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FORWARD FASHION
HOLDINGS

Forward Fashion (International) Holdings Company Limited

尚晉(國際)控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2528)

PROFIT WARNING

This announcement is made by Forward Fashion (International) Holdings Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) 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 shareholders of the Company (the “**Shareholders**”) and the potential investors that, based on the information currently available to the Board, including the latest unaudited consolidated management accounts of the Group for the five months ended 31 May 2020, the Group is expected to record a significant consolidated loss after taxation for the six months ending 30 June 2020. Compared to the same period in 2019, the unaudited group sales for the five months ended 31 May 2020 have dropped by no less than 50% and the unaudited group gross profit for the same period has dropped by no less than 60%. Excluding the non-recurring listing expenses, the Group is expected to record a net loss of not less than HK\$100 million for the six months ending 30 June 2020.

The Board is of the view that the expected loss is mainly due to (i) the outbreak of the novel coronavirus (COVID-19) pandemic (the “**Pandemic**”) in Mainland China, Hong Kong, Macau and Taiwan (“**Greater China**”) in early 2020 which has adversely affected the apparel retail market in Greater China, (ii) the extended adverse impact of the Pandemic on the apparel retail market in Greater China in the first half of 2020 including a decrease in the number of visitor arrivals in Macau by approximately 95.6%, 93.7%, 99.7% and 99.5% in February, March, April and May 2020, respectively, compared with the same periods in 2019; (iii) the fall in GDP of Mainland China by 6.8% in the first quarter of 2020; and (iv) the continuation of U.S.-China trade tension. The Group has been closely monitoring the market conditions and adjusted its business strategies and operations to minimize the negative impact, including

proactive cost control measures on merchandise costs, rental expenses and staff costs to ensure that a healthy cashflow position is maintained.

The information contained in this announcement is only based on the preliminary review on the unaudited consolidated management accounts of the Group for the five months ended 31 May 2020 and the information currently available, which are subject to finalization and necessary adjustments and have not been confirmed or reviewed by the Company's auditor. Therefore, the actual consolidated results of the Group for the six months ending 30 June 2020, which are expected to be released in August 2020, may differ from the information contained in this announcement.

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

By Order of the Board
Forward Fashion (International) Holdings Company Limited
Fan Wing Ting
Chairman

Hong Kong, 26 June 2020

As at the date of this announcement, the Board comprises Mr. Fan Wing Ting, Ms. Chen Xingyi, Mr. Kevin Trantallis, Mr. Fong Yat Ming and Ms. Fan Tammy as the executive Directors, and Mr. Chau Kwok Keung, Mr. Yu Chun Kau and Mr. Cheung Chun Yue, Anthony as the independent non-executive Directors.

This announcement is available for viewing on the website of the Company at www.forward-fashion.com and the website of the Stock Exchange at www.hkexnews.hk.