

Hong Kong Exchange and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Fujikon Industrial Holdings Limited

富士高實業控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 927)

PROFIT WARNING

This announcement is made by Fujikon Industrial Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the provisions of inside information 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 unaudited consolidated results of the Company for the 10 months ended 31 January 2020 and the Board’s assessment on the current market condition for the following two months, the Group may record a decrease in net profit for the year ending 31 March 2020 (the “**2020 Financial Year**”) by 35% to 50%, as compared to that for the year ended 31 March 2019. Despite the decrease in labour costs, it is expected that there will be a decline in the financial performance of the Group mainly due to (i) the decrease in revenue derived from the headsets and headphones segment; (ii) the increase in provision for obsolete stock; (iii) decrease in net exchange gains; and (iv) increase in provision for impairment of trade receivables.

Reference is made to the interim report (the “**Interim Report**”) of the Company for the six months ended 30 September 2019. As disclosed in the Interim Report, the Group’s customers have adopted more prudent approach as a result of the trade tensions between China and the United States of America, including adjusting their order forecasts and delaying the placement of certain orders, which resulted in a decrease in revenue derived from the headsets and headphones segment of the Group for the 2020 Financial Year.

Reference is also made to the announcements (the “**Announcements**”) of the Company dated 4 February 2020 and 3 March 2020 in relation to impact of the outbreak of COVID-19 (the “**Epidemic**”) on the Group. As disclosed in the Announcements, it is expected that the outbreak of the Epidemic would affect the Group’s financial performance for the 2020 Financial Year adversely

* For identification purposes only

as, among others, there has been (i) a drop in the Group's production capacity; and (ii) late delivery of products to customers of the Group's headsets and headphones operation and packaging business within the Group's accessories and components operation.

The information contained in this announcement is only based on the Board's preliminary assessment after reviewing the unaudited consolidated management accounts of the Group for the 10 months ended 31 January 2020 and the Board's assessment for the remaining two months up to 31 March 2020. The Group's annual results are subject to changes in market condition for the period ending 31 March 2020 and further review by the Board, and will be audited by the Company's auditor and reviewed by the audit committee of the Board prior to finalisation of such accounts. Therefore, the actual results of the Group for the year ending 31 March 2020 may differ from the information contained in this announcement.

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
Fujikon Industrial Holdings Limited
Yeung Chi Hung, Johnny
Chairman & Chief Executive Officer

Hong Kong, 18 March 2020

As at the date of this announcement, the Board comprises six executive Directors, namely, Mr. Yeung Chi Hung, Johnny, Mr. Yuen Yee Sai, Simon, Mr. Chow Man Yan, Michael, Mr. Yuen Chi King, Wyman, Mr. Yeung Siu Chung, Ben and Ms. Chow Lai Fung; and three independent non-executive Directors, namely, Dr. Chung Chi Ping, Roy, Mr. Che Wai Hang, Allen and Mr. Lee Yiu Pun.