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**Sinomax Group Limited**

**盛諾集團有限公司**

*(Incorporated under the laws of the Cayman Islands with limited liability)*

**(Stock Code: 1418)**

## **PROFIT WARNING**

This announcement is made by Sinomax Group Limited (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the inside information provisions under Part XIVA of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that, based on the unaudited consolidated financial statements of the Group and other information currently available to the Board, the Group expects that the profit for the six months ended 30 June 2017 will decrease within the range of approximately HK\$25 million to HK\$33 million, or approximately 60% to 80%, as compared with the corresponding period in 2016. Such decrease was mainly attributable to:

- (1) the costs incurred in setting up trial run of production in a factory located in United States and recruiting sales force in the United States for the six months ended 30 June 2017; and
- (2) the significant increase in the purchase price of a key raw material of polyurethane foam, namely toluene diisocyanate for the six months ended 30 June 2017, as compared with the same period last year.

The Company is in the process of finalizing the Group's unaudited consolidated financial results for the six months ended 30 June 2017. The information contained in this announcement is only a preliminary assessment by the Board based on the information currently available to it and such information has not been audited or reviewed by the Company's auditors or audit committee. Shareholders and potential investors of the Company are advised to read the interim results announcement of the Company for the six months ended 30 June 2017 carefully, which is expected to be published on 29 August 2017.

**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  
**Sinomax Group Limited**  
**Lam Chi Fan**  
*Chairman*

Hong Kong, 15 August 2017

*As at the date of this announcement, the executive Directors are Mr. Lam Chi Fan (Chairman of the Board), Mr. Cheung Tung (President), Mr. Chen Feng, Mr. Lam Kam Cheung (Chief Financial Officer and Company Secretary) and Ms. Lam Fei Man; and the independent non-executive Directors are Mr. Wong Chi Keung, Professor Lam Sing Kwong Simon, Mr. Fan Chun Wah Andrew, JP, Mr. Zhang Hwo Jie and Mr. Wu Tak Lung.*