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KWUNG'S AROMA HOLDINGS LIMITED

曠世芳香控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1925)

PROFIT WARNING

This announcement is made by Kwung's Aroma Holdings Limited (the "**Company**", and 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 (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 (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on the preliminary assessment of the unaudited consolidated financial information of the Group for the year ended 31 December 2025, the Group is expected to record a significant drop in net profit of approximately RMB83 million, or approximately 70%, from approximately RMB119 million for the year ended 31 December 2024 to approximately RMB36 million for the year ended 31 December 2025.

The Board considers that such significant decrease in the net profit for the year was mainly attributed by (i) decrease in gross profit of approximately RMB34.9 million as a result of less purchase orders processed for European customers, which is believed to be caused by the anti-dumping duty charged by European Union on imports of candle products originating in People's Republic of China ("**PRC**"); (ii) one-off gain on disposal of a subsidiary for the year ended 31 December 2024 amounting to approximately RMB21.7 million; and (iii) increase in administrative expenses as a result of the launch of the new production bases in Wuhu City, Anhui Province, the PRC and in Vietnam; and (iv) depreciation of United States dollars ("**USD**") against Renminbi during the year ended 31 December 2025 contributing a decreased revenue for overseas orders denominated in USD.

The information contained in this announcement is only based on a preliminary assessment performed by the Board with reference to the information currently available to the Board, including the latest version of the Group's unaudited consolidated financial information, and is not based on any data or information which has been audited by the external auditor of the Company. The Company and the external auditor of the Company are in the process of finalising the Group's audited consolidated financial statements for the year ended 31 December 2025 and the audited financial results may be different from what is disclosed in this announcement.

The annual results of the Group for the year ended 31 December 2025 is expected to be published on 31 March 2026 (the "**Annual Result Announcement**"). Shareholders and potential investors are advised to refer to the Annual Result Announcement for more detailed information.

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

By order of the Board
Kwung's Aroma Holdings Limited
JIN Jianxin
Chairman and executive Director

Hong Kong, 20 March 2026

As at the date of this announcement, the executive Directors are Mr. JIN Jianxin and Mr. TIAN Dong; and the independent non-executive Directors are Mr. LAI Chun Yu, Ms. XU Qiong and Mr. ZHOU Kai.