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Crocodile Garments Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 122)

Profit Warning

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform that the Group's result is expected to record an unaudited interim consolidated loss attributable to owners of the Company for the six months ended 31 January 2017 as compared to the consolidated profit for the corresponding period last year, primarily due to the revaluation loss arising from the revaluation of the Group's investment properties as compared to the gain of approximately HK\$41.6 million recorded in last year and continuously weak performance of the garment business.

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

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

The principal activities of the Group include the manufacture and sale of garments in Hong Kong, Macau and Mainland China as well as property investment in Hong Kong and Mainland China. Based on the preliminary unaudited consolidated management accounts of the Group for the six months ended 31 January 2017 ("**Period**"), the board of directors of the Company ("**Board**") wishes to inform the shareholders of the Company ("**Shareholders**") and potential investors that the Group's result is expected to record an unaudited interim consolidated loss attributable to owners of the Company for the Period within the range of HK\$2 million to HK\$5 million, as compared to the consolidated profit of approximately HK\$15.5 million for the corresponding period last year.

The Group's loss for the Period is primarily due the revaluation loss arising from the revaluation of the Group's investment properties as compared to the gain of approximately HK\$41.6 million recorded in last year and continuously weak performance of the garment business.

As the Group's unaudited interim result for the Period has not yet been finalised, the information contained in this announcement is based on information that is currently available and the preliminary unaudited consolidated management accounts of the Group for the Period which have not yet been reviewed by the Company's audit committee. The unaudited interim result of the Group for the Period is expected to be published in late March 2017.

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

By Order of the Board
Crocodile Garments Limited
Ko Ming Kin
*Chief Financial Officer and
Company Secretary*

Hong Kong, 10 March 2017

As at the date of this announcement, the Board comprises five Executive Directors, namely Dr. Lam Kin Ming (Chairman and Chief Executive Officer), Ms. Lam Wai Shan, Vanessa (Deputy Chief Executive Officer), Dr. Lam Kin Ngok, Peter, Mr. Lam Kin Hong, Matthew and Mr. Wan Edward Yee Hwa; one Non-executive Director, namely Ms. Lam Suk Ying, Diana; and three Independent Non-executive Directors, namely Messrs. Chow Bing Chiu, Leung Shu Yin, William and Yeung Sui Sang.