FOOD WISE HOLDINGS LIMITED
膳源控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1632)

PROFIT WARNING

This announcement is made by Food Wise 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). Unless otherwise specified, terms used herein shall have the same meanings as defined in the Company's prospectus dated 17 November 2016 (the "**Prospectus**").

The board of directors (the "**Board**") of the Company wishes to inform the shareholders (the "**Shareholders**") of the Company and potential investors that, based on the preliminary review on the unaudited management accounts of the Group for the year ended 31 March 2017, the Group is expected to record a net loss for the year ended 31 March 2017 as compared with the net profit recorded for the year ended 31 March 2016. The Board considers that the Group's profit turned to loss mainly due to:

(i) the inclusion of non-recurring listing expenses;

(ii) the decrease in revenue resulted from decrease in the aggregated number of operating days of our restaurants being the net effect of opening and closing of our restaurants during the two years ended 31 March 2017;

(iii) the increase in staff costs to support the Group's business expansion;

(iv) the increase in monthly rental of the Group's leased properties upon renewal of the relevant leases and new properties leased for its replacement restaurants; and

(v) the inclusion of initial start-up costs for the Group's first full-menu Vietnamese-style casual dining restaurant, which was opened in March 2017.

When excluding the non-recurring listing expenses for the two years ended 31 March 2017 and the gain on disposal of fixed assets for the year ended 31 March 2016, the Group would have recorded a profit for the year ended 31 March 2017, which represents a decrease of approximately 60% as compared with that for the year ended 31 March 2016.

As the Company is still in the process of finalizing the consolidated results of the Group for the year ended 31 March 2017, the information contained in this announcement is only a preliminary assessment by the Board based on the latest information currently available to the Company, and is not based on any data or information which is finalized or reviewed by the audit committee of the Company. Actual financial results of the Group may be different from what is disclosed in this announcement. Shareholders and potential investors are advised to read carefully the announcement of the Company in relation to the results of the Group for the year ended 31 March 2017, which will be published by the end of June 2017.

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

By order of the Board
Food Wise Holdings Limited
WONG Che Kin
Chairman, Executive Director and Chief Executive Officer

Hong Kong, 1 June 2017

As at the date of this announcement, the Board comprises Mr. WONG Che Kin and Ms. WONG Chui Ha Iris as executive Directors; Mr. CHEUNG Wai Chi as a non-executive Director; and Mr. CHEUNG Yui Kai Warren, Prof. LAI Kin Keung and Mr. LUI Hong Peace as independent non-executive Directors.