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CHRISTINE INTERNATIONAL HOLDINGS LIMITED

克莉絲汀國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1210)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board hereby informs the Shareholders and potential investors of the Company that, based on the information currently available to the Board, including the unaudited management accounts of the Group, the results of the Group for the year ended 31 December 2012 are expected to decrease significantly as compared to that for the year ended 31 December 2011.

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

Christine International Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) hereby issues this announcement 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 under the Listing Rules) under Part XIVA of the Securities and Future Ordinance (the “**SFO**”) (Chapter 571, Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company hereby informs the Shareholders and potential investors of the Company that, based on the information currently available to the Board, including the unaudited management accounts of the Group, the results of the Group for the year ended 31 December 2012 are expected to decrease significantly as compared to that for the year ended 31 December 2011.

To the best of the Directors’ knowledge, the Group’s annual results were mainly affected by:

- (1) an increase in expenses at the beginning of the second quarter of 2012 as a result of higher salaries which were paid in compliance with the revised requirements in minimum wages and social security regulations in Jiangsu, Zhejiang and Shanghai in China, in addition, constant increased rentals for old- and newly-opened-stores in various regions boosted sales expenses up.
- (2) operating results of the Group’s old stores receded and the performance of newly opened stores fell below expectation due to weak domestic consumption and fiercer competition from diversified players in the baking industry, which led to lingeringly weak sales growth of individual stores in 2012 although overall operating income remained basically flat.

- (3) an increase in sales expenses, including but not limited to salaries for new employees as well as additional costs for rental and reserve packaging materials, for newly opened stores as part of the rapid expansion of the Group's business after the listing of the Group.

The information contained in this announcement is only a preliminary assessment based on the information currently available to the Board and the unaudited management accounts of the Group. As at the date hereof, such accounts have not been confirmed or reviewed by the audit committee or auditors of the Company. Audited financial information of the Group for the year ended 31 December 2012 will be disclosed in the annual results announcement to be published by the end of March 2013 and the actual results may be different from what is disclosed 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
Christine International Holdings Limited
Tien-An Lo
Chairman

Shanghai, 8 February 2013

As at the date of this announcement, the executive Directors are Mr Tien-An Lo, Mr Dun-Ching Hung and Mr Chi-Ming Chou; the non-executive Director is Mr Toshihito Hirasawa; and the independent non-executive Directors are Mr Weide Luo, Mr Nianlin Zhu and Ms Wanwen Su.