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CSMall Group Limited
金貓銀貓集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1815)

PROFIT WARNING – REDUCTION IN LOSS

This announcement is made by CSMall Group Limited (the “**Company**”, and 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 and 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 and potential investors that, based on the Group’s unaudited consolidated management accounts for the six months ended 30 June 2024 (“**1H 2024**”) (which have not been confirmed, reviewed or audited by the Company’s auditors or audit committee, and may be subject to adjustment) and other information currently available to the Group, the Group expects to record a net loss attributable to owners of the Company of RMB8 million to RMB13 million for 1H 2024, as compared to a net loss attributable to owners of the Company of approximately RMB15.0 million for the six months ended 30 June 2023 (“**1H 2023**”).

Such expected year-on-year reduction in net loss is mainly attributable to the following factor:

- (i) in respect of the Group's new jewellery retail segment, although the segment's overall sales volume for 1H 2024 had reduced due to a significant decrease in sales of gold products, the segment had recorded a growth in sales of silver products, which had a higher gross profit margin compared to gold products, resulting in an increase in gross profit and thus a turnaround from net loss to net profit for the segment for 1H 2024,

which is partially offset by the following unfavorable factors:

- (ii) in respect of the Group's fresh food retail segment, given that the "Nongmuren" S2B2C platform had been continuously undergoing business reorganization and adjusting its business strategies, the sales volume for 1H 2024 had reduced compared to that for 1H 2023; in addition, the segment is expected to recognize a goodwill impairment of approximately RMB8.5 million due to a re-estimation of the segment's expected future cash flows, resulting in an increase in net loss for the segment for 1H 2024; and
- (iii) a net provision for impairment loss under expected credit loss model of approximately RMB6 million is expected to be recognized for 1H 2024 in respect of the Group's trade and other receivables, as compared to approximately RMB1.4 million for 1H 2023.

The Company is still in the process of finalizing its interim results for 1H 2024. Detailed financial information and performance of the Group for 1H 2024 will be disclosed in the Company's interim results announcement for 1H 2024 which is expected to be published by the end of August 2024.

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

By order of the Board
CSMall Group Limited
Chen He
Chairman

Hong Kong, 20 August 2024

As at the date of this announcement, the executive directors of the Company are Mr. Chen He and Mr. Qian Pengcheng; and the independent non-executive directors of the Company are Mr. Yu Leung Fai, Mr. Hu Qilin and Mr. Zhang Zuhui.