



GIORDANO
**Workwear
In Trend**

GIORDANO

2020 First Quarter Operations Update | April 17, 2020

Group Sales by Region

Group sales decreased by 34.6%.

<i>(In HK\$ million)</i>	Three months ended Mar 31	
	2020	2019
The rest of Asia Pacific	291	398
Mainland China	151	295
Taiwan	133	161
The Middle East	115	140
Hong Kong and Macau	110	225
Wholesale sales to overseas franchisees	49	80
Group sales ¹	849	1,299
Global brand sales ²	1,057	1,552
Group comparable store sales ("CSS") growth ³	(30.2%)	(10.7%)
Inventories at period end	504	512
Net cash and bank balances at period end	1,037	1,144

1 Group sales refer to consolidated sales and include retail sales from directly-operated stores and wholesale sales to all overseas /non-consolidated franchisees.

2 Global brand sales are at 2020 exchange rates, and are greater than Group sales to include the total of Giordano retail sales, in directly-operated stores, franchised stores and stores operated by a joint venture.

3 Group CSS are total Giordano brand sales of consolidated subsidiaries, at constant exchange rates, from existing directly-operated stores and franchised stores that have been fully operating in the same prior period.

Group Sales by Channel

<i>(In HK\$ million)</i>	Three months ended Mar 31	
	2020	2019
Physical stores	691	1,055
E-business	59	72
Retail sales	750	1,127
Wholesale sales to franchisees	99	172
Group sales	849	1,299

Store Portfolio

	Store numbers at Mar 31	
	2020	2019
Retail and Distribution		
Mainland China		
Franchised stores	572	623
Directly-operated stores	248	290
The rest of Asia Pacific	591	600
Taiwan	192	200
The Middle East		
Franchised stores	35	40
Directly-operated stores	147	143
Hong Kong and Macau	68	75
Overseas franchisees	410	420
Total	2,263	2,391

System Inventories

<i>(In HK\$ million)</i>	At		
	Mar 31 2020	Dec 31 2019	Mar 31 2019
Inventories held by the Group	504	548	512
Inventories held by 48.5% South Korea joint venture	198	196	200
Inventories held by franchisees in Mainland China	54	73	83
Finished goods at suppliers (not yet shipped)	22	12	24
Total system inventories	778	829	819