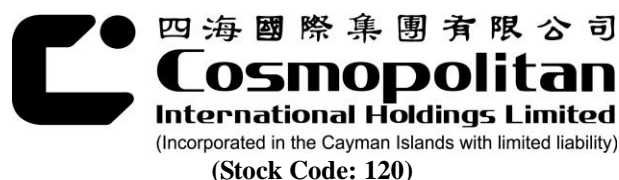


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UPDATE ON FINANCIAL INFORMATION

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 year ended 31st December, 2016, it is expected that the net loss of the Group for the year ended 31st December, 2016 will be considerably lower than that recorded by the Group for the preceding year. The expected decrease in the net loss is primarily due to (i) the recognition of a fair value gain attributable to the change in fair value of the subscription options to subscribe for the optional convertible bonds of the Group for the year ended 31st December, 2016, while a fair value loss in respect of such fair value change was recorded for the preceding year; and (ii) an impairment loss on a property under development was recognised for the preceding year.

However, the Board wishes to draw the attention of the holders of the securities of the Company and potential investors to the fact that the fair value gain or loss on the change of fair value in respect of the aforesaid subscription options and the impairment loss on property under development are non-cash in nature.

This announcement is only based on the unaudited consolidated management accounts of the Group for the year ended 31st December, 2016. The audited consolidated financial statements of the Group for the year ended 31st December, 2016 are still being finalised. The final results announcement of the Group for the year ended 31st December, 2016 will be published on 27th March, 2017.

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, 23rd March, 2017

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