

The company with the name “**Folli Follie Commercial Manufacturing and Technical Société Anonyme**” and the distinctive title “FF GROUP” (hereinafter the “**Company**”) provides the following update to the market:

I. Placement of FF Group Sourcing Limited into liquidation

Further to the update dated 4 June 2020, the Company announces that during the General Meeting of the members of the Hong Kong company “FF Group Sourcing Limited”, which took place on Friday, 5 June 2020, it was resolved by a majority of 99.99% of the holders of the issued share capital that said company be placed into voluntary liquidation and that Messrs. Lai Kar Yan (Derek) and Yip Wa Ming (Ben) of Deloitte Touche Tohmatsu (Hong Kong) be appointed as the liquidators.

It is noted that FF Group Sourcing Limited is the parent company of the Company’s APAC sub-group, whose financial information were proven to be significantly misrepresented and misstated following the publication of the report issued by Alvarez & Marsal on 23 September 2018. Following the subsequent restatement of the financial statements of FF Group Sourcing Limited and based on the analysis of Deloitte Touche Tohmatsu (Hong Kong), it was concluded that said subsidiary had a negative net asset value (-121.5 million USD) with no reasonable prospects of restructuring and as such FF Group Sourcing Limited is not in a position to continue business in a solvent manner. The HK stores have been operating at a loss and the business was further impacted by forced closures as a result of the COVID-19 outbreak.

Therefore, the placement of FF Group Sourcing Limited into liquidation was deemed absolutely necessary for the preservation of the value of the remaining assets of the APAC sub-group, to the benefit of all stakeholders.

The Company’s management is reviewing the status of the Asian market and plans to make use of its IP portfolio in the APAC region. Further details of our future plans will be provided at a later date.

II. Financial Statements

The publication of the annual financial report of the Company for the year which ended on 31 December 2018 (in the sense of article 4 of L. 3556/2007) will take place on 30 June 2020.

The Company estimates that it will publish its unaudited consolidated financial statements for the year which ended on 31 December 2019 by 15 July 2020. The ordinary audit of said financial statements will take place after the auditors’ appointment by the postponed Annual General Meeting of the Company’s shareholders regarding the fiscal year 2018, the date of which will be announced by the Board of Directors.

III. Legal Actions

Further to the Company's previous update regarding the statement of supporting the charges before the Investigating Judge of the 35th Ordinary Investigating Department of the Athens Court of First Instance against former executives of the Company's Group regarding all criminal acts prosecuted, the Company is exercising all its claims against the persons who have caused it damages.

In this context, following the filing by the Company of an application for provisional seizure of all assets of (among others) Messrs. Dimitrios, Aikaterini and Georgios Koutsolioutsos, a provisional order was issued on 1 June 2020 by the Judge of the First Instance Court of Piraeus, forbidding the departure of the yacht named "PHALAROPE", which is de facto owned by Dimitrios Koutsolioutsos.

By virtue of an order issued by the Anti-Money Laundering Authority (the "**Authority**"), which has not been served to Company yet, the amount of two million Euros was restricted from a bank account of the Company. Said amount was transferred to the Company by the Bulgarian 100% subsidiary "FF Group Bulgaria EOOD" and is part of the dividend distributed (by said subsidiary) for the fiscal years 2017 and 2018.

Given that the restricted amount derived from a well-documented lawful source, the Company will challenge said order before the competent Misdemeanors Judicial Board of Athens.

This announcement is released by Folli Follie Commercial Manufacturing and Technical Société Anonyme in compliance with the Market Abuse Regulation (EU) 596/2014 (MAR) and the Rule Book of the Athens Exchange. It contains information that qualifies as inside information for the purposes of Article 7 of MAR. For the purposes of MAR and Article 2 of Commission Implementing Regulation (EU) 2016/1055, the person responsible for arranging the release of this announcement on behalf of the Company is Mantalena Kasidiaropoulou, Head of Investor Relations.
