

[For Immediate Release]

bossini

Bossini International Holdings Limited

Bossini Announces 2022 Annual Results

* * *

Results Highlights

	For the year ended 31 December 2022	For the 18 months ended 31 December 2021	Change	
Revenue	HK\$585 mn	HK\$1,164 mn	- HK\$579 mn	- 50%
Gross profit	HK\$273 mn	HK\$596 mn	- HK\$323 mn	- 54%
Gross margin	47%	51%	- 4% pts	
Loss for the year/period attributable to owners	(HK\$132 mn)	(HK\$340 mn) #	+ HK\$208 mn	+ 61%
Basic loss per share attributable to ordinary equity holders	(HK5.36 cents)	(HK16.52 cents) #	+ HK11.16 cents	+ 68%

	At 31 December 2022	At 31 December 2021	Change	
Net cash	HK\$93 mn	HK\$269 mn	- HK\$176 mn	- 65%

Including continuing and discontinued operations

(Hong Kong, 21 March 2023) **Bossini International Holdings Limited** ("Bossini" or the "Group"; HKSE stock code: 592) today announces its results for the year ended 31 December 2022.

During the year under review, the Group's revenue decreased by 50% to HK\$585 million (for the 18 months ended 31 December 2021: HK\$1,164 million). Gross profit decreased by 54% to HK\$273 million (for the 18 months ended 31 December 2021: HK\$596 million), while gross margin decreased by 4% points to 47% (for the 18 months ended 31 December 2021: 51%). Loss for the year attributable to owners was HK\$132 million (for the 18 months ended 31 December 2021: HK\$340 million), including gain on disposal of assets held for sale of HK\$174 million (for the 18 months ended 31 December 2021: Nil) and HK\$78 million (for the 18 months ended 31 December 2021: HK\$119 million) being non-cash impairment on assets. Basic loss per share amounted to HK5.36 cents (for the 18 months ended 31 December 2021: HK16.52 cents). The Board of Directors does not recommend payment of any final dividend (for the 18 months ended 31 December 2021: Nil) for the year ended 31 December 2022.

As of 31 December 2022, the Group had net cash of HK\$93 million (at 31 December 2021: HK\$269 million). The Group's inventory turnover days was 201 days (at 31 December 2021: 180 days).

~ More ~

In 2022, generally, being affected by COVID-19 pandemic, the retail markets in mainland China, Hong Kong and Macau region were severely affected. The overall economic performance of the two regions was inevitably affected to varying degrees.

In Hong Kong and Macau, the fifth wave of COVID-19 broke out on a large scale in the beginning of the year, which adversely affected the local economy. In order to control the pandemic, the government has adopted a series of strict control measures which led to a reduction in the number of people going out. The overall consumer sentiment was weak. Retail industry encountered difficulties in operation. Nevertheless, as the government introduced a series of measures such as consumption vouchers to stimulate economy, and the Group has actively controlled costs, closing stores with unreasonable rents to reduced losses.

In mainland China, many provinces and cities implemented stringent control measures intermittently, resulting in the closure of a number of stores in a timely manner. Towards the end of the year, there was a large outbreak of the disease across the country. The Group's employees, store sales staff and consumers in mainland China were also infected to a certain extent, resulting in a significant decrease in the flow of people to the shopping malls and unstable operating hours of the stores. As the "bossini.X" brand is in the stage of rebranding, the Group has become more conservative in channel expansion while reducing all non-essential expenses, and has taken the initiative to request rent reductions from landlords to reduce the Group's losses.

Mr. Chang Min Huei, Co-Chief Executive Officer of Bossini, said, "The market generally expects that the economies of mainland China and Hong Kong will recover in 2023 gradually. The Group will continue to take a prudent but a proactive approach and committed to reinventing our brand image, focusing on the development of the "bossini.X" brand, integrating lifestyle and trendy culture and adding sports elements to the design due to our sponsorship to the Chinese Cycling Team to attract the new generation of consumers. In addition to optimising our existing sales network, we will continue to identify suitable locations to increase the number of points of sales of the "bossini.X" brand, as well as seek for joint venture partners through investment fairs and negotiate for partners suitable for the "bossini.X" brand in overseas markets to expand overseas business. In the coming years, the "bossini.X" brand will be in an investment period of product adjustment and channel expansion. The Group will continue to focus its resources on rebranding and stimulate sales through product and channel optimisation. We will grasp the opportunities brought to the retail industry in the process of economic recovery in the post-epidemic era"

~ End ~

For further information, please contact:
Porda Havas International Finance Communications Group
Kelly Fung / Vivian Cheung / Josie Jin
Tel: (852) 3150 6763 / (852) 3150 6733 / (852) 3150 6772
Fax: (852) 3150 6728
Email: bossini@pordahavas.com