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波司登 BOSIDENG

波司登國際控股有限公司
Bosideng International Holdings Limited
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 3998)

ANNUAL RESULTS FOR THE YEAR ENDED MARCH 31, 2026

HIGHLIGHTS

- Revenue increased by 5.6% to approximately RMB27,350.0 million as compared to that of last year
- Gross profit margin slightly decreased by 0.1 percentage points to approximately 57.2% as compared to that of last year
- Profit from operations increased by 6.6% to approximately RMB5,294.4 million as compared to that of last year
- Profit attributable to equity shareholders of the Company increased by 13.7% to approximately RMB3,994.4 million as compared to that of last year
- The Board proposed a final dividend of HKD25.0 cents per ordinary share

ANNUAL RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of Bosideng International Holdings Limited (the “**Company**”) announces the consolidated annual results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended March 31, 2026 (the “**Year**” or “**FY2025/26**”), together with the comparative figures for the year ended March 31, 2025, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended March 31, 2026

(Expressed in Renminbi)

		For the year ended March 31,	
	Note	2026	2025
		RMB'000	RMB'000
Revenue	3	27,349,980	25,901,713
Cost of sales		<u>(11,699,227)</u>	<u>(11,061,857)</u>
Gross profit		15,650,753	14,839,856
Other income	4	552,256	492,098
Selling and distribution expenses		(8,934,339)	(8,523,799)
Administrative expenses		(1,785,284)	(1,652,317)
Impairment losses on goodwill	10	(147,800)	(171,000)
Other expenses		<u>(41,190)</u>	<u>(17,955)</u>
Profit from operations		5,294,396	4,966,883
Finance income		478,625	371,344
Finance costs		<u>(108,090)</u>	<u>(167,028)</u>
Net finance income	6	370,535	204,316
Share of losses of associates and joint ventures		<u>(31,718)</u>	<u>(21,962)</u>
Profit before taxation		5,633,213	5,149,237
Income tax	7	<u>(1,586,148)</u>	<u>(1,596,494)</u>
Profit for the year		4,047,065	3,552,743

For the year ended March 31,
2026 **2025**
RMB'000 **RMB'000**

Other comprehensive income for the year:

Item that will not be reclassified to profit or loss:

Equity investments at fair value through other comprehensive income (“FVOCI”) (after tax) – net movement in fair value (non-recycling)

_____ - _____ 5,763

- 5,763

Item that may be reclassified subsequently to profit or loss:

Exchange differences on translation of financial statements of operations outside Mainland China

_____ (112,076) _____ 88,275

_____ (112,076) _____ 88,275

Other comprehensive income for the year

_____ (112,076) _____ 94,038

Total comprehensive income for the year

_____ **3,934,989** _____ **3,646,781**

	<i>Note</i>	For the year ended March 31,	
		2026	2025
		<i>RMB'000</i>	<i>RMB'000</i>
Profit attributable to:			
Equity shareholders of the Company		3,994,378	3,513,913
Non-controlling interests		52,687	38,830
		<u>4,047,065</u>	<u>3,552,743</u>
Profit for the year			
Total comprehensive income attributable to:			
Equity shareholders of the Company		3,882,302	3,607,951
Non-controlling interests		52,687	38,830
		<u>3,934,989</u>	<u>3,646,781</u>
Total comprehensive income for the year			
Earnings per share			
	<i>8</i>		
– basic (RMB cents)		<u>34.57</u>	<u>31.58</u>
– diluted (RMB cents)		<u>34.23</u>	<u>30.83</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION*at March 31, 2026**(Expressed in Renminbi)*

		At March 31,	
	Note	2026	2025
		RMB'000	RMB'000
Non-current assets			
Property, plant and equipment		2,115,671	1,918,930
Right-of-use assets	9	1,259,419	1,611,913
Intangible assets and goodwill	10	995,006	1,138,169
Interest in associates		316,623	340,575
Interest in joint ventures		162,371	183,132
Investment properties		27,490	34,634
Other financial assets	14	572,921	458,256
Derivative financial instruments		2,800	3,754
Deferred tax assets		597,265	541,467
Pledged bank deposits		–	250
Time deposits		1,390,000	1,900,000
Long-term receivables	13	89,766	49,798
		7,529,332	8,180,878
Current assets			
Inventories	11	3,575,778	3,950,629
Trade and bills receivables	12	1,404,850	1,194,973
Deposits, prepayments and other receivables	13	1,669,351	1,552,547
Amounts due from related parties		312,369	469,685
Other financial assets	14	8,135,702	6,214,347
Pledged bank deposits		403,424	442,529
Time deposits		3,480,735	1,212,844
Cash and cash equivalents		2,976,970	4,184,838
		21,959,179	19,222,392

	<i>Note</i>	At March 31,	
		2026	2025
		RMB'000	RMB'000
Current liabilities			
Current income tax liabilities		388,133	324,446
Interest-bearing borrowings		956,954	896,063
Lease liabilities		350,856	450,473
Trade and other payables	15	8,687,996	7,834,399
Amounts due to related parties		37,111	3,024
		<u>10,421,050</u>	<u>9,508,405</u>
Net current assets		<u>11,538,129</u>	<u>9,713,987</u>
Total assets less current liabilities		<u>19,067,461</u>	<u>17,894,865</u>
Non-current liabilities			
Deferred tax liabilities		268,327	298,778
Lease liabilities		361,581	511,928
Derivative financial instruments		2,643	3,661
Other non-current liabilities		5,378	50,299
		<u>637,929</u>	<u>864,666</u>
Net assets		<u>18,429,532</u>	<u>17,030,199</u>
Capital and reserves			
Share capital		874	863
Reserves		18,265,253	16,918,157
Equity attributable to equity shareholders of the Company		<u>18,266,127</u>	<u>16,919,020</u>
Non-controlling interests		<u>163,405</u>	<u>111,179</u>
Total equity		<u>18,429,532</u>	<u>17,030,199</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION OF THE REPORTING ENTITY

Bosideng International Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands on July 10, 2006 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. Its registered address is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The Company and its subsidiaries (collectively, the “**Group**”) are principally engaged in the research, design and development, raw materials procurement, outsourced manufacturing, marketing and distribution of branded down apparel products, original equipment manufacturing (“**OEM**”) products and non-down apparel products in the People’s Republic of China (the “**PRC**”).

The Company’s shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on October 11, 2007.

2 BASIS OF PREPARATION

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable IFRS Accounting Standards, which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards (“**IASs**”) and Interpretations issued by the International Accounting Standards Board (“**IASB**”), and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities (“**Listing Rules**”) on the Stock Exchange.

The IASB has issued certain amendments to IFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group and the Company. Note 2(c) provides information on any changes in accounting policies resulting from the initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

(b) Basis of measurement

The consolidated financial statements for the year ended March 31, 2026 comprise the Company and its subsidiaries and the Group’s interest in associates and joint ventures.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

- other investments in securities; and
- derivative financial instruments.

(c) Changes in accounting policies

The Group has applied the following amendments to IFRS Accounting Standards issued by the IASB to these financial statements for the current accounting period:

The Group has applied amendments to IAS 21. The effects of changes in foreign exchange rates – lack of exchangeability, issued by the IASB to these financial statements for the current accounting period. The amendments do not have a material impact on these financial statements as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period. None of these amendments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented in this consolidated financial statement.

3 REVENUE AND SEGMENT REPORTING

The Group manages its businesses by divisions, which are organized by business lines (products and services). In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has identified the following four major operating segments. Certain operating segments have been aggregated to form the following reportable segments.

- Down related apparels – The down related apparels segment carries on the business of sourcing and distributing branded down and related apparels and certain brand authorization.
- OEM management – The OEM management segment carries on the business of sourcing and distributing OEM products.
- Ladieswear apparels – The ladieswear apparels segment carries on the business of sourcing and distributing branded ladieswear apparels.
- Diversified apparels – The diversified apparels segment carries on the business of sourcing and distributing non-seasonal apparels, including school uniforms and children's wear.

(a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

	For the year ended March 31,	
	2026	2025
	RMB'000	RMB'000
Revenue from contracts with customers within the scope of IFRS 15		
Disaggregated by major products or service lines		
– Sales of apparels	27,129,196	25,623,739
– Royalty income	219,640	276,863
	<u>27,348,836</u>	<u>25,900,602</u>
Revenue from other sources		
Gross rentals from investment properties	1,144	1,111
	<u>1,144</u>	<u>1,111</u>
Consolidated revenue	<u>27,349,980</u>	<u>25,901,713</u>

All revenue was recognized at point in time except for rental income from investment properties.

(b) Segment results

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments.

Segment profit represents revenue less cost of sales, and includes selling and distribution expenses and administrative expenses directly attributable to the segment. Items that are not specifically attributable to individual segments, share of losses of associates and joint ventures, finance income, finance costs, government grants, and unallocated head office and corporate expenses are not included in segment profit.

In addition to receiving segment information concerning segment profit, management is also provided with segment information concerning amortization expenses and impairment losses recognized in profit or loss during the reporting period on intangible assets and goodwill.

A measurement of segment assets and liabilities is not provided regularly to the Group's most senior executive management, and accordingly, no segment assets or liabilities information is presented.

Disaggregation of revenue from contracts with customers and revenue from other sources by the information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the years ended March 31, 2026 and 2025 is set out below.

	For the year ended March 31, 2026				
	Down related apparels <i>RMB'000</i>	OEM management <i>RMB'000</i>	Ladieswear apparels <i>RMB'000</i>	Diversified apparels <i>RMB'000</i>	Group <i>RMB'000</i>
Revenue from external customers	23,560,075	3,093,597	558,344	137,964	27,349,980
Inter-segment revenue	47,900	105,523	–	25,441	178,864
Reportable segment revenue	23,607,975	3,199,120	558,344	163,405	27,528,844
Reportable segment profit/(losses)	5,592,624	380,469	(190,403)	(68,107)	5,714,583
Amortization of intangible assets	–	–	(33,087)	–	(33,087)
Impairment losses on goodwill	–	–	(147,800)	–	(147,800)
	For the year ended March 31, 2025				
	Down related apparels <i>RMB'000</i>	OEM management <i>RMB'000</i>	Ladieswear apparels <i>RMB'000</i>	Diversified apparels <i>RMB'000</i>	Group <i>RMB'000</i>
Revenue from external customers	21,668,201	3,373,407	651,151	208,954	25,901,713
Inter-segment revenue	41,713	41,926	–	22,803	106,442
Reportable segment revenue	21,709,914	3,415,333	651,151	231,757	26,008,155
Reportable segment profit/(losses)	4,976,636	465,279	(109,069)	(25,988)	5,306,858
Amortization of intangible assets	–	–	(35,881)	–	(35,881)
Impairment losses on goodwill	–	–	(171,000)	–	(171,000)

(c) **Reconciliations of reportable segment revenue, profit before taxation**

	For the year ended March 31,	
	2026	2025
	RMB'000	RMB'000
Revenue		
Reportable segment revenue	27,528,844	26,008,155
Elimination of inter-segment revenue	(178,864)	(106,442)
Consolidated revenue	<u>27,349,980</u>	<u>25,901,713</u>
	For the year ended March 31,	
	2026	2025
	RMB'000	RMB'000
Profit before taxation		
Reportable segment profit	5,714,583	5,306,858
Amortization of intangible assets	(33,087)	(35,881)
Other income (note 4)	552,256	492,098
Impairment losses on goodwill	(147,800)	(171,000)
Share of losses of associates and joint ventures	(31,718)	(21,962)
Finance income (note 6)	478,625	371,344
Finance costs (note 6)	(108,090)	(167,028)
Unallocated expenses	(791,556)	(625,192)
Consolidated profit before taxation	<u>5,633,213</u>	<u>5,149,237</u>

4 OTHER INCOME

	For the year ended March 31,	
	2026	2025
	RMB'000	RMB'000
Government grants	548,345	486,279
Refund of service fees charged for withholding individual income tax	3,911	5,819
	<u>552,256</u>	<u>492,098</u>

The Group received unconditional discretionary grants amounting to RMB548,345,000 for the year ended March 31, 2026 (for the year ended March 31, 2025: RMB486,279,000) from various local PRC government authorities.

5 EXPENSE BY NATURE

The following expenses are included in cost of sales, selling and distribution expenses and administrative expenses:

	For the year ended March 31,	
	2026	2025
	RMB'000	RMB'000
Cost of inventories recognized as expenses included in cost of sales	11,699,227	11,061,857
Depreciation		
– assets leased out	7,029	7,398
– owned property, plant and equipment	606,924	590,662
– right-of-use assets	602,548	578,679
Amortization charge		
– intangible assets	63,153	49,537
Impairment losses on goodwill	147,800	171,000
Lease charge of short-term leases exempt from capitalization under IFRS 16	75,221	93,176
Variable lease payments	2,035,405	1,944,733
Auditors' remuneration of audit service	5,600	5,600
	<u>11,699,227</u>	<u>11,061,857</u>

6 NET FINANCE INCOME

	For the year ended March 31,	
	2026	2025
	RMB'000	RMB'000
Recognized in profit or loss:		
Interest income on bank deposits, loan receivable due from related parties and long-term receivables	210,998	231,792
Interest income on other financial assets measured at amortized cost	–	18
Total interest income on financial assets	210,998	231,810
Unrealized/realized net gain in financial assets classified as FVPL	255,626	139,861
Dividend income	–	3,710
Changes in fair value of derivative financial instruments	64	22
Net foreign exchange gain/(loss)	11,937	(4,059)
Finance income	478,625	371,344
Interest on interest-bearing borrowings and discounted bills	(47,405)	(52,122)
Interest on convertible bonds	–	(44,147)
Bank charges	(21,547)	(21,679)
Interest expenses on lease liabilities	(39,138)	(49,080)
Finance costs	(108,090)	(167,028)
Net finance income recognized in profit or loss	370,535	204,316

7 INCOME TAX

(a) Income tax in profit or loss represents:

	For the year ended March 31,	
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
Current tax		
Provision for income tax for the year	1,636,005	1,639,508
Deferred tax		
Origination and reversal of temporary differences	(49,857)	(43,014)
	<u>1,586,148</u>	<u>1,596,494</u>

- (i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (“**BVI**”), the Group is not subject to any income tax in the Cayman Islands and the BVI.
- (ii) No tax provision has been made for Bosideng UK Limited and Bosideng Retail Limited, as they do not have assessable profits subject to any income tax in the United Kingdom during the years ended March 31, 2026 and 2025.
- (iii) The provision includes provision for PRC income tax, provision for Hong Kong profit tax and provision for Singapore income tax. Provision for PRC income tax is based on the respective applicable rates on the estimated assessable income of each of the Group’s subsidiaries in the PRC as determined in accordance with the relevant income tax rules and regulations of the PRC. Provision for Hong Kong profit tax is calculated at Hong Kong Profits Tax rate 16.5% on the estimated assessable Hong Kong profits for the year ended March 31, 2026 (2025: 16.5%). Provision for Singapore income tax is calculated at Singapore Profits Tax rate 17.0% on the estimated assessable Singapore profits for the year ended March 31, 2026 (2025: 17.0%).

For the year ended March 31, 2026, the standard income tax rate for all domestic companies established in the PRC was 25%, except for Shanghai Bosideng Information Technology Co., Ltd., a software enterprise in the PRC, You Nuo (Tianjin) Clothing Limited (“**You Nuo**”), a clothing enterprise in the PRC, and Xizang Bosideng Fashion Co., Ltd.. Shanghai Bosideng Information Technology Co., Ltd. was granted a preferential rate of 15% for high-tech enterprises for three years started from 2025, You Nuo was granted a preferential rate of 15% for high-tech enterprises for three years started from 2023. Xizang Bosideng Fashion Co., Ltd. calculated corporate income tax at the rate of 9% until December 31, 2025, according to the regional tax preference policies.

- (iv) Under the Enterprise Income Tax Law (“**EIT Law**”) and its relevant regulations, dividends receivable by non-PRC resident enterprises from PRC resident enterprises for earnings accumulated beginning on January 1, 2008 are subject to withholding tax at a rate of 10% unless reduced by tax treaties or agreements. Under the double taxation arrangement between the mainland China and the Hong Kong Special Administrative Region of the PRC, a qualified Hong Kong tax resident which is the “beneficial owner” and holds 25% or more of the equity interest of a PRC resident enterprise is entitled to a reduced dividend withholding tax rate of 5%.

During the year ended March 31, 2026, a PRC dividend withholding tax of RMB180,128,000 (2025: RMB230,614,000) was provided against the dividend distributed during the year and to be distributed in the foreseeable future out of earnings of the PRC subsidiaries.

- (v) The equity-settled share-based payments expenses recognized in profit or loss could not be tax-deducted until the relevant share options are actually exercised or relevant restricted shares are vested and the individual income tax has been paid. Tax benefit from intrinsic value of share options exercised and restricted shares vested represents the difference between the actual costs offered by the Group to the employees in relation to equity-settled share-based payments, i.e. the total consideration obtained by the employees via trading the shares in capital market minus the proceeds received by the Group from the employees, and the corresponding expenses previously recognized in profit or loss being deducted in annual tax filing by relevant subsidiaries within the Group.

(b) Reconciliation between income tax and accounting profit at applicable tax rates:

	For the year ended March 31,	
	2026	2025
	RMB'000	RMB'000
Profit before taxation	5,633,213	5,149,237
Income tax at the applicable PRC income tax rate of 25%	1,408,303	1,287,309
Tax effect of unused tax losses and temporary differences not recognized, net of utilization	(22,353)	23,553
Tax effect of non-deductible expenses	56,126	51,344
Effect of tax concessions of PRC operations	(18,765)	(3,242)
Effect of tax rate difference under different tax jurisdictions	(16,629)	11,123
Effect of share of losses of associates and joint ventures	2,698	3,966
Effect of PRC dividend withholding tax	180,128	230,614
Others	(3,360)	(8,173)
Income tax	1,586,148	1,596,494

8 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share for the year ended March 31, 2026 is based on the profit attributable to equity shareholders of the Company of RMB3,994,378,000 for the year ended March 31, 2026 (2025: RMB3,513,913,000) and the weighted average number of ordinary shares in issue during the years ended March 31, 2026 and 2025, calculated as follows:

Weighted average number of ordinary shares:

	For the year ended March 31,	
	2026	2025
	'000	'000
Issued ordinary shares at the beginning of the year	11,476,874	10,837,841
Effect of restricted shares vested	6,672	13,497
Effect of share options exercised	75,495	121,350
Effect of conversion of convertible notes	–	163,249
Effect of share repurchased and cancelled	(3,671)	(7,165)
Weighted average number of ordinary shares	11,555,370	11,128,772
Basic earnings per share (RMB cents)	34.57	31.58

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to equity shareholders of the Company of RMB3,994,378,000 (2025: RMB3,558,060,000) and the weighted average number of ordinary shares deemed to be issued of 11,670,790,000 (2025: 11,539,415,000 shares), after adjusting for the effect of the Company's share-based payment arrangements, as follows:

Weighted average number of ordinary shares (diluted):

	For the year ended March 31,	
	2026	2025
	'000	'000
Weighted average number of ordinary shares (basic)	11,555,370	11,128,772
Effect of share-based payment arrangements	115,420	70,821
Effect of conversion of convertible bonds	–	339,822
	11,670,790	11,539,415
Weighted average number of ordinary shares (diluted)	11,670,790	11,539,415
Diluted earnings per share (RMB cents)	34.23	30.83

9 RIGHT-OF-USE ASSETS

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

	Properties leased for own use RMB'000	Land use rights RMB'000	Total RMB'000
Cost:			
At April 1, 2024	2,538,429	182,505	2,720,934
Additions	784,552	447,991	1,232,543
Disposals	(174,686)	–	(174,686)
	3,148,295	630,496	3,778,791
At March 31, 2025 and April 1, 2025	3,148,295	630,496	3,778,791
Additions	474,497	–	474,497
Disposals	(625,638)	–	(625,638)
	2,997,154	630,496	3,627,650
At March 31, 2026	2,997,154	630,496	3,627,650
Accumulated depreciation:			
At April 1, 2024	(1,731,049)	(31,730)	(1,762,779)
Charge for the year	(566,319)	(12,360)	(578,679)
Disposals	174,580	–	174,580
	(2,122,788)	(44,090)	(2,166,878)
At March 31, 2025 and April 1, 2025	(2,122,788)	(44,090)	(2,166,878)
Charge for the year	(576,705)	(25,843)	(602,548)
Disposals	401,195	–	401,195
	(2,298,298)	(69,933)	(2,368,231)
At March 31, 2026	(2,298,298)	(69,933)	(2,368,231)
Net book Value			
At March 31, 2026	698,856	560,563	1,259,419
At March 31, 2025	1,025,507	586,406	1,611,913

The analysis of expense items in relation to leases recognized in profit or loss is as follows:

	For the year ended March 31,	
	2026	2025
	RMB'000	RMB'000
Depreciation charge of right-of-use assets by class of underlying asset:		
Land use rights (i)	25,843	12,360
Properties leased for own use (ii)	576,705	566,319
	602,548	578,679
Interest on lease liabilities	39,138	49,080
Lease charge of short-term leases exempt from capitalization under IFRS 16	75,221	93,176
Variable lease payments	2,035,405	1,944,733

During the year ended March 31, 2026, the Group entered into a number of lease agreements for use of warehouses and retail stores, and therefore recognized the additions of right-of-use assets of RMB474,497,000 (2025: RMB784,552,000).

(i) Land use rights

Land in respect of land use rights are all located in the PRC with a lease period of 40 to 50 years when granted.

(ii) Properties leased for own use

The Group has obtained the right to use other properties as its warehouses and retail stores through tenancy agreements. The leases typically run for an initial period of 2 to 13 years.

Some leases include an option to renew the lease for an additional period after the end of the contract term. Where practicable, the Group seeks to include such extension options exercisable by the Group to provide operational flexibility. The Group assesses at the lease commencement date whether it is reasonably certain to exercise the extension options. If the Group is not reasonably certain to exercise the extension options, the future lease payments during the extension periods are not included in the measurement of lease liabilities. As the Group has been reasonably certain to exercise the extension options, future lease payments of leases with options to renew have been recorded as right-of-use assets and no potential exposure to these future lease payments is needed.

10 INTANGIBLE ASSETS AND GOODWILL

	Goodwill <i>RMB'000</i>	Customer relationships <i>RMB'000</i>	Trademarks <i>RMB'000</i>	Software and other intangible assets <i>RMB'000</i>	Total <i>RMB'000</i>
Cost:					
At March 31, 2024	1,708,151	648,822	633,795	–	2,990,768
Additions	–	–	–	122,309	122,309
Disposal	–	–	–	–	–
At March 31, 2025	1,708,151	648,822	633,795	122,309	3,113,077
Additions	–	–	–	69,873	69,873
Disposal	–	–	–	(3,163)	(3,163)
At March 31, 2026	1,708,151	648,822	633,795	189,019	3,179,787
Amortization and impairment losses:					
At March 31, 2024	(828,741)	(643,234)	(282,396)	–	(1,754,371)
Amortization charge for the year	–	(4,191)	(31,690)	(13,656)	(49,537)
Impairment losses	(171,000)	–	–	–	(171,000)
At March 31, 2025	(999,741)	(647,425)	(314,086)	(13,656)	(1,974,908)
Amortization charge for the year	–	(1,397)	(31,690)	(30,066)	(63,153)
Disposal	–	–	–	1,080	1,080
Impairment losses	(147,800)	–	–	–	(147,800)
At March 31, 2026	(1,147,541)	(648,822)	(345,776)	(42,642)	(2,184,781)
Net book value:					
At March 31, 2026	560,610	–	288,019	146,377	995,006
At March 31, 2025	708,410	1,397	319,709	108,653	1,138,169

Customer relationships and trademarks acquired in the business combination were identified and recognized as intangible assets with definite useful lives and carried at historical cost with amortization. The amortization charge of customer relationships and trademarks for the year was included in “selling and distribution expenses” in the consolidated statement of profit or loss and other comprehensive income.

Impairment testing for cash-generating unit containing goodwill

For the purpose of impairment testing, goodwill and trademarks are allocated to the Group’s CGUs according to the Group’s operating divisions.

The management of the Group engaged an external valuer to conduct an impairment test to determine the recoverable amounts of each of the CGUs containing intangible assets and goodwill as at March 31, 2026.

The recoverable amounts of each of the CGUs were estimated based on value in use, determined by discounting the future cash flows to be generated from the continuing use of the CGUs. The value in use calculation uses cash flow projections based on profit forecasts approved by the management for the purposes of impairment testing covering a five-year period. Cash-flows beyond the five-year period are extrapolated using an estimated annual growth rate of 2.0% (for the year ended March 31, 2025: 2.0%). The discount rate used is the CGU's specific weighted average cost of capital, adjusted for a risk premium to reflect specific risks relating to the CGUs. The estimates of value in use of JESSIE brand ladieswear CGU, BUOU BUOU brand ladieswear CGU and Tianjin ladieswear CGU, respectively, were determined using a pre-tax discount rate with a range from 15.1% to 15.2% (for the year ended March 31, 2025: from 15.6% to 16.0%).

Based on the assessments using the discounted cashflow forecast method, the businesses of BUOU BUOU brand ladieswear CGU, JESSIE brand ladieswear CGU and Tianjin ladieswear CGU were under-performed. The management, with the assistance of an external valuer, performed impairment assessments to determine the recoverable amounts of those CGUs at the end of each reporting period. Based on those assessments, the recoverable amount of JESSIE brand ladieswear CGU, BUOU BUOU brand ladieswear CGU and Tianjin ladieswear CGU as at March 31, 2026, respectively, were RMB247,789,000, RMB179,862,000 and RMB585,364,000, which were RMB57,000,000, RMB35,500,000 and RMB55,300,000 lower than their carrying amount. Therefore, impairment losses of RMB57,000,000, RMB35,500,000 and RMB55,300,000 have been recognized in the profit or loss for the year ended March 31, 2026. Any adverse change in the key assumptions, including growth rates of future revenue, future margins and the discount rates, used in the calculation of recoverable amount would result in further impairment losses. The impairment losses have been fully allocated to goodwill.

The aggregate carrying amount of goodwill allocated to each CGU is as follows:

	At March 31,	
	2026	2025
	RMB'000	RMB'000
Gross value		
Menswear	292,741	292,741
Ladieswear – JESSIE brand	484,312	484,312
Ladieswear – BUOU BUOU brand	525,137	525,137
Ladieswear – Tianjin Ladieswear	405,961	405,961
	<u>1,708,151</u>	<u>1,708,151</u>
	-----	-----
Accumulated impairment losses		
Menswear	(292,741)	(292,741)
Ladieswear – JESSIE brand	(249,800)	(192,800)
Ladieswear – BUOU BUOU brand	(453,100)	(417,600)
Ladieswear – Tianjin Ladieswear	(151,900)	(96,600)
	<u>(1,147,541)</u>	<u>(999,741)</u>
	-----	-----
Net value		
Menswear	–	–
Ladieswear – JESSIE brand	234,512	291,512
Ladieswear – BUOU BUOU brand	72,037	107,537
Ladieswear – Tianjin Ladieswear	254,061	309,361
	<u>560,610</u>	<u>708,410</u>
	=====	=====

11 INVENTORIES

	At March 31,	
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
Raw materials	1,160,857	1,438,296
Work in progress	6,230	28,623
Finished goods	2,408,691	2,483,710
	<u>3,575,778</u>	<u>3,950,629</u>

The analysis of the amount of inventories recognized in cost of sales and included in profit or loss is as follows:

	For the year ended March 31,	
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
Carrying amount of inventories sold	11,667,576	11,007,372
Write-down of inventories	31,651	54,485
	<u>11,699,227</u>	<u>11,061,857</u>

12 TRADE AND BILLS RECEIVABLES

	At March 31,	
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
Trade receivables	1,432,554	1,028,149
Bills receivable	1,060	212
Less: loss allowance for doubtful debts	(92,126)	(81,306)
	<u>1,341,488</u>	<u>947,055</u>
Bills receivables, measured at FVOCI	<u>63,362</u>	<u>247,918</u>
	<u>1,404,850</u>	<u>1,194,973</u>

All of the trade and bills receivables are expected to be recovered within one year.

As at March 31, 2026, the Group endorsed no bank acceptance bills (March 31, 2025: RMB43,000,000) to suppliers for settling trade payables on a full recourse basis. Consequently, the Group derecognized nil (March 31, 2025: RMB43,000,000) bills receivable and the related payables to suppliers. These derecognized bank acceptance bills had a maturity date of less than twelve months from the end of the reporting period. In the opinion of the directors of the Company, the Group has transferred substantially all the risks and rewards of ownership of these bills and has discharged its obligation of the payables to its suppliers, and the Group has limited exposure in respect of the settlement obligation of these bills receivable under the relevant PRC rules and regulations should the issuing banks fail to settle the bills on the maturity date. The maximum exposure arising from the Group's continuing involvement in the endorsed bills and the undiscounted cash flows to repurchase these endorsed bills equal to their carrying amounts. The Group considered the issuing banks of the bills are of good credit quality and the non-settlement of these bills by the issuing banks on maturity is not probable.

Ageing analysis

As of the end of the reporting period, the ageing analysis of trade receivables, based on the revenue recognition date and net of loss allowance on expected credit losses, is as follows:

	At March 31,	
	2026	2025
	RMB'000	RMB'000
Within credit terms	1,204,107	785,395
1 to 3 months past due	119,277	122,851
Over 3 months but less than 6 months past due	13,357	33,004
Over 6 months but less than 12 months past due	3,687	2,153
Over 1 year past due	–	3,440
	<u>1,340,428</u>	<u>946,843</u>

Trade receivables are generally due within 30 to 90 days from the date of billing.

13 LONG-TERM RECEIVABLES/DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	At March 31,	
	2026	2025
	RMB'000	RMB'000
Non-current		
Long-term receivables	<u>89,766</u>	<u>49,798</u>
Current		
Deposits	693,357	704,857
Prepayments	537,643	513,535
Third party other receivables:		
– Value-added tax (“VAT”) recoverable	283,276	194,636
– Advances to employees	7,692	10,613
– Others	147,383	128,906
	<u>1,669,351</u>	<u>1,552,547</u>
	<u>1,759,117</u>	<u>1,602,345</u>

14 OTHER FINANCIAL ASSETS

	<i>Note</i>	At March 31, 2026 RMB'000	2025 <i>RMB'000</i>
Non-current			
Financial assets classified as FVPL	<i>(a)</i>	<u>572,921</u>	<u>458,256</u>
		<u>572,921</u>	<u>458,256</u>
Current			
Financial asset measured at amortized cost		–	19,996
Financial assets classified as FVPL	<i>(a)</i>	<u>8,135,702</u>	<u>6,194,351</u>
		<u>8,135,702</u>	<u>6,214,347</u>
Total		<u>8,708,623</u>	<u>6,672,603</u>

(a) As at March 31, 2026, financial assets classified as FVPL represent listed equity investments of RMB 752,000 (March 31, 2025: RMB1,329,000) and investments with banks and other financial institutions of RMB8,707,871,000 (March 31, 2025: RMB6,651,278,000).

(i) Listed equity investments

During the year, the net unrealized/realized loss of listed equity investments held by the Group of RMB577,000 was recognized as a loss in finance income (for the year ended March 31, 2025: loss of RMB151,000).

No dividend income was received for the year ended March 31, 2026 (for the year ended March 31, 2025: Nil).

(ii) Investments with banks and other financial institutions

Investments with banks and other financial institutions represent wealth management products offered by banks and other financial institutions. These investments with no guarantee of principal and interest were classified as FVPL. The underlying assets of these wealth management products are a wide range of government and corporate bonds, bank deposits, asset-backed securities, money market funds as well as other listed equity securities, etc.

During the year, the net unrealized/realized gain arising from these investments of RMB 256,203,000 was recognized as a gain in finance income (for the year ended March 31, 2025: RMB140,012,000). Neither the single investment nor investment made with the same bank or other financial institution on an aggregate basis accounted for over 5% of the Group's total assets.

15 TRADE AND OTHER PAYABLES

	At March 31,	
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
Trade payables	1,258,992	1,023,595
Bills payables	4,671,353	4,182,587
	<u>5,930,345</u>	<u>5,206,182</u>
Other payables and accrued expenses		
– Deposits from customers	300,505	278,909
– Contract liabilities (i)	1,221,787	1,235,710
– Construction payables	267,559	266,436
– Accrued advertising expenses	191,351	92,567
– Accrued payroll, welfare and bonus	540,426	547,887
– VAT and other tax payable	44,336	65,955
– Payables in relation to shares disposed of by employees under share-based payment schemes	32,946	23,185
– Receipts in advance in relation to unvested restricted shares	44,921	34,699
– Others	113,820	82,869
	<u>8,687,996</u>	<u>7,834,399</u>

- (i) The amount of revenue recognized for the year ended March 31, 2026 that was included in the contract liabilities balance at the beginning of the year was RMB1,147,440,000 (2025: RMB1,068,886,000).

All of the trade, bills and other payables are expected to be settled within one year.

As of the end of the reporting period, the ageing analysis of trade and bills payables, based on the invoice date, is as follows:

	At March 31,	
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
Within 1 month	5,466,267	4,874,281
1 to 3 months	464,078	331,901
	<u>5,930,345</u>	<u>5,206,182</u>

16 DIVIDENDS

- (i) Dividends payable to equity shareholders of the Company attributable to the year:

	For the year ended March 31,	
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
Interim dividend declared and paid of HKD6.3 cents per ordinary share (2025: interim dividend declared and paid of HKD6.0 cents per ordinary share)	662,909	633,076
Final dividend proposed after the end of the reporting period of HKD25.0 cents per ordinary share (2025: HKD22.0 cents per ordinary share)	2,540,261	2,321,355
	<u>3,203,170</u>	<u>2,954,431</u>

The final dividend proposed after the end of the reporting period has not been recognized as a liability at the end of the reporting period.

- (ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year:

	For the year ended March 31,	
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
Final dividend in respect of the previous financial year, approved and paid during the year, of HKD22.0 cents per ordinary share (2025: final dividend of HKD20.0 cents per ordinary share)	2,322,601	2,003,441

17 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

Subsequent to March 31, 2026, the board of directors of the Company proposed a final dividend of HKD2,921,419,000 (approximately RMB2,540,261,000), representing HKD25.0 cents per ordinary share to the equity shareholders of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

In FY2025/26, the global economic landscape underwent profound adjustments. Uncertainties in international trade rules intertwined with geopolitical risks, leading to a notable increase in instability and unpredictability in the external operating environment. Under the guidance of and supported by robust national macroeconomic policies, China's textile and apparel industry anchored in the new positioning of "technology-driven, fashionable, green and healthy" industry, and expedited the establishment of a modern industrial system, continuously strengthening its overall resilience and competitiveness.

The Group has seized the opportunities of the times. In response to growing emphasis on personalization, quality and diversity arising from the consumer market, the Group adhered to a customer-centric approach and continuously upgraded its "strategic planning, research and development innovation, collaborative supply and management system", as well as further strengthened its "brand leadership, category management, channel operation and customer experience", thereby comprehensively improving operational efficiency. At the same time, by driving digital and intelligent transformation and embracing sustainable fashion principles, the Group aims to better create a long-term value for both customers and society.

The year 2026 marks the 50th anniversary of the Group. Throughout its half-century of development, the Group has remained committed to its original mission of "warming the people of the world", deeply cultivating its core business and strengthening its brand. In response to the new competitive landscape of the global industry, the Group will anchor the "dual-focus" strategic direction of "focusing on the mainstay business of down jackets and focusing on the main track of fashionable, technological and functional apparel". By adhering to brand leadership, innovation-driven development, responsibility-first principles and strengthening core brand competitiveness, the Group is striving to "become the world's leading fashionable, technological and functional apparel group".

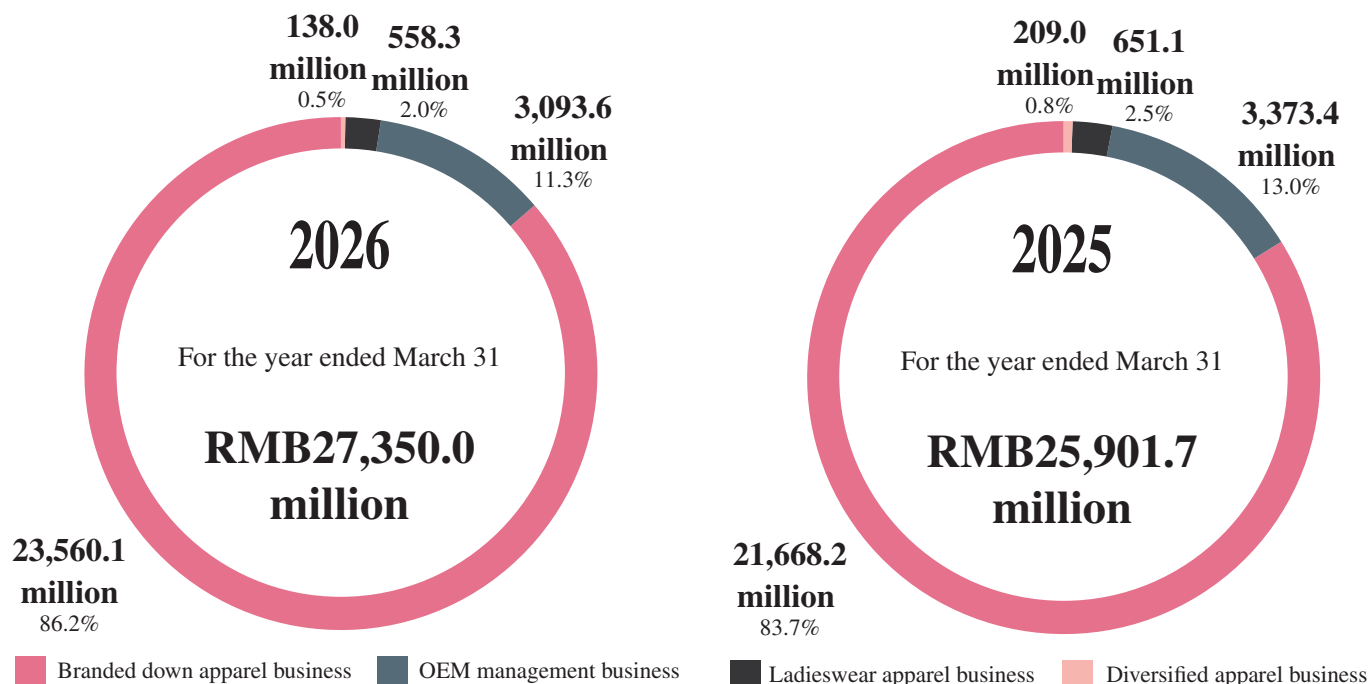
REVENUE ANALYSIS

Since embarking on a new journey of strategic transformation and upgrading in 2018, the Group has returned to its entrepreneurial roots, focused on its core business of down apparel. Guided by brand building and empowered by AI technology, the Group has driven transformative changes in product innovation, retail upgrading, high-quality rapid responses, and intelligent digital operations, thereby achieving consistent, sound and high-quality growth and demonstrating resilience in its development.

In FY2025/26, the Group's revenue amounted to approximately RMB27,350.0 million, representing a year-on-year increase of approximately 5.6% compared with the previous year. The branded down apparel business, OEM management business, ladieswear apparel business and diversified apparel business are the Group's main business segments.

In FY2025/26, the Group's main business segments achieved stable and high-quality growth. Among them, the branded down apparel business remained the biggest revenue contributor to the Group, and recorded revenue of approximately RMB23,560.1 million, accounting for 86.2% of the total revenue and representing an increase of 8.7% year-on-year. The OEM management business recorded a revenue of approximately RMB3,093.6 million, accounting for 11.3% of the total revenue and representing a decrease of 8.3% year-on-year. The ladieswear apparel business recorded a revenue of approximately RMB558.3 million, accounting for 2.0% of the total revenue and representing a decrease of 14.3% year-on-year. The diversified apparel business recorded a revenue of approximately RMB138.0 million, accounting for 0.5% of the total revenue and representing a decrease of 34.0% year-on-year.

Revenue by Business



Branded Down Apparel Business:

The Group focused on its core business, concentrated on its advantageous resources, and built the core competencies within its main business, striving to become a leader in the global down apparel industry. In terms of branded down apparel business segment, the Group has consistently solidified its core capabilities and competitive advantages by continuously implementing its “four reinforcements” initiative to “enhance brand leadership, product category management, channel operation, and customer experience”.

In terms of branding, the Group continued to solidify Bosideng’s brand image of being “the world’s leading expert in down apparel”, adhering to a brand-led development model and through continuously enriching brand essence and emotional connection, elevating brand value, and reinforcing the mental recognition of being “the No.1 down apparel brand”. In terms of products, the Group consistently centers its strategy around the brand positioning of “the world’s leading expert in down apparel”, which focuses on the mainstream consumer groups of the current era to build core competitive advantage categories with “good products”. Through focusing on continuous innovation and iteration of categories within consumer mindshare, empowering design capabilities via collaboration with top international designers, innovating and tackling technological fabrics to enhance product performance, and optimizing fit and craftsmanship to increase product comfort, the Group continued to consolidate the competitive edges of the core down apparel category. In terms of channels, firstly, we aim to achieve breakthroughs in high-potential, leading projects and create distinctive, high-quality stores (such as the creation of “Summit Concept Stores”, etc.) through innovation. Secondly, we will actively expand premium local stores and consistently focus on developing its Top store (“**Top Store(s)**”) system to unleash the channel leading effects. Thirdly, our focus will be on solidifying single stores’ operation; based on customer segmentation, “one store, one strategy; one store, one design”, we will construct a refined operation system tailored to different store formats, thereby achieving a dual improvement in both profitability and operational efficiency.

In FY2025/26, the Bosideng brand under the Group's branded down apparel business recorded a year-on-year increase of 6.9% in revenue to approximately RMB19,752.2 million. Revenue of the whole branded down apparel business segment increased by 8.7% to approximately RMB23,560.1 million on a year-on-year basis.

Brand Building

In FY2025/26, the Group continued to strengthen its development model of brand leadership and adhered to a strategy where the brand constitution serves as the foundation, customer experience as its core, and emotional resonance as its pursuit. The Group continued to consolidate the brand's DNA and consumers' mindshare, reinforce its recognition as a professional expert brand, and aim to become the preferred choice for users.

Regarding innovative brand campaigns, the Group promoted and implemented a "four-dimensional differentiation" strategy. This involves precisely segmenting and upgrading brand value based on product categories, target consumer groups, market tiers, and store formats. Firstly, through strategic upgrading, we are shifting from "product functionality" to "emotional value", establishing a year-round narrative backbone. For example, "Metamorphosis Campaign" integrated core technology into an emotional narrative to enhance emotional identification with the brand. Secondly, through segmented communication, we narrate product stories and highlight features that are directly relevant to different customer groups, thereby forming a differentiated and multi-dimensional communication path.

Regarding optimizing brand promotion, the Group is implementing refined content marketing and optimizing media portfolio by combining platform partnerships with a strategic advertising matrix to reach diverse audiences. At the same time, we are utilizing a structured celebrity endorsement approach, integrating spokespersons from professional fields with collaboration from mainstream content creators for broader communication, continuously solidifying our brand position.

According to the "Brand Finance Apparel 50 2025" released by Brand Finance, one of the top five international authoritative brand value evaluation consultancies, the Bosideng brand once again made it to the list, rising one spot to the 45th place on the apparel brand list. Meanwhile, with a Brand Strength Index (BSI) score of 81.1 out of 100, it earned an AAA-rating and ranked 18th among all global shortlisted brands, demonstrating its comprehensive strength and global influence as an international brand. In the 2025 "Asia's 500 Most Influential Brands" ranking released by the World Brand Lab, Bosideng's ranking was 260th place; in the 2025 (22nd) "The World's 500 Most Influential Brands" ranking, Bosideng was placed 449th, representing an improvement of 8 places from the previous year.

In FY2025/26, the Bosideng brand also received numerous industry recognitions. For example, the Bosideng brand was selected for the first batch of the "China Famous Consumer Goods" list issued by the Ministry of Industry and Information Technology and was honored as one of the "2026 My Favorite Chinese Brands" initiated by China National Brand. In addition, it was named among the top brands in the apparel industry in the "Good Brand 100" selection jointly organized by Shanghai United Media Group and Jiemian News, and was awarded the "Fashion and Lifestyle Brand of the Year" at the Time Out Love Awards 2025 hosted by Time Out.

In FY2025/26, Bosideng conducted a series of brand-building events:

In October 2025, during the Paris Fashion Week, Bosideng successfully launched its “Master Puff” collection at the Palais Brongniart. The show, themed “la coupe en O (雲跡環遊)”, perfectly showcased Bosideng’s ability to integrate technology and aesthetics on a world-renowned fashion stage through three-dimensional tailoring and innovative craftsmanship. The launched products received positive market responses.

Also in October 2025, Bosideng collaborated with former renowned luxury brand creative director Kim Jones to launch the premium product line, Bosideng AREAL. This collection deeply integrates haute couture aesthetics with the brand’s half-century of professional down craftsmanship, reimagining business down jackets with sculptural silhouettes, marking a significant breakthrough in the brand’s fashion taste and creativity. Meanwhile, Bosideng once again teamed up with designer Errolson Hugh, who is known as the “functional wear guru”, to introduce the VERTEX Down Apparel Series. This series, centered on high-performance technology, aims to provide an all-scenario wearing experience.

In December 2025, Bosideng held a launch event on Sun Island in Harbin under the theme “Life in Extremes” (人生見極地). The event featured a series of highlights, including the unveiling ceremony of “Xuelong 2” (雪龍 2 號) icebreaker, the “Life in Extremes” (人生見極地) thematic forum, the launch of the Polar Expedition Collection, and the Polar Ice and Snow Fashion Show (極地冰雪大秀), showcasing the brand’s half-century of craftsmanship and its 28 years of collaboration in polar expeditions.

In January 2026, Bosideng’s premium product line Bosideng AREAL, made its debut at Galeries Lafayette Haussmann flagship store in Paris with an unveiling ceremony. This marked the Bosideng AREAL collection’s first public overseas presentation since its launch in 2025, and signified Bosideng becoming the first Chinese down apparel brand to open a pop-up store at Galeries Lafayette, representing a significant milestone for the series’ first entry into the EU market.

In March 2026, Bosideng unveiled the second season of its AREAL with a global debut at the K11 MUSEA, Hong Kong’s iconic fashion and cultural landmark. The launch event brought together senior management of Bosideng Group, British designer Kim Jones, Bosideng ESG Global Image Ambassador Guo Jingjing, along with senior executives of Art Basel, Hong Kong business leaders and prominent figures from the Asian fashion community, jointly witnessing a new chapter in Bosideng’s global fashion narrative.

Merchandise Management

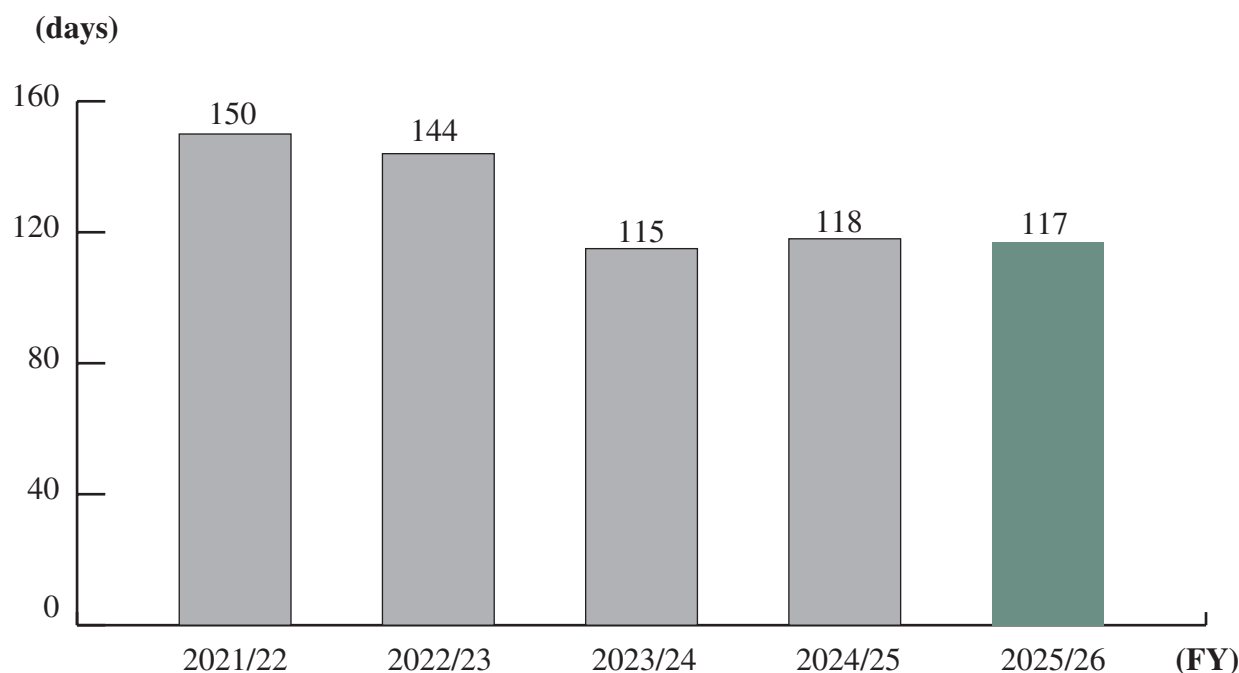
The Group believes that merchandise management serves as a crucial driving force for enterprises to achieve sustainable and high-quality development and is also an important guarantee for enhancing market competitiveness and profitability.

In FY2025/26, the Group continued to adopt the mode of separating orders into direct sales and wholesales. Orders placed at self-operated single stores would be processed in a way in which products for sale in single stores would match the demand for orders and the stock would be replenished, and products would be produced according to the actual demand. By doing so, a dynamic adjustment to orders can be achieved. Meanwhile, distributors adopted different flexible modes of order placement and rebate policies based on their respective scales of operation. In FY2025/26, the Group maintained the demand-pull replenishment of “fulfilling small orders in quick responses on a rolling basis which would match the demand for orders, and products according to the actual demand” during the sales process in peak seasons based on sales performance and under the premise of ensuring that the proportion of first-time orders remained at a low level. Such a mechanism has effectively promoted the dynamic centralized management of channel inventory and merchandise structure, significantly improved the sales channel efficiency and the flexibility of merchandise management during the peak seasons, providing strong support for the continuous improvement of peak seasons performance.

In FY2025/26, the Group continued to stick to the concept of merchandise operation management of the last financial year. With its smart delivery center serving all offline direct stores, franchised stores and online traditional e-commerce platforms, the online Douyin platform, WeChat Mall/Channels, O2O and other channels throughout the country efficiently, the Group unified the inventory management of eight directly-operated large warehouses and 12 small warehouses of distributors across China through an integrated inventory management platform. The services included taking deliveries from suppliers or returning goods from the market to the warehouse for storage, sorting and shelving arrangements, and they were combined with different strategies for allocating warehouses in different locations for the storage of merchandise. Efforts were stepped up to bring Top Sellers to the front during the process. As a result, the availability of replenished merchandise was continuously enhanced based on sales performance in the market.

For the year ended March 31, 2026, the inventory turnover days of the Group were 117 days, representing a very slight decrease of one day as compared to the same period as of March 31, 2025. In FY2025/26, with respect to the branded down apparel business, despite facing challenges such as unexpectedly warm winter weather, the Group maintained stringent control over overall terminal discount management while proactively and effectively responding to weather fluctuations. Through enhanced merchandise operation and management, flexible supply chain management, and efficient integration of production and sales, the Group improved its omnichannel merchandise operation capabilities and inventory allocation efficiency. This not only demonstrated the Group’s efficient merchandise management capability and operational resilience in rapidly responding to market changes during peak sales periods, but also reflected the continuous improvement in the Group’s overall operational efficiency. With respect to the ladieswear apparel business segment, in the face of multiple challenges in the ladieswear apparel market, the Group has effectively recovered capital and facilitated structural adjustments within this business unit by carrying out destocking of ladieswear apparel products; this has laid the foundations for a leaner operating model, positioning itself to return to a growth trajectory in the future.

Inventory Turnover Analysis



Supply Chain Management

The ability of the Group’s supply chain to enable “delivery of high-quality products in flexible and quick responses” is an important competitive strength that has led to its continued success in the industry and is also one of its core competitive advantages with which the Group maintains efficient, healthy and sustainable development.

The Group has implemented the down apparel, industry-leading model of futures/goods-in-stock operation. The first batch of orders would be controlled at less than 40%, while the remaining proportion would be continuously adjusted dynamically and replenished on a rolling basis during the peak sales seasons according to retail sales data and trend forecasts on the market. The demand-pull replenishment, quick launch of new products and delivery of small orders in quick responses enable an efficient turnover cycle and operational efficiency, thereby allowing the Group to solidify its ability for high-quality products in quick responses and ensure that “best-selling products are always available while minimizing production of slow-moving items”.

In FY2025/26, the supply chain of the Group continuously underwent systematic planning and upgrading in terms of flexible and quick responses, excellent quality, scientific research and technology, resources integration and cost leadership.

In terms of flexible and quick responses, the Group has transformed from a collaborative supply chain model to a more proactive and digitally driven approach, further refining and iterating its closed-loop, high-value commodity chain and strengthening its digital intelligence infrastructure. Having achieved a 99% replenishment rate for the Top Sellers, the Group took the availability rate of replenishment of unexpectedly popular “dark horse” items as a new high challenge target and maximized the elasticity of the supply chain to make up for the deviation of the sales forecast and meet the dynamic change in market demand. It further empowered the single stores’ operation to ensure that hot-moving merchandise remains consistently in stock while minimizing production of slow-moving products, thereby maximizing sales growth. Meanwhile, the Group continuously improved the collaborative response speed and capabilities of both internal teams and external suppliers to create core competitiveness of the Group that is difficult to replicate.

In terms of quality excellence, the Group has adhered to quality excellence and users’ perceptions as its core focus, spanning the entire process from user scenario needs, users’ experience, to user emotional value, driving the upgrade of all-touchpoint experience and quality. To support product innovation, the Group has established an integrated full-lifecycle quality management system encompassing all stages from commercial businesses, design companies, research and development, verification, small-batch trial production and environmental simulation testing in response to product innovation. The Group also allocated quality resources strategically based on product category and intended use, ensuring high standards across materials, processes, production lines and finished product appearances. By implementing a digitalized operation system for quality control, it also linked all the sections within a closed loop of quality management and made the whole process controllable and traceable, so as to ensure real-time transparency, and reinforce quality as one of the key perceptual factors for users in brand selection.

In terms of science and technology, the Group continued to increase its long-term investment in science and technology and focused on building an integrated innovation capability in the four new areas. For new product categories, the Group developed an innovation platform to cooperate with/co-brand with master-level designers domestically and internationally. Bosideng AI Lab, by integrating decades of design data with global fashion trends, has created an artificial intelligence large model in the vertical domain, “BSD.AI Aesthetic Brain”, and combined AI innovation with 3D technologies to empower product innovation and industry leadership. In terms of material innovation, Bosideng succeeded in creating the world’s first patented air self-circulation system by integrating global top-tier supply chain resources, gathering premium international raw and auxiliary materials, and independently developing core anti-down-leakage craftsmanship, thereby establishing strong technological barriers. Through continuous verification in extreme scenarios such as polar regions, high mountains, and competitive sporting events, the Group continued to reinforce the industry exposure and professional influence of Chinese manufacturing in the technological and functional apparel sector.

In terms of resources integration, the Group, based on its overarching strategy, brand strategy and product category innovation planning, and in close alignment with national policies and industrial transformation trends, has strategically proposed and positioned itself for a long-term “Five Leading Resources” development strategy. To support the high-quality development of the Group’s brand matrix, it is proactively designing a multi-tiered and structured panoramic framework for resources deployment, moving from structural upgrades to capability and leadership upgrades, meeting the demands for a multi-brand, multi-category, differentiated, centralized, and digitally intelligent commodity supply chain platform. The Group has gradually built a sustainable resources ecosystem encompassing a strategic resources business community, a community of shared interests and a community of shared destiny by stepping up the long-term win-win cooperation policy for the resources ecosystem. This will establish a “worldwide leading” resources system, making resources a solid and reliable guarantee for the implementation of the Group’s strategy.

In terms of comprehensive cost leadership, the Group has always viewed cost strategy as a reflection of its overall system and organizational capabilities, evolving from system-wide cost reduction leadership to comprehensive cost leadership and ultimately to brand and customer value leadership. The Group has developed a robust and mature operational closed-loop system for cost leadership. By enhancing organizational capabilities through planning costs, resources costs, design costs, quality costs and standard costs, the Group has fully integrated cost management throughout the entire value chain of cost. Leveraging its deep understanding of the down industry, the Group anticipates trends through proactive analysis to conduct upfront planning and research for bulk materials and major projects to identify the best combination of strategies, methods and paths, making comprehensive cost leadership capability one of the core drivers for the Group’s stable profit and growth.

Logistics and Delivery

For logistics and delivery, the Group continuously adopted a system to automatically match transport and delivery resources for each order based on traffic, factoring in limitations such as the characteristics of the transport and delivery resources in society, transport costs and timeliness. The Group also collected and monitored data in respect of each step of the entire process, including collection, distribution, in transit and sign-for-acceptance. Under the premise of maintaining reasonable costs, the Group maximized service efficiency and improved users’ experiences.

The Group took a series of innovative measures to improve logistics efficiency. On the one hand, the advanced algorithms of the self-developed inventory calculation center and order processing center have been adopted to accurately match, locate and prioritize based on the geographical location of the products and the consumers, and generate instructions based on the principle of “the shortest distance between the products and the consumers” to ensure immediate warehouse operations and early pick-up by the courier company, achieving the fastest distribution to consumers. On the other hand, the Group advanced integration and connection to build an integrated warehousing and distribution platform. By leveraging intelligent logistics information systems and highly automatic logistics equipment, the Group has implemented an automatic and smart allocation system to revamp operating models for piece-picking and returns-picking, achieving fully automated and intelligent routing to drastically reduce operation time. Under the premise of maintaining reasonable costs, the Group continued to enhance its service efficiency and improve users’ experiences. The improved speed of delivery from warehouses and optimized transportation efficiency have contributed to the maintenance of the Group’s industry leadership in terms of its logistics and delivery capabilities.

Digital Operation

Facing the uncertain environment for development, it is certain that digitalization is the way forward. The digital transformation has been a top priority of the Group's infrastructure construction in recent years.

After several years of development, the Group has laid a relatively solid foundation for its informatization and digitalization in areas such as R&D and design, supply chain management, warehousing and logistics, merchandise operation, retail operation and member management. In the current era of rapid AI technological development, the Group has further formulated its strategy for intelligent digital empowerment of business operations. Leveraging AI empowerment, the Group has transitioned from a traditional management model to a modern, data-driven and intelligence operational model suited for the digital era.

In terms of product R&D and design, the Group actively promotes an "AI + Design" innovative model. The Group has established an artificial intelligence innovation application laboratory, utilizing big data to drive apparel design and R&D, building a comprehensive design database, continuously iterating AI algorithms, and creating the "BSD.AI Aesthetic Brain" to achieve a full-process digital closed-loop from design conception to virtual garment. With AI technology, the Group has effectively enhanced design efficiency while significantly reducing sample development time and cost. Currently, multiple AI-designed patterns and finished garments have already been launched to market, gaining positive feedback from consumers.

In terms of digital and intelligent manufacturing, the Group has built a new ecosystem for full-chain collaboration, enhancing the supply chain's responsiveness and collaboration efficiency. Leveraging a smart supply chain ecosystem platform, we achieved dynamic and precise matching of raw and auxiliary materials and full-chain traceability. We actively tracked big data on product sales and dynamic inventory, automatically generated sales forecasts and procurement plans, and delivered products to suppliers, thereby transforming the supply chain from passive reaction to active response. Meanwhile, the Group has promoted in-depth collaboration across upstream and downstream, and built a high-quality, quick-response, flexible supply chain and a digital commodity value chain.

In terms of merchandise operation, the Group employs big data technology to achieve precise channel matching for refined product categories and different store formats. This is accomplished through intelligent allocation, intelligent replenishment and transfer, thereby achieving highly efficient merchandise operations and improving both the sell-through rate of products and the replenishment availability of Top Sellers.

In terms of offline retail operation, the Group has successfully developed and deployed an intelligent retail operation platform, fully achieving data-driven single-store operations. Through a refined operational model of "one store, one strategy", the platform automatically generates store diagnostic analysis reports weekly, simultaneously providing targeted improvement strategies, implementation action plans, and quantifiable improvement goals. This forms a closed-loop review and operational mechanism, effectively empowering and enhancing the operational efficiency of offline stores.

In terms of online retail operation, the Group leverages AI technology to innovatively apply AI-generated copywriting, images and short videos, AI digital human live streaming, and AI-driven content risk control. This significantly reduces online operational costs, effectively empowers content creation, and enhances the efficiency of product launch.

In terms of member management, the Group has completed the reconstruction of its member tagging system and optimized its member operations system, focusing on in-depth engagement with core customers. By innovatively integrating large AI models with member data assets, we are creating an exclusive “AI Shopping Assistant” to deliver precise, multi-scenario, personalized, and intelligent services, thereby comprehensively enhancing the consumer shopping experience.

In FY2025/26, as the Group’s numerous intelligent digital operational initiatives have progressively come into effect, this digital intelligence empowerment has consolidated and secured the foundation for its sustainable high-quality development.

Customer Management

In FY2025/26, the Group continued the use of various channels to build a more convenient bridge for communication with customers. The Bosideng brand had approximately 1.0 million new fans and approximately 2.1 million new members on the Tmall and JD.com platforms. As of March 31, 2026, the Bosideng brand had approximately 23.1 million members in total on the Tmall and JD.com platforms. In addition, the Bosideng brand had over 7.0 million new fans on the Douyin platform. As of March 31, 2026, the Bosideng brand had approximately 17.0 million fans in total on the Douyin platform.

In terms of innovation in user management, the Group has been continuously building a consumer-centric, omnichannel user management system in recent years. Through digital empowerment, the Group has achieved precise multi-channel product recommendations, intelligent user data insight and analysis, and differentiated interactive experiences, thereby forming an efficient closed-loop operational model that effectively enhances users’ shopping experience and brand loyalty.

The current user management system of the Group has the following six prominent features:

First, the Group continuously employs full lifecycle management of its users, upgrades its membership points system and diversifies its rights system to increase the loyalty and satisfaction of its members, thus providing a robust customer base for sustainable business growth.

Second, the Group focuses on enhancing the experience of core users by organizing exclusive activities tailored for them, building an ecosystem that directly engages core users to co-create content, and empowering product innovation and iteration. The Group also strengthens emotional connections with its users, effectively attracting and retaining younger consumer groups while enhancing the lifelong value of core users.

Third, the Group extensively applies artificial intelligence (AI) technology to establish AI-powered smart customer service system, enabling 7/24 rapid response. Simultaneously, we create a smart matching model between user behaviors and product demands, improving users’ experience through automated and precise engagement.

Fourth, by upgrading the membership system and integrating data across all channels, the Group has built a cohesive membership system and a precise tagging system, which continuously optimizes the user portrait modeling. Through one-on-one precise interactions with members and an online-offline integrated operation approach, it effectively promotes quality business development.

Fifth, the Group has built a consumer-centric customer service system. By upgrading the smart customer service system and ensuring collaboration through a full-chain management system, we achieved quick responses to customer complaints and full-chain tracking. Furthermore, by establishing a 400 service capability platform and implementing a dual guarantee mechanism for complaint classification and service schemes, the Group ensures consistent service standards are maintained.

Sixth, the Group has innovatively rolled out its “Renewal Workshop” project, which focuses on integrated product cleaning, care and repair services. By employing professional technology to extend product lifespan, it provides users with high-quality service experience. Simultaneously, through these tangible services, the project disseminates environmental protection concepts, precisely aligning with our ESG strategy and achieving a dual enhancement of both service and social values.

Technological Innovation

The Group attaches great importance to the technological innovation of products and incorporates scientific research technological innovation into the development of new materials, R&D of new products, supply chain management and other corporate core strategies. It continues to increase investment in this aspect.

The Group has focused on continuous investment in technological research to create a worldwide leading and user-value-oriented platform for technological research that integrates new materials, new product categories, new technologies, new patents and new scientific systems. The Group’s technological research centre has the first polar environment simulation testing laboratory in the apparel industry to make technological breakthroughs with leading products for Antarctic scientific research and Mount Everest expeditions, etc. By fully upgrading software and hardware capabilities for materials, technologies and test verifications while converting related technological research results into approved patents, the Group has established a leading standard in the industry, solidifying the leading position of its products.

In FY2025/26, the Group applied for an aggregate of 471 patents and 314 authorized patents, which provided patented technology and endorsement support for its expertise in down apparel. As of March 31, 2026, the Group had a total of 1,812 patents (including invention, utility models and design patents).

The Group plays a significant role in the Down Apparel Sub-committee Secretariat under the National Technical Committee on Garment Standardization (SAC/TC 219/SC1), the WG5 working group under the International Organization for Standardization/Garment Size Series and Coding Technology Committee Secretariat (ISO/TC133), acting as a recognized laboratory and a member of the technology committee of the International Down and Feather Bureau (IDFB), a recognized laboratory of the China Feather and Down Industrial Association, the first drafting unit of the Feather and Down standard GB/T17685-2026, the first drafting unit of the Testing Methods for Feather and Down standard GB/T10288-2026, the core drafting unit and the first drafter of the Down Clothing standard GB/14272-2021, the first drafting unit and the first drafter of the Knitted Down Clothing standard FZ/T 73053-2025, the fourth drafting unit of Professional Sports Apparel-Ski Clothing, the first drafting unit and the drafter of the Standards for Design Assessment on Green Design Products – Down Clothing, and has published Mount Everest Expeditions II Down Apparels, Green Standards, 6A of High Quality Sun Protective Clothing Leading Standard and a number of other leading standards in the industry. In particular, 6A High Quality Sun Protecting Cloth Leading Standard was rated as an advanced standard.

Research and Development (“R&D”) of Products

The Group has always attached great importance to product innovation. Product enhancement and category operation are the cornerstones for the development of the Bosideng brand.

Matching product design to consumer preferences is the key to product innovation. The Group engages in the precise development of different series of products based on consumers’ preferences, behavior and traits to satisfy their needs in different scenarios. Through end-to-end integration of development for a series of scientific, objective and methodical design processes covering customer research, market research, trend analysis, merchandise planning, design planning, promotion planning, product development, customer appreciation, ordering feedback, sales feedback and summary reviews, we endeavor to present new series of products to consumers.

The Bosideng brand also attaches great importance to its cooperation with international designers and well-known cross-sector intellectual properties (“IPs”), etc. to launch new products which are well received and sought after by young consumers.

In FY2025/26, Bosideng’s “Polar Expedition Collection” was showcased at the Achievement Exhibition of the “14th Five-Year Plan” for Chinese Manufacturing and was selected as one of the “Top Ten Textile Innovation Products” (Sports and Functional Products category), in recognition of its exceptional polar protection technologies, continuous technological breakthroughs, and strong product execution. These honors underscore the Group’s deep expertise and industrial commitments of the leading enterprise in the new quality productive forces of textile and apparel sectors. Bosideng’s “Adaptive Lightweight Thermal Management System for -60°C Extreme Low Temperature Environments” was awarded the Gold Medal at the International Exhibition of Inventions of Geneva.

The key product collections to be sold in FY2025/26 included:

Extreme Cold/Polar Expedition Collection:

The sixth-generation Polar Expedition collection, designed to the same specifications as those used by Chinese Arctic and Antarctic expeditions, is equipped with the brand’s self-developed Dynamic Cold Resistance Technology 2.0. Through the triple thermal technology consisting of “GORE-TEX lightweight fabric, a polar bear-inspired three-dimensional down chamber, and an Antarctic shark-gill moisture-venting system”, the outer GORE-TEX layer withstands up to Grade 8 gale-force winds; the middle layer features an exclusive patented bionic down-filling structure inspired by the subcutaneous fat arrangement of polar bears; the inner layer utilizes far-infrared technology materials for long-lasting temperature retention and heat storage, providing meticulous protection. Through multi-layer lightweight engineering, each garment reduces weight by up to 500g, achieving a 10% improvement in warmth-to-weight ratio. In addition, the exclusive patented Antarctic shark-gill dynamic moisture-venting system enhances breathability by 15%, enabling efficient moisture release during movement and effective heat retention at rest. This addresses the key challenge of extreme cold operations in polar environments – “warming quickly when movement and cooling rapidly at rest” – by creating a stable, constant-temperature microclimate within the garment.

Bosideng AREAL:

Bosideng partnered with Kim Jones to launch the premium urban line, the Bosideng AREAL collection. The first season redefined the concept of business down apparel, seamlessly integrating functionality with aesthetics and delivering an exceptional wearing experience through couture-level tailoring. The second season continues to feature luxury-grade textured fabrics, combined with refined, couture-level cuts tailored to diverse customer segments and scenarios. This collection exquisitely blends Eastern pragmatism with Western haute couture design, presenting a fluid yet contemporary expression.

Business Down Jackets:

Specially crafted for urban white-collar professionals and institutional elites, this collection balances warmth and practicality with a refined business aesthetic, enabling effortless transitions across commuting and business travel scenarios. Crafted from carefully selected premium and rare fabrics and tailored with a three-dimensional slim-fit cut, it delivers a clean, structured silhouette that enhances a poised and capable presence, bringing ease and style to daily travel, while every movement reflecting elegance and confidence.

Windbreaker Down Jackets – Metamorphosis:

Designed for discerning urban consumers and versatile outdoor enthusiasts, this collection offers adaptable apparel solutions for varying temperatures and environments. Its “3-in-1” design meets multi-season wear requirements, effortlessly managing a 20°C temperature change. This comfortable, non-extreme outdoor product provides all-weather protection. Featuring proprietary comfortable temperature control technology, it utilizes high-loft goose down for lightweight warmth and portability. The breathable inner layer defies damp cold, while the outer shell provides targeted moisture-wicking for comfortable dryness. Additionally, it is crafted from a soft, elastic functional fabric, ensuring superior windproof and waterproof comfort.

Windbreaker Down Jackets – Urban Outdoor:

Developed in collaboration with outdoor functional design master ERROLSON HUGH, this collection focuses on “fluctuating temperature” by offering innovative, flexible and versatile urban outdoor solutions. Centered around the 3-in-1 goose down jackets as a core category, it offers a three-way wear option to easily cope with a 20°C temperature difference. Its outer shell features the world’s first-ever stretch GORE-TEX fabric, offering reliable protection against wind and rain while ensuring flexible comfort. Our self-developed comfort temperature-control technology can accommodate environmental changes of up to 10°C, while keeping perceived body temperature variation under 3°C. This allows consumers to stay breathable and dry across fluctuating climates and diverse scenarios.

Puff Down Apparel:

This collection precisely addresses the winter dressing needs of urban residents, eliminating the need to compromise between lightweight warmth and fashionable styling, while creating winter down choices for consumers that combine warmth, comfort, and contemporary style. In terms of fashion design innovation, the collection draws on cutting-edge concept from Paris fashion shows to create the Master Collection, enabling everyday consumers to access couture-like fashion pieces. Meanwhile, it features diverse silhouettes tailored to different styles, body types, and age groups, with dynamic tailoring that accommodates a wide range of physiques. Color innovation

serves as a key breakthrough, breaking away from the traditional palette of down apparel. By aligning with mainstream trends, the collection introduced “Bruce Blue” as a signature color of the year, setting a trend benchmark for the industry and meeting consumers’ aspirations for leading everyday aesthetics. In terms of professional lightweight warmth technology, the collection utilizes high-loft goose down sourced from the Golden Down Belt, combined with precision filling techniques to achieve zoned temperature control and optimized weight reduction. A dynamic, body-contouring fit balances comfort with a structured silhouette, delivering exceptional warmth without heaviness and a sleek style without bulk.

Functional Outwear:

Crafted from high-quality outdoor functional fabrics, this outerwear offers a structured yet comfortable feel, setting it apart from typical heavy and stiff outdoor apparel. It is perfectly suited for seamless transitions between daily wear and outdoor activities. Featuring a low-key, minimalist design and a comfortable, well-fitted silhouette, it emphasizes enhanced details and quality, appealing to a broad audience. Effortlessly manage your daily commute or outdoor excursions.

Sun-Protective Clothing – Sun Protection Collection:

Designed to meet the demand for both daily fashion and comprehensive functionality, this collection features dual protection for resistance and cooling (including UV protection, heat resistance, and a cool-to-the-touch sensation), while also being incredibly thinner and skin-friendly. As an everyday guardian, the Sun Protection Collection meets the needs of a broad customer base with its stylish and minimalist design, powerful functionality, and affordable price.

Spring/Summer Functional Outwear – Ultralight Outdoor Collection:

This series features a brand-new design inspired by urban cycling, running and other outdoor sports. It integrates with the prevailing “outdoor + sports” lifestyle of today’s youth, allowing design to drive spirit of outdoor activities. Made from lightweight stretch fabric, it is light, durable and slightly stretchy, offering enhanced comfort for summer wear. The 3D lattice fabric creates a physically “air-layer” effect, maintaining a cool and comfortable feel while helping the body better adapt to outdoor activity scenarios.

Daily Leisure Down Apparel Collection:

Specifically designed for consumers who value comfort and minimalist style, this collection combines clean silhouettes with a versatile colour palette, making it suitable for a wide range of occasions from daily commuting to social gatherings and holidays. Crafted from high-quality down and lightweight stretch fabrics, each piece reflects meticulous attention to detail and exceptional wearing comfort, ensuring it becomes an essential addition to any wardrobe.

Daily Sports Down Apparel Collection:

Focusing on the young customer segment, this collection incorporates on-trend colors, contemporary fabrics, and advanced thermal technologies to create vibrant, versatile, and comfortable sports-style down apparel that offers warmth without restriction. Among them, the ESG Quality Down Apparel adopts dynamic temperature control technology and renewable, eco-friendly fabrics, and has won two international awards: the ISPO Global Design Award and the IDEA of America, bringing consumers a high-quality wearing experience that integrates fashion, comfort, technology, and sustainability.

Multi-brand Strategies

While emphasizing the development of the Bosideng brand, the Group adhered to the strategy of “Down apparel+” to continuously develop and position its branded down apparel business under its mid-end brand Snow Flying, and to achieve full coverage through the differentiated positioning of each brand, thereby strengthening the core business of down apparel and leading development of the industry.

Snow Flying

In FY2025/26, the Snow Flying brand recorded revenue of approximately RMB2,572.4 million, representing a year-on-year increase of 16.6%. In recent years, the market of “value-for-money” down jacket has transitioned from a focus on “affordability and practicality” to “balanced multi-faceted value”. Consumers not only require technical specifications to be met but also place significant importance on design and brand identity. In light of this, Snow Flying continues to focus on the value-for-money down apparel segment, reinforce its differentiated brand and positioning, and persistently bolster its online business. The Group has achieved a stable growth in its results of operation by focusing on category value innovation and extension, integrating core channel resources, breaking through with key customers, and reshaping brand user perception.

In terms of brand building, Snow Flying delves deeply into the brand’s “Ice and Snow” and “Sports” genes, adopting innovative marketing strategies. As the title sponsor of Suzhou division of the Jiangsu Football City League (“**Super Jiangsu League**”, a high-profile urban football event in China) for two consecutive sessions, the Snow Flying brand exposure steadily grew with the progress of the Super Jiangsu League matches, leading to a continuous increase in follower growth, readership, and total views for original topics across content platforms. In FY2025/26, building on its proprietary flagship event IP, the Snow Flying brand successfully hosted the third “Let’s Go Snowboarding”, which not only further reinforced public awareness of the brand’s “Ice and Snow” gene, but also highlighted its positioning as a vibrant, fashionable sports brand and its product image. Moreover, it served as a platform to promote collaboration between local governments and enterprises, helping to invigorate market vitality. Concurrently, leveraging platforms such as the CNEA EXPO and China Fashion Week, the Snow Flying brand infused its “Ice and Snow” gene to enhance its brand’s fashion appeal, reshaping consumer perception of the brand.

For its business expansion, the Snow Flying brand has actively developed its online strategic platforms and focused on expanding and strengthening its core online sales channels and leveraging both brand and platform IP resources for promotion. Through the brand’s e-commerce self-broadcasting and live streaming, as well as combining with the Snow Flying experience stores to carry out real-time broadcasting, etc., the Snow Flying brand manages to connect the online and offline channels and enhance the users’ experience. In addition, the brand also places importance on the cultivation of significant offline retail stores and key partners, thereby steadily improving its omnichannel operation capabilities.

For customer development, the Snow Flying brand targets young consumers aged 18 to 35 as its core customer base, a demographic that values trends, quality and popularity. With in-depth insight into these consumer traits, the brand continues to innovate and offer products that are high in value, diverse in style and fashionably adaptable. This strategy caters to mainstream consumers’ love for life and willingness to share, thereby strengthening its foothold in the segmented market.

Binjora

In FY2025/26, the revenue of Binjora brand was approximately RMB125.9 million, which was similar to that of FY2024/25.

In terms of business expansion, the Binjora brand has explored the development of a comprehensive omnichannel sales network. By focusing on building live-streaming e-commerce and content-driven platforms, it has established a live-streaming ecosystem centered on its official flagship stores, supported by Digital Partners (DPs) and a matrix of influencers. Through the process, the re-expansion of the Binjora brand has contributed to reshaping the brand recognition among certain consumer segments in the market.

Revenue from branded down apparel business by brand

Brands	For the year ended March 31, 2026		2025		Change
	RMB million	% of branded down apparel revenue	RMB million	% of branded down apparel revenue	
Bosideng	19,752.2	83.9%	18,481.0	85.3%	6.9%
Snow Flying	2,572.4	10.9%	2,205.5	10.2%	16.6%
Binjora	125.9	0.5%	126.6	0.6%	-0.6%
Others*	1,109.6	4.7%	855.1	3.9%	29.8%
Total revenue from branded down apparel business	23,560.1	100.0%	21,668.2	100.0%	8.7%

Revenue from branded down apparel business by sales category

Sales categories	For the year ended March 31, 2026		2025		Change
	RMB million	% of branded down apparel revenue	RMB million	% of branded down apparel revenue	
Self-operated	17,611.7	74.8%	15,089.5	69.6%	16.7%
Wholesale	4,838.8	20.5%	5,723.6	26.4%	-15.5%
Others*	1,109.6	4.7%	855.1	4.0%	29.8%
Total revenue from branded down apparel business	23,560.1	100.0%	21,668.2	100.0%	8.7%

* Represents revenue from sales of raw materials, which are related to down apparel products

In FY2025/26, the Group continued to optimize its sales channels quality and enhance channel operational efficiency. Firstly, the Group expanded its top-tier potential stores by achieving breakthroughs in premium project channels nationwide, creating distinctive stores that embodied Bosideng’s brand DNA. Secondly, the Group expanded multiple large brand image flagship stores while continuously consolidating and expanding its Top Stores system, restructuring the channel classification standards, and establishing a clustered store operation model. By catering to different customers’ needs, the Group customized the “one store, one design” and “one store, one strategy” approaches to effectively communicate the brand story. Thirdly, by focusing on strengthening single-store operations and based on customer segmentation, the Group built a refined store operation system across store formats, achieving dual improvements in profitability and operational efficiency.

In terms of solidifying single-store operations, on the one hand, the Group optimized store format models and built a refined store operation system across store formats to enhance operational efficiency; on the other hand, the Group deepened customer engagement by connecting with customers’ emotional value, fulfilling their emotional needs, and enhancing the overall customer experience. By driving the business process transformation of “store-centric and customer value-oriented”, the effective implementation of a closed-loop single-store operation strategy was achieved. Simultaneously, the Group strengthened frontline talent development and improved the professional capabilities of the store-level team, thereby continuously improving store profitability and customer satisfaction.

As of March 31, 2026, the total number of regular retail stores of the Group’s down apparel business (excluding peak-season stores) (net) increased by 177 to 3,647 as compared to that as at the end of the previous financial year; self-operated retail stores (net) increased by 41 to 1,277 and retail stores operated by third-party distributors (net) increased by 136 to 2,370. The self-operated retail stores and those operated by third-party distributors accounted for 35.0% and 65.0% of the entire retail network, respectively. Among the total retail stores of the Group’s branded down apparel business, approximately 32.8% were located in first – and second-tier cities (i.e. Beijing, Shanghai, Guangzhou, Shenzhen and provincial capital cities in China) and approximately 67.2% were located in third-tier cities or lower-tier ones.

Retail network by down apparel brand

	<i>Bosideng</i>		<i>Snow Flying</i>		<i>Binjora</i>		<i>Total</i>	
	Number of stores	Change	Number of stores	Change	Number of stores	Change	Number of stores	Change
As at March 31, 2026								
Specialty stores								
Operated by the Group	688	(19)	9	(2)	9	9	706	(12)
Operated by third party distributors	1,778	64	108	38	11	11	1,897	113
Subtotal	2,466	45	117	36	20	20	2,603	101
Concessionary retail outlets								
Operated by the Group	460	29	111	24	–	–	571	53
Operated by third party distributors	363	8	110	15	–	–	473	23
Subtotal	823	37	221	39	–	–	1,044	76
Total	3,289	82	338	75	20	20	3,647	177

Change: Compared with that as at March 31, 2025

Retail network of down apparel business by region

	As at March 31, 2026	As at March 31, 2025	Change
Eastern China	1,242	1,151	91
Central China	807	761	46
Northern China	313	288	25
Northeast China	392	396	(4)
Northwest China	399	382	17
Southwest China	494	492	2
Total	3,647	3,470	177

Region

Eastern China:	Jiangsu, Anhui, Zhejiang, Shanghai, Fujian, Shandong
Central China:	Hubei, Hunan, Henan, Jiangxi, Guangdong, Guangxi, Hainan
Northern China:	Beijing, Tianjin, Hebei
Northeast China:	Liaoning, Jilin, Heilongjiang, Inner Mongolia
Northwest China:	Xinjiang, Gansu, Qinghai, Shaanxi, Ningxia, Shanxi
Southwest China:	Sichuan, Tibet, Chongqing, Yunnan, Guizhou

In FY2025/26, in addition to a number of regular types of stores as mentioned above (e.g. flagship stores, high-end stores, mainstream stores and mass stores, etc.), the Group had also successively established over 1,000 peak-season stores (peak-season stores mainly refer to stores that are operated in peak seasons for one week to three months, and located mainly in core business districts and sports venues of provincial capital cities, with the popular seasonal Top Sellers as the mainstay products for sale).

OEM Management Business:

In FY2025/26, the Group's revenue from the OEM management business amounted to approximately RMB3,093.6 million, representing 11.3% of the Group's total revenue and a decrease of 8.3% as compared to the same period of last year. Revenue from the top five customers of the OEM management business accounted for approximately 89.6% of the revenue of the OEM management business.

In FY2025/26, the Group's OEM management business faced considerable challenges amid uncertainties arising from tariff policies, geopolitical issues and sluggish overseas consumer demand. Confronted with such pressures, the Group's OEM management business unit continued to uphold a strategy of prioritizing quality, ensuring timely delivery and actively empowering ODM capabilities, collaborating closely with key partners. Firstly, the Group focused on its core customers, paid close attention to their needs, responded swiftly to enhance its competitiveness. Secondly, the Group strengthened its ODM capabilities by proactively developing products and raw materials to secure more order opportunities and increase customer stickiness. Thirdly, the Group captured outdoor development opportunities and seized orders for outdoor product categories. Meanwhile, by strengthening and implementing its overseas factory capacity layout, the Group sought to enhance customer stickiness, competitive advantages and order visibility of its OEM management business in the future.

In FY2026/27, the Group's OEM management business plans to enhance the operational capabilities and business scale through several key initiatives. These include, firstly, a continued focus on solidifying the existing customer base and expanding new customers through customer insight and analysis and creating customer demand; secondly, expanding new factory resources to meet the growing high-quality orders; and thirdly, advancing and promoting the digital and intelligent transformation of factories and strengthening technological capabilities and category development.

Due to the increase in high-quality orders, effective implementation of quality improvement, efficiency enhancement and cost-reduction measures in supply chain management, the gross profit margin of the OEM management business increased by 0.4 percentage points in FY2025/26 as compared to the previous financial year, reaching approximately 19.5%.

Ladieswear Apparel Business:

The Group operates four mid-end and high-end ladieswear brands. After decades of brand development, the four brands present a rich, multi-tiered product portfolio with unique positioning of differentiated styles. JESSIE focuses on the internal search for self, leisurely self-adaptation, and embodies the elegance, relaxation, and wit of women; BUOU BUOU embodies the gentleness, confidence, and self-appreciation of women, and is designed to be more delicate, elegant, and romantic; KOREANO highlights simplicity, smoothness, comfort and generosity, allowing customers to have the ultimate wearing experience, with a style that is more casual, cool, and conveys a sense of the wearer's astuteness; KLOVA is positioned as a brand for a simple and classic style, targeted at women who are pursuing understated luxury, advocating for self-expression with a taste for individuality, creating a uniquely characteristic product series. In the highly competitive ladieswear market in China, the Group has won the favor of Chinese female consumers through the distinctive images of its rich, multi-tiered product portfolio and brand positioning.

In terms of brand management, the four ladieswear brands, based on their distinct characteristics and attributes, focused on brand leadership, unearthing brand connotations, and activating their core brand genes. On the one hand, through innovative multi-channel communication approaches, the Group effectively conveyed brand values and philosophies, enhancing consumer's memorable touchpoints of the brands; on the other hand, by leveraging AI technology to empower creative design and precision marketing, the Group improved the efficiency and effectiveness of brand promotion, achieving customer acquisition, re-engagement, and expansion across multiple dimensions. In addition, the Group further deeply integrated brand building with the development of its membership operation system. Through continuous optimization of the membership operation system, the Group fostered emotional connections with consumers and established a well-structured repurchasing cycle management, thereby continuously consolidating and enhancing brand customer stickiness and loyalty.

In terms of product development, the Group adopted the following measures. Firstly, the Group achieved the leap from "single-season development" to "cross-season storytelling", thereby maintaining product continuity and narrative depth to capture consumer mindshare. Secondly, the Group actively integrated external resources and promoted cross-industry collaborative partnerships to introduce unique product series, enabling consumers to better experience the brand's values and culture through its products. Thirdly, the Group strengthened the alignment of commodity management with its multi-level store formats and merchandise operations. Through strategies such as style classification and price-range stratification, it aims to meet diverse consumers' needs, thereby enhancing the overall competitiveness of its products.

In terms of sales channel development, on the one hand, the Group continuously optimized the channel structure, focused on building benchmark stores, closed underperforming stores, and promoted the expansion and development of core regional markets; on the other hand, the Group continued to advance the renovation and upgrade of store image to bring customers a differentiated visual shopping experience. Through the operational strategies of “one policy for each region” and “one policy for each store”, the Group continuously enhanced the service standards and management capabilities of terminal stores, thereby improving store operating efficiency. In terms of online channels, the Group further strengthened new retail empowerment and, through live streaming coverage across various platforms, effectively attracted traffic and enhanced its ability to convert online traffic. Meanwhile, the Group deepened the operation of private-domain store traffic, established customer data pools and personalized marketing strategies, increased consumers’ repurchase rate, and contributed to the recovery and improvement of overall sales performance.

In FY2025/26, affected by the persistently sluggish market environment, and facing the weak consumer market, the Group increased its adjustment efforts for ladieswear apparel business. By carrying out large-scale destocking to accelerate cash recovery, while optimizing personnel structure and strictly controlling expenses, the Group laid a solid foundation for a leaner operating model, positioning itself to return to a growth trajectory in the future. In this financial year, the revenue from the Group’s ladieswear apparel business was approximately RMB558.3 million, representing a decrease of 14.3% as compared to the same period in the previous year. The contribution from the ladieswear apparel business to the Group was approximately 2.0%, with the proportion in the total revenue of the Group continuing to decline. The revenue breakdown for each ladieswear brand was as follows:

Revenue from ladieswear apparel business by brand

Brands	For the year ended March 31,		2026		2025		Change
	RMB million	% of ladieswear apparel revenue	RMB million	% of ladieswear apparel revenue	RMB million	% of ladieswear apparel revenue	
JESSIE	220.7	39.5%	252.9	38.8%	252.9	38.8%	-12.7%
BUOU BUOU	122.6	22.0%	147.1	22.6%	147.1	22.6%	-16.6%
KOREANO and KLOVA	215.0	38.5%	251.1	38.6%	251.1	38.6%	-14.4%
Total revenue from ladieswear apparel business	558.3	100.0%	651.1	100.0%	651.1	100.0%	-14.3%

Revenue from ladieswear apparel business by sales category

Sales categories	For the year ended March 31, 2026		2025		Change
	<i>RMB million</i>	<i>% of ladieswear apparel revenue</i>	<i>RMB million</i>	<i>% of ladieswear apparel revenue</i>	
Self-operated	514.3	92.1%	602.9	92.6%	-14.7%
Wholesale	44.0	7.9%	48.2	7.4%	-8.7%
Total revenue from ladieswear apparel business	558.3	100.0%	651.1	100.0%	-14.3%

Fashion Ladieswear – JESSIE

In FY2025/26, the JESSIE brand focused on deepening product value, refining omnichannel experience, and assetizing consumer relationships, continuously exploring its brand essence, revitalizing its brand genes and strengthening its core competitiveness. In terms of brand development, the JESSIE brand reinforced its brand leadership and reshaped its brand image. Through multi-channels, it effectively conveyed brand philosophy and values, while strengthening the integration of brand marketing and sales across diverse touchpoints, and actively exploring the application of AI in brand promotion to achieve intelligent rebirth of the traditional brand. In terms of product development, the JESSIE brand leaped from the “single-season development” to “cross-season storytelling”, thereby maintaining product continuity and narrative depth to capture consumer mindshare. Through diversified enhancement in product positioning, thematic elements and scenario-based matching, the JESSIE brand has elevated into a “lifestyle leader”. In terms of channels, the JESSIE brand continued to optimize the existing channel structure and pursue breakthroughs in core regional markets, while strengthening precise positioning across various online platforms. For the distributor segment, it implemented tiered management and talent pipeline development and continued to promote franchise-to-direct-operation management. Through policy incentives and empowering support, it aimed to achieve sustainable and healthy development for its franchise operations. In retail operations, the JESSIE brand implemented the “one policy for each region” and “one policy for each store” approaches, built core stores and cultivated exemplary sales staff, upgrading the standardized system for terminal services and management. It also innovated membership operations and actively explored integrated new retail model that blend online and offline channels. In supply chain, the JESSIE brand concentrated on the efficient integration of internal and external resources, established a flexible and quick-response ordering model, adopted centralized procurement strategies, and leveraged digitalization to break down information silos, thereby enhancing supply chain collaboration and market responsiveness.

Fashion ladieswear – BUOU BUOU

In FY2025/26, BUOU BUOU ladieswear business continued to focus on five strategies – strengthening online operations, strictly controlling offline costs, driving product rejuvenation, accelerating inventory turnover and production-sales synergy, and improving organizational efficiency – with a clear emphasis on improving profitability and end-to-end operations efficiency.

In terms of brand rebranding and content operation, it consistently conveyed its brand propositions through premium contents with the product operation as the main line. In parallel, it advanced the implementation of AI tools across creative generation, content reuse, and closed-loop marketing deployment, enhancing both content productivity and targeting precision. This enabled a shift in brand communication from an “investment-driven” to an “efficiency-driven” model. Its social media layout was further strengthened through a matrix-based operation of video accounts, adopting a more systematic content rhythm and stratified audience reach to drive the steady growth of fan assets and long-term accumulation of user relationships. In terms of terminal image and experience, it promoted the iterative implementation of BUOU BUOU ladieswear’s 8th-generation store image, focusing on creating high-impact stores/super flagship stores that combine artistic flair and immersive experience. This enhances stores’ role as “brand experience gateways”, improving customer traffic attraction and social buzz. Through scenario-based upgrading, the brand further strengthened customers’ in-store experience and brand recognition. In terms of operation and organization, it optimized its store network (including closing/downsizing/relocating) for inefficient stores, and enhanced its organizational responsiveness through streamlining mid- and back-office structures and clarifying the division of authorities and responsibilities. Resources were concentrated on benchmark business formats and replicable single-store models, with key performance drivers including sales per unit area, labor productivity and inventory turnover efficiency to gradually form a “standardized and expandable” high-quality retail management system, thereby reinforcing a solid foundation for sustainable business development.

Fashion ladieswear – KOREANO and KLOVA

In FY2025/26, KOREANO and KLOVA ladieswear embarked on a journey to redefine the brand identities, creating their own unique brand aesthetics, exploring the integration of different styles of design elements and fabrics to embrace a new generation of customers. At the same time, they introduced accessible and value-driven products as complementary offerings for channel sales to support the stable development of offline customer acquisition and online live-streaming.

In terms of operating model, both the KOREANO and KLOVA brands adhered to membership-operation-service-based approach, inheriting low-key and classic design concepts, leveraging high-end customization as a platform. They employed a marketing model encompassing invitation, consignment, interaction, live-streaming and new retail as the main line, coordinated with mall anniversary, holidays, and member rewards to drive year-round member marketing campaigns. They also provided additional value-added activities such as daily styling tips, customization and interactive services, conveying brand culture and product concepts to customers, enhancing the customer experience. In terms of brand promotion, they comprehensively deployed content communication across mainstream online platforms and launched themed in-store check-in campaigns such as “mother-daughter and best friend matching costumes”. These initiatives are supported by short videos across multi-platforms, alongside live streaming on Taobao and video account to drive sales. Continuous efforts have been made to deepen storytelling around the brand and its product, while enhancing both the content quality and quantity, thereby amplifying brand visibility and achieving multi-dimensional growth in membership acquisition, reactivation, and expansion. In terms of sales channel expansion, the brands have concentrated on the strategy of “closing inefficient and unprofitable stores” and steadily improved the store performance, enabling the brands to cultivate key markets. Concurrently, they increased regional on-site special sales to accelerate inventory turnover and cash flow recovery. They also comprehensively deployed online platform live-streaming businesses to preliminarily form a multi-level live-streaming system and regional coverage, further strengthening new retail model practices to increase customer acquisition opportunities and transactions. In terms of product upgrades, a tiered merchandise planning and management system was implemented for both regular-priced and discounted products, aligning multi-level product turnover with corresponding stores tiers. The number of new styles developed was reduced, while the proportion of initial order production was increased, alongside the strengthening of multi-round product review processes. These measures ensure that key stores maintain sufficient inventory for both sales and timely replenishment while reducing the proportion of slow-moving items. They also increased investment in innovative research and development for product design, style, and fabric color and pattern application.

As at March 31, 2026, the total number of retail outlets of the Group’s ladieswear apparel business decreased by 68 (net) to 305, of which self-operated retail outlets decreased by 56 (net) to 232 and the number of retail outlets operated by third party distributors decreased by 12 to 73, as compared to the same period of last year. Self-operated retail outlets and those operated by third party distributors accounted for 76.1% and 23.9% of the entire retail network, respectively. Approximately 63.0% of the total retail outlets of the Group’s ladieswear apparel business were located in first – and second-tier cities (i.e. Beijing, Shanghai, Guangzhou, Shenzhen and other provincial capital cities in China) and approximately 37.0% were located in third-tier cities or lower-tiered ones.

Retail network by ladieswear brand

As at March 31, 2026	<i>JESSIE</i>		<i>BUOU BUOU</i>		<i>KOREANO</i>		<i>KLOVA</i>		<i>Total</i>	
	Number of stores	Change	Number of stores	Change	Number of stores	Change	Number of stores	Change	Number of stores	Change
Specialty stores										
Operated by the Group	-	(1)	4	-	-	-	-	-	4	(1)
Operated by third party distributors	9	-	1	(2)	-	-	-	-	10	(2)
Subtotal	9	(1)	5	(2)	-	-	-	-	14	(3)
Concessionary retail outlets										
Operated by the Group	85	(20)	56	(6)	41	(25)	46	(4)	228	(55)
Operated by third party distributors	56	(4)	7	(6)	-	-	-	-	63	(10)
Subtotal	141	(24)	63	(12)	41	(25)	46	(4)	291	(65)
Total	150	(25)	68	(14)	41	(25)	46	(4)	305	(68)

Change: Compared with that as at March 31, 2025

Retail network of ladieswear apparel business by region

	As at March 31, 2026	As at March 31, 2025	Change
Eastern China	39	45	(6)
Central China	103	121	(18)
Northern China	25	34	(9)
Northeast China	35	41	(6)
Northwest China	60	77	(17)
Southwest China	43	55	(12)
Total	305	373	(68)

Region

Eastern China:	Jiangsu, Anhui, Zhejiang, Shanghai, Fujian, Shandong
Central China:	Hubei, Hunan, Henan, Jiangxi, Guangdong, Guangxi, Hainan
Northern China:	Beijing, Tianjin, Hebei
Northeast China:	Liaoning, Jilin, Heilongjiang, Inner Mongolia
Northwest China:	Xinjiang, Gansu, Qinghai, Shaanxi, Ningxia, Shanxi
Southwest China:	Sichuan, Tibet, Chongqing, Yunnan, Guizhou

Diversified Apparel Business Segment

In FY2025/26, revenue from the Group's diversified apparel business segment was approximately RMB138.0 million, representing a decrease of 34.0% compared with that of the same period of last year. The school uniform business of the Group started its development in 2016 and recorded a decrease of 33.6% in revenue in FY2025/26. Revenue from that business segment was as follows:

Revenue from diversified apparel business by brands

Brands	For the year ended March 31, 2026		2025		Change
	RMB million	% of diversified apparel business revenue	RMB million	% of diversified apparel business revenue	
Sameite	128.9	93.5%	194.2	92.9%	-33.6%
Other brands and others	9.1	6.5%	14.8	7.1%	-39.0%
Total revenue from diversified apparel business	138.0	100.0%	209.0	100.0%	-34.0%

Revenue from diversified apparel business by sales category

Sales categories	For the year ended March 31, 2026		2025		Change
	RMB million	% of diversified apparel business revenue	RMB million	% of diversified apparel business revenue	
Self-operated	117.6	85.2%	198.8	95.1%	-40.8%
Wholesale	19.2	13.9%	8.6	4.1%	123.3%
Others*	1.2	0.9%	1.6	0.8%	-25.0%
Total revenue from diversified apparel business	138.0	100.0%	209.0	100.0%	-34.0%

* Represents rental income, etc.

School Uniform Business – Sameite

In FY2025/26, the school uniform business under the diversified apparel business segment continued to operate under the Sameite brand. Adhering to the apparel design concept of “carrying education through apparel and inheriting culture through apparel”, the Sameite brand is committed to clothing every child for their dream-chasing journeys. With over a decade of in-depth cultivation in the high-end school uniform segment, the brand remains committed to providing students with safe, comfortable, fashionable and functional school uniforms.

In recent years, accompanying with the continuous decline in China's resident birth rate, a clear downward trend in school-age populations, the number of students across all age groups has shown a certain downward trend. Against such extremely challenging backdrop, the Group has proactively empowered and managed the school uniform business, and intends to enhance the operational quality of this segment by building a full-process closed-loop system, covering demand communication, style design, sample development, mass production, doorstep delivery and after-sales service, leveraging high-quality orders as the main driver. In view of the above, in FY2025/26, the Group conducted a certain level of business streamlining in the school uniform business. In FY2025/26, the revenue from the school uniform business under the Sameite brand amounted to approximately RMB128.9 million, representing a decrease of 33.6% as compared with that of the same period of last year.

Children's Wear, MAN and HOME Businesses

Since FY2018/19, the Group has started to comprehensively downsize the MAN and HOME businesses under the diversified apparel business segment. The projects in cooperation with the Japanese brand Petit main had also been significantly scaled back.

ONLINE SALES

In recent years, driven by the rapid development of the e-commerce economy, online sales trends of traditional platforms have undergone certain changes. Firstly, platforms have transitioned from "prioritizing scale" to "prioritizing quality", driving the overall e-commerce industry towards a long-term approach and user asset management. Secondly, the rapid development of "instant retail" and "hourly delivery" services has reshaped consumers' shopping expectations and logistics fulfilment standards, constituting new growth drivers. Lastly, the accelerated implementation of AI technologies has become a crucial tool for precisely reaching target audiences, enhancing traffic efficiency and conversion rates, thereby assisting merchants in building intelligent operational capabilities. In response to these trends, the Group focused on enhancing its online platform capabilities and operational efficiency through strategies including prioritizing core product categories, executing integrated brand campaigns, focusing on content innovation, engaging in cross-category marketing campaigns and AI-intelligent refined operations to achieve high-quality growth of online channels.

Regarding brand building, on the one hand, the strategy involves innovating platform-specific IPs in conjunction with brand campaigns. This is achieved by synchronizing key moments such as brand transformation campaigns, the brand's Paris Fashion Week fashion show, and the release of the Polar Expedition collection across online platforms, and collaborating with platforms to co-create innovative IPs like the "Super New Show" and "Super Fashion Release". On the other hand, through cross-promotional marketing that leverages external resources, the aim is to amplify brand exposure and new customer reach, drive conversion, and foster member retention, thereby achieving a simultaneous uplift in both brand visibility and business performance.

In terms of customer membership operation, the Group continued to expand its customer base in an effective way. On one hand, it attracts high-value new users by conducting cross-category marketing and cooperating with brands in various categories, while increasing the number of members and enhancing fan loyalty; on the other hand, the Group focused on the accumulation and cultivation of high-quality members by refining the membership management through market segmentation and organizing activities such as members' day on a regular basis with the aim of increasing the proportion of members with high values in the membership, thus increasing the members' contribution to revenue.

In terms of the expansion of emerging platforms, the Group has consistently kept pace with the times, actively promoting the establishment and development of content-oriented e-commerce platforms such as Douyin. In FY2025/26, firstly, the Group emphasized the development of its self-operated stores and content enhancement. Secondly, by setting up Professional Generated Content (PGC) live-streaming bases, it laid the foundation for content innovation and high-quality operations. Thirdly, by completing the adjustment of the self-operated model for the official flagship stores on content platforms, it rapidly increased the proportion of new products and the average unit price, thereby enhancing brand influence. As of March 31, 2026, approximately 77.5% of the Bosideng brand’s revenue on Douyin was generated from live-streaming sales.

In FY2025/26, revenue from the total online sales conducted by the Group’s brands was approximately RMB8,769.2 million, representing a year-on-year increase of 15.8%. Revenue from the online sales of the branded down apparel business and ladieswear apparel business was approximately RMB8,667.7 million and approximately RMB101.5 million, respectively, accounting for 36.8% and 18.2% of the revenue of the branded down business and ladieswear apparel business, respectively. Following adjustments to the Group’s business model during this financial year, over 96% of online revenue was generated from self-operated business.

OPERATION OF JOINT VENTURES AND ASSOCIATES

JOINT VENTURES

On December 1, 2021, Bosideng International Fashion Limited (a direct wholly-owned subsidiary of the Company) (“**BSD Fashion**”) and Bogner (a German company) entered into a joint venture agreement to form a joint venture (the “**Bogner Joint Venture**”). The Bogner Joint Venture was granted the exclusive right to sell and distribute apparel under the BOGNER and FIRE+ICE in mainland China, Hong Kong, China, Macau, China and Taiwan, China.

In FY2025/26, the Bogner Joint Venture prioritized engagement with high-net-worth skiing enthusiasts. Bogner’s strategy of “brand awareness activation, strong product – market performance, channel optimization, and tiered customer operations” precisely enhanced its recognition as “the global leader in luxury professional skiing” while boosting operating efficiency.

In terms of brand building, the Bogner Joint Venture has deeply cultivated its core heritage in professional skiing and its championship legacy, focusing on the high-end professional skiing track. It has established a long-term, in-depth, and stable strategic cooperation framework by collaborating with celebrities, senior ski bloggers, and high-net-worth elite communities in the skiing field who advocate extreme sports.

In terms of product development, around the core positioning of “professional skiing”, the Bogner Joint Venture clearly defines three product categories: strategic products, volume-driving products, and complementary products. While collaborating with BOGNER’s German product team to deeply develop strategic products and expand the ski collection, it also leverages local resources to create exclusive China-limited series, supporting consistent sales growth of volume-driving lines. It unlocks cross-category sales by segmenting the ski season into “pre-ski, mid-ski, and post-ski” periods, extending urban business and sports-vacation scenarios across all four seasons.

In terms of channel strategy, the Bogner Joint Venture has opened boutiques at “destination” ski resorts frequented by target customers, moved into luxury shopping malls and luxury outlet centers in super first-tier cities, and established its presence on Tmall Luxury, gradually penetrating China’s ultra-high-end snowboarding lifestyle market; it has also refined the operation of the membership system and retail services, upgraded store renovation standards and achieved steady omnichannel operations.

ASSOCIATES

To further develop a multi-dimensional brand matrix, the Group made a strategic investment in the Canadian luxury down-wear brand Moose Knuckles during FY2024/25. Through this strategic investment, the Group became a key investor in Moose Knuckles with an approximate 31.6% equity interest, making Moose Knuckles an associate company of the Group. The globally renowned private equity firm Cathay Capital remains the controlling shareholder of Moose Knuckles.

In addition, to further expand overseas production capacity and strengthen the integration of upstream resource advantages, the Group also invested in other joint ventures and associates, including manufacturing facilities in Vietnam and Indonesia, as well as raw material suppliers in China, all of which maintained healthy operations in FY2025/26.

In FY2025/26, the Group recorded a loss from proportionate shareholding in joint ventures and associates of approximately RMB31.7 million.

GROSS PROFIT

Gross profit of the Group increased by 5.5% to approximately RMB15,650.8 million in FY2025/26 from approximately RMB14,839.9 million in the same period of the previous financial year.

In terms of gross profit margin, the gross profit margin of the branded down apparel segment decreased by 0.7 percentage points to 62.7%, mainly due to the following two factors: firstly, as a result of changes in the channel structure, the online channels grew faster than the offline channels in terms of growth rate. Although the Group implemented an integrated omnichannel merchandise management model, the product structure of online channels differed from that of offline channels due to different consumer structures and profiles, resulting in lower gross profit margins for online channels than offline channels; secondly, as a result of changes in the brand revenue structure, the Snow Flying brand grew faster than the Bosideng brand in terms of revenue growth rate. As the Snow Flying brand focuses more on value-for-money products, its gross profit margin was lower than that of Bosideng as our main brand. Therefore, the changes in the channel and product structures jointly led to a slight decrease in the gross profit margin of the branded down apparel business segment. For the OEM management business, the gross profit margin of this segment increased by 0.4 percentage points to 19.5% as compared with that in the same period of the previous year, mainly supported by streamlined supply chain optimization programs that lifted operational quality and efficiency while cutting overall operating costs. For the ladieswear apparel business, the gross profit margin decreased by 17.3 percentage points to 45.9% as compared with that in the same period of the previous year due to intense market competition and the active destocking carried out for the ladieswear apparel business during this financial year.

Given the abovementioned factors, considering changes in the revenue contribution of each business segment and the fluctuations in the gross profit margins of their respective segments resulting from their business operations, the Group's overall gross profit margin in FY2025/26 decreased slightly by 0.1 percentage points to 57.2% as compared to that in the previous financial year.

The table below sets out the analysis on the gross profit margin of each brand:

Brands	For the year ended March 31,		Change (percentage points)
	2026	2025	
Bosideng	69.1%	69.0%	+0.1
Snow Flying	40.9%	42.8%	-1.9
Binjora	28.5%	24.2%	+4.3
Branded down apparel business	62.7%	63.4%	-0.7
OEM management business	19.5%	19.1%	+0.4
JESSIE	50.5%	58.7%	-8.2
BUOU BUOU	54.0%	52.2%	+1.8
KOREANO and KLOVA	36.6%	74.0%	-37.4
Ladieswear apparel business	45.9%	63.2%	-17.3
Diversified apparel business	20.2%	21.7%	-1.5
The Group	57.2%	57.3%	-0.1

OPERATING PROFIT

In FY2025/26, the Group's operating profit increased steadily by 6.6% to approximately RMB5,294.4 million. The operating profit margin was 19.4%. The increase in operating profit was mainly due to the Group's focus on efficiency regarding the selling and distribution expenses and administrative expenses in daily operations as well as the steady and high-quality growth in revenue. In summary, the Group's operating profit margin increased by 0.2 percentage points as compared with that in the same period of the previous year.

DISTRIBUTION EXPENSES

In FY2025/26, the Group's distribution expenses, mainly comprising advertising and promotion expenses, depreciation of right-of-use assets, contingent rents and sales personnel expenses, amounted to approximately RMB8,934.3 million, representing an increase of 4.8% as compared with that of the same period of last year. The percentage of distribution expenses in the Group's total revenue was 32.7%, representing a decrease of 0.2 percentage points as compared with that in the same period of the previous year.

ADMINISTRATIVE EXPENSES

The Group's administrative expenses, mainly comprising salaries and benefits, amortization of fees for share options, depreciation and consultancy expenses, amounted to approximately RMB1,785.3 million in FY2025/26, representing an increase of 8.0% as compared with that of the same period of last year. Administrative expenses as a percentage of the Group's total revenue increased by 0.1 percentage points to 6.5%, which was mainly due to an increase in the Group's staff costs and investment in product innovation during the current financial year.

FINANCE INCOME

The Group's finance income was approximately RMB478.6 million in FY2025/26, representing an increase of 28.9% compared with that in the same period of last year. The increase in finance income was primarily attributable to the higher returns from wealth management products, other financial assets and deposit interest of the Group during the Year.

FINANCE COSTS

In FY2025/26, the Group's finance costs were approximately RMB108.1 million, representing a decrease of 35.3% compared with that in the same period of last year. The decrease in finance costs was primarily attributable to the fact that the convertible bonds had been converted or redeemed in FY2024/25, resulting in no interest expenses on convertible bonds being generated in the Year.

TAXATION

In FY2025/26, income tax expenses decreased to approximately RMB1,586.1 million, and the effective tax rate was approximately 28.2%, representing a decrease of 2.8 percentage points compared with the same period last year. The decrease in the income tax rate was mainly due to the decrease in PRC dividend withholding tax incurred during the Year, as a result of the Group's effective planning and management of its overseas capital management structure.

DIVIDENDS

The Board recommended the payment of a final dividend of HKD25.0 cents (equivalent to approximately RMB21.7 cents) per ordinary share for the year ended March 31, 2026. The proposed dividend will be paid on or around September 15, 2026 to shareholders whose names appear on the register of members of the Company on August 26, 2026. The proposed dividend is subject to the approval of the shareholders of the Company at the annual general meeting to be held on or around August 20, 2026 (the "AGM").

LIQUIDITY AND FINANCIAL RESOURCES

In FY2025/26, the Group's net cash generated from operating activities amounted to approximately RMB6,432.3 million; net cash used in investing activities amounted to approximately RMB4,444.3 million and net cash used in financing activities amounted to approximately RMB3,160.5 million. As at March 31, 2026, the Group's cash and cash equivalents amounted to approximately RMB2,977.0 million.

As at March 31, 2026, the distribution of cash and cash equivalents by currency was as follows:

	<i>RMB'000</i>
Renminbi	2,207,741
US dollar	549,247
Pound sterling	1,556
Hong Kong dollar	217,282
Japanese yen	551
Euro	11
Singapore dollar	581
Vietnamese dong	1
	<hr/>
Total	<u><u>2,976,970</u></u>

In order to obtain a reasonable return on the Group's available cash reserves, against the background of consistently decreasing deposit interest rates and performance benchmarks for wealth management products at financial institutions, the Group allocated a certain scale of time deposits to obtain stable returns. Meanwhile, to obtain reasonable wealth management returns while meeting the Group's daily cash requirements, the Group allocated low-to-medium risk bank wealth management products from domestic Chinese banks (mainly the four major banks and national joint-stock commercial banks). The allocation period of wealth management products is flexibly set based on the Group's capital needs, the majority of which fall within one year.

As at March 31, 2026, the bank borrowings of the Group amounted to approximately RMB957.0 million (March 31, 2025: RMB896.1 million). The gearing ratio (being total borrowings/total equity) of the Group was 5.2% (March 31, 2025: 5.3%).

The Group anticipates that it will be able to arrange with its lenders to obtain new loans to replace the existing borrowings as they fall due in the foreseeable future and, if they are not available, the Group has sufficient cash and assets held for sale to fulfill its borrowing repayment obligations.

For the year ended March 31, 2026, two major internationally authoritative credit rating agencies, namely Moody's Investors Service ("**Moody's**") and S&P Global Ratings ("**S&P**"), have assigned long-term credit ratings to the Group of "Baa3 (positive outlook)" and "BBB- (stable outlook)", respectively. The Group has attained "double investment grades" ratings from both Moody's and S&P.

SUSTAINABLE DEVELOPMENT

The Group actively responds to China's new quality productive forces development, "dual carbon" goals and other important strategic initiatives, calmly addressing various uncertainties and market landscape changes, and fully integrating the philosophy of environmental, social and corporate governance ("**ESG**") into its operations and management, promoting sustainable and high-quality development of the Company.

Continued to be recognized by MSCI, an internationally authoritative institution, with its ESG Rating being upgraded to AAA Rating

Morgan Stanley Capital International (“MSCI”) released its ESG rating report on October 22, 2025, in which the Group’s MSCI ESG rating was upgraded from AA to AAA. This marks the third consecutive years the Group has achieved a steady improvement in its ESG rating, consistently maintaining its leading position in China’s branded textile and apparel industry. As a global leading down apparel brand, the Group has always been actively exploring the innovative paths for sustainable development, with ESG management already permeating all aspects of its corporate strategy and operations.

Selected into the Sustainability Yearbook 2026 published by S&P Global and the Dow Jones Best-in-Class Index (DJ BIC)

According to the Sustainability Yearbook 2026 published by the internationally recognized rating agency S&P Global on February 18, 2026, the Group stood out over 9,000 global companies across 59 industries for its outstanding ESG performance and significant progress. Having been named in the S&P’s Sustainability Yearbook (China Edition) for two consecutive years, it was selected into the global yearbook for the first time, becoming one of the first Chinese branded apparel companies to be included. It also received the Industry Mover Award in the global textile industry, fully showcasing its leadership as an industry ESG pioneer and achieving another milestone in sustainable development performance from “domestic leading” to “international leading”.

In addition, according to the latest adjustment results announced by S&P Dow Jones Indices in May 2026, the Group was successfully selected into the Dow Jones Best-in-Class Index (DJ BIC). This index represents one of the world’s most influential sustainable development index systems. This selection means that the Group has passed strict screening among global peers and reached a leading level in areas such as sustainable development management systems, risk control capabilities, and long-term development resilience, further bolstering its appeal to long-term institutional capital.

In Pursuit of the United Nations Sustainable Development Vision

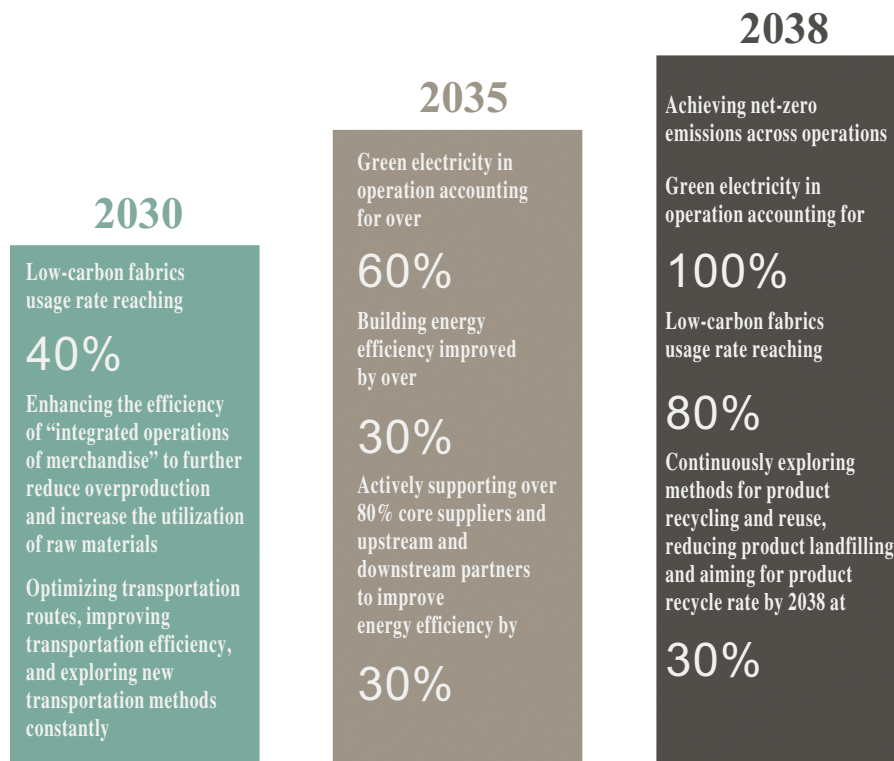
Since officially joining the United Nations Global Compact (UNGC), the Group has integrated the ten principles into the Group’s strategy in the four areas of human rights, labor, environment, and anti-corruption. By virtue of its green management model and systematic practice in building a responsible supply chain, the Group has been selected as the sole representative of China’s textile and apparel industry for the first batch of UNGC “25 Sustainable Development Chain Master Alliance” and named a selected case of the “Win-Win Ecosystem”. Meanwhile, the Group actively responded to the initiative of the United Nations Environment Programme (UNEP) and joined the “Retail4Impact” global network, committing to formulating product green declarations strictly in accordance with the Guidelines for Providing Product Sustainability Information, transforming sustainable fashion into a new consumption norm through green design, eco-friendly materials, and low-carbon supply chains, demonstrating its sense of corporate responsibility.

Refinement of construction paths based on our “1+3+X” ESG strategy

In terms of the establishment and improvement of the ESG system, the Board unanimously approved the “1+3+X” ESG strategy in June 2024. Under the guidance of the ESG vision of “leading sustainable fashion with a consumer-oriented approach”, the strategy clearly defines three core objectives for the short, medium and long terms, and implements them through X initiatives focused on “Nature Positive, Product Positive and People Positive”. In terms of product innovation, the Group successfully launched the Circular 3.0 “from garment to garment” closed-loop recycled product, as well as bio-based nylon fabric that cut carbon footprint by approximately 70% compared to traditional nylon, setting a benchmark for sustainable fashion through tangible technological innovation. In terms of chemical safety, as a signatory brand of the ZDHC (Zero Discharge of Hazardous Chemicals) initiative, Bosideng has clearly proposed the strategic goal of achieving “zero discharge of toxic and hazardous chemicals in the supply chain” by 2030, and publicly disclosed its chemical phase-out plan, published ingredient information and delivered relevant popular science content to consumers via multiple platforms to enhance public awareness of chemical safety. In terms of logistics packaging, the Group continued to promote green logistics cooperation, actively implemented new energy vehicle fleets and multimodal transport models, optimized order transportation routes and loading methods, and streamlined and recycled packaging. In terms of public welfare responsibility, the Group and the Bosideng Public Welfare Foundation have donated over RMB1.5 billion in total, and have organized employees for voluntary blood donation for 22 consecutive years, extending the mission of “warmth” to communities and the front line of public welfare.

In FY2025/26, the Group further refined the ESG development roadmap, comprising “1 Central Platform, 6 Core Themes and 13 Key Programs” to effectively respond to stakeholder expectations. Meanwhile, the Chairman of the Board oversees the delivery of ESG targets directly, supported by a senior executive remuneration linkage mechanism tied to climate performance, ensuring full alignment between sustainable development goals and business growth. Through continuous and unremitting efforts, the Group is consistently committed to building a “Pioneering Product Ecosystem”, an “Industry-Academia-Research Innovation Community” and a “Sustainable Fashion Consumption Community”, spearheading the green and sustainable development of China’s textile and apparel industry.

In terms of carbon pathway planning, the Group has proactively conducted carbon emission accounting across its entire corporate value chain, covering the entire chain of the Group's own operations, suppliers, distributors, transport and sale of products, and completed independent third-party carbon verification. On the basis of such a complete carbon data system, combined with the Group's medium-term strategic targets, the Group has formulated practical and comprehensive carbon pathway planning, which has been endorsed by the Board.



ESG Digital Upgrade and Full Value Chain Management

To further promote full value chain ESG management, the Group strives to consolidate its ESG management foundation through digital empowerment. Since June 2025, the Group has officially launched its self-developed supply chain ESG digital management platform, completing ESG performance traceability for 100% of core suppliers, including but not limited to energy consumption and carbon data. In 2026, the Group will comprehensively upgrade the construction of the digital platform, building a full value chain ESG digital platform covering diverse scenarios; it aims to substantially improve compliance efficiency and data quality through systematic ESG data collection and intelligent data analysis.

In FY2025/26, the Group continued to extend ESG requirements to the front end of the supply chain, carrying out assessment of all of its suppliers, including but not limited to internal and external audits. We clearly require suppliers to sign the "Sustainable Development Code of Conduct", with the current signing rate reaching over 99%, effectively embedding ESG criteria into supplier cooperation frameworks. In terms of environmental practices, the Group set phased targets, whereby the external environmental certification coverage rate of core suppliers will reach 45% within 1-2 years, increase to 65% within 3-5 years, and achieve 100% full coverage within 10 years. In terms of social responsibility, the Group attaches great importance to labor rights and human rights protection in the supply chain, requiring suppliers to provide proof of local minimum wage standards, employee attendance records, and wage payment vouchers, and conducting compliance assessments on their remuneration standards, overtime pay payments, and remuneration payment timeliness through methods such as employee interviews, to ensure that the definition of living wage by the International Labor Organization (ILO) is met, with reference to mainstream living wage calculation frameworks including Anker Methodology and Amfori BSCI (Business Social Compliance Initiative), so as to safeguard the legitimate rights and basic livelihood needs of supply chain workers.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS ACQUISITIONS

In FY2025/26, the Group did not hold any other significant investments, nor did it have any material acquisitions or disposals of subsidiaries, associates or joint ventures. There were also no other material investments or capital asset acquisitions authorized by the Board as at March 31, 2026.

CONTINGENT LIABILITIES

The Group had no material contingent liabilities as at March 31, 2026.

COMMITMENTS

As at March 31, 2026, the Group had outstanding capital commitments mainly due to property and equipment, advertising and promotional expenses amounting to approximately RMB154.2 million (March 31, 2025: RMB218.4 million).

PLEDGE OF ASSETS

As at March 31, 2026, bank deposits amounting to approximately RMB403.4 million had been pledged to banks as security for issuance of bills payable (March 31, 2025: approximately RMB442.8 million).

FINANCIAL MANAGEMENT AND TREASURY POLICY

The financial risk management of the Group is the responsibility of the Group's treasury function at its head office. The Group adopted prudent funding and treasury management policies while prioritizing risk prevention and maintaining a sound cash management strategy. The Group's source of funding during this year was primarily raised by cash generated from its operating activities, and bank borrowings. The core objective of the Group's treasury policies is to optimize capital utilization efficiency while safeguarding sufficient liquidity.

FOREIGN CURRENCY EXPOSURE

The business operations of the Group were predominantly carried out in China with revenue and expenses of the Group's subsidiaries denominated in Renminbi, and therefore, the Group has chosen Renminbi as the reporting currency. Certain of the Group's cash and bank deposits were denominated in Hong Kong dollars or US dollars. The Company and some of its overseas subsidiaries selected US dollars or Hong Kong dollars as their functional currency. Any significant exchange rate fluctuations of Hong Kong dollars, US dollars and Pound sterling relative to each entity's respective functional currency may have a material impact on the Group.

When facing currency market instability, the Group will make use of forward contracts and foreign exchange swaps to mitigate the exchange rate risk as and when appropriate.

HUMAN RESOURCES

As at March 31, 2026, the Group had 12,895 full-time employees (March 31, 2025: 13,106 full-time employees), a year-on-year decrease of 211 people. Staff costs for the year ended March 31, 2026 (including Directors' remuneration in the form of salaries, other allowances and equity-settled share-based transaction expenses) were approximately RMB2,635.1 million (for the same period of last year: approximately RMB2,573.4 million).

Based on the vision of the Group to become the “world's leading fashionable, functional and technological apparel group”, the Group focuses on customer-perceivable value creation, linking the requirement for the Group's strategic core capabilities. To deliver solid near-term performance and support long-term growth, the Group establishes an organizational talent development plan that meets the strategic requirements, steps up its efforts to identify and develop strategically significant employees, and actively reserves and fosters a new generation of young talents. Based on the above, the Group has systematically established Bosideng's “Eagle” talent development system. On the one hand, this system operates professionally to build development pathways for core in-service management (M) and professional (P) talent, addressing current organizational development needs and ensuring the achievement of short/medium-term strategic objectives. At the same time, in parallel with the strategic future development, the Group conducts regular training for “Young Eagle” talents, treating college students as cornerstones of the internal talent generation system of the Group. Maintaining sufficient, high-quality reserve graduates is the key part and the foundation of building a system for fostering talents internally. The 2025/26 campus recruitment was carried out under three programs, namely the Super Management Trainee Program, Young Eagle Plan and Leading Action, and ensured employment of high-quality graduates, with the aim of attracting outstanding graduates from target universities with cultural and character traits that align with the Group. This will allow the Group to continuously build and consolidate its brand image as a preferred employer for textile and garment colleges, and expand Bosideng brand's influence as an employer.

The Group's remuneration and bonus policy is primarily based on the duties, performance, outstanding contribution and length of service, benchmarked against prevailing market practices. Based on this, the Group has established a value creation-oriented remuneration and incentive system, determined a remuneration structure combining fixed salaries and variable incentives, alongside a value distribution mechanism linking overall organizational performance with employee performance, and established a fair and equitable employee remuneration incentive distribution standard, which always drives the development of talents within the organization in a positive way. At the same time, the Group has established a welfare system that meets the needs of talents of the times and continues to meet the living needs of young talents joining the Company. On the one hand, on the basis of regular medical check-ups, the Company established high-end medical projects for core management talents and created high-quality dining and office conditions. On the other hand, the Group provided a comfortable and harmonious living environment to employees of the Group, and offered staff dormitories with hotel-style management services or corresponding accommodation allowance to those non-local university graduates, professional technicians and management staff who did not have residence in the place where they work once they were employed by the Group.

CORPORATE CULTURE

The Group attaches great importance to the development and inheritance of corporate culture. We firmly believe that culture is the foundation for the Group to achieve the development goal. Over its half-century development, the excellent corporate culture with Bosideng's characteristics has been crystallized, and a large number of key talents and outstanding backbones with Bosideng genes have emerged. Powered by strong cultural cohesion, the Group has successfully completed the previous strategic transformation and laid the foundation for future strategic implementation.

The Group advocates pragmatic corporate culture implementation centered on core strategic initiatives. This is achieved through a series of activities such as fostering an environment for the dissemination of culture philosophies, embedding culture into behaviors, institutionalizing cultural practices, developing outstanding case studies and role models, cultivating organizational experience, establishing cultural communities, organizing cultural development activities, and evaluating cultural adherence. These efforts aim to create a positive closed-loop that encompasses "identification with the corporate culture and values, understanding of the essence of the corporate culture, making the corporate culture and values ingrained in behavior and ultimately the practices and actions that yield value and results." Moreover, the Group has refined its cultural philosophy featuring "a user-first orientation, a cultural soil for open-mindedness, evaluation and motivation of value results, and the spirit of unyielding pursuit of excellence", forming a cohesive team that has the same ideas and concepts and actions that align with goals. Thus, its teams can unite their efforts so as to ensure efficient achievement of strategic goals.

The Group respects and supports employees' freedom of association. In addition to stating in the Employee Handbook that employees' freedom of association and the right to collective bargaining shall be respected, the Group has also made it clear in the "Supplier Management Policy" and "Supplier Handbook" that suppliers are required to uphold these rights in accordance with relevant standards of the ILO.

TALENT DEVELOPMENT

Guided by the talent philosophy of "Providing Opportunities for Those Who Aspire, a Platform for Those Who Can Deliver, and Rewards for Those Who Achieve", the Group has rolled out a comprehensive talent development strategy aligned with its overall corporate strategy. Focusing on talent "selection, utilization, education and retention", the Group carries out systematically talent development initiatives and builds high-caliber talent teams that provide solid support for the Group's sustainable growth.

To effectively execute its 1-3 year strategic plan, the Group prioritizes talent cultivation and regards employees as its "most valuable resources". Building upon years of experience, the Group has established a scientific system for talent-training, namely from strategic interpretation, organizational capacity assessment, to talent identification and development, and talent-role alignment. This system undergoes continuous refinement to ensure alignment with strategic objectives and talent cultivation goals. The Group persists on recruiting top-tier talents from outside to match market changes, industry-leading competitive advantages. Meanwhile, the Group will also continue to develop an outstanding team of operational management cadres, professionals, experts, and mid-to-long-term strategic reserve talents internally so as to continuously develop talent echelon, enhance organizational capabilities, stimulate organizational vitality, and guarantee strategic implementation.

The Group's core operation and management team serves as both the inheritors of corporate culture and the key driving force for delivering core campaign objectives and overall business value outcomes. During FY2025/26, the Group strengthened strategic consensus among senior executives to enhance synergy and achieve strategic goals. Core management team across divisions conducted internal and external learning that focused on the Group's annual core operation and management objectives and potential challenges, driving positive transformation and improving operational and decision-making quality.

The Group's three-year strategic business plan emphasizes the importance of strategic talent reserves. As of March 31, 2026, the "Eagle" program has cultivated 1,140 outstanding university graduates, 266 excellent reserve managers, 72 excellent reserve directors, and 30 excellent general managers of retail companies, building a solid foundation in providing strategic talent for the Group and helping to achieve the strategic objective of becoming the world's leading down apparel expert.

OUTLOOK

The year 2026 marks the inaugural year of the "15th Five-Year Plan", a milestone year celebrating the 50th anniversary of Bosideng, a pivotal year for the Group to build on the momentum and continue to striving towards its aspirations.

Over the past five decades, Bosideng has upheld the faith of serving the nation through industry and building national strength through branding. It has forged ahead through challenging beginning and competed through openness and innovation, advancing in step with the spirit of the times, and integrating closely with reform and innovation, thereby crafting a compelling story of Chinese brands going global with warmth and confidence.

Looking ahead, the Group will always remain firmly committed to its original mission of "China Bosideng, Warming the people of the World". Anchored in its "dual-focus" strategic direction of "focusing on the mainstay business of down jackets as well as fashionable and functional apparel enhanced with technology", the Group will uphold the summit-seeking spirit of "creating uniqueness and always striving to be the best". The Group will continue to strengthen its brand value through technological innovation, empower its brand essence through cultural confidence, and elevate its brand standing through green responsibility, with the goal of becoming a world-leading fashionable and technology-driven functional apparel group, and building a century-old brand and enterprise.

Down apparel business:

The Group has always focused on its core business of down jackets and integrated global competitive resources to optimize its worldwide business layout. By continuously enriching its brand matrix, establishing differentiated brand positioning to precisely meet the personalized and diversified needs of consumers across all segments, the Group aims to build a solid foundation of industry-leading core competitiveness and become a global leader in the down apparel industry. While consolidating its strengths in down apparel, the Group is actively focusing on the track of "fashionable, functional apparel enhanced with technology", optimizing brand matrix and enriching product lines to enhance its international competitiveness.

At the brand level, the Group will continue to strengthen the “brand-led” development model, starting with the core value needs of target users, delivering a unified brand story, and building meaningful emotional connections with consumers. By focusing on the mainstream consumer of the era, it implements a core strategy of brand-led empowerment, building a differentiated multi-brand matrix that leads aspirational trends while catering to broader market demands. Furthermore, it enhances brand operational capabilities and deeply explores the brand value of fashionable, functional and technological apparel, striving for sustainable brand value growth and increased industry influence.

In terms of products level, the Group will persistently enhance its core product competitiveness, with customer value as the starting point and driven by innovation, leveraging original design and technological advancements to consistently pass on the brand’s DNA, delivering a sense of innovation and value to consumers. It will solidify category operation, treating categories as brands, focusing on the needs of segmented users groups, revamping the category operation model, transforming organizational mechanisms, iterating the product matrix, and building category mindshare in segmented tracks. Furthermore, it will integrate global innovation resources, build an innovation chain alongside the industrial supply chain, and establish a collaborative innovation ecosystem to drive category breakthroughs. By deeply exploring the potential of new categories, it will create new growth drivers.

In terms of sales channels, the Group will continue to deepen precise operation by store format, based on the principle of “one store, one strategy; one store, one design”. Taking user value as the starting point, the Group will efficiently match users, products, and channels, refine business planning, and optimize the single-store operation model, thereby comprehensively improving store efficiency and sales per unit area. Through in-depth consumer insights, it will enhance refined channel management and explore strategic growth markets. Meanwhile, the establishment of a full-cycle customer management system enables the Group to consolidate customer relationships and drive steady growth in user value. It will also upgrade the precise integration of “brand, product, and channel” to deliver the highest quality shopping experience to customers.

OEM management business:

Leveraging its world-leading professional strengths in the down apparel industry, the Group will focus on “high quality, stable growth, and low risk” as its primary objectives. It will continue to build the differentiated core competitiveness in its OEM management business in areas such as “business expansion, supply chain operations, and technological leadership”. The Group will deepen stable cooperative relationships with existing core clients, actively explore new customer resources, and continuously improve operational quality. Meanwhile, it will further enhance its ODM design and technological innovation capabilities, striving to win the mindshare of mid-to-high-end clients as the “No. 1 partner in the Down/Functional Outerwear category” and thus become an OEM/ODM expert for mid-to-high-end international functional apparel brands.

Ladieswear apparel business:

The Group will maintain its focus on the future development of the ladieswear apparel business and optimize its development model. Centered on brand positioning, the Group will clarify the target consumer groups for each ladieswear brand and optimize operational strategies to enhance overall operational and management efficiency, so as to foster the healthy, stable and high-quality development for its ladieswear apparel business.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from (i) August 17, 2026 (the record date for the AGM) to August 20, 2026 and (ii) August 26, 2026 (the record date for the dividend distribution) to August 28, 2026, both days inclusive, during which no transfer of shares of the Company (the “Share”) will be effected. In order to (i) qualify for attending and voting at the AGM to be held on August 20, 2026 and (ii) qualify for the proposed dividend payable on or around September 15, 2026, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on (i) August 14, 2026 and (ii) August 25, 2026.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

During the Year, the Company repurchased a total of 2,246,000 issued Shares on the Stock Exchange for an aggregate consideration of HKD8,956,500. The repurchased Shares have not been cancelled during the Year and as at the date of this announcement. Details of the repurchased Shares are as follows:

Date	Number of repurchased Shares	Maximum price paid per Share repurchased (HKD)	Minimum price paid per Share repurchased (HKD)	Total consideration (HKD)
March 31, 2026	2,246,000	4.00	3.97	8,956,500

Saved as disclosed above, the Company and its subsidiaries had not purchased, sold or redeemed any of the listed securities of the Company.

CORPORATE GOVERNANCE CODE

The amendments to the Corporate Governance Code (the “Code”) effective on July 1, 2025 will apply to the corporate governance reports and annual reports of the Company for financial years commencing from January 1, 2026. All the code provisions mentioned in this announcement refer to those stated in the Code before the amendments, not the revised Code.

The Directors are of the opinion that the Company had complied with the code provisions of the Code for the Year, except for the following deviations:

Code provision B.2.4 of the Code provides that where all the independent non-executive directors of an issuer have served more than nine years on the board, the issuer should appoint a new independent non-executive director on the board at its forthcoming annual general meeting. The Group will implement a practical proposal to appoint a new independent non-executive Director as and when appropriate. The nomination committee of the Company will continue to review the structure of the Board, consider a range of diversity perspectives, as well as the merits and contributions that the candidates will bring to the Board.

Code provision C.2.1 of the Code provides that the roles of chairman of the Board and chief executive officer (“CEO”) should be separated and should not be performed by the same individual. Mr. Gao Dekang is the Chairman and CEO of the Company, as well as the founder of the Group. The Board believes that it is necessary to vest the roles of Chairman and CEO in the same person due to its unique role, Mr. Gao Dekang’s experience and established market reputation in China’s down apparel industry, and the importance of Mr. Gao Dekang in the strategic development of the Company. This dual role provides strong and consistent market leadership and is critical to efficient business planning and decision-making of the Company. As all major decisions of the Group are made in consultation with members of the Board and the relevant committees, and there are three independent non-executive Directors on the Board offering independent perspectives, the Board is of the view that adequate safeguards are in place to ensure sufficient balance of powers within the Board.

Code provision C.5.1 of the Code provides that the Board should meet regularly, and that board meetings should be held at least four times a year at approximately quarterly intervals. During the Year, the Board held a total of two board meetings according to the operation and business development needs of the Group, and multiple topics and resolutions were tabled for discussion at each board meeting. During the Year, the Directors were continuously provided with all relevant information to keep them informed of the development process of the Group and to make decisions promptly when necessary. The Company will consider holding more frequent board meetings in the coming year to comply with the relevant code provisions.

AUDIT COMMITTEE

The audit committee of the Company has reviewed with the management the accounting principles and practices adopted by the Group, and has discussed with the Group’s auditors, KPMG, regarding the auditing, internal control and financial report matters including the review of the Group’s consolidated annual results for the Year.

AUDITOR

The financial figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the Year as set out in this announcement have been compared by the Group’s auditor, KPMG, Certified Public Accountants, to the amounts set out in the Group’s consolidated financial statements for the Year and the amounts were found to be in agreement. The work performed by KPMG in this respect did not constitute an audit, review or other assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by the auditor.

A resolution for the re-appointment of KPMG as auditor of the Group is to be proposed at the AGM.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This announcement will be published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://company.bosideng.com>). The annual report for the Year containing all the information required by Appendix D2 to the Listing Rules will be published on the websites of the Stock Exchange and the Company in due course.

By order of the Board
Bosideng International Holdings Limited
Gao Dekang
Chairman

Hong Kong, June 25, 2026

As at the date of this announcement, the executive Directors of the Company are Mr. Gao Dekang, Ms. Mei Dong, Ms. Huang Qiaolian, Mr. Rui Jinsong and Mr. Gao Xiaodong; and the independent non-executive Directors are Mr. Dong Binggen, Mr. Wang Yao and Dr. Ngai Wai Fung.