

# BOSIDENG

A high-altitude snowy mountain landscape under a blue sky with scattered clouds. In the foreground, a hiker wearing a red jacket, dark pants, and a backpack is ascending a steep, snow-covered slope. The hiker is using two trekking poles. In the middle ground, a line of hikers is visible on a ridge, and another hiker is seen further down the slope. The overall scene conveys a sense of adventure and outdoor recreation.

## 2019/20 Annual Results

June 24, 2020

**波司登**  
**BOSIDENG**

**Bosideng International Holdings Limited**  
Incorporated in the Cayman Islands with limited liability  
Stock Code: 3998

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- Financial Review
- Business Review
- Future Development Plan

# Financial Review



# Financial Highlights

(RMB million)	For the year ended March 31		Change
	2020	2019	
Revenue	12,190.5	10,383.5	+17.4%
Gross profit	6,708.6	5,513.5	+21.7%
Profit from operations	1,598.7	1,370.8	+16.6%
Profit attributable to equity holders of the Company	1,203.2	981.3	+22.6%
Earnings per share (RMB cents)			
– Basic	11.27	9.32	+20.9%
– Diluted	11.06	9.17	+20.6%
Dividend per share (HKD cents)			
– Interim	3.0	2.0	+50.0%
– Final	6.0	6.0	+0.0%
– Full year	9.0	8.0	+12.5%
Gross profit margin	55.0%	53.1%	+1.9 ppt.
Operating profit margin	13.1%	13.2%	-0.1 ppt.
Net profit margin*	9.9%	9.5%	+0.4 ppt.
Effective tax rate	25.3%	27.9%	-2.6 ppt.
Dividend pay-out ratio	73.3%	76.6%	-3.3 ppt.

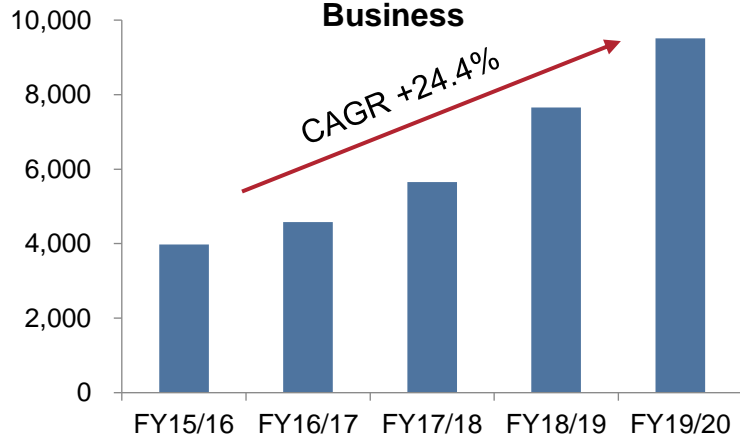
\* Net profit margin is calculated by profit attributable to equity holders of the Company as percentage of revenue

# Financial Highlights

Revenue of two major businesses, branded down apparel and OEM management, **hit a record high**.

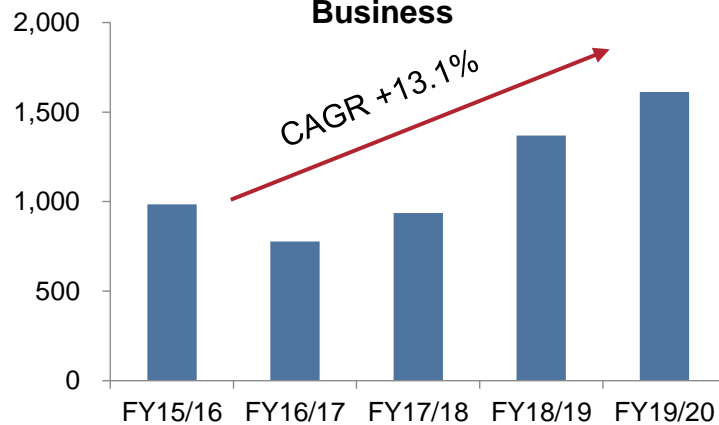
(RMB million)

**Revenue of Branded Down Apparel Business**



(RMB million)

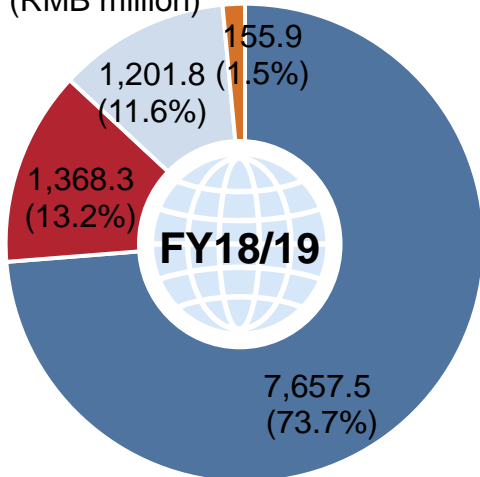
**Revenue of OEM Management Business**



# Revenue Breakdown

RMB 10,383.5 million

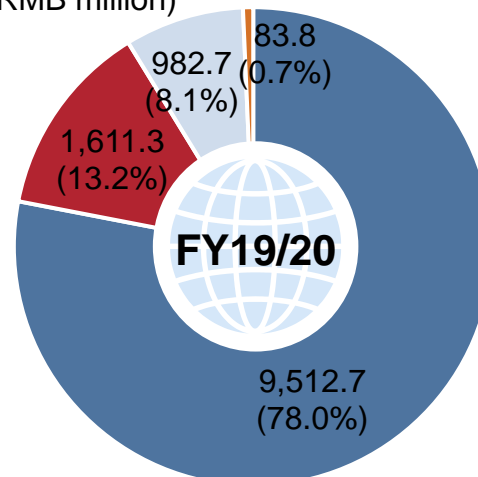
(RMB million)



FY18/19

RMB 12,190.5 million

(RMB million)



FY19/20

■ Branded Down Apparel ■ OEM Management ■ Ladieswear ■ Diversified Apparels  
(% of revenue)

## The Group's revenue increased mainly due to:

- The core business segment of branded down apparel, especially Bosideng brand down apparel business, has developed in depth in many aspects, including branding, channels upgrading, digital operations and new retail operations, etc., actively driving revenue growth
- OEM management business segment deepen the relationship with core customers by providing design support for the original design manufacturing ("ODM") management business, which facilitated the continuous growth of cooperative business with its core customers

# Revenue Breakdown by Business

(RMB million)	For the year ended March 31		Change
	2020	2019	
Branded down apparel	9,512.7	7,657.5	+24.2%
OEM management	1,611.3	1,368.3	+17.8%
Ladieswear	982.7	1,201.8	-18.2%
Diversified apparels	83.8	155.9	-46.2%
<b>Total</b>	<b>12,190.5</b>	<b>10,383.5</b>	<b>+17.4%</b>



# Revenue Breakdown by Brand - Branded Down Apparel Business

(RMB million)	For the year ended March 31		Change	% Change
	2020	2019		
Bosideng	8,403.3	6,849.2	+1,554.1	+22.7%
Snow Flying	498.2	361.5	+136.7	+37.8%
Bengen	205.5	213.4	-7.9	-3.7%
Other*	405.7	233.4	+172.3	+73.8%
<b>Total</b>	<b>9,512.7</b>	<b>7,657.5</b>	<b>+1,855.2</b>	<b>+24.2%</b>

\* Represents sales of raw materials related to down apparel products and other licensing fees, etc.

# Revenue Breakdown by Brand - Ladieswear Business

(RMB million)	For the year ended March 31		Change	% Change
	2020	2019		
JESSIE	333.5	412.4	-78.9	-19.1%
BUOU BUOU	315.9	361.6	-45.7	-12.6%
KOREANO	183.6	226.1	-42.5	-18.8%
KLOVA	149.7	193.5	-43.8	-22.6%
Other brands	-	8.2	-8.2	-100.0%
<b>Total</b>	<b>982.7</b>	<b>1,201.8</b>	<b>-219.1</b>	<b>-18.2%</b>

## Revenue Breakdown by Brand - Diversified Apparels Business

(RMB million)	For the year ended March 31		Change	% Change
	2020	2019		
School uniform	36.5	22.7	+13.8	+60.8%
Others*	47.3	133.2	-85.9	-64.5%
<b>Total</b>	<b>83.8</b>	<b>155.9</b>	<b>-72.1</b>	<b>-46.2%</b>

\* Included children's wear, menswear and Bosideng HOME

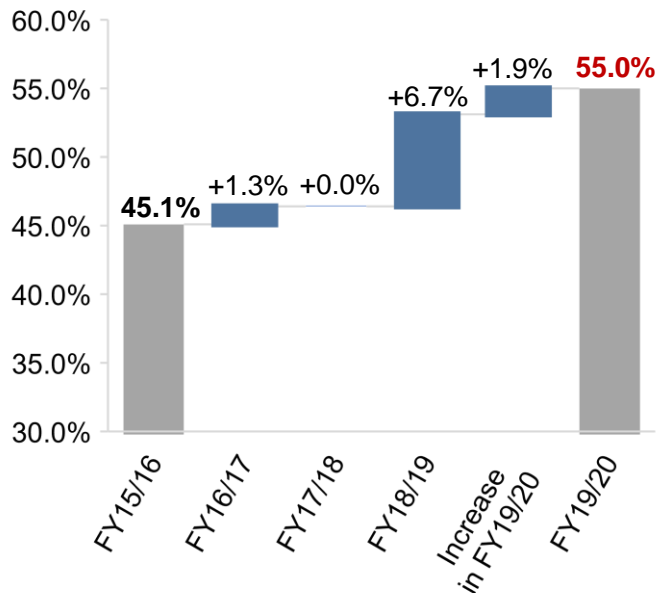
# Gross Margin

Business	For the year ended March 31		Change
	2020	2019	
Branded down apparel	59.8%	57.4%	+2.4 ppt.
OEM management	18.5%	16.3%	+2.2 ppt.
Ladieswear	74.4%	75.5%	-1.1 ppt.
Diversified apparels	-16.4%	-6.9%	-9.5 ppt.
<b>The Group</b>	<b>55.0%</b>	<b>53.1%</b>	<b>+1.9 ppt.</b>

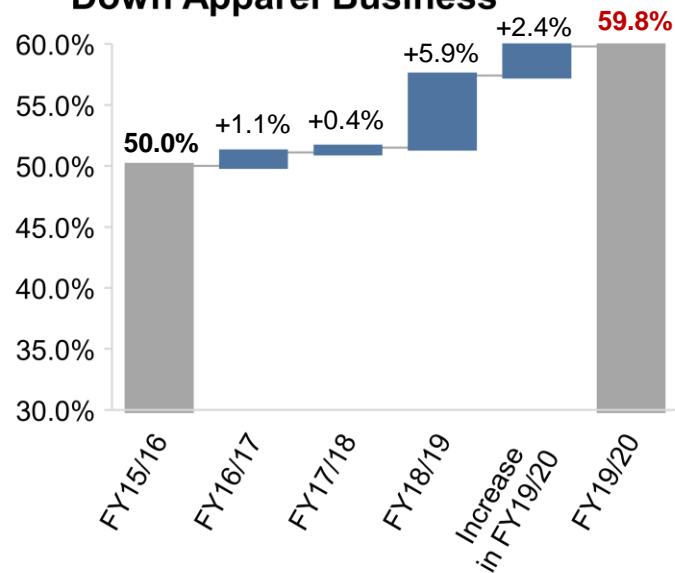
# Gross Margin (cont.)

Gross profit margin level has steadily increased YoY,  
surpassing the highest in history

### Gross Profit Margin of the Group



### Gross Profit Margin of Branded Down Apparel Business



# Gross Margin - Branded Down Apparel

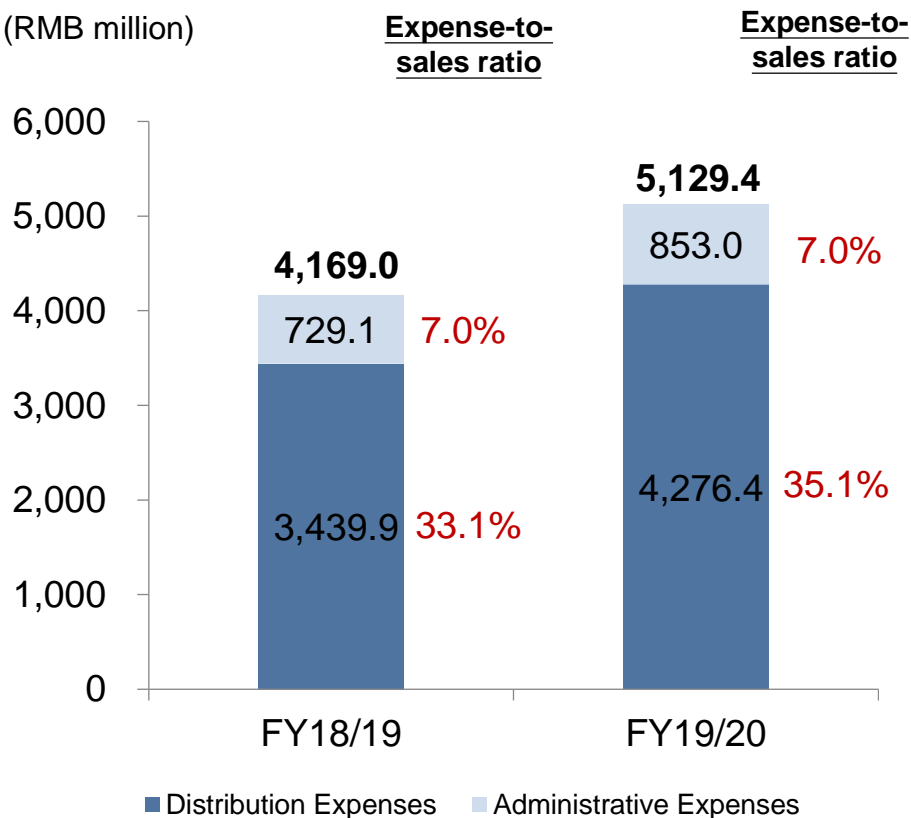
	For the year ended March 31		Change
	2020	2019	
Bosideng	63.4%	60.6%	+2.8 ppt.
Snow Flying	40.8%	49.7%	-8.9 ppt.
Bengen	34.2%	29.0%	+5.2 ppt.
<b>Branded Down Apparel</b>	<b>59.8%</b>	<b>57.4%</b>	<b>+2.4 ppt.</b>

# Gross Margin - Ladieswear

	For the year ended March 31		Change
	2020	2019	
JESSIE	71.3%	71.2%	+0.1 ppt.
BUOU BUOU	70.3%	70.9%	-0.6 ppt.
KOREANO	83.5%	85.3%	-1.8 ppt.
KLOVA	79.2%	82.8%	-3.6 ppt.
Other brands	N/A	59.3%	N/A
<b>Ladieswear</b>	<b>74.4%</b>	<b>75.5%</b>	<b>-1.1 ppt.</b>

# Operation Expenditure

(RMB million)



- Distribution Expenses:** The increase in distribution expenses was mainly due to the Group's efforts in brand and channel construction for the branded down apparel business during this financial year, especially for the Bosideng brand, as well as the rises in wages due to the increase in headcounts during the financial year
- Administrative Expenses:** The proportion of administrative expenses to the Group's total revenue remained flat as compared to last financial year
- The ratio of operation expenditure to total revenue has been slightly increased by 2.0 ppt. compared to last financial year



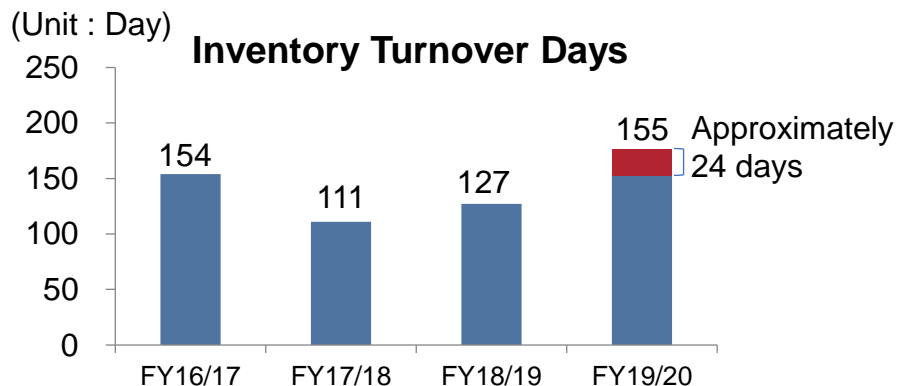
# Inventories

<b>(RMB'000)</b>	<b>As at Mar 30, 2020</b>	<b>As at Mar 31, 2019</b>	<b>Change</b>
Raw materials	446,180	510,380	-12.6%
Work in progress	15,946	17,838	-10.6%
Finished goods	2,263,788	1,402,912	+61.4%
<b>Total</b>	<b>2,725,914</b>	<b>1,931,130</b>	<b>+41.2%</b>

# Working Capital Management – Inventory Turnover Days

	For the year ended		Change
	2020	2019	
Average inventory turnover days *	155	127	+28 days

\* Calculated as average inventory divided by cost of sales, multiplied by 365 days



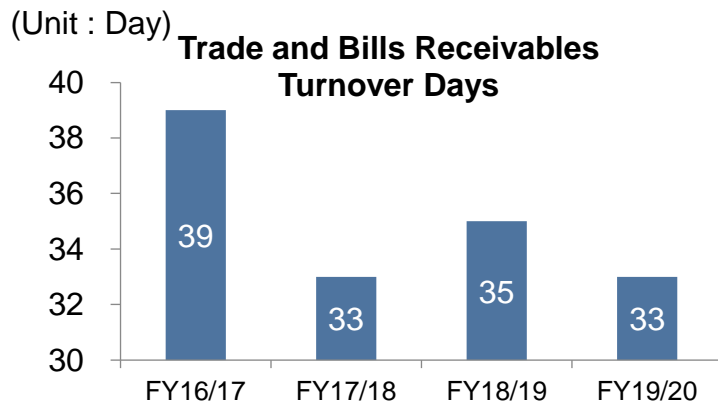
■ Represents the impact on inventory turnover days arising from the estimated revenue, which mainly included the impact from the revenue of down apparel business and ladieswear business, based on the statistics of the period from after the Chinese New Year to March 31 of the past years

- Excluding the direct impact of COVID-19 on sales, the Group has maintained a healthy and stable inventory turnover days for the past three consecutive years

# Working Capital Management – Trade and Bills Receivables Turnover Days

	For the year ended March 31		Change
	2020	2019	
Average trade and bills receivables turnover days *	33	35	-2 days

\* Calculated as average trade and bills receivables divided by revenue, multiplied by 365 days



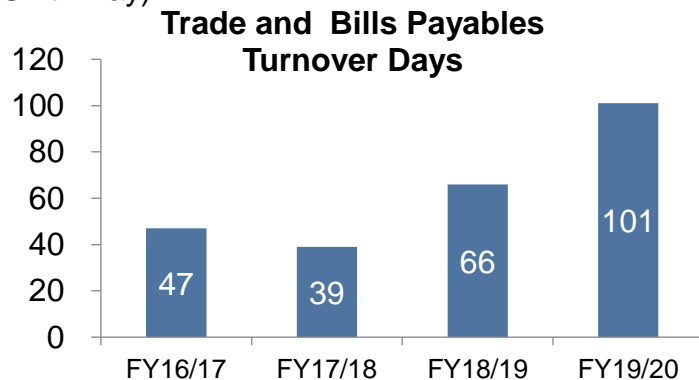
- Trade and bills receivable turnover days keep stable and remain low in recent years

# Working Capital Management – Trade Payable Turnover Days

	For the year ended March 31		Change
	2020	2019	
Average trade and bills payables turnover days *	101	66	+35 days

\* Calculated as average trade and bills payables divided by cost of sales, multiplied by 365 days

(Unit : Day)



- The Group was granted a 90-day credit period from suppliers
- With the increase in bill payment ratio, the number of trade and bills payable turnover days increased by 35 days over last financial year

## Total Cash and Net Cash

(RMB million)	As at Mar 31, 2020	As at Mar 31, 2019
Cash and cash equivalents	3,638.7	1,754.3
Time deposits with maturity over 3 months	153.5	222.9
Pledged bank deposits	414.4	679.3
Other financial assets	3,272.8	4,416.8
<b>Total cash</b>	<b>7,479.4</b>	<b>7,073.3</b>
Minus: Bank borrowings	(817.8)	(1,627.7)
Minus: Convertible Bonds	(1,676.5)	-
<b>Net cash</b>	<b>4,985.1</b>	<b>5,445.6</b>

## Cash Flow (cont.)

(RMB million)	As at Mar 31, 2020	As at Mar 31, 2019
Net cash inflow/(outflow) from operating activities	1,232.9	1,509.4
Net cash inflow/(outflow) from investment activities	612.0	(252.8)
Net cash inflow/(outflow) from financing activities	(7.6)	(1,356.1)
Net increase/(decrease) in total cash	1,837.3	(99.5)
Liquidity (times) <sup>(1)</sup>	2.7x	2.3x
Gearing ratio (%) <sup>(2)</sup>	24.0%	16.1%

Operating activities: including changes of inventory, trades and other receivables and prepayment, etc.

Investment activities: including acquisition/sale of financial assets, changes of other financial assets and fixed assets, etc.

Financing activities: including financing, dividends, changes of pledged bank deposits, etc.

(1) Liquidity (times) is calculated as dividing current assets by current liabilities

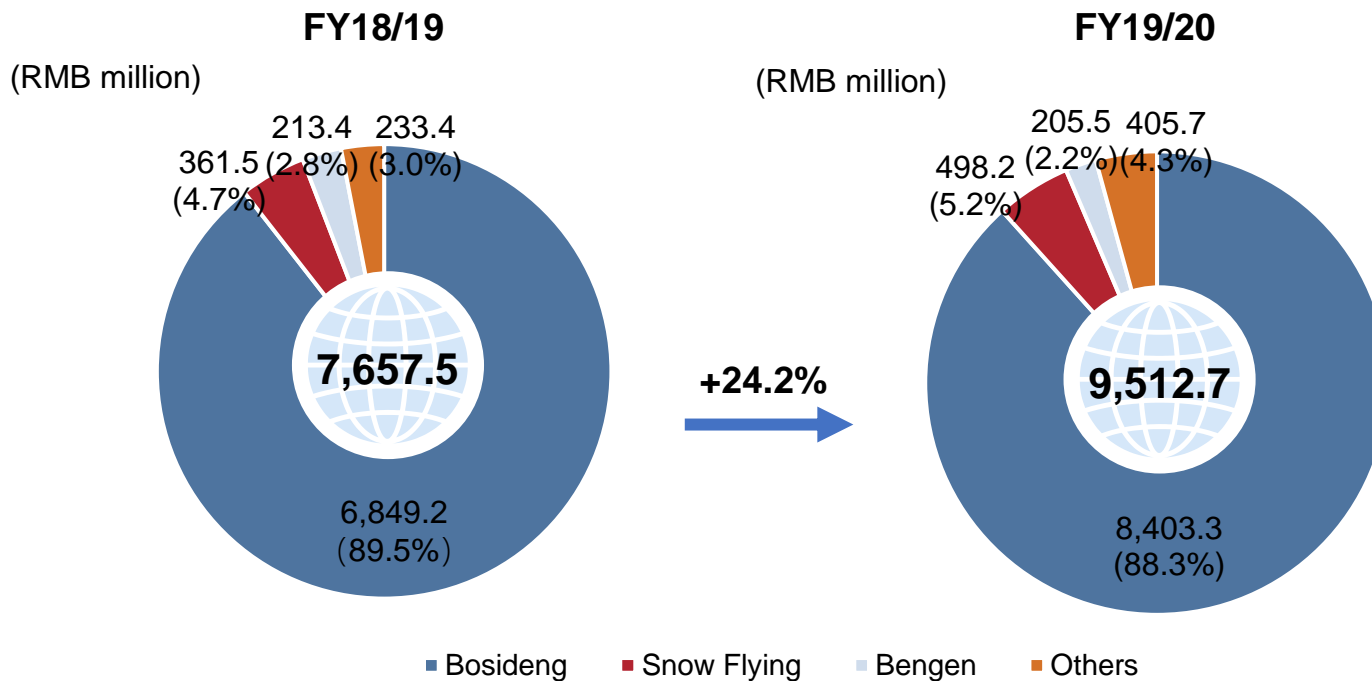
(2) Gearing ratio (%) is calculated as dividing the total of interest-bearing borrowings and convertible bonds by total equity

# Business Review



# Branded Down Apparel Business

## Revenue by brand

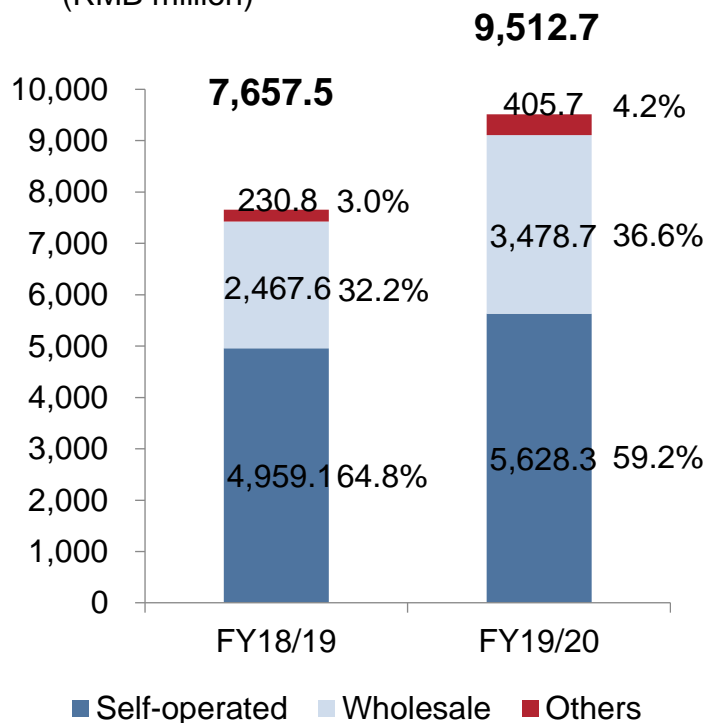




# Branded Down Apparel Business

## Revenue by sale category

(RMB million)

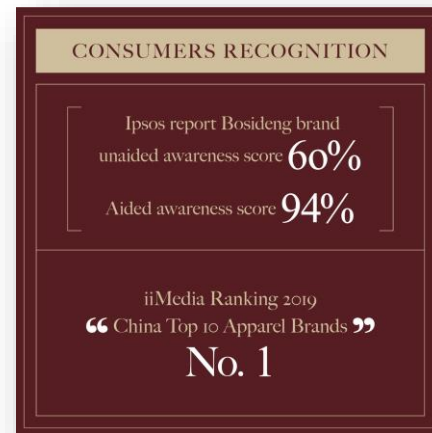


(RMB million)	For the year ended March 31		Change
	2020	2019	
Self-operated	5,628.3	4,959.1	+13.5%
Wholesale	3,478.7	2,467.6	+41.0%
Others	405.7	230.8	+75.8%
<b>Total</b>	<b>9,512.7</b>	<b>7,657.5</b>	<b>+24.2%</b>

# Branded Down Apparel – Brand Building

## Further strengthen the development strategy of “down apparel experts”

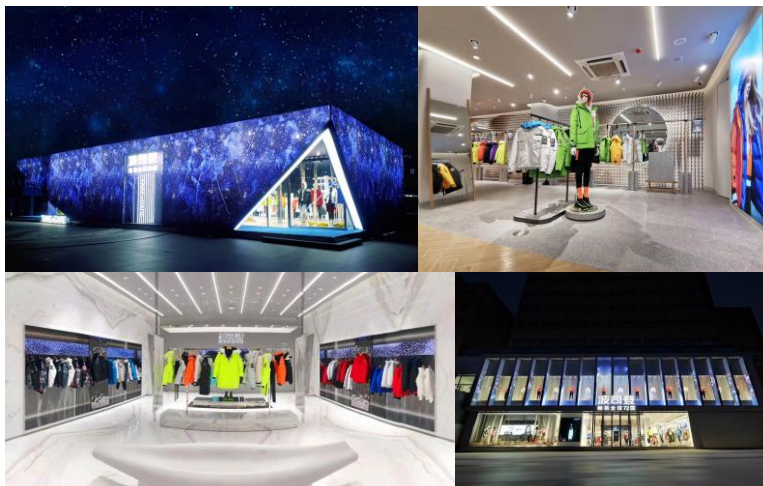
- Exert efforts in professional design, quality improvement and technological innovation
- Based on consumer demands, and through matching key brand initiatives, further enhanced consumers’ awareness of Bosideng brand and products
- Cooperated with internationally renowned IP, launched brand new products that were well received and sought after among young consumers



# Branded Down Apparel - Milestones for promotion of brand

- February 16, 2020 • **Bosideng brand debuted at London Fashion Week**, demonstrating the ingenuity and national self-confidence of Chinese brands. At the product release, guests from all over the world chanted “China Come On” to let the world hear China’s voice
- December 23, 2019 • **Bosideng cooperated with Tmall to launch the Bosideng Superbrand Day**, becoming the first apparel brand under the category on Superbrand Day. The event had a significant effect on publicity and promotion and drew significant traffic flow, as a result of which the sales ranked No. 1 in men’s, women’s and children’s apparel categories on that day
- December 8, 2019 • **Bosideng teamed up with Kenzō Takada** and Ennio Capasa, renowned fashion designers, to launch the crossover collection, bringing a brand new dynamic to the “Designer Joint Collection” for the financial year
- November 27, 2019 • **Bosideng teamed up with Jean Paul Gaultier**, an internationally renowned designer, to launch the crossover collection, becoming the first Chinese brand to collaborate with international design masters
- October 30, 2019 • **Bosideng made the first “high-tech” apparel release** in the apparel industry and launched the world’s top down apparel collection “Mountaineering” series, further consolidating the position of Bosideng as the “down apparel expert”
- September 19, 2019 • **Bosideng , as “the only Chinese down apparel brand that has been included in the official schedule of Milan Fashion Week”**, collaborated with Italian national star artists to make a stunning appearance at Milan Fashion Week
- August 2019 • **Visited Canada’s International Fashion Show**, thereby further consolidating the position of Bosideng in the industry
- May 2019 • **Participated in the “China Brand Day” and the amfAR Gala at Cannes Film Festival**
- Since April 2019 • Continuously deepened its competitive strategy and continued to attract attention in the industry through publicity, which **further enhanced its brand potential**

# Branded Down Apparel - Terminal Upgrading and Channel Expansion



- Significantly increase the number of terminal stores in core commercial districts, such as shopping malls and department stores
- Significantly increase the number of stores by reducing underperforming stores and opening new stores in line with the positioning of the brand potential
- Optimize the channel structure to make the stores more in line with the mainstream consumer channel of the era
- Enhance the motivation of sales staff in terminal sales points through several flexible measures, including continuously strengthening and improving the renovation of terminal sales points, improving the display of goods and optimizing the incentive mechanism for sales staff

# Branded Down Apparel - Retail network

As at Mar 31, 2020	波司登 BOSIDENG		雪中飞 SNOW FLYING		冰洁 BENGEN		Total	
	No. of stores	Change	No. of stores	Change	No. of stores	Change	No. of stores	Change
<b>Specialty stores</b>								
Operated by the Group	1,026	+270	13	-11	21	-5	1,060	+254
Operated by third party distributors	1,901	+97	191	+8	229	-109	2,321	-4
<b>Sub-total</b>	<b>2,927</b>	<b>+367</b>	<b>204</b>	<b>-3</b>	<b>250</b>	<b>-114</b>	<b>3,381</b>	<b>+250</b>
<b>Concessionary retail outlets</b>								
Operated by the Group	598	+25	182	-29	21	-17	801	-21
Operated by third party distributors	286	-24	113	+52	285	-19	684	+9
<b>Sub-total</b>	<b>884</b>	<b>+1</b>	<b>295</b>	<b>+23</b>	<b>306</b>	<b>-36</b>	<b>1,485</b>	<b>-12</b>
<b>Total</b>	<b>3,811</b>	<b>+368</b>	<b>499</b>	<b>+20</b>	<b>556</b>	<b>-150</b>	<b>4,866</b>	<b>+238</b>

**Change:** compared with that as at March 31, 2019

# Branded Down Apparel - Digital Operations

- The intelligent plant realized automatic production processes, which improved production efficiency and the ability to meet the specific needs of each customer
- Continued to promote the development of new retail business and the construction of data center
- Reached consumers via offline stores, online e-commerce platforms, WeChat applets and other ways to enhance its ability of precision marketing and efficiency of commodity operation



# Branded Down Apparel - New Retail Operations

- Try out off-store sales via WeChat applet and develop a revenue generation model of offline store + online cloud store
- Individually interact with customers via its corporate WeChat account to enhance shopping experience
- The off-store sales of Bosideng brand via WeChat applet exceeded RMB70 million in the financial year, and the maximum daily active users (DAU) of applet in the peak period of the Covid-19 outbreak in 2020 exceeded 2 million
- The Bosideng brand has more than 15 million members and over 5 million followers on the WeChat account. The number of the above-mentioned members increased by 53.4% year-on-year. Of which the number of young consumers under the age of 30 accounted for 16.3%.



**In-store live-streaming**



**Launch short-videos**



**Disseminate promotion content on Wechat Groups/ Moment**



**Corporate WeChat promotion**

# Branded Down Apparel - R&D of Products

## Milan Fashion Week Collection

Bringing a visual feast under the theme of “Starry Sky”, the new collection has won the unanimous praise from many celebrities at home and abroad. Ottavio Fabbri, an Italian artist known as the “starry creator” and other fashion stars have attended the show in person. As soon as the collection with the same style of the show was launched, it became very popular among fashionistas.



## London Fashion Week Products

Adopting the elements of Chinese red for the show and demonstrating the eye-catching slogan of “Stay strong, China” in Chinese at the scene, Bosideng’s heart-warming approach triggered a craze for friends from all over the world to cheer for China. There was a lot of discussion on the Internet, and major authoritative media both in mainland China and abroad made the reports, and they all gave affirmation and praise.



# Branded Down Apparel - R&D of Products (cont.)

## Mountaineering Collection

The Mountaineering collection is inspired by the world-famous mountains, using rare goose down from the golden down area located at 43 degrees north latitude, utilizing a new generation of 3-dimensional honeycombs for down filling, and applying aerospace-grade thermal insulation materials, and is ultimately produced through 489 procedures.



## Legendary Collection

Inspired by the news report regarding the “Return of the King of Down Apparel” and the map of “Selling Well in 72 Countries Worldwide”, the special memorial collection created by Italian designers for the 43rd anniversary of the Bosideng brand. The whole collection uses European imported goose down and professional fabrics for outdoor equipment.

## Branded Down Apparel - R&D of Products (cont.)

### Conqueror Collection

Using the classic military camouflage pattern, the fabric is enhanced in abrasion and tear resistance, perfectly reflecting unique wild and avant-garde characteristics and exploratory spirit of conquerors. The collection became another representative bestselling collection of Bosideng and is widely welcomed by young consumers.



### Autumn Down Collection

The single-piece down apparel is as light as 330g, it is the lightest down apparel ever in the history of Bosideng. It is made of ultra-soft skin fabric and ultra-fine fiber 20D fabric, in addition to 9,000 meters long yarn which weighs only 20g. Anti-lint technology is adopted and the fabric is first quilted before fibers are filled so as to prevent the fibers from sticking out of needle holes.

## Branded Down Apparel - R&D of Products (cont.)

### Designer Collaboration Collection – Gaultier collection

Released a collaboration collection by joining hands with Gaultier, a prestigious French designer. As the former design director of Hermès, the collaboration of Gaultier and Bosideng attracted the attention of many top fashion professionals.



### Designer Collaboration Collection – Kenzo Takada collection

Joined hands with international fashion master Kenzo Takada to combine professional craftsmanship and artistic inspiration, blend Eastern and Western cultures, and once again infuse a new artistic spirit into down apparel, the practical item. In this collaboration, Kenzo Takada used the classic “tiger head” element and added the “peony” element to pay tribute to Chinese culture and Chinese brands.

# Branded Down Apparel - Supply Chain and Logistics Management

## Inventory Management

- Optimizing inventory management and maintaining inventory at a healthy level
- Stringent production and product planning
- Enhancement in the real-time capture and analysis of terminal retail data
- Constantly refining retail management

## Order Management

- Completely separate order placements of direct sales and wholesale
- Optimized the mix of orders placed at self-operated stores and those placed by distributors, and maintained the stability in order placement

## High Product Quality and Quick Response

- Each order for down apparel products are placed for replenishing the stock while small quantities of new products will be launched to achieve a quick turnaround time
- Replenish stock on a rolling basis during the peak season according to the sales data from the end consumers
- The Group successfully resumed production and work, such as the production and sales of isolation gowns, which played a role in combating the pandemic

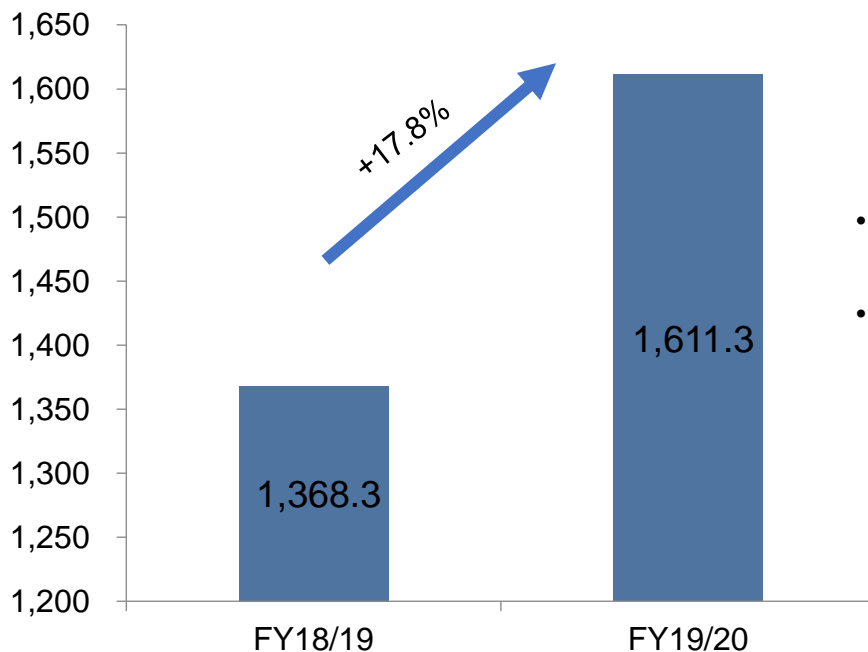
## Logistics and Delivery

- Smart central delivery centre (“CDC”) serves all offline direct stores, franchised stores and e-commerce O2O businesses throughout the country, so as to respond to consumers’ demand more quickly and accurately
- A unique warehouse management system was adopted to manage all the inventories, riding on the concept of nationwide inventory management and the integration and sharing of data across online and offline operations
- A one-tier distribution channel has continuously been adopted, “where goods are delivered directly from the CDC to the stores”, achieving direct distribution of goods through all the stores nationwide. capitalizing on our own smart replenishment system to achieve demand-pull restocking in the stores

# OEM Management Business

## Revenue of OEM Management Business

(RMB million)

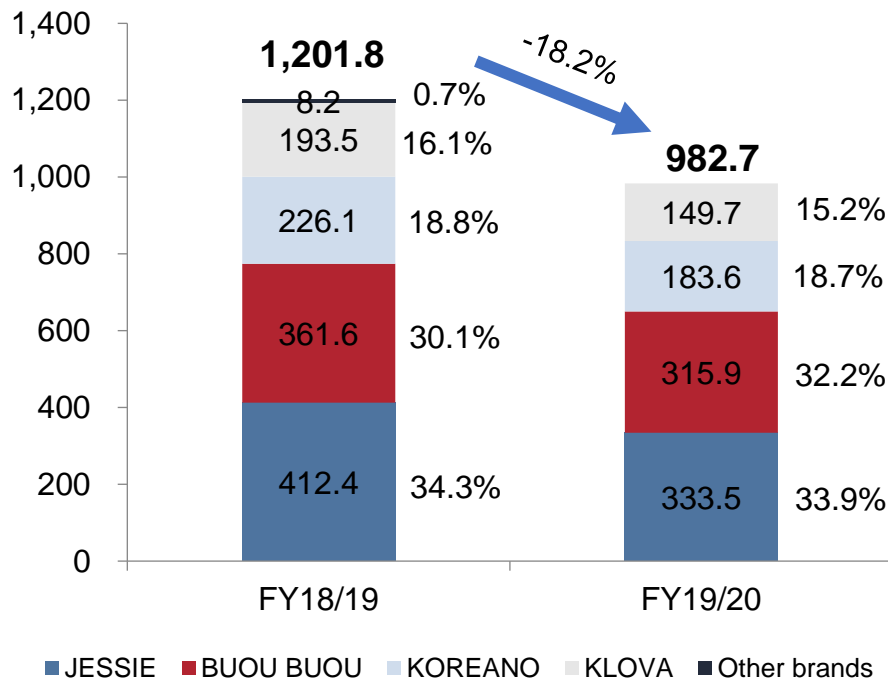


- Deepen its relationship with core customers to provide design support for the original design manufacturing (“ODM”) management business, which facilitated the continuous growth of cooperative business with its core customers
- Enhanced customers’ loyalty by offering persistent and multi-faceted support
- Conducted intelligent upgrading for its domestic factories, and enhanced the competitiveness of the Group’s OEM management business by optimizing the production processes to achieve efficiency improvement and cost savings

# Ladieswear Business

## Revenue by brand

(RMB million)



- With the refinement of the consumer market and the extensive expansion of international brands in the China market, there has been an unprecedented level of fierce competition in China's branded ladieswear market, which is not highly concentrated
- Under the influence of fierce competition, ladieswear business recorded a decrease as compared to last financial year
- Ladieswear business started to recover in March 2020, and the overall business conditions continued to improve

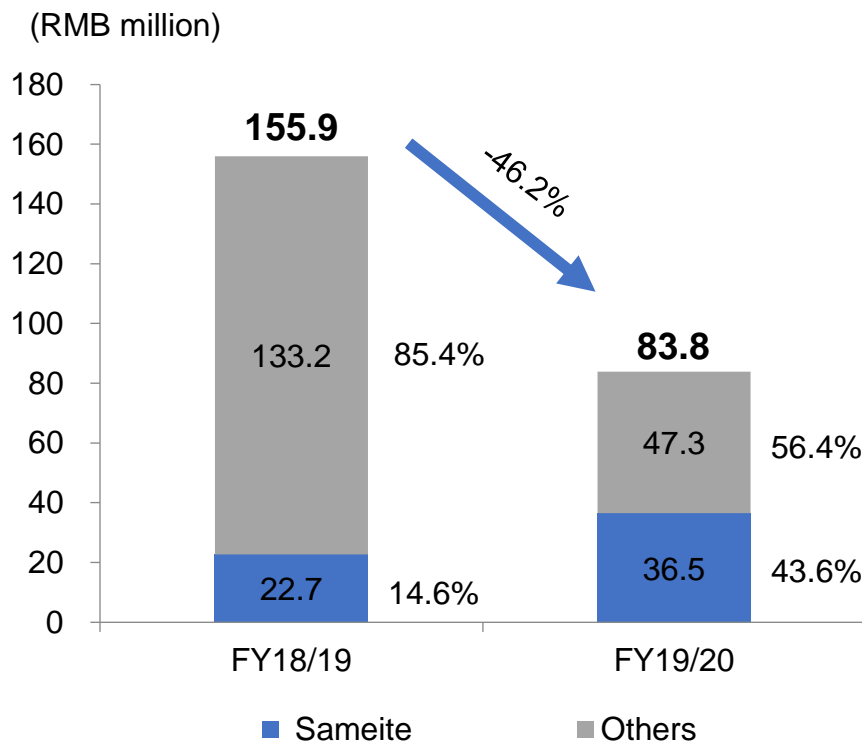
# Ladieswear Business - Retail network

As at Mar 31, 2020	JESSIE		BUOUBUOU		koreano		KLOVA		Others		Total	
	No. of stores	Change	No. of stores	Change	No. of stores	Change	No. of stores	Change	No. of stores	Change	No. of stores	Change
<b>Specialty stores</b>												
Operated by the Group	3	-1	15	-3	-	-	-	-	-	-	18	-4
Operated by third party distributors	20	-3	9	-	-	-	-	-	-	-	29	-3
<b>Sub-total</b>	<b>23</b>	<b>-4</b>	<b>24</b>	<b>-3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>47</b>	<b>-7</b>
<b>Concessionary retail outlets</b>												
Operated by the Group	107	-10	112	-5	81	+2	55	-7	-	-1	355	-21
Operated by third party distributors	75	+5	22	-6	-	-	-	-	-	-	97	-1
<b>Sub-total</b>	<b>182</b>	<b>-5</b>	<b>134</b>	<b>-11</b>	<b>81</b>	<b>+2</b>	<b>55</b>	<b>-7</b>	<b>-</b>	<b>-1</b>	<b>452</b>	<b>-22</b>
<b>Total</b>	<b>205</b>	<b>-9</b>	<b>158</b>	<b>-14</b>	<b>81</b>	<b>+2</b>	<b>55</b>	<b>-7</b>	<b>-</b>	<b>-1</b>	<b>499</b>	<b>-29</b>

**Change:** Compared with that as at March 31, 2019

# Diversified Apparels Business

## Revenue by brand

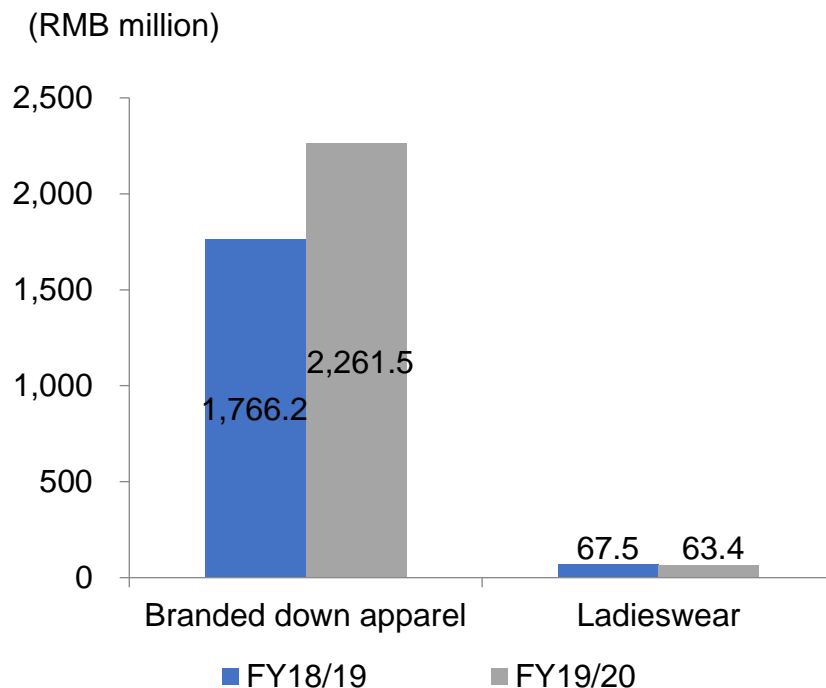


- Sameite serves more than 200 schools, with an annual supply of over one million pieces. The eco-experience stores designed by Sameite, a kind of new offline retail model in the school uniform industry, created new offline retail potential for the brand with diversified interactive display space
- Other businesses included children's wear, Bosideng MAN and Bosideng HOME. For children's wear, the Group mainly cooperated with the Japanese brand of Petit main. It prioritized the development of online platform
- There is a significant reduction of Bosideng MAN and Bosideng HOME business



# Online Sales

## Revenue of online sales



- During FY2019/20, the Group placed emphasis on integration between online and offline new retail and the maintenance and expansion of members
- The integration of online and offline membership, data, and inventory O2O has been sorted out, and more than 100 offline stores have achieved synchronously online and offline webcast
- Through system integration, the main brands of the Group currently have realized the integrated operation in terms of data, rights and points of online and offline members

## Online Sales (cont.)

The transaction amount of Bosideng branded down apparel in the flagship store at Tmall based on different tag price ranges:



- The transaction of high tag price (RMB1,800 or above) of Bosideng branded down apparel in the flagship store at Tmall increased significantly
- The flagship store at Tmall attracted nearly 2 million new members and had more than 5 million fans in FY19/20. In the current user structure, young and new consumer groups under the age of 30 are increasing steadily.

## Online Sales (cont.)

- The brand of Bosideng achieved outstanding results on important e-commerce festivals. The down apparel brand of Bosideng ranked second on “double 11”, ranked second on “double 12”, ranked first on “big sales for spring festival” and ranked first on “super brand day” at Tmall in the segment of apparel industry and in terms of sales.
- In respect of performance on live streaming, as the first apparel brand to join Li Jiaqi’s live stream in 2019, Bosideng cooperated with Li Jiaqi on Bosideng Super Brand Day in December, and supported by the influencer marketing. The sales in the single sales event amounted to approximately RMB6 million.



Tmall the Most Innovative Technology Brand Award



2019 The Best Live Streaming Seller



2019 Golden Wheat Award – Gold Award in Ladieswear



2019 Golden Wheat Award – Bronze Award in Men’s wear



Tmall Merchant Service Award in Ladieswear

## Social Welfare

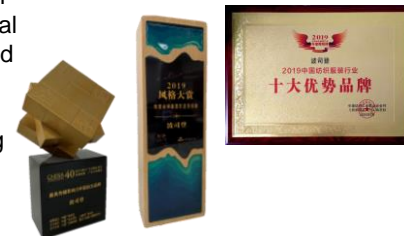
In view of the changes in situation with the COVID-19, the Group, as a Chinese enterprise keenly fulfilling its social responsibilities (CSR), **donated 151,000 pieces of Bosideng brand high-quality down apparel worth RMB 300 million to the frontline medical staff** in an effort to support the fight against the COVID-19, which earned much acclaim and sparked heated discussions across the media, and was reported on CCTV newscast .



# Awards and Recognition

## Bosideng Brand Awards

- Awarded the "Top Ten Dominant Brands of China's Textile and Apparel Industry in 2019" in the "2019 China Textile and Apparel Industry Annual Elite Cloud Conference" hosted by Journal of China National Textile and Apparel Council and Textile Apparel Weekly
- Awarded "The Most Influential Chinese Independent Brand" by China Advertising Association Reform and Opening Up and China Advertising 40 in terms of advertising and brand
- Awarded "The World's Most Popular Down Apparel of the Year" in Multiverse by Sina Fashion in 2019



## Listed Company Awards

- Awarded "The Best Enterprise of the Hong Kong Stock Connect" in the Golden HK Stocks co-hosted by Zhitong Finance and RoyalFlush Finance in 2019
- Awarded the "Annual Excellent Enterprise Award" in the 2019 China Good Company Awards organized by Shanghai United Media Group and Jiemian News
- Awarded "The Best Listed Enterprise of Craftmanship" under Golden Horse Award in Chinese Securities Market hosted by Securities Daily in 2019
- Awarded the "2019 Outstanding Brand Award of China's Listed Companies" under the "Golden Intelligence Award" in financial industry in 2019



## Investor Relations Team Awards

- Awarded the "Best Investor Relations Management" under the Golden HK Stocks co-hosted by Zhitong Finance and RoyalFlush Finance in 2019
- Selected and awarded the honorary title of the "New Fortune HK Listed Company with the Best IR" in the third session of the New Fortune HK Listed Company with the Best IR
- Awarded Silver Winner in the "2019 Galaxy Awards" of "Annual Reports - Unique Presentation" Category
- Awarded Bronze Winner in the "2019 Galaxy Awards" of "Annual Reports - Special Treatment" Category



# Future Development Plan



# Future Development Plan

## Branded Down Apparel Business

- Continue to focus on positioning itself as the “expert and best-seller of down apparel in the world” to boost its brand efficiency for the year
- Brand building - put more emphasis on the operating efficiency of the brand and attach more importance to the promotion of communication, promotion of content and the combination of quality and sales
- Channel and store building - improve store operating efficiency, improve the integration of online and offline operations, develop strategic markets, expand strategic channels, and refine store operations
- Product development - focus on improving the efficiency of commodity operations, focusing on the development of commodity structures, improving product quality, and putting emphasis on the matching of channels and products
- Customer relationship management - focus on the well-targeted membership management, expanding and attracting new customers and strengthening the exploration of new models of offline sales

## OEM Management Business

- Improve service capabilities by integrating overseas resources
- Continue to improve the ability to respond to orders from core customers to maintain a long-term and stable strategic cooperative relationship
- Meet the production needs of overseas factories throughout the year and expand the scale of business through expanding other high-quality customers, securing the stable development of OEM processing business

## Fashionable Ladieswear Business

- Integrating resources among ladieswear brands, expand synergy among brands
- Focus on the development of unique advantages among ladieswear brands
- Through the gradual improvement of the product power, channel power, brand power and other aspects of the ladieswear brands, the operation efficiency and management efficiency of the ladieswear business unit are boosted, thereby achieving the organic growth of the ladieswear business



**Thank you!**