

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

FORNTON GROUP LIMITED

豐臨集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1152)

PROFIT WARNING

This announcement is made by Fornton Group Limited (the “Company”, together with its subsidiaries, the “Group”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The board of directors (the “Directors”) of the Company (the “Board”) wishes to inform the shareholders of the Company (the “Shareholders”) and the potential investors that, based on the unaudited consolidated management accounts of the Group for the six months ended 30 June 2012, the Group is expected to record a loss for the six months ended 30 June 2012 as compared with a profit for the corresponding period in 2011. The loss of the Group for the six months ended 30 June 2012 was primarily attributable to the decreases in turnover and gross profit margin of the Group as a result of the worsening of the market conditions and business environment and the severe competition of the textile industry in Europe and the USA.

The Company is still in the process of finalizing the interim results of the Group for the six months ended 30 June 2012. Information contained in this announcement is only based on the Board’s preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2012. It is scheduled that the interim results of the Group for the six months ended 30 June 2012 will be announced in late August 2012.

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

By order of the Board
Fornton Group Limited
Yam Tak Cheung
Chairman

Hong Kong, 17 August 2012

As at the date of this announcement, the executive Directors are Mr. Yam Tak Cheung, Ms. Wong Kan Kan, Kandy and Mr. Wong Tat Wai, Derek; and the independent non-executive Directors are Mr. Wang Wei Hung, Andrew, Mr. Cheng Dickson and Mr. Sin Ka Man.