

[For Immediate Release]



## Bossini International Holdings Limited

### Bossini Announces 2019/20 Annual Results

\* \* \*

#### Results Highlights

<i>For the year ended 30 June</i>	<b>2020</b>	2019	<b>Change</b>	
Revenue	<b>HK\$1,092 mn</b>	HK\$1,488 mn	<b>- HK\$396 mn</b>	<b>- 27%</b>
Gross profit	<b>HK\$534 mn</b>	HK\$767 mn	<b>- HK\$233 mn</b>	<b>- 30%</b>
Gross margin	<b>49%</b>	52%	<b>- 3% pts</b>	
Loss for the year attributable to owners <sup>#</sup>	<b>(HK\$368 mn)</b>	(HK\$139 mn)	<b>- HK\$229 mn</b>	<b>- 164%</b>
Basic loss per share attributable to ordinary equity holders <sup>#</sup>	<b>(HK22.40 cents)</b>	(HK8.48 cents)	<b>- HK13.92 cents</b>	<b>- 164%</b>
Dividend per share				
- Interim	<b>Nil</b>	HK1.22 cents	<b>- HK1.22 cents</b>	
- Final	<b>Nil</b>	HK1.22 cents	<b>- HK1.22 cents</b>	

	<b>At 30 June 2020</b>	At 30 June 2019	<b>Change</b>	
Net cash	<b>HK\$116 mn</b>	HK\$132 mn	<b>- HK\$16 mn</b>	<b>- 12%</b>
Investment fund	<b>-</b>	HK\$232 mn	<b>- HK\$232 mn</b>	<b>- 100%</b>

<sup>#</sup> Including continuing and discontinued operations

(Hong Kong, 16 September 2020) **Bossini International Holdings Limited** ("Bossini" or the "Group"; HKSE stock code: 592) today announces its annual results for the year ended 30 June 2020.

During the year under review, the Group's revenue decreased by 27% to HK\$1,092 million (2019: HK\$1,488 million) year-on-year. Gross profit fell by 30% to HK\$534 million (2019: HK\$767 million), while gross margin dropped by 3% points to 49% (2019: 52%). Loss for the year attributable to owners was HK\$368 million (2019: HK\$139 million), with basic loss per share amounted to HK22.40 cents (2019: HK8.48 cents). The Board of Directors does not recommend payment of any final dividend (2019: HK1.22 cents per ordinary share).

As of 30 June 2020, the Group had net cash of HK\$116 million (2019: HK\$132 million). As of 30 June 2019, the Group held an investment fund of HK\$232 million, together with net cash of HK\$132 million, the total amount was HK\$364 million. The Group's inventory turnover days was 123 days (2019: 119 days).

~ More ~

Since 2019, the economic environment of the core markets in which the Group operates, comprising Hong Kong and Macau, mainland China and Singapore, has been adversely affected by the Sino-United States trade tensions, the local social incidents in Hong Kong and the global outbreak of the COVID-19 which disrupted a wide range of economic activities and critically affected tourism- and consumption-related sectors, resulting in slower growth or even contraction in retail sales.

In the second half of the financial year, our top- and bottom-line performance substantially deteriorated due to the above and measures we implemented to better navigate the current climate, such as temporary store closures and reduced store operating hours. Moreover, there has not been a proportionate decrease in our rental expenditure, with several landlords still unwilling to provide rent concessions despite the current retail environment.

Mr. Cheung Chi, Co-Chief Executive Officer and Executive Director of Bossini, said, “To respond to the current challenges we face, we are examining expenditure with a sharp focus on reducing costs and expenses by increasing operational efficiency and streamlining our business operations. We are also adjusting our buying and inventory levels, and are continuously reviewing our shop portfolio comprehensively and exiting any specific loss-making sectors. Furthermore, as the overall shop rental expenses remain at a very unreasonable level, we are renegotiating with landlords across all our core markets, particularly in Hong Kong and Macau, to seek rent relief and reduction. Where landlords are reluctant to respond reasonably to our requests, we will go ahead and close those shops. Despite our efforts to mitigate the current retail quandary, we do not anticipate a solid rebound in overall performance, especially while the COVID-19 vaccine remains unavailable to the public, and the prospect of tourism in our core markets remains deeply uncertain. We expect to continue facing strong headwinds. Thus, there is currently no solid foundation for us to form an optimistic opinion about the Group’s performance for at least an extended period of time.”

*~ End ~*

For further information, please contact:  
Porda Havas International Finance Communications Group  
Kelly Fung / Carolyn Yang / Vicky Ng  
Tel: (852) 3150 6763 / (852) 3150 6794 / (852) 3150 6739  
Fax: (852) 3150 6728  
Email: [bossini@pordahavas.com](mailto:bossini@pordahavas.com)