



For immediate release

## **TRINITY ANNOUNCES 2015 INTERIM RESULTS**

### **Group's proactive measures temper loss and position it for sustainable profits in the medium to long term**

*Hong Kong, 27 August 2015* - **Trinity Limited** ("Trinity" or "the Group"; SEHK: 891), a leading retailer and owner of high-end menswear brands in Greater China and Europe, today announced its results for the six months ended 30 June 2015. Along with the rest of the industry, Trinity was affected by a prolonged period of no growth for high-end menswear in the Chinese Mainland, its principal market.

Consistent with the profit alert issued in June 2015, the Group incurred a loss of HK\$47.4 million, of which HK\$29.3 million was due to a one-time restructuring. Near completion, this exercise will result in a significant reduction in recurring staff costs.

The Group generated net cash flow of HK\$20.2 million from operating activities during the first half of the year.

Total revenue was HK\$253.2 million lower than for the same period of last year, primarily as a result of the weak sales environment in Greater China. Same-store sales were down 15.9% from the corresponding period in 2014. The gross profit margin was 70.7%.

#### **Proactive measures**

As a result of cost-cutting measures, selling, marketing and distribution expenses for the first half of 2015 were reduced by HK\$65.5 million from the same period of last year.

The value of the Group's inventory has been reduced to HK\$510.1 million in June 2015, down from HK\$742.9 million in June 2014, a significant decrease. The number of stores was reduced to 386 as of 30 June 2015, down from 433 stores on 30 June 2014.

Trinity Limited's Chief Executive Officer, Mr Richard Cohen, said that the overall performance was in line with that experienced by the wider premium retail sector, noting that the management's proactive steps had helped to mitigate the impact on Trinity of the very tough external conditions.

#### **Revitalised brands**

Mr Cohen added that, during the review period, Trinity had given its three owned brands – Cerruti 1881, Kent & Curwen and Gieves & Hawkes – a significant branding refresh. "The new brand stories and accompanying marketing campaigns will more solidly position each brand within its distinctive target market, while enabling us to appeal to rising consumer demand for authenticity and heritage," he said.

“We are well positioned to take advantage of the evolving nature of consumer spending. Gieves & Hawkes with its prestigious No. 1 Savile Row address in London and the presence of Cerruti 1881 in Paris, enable us to appeal to the travelling Chinese consumers with brands they recognise, both at home and abroad.”

Mr Cohen commented that sustainable returns in the medium- to long-term remain the Group’s ultimate goal, as Trinity continues to adapt to meet the changing preferences and spending patterns of Chinese male consumers.

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### **About Trinity Limited**

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

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