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Fu Shek Financial Holdings Limited

富石金融控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2263)

PROFIT WARNING

This announcement is made by Fu Shek Financial 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).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform 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 six months ended 30 September 2020, the Group is expected to record a decrease in net profit for the six months ended 30 September 2020 of not less than 19% as compared to that for the six months ended 30 September 2019. By excluding the non-recurring listing expenses, the Group is also expected to record a decrease in adjusted net profit for the six months ended 30 September 2020 of not less than 66% as compared to that for the six months ended 30 September 2019.

The Board considered that the decrease in adjusted net profit (excluding the non-recurring listing expenses) of the Group was mainly attributable to: (i) decrease in placing and underwriting services income, which in turn was due to the prudent approach adopted by the management of the Company in taking up new placing and underwriting projects in light of the uncertain economic outlook and volatility in the stock market; (ii) increase in impairment loss for accounts receivable arising from the business of dealing in securities under the expected credit loss model; and (iii) increase in operating expenses as compared with the six months ended 30 September 2019.

The Company is still in the process of finalising the interim results of the Group for the six months ended 30 September 2020. 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 audited nor reviewed by the Company's auditors and have not been confirmed by the audit committee of the Company and is subject to adjustments. The financial results of the Group for the six months ended 30 September 2020 will be set out in the interim results announcement of the Company scheduled to be published on 30 November 2020.

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

By order of the Board
Fu Shek Financial Holdings Limited
Sy Man Chiu
Executive Director

Hong Kong, 25 November 2020

As at the date of this announcement, the Board comprises Mr. Keng Stephen Lee as chairman and non-executive Director, Mr. Sy Man Chiu and Mr. Ng Sik Chiu as executive Directors, and Dr. Yu Sun Say, Mr. Lai Man Sing and Dr. Ho Chung Tai Raymond as independent non-executive Directors.