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CENTURY GINWA RETAIL HOLDINGS LIMITED

世紀金花商業控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 162)

PROFIT WARNING

This announcement is made by Century Ginwa Retail Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The board of the Company (the "**Board**") wishes to inform shareholders of the Company and potential investors that based on the preliminary review of the management accounts of the Group for the six-month period ended 30 September 2016 (the "**current period**") and information currently available, it is expected to record a loss attributable to equity shareholders of the Company of approximately HK$259 million for the current period as compared with the profit recorded for the six months ended 30 June 2015.

The Board believes that the loss was mainly due to (i) the provision for impairment of goodwill. As such impairment is non-cash in nature, it will not have any material effect on the cash flow and the business operation of the Group; (ii) the loss on disposal of the property, plant and equipment resulting from the closure of the Xinjiang Youhao Store which will not have any impact on the cash flow and business operation of the Group. The closure of the Xinjiang Youhao Store would better optimize the utilization of the Group's resource to focus on the core location and is expected to enhance the overall business performance of the Group in the future; (iii) no valuation gain being recorded from the investment property during the current period, which is non-cash in nature; (iv) the Company's financial year end has been changed from 31 December to 31 March, and the statement of profit or loss for the current period covered a period from 1 April 2016 to 30 September 2016 while the comparative figures of the last period covered the period from 1 January 2015 to 30 June 2015, where there is a seasonal effect as the comparative period from January to June includes the New Year's Day and the Lunar New Year, which is the peak season for the retail business, and period from July to September in the current period is typically the off season for the retail business. Save for the above non-recurring factors which have no material effect on the cash flow and business operation of the Group and the seasonal effect of the retail business resulting from the change of financial year, the business operation of the Group remains normal and effective.

The interim results of the Group for the current period remain subject to finalization and necessary adjustments, where necessary. The information contained in this announcement is only based on the preliminary assessment by the Company's management according to the consolidated management accounts of the Group, and is not based on any figures or information that has been audited or reviewed by the Company's auditors. The information contained in this announcement may be different from the interim financial information to be published. Details of the Group's interim results for the six-month period ended 30 September 2016 are expected to be announced in late November 2016.

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
Century Ginwa Retail Holdings Limited
Choon Hoi Kit, Edwin
Chief Executive Officer

Hong Kong, 24 November 2016

As at the date of this announcement, the Board comprises four executive directors, being Mr. Wu Yijian, Mr. Chan Wai Kwong, Peter, Mr. Choon Hoi Kit, Edwin and Mr. Sha Yingjie; three non-executive directors, being Mr. Chen Shuai, Mr. Cao Yonggang and Mr. Qu Jiaqi; and four independent non-executive directors, being Mr. Tsang Kwok Wai, Mr. Ruan Xiaofeng, Ms. Sun Zhili and Dr. Cao Guoqi.