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IMS Group Holdings Limited

英馬斯集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8136)

PROFIT WARNING

This announcement is made by IMS Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10(2)(a) of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (“**GEM Listing Rules**”) and the Inside Information Provisions (as defined in the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

After preliminary review by the Company’s management of the unaudited management accounts of the Group and assessment of the information currently available, the board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that the Group may record a significant decrease in profit after tax, excluding the non-recurring listing expenses, to approximately HK\$9.9 million for the year ended 31 March 2018, compared to the profit after tax (exclude non-recurring listing expenses) of HK\$20.6 million for the year ended 31 March 2017. The Board considers that such decline in profit after tax was mainly attributable to i) delay in revenue recognition as a result of delay in handover of certain projects to our customers, ii) increase in staff costs owing to increase in average salary and number of staff, and iii) increase in the Group’s administrative expenses for the year ended 31 March 2018 as compared to last year because of higher professional fees incurred relating to the listing of the Company’s shares on GEM and higher rental expenses incurred as the Group has entered into a tenancy agreement for its headquarter during the year.

As the Company is still in the process of finalising the consolidated financial results of the Group for the year ended 31 March 2018, the information contained in this announcement is only based on a preliminary assessment by the management of the Company according to the latest unaudited management accounts of the Group currently available, which have not been audited by the Group's auditor or reviewed by the audit committee of the Company and may be subject to amendments. Shareholders and potential investors are advised to read carefully the announcement of the Company in relation to the annual results of the Group for the year ended 31 March 2018, which is expected to be published in June 2018 in accordance with the GEM Listing Rules.

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

By Order of the Board
IMS Group Holdings Limited
Tam Yat Ming Andrew
Chairman

Hong Kong, 11 May 2018

As at the date of this announcement, the executive directors of the Company are Mr. Tam Yat Ming Andrew (Chairman and Chief Executive Officer) and Mr. Yeung Wun Tang Andy and the independent non-executive directors of the Company are Mr. Chu Yin Kam, Mr. Ha Yiu Wing and Dr. Wilson Lee.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in this announcement misleading.

This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for at least seven days from the day of its publication and on the Company's website at <http://www.ims512.com>.