



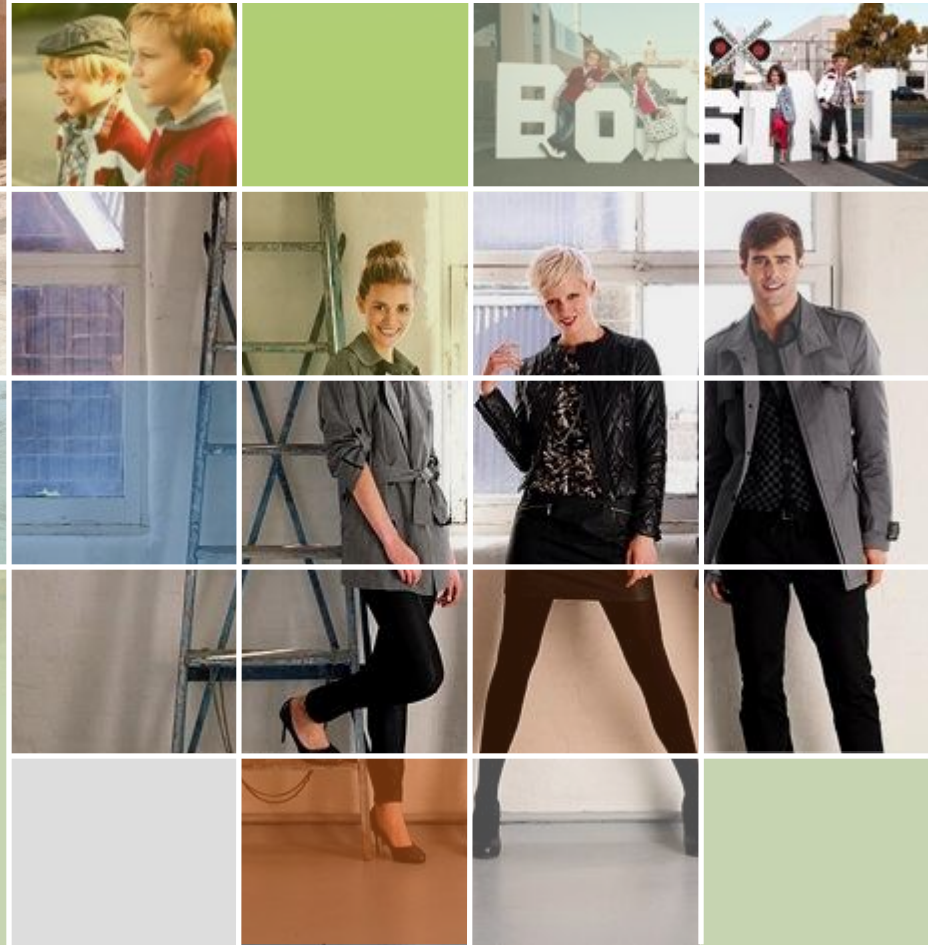
Bossini International Holdings Limited  
堡獅龍國際集團有限公司

bossini   
be happy

# Corporate Presentation

2010/11 Annual Results

21 September 2011



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# Agenda



- ② financial review
- ② review of operations
- ② future plans and strategies
- ② open forum



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financial  
review

# 2010/11 Highlights



***Effective implementation of business strategies continued to render positive results***



***Consolidated revenue posted record high of HK\$2,642 million, an increase of 15% year-on-year***



***Hong Kong market delivered record highs in both top line and bottom line; Revenue in mainland China posted a record high; Singapore market experienced a turnaround in operating profit***



***Maintained a strong financial position with cash and bank balances of HK\$460 million and net cash balance of HK\$332 million***



***Achieved robust expansion with addition of 114 new stores to its global distribution network, bringing the total number of stores to 1,475 as of 30 June 2011***

# Results Highlights



				For the year ended 30 Jun		
(HK\$ mn)	2011	2010	Change			
Revenue	2,642	2,306	+15%			
Gross profit	1,354	1,190	+14%			
EBITDA	240	186	+29%			
Operating profit	168	114	+46%			
Profit for the year attributable to owners	130	90	+44%			
Basic EPS (HK cents)	8.07	5.66	+43%			
Dividend per share (HK cents)						
- <i>Interim</i>	2.20	1.10	+100%			
- <i>Final</i>	3.03	2.30	+32%			
- <i>Special</i>	1.20	0.30	+300%			

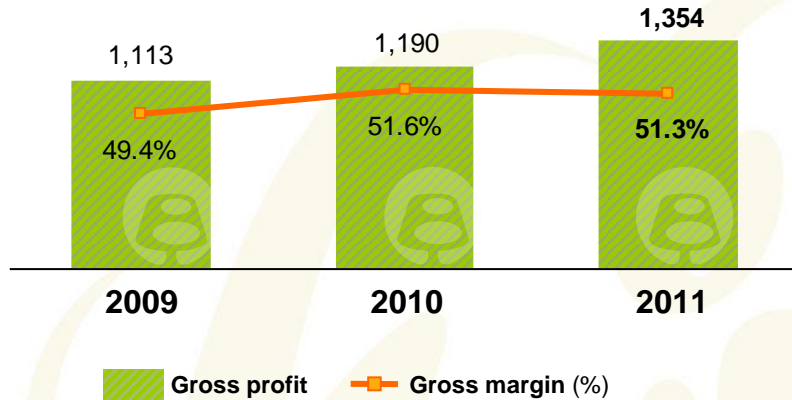


# Sustainable Profitability in All Aspects



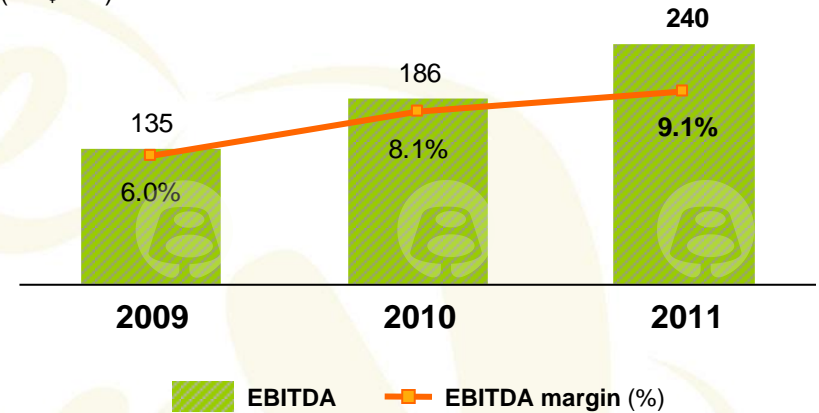
## Gross Profit

(HK\$ mn)



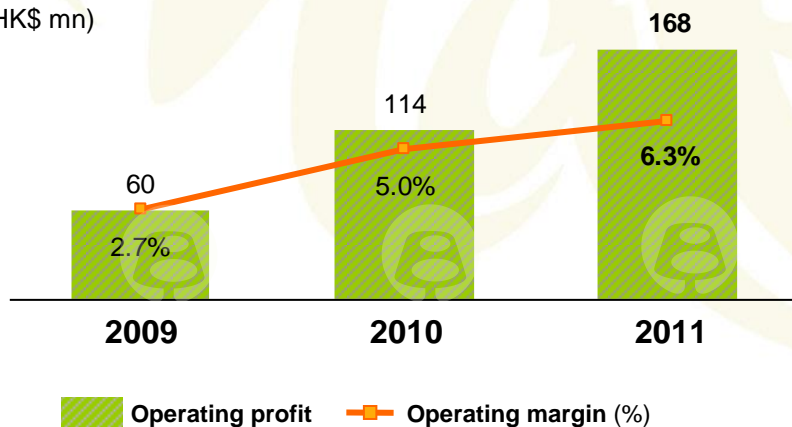
## EBITDA

(HK\$ mn)



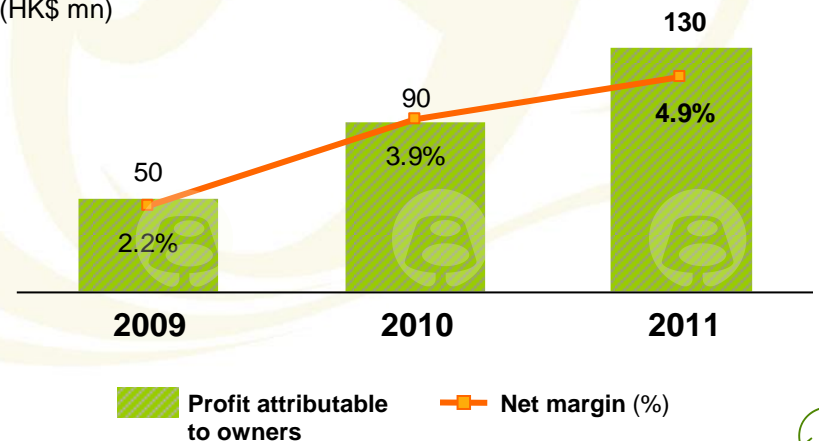
## Operating Profit

(HK\$ mn)



## Profit Attributable to Owners

(HK\$ mn)



For the year ended 30 Jun



# Solid Financial Position



	At 31 Aug 2011	At 30 Jun 2011	At 30 Jun 2010
Net cash* (HK\$ mn)	382	332	402

\* Time deposits, cash and bank balances less bank loans

Financial Position & Ratio	At 30 Jun 2011	At 30 Jun 2010
Current ratio (times)	2.01	2.16
Cash and bank balances (HK\$ mn)	460	463
Total liabilities to equity ratio (%)	68	60
Return on equity (%)	17	13

Working Capital	At 30 Jun 2011	At 30 Jun 2010
Inventory turnover# (days)	57	48

# Inventory held at year end divided by annualised revenue times 365 days



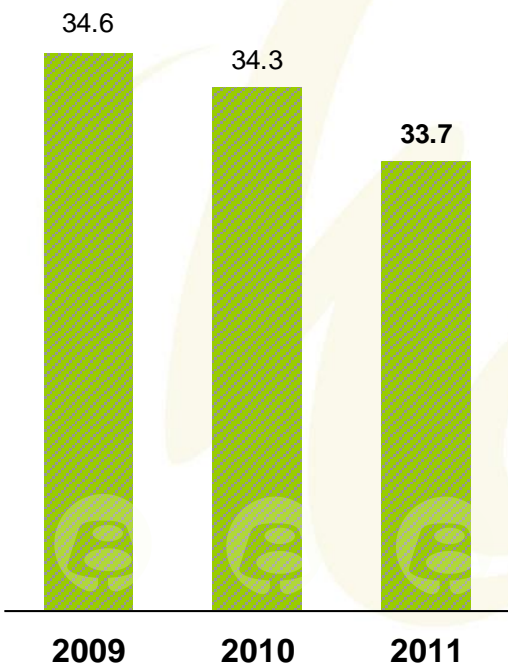


# Operating Expenses Breakdown



- Total operating expenses accounted for 45.7% of revenue (2010: 47.1%)

## Selling and distribution costs (as a % of revenue)



For the year ended 30 Jun

## Administrative expenses (as a % of revenue)



For the year ended 30 Jun

## Other operating expenses (as a % of revenue)



For the year ended 30 Jun

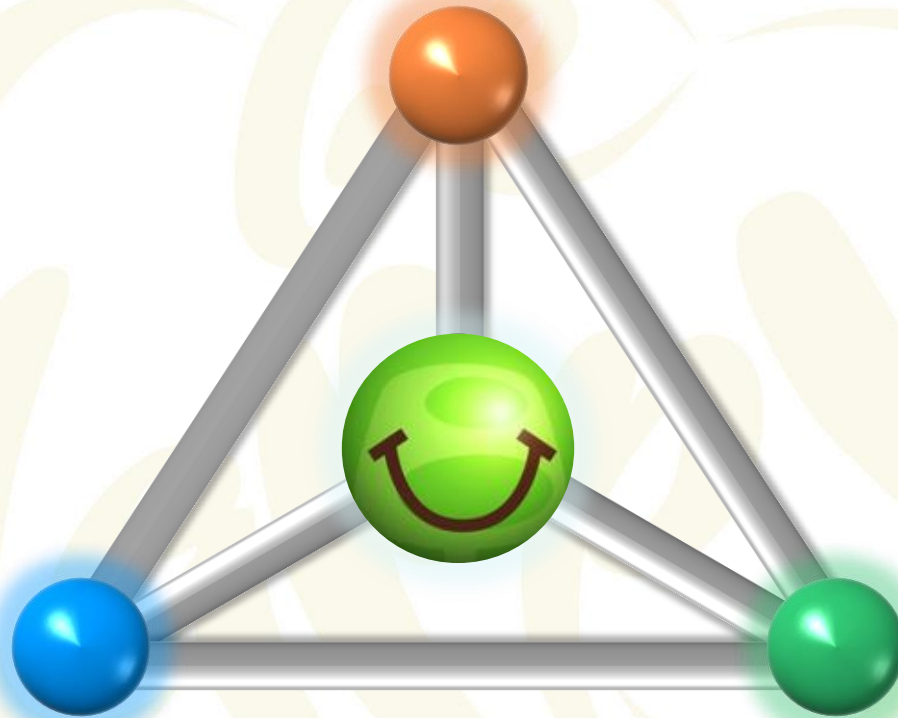
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# Business Strategies in 2010/11



**Enhancement of the Group's  
core brand value "be happy"**



**Pragmatic network expansion  
to markets with promising  
growth potential**

**Optimisation of internal  
operational efficiencies,  
particularly in supply chain  
management**



# Operating Environment in 2010/11



*The deteriorating economic conditions in the United States and weakened financial status in Europe remained obstacles for the recovery of the global economy*

*Some of the Asian and emerging markets saw modest growth driven by strong domestic consumption*

**Successful implementation of business strategies:**

- Enhance Core Brand Value
- Optimise Internal Operation
- Expand Export Network

*The Group's revenue for the year ended 30 Jun 2011 recorded encouraging growth of 15% to HK\$2,642 million*

- Hong Kong market delivered record highs in top line and bottom line;
- Revenue in mainland China posted a record high;
- Singapore market experienced a turnaround in operating profit;
- Malaysia market saw significant improvement in operating results

# Revenue Analysis



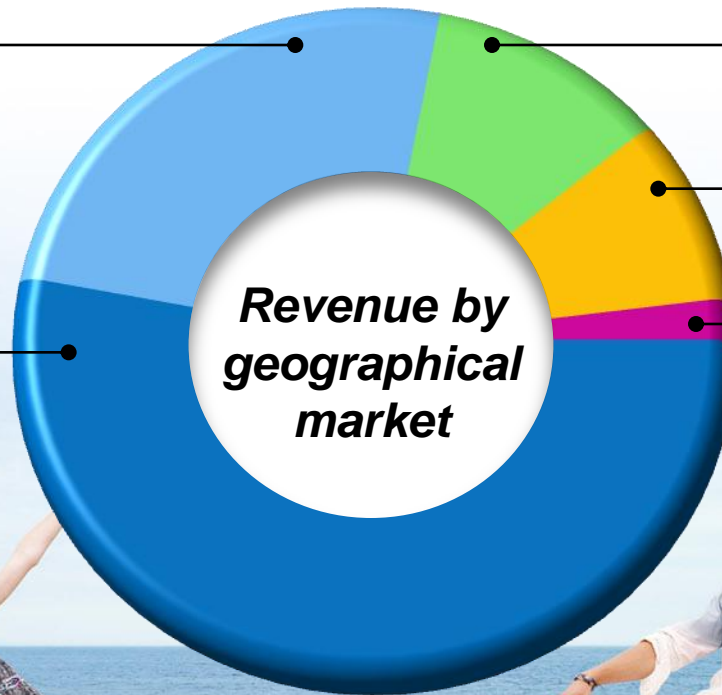
**Mainland China**  
25% (23%)

**Hong Kong**  
53% (55%)

**Taiwan**  
11% (11%)

**Singapore**  
9% (9%)

**Malaysia**  
2% (2%)



**For the year ended 30 Jun 2011**  
(Comparative figures for the year ended  
30 Jun 2010 in brackets)

# Retail Performance by Region



- Overall same-store sales growth was 10%
- Same-store sales growth were positive across the board, ranging from 3% to 14%

For the year ended 30 Jun					
	Same-store sales growth*		Operating margins		
	2011	2010	2011	2010	Change
Hong Kong	11%	11%	16%	13%	+3% pts
Mainland China	11%	-1%	-9%	-7%	-2% pts
Taiwan	3%	-4%	-1%	-1%	-
Singapore	14%	-1%	4%	-4%	+8% pts
Malaysia	8%	-12%	-8%	-17%	+9% pts
<b>Total</b>	<b>10%</b>	<b>5%</b>	<b>6%</b>	<b>5%</b>	<b>+1% pt</b>

\* For directly managed stores only



# No. of Stores by Region



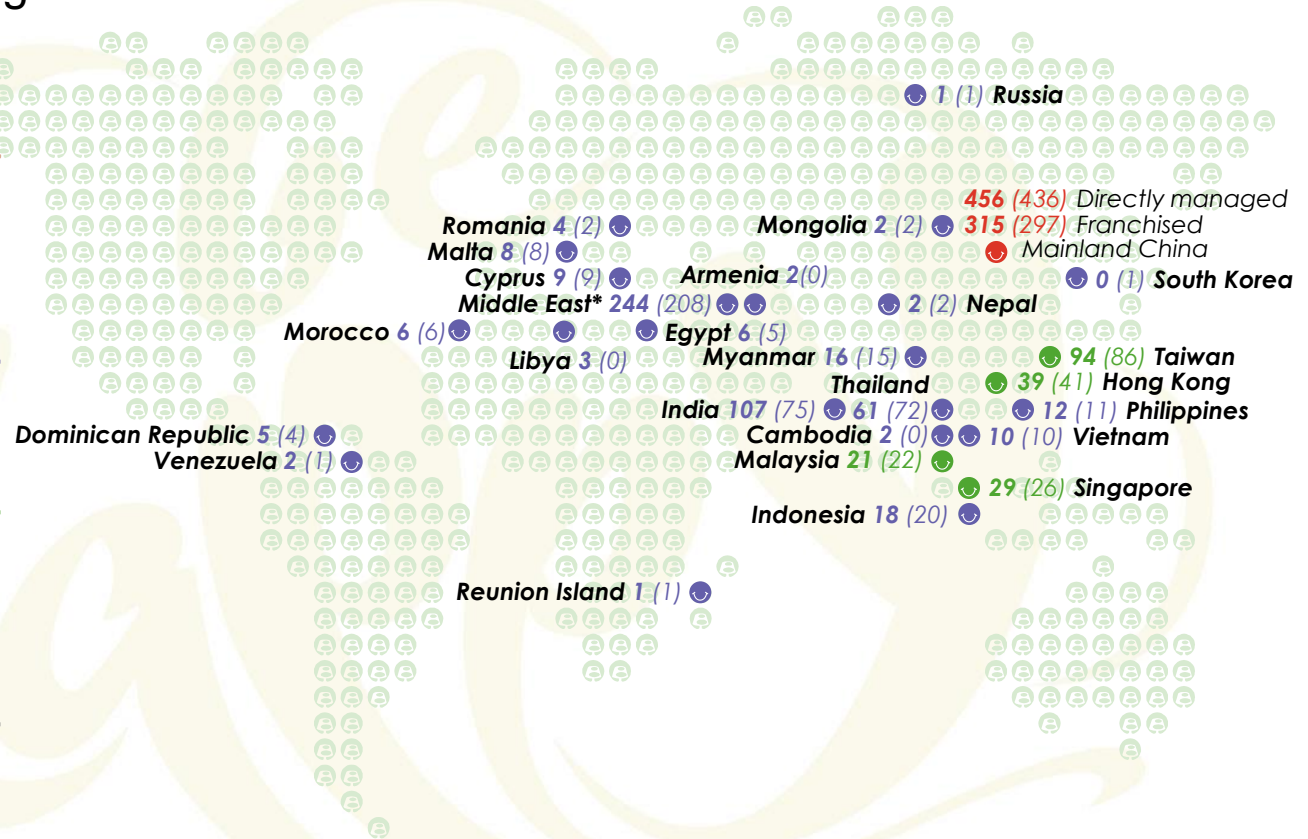
- Ⓔ The Group has presence in 36 countries and regions with a total of 1,475 stores
- Ⓔ The Group seized opportunities for network expansion by adding 68 stores to its export franchising network, bringing the total number to 521 stores

	At 30 Jun 2011	At 30 Jun 2010	Change
<b>No. of Directly Managed Stores</b>			
Hong Kong	39	41	-2
Mainland China	456	436	+20
Taiwan	94	86	+8
Singapore	29	26	+3
Malaysia	21	22	-1
Sub-total	639	611	+28
<b>No. of Franchised Stores</b>			
Mainland China	315	297	+18
Other countries	521	453	+68
Sub-total	836	750	+86
<b>Total</b>	<b>1,475</b>	<b>1,361</b>	<b>+114</b>

# International Footprint



- A total of 1,475 stores (30 Jun 2010: 1,361) with presence in 36 countries and regions



At 30 Jun 2011 (comparative figures at 30 Jun 2010 are shown in brackets)

\* The Middle East includes UAE, Qatar, Lebanon, Bahrain, Kuwait, Iran, Jordan, Syria, Saudi Arabia, Oman and Iraq

# Marketing and Branding



- ④ The region-wide branding campaign “be happy me” was launched in November 2010 to strengthen and enhance its “be happy” brand value and image



**Aarif Lee**  
Hong Kong's  
Up Hot New Singer,  
Song Writer and Actor



**Chan Siu Ki**  
Hong Kong Football Hero



**Helen To**  
Popular Travel Host



**Janice Man**  
Popular Young Model  
and Actress



# Co-branded and Licensed Products



bossini x M&M's

bossini  m&m's

ho ho be happy

凡到bossini購物  
淨價每滿\$800

2萬My M&M'S<sup>®</sup>  
購物禮券(上市首五分鐘)

1免費送  
M&M'S<sup>®</sup>糖果

香港首個M&M'S<sup>®</sup> Pop-up 特別展誕生!  
 把ho ho! bossini和充滿M&M'S<sup>®</sup> Work的禮物帶走, 全城擁有  
 M&M'S<sup>®</sup>巨型氣球, 陪你歡慶21個獨特特色! 來去力亞, 向禮  
 拜可以換購時髦摩登系列及特選設計師的ho ho! item!  
 即上www.bossinibeHappy.com, 購買男女服裝全線系列, be happy!

M&M'S<sup>®</sup> Pop-up特別展地址: bossini旺角旗艦店, 西洋菜街6-12號樓2/F  
 展期: 11月26日至12月16日

www.bossinibeHappy.com

Facebook: www.facebook.com/bossinibeHappy

Instagram: www.instagram.com/bossinibeHappy

Twitter: www.twitter.com/bossinibeHappy

YouTube: www.youtube.com/bossinibeHappy

WhatsApp: www.whatsapp.com/bossinibeHappy

Line: www.line.me/bossinibeHappy

Apple Store: www.apple.com/bossinibeHappy

Google Play: www.google.com/bossinibeHappy

Amazon: www.amazon.com/bossinibeHappy

Microsoft Store: www.microsoft.com/bossinibeHappy

Walmart: www.walmart.com/bossinibeHappy

Target: www.target.com/bossinibeHappy

Best Buy: www.bestbuy.com/bossinibeHappy

Home Depot: www.homedepot.com/bossinibeHappy

Lowes: www.lowes.com/bossinibeHappy

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Lowes: www.lowes.com/bossinibeHappy

# Co-branded and Licensed Products



bossini x SpongeBob

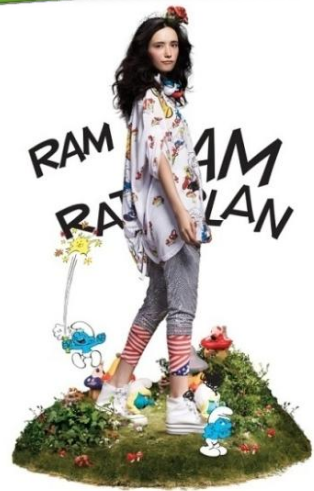




# Co-branded and Licensed Products



bossini x Smurf





# Strong Brand Recognition



- Received numerous industry awards in Hong Kong as well as in mainland China which is proven track record which recognises our brand building efforts and our unique brand value

**Singapore Quality Class 2011**  
(by SPRING Singapore)  
新加坡素質級2011  
(由新加坡標新局頒發)

**Singapore Service Class 2011**  
(by SPRING Singapore)  
新加坡服務級 (由新加坡標新局頒發)

**Singapore Service Star 2010-2011**  
(by Singapore Tourism Board)  
新加坡服務之星2010-2011  
(由新加坡旅遊局頒發)

**Top 120 Franchisors**  
2010中國特許經營連鎖120強  
(by China Chain Store & Franchise Association)  
(由中國連鎖經營協會)

**Quality Services Model**  
(by Guangzhou General Chamber of Commerce)  
優質服務示範門店  
(由廣州市商業總會頒發)

**Caring Company 2004-2011**  
(by Hong Kong Council of Social Service)  
商界展關懷 2004-2011  
(由香港社會服務聯會頒發)

**Outstanding QTS Merchant Silver Award 2011**  
(by Hong Kong Tourism Board)  
傑出優質商戶銀獎 2011  
(由香港旅遊發展局頒發)

**10-year QTS Merchant**  
(by Hong Kong Tourism Board)  
10年資深優質商戶  
(由香港旅遊發展局頒發)

**Manpower Developer since 2010**  
(by Employees Retraining Board)  
人才企業獎自2010開始  
(由僱員再培訓局頒發)

**TVB Weekly Most Popular Brand Award 2010-The Most Popular Apparel Brand**  
(by TVB Weekly)  
<<TVB周刊>>最強人氣品牌大獎2010-最受歡迎服裝品牌  
(由TVB周刊頒發)

**TVB Weekly Outstanding Award 2010**  
(by TVB Weekly)  
<<TVB周刊>>傑出企業形象大獎2010  
(由TVB周刊頒發)

**The Best for Home Award 2010-2011**  
(by Hong Kong Economic Times-Take Me Home)  
香港家庭最愛品牌大賞2010-2011  
(由香港經濟日報—生活區報頒發)

# Multi-Brand Strategy



- ④ Targets different market segments through offering multi-branded products :



*“bossini”*



*“b.style de flyblue”*



*“bossini kids”*



*“Yb”*





# Capex



(HK\$ mn)

For the year ended 30 Jun 2011

Shop and office renovation	67
I.T. investment	19
Others	4
<b>Total</b>	<b>90</b>



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**future plans  
and  
strategies**

# Business Strategies in 2011/12



Step up the efforts in network expansion to strengthen its foothold and increase market share in mainland China. A brand-new “b.style de flyblue” label will be launched

1

Expand continuously at a pragmatic pace in the export franchising markets

2

3

Optimise internal operational efficiency and strengthen supply chain capabilities



4

Fortify brand equity and customer loyalty by launch of a major branding campaign in 2012 to celebrate the 25<sup>th</sup> anniversary

# Future Growth Drivers



- Ⓜ Government policies in stimulating domestic consumption will favour the growth of the retail industry in mainland China, which is a key growth driver in medium to long term
- Ⓜ Continued a pragmatic pace in network expansion

## Network Development Plan for 2011/12

	No. of Stores
Mainland China	+225
Hong Kong & other countries (Directly managed)	+23
Other countries (Export franchise)	+46
<b>Total</b>	<b>+294</b>



# Future Targets



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open forum