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edenSOFT
EDENSOFT HOLDINGS LIMITED
伊登軟件控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1147)

PROFIT WARNING

This announcement is made by Edensoft 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 under the 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 (the “**Shareholders**”) and potential investors of the Company that, based on the preliminary assessment of the latest unaudited consolidated management accounts of the Group for the year ended 31 December 2020 (the “**Unaudited 2020 Management Accounts**”) and the information currently available to the Board, the Group is expected to record a decrease of approximately 35% in the profit attributable to owners of the Company for the year ended 31 December 2020 as compared to the year ended 31 December 2019. Such decrease is primarily due to the year-to-year decrease in sales to the largest customer of the Group (“**Customer A**”) as a result of the restrictions implemented by the United States (the “**U.S.**”) on 16 May 2019 on the provision of U.S. origin or exported products to Customer A and certain of its non-US affiliates by both U.S. and non-U.S. companies, unless authorised by a license issued by the U.S. Department of Commerce, Bureau of Industry and Security (the “**U.S. Ban**”). Based on the Unaudited 2020 Management Accounts, the Group is expected to record a year-to-year decrease of approximately 30% to 40% in revenue to Customer A. For further details of the U.S. Ban and Customer A, please refer to the prospectus of the Company dated 23 April 2020.

As the Company is still in the process of finalising the annual results for the year ended 31 December 2020, the information contained in this announcement is only based on the preliminary review of the Unaudited 2020 Management Accounts, which have neither been audited or reviewed by the Company’s auditor nor reviewed by the audit committee of the Board, and may be subject to adjustments based on further updated information.

Shareholders and potential investors are therefore advised to refer to the formal annual results announcement of the Group for the year ended 31 December 2020, which is expected to be published by end of March 2021.

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

By Order of the Board
Edensoft Holdings Limited
Ms. Ding Xinyun
Chairman, Executive Director and Chief Executive Officer

Hong Kong, 9 March 2021

As at the date of this announcement, the Board comprises Ms. Ding Xinyun (Chairman and Chief Executive Officer), Ms. Li Yi, Mr. Ling Yunzhi and Ms. Peng Dongping as the executive Directors, and Mr. Yu Kwok Leung, Mr. Ho Ka Chun and Mr. Liang Chi as the independent non-executive Directors.