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Shirble Department Store Holdings (China) Limited
歲寶百貨控股(中國)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00312)

PROFIT WARNING

This announcement is made by the board (the "**Board**") of directors (the "**Directors**") of Shirble Department Store Holdings (China) 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 the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

The Board wishes to inform the shareholders (the "**Shareholders**") of the Company and prospective investors of the shares of the Company that the profit attributable to owners of the Company for the six months ended 30 June 2018 would decrease by 61%-66%, as compared to the same for the six months ended 30 June 2017, primarily due to the following reasons:

(1) a write-off of RMB4.6 million, being the aggregate amount of the net book value of the furniture and fixtures and decoration in relation to the shop areas dedicated for the business cooperation with Hema Network Technology Company as announced by the Company on 19 June 2018. This was compared to the amount of write-back of rental expense amounting to RMB33 million as a result of the acquisition of two store premises by the Group during the six months ended 30 June 2017.

(2) decrease by approximately 8.9% in the revenue mainly due to the closure of Wanxiang store upon expiration of lease agreement, as well as a combination of other factors, such as the increase popularity of online sales in the PRC and unexpected changes in consumers' preference.

The Board is in the process of finalising the unaudited consolidated interim results of the Group for the six months ended 30 June 2018. Information contained in this announcement is based on the preliminary information available to the Board and the unaudited consolidated management accounts of the Group and has yet to be reviewed or confirmed by the auditors of the Company and the audit committee of the Board and may be different from the unaudited consolidated interim results of the Group for the six months ended 30 June 2018. The results announcement of the Company for the six months ended 30 June 2018 will be published by the Company by the end of August 2018 in full compliance with the requirements under the Listing Rules.

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

By order of the Board
Shirble Department Store Holdings (China) Limited
YANG Xiangbo
Chairman

Hong Kong, 3 August 2018

As of the date of this announcement, the Board is comprised of six Directors, namely Mr. YANG Xiangbo (Chairman) and Mr. YANG Ti Wei (Chief Executive Officer) as the executive Directors and Ms. ZHAO Jinlin, Mr. CHEN Fengliang, Mr. JIANG Hongkai, and Mr. FOK Hei Yu as the independent non-executive Directors.