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## **BOSSINI INTERNATIONAL HOLDINGS LIMITED**

**堡獅龍國際集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 592)

### **SUPPLEMENTAL ANNOUNCEMENT ON THE 2018/19 ANNUAL REPORT**

Reference is made to the annual report for the year ended 30 June 2019 (the “**2018/19 Annual Report**”) of Bossini International Holdings Limited (the “**Company**”) published on 4 October 2019. The Company would like to provide the following additional information.

#### **(1) Significant Investment**

As disclosed in the consolidated statement of financial position as at 30 June 2019 in the 2018/19 Annual Report, the Company had financial assets at fair value through profit or loss in the amount of approximately HK\$232 million, representing approximately 24.7% of the total assets of the Company as at 30 June 2019. The carrying amount of approximately HK\$232 million represented the Company’s investment in “Credit Suisse Nova (Lux) Fixed Maturity Bond Fund 2019” (the “**Fund**”). The fair value of the Fund as at 30 June 2019 was approximately HK\$232 million. The Company invested in the Fund in June 2016 in the principal amount of approximately HK\$233 million. For the year ended 30 June 2019, the Company recorded interest income from the Fund of approximately HK\$7 million and a gain in fair value of the Fund of approximately HK\$2 million in the consolidated statement of profit or loss and other comprehensive income.

The Fund was a bond fund offered by Credit Suisse AG, Hong Kong Branch. To the best of knowledge, information and belief of the Company, Credit Suisse AG, Hong Kong Branch is a licensed bank under the Banking Ordinance (Chapter 155, the Laws of Hong Kong) for the conduct of dealing in securities, advising on securities, advising on corporate finance and asset management regulated activities. The principal terms of the Fund are set out in the section headed “SUBSCRIPTIONS OF FINANCIAL PRODUCT” of the announcement of the Company dated 7 February 2017. The investment strategy of the Fund was a global and broad diversification of portfolio, and predominantly in bonds which are broadly diversified in terms of business sectors, issuers and countries. The underlying investments of the Fund primarily consist of corporate and quasi-sovereign bonds with low duration profile and long term average credit rating of BBB- using linear calculation.

\* For identification purposes only

Subsequent to the date of the 2018/19 Annual Report, the Company disposed of HK\$85 million in the principal amount of the Fund in August 2019. Further details of the disposal are set out in the announcements of the Company dated 1 August 2019 and 7 August 2019. The Fund matured on 20 December 2019. The Fund was wound down in accordance with the terms of the Fund as disclosed in the announcement of the Company dated 7 February 2017.

The Company invested in the Fund for treasury management purpose in order to maximise the utilisation of its surplus cash with an aim to obtain a better return.

## (2) Other Operating Expenses

As disclosed in the consolidated statement of profit or loss and other comprehensive income for the year ended 30 June 2019 in the 2018/19 Annual Report, the Company recorded “Other operating expenses” in the amount of approximately HK\$55,870,000. Set out below is a detailed breakdown of such operating expenses.

	<b>For the year end</b>	
	<b>30 June</b>	
	<b>2019</b>	<b>2018</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
Staff costs		
Salaries, wages, allowances and benefits	22,643	21,137
Pension scheme contributions	1,938	1,948
	<u>24,581</u>	<u>23,085</u>
Minimum lease payments under operating leases for land and buildings	20,099	20,466
Fair value losses, net on derivative financial instruments – transactions not qualifying as hedges	–	2,742
Fair value gains, net on financial assets/liabilities at fair value through profit or loss – transactions not qualifying as hedges	(5,830)	–
Foreign exchange differences, net	(4,823)	19,146
Impairment of items of property, plant and equipment	2,999	119
Loss of inventories due to a fire accident	9,458	–
Others	9,386	9,362
	<u>55,870</u>	<u>74,921</u>
Total	<u><u>55,870</u></u>	<u><u>74,921</u></u>

By Order of the Board  
**Bossini International Holdings Limited**  
**Mr. Victor Herrero**  
*Chairman and Non-executive Director*

Hong Kong, 12 August 2020

*As at the date of this announcement, the board of Directors comprises five executive Directors, namely Mr. CHEUNG Chi (Co-Chief Executive Officer), Mr. ZHAO Jianguo, Ms. TSIN Man Kuen Bess, Mr. MAK Tak Cheong Edmund (Co-Chief Executive Officer) and Mr. CHAN Cheuk Him Paul, two non-executive Directors, namely Mr. Victor HERRERO (Chairman) and Mr. LAW Ching Kit Bosco and four independent non-executive Directors, namely Mr. LEE Kwok Ming, Mr. CHEONG Shin Keong, Ms. LEUNG Mei Han and Prof. SIN Yat Ming.*