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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)

UPDATE ON POSITIVE PROFIT ALERT

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).

Reference is made to announcement of the Company published on 21 June 2023 (the “**21 June 2023 Announcement**”) on the unaudited financial information for the five months ended 31 May 2023 (“**5M2023**”). Based on the latest available unaudited financial information for the six months ended 30 June 2023 (“**1H2023**”), the net profit of the Group is currently expected to be around RMB4.5 million as compared with a net loss of approximately RMB16.2 million for the six months ended 30 June 2022. Therefore, the estimated net profit for 1H2023 would be higher than the RMB0.7 million that was announced in the 21 June 2023 Announcement for the 5M2023.

Further improvement in the estimated net profit for 1H2023 (as compared with the 5M2023 estimated net profits as announced in the 21 June 2023 Announcement) was mainly attributable to: (1) There was a larger than expected increase in the number of sales orders fulfilled in June 2023; and (2) The Group continued to strengthen its expenses control, which resulted in lower selling and distribution expenses and administrative expenses recorded in June 2023.

The information contained in this announcement is based on the preliminary review of the latest available unaudited financial 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 1H2023 may be different from the disclosure in this announcement. Further information on the Group’s results and performance for the 1H2023 is expected to be released at the end of August 2023 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, 18 August 2023

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*