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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

LITIGATION INVOLVING INDIRECT WHOLLY-OWNED SUBSIDIARIES

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 Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

Reference is made to the announcement of the Company dated 1 August 2021 (the “**Announcement**”) in relation to, among others, a claim made against Guangzhou Yapin Furniture Technology Co., Limited* (廣州雅品家具科技有限公司) (“**Yapin**”) pursuant to a letter from the People’s Court of Conghua District of Guangzhou City* (廣州市從化區人民法院) (the “**Court**”).

Further to the Announcement, the board of directors (the “**Board**”) of the Company was recently brought to the attention of certain notices, orders and/or decisions (as the case may be) (collectively the “**Court Cases**”) from (i) the Court; (ii) the Aotou Tax Office of the Taxation Bureau of Conghua District, Guanzhou City of the State Administration of Taxation* (國家稅務總局廣州市從化區稅務局鰲頭稅務所) (the “**Tax Office**”); and (iii) the Labour and Personnel Dispute Arbitration Committee of Conghua District, Guangzhou City* (廣州市從化區勞動人事爭議仲裁委員會) (the “**Arbitration Committee**”) to Yapin and Guangzhou Geyu Household Products Co., Limited* (廣州歌譽家居用品有限公司) (“**Geyu**”, together with Yapin, the “**Subsidiaries**”), both of which are indirect wholly-owned subsidiaries of the Group.

* For identification purpose only

NOTICES AND ORDERS FROM THE COURT

The Company became aware of a series of execution notices issued by the Court against the Subsidiaries, pursuant to which the Court had filed cases for enforcement regarding certain labour disputes involving the Subsidiaries in accordance with applicable laws. Under the notices, Subsidiaries were ordered to pay salaries to a number of individuals in the aggregate amount of RMB168,300, in addition to execution fees.

The Company was also brought to the attention of a number of property report orders issued by the Court, pursuant to which the Subsidiaries were ordered to immediately report to the Court in relation to their respective properties and any change in their status within the past year.

NOTICES FROM THE ARBITRATION COMMITTEE

The Company was aware of a number of arbitration mediation notices issued to the Subsidiaries relating to labour disputes, which set out arbitration and mediation statements that were formulated based on the agreements for termination of labour contracts signed by the Subsidiaries with the authorised representatives of certain individuals due to the early dissolution of the Subsidiaries. Under the said arbitration and mediation statements, the Subsidiaries were to pay an aggregate amount of RMB944,827 (inclusive of salaries and economic compensation for termination of labour relations) to the designated bank accounts of the said individuals, after which all labour disputes between the Subsidiaries and the said individuals shall be fully settled.

NOTICES AND DECISIONS FROM THE TAX OFFICE

Pursuant to a notice of tax matters issued to Yapin by the Tax Office which had been brought to the attention of the Company, Yapin shall make a delayed tax payment in the total amount of RMB2,048,119.34 for the period from 1 June 2020 to 31 July 2021, plus a late payment fee of 0.05% of the total tax payment charged on a daily basis, within the specified time limit.

In addition, the Company became aware of a social insurance premium collection decision issued to Yapin by the Tax Office, based on a former notice of deadline for payment of social insurance premiums issued to Yapin by the Tax Office. According to the said decision made by the Tax Office, Yapin shall pay to the Tax Office outstanding social insurance premium in the amount of RMB135,341.04 within the specified time limit.

According to the Board's understanding, as a result of the Court Cases, the Subsidiaries may be subject to compulsory liquidation by the Court. The Subsidiaries are currently seeking legal advice in relation to the Court Cases, while the Board is in the process of assessing the potential impact on the Group's operations and business.

The Company will keep the shareholders and potential investors of the Company informed of any further material development by way of announcement(s) as and when appropriate.

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

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

Hong Kong, 3 September 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 Listed Company Information” page for at least seven days from the date of its posting and the Company’s website at <http://www.ejeliving.com>.