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
SUPPLEMENTAL ANNOUNCEMENT

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 in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcement of the Company dated 9 February 2021 in relation to the profit warning of the Company (the "**Announcement**"). Unless otherwise specified, capitalised terms used herein shall have the same meaning as those defined in the Announcement.

The Board wishes to further inform the Shareholders and potential investors that, based on a preliminary assessment on the unaudited condensed consolidated management accounts of the Group for the six months ended 31 December 2020 and information currently available to the Board, the Group may record a net loss of not less than HK$288 million for the six months ended 31 December 2020. The Board believes that such net loss is due to a decrease in fair value of the Group's investment properties, the Jiachao's Shopping Mall, of approximately HK$403 million as a result of the COVID-19 pandemic spreading across the globe since the first half year of 2020.

The Company is still in the process of finalising the interim results of the Group for the six months ended 31 December 2020. The information contained in this announcement is only based on the preliminary assessment by the Board according to the unaudited condensed consolidated management accounts of the Group for the six months ended 31 December 2020 and is subject to finalisation and confirmation by the Company's auditors and approval by the Board.

Further details of the Group's financial results and performance will be disclosed in the interim results announcement of the Group for the six months ended 31 December 2020 to be published before the end of February 2021 in accordance with 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
Art Group Holdings Limited
Chen Jinyan
Chairman

Hong Kong, 23 February 2021

As at the date of this announcement, the executive directors of the Company are Mr. Chen Jinyan and Mr. Chen Jindong; and the independent non-executive directors of the Company are Mr. Kwan Chi Fai, Mr. Lin Ye, Mr. Yang Zeqiang and Ms. Chong Sze Pui Joanne.