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BAOFENG MODERN INTERNATIONAL HOLDINGS COMPANY LIMITED
寶峰時尚國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1121)

SALES FOR THE SIX MONTHS ENDED 30 JUNE 2019 AND PROFIT WARNING

This announcement is made by Baofeng Modern International Holdings Company Limited (the "Company", together with its subsidiaries, the "Group") pursuant to Rules 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures 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 and potential investors of the Company that based on preliminary assessment of the Group's unaudited management accounts for the six months ended 30 June 2019 (the "Reporting Period"), the sales of the Group for the Reporting Period amounted to approximately RMB99.9 million, representing a slightly decrease of approximately 1.7% when compared to the amount of approximately RMB101.7 million for the corresponding period in 2018.

Due to the trade friction between China and the United States ("US"), some customers of the original equipment manufacturer business started to place orders with manufacturers in Southeast Asia and India and reduced orders to the Group during the Reporting Period. In response to this, the Group implemented the following measures: i) tried to retain existing customers by reducing the gross profit margin; ii) explored new customers; and iii) accepted new orders even with low gross profit margin. As a result, the gross profit margin of the Group is expected to record a decrease to approximately 19.0% for the Reporting Period as compared to approximately 24.6% for the corresponding period in 2018.

The Company is still in the process of preparing and finalising the interim results of the Group for the Reporting Period. The information contained in this announcement is a preliminary assessment made by the Board based on the information currently available to the Group and such information has not yet been confirmed or reviewed by the audit committee of the Company, and the actual results of the Group for the Reporting Period may be different from what are disclosed herein.

Shareholders and potential investors of the Company are advised to read carefully the interim results announcement of the Company for the Reporting Period which is expected to be issued on or before 31 August 2019.

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

On behalf of the Board
Baofeng Modern International Holdings Company Limited
Zheng Jingdong
Chairman

Hong Kong, 26 July 2019

As at the date of this announcement, the executive Directors are Mr. Zheng Jingdong and Mr. Leung Tsz Chung; the non-executive Director is Ms. Lin Weihuan; and the independent non-executive Directors are Professor Zhao Jinbao, Mr. Chen Shaohua and Ms. An Na.