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## **HUAXI HOLDINGS COMPANY LIMITED**

華禧控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1689)**

### **PROFIT WARNING**

This announcement is made by Huaxi Holdings Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities (“**Listing Rules**”) on The Stock Exchange of Hong Kong Limited and the 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 of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the information currently available to the Board, the Group is expected to record a loss attributable to owners of the Company of approximately HK\$21 million for the six months ended 30 June 2024 (the “**Period**”) as compared with the loss attributable to owners of the Company of approximately HK\$8 million for the six months ended 30 June 2023.

The Board considers that the increase in loss attributable to owners of the Company for the Period was mainly attributable to the following reasons:

- (i) a decrease in revenue from sales of cigarette packaging products due to the intense market competition and a decline in demand from key customers;
- (ii) an increase in loss recognized from the environmental and ecological restoration treatment business of the Group, as no new ecological restoration projects were awarded during the Period but additional costs were incurred for the maintenance of existing projects; and
- (iii) an increase in fair value losses in the financial assets through profit or loss due to the volatility in the securities markets of Hong Kong and the People’s Republic of China during the Period.

The information contained in this announcement is based only on a preliminary assessment of the unaudited consolidated management accounts of the Group for the Period, which has not yet been audited or reviewed by the auditors or the audit committee of the Company. The Company is finalising the consolidated financial results of the Group for the Period, the actual information and data may differ from the information contained in this announcement. Shareholders and potential investors of the Company are advised to refer to the forthcoming interim results announcement of the Group for the Period, which is expected to be published on 28 August 2024.

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

By Order of the Board  
**Huaxi Holdings Company Limited**  
**Zheng Andy Yi Sheng**  
*Chairman*

Hong Kong, 20 August 2024

*As at the date of this announcement, the Board comprises Mr. Zheng Andy Yi Sheng and Mr. Zheng Minsheng as executive directors; Mr. Hao Jiming as non-executive director; and Mr. Lau Kwok Hung, Mr. Fok Po Tin and Mr. Cai Xiaowen as independent non-executive directors.*