四海國際集團有限公司
Cosmopolitan International Holdings Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 120)

PROFIT WARNING

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 and Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong).

The board of directors of the Company (the "**Board**") wishes to inform the holders of the securities of the Company and potential investors that, based on the preliminary review by management of the Company on the unaudited consolidated management accounts of the Group for the six months ended 30th June, 2019, it is expected that the Group will record a net loss of approximately HK$60.0 million as compared to a net profit of HK$238.7 million attained for the corresponding period in 2018.

The Group's core assets presently comprise two composite development projects in Tianjin and Chengdu in the People's Republic of China (the "**PRC**"). As these projects are being developed in stages, the profit contribution from the disposals of their component parts is effectively linked to their respective completion dates and sales status. Consequently, due to the different timing in the recognition of profit generated from such property disposals, the results of the Group could fluctuate between individual financial reporting periods. For the six months ended 30th June, 2019, despite the contracted pre-sales of the residential units in the third stage of the composite development undertaken by the Company in Chengdu, the PRC, the profits recognised from property sales were relatively small, as profits from property sales will only be recognised when the properties sold are handed over to the respective purchasers after completion of the relevant sales.

The net loss expected to be recorded by the Group for the six months ended 30th June, 2019 is mainly due to the finance cost incurred, particularly that the amount of finance costs presently capitalised to the Group's development projects is lower than the level in previous financial years, while the profit that can be recognised from property sales was comparatively smaller. Whereas for the corresponding period in 2018, the aggregate amount of profit contribution from property disposals was over HK$470 million.

This announcement is only based on the unaudited consolidated management accounts of the Group for the six months ended 30th June, 2019. The unaudited condensed consolidated financial statements of the Group for the six months ended 30th June, 2019 are still being finalised. The interim results announcement of the Group for the six months ended 30th June, 2019 will be published on 26th August, 2019.

Holders of the securities 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, 21st August, 2019

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. Kenneth NG Kwai Kai

Non-Executive Director:
Mr. Francis BONG Shu Ying

Independent Non-Executive Directors:
Ms. Alice KAN Lai Kuen
Mr. LEE Choy Sang
Mr. David LI Ka Fai
Hon Abraham SHEK Lai Him, GBS, JP