AOWEI HOLDING LIMITED
奧威控股有限公司

(incorporated in the British Virgin Islands and continued in the Cayman Islands with limited liability)

(Stock Code: 1370)

INSIDE INFORMATION
PROFIT WARNING

This announcement is made by Aowei Holding Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors (the "**Board**") of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on the Company's preliminary review of the latest unaudited consolidated management accounts of the Group, it is expected that that the Group will record a loss attributable to the equity shareholders of the Company of not more than RMB150.0 million for the year ended 31 December 2019 (the "**Reporting Period**") as compared with a profit attributable to the owners of the Company of approximately RMB41.5 million for the corresponding period in 2018.

Major reasons for the loss of the Group in 2019 are as follows:

(i) In the second half of 2019, the environmental protection policies of Hebei Province became more and more stringent by taking measures such as activating level II emergency response through the orange warning of heavy pollution weather and restricting the production of industrial and mining enterprises, which resulted in the accounting loss of individual wholly-owned subsidiaries of the Company. In accordance with International Accounting Standard 36, Asset Impairment, the Company engaged an independent valuer to review the carrying amount of the long-term assets of the relevant subsidiaries in order to determine the recoverable amount of the assets;

(ii) The entering into of the termination agreements between Baoding Xinan Medical Management Consulting Limited, a subsidiary of the Group, Rongcheng County Health Bureau (容城縣衛生健康局) and Rongcheng County Hospital of Traditional Chinese Medicine on 3 March 2020, respectively, terminated the management business of Rongcheng County Hospital of Traditional Chinese Medicine of the Group, which resulted in the Group's impairment loss on intangible assets. For details on the termination of the management business of Rongcheng County Hospital of Traditional Chinese Medicine of the Group, please refer to the inside information announcement published by the Company dated 3 March 2020.

The information contained in this announcement is only based on the preliminary assessment by the Board with reference to the information currently available including the latest unaudited management accounts of the Group, which have not been audited or reviewed by the Company's auditors. As at the date of this announcement, the Group's consolidated results for the year ended 31 December 2019 have not yet been finalised, and are subject to necessary adjustments. Further details of the Group's financial information will be disclosed as and when the audited annual results of the Group for the year ended 31 December 2019 are announced in the end of March 2020.

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

By order of the Board
Aowei Holding Limited
Mr. Li Yanjun
Chairman

Beijing, the PRC
3 March 2020

As at the date of this announcement, the executive Directors of the Company are Mr. Li Yanjun, Mr. Li Ziwei, Mr. Sun Jianhua, Mr. Jin Jiangsheng and Mr. Tu Quanping and the independent non-executive Directors of the Company are Mr. Ge Xinjian, Mr. Meng Likun and Mr. Kong Chi Mo.