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Shun Wo Group Holdings Limited
汛和集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1591)

PROFIT WARNING ANNOUNCEMENT

This announcement is made by Shun Wo Group Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the "**Board**") wishes to inform the shareholders of the Company (the "**Shareholders**") and the potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 September 2024 (the "**Period**"), the Group anticipates to record a net loss ranging from approximately HK$4.0 million to HK$8.0 million as compared to a net profit of approximately HK$32.9 million for the corresponding period in 2023.

The turnaround from net profit for the corresponding period in 2023 to net loss for the Period was primarily attributable to the net effect of the following reasons:

1. the dramatic decline in revenue because several sizable foundation projects awarded in prior years were substantially completed during the Period;

2. higher amount of direct material cost and direct overhead incurred at the early stage of the newly awarded foundation projects during the Period;

3. an increase in impairment losses on financial assets and contract assets; and

4. an increase in interest income and management fee income for a project awarded in the early 2024.

The Company is still in the process of finalising the unaudited interim results of the Group for the Period. Shareholders and potential investors should note that the information contained in this announcement is only based on a preliminary assessment by the Board with reference to the unaudited consolidated management accounts and information currently available to the Board, which are subject to further adjustments, have not been audited or reviewed by the auditor of the Company, nor have been confirmed by the audit committee of the Company. The actual results of the Group for the Period may be different from what is disclosed herein. Further details of the financial information of the Group for the Period will be announced in late November 2024 in accordance with the requirements of the Listing Rules.

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

By order of the Board
Shun Wo Group Holdings Limited
Wong Yan Hung
Chairman

Hong Kong, 20 November 2024

As at the date of this announcement, the executive directors of the Company are Mr. Wong Yan Hung, Mr. Wong Tony Yee Pong and Mr. Lai Kwok Fai and the independent non-executive directors of the Company are Mr. Law Ka Ho, Mr. Leung Wai Lim and Mr. Tam Wai Tak Victor.