Kiu Hung International Holdings Limited
僑雄國際控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 00381)

PROFIT WARNING

This announcement is made by Kiu Hung International Holdings Limited (the "**Company**") 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 Future Ordinance, Chapter 571 of the Laws of Hong Kong.

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders of the Company ("**Shareholders**") and potential investors that based on the preliminary review of the unaudited management accounts (the "**Management Accounts**") of the Company and its subsidiaries (the "**Group**") and information available to the Company, the Group is expected to record (i) a significant decrease in the turnover for the six months ended 30 June 2018 ("**1H2018**") by over 30% as compared to the corresponding period last year ("**1H2017**"); and (ii) a significant increase in the loss attributable to owners of the Company for 1H2018 by over 30% as compared to 1H2017. The decrease in turnover and increase in loss were due to the intensified competition in the industries of manufacturing and trading of toys and gifts items, resulting in fewer customer orders and thereby severely affecting the Group's profit margins.

The Company is still in the process of finalizing its interim results announcement for 1H2018 (the "**Interim Results Announcement**"). The information contained in this announcement is only based on the preliminary assessment by the Board with reference to the Management Accounts and information which have not been reviewed or audited by the Company's auditors and may be materially different from the Interim Results Announcement. Shareholders and potential investors are advised to read the Interim Results Announcement which is expected to be published on 31 August 2018.

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

By order of the Board
Kiu Hung International Holdings Limited
Hui Kee Fung
Chairman

Hong Kong, 27 August 2018

As at the date of this announcement, the Board comprises five executive Directors, Mr. Hui Kee Fung, Mr. Yu Won Kong, Dennis, Mr. Zhang Yun, Mr. Zhang Qijun and Ms. Yi Meixuan, and three independent non-executive Directors, Mr. So Chun Pong, Ricky, Mr. Wang Xiao Ning and Mr. Cheung Man Loon, Michael.