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CHANCO INTERNATIONAL GROUP LIMITED

卓高國際集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 264)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and Inside Information Provisions under Part XIVA of the SFO.

The board of directors of the Company wishes to inform the shareholders of the Company and potential investors that the loss of the Group for the year ending 31 March 2014 is expected to have a significant increase as compared to the year ended 31 March 2013.

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

This announcement is made by Chanco International Group Limited (the “Company”, together with its subsidiaries as 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 Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Future Ordinance (CAP. 571, Laws of Hong Kong) (the “SFO”).

The board (the “Board”) of directors (the “Directors”) of the Company wishes to inform the shareholders of the Company and potential investors that the loss of the Group for the year ending 31 March 2014 is expected to have a significant increase as compared to the year ended 31 March 2013.

Based on the latest information available, the expected increase in loss was mainly due to the reduction of orders from overseas customers and rising production costs in the PRC. Apart from the manufacturing business, the increase in loss was also due to the decrease of retail sales as a result of increasing market competition and continuing slowdown in the retail market.

The Board would also like to inform the shareholders of the Company and potential investors that the financial position of the Group remains sound and healthy.

This profit warning announcement is only based on a preliminary assessment by the Board with reference to the information currently available. The Company's annual results for the year ending 31 March 2014 is expected to be announced by the end of June 2014.

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

On behalf of the Board
Chanco International Group Limited
Chan King Hong Edwin
Chairman

Hong Kong, 21 March 2014

As at the date of this announcement, Mr. Chan King Hong, Edwin, Mr. Chan King Yuen, Stanley, Ms. Chan Wai Po, Rebecca are the executive directors of the Company, Mr. Fong Pui Sheung, David MH, Ms. Chau Cynthia Sin Ha JP and Mr. Or Kam Chung, Janson are the independent non-executive directors of the Company.