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**GIORDANO**  
**GIORDANO INTERNATIONAL LIMITED**  
*(Incorporated in Bermuda with limited liability)*  
**(Stock Code: 709)**

**PROFIT WARNING**

This announcement is made by Giordano International 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 the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board of directors (the “Board”) of the Company would like to inform the shareholders of the Company (the “Shareholders”) and potential investors that, based on the preliminary assessment of the latest unaudited consolidated management accounts of the Group and the information currently available to the Board, it is expected that the Group may record an approximate 38% decrease in the unaudited profit attributable to Shareholders (“PATS”) under the previous Hong Kong Accounting Standard 17, or an approximate 50% decrease in unaudited PATS for the year ended December 31, 2019, following adoption of the new Hong Kong Financial Reporting Standards (“HKFRS”) 16, Leases, which took effect on January 1, 2019 and the impairment loss on right-of-use assets.

The Board is of the view that the decrease is largely confined to Greater China markets, and primarily attributable to, among other matters, the weak retail environment in those regions stemming from the Sino-US trade dispute, an unseasonably warm winter and social issues. The decrease in unaudited PATS was also affected by the non-cash accounting charges due to the adoption of HKFRS 16 and the impairment loss on right-of-use assets.

The Company is still in the course of completing its consolidated financial results for the year ended December 31, 2019. The information contained in this announcement is only based on a preliminary assessment by the Board of the information currently available to it, including the unaudited consolidated management accounts of the Group for the year ended December 31, 2019, which have not been confirmed, reviewed or finalized by the Audit Committee of the Board and have not been audited by the Company’s auditor as at the date of this announcement. The final results announcement of the Company is expected to be announced in March 2020.

Despite the decrease which may be recorded in the unaudited PATS, the Board considers that the Group’s overall business in non-Greater China markets remains healthy and the Board remains positive on the long-term prospects of the Group.

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

By Order of the Board  
**LAU Kwok Kuen, Peter**  
*Chairman and Chief Executive*

Hong Kong, January 24, 2020

*As at the date of this announcement, the Board comprises three executive directors; namely, Dr. LAU Kwok Kuen, Peter (Chairman and Chief Executive), Dr. CHAN Ka Wai and Mr. Mark Alan LOYND; two non-executive directors; namely, Dr. CHENG Chi Kong and Mr. CHAN Sai Cheong; and four independent non-executive directors; namely, Dr. Barry John BUTTIFANT, Mr. KWONG Ki Chi, Professor WONG Yuk (alias, HUANG Xu) and Dr. Alison Elizabeth LLOYD.*