Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

BOSSINI INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 592)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 30 JUNE 2015

FINANCIAL RESULTS

The board of directors (the "Board") of **Bossini International Holdings Limited** (the "Company") announces the consolidated results of the Company and its subsidiaries (the "Group" or "Bossini") for the year ended 30 June 2015, together with the comparative figures for the year ended 30 June 2014, as follows:

Consolidated statement of profit or loss and other comprehensive income
Year ended 30 June 2015

	Notes	**2015** *HK$'000*	2014 *HK$'000*
Revenue	*3*	**2,523,369**	2,548,040
Cost of sales		**(1,259,342)**	(1,246,971)
Gross profit		**1,264,027**	1,301,069
Other income	*3*	**30,174**	23,692
Selling and distribution expenses		**(857,152)**	(843,103)
Administrative expenses		**(261,654)**	(266,728)
Other operating expenses		**(42,958)**	(59,936)
Profit from operating activities		**132,437**	154,994
Finance costs		**–**	–
Profit before tax	*4*	**132,437**	154,994
Income tax expense	*5*	**(17,078)**	(27,898)
Profit for the year attributable to owners of the Company		**115,359**	127,096

Consolidated statement of profit or loss and other comprehensive income (continued)

	Note	**2015** **HK$'000**	2014 HK$'000
Other comprehensive income/(loss)			
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:			
Release of exchange fluctuation reserve upon deregistration of subsidiaries		**623**	–
Exchange differences on translation of foreign operations		**(1,321)**	(2,591)
Net other comprehensive loss to be reclassified to profit or loss in subsequent periods		**(698)**	(2,591)
Total comprehensive income for the year attributable to owners of the Company		**114,661**	124,505
Earnings per share attributable to ordinary equity holders of the Company	*7*		
Basic		**HK7.08 cents**	HK7.83 cents
Diluted		**HK6.90 cents**	HK7.78 cents

Details of the dividends paid and proposed for the year are disclosed in note 6 to the financial statements.

Consolidated statement of financial position

30 June 2015

	Notes	2015 HK$'000	2014 HK$'000
Non-current assets			
Property, plant and equipment		**105,071**	96,169
Investment properties		**25,615**	27,382
Trademark		**1,164**	1,164
Deferred tax assets		**8,264**	7,290
Deposits paid		**79,578**	81,383
Prepayments		**9,628**	–
Total non-current assets		**229,320**	213,388
Current assets			
Inventories		**287,186**	286,595
Debtors	*8*	**54,996**	52,549
Bills receivable		**29,624**	58,849
Deposits paid		**31,080**	30,363
Prepayments and other receivables		**40,864**	57,892
Derivative financial instruments		**161**	309
Pledged bank deposits		**949**	1,831
Cash and cash equivalents		**474,928**	452,477
Total current assets		**919,788**	940,865
Current liabilities			
Trade creditors, other payables and accruals	*9*	**269,655**	254,436
Bills payable		**36,363**	46,334
Tax payable		**20,185**	28,439
Due to related companies		**16,673**	17,478
Derivative financial instruments		**893**	1,137
Total current liabilities		**343,769**	347,824
Net current assets		**576,019**	593,041
Total assets less current liabilities		**805,339**	806,429
Non-current liabilities			
Deferred tax liabilities		**2,374**	2,306
Other payables		**749**	1,874
Total non-current liabilities		**3,123**	4,180
Net assets		**802,216**	802,249
Equity			
Issued capital		**162,960**	162,693
Reserves		**639,256**	639,556
Total equity		**802,216**	802,249

Notes to the consolidated financial statements

1. Basis of preparation and impact of new and revised Hong Kong Financial Reporting Standards

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance which, because the Company has not early adopted the revised Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), are those of the predecessor Hong Kong Companies Ordinance (Cap.32). They have been prepared under the historical cost convention, except for derivative financial instruments which have been measured at fair value. These financial statements are presented in Hong Kong dollar ("HK$") and all values are rounded to the nearest thousand except when otherwise indicated.

The Group has adopted the following revised standards and new interpretation for the first time for the current year's financial statements.

HKAS 19 Amendments	Amendments to HKAS 19 – *Employee Benefits – Defined Benefit Plans: Employee Contributions*
HKAS 32 Amendments	Amendments to HKAS 32 – *Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities*
HKAS 39 Amendments	Amendments to HKAS 39 – *Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting*
HKAS 27 (2011), HKFRS 10 and HKFRS 12 Amendments	Amendments to HKAS 27 (2011), HKFRS 10 and HKFRS 12 – *Investment Entities*
HKFRS 1 Amendment included in Annual Improvements 2011 – 2013 Cycle	Amendment to HKFRS 1 – *First-time Adoption of Hong Kong Financial Reporting Standards – Meaning of Effective HKFRSs*
HKFRS 2 Amendment included in Annual Improvements 2010 – 2012 Cycle	Amendment to HKFRS 2 – *Share-based Payment – Definition of Vesting Condition*
HKFRS 3 Amendment included in Annual Improvements 2010 – 2012 Cycle	Amendment to HKFRS 3 – *Business Combination – Accounting for Contingent Consideration in a Business Combination*
HKFRS 13 Amendment included in Annual Improvements 2010 – 2012 Cycle	Amendment to HKFRS 13 – *Fair Value Measurement – Short-term Receivables and Payables*
HK(IFRIC)-Int 21	*Levies*
Annual Improvements 2010 – 2012 Cycle	Amendments to a number of HKFRSs
Annual Improvements 2011 – 2013 Cycle	Amendments to a number of HKFRSs

The adoption of the above revised standards and new interpretation has had no significant financial effect on these financial statements.

1. **Basis of preparation and impact of new and revised Hong Kong Financial Reporting Standards (continued)**

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

HKAS 1 Amendments	Amendments to HKAS 1 – *Preparation of Financial Statements – Disclosure Initiative* [1]
HKAS 16 and HKAS 38 Amendments	Amendments to HKAS 16 and HKAS 38 – *Clarification of Acceptable Methods of Depreciation and Amortisation* [1]
HKAS 16 and HKAS 41 Amendments	Amendments to HKAS 16 and HKAS 41 – *Agriculture: Bearer Plants* [1]
HKAS 27 (2011) Amendments	Amendments to HKAS 27 (2011) – *Separate Financial Statements – Equity Method in Separate Financial Statements* [1]
HKAS 28 (2011) and HKFRS 10 Amendments	Amendments to HKAS 28 (2011) and HKFRS 10 – *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* [1]
HKAS 28 (2011), HKFRS 10 and HKFRS 12 Amendments	Amendments to HKAS 28 (2011), HKFRS 10 and HKFRS 12 – *Investment Entities: Applying the Consolidation Exception* [1]
HKFRS 9	*Financial Instruments* [2]
HKFRS 11 Amendments	Amendments to HKFRS 11 – *Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations* [1]
HKFRS 14	*Regulatory Deferral Accounts* [3]
HKFRS 15	*Revenue from Contracts with Customers* [2]
Annual Improvements 2012 – 2014 Cycle	Amendments to a number of HKFRSs [1]

[1] Effective for annual periods beginning on or after 1 January 2016

[2] Effective for annual periods beginning on or after 1 January 2018

[3] Effective for the first annual HKFRS financial statements for a period beginning on or after 1 January 2016 and not applicable to the Group

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application but is not yet in a position to state whether these new and revised HKFRSs would have a significant impact on the Group's results of operations and financial position.

In addition, the Hong Kong Companies Ordinance (Cap. 622) will affect the presentation and disclosure of certain information in the consolidated financial statements for the year ending 30 June 2016. The Group is in the process of making an assessment of the impact of these changes.

1. Basis of preparation and impact of new and revised Hong Kong Financial Reporting Standards (continued)

Further information about those HKFRSs that are expected to be applicable to the Group is as follows:

HKAS 1 Amendments include narrow-focus improvements in respect of the presentation and disclosure in financial statements in five areas, including materiality, disaggregation and subtotals, notes structure, disclosure of accounting policies and presentation of items of other comprehensive income arising from equity accounted investments. The amendments further encourage entities to apply professional judgement in determining what information to disclose and how to structure the disclosure in the financial statements. The Group expects to adopt the amendments from 1 July 2016.

HKAS 16 and HKAS 38 Amendments clarify the principle in HKAS 16 and HKAS 38 that revenue reflects a pattern of economic benefits that are generated from operating business (of which the asset is part) rather than the economic benefits that are consumed through the use of the asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets. The amendments are to be applied prospectively. The amendments are not expected to have any impact on the financial position or performance of the Group upon adoption on 1 July 2016 as the Group has not used a revenue-based method for the calculation of depreciation of its non-current assets.

The HKAS 28 (2011) and HKFRS 10 Amendments address an inconsistency between the requirements in HKAS 28 (2011) and in HKFRS 10 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The Group expects to adopt the amendments from 1 July 2016.

In September 2014, the HKICPA issued the final version of HKFRS 9, bringing together all phases of the financial instruments project to replace HKAS 39 and all previous versions of HKFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. The Group expects to adopt HKFRS 9 from 1 July 2018. The Group expects that the adoption of HKFRS 9 will have an impact on the classification and measurement of the Group's financial assets. Further information about the impact will be available nearer the implementation date of the standard.

1. **Basis of preparation and impact of new and revised Hong Kong Financial Reporting Standards (continued)**

Further information about those HKFRSs that are expected to be applicable to the Group is as follows: (continued)

The HKFRS 11 Amendments require that an acquirer of an interest in a joint operation in which the activity of the joint operation constitutes a business must apply the relevant principles for business combinations in HKFRS 3. The amendments also clarify that a previously held interest in a joint operation is not remeasured on the acquisition of an additional interest in the same joint operation while joint control is retained. In addition, a scope exclusion has been added to HKFRS 11 to specify that the amendments do not apply when the parties sharing joint control, including the reporting entity, are under common control of the same ultimate controlling party. The amendments apply to both the acquisition of the initial interest in a joint operation and the acquisition of any additional interests in the same joint operation. The amendments are not expected to have any impact on the financial position or performance of the Group upon adoption on 1 July 2016.

HKFRS 15 establishes a new five-step model that will apply to revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in HKFRS 15 provide a more structured approach for measuring and recognising revenue. The standard also introduces extensive qualitative and quantitative disclosure requirements, including disaggregation of total revenue, information about performance obligations, changes in contract asset and liability account balances between periods and key judgements and estimates. The standard will supersede all current revenue recognition requirements under HKFRSs. The Group expects to adopt HKFRS 15 on 1 July 2018 and is currently assessing the impact of HKFRS 15 upon adoption.

2. **Operating segment information**

For management purposes, the Group is organised into business units that offer products to customers located in different geographical areas and has four reportable operating segments as follows:

(a) Hong Kong and Macau
(b) Mainland China
(c) Taiwan
(d) Singapore

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted profit/(loss) before tax. The adjusted profit/(loss) before tax is measured consistently with the Group's profit before tax except that interest income and finance costs are excluded from such measurement.

Segment assets exclude deferred tax assets as these assets are managed on a group basis.

Segment liabilities exclude deferred tax liabilities and tax payable as these liabilities are managed on a group basis.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

2. Operating segment information (continued)

Geographical segments

The following tables present revenue, profit/(loss) and certain asset, liability and expenditure information of the Group's geographical segments for the years ended 30 June 2015 and 2014.

	Hong Kong and Macau		Mainland China		Taiwan		Singapore		Consolidated	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Segment revenue:										
Sales to external customers	1,759,902	1,757,065	345,873	347,608	202,413	212,454	215,181	230,913	2,523,369	2,548,040
Other income	15,969	13,546	2,625	1,613	350	1,062	1,571	1,386	20,515	17,607
Total	1,775,871	1,770,611	348,498	349,221	202,763	213,516	216,752	232,299	2,543,884	2,565,647
Segment results	154,841	198,951	(7,618)	(17,379)	(10,887)	(13,890)	(13,558)	(18,773)	122,778	148,909
Interest income									9,659	6,085
Profit from operating activities									132,437	154,994
Finance costs									–	–
Profit before tax									132,437	154,994
Income tax expense									(17,078)	(27,898)
Profit for the year									115,359	127,096

The revenue information above is based on the locations in which the sales originated.

	Hong Kong and Macau 2015	Hong Kong and Macau 2014	Mainland China 2015	Mainland China 2014	Taiwan 2015	Taiwan 2014	Singapore 2015	Singapore 2014	Consolidated 2015	Consolidated 2014
Segment assets	664,127	714,393	343,925	280,994	59,680	55,090	73,112	96,486	1,140,844	1,146,963
Unallocated assets									8,264	7,290
Total assets									1,149,108	1,154,253
Segment liabilities	256,215	258,662	43,824	38,339	13,466	16,826	10,828	7,432	324,333	321,259
Unallocated liabilities									22,559	30,745
Total liabilities									346,892	352,004
Other segment information:										
Capital expenditure *	51,027	43,205	7,880	1,360	3,157	2,839	6,509	11,735	68,573	59,139
Depreciation	42,736	48,514	5,068	5,409	1,766	2,735	4,665	7,007	54,235	63,665
Impairment of items of property, plant and equipment	6,000	–	–	–	–	–	871	4,512	6,871	4,512
Loss/(gain) on disposal/write-off of items of property, plant and equipment	(6)	299	(53)	134	104	(8)	76	1,475	121	1,900
Provision/(write-back of provision) for inventories	3,957	4,121	(10,073)	(32,118)	162	(3,816)	161	2,172	(5,793)	(29,641)
Impairment of debtors	–	–	81	1,630	–	–	–	–	81	1,630
Non-current assets **	123,655	110,813	7,423	4,740	3,909	3,023	6,491	6,139	141,478	124,715

* Capital expenditure consists of additions of property, plant and equipment.

** The non-current asset information above is based on the locations of assets and excludes deferred tax assets and the non-current portion of deposits paid.

Information about a major customer:
Revenue of approximately HK$359,568,000 (2014: HK$318,628,000) was derived from sales by the Hong Kong and Macau segment to a single customer.

3. Revenue and other income

Revenue, which is also the Group's turnover, represents the aggregate of the net invoiced value of goods sold, after allowances for returns and trade discounts.

An analysis of revenue and other income is as follows:

	2015	2014
	HK$'000	*HK$'000*
Revenue:		
Retailing and distribution of garments	**2,523,369**	2,548,040
Other income:		
Interest income	**9,659**	6,085
Claims received	**29**	213
Royalty income	**6,342**	4,159
Gross rental income	**6,584**	5,935
Others	**7,560**	7,300
	30,174	23,692
	2,553,543	2,571,732

4. Profit before tax

The Group's profit before tax is arrived at after charging/(crediting):

	2015	2014
	HK$'000	*HK$'000*
Cost of sales:		
Cost of inventories sold	**1,265,135**	1,276,612
Write-back of provision for inventories	**(5,793)**	(29,641)
	1,259,342	1,246,971
Depreciation	**54,235**	63,665
Impairment of items of property, plant and equipment	**6,871**	4,512
Loss on disposal/write-off of items of property, plant and equipment	**121**	1,900
Net rental income	**(6,555)**	(5,906)
Fair value losses/(gains), net on derivative financial instruments – transactions not qualifying as hedges	**(5,827)**	4,845

5. Income tax expense

Hong Kong profits tax has been provided at the rate of 16.5% (2014: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates.

	2015	2014
	HK$'000	*HK$'000*
Current – Hong Kong		
Charge for the year	**17,137**	25,535
Underprovision/(overprovision) in prior years	**(46)**	31
Current – Elsewhere		
Charge for the year	**2,575**	4,695
Overprovision in prior years	**(1,682)**	(1,854)
Deferred	**(906)**	(509)
Total tax charge for the year	**17,078**	27,898

6. Dividends

	2015	2014
	HK$'000	*HK$'000*
Interim – HK2.70 cents (2014: HK2.30 cents) per ordinary share	**43,991**	37,343
Proposed final – HK4.38 cents (2014: HK3.17 cents) per ordinary share	**71,376**	51,574
Proposed special final – Nil (2014: HK1.56 cents per ordinary share)	**–**	25,380
	115,367	114,297

The proposed final dividend is not reflected as dividend payable as of 30 June 2015, but will be recorded as distribution of retained earnings for the year ended 30 June 2015. The proposed final dividend of HK$71,376,000 (2014: proposed final dividend of HK$51,574,000 and proposed special final dividend of HK$25,380,000) for the year is calculated based on 1,629,595,394 (2014: 1,626,929,394) shares of the Company in issue and is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

7. Earnings per share attributable to ordinary equity holders of the Company

The calculation of basic earnings per share is based on the profit for the year attributable to owners of the Company of HK$115,359,000 (2014: HK$127,096,000), and the weighted average number of ordinary shares of 1,628,590,545 (2014: 1,622,894,786) in issue during the year.

The calculation of diluted earnings per share is based on the profit for the year attributable to owners of the Company of HK$115,359,000 (2014: HK$127,096,000). The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue of 1,628,590,545 (2014: 1,622,894,786) during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares of 42,125,133 (2014: 10,872,787) assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

8. Debtors

Other than cash and credit card sales, the Group normally grants credit periods of up to 60 days to its trade customers. Each trade customer has a maximum credit limit, except for new trade customers, where payment in advance is normally required. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade customers relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade debtor balances. Trade debtors are non-interest-bearing.

8. **Debtors (continued)**

An aged analysis of debtors as at the end of the reporting period, based on the invoice date and net of provisions, is as follows:

	2015	2014
	HK$'000	*HK$'000*
Within 1 month	**42,796**	34,814
1 to 2 months	**3,516**	8,995
2 to 3 months	**191**	3,068
Over 3 months	**8,493**	5,672
	54,996	52,549

9. **Trade creditors, other payables and accruals**

Included in trade creditors, other payables and accruals is a trade creditors balance of HK$84,243,000 (2014: HK$75,515,000).

An aged analysis of trade creditors as at the end of the reporting period, based on the invoice date, is as follows:

	2015	2014
	HK$'000	*HK$'000*
Within 1 month	**35,844**	45,693
1 to 2 months	**35,895**	18,983
2 to 3 months	**3,238**	6,548
Over 3 months	**9,266**	4,291
	84,243	75,515

DIVIDENDS

The Board has resolved to recommend a final dividend of HK4.38 cents (2014: a final dividend of HK3.17 cents and a special final dividend of HK1.56 cents) per ordinary share for the year ended 30 June 2015 at the forthcoming annual general meeting to be held on 10 November 2015 ("AGM"). The final dividend, if approved by the members, will be paid on 26 November 2015 to members whose names appear on the principal or branch register of members of the Company in Bermuda or Hong Kong respectively (collectively the "Register of Members") as at the close of business on 18 November 2015.

CLOSURE OF REGISTER OF MEMBERS FOR ANNUAL GENERAL MEETING

The AGM of the Company is scheduled to be held on Tuesday, 10 November 2015. For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Thursday, 5 November 2015 to Tuesday, 10 November 2015, both days inclusive. During this period, no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrars in Hong Kong, Computershare Hong Kong Investor Services Limited of Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Wednesday, 4 November 2015.

CLOSURE OF REGISTER OF MEMBERS FOR DIVIDENDS

The Company's Register of Members will be closed from Monday, 16 November 2015 to Wednesday, 18 November 2015, both days inclusive. During this period, no transfer of shares will be registered. In order to qualify for the proposed final dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrars in Hong Kong, Computershare Hong Kong Investor Services Limited of Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 13 November 2015.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

The global economy saw mixed performance with evidence of cautious optimism during the financial year 2014/15. The gradual pickup in advanced economies, driven by eased financial conditions, more neutral fiscal policy in the Eurozone, lower fuel prices, and improving confidence and labour market conditions, was however offset by a slowdown in emerging markets and developing economies.

Hong Kong and Macau retail sector, which remained the heart of Bossini's operations worldwide, slumped mainly due to the declining visitors from mainland China, political uncertainties and the appreciating United States dollar. Meanwhile, competition within the sector remained fierce, contributing to more challenging conditions for retailers.

Facing these economic and political factors, the Group saw overall sales a slight decrease of 1%, while same-store sales recorded 1% growth. The Hong Kong and Macau segmental business, which includes the export franchising operations, registered record-high sales during the financial year 2014/15 with flat same-store sales growth for the directly managed stores. The mainland China, Taiwan and Singapore operations all experienced improvements in segment results, resulting from the continuously improving shop productivity and stringent cost control measures.

The Group has further enhanced its financial position in the financial year 2014/15. Notably, the Group continued to register a remarkable net cash position and also slightly improved the inventory turnover days year-on-year.

Financial Performance

The Group's revenue for the year under review decreased slightly by 1% to HK$2,523 million (2014: HK$2,548 million). Gross profit fell 3% to HK$1,264 million (2014: HK$1,301 million), while gross margin dropped by 1% point to 50% (2014: 51%). The Group's operating profit was HK$132 million (2014: HK$155 million), while operating margin was 5% (2014: 6%). EBITDA was HK$177 million (2014: HK$213 million) and profit for the year attributable to owners totalled HK$115 million (2014: HK$127 million), yielding basic earnings per share of HK7.08 cents (2014: HK7.83 cents).

The Group ended the year with cash and bank balances of HK$476 million (2014: HK$454 million), while net cash balance saw an increase of 5% to HK$476 million (2014: HK$454 million).

Operating Efficiencies

For the year under review, the Group recorded 1% same-store sales growth (2014: 9% growth) while same-store sales growth of the Hong Kong and Macau segment remained flat (2014: 12% growth).

Same-store sales growth in mainland China achieved 6% (2014: 12% growth) through ongoing efforts to improve shop productivity, and a higher sales per sq. ft. year-on-year. In addition, mainland China recorded 9 consecutive quarters of positive same-store gross profit growth. The Taiwan segment also experienced an improvement in operating profit, with a same-store sales growth of 7% (2014: flat), representing 7 consecutive quarters of positive same-store sales growth, plus higher sales per sq. ft. year-on-year.

As of 30 June 2015, the total retail floor area of the Group's directly managed stores recorded 444,900 sq. ft. (2014: 455,100 sq. ft.), with sales per sq. ft. increased to HK$4,200 (2014: HK$4,100). The Group's operating expenses to revenue for the year ended 30 June 2015 was 46% (2014: 46%). The following table provides a breakdown of the operating expenses:

Operating Expenses Analysis

	For the year ended 30 June				
	2015		2014		
	HK$ million	**% of revenue**	HK$ million	% of revenue	**Change (%)**
Revenue	**2,523**	**100%**	2,548	100%	**–1%**
Selling and distribution expenses	**857**	**34%**	843	33%	**+2%**
Administrative expenses	**262**	**10%**	267	11%	**–2%**
Other operating expenses	**43**	**2%**	60	2%	**–28%**
Total operating expenses	**1,162**	**46%**	1,170	46%	**–1%**

BUSINESS REVIEW

Distribution Network

The Group had a presence in 35 countries and regions around the world with the overall store count of 938 (2014: 962). Among these, 257 (2014: 267) were directly managed stores and 681 (2014: 695) were franchised stores as of 30 June 2015.

Hong Kong and Macau remained the Group's core market segment and the biggest contributor to its revenue. The number of directly managed stores in this segment reduced to 40 (2014: 41). Meanwhile, export franchising markets net increased by 1 store to 600 (2014: 599) stores in total. As of 30 June 2015, the Group had in total 201 (2014: 220) stores in mainland China and the number of stores in Taiwan was 69 (2014: 72). The number of stores in Singapore was 28 (2014: 30).

The following is a breakdown of stores by geographical location and store type:

	30 June 2015		30 June 2014	
	Directly managed stores	**Franchised stores**	Directly managed stores	Franchised stores
Hong Kong and Macau	**40**	**–**	41	–
Mainland China	**120**	**81**	124	96
Taiwan	**69**	**–**	72	–
Singapore	**28**	**–**	30	–
Other countries and regions	**–**	**600**	–	599
Total	**257**	**681**	267	695

Marketing and Branding

During the year under review, the Group continued its engaging branding initiatives, building recognition in the marketplace and consolidating its reputation to provide quality and appealing everyday wear. A number of initiatives were organised during the year under review to reinforce the awareness of the "be happy" core brand value among customers and business partners.

Co-branded and Licensed Products

Co-operating with internationally-renowned licensing partners to create differentiated co-branded and licensed merchandise remains a key strategy for the Group. These products formed a significant element of the in-store mixture and added values in stimulating public awareness of the Group's "be happy" brand philosophy.

In the financial year 2014/15, the successful partnership with Disney has been carried on as the colourful and energetic *bossini x Disney Classic Collection* for kids and youth was released. Featuring many of the American corporation's much-loved animated characters on clothing and a range of accessories, it helped to bolster our dynamic and energetic brand identity. Another collaboration entailed the launch of a cheerful *bossini x Find the Snoopy* range of exclusive clothing, accessories and premium items featuring the iconic cartoon figure. New in 2015, moreover, was the adorable *bossini x DORAEMON • Better Together* range of clothing and accessories for kids and youth, starring the popular time-travelling Japanese manga character DORAEMON. All of these initiatives enjoyed enthusiastic responses from the public, helping to enhance our brand equity.

Operational Performance by Market

For the year under review, the Hong Kong and Macau segment accounted for 69% (2014: 69%) of the Group's consolidated revenue and the mainland China market comprised 14% (2014: 14%), while Taiwan and Singapore contributed 8% (2014: 8%) and 9% (2014: 9%) respectively. The Hong Kong and Macau segmental business delivered record-high sales, while the extension of best practice pioneered in Hong Kong and cost-control measures have yielded positive results in mainland China, Taiwan and Singapore as well.

Hong Kong and Macau

The retail sales market of the Hong Kong and Macau segment business, which is the core business and major source of revenue of the Group, was generally disappointing during the fiscal year 2014/15. Political and economic uncertainties have resulted in shrinking visitors and more intense competition within the retail industry.

The Group's Hong Kong and Macau segment encompasses directly managed retail business and the export franchising business, which delivered record-high revenue of HK$1,760 million (2014: HK$1,757 million). Nevertheless, the segment's operating profit decreased to HK$158 million (2014: HK$202 million) and the operating margin lowered to 9% (2014: 11%). The retail business operates 40 (2014: 41) directly managed stores in Hong Kong and Macau with flat same-store sales growth (2014: 12% growth). Although the stores in Hong Kong residential areas and Macau experienced decent sales growth overall, it merely mitigated partially the sales downturn for stores in Hong Kong tourist areas such as Mongkok, Causeway Bay and Tsim Sha Tsui, where the shoppers traffic reduced and competition remained fierce.

The segment accounted for a total retail floor area of 141,400 sq. ft. (2014: 141,700 sq. ft.) as of 30 June 2015, with sales per sq. ft. down by 3% to HK$8,500 (2014: HK$8,800). As of 30 June 2015, export franchising business spanned 600 stores (2014: 599) across 31 countries.

Mainland China

The Group's mainland China operations registered a substantial improvement in operating profit in the year under review as operating loss (after including the interest income) was markedly decreased to HK$1 million (2014: HK$14 million loss), resulting in an operating margin of 0% (2014: negative 4%). This was mainly attributable to the improved shop productivity and stringent cost control measures. Total revenue was HK$346 million (2014: HK$348 million). The segmental same-store sales growth was 6% (2014: 12% growth) and achieved 9 consecutive quarters of positive same-store gross profit growth. Total retail floor area across the segment reduced by 1% to 189,500 sq. ft. (2014: 191,500 sq. ft.); however, sales per sq. ft. increased by 8% to HK$1,400 (2014: HK$1,300). The total number of stores declined to 201 (2014: 220), among which 120 (2014: 124) were directly managed stores and 81 (2014: 96) were franchised.

Taiwan

Taiwan's GDP growth eased in the first quarter of the year 2015 and more recent data suggest that growth remained lackluster in the second quarter. Despite the negative external conditions, the segment delivered improvement in operating profit subsequent to the Group's efforts to implement stringent cost control measures and following the best practices in Hong Kong. Reaching a consecutive positive growth of 7 quarters, same-store sales growth was 7% (2014: flat) for the year, while revenue stood at HK$202 million (2014: HK$212 million). Total retail floor area in the segment reduced 6% to 81,300 sq. ft. (2014: 86,300 sq. ft.) as the store count dropped to 69 (2014: 72); however, sales per sq. ft. increased by 10% to HK$2,300 (2014: HK$2,100). The operating loss was cut to HK$11 million (2014: HK$14 million loss). The operating margin was negative 5% (2014: negative 7%).

Singapore

Singapore has been predictably suffering from the softened global trade. Total revenue for the Singapore segment was HK$215 million (2014: HK$231 million). Same-store sales improved, compared to the previous year with 2% decline (2014: 5% decline). Total retail floor area and sales per sq. ft. both dropped by 8% to 32,700 sq. ft. (2014: 35,600 sq. ft.) and HK$6,100 (2014: HK$6,600) respectively, with the number of directly managed stores decreased to 28 (2014: 30). The operating loss was cut to HK$14 million (2014: HK$19 million loss). The operating margin was negative 7% (2014: negative 8%).

Liquidity and Financial Resources

The Group's cash and bank balances as of 30 June 2015 stood at HK$476 million (2014: HK$454 million), while the net cash balance was HK$476 million (2014: HK$454 million). The current ratio for the Group was 2.68 times (2014: 2.71 times), and the ratio of total liabilities to equity was 43% (2014: 44%). No bank borrowing was recorded as of 30 June 2015 (2014: nil). The Group's gearing ratio as determined by bank borrowings divided by total equity was nil (2014: nil).

The Group has investments and operations in countries that use currencies other than United States dollar and Hong Kong dollar. As such, the Group is exposed to a limited extent to foreign currency risk, which it mitigates by entering into forward currency contracts to reduce exposure to exchange rate fluctuations in material transactions denominated in currencies other than United States dollar and Hong Kong dollar.

As of 30 June 2015, the Group had inventory turnover days[#] of 83 days (2014: 84 days). The Group's return on equity ratio for the year under review was 14% (2014: 17%).

[#] *Inventory held at year end divided by annualised cost of sales times 365 days*

Assessment of Property, Plant and Equipment

During the year ended 30 June 2015, the Group considered that certain property, plant and equipment were subject to impairment losses due to poor outlook of the Hong Kong retail market and non-performing cash generating units of those property, plant and equipment in Singapore. As a result, impairment losses of HK$6 million (2014: Nil) and HK$0.9 million (2014: HK$5 million) were recorded for Hong Kong and Singapore for the year respectively.

Contingent Liabilities

	2015	2014
	HK$'000	*HK$'000*
Bank guarantees given in lieu of utility and property rental deposits	**7,516**	7,146

The Company has given guarantees in favour of banks to the extent of HK$537 million (2014: HK$552 million) with respect to banking facilities granted to certain subsidiaries. These facilities were utilised to the extent of HK$44 million (2014: HK$54 million) as of 30 June 2015.

Human Capital

As of 30 June 2015, the Group had a total of 2,300 (2014: 2,400) full-time equivalent employees across Hong Kong, Macau, mainland China, Taiwan and Singapore.

The Group is passionately committed to developing and training the staff and provides the employees with rewarding career paths and people-friendly working environments. During the year, the Group has continued to offer regular and substantial training programmes, such as the "7 Habits®" and "7 Practices" courses. These programmes not only crystallise the "bossini way" and exemplify the Group's investment in the talent, but also motivate the Group's employees as well.

The Group's remuneration system remained performance-based through providing share options and discretionary bonuses, as well as comprehensive benefits such as insurance and retirement schemes.

OUTLOOK

Global economic growth decelerated slightly in the first half of 2015, resulting in an uncertain picture ahead. In advanced economies, a so-far stuttering recovery is widely expected to gather momentum in the second half of 2015, while a broad-based slowdown appears to be underway in emerging markets and developing regions.

Looking ahead, it is anticipated the global economy will be helped by factors including continued low commodity prices and favourable financial conditions, allowing it to withstand the expected modest tightening in United States monetary policies. Overall, economic and monetary policies in the United States, balanced around domestic employment and inflation objectives, are expected to remain an enabling force globally.

Meanwhile, anticipated deceleration in economic activity has so far been moderated by easing of monetary policies in mainland China. Although the economic growth continues to slow down, the concern of a hard landing has been allayed.

Retail sales in Hong Kong have been generally disappointing so far in 2015. In fact, this is indicative of a longer-term trend, with high-spending visitors choosing from a wide range of travel destinations with more depreciated currencies. It is believed that Hong Kong's advantages in terms of product pricing may be challenged if the United States dollar continues to strengthen. However, production cost will go down if United States dollar remains strong versus Renminbi, from which the Group will benefit.

The Group takes all economic variables extremely seriously and will adjust its retail strategies according to shifting market conditions in order to maintain healthy and sustainable business returns. In addition, while conditions in Hong Kong are characterised by uncertainty, the Group sees grounds for considerable optimism in its operations in overseas markets. Indeed, in terms of the near term strategies, the Group will focus more on expanding operations outside Hong Kong and Macau, in order to achieve a more balanced portfolio.

In addition, the Group will continue to devote energy towards expanding kids' line, particularly in mainland China. To date, this has proven a winning strategy in Hong Kong and the Group is confident of replicating that competitive advantage elsewhere.

Crucially the Group will also implement stringent cost control measures in Hong Kong and Macau, which will remain vitally important to the Group. In particular, the Group will focus on increasing shop productivity and conduct negotiations with landlords to lower rents in line with sales figures. In a wider context, the Group will continue to conduct a knowledge transfer by implementing best practice solutions in Hong Kong to mainland China, Taiwan and Singapore operations.

Finally, based on the success of the existing co-branded and licensing programmes, the Group will develop more iconic collections in collaboration with new and existing partners. To date, these have bolstered the "be happy" core brand value and identity – which will remain fundamental as the Group will face challenges in path and continue to build "bossini"'s reputation as a vibrant, valued and competitive go-to brand.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

AUDIT COMMITTEE

The Company has an Audit Committee which was established in compliance with Rule 3.21 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal controls. It has formulated its written terms of reference in accordance with the provisions set out in Appendix 14 – Code on Corporate Governance Code and Corporate Governance Report (the "CG Code") of the Listing Rules. The Audit Committee has reviewed the financial results for the year ended 30 June 2015. The Audit Committee comprises three Independent Non-executive Directors of the Company, namely Ms. LEUNG Mei Han, Mr. LEE Man Chun Raymond and Prof. SIN Yat Ming.

REVIEW OF PRELIMINARY ANNOUNCEMENT

The figures in respect of the preliminary announcement of the Group's results for the year ended 30 June 2015 have been agreed by the Group's auditors, Ernst & Young, to the amounts set out in the Group's consolidated financial statements for the year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Ernst & Young on the preliminary announcement.

CORPORATE GOVERNANCE

The Company was in compliance with the code provisions as set out in the CG Code for the year ended 30 June 2015, except for the following deviations:

– The Chairman of the Company is not subject to retirement by rotation. The Board considers that the continuity of the Chairman of the Company and her leadership are crucial in maintaining the stability of the Group's business operations.

– Mr. LEE Man Chun Raymond, an Independent Non-executive Director, did not attend the annual general meeting of the Company held on 11 November 2014 due to his other business engagement.

– Mr. LEE Man Chun Raymond and Ms. LEUNG Mei Han, two Independent Non-executive Directors, did not attend the special general meeting of the Company held on 18 June 2015 due to their other business engagements.

Currently, there are four Board committees, namely, Audit Committee, Remuneration Committee, Nomination Committee and Management Committee.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as the Company's code of conduct for dealings in securities of the Company by the Directors. Based on specific enquiry with the Company's Directors, the Directors have complied with the required standard set out in the Model Code, throughout the year ended 30 June 2015.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT ON THE STOCK EXCHANGE'S WEBSITE

The annual results announcement for the year ended 30 June 2015 of the Company is published on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the Company's website at www.bossini.com. The annual report for the year ended 30 June 2015 of the Company, containing information required by the Listing Rules, will be despatched to shareholders and published on the above websites in due course.

By Order of the Board
TSIN Man Kuen Bess
Chairman

Hong Kong, 16 September 2015

As at the date of this announcement, the Board comprises three Executive Directors, namely Ms. TSIN Man Kuen Bess (Chairman), Mr. MAK Tak Cheong Edmund and Mr. CHAN Cheuk Him Paul and three Independent Non-executive Directors, namely Mr. LEE Man Chun Raymond, Ms. LEUNG Mei Han and Prof. SIN Yat Ming.