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HUARCHI GLOBAL GROUP HOLDINGS LIMITED

華記環球集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 2296

Warrant Code: 1642

QUARTERLY UPDATE ON PROGRESS OF RESUMPTION

This announcement is made by Huarchi Global Group Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09 and 13.24A of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcements of the Company dated 23 December 2021 and 30 December 2021 (the “**Announcements**”) in relation to, among others, (i) the resumption guidance (the “**Resumption Guidance**”) set out by the Stock Exchange for resumption of trading in the shares of the Company; (ii) the continued suspension of trading in the shares of the Company (the “**Shares**”) on the Stock Exchange; and (iii) formation of independent investigation committee. Unless otherwise specified, the capitalised terms used herein shall have the same meaning as defined in the Announcements.

QUARTERLY UPDATE ON RESUMPTION PROGRESS

As disclosed in the announcement of the Company dated 23 December 2021, the Stock Exchange has set out the Resumption Guidance for the Company. The Company is taking appropriate steps to resolve the issues causing the suspension of trading in the Shares. The status of resumption is summarised as follows:

Formation of Independent Investigation Committee

As disclosed in the announcement of the Company dated 30 December 2021, the Independent Investigation Committee, initially comprising Dr. Lam Chi Kit, Dr. Sin Wai Chiu Joseph and Mr. Lo Chun Chiu Adrian, all independent non-executive Directors, was established on 23 December 2021. The duties and purposes of the Independent Investigation Committee have been disclosed in the said announcement.

Appointment of Independent Investigator

The Board announces that the Independent Investigation Committee has appointed Grant Thornton Advisory Services Limited, an independent third party investigator (the “**Independent Investigator**”), to conduct an independent investigation into the Incidents (the “**Independent Investigation**”) and produce a report of findings on the Independent Investigation to the Independent Investigation Committee.

The scope of work of the Independent Investigator includes, among others, (i) reviewing and analysing the relevant accounting documents, agreements, correspondences and other supporting documents and records for conducting the Inquiry; (ii) reviewing internal control documents and conducting assessment over specific internal control procedures of the Group, as part of the Review; (iii) conducting background checks and confirmation procedures on the relevant parties involved in the Independent Investigation; (iv) interviewing the directors, management and employees as well as other selected parties involved in the Independent Investigation; and (v) conducting site visits to selected and relevant parties under the Independent Investigation.

Appointment of Independent Financial Adviser to the Independent Investigation Committee

The Board announces that the Independent Investigation Committee has appointed Optima Capital Limited (“**Optima Capital**”) as independent financial adviser (the “**Independent Financial Adviser**”) to the Independent Investigation Committee.

Optima Capital is a corporation licensed to carry out Type 1 (dealings in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The scope of work of the Independent Financial Adviser includes, among others, (i) assisting the Independent Investigation Committee in conducting internal review and inquiry; (ii) assisting the Independent Investigation Committee in reviewing the corporate governance structure and internal control systems of the Group; (iii) assisting the Independent Investigation Committee in providing advice and recommendation to the Group on any actions which shall be taken by the Group in accordance with the results and findings of the

Inquiry and the Review; (iv) assisting the Independent Investigation Committee in providing general advice and recommendation to the Group on any actions which shall be taken by the Group to protect its interest in view of the Incidents; and (v) assisting the Independent Investigation Committee in considering the resumption plan to be formulated by the Board and monitoring its implementation in accordance with the Resumption Guidance.

Both the Independent Investigator and the Independent Financial Adviser have commenced their work accordingly.

UPDATE ON BUSINESS OPERATIONS

The Company is an investment holding company. The subsidiaries and joint operation of the Company are principally engaged in (i) fitting-out works; (ii) construction works; and (iii) repair and maintenance works in Macau, from both private and public sector customers.

Notwithstanding the suspension of trading in the Shares since 19 November 2021, the Group's business operations have remained usual and continued in their ordinary course. The Group is still in the course of undertaking projects and tendering new projects in Macau as usual, and the Group is able to secure new projects in ordinary course of business.

Since the date of the Incidents and up to the date of this announcement, the Group has not encountered or been subject to any adverse impact on its ordinary course of business or financial positions as a result of or in relation to the Incidents. The Board will take appropriate steps to fulfill the Resumption Guidance, and continue to assess and monitor the impact of the suspension of trading in the Shares (if any) on the business operations and financial positions of the Group from time to time.

The Company will make further announcement(s) including quarterly updates in relation to the material developments and progress of resumption, the Independent Investigation and fulfillment of other conditions under the Resumption Guidance pursuant to Rule 13.24A of the Listing Rules, or as and when appropriate.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 19 November 2021 and will remain suspended until further notice.

Shareholders and potential investors should note that the resumption of trading in the Shares on the Stock Exchange is subject to the fulfillment of the Resumption Guidance and it is uncertain whether the Company could successfully comply with the same. There is no guarantee that the resumption of trading in the Shares on the Stock Exchange will take place. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Huarchi Global Group Holdings Limited
Chang Wa Jeong
Executive Director

Hong Kong, 18 February 2022

As at the date of this announcement, Mr. Lou Cheok Meng (Chairman and Managing Director), Mr. Chang Wa Jeong and Mr. Ao Weng Kong are the executive directors of the Company; and Dr. Lam Chi Kit BBS MH JP, Dr. Sin Wai Chiu Joseph and Mr. Lo Chun Chiu Adrian are the independent non-executive directors of the Company.