NNK GROUP LIMITED
年年卡集團有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 3773)

PROFIT WARNING

This announcement is made by NNK Group Limited (the "**Company**" and, 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 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 and potential investors of the Company that, based on the Board's preliminary review of the unaudited consolidated management accounts of the Group and other information currently available, the Group is expected to record a loss for year ending 31 December 2017 as compared to a profit for the year ended 31 December 2016. Such result was primarily attributable to (i) the further decrease of the discount rate the Group received from the PRC telecommunication operators and distributors in the second half of 2017 as compared to the first half of 2017 as well as the year 2016; (ii) the decline in mobile top-up requests through electronic banking systems and offline channels; (iii) the increase in distribution and selling expenses due to increasing marketing campaign with the PRC banks; and (iv) the decrease in government grants and subsidy recognised when compared with the previous year. The Group will continue its endeavour to deepen the cooperation with PRC banks by expanding its service offering, and expanding the cooperation with internet companies, e-commerce platforms and their direct dealers, in order to increase the transaction volume.

The information contained in this announcement is only based on the preliminary assessment made by the Board with reference to the latest available financial and other information, and such information has not been reviewed by or discussed with the auditor of the Company. Actual financial results of the Group for the year ending 31 December 2017 may be different from what is disclosed in this announcement. Furthers details on the financial results will be disclosed in March 2018 when the Group publishes its audited annual results for the year ending 31 December 2017.

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 of
NNK Group Limited
Huang Junmou
Chairman

Hong Kong, 22 December 2017

As at the date of this announcement, Mr. Huang Junmou and Mr. Yang Hua are the executive Directors; Mr. Li Xiangcheng, Mr. Xu Xinhua and Mr. Yu Zida are the non-executive Directors; and Mr. Lin Zhangxi, Mr. Qian Haomin and Ms. Zhao Jinlin are the independent non-executive Directors.