



GLOBAL BRANDS GROUP

For Immediate Release

Global Brands Announces FY2019 Annual Results

***Enters a New Phase of Streamlined Operations
Efforts Beginning to Yield Positive Impact***

Highlights

- Strategic divestment completed, creating a leaner and more focused operation with a stronger financial position
- Special dividend of US\$305 million paid in cash and scrip on 4 April 2019
- Restructuring program implemented to reduce operating expenses and drive efficiencies; positive impact already seen in the Reporting Period
- Group now disclosing financial information according to its three business segments: North America, Europe, and Brand Management
- Revenue stabilized while unprofitable businesses eliminated

Hong Kong, 26 June, 2019 – Global Brands Group Holding Limited (“Global Brands” or the “Group”; SEHK Stock Code: 787), today announced its results for the 12-months ended 31 March, 2019 (the “Reporting Period”) and provided an update on its restructuring program.

Following the completion of a strategic divestment in October last year which involved select North American licensing businesses, the Group has been transformed into a leaner and more focused operation, with a stronger financial position and balance sheet, and a focus on its core Men’s and Women’s Fashion Apparel, Footwear, and Brand Management businesses.

The Group has also launched a restructuring program focused on flattening its structure and building a more responsive organization. The program involves a number of initiatives, including simplifying our processes from design to product development to sourcing, and moving these functions offshore, closer to the needlepoint, where production is located.

The Group is now managing businesses in three segments, North America, Europe, and Brand Management, and from this Reporting Period has started to disclose its segmental information accordingly.

“Global Brands has entered into a new chapter as a nimble and more focused organization,” said Mr. Rick Darling, Chief Executive Officer of Global Brands Group Holding Limited. “The changes we are implementing have put Global Brands in a strong position. We are already beginning to see the benefits, with the results in the second half of the fiscal year significantly improved from the first half.”

For the Reporting Period, revenue of the Group’s continuing operations decreased by 4.6% compared to last year, primarily due to eliminating unprofitable businesses. While net loss of



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the continuing operations increased to US\$250 million, net loss attributable to shareholders improved by 55.7% to US\$400 million.

Mr. Darling added, “The restructuring program we announced in November last year aimed at further improving our operating efficiencies. I would like to report that we are now making significant strides towards achieving our target of reducing US\$100 million in operating expenses and are well on our way to exceeding this initial target. Our goal is to complete the restructuring program by the end of the 2020 fiscal year.”

– Ends –

For details of Global Brands Group Holding Limited’s FY2019 annual results, please refer to the announcement posted on the Stock Exchange of Hong Kong Limited website (www.hkex.com.hk).

About Global Brands Group Holding Limited

Global Brands Group Holding Limited (SEHK Stock Code: 787) is one of the world’s leading branded apparel, footwear and fashion accessories companies. The Group designs, develops, markets and sells products under a diverse array of owned and licensed brands and a wide range of product categories.

Global Brands’ innovative design capabilities, strong brand management focus, and strategic vision enable it to create new opportunities, product categories and market expansion for brands on a global scale. In addition, the Group is the global leader in the brand management business through CAA-GBG Global Brand Management Group.

For more information, please visit the corporate website: www.globalbrandsgroup.com.

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