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

**BUSINESS UPDATE
AND
PROFIT WARNING**

Giordano International Limited (the “**Company**” and, together with its subsidiaries, the “**Group**”) makes this announcement 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 (Chapter 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 of the Group’s latest business update in light of the COVID-19 pandemic (the “**Pandemic**”). As disclosed in the announcement dated February 10, 2020, since the outbreak of COVID-19, a majority of the stores in Mainland China have suspended operations. To tackle the threat to public health posed by the Pandemic, many countries have implemented lockdown measures to slow the spread of the virus by reducing face-to-face human interaction, resulting in further closure of stores in the Group’s markets, except for Greater China and South Korea. As at the date of this announcement, most of the Group’s outlets in Mainland China have re-opened. We expect the closure of stores outside Greater China and South Korea to continue for some time.

The Company is implementing measures to safeguard its employees and customers against the Pandemic. At the same time, the Company is negotiating with landlords across all its markets to seek further rental relief and reductions, and terminating stores which rental terms that could not provide viable business performances assuming that the Pandemic would protract. The Company will utilize governmental assistance measures where available. The Company will continue to streamline its business operations to minimize costs and expenses. Voluntary pay reductions by staff are also helping to mitigate the adverse impact on the Company’s financial performance. The Company is closely monitoring the development of the Pandemic and its effects on the operating conditions. The Board will make further announcements where appropriate.

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 anticipated that there will be a significant decline in profit after income taxes attributable to Shareholders. As at the date of this announcement, the Group is unable to predict when business normalcy will return, and cannot quantify the actual impact of the Pandemic on the Group’s interim results for the six months ending June 30, 2020.

As at March 31, 2020, the Group had approximately HK\$1,037 million in cash and bank balances, net of bank loans. The position has not materially changed as at the date of this announcement.

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 Company for the first quarter ended March 31, 2020, which have not been reviewed, confirmed, or audited by the Company's auditors. As such, the information may be subject to adjustment and is for investors' reference only.

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, April 20, 2020

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.