

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



比亞迪電子(國際)有限公司
BYD ELECTRONIC (INTERNATIONAL) COMPANY LIMITED

(incorporated in Hong Kong under the Companies Ordinance with limited liability)

(Stock code: 285)

PROFIT WARNING

This announcement is made by BYD Electronic (International) Company Limited (the “**Company**” and together with its subsidiaries, collectively referred to as the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders and potential investors of the Company that based on the information currently available to the Company and the preliminary review and analysis of the unaudited management accounts of the Group for the year ended 31 December 2018 (“**FY 2018**”), which have not been audited or reviewed by the auditors and/or the audit committee of the Company, it is expected that the profit attributable to the shareholders of the Company for FY 2018 will be reduced by approximately 13% to 16% compared with the year ended 31 December 2017 (For the year ended 31 December 2017: the profit attributable to the shareholders of the Company was RMB2,584,868,000).

The Board considers that the expected decrease in the profit attributable to the shareholders of the Company was primarily attributable to:

- a) Impacted by the downturn in macro-economy and decline in the industry demand, especially weak demand for the handset market and intensified competition in the upstream supply chain in the fourth quarter, the profit in the fourth quarter of the Group decreased, thereby resulting in the decrease in profits for 2018.
- b) The Group increased investments in the research and development of new business, such as automobile intelligent system, glass and ceramics in 2018, while in response to the increase in demand for glass and ceramics markets, actively expanding its production capacity, which led to the increase in short-term costs.

The increase in the research and development expenses will have an impact on earnings of the Group in the short term, but it will lay a more solid foundation for the sustainable development of the Group’s new business in the long term. With the implementation of the new product orders in 2019, it is expected that the capacity utilization rate of the 3D glass business will increase significantly. The Board remains optimistic about the prospects of the principal businesses of the Group.

The information contained in this announcement is only based on the preliminary assessment by the management of the Company based on the unaudited management accounts of the Group currently available which have not been audited or reviewed by the auditors and/or the audit committee of the Company. The finalised audited consolidated results of the Group for FY 2018 are expected to be announced by the end of March 2019, which may differ from the figures and information provided in this announcement.

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
BYD Electronic (International) Company Limited
WANG Nian-qiang
Director

Hong Kong, 26 February 2019

As at the date of this announcement, the executive Directors are Mr. WANG Nian-qiang and Mr. WANG Bo; the non-executive Directors are Mr. WANG Chuan-fu and Mr. WU Jing-sheng; and the independent non-executive Directors are Mr. CHUNG Kwok Mo John, Mr. Antony Francis MAMPILLY and Mr. QIAN Jing-jie.