

[For Immediate Release]



Bossini International Holdings Limited

Bossini Announces 2016/17 Interim Results

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Signs of Having Bottomed Out for Core Regions

Results Highlights

<i>For the 6 months ended 31 December</i>	2016	2015	Change	
Revenue	HK\$1,022 mn	HK\$1,146 mn	- HK\$124 mn	- 11%
Gross profit	HK\$519 mn	HK\$543 mn	- HK\$24 mn	- 4%
Gross margin	51%	47%	+ 4% pts	
Profit for the period attributable to owners	HK\$17 mn	HK\$14 mn	+ HK\$3 mn	+ 20%
EBITDA	HK\$38 mn	HK\$50 mn	- HK\$12 mn	- 25%
Basic EPS attributable to ordinary equity holders	HK1.03 cents	HK0.86 cent	+ HK0.17 cent	+ 19%
Special interim dividend per share	HK1.22 cents	HK1.22 cents	Nil	

	At 31 December 2016	At 31 December 2015	Change	
Cash and bank balances	HK\$431 mn	HK\$340 mn	+ HK\$91 mn	+ 27%
Net cash*	HK\$431 mn	HK\$340 mn	+ HK\$91 mn	+ 27%

*Time deposits, cash and bank balances less bank borrowings

(Hong Kong, 22 February 2017) **Bossini International Holdings Limited** ("Bossini" or the "Group"; HKSE stock code: 592) today announces its interim results for the six months ended 31 December 2016.

Revenue for the Group for the six months ended 31 December 2016 was HK\$1,022 million (2015: HK\$1,146 million), down by 11%. Gross profit slipped 4% to HK\$519 million (2015: HK\$543 million), with gross margin rose 4% points to 51% (2015: 47%). Profit for the period attributable to owners of the Company totalled HK\$17 million (2015: HK\$14 million) and basic earnings per share amounted to HK1.03 cents (2015: HK0.86 cent).

The Board of Directors declared a special interim dividend of HK1.22 cents (2015: HK1.22 cents) per ordinary share for the six months ended 31 December 2016.

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As at 31 December 2016, the Group remained in a solid financial position, with cash and bank balances of HK\$431 million (2015: HK\$340 million) and a net cash position of HK\$431 million (2015: HK\$340 million). Also, the Group held an investment fund of HK\$231 million (2015: Nil) and a note receivable of HK\$39 million (2015: Nil). The Group's inventory turnover days remained at 113 days (2015: 113 days).

During the period under review, the soft global environment and a downturn in Hong Kong tourism saw Hong Kong's economic growth slow down, thus Hong Kong's retail industry continued its decline in the face of this sluggish growth. Additionally, deteriorating economic conditions in the Middle East exemplified by low oil price affected the overall performance of the export franchising business. However, the Group remains optimistic in the long run, as reflected in the new shop operating maneuver of its franchisees. Due to more effective sales and marketing strategies, the Group's gross margin improved substantially by 4% points to 51%. The Hong Kong and Macau market, the mainland China market and the Taiwan market showed signs of having bottomed out, with same-store gross profit stopped declining after a period of negative growth for one year or more.

As of 31 December 2016, the Group had a presence in 32 countries and regions around the world and the total number of stores increased to 952 (30 June 2016: 947). The number of directly managed stores grew to 287 (30 June 2016: 280), while the number of franchised stores was 665 (30 June 2016: 667).

During the period under review, the Group launched three new licensing programmes, namely *bossini x Disney TSUM TSUM «Stack Up The Fun Together» Collection*, *bossini x Minions «GO BANANAS» Collection* and *bossini x Disney TSUM TSUM «Just Chillin' Out» Collection*, which were well received.

Mr. Edmund Mak, Chief Executive Officer and Executive Director of Bossini, said, "We will expand our share of the young adult market and provide more products with an increased focus on functionality, and refined product fit and grading system. We will further develop the kid's line along with the e-commerce initiative in the huge mainland China market, and meanwhile reengineer our supply chain management to increase operational efficiencies, and nurture several promising markets for export franchising business."

Mr. Mak ended, "With continuous focus on our core brand value, we will carry on strengthening our competitive edge and spare no effort to enhance the value to our shareholders."

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Appendix - Store composition by type and geographical location is detailed as below:

	At 31 December 2016		At 30 June 2016	
	Directly managed stores	Franchised stores	Directly managed stores	Franchised stores
Hong Kong and Macau	41	--	42	--
Mainland China	159	21	147	39
Taiwan	67	--	70	--
Singapore	20	--	21	--
Other countries and regions	--	644	--	628
Total	287	665	280	667

About Bossini International Holdings Limited

Bossini is a leading apparel brand owner, retailer and franchiser in the region. Headquartered in Hong Kong, Bossini launched its first retail store in 1987. Over the past two decades, the Group has rapidly established an extensive international operating platform and distribution network that extends to 952 stores covering about 32 countries and regions worldwide.

Renowned for its comfortable, easy to mix-and-match, colourful and energetic style, Bossini offers good value for money, casual wear apparel products including men's, ladies', youth and kids' wear, which are designed to fit a wide range of customer needs.

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