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CHINA FORDOO HOLDINGS LIMITED

中國虎都控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2399)

PROFIT WARNING

This announcement is made by China Fordoo Holdings Limited (the “**Company**”, 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 (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571, the Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders and potential investors of the Company that based on its preliminary assessment of the Group’s unaudited consolidated management accounts for the year ended 31 December 2018 and information currently available to the Group, it is expected that the Group may record a loss attributable to the shareholders of the Company for the year ended 31 December 2018 as compared to the profit for the year ended 31 December 2017. The expected loss was mainly attributable to the effect of a significant decline in Group’s revenue and gross profit due to the Group’s consolidation strategy on its retail outlet network and the decrease in wholesale orders as a result of the termination of distribution relationships with some of the Group’s distributors who had slow repayment history, and the recognition of an impairment loss on goodwill, which was arising from the acquisition of the menswear retail business in the PRC in 2017. The impairment was mainly due to the fact that the financial performance of the retail business was less than expected for the year ended 31 December 2018. The Board would like to emphasize that this impairment loss on goodwill is a non-cash item to the income statement which will have no impact on the Group’s daily operations and cashflow.

Apart from menswear business, the Group is exploring opportunity to expand and diversify our business and activities starting from 2018, including but not limit to food related businesses, with a view to create new sources of income and to maximize the return to the Company and shareholders of the Company in the long run. The Group will continue to explore other possible investment opportunities with a view to enhance its value to shareholders to the Company.

As the results for the year ended 31 December 2018 have not been finalized, the information contained in this announcement is only a preliminary assessment by the Board based on information currently available including the unaudited consolidated management accounts of the Group for the year ended 31 December 2018, which have not been confirmed, reviewed or audited by the auditors of the Company.

The results announcement of the Group for the year ended 31 December 2018 will be published on or before 31 March 2019 in accordance with the requirements of the Listing Rules.

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

By Order of the Board
China Fordoo Holdings Limited
Kwok Kin Sun
Chairman and Executive Director

Hong Kong, 8 March 2019

As at the date of this announcement, the executive directors of the Company are Mr. Kwok Kin Sun, Mr. Kwok Hon Fung and Ms. Mo Wei; and the independent non-executive directors of the Company are Mr. Cheung Chiu Tung, Mr. Poon Yick Pang Philip and Ms. Huang Yumin.