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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 pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions.

The Board wishes to inform the Shareholders and the potential investors of the Shares that the Group would continue to incur loss from operations for the six months ended 30 June 2013. Based on the information currently available to the Directors, the Directors anticipate that the amount of the loss from operations for the six months ended 30 June 2013 would be substantially less than the same as reported for the six months ended 30 June 2012. The decrease in the amount of the loss from operations was primarily due to the cost saving measures adopted by the Group following the implementation of a value-chain-oriented business model since the second half of 2012.

The information contained in this announcement is based on the preliminary financial information and the unaudited management accounts of the Group for the six months ended 30 June 2013. As the interim results of the Group have yet to be finalised, the actual results of the Group for the six months ended 30 June 2013 may be different from the disclosure in this announcement.

Shareholders and potential investors of the Shares are advised to exercise caution in dealing in the Shares.

This announcement is made by the board (the “**Board**”) of directors (the “**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 and the Inside Information Provisions (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 (the “**Shareholders**”) of the Company and the potential investors of the shares (the “**Shares**”) of the Company that the Group would continue to incur loss from operations for the six months ended 30 June 2013. Based on the information currently available to the Directors, the Directors anticipate that the amount of the loss from operations for the six months ended 30 June 2013 would be substantially less than the same as reported for the six months ended 30 June 2012. The decrease in the amount of the loss from operations for the period was primarily due to the cost saving measures adopted by the Group following the implementation of a value-chain-oriented business model since the second half of 2012.

The Company is still in the process of finalising the interim results of the Group for the six months ended 30 June 2013. The information contained in this announcement is based on the preliminary financial information and the unaudited management accounts of the Group for the six months ended 30 June 2013. Hence, the actual results of the Group for the six months ended 30 June 2013 may be different from the disclosure in this announcement.

Further information on the Group's results and performance will be announced on 30 August 2013 and the related interim report will be published and dispatched to the Shareholders in accordance with the requirements under the Listing Rules.

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

This announcement is made by the order of the Board, and the Directors individually and jointly accept responsibility for the accuracy of this announcement.

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

Hong Kong, 26 August 2013

As of the date of this announcement, the Board comprises of four executive Directors, namely Mr. CHEN Qiyuan, Ms. WAN Yuhua, and Mr. WONG Sin Yung, and three independent non-executive Directors, namely Dr. NGAI Wai Fung, Mr. LI Bida and Mr. CHEN Kaizhi.

** For identification purpose only*