361 Degrees International Limited
361度國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1361)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform the Shareholders and potential investors that, based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended 31 December 2018 and the information currently available, the Board currently estimates that for the year ended 31 December 2018, the Group is expecting to record a notable decrease in net profit after taxation as compared to that for the year ended 31 December 2017.

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

This announcement is made by 361 Degrees International 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 (the "**Listing Rules**") and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**").

The board of directors of the Company (the "**Board**") wishes to inform shareholders of the Company (the "**Shareholders**") and potential investors and that, based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended 31 December 2018 and the information currently available, the Board currently estimates that for the year ended 31 December 2018, the Group is expecting to record a notable decrease in net profit after taxation as compared to that for the year ended 31 December 2017.

The expected notable decrease in net profit after taxation is primarily attributable to the Group's expected loss for the second half of 2018 due to, among other things, the following reasons:

1. an overall decrease in the Group's order for 2018 due to (i) a reduction of replenishment order, as relatively conservative consumer sentiment towards non-essential commodities such as the Group's products among the general public in China, which the Directors believe was caused by the uncertainty arising from the trade war between China and the United States of America; (ii) revised delivery schedule resulted from the Group's implementation of the Logistics Optimization Program in the year; and (iii) a brand rebuilding program for the Group's long-term development launched in the second half of 2018 aiming to better satisfy target consumers' changing needs;

2. the continuous depreciation of Renminbi against the United States Dollars during 2018, which resulted in exchange loss incurred by the Company; and

3. a substantial loss recorded in the Group's e-commence business in 2018 due to the increase in advertising and promotion expenses.

Notwithstanding the above, the Board considers that the overall operational and financial position of the Group remains sound and the Board remains positive on the long-term prospect of the Group.

Shareholders and potential investors should note that the information contained in this announcement represents only a preliminary assessment of the Board as at the date hereof and such information has not been audited nor reviewed by the Company's auditors, thus may be subject to further adjustments.

The annual results announcement of the Group for the year ended 31 December 2018 is expected to be published before the end of March 2019.

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

By order of the Board
361 Degrees International Limited
Ding Huihuang
Chairman

Xiamen, Fujian Province, 14 February 2019

As at the date of this announcement, the Directors are as follows:

Executive Directors:	*Mr. Ding Wuhao, Mr. Ding Huihuang (Chairman), Mr. Ding Huirong and Mr. Wang Jiabi*
Independent Non-Executive Directors:	*Mr. Tsui Yung Kwok, Mr. Liao Jianwen and Mr. Li Yuen Fai Roger*