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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)

VOLUNTARY ANNOUNCEMENT UPDATE ON LITIGATION

Reference is made to the voluntary announcement of BaWang International (Group) Holding Limited (the “**Company**”) in relation to the update on the results of litigation published on 23 May 2016 and the voluntary announcement of the Company in relation to the update on litigation published on 20 June 2016 (the “**Announcements**”). Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

As disclosed in the Announcements, on 23 May 2016, the Company received the Judgment handed down by the Court of First Instance of the High Court of Hong Kong in respect of the Legal Proceedings in favour of the Company and Bawang Guangzhou. According to the Judgment, *inter alia*, all the pleaded defences raised by Next Magazine in relation to the libel claim of the Company and Bawang Guangzhou were rejected by the High Court of Hong Kong, and Next Magazine was ordered by the High Court of Hong Kong to pay the Company and Bawang Guangzhou, general damages for libel in an aggregate amount of HK\$3,004,652.50 and 80% of the legal costs of the Company and Bawang Guangzhou in respect of the Legal Proceedings. The Company and Bawang Guangzhou had served the Notice of Appeal on Next Magazine on 20 June 2016, and lodged the Notice of Appeal with the Court of Appeal of the High Court of Hong Kong on 21 June 2016.

Since the Company and Bawang Guangzhou intend to focus its financial resources and attention to their business operation, the Company and Bawang Guangzhou filed a request for dismissal (the “**Request for Dismissal**”) of its appeal today. As at the date of this announcement, the Request for Dismissal has not been approved by the Court of Appeal of the High Court of Hong Kong.

The Company will keep the Shareholders and the public informed of any material progress on the above matters by way of further announcement(s) as and when appropriate.

Shareholders and potential investors of the Company are 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, 23 June 2016

As at the date of this announcement, the Board comprises of 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. LI Bida and Mr. CHEUNG Kin Wing.

** For identification purpose only*