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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 a preliminary review of the unaudited consolidated management accounts of the Group for the eleven months ended 30 November 2020 and the information currently available to the Board, the Group is expected to record a significant consolidated loss after taxation for the year ended 31 December 2020. Compared to the financial results of the Group for the eleven months ended 30 November 2019, the unaudited sales and gross profit of the Group for the eleven months ended 30 November 2020 have dropped by not less than 40% and 50% respectively. Excluding the non-recurring listing expenses, the Group is expected to record a net loss of not less than HK\$140 million for the year ended 31 December 2020 as compared with the net profit of HK\$37.8 million for the year ended 31 December 2019.

The Board is of the view that the expected loss is mainly due to (i) the long lasting outbreak of the novel coronavirus (COVID-19) pandemic (the “**Pandemic**”) in Mainland China, Macau, Hong Kong and Taiwan (“**Greater China**”) in 2020 which has adversely affected the apparel retail market in Greater China; and (ii) the extended adverse impact of the Pandemic on the apparel retail market in Greater China in 2020 which includes a significant decrease in the number of visitor arrivals in Macau and Hong Kong. Visitor arrivals for the first eleven months in 2020 have dropped by approximately 85.6% and 93.2% in Macau and Hong Kong, respectively, when compared with that for the same periods in 2019. The Group has closely monitored the market conditions and adjusted its business strategies and operations to minimise 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 of the unaudited consolidated management accounts of the Group for the eleven months ended 30 November 2020 and the information currently available to the Board, which are subject to finalisation and necessary adjustments and have not been confirmed or reviewed by the Company's auditor or the audit committee of the Group. Therefore, the actual consolidated results of the Group for the year ended 31 December 2020, which are expected to be released in March 2021, 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, 11 January 2021

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.