TFG INTERNATIONAL GROUP LIMITED
富元國際集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 542)

PROFIT WARNING

This announcement is made by TFG International Group Limited (the "**Company**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited and Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The Board of Directors of the Company (the "**Board**") wishes to inform the shareholders of the Company and potential investors that it is expected that the results of the Company and its subsidiaries (the "**Group**") for the year ended 31 December 2018 may show a loss. Such loss is, amongst other things, mainly attributable to (i) the increase in foreign exchange loss due to the adverse movement of exchange rate in Renminbi during the year of 2018 upon translation of the assets and liabilities of the Group the functional currency of which are Renminbi, (ii) the amortisation and depreciation of leasehold land and property, plant and equipment of the Group, (iii) increase in interest expenses and finance costs of the Group in respect of the notes issued in January 2018 as part of the consideration for the acquisition of subsidiaries, loans and borrowing and other loans, (iv) impairment of property, plant and equipment and licensing rights of the Group, and (v) increase in other administrative expenses including rental expenses, directors' fees and staff payroll of the Group.

The Company is in the process of preparing the Group's results for the year ended 31 December 2018. The information contained in this announcement is only based on the Board's preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended 31 December 2018, subject to finalisation and necessary adjustments. The Company expects to announce its audited consolidated results for the year ended 31 December 2018 on 15 March 2019.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

By order of the Board
TFG International Group Limited
YANG Lijun
Chairman

Hong Kong, 12 March 2019

As at the date of this announcement, the Board comprises Mr. YANG Lijun and Mr. YU Kam Hung being the Executive Directors, Mr. WONG Kui Shing, Danny being the Non-executive Director and Ms. CHAN Hoi Ling, Ms. SO Wai Lam and Mr. SUNG Yat Chun, being the Independent Non-executive Directors.