

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.



(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 223)

PROFIT WARNING

This announcement is made by Elife Holdings Limited (the “**Company**”, 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 in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

PROFIT WARNING

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company and potential investors that, based on the preliminary review on the Group’s unaudited consolidated financial statements for the six months ended 30 September 2024 (the “**Period**”), the Group expects to record (i) a significant increase in revenue of approximately HK\$49.4 million; (ii) a significant decrease in gross profit of approximately HK\$4.9 million; and (iii) an increase in loss for the Period of approximately HK\$48.8 million compared to that of the previous corresponding period.

Despite the growth in revenue of the Group by approximately 68% for the Period compared to that of the previous corresponding period, which was mainly attributable to the development of the supply chain business segment of the Group, the overall gross profit is expected to drop due to a reduction in the gross profit margin of the brand promotion businesses caused by the unfavourable market conditions and increased market competition, where the Group had to offer larger price concession to customers in order to sustain a stable business relationship with them.

The increase in loss for the Period was mainly due to (i) an one-off unaudited net loss of approximately HK\$40.6 million as a result of the disposal of approximately 51.2% equity interests in Admiral Glory Global Limited (“**Admiral Glory**”) by the Company (the “**Disposal**”). The principal business of Admiral Glory and its subsidiaries was the provision of esmart digital services in China before the Group’s discontinuation of this business segment during the financial year ended 31 March 2024. For further information on the Disposal, please refer to the annual report of the Company for the year ended 31 March 2024 and the announcement of the Company dated 30 August 2024; (ii) a decrease in the gross profit margin of the brand promotion business; and (iii) an increase in sales-related expenses for the development of the Group’s supply chain business segment.

The information contained in this announcement is only based on a preliminary assessment by the Board based on the unaudited consolidated management account of the Group for the six months ended 30 September 2024 and other information currently available to the Group, and is not based on any financial data or information that have been audited or reviewed by the auditors of the Company. Shareholders and potential investors are advised to read carefully the interim results announcement of the Company which is expected to be published on 29 November 2024.

IMPLICATIONS UNDER THE TAKEOVERS CODE

References are made to (a) the announcements of the Company dated 24 October 2024, 25 October 2024 and 7 November 2024 and (b) the announcements of Ms. Chen Miaoping (the “**Offeror**”) dated 1 November 2024 and 5 November 2024, in respect of, among other things, the pre-conditional voluntary cash partial offer to be made by VBG Capital for and on behalf of the Offeror to acquire 67,808,588 shares of the Company (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with her) (the “**Partial Offer**”). Following the publication of the announcement of the Company dated 24 October 2024, the profit estimate included in this announcement (the “**Profit Warning**”) constitutes a profit forecast under Rule 10 of the Code on Takeovers and Mergers of Hong Kong (the “**Takeovers Code**”) and is required to be reported on by the Company’s auditors or accountants and its financial advisers in accordance with Rule 10.4 of the Takeovers Code. Taking into account (i) the genuine practical difficulties (time-wise or otherwise) encountered by the Company in meeting the reporting requirements set out in Rule 10.4 of the Takeovers Code in terms of the additional time required for the preparation of the reports by the Company’s auditors and financial advisers; and (ii) the requirements for timely disclosures of inside information under Rule 13.09 of the Listing Rules and Part XIVA of the SFO, the Profit Warning does not meet the standard required by Rule 10 of the Takeovers Code.

Under Rule 10.4 of the Takeovers Code, if the Profit Warning is published first in an announcement, it must be repeated in full, together with the reports from the Company's financial advisers and auditors or accountants on the Profit Warning, in the next document to be despatched to the Shareholders (the "**Shareholders' Document**"). However, if the unaudited interim results of the Company for the six months ended 30 September 2024 (which fall within the ambit of Rule 10.9 of the Takeovers Code) are published prior to the despatch of the next Shareholders' Document and the relevant results together with the notes to the financial statements are incorporated by reference in the next Shareholders' Document, the requirements to report on the Profit Warning under Rule 10.4 of the Takeovers Code will no longer apply.

WARNING:

The Company would like to draw the attention of the Shareholders and potential investors of the Company that the Profit Warning does not meet the standard required by Rule 10 of the Takeovers Code and has not been reported on in accordance with the Takeovers Code, and thus they are advised to exercise caution in placing reliance on the Profit Warning and in assessing the merits/demerits of the Partial Offer in dealing with the securities of the Company.

Persons who are in doubt as to the action they should take should consult their licensed securities dealers or registered institutions in securities, bank managers, solicitors, professional accountants or other professional advisers. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
Elife Holdings Limited
Chow Chi Fai
Company Secretary

Hong Kong, 22 November 2024

As at the date of this announcement, the executive Directors are Mr. Xiang Xin, Mr. Qiu Bin, Mr. Chiu Sui Keung, Mr. Zhang Shaoyan, Ms. Qin Jiali, Mr. Zhao Zhenzhong and Mr. Guo Wei; the non-executive Director is Ms. Chen Xinqiong; and the independent non-executive Directors are Mr. Lam Williamson, Mr. Wong Tsz Fung and Mr. Moy Yee Wo, Matthew.

All the Directors jointly and severally accept fully responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.