021;
- 4) A potential stock provision expense (non-cash) relating to slow-moving watch movements during the year ended 31 March 2021; and
- 5) A consolidated net loss of HK\$402.9 million was recorded for the year ended 31 March 2020 which included the following non-cash items totaling HK\$257.1 million:
  - the accounting impact from HKFRS 16 Leases of HK\$12.3 million;
  - an impairment of HK\$76.9 million relating to right-of-use assets mainly arising from retail stores with declined store profitability;
  - an impairment of HK\$66.3 million due to revaluation of investment properties;
  - a stock provision expense of HK\$95.4 million mainly relating to slow-moving watch movements given the uncertain watch retail environment; and
  - an impairment of intangible assets of HK\$6.2 million due to reducing recoverable amount.

The Group would have reported a loss of HK\$145.8 million for the year ended 31 March 2020 after excluding the above non-cash items.

The information contained in this Announcement has not been reviewed or audited by the Company's auditors and is only based on the Board's preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 March 2021. The Group is still in the course of finalising its accounts which are subject to further review and assessment by the Board and the Company's auditors. Therefore, the Group's results for the year ended 31 March 2021 may be different from the information set out in this Announcement. The Group is expected to publish its final results for the year ended 31 March 2021 on 24 June 2021.

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

On behalf of the Board  
**Joseph C. C. Wong**  
*Chairman and Chief Executive Officer*

Hong Kong, 24 May 2021

Directors of the Company as at the date hereof:

*Executive directors:*

Chumphol Kanjanapas (also known as Joseph C. C. Wong) (*Chairman and Chief Executive Officer*)  
and Wallace Kwan Chi Kin (*Chief Financial Officer*)

*Independent Non-Executive directors:*

Lawrence Wu Chi Man, Agnes Kwong Yi Hang and Ho Chi Kin (also known as Jeff Ho)

*\* For identification purpose only*