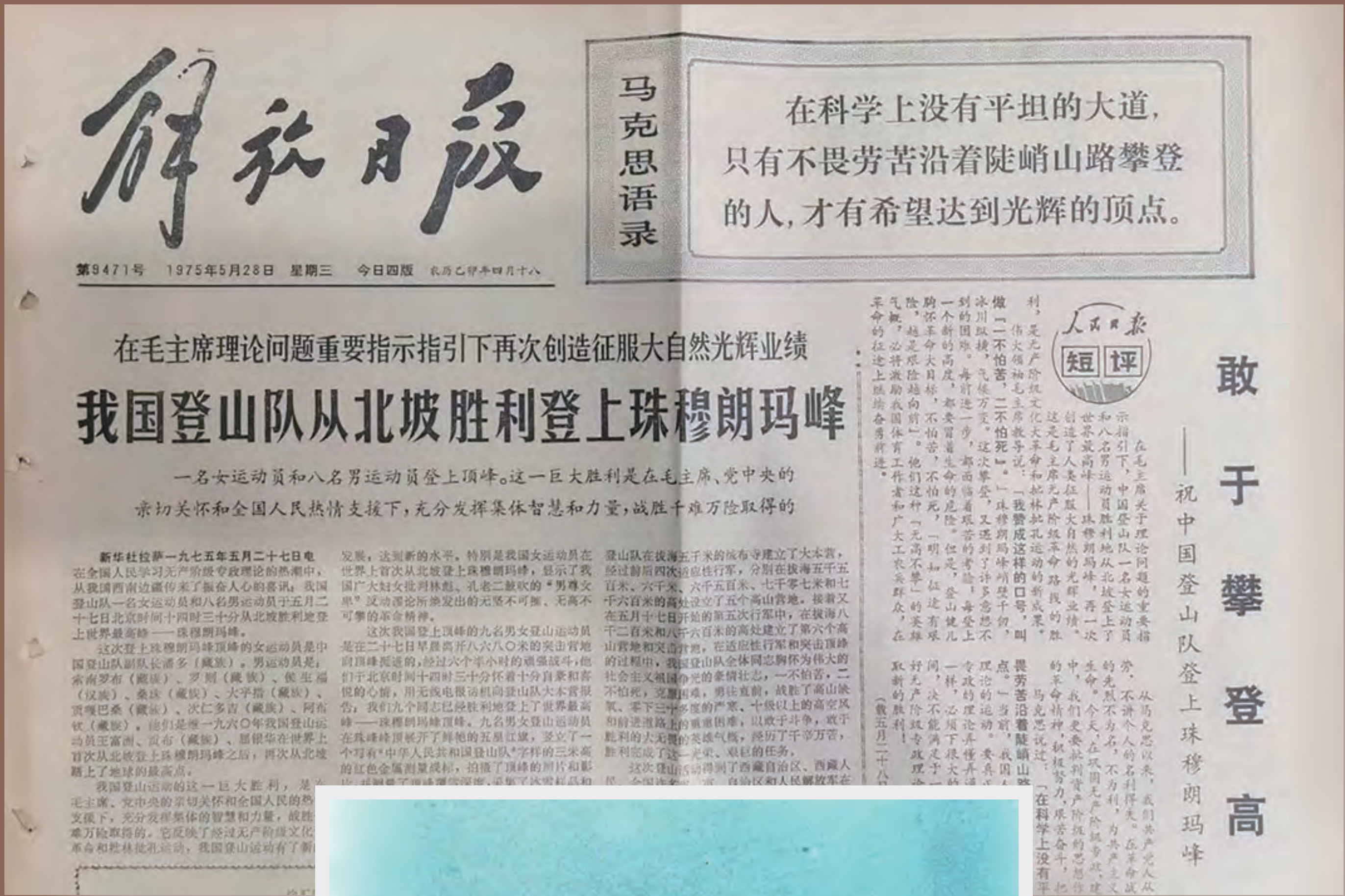
Bosideng International Holdings Limited
Incorporated in the Cayman Islands with limited liability
Stock Code: 3998

Annual Report 2025/26



解放日报

第9471号　1975年5月28日　星期三　今日四版　农历乙卯年四月十八

马克思语录

在科学上没有平坦的大道，只有不畏劳苦沿着陡峭山路攀登的人，才有希望达到光辉的顶点。

在毛主席理论问题重要指示指引下再次创造征服大自然光辉业绩

我国登山队从北坡胜利登上珠穆朗玛峰

一名女运动员和八名男运动员登上顶峰。这一巨大胜利是在毛主席、党中央的亲切关怀和全国人民热情支援下，充分发挥集体智慧和力量，战胜千难万险取得的

新华社拉萨一九七五年五月二十七日电 在全国人民学习无产阶级专政理论的热潮中，从我国西南边疆传来了振奋人心的喜讯：我国登山队一名女运动员和八名男运动员于五月二十七日北京时间十四时三十分从北坡胜利地登上世界最高峰——珠穆朗玛峰。

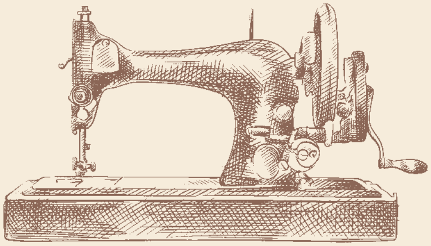
这次登上珠穆朗玛峰顶峰的女运动员是中国登山队副队长潘多（藏族）。男运动员是：索南罗布（藏族）、罗则（藏族）、侯生福（汉族）、桑珠（藏族）、大平措（藏族）、贡嘎巴桑（藏族）、次仁多吉（藏族）、阿布钦（藏族）。他们是继一九六〇年我国登山运动员王富洲、贡布（藏族）、屈银华在世界上首次从北坡登上珠穆朗玛峰之后，再次从北坡踏上了地球的最高点。

敢于攀登高

——祝中国登山队登上珠穆朗玛峰

人民日报 短评

Above: Jiefang Daily (1975)　　Below: Chinese mountaineering team (1975)



Our Story

On May 28, 1975, inside a Shikumen house in Shanghai, a young Gao Dekang read a front-page report in the Jiefang Daily about the Chinese mountaineering team successfully summiting Mount Everest from the North Ridge. “I was deeply shaken by the team members’ enduring conviction as they conquered those hardships to scale Mount Everest, and the functionality and professionalism of their mountaineering down jackets left a profound impression on me” he recalled. “Right then, a seed was planted in my heart: to make the finest down jacket in the world, one capable of summiting Mount Everest.”

In 1976, Gao Dekang took his first steps in Changshu, Jiangsu, establishing the Shanjing Village Sewing Group with just eight sewing machines. From that moment on, the hazy vision of “crafting China’s own mountaineering thermal apparel to protect and empower those who scale the peaks” transformed into a solemn commitment made at the very birth of the brand.

Company Profile

Bosideng International Holdings Limited (the "Company", together with its subsidiaries, the "Group") is a renowned operator in the People's Republic of China (the "PRC") with down apparel brands. Founded in 1976, the Group commenced its operations in extremely difficult conditions under the leadership of Mr. Gao Dekang. On October 11, 2007, the Company was listed on the Main Board of the Stock Exchange (stock code: 3998).

With a focus on down apparel business, the Group has developed into an expert in down apparel which has been widely recognized by consumers and a leader in the development of the industry. Currently, the Group's down apparel brands include Bosideng, Snow Flying, Binjora, etc. These brands have been supporting the Group in meeting the needs of different groups of customers and enhancing its position as a leader in the PRC market. Among them, the down apparel business under the Bosideng brand maintained a significant lead in the industry for 31 consecutive years (1995 - 2025) in terms of sales volume in the PRC.

Currently, the Group's ladieswear brands include JESSIE, BUOU BUOU, KOREANO, KLOVA; and the school uniform brand is Sameite.

The Group has been proactively implementing its strategies of brand development. During the Year, Bosideng was selected again as "Brand Finance Apparel 50" and was selected as "Top 500 World Brands 2025" by World Brand Lab. Looking forward, the Group will maintain the focus on its core down apparel business, upgrade its products, channels and terminals under the strategies of brand development, stay true to the mission of warming the world, and strive for the goal of being the leading fashionable, technological and functional apparel group in the world.

A Half-Century of Craftsmanship:

Warming the World with the Faith to Summit.

Milestone

1976

The Second Brigade of Baimao Commune in Changshu County established a sewing group consisting of 11 people and 8 household sewing machines, with Gao Dekang serving as the leader of the sewing group

1997

Held the Bosideng Special Session Conference on China's Fashion Trends

1998

Bosideng down apparel supported the China National Mountaineering Team in reaching the summit of Mount Everest for the first time

2000

The Group contributed RMB10 million to jointly establish the "Protect Mother River Action Bosideng Reward Fund" with six national ministries and commissions, including the Central Committee of the Communist Youth League and the Ministry of Civil Affairs

2006

At the 20th Torino Winter Olympics, Han Xiaopeng, wearing a competition uniform designed by Bosideng, won the men's freestyle skiing aerials championship, achieving a historic breakthrough, ending the gold medal drought for China's snow sports at the Winter Olympics

2007

Bosideng down apparel were awarded the title of "World Famous Brand" by the General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China

2007

Bosideng International Holdings Limited was officially listed on the Main Board of The Stock Exchange of Hong Kong Limited

2011

The Secretariat of the International Organization for Standardization / Technical Committee on Garment Sizing Systems and Designations was officially inaugurated at the Company

2012

The Bosideng London Flagship Store held its grand opening ceremony

2018

Bosideng held its 2018 Autumn/Winter Collection Launch Event at New York Fashion Week for the first time

2019

Collaborated with French designer Jean Paul Gaultier to release the "Bosideng × Gaultier Designer Joint Collection" down jackets

Brand Finance®
Apparel 50 2021

2021

Bosideng was selected for the first time into the Apparel 50 published by Brand Finance, a British brand valuation consultancy in 2021

2022

The Bosideng "New Generation of Ultralight Down Jackets" Launch Event was held in Shanghai, presenting the brand-new lightweight down jacket collection

2023

Bosideng held the "New Generation of Ultralight Down Jackets" standalone runway show at Vigna di Leonardo (Leonardo's Vineyard) in Milan, Italy

2024

The new generation Bosideng "Dengfeng" Concept Store held its grand opening in Sanlitun, Beijing

2024

The "'Salute to Ice and Snow' Erbin × Bosideng Strategic Achievements Launch" was held at the St. Sophia Church Square in Harbin

2025

Bosideng became the first Asian textile and apparel brand enterprise to achieve the highest MSCI ESG rating of AAA

2026

Muzi, the captain of the Bosideng Mountaineering Team, led the young members wearing the Bosideng "Dengfeng" series, to successfully reach the summit of Mount Everest once again

A New Journey of Shared Mission:

Scaling the Future with the Dream to Excel.

Corporate Culture

Mission

Bosideng warms the world

Vision

Being the leading fashionable, technological and functional apparel group in the world

Core Values

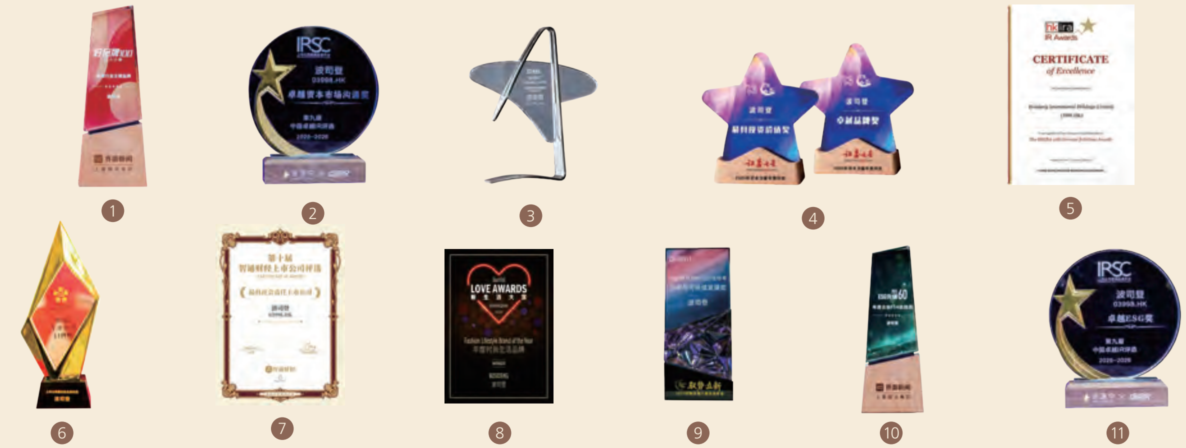
Customer Foremost, Openness and Innovation, Results Driven, Striving for the Best

Bosideng Brand Positioning

World’s leading expert in down apparel

Contents

Awards



Bosideng brand primary honors

- Bosideng was ranked 449th in the 2025 "World's 500 Most Influential Brands" by World Brand Lab
- Bosideng was ranked 260th in the 2025 "Asia's 500 Most Influential Brands" by World Brand Lab
- Bosideng was ranked 72nd in the "Top 500 Most Valuable Chinese Brands 2026" by World Brand Lab
- Bosideng was ranked 45th in the "Brand Finance Apparel 50 2025" by Brand Finance
- Bosideng was ranked 141st in the "Top 500 Most Valuable Chinese Brands 2025" by Brand Finance
- Bosideng was named among the top brands in the apparel industry in the "Good Brand 100" selection by Jiemian News 1

Capital market primary awards

- Awarded "Excellent Capital Market Communication Award" in the 9th China Excellence IR Selection 2
- Awarded "Annual Investment Value Award" in the Gelonghui Golden Award 3
- Awarded "Outstanding Brand Award" and "Most Investment Value Award" by The Power of Capital Annual Selection 2025 of www.stockstar.com 4
- Awarded "The HKIRA 12th Investor Relations Awards Certificate of Excellence" by HKIRA 5

Listed company primary awards

- Awarded "Most Socially Responsible Listed Company Award" in the 2025 Listed Company Word-of-Mouth List by the Listed Company Development Annual Conference 6
- Awarded "Most Socially Responsible Listed Company" in the 10th Zhitong Caijing Listed Company Selection 7
- Awarded "Fashion and Lifestyle Brand of the Year" at the Time Out Love Awards 8
- Awarded "Innovation and Sustainable Development Award" in the Annual Most Influential Enterprise List by Cailian Press 9
- Awarded "Annual Corporate ESG Practice Award" in the 2025 ESG Pioneer 60 by Jiemian News 10
- Awarded "Excellent ESG Award" in the 9th China Excellence IR Selection 11
- Recognized as one of the "First Batch of Model Cases for Effectively Reducing Logistics Costs Across Society" by the NDRC of China
- Recognized as one of the "2025 Model Cases of Private Enterprises Developing New Quality Productive Forces" by the ACFIC General Office

Constituent Stocks Of Indexes

Index code	Index name
HSLMI.HI	Hang Seng Composite LargeCap & MidCap Index
HSLMLCI.HI	Hang Seng Large-Mid Cap Low Volatility Comprehensive Index
HSCHDY.HI	Hang Seng China High Dividend Yield Index
HSSCHKY.HI	Hang Seng SCHK High Dividend Yield Index
HSHYLV.HI	Hang Seng SCHK High Dividend Low Volatility Index
HSHD30.HI	Hang Seng High Dividend 30 Index
HSMCHYI.HI	Hang Seng Mainland China Companies High Dividend Yield Index
HSSCHYS.HI	Hang Seng SCHK High Dividend Yield Screened Index
HSSCFCF.HI	Hang Seng SCHK Free Cash Flow Index
HSQGLV.HI	Hang Seng SCHK Quality Growth Low Volatility Index
HSSCPOE.HI	Hang Seng SCHK China Private-owned Enterprises Index
HSSCC.HI	Hang Seng SCHK Consumption Index
HSSCCD.HI	Hang Seng SCHK Consumer Discretionary Index
HSC500.HI	Hang Seng Stock Connect China 500 Index
HSSCSCI.HI	Hang Seng Stock Connect China Low Size Comprehensive Index
HSSCLCI.HI	Hang Seng Stock Connect China Low Volatility Comprehensive Index
HSSCYCI.HI	Hang Seng Stock Connect China Dividend Yield Comprehensive Index
HSSCVCI.HI	Hang Seng Stock Connect China Value Comprehensive Index
HSC15TI.HI	Hang Seng Climate Change 1.5°C Target Index
714032.MI	MSCI Hong Kong Enhanced Value Index
932323.CSI	CSI Hong Kong-Listed Private-Owned Mainland Enterprises Composite Index
932327.CSI	CSI Hong Kong Connect Private-Owned Mainland Enterprises Composite Index
932502.CSI	CSI HK Stock Connect Consumption 50 Index
H30455.CSI	CSI SH-HK-SZ 500 Index
931027.CSI	CSI HK Connect Comprehensive Consumption Thematic Index
930839.CSI	CSI Hong Kong Connect High Dividend Yield Select Index
CESFHY.CSI	CES HIGH YIELD
931663.CSI	CSI SH-HK-SZ Consumer Top Index
932153.CSI	CSI HK Connect Value Strategy Index
932152.CSI	CSI HK Connect Growth Strategy Index
932457.CSI	CSI Hong Kong Connect Free Cash Flow Index
987030.CNI	HKCCMEESGS

Main constituent stocks of indexes as at the Latest Practicable Date (being July 20, 2026)

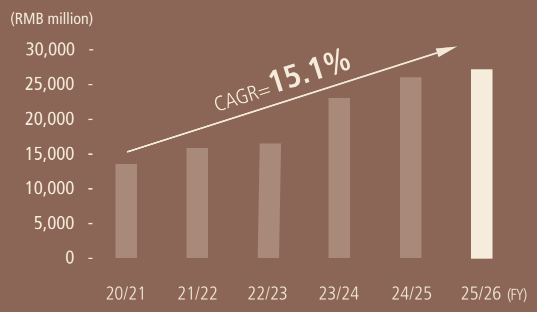
Financial Highlights

(All amounts in RMB thousands unless otherwise stated)

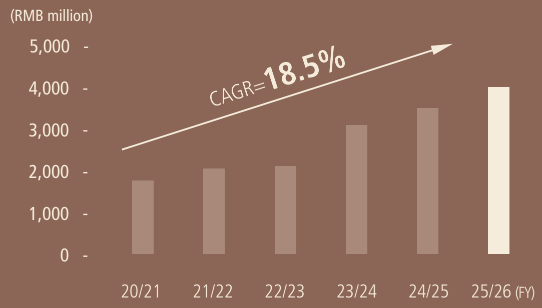
	For the year ended March 31,				
	2026	2025	2024	2023	2022
Revenue	**27,349,980**	25,901,713	23,214,033	16,774,220	16,213,608
Gross profit	**15,650,753**	14,839,856	13,833,540	9,975,876	9,737,179
Profit from operations	**5,294,396**	4,966,883	4,397,556	2,826,372	2,568,847
Profit attributable to:					
Equity shareholders of the Company	**3,994,378**	3,513,913	3,074,072	2,138,574	2,062,323
Non-controlling interests	**52,687**	38,830	46,064	17,809	(3,551)
Dividends per share (HKD cents):					
Interim	**6.3**	6.0	5.0	4.5	4.5
Final	**25.0**	22.0	20.0	13.5	13.5
Total	**31.3**	28.0	25.0	18.0	18.0
Non-current assets	**7,529,332**	8,180,878	6,752,593	6,220,645	6,546,999
Current assets	**21,959,179**	19,222,392	19,018,612	14,722,039	14,736,717
Current liabilities	**10,421,050**	9,508,405	11,183,068	6,053,902	6,610,102
Non-current liabilities	**637,929**	864,666	768,652	2,284,413	2,447,174
Net current assets	**11,538,129**	9,713,987	7,835,544	8,668,137	8,126,615
Total assets	**29,488,511**	27,403,270	25,771,205	20,942,684	21,283,716
Total assets less current liabilities	**19,067,461**	17,894,865	14,588,137	14,888,782	14,673,614
Total equity	**18,429,532**	17,030,199	13,819,485	12,604,369	12,226,440
Gross profit margin (%)	**57.2**	57.3	59.6	59.5	60.1
Operating margin (%)	**19.4**	19.2	18.9	16.8	15.8
Net profit margin (%)*	**14.6**	13.6	13.2	12.7	12.7
Earnings per share					
– basic (RMB cents)	**34.57**	31.58	28.34	19.75	19.14
– diluted (RMB cents)	**34.23**	30.83	27.52	19.29	18.78
Current ratio (x)	**2.1**	2.0	1.7	2.4	2.2
Gearing ratio (%)	**5.2**	5.3	18.0	18.9	20.8

* Net profit margin is calculated by profit attributable to equity shareholders of the Company as a percentage of revenue

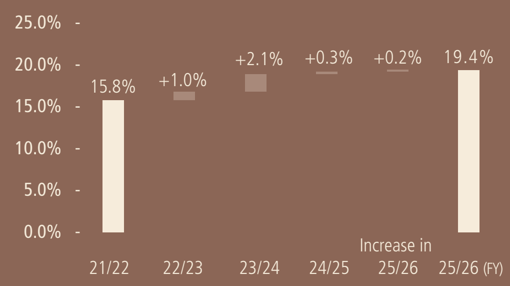
REVENUE OF THE GROUP



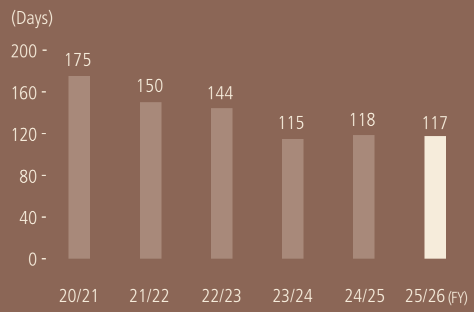
PROFIT ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE GROUP



OPERATING PROFIT MARGIN



INVENTORY TURNOVER DAYS



Chairman's Statement

"Fifty Years of Scaling the Heights; Moving Upward, Moving Forward"

Dear shareholders,

On behalf of the Board, I am pleased to present the Group's annual results for the year ended March 31, 2026. In FY2025/26, facing the complex and volatile external environment and challenges arising from the industry cycle, the Group consistently anchored its "dual-focus" strategic direction. Guided by brand leadership, driven by innovation and empowered by digital and intelligent transformation to enhance quality and efficiency, we achieved simultaneous improvement in both operational quality and development resilience, delivering a solid performance marked by steady progress and continuous advancement.

Anchoring strategic direction for steady and high-quality operations

In FY2025/26, the Group closely aligned with its strategic vision of "becoming the world's leading fashionable, technological and functional apparel group" and anchored its "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". Centered on customer value and guided by brand building, we optimized our business network, improved the brand matrix, and continued strengthening the core competitiveness and development resilience, thereby delivering steady improvement in key operating indicators. In addition, profit growth significantly outpaced revenue growth, net profit margin reached a record high, and operational quality and efficiency improved steadily.

The Group's revenue reached RMB27.35 billion, representing a year-on-year increase of 5.6%. Net profit attributable to equity shareholders amounted to RMB3.99 billion, representing a year-on-year increase of 13.7%, while the Group's operating profit amounted to RMB5.29 billion. Operating profit margin increased to 19.4%, reflecting continued optimization of our profit structure and steady improvement in operational quality. To thank the shareholders for their trust and support, the Board recommended the distribution of a final dividend of HKD25.0 cents per share, resulting in total dividends of HKD31.3 cents per share for the Year, sharing development fruits with our shareholders through steady returns.

Ploughing resources into our core business and solidifying the brand matrix

During the financial year, the Group's branded down apparel business continued to strengthen its core competitiveness and steadily improve operational quality and efficiency, achieving revenue of RMB23.56 billion, accounting for 86.2% of the Group's total revenue, representing a year-on-year increase of 8.7%, with a stronger foundation for its core business.

The Bosideng brand centered on its positioning as "the world's leading expert in down apparel", further strengthening consumers' recognition of its position as "the No.1 down apparel brand". Through brand leadership empowerment, breakthroughs in category innovation, store operations optimization, and customer experience enhancement, it achieved revenue of RMB19.75 billion, representing a year-on-year growth of 6.9%. The

Bosideng brand was again ranked among the "Brand Finance Apparel 50" by Brand Finance and was ranked 449th in "The World's 500 Most Influential Brands" by the World Brand Lab, with its brand value and influence continuing to grow.

The Snow Flying brand leveraged its "snow and ice" gene to steadily expand its market share in the mass-market down apparel segment, generating revenue of RMB2.57 billion, representing a year-on-year increase of 16.6%. Bogner deeply engaged with high-net-worth ski communities, strengthening its brand recognition as "the global leader in luxury professional skiing". Amid a complex and volatile international trade environment, the OEM management business continued to progress under pressure by relying on upgraded ODM core capabilities and a globally optimized production layout, achieving breakthroughs in order structure and quality, with revenue reaching RMB3.09 billion. The Group's strategic investment in the global luxury down apparel brand, Moose Knuckles, achieved high-quality growth in the Chinese market.

In terms of operational efficiency, the Group's management capabilities improved steadily. Inventory turnover days remained at an industry-leading level of 117 days, and the agile and flexible supply chain capabilities withstood the test of the market conditions. Net cash flow from operating activities amounted to RMB6.43 billion, indicating a healthy and abundant cash position. Moody's and S&P continued to assign the Group a "double investment-grade" rating, reflecting the global capital market's high recognition of the Group's long-term value.

Strengthening category operations and driving product breakthroughs with technology

We persist in managing categories as brands by focusing on the needs of segmented users, reshaping category operation models, reforming organizational mechanisms, iterating product matrices and building category mindshare in targeted niche segments. At the same time, we continued to increase investment in R&D and innovation, integrating the world's premium resources to build our innovation capability in the four new areas, namely new materials, new categories, new technologies, and new techniques, thereby strengthening our technological functionality and fashion creativity and continuing to enhance our product competitiveness.

The sixth-generation Polar Expedition collection was iteratively upgraded, 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", it overcomes the challenge of working in extreme environments where "movement generates heat and stillness brings a chill", safeguarding and accompanying polar scientific expeditions. Bosideng partnered with internationally renowned designer Kim Jones to launch the premium product line, Bosideng AREAL, which received widespread acclaim from both the global fashion industry and consumers. Bosideng's "Master Puff" collection was successfully launched at the Palais Brongniart during Paris Fashion Week, showcasing the strength of a Chinese brand in integrating technology and aesthetics. At the same time, we strategically expanded into functional outerwear categories such as spring/summer functional jackets and sun-protective clothing, further exploring category value and pushing boundaries. Bosideng's innovative products have earned multiple international accolades, including the ISPO Global Design Award, the U.S. IDEA, and the Gold Medal at the International Exhibition of Inventions of Geneva.

Upgrading retail operations to improve the quality and efficiency of single-store operations

We continue to optimize channel quality and improve channel operational efficiency. Through systematic and refined management of hierarchical markets and store operation, we have significantly improved the profitability and operational efficiency of stores. The Peak Flagship Store, AREAL Theme Store, and VERTEX Theme Store have served as flagship platforms leading brand upgrading. By promoting the business process transformation of "store-centric and customer value-oriented", we implemented "one store, one strategy" and "one store, one design", improving the quality and efficiency of single-store operations. As for online retail operations, we focus on core product categories, aggregate brand campaigns, concentrate on content innovation and cross-category marketing, and empower refined operations with AI. We also strengthen content-oriented e-commerce, enhance self-operated store operations and content capability building, achieving high-quality performance growth across major online channels.

Accelerating AI transformation to empower operational efficiency through digital intelligence

We have identified "users, retail and commodities" as the core focus areas for digital transformation, comprehensively advancing the application of artificial intelligence technology across the entire value chain of the Group's "R&D, production, supply, sales, and service". By establishing an artificial intelligence innovation application laboratory, we launched the industry-leading vertical-domain AI large model "BSD.AI Aesthetic Brain", achieving a full-process digital closed-loop from design conception to virtual garment. We upgraded the industry-leading model of futures/goods-in-stock operation, using AI to drive the supply chain from "passive reaction" to "active response". Through demand-pull replenishment, quick launch of new products and delivery of small orders in quick responses, we ensured an efficient turnover cycle and operational efficiency. We created an AI shopping assistant and continuously explored AI virtual try-ons, AI digital human live streaming, and AI content generation, providing consumers with a professional and personalized service experience.

Living up to social responsibility and pioneering sustainable fashion

We systematically advanced the "1+3+X" ESG strategic framework, which was guided by the ESG vision of "leading sustainable fashion with a consumer-oriented approach". We further refined the ESG construction path of "one platform, six topics, and thirteen special projects", integrating sustainable concepts throughout the entire value chain of corporate operations to lead sustainable fashion in the industry. In this financial year, Bosideng was listed in the S&P Global Sustainability Yearbook 2026, and its MSCI ESG Rating was upgraded to AAA, making it the first and only textile and apparel enterprise in Asia to receive this rating.

Adhering to the principle of "warming people with products and warming hearts with charity", we fulfilled our corporate responsibility and commitment through concrete actions. In this financial year, we donated HK$10 million in cash and HK$20 million worth of materials to support emergency rescue, resettlement of affected compatriots, and post-disaster reconstruction in the Tai Po district of Hong Kong. With responsible business practices, we have created long-term value for our customers, employees, shareholders and the society, which promotes the sharing of corporate development results and achieves harmonious development between the Company, society and the environment.

Fifty years of reaching the summit: a new journey begins

2026 marks the start of the 15th Five-Year Plan and the glorious 50th anniversary of Bosideng's founding. Fifty years ago, we embarked on our "summit-climbing" dream from a Shikumen house in Shanghai, starting with eight sewing machines in a rural village in Jiangnan. Riding the wave of reform and opening up, weathering the storms of the market economy, overcoming industry cycle challenges, and scaling new heights of brand innovation, we, a group of people, have dedicated our lives to making the best down jackets. We have forged a unique path of brand leadership and innovative development, propelling down jackets to become one of the most internationally competitive categories in China's apparel industry and a top choice for consumers in winter.

At present, we have embarked on a new journey of the "third entrepreneurship" for the next five decades. Amid the profound adjustments in the global economic landscape, China is currently accelerating its economic structural transformation while maintaining steady progress, with economic growth placing greater emphasis on the effective improvement of "quality" and the reasonable growth of "quantity". Under the "15th Five-Year Plan", a series of strategic deployments are proposed, including "building a modern industrial system, achieving high-level technology self-reliance, building a strong domestic market, and accelerating the development of a high-standard socialist market economic system and the comprehensive green transition of economic and social development", enabling us to anchor the direction for our corporate development, while injecting strong confidence and momentum.

The Group will anchor its "dual-focus" strategic direction, while adhering to its cultural values of "user-first, open mindedness, achieving results and an unwavering pursuit of excellence" to support the Group's pursuit of sustainable and high-quality development.

Anchoring the "Dual-Focus" Strategic Direction and Moving Towards Global Leadership

The Group will anchor its "dual-focus" strategic direction: on the one hand, focusing on the mainstay business of down jackets, improving the brand matrix, strengthening differentiated core brand competitiveness, and precisely covering different consumer segments and market niches, thereby meeting the needs of diverse consumer segments, striving to become a leader in the global down apparel industry. On the other hand, focusing on the main track of fashionable, technological and functional apparel, we will continue to strengthen the brand operations of Bogner and Moose Knuckles, building the differentiated core advantages of each brand; by steadily advancing the global promotion and international market expansion of the Bosideng brand, we will move towards the goal of “the world’s leading fashionable, technological and functional apparel group”.

Strengthening the “Brand Leadership” Development Model and Creating User Value

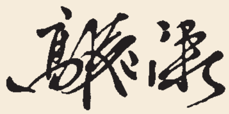
We will continue to strengthen the “brand leadership” development model. Riding on the trends of the times and centering around the positioning of each brand, we will connect with users’ emotional value to fulfill their emotional needs, enhance product and service value through innovation, and articulate the brand and product stories. In addition, we will strengthen user experience, thereby creating value for a better life. In terms of branding, starting with the value needs of users, we will articulate the brand story through an integrated “brand, product, and channel” strategy, impressing the user mindshare. In terms of products, we will place emphasis on strengthening category operations, optimizing the category operation model, and building category mindshare in targeted niche segments. In terms of retail business, the Group will strengthen the operation modes specific to different types of stores, adopt “one store, one design” and “one store, one strategy” approaches, and improve the operational quality and efficiency of stores. In terms of supply chain, the Group strives to build a global leading supply chain sharing platform that is multi-brand, multi-category, differentiated, centralized, and digitally intelligent.

Embracing AI and Digital Transformation and Upgrading the Green Development System

We will accelerate the in-depth application of new-generation digital technologies including artificial intelligence across the entire chain comprised of “user insight, R&D and design, collaborative supply, manufacturing, marketing and promotion, retail operation, and membership services”; at the same time, the operational, management, and organizational efficiency will be empowered by AI, building organizational capabilities that keep pace with the times, so as to achieve the goal of “scientific, digital and intelligent operations”.

Under the guidance of the “dual-carbon” objective, we will accelerate sustainable fashion initiatives and green and low-carbon transition. By comprehensively deepening the “1+3+X” ESG strategic framework and governance structure, ESG principles will be deeply integrated into corporate strategy and development practices, helping to build a community of shared future for mankind. Upholding a strong sense of patriotism and national commitment, we will continue to support rural revitalization, engage in charitable activities, and promote common prosperity, building a long-term value ecosystem that is mutually beneficial for the customers, employees, shareholders and society.

After five decades of scaling new heights, we again embark on a new journey. On behalf of the Board, I would like to express my most sincere gratitude to all directors and the management team for their outstanding wisdom, to all employees for their diligent efforts, to shareholders for their full support, and to global consumers for their valued patronage and trust. Striding towards the new development journey of the “third entrepreneurship” for the next fifty years, we will remain true to our entrepreneurial roots, always resonate with national development and the trends of the times, inherit the spirit of scaling the summit, and maintain our original entrepreneurial aspiration. With brand leadership, AI empowerment, and high-quality development, we will stride towards a bright future of “global leadership”, achieve the ambitious vision of a “century-old brand and century-old enterprise”, create value for people’s better lives, and contribute to the construction of a modern textile industrial system and a powerful nation in brands!



Gao Dekang
Founder, Chairman and President
June 25, 2026

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 core business of down apparel 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".

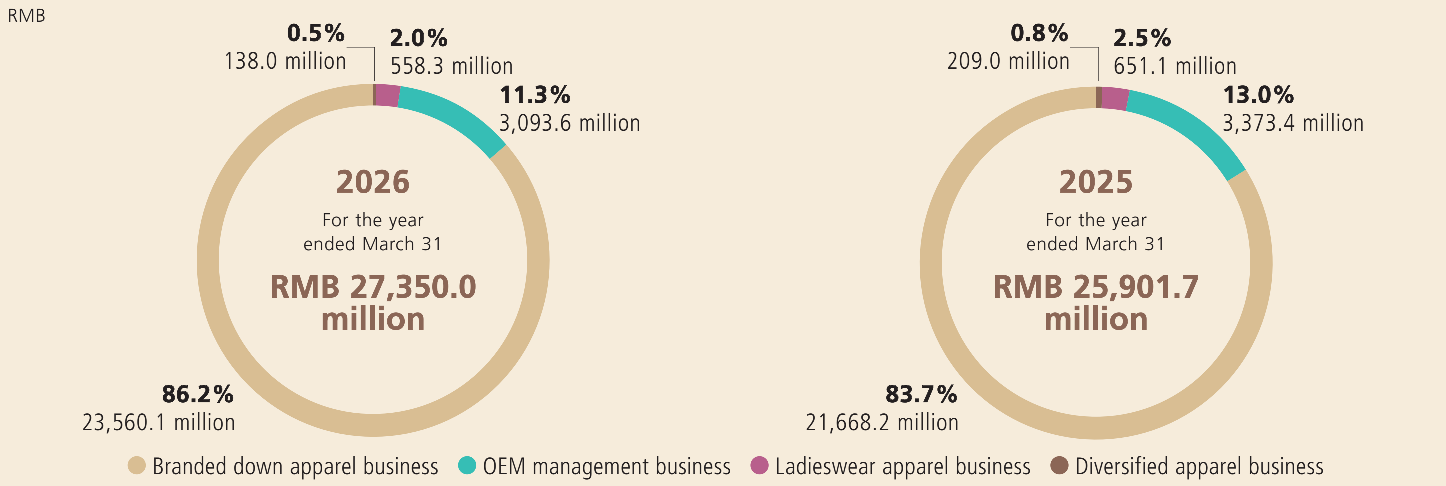
REVENUE ANALYSIS

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 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.

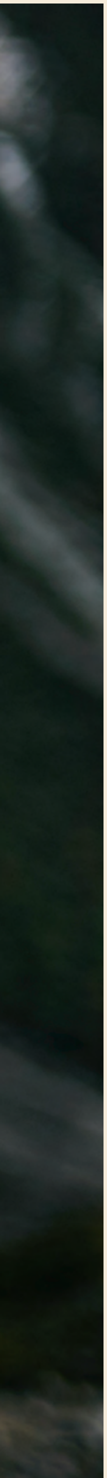
In January 2026, Bosideng's premium product line Bosideng AREAL, made its debut at Galeries Lafayette Haussmann flagship store in Paris with an unveiling ceremony. This marked the Bosideng AREAL collection's first public overseas presentation since its launch in 2025, and signified Bosideng becoming 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



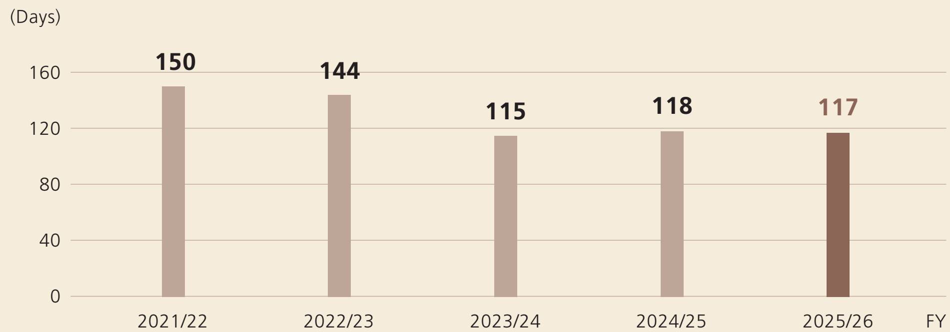
orders remained at a low level. Such a mechanism has effectively promoted the dynamic centralized management of channel inventory and merchandise structure, significantly improved the sales channel efficiency and the flexibility of merchandise management during the peak seasons, providing strong support 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 perceptional 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

	For the year ended March 31,				
	2026		2025		
Brands	**RMB million**	**% of branded down apparel revenue**	RMB million	% of branded down apparel revenue	Change
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

	For the year ended March 31,				
	2026		2025		
Sales categories	**RMB million**	**% of branded down apparel revenue**	RMB million	% of branded down apparel revenue	Change
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 breakdown by down apparel brand

As at March 31, 2026	Bosideng		Snow Flying		Binjora		Total	
	Number of stores	Change	Number of stores	Change	Number of stores	Change	Number of stores	Change
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 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

Management Discussion and Analysis

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

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

Revenue from ladieswear apparel business by sales category

	For the year ended March 31,				
	2026		2025		
Sales categories	**RMB million**	**% of ladieswear apparel revenue**	RMB million	% of ladieswear apparel revenue	Change
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 breakdown by ladieswear apparel brand

As at March 31, 2026	JESSIE		BUOU BUOU		KOREANO		KLOVA		Total	
	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:

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

	For the year ended March 31,				
	2026		2025		
Brands	**RMB million**	**% of diversified apparel business revenue**	RMB million	% of diversified apparel business revenue	Change
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

	For the year ended March 31,				
	2026		2025		
Sales categories	**RMB million**	**% of diversified apparel business revenue**	RMB million	% of diversified apparel business revenue	Change
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 revenue from rental, 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, 2026	2025	Change (percentage points)
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:

	RMB'000
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**
Total	**2,976,970**

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%).

As at March 31, 2026, the distribution of borrowings by currency and the type of interest rate adopted was as follows:

Types of interest rate	Japanese Yen RMB million	Renminbi RMB million	Total RMB million
Floating interest rate	**197.0**	**110.0**	**307.0**
Fixed interest rate	**-**	**650.0**	**650.0**
Total	**197.0**	**760.0**	**957.0**

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.

2030

Low-carbon fabrics usage rate reaching

40%

Enhancing the efficiency of "integrated operations of merchandise" to further reduce overproduction and increase the utilization of raw materials

Optimizing transportation routes, improving transportation efficiency, and exploring new transportation methods constantly

2035

Green electricity in operation accounting for over

60%

Building energy efficiency improved by over

30%

Actively supporting over

80%

core suppliers and upstream and downstream partners to improve energy efficiency by

30%

2038

Achieving

net-zero

emissions across operations

Green electricity in operation accounting for

100%

Low-carbon fabrics usage rate reaching

80%

Continuously exploring methods for product recycling and reuse, reducing product landfilling, and aiming for product recycle rate by 2038 at

30%

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, technological and functional apparel", 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.

Corporate Governance Report

CORPORATE GOVERNANCE CODE

The Company is dedicated to maintaining and ensuring high standards of corporate governance practices. The corporate governance principles of the Company emphasize accountability and transparency and are adopted in the best interests of the Company and its shareholders. The Board reviews its corporate governance practices from time to time in order to meet the rising expectations of its shareholders and to fulfill its commitment to excellence in corporate governance.

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

The Group has applied and complied with the applicable code provisions set out in the Code for the Year, except for code provisions B.2.4, C.2.1 and C.5.1, the details of which are disclosed below.

CORPORATE PURPOSE, STRATEGY AND CULTURE

The Board has established the Company's mission, vision, core values and strategy, and has ensured that these are aligned with a high degree of consistency and convergence of the Company's corporate culture, clearly expressed to all members of the Company, and provide operating guidance for the management team. All Directors should act with integrity, lead by example, and promote the desired corporate culture.

Mission:
Warming the world

The Group will stay true to its original mission of warming the world. With a focus on human development, the Group strives to deliver exceptional craftsmanship and quality, provide sincere and thoughtful services, drive technological innovation, and create shared values that build upon customers' love and trust for a better life.

Vision:
Being the leading fashionable, technological and functional apparel group in the world

The Group is committed to building a leading organization in terms of scale, with a global market presence and excellent operations, and which is to become the preferred brand for customers, the best employer for employees, an environmentally friendly enterprise that co-exists with partners harmoniously and a trend leader, expert in down apparel as well as a functional expert, which promotes industrial upgrading, leading the sustainable and healthy development of the industry, and gaining social respect.

Core Values:
Customers Foremost, Openness and Innovation, Results Driven, Striving for the Best

The Group is committed to meeting the evolving needs of its customers and has built four major capabilities: leading brands, leading products, retail upgrades, and high product quality and quick response, in order to provide high-quality products and services to customers. Honesty and trustworthiness are at the core of the Group's values, and it upholds the principles of taking the right path, abiding by rules, being responsible and benefiting others. The Group faces challenges without fear, stays abreast of the latest trends, fosters teamwork, strives to be a pioneer in its industry and embodies a positive and entrepreneurial spirit. The Group dares to innovate and push beyond boundaries, adapting to changes with an open and inclusive mindset that respects professionalism. The Group's operational concept focuses on providing excellent services to its customers, relying on its physical stores and prioritizing the needs of its customers. The Group establishes shared values, responsibility and work standards that are aligned with the global business environment.

Corporate Strategy:

The Group has established the development vision of "Being the leading fashionable, technological and functional apparel group in the world", clarified the strategic direction of "focusing on principal business and key brands" by regarding our mission as our foundation, centering on customers, regarding our brands as leaders, and driving our development by innovation. By focusing on the main theme of "fashionable, functional and technological apparel", the Group continues to consolidate the four core competencies in "leading brands, leading products, retail upgrades and high product quality and quick response" and the two security systems in relation to "organization, mechanism, culture and talent development and digital operation" and has devoted its efforts to realizing Bosideng's original mission of "Warming the world".

The Group regards empowering employees internally, warming customers externally and giving back to society as its responsibility, and unswervingly strives towards the development goal of "creating a 100-year brand, building a 100-year enterprise" by advocating and practicing the concept of "sustainable fashion".

BOARD OF DIRECTORS

DUTIES OF THE BOARD OF DIRECTORS

The Board is charged with providing effective and responsible leadership for the Company. The Board takes responsibility to oversee all major matters of the Company, including the formulation and approval of the Group's overall purposes, values and strategies, internal control and risk management systems and internal audit function, monitoring its operational and financial performance and evaluating the performance of the senior management of the Group. The Directors, individually and collectively, have to make decisions objectively in the best interests of the Company and its shareholders.

The role of the Board includes convening shareholders' meetings and reporting their work to shareholders in shareholders' meetings, implementing the resolutions of the shareholders' meetings, determining the Group's business plans and investment plans, preparing the Group's annual budget and final accounts, putting forward proposals for dividend and bonus distributions and for the increase or reduction of registered or issued share capital, formulating proposals for share repurchases in accordance with any repurchase mandate granted by the shareholders as well as exercising other powers, functions and duties as conferred by the Articles. The Board is also responsible for performing the corporate governance duties set out in code provision A.2.1 of the Code. The Directors are continually updated with the most up-to-date regulatory requirements, business activities and development of the Company to facilitate the discharge of their responsibilities through regular Board meetings and by acting in good faith and with due diligence and care. During the Year, the following were discussed during Board meetings: (i) developing and reviewing the Group's policies and practices on corporate governance and making recommendations; (ii) reviewing and monitoring the training and continuous professional development of the Directors and senior management of the Group; (iii) reviewing and monitoring the Group's policies and practices on compliance with legal and regulatory requirements; (iv) developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to the Directors and employees of the Group; and (v) reviewing the Group's compliance with the Code and disclosure in this annual report.

THE COMPOSITION OF THE BOARD

As at July 20, 2026 (being the Latest Practicable Date), the Board consisted of eight Directors, of whom five are executive Directors and three are independent non-executive Directors. The executive Directors are responsible for implementing business strategies and managing the business of the Group in accordance with all applicable laws, rules and regulations, including but not limited to the Listing Rules. All Directors (including the independent non-executive Directors) have been consulted on all major and material matters of the Group. The Company maintains appropriate Directors' and senior management's insurance.

THE ROLES OF THE CHAIRMAN OF THE BOARD AND CHIEF EXECUTIVE OFFICER

Code provision C.2.1 of the Code provides that the roles of the chairman and chief executive officer should be separate and should not be performed by the same individual.

Mr. Gao Dekang is the founder of the Group, the chairman of the Board and the CEO. The Board believes that it is necessary to vest the roles of the chairman and the CEO in the same person due to Mr. Gao Dekang's unique role, his experience and well-established 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 for effective business planning and the decision-making of the Company. As all major decisions are made in consultation with members of the Board and relevant Board committees, and there are independent non-executive Directors on the Board offering independent perspectives, the Board is of the view that there are adequate safeguards in place to ensure a sufficient balance of powers within the Board.

The Board will continue to review and monitor the practices of the Company for the purpose of complying with the Code and maintaining a high standard of corporate governance practices within the Company.

THE INDEPENDENCE OF THE BOARD

During the Year, the Board reviewed the implementation and effectiveness of mechanisms to ensure independent views and input are available to the Board on an annual basis. Taking into account the following measures, the Board is of the opinion that those are proper, adequate and/or effective:

- the Board has appointed three independent non-executive Directors (representing more than one-third of the Board) and all of them continue to devote adequate time to the Company;
- the independent non-executive Directors enjoy equal status with other Board members;
- all independent non-executive Directors share their views and opinions through regular meetings;
- the chairman of the Board holds annual meetings with all independent non-executive Directors without the presence of other Directors, providing an effective platform for the chairman of the Board to listen to independent views on various issues concerning the Group;
- interaction with the management and other Board members, including the chairman of the Board, outside of the boardroom, upon request by the Directors;
- independent professional advice would be provided to independent non-executive Directors upon reasonable request to assist them in performing their duties to the Company; and
- the Board reviews its structure, size, composition (including the skills, knowledge and experience) and the Board Diversity Policy at least once a year to maintain a balanced composition of executive Directors and non-executive Directors (including independent non-executive Directors).

During the Year, the Board had met the requirements of Rules 3.10 and 3.10A of the Listing Rules of having at least three independent non-executive Directors (representing at least one-third of the Board) with one of them (namely, Dr. Ngai Wai Fung) possessing the appropriate accounting professional qualifications.

The independent non-executive Directors bring a variety of experience and expertise to the Company. Each of the independent non-executive Directors has confirmed his independence in writing pursuant to Rule 3.13 of the Listing Rules. The Directors are of the view that all independent non-executive Directors have met the independence guidelines set out in Rule 3.13 of the Listing Rules.

Save as disclosed in the section headed "Directors and Senior Management" in this annual report, there is no relationship (including financial, business, family or other material or relevant relationship) between each Director (including the independent non-executive Directors) and the other members of the Board or the senior management of the Group.

BOARD EFFECTIVENESS

The Board recognizes that conducting regular evaluation of its performance is essential to good corporate governance and Board effectiveness. During the Year, an internal board performance evaluation was conducted. The evaluation focused on the six dimensions of an effective board:

- board composition and skills: evaluate whether the Board possesses the appropriate mix of skills, expertise, experience, and diversity to achieve strategic objectives;
- board dynamics: assess whether there is a clear division of roles and responsibilities among Board committees, and the communication among all Directors;
- board proceedings: review the overall efficiency and effectiveness of Board meetings and the supply of and access to information;
- compliance and training: assess whether sufficient training resources are provided to keep Directors updated on the latest industry and regulatory compliance developments;
- risk management: monitors whether the Board regularly discusses, reviews and maintains effective oversight of the Group's risk management and internal control systems; and
- stakeholder engagement: measures whether the Board maintains regular interactions and open, effective channels of communication with shareholders and other key stakeholders.

The process of Board evaluation is summarized as below:

- evaluation approach and scope clarified;
- questionnaires completed by Directors; and
- evaluation results presented to the Board and action plan proposed.

The evaluation noted that the Board is effective with the following core strengths underpinning its performance:

- deep industry expertise and strong professional commitment of Directors;
- well-structured and well-governed committees under the Board, and clear division of roles and responsibilities among Directors;
- supportive training for Directors covering diverse aspects of governance and operations;
- risk management and internal control monitoring systems reviewed periodically by the Board;
- well-structured Board meetings, high-quality materials and efficiently administered governance; and
- the Board's open, collaborative culture, marked by mutual respect inside and outside the boardroom.

BOARD MEETINGS

During the Year, the Board convened a total of two Board meetings based on the needs of the operations and business development of the Group, instead of holding at least four Board meetings during the Year as required under Code Provision C.5.1 of the Code. Each Board meeting had been arranged to discuss multiple topics and resolutions. During the Year, the Directors were provided with all relevant information on an ongoing basis to enable them to stay informed of the Group's development progress and to make swift decisions as required. The Company will consider holding more regular Board meetings in the coming year to comply with the requirements under the said code provision.

The composition of the Board and their respective attendance at the Board meetings and the Board committee meetings convened during the Year, as well as the annual general meeting held on August 20, 2025, are as follows:

	Board Meetings	Audit Committee Meetings	Remuneration Committee Meetings	Nomination Committee Meeting	Annual General Meeting
Executive Directors					
Mr. Gao Dekang *(Chairman of the Board and CEO)*	2/2	N/A	1/1	1/1	1/1
Ms. Mei Dong	2/2	N/A	N/A	N/A	0/1
Ms. Huang Qiaolian	2/2	N/A	N/A	N/A	0/1
Mr. Rui Jinsong	2/2	N/A	N/A	N/A	0/1
Mr. Gao Xiaodong	2/2	N/A	N/A	N/A	0/1
Independent non-executive Directors					
Mr. Dong Binggen	2/2	2/2	1/1	1/1	0/1
Mr. Wang Yao	2/2	2/2	1/1	1/1	0/1
Dr. Ngai Wai Fung	2/2	2/2	N/A	N/A	1/1

Meeting minutes of the Board and its committees are maintained by the company secretary and are available for inspection by Directors and the auditors of the Company. Such minutes recorded the matters considered and decisions reached at the relevant meetings in sufficient detail. Directors may also provide comments on and propose amendments to the meeting minutes.

AUDIT COMMITTEE

The Audit Committee was established by the Company on September 15, 2007, whose primary duties are to review and supervise the financial reporting process and internal control procedures of the Group, nominate and monitor the external auditor, and perform other duties and responsibilities as assigned by the Board. Please refer to the terms of reference of the Audit Committee published on the websites of the Company and the Stock Exchange for the principal roles and functions of the Audit Committee. The Financial Statements have been reviewed by the Audit Committee and audited by KPMG, the Company's external auditor. As at July 20, 2026 (being the Latest Practicable Date), the Audit Committee comprised three independent non-executive Directors (i.e. Dr. Ngai Wai Fung (Chairman), Mr. Dong Binggen and Mr. Wang Yao).

During the Year, the Audit Committee held two meetings and the major works performed during the Year are summarized as follows:

- review, and make recommendation for the Board's approval, of the 2024/25 annual results and 2025/26 interim results of the Group, as well as the financial information contained therein with a focus on compliance with accounting and auditing standards, the Listing Rules and other requirements in relation to financial reporting and the reports prepared by the external auditor relating to accounting matters and other major findings identified during the course of the interim review and annual audit;
- review of the continuing connected transactions of the Group;
- review of the accounting policies adopted by the Group and matters related to common accounting practices;
- review of the nature and scope of audit;
- discussion with the external auditor and the management on possible accounting risks;
- assist the Board to evaluate the efficiency of the financial reporting procedures, and the systems of internal control and risk management;
- review of and monitor the scope, effectiveness and results of the internal audit function, so as to ensure co-ordination between the internal and external auditors and to ensure that the internal audit function is adequately resourced and has appropriate standing within the Group;
- approval of the audit fees and terms of engagement of the external auditor; and
- review of the external auditor's qualifications, independence and performance, and make recommendation for the Board's re-appointment of the external auditor.

During the Year, the Board had no disagreement with the Audit Committee's view on the re-appointment of the Company's external auditor.

REMUNERATION COMMITTEE

The Remuneration Committee was established by the Company on September 15, 2007, whose primary duties are to determine the remuneration packages of individual executive Directors and senior management of the Group based on the Company's operating results, individual performance and comparable market statistics. Please refer to the terms of reference of the Remuneration Committee published on the websites of the Company and the Stock Exchange for the principal roles and functions of the Remuneration Committee.

As at July 20, 2026 (being the Latest Practicable Date), the Remuneration Committee consisted of one executive Director and two independent non-executive Directors (i.e. Mr. Wang Yao (Chairman), Mr. Gao Dekang and Mr. Dong Binggen).

During the Year, the Remuneration Committee held one meeting and reviewed the Group's policy on remuneration of all the Directors and senior management of the Group, assessed performance of executive Directors, approved the terms of executive Directors' service contracts, reviewed and approved matters relating to the share schemes and reviewed the Group's remuneration framework, including the performance evaluation and incentives mechanism. The Remuneration Committee, after assessing the performance of the Directors, had also determined the remuneration packages of all executive Directors and senior management of the Group (i.e. the model disclosed in code provision E.1.2(c)(i) of the Code was adopted) and made recommendations to the Board on the remuneration of the independent non-executive Directors (i.e. as required under code provision E.1.2(d) of the Code). The Remuneration Committee noted that the Board has not resolved to approve any remuneration or cooperation arrangements with which the Remuneration Committee has disagreed with.

Pursuant to code provision E.1.5 of the Code, the annual remuneration of the members of the senior management of the Group by band for the Year are set out below:

Remuneration band	Number of persons
RMB1,500,001 to RMB2,000,000	1
RMB2,500,001 to RMB3,000,000	1
RMB3,000,001 to RMB3,500,000	1
RMB5,500,001 to RMB6,000,000	1
RMB9,000,001 to RMB9,500,000	1

Note: The members of the senior management of the Group disclosed above refer to employees other than Directors.

NOMINATION COMMITTEE

The Nomination Committee was established by the Company on September 15, 2007, whose primary functions are to determine the nomination policy for the Directors, review the structure, size, diversity and composition of the Board, identify individuals suitably qualified to become Board members with reference to the candidates' experience and qualifications and the Company's corporate strategy and diversity policy, assess the independence of independent non-executive Directors and select and make recommendations to the Board regarding candidates to fill vacancies on the Board. The Board is ultimately responsible for the selection and appointment of new Directors. Please refer to the terms of reference of the Nomination Committee published on the websites of the Company and the Stock Exchange for the principal roles and functions of the Nomination Committee.

As at July 20, 2026 (being the Latest Practicable Date), the Nomination Committee consisted of one executive Director and two independent non-executive Directors (i.e. Mr. Gao Dekang (Chairman), Mr. Dong Binggen and Mr. Wang Yao).

The Nomination Committee noted that all the independent non-executive Directors have served for more than nine years, and is aware of the requirement to appoint a new independent non-executive Director at the AGM by the Company pursuant to code provision B.2.4(b) of the Code. The Group will take practical steps to appoint a new independent non-executive Director as and when appropriate. The Nomination Committee 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.

During the Year, the Nomination Committee held one meeting and performed various duties, including reviewing the structure, number and composition (including the skills, knowledge and experience) of the Board and senior management of the Group, assessing the independence of independent non-executive Directors, making recommendations to the Board on matters relating to the succession of Directors and disclosing the policy on nomination of Directors during the Year, including the nomination process adopted by the Nomination Committee for Director candidates and the selection and recommendation criteria during the Year.

BOARD DIVERSITY

The Board adopted the Board Diversity Policy setting out the approach to achieve the diversity of members of the Board, and the nomination policy for the Directors is embedded within the Board Diversity Policy. The Company recognizes and embraces the benefits of diversity of the Board members and strives to have high transparency in the selection process of the Board. It endeavors to ensure that the Board has a balance of skills, experience and diversity of perspectives that are appropriate to the requirements of the Company's business. All Board appointments are made on a merit basis with due regard for the benefits of diversity of the Board members. Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, experience (professional or otherwise), skills and knowledge. The ultimate decision will be made upon the merits and contribution that the selected candidates will bring to the Board.

During the Year, the Company continued to comply with its Board Diversity Policy, and the Board considered that it has a balanced mix of knowledge and skills, including knowledge and experience in the areas of business management, the textile industry, auditing, accounting and compliance. The Directors obtained degrees in various majors including business management, legal regulatory, accounting and finance.

Furthermore, the Board consists of a wide range of ages, ranging from 50 years old to 76 years old. The current gender ratio of all employees of the Group is approximately 80.9% (female) to approximately 19.1% (male), and the percentage of female general management and above was 52.5%, which is 0.7 percentage points higher than in FY2024/25. The Group will also continue to take steps to promote gender diversity at all levels of the Group, including but without limitation at the Board and the management levels, and continue to take opportunities to increase the proportion of female Board members over time as and when suitable candidates are identified, subject to the Board being satisfied with the competence and experience of the relevant candidates after a comprehensive review process based on reasonable criteria. The Group will also try to ensure gender diversity when recruiting staff at the senior level and engage more resources in training staff with the aim of promoting them to the senior management or directorship of the Company, and will continue to apply the principle of merit-based recruitment with reference to our diversity policy as a whole. All Directors, including independent non-executive Directors, have brought a variety of valuable business experiences, knowledge and professional skills to the Board for its efficient and effective operation. Independent non-executive Directors are invited to serve on the Board Committees namely, the Audit Committee, the Remuneration Committee and the Nomination Committee.

As at the date of this annual report, the Board comprises eight Directors, which includes five executive Directors and three independent non-executive Directors. Details of the current members of the Board are set out as follows:

Gender		Male	Female
		6	2
Nationality			**Chinese**
			8
Age group	**50-59**	**60-69**	**70-79**
	3	3	2
Length of service		**6-10 years**	**Over 10 years**
		1	7

Biographies of the Directors (including their ages and appointment dates) are set out in the section headed "Directors and Senior Management" in this annual report.

DIRECTORS' TRAINING AND CONTINUOUS PROFESSIONAL DEVELOPMENT

All Directors have received comprehensive, formal and tailored induction on appointment, so as to ensure their understanding of the business and operations of the Group and Directors' responsibilities and obligations under the Listing Rules, the SFO and other relevant regulatory requirements.

All Directors are continually updated on developments in the relevant statutory and regulatory regimes, and the latest business and market changes to facilitate the discharge of their responsibilities and obligations under the Listing Rules and the relevant statutory requirements. Directors were also provided with quarterly reports on the Group's ESG, industry insights and business updates. Briefings and professional development for Directors will be arranged when necessary.

Pursuant to the requirements of code provision C.1.4 of the Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills, and should provide their training records to the Company. According to the training records provided by the Directors, the training attended by them during the Year is summarized as follows:

Directors	Board and directors' duties	Listing Rules, statutory and regulatory compliance	Corporate governance and ESG	Risk management and internal controls	Industry-specific and the Group's business updates
Executive Directors					
Mr. Gao Dekang	✓	✓	✓	✓	✓
Ms. Mei Dong	✓	✓	✓	✓	✓
Ms. Huang Qiaolian	✓	✓	✓	✓	✓
Mr. Rui Jinsong	✓	✓	✓	✓	✓
Mr. Gao Xiaodong	✓	✓	✓	✓	✓
Independent non-executive Directors					
Mr. Dong Binggen	✓	✓	✓	✓	✓
Mr. Wang Yao	✓	✓	✓	✓	✓
Dr. Ngai Wai Fung	✓	✓	✓	✓	✓

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its code of conduct regarding Directors' securities transactions. Directors are reminded of their obligations under the Model Code on a regular basis. Following specific enquiry by the Company, all Directors have confirmed that they had complied with the required standards set out in the Model Code throughout the Year and up to the date of this annual report. During the Year, the Company has also adopted a code of conduct for securities transactions by employees on terms no less exacting than the standard set out in the Model Code for employees who are likely to be in possession of unpublished inside information of the Company to comply with the requirements to deal in the securities of the Company.

No incident of non-compliance in relation to the guidelines of the Model Code by the Directors or relevant employees was noted by the Company during the Year.

APPOINTMENTS, RE-ELECTION AND REMOVAL OF DIRECTORS

Each of the executive Directors has entered into a service contract with the Company, and each of the independent non-executive Directors has entered into an appointment letter with the Company, both of which are for a fixed term of three years and renewable automatically for a successive term of one year, until terminated by either party by giving a three-month written notice. Each Director is subject to retirement by rotation and re-election at the annual general meeting of the Company every three years in accordance with the Articles. The Articles provide that any Director appointed by the Board to fill a casual vacancy or as an addition to the existing Board shall hold office until the first annual general meeting after his/her appointment and be subject to re-election at the annual general meeting.

DELEGATION OF BOARD'S POWER

The Articles set out matters specifically referred to the Board for decision. To enhance efficiency, the Board delegates day-to-day responsibilities and operations to the senior management of the Group under the supervision of the Board. The management team meets regularly to review and discuss with the executive Directors on day-to-day operational matters, financial and operational performance and to monitor and ensure proper implementation by the management of the Group of policies and strategies set by the Board.

INTERNAL CONTROL AND RISK MANAGEMENT AND INTERNAL AUDIT FUNCTION

INTERNAL CONTROL AND RISK MANAGEMENT PROCESS

The Board acknowledges its responsibility over the risk management and internal control systems, reviewing their effectiveness and maintaining a sound and effective internal audit function of the Group. The risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. Under the internal control and risk management systems of the Group, the processes used to identify, evaluate and manage significant risks by the Group are summarized as follows:

- risk identification: identify risks that may potentially affect the Group's business and operations;
- risk assessment: assess the risks identified by using the assessment criteria developed by the management, and consider the impact and consequences on the business and the likelihood of their occurrence;
- risk response: prioritize risks by comparing the results of the risk assessment, and determine the risk management strategies and internal control processes to prevent, avoid or mitigate the risks; and
- risk monitoring and reporting: perform ongoing and periodic monitoring of the risks and ensure that appropriate internal control processes are in place, revise risk management strategies and internal control processes in case of any significant change of circumstances, and report the results of risk monitoring to the management and the Board regularly.

Furthermore, set out below are the main features of the said systems:

- risk management and internal control procedures have been designed to identify risks, safeguard assets against misappropriation and disposition, and to protect the interests of stakeholders;

- comprehensive management accounting system to provide financial and operational performance assessment, proper maintenance of accounting records for the provision of reliable financial information used for reporting or for publication; and

- strict compliance with relevant laws, rules and regulations, strict prohibition on unauthorized access and use of confidential, sensitive or inside information.

The Group has established a "three-tier" risk management framework, clearly defining the responsibilities of each department in risk management. The business departments serve as the first line of defense, identifying key risk points based on business scenarios, and conducting reasonable risk assessments and contingency planning. The main functional departments act as the second line of defense, establishing comprehensive risk management systems across the entire business chain and collaborating with the business units to optimize risk control processes. The internal audit and other monitoring departments serve as the third line of defense, responsible for independently verifying the effectiveness and reliability of major risks and internal controls. The Board has conducted reviews of its systems of internal control and risk management semi-annually, through the Audit Committee, to ensure the effectiveness and adequacy of the systems. Key processes used to conduct the said reviews include considering the internal control evaluations conducted by the management and the internal and external auditors as well as the adequacy of resources, staff qualifications and experience, training programs and budget of the Group's accounting, internal audit and financial reporting functions, as well as those relating to environmental, social and governance performance and reporting. In the event that any material internal control defects are identified during the reviews, the Audit Committee will review the actions performed or the plans to be carried out by the management in addressing the issues and defects regarding the internal control and risk management systems. The corresponding remedial plans and recommendations to resolve such defects will then be submitted to the Board for consideration. The Board convened meetings with the Audit Committee semi-annually to discuss financial, operational and risk management controls. The Directors are of the view that the existing systems of internal control and risk management are effective and adequate to the Group.

The Company has an internal audit function, the effectiveness of which had been reviewed by the Audit Committee during the Year. Further information about the Audit Committee, including its work during the Year, is set out in the section headed "Audit Committee" in this annual report.

WHISTLEBLOWING POLICY

The whistleblowing policy has been put in place to enable all employees and other parties who have dealings with the Group (e.g. customers, suppliers, creditors and debtors, etc.) to report any misconduct, malpractice or irregularity within the Group. This policy allows individuals to raise concerns in writing by post, by email or by phone to the audit and supervision center which has been delegated by the Audit Committee (the "Audit and Supervision Center") to supervise and implement the day-to-day operations of such policy. Reports made under this policy will be treated with utmost confidentiality and anonymity. If there is sufficient evidence to reasonably suggest that a case involving a possible criminal offence or element of corruption exists, the Audit and Supervision Center will report to the CEO and/or the Audit Committee. After consulting the legal advisors of the Company, the matter will be reported to the relevant local authorities as soon as reasonably practicable in accordance with the relevant laws and regulations, and the Company's rules and regulations. For details regarding the whistleblowing policy, please refer to the Corporate Governance page on the website of the Company.

ANTI-CORRUPTION POLICY

The Group has formulated its own anti-corruption policy to ensure that all Directors, senior officers, employees and contractual workers of the Group (the "Applicable Personnel") comply with the Prevention of Bribery Ordinance (Chapter 201 of the Laws of Hong Kong) (the "POBO"), as well as other relevant laws of other countries or regions as applicable, to avoid any criminal and civil penalties as provided under the POBO and such other relevant anti-corruption laws of other countries or regions, and to mitigate the risk of any reputational damage that may arise from the Group's involvement in any form of bribery, corruption, money laundering and financing of terrorism, whether in Hong Kong or elsewhere. The policy includes specific requirements for integrity and conduct and outlines the policies and controls in place which apply to all levels of Applicable Personnel. The policy is regularly reviewed to ensure that it remains effective in preventing corruption and maintaining the Group's commitment to ethical business practices. For details regarding the anti-corruption policy, please refer to the Corporate Governance page on the website of the Company.

INSIDE INFORMATION DISCLOSURE POLICY

The Group has formulated the inside information disclosure policy to prevent the misuse of inside information and avoid conflicts of interest. All Directors and those employees who could have access to or monitor the information of the Group are responsible for taking appropriate precautions to prevent abuse or misuse of such information. Employees of the Group are prohibited from using inside information for their own benefit. The Board is also vested with the responsibility to disseminate to the shareholders of the Company and the public any inside information in the form of announcements, in accordance with the Listing Rules. For details regarding the inside information disclosure policy, please refer to the Corporate Governance page on the website of the Company.

DIRECTORS AND AUDITOR'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledge that it is their responsibility to oversee the preparation of the financial statements for each financial period to ensure that they give a true and fair view of the state of affairs, results and cash flow of the Group.

In preparing the Financial Statements, the Directors have selected suitable accounting policies and applied them consistently, adopted appropriate International Financial Reporting Standards, made prudent and reasonable judgments and estimates, and prepared the Financial Statements on a going concern basis. The Directors also warrant that the Financial Statements will be published in a timely manner.

The statement of the auditor of the Group about their reporting responsibilities on the Financial Statements is set out in the section headed "Independent Auditor's Report" on pages 120 to 127 of this annual report.

AUDITOR'S REMUNERATION

During the Year, the fees charged by the Company's external auditor, KPMG, for audit and non-audit services are set out below:

	RMB'000
Audit services (including interim financial report review services)	**5,600**
Non-audit services (including tax advisory, compliance and other special audit services)	**674**
Total	**6,274**

The Audit Committee is responsible for making recommendations to the Board as to the selection, appointment, re-appointment, resignation and/or dismissal and the remuneration of the external auditor, which are subject to the approval by the Board and at the annual general meetings of the Company by its shareholders.

Certain factors that the Audit Committee will take into account when assessing the external auditor include the audit performance, quality, objectivity and independence of the auditor.

COMPANY SECRETARY

During the Year, Ms. Liang Shuang was the Company Secretary and she had taken no less than 15 hours of professional training. The biography of Ms. Liang is set out in the section headed "Directors and Senior Management" of this annual report.

SHAREHOLDER

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTOR RELATIONS

The Company is committed to strictly complying with the provisions of the Listing Rules in the disclosure of information and any other information that may significantly impact the decisions of the shareholders of the Company and other relevant parties on a true, accurate, complete and timely basis. In accordance with the good faith principle, the Company ensures that all of its shareholders have equal access to such information. The Company has duly fulfilled its statutory obligations in respect of information disclosures.

Effective communication with investors is a top priority for the management of the Group. Since the listing of the Company in October 2007, the executive Directors (including the CEO) and the senior management of the Group have held regular briefings and results presentations, attended investors' forums and responded to investors' call-in enquiries, arranged site visits and participated in roadshows, reverse roadshows, face-to-face meetings, and telephone conferences, to communicate with institutional investors and financial analysts in mainland China, Hong Kong, China and overseas countries. These efforts are aimed at keeping investors abreast of the latest updates on the Company's business and development as well as its operating strategies and prospects. The Company values the advice and feedback of its investors and strives to develop an interactive and mutually beneficial relationship with them. By listening to their input, the Company can better meet the needs and expectations of its investors, which ultimately benefits both the Company and its shareholders.

Shareholders and investors of the Company who wish to make inquiries to the Company can contact us via mail, email, telephone, or fax. The contact address and details are as follows:

Address: Unit 5709, 57/F., The Center
99 Queen's Road Central
Central, Hong Kong

Email: bosideng_ir@bosideng.com
Tel: (852) 2866 6918
Fax: (852) 2866 6930

The Company has established a shareholders' communication policy. For details, please refer to the Corporate Governance page on the website of the Company.

SHAREHOLDERS' RIGHTS

Shareholders of the Company may request to convene extraordinary general meetings. Pursuant to Article 58 of the Articles, any one or more shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary (i) to require an extraordinary general meeting to be called by the Board for the transaction of any business or resolution specified in such requisition; (ii) to add resolutions in the meeting agenda; and (iii) such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may convene a physical meeting at only one location which will be the principal meeting place, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board to hold such meeting shall be reimbursed to the requisitionist(s) by the Company.

Shareholders of the Company may put forward proposals at general meetings of the Company by sending the same to the Company, either by post, by email or by facsimile (the contact details are set out in the section headed "Communications with Shareholders and Investor Relations" above), specifying his/her information, contact details and the proposal(s) he/she intends to put forward at the general meeting regarding any specified transaction/business and the supporting documents.

During the Year, the Company has reviewed the implementation and effectiveness of its shareholders' communication policy and considered that the policy was effectively implemented with the measures as disclosed under the sections headed "Communications with Shareholders and Investor Relations" and "Shareholders' Rights" above.

DIVIDEND POLICY

The Board has adopted the Dividend Policy setting out the appropriate procedures on recommending and declaring the dividend payment of the Company. The Dividend Policy aims to allow the shareholders of the Company to share the Company's profits whilst preserving the Company's liquidity to capture future growth opportunities. The dividend distribution decision of the Company will depend on, among other factors, its financial results, cashflow, current and future operations and liquidity and capital requirements. In addition to the declaration of dividends based on the foregoing, the Board may also declare special dividends from time to time. The Dividend Policy will be reviewed by the Board on a regular basis. For details regarding the Dividend Policy, please refer to the Corporate Governance page on the website of the Company.

MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE COMPANY

During the Year, no amendments were made by the Company to the memorandum of association and the Articles.

Directors and Senior Management

EXECUTIVE DIRECTORS

Mr. Gao Dekang, born in 1952, is the Chairman and the CEO and a director of certain subsidiaries of the Group. He is a representative of the 10th to 12th National Congress and a National Model Worker (全國勞動模範). He is the founder of the Group and Bosideng brand, and was appointed as an executive Director in July 2006. He is responsible for the overall strategic development of the Group. He has over 50 years of experience in the apparel industry. He is a senior economist and a senior engineer and received an EMBA degree and a Master's degree in business management.

Mr. Gao has held the following public offices:

Year	Public Offices
2019	Vice President and member of the Presidium of the 6th China Federation of Industrial Economics
2021	Vice President of the 5th Council of the China National Light Industry Council
2022	Special Invitee Vice President of the 5th China National Textile and Apparel Council
2023	Chairman of the Textile and Garment Chamber of Commerce, All-China Federation of Industry and Commerce
2024	Honorary President of the 8th Council of the China National Garment Association
2024	Specially Appointed Vice President of the 9th Council of the China Commerce Association for General Merchandise
2026	Honorary Vice President of the China Society for Promotion of the Guangcai Program

Mr. Gao has been widely recognized throughout the years:

Year	Award
1993	Special Contributor to the Development of China's Apparel Industry
1997	Special Contribution Award by the Chinese Young Volunteers Association
1998	Outstanding factory manager (manager and chairman) of China
2000	Merit in the Apparel Industry in the PRC
2001	Special Contribution Award for the Mother River Protection Operation
2005	Palmery Contribution and Exploit Award in the China Feather and Down Garments Industry
2005	Down apparel expert in China
2005	Outstanding Persons of the Textile Brand Culture Development of the PRC
2006	National Title of "Outstanding Staff Caring Private Entrepreneur"
2006	2006 Brand China Person of the Year
2006	2006 CCTV China Economic Person of the Year
2007	Top ten business leaders in China
2008	Global Leader of Chinese Entrepreneurs
2009	Excellent Contributor of Chinese Socialism

Year	Award
2009	Outstanding Administrator of the 30th Anniversary for Total Quality Control in the PRC
2011	Leader of the Textile and Apparel Industry in China
2011	2011 Forbes 25 Influential Chinese in Global Fashion
2012	The 7th China Charity Award
2012	China's Outstanding Quality People
2013	Special Contributor to the Textile Enterprises Culture Construction in the PRC
2015	2014-2015 Outstanding Persons in the Enterprises Culture Construction in the PRC
2015	Most Respected Entrepreneur of China in 2015 by Hurun Report
2017	Person of the Year in Innovation for the Textile Industry in the PRC
2017	CCTV's Charitable Person of the Year
2018	The Pioneer of China's Feather and Down industry
2018	Outstanding Persons in the Textile Industry of 40 years of Reform and Opening up
2018	Craftsman of the Nation in the Light Industry
2019	Commemorative Medal Celebrating the 70th Anniversary of the Founding of the People's Republic of China
2020	China National Light Industry Council 1st Class Science and Technology Progress Award
2020	Role Model in the PRC Textile Industry's Fight Against COVID-19
2021	Innovative Person of the 13th Five-year Plan for the PRC Textile Industry
2022	Annual National Excellent Entrepreneur awarded by China Enterprise Confederation (中國企業聯合會) and China Enterprise Directors Association (中國企業家協會)
2022	Annual National Excellent Textile Entrepreneur awarded by China National Textile and Apparel Council
2022	Meritorious Entrepreneur in China's Down Apparel Industry awarded by China Feather and Down Industrial Association
2022	Contributor to the Talent Development in the PRC Textile Industry awarded by China National Textile and Apparel Council
2022	Outstanding Brand Figure of China Textile and Apparel awarded by China National Textile and Apparel Council
2022	Jiangsu Advanced Individual with Outstanding Contribution in Manufacture
2024	Outstanding Individual of the Year for Distinguished Contributions to Philanthropy
2025	Innovative Entrepreneur under the Manufacturing Talent Support Program issued by Ministry of Industry and Information Technology of the People's Republic of China

Mr. Gao is the spouse of Ms. Mei Dong (an executive Director and the Executive President of the Company) and the father of Mr. Gao Xiaodong (an executive Director and a Vice President of the Company).

Ms. Mei Dong, aged 58, is an executive Director and the Executive President of the Company. Ms. Mei was appointed as an executive Director in July 2006 and is responsible for the overall operation and management of the Group. Ms. Mei is a director and/or legal representative of certain subsidiaries of the Group. She has over 30 years' experience in the down apparel industry. Ms. Mei obtained various awards and honors such as the recognition of "Successful Female Entrepreneur" (巾幗建功) in China and the National Model Worker (全國勞動模範). Ms. Mei joined Bosideng Corporation Limited ("Bosideng Corporation") in June 1994, and remained with the Group after the reorganization of the businesses of the Group prior to its listing. She received an EMBA degree (majoring in Business Administration) from Phoenix International University in New Zealand in 2002. She is the spouse of Mr. Gao Dekang (the Chairman, the CEO, an executive Director and a controlling shareholder of the Company) and the mother of Mr. Gao Xiaodong (an executive Director and a Vice President of the Company).

Ms. Huang Qiaolian, aged 61, is an executive Director and a Vice President of the Company. She is also the General Manager of Shanghai Bosideng Fashion Design and Development Centre Co., Ltd. (a subsidiary of the Company). Ms. Huang was appointed as an executive Director in June 2007. Ms. Huang is responsible for conducting monographic studies on the fashion trends of down apparel, unveiling the fashion trends and researching and developing and designing apparel products. Her works have been displayed in numerous exhibitions in countries such as Korea, Canada and Russia, and in special releases held during the New York Fashion Week and the Milan Fashion Week in 2018 and 2019, respectively. She presented a special fashion release during the China-France cultural exchange in Paris, France, in July 2024. She received various honors such as contemporary renowned designer, one of the top ten fashion designers in China and the contributing designer in publishing research on the garment trends in China. She has over 20 years of experience in the fashion industry. Ms. Huang joined Bosideng Corporation in March 1997 and had remained with the Group since the reorganization of the businesses of the Group prior to its listing. She graduated from the School of Fashion Design in Jiangsu (江蘇服裝設計學校) in 1987, and further studied in Donghua University majoring in High Fashion in 1994 and the Public School of High Fashion in Paris, France (法國巴黎高級時裝公學院) in 1999. She studied in East China Normal University in Shanghai majoring in Business Administration in 2004.

Directors and Senior Management

Mr. Rui Jinsong, aged 53, is an executive Director and the Senior Vice President of the Company. He is the General Manager of the Bosideng brand division and a director of certain other subsidiaries of the Group. He was appointed as an executive Director with effect from May 2013. Mr. Rui is fully responsible for the overall management of the operational management business of the Group's core Bosideng brand. Mr. Rui graduated from Wuxi Light Industry College majoring in Textile Engineering in 1994. He joined Bosideng Corporation in May 2004 and had remained with the Group since the reorganization of the businesses of the Group prior to its listing, from which he acquired practical experience in brand positioning strategy, core competitiveness building and brand operating management.

Mr. Gao Xiaodong, aged 50, is an executive Director and a Vice President of the Company. He joined the Group in 2013 and was appointed as an executive Director in March 2017. Mr. Gao is fully in charge of the Group's diversified apparel business. He is a qualified senior economist and has obtained a master's degree in business administration from Centenary College in 2009. Mr. Gao joined Bosideng Corporation in 2002 and has been serving as its Chairman since January 2024, during which he accumulated tremendous experience in the apparel, highway, real estate and hotel segments. Mr. Gao is the son of Mr. Gao Dekang (the Chairman, the CEO, an executive Director and a controlling shareholder of the Company) and Ms. Mei Dong (an executive Director and the Executive President of the Company).

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Dong Binggen, aged 76, a senior engineer, was appointed as an independent non-executive Director in September 2007. He graduated from Eastern China Textile Institute (currently known as Donghua University) in 1977, and acted as the Vice President of Zhejiang Silk Institute (currently known as Zhejiang Sci-Tech University), the General Manager of China National Garment Industry Corporation (中國服裝工業總公司), the President of China Garment Association* (中國服裝協會), etc.. From February 1997 to December 2023, he worked with Hualian Development Group Co., Ltd. as the Chairman, President and Secretary of the Communist Party Committee, and since December 2023, he was the Honorary Chairman of Hualian Development Group Co., Ltd. Mr. Dong was the Chairman of China Union Holdings Ltd. (SZSE, Stock Code: 000036) from June 2004 to June 2019. He had also been the Chairman of the Shenzhen Textile Industry Association and the President of the Shenzhen Textile Engineering Association. He is currently a member of the Standing Committee and the Invited Vice Chairman of China Textile Industry Association.

Mr. Wang Yao, aged 67, was appointed as an independent non-executive Director in September 2007. Mr. Wang acted as the Vice President of the Commerce Economy Association of China and Vice President (part-time) of the China General Chamber of Commerce. He received a Ph.D. in Engineering from Harbin Institute of Technology in 1989. He also obtained the qualification as a professor-grade senior engineer.

Dr. Ngai Wai Fung, aged 64, was appointed as an independent non-executive Director in September 2007. He is currently the director and chief executive officer of China Resources SWCS Holding Limited and SWCS Corporate Services Group (Hong Kong) Limited. Prior to that, he was a director and the head of listing services of an independent integrated corporate services provider. Dr. Ngai has over 30 years of professional practice and senior management experience, including acting as an executive director, the chief financial officer and a company secretary, most of which are in the areas of finance, accounting, internal control, regulatory compliance, corporate governance and company secretarial work for listed issuers including major red chips companies. He had led or participated in a number of significant corporate finance projects including listings, mergers and acquisitions as well as issuance of debt securities.

Dr. Ngai is currently a Vice Chair of Professional Services Panel of the Hong Kong Chartered Governance Institute (HKCGI), Vice Chairman of the General Committee of the Chamber of Hong Kong Listed Companies, and a member of Governance Committee of Hong Kong Institute of Certified Public Accountants (HKICPA). He was the President of the Hong Kong Chartered Governance Institute (2014-2015), a non-official member of the Working Group on Professional Services under the Economic Development Commission of the Hong Kong Special Administrative Region (2013-2018), a member of the Qualification and Examination Board of the Hong Kong Institute of Certified Public Accountants (2013-2018) and the first batch of Finance Expert Consultants of the Ministry of Finance of the People's Republic of China (2016-2021). He is a fellow of the Association of Chartered Certified Accountants in the United Kingdom, a fellow of the Hong Kong Institute of Certified Public Accountants, a fellow of the Chartered Governance Institute, a fellow of the Hong Kong Chartered Governance Institute, a fellow of The Hong Kong Institute of Directors, a fellow of the Hong Kong Securities and Investment Institute and a member of the Chartered Institute of Arbitrators. Dr. Ngai holds a Doctoral degree in Finance from the Shanghai University of Finance and Economics, a Master's degree in Corporate Finance from The Hong Kong Polytechnic University, a Master's degree in Business Administration from Andrews University of Michigan and a Bachelor's degree in Law from the University of Wolverhampton.

Dr. Ngai is currently an independent non-executive Director of China Energy Engineering Corporation Limited (SEHK, Stock Code: 03996; SSE, Stock Code: 601868). He was an independent non-executive Director of Beijing Capital Grand Limited (SEHK, Stock Code: 01329) from December 2013 to May 2023; an independent non-executive Director of Powerlong Real Estate Holdings Limited (SEHK, Stock Code: 01238) from June 2008 to August 2025; and an independent director of SPI Energy Co., Ltd. (listed on Nasdaq Stock Market, Stock Code: SPI) from May 2016 to January 2025.

SENIOR MANAGEMENT

Mr. Gao Jianting, aged 36, is the Vice President and the General Manager of the International Business Development Center of the Group. Mr. Gao Jianting holds a Bachelor's degree from University of Shanghai for Science and Technology and a Master of Science degree from the University of York in the United Kingdom. Mr. Gao Jianting joined the Group in November 2021 and successively served as the General Manager of Chengdu Retail Company and the General Manager of Shanghai Retail Company. In April 2026, he was appointed as the General Manager of the International Business Development Center of the Group, and is responsible for the overall international business of the Group.

Mr. Zhang Lei, aged 47, is the Vice President and the CHRO of the Group. Mr. Zhang Lei holds a Bachelor's degree in Management from Shandong University and a Master's degree in Business Administration (Finance) from The Chinese University of Hong Kong. Mr. Zhang Lei joined Bosideng International Holdings Limited in November 2024, and is fully responsible for the Group's human resource management.

Ms. Wu Jue, aged 42, is the Chief Financial Officer of the Group (CFO). Ms. Wu holds a Bachelor's degree in Arts from Fudan University in Shanghai and is a Certified Management Accountant (CMA) of the United States. Ms. Wu started her career at PricewaterhouseCoopers and has nearly 20 years of extensive experience with various companies in the retail apparel sector. Ms. Wu joined the Group in June 2025, and is responsible for the overall financial management of the Group.

Mr. Wang Lijun, aged 47, is the Vice President and the General Manager of the OEM Division of the Group. Mr. Wang Lijun graduated from Changshu College (常熟高等專科學校) (currently known as Suzhou University of Technology) majoring in Foreign Trade English in June 2000 and graduated from Nanjing University of Science and Technology with a Master's degree in business administration in June 2014. Mr. Wang Lijun joined Bosideng Corporation in July 2000 and successively served as the business supervisor, business manager, business director and Deputy General Manager of the Foreign Trade Division. In April 2017, he was appointed as the General Manager of the OEM Division, and is responsible for the overall OEM management business of the Group.

Mr. He Maosheng, aged 48, is the Vice President and the General Manager of the Supply Chain Management Center of the Group. Mr. He Maosheng graduated from Jiangxi Institute of Fashion Technology majoring in design and engineering in 1998. He joined Bosideng Corporation in 2010 and successively served as the director of the supply chain of the Group, the assistant to the executive president, the general manager of the Supply Chain Management Center and the Group's Vice President.
He is responsible for the core supply chain functions covering the Group's quality standards, product quality, production and procurement, scientific research and technology, and resource ecosystem.

Mr. Zhu Jun, aged 48, is the Deputy Secretary of the Party Committee, the Vice President and the Secretary General of the Strategic Operation Management Committee of the Group. Mr. Zhu Jun graduated from Wuxi Radio Industrial School (無錫無線電工業學校) (currently known as Jiangsu Vocational College of Information Technology) majoring in Secretarial Studies in 1997. Mr. Zhu Jun joined Bosideng Corporation in July 1997 and successively served as the Head of the Planning Department, Secretary to the President, Assistant to the Vice President, Assistant to the President and Vice President of the Group, and concurrently served as the Chairman of the Bosideng Charity Foundation.

Mr. Zhu Xiangdong, aged 48, is the Vice President of the Group and the General Manager of the Snow Flying Brand Division. Mr. Zhu Xiangdong holds an Executive Master's degree in Business Administration from Fudan University. Mr. Zhu joined Bosideng Corporation in 1999 and successively served as the Business Manager, Brand Manager, National Sales General Manager of the Bengen brand, Regional General Manager, Deputy General Manager and Standing Deputy General Manager of the Bosideng Marketing Company, Assistant to the President of the Group, General Manager of the Snow Flying Brand Division and Vice President of the Group, and is responsible for the overall operation and management of the Snow Flying brand of the Group.

BOARD SECRETARY AND COMPANY SECRETARY

Ms. Chen Hao, aged 41, joined the Group in 2018 and is currently the Board Secretary and the General Manager of the Capital Market Center of the Group. She is principally responsible for the Group's capital market matters, sustainability strategy and ESG management, liaison with regulatory authorities, and compliance and disclosure matters, etc. Ms. Chen has nearly 20 years of experience in corporate finance and capital markets. Ms. Chen holds a Doctorate degree in Business Administration from the University of Hong Kong, and is also a fellow of The Hong Kong Chartered Governance Institute (formerly known as The Hong Kong Institute of Chartered Secretaries) and a fellow of the Hong Kong Investor Relations Association, and possesses the professional qualifications of Chartered Secretary and Chartered Governance Professional.

Ms. Liang Shuang, aged 37, joined the Group in 2018 and was appointed as the Company Secretary in May 2019. Ms. Liang holds a master degree in Accounting and Finance from The University of Warwick. Ms. Liang is a member of The Hong Kong Chartered Governance Institute (formerly known as The Hong Kong Institute of Chartered Secretaries) and is qualified as a Chartered Secretary and a Chartered Governance Professional. She is a fellow of the Hong Kong Institute of Certified Public Accountants and a member of the Institute of Chartered Accountants in England and Wales.

Directors and Senior Management

CHANGES OF INFORMATION OF DIRECTORS UNDER RULE 13.51B(1) OF LISTING RULES

Below is the information relating to the Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the date of the 2025/26 interim report:

- Mr. Wang Yao, an independent non-executive Director, resigned as the Vice President of the Commerce Economy Association of China in January 2026.

Save as disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Report of Directors

The Board presents this annual report, together with the Financial Statements set out in the Auditor's Report contained in this annual report.

PRINCIPAL ACTIVITIES

The Company was incorporated in the Cayman Islands on July 10, 2006 as an exempted company with limited liability. The Group's operations are substantially conducted through its direct or indirect subsidiaries in the PRC. The Group primarily focuses on developing and managing the portfolio of its down apparel brands, which includes research, design and development, raw materials procurement, outsourced manufacturing, and marketing and distribution of branded down apparel products, OEM products and non-down apparel products.

The Group's revenue and net profits attributable to the Shareholders during the Year are set out in the consolidated statement of profit or loss and other comprehensive income on pages 128 to 129 and Note 6 to the Financial Statements in this annual report.

BUSINESS REVIEW

A fair review of the business of the Group, a discussion and analysis of the Group's performance during the Year, the material factors underlying its results and financial position, the future development of the Group's business, and principal business risks and uncertainties are provided in the sections headed "Chairman's Statement", "Management Discussion and Analysis" and "Subsequent Events" on pages 16 to 19, on pages 20 to 72 and page 119 of this annual report, respectively. Additionally, the financial risk management objectives and policies of the Company can be found in Note 37 to the Financial Statements. These discussions form part of this report of Directors.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group has always encouraged environmental protection, strictly complied with environmental regulations and promoted environmental protection awareness among employees. The Group implements strict monitoring through the establishment of an ever-improving environmental management system. For details, please refer to the 2025/26 ESG report of the Company.

COMPLIANCE WITH LAWS AND REGULATIONS

During the Year and up to the date of this annual report, the Group has complied with all the relevant laws and regulations in the places where the Group operates in all material respects.

DEPENDENCE OF EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Group adopts market remuneration practices by reference to market terms, company performance, and individual qualifications and performance with well organized management structures, so that no key and specific employee would materially and significantly affect the Group's success. Meanwhile, there are no major customers or major suppliers that cannot be replaced by other appropriate customers or suppliers. In this connection, no customer or supplier would have any material impact on the success of the Group's business performance.

Report of Directors

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 14 of this annual report.

RESULTS AND DISTRIBUTION

The results of the Group for the Year are set out in the Financial Statements. The Board has resolved to recommend the payment of a final dividend of HKD25.0 cents (equivalent to approximately RMB21.7 cents) per Share in respect of the Year.

NON-CURRENT ASSETS

Details of the acquisition and other movements of non-current assets during the Year are set out in Notes 15 to 22 and Notes 25 to 28 to the Financial Statements.

SHARE CAPITAL

Details of the movement in the Group's share capital during the Year are set out in Note 35 to the Financial Statements.

RESERVES

Details of the movements in the reserves of the Group during the Year are set out in Note 35 to the Financial Statements, of which the reserves available for distribution to Shareholders amounted to approximately RMB6,514.5 million (FY2024/25: approximately RMB6,065.6 million).

BANK BORROWINGS

Details of bank borrowings of the Group as at March 31, 2026 are set out in Note 30 to the Financial Statements.

DONATIONS

The Group's charitable and other donations during the Year amounted to approximately RMB41.0 million (FY2024/25: approximately RMB18.0 million).

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The Directors during the Year and up to July 20, 2026 (being the Latest Practicable Date) were as follows:

Executive Directors:

Mr. Gao Dekang *(Chairman of the Board and CEO)*
Ms. Mei Dong
Ms. Huang Qiaolian
Mr. Rui Jinsong
Mr. Gao Xiaodong

Independent non-executive Directors:

Mr. Dong Binggen
Mr. Wang Yao
Dr. Ngai Wai Fung

All Directors were appointed for a fixed term of three years under their respective service contracts or appointment letters entered into with the Company, renewable automatically for successive terms of one year, until terminated by either party by giving a three-month written notice. In accordance with Article 84 of the Articles, at each annual general meeting of the Company, one-third of the Directors for the time being shall retire from office by rotation and these retiring Directors shall be eligible for re-election at that annual general meeting. Accordingly, Mr. Rui Jinsong, Mr. Gao Xiaodong and Mr. Wang Yao shall retire by rotation at the AGM.

None of the Directors has a service contract with the Company or any of its subsidiaries which is not terminable within one year without payment of compensation, other than statutory compensation.

INDEPENDENCE OF THE INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of its independent non-executive Directors confirmation of his independence pursuant to Rule 3.13 of the Listing Rules and the Board considers the independent non-executive Directors to be independent.

DIRECTORS AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Directors and the senior management of the Group are set out in the section headed "Directors and Senior Management" in this annual report.

DIRECTORS AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES OR DEBENTURES

As at March 31, 2026, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which each of them had taken or deemed to have taken under the provisions of the SFO); or (b) to be recorded in the register required to be kept by the Company pursuant to section 352 of the SFO; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

(i) Long position in Shares

Name of Director	Nature of interest	Number of Shares	Approximate percentage of interest in the Company (Note 1)
Mr. Gao Dekang	Interest of controlled corporation *(Note 2)*	262,479,999	2.24%
	Deemed interest *(Note 3)*	2,763,697	0.02%
	Settlor of discretionary trust and beneficiary of discretionary trust *(Note 4)*	1,314,862,385	11.25%
	Settlor of discretionary trust and beneficiary of discretionary trust *(Note 5)*	611,656,857	5.23%
	Settlor of discretionary trust and beneficiary of discretionary trust *(Note 6)*	2,836,311,202	24.27%
	Settlor of discretionary trust and beneficiary of discretionary trust *(Note 7)*	2,000,000,000	17.12%
Ms. Mei Dong	Deemed interest *(Note 2)*	262,479,999	2.24%
	Beneficial owner *(Note 3)*	2,763,697	0.02%
	Settlor of discretionary trust and beneficiary of discretionary trust *(Note 4)*	1,314,862,385	11.25%
	Settlor of discretionary trust and beneficiary of discretionary trust *(Note 5)*	611,656,857	5.23%
	Settlor of discretionary trust and beneficiary of discretionary trust *(Note 6)*	2,836,311,202	24.27%
	Settlor of discretionary trust and beneficiary of discretionary trust *(Note 7)*	2,000,000,000	17.12%
Ms. Huang Qiaolian	Beneficial owner *(Note 8)*	16,313,697	0.13%
Mr. Rui Jinsong	Beneficial owner *(Note 8)*	29,440,000	0.25%
Mr. Gao Xiaodong	Beneficiary of discretionary trust *(Note 4)*	1,314,862,385	11.25%
	Beneficiary of discretionary trust *(Note 5)*	611,656,857	5.23%
	Beneficiary of discretionary trust *(Note 6)*	2,836,311,202	24.27%
	Beneficiary of discretionary trust *(Note 7)*	2,000,000,000	17.12%

Notes:

1. The percentage represents the number of Shares interested divided by the total number of the issued Shares as at March 31, 2026 of 11,684,471,872.

2. These Shares were directly held by Kong Bo Development Limited. Kong Bo Development Limited is owned as to 80% by Lucky Pure Limited, which is in turn wholly owned by Mr. Gao Dekang. As Ms. Mei Dong is the spouse of Mr. Gao Dekang, Ms. Mei Dong is deemed to be interested in the 262,479,999 Shares interested by Mr. Gao Dekang under the SFO.

3. Mr. Gao Dekang is the spouse of Ms. Mei Dong. Thus, he is deemed to be interested in the 2,763,697 Shares held by Ms. Mei Dong under the SFO.

4. These Shares were directly held by New Surplus, which is wholly owned by Topping Wealth Limited. Topping Wealth Limited is owned as to 50% by Kova Group Limited and 50% by GDK and MD Family Holdings Limited, which are each wholly owned by separate trusts, and the trustee for both trusts is JTC Private Trust (Cayman) Limited (formerly known as Cititrust Private Trust (Cayman) Limited). The trusts are discretionary trusts respectively set up by each of Mr. Gao Dekang and Ms. Mei Dong, for the benefit of his/her family members (including Mr. Gao Xiaodong). Accordingly, each of Mr. Gao Dekang, Ms. Mei Dong and Mr. Gao Xiaodong is deemed to be interested in such Shares under the SFO. Further, Topping Wealth Limited had conferred and assigned all its voting rights in New Surplus to Bo Flying Limited, which is wholly owned by Bosideng Corporation Limited, which in turn is owned as to 75.04% by Kangbo Holdings Group Co., Ltd. and 24.46% by Jiangsu Kangbo Investment Co., Ltd. (a company wholly owned by Mr. Gao Dekang). Kangbo Holdings Group Co., Ltd. is owned as to 81.56% by Jiangsu Kangbo Investment Co., Ltd. and 18.44% by Mr. Gao Dekang. Accordingly, each of Mr. Gao Dekang, Ms. Mei Dong, Kova Group Limited, GDK and MD Family Holdings Limited, Topping Wealth Limited, JTC Private Trust (Cayman) Limited, Bo Flying Limited, Bosideng Corporation Limited, Kangbo Holdings Group Co., Ltd. and Jiangsu Kangbo Investment Co., Ltd. is deemed to be interested in the 1,314,862,385 Shares held by New Surplus under the SFO.

   Mr. Gao Dekang is a director of each of New Surplus, Topping Wealth Limited, Lucky Pure Limited (as mentioned in note 2 above), Bo Flying Limited, Blooming Sky Ventures Limited (as mentioned in note 6 below), Kong Bo Investment Limited (as mentioned in note 6 below), Jiangsu Kangbo Investment Co., Ltd., Bosideng Corporation Limited and Kangbo Holdings Group Co., Ltd.

   Ms. Mei Dong is a director of New Surplus, Topping Wealth Limited, Blooming Sky Ventures Limited (as mentioned in note 6 below and Kong Bo Investment Limited (as mentioned in note 6 below)).

   Mr. Gao Xiaodong is a director of Bosideng Corporation Limited and Kangbo Holdings Group Co., Ltd., and a general manager of Jiangsu Kangbo Investment Co., Ltd.

5. These Shares were directly held by Topping Wealth Limited (as mentioned in note 4 above).

6. These Shares were directly held by Kong Bo Investment Limited. Kong Bo Investment Limited is owned as to 90% by Blooming Sky Ventures Limited, which is owned as to 50% by Blooming Sky Investment Limited and 50% by The Wish Family Holdings Limited, which are each wholly owned by separate trusts, and the trustee for both trusts is BOS Trustee Limited. The trusts are discretionary trusts respectively set up by each of Mr. Gao Dekang and Ms. Mei Dong, for the benefit of his/her family members (including Mr. Gao Xiaodong). Accordingly, each of Mr. Gao Dekang, Ms. Mei Dong and Mr. Gao Xiaodong is deemed to be interested in such Shares under the SFO.

7. These Shares were directly held by Blooming Sky Ventures Limited (as mentioned in note 6 above).

8. Details of the Options and awarded Shares are set out in the sections headed “Share Option Scheme” and “Share Award Scheme” of this annual report, respectively.

Save as disclosed above, as at March 31, 2026, none of the Directors or chief executive of the Company had interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which each of them had taken or were deemed to have taken under the provisions of the SFO); or (b) to be recorded in the register required to be kept by the Company pursuant to section 352 of the SFO; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in this annual report, during the Year, at no time did the Company or any of its subsidiaries enter into any arrangement that would enable the Directors to acquire benefits by means of acquisition of Shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their respective spouses or children under the age of 18 has been granted any right to subscribe for the share capital or debt securities of the Company or any other body corporate or has exercised any such right.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at March 31, 2026, according to the register of interests kept by the Company under section 336 of the SFO, and so far as was known to the Directors or the chief executive of the Company, the following persons, other than Directors or the chief executive of the Company, had an interest or short position in the Shares which would be required to be disclosed by the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was directly or indirectly interested in 5% or more of the number of the issued Shares carrying rights to vote in all circumstances at a general meeting of the Company:

Name of Shareholder	Nature of interest	Number of Shares in long position	Approximate percentage of interest in the Company (Note 7)
Jiangsu Kangbo Investment Co., Ltd.	Interest of controlled corporation *(Note 1)*	1,314,862,385	11.25%
Kangbo Holdings Group Co., Ltd.	Interest of controlled corporation *(Note 1)*	1,314,862,385	11.25%
Bosideng Corporation Limited	Interest of controlled corporation *(Note 1)*	1,314,862,385	11.25%
Bo Flying Limited	Interest of controlled corporation *(Note 1)*	1,314,862,385	11.25%
New Surplus	Beneficial interest *(Note 1)*	1,314,862,385	11.25%
Topping Wealth Limited	Interest of controlled corporation *(Note 1)*	1,314,862,385	11.25%
	Beneficial interest *(Note 2)*	611,656,857	5.23%
Kova Group Limited	Interest of controlled corporation *(Note 3)*	1,926,519,242	16.48%
GDK and MD Family Holdings Limited	Interest of controlled corporation *(Note 3)*	1,926,519,242	16.48%
JTC Private Trust (Cayman) Limited	Trustee *(Note 3)*	1,926,519,242	16.48%
Kong Bo Investment Limited	Beneficial interest *(Note 4)*	2,836,311,202	24.27%
Blooming Sky Ventures Limited	Interest of controlled corporation *(Note 4)*	2,836,311,202	24.27%
	Beneficial interest *(Note 5)*	2,000,000,000	17.12%
BOS Trustee Limited	Trustee *(Note 5)*	4,836,311,202	41.39%
Blooming Sky Investment Limited	Interest of controlled corporation *(Note 6)*	4,836,311,202	41.39%
The Wish Family Holdings Limited	Interest of controlled corporation *(Note 6)*	4,836,311,202	41.39%

Notes:

1. Same as the interests as disclosed in note 4 in the section headed "Directors and Chief Executive's Interests and Short Positions in Shares, Underlying Shares or Debentures" above.

2. Same as the interests as disclosed in note 5 in the section headed "Directors and Chief Executive's Interests and Short Positions in Shares, Underlying Shares or Debentures" above.

3. Same as the interests as disclosed in notes 4 and 5 in the section headed "Directors and Chief Executive's Interests and Short Positions in Shares, Underlying Shares or Debentures" above.

4. Same as the interests as disclosed in note 6 in the section headed "Directors and Chief Executive's Interests and Short Positions in Shares, Underlying Shares or Debentures" above.

5. Same as the interests as disclosed in note 7 in the section headed "Directors and Chief Executive's Interests and Short Positions in Shares, Underlying Shares or Debentures" above.

6. Same as the interests as disclosed in notes 6 and 7 in the section headed "Directors and Chief Executive's Interests and Short Positions in Shares, Underlying Shares or Debentures" above.

7. The percentage represents the number of Shares interested divided by the total number of the issued Shares as at March 31, 2026 of 11,684,471,872.

Save as disclosed above, as at March 31, 2026, no person had an interest or short position in the Shares which would be required to be disclosed by the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or was directly or indirectly interested in 5% or more of the issued Shares carrying rights to vote in all circumstances at a general meeting of the Company.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

None of the Directors is or was interested in any business apart from the Group's business, which competes or is likely to compete (either directly or indirectly) with the Group's business at any time during the Year and up to the date of this annual report.

As disclosed in the Prospectus, Mr. Gao Dekang has entered into a Non-competition Deed (as defined in the Prospectus) dated September 15, 2007 in favor of the Company. Mr. Gao Dekang has provided the Group with a written confirmation that the Parent Group had fully complied with the Non-competition Deed as at the date of this annual report.

The independent non-executive Directors have, based on the information available to them, including information and confirmation provided by or obtained from the Parent Group, during the Year, conducted a review of the compliance with the Non-competition Deed and are of the view that: (i) the Parent Group has complied with the non-competition undertakings pursuant to the Non-competition Deed; and (ii) there have been no decisions taken in relation to whether to exercise the option pursuant to the Non-competition Deed and whether to pursue any business opportunities which may be referred or offered to the Group by the Parent Group pursuant to the Non-competition Deed.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as those transactions as disclosed under the section headed "Connected Transactions" and Note 39 to the Financial Statements under the section "Material Related Party Transactions", no Director or entity connected with a Director had a material interest in any transaction, arrangement or contract of significance to the Group's business which was subsisting during the Year or as at March 31, 2026 in which the Group was a party.

REMUNERATION POLICY

The remuneration policy of the Group to reward its employees is based on their performance, qualifications and competence displayed.

The remuneration of the Directors recommended by the Remuneration Committee to the Board was determined with regard to the Company's operating results, individual performance and comparable market statistics.

Details of the remuneration of the Directors and of the five highest paid individuals in the Group are set out in Notes 12 and 13 to the Financial Statements, respectively.

PROVIDENT AND RETIREMENT BENEFIT SCHEMES

The Group's employees in Chinese mainland participate in various defined contribution schemes provided by the relevant provincial and municipal governments under which the Group is required to make monthly contributions to these schemes. The Group's subsidiaries in the PRC contribute funds to the retirement schemes, which are calculated on a stipulated percentage of the average employee salary provided by the relevant provincial and municipal governments.

The Group has arranged for its Hong Kong employees to join the MPF Scheme. Under the MPF Scheme, each member of the Group in Hong Kong (the employer) and its employees are required by the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) to make monthly contributions to the MPF scheme at a rate which is generally equivalent to 5% of the employees' earnings. The monthly contributions of each of the employer and the employee are subject to a maximum contribution of HKD1,500 and thereafter contributions are voluntary.

The Group has arranged for its employees in the United Kingdom to join the National Insurance and the relevant pension scheme, respectively (collectively, the "UK Schemes"). Under the UK Schemes, each member of the Group in the United Kingdom (the employer) and its employees are required to make monthly contributions to the UK Schemes pursuant to the relevant laws and regulations. The Group's subsidiaries in the United Kingdom contribute funds to the UK Schemes, which are calculated on a stipulated percentage of the average employee salary provided by the government of the United Kingdom.

The Group has conducted relevant operations in Vietnam and Indonesia through respective joint ventures. In Vietnam, the Social Insurance Law has been strictly complied with, and all local employees are mandated to participate in the statutory social insurance plans in accordance with regulations. Under the current law, the plan covers three mandatory insurances: pension, health and unemployment, with employer contributions amounting to 21.5% and employee contributions at 10.5%. In Indonesia, the local Social Security Law is adhered to, and employees are required to participate in the national integrated social security program, with the employer responsible for approximately 11% and the employee for approximately 4% of the contribution rate.

The Group has no obligations to make further payments of post-retirement benefits beyond the above-mentioned contributions.

The Group's contributions to the retirement benefit schemes charged to the consolidated statement of comprehensive income for the Year were approximately RMB296,722,000 (FY2024/25: approximately RMB275,143,000). The Group's contributions made to the above defined contribution schemes are non-refundable and cannot be used to reduce the future or existing level of contribution of the Group should any forfeiture result from the schemes.

Details of the Group's contributions to the retirement benefit schemes are shown in Note 8 to the Financial Statements.

MANAGEMENT CONTRACTS

Save as disclosed below under the section headed "Connected Transactions" and the employment contracts, no contracts concerning the management and administration of the whole or any substantial part of the Company's business were entered into or existed during the Year.

CONNECTED TRANSACTIONS

The Group has entered into certain non-exempt continuing connected transactions and connected transactions with the Parent Group, which are subject to the reporting, announcement and/or independent shareholders' approval requirements under Chapter 14A of the Listing Rules. Certain related party transactions as disclosed in Note 39 to the Financial Statements also constituted non-exempt continuing connected transactions which were required to be disclosed in accordance with Chapter 14A of the Listing Rules. The Company has complied with the disclosure requirements of Chapter 14A of the Listing Rules in respect of the above-mentioned connected transactions.

Further details of these transactions are set out below, in the chapter headed "Relationship with Controlling Shareholders and Connected Transactions" of the Prospectus and in the Company's announcements dated March 11, 2010, January 9, 2012, April 22, 2013, June 26, 2014, December 23, 2014, March 23, 2016, March 28, 2017, March 22, 2019, May 27, 2019, December 20, 2021, January 17, 2025, and March 6, 2025, respectively, and circulars dated March 31, 2010, February 7, 2012, July 25, 2014, January 21, 2015, May 12, 2017, July 26, 2019, March 9, 2022 and March 7, 2025, respectively.

Save as those transactions as disclosed under this section and Note 39 to the Financial Statements under the section headed "Material Related Party Transactions", at no time during the Year had the Company or any of its subsidiaries entered into any contract of significance with the controlling Shareholder or any of its subsidiaries, nor had any contract of significance been entered into for the services provided by the controlling Shareholder or any of its subsidiaries to the Company or any of its subsidiaries.

FRAMEWORK MANUFACTURING OUTSOURCING AND AGENCY AGREEMENT

The Group outsourced the manufacturing process of down apparel, OEM products and/or its down related materials to the Parent Group on a non-exclusive basis. Under the existing framework manufacturing outsourcing and agency agreement, the Parent Group shall provide labor, factories, premises, necessary equipment, water and electricity for the processing of the down apparel products (including semi-finished and finished products), OEM products and/or down related materials of the Group. After determining the processing fee which is to be charged at the costs to be incurred for the processing services estimated by the Group and the applicable mark-up rate ranging from 5% to 10% (depending on the location, quantity and the turnaround time of the processing services required) (the "Estimated Cost"), the Company will then invite independent third parties to consider if they are able to provide the processing services on similar terms (i.e. quality, turnaround time, payment terms) at a fixed price (being the Estimated Cost) or any lower price they can offer. Should the terms offered by independent manufacturers be lower than the Estimated Cost with other terms better than or similar to those offered by the Parent Group, the Group will then appoint other outsourcing manufacturers for the processing of down apparel products, OEM products and/or its down related materials.

The existing framework manufacturing outsourcing and agency agreement had a term of three years from September 15, 2022 to September 14, 2025. The Company entered into the Renewed Framework Manufacturing Outsourcing and Agency Agreement on January 17, 2025, which had a term of three years from September 15, 2025 to September 14, 2028. Pursuant to the Renewed Framework Manufacturing Outsourcing and Agency Agreement, in addition to the above-mentioned manufacturing outsourcing and agency work, the Group may from time to time instruct the Parent Group to purchase raw materials from independent third-party suppliers for the Group's down apparel products and OEM products. The Group is not required to pay any agency fees to the Parent Group for the portion of raw materials purchased by the Parent Group as an agent, and the raw materials purchased are only used for the production of the Group's down apparel products and OEM products. The processing fees charged under the Renewed Framework Manufacturing Outsourcing and Agency Agreement will be determined in accordance with the same method as mentioned above. Subject to compliance by the Group with the relevant requirements applicable to continuing connected transactions under the Listing Rules, the Renewed Framework Manufacturing Outsourcing and Agency Agreement is renewable at the option of the Company for another term of three years or such other terms as agreed by the parties by giving at least three months' notice prior to the expiry of the term.

The annual caps of the existing framework manufacturing outsourcing and agency agreement and the Renewed Framework Manufacturing Outsourcing and Agency Agreement for the three financial years ending March 31, 2028, are RMB3,440,000,000, RMB4,310,000,000 and RMB5,440,000,000, respectively.

The actual amount of fees paid or payable by the Group to the Parent Group for the Year was approximately RMB1,821,605,000 (FY2024/25: RMB2,106,183,000).

LEASE AGREEMENTS

During the Year, the Parent Group entered into leases of four properties with a total area of approximately 4,671 square metres with the Group, which were mainly used as the Group's regional offices, stores, warehouses, archives room and showrooms, pursuant to the property lease agreement dated September 15, 2007 and agreements supplemental to the property lease agreement entered into between the Company and Mr. Gao Dekang.

The term of each lease granted under the original property lease agreement shall be no more than 20 years from the date thereof. Under the property lease agreement, the Group may terminate a lease of any premises by giving a 30-day prior notice, at any time prior to its expiry at its sole discretion and without any penalty. The Parent Group, on the other hand, is not entitled to terminate any lease under the property lease agreement without the Group's consent.

On April 22, 2013, the Company and Mr. Gao Dekang entered into the supplemental lease agreement, pursuant to which the Parent Group agreed to lease additional premises in the PRC to the Group from time to time for a term of not more than three years from April 22, 2013 and which has been renewed and further extended to April 21, 2028. The new leases to be entered into under the supplemental lease agreement shall, subject to compliance by the Group with the relevant requirements applicable to continuing connected transactions under the Listing Rules, be renewable at the option of the Company for another term of three years by giving at least three months' notice prior to the expiry of the term. Under the property lease agreement and its supplemental agreements, the annual rental paid and expected to be paid by the Group to the Parent Group for the leasing of properties have been determined on an arm's length basis by reference to the prevailing market condition in the PRC and the market rates of comparable properties, which in any event are not higher than the rent applicable to a third party tenant at the relevant time.

The annual caps of the property lease agreement and its supplemental agreements for the three financial years ending March 31, 2028, were RMB24,000,000, RMB24,500,000 and RMB25,000,000, respectively.

During the Year, the Group recognised a right-of-use asset and a lease liability of approximately RMB1,746,000 (FY2024/25: RMB5,047,000).

FRAMEWORK INTEGRATED SERVICE AGREEMENT

The Parent Group had also provided the Group with various ancillary services, which currently include the provision of hotel accommodation and property management services, which include repair and maintenance, security and general cleaning for the properties occupied by the Group in the PRC, pursuant to the Framework Integrated Service Agreement.

The Framework Integrated Service Agreement had an initial term of three years from September 15, 2007 and has been renewed and further extended to September 14, 2028. Subject to compliance by the Group with the relevant requirements applicable to continuing connected transactions under the Listing Rules, the Framework Integrated Service Agreement is renewable at the option of the Company for another term of three years or such other term as agreed by the parties by giving at least three months' notice prior to the expiry of the term.

The service fees payable by the Group to the Parent Group under the Framework Integrated Service Agreement are determined with reference to:

(a) Hotel accommodation: the Company gathers publicly available pricing and hotel information for similar hotels from no less than two booking agencies and/or websites, which focus on hotels of comparable size and standard near those hotels operated by the Parent Group; and

(b) Property management services: the Company obtains tenders and fee quotations from no less than two independent property management service providers, in particular, the Company considers the following factors: (i) the location, type, quality and size of properties; (ii) the scope and standard of the services to be provided; (iii) the anticipated operational costs (including labour costs, material costs and administrative costs) for providing such services and the anticipated increase in the relevant costs due to inflation and economic development; (iv) guidance/regulations regarding fees for the relevant services in the PRC; (v) the prevailing market rate generally offered by independent service providers in respect of similar services; and/or (vi) the rate generally offered by the Parent Group to its independent customers in respect of similar services. The Company is aware that the prevailing market prices may fluctuate from time to time, and takes into account the above factors when determining whether the service fees are fair and reasonable.

The annual caps for the three financial years ending March 31, 2028 are RMB30,000,000, RMB35,000,000 and RMB40,000,000, respectively.

The actual amount of service fees paid or payable by the Group to the Parent Group for the Year was approximately RMB20,816,000 (FY2024/25: RMB20,344,000).

Pursuant to Rule 14A.55 of the Listing Rules, the independent non-executive Directors have confirmed that the continuing connected transactions set out above and in Note 39 to the Financial Statements were entered into:

(i) in the ordinary and usual course of business of the Group;

(ii) on normal commercial terms or on better terms to the Group than terms available to or from independent third parties; and

(iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

Pursuant to Rule 14A.56 of the Listing Rules, the Company engaged its auditor to perform certain agreed-upon procedures in respect of the continuing connected transactions set out above on a sample basis. The auditor has reported its factual findings on the selected samples based on the agreed procedures to the Board and has confirmed that the continuing connected transactions set out above have complied with the requirements under Rule 14A.56 of the Listing Rules.

EQUITY-LINKED AGREEMENT

Save as disclosed in the sections headed "Share Option Scheme" and "Share Award Scheme" below, no equity-linked agreements were entered into or renewed by the Company during the Year or subsisted as at March 31, 2026.

SHARE OPTION SCHEMES

2017 SHARE OPTION SCHEME

The adoption of the 2017 Share Option Scheme was approved by the Shareholders on August 25, 2017. The terms of the 2017 Share Option Scheme are in accordance with the provisions of Chapter 17 of the Listing Rules.

The purpose of the 2017 Share Option Scheme is to replace the former share option scheme and to attract skilled and experienced personnel, to incentivise them to remain with the Company and to give effect to the customer-focused corporate culture of the Company, and to motivate them to strive for the future development and expansion of the Company, by providing them with the opportunity to acquire equity interests in the Company. The Board may, at its absolute discretion, offer any Director (including independent non-executive Directors), employee (whether full-time or part-time), consultant or advisor of the Group (who in the sole discretion of the Board has contributed or will contribute to the Group) Options to subscribe for Shares on the terms set out in the 2017 Share Option Scheme. The amount payable on acceptance of an Option is HKD1.00. Details of the 2017 Share Option Scheme were provided in the Company's circular dated July 26, 2017.

The 2017 Share Option Scheme shall be valid and effective for a period of 10 years from August 25, 2017 (the "Adoption Date"), after which no further Option will be granted or offered, but the provisions of the 2017 Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any subsisting Option granted prior to the expiry of this 10-year period or otherwise as may be required in accordance with the provisions of the 2017 Share Option Scheme. The 2017 Share Option Scheme was terminated on August 20, 2024.

The original maximum number of Shares in respect of which Options may be granted under the 2017 Share Option Scheme when aggregated with the maximum number of Shares in respect of which Options may be granted under any other scheme shall not exceed 10% of the Company's issued share capital on the Adoption Date (being 1,068,256,038 Shares) without prior approval from the Shareholders.

The period within which the Options must be exercised will be specified by the Company at the time of grant, and must expire no later than 10 years from the date of grant of the Option (being the date on which the Board makes a written offer of grant of the Option to the relevant proposed beneficiary) unless the Company obtains separate shareholders' approval in relation to such grant. The amount payable for each Share to be subscribed for under an Option upon exercise shall be not less than the highest of (a) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheet on the date of grant, which must be a business day; (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotation sheet for the five business days immediately preceding the date of grant; and (c) the nominal value of the Shares.

As the 2017 Share Option Scheme was terminated on August 20, 2024, no further options can be granted by the Company under the 2017 Share Option Scheme as at March 31, 2026 (as at March 31, 2025: Nil). There are no service provider sub-limits stipulated under the 2017 Share Option Scheme.

2024 SHARE OPTION SCHEME

The adoption of the 2024 Share Option Scheme was approved by the Shareholders on August 20, 2024. The terms of the 2024 Share Option Scheme are in accordance with the provisions of Chapter 17 of the Listing Rules.

The purpose of the 2024 Share Option Scheme is to replace the 2017 Share Option Scheme and to attract skilled and experienced personnel, to incentivise them to remain with the Company and to give effect to the corporate culture of the Company, and to motivate them to strive for the future development and expansion of the Company, by providing them with the opportunity to acquire equity interests in the Company. The Board may, at its absolute discretion, offer any director (including independent non-executive directors), employee (whether full-time or part-time), consultant or advisor of the Group (who in the sole discretion of the Board has contributed or will contribute to the Group) Options to subscribe for Shares on the terms set out in the 2024 Share Option Scheme. The amount payable on acceptance of an Option is HKD1.00. Details of the 2024 Share Option Scheme were provided in the Company's circular dated July 29, 2024.

Unless otherwise terminated by the Board or the Shareholders in general meeting in accordance with the terms of the 2024 Share Option Scheme, the 2024 Share Option Scheme shall be valid and effective for a period of 10 years from August 20, 2024 (the "Scheme Adoption Date"), after which no further Option will be granted or offered, but the provisions of the 2024 Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any subsisting Option granted prior to the expiry of this 10-year period or otherwise as may be required in accordance with the provisions of the 2024 Share Option Scheme. The remaining life of the 2024 Share Option Scheme is approximately eight years.

The Company may issue new Shares and/or utilize existing Treasury Shares (if any) to satisfy grants of the Options under the 2024 Share Option Scheme. The maximum number of Shares in respect of which Options may be granted under the 2024 Share Option Scheme when aggregated with the maximum number of Shares in respect of which Options may be granted under any other scheme shall not exceed 10% of the issued share capital of the Company (excluding Treasury Shares) as at the Scheme Adoption Date (inclusive of 3% sublimit for grant to Service Providers) without prior approval from the Shareholders. As at the Scheme Adoption Date, the issued share capital of the Company comprised 11,036,521,385 Shares and the Company had no Treasury Shares. As such, the maximum number of Shares which may be issued upon exercise of all Options to be granted under the 2024 Share Option Scheme and all options and/or awards to be granted under any other share scheme(s) of the Company (if any), in aggregate, will be 1,103,652,138 Shares (including the 331,095,641 Shares to be granted to Service Providers).

The period within which the Options must be exercised will be specified by the Company at the time of grant, and must expire no later than 10 years from the date of grant of the Option (being the date on which the Board makes a written offer of grant of the Option to the relevant proposed beneficiary) unless the Company obtains separate shareholders' approval in relation to such grant. The vesting period of Options granted under the 2024 Share Option Scheme shall be determined by the Board and shall not be less than 12 months. However, Options granted may be subject to a shorter vesting period under certain circumstances, details of which are set out in the circular of the Company dated July 29, 2024.

The amount payable for each Share to be subscribed for under an Option upon exercise shall be no less than the highest of (a) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheet on the date of grant, which must be a business day; (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotation sheet for the five business days immediately preceding the date of grant; and (c) the nominal value of the Shares.

As of March 31, 2026, the Company can further grant 1,025,645,138 Options under the 2024 Share Option Scheme (as of March 31, 2025: 1,013,352,138 Options under the 2024 Share Option Scheme), representing approximately 8.77% of the issued share capital of the Company (excluding Treasury Shares) as at July 20, 2026, being the Latest Practicable Date. The service provider sublimit shall not exceed 331,095,641 Shares.

Further information of the 2017 Share Option Scheme and the 2024 Share Option Scheme is set out in Note 36 to the Financial Statements and details of the movement of the Options during the Year are included in the table as follows:

	Number of Options							
Category of participants	As at March 31, 2025 (Note 1)	Granted during the Year	Exercised during the Year (Note 2)	Cancelled during the Year	Lapsed during the Year	**As at March 31, 2026 (Note 3)**	Date of grant (Note 5)	Exercise price (Note 4)
Directors								
Rui Jinsong	10,600,000	–	5,360,000	–	–	**5,240,000**	26/10/2018	HKD1.07
	27,700,000	–	13,000,000	–	2,700,000	**12,000,000**	28/11/2023	HKD3.24
	38,300,000	**–**	**18,360,000**	**–**	**2,700,000**	**17,240,000**		
Huang Qiaolian	5,000,000	–	–	–	450,000	**4,550,000**	28/11/2023	HKD3.24
	5,000,000	**–**	**–**	**–**	**450,000**	**4,550,000**		
Others								
Employees (Except Gao Jianting)	21,679,999	–	7,425,999	–	2,970,000	**11,284,000**	26/10/2018	HKD1.07
	18,588,000	–	9,126,000	–	9,462,000	**–**	20/12/2021	HKD4.98
	388,996,000	–	114,391,400	–	65,219,000	**209,385,600**	28/11/2023	HKD3.24
	90,300,000	–	3,614,000	–	12,293,000	**74,393,000**	14/01/2025	HKD3.65
Gao Jianting (Note 6)	3,900,000	–	–	–	351,000	**3,549,000**	28/11/2023	HKD3.24
	523,463,999	**–**	**134,557,399**	**–**	**90,295,000**	**298,611,600**		
Total	**566,763,999**	**–**	**152,917,399**	**–**	**93,445,000**	**320,401,600**		

Notes:

1. As at March 31, 2025, the Company had a total of 566,763,999 outstanding Options.

2. The weighted average closing prices of the Shares immediately before the dates on which the Options were exercised was approximately HKD4.54 (for Options exercised by Rui Jinsong, an executive Director) and HKD4.81 (for Options exercised by employees), respectively.

3. As at March 31, 2026, the Company had a total of 320,401,600 outstanding Options, of which:

   3.1 16,524,000 Options were granted on October 26, 2018 under the 2017 Share Option Scheme, of which:

      3.1.1 4,124,000 Options had been vested and are exercisable until October 25, 2028;

      3.1.2 6,200,000 Options shall be vested commencing from October 26, 2026 and ending on October 25, 2027, and are exercisable during the period ending on October 25, 2028;

      3.1.3 6,200,000 Options shall be vested and are exercisable during the period commencing from October 26, 2027 and ending on October 25, 2028;

   3.2 229,484,600 Options were granted on November 28, 2023 under the 2017 Share Option Scheme, of which:

      3.2.1 48,564,600 Options had been vested and are exercisable until July 27, 2027; and

      3.2.2 180,920,000 Options shall be vested and are exercisable during the period commencing from July 28, 2026 to July 27, 2027;

   3.3 74,393,000 Options were granted on January 14, 2025 under the 2024 Share Option Scheme, of which:

      3.3.1 13,633,000 Options had been vested and are exercisable until January 13, 2029;

      3.3.2 26,040,000 Options shall be vested and are exercisable during the period commencing from January 14, 2027 to January 13, 2029; and

      3.3.3 34,720,000 Options shall be vested and are exercisable during the period commencing from January 14, 2028 to January 13, 2029.

4. The closing prices of the Shares immediately before the respective dates of grant (being October 26, 2018, December 20, 2021, November 28, 2023 and January 14, 2025) were HKD1.08, HKD4.89, HKD3.08 and HKD3.58 per Share, respectively.

5. The validity period for each batch of Options granted on October 26, 2018, December 20, 2021, November 28, 2023 and January 14, 2025 is 10 years, 48 months, 44 months and 48 months from the respective date of grant.

6. As disclosed in the announcement of the Company dated November 28, 2023, such 3,900,000 Options were granted to Mr. Gao Jianting, who is a core employee, and also son of Mr. Gao Dekang and Ms. Mei Dong. Therefore, as connected persons of the Company, his share options information requires separate disclosure.

7. The percentage of the number of Shares that may be issued in respect of the Options granted under the 2024 Share Option Scheme during the Year (i.e. Nil) divided by the weighted average number of Shares of the relevant classes in issue (excluding Treasury Shares) during the Year was 0%.

8. The performance targets for the Share Option Schemes include both the business performance and financial performance targets of the Group and/or related business segment and/or individual key performance indicators for his/her unique role and responsibility in the relevant departments and/or business units. Options not vested or exercisable as a result of non-fulfillment of the performance-based conditions or not exercised during the relevant exercise periods shall lapse with immediate effect.

SHARE AWARD SCHEME

The Company adopted the Share Award Scheme on April 23, 2020 to replace the former share award scheme and to recognize and reward the contribution of certain eligible persons (including the directors and core management team of the Group) to the growth and development of the Group and to incentivize them for the growth and development of the Group through an award of Shares. The Share Award Scheme only involves existing Shares. Subject to any early termination of the Share Award Scheme and any resolutions by the Directors to renew the term of the Share Award Scheme, the Share Award Scheme shall remain in force for a period commencing on the adoption date, i.e. April 23, 2020, and will end on the business day immediately prior to the tenth (10th) anniversary of the said adoption date, i.e. April 22, 2030. The remaining life of the Share Award Scheme is approximately four years. The participants under the Share Award Scheme are any employees and directors of the Group based on the absolute discretion of the members of the senior management of the Company who are in charge of the finance department and human resources department of the Company, delegated with the power and authority by the Board to administer the Share Award Scheme.

The terms of the Share Award Scheme do not specify any amount required to be paid on the acceptance of awarded Shares and the pricing determination basis. The basis of determining the purchase price of the awarded Shares under the Share Award Scheme is 50% of the average closing price per Share as stated in the daily quotations sheets issued by the Stock Exchange for the five trading days immediately preceding the relevant date of grant.

The total number of Shares held by the Share Award Scheme trustee under the Share Award Scheme will not exceed 1.5% of the total issued Shares at any time and the maximum number of the awarded Shares which may be granted to a selected person at any one time or in aggregate may not exceed 1.5% of the total issued Shares as at the adoption date.

Further information of the awarded Shares granted pursuant to the Share Award Scheme is set out in Note 36 to the Financial Statements and the details of the movement of the awarded Shares during the Year are included in the table as follows:

		Number of awarded Shares					
Category of participants	Date of grant	Outstanding as at March 31, 2025 (Note 1)	Granted during the Year	Vested during the Year (Note 3)	Lapsed during the Year	**Outstanding as at March 31, 2026**	Purchase price per awarded Share (Note 4)
Directors							
Rui Jinsong	November 28, 2023	14,000,000	–	4,200,000	1,800,000	**8,000,000**	HKD1.62
		14,000,000	**–**	**4,200,000**	**1,800,000**	**8,000,000**	
Five highest paid individuals during the Year (Note 2)							
Employees	November 28, 2023	8,330,000	–	3,093,000	477,000	**4,760,000**	HKD1.62
		8,330,000	**–**	**3,093,000**	**477,000**	**4,760,000**	
Others (in aggregate)							
Employees	November 28, 2023	22,330,000	–	4,179,000	5,391,000	**12,760,000**	HKD1.62
Employees	January 14, 2025	8,000,000	–	1,680,000	720,000	**5,600,000**	HKD1.82
		30,330,000	**–**	**5,859,000**	**6,111,000**	**18,360,000**	
Total		**52,660,000**	**–**	**13,152,000**	**8,388,000**	**31,120,000**	

Notes:

1. The validity period for each batch of awarded Shares granted on November 28, 2023 and January 14, 2025 is 44 months and 48 months from the respective date of grant.

2. One of the five highest paid individuals during the Year was Mr. Rui Jinsong. Information relating to his awarded Shares was shown under the category of Directors above.

3. The weighted average closing prices of the Shares immediately before the vesting date of the awarded Shares held by Mr. Rui Jinsong, the five highest paid individuals (including Mr. Rui Jinsong) and others were approximately HKD4.69, HKD4.69 and HKD4.60, respectively.

4. The closing prices of the Shares immediately preceding the date of grant (i.e., November 28, 2023 and January 14, 2025) was HKD3.08 and HKD3.58 per Share.

5. The performance targets for the Share Award Scheme include both the business performance and financial results targets of the Group and/or each division and the performance of the selected persons, with specific key performance indicators set for unique roles and responsibilities. The awarded Shares not vested as a result of non-fulfillment of the performance-based conditions during the relevant vesting periods shall lapse with immediate effect, provided that the Company shall refund the amounts contributed by the selected persons to the relevant selected person.

6. During the Year, no awarded Share was cancelled.

7. The percentage obtained by dividing the number of Shares that may be issued under the awarded Shares granted pursuant to the Share Award Scheme during the Year by the weighted average number of issued Shares of the relevant class (excluding Treasury Shares) during the Year is 0% as only existing Shares are involved.

Since January 1, 2023, unless separately approved by the Shareholders in general meeting (with the relevant eligible participant and such eligible participant's close associates (with the meaning ascribed thereto under the Listing Rules) (or such eligible participant's associates if such eligible participant is a connected person of the Company) abstaining from voting), no eligible participant shall be granted an Option or awarded Shares if such grant would result in the total number of Shares issued and to be issued in respect of all Options and awarded Shares granted (excluding any lapsed Options and awarded Shares) to such eligible participant in the 12-month period up to and including the date of such grant would in aggregate exceed 1% of the total number of issued Shares.

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

During the Year, the Company repurchased a total of 2,246,000 Shares on the Stock Exchange for an aggregate consideration of HKD8,956,500. The repurchased Shares for cancellation had not been cancelled during the year and as at the Latest Practicable Date. 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

Save as disclosed above, the Company and its subsidiaries had not purchased, sold or redeemed any of the Company's listed securities during the Year.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles and the laws of the Cayman Islands, which would oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

TAX RELIEF AND EXEMPTION

The Directors are not aware of any tax relief and exemption available to the Shareholders by reason of their holding of the Company's securities.

SUFFICIENCY OF PUBLIC FLOAT

For the Year, based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company was in compliance with the minimum public float requirement under the Listing Rules by maintaining its public float at least 25% of the total number of issued Shares held by the public. The details of shareholding ownership as at March 31, 2026 are as follows:

Name/Category of Shareholders	Number of Shares held	Approximate percentage of interest in the Company (Note 2)
(a) Shareholders who are not members of "the public" under the Listing Rules		
New Surplus *(Note 3)*	1,314,862,385	11.25%
Kong Bo Investment Limited *(Note 3)*	2,836,311,202	24.27%
Kong Bo Development Limited *(Note 3)*	262,479,999	2.25%
Blooming Sky Ventures Limited *(Note 3)*	2,000,000,000	17.12%
Topping Wealth Limited *(Note 3)*	611,656,857	5.23%
Directors *(Note 4)*	18,727,394	0.16%
Directors of the Company's subsidiaries	10,342,755	0.09%
Others *(Note 5)*	48,774,000	0.42%
(b) Shareholders who are members of "the public" under the Listing Rules *(Note 6)*	4,581,317,280	39.21%
Total	**11,684,471,872**	**100.00%**

Notes:

1. This table is compiled based on the information disclosed in the Disclosure of Interests notices (DI notices) filed under Part XV of the SFO and other relevant information received by the Company up to the date of the Latest Practicable Date and on the assumption that all such information disclosed in the DI notices or received by the Company is accurate and complete.

2. The percentage represents the number of the Shares interested divided by the total number of the issued Shares as at March 31, 2026 of 11,684,471,872.

3. Same as the interests as disclosed in notes 2, 4, 5, 6 & 7 in the section headed "Directors and Chief Executive's Interests and Short Positions in Shares, Underlying Shares or Debentures".

4. These Shares comprise 2,763,697 Shares held by Ms. Mei Dong, 11,763,697 vested but unsold Awarded Shares held by Ms. Huang Qiaolian and 4,200,000 vested but unsold Awarded Shares held by Mr. Rui Jinsong.

5. These Shares comprise 46,528,000 Shares held by BOCI-Prudential Trustee Limited as trustee of the Share Award Scheme and 2,246,000 Shares repurchased for cancellation but not yet canceled by the Company.

6. This is the balancing figure between the total number of the issued Shares and the sum of Shares held by all specific Shareholders or groups of Shareholders as listed in this table above.

MAJOR SUPPLIERS AND CUSTOMERS

For the Year, the Group's five largest suppliers (comprising suppliers of down, fabric and ancillary materials) together accounted for approximately 40.7% of the Group's total raw material purchases and the largest supplier accounted for approximately 18.2% of the Group's total raw material purchases. None of the Directors, their associates or any Shareholder (who or which, to the knowledge of the Directors, owns more than 5% of the number of issued Shares) had any equity interest in any of the Group's major suppliers.

For the Year, the Group's five largest customers accounted for less than 30% of the Group's revenue and none of the Directors, their associates or any Shareholder (who or which to the knowledge of the Directors, owns more than 5% of the number of issued Shares) had any interest in any of the Group's major customers.

COMMITMENTS AND CONTINGENT LIABILITIES

Details of the commitments and contingent liabilities of the Group are set out in Note 38 to the Financial Statements.

INDEMNITY OF DIRECTORS

A permitted indemnity provision (as defined in section 469 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)) for the benefit of the Directors is currently in force and was in force throughout the Year.

SUBSEQUENT EVENTS

No material events have occurred subsequent to the Year and up to the date of this annual report.

AUDITOR

The Financial Statements have been audited by KPMG. A resolution for the re-appointment of KPMG as the Company's auditor will be proposed at the AGM.

By order of the Board
Gao Dekang
Chairman of the Board of Directors and CEO

Hong Kong, June 25, 2026

Independent Auditor's Report

Independent auditor's report to the shareholders of Bosideng International Holdings Limited
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Bosideng International Holdings Limited ("the Company") and its subsidiaries ("the Group") set out on pages 128 to 233, which comprise the consolidated statement of financial position as at March 31, 2026, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes, comprising material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at March 31, 2026 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* ("the Code") together with any ethical requirements that are relevant to our audit of the consolidated financial statements in Cayman Islands, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTERS (CONTINUED)

Assessment of impairment of goodwill	
Refer to note 17 to the consolidated financial statements and the accounting policies on page 139.	
The Key Audit Matter	**How the matter was addressed in our audit**
For the purpose of impairment testing, goodwill in the consolidated statement of financial position is allocated to three cash-generating units ("CGUs") which are derived from the Group's acquisitions of three ladieswear businesses (including JESSIE brand, BUOU BUOU brand and Tianjin ladieswear). Management performed an impairment assessment at the year end to determine whether an impairment exists by estimating the recoverable amount of each CGU containing the goodwill. The recoverable amounts of the CGUs are determined based on value-in-use. The recoverable amount of each CGU is determined by management by preparing discounted cash flow forecasts. An impairment loss is recognized when the recoverable amount is lower than the carrying amount of the relevant CGU. Management appointed an external valuer to assist the preparation of the discounted cash flow forecasts.	Our audit procedures to assess the impairment of goodwill included the following: • assessing management's identification of CGUs and the allocation of assets and liabilities to each CGU with reference to the requirements of the prevailing accounting standards; • assessing the qualification, experience and expertise of the external valuer appointed by management and considering their objectivity and independence; • engaging our internal valuation specialists to assist us in evaluating the valuation methodology adopted by management in the impairment assessment with reference to the requirements of the prevailing accounting standards and the discount rates applied in the discounted cash flow forecasts by benchmarking against those of comparable companies and external market data if available; • performing retrospective review by comparing the actual performance results of the current year with the forecasts adopted by management in the prior year and making enquiries with the management for any significant variations identified and considering if there was any indication of management bias;

KEY AUDIT MATTERS (CONTINUED)

Assessment of impairment of goodwill (continued)

Refer to note 17 to the consolidated financial statements and the accounting policies on page 139.

The Key Audit Matter	How the matter was addressed in our audit
The preparation of discounted cash flow forecasts involves the exercise of significant management judgement, in particular estimating the key assumptions including growth rates of future revenue, future margins and the discount rates applied. We identified assessing impairment of goodwill as a key audit matter because assessing impairment involves forecasting future cash flows which is complex and the determination of key assumptions could be subject to management bias.	• comparing the key assumptions in the discounted cash flow forecasts, including growth rates of future revenue, future margins, with the latest approved profit forecasts, historical performance, management's forecasts, industry reports and plan for business developments subsequent to the reporting date; • obtaining sensitivity analyses of the key assumptions adopted in the discounted cash flow forecasts and considering the resulting impact of changes in the key assumptions to the conclusions reached in the impairment assessments and whether there is any indication of management bias; and • assessing the appropriateness of the disclosures in the consolidated financial statements in respect of assessing impairment of goodwill with reference to the requirements of the prevailing accounting standards.

KEY AUDIT MATTERS (CONTINUED)

Valuation of inventories	
Refer to note 23 to the consolidated financial statements and the accounting policies on page 150.	
The Key Audit Matter	**How the matter was addressed in our audit**
Sales of inventories in the apparel industry can be volatile with consumer demand changing according to current fashion trends. The Group typically sells or disposes of off-season inventories at a discount. As a result, the actual future selling prices of these inventories may fall below their purchase costs. Inventories are measured at the lower of cost and net realizable value. If the net realizable values of these inventories fall below their costs, the difference is taken as write-down of inventories. In determining the net realizable value of inventories, management predicts the expected selling price of respective inventories with reference to their latest selling prices; and the salability of inventories based on the design of the inventory by seasons, the Group's sales and marketing strategies, the current retail market conditions and the historical experience of distributing and selling products of a similar nature.	Our audit procedures to assess the valuation of inventories included the following: • assessing the Group's inventory provisioning policy with reference to the requirements of the prevailing accounting standards; • assessing whether the inventory write-down at the end of the financial period was calculated on a basis consistent with the Group's inventory provisioning policy by re-calculating the write-down based on the percentages and other parameters in the Group's inventory provisioning policy; • performing retrospective review by comparing the actual sales of inventory during the reporting period with previous forecast to assess the reliability of management's judgement and whether there is any indication of management bias; • attending the Group's inventory counts to assess, on a sample basis, the quantity and condition of inventories at that date; • inspecting, on a sample basis, whether the inventory items were classified appropriately based on the design and season of the items by checking to the underlying documents which indicated the product season of the items;

KEY AUDIT MATTERS (CONTINUED)

Valuation of inventories (continued)

Refer to note 23 to the consolidated financial statements and the accounting policies on page 150.

The Key Audit Matter	How the matter was addressed in our audit
We identified the valuation of inventories as a key audit matter because of the significant judgement exercised by the management in determining the net realizable value of inventories, which involves predicting the expected selling prices and salability of inventories. These factors can be inherently uncertain and could be subject to management bias.	• comparing management's key estimations including selling prices and salability of inventories in the foreseeable future with the historical sales data for the prior year to assess whether there is any indication of management bias; • comparing, on a sample basis, whether inventories are sold at prices above their carrying values subsequent to the reporting date; and • enquiring of the management about any expected changes in plans for markdowns or disposals of off-season inventories and comparing their representations with actual sales transactions subsequent to the reporting date.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the disclosure requirements of the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are assisted by the audit committee of the Company (the "Audit Committee") in discharging their responsibilities for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Tse Wong Pui (practicing certificate number: P05157).

Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

June 25, 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the year ended March 31, 2026 (Expressed in Renminbi)

	Note	For the year ended March 31, 2026 RMB'000	2025 RMB'000
Revenue	6	**27,349,980**	25,901,713
Cost of sales		**(11,699,227)**	(11,061,857)
Gross profit		**15,650,753**	14,839,856
Other income	7	**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	17	**(147,800)**	(171,000)
Other expenses		**(41,190)**	(17,955)
Profit from operations		**5,294,396**	4,966,883
Finance income		**478,625**	371,344
Finance costs		**(108,090)**	(167,028)
Net finance income	10	**370,535**	204,316
Share of losses of associates and joint ventures	18,19	**(31,718)**	(21,962)
Profit before taxation		**5,633,213**	5,149,237
Income tax	11	**(1,586,148)**	(1,596,494)
Profit for the year		**4,047,065**	3,552,743
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

	Note	For the year ended March 31, 2026 RMB'000	2025 RMB'000
Profit attributable to:			
Equity shareholders of the Company		**3,994,378**	3,513,913
Non-controlling interests		**52,687**	38,830
Profit for the year		**4,047,065**	3,552,743
Total comprehensive income attributable to:			
Equity shareholders of the Company		**3,882,302**	3,607,951
Non-controlling interests		**52,687**	38,830
Total comprehensive income for the year		**3,934,989**	3,646,781
Earnings per share	14		
– basic (RMB cents)		**34.57**	31.58
– diluted (RMB cents)		**34.23**	30.83

The notes on pages 136 to 233 form part of these financial statements. Details of dividends payable to equity shareholders of the Company attributable to the profit for the year are set out in note 35(b).

Consolidated Statement of Financial Position

at March 31, 2026 (Expressed in Renminbi)

	Note	At March 31, **2026** **RMB'000**	2025 RMB'000
Non-current assets			
Property, plant and equipment	15	**2,115,671**	1,918,930
Right-of-use assets	16	**1,259,419**	1,611,913
Intangible assets and goodwill	17	**995,006**	1,138,169
Interest in associates	18	**316,623**	340,575
Interest in joint ventures	19	**162,371**	183,132
Investment properties	20	**27,490**	34,634
Other financial assets	26	**572,921**	458,256
Derivative financial instruments	21	**2,800**	3,754
Deferred tax assets	22	**597,265**	541,467
Pledged bank deposits	27	**–**	250
Time deposits	28	**1,390,000**	1,900,000
Long-term receivables	25	**89,766**	49,798
		7,529,332	8,180,878
Current assets			
Inventories	23	**3,575,778**	3,950,629
Trade and bills receivables	24	**1,404,850**	1,194,973
Deposits, prepayments and other receivables	25	**1,669,351**	1,552,547
Amounts due from related parties	39	**312,369**	469,685
Other financial assets	26	**8,135,702**	6,214,347
Pledged bank deposits	27	**403,424**	442,529
Time deposits	28	**3,480,735**	1,212,844
Cash and cash equivalents	29	**2,976,970**	4,184,838
		21,959,179	19,222,392

	Note	At March 31, 2026 RMB'000	2025 RMB'000
Current liabilities			
Current income tax liabilities		**388,133**	324,446
Interest-bearing borrowings	30	**956,954**	896,063
Lease liabilities	31	**350,856**	450,473
Trade and other payables	32	**8,687,996**	7,834,399
Amounts due to related parties	39	**37,111**	3,024
		10,421,050	9,508,405
Net current assets		**11,538,129**	9,713,987
Total assets less current liabilities		**19,067,461**	17,894,865
Non-current liabilities			
Deferred tax liabilities	22	**268,327**	298,778
Lease liabilities	31	**361,581**	511,928
Derivative financial instruments	21	**2,643**	3,661
Other non-current liabilities	33	**5,378**	50,299
		637,929	864,666
Net assets		**18,429,532**	17,030,199
Capital and reserves			
Share capital	35(c)	**874**	863
Reserves		**18,265,253**	16,918,157
Equity attributable to equity shareholders of the Company		**18,266,127**	16,919,020
Non-controlling interests		**163,405**	111,179
Total equity		**18,429,532**	17,030,199

Approved and authorized for issue by the board of directors on June 25, 2026.

Gao Dekang
Chairman of the Board of Directors and CEO

Gao Xiaodong
Director

The notes on pages 136 to 233 form part of these financial statements.

Consolidated Statement of Changes in Equity

for the year ended March 31, 2026 (Expressed in Renminbi)

	Attributable to the equity shareholders of the Company										
	Share capital RMB'000 (note 35(c))	Share premium RMB'000	Treasury shares held for the Share Award Scheme RMB'000 (note 34(b))	Capital reserves RMB'000 (note 35(d))	Statutory reserves RMB'000 (note 35(d))	Translation reserves RMB'000 (note 35(d))	Other reserves RMB'000	Retained earnings RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Balance at April 1, 2025	863	4,231,380	(144,386)	345,011	1,012,961	(557,508)	–	12,030,699	16,919,020	111,179	17,030,199
Total comprehensive income for the year:											
Profit for the year	–	–	–	–	–	–	–	3,994,378	3,994,378	52,687	4,047,065
Foreign currency translation differences – operations outside Mainland China	–	–	–	–	–	(112,076)	–	–	(112,076)	–	(112,076)
Total comprehensive income for the year	–	–	–	–	–	(112,076)	–	3,994,378	3,882,302	52,687	3,934,989
Transactions with owners, recorded directly in equity											
Capital contributions by non-controlling interests	–	–	–	–	–	–	–	–	–	10,000	10,000
Equity-settled share-based transactions (note 36)	11	418,421	–	83,119	–	–	–	–	501,551	–	501,551
Treasury shares granted for Share Award Scheme	–	–	35,784	(21,805)	–	–	–	5,722	19,701	–	19,701
Appropriation to reserves	–	–	–	–	11	–	–	(11)	–	–	–
Purchase of own shares (note 35 (c))	(-)*	(18,169)	–	–	–	–	–	–	(18,169)	–	(18,169)
Dividends	–	–	–	–	–	–	–	(3,038,278)	(3,038,278)	(10,461)	(3,048,739)
	11	400,252	35,784	61,314	11	–	–	(3,032,567)	(2,535,195)	(461)	(2,535,656)
Balance at March 31, 2026	874	4,631,632	(108,602)	406,325	1,012,972	(669,584)	–	12,992,510	18,266,127	163,405	18,429,532

* As the amount falls below the minimum monetary unit presented, it is disclosed as nil.

The notes on pages 136 to 233 form part of these financial statements.

	Attributable to the equity shareholders of the Company										
	Share capital RMB'000 (note 35(c))	Share premium RMB'000	Treasury shares held for the Share Award Scheme RMB'000 (note 34(b))	Capital reserves RMB'000 (note 35(d))	Statutory reserves RMB'000 (note 35(d))	Translation reserves RMB'000 (note 35(d))	Other reserves RMB'000	Retained earnings RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Balance at April 1, 2024	819	1,966,044	(207,370)	218,333	1,005,390	(645,783)	161,313	11,236,690	13,735,436	84,049	13,819,485
Total comprehensive income for the year:											
Profit for the year	–	–	–	–	–	–	–	3,513,913	3,513,913	38,830	3,552,743
Foreign currency translation differences – operations outside Mainland China	–	–	–	–	–	88,275	–	–	88,275	–	88,275
Net change in fair value of equity investment at fair value through other comprehensive income, net of tax (non-recycling)	–	–	–	–	–	–	5,763	–	5,763	–	5,763
Total comprehensive income for the year	–	–	–	–	–	88,275	5,763	3,513,913	3,607,951	38,830	3,646,781
Transactions with owners, recorded directly in equity											
Equity-settled share-based transactions (note 36)	13	486,453	–	154,674	–	–	–	–	641,140	–	641,140
Treasury shares granted for Share Award Scheme	–	–	62,984	(27,996)	–	–	–	–	34,988	–	34,988
Conversion and redemption of convertible notes	36	2,001,609	–	–	–	–	(244,779)	–	1,756,866	–	1,756,866
Deregister of a subsidiary	–	–	–	–	(2,174)	–	–	2,174	–	–	–
Disposal of equity investment at fair value through other comprehensive income, net of tax (non-recycling)	–	–	–	–	–	–	77,703	(77,703)	–	–	–
Appropriation to reserves	–	–	–	–	9,745	–	–	(9,745)	–	–	–
Purchase of own shares (note 35 (c))	(5)	(222,726)	–	–	–	–	–	–	(222,731)	–	(222,731)
Dividends	–	–	–	–	–	–	–	(2,634,630)	(2,634,630)	(11,700)	(2,646,330)
	44	2,265,336	62,984	126,678	7,571	–	(167,076)	(2,719,904)	(424,367)	(11,700)	(436,067)
Balance at March 31, 2025	863	4,231,380	(144,386)	345,011	1,012,961	(557,508)	–	12,030,699	16,919,020	111,179	17,030,199

The notes on pages 136 to 233 form part of these financial statements.

Consolidated Cash Flow Statement

for the year ended March 31, 2026 (Expressed in Renminbi)

	For the year ended March 31,	
	2026	2025
	RMB'000	RMB'000
Operating activities		
Profit for the year	**4,047,065**	3,552,743
Adjustments for:		
Income tax	**1,586,148**	1,596,494
Depreciation	**1,216,501**	1,176,739
Amortization	**63,153**	49,537
Impairment losses	**147,800**	171,000
Equity-settled share-based transactions	**46,687**	161,587
Dividend income from other financial assets	**–**	(3,710)
Net loss on disposal of property, plant and equipment and right-of-use assets	**49,813**	37,745
Net loss on disposal of intangible assets	**2,083**	–
Net interest income	**(124,519)**	(86,483)
Unrealized/realized fair value change of financial instruments	**(255,626)**	(139,861)
Share of losses of associates and joint ventures	**31,718**	21,962
Operating profit before changes in working capital	**6,810,823**	6,537,753
Decrease/(increase) in inventories	**374,851**	(753,132)
(Increase)/decrease in trade and bills receivables and deposits, prepayments and other receivables	**(413,472)**	158,422
Decrease/(increase) in amounts due from related parties	**150,912**	(337,933)
Decrease in pledged bank deposits for bills payable	**39,355**	228,652
Increase in trade and other payables	**978,007**	61,529
Increase/(decrease) in amounts due to related parties	**65,813**	(83,791)
Cash generated from operations	**8,006,289**	5,811,500
Interest paid	**(86,543)**	(110,119)
Income tax paid	**(1,487,411)**	(1,719,541)
Net cash generated from operating activities	**6,432,335**	3,981,840

	For the year ended March 31,	
	2026	2025
	RMB'000	RMB'000
Investing activities		
Payments in relation to investments in associates and joint ventures	**–**	(287,416)
Payments of a loan provided to an associate	**–**	(20,000)
Advances to a joint venture	**–**	(18,000)
Payments for the purchase of property, plant and equipment	**(953,678)**	(816,178)
Payments for the acquisition of land use right	**–**	(447,991)
Payments for the purchase of intangible assets	**(129,648)**	(67,667)
Acquisition of other financial assets	**(7,373,429)**	(6,416,092)
Proceeds from disposal of other financial assets	**5,593,035**	4,217,563
(Increase)/decrease in time deposits	**(1,757,891)**	555,822
Dividend income from other financial assets	**–**	3,710
Interest received	**177,335**	198,128
Net cash used in investing activities	**(4,444,276)**	(3,098,121)
Financing activities		
Proceeds from interest-bearing borrowings	**760,000**	610,000
Repayment of interest-bearing borrowings	**(676,112)**	(490,425)
Payments for purchase of own shares	**(18,169)**	(222,731)
Proceeds from exercise of share options	**317,482**	369,431
Proceeds from upfront payment received from employees in connection with Share Award Scheme	**9,412**	13,446
Capital element of lease liabilities paid	**(514,344)**	(562,530)
Capital contribution by non-controlling shareholders	**10,000**	–
Dividends paid	**(3,048,739)**	(2,646,330)
Payments for redemption of convertible bonds	**–**	(12,221)
Net cash used in financing activities	**(3,160,470)**	(2,941,360)
Net decrease in cash and cash equivalents	**(1,172,411)**	(2,057,641)
Cash and cash equivalents at the beginning of the year	**4,184,838**	6,227,015
Effect of foreign currency exchange rate changes	**(35,457)**	15,464
Cash and cash equivalents at the end of the year	**2,976,970**	4,184,838

The notes on pages 136 to 233 form part of these 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. Material accounting policies adopted by the Group is set out in note 4.

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 3 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 (see note 4(d)); and

– derivative financial instruments (see note 4(e)).

2 BASIS OF PREPARATION (CONTINUED)

(c) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the entity ("functional currency"). These financial statements are presented in Renminbi ("RMB", the "presentation currency"). All financial information presented in RMB has been rounded to the nearest thousand except where otherwise stated. The functional currency of the Company is United States Dollars ("USD").

(d) Use of estimates and judgments

The preparation of the consolidated financial statements in conformity with IFRS Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of IFRS Accounting Standards that have significant effect on the consolidated financial statements and major sources of estimation uncertainty are discussed in note 5.

3 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.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES

(a) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Intra-group balances and transactions, and any unrealized income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealized losses resulting from intra-group transactions are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

For each business combination, the Group can elect to measure any non-controlling interests ("NCI") either at fair value or at the NCI's proportionate share of the subsidiary's net identifiable assets. NCI are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. NCI in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between NCI and the equity shareholders of the Company.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

When the Group loses control of a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in that former subsidiary is measured at fair value when control is lost.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 4(j)(ii)), unless it is classified as held for sale (or included in a disposal group classified as held for sale).

(b) Associates and joint ventures

An associate is an entity in which the Group or the Company has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group or the Company has joint control, whereby the Group or the Company has the rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

An interest in an associate or a joint venture is accounted for using the equity method, unless it is classified as held for sale (or included in a disposal group classified as held for sale). They are initially recognised at cost, which includes transaction costs. Subsequently, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income ("OCI") of those investees, until the date on which significant influence or joint control ceases.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(b) Associates and joint ventures (continued)

When the Group's share of losses exceeds its interest in the associate or the joint venture, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method, together with any other long-term interests that in substance form part of the Group's net investment in the associate or the joint venture, after applying the expected credit losses ("ECL"s) model to such other long-term interests where applicable (see note 4(j)(i)).

Unrealized gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent there is no evidence of impairment.

In the Company's statement of financial position, an investment in an associate or a joint venture is stated at cost less impairment losses (see note 4(j)), unless it is classified as held for sale (or included in a disposal group classified as held for sale).

(c) Goodwill

Goodwill arising on acquisition of businesses is measured at cost less accumulated impairment losses and is tested annually for impairment (see note 4(j)).

(d) Other investments in securities

The Group's policies for investments in equity securities, other than investments in subsidiaries, associates and joint ventures, are set out below.

Investments in securities are recognized/derecognized on the date the Group commits to purchase/sell the investment. The investments are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at fair value through profit or loss ("FVPL") for which transaction costs are recognized directly in profit or loss. For an explanation of how the Group determines fair value of financial instruments, see note 37(f). These investments are subsequently accounted for as follows, depending on their classification:

(i) Non-equity investments

Non-equity investments are classified into one of the following measurement categories:

– amortized cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Expected credit losses, interest income from the investment is calculated using the effective interest method (see note 4(y)), foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(d) Other investments in securities (continued)

(i) Non-equity investments (continued)

– FVOCI – recycling, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses are recognized in profit or loss and computed in the same manner as if the financial asset was measured at amortized cost. The difference between the fair value and the amortized cost is recognized in OCI. When the investment is derecognized, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.

– FVPL, if the investment does not meet the criteria for being measured at amortized cost or FVOCI (recycling). Changes in the fair value of the investment (including interest) are recognized in profit or loss.

(ii) Equity investments

An investment in equity securities is classified as FVPL unless the investment is not held for trading purposes and on initial recognition the Group makes an irrevocable election to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognized in OCI. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. If such election is made for a particular investment, at the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained earnings and not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVPL or FVOCI, are recognized in profit or loss as other income in (see note 4(y)).

(e) Derivative financial instruments

Derivative financial instruments are initially measured at fair value. Subsequently, they are measured at fair value with changes therein recognized in profit or loss.

(f) Investment properties

Investment properties are land and/or buildings which are owned to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use and property that is being constructed or developed for future use as investment property.

Investment properties are measured at cost less accumulated depreciation and impairment losses (see note 4(j)(ii)). Cost includes expenditure that is directly attributable to the acquisition of the investment property. Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of 20 to 50 years. Depreciation methods, useful lives and residual values are re-assessed at the end of each reporting period and adjusted if appropriate. Rental income from investment properties is accounted for as described in note 4(v)(ii)(b).

When the Group changes the use of investment properties to own-occupied, investment properties are reclassified to property, plant and equipment, the property remains measured at cost less accumulated depreciation and impairment losses (see note 4(j)(ii)).

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(g) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses (see note 4(j)).

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labor, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs (see note 4(x)). Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, the cost or valuation of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

Items may be produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management. The proceeds from selling any such items and the related costs are recognized in profit or loss.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognized in profit or loss on the date of retirement or disposal. Any related revaluation surplus is transferred from the revaluation reserve to retained earnings and is not reclassified to profit or loss.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. Ongoing repairs and maintenance is expensed as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately. Freehold land with unlimited useful life is measured at cost and not depreciated.

Depreciation is recognized in profit or loss using the straight-line method over the estimated useful lives of each component of an item of property, plant and equipment.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(g) Property, plant and equipment (continued)

(iii) Depreciation (continued)

Depreciation is calculated to write off the cost or valuation of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

	Useful lives	Residual value
Land and buildings	20 – 50 years	0% ~ 10%
Machinery	5 – 10 years	4% ~ 10%
Motor vehicles and others	2 – 10 years	0% ~ 10%
Leasehold improvements	Over the shorter of the un-expired term of the lease and estimated useful lives	0%

Depreciation methods, useful lives and residual values are reviewed annually and adjusted if appropriate.

(h) Intangible assets (other than goodwill)

Expenditure on research activities is recognised in profit or loss as incurred. Development expenditure is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the resulting asset. Otherwise, it is recognised in profit or loss as incurred. Capitalized development expenditure is subsequently measured at cost less accumulated amortization and any accumulated impairment losses.

Other intangible assets, including customer relationship and trademark, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses (see note 4(j)(ii)). Intangible assets are not amortized while their useful lives are assessed to be indefinite.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Intangible assets (other than goodwill) (continued)

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, if any, and is generally recognised in profit or loss.

The principal estimated useful lives of the Group's intangible assets are as follows:

– Software and other intangible assets	1 – 10 years
– Customer relationship	3 – 15 years
– Trademark	20 years

Amortization methods and useful lives are reviewed annually and adjusted if appropriate.

(i) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. This is the case if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) As a lessee

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognizes a right-of-use asset and a lease liability, except for leases that have a short lease term of 12 months or less and leases of low-value such as certain properties. When the Group enters into a lease in respect of a low-value item, the Group decides whether to capitalize the lease on a lease-by-lease basis. If not capitalized, the associated lease payments are recognized in profit or loss on a systematic basis over the lease term.

Where the lease is capitalized, the lease liability is initially recognized at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortized cost and interest expense is recognized using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and are charged to profit or loss as incurred.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(i) Leased assets (continued)

(i) As a lessee (continued)

The right-of-use asset recognized when a lease is capitalized is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The Group's right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see notes 4(g) and 4(j)(ii)).

Refundable rental deposits are accounted for separately from the right-of-use assets in accordance with the accounting policy applicable to investments in non-equity securities carried at amortized cost (see notes 4(d)(i), 4(j)(i) and 4(y)). Any excess of the nominal value over the initial fair value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The lease liability is also remeasured when there is a lease modification, which means a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract, if such modification is not accounted for as a separate lease. In this case the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification.

In the consolidated statement of financial position, the current portion of long-term lease liabilities is determined as the present value of contractual payments that are due to be settled within twelve months after the reporting period.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(i) Leased assets (continued)

(ii) As a lessor

The Group determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. Otherwise, the lease is classified as an operating lease.

When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. The rental income from operating leases is recognized in accordance with note 4(v)(ii)(b).

(j) Credit losses and impairment of assets

(i) Credit losses from financial instruments

The Group recognizes a loss allowance for ECLs on:

– financial assets measured at amortized cost (including cash and cash equivalents, pledged bank deposits, time deposits with maturity over 3 months, trade and bills receivables, deposits, other receivables and receivables due from related parties including those loans to associates and joint ventures, that are held for the collection of contractual cash flows which represent solely payments of principal and interest).

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Generally, credit losses are measured as the present value of all expected cash shortfalls between the contractual and expected amounts.

The expected cash shortfalls are discounted using effective interest rate determined at initial recognition or an approximation thereof for fixed-rate financial assets, trade and bills receivables, deposits, other receivables and receivables due from related parties including those loans to associates and joint ventures, where the effect of discounting is material.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Credit losses and impairment of assets (continued)

(i) Credit losses from financial instruments (continued)

Measurement of ECLs (continued)

ECLs are measured on either of the following bases:

– 12-month ECLs: these are the portion of ECLs that result from default events within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months); and

– lifetime ECLs: these are the ECLs that result from all possible default events over the expected lives of the items to which the ECLs model applies.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

– financial instruments that are determined to have low credit risk at the reporting date; and

– other financial instruments for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

Significant increases in credit risk

When determining whether the credit risk of a financial instrument has increased significantly since initial recognition and when measuring ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group’s historical experience and informed credit assessment, that includes forward-looking information.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Credit losses and impairment of assets (continued)

(i) Credit losses from financial instruments (continued)

Significant increases in credit risk (continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

– failure to make payments of principal or interest on their contractually due dates;

– an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);

– an actual or expected significant deterioration in the operating results of the debtor; and

– existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

The Group considers a financial asset to be in default when:

– the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held);

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Credit losses and impairment of assets (continued)

(i) Credit losses from financial instruments (continued)

Credit-impaired financial assets

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

– significant financial difficulties of the debtor;

– a breach of contract, such as a default or past due event;

– the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;

– it is probable that the debtor will enter bankruptcy or other financial reorganisation; or

– the disappearance of an active market for a security because of financial difficulties of the issuer.

Write-off policy

The gross carrying amount of a financial asset is written off to the extent that there is no realistic prospect of recovery. This is generally the case when the Group otherwise determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Credit losses and impairment of assets (continued)

(ii) Impairment of other non-current assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units ("CGU"s). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the resulting carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(iii) Interim financial reporting and impairment

Under the requirement of the Listing Rules, the Group is required to prepare an interim financial report in compliance with IAS 34, *Interim financial reporting*, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (see notes 4(j)(i) and (ii)).

Impairment losses recognized in an interim period in respect of goodwill are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognized had the impairment been assessed only at the end of the financial year to which the interim period relates.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(k) Inventories

Inventories are measured at the lower of cost and net realizable value.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of production or conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(l) Contract liabilities

A contract liability is recognized when the customer pays non-refundable consideration before the Group recognizes the related revenue (see note 4(v)(i)). A contract liability is also recognized if the Group has an unconditional right to receive non-refundable consideration before the Group recognizes the related revenue. In such latter cases, a corresponding receivable is also recognized (see note 4(m)).

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see note 4(v)(i)).

(m) Trade and other receivables

A receivable is recognized when the Group has an unconditional right to receive consideration and only the passage of time is required before payment of that consideration is due.

Trade receivables that do not contain a significant financing component are initially measured at their transaction price. Trade receivables that contain a significant financing component and other receivables are initially measured at fair value plus transaction costs. All receivables are subsequently stated at amortized cost (see note 4(j)(i)).

(n) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated cash flow statement. Cash and cash equivalents are assessed for ECLs (see note 4(j)(i)).

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(o) Interest-bearing borrowings

Interest-bearing borrowings are recognized initially at fair value less transaction costs. Subsequently, these borrowings are stated at amortized cost using the effective interest method. Interest expense is recognized in accordance with note 4(x).

(p) Trade and other payables

Trade and other payables are initially recognized at fair value. Subsequent to initial recognition, trade and other payables are stated at amortized cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

If the notes are converted, the capital reserve, together with the carrying amount of the liability component at the time of conversion, is transferred to share capital and share premium as consideration for the shares issued.

(q) Employee benefits

(i) Short-term employee benefits and contributions to defined contribution retirement plans

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Obligations for contributions to defined contribution retirement plans are expensed as the related service is provided.

(ii) Termination benefits

Termination benefits are recognized at the earlier of when the Group can no longer withdraw the offer of those benefits and when it recognizes restructuring costs involving the payment of termination benefits.

(r) Share-based payment transactions

(i) Equity-settled share-based payment transaction with employees

The grant-date fair value of restricted share and share option granted to employees is measured using the Asian option model and binomial lattice model, respectively. The amount is generally recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service conditions at the vesting date. The equity amount is recognised in the capital reserve until either the option is exercised (when it is included in the amount recognised in share capital for the shares issued) or the option expires (when it is released directly to retained profits).

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(r) Share-based payment transactions (continued)

(ii) Equity-settled share-based payment transaction with parties other than employees

For equity-settled share-based payment transaction with parties other than employees, services are recognized as expenses when they are received with reference to the fair value of the services received, unless that fair value cannot be estimated reliably. If the entity cannot estimate reliably the fair value of the services received, the entity shall measure their value by reference to the fair value of the equity instruments granted. The fair value shall be measured at the date the counterparty renders service.

(s) Repurchase of shares

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognised as a deduction from equity and classified as treasury shares.

When the repurchased shares are cancelled, the share capital shall be eliminated according to the number of shares and par value of cancelled shares, the difference between the carrying amount of the treasury shares and the share capital are recognised in reserve.

(t) Income tax

Income tax expense comprises current tax and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.

Current tax comprises the estimated tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects any uncertainty related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(t) Income tax (continued)

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for:

– temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

– temporary differences related to investment in subsidiaries, associates and joint venture to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;

– taxable temporary differences arising on the initial recognition of goodwill; and

– those related to the income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two model rules published by the Organization for Economic Co-operation and Development.

The Group recognized deferred tax assets and deferred tax liabilities separately in relation to its lease liabilities and right-of-use assets.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognize a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax assets and liabilities are offset only if certain criteria are met.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(u) Provisions and contingent liabilities

Generally provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability.

A provision for warranties is recognised when the underlying products or services are sold, based on historical warranty data and a weighting of possible outcomes against their associated probabilities.

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under that contract and an allocation of other costs directly related to fulfilling that contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract (see note 4(j)(ii)).

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, a separate asset is recognised for any expected reimbursement that would be virtually certain. The amount recognised for the reimbursement is limited to the carrying amount of the provision.

(v) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods, the provision of services or the use by others of the Group's assets under leases in the ordinary course of the Group's business.

Further details of the Group's revenue and other income recognition policies are as follows:

(i) Revenue from contracts with customers

The Group is the principal for its revenue transactions and recognizes revenue on a gross basis, including the sale of apparel products that are sourced externally. In determining whether the Group acts as a principal or as an agent, it considers whether it obtains control of the products before they are transferred to the customers. Control refers to the Group's ability to direct the use of and obtain substantially all of the remaining benefits from the products.

Revenue is recognized when control over a product or service is transferred to the customer, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties such as value added tax or other sales taxes.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(v) Revenue and other income (continued)

(i) Revenue from contracts with customers (continued)

(a) Sale of goods

Revenue is recognized when the customer takes possession of and accepts the products. If the products are a partial fulfilment of a contract covering other goods and/or services, then the amount of revenue recognized is an appropriate proportion of the total transaction price under the contract, allocated between all the goods and services promised under the contract on a relative stand-alone selling price basis.

The Group has applied the practical expedient that for sales contracts that had an original expected duration of one year or less, the Group has not disclosed the information related to the aggregated amount of the transaction price allocated to the remaining performance obligations in accordance with paragraph 121(a) of IFRS 15.

(b) Royalty income

Royalties represent brand authorization business that the Group provides customers with the right to use brands and charges authorization fees. Royalty income is recognized on an accrual basis in accordance with the substance of the relevant agreements.

(ii) Revenue from other sources and other income

(a) Government grants

Government grants are recognized in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them.

Grants that compensate the Group for expenses incurred are recognized as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred.

Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognized in profit or loss over the useful life of the asset by way of reduced depreciation expense.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(v) Revenue and other income (continued)

(ii) Revenue from other sources and other income (continued)

(b) Rental income from operating leases

Rental income from operating leases is recognized in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income, over the term of the lease. Variable lease payments that do not depend on an index or a rate are recognized as income in the accounting period in which they are earned.

(w) Translation of foreign currencies

Transactions in foreign currencies are translated into the respective functional currencies of group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognized in profit or loss.

The assets and liabilities of foreign operations are translated into Renminbi at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Renminbi at the exchange rates at the dates of the transactions.

Foreign currency differences are recognized in OCI and accumulated separately in equity in the exchange reserve, except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the exchange reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. On disposal of a subsidiary that includes a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation that have been attributed to the NCI shall be derecognized, but shall not be reclassified to profit or loss. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(x) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

(y) Finance income and finance costs

The Group's finance income and finance costs include:

– interest income;

– interest expense;

– the net realized/unrealized gain or loss on financial assets at FVPL;

– the foreign currency gain or loss on financial assets and financial liabilities;

– dividend income:

  - dividend income from unlisted investments is recognized when the shareholder's right to receive payment is established.

  - dividend income from listed investments is recognized when the share price of the investment goes ex-dividend.

Interest income is recognized using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired). However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(z) Related parties

(a) A person, or a close member of that person's family, is related to the Group if that person:

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or the Group's parent.

(b) An entity is related to the Group if any of the following conditions applies:

(i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(aa) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

5 ACCOUNTING JUDGMENT AND ESTIMATES

Accounting judgements and sources of estimation uncertainty

Notes 11, 17, 21, 24, 25, 26, 32 and 36 contain information about the assumptions and their risk factors relating to income tax, goodwill impairment, impairment for bad and doubtful debts, fair value of financial instruments, contract liabilities and fair value of share options and restricted shares granted. Other critical accounting judgements and key sources of estimation uncertainty are as follows:

(a) Net realizable value of inventories

The Group reviews the carrying amounts of inventories at each reporting date to determine whether the inventories are carried at lower of cost and net realizable value in accordance with the accounting policy set out in note 4(k). Management calculates the inventory provision based on the forecast net realizable value of sales of inventories. The forecast quantities to be sold and the corresponding selling prices are prepared based on the Group's sales and marketing strategies, the current market conditions, the historical experience of distributing and selling products of a similar nature and the aging information of the relevant inventories. Any change in the assumptions would increase or decrease the amount of inventories write-down or the related reversals of write-down and affect the Group's profit and net asset value.

5 ACCOUNTING JUDGMENT AND ESTIMATES (CONTINUED)

Accounting judgements and sources of estimation uncertainty (continued)

(b) Impairment for non-current assets

The management determines the impairment loss on non-current assets other than goodwill if circumstances indicate that the carrying value of an asset may not be recoverable. The carrying amounts of assets are reviewed periodically in order to assess whether the recoverable amounts have declined below the carrying amounts. These assets are tested for impairment whenever events or changes in circumstances indicate that their recorded carrying amounts may not be recoverable. When such a decline has occurred, the carrying amount is reduced to recoverable amount. Goodwill is tested annually for impairment. Management assesses impairment of goodwill by preparing discounted cash flow forecasts for each CGU to which goodwill has been allocated and comparing the net present value of the forecast cash flows with the carrying values of the related assets.

The recoverable amount is the greater of the fair value less costs to sell and the value in use. In determining the value in use, expected cash flows generated by the asset are discounted to their present value, which requires significant judgment relating to level of sales volume, sales revenue and amount of operating costs. The Group uses all readily available information in determining an amount that is a reasonable approximation of recoverable amount, including estimates based on reasonable and supportable assumptions and projections of sales volume, sales revenue and amount of operating costs.

(c) Determining the lease term

As explained in policy note 4(i), the lease liability is initially recognized at the present value of the lease payments payable over the lease term. In determining the lease term at the commencement date for leases that include renewal options exercisable by the Group, the Group evaluates the likelihood of exercising the renewal options taking into account all relevant facts and circumstances that create an economic incentive for the Group to exercise the option, including favourable terms, leasehold improvements undertaken and the importance of that underlying asset to the Group's operation. The lease term is reassessed when there is a significant event or significant change in circumstance that is within the Group's control. Any increase or decrease in the lease term would affect the amount of lease liabilities and right-of-use assets recognized in future years.

6 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.

6 REVENUE AND SEGMENT REPORTING (CONTINUED)

- 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
Revenue from other sources		
Gross rentals from investment properties	**1,144**	1,111
Consolidated revenue	**27,349,980**	25,901,713

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

Disaggregation of revenue from contracts with customers by geographic markets is disclosed in note 6(d).

(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.

6 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment results (continued)

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 RMB'000	**OEM management RMB'000**	**Ladieswear apparels RMB'000**	**Diversified apparels RMB'000**	**Group RMB'000**
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 RMB'000	OEM management RMB'000	Ladieswear apparels RMB'000	Diversified apparels RMB'000	Group RMB'000
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)

6 REVENUE AND SEGMENT REPORTING (CONTINUED)

(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	**27,349,980**	25,901,713

	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 7)	**552,256**	492,098
Impairment losses on goodwill (note 17)	**(147,800)**	(171,000)
Share of losses of associates and joint ventures	**(31,718)**	(21,962)
Finance income (note 10)	**478,625**	371,344
Finance costs (note 10)	**(108,090)**	(167,028)
Unallocated expenses	**(791,556)**	(625,192)
Consolidated profit before taxation	**5,633,213**	5,149,237

(d) Geographic information

Except for land and buildings and investment properties with the aggregate carrying amount of RMB252,470,000 (March 31, 2025: RMB259,861,000) located in the United Kingdom, all of the Group's land and buildings and investment properties are located in mainland China at March 31, 2026.

The geographical location information of property, plant and equipment and investment property is based on the physical location of the assets.

The following table sets out information about the geographical location of the Group's revenue from external customers. The geographical location of customers is based on the location at which the services were provided or the goods delivered to.

6 REVENUE AND SEGMENT REPORTING (CONTINUED)

(d) Geographic information (continued)

	For the year ended March 31,	
	2026	2025
	RMB'000	RMB'000
PRC	**25,781,701**	24,714,804
North America	**341,293**	493,777
Europe and other regions	**1,226,986**	693,132
	27,349,980	25,901,713

7 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
	552,256	492,098

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.

8 PERSONNEL EXPENSES

	For the year ended March 31,	
	2026	2025
	RMB'000	RMB'000
Salaries, wages and other benefits	**2,291,715**	2,136,627
Equity-settled share-based payments (note 36)	**46,687**	161,587
Contributions to defined contribution plans	**296,722**	275,143
	2,635,124	2,573,357

Employees of the Group's PRC subsidiaries are required to participate in defined contribution retirement schemes administered and operated by the local municipal governments where the subsidiaries are registered. The Group's PRC subsidiaries contribute funds which are calculated on certain percentages of the average employee salary as agreed by the respective local municipal government to the schemes to fund the retirement benefits of the employees. The Group remits all pension fund contributions to the respective tax bureau, which are responsible for the payment and liabilities relating to the pension funds.

8 PERSONNEL EXPENSES (CONTINUED)

The Group also operates a Mandatory Provident Fund Scheme ("the MPF scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed in Hong Kong under the Employment Ordinance and not previously covered by the defined benefit retirement plan. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of Hong Kong Dollars ("HKD") 30,000. Contributions to the plan vest immediately.

The Group has arranged for its employees in the United Kingdom to join the National Insurance and the relevant pension scheme, respectively (collectively, the "UK Schemes"). Under the UK Schemes, each member of the Group in the United Kingdom (the employer) and its employees are required to make monthly contributions to the UK Schemes pursuant to the relevant laws and regulations. The Group's subsidiaries in the United Kingdom contribute funds to the UK Schemes, which are calculated on a stipulated percentage of the average employee salary provided by the government of the United Kingdom.

The Group has conducted relevant operations in Vietnam. In Vietnam, the Group strictly complies with the Social Insurance Law, mandating all local employees to participate in the statutory social insurance plans in accordance with regulations. Under the current law, the plan covers three mandatory insurances: pension, health and unemployment, with employer contributions amounting to 21.5% and employee contributions at 10.5%.

The Company's and its subsidiaries' contributions made to the above defined contribution schemes are non-refundable and cannot be used to reduce the future or existing level of contribution of the Company and its subsidiaries should any forfeiture be resulted from the schemes.

The Group has no other material obligation for the payment of retirement benefits other than the contributions described above.

9 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

10 NET FINANCE INCOME

	For the year ended March 31, 2026 RMB'000	2025 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 (note 26(a))	**255,626**	139,861
Dividend income	**–**	3,710
Changes in fair value of derivative financial instruments (note 21)	**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

11 INCOME TAX

(a) Income tax in profit or loss represents:

	For the year ended March 31, 2026 RMB'000	2025 RMB'000
Current tax		
Provision for income tax for the year	**1,636,005**	1,639,508
Deferred tax		
Origination and reversal of temporary differences (note 22(a))	**(49,857)**	(43,014)
	1,586,148	1,596,494

11 INCOME TAX (CONTINUED)

(a) Income tax in profit or loss represents: (continued)

(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 years 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 years 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.

11 INCOME TAX (CONTINUED)

(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

12 DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

For the year ended March 31, 2026

	Directors' fees RMB'000	Salaries, allowances and other benefits in kind RMB'000	Discretionary bonuses RMB'000	Equity-settled share-based payments RMB'000	Contributions to defined Contribution Schemes RMB'000	Total RMB'000
Executive directors						
Gao Dekang	330	12,010	–	–	–	12,340
Mei Dong	330	13,746	–	–	146	14,222
Huang Qiaolian	330	2,980	–	305	–	3,615
Rui Jinsong	330	14,608	–	5,234	162	20,334
Gao Xiaodong	330	1,310	–	–	112	1,752
Independent non-executive directors						
Dong Binggen	330	–	–	–	–	330
Wang Yao (i)	–	–	–	–	–	–
Ngai Wai Fung	385	–	–	–	–	385
	2,365	44,654	–	5,539	420	52,978

12 DIRECTORS' EMOLUMENTS (CONTINUED)

For the year ended March 31, 2025

	Directors' fees RMB'000	Salaries, allowances and other benefits in kind RMB'000	Discretionary bonuses RMB'000	Equity-settled share-based payments RMB'000	Contributions to defined Contribution Schemes RMB'000	Total RMB'000
Executive directors						
Gao Dekang	330	11,610	–	–	–	11,940
Mei Dong	330	14,910	–	–	144	15,384
Huang Qiaolian	330	1,460	–	879	–	2,669
Rui Jinsong	330	16,089	–	26,710	150	43,279
Gao Xiaodong	330	1,310	–	–	107	1,747
Independent non-executive directors						
Dong Binggen	330	–	–	–	–	330
Wang Yao (i)	–	–	–	–	–	–
Ngai Wai Fung	385	–	–	–	–	385
	2,365	45,379	–	27,589	401	75,734

(i) During the years ended March 31, 2026 and 2025, Mr. Wang Yao, an independent non-executive director, waived director's fee of RMB330,000.

During the years ended March 31, 2026 and 2025, no amount was paid or payable by the Group to the directors or any of the other two highest paid individuals set out in note 13 below as an inducement to join or upon joining the Group or as compensation for loss of office.

13 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, three (for the year ended March 31, 2025: three) are directors whose emoluments are disclosed in note 12. For the year ended March 31, 2026, the aggregate of the emoluments in respect of the other two (for the year ended March 31, 2025: two) individuals are listed as follows:

	For the year ended March 31,	
	2026	2025
	RMB'000	RMB'000
Salaries and other emoluments	**10,833**	9,769
Equity-settled share-based payments	**4,254**	11,423
Contributions to defined contribution schemes	**308**	251
	15,395	21,443

For the year ended March 31, 2026, the two (for the year ended March 31, 2025: two) individuals with the highest emoluments are within the following band:

	For the year ended March 31,	
	2026	2025
	Number of individuals	Number of individuals
HKD6,500,001 to HKD7,000,000	**1**	–
HKD10,500,001 to HKD11,000,000	**1**	–
HKD11,000,001 to HKD11,500,000	**–**	1
HKD12,000,001 to HKD12,500,000	**–**	1

14 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 issue of 11,670,790,000 (2025: 11,539,415,000 shares), after adjusting for the effect of the Company's share-based payment arrangements (note 36), 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
Weighted average number of ordinary shares (diluted)	**11,670,790**	11,539,415
Diluted earnings per share (RMB cents)	**34.23**	30.83

15 PROPERTY, PLANT AND EQUIPMENT

	Land and Buildings RMB'000	Machinery RMB'000	Motor vehicles and others RMB'000	Leasehold improvements RMB'000	Construction in progress RMB'000	Total RMB'000
Cost:						
At April 1, 2024	1,079,182	369,423	520,019	2,272,021	20,085	4,260,730
Additions	234	29,454	93,129	545,783	101,026	769,626
Transfer among items under property, plant and equipment	1,694	–	17,153	–	(18,847)	–
Transfer from investment properties (note 20)	256,175	–	–	–	–	256,175
Disposal	–	(3,762)	(37,034)	(43,039)	–	(83,835)
Movement of exchange rate	2,306	921	231	19	–	3,477
At March 31, 2025	1,339,591	396,036	593,498	2,774,784	102,264	5,206,173
Additions	6,423	17,130	46,851	618,711	155,842	844,957
Transfer among items under property, plant and equipment	1,362	48,945	2,434	6,114	(58,855)	–
Disposal	–	(26,540)	(29,054)	(28,442)	–	(84,036)
Movement of exchange rate	(5,939)	(590)	(244)	(63)	–	(6,836)
At March 31, 2026	**1,341,437**	**434,981**	**613,485**	**3,371,104**	**199,251**	**5,960,258**
Accumulated depreciation:						
At March 31, 2024	(359,429)	(119,711)	(375,753)	(1,861,886)	–	(2,716,779)
Charge for the year	(38,418)	(18,766)	(133,826)	(399,652)	–	(590,662)
Transfer from investment properties (note 20)	(24,304)	–	–	–	–	(24,304)
Disposal	–	418	29,769	15,894	–	46,081
Movement of exchange rate	(1,009)	(358)	(205)	(7)	–	(1,579)
At March 31, 2025	(423,160)	(138,417)	(480,015)	(2,245,651)	–	(3,287,243)
Charge for the year	(48,204)	(39,267)	(55,001)	(464,452)	–	(606,924)
Disposal	–	20,074	20,998	7,477	–	48,549
Movement of exchange rate	437	339	225	30	–	1,031
At March 31, 2026	**(470,927)**	**(157,271)**	**(513,793)**	**(2,702,596)**	**–**	**(3,844,587)**
Net book value:						
At March 31, 2026	**870,510**	**277,710**	**99,692**	**668,508**	**199,251**	**2,115,671**
At March 31, 2025	916,431	257,619	113,483	529,133	102,264	1,918,930

15 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Except for freehold land and buildings with the carrying amount of RMB249,071,000 (March 31, 2025: RMB254,573,000) which were located in the United Kingdom, all other buildings were located in mainland China at March 31, 2026. The properties located in the United Kingdom were acquired by the Group in June 2011.

For the year ended March 31, 2026, no interest expense was capitalized as there were no material borrowing costs directly attributable to the acquisition of qualifying assets (2025: Nil).

16 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)
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)
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
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
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

16 RIGHT-OF-USE ASSETS (CONTINUED)

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 (note 10)	**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).

Details of total cash outflow for leases and the maturity analysis of lease liabilities are set out in notes 29(c) and 31, respectively.

(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 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.

17 INTANGIBLE ASSETS AND GOODWILL

	Goodwill RMB'000	Customer relationships RMB'000	Trademarks RMB'000	Software and other intangible assets RMB'000	Total RMB'000
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.

17 INTANGIBLE ASSETS AND GOODWILL (CONTINUED)

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.

17 INTANGIBLE ASSETS AND GOODWILL (CONTINUED)

Impairment testing for cash-generating unit containing goodwill (continued)

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
	1,708,151	1,708,151
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)
	(1,147,541)	(999,741)
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
	560,610	708,410

18 INTERESTS IN ASSOCIATES

(a) The following list contains the particulars of associates, all of which are unlisted corporate entities whose quoted market price is not available:

Name of associate	Form of business structure	Place of incorporation and business	Particulars of issued and paid-up capital	Proportion of ownership interest: Group's effective interest	Held by the Company	Held by a subsidiary	Principal activity
Anhui Liuqiao International Supply Chain Co., Ltd. ("Anhui Liuqiao")	Limited liability company	Mainland China	Registered capital RMB150,000,000	35%	–	35%	Trading of down raw materials (i)
Anhui Ehong Down Co., Ltd. ("Anhui Ehong")	Limited liability company	Mainland China	Registered capital RMB33,350,000	40%	–	40%	Trading of down raw materials (ii)
MODES MOOSE HOLDINGS ULC ("Modes Moose")	Unlimited liability company	Canada	Registered shares designated as Class A-F shares of 496,754,961 shares as fully diluted and as converted	31.61%	–	31.61%	Wholesale and retail of clothes and accessories (iii)

(i) Anhui Liuqiao is a down supplier in the Chinese market, which was invested by a subsidiary of the Company on November 29, 2021.

(ii) Anhui Ehong is a down supplier in the Chinese market, which was invested by a subsidiary of the Company on October 30, 2023. Pursuant to the relevant shares transfer agreement, the Group was granted a put option, giving it a right to require the original shareholders of Anhui Ehong to repurchase all the shares held by the Group at a price equal to the original consideration of RMB13,350,000 plus interests at 8% per annum by cash if certain conditions are met.

(iii) On August 6, 2024, the Group had made cash contribution of Canadian dollars 50,000,000 (equivalent to RMB259,263,000) for the subscription of 157,035,288 Class F Preferred Shares of Modes Moose, which represented 31.61% equity interest in Modes Moose on a fully diluted and as converted basis. Modes Moose is mainly engaged in the manufacturing and distribution of high-end down and related apparels of Moose Knuckles brand.

18 INTERESTS IN ASSOCIATES (CONTINUED)

(b) Summarized financial information of Modes Moose and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below:

	At March 31, 2026 RMB'000	2025 RMB'000
Gross amounts of Modes Moose		
Current assets	**438,090**	479,747
Non-current assets	**845,274**	878,998
Current liabilities	**(238,695)**	(194,689)
Non-current liabilities	**(283,144)**	(321,314)
Equity	**761,525**	842,742

	For the year ended March 31, 2026 RMB'000	2025 RMB'000
Revenue	**1,027,930**	764,482
(Loss)/profit for the year	**(45,809)**	13,388
Other comprehensive income	**–**	–
Total comprehensive income	**(45,809)**	13,388
Reconciled to the Group's interest in Modes Moose		
Gross amounts of Modes Moose's net assets	**761,525**	842,742
Group's effective interest	**31.61%**	31.61%
Group's share of Modes Moose's net assets	**240,718**	266,391
Carrying amount of the Group's interest	**240,718**	266,391

(c) Aggregate information of associates that are not individually material:

	For the year ended March 31, 2026 RMB'000	2025 RMB'000
Aggregate carrying amount of individually immaterial associates in the consolidated financial statements	**75,905**	74,184
Aggregate amounts of the Group's share of those associates'		
– Profit for the year	**1,720**	4,125
– Other comprehensive income	**–**	–
Total comprehensive income	**1,720**	4,125

19 INTEREST IN JOINT VENTURES

Details of the Group's interest in joint ventures, which are accounted for using the equity method in the consolidated financial statements, are as follows:

				Proportion of ownership interest			
Name of joint venture	Form of business structure	Place of incorporation and business	Particulars of issued and paid-up capital	Group's effective interest	Held by the Company	Held by a subsidiary	Principal activity
Bogner GCA Holding PTE. Ltd. ("Bogner GCA Holding")	Limited liability company	Singapore	Registered capital USD30,800,000	55%	–	55%	Wholesale and retail of clothes and accessories (i)
Bogner GCA IP GmbH & Co. KG ("Bogner IPCo")	Limited partnership	Germany	Registered capital EUR100	45%	–	45%	Holding and administration of assets (ii)
Bogner GCA IP Management GmbH ("Bogner IPCo GP")	Limited liability company	Germany	Registered capital EUR25,000	45%	–	45%	Management of Bogner IPCo (iii)
Lang Giang Textile Joint Stock Company ("Lang Giang")	Limited liability company	Vietnam	Registered capital Vietnam Dong ("VND") 105,000,000,000	60%	–	60%	Garment manufacturing (iv)
Tan Duong Export Garment Co., Ltd. ("Tan Duong")	Limited liability company	Vietnam	Registered capital VND 60,575,291,615	60%	–	60%	Garment manufacturing (v)
PT. Indonesia Snowflying Garment ("PT Indonesia")	Limited liability company	Indonesia	Registered capital Indonesia Rupiah 39,500,000,000	60%	–	60%	Garment manufacturing (vi)

(i) Bogner GCA Holding was established by the Group together with WILLY BOGNER GMBH & CO. KGAA ("WILLY BOGNER"). On February 24, 2022, the Group had made cash contribution of USD16,940,000 (equivalent to RMB107,196,000) for 55% ownership interest in Bogner GCA Holding. Bogner GCA Holding is mainly engaged in the sourcing and distribution of high-end outdoor sport fashion apparels of Bogner brand.

(ii) Bogner IPCo was established by the Group together with WILLY BOGNER. On June 29, 2022, the Group had made cash contribution of USD13,860,000 (equivalent to RMB92,911,000) for 45% ownership interest in Bogner IPCo. Bogner IPCo is a German limited partnership, which is mainly engaged in holding and administration of assets, in particular, trademarks and licensing of trademarks of Bogner brand.

19 INTEREST IN JOINT VENTURES (CONTINUED)

(iii) Bogner IPCo GP was established by the Group together with WILLY BOGNER. On June 29, 2022, the Group had made cash contribution of EUR11,000 (equivalent to RMB78,000) for 45% ownership interest in Bogner IPCo GP. Bogner IPCo GP participates as a general partner and assumes the management of Bogner IPCo.

(iv) Lang Giang operates in Vietnam and is principally engaged in garment manufacturing, which was firstly invested by the Group on November 26, 2021 to acquire 25% of its equity shares by making cash consideration of USD1,148,000 (equivalent to RMB7,432,000). The Group entered into a share transfer agreement ("STA1") with the other shareholder of Lang Giang to acquire an additional 35% of the shares of Lang Giang on July 13, 2023 by making cash consideration of USD1,545,000 (equivalent to RMB10,959,000). Pursuant to STA1, the Group granted a call option to the other shareholder of Lang Giang, giving it the right to purchase back its 35% of equity shares in Lang Giang with the original cash consideration paid by the Group if certain conditions are met.

(v) Tan Duong operates in Vietnam and is principally engaged in garment manufacturing, which was firstly invested by the Group on January 13, 2023 to acquire 49% of its equity shares by making a cash consideration of USD2,800,000 (equivalent to RMB18,931,000). The Group entered into a share transfer agreement ("STA2") with the other shareholder of Tan Duong to acquire an additional 11% of its equity shares of Tan Duong on August 4, 2023 by making a cash consideration of USD629,000 (equivalent to RMB4,512,000). Pursuant to STA2, the Group granted a call option to the other shareholder of Tan Duong, giving it the right to purchase back its 11% equity shares in Tan Duong with the original cash consideration paid by the Group if certain conditions are met.

(vi) PT Indonesia operates in Indonesia and is principally engaged in garment manufacturing, which was firstly invested by the Group on May 16, 2024 to acquire 60% of its equity shares by making a cash consideration of USD1,500,000 (equivalent to RMB10,653,000).

Bogner GCA Holding, Bogner IPCo, Bogner IPCo GP, Lang Giang and Tan Duong are unlisted corporate entities whose quoted market price are not available.

Aggregate information of joint ventures which are not individually material, are disclosed below:

	For the year ended March 31,	
	2026	2025
	RMB'000	RMB'000
Gross amounts of individually immaterial joint ventures in the consolidated financial statements		
Aggregate amounts of the Group's share of those joint ventures		
Loss for the year	**(18,958)**	(30,319)
Other comprehensive income	**–**	–
Total comprehensive income	**(18,958)**	(30,319)

	At March 31,	
	2026	2025
	RMB'000	RMB'000
Aggregate carrying amount of individually immaterial joint ventures in the consolidated financial statements	**162,371**	183,132

20 INVESTMENT PROPERTIES

	At March 31, 2026 RMB'000	2025 RMB'000
Cost:		
At the beginning of the year	**136,870**	383,178
Transfer out to property, plant and equipment	**–**	(256,175)
Effect of movement in exchange rates	**(375)**	9,867
At March 31	**136,495**	136,870
Accumulated depreciation:		
At the beginning of the year	**(102,236)**	(118,476)
Charge for the year	**(7,029)**	(7,398)
Transfer out to property, plant and equipment	**–**	24,304
Effect of movement in exchange rates	**260**	(666)
At March 31	**(109,005)**	(102,236)
Net book value:		
At March 31	**27,490**	34,634

Investment properties comprise land and buildings that are leased to third parties. As at March 31, 2026, freehold investment properties of RMB3,399,000 (March 31, 2025: RMB5,288,000) represented land and buildings located in the United Kingdom and leasehold investment properties of RMB24,091,000 (March 31, 2025: RMB29,346,000) represented buildings located in Chinese mainland. The Group leases out investment properties under operating leases. The leases carry rentals which were determined based on the lease contract with third parties for a period from typically three to ten years.

As at March 31, 2026, the aggregate fair value of the investment properties located in the United Kingdom was approximately GBP1,710,000 (equivalent to approximately RMB15,590,000) (March 31, 2025: GBP1,590,000 (equivalent to approximately RMB14,816,000)), which was based on the valuation performed by an independent professionally qualified valuer, on an open market, existing use basis. The aggregate fair value of the investment properties located in Chinese mainland was approximately RMB139,513,000 (2025: RMB141,111,000), which was based on the valuation performed by an independent professionally qualified valuer, on an open market, existing use basis.

20 INVESTMENT PROPERTIES (CONTINUED)

During the year ended March 31, 2026, rental income of RMB1,144,000 (March 31, 2025: RMB1,111,000) was recognized in profit or loss.

The Group's total future minimum lease payments under non-cancellable operating leases are receivable as follows:

	At March 31, 2026 RMB'000	2025 RMB'000
Within 1 year	**2,353**	2,510
After 1 year but within 5 years	**7,411**	8,202
After 5 years	**953**	2,541
	10,717	13,253

21 DERIVATIVE FINANCIAL INSTRUMENTS

	At March 31, 2026 RMB'000	2025 RMB'000
Derivative financial asset		
Put option to sell equity interests to other shareholders of an associate (note 18(ii))	**2,800**	3,754
Derivative financial liabilities		
Call options granted to other shareholders a right to repurchase equity interests in joint ventures (notes 19(iv) and (v))	**(2,643)**	(3,661)

During the year, the net unrealized gain arising from these derivative financial instruments of RMB64,000 was recognized as a gain in finance income (for the year ended March 31, 2025: RMB22,000). The derivative financial asset has been classified as a non-current asset as the corresponding put option is expected not to be exercised within one year. The derivative financial liabilities have been classified as non-current liabilities as the exercise dates of the call options were beyond one year.

22 DEFERRED TAX ASSETS AND LIABILITIES

(a) The components of deferred tax assets/(liabilities) recognized in the consolidated statement of financial position and the movements during the years are as follows:

	Write down of inventory RMB'000	Provision for impairment loss for bad and doubtful debts RMB'000	Customer relationships and Trademark RMB'000	Withholding tax on dividends RMB'000	Unrealized profits arising from intra-group transactions RMB'000	Unused tax losses RMB'000	Right-of-use assets RMB'000	Lease liabilities RMB'000	Equity-settled share-based payment RMB'000	Deferred revenue RMB'000	Others RMB'000	Total RMB'000
At March 31, 2024	92,485	20,105	(89,241)	(197,500)	54,193	235,368	(171,594)	184,998	50,710	20,475	(11,317)	188,682
Credited/(charged) to profit or loss	13,872	(1,290)	8,971	(230,614)	(23,742)	20,825	(57,857)	57,805	7,592	10,909	8,429	(185,100)
Released upon distribution of dividends	–	–	–	228,114	–	–	–	–	–	–	–	228,114
Credited to reserves	–	–	–	–	–	–	–	–	17,530	–	–	17,530
Charged to OCI	–	–	–	–	–	–	–	–	–	–	(6,537)	(6,537)
At March 31, 2025 and April 1, 2025	106,357	18,815	(80,270)	(200,000)	30,451	256,193	(229,451)	242,803	75,832	31,384	(9,425)	242,689
Credited/(charged) to profit or loss	3,242	1,325	8,272	(180,128)	9,674	66,227	54,737	(58,552)	(50,734)	(2,777)	(1,557)	(150,271)
Released upon distribution of dividends	–	–	–	200,128	–	–	–	–	–	–	–	200,128
Credited to reserves	–	–	–	–	–	–	–	–	36,392	–	–	36,392
At March 31, 2026	**109,599**	**20,140**	**(71,998)**	**(180,000)**	**40,125**	**322,420**	**(174,714)**	**184,251**	**61,490**	**28,607**	**(10,982)**	**328,938**

Deferred tax assets in respect of unused tax losses, which will expire within five years under current tax legislation, are related to certain subsidiaries of the Group in mainland China, which are expected to derive profits in the foreseeable future. Accordingly, it is considered probable that sufficient taxable profits will be available to utilize their unused tax losses before they expire.

(b) Reconciliation to the consolidated statement of financial position:

	At March 31, 2026 RMB'000	2025 RMB'000
Net deferred tax assets	**597,265**	541,467
Net deferred tax liabilities	**(268,327)**	(298,778)
	328,938	242,689

22 DEFERRED TAX ASSETS AND LIABILITIES (CONTINUED)

(c) Deferred tax assets and liabilities not recognized

Deferred tax assets/(liabilities) have not been recognized in respect of the following items:

	At March 31, 2026 RMB'000	2025 RMB'000
Temporary difference and tax losses of subsidiaries	**256,472**	227,607
Retained earnings from PRC subsidiaries not expected to be distributed outside of the PRC in the foreseeable future	**(9,615,428)**	(9,729,849)

No deferred tax assets have been recognized in respect of the cumulative tax losses of certain overseas subsidiaries of the Group as at March 31, 2026, as management considered that it is not probable that future taxable profit against which the losses can be utilized will be available in the relevant tax jurisdictions and entities. The tax losses of overseas entities do not expire under current tax legislation.

Except for the dividend to be distributed out of earnings of PRC subsidiaries (note 11(a)(iv)), deferred tax liabilities in relation to withholding tax have not been recognized in respect of the above retained earnings from PRC subsidiaries as the Company controls the timing and amounts of distribution and does not expect to incur such liabilities in the foreseeable future.

23 INVENTORIES

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

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 RMB'000	2025 RMB'000
Carrying amount of inventories sold	**11,667,576**	11,007,372
Write-down of inventories	**31,651**	54,485
	11,699,227	11,061,857

24 TRADE AND BILLS RECEIVABLES

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

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 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 RMB'000	2025 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
	1,340,428	946,843

Trade receivables are generally due within 30 to 90 days from the date of billing. Further details on the Group's credit policy and exposure to credit and currency risk related to trade receivables are disclosed in notes 37(a) and 37(d).

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

	At March 31,	
	2026	2025
	RMB'000	RMB'000
Non-current		
Long-term receivables (i)	**89,766**	49,798
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
	1,669,351	1,552,547
	1,759,117	1,602,345

(i) Changshu Bosideng Import and Export Co., Ltd. ("Bosideng Import and Export"), a PRC subsidiary of the Group, entered into loan agreements with two PRC entities, Suzhou Rabboni Garment Co., Ltd. in December 2023 ("Rabboni Garment") and Chongqing Shi Shang Gong Yuan Shi Ye Co., Ltd. ("Chongqing Shi Shang") in February 2024, respectively, pursuant to which Bosideng Import and Export agreed to provide Rabboni Garment and Chongqing Shi Shang guaranteed interest-free loan in the nominal amount of RMB30,000,000 and RMB27,000,000, respectively with 7 years of maturity (the "Loans") for the purpose of facilitating the construction and development of the factories in Indonesia and Chongqing which will facilitate the Group's OEM business. Bosideng Import and Export initially measured the Loans at its fair value of RMB46,879,000, being the present value of expected future cash inflows, discounted at a market-related interest rate of 5%. The difference between the fair value at initial recognition and the nominal amount paid of the Loans amounting to RMB10,121,000 is recognized in the consolidated statement of profit or loss. The Loans were subsequently measured at amortized cost using the effective interest method. As at March 31, 2026, the amortized cost of the Loans was RMB52,203,000. The imputed interest income of the Loans of RMB2,405,000 for the year ended March 31, 2026 was recognized as interest income in the consolidated statement of profit or loss (for the year ended March 31, 2025: RMB2,424,000).

26 OTHER FINANCIAL ASSETS

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

(a) As at March 31, 2026, financial assets classified as FVPL represent listed equity investments of RMB752,000 (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 were recognized as a loss in finance income (for the year ended March 31, 2025: loss of RMB151,000).

No dividend income 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 RMB256,203,000 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.

27 PLEDGED BANK DEPOSITS

Bank deposits are pledged to banks as security for the issuance of bills payables:

	At March 31, 2026 RMB'000	2025 RMB'000
Non-current	–	250
Current	**403,424**	442,529
	403,424	442,779

The pledged bank deposits as at March 31, 2026 will be released upon the settlement of the relevant bills payable.

28 TIME DEPOSITS

	At March 31, 2026 RMB'000	2025 RMB'000
Time deposits with initial terms over 3 months:		
Non-current		
Time deposits held with maturity over 1 year	**1,390,000**	1,900,000
Current		
Time deposits held with maturity within 1 year	**3,480,735**	1,212,844
	4,870,735	3,112,844

29 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

(a) Cash and cash equivalents comprise:

	At March 31, **2026** RMB'000	2025 RMB'000
Cash at bank and on hand	**8,251,129**	7,740,461
Less: Pledged bank deposits	**(403,424)**	(442,779)
Time deposits	**(4,870,735)**	(3,112,844)
Cash and cash equivalents	**2,976,970**	4,184,838

(i) Cash at bank and on hand are denominated in:

	At March 31, **2026** RMB'000	2025 RMB'000
– RMB	**4,990,742**	5,813,984
– USD	**3,040,335**	1,724,707
– HKD	**217,282**	197,931
– GBP	**1,556**	2,868
– Others	**1,214**	971
	8,251,129	7,740,461

Among the Group's cash at bank balances that are denominated in Renminbi, RMB4,984,683,000 (March 31, 2025: RMB5,809,077,000) of which are deposited with banks in Chinese mainland. The conversion of RMB into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC government.

(ii) Cash and cash equivalents include bank balance of RMB32,946,000 (March 31, 2025: RMB23,185,000) with restriction on use which represented cash collected on behalf of employees in relation to shares disposed of by employees under share-based payment schemes.

29 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (CONTINUED)

(b) Reconciliation of liabilities arising from financing activities:

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Bank loans and other borrowings RMB'000 (note 30)	Lease liabilities RMB'000 (note 31)	Total RMB'000
At April 1, 2024	768,436	740,494	1,508,930
Changes from financing cash flows:			
Proceeds from new bank loans	610,000	–	610,000
Repayment of bank loans	(490,425)	–	(490,425)
Redemption	–	–	–
Capital element of lease rentals paid	–	(562,530)	(562,530)
Total changes from financing cash flows	119,575	(562,530)	(442,955)
Exchange adjustments	8,052	–	8,052
Other changes:			
Increase in lease liabilities from entering into new leases during the year	–	784,552	784,552
Effect of early termination of lease contracts	–	(115)	(115)
Conversion	–	–	–
Interest expenses (note 10)	–	49,080	49,080
Interest paid/interest element of lease rentals paid	–	(49,080)	(49,080)
Total other changes	–	784,437	784,437
At March 31,2025 and April 1, 2025	896,063	962,401	1,858,464
Changes from financing cash flows:			
Proceeds from new bank loans	760,000	–	760,000
Repayment of bank loans	(676,112)	–	(676,112)
Capital element of lease rentals paid	–	(514,344)	(514,344)
Total changes from financing cash flows	83,888	(514,344)	(430,456)
Exchange adjustments	(22,997)	–	(22,997)
Other changes:			
Increase in lease liabilities from entering into new leases during the year	–	474,497	474,497
Effect of early termination of lease contracts	–	(210,117)	(210,117)
Interest expenses (note 10)	–	39,138	39,138
Interest paid/interest element of lease rentals paid	–	(39,138)	(39,138)
Total other changes	–	264,380	264,380
At March 31, 2026	**956,954**	**712,437**	**1,669,391**

29 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (CONTINUED)

(c) Total cash outflow for leases

Amounts included in the cash flow statement for leases comprise the following:

	For the year ended March 31,	
	2026	2025
	RMB'000	RMB'000
Within operating cash flows	**2,149,764**	2,086,989
Within financing cash flows	**514,344**	562,530
Within investing cash flows	**–**	447,991
	2,664,108	3,097,510

30 INTEREST-BEARING BORROWINGS

At March 31, 2026, the interest-bearing borrowings were repayable as follows:

	At March 31,	
	2026	2025
	RMB'000	RMB'000
Within 1 year or on demand	**956,954**	896,063

At March 31, 2026, the interest-bearing borrowings were secured as follows:

	At March 31,	
	2026	2025
	RMB'000	RMB'000
Bank loans		
– Unsecured (i)	**956,954**	896,063
	956,954	896,063

(i) Unsecured bank borrowings of RMB10,000,000 as at March 31, 2026 were guaranteed by subsidiaries within the Group (March 31, 2025: RMB176,112,000).

Further details of the Group's management of liquidity risk are set out in note 37(b).

31 LEASE LIABILITIES

At March 31, 2026, the lease liabilities were repayable as follows:

	At March 31, 2026 RMB'000	2025 RMB'000
Within 1 year	**350,856**	450,473
After 1 year but within 2 years	**220,204**	247,720
After 2 years but within 5 years	**106,818**	158,242
After 5 years	**34,559**	105,966
	361,581	511,928
	712,437	962,401

32 TRADE AND OTHER PAYABLES

	At March 31, 2026 RMB'000	2025 RMB'000
Trade payables	**1,258,992**	1,023,595
Bills payables	**4,671,353**	4,182,587
	5,930,345	5,206,182
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 (note 29(a))	**32,946**	23,185
– Receipts in advance in relation to unvested restricted shares (note 36(a))	**44,921**	34,699
– Others	**113,820**	82,869
	8,687,996	7,834,399

(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).

32 TRADE AND OTHER PAYABLES (CONTINUED)

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
	RMB'000	RMB'000
Within 1 month	**5,466,267**	4,874,281
1 to 3 months	**464,078**	331,901
	5,930,345	5,206,182

33 OTHER NON-CURRENT LIABILITIES

	At March 31,	
	2026	2025
	RMB'000	RMB'000
Payables in relation to equity-settled share-based transactions (note 36(a))	**5,378**	50,299

34 INVESTMENT IN SUBSIDIARIES

(a) Subsidiaries

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

			Proportion of ownership interest			
Name of company	Place of incorporation and business, date of incorporation and type of legal entity	Particulars of issued and paid-up capital	Group's effective interest	Held by the Company	Held by a subsidiary	Principal activity
1. Enterprises established outside the PRC						
1) Down segment and OEM management						
Bosideng International Fashion Limited 波司登國際服飾有限公司	BVI, July 11, 2006 Limited company	USD1	100%	100%	–	Retail sales of apparels and investment holding
Golden Progress Limited 金浩進有限公司	Hong Kong, October 12, 2015 Limited company	HKD1	100%	–	100%	Investment holding
Delight Kingdom Group Limited 景勵集團有限公司	BVI, January 3,2017 Limited company	USD100	100%	–	100%	Investment holding
Bosideng UK Limited 波司登(英國)有限公司	United Kingdom, March 23,2012 Limited company	GBP1	100%	–	100%	Sourcing and distribution of down apparels
Bosideng Retail Limited 波司登零售有限公司	United Kingdom, March 23, 2012 Limited company	GBP8,000,000	100%	–	100%	Sourcing and distribution of down apparels
Rocawear (China) Limited 洛卡(中國)有限公司	Hong Kong, July 2, 2009 Limited company	USD100	100%	–	100%	Investment holding
Bosideng International Fashion (Singapore) Pte. Ltd. 波司登國際服飾(新加坡)貿易有限公司	Singapore, May 27, 2024 Limited company	–	100%	–	100%	Retail sales of apparels and investment holding

34 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Subsidiaries (continued)

Name of company	Place of incorporation and business, date of incorporation and type of legal entity	Particulars of issued and paid-up capital	Proportion of ownership interest: Group's effective interest	Proportion of ownership interest: Held by the Company	Proportion of ownership interest: Held by a subsidiary	Principal activity
2) Ladieswear apparels						
Jessie International Holdings Limited 杰西國際控股有限公司	BVI, September 20, 2011 Limited company	USD1	100%	–	100%	Investment holding
Joy Smile Development Limited 欣悦發展有限公司	BVI, June 15, 2015 Limited company	USD33	100%	–	100%	Investment holding
Kandy E-Incorporation Limited 康德藝有限公司	Hong Kong, September 11, 2014 Limited company	HKD402,785,024	100%	–	100%	Investment holding
Talent Shine Limited 迪暉有限公司	Hong Kong, April 10, 2007 Limited company	HKD99,146,354	100%	–	100%	Investment holding
HeYuan (Hong Kong) Industrial Limited 和元(香港)實業有限公司	Hong Kong, January 18, 2013 Limited company	HKD44,128,861	100%	–	100%	Investment holding
HeYuan (Hong Kong) Fashion Design Limited 和元(香港)時裝設計有限公司	Hong Kong, January 18, 2013 Limited company	RMB39,500,000	100%	–	100%	Provision of service for brand design and development
BuouBuou International Holdings Limited 邦寶國際控股有限公司	BVI, March 13, 2014 Limited company	USD60,000	100%	–	100%	Investment holding
3) Diversified apparels						
Ying Fai International Investment Limited 盈輝國際投資有限公司	BVI, June 2, 2008 Limited company	USD10,000	100%	–	100%	Investment holding
Long Pacific (H.K.) Ltd. 長隆(香港)有限公司	Hong Kong, May 22, 2008 Limited company	HKD1	100%	–	100%	Investment holding

34 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Subsidiaries (continued)

Name of company	Place of incorporation and business, date of incorporation and type of legal entity	Particulars of issued and paid-up capital	Proportion of ownership interest			Principal activity
			Group's effective interest	Held by the Company	Held by a subsidiary	
2. Enterprises established in the PRC						
1) Down segment and OEM management						
Bosideng International Fashion (China) Limited 波司登國際服飾(中國)有限公司	PRC, June 23, 2005 Limited liability company	USD138,000,000	100%	–	100%	Sourcing and distribution of down apparels
Bosideng Down Wear Limited 波司登羽絨服裝有限公司	PRC, March 30, 2006 Limited liability company	USD80,000,000	100%	–	100%	Sourcing and distribution of down apparels
Gaoyou Bosideng Fashion Co., Ltd. 高郵波司登服飾有限公司	PRC, September 13, 2013 Limited liability company	RMB10,000,000	100%	–	100%	Sourcing and distribution of down apparels
Jiangsu Bosideng Supply Chain Co., Ltd. 江蘇波司登供應鏈管理有限公司	PRC, June 16, 2014 Limited liability company	RMB50,000,000	100%	–	100%	Providing of logistic and storage service
Shanghai Bosideng Information Technology Co., Ltd. 上海波司登信息科技有限公司	PRC, December 20, 2011 Limited liability Company	RMB50,000,000	100%	–	100%	Network consulting and e-business of down and non-down apparels

34 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Subsidiaries (continued)

Name of company	Place of incorporation and business, date of incorporation and type of legal entity	Particulars of issued and paid-up capital	Proportion of ownership interest			Principal activity
			Group's effective interest	Held by the Company	Held by a subsidiary	
Shanghai Bosideng Clothing Design and Development Centre Co., Ltd. 上海波司登服裝設計開發中心有限公司	PRC, March 23, 2001 Limited liability Company	RMB2,000,000	100%	–	100%	Designing and distribution of down and non-down apparels
Xuezhongfei Enterprise Co., Ltd. 雪中飛實業有限公司	PRC, February 8, 2012 Limited liability Company	RMB500,000,000	70%	–	100%	Sourcing and distribution of down apparels
Bosideng Fashion (Shanghai) Limited 波司登服飾(上海)有限公司	PRC, April 21, 1999 Limited liability company	RMB497,208,633	100%	–	100%	Sourcing and distribution of down apparels
Jiangsu Bingjie Fashion Limited 江蘇冰潔時尚服飾有限公司	PRC, February 24, 2016 Limited liability company	RMB9,000,000	70%	–	100%	Sourcing and distribution of down apparels
Kangbo Fashion Limited 康博服飾有限公司	PRC, September 18, 2006 Limited liability company	USD85,000,000	100%	–	100%	Sourcing and distribution of down apparels
Shanghai Shuangyu Fashion Limited 上海雙羽服飾有限公司	PRC, June 28, 2006 Limited liability company	USD68,000,000	100%	–	100%	Sourcing and distribution of down apparels
Rocawear (Shanghai) Fashion Co., Ltd. 洛卡薇爾(上海)服飾有限公司	PRC, August 28, 2008 Limited liability company	USD10,000,000	100%	–	100%	Sourcing and distribution of down apparels

34 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Subsidiaries (continued)

Name of company	Place of incorporation and business, date of incorporation and type of legal entity	Particulars of issued and paid-up capital	Proportion of ownership interest: Group's effective interest	Held by the Company	Held by a subsidiary	Principal activity
Shuomingde Investment Co., Ltd. 朔明德投資有限公司	PRC, January 17, 2017 Limited liability company	RMB500,000,000	100%	–	100%	Investment holding
Changshu Bosideng Import and Export Co., Ltd. 常熟市波司登進出口有限公司	PRC, April 11, 2002 Limited liability company	RMB5,000,000	100%	–	100%	Sourcing and distribution of OEM products
Jiangsu Bosideng Marketing Co., Ltd. 江蘇波司登營銷有限公司	PRC, April 13, 2009 Limited liability company	RMB200,000,000	100%	–	100%	Distribution of down apparels
Heilongjiang Bosideng Marketing Co., Ltd. 黑龍江波司登營銷有限公司	PRC, July 10, 2024 Limited liability company	–	100%	–	100%	Distribution of down apparels
Hangzhou Bosideng Marketing Co., Ltd. 杭州波司登電子商務科技有限公司	PRC, October 16, 2024 Limited liability company	–	100%	–	100%	Distribution of down apparels
Shanghai Bosideng Trade Development Co., Ltd. 上海波司登商貿發展有限公司	PRC, November 10, 2011 Limited liability company	RMB200,000,000	100%	–	100%	Distribution of down apparels

34 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Subsidiaries (continued)

Name of company	Place of incorporation and business, date of incorporation and type of legal entity	Particulars of issued and paid-up capital	Proportion of ownership interest: Group's effective interest	Proportion of ownership interest: Held by the Company	Proportion of ownership interest: Held by a subsidiary	Principal activity
Shanghai Bosideng Electronic Commerce Co., Ltd. 上海波司登電子商務有限公司	PRC, July 31, 2012 Limited liability company	RMB28,000,000	100%	–	100%	E-commerce of down and non-down apparels
Shanghai Bosideng Clothing Co., Ltd. 上海波司登服裝有限公司	PRC, March 22, 2021 Limited liability company	RMB50,000,000	100%	–	100%	Distribution of down apparels
Jiangsu Bosideng Technology Co., Ltd. 江蘇波司登科技有限公司	PRC, April 13, 2009 Limited liability company	RMB100,000,000	100%	–	100%	Distribution of down apparels
Suzhou Bosideng E-commerce Technology Co., Ltd. 蘇州波司登電子商務科技有限公司	PRC, March 27, 2023 Limited liability company	RMB5,000,000	100%	–	100%	Distribution of down apparels
Shanghai Bosideng Marketing Management Co., Ltd. 上海波司登市場營銷管理有限公司	PRC, July 12, 2022 Limited liability company	RMB50,000,000	100%	–	100%	Distribution of down apparels
Liaoning Bosideng Trading Co., Ltd. 遼寧波司登貿易有限公司	PRC, September 3, 2002 Limited liability company	RMB20,000,000	100%	–	100%	Distribution of down apparels

34 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Subsidiaries (continued)

Name of company	Place of incorporation and business, date of incorporation and type of legal entity	Particulars of issued and paid-up capital	Proportion of ownership interest			Principal activity
			Group's effective interest	Held by the Company	Held by a subsidiary	
Beijing Bosideng Trading Co., Ltd. 北京市波司登貿易有限公司	PRC, October 26, 1998 Limited liability company	RMB30,000,000	100%	–	100%	Distribution of down apparels
Dalian Bosideng Trading Co., Ltd. 大連波司登貿易有限公司	PRC, April 30, 2006 Limited liability company	RMB500,000	100%	–	100%	Distribution of down apparels
Chongqing Bosideng Trading Co., Ltd. 重慶波司登貿易有限公司	PRC, May 16, 2006 Limited liability company	RMB500,000	100%	–	100%	Distribution of down apparels
Xizang Bosideng Fashion Co., Ltd. 西藏波司登服飾有限公司	PRC, Nov 16, 2023 Limited liability company	RMB10,000,000	100%	–	100%	Distribution of down apparels
Bosideng (Harbin) Technology Co., Ltd. 波司登(哈爾濱)科技有限公司	PRC, July 10, 2024 Limited liability company	RMB45,000,000	90%	–	100%	Distribution of down apparels
Bosideng (Harbin) Intelligent Manufacturing Co., Ltd. 波司登(哈爾濱)智能製造有限公司	PRC, August 8, 2024 Limited liability company	RMB28,000,000	100%	–	100%	Distribution of down apparels

34 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Subsidiaries (continued)

Name of company	Place of incorporation and business, date of incorporation and type of legal entity	Particulars of issued and paid-up capital	Proportion of ownership interest			Principal activity
			Group's effective interest	Held by the Company	Held by a subsidiary	
Jiangsu Snow-Flying Outdoor Co., Ltd. 江蘇雪中飛戶外用品有限公司	PRC, May 20, 2016 Limited liability company	RMB16,900,000	70%	–	100%	E-commerce of down and non-down apparels
Jiangsu Snow-Flying Electronic Commerce Co., Ltd. 江蘇雪中飛電子商務有限公司	PRC, May 18, 2021 Limited liability company	RMB10,000,000	70%	–	100%	E-commerce of down and non-down apparels
Suqian Bosideng Marketing Co., Ltd. 宿遷波司登營銷有限公司	PRC, August 25, 2021 Limited liability company	RMB10,000,000	100%	–	100%	Distribution of down apparels
Jiangsu Bingjie Electronic Commerce Technology Co., Ltd. 江蘇冰潔時代服飾有限公司	PRC, Dec 6, 2021 Limited liability company	RMB10,000,000	70%	–	100%	E-commerce of down and non-down apparels
Bosideng New Era Business Development Co., Ltd. 波司登新時代商業發展有限公司	PRC, September 7, 2023 Limited liability company	RMB300,000,000	100%	–	100%	E-commerce of down and non-down apparels
Jiangsu Bosideng Advertising Media Co., Ltd. 江蘇無境之窗廣告傳媒有限公司	PRC, August 9, 2021 Limited liability company	RMB10,000,000	100%	–	100%	Advertisement agency

34 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Subsidiaries (continued)

Name of company	Place of incorporation and business, date of incorporation and type of legal entity	Particulars of issued and paid-up capital	Proportion of ownership interest: Group's effective interest	Held by the Company	Held by a subsidiary	Principal activity
Jiangsu Kangying Fashion Co., Ltd. 江蘇康盈時裝有限公司	PRC, May 24, 2021 Limited liability company	RMB10,000,000	100%	–	100%	Sourcing and distribution of non-down apparels
2) Ladieswear apparels						
Shenzhen Jessie Fashion Co., Ltd. 深圳市杰西服裝有限責任公司	PRC, March 26, 2001 Limited liability company	RMB76,500,000	100%	–	100%	Sourcing and distribution of non-down apparels
Talent Shine Import & Export (Shenzhen) Co., Ltd. 迪輝達進出口(深圳)有限公司	PRC, July 16, 2007 Limited liability company	HKD8,300,000	100%	–	100%	Sourcing and distribution of non-down apparels
Shenzhen Buoubuou Fashion Co., Ltd. 深圳邦寶時尚服飾有限公司	PRC, July 5, 2013 Limited liability company	HKD26,000,000	100%	–	100%	Sourcing and distribution of non-down apparels
Shenzhen Weiyi Garment Processing Co., Ltd. 深圳市唯伊服裝加工有限公司	PRC, May 8, 2015 Limited liability company	RMB3,000,000	100%	–	100%	Sourcing and distribution of non-down apparels

34 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Subsidiaries (continued)

Name of company	Place of incorporation and business, date of incorporation and type of legal entity	Particulars of issued and paid-up capital	Proportion of ownership interest			Principal activity
			Group's effective interest	Held by the Company	Held by a subsidiary	
Shanghai Buoubuou Electronic Commerce Co., Ltd. 上海邦寶電子商務有限公司	PRC, November 3, 2014 Limited liability company	RMB10,000,000	100%	–	100%	Sourcing and distribution of non-down apparels
Chongqing Buoubuou Garment Sales Co., Ltd. 重慶邦寶服裝銷售有限公司	PRC, June 25, 2015 Limited liability company	RMB1,000,000	100%	–	100%	Sourcing and distribution of non-down apparels
You Nuo (Tianjin) Clothing Limited 優諾(天津)服裝有限公司	PRC, August 4, 2014 Limited liability company	RMB30,000,000	100%	–	100%	Sourcing and distribution of non-down apparels

34 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Subsidiaries (continued)

Name of company	Place of incorporation and business, date of incorporation and type of legal entity	Particulars of issued and paid-up capital	Proportion of ownership interest			Principal activity
			Group's effective interest	Held by the Company	Held by a subsidiary	
Koreano (Tianjin) Clothing Limited 天津柯利亞諾時裝有限公司	PRC, April 20, 1992 Limited liability company	RMB1,650,000	100%	–	100%	Sourcing and distribution of non-down apparels
Luhua (Tianjin) Clothing Limited 盧華(天津)服裝有限公司	PRC, July 1, 2003 Limited liability company	USD4,000,000	100%	–	100%	Sourcing and distribution of non-down apparels
Kandy E-Incorporation (China) Clothing Limited 康德藝(中國)時裝有限公司	PRC, November 30, 2018 Limited liability company	USD10,000,000	100%	–	100%	Sourcing and distribution of non-down apparels
3) Diversified apparels						
Jiangsu Vetallo Garment Co., Ltd. 江蘇威德羅服飾有限公司	PRC, October 13, 2006 Limited liability company	USD35,000,000	100%	–	100%	Sourcing and distribution of non-down apparels
Jiangsu Sameite Education Technology Development Co., Ltd. 江蘇颯美特教育科技發展有限公司	PRC, April 18, 2016 Limited liability company	RMB20,000,000	100%	–	100%	Sourcing and distribution of non-down apparels
Shanghai Bingjie Fashion Co., Ltd. 上海冰潔時裝服飾有限公司	PRC, July 6, 2016 Limited liability company	RMB10,000,000	70%	–	100%	Sourcing and distribution of non-down apparels

34 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Subsidiaries (continued)

Name of company	Place of incorporation and business, date of incorporation and type of legal entity	Particulars of issued and paid-up capital	Proportion of ownership interest			Principal activity
			Group's effective interest	Held by the Company	Held by a subsidiary	
Shanghai Bosideng Kidswear Co., Ltd. 上海波司登兒童服飾有限公司	PRC, April 28, 2017 Limited liability company	RMB14,000,000	100%	–	100%	Sourcing and distribution of non-down apparels
Fanchun Shanghai Network Technology Co., Ltd. 梵椿(上海)網絡科技有限公司	PRC, May 4, 2018 Limited liability company	RMB30,500,000	51%	–	51%	Sourcing and distribution of non-down apparels
Shanghai Pinmeng Kidswear Co., Ltd. 上海品萌兒童服飾有限公司	PRC, May 17, 2018 Limited liability company	RMB30,000,000	51%	–	100%	Sourcing and distribution of non-down apparels
Ningbo Hameng Network Technology Co., Ltd. 寧波哈萌網絡科技有限公司	PRC, October 24, 2018 Limited liability company	RMB4,750,000	51%	–	100%	Sourcing and distribution of non-down apparels
Jingzhou Sameite Garments Co., Ltd. 荊州市颯美特服飾有限公司	PRC, February 1, 2024 Limited liability company	–	100%	–	100%	Sourcing and distribution of non-down apparels

(i) The English translation of the names of the companies registered in the PRC above is for reference only. The official names of these companies are in Chinese.

As at March 31, 2026 and 2025, none of the Group's subsidiaries have non-controlling interests which are material to the Group's consolidated financial statements.

34 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(b) A trust for the share award scheme (the "Trust")

On April 23, 2020, the Company adopted a new share award scheme (the "Share Award Scheme") to recognize and reward the contribution of certain eligible employees (including the directors and core management team of the Group) and to incentivize them for the growth and development of the Group through an award of the Company's shares.

The Company has appointed a trustee for administration of the Share Award Scheme (the "Trustee"). The principal activity of the Trustee is administrating and holding the Company's shares for the Share Award Scheme for the benefit of the Company's eligible employees. Pursuant to the Share Award Scheme, the Company's shares will be purchased by the Trustee in the market out of cash contributed by the Company and held in the Trust for relevant employees until such shares are vested in the relevant beneficiary in accordance with the provisions of the Share Award Scheme at no cost. The total number of the Company's shares held by the Trustee under the Share Award Scheme will not exceed 10% of the total issued shares of the Company at any time.

As the Company has the power to govern the financial and operating policies of the Trust and can derive benefits from the contributions of the employees who have been awarded the shares of the Company (the "Awarded Shares") through their continued employment with the Group, the Group is required to consolidate the Trust.

As of March 31, 2026, the Company had contributed RMB549,145,000 (March 31, 2025: RMB549,145,000) to the Trust and the amount was recorded as "Investment in subsidiaries" in the Company's statement of financial position.

During the year ended March 31, 2026, 11,472,000 and 1,680,000 shares were vested to employees on September 12, 2025 and January 14, 2026, respectively (note 36(a)). As at March 31, 2026, total number of shares held by the Trustee was 46,528,000 (March 31, 2025: 59,680,000) at a total cost (including related transaction costs) of RMB108,602,000 (March 31, 2025: RMB144,386,000).

35 CAPITAL, RESERVES AND DIVIDENDS

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

	Share capital RMB'000 (note 35(c))	Share premium RMB'000	Capital reserves RMB'000 (note 35(d))	Other reserves RMB'000	Translation reserves RMB'000 (note 35(d))	Retained earnings RMB'000	Total RMB'000
Balance at March 31, 2024	819	1,966,044	362,305	244,779	(649,431)	975,307	2,899,823
Changes in equity for the year:							
Profit for the year	–	–	–	–	–	3,508,967	3,508,967
Other comprehensive income:							
– Exchange realignment	–	–	–	–	(26,318)	–	(26,318)
Equity-settled share-based transactions	13	486,453	44,552	–	–	–	531,018
Conversion and redemption of convertible notes	36	2,001,609	–	(244,779)	–	–	1,756,866
Purchase of own shares	(5)	(222,726)	–	–	–	–	(222,731)
Dividends	–	–	–	–	–	(2,650,102)	(2,650,102)
Balance at March 31, 2025	863	4,231,380	406,857	–	(675,749)	1,834,172	5,797,523
Changes in equity for the year:							
Profit for the year	–	–	–	–	–	3,087,023	3,087,023
Other comprehensive income:							
– Exchange realignment	–	–	–	–	(103,224)	–	(103,224)
Equity-settled share-based transactions	11	418,421	67,036	–	–	–	485,468
Purchase of own shares	(-)*	(18,169)	–	–	–	–	(18,169)
Dividends	–	–	–	–	–	(3,038,278)	(3,038,278)
Balance at March 31, 2026	**874**	**4,631,632**	**473,893**	**–**	**(778,973)**	**1,882,917**	**6,210,343**

* As the amount falls below the minimum monetary unit presented, it is disclosed as nil.

35 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(b) Dividends

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

	For the year ended March 31, 2026 RMB'000	2025 RMB'000
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
	3,203,170	2,954,431

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 RMB'000	2025 RMB'000
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

35 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(c) Share capital

Movements in the authorized and issued and fully paid share capital of the Company during the years are as follows:

	2026 No. of shares ('000)	2026 USD'000	2025 No. of shares ('000)	2025 USD'000
Authorized:				
Ordinary shares	**20,000,000**	**200**	20,000,000	200
RMB equivalent ('000)		**1,556**		1,556
Ordinary shares, issued and fully paid:				
At April 1	**11,536,554**	**115**	10,921,041	109
Issue of ordinary shares for equity-settled share-based transactions (note 36 (b)) (i)	**152,917**	**2**	179,132	2
Conversion of convertible bonds	**–**	**–**	500,587	5
Purchase of own shares	**(500)**	**(-)***	(64,206)	(1)
At March 31	**11,688,971**	**117**	11,536,554	115
RMB equivalent ('000)		**874**		863

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

* As the amount falls below the minimum monetary unit presented, it is disclosed as nil.

35 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(c) Share capital (continued)

Authorized share capital

The Company was incorporated on July 10, 2006 with an authorized share capital of USD100, divided into 100 shares of par value of USD1.00 each. Through a series of changes in share capital, the authorized share capital is USD200,000 divided into 20,000,000,000 ordinary shares of USD0.00001 each after the completion of the Hong Kong Public Offering and the International Placing.

(i) The Company issued a total number of 152,917,000 new ordinary shares for the exercised share options during the year ended March 31, 2026 (March 31, 2025: 179,132,000) (see note 36(b)).

(d) Nature and purpose of reserves

(i) Capital reserves

The capital reserves represent the value of employee services in respect of shares granted to employees.

(ii) Statutory reserves

Statutory reserves were established in accordance with the relevant PRC rules and regulations and the articles of association of the entities now comprising the Group which are incorporated in the PRC. Transfers to the reserves were approved by the respective boards of directors.

(iii) Translation reserves

The translation reserves comprise all foreign exchange differences arising from the translation of the financial statements of the operations outside the PRC which are dealt with in accordance with the accounting policies as set out in note 4(w).

35 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(e) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure on the basis of an adjusted net debt-to-capital ratio. For this purpose, adjusted net debt is defined as total debt (which includes interest-bearing loans and borrowings, lease liabilities and convertible bonds) plus unaccrued proposed dividends, less cash and cash equivalents. Adjusted capital comprises all components of equity, less unaccrued proposed dividends.

The Group's adjusted net debt-to-capital ratio at the end of the current and previous reporting periods was as follows:

	Note	At March 31 **2026** **RMB'000**	 2025 RMB'000
Liabilities:			
Interest-bearing borrowings	30	**956,954**	896,063
Lease liabilities	31	**712,437**	962,401
Total debts		**1,669,391**	1,858,464
Add: Proposed dividends	35(b)	**2,540,261**	2,321,355
Less: Cash and cash equivalents	29	**(2,976,970)**	(4,184,838)
Adjusted net debts		**1,232,682**	(5,019)
Total equity		**18,429,532**	17,030,199
Less: Proposed dividends	35(b)	**(2,540,261)**	(2,321,355)
Adjusted capital		**15,889,271**	14,708,844
Adjusted net debt to-capital ratio		**8%**	N/A

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

36 EQUITY-SETTLED SHARE-BASED TRANSACTIONS

On April 23, 2020, the Company adopted a new share award scheme (the "Share Award Scheme"), which is funded solely by existing shares of the Company, to recognize and reward the contribution of certain eligible employees (including the directors and core management team of the Group) and to incentivize them for the growth and development of the Group through an award of the Company's shares.

A share option scheme (the "2017 Share Option Scheme") was approved by the shareholders of the Company on August 25, 2017 and a new share option scheme (the "Share Option Scheme"), complying with the requirements under Chapter 17 of the Listing Rules effective January 1, 2023, was approved by the shareholders of the Company on August 20, 2024. The terms of each of the 2017 Share Option Scheme and the Share Option Scheme are in accordance with the applicable provisions of Chapter 17 of the Listing Rules.

At March 31, 2026, the Company had the following share-based payment arrangements:

(a) Restricted shares

The term and conditions of the restricted shares are as follows:

Grant date	Number of instruments granted	Purchase price	Vesting conditions	Contractual life of restricted shares
Restricted shares granted to directors, senior management or core employees:				
On November 28, 2023 (i)	78,400,000	HKD1.62	30% – 3 years commencing from 8 months after the grant date 30% – 2 years commencing from 20 months after the grant date 40% – 1 year commencing from 32 months after the grant date	44 months
On January 14, 2025 (ii)	8,000,000	HKD1.82	30% – 3 years commencing from 12 months after the grant date 30% – 2 years commencing from 24 months after the grant date 40% – 1 year commencing from 36 months after the grant date	48 months

36 EQUITY-SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(a) Restricted shares (continued)

(i) In addition to the service condition, there are other vesting conditions related to the employees' performance and the Group's performance for each of the three years ended March 31, 2024, 2025 and 2026 as well as the cumulative performance for the two years ended March 31, 2025 and three years ended March 31, 2026, respectively. These restricted shares also have a lock-up period of 12 months from the dates of vesting.

Employees are required to make the upfront payment of HKD1.62 per share, which shall be refunded if the restricted shares are not vested. As of March 31, 2026, upfront payments for all restricted shares were received by the Group and such payments were recorded as current other payable of RMB40,887,000 (March 31, 2025: current other payable of RMB30,666,000 and non-current other payables of RMB40,887,000).

(ii) In addition to the service condition, there are other vesting conditions related to the employees' performance and the Group's performance for each of the three years ended March 31, 2025, 2026 and ending March 31, 2027 as well as the cumulative performance for the two years ended March 31, 2026 and three years ending March 31, 2027, respectively. These restricted shares also have a lock-up period of 12 months from the dates of vesting.

Employees are required to make the upfront payment of HKD1.82 per share, which shall be refunded if the restricted shares are not vested. As of March 31, 2026, upfront payments for all restricted shares were received by the Group and such payments were recorded as current other payable of RMB4,034,000 and non-current other payables of RMB5,378,000, respectively (March 31, 2025: current other payable of RMB4,033,000 and non-current other payables of RMB9,412,000).

(iii) Movements in the number of restricted shares granted to the employees under the Share Award Scheme and the respective weighted average grant date fair value are as below:

	Weighted average fair value per share	Number of restricted shares
Outstanding at March 31, 2025	HKD1.47	52,660,000
Vested during the period	HKD1.48	(13,152,000)
Forfeited during the period	HKD1.48	(8,388,000)
Outstanding at March 31, 2026	HKD1.49	31,120,000

36 EQUITY-SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(b) Share Options

The terms and conditions of the share options are as follows:

Grant date	Number of instruments	Exercise price	Vesting conditions	Contractual life of options
Options granted to directors, senior management or core employees:				
On October 26, 2018 (i)	260,000,000	HKD1.07	30% – 9 years commencing from 12 months after the grant date 30% – 8 years commencing from 24 months after the grant date 40% – 7 years commencing from 36 months after the grant date	10 years
On November 28, 2023 (ii)	511,480,000	HKD3.24	30% – 3 years commencing from 8 months after the grant date 30% – 2 years commencing from 20 months after the grant date 40% – 1 year commencing from 32 months after the grant date	44 months
On January 14, 2025 (iii)	90,300,000	HKD3.65	30% – 3 years commencing from 12 months after the grant date 30% – 2 years commencing from 24 months after the grant date 40% – 1 year commencing from 36 months after the grant date	48 months

36 EQUITY-SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(b) Share Options (continued)

(i) Each option gives the eligible persons the right to subscribe for one ordinary share of the Company. In addition to the service condition, there are other vesting conditions related to the employees' performance and the Group's performance for each of the three years ended March 31, 2019, 2020 and 2021.

(ii) Each option gives the eligible persons the right to subscribe for one ordinary share of the Company. In addition to the service condition, there are other vesting conditions related to the employees' performance and the Group's performance for each of the three years ended March 31, 2024, 2025 and 2026 as well as the cumulative performance for the two years ended March 31, 2025 and three years ended March 31, 2026, respectively.

(iii) Each option gives the eligible persons the right to subscribe for one ordinary share of the Company. In addition to the service condition, there are other vesting conditions related to the employees' performance and the Group's performance for each of the three years ended March 31, 2025, 2026 and ending March 31, 2027 as well as the cumulative performance for the two years ended March 31, 2026 and three years ending March 31, 2027, respectively.

(iv) Movements in the number of share options granted under the Share Option Scheme and their related weighted average exercise prices are as below:

	Weighted average exercise price per share	Number of share options
Outstanding at March 31, 2025	HKD3.24	566,763,999
Exercised during the period	HKD3.17	(152,917,399)
Forfeited during the period	HKD3.40	(93,445,000)
Outstanding at March 31, 2026	HKD3.22	320,401,600
Exercisable at March 31, 2026	HKD3.19	66,321,600

(c) Expense recognized in profit or loss

For details of the related employee benefit expenses, see note 8.

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. The Group is also exposed to business risks primarily arising from the weather conditions and competition.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade receivables, deposits, other receivables, long-term receivables and amounts due from related parties. The Group's exposure to credit risk arising from cash and cash equivalents, pledged bank deposits, time deposits, bills receivables and other financial assets with banks is limited because the counterparties are banks, which the Group considers to represent low credit risk.

(i) Trade receivables

Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 30 days to 90 days from the date of billing. Normally, the Group does not obtain collateral from customers.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At the end of the reporting period 11.71% (2025: 2.59%) and 35.87% (2025: 6.21%) of the total trade receivables was due from the Group's largest customer and the five largest customers, respectively.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Credit risk (continued)

(i) Trade receivables (continued)

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables:

		At March 31, 2026	
	Expected loss rate %	Gross carrying amount RMB'000	Loss allowance RMB'000
Current (not past due)	**0.15%**	**1,205,869**	**1,762**
1 to 3 months past due	**2.65%**	**122,523**	**3,246**
Over 3 months but less than 6 months past due	**15.04%**	**15,721**	**2,364**
Over 6 months but less than 12 months past due	**54.10%**	**8,032**	**4,345**
Over 1 year past due	**100.00%**	**57,939**	**57,939**
Individual	**100.00%**	**22,470**	**22,470**
		1,432,554	**92,126**

		At March 31, 2025	
	Expected loss rate %	Gross carrying amount RMB'000	Loss allowance RMB'000
Current (not past due)	0.24%	787,261	1,866
1 to 3 months past due	1.33%	124,502	1,651
Over 3 months but less than 6 months past due	16.31%	39,434	6,430
Over 6 months but less than 12 months past due	41.80%	3,699	1,546
Over 1 year past due	95.30%	73,253	69,813
		1,028,149	81,306

Expected loss rates are based on historical actual loss experience. These rates are adjusted for factors that are specific to the debtors, and to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

There is no significant concentration of credit risk with respect to customers receivables, as the Group has a large number of customers.

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Credit risk (continued)

(i) Trade receivables (continued)

Movement in the loss allowance account in respect of trade receivables during the year were as follows:

	For the year ended March 31	
	2026	2025
	RMB'000	RMB'000
At the beginning of the year	**81,306**	87,195
Accrual/(reversal) for impairment losses	**10,820**	(5,889)
At March 31	**92,126**	81,306

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The default risk of the industry and country in which customers operate also has an influence on credit risk but to a lesser extent.

(ii) Deposits, other receivables, long-term receivables and amounts due from related parties

Credit risk in respect of deposits, other receivables, long-term receivables and amounts due from related parties are limited since the balances are not yet past due and settled on a regular basis.

The Group measures loss allowances for deposits, other receivables, long-term receivables and amounts due from related parties at an amount equal to 12-month ECLs unless there has been a significant increase in credit risk since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs. The Group assessed there is no significant loss allowance recognized in accordance with IFRS 9 for deposits, other receivables, long-term receivables and amounts due from related parties as at March 31, 2026.

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and readily realizable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay:

	At March 31, 2026 Contractual undiscounted cash flow						At March 31, 2025 Contractual undiscounted cash flow					
	Within 1 year or on demand RMB'000	More than 1 year but less than 2 years RMB'000	More than 2 years but less than 5 years RMB'000	More than 5 years RMB'000	Total RMB'000	Carrying amount RMB'000	Within 1 year or on demand RMB'000	More than 1 year but less than 2 years RMB'000	More than 2 years but less than 5 years RMB'000	More than 5 years RMB'000	Total RMB'000	Carrying amount RMB'000
The Group												
Interest-bearing borrowings	966,848	–	–	–	966,848	956,954	901,061	–	–	–	901,061	896,063
Lease liabilities	492,628	304,638	324,079	147,304	1,268,649	712,437	501,915	289,811	195,153	135,117	1,121,996	962,401
Trade and other payables	7,466,209	–	–	–	7,466,209	7,443,173	6,598,689	–	–	–	6,598,689	6,598,689
Amounts due to related parties	37,111	–	–	–	37,111	60,147	3,024	–	–	–	3,024	3,024
Other non-current liabilities	–	–	5,378	–	5,378	5,378	–	44,921	5,378	–	50,299	50,299
	8,962,796	304,638	329,457	147,304	9,744,195	9,178,089	8,004,689	334,732	200,531	135,117	8,675,069	8,510,476

As shown in the above analysis, bank loans of the Group amounting to RMB956,954,000 were due to be repaid during the year ending March 31, 2027. The short-term liquidity risk inherent in this contractual maturity date is expected to be addressed after the end of the reporting period by obtaining new loan financing from new and existing lenders.

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(c) Interest rate risk

The Group's interest rate risk arises primarily from interest-bearing borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. The Group's interest rate profile as monitored by management is set out in (i) below:

(i) Interest rate profile

The following table details the interest rate profile of the Group's interest-bearing borrowings at the end of the reporting period:

	At March 31, 2026		At March 31, 2025	
	Effective Interest rate	**RMB'000**	Effective Interest rate	RMB'000
Fixed rate borrowings				
Lease liabilities (note 31)	**3.60% – 4.75%**	**(712,437)**	3.60% – 4.75%	(962,401)
Interest-bearing borrowings	**2.18% – 2.20%**	**(650,000)**	2.70% – 2.72%	(500,000)
		(1,362,437)		(1,462,401)
Variable rate borrowings				
Interest-bearing borrowings	**1.79% – 3.40%**	**(306,954)**	1.79% – 5.78%	(396,063)

(ii) Sensitivity analysis

At March 31, 2026, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would have decreased/increased the Group's profit after tax and retained earnings by approximately RMB2,795,000 (for the year ended March 31, 2025: decreased/increased by approximately RMB3,936,000). Other components of equity would not have been affected by the changes in interest rates.

The sensitivity analysis above indicates the instantaneous change in the Group's profit after tax (and retained earnings) that would arise assuming that the change in interest rates had occurred at the end of the reporting period. In respect of the exposure to cash flow interest rate risk arising from floating rate non-derivative instruments held by the Group at the end of the reporting period, the impact on the Group's profit after tax (and retained earnings) is estimated as an annualized impact on interest expense or income of such a change in interest rates. The analysis is performed on the same basis as at March 31, 2025.

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(d) Currency risk

RMB is not freely convertible into foreign currencies. All foreign exchange transactions involving RMB have to take place through the People's Bank of China or other institutions authorized to buy and sell foreign exchange. The exchange rates adopted for the foreign exchange transactions are the rates of exchange quoted by the People's Bank of China that are determined largely by supply and demand. The Group is exposed to currency risk primarily through time deposits, pledged bank deposits and cash and cash equivalents, trade and bills receivables, intercompany receivables, prepayments, trade payables and interest-bearing borrowings that are denominated in a currency other than the functional currency of the operations to which they relate. The currencies giving rise to this risk are primarily United States Dollars, Hong Kong Dollars, Japanese Yen, Europe Euro, Singapore Dollars and Vietnam Dollars.

(i) Exposure to currency risk

The following table details the Group's major exposures at the end of the reporting period to currency risk arising from recognized assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in Renminbi, translated using the spot rate at the year end date. Differences resulting from the translation of the financial statements of foreign operations into the Group's presentation currency are excluded.

	Exposure to foreign currencies (expressed in Renminbi)							
	At March 31, 2026				At March 31, 2025			
	United States Dollars RMB'000	**Hong Kong Dollars RMB'000**	**Japanese Yen RMB'000**	**Europe Euro RMB'000**	United States Dollars RMB'000	Hong Kong Dollars RMB'000	Japanese Yen RMB'000	Europe Euro RMB'000
Time deposits, pledged bank deposits and cash and cash equivalents	**419,204**	**206,722**	**622**	**11**	172,234	192,899	709	29
Trade and bills receivables	**169,949**	**–**	**–**	**10,182**	28,304	–	–	10,011
Intercompany receivables	**20,128**	**–**	**–**	**–**	181,277	–	–	–
Prepayments	**28,612**	**–**	**–**	**150**	79,773	–	–	150
Trade payables	**(1,903)**	**–**	**–**	**–**	(56,050)	–	–	–
Interest-bearing borrowings	**–**	**–**	**(196,954)**	**–**	–	(166,104)	(220,152)	–
	635,990	**206,722**	**(196,332)**	**10,343**	405,538	26,795	(219,443)	10,190

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(d) Currency risk (continued)

(ii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's profit after tax (and retained earnings) and other components of consolidated equity that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant.

	For the year ended March 31, 2026			For the year ended March 31, 2025		
	(Decrease)/ increase in foreign exchange rate %	**Effect on profit after tax and retained earnings RMB'000**	**Effect on other components of equity RMB'000**	(Decrease)/ increase in foreign exchange rate %	Effect on profit after tax and retained earnings RMB'000	Effect on other components of equity RMB'000
United States Dollars	**10%**	**±48,776**	**–**	10%	±42,118	–
Hong Kong Dollars	**10%**	**±20,672**	**–**	10%	±2,679	–
Japanese Yen	**10%**	**∓823**	**–**	10%	∓21,944	–
Europe Euro	**10%**	**±19,633**	**–**	10%	±764	–

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the Group entities' profit after tax and equity measured in the respective functional currencies, translated into Renminbi at the exchange rate ruling at the end of the reporting period for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period, including inter-company receivables within the Group which are denominated in a currency other than the functional currencies of the lender or the borrower. The analysis excludes differences that would result from the translation of the financial statements of foreign operations into the Group's presentation currency. The analysis is performed on the same basis for the year ended March 31, 2025.

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(e) Business risk

The Group's primary business is research, design and development, raw materials procurement, outsourced manufacturing, marketing and distribution of branded down apparel products, which experiences seasonal fluctuations. As such, the sales volumes and revenue in the second half of the financial year are normally substantially higher than those during the first half of the financial year. The Group's financial results are influenced by the weather conditions during the year and the rapidity with which designs are copied by competitors and reproduced at lower prices, as well as by the Group's ability to develop new designs that capture market demand, maintain an effective distribution network, manufacture sufficient quantities to meet cyclical sales, and manage an optimal level of inventories. Based on these factors, the Group may experience significant fluctuations in its future financial results.

(f) Fair value measurement

(i) Financial assets and liabilities measured at fair value

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorized into the three-level fair value hierarchy as defined in IFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date;

- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available; and

- Level 3 valuations: Fair value measured using significant unobservable inputs.

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(f) Fair value measurement (continued)

(i) Financial assets and liabilities measured at fair value (continued)

Fair value hierarchy (continued)

The Group	**Fair value at March 31, 2026 RMB'000**	**Fair value measurements as at March 31, 2026 categorised into**		
		Level 1 RMB'000	**Level 2 RMB'000**	**Level 3 RMB'000**
Recurring fair value measurements				
Financial assets:				
Financial assets measured at FVPL	**8,708,623**	**752**	**8,707,871**	**–**
Derivative financial assets	**2,800**	**–**	**–**	**2,800**
Bills receivable measured at FVOCI	**63,362**	**–**	**63,362**	**–**
Financial liabilities:				
Derivative financial liabilities	**(2,643)**	**–**	**–**	**(2,643)**

The Group	Fair value at March 31, 2025 RMB'000	Fair value measurements as at March 31, 2025 categorised into		
		Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000
Recurring fair value measurements				
Financial assets:				
Financial assets measured as FVPL	6,652,607	1,329	6,651,278	–
Derivative financial assets	3,754	–	–	3,754
Bills receivable measured at FVOCI	247,918	–	247,918	–
Financial liabilities:				
Derivative financial liabilities	(3,661)	–	–	(3,661)

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(f) Fair value measurement (continued)

(i) Financial assets and liabilities measured at fair value (continued)

Valuation techniques and inputs used in level 2 fair value measurements

The fair value of other financial assets in Level 2 is determined by reference to quoted prices of instruments similar to the assets being valued, adjusted for factors unique to the assets being valued.

Information about level 3 fair value measurement

The fair value of derivative financial instruments, the put option and call options, are determined by Black-Scholes model. The key parameters used include spot share price, share price volatility, dividend yield, risk-free rate and repurchase probability.

Below is a summary of significant unobservable inputs to the valuation of the options together with an analysis for the relationship of unobservable inputs to the fair value measurements at the end of reporting period:

	Valuation techniques	Significant unobservable inputs	Relationship of unobservable inputs to the input
Put option	Black-Scholes model	Share price volatility, dividend yield and repurchase probability	The fair value increase/decrease as the volatility increase/decrease, dividend yield increase/decrease and repurchase probability increase/decrease
Call options	Black-Scholes model	Share price volatility, dividend yield and repurchase probability	The fair value increase/decrease as the volatility increase/decrease, dividend yield decrease/increase and repurchase probability increase/decrease

37 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(f) Fair value measurement (continued)

(i) Financial assets and liabilities measured at fair value (continued)

Information about level 3 fair value measurement (continued)

The movements during the year in the balance of these Level 3 fair value measurements were as follows:

	At March 31, 2026 RMB'000	2025 RMB'000
Put option		
At April 1	**3,754**	3,726
Fair value change	**(954)**	28
At March 31	**2,800**	3,754
Call options		
At April 1	**(3,661)**	(3,655)
Fair value change	**1,018**	(6)
At March 31	**(2,643)**	(3,661)

Any gain or loss arising from the remeasurement of the put option and call options are presented in the "Net finance income" line item in the consolidated statement of profit or loss.

(ii) Fair values of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortized cost are not materially different from their fair values as at March 31, 2026 and 2025.

38 COMMITMENTS AND CONTINGENT LIABILITIES

(a) Commitments

Commitments of the Group in respect of plant, property and equipment and advertising and promotional expenses outstanding at March 31, 2026 not provided for in the consolidated financial statements were as follows:

	At March 31, 2026 RMB'000	2025 RMB'000
Contracted for	**154,218**	218,371

(b) Contingent liabilities

As at March 31, 2026, the Group did not have any significant contingent liabilities.

39 MATERIAL RELATED PARTY TRANSACTIONS

During the year, transactions with the following parties are considered as related party transactions.

Name of parties	Relationship
Bosideng Corporation Limited (“Bosideng Corporation”) 波司登股份有限公司(“波司登股份”)	Solely ultimately beneficially owned by Mr. Gao Dekang, the controlling equity shareholders of the Group
Jiangsu Kangxin Garment Co., Ltd. (“Jiangsu Kangxin”) 江蘇康欣製衣有限公司(“江蘇康欣”)	Effectively controlled by the Gao Family, the controlling equity shareholders of the Group
Changshu Kangbo Landscaping Co., Ltd.(“Changshu Kangbo”) 常熟市康博園林綠化有限公司(“常熟康博”)	No longer effectively controlled by the Gao Family, the controlling equity shareholders of the Group, since June 2025
Anhui Liuqiao 安徽柳橋國際供應鏈有限公司(“安徽柳橋”)	Associate
Anhui Ehong 安徽鵝泓羽絨有限公司(“安徽鵝泓”)	Associate
Bogner GCA Holding 博格納大中華控股有限公司(“博格納大中華控股”)	Joint venture
Tan Duong 新洋服裝出口有限責任公司(“新洋服裝”)	Joint venture
PT. INDONESIA 印度尼西亞雪中飛製衣有限公司(“印尼雪中飛”)	Joint venture
Lang Giang Textile Joint Stock Company (“Lang Giang”)	Joint venture

39 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Transactions with related parties

	For the year ended March 31, 2026 RMB'000	2025 RMB'000
Purchase of raw materials:		
Anhui Ehong	**341,878**	137,269
Processing service fees:		
PT. INDONESIA	**38,026**	–
Tan Duong	**40,388**	20,017
	78,414	20,017
Manufacturing outsourcing service:		
Bosideng Corporation	**1,744,886**	1,987,948
Jiangsu Kangxin	**76,719**	118,235
	1,821,605	2,106,183
Integrated service fees:		
Bosideng Corporation	**20,816**	19,386
Changshu Kangbo	**–**	958
	20,816	20,344
Loans or advances provided to, netting off the repayment:		
Bogner GCA Holding	**–**	18,000
Anhui Ehong	**–**	20,000
	–	38,000
Interest income charged to an associate:		
Anhui Liuqiao	**1,532**	2,125

Leasing arrangements

During the year ended March 31, 2026, the Group entered into certain lease arrangements in respect of certain leasehold properties from a fellow subsidiary of the Parent Group, and at the commencement date of the lease, the Group recognised a right-of-use asset and a lease liability of RMB1,746,000 (2025: RMB5,047,000).

Applicability of the Listing Rules relating to connected transactions

The related party transactions in respect of manufacturing outsourcing service, leasing arrangements and integrated service fees above constituted non-exempt continuing connected transactions as defined in Chapter 14A of the Listing Rules.

39 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Balances with related parties

	At March 31, 2026 RMB'000	2025 RMB'000
Amounts due from:		
Prepayments to related parties (i):		
Bosideng Corporation	**140,786**	287,073
Anhui Ehong	**44,996**	76,784
Jiangsu Kangxin	**–**	1,848
Tan Duong	**13,658**	–
	199,440	365,705
Other receivables due from related parties (iii):		
Bosideng Corporation	**22,498**	22,088
Anhui Liuqiao (ii)	**31,741**	42,843
Anhui Ehong (ii)	**20,127**	20,064
Bogner GCA Holding	**20,777**	18,497
Lang Giang	**17,298**	–
Jiangsu Kangxin	**488**	488
	112,929	103,980
	312,369	469,685
Amounts due to:		
Trade and other payables due to related parties (iv):		
Bosideng Corporation	**20,096**	2,429
PT.INDONESIA	**13,856**	–
Jiangsu Kangxin	**3,159**	595
	37,111	3,024

(i) The prepayments to related parties mainly arose from the transaction of raw material and processing service procurement from related parties which are expected to be settled within one year.

(ii) The other receivables due from Anhui Liuqiao and Anhui Ehong represented loans provided with the maturity date on August 31, 2026 and March 19, 2026, respectively. The loans are guaranteed and bear 3% interest rate per annum. During the year ended March 31, 2026, total interest income generating from the loans was RMB2,321,000 (2025: RMB2,125,000).

(iii) Except for the other receivables due from Anhui Liuqiao and Anhui Ehong, the remaining receivables due from related parties are unsecured, interest-free and expected to be recovered within one year or on demand.

(iv) The trade and other payables due to related parties are unsecured, interest-free and are expected to be paid within one year or on demand.

39 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in note 12 and certain of the highest paid employees as disclosed in note 13, is as follows:

	For the year ended March 31, 2026 RMB'000	2025 RMB'000
Short-term employee benefits	**67,646**	63,230
Equity-settled share-based payments	**11,605**	48,805
Total	**79,251**	112,035

40 COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

	Note	At March 31, 2026 RMB'000	2025 RMB'000
Non-current asset			
Investment in and amounts due from subsidiaries		**1,574,715**	1,537,389
		1,574,715	1,537,389
Current assets			
Trade and other receivables		**34,622**	7,462
Dividends receivables due from a subsidiary		**2,536,630**	3,665,272
Other financial assets		**–**	4,009
Cash and cash equivalents		**2,536,238**	1,269,718
		5,107,490	4,946,461
Current liabilities			
Interest-bearing borrowings		**196,954**	386,063
Trade and other payables		**51,691**	106,334
Amounts due to subsidiaries		**223,217**	193,930
		471,862	686,327
Net current assets		**4,635,628**	4,260,134
Total assets less current liabilities		**6,210,343**	5,797,523
Net assets		**6,210,343**	5,797,523
Capital and reserves			
Share capital	35(c)	**874**	863
Reserves	35(d)	**6,209,469**	5,796,660
Total equity		**6,210,343**	5,797,523

41 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.

42 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED MARCH 31, 2026

Up to the date of issue of these financial statements, the IASB has issued a number of new or amended standards, which are not yet effective for the year ended March 31, 2026 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

	Effective for accounting period beginning on or after (unless specified)
Amendments to HKFRS 9, *Financial instruments and HKFRS 7, Financial instruments: disclosures – Contracts referencing nature-dependent electricity*	January 1, 2026
Amendments to IFRS 9, Financial instruments and IFRS 7, *Financial instruments: disclosures – Amendments to the classification and measurement of financial instruments*	January 1, 2026
Annual improvements to IFRS Accounting Standards – Volume 11	January 1, 2026
IFRS 18, *Presentation and disclosure in financial statements*	January 1, 2027
IFRS 19, *Subsidiaries without public accountability: disclosures*	January 1, 2027

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

IFRS 18, *Presentation and disclosure in financial statements*

IFRS 18 will replace IAS 1 *Presentation of financial statements* and aims to improve the transparency and comparability of information about an entity's financial statements. IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and is to be applied retrospectively.

Among other changes, under IFRS 18, entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to provide specific disclosures about management-defined performance measures in a single note in the financial statements.

The Group does not plan to early adopt IFRS 18 and is still in the process of assessing the impact of the adoption.

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. Gao Dekang *(Chairman of the Board and CEO)* *(Notes 1 & 2)*
Ms. Mei Dong
Ms. Huang Qiaolian
Mr. Rui Jinsong
Mr. Gao Xiaodong

Independent Non-executive Directors

Mr. Dong Binggen *(Notes 1, 2 & 3)*
Mr. Wang Yao *(Notes 1, 2 & 3)*
Dr. Ngai Wai Fung *(Note 3)*

COMPANY SECRETARY

Ms. Liang Shuang

AUTHORIZED REPRESENTATIVES

Mr. Gao Dekang
Ms. Liang Shuang

SHARE LISTING

Place of Listing
The Stock Exchange of Hong Kong Limited

STOCK CODE

3998

INVESTOR RELATIONS

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Tel: (852) 2866 6918
Fax: (852) 2866 6930

WEBSITES

http://company.bosideng.com
http://www.bosideng.com

INVESTOR RELATIONS CONSULTANT

iPR Limited

REGISTERED OFFICE

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Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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99 Queen's Road Central
Central, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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Suite 3204, Unit 2A
Block 3, Building D, P.O. Box 1586
Gardenia Court, Camana Bay
Grand Cayman, KY1-1100
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17 Floor, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

PRINCIPAL LEGAL ADVISORS AS TO HONG KONG LAW

CFN Lawyers LLP in association with Beijing Anli (Hong Kong) Partners
Head Office
Rooms 1710-1711
17/F, New World Tower 1
16-18 Queen's Road Central
Central, Hong Kong

AUDITOR

KPMG
Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance

PRINCIPAL BANKERS

Agricultural Bank of China Limited
China Construction Bank Corporation
Bank of China Limited
China CITIC Bank Corporation Limited
DBS Bank Ltd., Hong Kong Branch
Standard Chartered Bank (Hong Kong) Limited
Sumitomo Mitsui Banking Corporation Hong Kong Branch
The Hongkong and Shanghai Banking Corporation Limited

Notes:

(1) Members of the Remuneration Committee, Mr. Wang Yao is the Chairman of the Remuneration Committee

(2) Members of the Nomination Committee, Mr. Gao Dekang is the Chairman of the Nomination Committee

(3) Members of the Audit Committee, Dr. Ngai Wai Fung is the Chairman of the Audit Committee

Shareholder Information

IMPORTANT DATES

Closure of Register of Members

August 17, 2026 to August 20, 2026
(for attending the AGM) (both days inclusive)

August 26, 2026 to August 28, 2026
(for entitlement to the final dividend) (both days inclusive)

ANNUAL GENERAL MEETING

At 10:00 a.m. on August 20, 2026

DIVIDEND

Final dividend	:	HKD25.0 cents per Share
Payable	:	On or around September 15, 2026

FINANCIAL YEAR END

March 31

BOARD LOT

2,000 Shares

Definitions

Terms	Definitions
"AGM"	the forthcoming annual general meeting of the Company
"Articles"	the existing amended and restated articles of association of the Company
"Audit Committee"	the audit committee of the Company
"Board"	the board of Directors
"Board Diversity Policy"	the board diversity policy of the Company adopted by the Board
"CEO"	the chief executive officer of the Company
"Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules (applicable for the Year)
"Company"	Bosideng International Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability on July 10, 2006
"Company Secretary"	the company secretary of the Company
"Directors"	director(s) of the Company
"Dividend Policy"	the dividend policy of the Company adopted by the Board
"Euro"	the lawful currency of the European Union
"Financial Statements"	the audited consolidated financial statements of the Group for the Year
"Framework Integrated Service Agreement"	the framework integrated service agreement entered into between the Company and Mr. Gao Dekang dated September 15, 2007, pursuant to which the Parent Group agreed to provide various ancillary services to the Group

Definitions

Terms	Definitions
"Group"	the Company and its subsidiaries
"HKD" or "HK dollars" and "HK cents"	the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Japanese yen"	the lawful currency of Japan
"Latest Practicable Date"	the latest practicable date prior to the issue of this annual report (being on July 20, 2026)
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"Moody's"	Moody's Investors Service, Inc.
"MPF Scheme"	the Mandatory Provident Fund Scheme, a defined contribution scheme managed by an independent trustee
"New Surplus"	New Surplus International Investment Limited, a Shareholder
"Nomination Committee"	the nomination committee of the Company
"OEM"	original equipment manufacturing
"Options"	the share options granted under the share option schemes of the Group
"Parent Group"	Mr. Gao Dekang and his associates (other than the members of the Group)

Terms	Definitions
"Pound sterling"	the lawful currency of the United Kingdom
"PRC" or "China"	the People's Republic of China
"Prospectus"	the prospectus of the Company dated September 27, 2007
"Remuneration Committee"	the remuneration committee of the Company
"Renewed Framework Manufacturing Outsourcing and Agency Agreement"	the renewed framework manufacturing outsourcing and agency agreement entered into between the Company and Mr. Gao Dekang dated January 17, 2025, pursuant to which the Group agreed to outsource its manufacturing process of down apparel, OEM products and/or its down related materials to the Parent Group on a non-exclusive basis
"RMB" or "Renminbi"	the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary share(s) in the share capital of the Company with nominal value of USD0.00001 each
"Shareholder(s)"	the holder(s) of the Share(s)
"Share Award Scheme"	the share award scheme adopted by the Company on April 23, 2020
"2017 Share Option Scheme"	the share option scheme adopted by the Company on August 25, 2017
"2024 Share Option Scheme"	the share option scheme adopted by the Company on August 20, 2024

Definitions

Terms	Definitions
“SSE”	the Shanghai Stock Exchange
“Stock Exchange” or “SEHK”	The Stock Exchange of Hong Kong Limited
“SZSE”	the Shenzhen Stock Exchange
“S&P”	S&P Global Ratings
“Treasury Shares”	Shares repurchased and held by the Company in treasury, as authorized by the laws of the Cayman Islands and the Articles
“USD” or “US dollars”	the lawful currency of the United States of America
“Year” or “FY2025/26”	the year ended March 31, 2026
“%”	per cent

company.bosideng.com
www.bosideng.com

波司登
BOSIDENG

Bosideng International Holdings Limited
Incorporated in the Cayman Islands with limited liability
Stock Code: 3998

世界羽绒服 中国波司登 引领新潮流

高德康