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寶業集團股份有限公司

BAOYE GROUP COMPANY LIMITED*

(a joint stock limited company incorporated in the People's Republic of China)
(Stock Code: 2355)

Positive Profit Alert

This announcement is made by Baoye Group Company Limited (the “**Company**”) together with its subsidiaries (collectively, 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 under the Listing Rules) 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 (the “**Shareholders**”) and potential investors that based on the information currently available to the Board, it is expected that the profit attributable to the owners of the Company for the year ended 31 December 2018 would have a year-on-year increase of not less than 30% as compared to that of the year ended 31 December 2017. Based on the information currently available, the Board believes that the substantial increase in profit is mainly attributable to the higher profit margin properties sales units that have been delivered to the purchasers and recognized as revenue under the property development business sector during the year as compared to the same period last year.

As the Company is still in the process of preparing and finalizing the annual results

for the year ended 31 December 2018, the information contained in this announcement is only based on a preliminary assessment of the unaudited management accounts of the Group and information currently available. It is not based on any data or information being audited or reviewed by the auditors of the Company.

Further information and other details of the Group's financial results and performance for the year ended 31 December 2018 will be disclosed in the forthcoming annual results announcement, which is expected to be published by the end of March 2019.

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

By order of the Board
Baoye Group Company Limited*
Pang Baogen
Chairman

Zhejiang Province, the PRC
7 March 2019

As at the date of this announcement, the Board comprises five executive Directors, namely Mr. Pang Baogen, Mr. Gao Lin, Mr. Gao Jiming, Mr. Gao Jun and Mr. Jin Jixiang; and one non-executive Director, namely Mr. Fung Ching, Simon and three independent non-executive Directors, namely Mr. Chan Yin Ming, Dennis, Mr. Li Wangrong and Ms. Liang Jing.

* *For identification purposes only*