



**STRICTLY PRIVATE AND CONFIDENTIAL**

7 October 2021

**Sun International Group Limited**

Room 03, 26/F  
One Harbour Square  
No. 181 Hoi Bun Road  
Kwun Tong, Kowloon  
Hong Kong

**Attention: the Board of Directors**

Dear Sirs,

We refer to the profit warning statement made by Sun International Group Limited (the “**Company**”) in its announcement dated 7 October 2021 in respect of the Group’s consolidated financial results for the six months ended 30 September 2021 (the “**Profit Warning Statement**”). We note that the Profit Warning Statement is regarded as a profit forecast pursuant to Rule 10 of the Takeovers Code. Capitalised terms used herein shall have the same meanings as defined in the announcement jointly issued by Fresh Success Investments Limited and the Company dated 7 September 2021 unless the context requires otherwise.

With reference to the Profit Warning Statement, it states that:

*“Based on the preliminary assessment on the unaudited consolidated management accounts of the Group for the five months ended 31 August 2021, the business operation and information of the Group currently available to the board (the “**Board**”) of directors (the “**Directors**”) of the Company as at the date of this announcement, the Group is expected to record a loss attributable to owners of the Company of not less than HK\$16 million for the six months ended 30 September 2021, as compared to a profit attributable to owners of the Company of approximately HK\$12.1 million for the period ended 30 September 2020.*





*Following the commencement of its cryptocurrency mining activities in Kazakhstan in July 2021, the Group has successfully mined Bitcoin through its cryptocurrency mining activities. As at the date of this announcement, the Group has disposed of part of Bitcoin mined. Notwithstanding the increase in revenue from disposal of Bitcoin, the Group is expected to record a loss attributable to owners of the Company for the six months ended 30 September 2021 mainly attributable to following factors:*

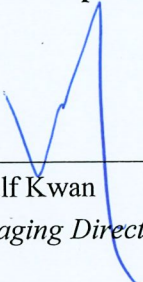
- (i) the Group is expected to recognise an impairment loss for expected credit losses on trade receivables during the six months ended 30 September 2021 instead of the reversal of impairment losses for expected credit losses on trade receivables of approximately HK\$16.2 million for the six months ended 30 September 2020;*
- (ii) the Group established the cryptocurrency mining segment during the six months ended 30 September 2021 and the Group incurred non-recurring expenses of approximately HK\$7.8 million during the relocation of the equipment for cryptocurrency mining from the People's Republic of China to Kazakhstan. As a result, it is preliminarily expected that the cryptocurrency mining segment of the Group would incur a segment loss of approximately HK\$6.4 million for the six months ended 30 September 2021; and*
- (iii) the overall decrease in total revenue from financial and equine services segment for the six months ended 30 September 2021 comparing with the six months ended 30 September 2020."*

We have reviewed the Profit Warning Statement and other relevant information and documents which you as the Directors are solely responsible for and discussed with you and the senior management of the Company the key bases upon which the Profit Warning Statement has been made. In addition, we have considered, and relied upon, the report on the Profit Warning Statement from HLB Hodgson Impey Cheng Limited addressed to the Directors dated 7 October 2021 regarding the accounting policies and the arithmetical accuracy of the calculations upon which the Profit Warning Statement has been made.

Based on the above, we are of the opinion that the Profit Warning Statement, for which the Directors are solely responsible, has been made with due care and consideration.



Yours faithfully,  
For and on behalf of  
**Astrum Capital Management Limited**



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Hidulf Kwan  
*Managing Director*