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GIORDANO
GIORDANO INTERNATIONAL LIMITED
(Incorporated in Bermuda with limited liability)
(Stock Code: 709)

**UNAUDITED OPERATIONS UPDATE FOR
THE THREE MONTHS ENDED MARCH 31, 2024**

The Board of Directors (the “Board”) of Giordano International Limited (the “Company”) presents the following unaudited operations update of the Company and its subsidiaries (the “Group”) for the three months ended March 31, 2024. This announcement is made under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Company advises its shareholders and potential shareholders to exercise caution when dealing in the shares of the Company.

Revenue Analysis

<i>(In HK\$ million)</i>	The first quarter ended March 31st				
	2024	Contribution	2023	Contribution	Change
Greater China	399	41.5%	458	47.1%	(12.9%)
Southeast Asia and Australia	395	41.1%	362	37.3%	9.1%
Gulf Cooperation Council	167	17.4%	152	15.6%	9.9%
Group revenue¹ by market	961	100.0%	972	100.0%	(1.1%)
Offline	757	78.8%	744	76.6%	1.7%
Online	98	10.2%	109	11.2%	(10.1%)
Retail	855	89.0%	853	87.8%	0.2%
Licensing and overseas franchisees	72	7.5%	82	8.4%	(12.2%)
Mainland China franchisees	34	3.5%	37	3.8%	(8.1%)
Licensing and wholesale to franchisees	106	11.0%	119	12.2%	(10.9%)
Group revenue¹ by channel	961	100.0%	972	100.0%	(1.1%)
Group same-store sales²	741		736		0.7%
Global brand sales³	1,101		1,140		(3.4%)
Stores at period-end	1,794		1,857		(3.4%)

Group revenue in the first quarter reported a minor drop of 1.1% year-on-year (“YOY”), attributable partly to our ongoing store consolidation cycle in Greater China on the back of the volatile business environment. Also, the stagnant sales performance was further exacerbated by abnormally cool weather in the region.

Quarterly same-store sales performance was stable, registering a mild growth of 0.7%.

Inventory balance dropped by 14% YOY to HK\$491 million (2023: HK\$569 million).

By Order of the Board
TSANG On Yip, Patrick
Chairman and Non-executive Director

Hong Kong, April 19, 2024

At the date of this announcement, the Board comprises four executive directors; namely, Mr Colin Melville Kennedy CURRIE (Chief Executive), Dr CHAN Ka Wai, Mr Mark Alan LOYND, and Mr LEE Chi Hin, Jacob; three non-executive directors; namely, Mr TSANG On Yip, Patrick (Chairman), Ms CHENG Chi-Man, Sonia and Mr CHENG Chi Leong, Christopher; and four independent non-executive directors; namely, Dr Barry John BUTTIFANT, Professor WONG Yuk (alias, HUANG Xu), Dr Alison Elizabeth LLOYD and Mr Victor HUANG.

¹ “Group revenue” comprises consolidated revenue from direct-operated stores’ retail sales, licensing, and wholesale to franchisees.

² “Group same-store sales” means retail revenue save for revenue derived from the retail sales of newly-opened and terminated stores and stores temporarily closed for more than 10% of operating days of comparable periods for renovation or other purposes. These are at constant exchange rates.

³ “Global brand sales” comprises all Giordano retail sales from direct-operated stores, franchised stores, and stores operated by a joint venture. These are at constant exchange rates.