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Volcano Spring International Holdings Limited

火山邑動國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1715)

PROFIT WARNING – REDUCTION OF LOSS

This announcement is made by Volcano Spring International Holdings Limited (the “**Company**” and its subsidiaries, collectively 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 the Inside Information Provisions (as defined in the 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 of the Company (the “**Shareholders**”) and the potential investors that, based on the unaudited consolidated management accounts of the Group for the year ended 31 December 2024 and information currently available to the Company, the Group expects to record a net loss after tax of approximately RMB35.5 million for the year ended 31 December 2024, as compared with a net loss after tax of approximately RMB49.3 million for the corresponding period in 2023. Such reduction in net loss was mainly due to the combined results of (i) the decrease in overall gross profit as a result of a change in the product mix; and (ii) the decrease in administrative expenses and selling and distribution expenses resulting from effective cost control measures implemented by the Group.

The Company is still in the process of preparing the consolidated financial results of the Group for the year ended 31 December 2024. The information contained in this announcement is only based on the information currently available to the Company and the preliminary review by the Board on the unaudited consolidated management accounts of the Group for the year ended 31 December 2024, which have not been reviewed or audited by the independent auditors and/or the audit committee of the Company. The actual financial results of the Group for the year ended 31 December 2024 may differ from what is disclosed in this announcement. Shareholders and potential investors are advised to read carefully the annual results announcement of the Company for the year ended 31 December 2024, which is expected to be published in March 2025 in accordance with the requirements of the Listing Rules.

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

By Order of the Board
Volcano Spring International Holdings Limited
Zhao Jie
Chairman of the Board and Executive Director

Hong Kong, 11 March 2025

As at the date of this announcement, the executive Directors of the Company are Mr. Zhao Jie, Madam Maeck Can Yue and Mr. Wu Huizhang, the non-executive Director of the Company is Ms. Zheng Jingwen, and the independent non-executive Directors of the Company are Mr. Li Wei, Mr. Lin Dongming, Mr. Shen Shujing and Mr. Wang Shih-fang.