



GLOBAL BRANDS  
GROUP

*For Immediate Release*

## **Global Brands Announces 2015 Second Interim Results For the 12 months ended 31 December 2015**

**Total Margin Continued to Trend Up Strongly With Three-Year Plan Target Achieved  
One Year Ahead of Schedule; Core Operating Profit Up 10.5%**

### ***Highlights***

- Total margin continued to trend up strongly, growing as a percentage of turnover to 34.2 % and achieving the Three-Year Plan target one full year in advance
- Core operating profit and net profit for the period increased by 10.5% and 11.9% respectively
- Turnover of US\$3,423 million held up despite an unseasonably warm winter in North America, a decrease in the Euro exchange rate and the tail end effect of the discontinuation of underperforming businesses
- Controlled Brands segment showed strong growth momentum; turnover and core operating profit increased by 19.7% and 108.2% respectively
- New brands added to the portfolio which strategically leverage the Group's key product categories and core competencies

**Hong Kong, 25 February, 2016** – Global Brands Group Holding Limited (“Global Brands” or the “Group”; SEHK Stock Code: 787), one of the world's leading branded apparel, footwear, fashion accessories and lifestyle product companies, today announced its second interim results for the 12 months ended 31 December, 2015.

Mr. Bruce Rockowitz, Chief Executive Officer and Vice Chairman of Global Brands Group Holding Limited, said, “The financial performance we achieved for 2015 despite a challenging market environment is a testament to the resilience of our business model and the strength of our brand portfolio. Our focused strategy of partnering with leading brand owners to take American affordable luxury power brands global by leveraging our strong retail, distribution and product design platform is delivering tangible results in terms of both margin and profitability. 2015 saw us successfully capitalize on a number of strategic growth opportunities, both organic and through selective acquisitions, which set the stage for the positive performance of Global Brands in the coming financial year.”

During the period, the Group's turnover was impacted by key factors including a decrease in the Euro exchange rate, an unseasonably warm winter in North America and the tail end effect of the Group's exit from certain underperforming brands. Despite this challenging environment, the Group's overall turnover for the 12 months ended 31 December 2015 held up at US\$3,423 million, compared to US\$3,454 million for the same period in 2014.



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Total margin for the 12 months ended 31 December 2015 continued to trend up strongly, reaching US\$1,170 million. Total margin grew as a percentage of turnover to 34.2% in 2015 from 33.9% in 2011, hitting the Group's Three-Year Plan target one full year in advance. As a result of the Group's investment in key Controlled Brands and the addition of new licenses to the portfolio, operating costs increased by 3.8% to US\$1,000 million.

Core operating profit increased by 10.5%, while net profit for the period was up 11.9%, as compared to the same period last year.

"We continue to invest in and strengthen our Licensed and Controlled Brands platforms," said, Mr. Dow Famulak, President and Chief Operating Officer of Global Brands Group Holding Limited. "Within Licensed Brands, our entertainment characters business performed especially well due to our long-established partnerships with major character franchises globally. Our key footwear brands also performed well, and we added considerably to our accessories portfolio with a number of new brands. On the Controlled Brands side, we made excellent progress in growing our brands, most notably Frye, Spyder and Juicy Couture, and expanding their direct reach to consumers. We also strengthened our women's fashion and apparel offering and built out a denim platform to strategically position the Group to capitalize on consumer demand in these areas. Another highlight was our exciting Seven Global and Kent & Curwen partnership which extends the David Beckham brand to the menswear product category."

Mr. Rockowitz added, "We are seeing increasing consumer appetite for affordable luxury brands, particularly in Asia but also in other parts of the world. This demand is being fueled by the growing middle class with rising disposable incomes and the widespread use of internet, mobile and e-commerce technologies which are making brands more easily accessible to consumers globally. All of these trends are extremely beneficial for our business. Going forward, we see many exciting opportunities for our Licensed and Controlled Brands segments and a strong pipeline of licensing deals to drive the continued growth of Global Brands."

– Ends –

*For details of Global Brands Group Holding Limited's 2015 second interim results for the 12 months ended 31 December 2015, please refer to the announcement posted on the Stock Exchange of Hong Kong Limited website ([www.hkex.com.hk](http://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, fashion accessories and related lifestyle product companies. The Group designs, develops, markets and sells products under a diverse array of controlled 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



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opportunities, product categories and market expansion for brands on a global scale. For more information, please visit the corporate website: [www.globalbrandsgroup.com](http://www.globalbrandsgroup.com) .

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