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BaWang International (Group) Holding Limited

霸王國際(集團)控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 01338)

PROFIT WARNING

This announcement is made by the board (the “**Board**”) of directors of BaWang International (Group) Holding 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 Board wishes to inform the shareholders and the potential investors of the Company that, based on a preliminary review of the currently available financial information, when compared with net loss of approximately RMB5.3 million recorded for the same period last year (“**1H2020**”), it is expected that the Group will record a marked increase in net loss in the region of approximately RMB14.0 million for the six months ended 30 June 2021 (“**1H2021**”). The increase in net loss in 1H2021 was mainly attributable to the combined effect of a decrease of approximately 6.0% in revenue derived from online sales, the notable increase in costs of staff, raw materials and packaging materials in the PRC, and the continual increase in the Group’s marketing and promotion expenses in response to fierce market competition to maintain its market share during 1H2021.

The information contained in this announcement is based on the preliminary review of the currently available information, which has not been reviewed by the Company’s auditors or its Audit and Risk Management Committee. The actual results of the Group for 1H2021 may be different from the disclosure in this announcement. Further information on the Group’s results and performance for the 1H2021 is expected to be released on 31 August 2021 and the related interim report will be published and dispatched to the shareholders in accordance with the requirements under the Listing Rules.

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

By order of the Board

BaWang International (Group) Holding Limited

CHEN Qiyuan

Chairman

Hong Kong, 4 August 2021

As at the date of this announcement, the Board comprises three executive directors, namely Mr. CHEN Qiyuan, Mr. CHEN Zheng He and Mr. WONG Sin Yung, and three independent non-executive directors, namely Dr. NGAI Wai Fung, Mr. CHEUNG Kin Wing and Dr. WANG Qi.

** For identification purpose only*