

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.



PROFIT ALERT

This announcement is made by Cosmos Machinery Enterprises Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) 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) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform shareholders of the Company (the “**Shareholders**”) and potential investors that, based on a preliminary review on the unaudited consolidated management account of the Group for the six months ended 30 June 2018 and the information currently available to the Board, the Group is expected to record an increase in unaudited consolidated profit for the six months ended 30 June 2018 of not less than HK\$56,000,000 as compared to the period ended 30 June 2017. This increase was mainly attributable to:

- (1) a gain on disposal of entire issued share capital of MS Plasticorp, an indirect wholly-owned subsidiary of the Company prior to the completion of the disposal and incorporated in Cook Islands with limited liability, of approximately HK\$44,500,000, after deducting the related statutory cost and expenses. Details of the disposal are set out in the Company’s announcements dated 1 September 2017, 11 October 2017, 22 December 2017 and 20 March 2018, and the circular of the Company dated 20 September 2017; and
- (2) improvement in the operating results of the plastic products and processing business for the six months ended 30 June 2018 compared to the same period last year.

The information contained in this announcement is only a preliminary assessment made by the management of the Company based on the unaudited consolidated management accounts of the Group for the six months ended 30 June 2018 and information presently available to the Board. The unaudited consolidated interim results of the Group for the six months ended 30 June 2018 have not been finalized and are subject to review by the audit committee of the Company. Shareholders and potential investors are advised to read carefully the unaudited interim results announcement of the Company for the six months ended 30 June 2018 which is expected to be published in August 2018.

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

By order of the Board
Cosmos Machinery Enterprises Limited
TANG To
Chairman

Hong Kong, 2 August 2018

As at the date of hereof, the Board is comprised of nine directors, of which three are executive directors, namely Mr. Tang To, Mr. Wong Yiu Ming and Mr. Tang Yu, Freeman, and two are non-executive directors, namely Mr. Kan Wai Wah and Mr. Qu Jinping and four are independent non-executive directors, namely Ms. Yeung Shuk Fan, Mr. Cheng Tak Yin, Mr. Ho Wei Sem and Mr. Huang Zhi Wei.