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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)**

### **PROFIT WARNING**

This announcement is made by the board (the “**Board**”) of directors of BaWang International (Group) Holding Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

The Board wishes to inform the shareholders and the potential investors of the Company that based on the Board’s review of the currently available information, it is expected that the Group will record a much lower operating profit from its continuing operations for the year ended 31 December 2017 as compared to an operating profit of approximately RMB42.6 million recorded for the corresponding period in 2016.

The expected decrease in the Group’s profits from its continuing operations for the year ended 31 December 2017 was primarily attributable to the following factors: (1) a much lower level of other income, which during year ended 31 December 2016 included an one-off amount in relation to a litigation claim, (2) an increase in the costs of packaging materials and direct labour expenses, and (3) an increase in the Group’s selling and distribution costs.

The information contained in this announcement is based on the preliminary review of the currently available information, which has not been reviewed by the Company’s auditors or its audit and risk management committee. The actual results of the Group for the year ended 31 December 2017 may be different from the disclosure in this announcement. Further information on the Group’s results and performance for the year ended 31 December 2017 is expected to be released in March 2018 and the related annual report will be published and dispatched to the shareholders in accordance with the requirements under the Listing Rules.

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

By order of the Board  
**BaWang International (Group) Holding Limited**  
**CHEN Qiyuan**  
*Chairman*

Hong Kong, 2 March 2018

*As at the date of this announcement, the Board comprises three executive directors, namely Mr. CHEN Qiyuan, Mr. CHEN Zheng He and Mr. WONG Sin Yung, and two independent non-executive directors, namely Dr. NGAI Wai Fung and Mr. CHEUNG Kin Wing.*

*\* For identification purpose only*