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CHINA NEW CONSUMPTION GROUP LIMITED

中國新消費集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8275)

POSITIVE PROFIT ALERT

This announcement is made by CHINA NEW CONSUMPTION GROUP LIMITED (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10(2)(a) of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (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 wishes to inform the shareholders (the “**Shareholders**”) and potential investors of the Company that, based on a preliminary review of the unaudited consolidated management accounts of the Group for the three months ended 30 June 2023, the Group is expected to record a profit attributable to the owners of the Company ranging from approximately HK\$1.0 million to approximately HK\$2.0 million for the three months ended 30 June 2023 as compared to the loss attributable to its owners of approximately HK\$14.8 million for the corresponding period in 2022. The Board considers that the turnaround in the results for the three months ended 30 June 2023 is mainly due to (i) the increase in revenue due to increase in rental income from machinery; (ii) the increase in gross profit due to higher profit margins for newly awarded construction projects and rental of machinery; and (iii) the decrease in administrative expenses due to decrease in legal and professional fee and marketing fee.

The Company is still in the process of finalising the first quarterly results of the Group for the three months ended 30 June 2023. The information contained in this announcement is based on the preliminary assessment made by the Board with reference to the information currently available and the unaudited consolidated management accounts of the Group for the three months ended 30 June 2023, which have not been audited nor reviewed by the Group’s auditor and have not been confirmed by the audit committee of the Board and may be subject to adjustment. Shareholders and potential investors of the Company are advised to read carefully the first quarter result announcement of the Company, which is expected to be released on 8 August 2023.

The 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
China New Consumption Group Limited
Tang Kwai Leung Stanley
Chairman and Executive Director

Hong Kong, 31 July 2023

As at the date of this announcement, the Board comprises Mr. Tang Kwai Leung Stanley as executive Director; and Mr. He Dingding, Ms. Chan Tsz Hei Sammi and Ms. Liu Ching Man as independent non-executive Directors.

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 website of the Stock Exchange at www.hkexnews.hk on the “Latest Listed Company Information” page for at least 7 days from the date of its posting and will be published on the Company’s website at www.beavergroup.com.hk.