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

**ACQUISITION OF THE REMAINING  
51% LEGAL INTEREST AND 20% ECONOMIC INTEREST  
IN GIORDANO FASHIONS L.L.C. PURSUANT TO PUT OPTION**

This announcement is made pursuant to rule 14.74(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Reference is made to the announcements of Giordano International Limited (the “Company”) dated September 27, 2012, October 26, 2012, November 29, 2012, February 1, 2013, April 2, 2013, November 17, 2013, February 4, 2014, July 28, 2014, December 31, 2014, March 31, 2015 and April 30, 2015, respectively, in relation to, among others, the put option granted by Eletop Limited, a direct wholly-owned subsidiary of the Company (“Eletop”), to Al Majal Group Co L.L.C. (formerly known as ETA Ascon Group L.L.C.) (“Al Majal”), which, if exercised by Al Majal, would require Eletop to, among others, acquire from Al Majal such number of shares in the share capital of Giordano Fashions L.L.C. (“Giordano UAE”) that Eletop does not own at the time of exercise.

The board (“Board”) of directors (“Directors”) of the Company is pleased to announce that, on August 22, 2019, Eletop, entered into agreements with Al Majal and Giordano UAE, pursuant to which Eletop has acquired the remaining 51% legal interest and 20% economic interest in Giordano UAE (the “UAE Balance Acquisition”) from Al Majal for a consideration of US\$2,650,000 (collectively, the “UAE Completion Agreements”).

Pursuant to the UAE Completion Agreements, the UAE Balance Acquisition is deemed to have been completed on May 31, 2019.

The UAE Completion Agreements give effect to the put option (as disclosed in the Company’s announcement dated September 27, 2012) originally granted by the Company to and exercisable at the discretion of Al Majal in the Shareholders’ Agreement dated November 28, 2012 which, if exercised, would require Eletop to, among others, acquire from Al Majal such number of shares in the share capital of Giordano UAE that Eletop does not own and that it could acquire at the relevant time without contravening any relevant local law on foreign investment restrictions.

Under the existing United Arab Emirates (“UAE”) Commercial Companies Law (Federal Law No. 2 of 2015), foreign shareholders are restricted to holding a maximum of 49% of the shares in a company incorporated onshore. On October 30, 2018, however, the UAE government announced UAE Federal Law No. 19 of 2018 on Foreign Direct Investment (the “FDI Law”), which provides a regulatory framework allowing foreign shareholders to own up to 100% of UAE companies incorporated outside of the designated free zones by way of exceptions to the UAE’s foreign ownership restrictions. On July 2, 2019, the UAE Cabinet issued a Cabinet Resolution specifying a total of 122 economic activities across 13 sectors which will benefit from up to 100% foreign ownership, 52 activities of which are listed under the Services sector of the Positive List and which includes retail trading.

Pending the FDI Law coming into full force and effect, Eletop also entered into a nominee manager agreement (as part of the UAE Completion Agreements) with Al Majal on August 22, 2019 pursuant to which Al Majal holds the 51% legal interest in Giordano UAE acquired by Eletop under the UAE Completion Agreements as nominee for Eletop and acts, either directly or through its representatives, as local national manager for Giordano UAE’s business operations. Eletop, through its 100% economic interest in Giordano UAE and through the nominee manager agreement, has full ownership rights and control over Giordano UAE.

## **REASONS FOR AND BENEFITS OF THE UAE BALANCE ACQUISITION**

Giordano UAE, a company incorporated in the UAE, is principally engaged in the retail and distribution of Giordano-branded merchandise in the UAE and within the Middle East region, as well as certain overseas markets.

The UAE Balance Acquisition will allow the Company to fortify its ownership in Giordano UAE, pave the way for additional dividend potential and create business synergy values.

By Order of the Board  
**LAU Kwok Kuen, Peter**  
*Chairman and Chief Executive*

Hong Kong, September 4, 2019

*As at the date of this announcement, the Board comprises three executive Directors; namely, Dr. LAU Kwok Kuen, Peter (Chairman and Chief Executive), Dr. CHAN Ka Wai and Mr. Mark Alan LOYND; two non-executive Directors; namely, Dr. CHENG Chi Kong and Mr. CHAN Sai Cheong; and four independent non-executive Directors; namely, Dr. Barry John BUTTIFANT, Mr. KWONG Ki Chi, Professor WONG Yuk (alias, HUANG Xu) and Dr. Alison Elizabeth LLOYD.*