



FLJ Group Limited Receives NASDAQ Deficiency Notice

February 21, 2024 at 5:00 PM EST

SHANGHAI, China, Feb. 21, 2024 (GLOBE NEWSWIRE) -- FLJ Group Limited (NASDAQ: FLJ) (the "Company"), today announced that it has received notice from the Nasdaq Stock Market LLC ("Nasdaq") dated February 20, 2024 stating that the Company is not in compliance with certain Nasdaq Rules for continued listing on the Nasdaq Global Market.

The Nasdaq notice stated that the Company is not in compliance with the minimum US\$50 million in total assets and total revenue for the most recently completed fiscal year or two of the last three most recently completed fiscal years requirement and does not comply with an alternative requirement of Nasdaq Listing Rule 5450(b). The Company disposed and deconsolidated certain subsidiaries in October 2023 and with effect to prior fiscal years total assets and total revenues. The Company also no longer meets the minimum Market Value of Publicly Held Shares ("MVPHS") requirement under Nasdaq Listing Rules. Nasdaq Listing Rule 5450(b)(3)(C) requires companies to maintain a minimum MVPHS of US\$15 million, and Nasdaq Listing Rule 5810(c)(3)(D) provides that a failure to meet the MVPHS requirement exists if the deficiency continues for a period of 30 consecutive business days. Based on the MVPHS of the Company for the 30 consecutive business days from January 5, 2024 to February 16, 2024, the Company no longer meets the minimum MVPHS requirement.

The Nasdaq notice has no immediate effect on the Company's listing or on the trading of the Company's ADSs.

As provided in the Nasdaq Listing Rules, the Company has 45 calendar days (or until April 5, 2024) to submit a plan to regain compliance with the continued listing standards. If such compliance plan is accepted by Nasdaq, the Company may be granted a compliance period of up to 180 calendar days from February 20, 2024 to evidence compliance.

Pursuant to Nasdaq Listing Rule 5810(c)(3)(D), the Company has a compliance period of 180 calendar days (or until August 19, 2024) to regain compliance of MVPHS requirement. If at any time during this compliance period the Company's MVPHS closes at US\$15 million or more for a minimum of ten consecutive business days, Nasdaq will notify the Company that it has achieved compliance with the MVPHS requirement.

In the event the Company does not regain compliance prior to the expiration of the compliance period, it will receive written notification that its securities are subject to delisting. At that time, the Company may appeal the delisting determination to a Nasdaq Hearings Panel Alternatively, the Company may consider applying to transfer its securities to the Nasdaq Capital Market.

The Company intends to submit the compliance plan on or before April 5, 2024. This announcement is made in compliance with Nasdaq Listing Rule 5810(b), which requires prompt disclosure of receipt of a notification of deficiency.

About FLJ Group Limited

FLJ Group Limited, through its subsidiaries and consolidated variable interest entities, operates insurance agency and insurance technology business. The insurance agency is PRC-licensed and operates nationwide in the PRC with a wide range of insurance products underwritten by major insurance companies, including industry leading and/or state-owned property and casualty insurance companies as well as certain regional property and casualty insurance companies in China. The insurance technology business is focused on operating and developing insurance technology in the PRC, including developing SaaS platform to connect consumers and underwriting support.

Forward-Looking Statements

This press release contains forward-looking statements. Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements that are other than statements of historical facts. These statements include, among others, statements regarding the Company's plans to regain compliance with Nasdaq Rules for continued listing. The Company's actual results may differ materially from those expressed in any forward-looking statements as a result of various factors and uncertainties. The reports filed by the Company with the Securities and Exchange Commission discuss these and other important factors and risks that may affect the Company's business, results of operations and financial conditions. For these reasons, among others, investors are cautioned not to place undue reliance upon any forward-looking statements in this press release. The Company undertakes no obligation to publicly revise these forward-looking statements to reflect events or circumstances that arise after the date hereof.

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