

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

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, the Group is expected to record a net loss in the region of approximately RMB25.3 million for the ten months ended 31 October 2022 (“**10M2022**”) as compared with an unaudited net loss of RMB13.8 million for the same period last year.

Based on the currently available information, the marked increase in net loss of the Group in 10M2022 was primarily attributable to the following factors: (1) a decline in sales resulting from the sluggish market environment with the COVID-19 pandemic remaining volatile both domestically and overseas; (2) in response to the fierce market competition, the Group increased its promotion expenses of its online channel to keep this channel active; (3) despite a reduction in cost of sales resulting from a decline in sales, cost of sales per unit increased due to inflationary pressures on raw materials and indirect raw materials; and (4) the Group incurred additional costs in its staff optimization exercise.

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.

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, 22 November 2022

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 Mr. CHEUNG Kin Wing, Dr. WANG Qi and Dr. LIU Jing.

** For identification purpose only*