Imperium Group Global Holdings Limited
帝 國 集 團 環 球 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 0776)

PROFIT WARNING AND BUSINESS UPDATE

PROFIT WARNING

The Board wishes to inform the Shareholders and potential investors that, based on the information currently available to the Company and the preliminary review by the Board of the unaudited consolidated management accounts of the Group for the year ended 31 December 2019, the Group is expected to record a net loss for the year ended 31 December 2019 of not less than HK$73.5 million as compared to the net loss of approximately HK$35.2 million for the year ended 31 December 2018.

The increase in the aforesaid loss was mainly attributable to (i) the decrease in revenue of household product segment due to trade dispute between the PRC and the US; (ii) the increase in loss of computer game segment due to delay in launching mobile games which were originally scheduled for release in the fourth quarter of 2019; and (iii) possible impairment loss on loan receivables and intangible assets.

BUSINESS UPDATE

The Group will (i) continue to diversify its customer base for the household product segment, in response to the potential risk of the possibility of continuous decrease of orders from a major customer; and (ii) develop a more steady supply of computer games for release at a more timely manner to improve the Group's performance.

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

This announcement is made by Imperium Group Global 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 (the "**Shareholders**") of the Company and potential investors that, based on the information currently available to the Company and the preliminary review by the Board of the unaudited consolidated management accounts of the Group for the year ended 31 December 2019, the Group is expected to record a net loss for the year ended 31 December 2019 of not less than HK$73.5 million as compared to the net loss of approximately HK$35.2 million for the year ended 31 December 2018.

The Board considered that the increase in the aforesaid loss was mainly attributable to (i) the decrease in revenue of household product segment due to trade dispute between the People's Republic of China (the "**PRC**") and the United States (the "**US**"); (ii) the increase in loss of computer game segment due to delay in launching mobile games which were originally scheduled for release in the fourth quarter of 2019; and (iii) possible impairment loss on loan receivables and intangible assets.

The Company is still in the process of finalising the annual results of the Group for the year ended 31 December 2019 (the "**Annual Results**"). The information contained in this announcement is only a preliminary assessment based on the unaudited consolidated management accounts of the Group and the information currently available for the time being, which have not been confirmed or reviewed by the audit committee of the Company and may be subject to adjustments. The Shareholders and investors are advised to read the Annual Results announcement carefully, which is expected to be released on 20 March 2020.

BUSINESS UPDATE

Whilst The PRC and the US has recently signed agreements in relation to phase one of the trade deal, other factors such as more requirements imposed for employee benefits and environmental protection initiative by the major customer and increasing level of competition in the PRC, have become major threats to our relationship with the major customer in the household product segment. The Group will closely monitor the major customer's global sourcing strategy, maintain current relationship with major customer and seek to diversify its customer base.

Regarding the computer game segment, the Group will continue to enhance the timeliness of launch plan and to develop a more steady stream of new games for launching. Moreover, the Group will implement appropriate cost control measures to enhance the performance of the segment.

The Group will continue to explore suitable opportunities to maximise returns for the Shareholders.

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

By order of the Board
Imperium Group Global Holdings Limited
Cheng Ting Kong
Chairman

Hong Kong, 17 January 2020

As at the date of this announcement, the executive Directors are Mr. Cheng Ting Kong, Ms. Yeung So Mui, Mr. Luk Wai Keung and Mr. Leung Kwok Yin; and the independent non-executive Directors are Mr. Fung Tze Wa, Mr. Ting Wong Kacee and Mr. Tse Ting Kwan.