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KINGBO STRIKE LIMITED

工 蓋 有 限 公 司 *

(Incorporated in the Cayman Islands with limited liability)

(Stock code : 1421)

SUPPLEMENTAL ANNOUNCEMENT PROFIT WARNING

This announcement is made by Kingbo Strike 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 (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the Company’s profit warning announcement dated 12 August 2022 in respect of the Group’s financial information for the year ended 30 June 2022 (the “**Announcement**”). Unless otherwise specified, capitalised terms used herein shall have same meanings as those defined in the Announcement.

The board of directors (the “**Board**”) of the Company wishes to further inform the shareholders (the “**Shareholders**”) and potential investors of the Company that, based on the information currently available to the Company and the preliminary review by the Board of the unaudited consolidated management accounts of the Company for the year ended 30 June 2022 (the “**FY 2022**”), the Group is expected to record a loss attributable to owners of the Company ranging from approximately HK\$42 million to HK\$46 million, subject to the review and audit by the Company’s independent external auditors, as compared to a loss attributable to owners of the Company of approximately HK\$30.1 million for the corresponding year in 2021 (the “**FY 2021**”).

The expected further increase in loss attributable to owners of the Company was mainly attributable to the increase in expected credit loss upon finalization of the valuation of approximately HK\$11.3 million and withholding tax provision in relation to dividend income of approximately HK\$13.4 million.

The revised increase in loss attributable to owners of the Company was primarily due to the combined effect of:

1. No impairment of goodwill in FY 2022, as compared to approximately HK\$10.1 million in FY 2021;

2. Improvement in fair value loss on held for trading investments to approximately HK\$3.3 million in FY 2022, as compared to approximately HK\$6.3 million loss in FY 2021;
3. Stable in solar power business segment results to approximately HK\$6 million in FY 2022, as compared to approximately HK\$6.0 million (before the effect of impairment of goodwill) in FY 2021;
4. Deterioration in electrical distribution system segment results to loss of approximately HK\$9 million in FY 2022, as compared to profit of approximately HK\$6.9 million in FY 2021; and
5. Provision of withholding tax in relation to dividend income of approximately HK\$13.4 million, while no such provision in FY2021.

As at the date of this announcement, the Company is still in the process of finalising its unaudited consolidated management accounts of the Company for FY 2022. The Board wishes to emphasise that the information contained in this announcement is based on the preliminary review by the Board of the latest unaudited consolidated management accounts of the Company for FY 2022, which have neither been confirmed nor reviewed by the Company's independent external auditors and the audit committee of the Board and may be subject to further adjustments. Shareholders and potential investors are advised to read carefully the annual results announcement of the Company for FY 2022, which is expected to be published by September 2022.

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
Kingbo Strike Limited
Liu Yancheng
Chairman

Hong Kong, 27 September 2022

As at the date of this announcement, the Directors are:

Executive Directors

Mr. Liu Yancheng (*Chairman*)
Mr. Yao Runxiong

Non-executive Director

Mr. Tam Tak Wah

Independent non-executive Directors

Mr. Leung Po Hon
Mr. Li Jin
Dr. Luo Xiaodong

* *For identification purposes only*