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HUARCHI GLOBAL GROUP HOLDINGS LIMITED

華記環球集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 2296

QUARTERLY UPDATE ON PROGRESS OF RESUMPTION

This announcement is made by Huarchi Global Group Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09 and 13.24A of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcements of the Company dated 23 December 2021, 30 December 2021, 18 February 2022, 31 March 2022, 6 April 2022 and 18 May 2022 (the “**Announcements**”) in relation to, among others, (i) the Resumption Guidance (the “**Resumption Guidance**”) imposed by the Stock Exchange for resumption of trading in the shares of the Company (the “**Shares**”); (ii) the Company’s status of fulfillment of the Resumption Guidance; (iii) quarterly updates on progress of resumption; and (iv) the delay of publication of the annual results and annual report for the year ended 31 December 2021. Unless otherwise specified, the capitalised terms used herein shall have the same meaning as defined in the Announcements.

QUARTERLY UPDATE ON PROGRESS OF RESUMPTION

Pursuant to Rule 13.24A of the Listing Rules, the Board wishes to update the shareholders and potential investors of the Company that, as at the date of this announcement, the latest development of the Company and the progress of fulfilling the Resumption Guidance are as follows:

Independent Investigation

As at the date of this announcement, the Independent Investigation is still ongoing. The Company will continue to provide all necessary assistance to the Independent Investigator to complete the Independent Investigation. The expected completion date of the Independent Investigation is subject to further assessment of the Independent Investigator.

Internal Control Review

As at the date of this announcement, the Internal Control Review is still on-going. Subject to the results of the Internal Control Review, the Company will consider and implement the remedial action plans recommended by the Internal Control Consultant to address the weaknesses and deficiencies as to the Group's design and implementation of internal controls.

Assurance Review

As at the date of this announcement, the Assurance Review is still ongoing. The Company has been working closely with the Independent Accountants to provide all necessary information and documents to complete the Assurance Review. The expected completion date of the Assurance Review is subject to further assessment of the Independent Accountants.

Outstanding financial results

As the Independent Investigation and Assurance Review are still in progress, it is expected that the publication of the 2021 Annual Results and the despatch of the 2021 Annual Report will continue to be delayed pending results and/or findings to be made by the independent professional parties as appointed by the Independent Investigation Committee for addressing the Resumption Guidance.

UPDATE ON BUSINESS OPERATIONS

The Company is an investment holding company. The subsidiaries and joint operation of the Company are principally engaged in (i) fitting-out works; (ii) construction works; and (iii) repair and maintenance works in Macau, from both private and public sector customers.

During July 2022, the Macau government once imposed harsher city-wide movement and business restrictions in light of the COVID-19 outbreak that all industrial and commercial business premises in Macau were required to shut down (other than those for maintaining residents' daily essentials and social necessities) and residents could not leave their homes except for essential activities or jobs. As a result, the office operation and ordinary course of business of the Group had to be temporarily suspended over the time between middle and end of July 2022.

The movement and restriction measures were eased in early August 2022, and the business operations of the Group (including the indoor fitting-out works which were previously suspended) have resumed as usual. The Directors consider that the temporary suspension of business for about three weeks have not resulted in any material adverse impact to the Group's business, financial condition or results of operations.

Save as disclosed above, the Group's business operations have remained usual and continued in their ordinary course notwithstanding the Incidents and the suspension of trading in the Shares since November 2021. The Group is still in the course of undertaking projects and tendering new projects in Macau as usual, and the Group is able to secure new projects in ordinary course of business.

Since the date of the Incidents and up to the date of this announcement, the Group has not encountered or been subject to any adverse impact on its ordinary course of business or financial positions as a result of or in relation to the Incidents. The Company has been carrying on business with a sufficient level of operations, thereby complying with Rule 13.24 of the Listing Rules under item (v) of the Resumption Guidance. The Board will continue to assess and monitor the impact of the suspension of trading in the Shares (if any) on the business operations and financial positions of the Group from time to time.

The Company is committed to cooperating with and providing assistance to various professional advisers of the Group so as to address the matters and fulfill the requirements as set out in the Resumption Guidance.

Since the date of the Incidents, the Company has published all material information on a timely basis to the shareholders and potential investors of the Company in addressing item (vi) of the Resumption Guidance. Further announcement(s) including quarterly updates will be made in relation to the material developments and progress of resumption as well as fulfillment of the conditions under the Resumption Guidance pursuant to Rule 13.24A of the Listing Rules, or as and when appropriate.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on 19 November 2021 and will remain suspended until further notice.

Shareholders and potential investors of the Company should note that the resumption of trading in the Shares on the Stock Exchange is subject to the fulfillment of the Resumption Guidance and it is uncertain whether the Company could successfully comply with the same. There is no guarantee that the resumption of trading in the Shares on the Stock Exchange will take place. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

By order of the Board
Huarchi Global Group Holdings Limited
Chang Wa Jeong
Executive Director

Hong Kong, 18 August 2022

As at the date of this announcement, Mr. Lou Cheok Meng (Chairman and Managing Director), Mr. Chang Wa Jeong and Mr. Ao Weng Kong are the executive directors of the Company; and Dr. Lam Chi Kit BBS MH JP, Dr. Sin Wai Chiu Joseph and Mr. Lo Chun Chiu Adrian are the independent non-executive directors of the Company.