Fulum Group Holdings Limited
富臨集團控股有限公司
(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1443)

PROFIT WARNING

This announcement is made by Fulum Group Holdings 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 (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 (the "**SFO**").

Reference is made to the Company's announcement of unaudited interim results for the six months ended 30 September 2019 dated 28 November 2019, indicating that the Company has recorded a net loss of approximately HK$63.9 million during the relevant reporting period. The board of directors (the "**Board**") of the Company wishes to inform the shareholders of the Company and potential investors that, based on the information currently available to the Board, the Group is expected to record a net loss of over HK$200 million for the year ended 31 March 2020 ("**FY 2020**"), as compared to the profit for the year ended 31 March 2019 ("**FY 2019**") which amounted to approximately HK$25.6 million.

During the preliminary review of the Group's financial performance, the Board observed that the revenue of the Group for FY 2020 was expected to drop in the range of 26% – 32% as compared to FY 2019. Such decrease was mainly caused by the weak market sentiment amidst the social unreset in Hong Kong since June 2019, and the condition further deteriorated due to the outbreak of novel coronavirus disease (COVID-19) in the beginning of 2020.

Being hampered by the harsh business environment for the past few months and the market conditions ahead are still unclear, the Group has been, and will be, closely monitoring the market conditions and adopting stringent measures on cost control such as rental and labour cost, with the aim to minimize the negative impact on the Group so as maximize the returns to its shareholders.

As the Company is still in the process of finalising the audited consolidated results for FY2020, the information contained in this announcement is only based on the preliminary assessment by the management of the Company of information currently available and is not based on any figures or information audited or reviewed by the Company's auditors. The annual results announcement for the Company for FY2020 is expected to be announced in June 2020.

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

By order of the Board
Fulum Group Holdings Limited
Yeung Wai
Chairman, Executive Director and Chief Executive Officer

Hong Kong, 5 May 2020

As at the date of this announcement, the Board comprises Mr. Yeung Wai, Mr. Yeung Yun Chuen, Mr. Yeung Yun Kei and Mr. Leung Siu Sun as executive Directors; and Mr. Fan Chun Wah Andrew, Mr. Wu Kam On Keith and Mr. Ng Ngai Man Raymond as independent non-executive Directors.