世紀金花

GINWA

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**", 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 directors of the Company (the "**Board**") wishes to inform shareholders of the Company and potential investors that based on the preliminary review of the consolidated management accounts of the Group for the year ended 31 March 2017 (the "**current year**") and information currently available, it is expected to record a loss attributable to equity shareholders of the Company of approximately RMB352 million for the current year as compared with the profit recorded for the fifteen months ended 31 March 2016. The Board considers that the aforesaid turnaround from profit to loss was mainly due to (i) the provision for impairment of goodwill of approximately RMB273 million. 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 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; and (iii) no valuation gain being recorded from the investment property during the current year, which is non-cash in nature. Save for the above non-recurring factors which have no material effect on the cash flow and the business operation of the Group, the business operation of the Group remains normal and effective.

The results of the Group for the current year 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 financial information to be published. Details of the Group's results for the year ended 31 March 2017 are expected to be announced in late June 2017.

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
Kam Hou Yin, John
Chief Executive Officer

Hong Kong, 19 June 2017

As at the date of this announcement, the Board comprises four executive directors, being Mr. Wu Yijian, Mr. Chan Wai Kwong, Peter, Mr. Kam Hou Yin, John 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.