CSMall Group Limited
金貓銀貓集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1815)

PROFIT WARNING

This announcement is made by CSMall Group Limited (the "**Company**", and 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 and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the "**Board**") wishes to inform the shareholders of the Company and potential investors that, based on the Group's unaudited consolidated management accounts for the year ended 31 December 2019 ("**FY2019**") (which have not been confirmed, reviewed or audited by the Company's auditors or audit committee, and may be subject to adjustment) and other information currently available to the Group, the Group expects to record a substantial decrease in net profit or a slight net loss attributable to owners of the Company for FY2019, as compared to a net profit attributable to owners of the Company of approximately RMB143 million for the year ended 31 December 2018. Such expected decrease or turnaround from profit to loss is mainly attributable to the following factors:

(i) the significant decline in the Group's volume of sales through both its online sales channels and its offline sales and service network during FY2019; and

(ii) the one-off and non-cash share-based payment expenses recorded during FY2019 in connection with the Company's new employee share scheme, as explained in the Company's announcement dated 6 May 2019 and circular dated 31 July 2019.

Excluding the impact of the aforesaid share-based payment expenses, the Group would have expected to record a decrease of 40% to 50% in its net profit attributable to owners of the Company for FY2019.

The Company is still in the process of finalizing its annual results for FY2019. Detailed financial information and performance of the Group for FY2019 will be disclosed in the Company's annual results announcement for FY2019 which is expected to be published by the end of March 2020.

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

By order of the Board
CSMall Group Limited
Chen He
Chairman

Hong Kong, 20 March 2020

As at the date of this announcement, the executive directors of the Company are Mr. Chen He, Mr. Zhang Jinpeng and Mr. Qian Pengcheng; and the independent non-executive directors of the Company are Mr. Fu Lui, Mr. Hu Qilin and Mr. Zhang Zuhui.