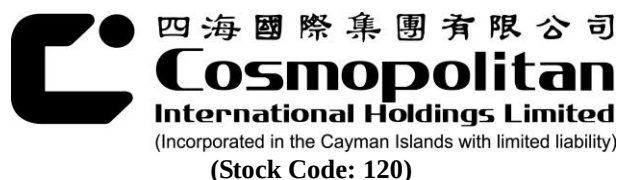


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PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09(2) of the Listing Rules and Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform the shareholders of the Company and potential investors that, based on the preliminary review by the Company's management on the unaudited consolidated management accounts of the Group for the six months ended 30th June, 2015, it is expected that the Group will record an increase of about one time in its net loss as compared to that recorded for the six months ended 30th June, 2014. The expected increase in net loss is primarily due to the recognition of additional financial liability associated with the Subscription Option for the subscription of the Optional Convertible Bonds 2017, which was granted in conjunction with the issue of the Convertible Bonds 2017 in August 2014. Under the prevailing accounting standards and policies adopted by the Group, the Subscription Option is required to be recognised as a derivative financial liability and its fair value is measured at each reporting date by reference to independent professional appraisal. As the market price of the Ordinary Shares as at 30th June, 2015 had risen substantially over that prevailing as at 31st December, 2014, an additional amount of financial liability on the Subscription Option is expected to be recognised in the results for the six months ended 30th June, 2015. However, the Board wishes to draw the attention of the shareholders of the Company and potential investors to the fact that the aforesaid financial liability and the related loss arising from the changes in the fair value of the Subscription Option are non-cash in nature and will not have any impact on the Group's cash flows nor will they affect its business operations.

The unaudited consolidated financial statements of the Group for the six months ended 30th June, 2015 are still being finalised. The interim results announcement of the Group for the six months ended 30th June, 2015 will be published on 25th August, 2015.

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

This announcement is made by Cosmopolitan International Holdings 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 Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong) (“SFO”).

The board of directors of the Company (the “Board”) wishes to inform the shareholders of the Company and potential investors that, based on the preliminary review by the Company’s management on the unaudited consolidated management accounts of the Group for the six months ended 30th June, 2015, it is expected that the Group will record an increase of about one time in its net loss as compared to that recorded for the six months ended 30th June, 2014, primarily due to the recognition of additional financial liability associated with the outstanding Subscription Option (as referred to below).

On 18th August, 2014, the convertible bonds due 2017 (“Convertible Bonds 2017”) in the principal amount of HK\$500 million, convertible into new ordinary shares of the Company (“Ordinary Shares”) at a conversion price of HK\$0.35 per Ordinary Share (subject to adjustments) and guaranteed by the Company, were issued by Apex Team Limited (the “Issuer”), a wholly-owned subsidiary of the Company. In conjunction with the issue of the Convertible Bonds 2017, the Issuer granted an option (the “Subscription Option”) to subscribe for additional Convertible Bonds 2017 (“Optional Convertible Bonds 2017”) in an aggregate principal amount of up to HK\$500 million, which, if subscribed for and issued, will be convertible into new Ordinary Shares at a conversion price of HK\$0.40 per Ordinary Share (subject to adjustments) and also guaranteed by the Company. Details of the Subscription Option and the Optional Convertible Bonds 2017 were disclosed in the circular of the Company dated 20th June, 2014 and the annual report of the Company for the year ended 31st December, 2014.

Under the prevailing accounting standards and policies adopted by the Group, the Subscription Option is required to be recognised as a derivative financial liability and its fair value is measured at each reporting date by reference to independent professional appraisal. As the market price of the Ordinary Shares as at 30th June, 2015 had risen substantially over that prevailing as at 31st December, 2014, the fair value of the Subscription Option as at 30th June, 2015 assessed by reference to independent professional appraisal would be substantially higher than that recorded as at 31st December, 2014. Hence, an additional amount of financial liability on the Subscription Option is expected to be recognised in the unaudited consolidated financial statements of the Group for the six months ended 30th June, 2015, resulting in a significant increase in net loss to be recorded in the Group’s results for the six months ended 30th June, 2015.

However, the Board wishes to draw the attention of the shareholders of the Company and potential investors to the fact that the aforesaid financial liability and the related loss arising from the changes in the fair value of the Subscription Option are non-cash in nature and will not have any impact on the Group's cash flows nor will they affect its business operations.

This profit warning announcement is only based on the unaudited consolidated management accounts of the Group for the six months ended 30th June, 2015. The unaudited consolidated financial statements of the Group for the six months ended 30th June, 2015 are still being finalised. The interim results announcement of the Group for the six months ended 30th June, 2015 will be published on 25th August, 2015.

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

By Order of the Board
Cosmopolitan International Holdings Limited
Eliza Lam Sau Fun
Secretary

Hong Kong, 14th August, 2015

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

Executive Directors:

Mr. LO Yuk Sui

(Chairman and Chief Executive Officer)

Mr. Jimmy LO Chun To

(Vice Chairman and Managing Director)

Miss LO Po Man *(Vice Chairman)*

Mr. Kenneth WONG Po Man

(Chief Operating Officer)

Mr. Kelvin LEUNG So Po

(Chief Financial Officer)

Mr. Daniel BONG Shu Yin

Mr. Kenneth NG Kwai Kai

Non-Executive Director:

Mr. Francis BONG Shu Ying

Independent Non-Executive Directors:

Ms. Judy CHEN Qing, JP

Ms. Alice KAN Lai Kuen

Mr. LEE Choy Sang

Mr. David LI Ka Fai

Hon Abraham SHEK Lai Him, GBS, JP