

For immediate release

TRINITY ANNOUNCES 2017 INTERIM RESULTS

*Group focused on implementing initiatives to secure sustainable returns
in the medium to long term*

Hong Kong, 23 August 2017 - Trinity Limited (“Trinity” or the “Group”; SEHK: 891), a leading retailer of premium menswear brands in Greater China and Europe, as well as licensing its wholly-owned brands globally, today announced its financial results for the half year 2017. While the economy in the Chinese Mainland is improving, the Group continued to be negatively impacted by subdued consumer spending in Hong Kong, Macau and Taiwan, changing consumer purchasing patterns, the depreciation of the renminbi and the highly promotional retail environment.

The Group incurred a loss to shareholders of HK\$257.0 million. During the period under review the Group’s revenue was HK\$862.4 million. Gross profit was HK\$594.3 million, compared with HK\$606.8 million in the same period in 2016.

Trinity Limited’s Chief Executive Officer, Mr Jeremy Hobbins, said: “Despite the fact that overall revenues remain flat, it is a promising sign that we recorded growth in the number of units sold across our three wholly-owned international menswear brands Cerruti 1881, Gieves & Hawkes and Kent & Curwen, and our licensed brand D’URBAN. And, if we exclude the effect of exchange rate differences, our same store sales in the Chinese Mainland grew by 8.1%.”

“Overall, I am confident that the initiatives we are implementing, including those commenced in 2016, ensure the Group is well placed to take advantage of market growth in the future, particularly in the Chinese Mainland. Hong Kong and Taiwan will remain a challenge in the near term.”

Asian brand leadership

In the first half of 2017, Trinity appointed brand leaders in Asia to accelerate the decision-making process across the markets where the Group operates. These brand leaders have profit and loss responsibility and oversee all key functions in Asia including marketing, buying and retail execution.

New sourcing and manufacturing

The Group continued to implement efficiency measures in sourcing and manufacturing. In the period under review the full closure of the Hong Kong manufacturing operation was completed and an agreement was reached with Li & Fung to take responsibility for the Group’s sourcing activities. This partnership, which began in June 2017, lowers headcount, while Li & Fung’s operational excellence ensures the timely delivery of quality products in-store and online. This arrangement will also result in cost savings.

Cost reduction

Other cost saving measures include the continuing rationalisation of non-performing stores within the network. Several loss-making stores across all brands have closed. Reviews of Trinity's management structure have continued and as appropriate the decision making process has been streamlined. The Group's headquarters is also relocating in late August to a lower cost location.

Brand developments

Following the success of the Kent & Curwen David Beckham capsule collection, the full collection is now being launched in all of the Group's markets. To introduce the brand to new markets, Kent & Curwen pop-up stores were unveiled in the Chinese Mainland, as well as in Taiwan, and a flagship store in London's Covent Garden will open in September. The brand's relationship with David Beckham is a key component in Trinity's strategy to meet the increased demand for casual wear in all markets.

This year Cerruti 1881 celebrates its 50th anniversary. This important milestone is being marked with the release of an exclusive collection. A new store concept is also being rolled out across Greater China with an updated, contemporary colour palate designed to appeal to younger consumers.

Gieves & Hawkes has a distinguished history of tailoring and in response to increased demand for personalisation the private tailoring service has been rolled out across stores in the Chinese Mainland, and the Mandarin Oriental in Hong Kong.

Trinity's licensed brand D'URBAN blends European tailoring traditions and Japanese craftsmanship and is the number one suit brand in Japan. This year marks the 20th anniversary of the D'URBAN "Monsoon" collection, which was developed for hot and humid climates. To mark the anniversary, the collection will be offered all year round.

e-Commerce sees positive growth

The Group's e-Commerce performance in the period is encouraging with revenue doubling from 2016. The relationships with retail platforms Tmall, Farfetch and Mr Porter continue to be positive and opportunities to expand them further are being investigated.

Mr Hobbins concluded by saying that the Group remains focused on meeting the needs of the Chinese consumer wherever and whenever they want to shop, and the initiatives implemented in the past six months are positive steps towards generating sustainable returns in the medium- to long-term.

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About Trinity Limited

Trinity Limited, a publicly-listed company on the Stock Exchange of Hong Kong and a member of the privately-held Fung Group, is one of the leading retailers of premium menswear brands serving Greater China and Europe, as well as licensing its fully owned brands globally. The Group manages five international menswear brands, namely Cerruti 1881, Kent & Curwen and Gieves & Hawkes, which are self-owned, and, Hardy Amies and D'URBAN which are operated under licence, globally and in Greater China respectively.

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