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Fulu Holdings Limited

福祿控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2101)

Inside Information Shareholders' Return Plan (Years 2020-2023)

This announcement is made by Fulu Holdings Limited (the “**Company**”, together with its subsidiaries and its consolidated affiliated entities, 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 of directors (the “**Board**”) of the Company hereby announces that the return plan (Years 2020-2023) for shareholders of the Company (the “**Shareholders**”; and the return plan, the “**Plan**”) has been considered and approved at the Board meeting held on Thursday, March 25, 2021. Details of the Plan are set out below:

Factors Considered in Formulating the Plan

Focusing on the long-term and sustainable development, the Company took into account the reasonable return on investors' investment and other important factors such as actual operating conditions, development plan and objectives, future profitability, cash flow conditions, current development stage, capital requirement, social capital costs and external financing environment of the Company to establish a sustainable and stable return plan, ensuring the continuity and stability of the Shareholders' return.

Principle for Formulating the Plan

The Company shall proactively implement the Plan in a continuous and stable manner, taking into account the reasonable return on shareholders' investment and the long-term development of the Company. The Plan will adopt the form of cash dividend. The Plan was formulated in compliance with the provisions in respect of dividend policy set out in relevant laws, regulations, Listing Rules, and the articles of association of the Company (the “**Articles of Association**”), while maintaining the continuity and stability of dividends.

Shareholders' Return Plan (Years 2020-2023)

The Plan will adopt the form of cash dividend, and the amount of the annual cash dividend to be distributed shall be not less than 35% of the distributable profits of the Company for the relevant year. The actual percentage of annual dividends will be determined by the Board. The Board shall, taking into account the Company's development prospects, profit growth, cash flow and other factors, formulate a reasonable plan in compliance with relevant laws, regulations, Listing Rules, and the Articles of Association. After the end of each financial year, the Board will formulate a dividend distribution proposal in light of the Company's profits for the year and use plan of working capital, and submit such proposal to the annual general meeting for the Shareholders' consideration and approval (if Shareholders think fit).

The specific annual return plan of the Company is subject to the approval of the Shareholders at the annual general meeting for the relevant year. Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

By order of the Board
Fulu Holdings Limited
Fu Xi
Chairman

Wuhan, Hubei Province, China
March 25, 2021

As of the date of this announcement, the Board comprises Mr. Fu Xi, Mr. Zhang Yuguo, Mr. Shui Yingyu, Mr. Zhao Bihao and Mr. Mao Feng as executive directors; and Mr. Li Wai Chung, Ms. Wang Yuyun and Mr. Wong Sincere as independent non-executive directors.