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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)

VOLUNTARY ANNOUNCEMENT UPDATE ON LITIGATION

Reference is made to the voluntary announcement of BaWang International (Group) Holding Limited (the “**Company**”) in relation to the update on the results of litigation published on 23 May 2016 (the “**Announcement**”). Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

As disclosed in the Announcement, on 23 May 2016, the Company received the judgment (the “**Judgment**”) handed down by the Court of First Instance of the High Court of Hong Kong in respect of the Legal Proceedings in favour of the Company and Bawang Guangzhou. According to the Judgment, *inter alia*, all the pleaded defences raised by Next Magazine in relation to the libel claim of the Company and Bawang Guangzhou were rejected by the High Court of Hong Kong, and Next Magazine was ordered by the High Court of Hong Kong to pay the Company and Bawang Guangzhou, general damages for libel in an aggregate amount of HK\$3,004,652.50 and 80% of the legal costs of the Company and Bawang Guangzhou in respect of the Legal Proceedings.

After seeking legal advice, the Company and Bawang Guangzhou have decided to appeal against the Judgment. The Company and Bawang Guangzhou had served a notice of appeal to the Judgment (the “**Notice of Appeal**”) on Next Magazine today, and will lodge the Notice of Appeal with the Court of Appeal of the High Court of Hong Kong on 21 June 2016. No hearing date for the said appeal has been fixed.

Under Hong Kong law, Next Magazine is entitled to serve a respondent’s notice to the Company and Bawang Guangzhou within 21 days from today, being the date on which the Notice of Appeal was served. As at the date of this announcement, the Company has not received any notice of appeal to the Judgment from Next Magazine.

The Company will keep the Shareholders and the public informed of any material progress on the above matters by way of further announcement(s) as and when appropriate.

Shareholders and potential investors of the Company are 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, 20 June 2016

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

** For identification purpose only*