HUAXI HOLDINGS COMPANY LIMITED

華禧控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1689)

INSIDE INFORMATION ESTIMATED DECREASE IN LOSS FOR THE YEAR ENDED 31 DECEMBER 2025

This announcement is made by Huaxi Holdings Company 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 ("**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 potential investors that, based on the information currently available to the Board, it is anticipated that the Group will record a loss attributable to owners of the Company in the range of approximately HK$32-36 million for the year ended 31 December 2025 (the "**Year**"), as compared with the loss attributable to owners of the Company of approximately HK$110.77 million for the year ended 31 December 2024 (the "**Preceding Year**").

The Board considers that the reduction in loss of the Group for the Year is mainly attributable to the following reasons:

(i) a turnaround in the Group's environmental treatment business from a gross loss of HK$28.99 million for the Preceding Year to a gross profit for the Year. This improvement is due to the completed construction projects reaching the settlement stage, and thereby eliminating the need for the Group to incur additional costs for maintaining these projects;

(ii) a decrease in net impairment losses on financial and contract assets compared to the Preceding Year; and

(iii) a turnaround in financial assets at fair value through profit or loss, shifting from net fair value losses of HK$5.62 million in the Preceding Year to net fair value gains during the Year. This change is a result of the benefits from the improvement in the securities markets of both Hong Kong and the Chinese Mainland during the Year.

The information contained in this announcement is only based on a preliminary assessment of the unaudited consolidated management accounts of the Group for the Year, which has not yet been audited or reviewed by the auditors or the audit committee of the Company. The Company is finalising the consolidated financial results of the Group for the Year, the actual information and data may differ from the information contained in this announcement. Shareholders and potential investors of the Company are advised to refer to the forthcoming final results announcement of the Group for the Year, which is expected to be published on 30 March 2026.

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
Huaxi Holdings Company Limited
Zheng Andy Yi Sheng
Chairman

Hong Kong, 25 March 2026

As at the date of this announcement, the Board comprises Mr. Zheng Andy Yi Sheng, Mr. Zheng Minsheng and Ms. Zheng Catherine Jia Lin as executive directors; and Mr. Lau Kwok Hung, Mr. Fok Po Tin and Mr. Cai Xiaowen as independent non-executive directors.