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AM GROUP HOLDINGS LIMITED

秀商時代控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1849)

ANNOUNCEMENT:

(1) QUARTERLY UPDATE ON BUSINESS OPERATIONS AND PROGRESS RESUMPTION; AND (2) CONTINUED SUSPENSION OF TRADING

Reference is made to the announcements of the Company dated 23 September 2024, 24 September 2024, 30 September 2024, 23 December 2024, 17 January 2025, 24 January 2025, 12 March 2025 and 19 March 2025 (collectively, the “Announcements”) in relation to, among other things, (i) the delay in the publication of the 2024 Annual Results and the 2024 Annual Report; (ii) the postponement of the Company’s annual general meeting; (iii) resumption guidance issued to the Company by the Stock Exchange; and (iv) quarterly update on business operations and progress of resumption.

Unless otherwise defined, capitalised terms used herein have the same meanings as defined in the Announcements.

RESUMPTION GUIDANCE

As at the date of this announcement, hereinbelow are the consolidated resumption guidance for resumption of trading in the Company’s shares sent by the Stock Exchange to the Company:

- (a) publish all outstanding financial results required under the Listing Rules and address any audit modifications;
- (b) demonstrate that there is no reasonable regulatory concern about the integrity, competence and/or character of the management and/or any persons with substantial influence over the Company’s management and operations, which may pose a risk to investors and damage market confidence;
- (c) conduct an independent internal control review and demonstrate that the Company has in place adequate internal controls and procedures to comply with the Listing Rules;

- (d) demonstrate the Company's compliance with Rule 13.24 of the Listing Rules;
- (e) inform the market of all material information for the Company's shareholders and investors to appraise the Company's position;
- (f) re-comply with Rules 3.10(1) and 3.21 of the Listing Rules; and
- (g) conduct an appropriate independent forensic investigation into the arrangements relating to the Alleged Cooperation Agreement, the acquisition of the Target Company in 2020, Activa's place down of an aggregate of 24% shares to certain independent places as disclosed in the Company's announcements dated 16, 24 and 30 July 2024, and the 2024 Legal Action and the 2025 Legal Action, assess the impact on the Company's business operation and financial position, announce the findings and take appropriate remedial actions.

UPDATE ON RESUMPTION PROGRESS

The Board hereby announces the progress and updates up to the date of this announcement.

(a) To publish of all outstanding financial results required under the Listing Rules and address any audit modifications

As at the date of this announcement, the financial statements for the year ended 30 June 2024 and the interim results for the six months ended 31 December 2024 (the "**2024 Interim Results**") are still outstanding.

As previously disclosed by the Company in the Announcements, with regard to the 2024 Annual Results, it was due to the pending provision of the necessary information and documents by the Company's subsidiaries in the PRC to the Auditor for conducting audit work.

Currently, the Auditor still has limited access of books and records of all of the Company's subsidiaries in the PRC for auditing the 2024 Annual Results, and the Company also has no books and records of all of the Company's subsidiaries in the PRC for preparing the 2024 Interim Results.

Since the suspension of trading of the shares in the Company on 24 September 2024 and up to the date of this announcement, the Company has been trying its best efforts to facilitate the Auditor to conduct the auditing process on the Company's subsidiaries in the PRC, mainly through Mr. Mu Lei, the Director who is supervising the Group's business in the PRC but the Company faced non-cooperation from those subsidiaries and the Company is taking actions to remedy the situation (including proposing the removal of Mr. Mu as a Director and the relevant extraordinary general meeting will be convened on 3 April 2025).

As the Board is unable to confirm when the outstanding information and documents would be available, it is not currently possible for the Board to provide an expected time as to when the 2024 Annual Results and the 2024 Interim Results would be published.

Further announcement(s) will be published by the Company to inform the Shareholders and its potential investors of any material development on the aforesaid matters in due course.

(b) To demonstrate that there is no reasonable regulatory concern about the integrity, competence and/or character of the management and/or any persons with substantial influence over the Company's management and operations, which may pose a risk to investors and damage market confidence

As at the date of this announcement, the audit committee of the Board is reviewing the progress of audit and the preparation of the 2024 Annual Results and 2024 Interim Results as well as materials and information which relate to the delay in the completion of the audit and publication of the financial results of the Group.

As previously disclosed by the Company in the Announcements, despite there being disputes involving Show Times CQ Technology (in which Mr. Mu is its legal representative and director, as well as an executive Director of the Company), and Activa (in which Ms. Teo Li Lian is its director and an executive Director of the Company), as previously stated by the Company, the Company is not in a position to confirm the accuracy of the allegations by the respective plaintiffs in the 2024 Legal Action nor the 2025 Legal Action, including but not limited to whether the accuracy on the terms or existence of the cooperation agreement, and in particular, the Company would like to reiterate that it is not a party to such alleged cooperation agreement.

Currently, the Company has not noticed any issues affecting the Company's judgment on the integrity, competence and/or character of the Group's management.

The Company will make further assessment on this issue as and when appropriate, and will engage the Independent Adviser in due course.

(c) To conduct an independent internal control review and demonstrate that the Company has in place adequate internal controls and procedures to comply with the Listing Rules

As at the date of this announcement, the Company is still in the progress of appointing a suitable external Independent Adviser to conduct the independent IC Review.

Further announcement(s) will be made by the Company as to any significant findings of the IC Review including, where necessary, any recommendation of reinforcement or remedial actions and their implementation status in due course.

(d) To demonstrate the Company's compliance with Rule 13.24 of the Listing Rules

The Group is principally engaged in (a) the provision of the Digital Marketing Business; and (b) operation of the Online E-Commerce Platform Business.

Since the suspension of trading of the shares in the Company on 24 September 2024 and up to the date of this announcement, the Group has continued its normal business operations in its Digital Marketing Business; however, as the Board is unable to obtain information and documents related to the Online E-Commerce Platform Business, the Board is unable to confirm the status of the Group's Online E-Commerce Platform Business.

However, as of the date of this announcement, the Board considered that, the Group has already maintained sufficient level of operations to warrant the continued listing of its shares solely taking into account of in its Digital Marketing Business.

(e) To inform the market of all material information for the Company's shareholders and investors to appraise the Company's position

The Company will continue to keep its Shareholders and potential investors abreast of any relevant material development by making further announcement(s) as and when appropriate in accordance with the requirements under the Listing Rules.

(f) To re-comply with Rules 3.10(1) and 3.21 of the Listing Rules

As disclosed in the announcement of the Company dated 26 February 2025, Mr. Koh Boon Chiao has been appointed as an independent non-executive Director, a member of the each of the Board's audit committee and the nomination committee with effect from 1 March 2025.

As such, the Company has already re-complied with Rule 3.10(1) and 3.21 of the Listing Rules on 1 March 2025.

(g) To conduct an appropriate independent forensic investigation into the arrangements relating to the Alleged Cooperation Agreement, the acquisition of the Target Company in 2020, Activa's place down of an aggregate of 24% shares to certain independent places as disclosed in the Company's announcements dated 16, 24 and 30 July 2024, and the 2024 Legal Action and the 2025 Legal Action, assess the impact on the Company's business operation and financial position, announce the findings and take appropriate remedial actions.

With the formation of the Investigation Committee as disclosed by the Company in its announcement dated 19 March 2025, it is now expected that such appointment would be further considered by the Investigation Committee who will engage the independent forensic investigator in due course.

Further announcement(s) will be made by the Company as to the findings of the forensic investigation results and the appropriate remedial actions taken.

BUSINESS OPERATIONS

As at the date of this announcement, the Group continues to carry on its normal business as in its Digital Marketing Business, whilst as the Board is unable to obtain information and documents related to the Online E-Commerce Platform Business, the Board is unable to confirm the status of the Group's Online E-Commerce Platform Business.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 24 September 2024 and will remain suspended pending fulfilment of all the conditions stated in the Resumption Guidance.

Shareholders of the Company and potential investors should exercise caution when dealing in the Company's shares.

For and on behalf of
AM Group Holdings Limited
Teo Li Lian

Co-Chairlady, Executive Director and Chief Executive Officer

Hong Kong, 21 March 2025

As at the date of this announcement, the Board comprises three Executive Directors, namely Ms. Teo Li Lian (Co-Chairlady and Chief Executive Officer), Mr. Teo Kuo Liang and Mr. Mu Lei (Co-Chairman); and three Independent Non-executive Directors, namely Mr. Tan Kia Jing, Mr. Lee Shy Tsong and Mr. Koh Boon Chiao.