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)

POSITIVE PROFIT ALERT FOR THE YEAR ENDED 31 DECEMBER 2018

This announcement is made by the board (the "**Board**") of directors (the "**Directors**") of Shirble Department Store Holdings (China) Limited (the "**Company**" which together with its subsidiaries, the "**Group**") 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 under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Based on the information currently available to the Board, which includes, but without limitation to, the unaudited management accounts of the Group for the year ended 31 December 2018, the Directors wish to inform the shareholders (the "**Shareholders**") and prospective investors of the Company that the net profit of the Group for the year ended 31 December 2018 would increase by 135% to 155%, as compared with the amount of net profit of the Group for the year ended 31 December 2017, primarily because of the following factors:

(1) the Group entered into a share purchase agreement with TFG International Group Limited (stock code: 00542) in December 2018 to acquire 19% of the ordinary shares at fixed price HKD0.225 per share, which resulted in a fair value gain of approximately RMB190 million;

(2) decrease in revenue and increase in the scheduled one-off expenses/compensation incurred by the Group for store renovation of selected department stores of the Group under the strategic cooperation framework agreement entered into on 15 June 2018 with Hema Network Technology Company Limited, as set forth in the announcement of the Company dated 19 June 2018; and

(3) following the appointment of Mr. HAO Jian Min ("**Mr. HAO**") as the Co-Chairman and an executive Director, as set forth in the announcement of the Company dated 26 September 2018, the fair value of 250,000 shares of the Company being charged to profit or loss account of the Company as the share-based payment to Mr. HAO. Other than the above-mentioned 250,000 shares and a monthly salary of HKD 2 million, no other compensation have been provided to Mr. HAO relating to the

services to be provided by him to the Group. The remaining number of shares of the Company transferred by Shirble Department Store Limited, a controlling shareholder (as such term is defined under the Listing Rules) of the Company, to Mr. HAO is unrelated to the services provided by Mr. HAO to the Group.

The Directors expect that the announcement of the results of the Group for the year ended 31 December 2018 would be published before the end of March 2019 in compliance with the requirements under the Listing Rules.

This positive profit alert is based on the information currently available to the Board. There may be changes or adjustments following completing of the audit procedures by the auditors of the Company and review of the audited accounts by the audit committee of the Board.

Shareholders and prospective investors of the Company are advised to exercise caution when dealings in the Shares.

By order of the Board
Shirble Department Store Holdings (China) Limited
YANG Xiangbo
Co-Chairman and Executive Director

Hong Kong, 22 February 2019

As of the date of this announcement, the Board is comprised of seven Directors, namely Mr. YANG Xiangbo (Co-Chairman), Mr. HAO Jian Min (Co-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.