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**ACTIVATION GROUP**  
**艾德韦宣**  
**Activation Group Holdings Limited**  
**艾德韦宣集團控股有限公司**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 9919)**

**PROFIT WARNING**

This announcement is made by Activation 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 the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on a preliminary review of the unaudited management accounts of the Group for the six months ended 30 June 2022 (the “**Interim Period**”), may record a net loss of approximately RMB8.5 million of which RMB7.0 million was the one-time off share award expenses, as compared to a net profit of RMB38.0 million for the six months ended 30 June 2021.

Based on the relevant information available, the Board considers that the expected loss for the current period was mainly attributable to, amongst others, the combined effect of the (1) cancellation or postponement of the large scale marketing events and exhibitions resulted in the decrease in revenue of the Group in the first half of the year due to the pandemic, as compared with the last corresponding period; and (2) subject to the seasonality, the Company’s business usually records lower sales during the first half of the financial year, which is in line with the trend of general marketing services for the premium and luxury brands in the PRC.

Considering the improvement of the pandemic prevention and control in China, the Company has been successfully engaged new projects with our clients in the second half of 2022 while various operating indicators are being recovered and improved in an orderly manner, including i) Experiential marketing services; ii) Digital and communication services; iii) IP development.

As the Company has not yet finalised the consolidated financial results of the Group for the Interim Period, the information contained in this announcement is only based on the preliminary assessment according to figures and information that have not been audited or reviewed by the Company's auditor nor reviewed by the audit committee of the Board. The actual financial results of the Group for the Interim Period may differ from what is disclosed in this announcement. Details of the Group's performance for the Interim Period will be disclosed in the Group's interim results announcement, which is expected to be published in August 2022.

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

By order of the Board  
**Activation Group Holdings Limited**  
**Lau Kam Yiu and Ng Bo Sing**  
*Joint-Chairmen*

Hong Kong, 22 July 2022

*As at the date of this announcement, the Board comprises four executive Directors, namely, Mr. Lau Kam Yiu, Mr. Ng Bo Sing, Mr. Chan Wai Bun and Ms. Low Wei Mun and three independent non-executive Directors, namely, Ms. Cheung Siu Wan, Mr. Yu Longjun and Dr. Cheung Wah Keung.*