

TARGET

Intelligence Report

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S A T U R D A Y

October 31, 2020

**FULU HOLDINGS LTD:
PHASE ONE: THE COMPANY BAGS \$HK826.60 MILLION;
PHASE TWO: A RETURN TO THE MONEY WELL
FOR MORE INTEREST-FREE CASH ?**

Within 22 days of the publication and dissemination of the Global Offering Prospectus of Fulu Holdings Ltd (福祿控股有限公司) (Code: 2101, Main Board, The Stock Exchange of Hongkong Ltd) in the **Hongkong Special Administrative Region (HKSAR)** of the **People's Republic of China (PRC)**, Management of the Company announced, inter alia, the following intelligence, directed specifically at its extant and newly acquired shareholders in respect of the Results of the first half of the Current Financial Year:

	For The Six Months, Ended June 30		Percentage Increase
	2020	2019	
	All Figures Are Denominated In Renminbi (RMB) (except where otherwise indicated)		
Revenue	158,650,000	121,829,000	30.22
Gross Profit	132,813,000	95,925,000	38.46
Net Profit Attributable to Shareholders	71,223,000	52,016,000	36.93

At Page Eight of this Interim Report, the '*Revenue by Nature*' was stated as follows:

	For The Six Months, Ended June 30			
	All Figures Are Denominated In Renminbi (except where otherwise indicated)			
	2020	Percentage	2019	Percentage
Virtual Goods-Related Services	119,801,000	75.60	118,627,000	97.40
Value-Added Services (online store operation services)	36,290,000	22.80	2,972,000	2.40
Others ¹	2,559,000	1.60	230,000	0.20
TOTAL	158,650,000	100.00	121,829,000	100.00

Note (1): '*Includes user acquisition and management services (e.g. mini-game development services) and IT solutions.*'

That which is very evident, with regard to the Revenue from Virtual Goods-Related Services, is that it incurred a material decrease, in the First Half of the Current Financial Year, compared with the like period in 2019, by 22.38 percentage points.

As for Revenue from Value-Added Services (online store operation services), it rose, in the First Half of the Current Financial Year, by about 850 percentage points, compared with the like period in 2019.

The History And Business Of Fulu Holdings Ltd

Fulu Holdings Ltd was incorporated in the Cayman Islands on or about October 31, 2019.

As part of the reorganisation of the Company, the Cayman Islands corporate entity became the holding company of the entire Group of Companies, under the ‘*umbrella*’ that is known, today, as Fulu Holdings Ltd.

The Company can trace its history back about 11 years with the incorporation in the PRC, proper, being separate and distinct from the HKSAR of the PRC, of Wuhan Fulu Network Technology Company Ltd (武漢福祿網絡科技有限公司).

That event took place on March 24, 2009, and, today, this company is one of the Group’s PRC Holdcos.

(Holdcos are defined as being businesses that own other entities that have a value. These are usually accomplished through the acquisition of stock or shares that is sufficient to control, or influence, voting by shareholders. A ‘*holdco*’ earns money by collecting the dividends from the shares of firms in which it owns a controlling interest.)

The Founder of Fulu Holdings Ltd has been credited to the vision of Mr Fu Xi (符熙), a Chinese entrepreneur with a residence is in Wuhan, the PRC, proper.

Mr Fu Xi, in agreement with an independent third party, formed the Company in order, initially, to The ... [CLICK TO ORDER FULL ARTICLE](#)

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