

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



ART GROUP HOLDINGS LIMITED

錦藝集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 565)

**PROFIT WARNING
REDUCTION IN LOSS
AND
CONTINUED SUSPENSION OF TRADING**

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

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on a preliminary assessment on the unaudited consolidated management accounts of the Group for the year ended 30 June 2024 and the information currently available, it is expected that the Group may record a net loss of not less than HK\$270 million for the year ended 30 June 2024, as compared to a net loss of approximately HK\$683 million for the year ended 30 June 2023. The Board believes that such net loss is primarily due to (i) a loss on fair value of the Group’s investment properties of approximately HK\$260 million incurred for the year ended 30 June 2024 because of slow recovery of China’s macro-economy during the current year, particularly the real estate market. Some real estate companies still have financial pressure. Under the influence of multiple factors, the supply and demand ends of the commercial real estate market are still weak; and (ii) an impairment loss of rental deposits of approximately HK\$89 million due to the seizure and title transfer of certain areas of the Jiachao’s Shopping Mall by a number of banks and financial institutions as a result of the exercise of their rights under the pledges of the shopping mall created by its owner, which in turn increased the credit risk to a certain extent.

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 year ended 30 June 2024 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 financial results for the year ended 30 June 2024, which is expected to be published before end of October 2024.

CONTINUED SUSPENSION OF TRADING

Trading in the shares of the Company on The Stock Exchange of Hong Kong Limited has been suspended with effect from 9:00 a.m. on Wednesday, 2 October 2024 and will remain suspended until further notice.

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

By order of the Board
Art Group Holdings Limited
Chen Jinyan
Chairman

Hong Kong, 15 October 2024

As at the date of this announcement, the executive directors of the Company are Mr. Chen Jinyan, Mr. Su Peixin and Mr. Yao Linying; and the independent non-executive directors of the Company are Mr. Chong Hon Wang, Ms. Chong Sze Pui Joanne and Ms. Wang Yuqin.