英記茶莊
YING KEE TEA HOUSE

YING KEE TEA HOUSE GROUP LIMITED
英 記 茶 莊 集 團 有 限 公 司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 8241)

INSIDE INFORMATION

PROFIT WARNING

This announcement is made by Ying Kee Tea House Group Limited (the "**Company**", and together with its subsidiaries, the "**Group**") pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "**GEM Listing Rules**") and the Inside Information Provisions (as defined in the GEM 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 preliminary assessment of the unaudited consolidated management accounts of the Group for the three months ended 30 June 2019, it is expected that the Group will incur a net loss for the three months ended 30 June 2019 amounting to approximately HK$3.0 million notwithstanding the lack of non-recurring listing expenses of approximately HK$4.0 million incurred in the last corresponding period. Based on the information currently available to the Board, the expected loss was mainly due to (i) the incurrence of expenses for the new iTea shop; (ii) the significant drop of sales of extra old pu-erh tea cakes; (iii) the increase in cost of sales of overall tea leaves raw materials; (iv) the increase in administrative expenses attributable to the business development of the Group, including advertising and new leases; and (v) the increase in listing maintenance expenses.

The information in this announcement is only based on a preliminary assessment made by the Board based on the unaudited consolidated management accounts of the Group for the three months ended 30 June 2019 prepared by the management of the Company, and such information has not been audited by the Company's independent auditor. Shareholders potential investors are advised to refer to the details of the Group's financial results for the three months ended 30 June 2019, which are expected to be published in Mid-August 2019.

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

By Order of the Board
Ying Kee Tea House Group Limited
Chan Kwong Yuen
Chairman

Hong Kong, 31 July 2019

As at the date of this announcement, the Board comprises Mr. Chan Kwong Yuen, Mr. Chan Kun Yuen and Mr. Chan Shu Yuen as executive Directors; Mr. Wong Chee Chung, Mr. Siu Chi Ming and Mr. Lee Wai Ho as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief that the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and there are no other matters the omission of which would make any statement herein this announcement misleading.

This announcement will remain on the GEM website at www.hkgem.com on the "Latest Company Announcements" page for at least 7 days from the date of its posting and on the website of the Company at www.yingkeetea.com.