

[For immediate release]

## Trinity Achieves Turnaround with Interim Core Operating Profit of HK\$112 Million

(Hong Kong, 22 August 2019) - **Trinity Limited** (“Trinity” or the “Group”; stock code: 891), a leading retailer and owner of premium menswear brands in Greater China and Europe, as well as licensing its wholly-owned brands globally, has today announced its interim results for the six months ended 30 June 2019 (“1H 2019”). During the review period, the Group made efforts in restructuring its business and developing new businesses and sales channels, as well as implementing the “Go Global” strategy. Such efforts have resulted in a business turnaround, with core operating profit improved significantly, rising to HK\$111.8 million from a loss of HK\$160.5 million in 1H 2018.

Trinity’s total revenue surged 15.6% to HK\$1,029.3 million. Gross profit amounted to HK\$703.1 million, representing an increase of 13.5% as compared with the same period last year. Retail gross profit margin improved by 4.5% to 71.6% as a result of new discount strategy. Profit attributable to shareholders amounting to HK\$76.6 million (1H 2018: loss attributable to shareholders of HK\$196.8 million), indicating the Group’s business transformation is bearing fruit. Basic earnings per share were HK2.1 cents (1H 2018: basic loss per share of HK7.3 cents).

**Mr Yafu QIU, Chairman of Trinity Limited**, said, “Trinity’s optimisation and restructuring strategies have, together with strong support from Ruyi, gained increase traction. In the future, through the management team’s considerable experience and foresight, the Group is confident that all of its brands will not only enhance their global presence, but also enjoy a renaissance.”

### Creating an omnipresence

In order to strengthen the Group’s online sales channel for reaching out to its loyal customers and attracting new young luxury consumers, the Group has established a new e-commerce team dedicated to raising the online presence of the brands. In addition, Trinity has aligned with different online retail platforms, to cater for luxury consumers as befits the sophistication of Trinity’s brands and products.

### Catering for today’s customer

To maintain the relevance of the Group’s premium brands with customers young and old well into the future, the Trinity’s bolstered design teams have been pursuing innovation, actively developing and designing casual wear collections and expanding new product lines that cater for market demand, and this has included the introduction of trendy unisex clothing. Meanwhile, a wide range of innovative functional materials that capitalise on Ruyi’s resources have been used in a bid to enrich product variety and enhance competitiveness. In addition, by leveraging Trinity’s relations with Ruyi which already has ample resources in the professional suit market, the Group has been able to expand its influence to new groups of clientele by providing made-to-measure clothing to corporate clients.

In order to provide a memorable shopping experiences for its customers, Trinity has invested time and energy to raise the performance of frontline staff through relevant trainings. The combination of frontline staff and physical stores constitute essential touchpoints that are paramount for influencing both traditional and online sales.

The internet is one of the key drivers of business development. The Group has been employing social media channels such as Facebook, Twitter and Instagram, which are preferred by customers of different age groups for a seamless journey from its physical stores to its e-commerce network. To keep in step with the times and facilitate Trinity's sustainable development, it has also been closely monitoring and analysing changes among online shopper groups; actively working with its professional strategic Internet partners, and developing new products that suit the spending habit and behaviour of such consumer segments.

### **Soldiering on**

Trinity will continue to implement its "Go Global" strategy, the objectives of which include raising the Group's exposure around the world while concurrently bolstering its stature at home. This strategy aligns with the dynamics of the luxury market, which in the coming years will be dominated by well-travelled young Chinese luxury consumers who are fashion-conscious and have high spending power.

Through optimising and upgrading its supply chain, the Group can accelerate its ability to react to customer demands and adapt to the market-based production, supply and sales system. As a result, it will raise efficiency, increase profitability and reduce costs. Besides, Trinity will leverage Ruyi's vast resources – an industry titan with a fully-integrated value chain that includes some of the largest production lines in China, to address manufacturing requirements both now and down the road.

"Going forward, the Group remains cautiously optimistic that the combination of a clear business roadmap, experienced management team, continuous business reforms, strong ties with major stakeholders and conscientious global workforce will further enable it to transition into an even more profitable state, which in turn will open the way to new possibilities for growth.," **Chairman QIU** concluded.

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### **About Trinity Limited (Stock Code: 891)**

Trinity Limited, a publicly-listed company on the Stock Exchange of Hong Kong and a member of the privately-held Beijing Ruyi Fashion Investment Holding Company Limited, is one of the leading retailers and owners of premium menswear brands serving Greater China and Europe, as well as licensing its wholly-owned brands globally. The Group manages four international menswear brands, namely Cerruti 1881, Gieves & Hawkes and Kent & Curwen, which are self-owned, and D'URBAN, which it operates under a long-term license in Greater China.

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