信基沙溪集团股份有限公司
XINJI SHAXI GROUP CO., LTD

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 3603)

POSITIVE PROFIT ALERT
ESTIMATED REDUCTION IN LOSS

This announcement is made by Xinji Shaxi Group Co., Ltd (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, Laws of Hong Kong).

The board (the "**Board**") of directors (the "**Director(s)**") of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that based on a preliminary review of the Group's unaudited consolidated management accounts for the financial year ended 31 December 2025 ("**FY2025**") and the information currently available to the management of the Company, it is expected that the net loss attributable to the Shareholders recorded by the Group for FY2025 would be not less than RMB22.0 million but not more than RMB32.0 million as compared to the net loss attributable to the Shareholders of approximately RMB162.1 million recorded for the financial year ended 31 December 2024 ("**FY2024**").

The Board considered that the expected decrease in the net loss attributable to the Shareholders for FY2025 was primarily due to a reduction in the fair value losses on investment properties held by the Group. Due to, among others, (i) an improvement in the operating conditions of the "Xinji Shaxi Hospitality Supplies Expo Center" in light of its renovation delay, and (ii) a narrower decline in occupancy rates of the two shopping malls in Shenyang compared with the previous year, valuation losses on investment properties recognised by the Group in FY2025 are expected to reduce compared with that in FY2024.

Notwithstanding the above, by eliminating the effects of certain one-off or non-recurring items including the changes in fair value of investment properties and income tax expenses in relation to above adjustment items, which the Board believes are not indicators for assessing the actual performance of the Group's business, the Group's core net profit*(Note 1)* for FY2025 is expected to decrease by not more than RMB20.0 million as compared with the core net profit*(Note 1)* of approximately RMB73.8 million for FY2024.

Note 1: This measurement is based on non-Hong Kong Financial Reporting Standards.

The Company is still in the process of finalising the financial results of the Group for FY2025. The information contained in this announcement is only the preliminary assessment made by the Company's management based on information currently available to the Group (including the Group's unaudited consolidated management accounts for FY2025), is not based on any data or information reviewed or audited by the Company's auditors or audit committee, and is subject to possible adjustments upon further review. The financial results of the Group for FY2025 is expected to be published by the end of March 2026.

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

By order of the Board
Xinji Shaxi Group Co., Ltd
Cheung Hon Chuen
Chairman

Guangzhou, the PRC, 20 March 2026

As at the date of this announcement, the Board comprises Mr. Cheung Hon Chuen as chairman and executive Director (Mr. Zhang Weiquan as his alternate); Mr. Mei Zuoting (Mr. Mei Jiawei as his alternate) and Mr. Zhang Weixin (Mr. Zhang Jiajian as his alternate) as executive Directors; Mr. Lin Lie, Ms. Wang Yixue and Mr. Zhao Hui as non-executive Directors; and Dr. Zeng Zhaowu, Mr. Tan Michael Zhen Shan and Dr. Zheng Decheng as independent non-executive Directors.