

BORTEX GROUP FINANCE PLC

Bortex Group Finance plc
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Co Reg No: C82346

COMPANY ANNOUNCEMENT

The following is a Company Announcement by Bortex Group Finance plc (C82346) (hereinafter the 'Company') of 32, Hughes Hallet Street, Sliema, pursuant to Chapter 5 of the Malta Financial Services Authority Listing Rules:

Quote

The Covid pandemic has impacted the fashion industry hard and the sub-sector related to formal wear within that industry even harder. With offices and shops in most markets being closed for much of the last year, and all events normally connected with formal attire such as weddings, baptisms and corporate events prohibited, demand for formal wear has slumped.

This has meant significant reductions for Bortex international orders and as a result, losses at its Tunisian manufacturing subsidiary, Bortex Tunisie Sarl have been mounting.

The parent company in Malta has been making good for these losses since March of last year. It has also resorted to accumulating garment inventory for which it has no immediate sales orders, in order to provide work for its Tunisian subsidiary in the hope that this would be sufficient to enable it to ride out the pandemic.

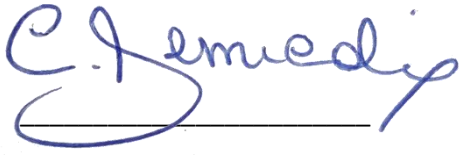
Unfortunately, Bortex is no longer in a position to continue with these extraordinary efforts without endangering the overall health of the entire Group and the Board of Directors have therefore decided to bring to an end its operations in Tunisia with immediate effect.

The Group's manufacturing operations in Malta as well as those in other locations in the European Union and the Far East are unaffected by this decision. There will also be no impact on its local and overseas fashion retail activities and international distribution operations.

Impairments and provisions against the entire value of the Tunisian investment as well as for any possible losses on inventories have already been taken in the financial statements for the year ending 31st October 2020.

Unquote

By order of the Board.



Christine Demicoli
Company Secretary

23rd April 2021