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YING HAI GROUP HOLDINGS COMPANY LIMITED
羸海集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8668)

POSITIVE PROFIT ALERT

This announcement is made by Ying Hai Group Holdings Company Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company would like to inform the shareholders of the Company (the “**Shareholders**”) and potential investors of the Company that, based on the preliminary review by the Board of the unaudited consolidated management accounts of the Group for the three months ended 31 March 2023 (“**2023Q1**”), the Group expects to record a consolidated net profit ranging from approximately HK\$2.0 million to approximately HK\$2.8 million, as compared to the consolidated net loss of approximately HK\$4.2 million for the three months ended 31 March 2022. The improvement in results was primarily due to the significant increase in revenue and decrease in administrative expenses for 2023Q1.

The significant increase in revenue during 2023Q1 was mainly attributable to the increase in revenue from sales and distribution of hotel rooms and the provision of car rental services. Since the emergence of the outbreak of COVID-19 pandemic (the “**Pandemic**”) in 2020, the travel industry of Macau had been significantly hit and the Group’s business and financial performance had been adversely affected. With the easing of the Pandemic and the relaxation of travel restrictions and stringent anti-epidemic measures for the first quarter of 2023, the number of visitors going to Macau increased and hence the revenue of the Group for 2023Q1. In addition, the decrease in administrative expenses was mainly attributable to the decrease in employee benefits expenses and depreciation during 2023Q1.

The information in this announcement is only based on the information currently available to the Board and the preliminary review of the unaudited consolidated management accounts of the Group for 2023Q1 by the Board and may be subject to adjustments. The unaudited consolidated management accounts of the Group for 2023Q1 have not yet been reviewed by the audit committee of the Company, and have not been reviewed or audited by the auditor of the Company. The actual quarterly results of the Group for 2023Q1 may be different from the information disclosed in this announcement. Shareholders and potential investors are advised to read carefully the Company's quarterly results announcement for 2023Q1, which is expected to be published on or around 15 May 2023 in accordance with the GEM Listing Rules.

Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

By order of the Board
Ying Hai Group Holdings Company Limited
Zou Shuer
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 10 May 2023

As at the date of this announcement, the executive Director is Ms. Zou Shuer; and the independent non-executive Directors are Mr. Sou Sio Kei, Mr. Rodrigues Cesar Ernesto and Mr. Hu Chung Ming.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Listed Company Information" page of the Stock Exchange's website at www.hkexnews.hk for at least seven days from the date of its publication. This announcement will also be published on the Company's website at www.yinghaiholding.com.