

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.

CHINA WEAVING MATERIALS HOLDINGS LIMITED

中國織材控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3778)

POSITIVE PROFIT ALERT

This announcement is made by the Company pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO. The Board wishes to inform the Shareholders and potential investors that based on the preliminary assessment of the Group's unaudited consolidated management accounts and information currently available to the Group, it is expected that the Group will record a substantial increase in its consolidated net profit for the six months ended 30 June 2017 as compared to that for the six months ended 30 June 2016.

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

This announcement is made by China Weaving Materials Holdings Limited (the “**Company**”, 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong) (the “**SFO**”).

The board of directors (“**Directors**”) of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on the preliminary assessment of the Group's unaudited consolidated management accounts and information currently available to the Group, it is expected that the Group will record a substantial increase in its consolidated net profit for the six months ended 30 June 2017 (the “**Interim Period**”) as compared to that for the six months ended 30 June 2016.

The expected substantial increase in the consolidated net profit of the Group for the Interim Period is mainly attributable to a fair value gain on derivative component of convertible bond for the six months ended 30 June 2017 of approximately RMB 14.5 million, and the absence of such gain for the six months ended 30 June 2016.

The Company is still in the process of finalizing its interim results for the Interim Period, which may be subject to further adjustments. The information contained in this announcement is not based on any figures or information that has been audited or reviewed by the auditor of the Company and only reflects the preliminary assessment by the Board on the unaudited consolidated management accounts of the Group and information currently available to the Group. The interim results announcement of the Company for the Interim Period is expected to be released by the end of August 2017 in accordance with the Listing Rules.

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

By Order of the Board
China Weaving Materials Holdings Limited
Zheng Hong
Chairman

Hong Kong, 11 August 2017

As at the date of this announcement, the Board comprises Mr. Zheng Hong and Mr. Zheng Yongxiang as the executive Directors; Mr. Sze Irons BBS, JP as the non-executive Director; Ms. Zhang Baixiang, Mr. Xu Yiliang and Mr. Ng Wing Ka JP as the independent non-executive Directors.