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

INSIDE INFORMATION
UPDATE ON FINANCIAL INFORMATION

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 year ended 31 December 2022 (“**FY2022**”) and assessment of the latest information currently available to the Board, the Group is expected to record an unaudited net profit of approximately RMB27.5 million for FY2022 (after deducting one-off expenses arising from the grant of share awards which amounted to RMB18.6 million and withholding tax expenses arising from dividend payment which amounted to RMB7.8 million) as comparing to RMB102.6 million for the year ended 31 December 2021 (“**FY2021**”). The decline of net profit is mainly due to the impact of the resurgence of the Coronavirus disease (COVID-19) pandemic in the PRC during the first half of 2022, including the cancellation or postponement of large-scale marketing events and exhibitions, and restrictions on operations in Shanghai, where the headquarters of the Company of most of its clients are located at.

The Group's business demonstrated a strong rebound and turned from a loss to a profit in the second half of the year, from loss of RMB8.5 million for the six months ended 30 June 2022 to a full-year profit of RMB27.5 million, that improved by about RMB36.0 million. The significant growth in the overall business of the Group is due to the increase in clients’ demand on data interactive brand promotion followed by the relaxation of local government restriction in the second half of 2022.

As the Company has not yet finalised the consolidated financial results of the Group for FY2022, 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. The actual financial results of the Group for FY2022 may differ from those disclosed in this announcement. Details of the Group's performance will be disclosed in its results for FY2022, which is expected to be published by March 2023.

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, 9 February 2023

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.