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AM GROUP HOLDINGS LIMITED

秀商時代控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1849)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

Based on a preliminary review of the unaudited consolidated management accounts of the Group for the period ended 31 December 2023 and the information currently available to the Company, it is expected that the Group would record a net loss of approximately S\$0.2 million, as compared to a net profit of approximately S\$2.1 million for the corresponding period in 2022.

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

This announcement is made by AM Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the “**SFO**”).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on a preliminary review of the unaudited consolidated management accounts of the Group for the period ended 31 December 2023 and the information currently available to the Company, it is expected that the Group would record a net loss for the period ended 31 December 2023 of approximately S\$0.2 million as compared to the net profit of approximately S\$2.1 million for the period ended 31 December 2022. The decrease was mainly due to the following reasons:

- (i) The decrease of profit of a subsidiary, being Majestic State International Limited, by approximately 81% from approximately S\$1.6 million for the period ended 31 December 2022 to the amount of approximately S\$0.3 million for the period ended

31 December 2023. The drop in profit was caused by a drop in sales revenue by 73%, from approximately S\$11.5 million for the period ended 31 December 2022, to approximately S\$3.1 million for the period ended 31 December 2023.

The drop in sales revenue can be attributed to the current challenging macro-economic situation in China.

- (ii) Decreased gross profit in the Group's business segment of Creative and Technology services ("C&T"), from approximately S\$1.9 million for the period ended 31 December 2022 to the amount of approximately S\$0.7 million for the period ended 31 December 2023. The decrease in gross profit is due to the drop in C&T sales revenue by approximately S\$1.2 million, from approximately S\$2.4 million for the period ended 31 December 2022, to approximately S\$1.2 million for the period ended 31 December 2023.

The drop in C&T sales revenue can be attributed to clients generally focusing their marketing campaign on Search Engine Marketing services. Sales revenue for Search Engine Marketing services increased by 8.5% from approximately S\$9.2 million for the period ended 31 December 2022, to approximately S\$10 million for the period ended 31 December 2023.

The information contained in this announcement is only based on the Company's preliminary review of the unaudited consolidated management accounts of the Group for the period ended 31 December 2023 and the information currently available to the Company and is not based on any figure or information that has been audited by the independent auditor of the Company nor reviewed by the audit committee of the Board. Shareholders and potential investors are advised to take careful consideration of the Company's announcement regarding the interim results for the period ended 31 December 2023, which is expected to be published on 28 February 2024.

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

For and on behalf of
AM Group Holdings Limited
Teo Li Lian

Chairlady, Executive Director and Chief Executive Officer

Hong Kong, 20 February 2024

As at the date of this announcement, the Board of the Company comprises three executive Directors, namely Ms. Teo Li Lian (Co-Chairlady and Chief Executive Officer), Mr. Teo Kuo Liang and Mr. Mu Lei (Co-Chairman); one non-executive Director, Mr. Shi Lizhi; and two independent non-executive Directors, namely Mr. Lee Shy Tsong and Ms. Zhang Hong.