

[For Immediate Release]



Bossini International Holdings Limited

Bossini Announces 2018/19 Annual Results

* * *

Results Highlights

<i>For the year ended 30 June</i>	2019	2018	Change	
Revenue	HK\$1,641 mn	HK\$1,958 mn	- HK\$317 mn	- 16%
Gross profit	HK\$846 mn	HK\$1,036 mn	- HK\$190 mn	- 18%
Gross margin	52%	53%	- 1% pt	
Loss for the year attributable to owners	(HK\$139 mn)	(HK\$29 mn)	- HK\$110 mn	- 380%
Basic loss per share attributable to ordinary equity holders	(HK8.48 cents)	(HK1.77 cents)	- HK6.71 cents	- 379%
Dividend per share				
- Interim	HK1.22 cents	HK1.22 cents		Nil
- Final	HK1.22 cents	HK1.22 cents		Nil

	At 30 June 2019	At 30 June 2018	Change	
Cash and bank balances	HK\$162 mn	HK\$341 mn	- HK\$179 mn	- 52%
Net cash*	HK\$132 mn	HK\$341 mn	- HK\$209 mn	- 61%

*Time deposits, cash and bank balances less bank borrowings

(Hong Kong, 18 September 2019) **Bossini International Holdings Limited** ("Bossini" or the "Group"; HKSE stock code: 592) today announces its annual results for the year ended 30 June 2019.

During the year under review, the Group's revenue decreased by 16% to HK\$1,641 million (2018: HK\$1,958 million) year-on-year. Gross profit fell by 18% to HK\$846 million (2018: HK\$1,036 million), while gross margin dropped by 1% point to 52% (2018: 53%). Loss for the year attributable to owners was HK\$139 million (2018: HK\$29 million), with basic loss per share amounted to HK8.48 cents (2018: HK1.77 cents). The Board of Directors recommended a final dividend of HK1.22 cents (2018: HK1.22 cents) per share. Together with the interim dividend, the total dividends for the year under review amounted to HK2.44 cents (2018: HK2.44 cents) per share.

As of 30 June 2019, the Group's financial position remained solid with cash and bank balances of HK\$162 million (2018: HK\$341 million) and a net cash position of HK\$132 million (2018: HK\$341 million), and held an investment fund of HK\$232 million (2018: HK\$230 million). The Group's inventory turnover days was 119 days (2018: 80 days).

~ More ~

The loss for the year attributable to owners of the Group was mainly due to the unseasonal weather and the weak consumer sentiment in our core markets. The retail market in Hong Kong saw a glooming picture and at the same time, the devaluation of Renminbi and the downward trend of the property and investment markets in Hong Kong had continued to weigh on the consumer sentiment, bringing a reduction in in-store consumption and hence affecting our sales for Hong Kong and Macau segment, which accounted for 65% of the Group's consolidated revenue.

The Group saw a challenging business environment during the year under review. The Group's overall same-store sales slipped by 9% (2018: 1% decline) and same-store gross profit dropped by 11% (2018: 1% growth). As of 30 June 2019, the Group had a presence in 31 countries and regions around the world and had 1,061 stores (2018: 938) comprised of 286 (2018: 284) directly managed stores and 775 (2018: 654) franchised stores.

Bossini unwaveringly devise innovative and conducive initiatives to reinforce our brand positioning and enhance brand awareness amidst keen competition. "be happy" is the core brand value that the Group has been adhering to and where our marketing efforts are centering around. During the year under review, 5 new licensing programmes were launched namely the *«Taste It, Make Bold»* campaign of the *bossini x Coca-Cola* collection offered apparels that seamlessly weaved the iconic Coca-Cola logo with our reinvented styles; *bossini x Mickey 90 «Beyond Classic»* collection celebrated Mickey's 90th Anniversary; Bossini's collaborative capsule collection with Winnie The Pooh, *«Sweet As Can Bee»*; Bossini's latest collaborative Toy Story 4 collection *«Disney • Pixar: It's Play Time!»* featured well-loved characters: Sheriff Woody, Buzz Lightyear and Alien, as well as new characters from Toy Story 4: Forky, Ducky and Bunny; and also *bossini x QEE* collection *«QEE my way»* which carried a whimsy, capricious and colourful life attitude that sparked off people's creativity.

Mr. Edmund Mak, Chief Executive Officer and Executive Director of Bossini, said, "Challenges and opportunities coexist, however, and the Group will keep attentive to the potential that can be conducive to the future growth of business. We will strive to reinvent products to bring out a consistent brand identity, execute an array of marketing strategy for key looks and key functional products, and develop a global visual merchandising execution. We will reignite the business growth by nurturing existing markets and develop new markets in Southeast Asia, tap and leverage the "New Retail" era to expand online to offline business for the Group, and turnaround and grow mainland China business in which we see dynamic and energetic opportunities. We will rejuvenate our operational systems by maximising the economy of scale in operation, adopting 80/20 rules to enhance operation efficiencies. We will also create and maximise business value through digitisation, the use of big data and information intelligence."

Mr. Mak ended, "The market environment presents complexity and uncertainty and the industry is facing enormous challenges in the short and medium term. However, the Group remains confident in the longer term with the efficacious implementation of the future plans and strategies that will fuel our sustainable development."

~ End ~

Appendix - Store Composition by Type and Geographical Location is detailed as below:

	At 30 June 2019		At 30 June 2018	
	Directly managed stores	Franchised stores	Directly managed stores	Franchised stores
Hong Kong and Macau	39	--	40	--
Mainland China	175	--	164	--
Taiwan	57	--	64	--
Singapore	15	--	16	--
Other countries and regions	--	775	--	654
Total	286	775	284	654

About Bossini International Holdings Limited

Bossini is a leading apparel brand owner, retailer and franchiser in the region. Headquartered in Hong Kong, Bossini launched its first retail store in 1987. Over the past three decades, the Group has rapidly established an extensive international operating platform and distribution network that extends to 1,061 stores covering about 31 countries and regions worldwide.

Renowned for its comfortable, easy to mix-and-match, colourful and energetic style, Bossini offers casual wear apparel products including men's, ladies' and kids' wear, which are designed to fit a wide range of customer needs.

For further information, please contact:

Porda Havas International Finance Communications Group

Keely Chan / Kelly Fung / Terence Wong / Hera Wong

Tel: (852) 3150 6760 / (852) 3150 6763 / (852) 3120 6786 / (852) 3150 6772

Fax: (852) 3150 6728

Email: bossini@pordahavas.com