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比速科技集團國際有限公司

Bisu Technology Group International Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1372)

PROFIT WARNING

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

Reference is made to the announcements of the Company dated 29 June 2018 and 24 August 2018, the interim results announcement of the Company dated 28 August 2018 and the interim report for the six months ended 30 June 2018 of the Company published on 27 September 2018.

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that based on the preliminary review of the unaudited financial information of the operating subsidiary (the “**PRC Subsidiary**”) engaging in the automotive engines business of the Group (the “**Automotive Engines Business**”) in the People’s Republic of China for the eleven months ended 30 November 2018 and other information currently available to the Group, the Group expects to record a substantial loss for the year ending 31 December 2018 as compared to a profit for the year ended 31 December 2017. The Group’s results for the year ending 31 December 2018 have been adversely affected by, among other factors, the following:

1. there was a reduction of revenue generated from the Automotive Engines Business from approximately HK\$1,127 million for the eleven months ended 30 November 2017 to approximately HK\$281 million for the same period in 2018. Such decrease was mainly attributable to the fact that there was a substantial decline in the sales of engines by the Group to the car manufacturing customers of the Group (the “**Car Manufacturing Customers**”) for the eleven months ended 30 November 2018;

2. there will be impairment on the goodwill and intangible assets in relation to the acquisition of the Automotive Engines Business. Such impairment loss is primarily attributable to the fact that the financial performance of Automotive Engines Business is less than expected for the year ending 31 December 2018. The Board would like to emphasize that the impairment loss on the goodwill and intangible assets is a non-cash item and has no effect on the Group's daily operations and cash flow; and
3. as at 31 October 2018, the accounts and bills receivables due from the Car Manufacturing Customers amounted to approximately HK\$720 million. The Company is assessing the recoverability of the accounts and bills receivables and provision may have to be made for the accounts and bills receivables.

There is information that the Car Manufacturing Customers may have financial difficulties which affected its normal operations and may undergo certain restructuring with a view to resolving the financial difficulties and resuming normal operations. In such circumstances, the status and the results of the restructuring will have significant impact on the future sales of engines by the Group and the recoverability of the accounts and bills receivables due from the Car Manufacturing Customers. As the relevant information available to the Company is limited, in order to confirm the accuracy of the information and obtain more relevant information about the current situation of the Car Manufacturing Customers and their restructuring plan, the Board has resolved to form a task force to visit the senior management of the Car Manufacturing Customers as well as obtaining further relevant information from available channels. It is expected that the task force will report its findings to the Board by end of December 2018. Further announcement(s) will be made by the Company as and when necessary.

The information contained in this announcement is only based on a preliminary review of the unaudited financial information of the PRC Subsidiary and other information currently available to the Group. The unaudited financial information of the PRC Subsidiary have not been audited nor reviewed by the independent auditor of the Company and have not been confirmed by the audit committee of the Company. The actual financial results of the Group for the year ending 31 December 2018 may be different from the information disclosed herein. The financial results of the Group for the year ending 31 December 2018 will be set out in the annual results announcement of the Company to be published by the end of March 2019.

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
Bisu Technology Group International Limited
Lam Wah
Executive Director

Hong Kong, 7 December 2018

As at the date of this announcement, the executive Directors are Mr. Xing Bin and Mr. Lam Wah; the non-executive Director is Mr. Wong Hin Shek; and the independent non-executive Directors are Mr. Yip Tai Him, Mr. Chan Kai Wing and Mr. Leung Tsz Wing.