

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Jiyi Holdings Limited
集一控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1495)

UPDATE ON PROFIT WARNING

This announcement is made by Jiyi Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions 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 February 2021 (the “**Previous Profit Warning Announcement**”). Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as those defined in the Previous Profit Warning Announcement.

UPDATE ON PROFIT WARNING

As disclosed in the Previous Profit Warning Announcement, the Group was expected to record a net loss attributable to Shareholders of not less than RMB20 million for the year ended 31 December 2020, as compared to a net profit attributable to Shareholders of approximately RMB13.1 million for the year ended 31 December 2019.

The Board wishes to provide an update to the Shareholders and potential investors of the Company that, based on the latest assessment by the Board with reference to the Management Accounts and the latest information currently available to the Board (in particular, the draft valuation report in regards to the valuation of investment properties held by the Group and the expected credit loss assessment on financial assets received from the Group’s independent professional qualified valuer on 25 March 2021 (the “**Valuation Report**”)), as well as the preliminary discussion with the independent auditor of the Company, it is expected that the Group will record a net profit attributable to Shareholders of approximately RMB10 million, instead of a net loss attributable to Shareholders of not less than RMB20 million as disclosed in the Previous Profit Warning Announcement, for the year ended 31 December 2020. The aforesaid change was mainly attributable to the following factors:

(i) Subsequent adjustment to reflect the actual stage of completion of the construction projects of the Company’s subsidiaries - Guangdong Jiyi Xinya Decoration and Design Construction Company Limited in accordance with Hong Kong Financial Reporting Standards 15 “Revenue from Contracts with Customers” upon preliminary discussion with the independent auditor, in which approximately RMB24 million will be credited to the unaudited consolidated statement of profit or loss of the Group for the year ended 31 December 2020 (the “**Consolidated Statement of Profit or Loss**”).

(ii) Upon review of the Valuation Report in estimating the Group's total expected credit losses under Hong Kong Financial Reporting Standards 9 "Financial Instruments", there was a reversal in impairment losses under expected credit loss model, in which approximately RMB6.9 million will be credited to the Consolidated Statement of Profit or Loss.

The foregoing has therefore offset the net loss attributable to Shareholders of not less than RMB20 million as a result of the decrease in revenue of the Group as disclosed in the Previous Profit Warning Announcement.

As at the date of this announcement, the Company is still in the process of finalising its annual results of the Group for the year ended 31 December 2020. The information contained in this announcement is only based on a preliminary assessment made by the Board with reference to the Management Accounts and the latest information available to the Board, which have not been audited, nor reviewed by the independent auditor nor the audit committee of the Company and may be subject to further adjustments. Actual financial results for the year ended 31 December 2020 may be different from what is disclosed in this announcement. Shareholders and potential investors of the Company are advised to read carefully the announcement to be published by the Company in relation to the annual results of the Group. The Company expects to announce its annual results for the year ended 31 December 2020 on Wednesday, 31 March 2021.

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

By order of the Board
Jiyi Holdings Limited
Hou Wei
Chairlady

Hong Kong, 26 March 2021

As at the date of this announcement, Ms. Hou Wei, Mr. Liu Xianxiu and Mr. Yang Baikang are the executive directors of the Company, Mr. Hou Bo is the non-executive director of the Company, and Mr. Ye Yihui, Mr. Ho Hin Yip and Mr. Hou Lianchang are the independent non-executive directors of the Company.