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## **V.S. INTERNATIONAL GROUP LIMITED**

**威 鉞 國 際 集 團 有 限 公 司**

*(incorporated in the Cayman Islands with limited liability)*

**(stock code: 1002)**

### **VOLUNTARY ANNOUNCEMENT BUSINESS UPDATE**

This announcement is made by V.S. International Group 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 (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).

Reference is made to the voluntary announcement of the Company dated 9 March 2020 in relation to business update.

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the information currently available to the Board, the Group is expected to record a decrease of about 72% in its loss attributable to owners of the Company for the year ended 31 July 2020, as compared to the loss attributable to owners of the Company of approximately RMB122.2 million for the year ended 31 July 2019.

The decrease in loss attributable to owners of the Company for the year ended 31 July 2020 was mainly attributable to the following reasons:

- (i) increase in gross profit by approximately 1.1 times despite the decrease in revenue by approximately 25%, which was mainly due to the decrease in depreciation expense and better margin from improved product mix;
- (ii) decrease in general and administration expenses by approximately 31%, which was mainly due to the decrease in staff costs; and
- (iii) decrease in net other losses by about 40%, which was mainly due to the decrease in impairment on property, plant and equipment, and recognised gain from disposal of property, plant and equipment as compared to a loss for the year ended 31 July 2019.

As the Company is still in the process of finalising the consolidated annual results of the Group for the year ended 31 July 2020, the information contained in this announcement is only based on a preliminary assessment by the management of the Company of the information currently available to the Board, and is not based on any figures or information which have been audited or reviewed by the external auditors of the Company. Therefore, the actual results of the Group for the year ended 31 July 2020 may differ from the information contained in this announcement. Shareholders and potential investors should refer to the Group's annual results announcement for the year ended 31 July 2020, which is expected to be published on 24 September 2020, for details of the performance of the Group.

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

By order of the Board  
**V.S. International Group Limited**  
**Beh Kim Ling**  
*Chairman*

Zhuhai, the People's Republic of China, 10 September 2020

As at the date of this announcement, the Board comprises the following members:

***Executive Directors:***

Mr. Beh Kim Ling  
Mr. Gan Sem Yam  
Mr. Zhang Pei Yu  
Mr. Beh Chern Wei

***Independent non-executive Directors:***

Mr. Diong Tai Pew  
Mr. Tang Sim Cheow  
Ms. Fu Xiao Nan

***Non-executive Director:***

Mr. Gan Tiong Sia