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京 西 重 工 國 際 有 限 公 司

BEIJINGWEST INDUSTRIES INTERNATIONAL LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2339)

PROFIT WARNING

This announcement is made by BeijingWest Industries International 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 (as defined in the Listing Rules) of Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on preliminary assessment of the Board with reference to the unaudited consolidated management accounts of the Company for the financial year ended 31 December 2017 and other information currently available to the Board, it is expected that the Group would record a loss attributable to the Shareholders for the financial year ended 31 December 2017 as opposed to profit attributable to the Shareholders recorded for the financial year ended 31 December 2016. Such adverse change is primarily attributable to the following factors:

1. the costs of raw materials such as steel increased which have an adverse impact on the gross profit margin of the Company;
2. the new plant of the Group in the Czech Republic has just commenced its production and thus has not reached its design capacity, which led to increases in fixed costs and operating expenses of the Group; and
3. revenue and gross profit generated from the plant of the Group in Shanghai decreased due to certain major customers of the Group, being vehicle manufactures, having postponed or reduced their procurements of the products from our Shanghai plant because of unsatisfactory sales volume of certain automobile models.

The Group’s final results for the financial year ended 31 December 2017 are still under review and subject to finalization and confirmation by the auditor of the Company as well as approvals of the audit committee of the Company and the Board at the respective meetings to be held in mid-March and late March 2018. The final results announcement of the Group for the financial year ended 31 December 2017 will be published in late March 2018.

Further announcement will be made by the Company if there is any significant change in the expected financial results of the Group as disclosed in this announcement.

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

By Order of the Board
BeijingWest Industries International Limited
Jiang Yunan
Chairman

7 March 2018

As at the date of this announcement, the Board comprises Mr. Jiang Yunan (Chairman), Mr. Chen Zhouping (Managing Director), Mr. Li Shaofeng (Executive Director), Mr. Thomas P Gold (Executive Director), Mr. Zhang Yaochun (Non-executive Director), Mr. Tam King Ching, Kenny (Independent Non-executive Director), Mr. Leung Kai Cheung (Independent Non-executive Director) and Mr. Yip Kin Man, Raymond (Independent Non-executive Director).