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TAI PING CARPETS INTERNATIONAL LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 146)



PROFIT WARNING

This announcement is made by Tai Ping Carpets International Limited (the “Company”, together with its subsidiaries, 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 of directors of the Company (the “Board”) wishes to inform the shareholders of the Company and potential investors that, based on the preliminary assessment of the internal unaudited management accounts of the Group, the Group is expected to record a substantial net loss for the six months ended 30 June 2016.

The Group’s business is seasonal with the first half always weaker than the second, and in 2016 the core business has been trading slightly ahead of prior year through June. However, as explained in the Chairman’s Statement in the Company’s 2015 Annual Report, the Company has incurred significant restructuring costs linked mainly to the transfer of manufacturing capabilities from its Nanhai facility in Guangdong Province to a new state-of-the-art facility in Xiamen, Fujian Province.

This announcement is not based on any figures or information that has been audited or reviewed by the Company’s auditors or Audit Committee. It is expected that the interim results announcement of the Group for the six months ended 30 June 2016 will be announced in or around August 2016.

Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

By order of the Board
Tai Ping Carpets International Limited
Nicholas T. J. Colfer
Chairman

Hong Kong, 5 August 2016

As at the date of this announcement, the Directors of the Company are: Chairman and Non-executive Director – Mr. Nicholas T. J. Colfer; Chief Executive Officer and Executive Director – Mr. James H. Kaplan; Independent Non-executive Directors – Mrs. Yvette Y. H. Fung, Mr. Roderic N. A. Sage, Mr. Lincoln C. K. Yung, Mr. Aubrey K. S. Li; Non-executive Directors – Mr. David C. L. Tong, Mr. John J. Ying, Mr. Nelson K. F. Leong, Mr. Andrew C. W. Brandler.