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EJE (HONG KONG) HOLDINGS LIMITED

壹家壹品 (香港) 控股有限公司 *

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8101)

INSIDE INFORMATION PROFIT WARNING

This announcement is made by EJE (Hong Kong) Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules (“**GEM Listing Rules**”) Governing the Listing of Securities on the GEM and the Inside Information Provisions (as defined under the GEM Listing Rules).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform shareholders of the Company and potential investors that based on the preliminary assessment of the unaudited management accounts of the major subsidiaries of the Group for the year ended 31 March 2021, the Group is expected to record a net loss attributable to equity holder of the Company recorded for the year ended 31 March 2021 as compared to the net profit of HK\$83,384,000 of the corresponding period of 2020. However, due to the recent sudden outbreak of a new variants of the COVID-19 pandemic in Guangzhou, the relevant audit field work has been interrupted and audit works including the work to ascertain the fair value of the Custom-Made Furniture business have not been concluded as at the date of this announcement.

Due to the continuous influence of COVID-19 over last year, it is expected to have material impact on the valuation of the Company’s business and assets. And, significant non-cash accounting impairment adjustments are very much anticipated. At this stage, we only have an estimated net results of the Group generated from its normal business operation (i.e. which has not incorporate any fair value impairment adjustment for the Custom-Made Furniture segment). Base on such estimate, the net loss for the year ended 31 March 2021 is not less than HK\$20 million, such poor results as compared with last year was mainly attributable to:

1. the decrease in revenue from sale of furniture of the Group as affected by the market condition with negative sentiment in the durable goods consumption sector and supervisory policies and measures introduced by the government due to the outbreak of the COVID-19 pandemic; and
2. the relatively high fixed costs attached to the business model of the Group in conducting its principal business for the year ended 31 March 2021.

** For identification purpose only*

The Company is still in the process of finalising its annual results for the year ended 31 March 2021. The information contained in this announcement is only based on preliminary assessment by the Company of the unaudited management accounts of the major subsidiaries of the Group for the year ended 31 March 2021 and is not based on any figures or information audited by the Company's independent auditors, and may be subject to amendments. Shareholders of the Company and potential investors are advised to refer to details in the annual results announcement of the Company for the year ended 31 March 2021, which is expected to be published toward the end of June 2021.

Shareholders of the Company and potential investors are advised to exercise caution in dealing with the securities of the Company.

By order of the Board
EJE (Hong Kong) Holdings Limited
Mr. Chau Tsz Kong Alan
Executive Director

Hong Kong, 18 June 2021

As at the date of this announcement, the executive directors of the Company are Mr. Qin Yuquan, Mr. Hung Cho Sing and Mr. Chau Tsz Kong Alan; and the independent non-executive Directors are Mr. Tang Kin Chor, Mr. Chan Chun Wing and Mr. Yiu Shung Kit.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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 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 or this announcement misleading.

This announcement will remain on the GEM website at <http://www.hkgem.com> on the "Latest Company Announcements" page for at least seven days from the date of its posting and the Company's website at <http://www.ejeliving.com>.