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AUTO ITALIA HOLDINGS LIMITED
意達利控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 720)

PROFIT WARNING

This announcement is made by Auto Italia Holdings 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).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders and the potential investors of the Company that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2020 (the “**Period**”) and the current information available to the Board, the Group is expected to record a consolidated loss of not less than HK\$89 million for the Period as compared to the consolidated loss of approximately HK\$24.1 million for the year ended 31 December 2019. Such loss is primarily attributable to (i) the decline in revenue of the Car Division and the Financial Investments and Services Division due to uncertain economic environment and weak market sentiment owing to the outbreak of the novel coronavirus epidemic; (ii) impairment loss/write-down of assets and goodwill for the Car Division that was underperformed during the Period; and (iii) a share of loss of an associate for the Period compared with a share of profit of an associate for the year ended 31 December 2019.

* *For identification purpose only*

The information contained in this announcement is based on the Board's preliminary review of the unaudited consolidated management accounts of the Group for the Period and the current information available to the Board, which have not been audited or reviewed by the auditors of the Company. The Company is still finalising the results of the Group for the Period. Such results are subject to changes in connection with certain valuation work to be completed in relation to the Group's investment in an associate that measured at fair value through profit or loss. The Company will announce the consolidated final results of the Group for the Period in late March 2021.

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

By Order of the Board
Auto Italia Holdings Limited
CHONG Tin Lung Benny
Executive Chairman and Chief Executive Officer

Hong Kong, 11 March 2021

As at the date of this announcement, the Board comprises Mr CHONG Tin Lung Benny (Executive Chairman and Chief Executive Officer), Mr LAM Chi Yan, Mr HUANG Zuie-Chin and Mr NG Siu Wai, both of whom are executive Directors; and Mr KONG Kai Chuen Frankie, Mr LEE Ben Tiong Leong and Mr TO Chun Wai, all of whom are independent non-executive Directors.