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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 pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM (the “**GEM Listing Rules**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the “**SFO**”).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on the preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 September 2020 (the “**Relevant Period**”) by the management of the Group, the Group is expected to record (i) a loss of approximately HK\$0.5 million for the six months ended 30 September 2020, as compared to a profit of approximately HK\$8.8 million for the corresponding period of 2019; and (ii) a decrease in revenue for the six months ended 30 September 2020 of approximately 55.4% as compared with that of the corresponding period of 2019. The expected decrease in revenue and expected loss of the Group in the Relevant Period were primarily attributable to the following reasons:

- (i) as the novel coronavirus disease (“**COVID-19**”) pandemic continued to spread worldwide, most countries implemented temporary closure of parts of business premises and anti-epidemic policies since March 2020, causing the sales volume of the Group to decrease and thereby resulting in a decline in sales revenue of the Group; and
- (ii) the COVID-19 pandemic resulted in delay in resuming production, employees returning to work and supply of materials, as well as imbalance of production and increase in cost of anti-epidemic measures after the Chinese New Year, which led to a reduction in productivity and an increase in operating costs of the Group.

The information contained in this announcement is only based on the preliminary assessment by the management of the Group with reference to the unaudited management accounts of the Group for the Relevant Period and is not based on any figures or information audited or reviewed by the Company’s auditors nor reviewed by the audit committee of the Company. Shareholders and potential investors are advised to read carefully the results announcement of the Company for the Relevant Period which is expected to be published by the Company on 9 November 2020.

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

By Order of the Board  
**IMS Group Holdings Limited**  
**Tam Yat Ming Andrew**  
*Chairman and Executive Director*

Hong Kong, 4 November 2020

*As at the date of this announcement, the Board comprises Mr. Tam Yat Ming Andrew (Chairman and Chief Executive Officer) and Mr. Lo King Shun as Executive Directors, and Mr. Chu Yin Kam, Mr. Ha Yiu Wing and Dr. Wilson Lee as Independent Non-executive Directors.*

*This announcement, for which the Directors 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, (i) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and (ii) there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the day of its publication. This announcement will also be published on the Company’s website at [www.ims512.com](http://www.ims512.com).*