KINGWELL GROUP LIMITED
京維集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1195)

PROFIT WARNING

This announcement is made by Kingwell Group Limited (the "**Company**", together with its subsidiaries collectively referred to as 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 and the Inside Information provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571, the 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 the preliminary review on the latest available financial information of the Group, the Group expects to record a significant increase in net loss for the year ended 30 June 2020 (the "**Year**") ranging between approximately RMB24 million and RMB30 million, as compared to a net loss of approximately RMB9.8 million last year. The significant increase in loss was mainly attributable to the impairment provision for the intangible assets of the Russia gold mine. Due to the Covid-19, the Group has changed the exploitation plan and postponed the normal production of the Russia gold mine. The Group expects the Russia gold mine will only maintain the minimum operation by the outsourcing contractor in 2020 and 2021. It will lower the expected future performance as compared with previous years.

As the Company is still in the process of finalising its annual results of the Group for the Year, the information contained in this announcement is only based on preliminary assessment made by the management of the Company with reference to the latest financial information available.

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

By Order of the Board
KINGWELL GROUP LIMITED
Mu Dongsheng
Chairman

Hong Kong, 11 September 2020

As at the date of this announcement, the Board comprises Mr. Mu Dongsheng and Mr. Du Yun as executive Directors, and Mr. Cheung Chuen, Mr. Ling Aiwen and Mr. Lu Lin as independent non-executive Directors.