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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 profit warning announcement of the Company dated 5 May 2020 (the "**Announcement**"). The board of directors (the "**Board**") of the Company wishes to inform the shareholders of the Company that, based on the additional information available to the Board, the Group is expected to record a loss of approximately HK$600 million to HK$650 million for the year ended 31 March 2020 ("**FY 2020**") as compared to a profit of HK$25.5 million for the corresponding period last year, mainly attributable to:

(a) a drop in revenue of the Group in the range of 26% – 32% as compared to the year ended 31 March 2019 as mentioned in the Announcement;

(b) impairment loss on property, plant and equipment, rights-of-use assets, goodwill and intangible assets for restaurants of the Group that were loss making during FY 2020 and the impairment loss on trade receivables, which in aggregate amounted to approximately HK$250 million; and

(c) other factors such as fair value loss on investment property, write-off of other receivables and fair value loss on financial assets.

The provision for the impairment losses are non-cash accounting treatments, as such, they have no impact on the Group's cash position for FY2020.

The Group is still in the process of finalising the Group's results for FY2020. The information contained in this announcement is only based on the preliminary assessment by the Board with reference to the unaudited consolidated management accounts of the Group for FY2020 which are currently available, and have not been audited by the Company's auditor.

Shareholders and potential investors are advised to peruse with care the annual results announcement of the Company for FY2020, which is expected to be released on 29 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, 24 June 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.