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# **BaWang International (Group) Holding Limited**

**霸王國際(集團)控股有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 01338)**

## **ANNOUNCEMENT UNUSUAL PRICE MOVEMENTS AND RESUMPTION OF TRADING**

The Company wishes to clarify certain information contained in a magazine article published today which carried magniloquent and inaccurate description about the Company's products.

At the request of the Company, trading of its shares was suspended with effect from 2:30 p.m. on Wednesday, 14 July 2010 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in its shares with effect from 9:30 a.m. on Thursday, 15 July 2010.

This announcement is made at the request of The Stock Exchange of Hong Kong Limited pursuant to Rule 13.10 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

BaWang International (Group) Holding Limited ("**BaWang**" or the "**Company**", together with its subsidiaries the "**Group**") noted that there was a magazine article (the "**Article**") published today which carried inaccurate and unfounded allegations against certain BaWang products. The Company would like to clarify as follows:

1. Product quality and safety are the Company's top priority. All products of the Company comply with the stringent requirements of the current legal and regulatory manufacturing standards in China and have passed all related quality control tests. Approved by the Guangzhou Entry-exit Inspection and Quarantine Bureau, the Company's products meet all relevant safety standards of mainland China and Hong Kong.
2. The Group's products also comply with European and US standards. The content of 1, 4-dioxane found in our products is far below limits stipulated by the relevant authorities and organisations in these countries on the level of 1, 4-dioxane in consumer products. The directors of the Company are of the view that the Group's products do not pose any health or safety issues to the users.

The Group is seeking advice on what actions it may take against the publisher of the magazine in relation to the Article.

We have noted a recent decrease in the price of shares of the Company. Save as the above, we wish to state that we are not aware of any reasons for such decrease in the price.

We also confirm that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under rule 13.23 of the Listing Rules, neither is the board of directors (the “**Board**”) of the Company aware of any matter discloseable under the general obligation imposed by rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

Made by the order of the Company, the Board of the directors individually and jointly accept responsibility for the accuracy of this announcement.

At the request of the Company, trading of its shares was suspended with effect from 2:30 p.m. on Wednesday, 14 July 2010 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in its shares with effect from 9:30 a.m. on Thursday, 15 July 2010.

By order of the Board  
**BaWang International (Group) Holding Limited**  
**WONG Sin Yung**  
*Company Secretary*

Hong Kong, 14 July 2010

*As at the date of this announcement, the board of directors of the Company comprises of four executive directors, namely, Mr. CHEN Qiyuan, Ms. WAN Yuhua, Mr. SHEN Xiaodi and Mr. WONG Sin Yung, one non-executive director, namely, Ms. GUO Jing, and three independent non-executive directors, namely, Mr. NGAI Wai Fung, Mr. LI Bida and Mr. CHEN Kaizhi.*

\* *For identification purpose only*