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## **PROFIT WARNING – SUPPLEMENTARY ANNOUNCEMENT**

This announcement is made by Jiahua Stores Holdings Limited (“**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 (“**Listing Rules**”).

Further to the profit warning announcement of the Company dated 22 January 2010, the Board of Directors of the Company (“**Board**”) wishes to inform potential investors and shareholders of the Company that having assessed the currently available information, the Group is expected to record a consolidated net loss for the year ended 31 December 2009 as compared to a consolidated net profit for the corresponding period in 2008. In addition to (i) the general decline in local consumption power and (ii) the effects of the renovation of certain existing stores, the Group has made a full write off of the carrying value of the non-current assets, including both tangible and intangible portions, of two of its stores which had ceased business in December 2009 and January 2010.

Despite the consolidated net loss for the year ended 31 December 2009, the Board considers that the Group’s overall financial position is still healthy and the Board remains positive on the long term prospect of the Group.

As the Company is in the process of finalizing its annual results for the year ended 31 December 2009, the information in this announcement is based on a preliminary assessment by the Company’s management according to the management accounts of the Group. Further details of the Group’s performance will be disclosed when the Group’s annual results for the year ended 31 December 2009 are announced.

**Potential investors and shareholders of the Company should exercise caution when dealing in the shares of the Company.**

By Order of the Board  
**Jiahua Store Holdings Limited**  
**Zhuang Lu Kun**  
*Chairman*

Shenzhen, the PRC, 3 March 2010

As at the date of this announcement, the Directors are:

*Executive Directors: Mr. Zhuang Lu Kun, Mr. Zhuang Pei Zhong, Mr. Gu Wei Ming and Mr. Zhuang Xiao Xiong*  
*Independent non-executive Directors: Mr. Chin Kam Cheung, Dr. Guo Zheng Lin, Mr. Ai Ji*