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RISECOMM

瑞斯康

RISECOMM GROUP HOLDINGS LIMITED

瑞斯康集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1679)

PROFIT ALERT — REDUCTION OF LOSS

This announcement is made by Risecomm Group Holdings Limited (the “**Company**” and 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 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).

Based on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2021 (the “**Year Under Review**”) and other information currently available to the board (the “**Board**”) of directors (“**Directors**”) of the Company, the Board would like to inform shareholders of the Company (the “**Shareholders**”) and potential investors that, the Group expects to record a reduction in net loss by not less than 55.5% as compared to the net loss of approximately RMB126.0 million for the year ended 31 December 2020. Based on the information currently available to the Board, the expected decrease in net loss for the year under review was primarily due to (i) increase in gross profit of the Group; (ii) the recognition of a net reversal for impairment losses on financial assets for the Year Under Review due to the recovered trade and other receivables, as compared to the recognition of a net allowance for impairment losses on financial assets for the year ended 31 December 2020; (iii) decrease in impairment of goodwill as no impairment of goodwill has been recognised during the Year Under Review; (iv) decrease in amortization of intangible assets as certain customer relationships and non-compete undertakings have been fully impaired during the year ended 31 December 2020 and therefore are not subject to further amortization during the Year Under Review; and (v) decrease in fair value losses of convertible bonds during the Year Under Review.

The information contained in this announcement is only based on preliminary assessment by the Company of its unaudited consolidated management accounts for the Year Under Review and the information currently available to it, which has not been confirmed or reviewed by the Company’s auditor or audit committee and may be subject to adjustments.

The Group is still in process of finalising the audited consolidated annual results for the Year Under Review, subject to the final results of assessment and valuation against the Group's relevant assets which may differ from those disclosed in this announcement.

Shareholders and potential investors are advised to read carefully the annual results announcement of the Company for the year under review which is expected to be published by the end of March 2022 in compliance with the Listing Rules.

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

By Order of the Board
Risecomm Group Holdings Limited
Yue Jingxing
Chairman and Executive Director

Hong Kong, 25 March 2022

As at the date of this announcement, the executive Directors are Mr. Yue Jingxing, Mr. Lau Wai Leung, Alfred and Mr. Jiang Feng, the non-executive Directors are Mr. Cheung Fan, Mr. Yu Lu and Mr. Ding Zhigang, and the independent non-executive Directors are Mr. Ong King Keung, Ms. Lo Wan Man and Mr. Zou Heqiang.