中國服飾控股有限公司
CHINA OUTFITTERS HOLDINGS LIMITED
(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1146)

INSIDE INFORMATION AND PROFIT WARNING

This announcement is made by China Outfitters Holdings Limited (the **"Company"**, together with its subsidiaries, the **"Group"**) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities (**"Listing Rules"**) on The Stock Exchange of Hong Kong Limited (the **"Stock Exchange"**) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the **"Board"**) of the directors of the Company wishes to inform the shareholders of the Company (the **"Shareholders"**) and potential investors that, based on the information currently available to the Group, it is expected that Group will record a loss attributable to equity holders of the parent (the **"Net Loss"**) ranging from RMB30,000,000 to RMB50,000,000 for the six months ended 30 June 2020, as compared to a profit attributable to equity holders of the parent of RMB30,749,000 in the corresponding period in 2019.

The expected Net Loss is mainly due to:

(i) a decrease in revenue. The outbreak of COVID-19 in early 2020 and subsequent nationwide lockdown has caused a significant year-over-year decline in customer flows in the department stores and shopping malls where our retail points operate;

(ii) a decrease in government subsidies and interest income; and

(iii) an increase of inventory provisions and impairment of goodwill.

Notwithstanding the impact of the above-mentioned factors, the Board is of the view that the Group has achieved steady progress in its strategic development, and the operational and financial position of the Group remains sound and stable.

As the Company is still in the process of finalising the interim results of the Group for the six months ended 30 June 2020, the information contained in this announcement is only based on the preliminary assessment by the Board with reference to the information currently available, which has not yet been audited by or discussed with the auditors of the Company. The actual results of the Group for the six months ended 30 June 2020 may be different from what is contained in this announcement. The interim results announcement of the Company for the six months ended 30 June 2020 is expected to be released in August 2020.

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

By order of the Board
China Outfitters Holdings Limited
Zhang Yongli
Chairman

Shanghai, 10 August 2020

As at the date of this announcement, the executive directors are Mr. Zhang Yongli, Mr. Sun David Lee and Ms. Huang Xiaoyun; the non-executive director is Mr. Wang Wei; and the independent non-executive directors are Mr. Kwong Wilson Wai Sun, Mr. Cui Yi and Mr. Yeung Chi Wai.