波司登
BOSIDENG

波司登國際控股有限公司
Bosideng International Holdings Limited
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 3998)

ANNUAL RESULTS FOR THE YEAR ENDED MARCH 31, 2025

HIGHLIGHTS

- Revenue increased by 11.6%% to approximately RMB25,901.7 million as compared to that of last year
- Gross profit margin decreased by 2.3 percentage points to approximately 57.3% as compared to that of last year
- Profit from operations increased by 12.9% to approximately RMB4,966.9 million as compared to that of last year
- Profit attributable to equity shareholders of the Company increased by 14.3% to approximately RMB3,513.9 million as compared to that of last year
- The Board proposed a final dividend of HKD22.0 cents per ordinary share

ANNUAL RESULTS

The board (the "**Board**") of directors (the "**Directors**") of Bosideng International Holdings Limited (the "**Company**") announces the consolidated annual results of the Company and its subsidiaries (collectively, the "**Group**") for the year ended March 31, 2025 (the "**Year**" or "**FY2024/25**"), together with the comparative figures for the year ended March 31, 2024, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended March 31, 2025
(Expressed in Renminbi)

	Note	**For the year ended March 31,** **2025** ***RMB'000***	2024 *RMB'000*
Revenue	*3*	**25,901,713**	23,214,033
Cost of sales		**(11,061,857)**	(9,380,493)
Gross profit		**14,839,856**	13,833,540
Other income	*4*	**492,098**	216,076
Selling and distribution expenses		**(8,523,799)**	(8,055,089)
Administrative expenses		**(1,652,317)**	(1,507,860)
Impairment losses on goodwill	*10*	**(171,000)**	(70,000)
Other expenses		**(17,955)**	(19,111)
Profit from operations		**4,966,883**	4,397,556
Finance income		**371,344**	374,212
Finance costs		**(167,028)**	(216,363)
Net finance income	*6*	**204,316**	157,849
Share of losses of associates and joint ventures		**(21,962)**	(14,195)
Profit before taxation		**5,149,237**	4,541,210
Income tax	*7*	**(1,596,494)**	(1,421,074)
Profit for the year		**3,552,743**	3,120,136

	For the year ended March 31,	
	2025	2024
	RMB'000	*RMB'000*
Other comprehensive income for the year:		
Item that will not be reclassified to profit or loss:		
Equity investments at fair value through other comprehensive income ("**FVOCI**") (after tax) – net movement in fair value (non-recycling)	**5,763**	8,669
	5,763	8,669
Item that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of operations outside Mainland China	**88,275**	(49,832)
	88,275	(49,832)
Other comprehensive income for the year	**94,038**	(41,163)
Total comprehensive income for the year	**3,646,781**	3,078,973

	Note	For the year ended March 31, **2025** ***RMB'000***	2024 *RMB'000*
Profit attributable to:			
Equity shareholders of the Company		**3,513,913**	3,074,072
Non-controlling interests		**38,830**	46,064
Profit for the year		**3,552,743**	3,120,136
Total comprehensive income attributable to:			
Equity shareholders of the Company		**3,607,951**	3,032,909
Non-controlling interests		**38,830**	46,064
Total comprehensive income for the year		**3,646,781**	3,078,973
Earnings per share	*8*		
– basic (RMB cents)		**31.58**	28.34
– diluted (RMB cents)		**30.83**	27.52

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at March 31, 2025
(Expressed in Renminbi)

		At March 31,	
	Note	**2025**	2024
		RMB'000	*RMB'000*
Non-current assets			
Property, plant and equipment		**1,918,930**	1,543,951
Right-of-use assets	*9*	**1,611,913**	958,155
Intangible assets and goodwill	*10*	**1,138,169**	1,236,397
Interest in associates		**340,575**	52,558
Interest in joint ventures		**183,132**	200,789
Investment properties		**34,634**	264,702
Other financial assets	*14*	**458,256**	358,902
Derivative financial instruments		**3,754**	3,726
Deferred tax assets		**541,467**	497,703
Pledged bank deposits		**250**	18,336
Time deposits		**1,900,000**	1,570,000
Long-term receivables	*13*	**49,798**	47,374
		8,180,878	6,752,593
Current assets			
Inventories	*11*	**3,950,629**	3,197,497
Trade and bills receivables	*12*	**1,194,973**	1,497,900
Deposits, prepayments and other receivables	*13*	**1,552,547**	1,287,676
Amounts due from related parties		**469,685**	93,752
Other financial assets	*14*	**6,214,347**	3,963,011
Pledged bank deposits		**442,529**	653,095
Time deposits		**1,212,844**	2,098,666
Cash and cash equivalents		**4,184,838**	6,227,015
		19,222,392	19,018,612

	Note	At March 31, 2025 RMB'000	2024 RMB'000
Current liabilities			
Current income tax liabilities		**324,446**	497,071
Interest-bearing borrowings		**896,063**	768,436
Lease liabilities		**450,473**	356,071
Trade and other payables	*15*	**7,834,399**	7,765,152
Amounts due to related parties		**3,024**	86,815
Convertible bonds		**–**	1,709,523
		9,508,405	11,183,068
Net current assets		**9,713,987**	7,835,544
Total assets less current liabilities		**17,894,865**	14,588,137
Non-current liabilities			
Deferred tax liabilities		**298,778**	309,021
Lease liabilities		**511,928**	384,423
Derivative financial instruments		**3,661**	3,655
Other non-current liabilities		**50,299**	71,553
		864,666	768,652
Net assets		**17,030,199**	13,819,485
Capital and reserves			
Share capital		**863**	819
Reserves		**16,918,157**	13,734,617
Equity attributable to equity shareholders of the Company		**16,919,020**	13,735,436
Non-controlling interests		**111,179**	84,049
Total equity		**17,030,199**	13,819,485

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION OF THE REPORTING ENTITY

Bosideng International Holdings Limited (the "**Company**") was incorporated in the Cayman Islands on July 10, 2006 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. Its registered address is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The Company and its subsidiaries (collectively, the "**Group**") are principally engaged in the research, design and development, raw materials procurement, outsourced manufacturing, marketing and distribution of branded down apparel products, original equipment manufacturing ("**OEM**") products and non-down apparel products in the People's Republic of China (the "**PRC**").

The Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on October 11, 2007.

2 BASIS OF PREPARATION

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable IFRS Accounting Standards, which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards ("**IASs**") and Interpretations issued by the International Accounting Standards Board ("**IASB**"), and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities ("**Listing Rules**") on the Stock Exchange.

The IASB has issued certain amendments to IFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group and the Company. Note 2(c) provides information on any changes in accounting policies resulting from the initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

(b) Basis of measurement

The consolidated financial statements for the year ended March 31, 2025 comprise the Company and its subsidiaries and the Group's interest in associates and joint ventures.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

– other investments in securities; and

– derivative financial instruments.

(c) Changes in accounting policies

The group has applied the following amendments to IFRS Accounting Standards issued by the IASB to these financial statements for the current accounting period:

- Amendments to IAS 1, *Presentation of financial statements – Classification of liabilities as current or non-current* (“**2020 amendments**”) and amendments to IAS 1, *Presentation of financial statements – Non-current liabilities with covenants* (“**2022 amendments**”)

- Amendments to IFRS 16, *Leases – Lease liability in a sale and leaseback*

- Amendments to IAS 7, *Statement of cash flows* and IFRS 7, *Financial instruments: Disclosures – Supplier finance arrangements*

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period. None of these amendments have had a material effect on how the Group’s results and financial position for the current or prior periods have been prepared or presented in this consolidated financial statement.

3 REVENUE AND SEGMENT REPORTING

The Group manages its businesses by divisions, which are organized by business lines (products and services). In a manner consistent with the way in which information is reported internally to the Group’s most senior executive management for the purposes of resource allocation and performance assessment, the Group has identified the following four major operating segments. Certain operating segments have been aggregated to form the following reportable segments.

- Down related apparels – The down related apparels segment carries on the business of sourcing and distributing branded down and related apparels and certain brand authorization.

- OEM management – The OEM management segment carries on the business of sourcing and distributing OEM products.

- Ladieswear apparels – The ladieswear apparels segment carries on the business of sourcing and distributing branded ladieswear apparels.

- Diversified apparels – The diversified apparels segment carries on the business of sourcing and distributing non-seasonal apparels, including school uniforms and children’s wear.

(a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

	For the year ended March 31,	
	2025	2024
	RMB'000	*RMB'000*
Revenue from contracts with customers within the scope of IFRS 15		
Disaggregated by major products or service lines		
– Sales of apparels	**25,623,739**	23,041,393
– Royalty income	**276,863**	168,274
Revenue from other sources		
Gross rentals from investment properties	**1,111**	4,366
Consolidated revenue	**25,901,713**	23,214,033

All revenue was recognized at point in time except for rental income from investment properties.

(b) Segment results

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments.

Segment profit represents revenue less cost of sales, and includes selling and distribution expenses and administrative expenses directly attributable to the segment. Items that are not specifically attributable to individual segments, share of losses of associates and joint ventures, finance income, finance costs, government grants, and unallocated head office and corporate expenses are not included in segment profit.

In addition to receiving segment information concerning segment profit, management is also provided with segment information concerning amortization expenses and impairment losses recognized in profit or loss during the reporting period on intangible assets and goodwill.

A measurement of segment assets and liabilities is not provided regularly to the Group's most senior executive management, and accordingly, no segment assets or liabilities information is presented.

Disaggregation of revenue from contracts with customers and revenue from other sources by the information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the years ended March 31, 2025 and 2024 is set out below.

	For the year ended March 31, 2025				
	Down related apparels	**OEM management**	**Ladieswear apparels**	**Diversified apparels**	**Group**
	RMB'000	***RMB'000***	***RMB'000***	***RMB'000***	***RMB'000***
Revenue from external customers	**21,668,201**	**3,373,407**	**651,151**	**208,954**	**25,901,713**
Inter-segment revenue	**41,713**	**41,926**	**–**	**22,803**	**106,442**
Reportable segment revenue	**21,709,914**	**3,415,333**	**651,151**	**231,757**	**26,008,155**
Reportable segment profit/(losses)	**4,976,636**	**465,279**	**(109,069)**	**(25,988)**	**5,306,858**
Amortization of intangible assets	**–**	**–**	**(35,881)**	**–**	**(35,881)**
Impairment losses on goodwill	**–**	**–**	**(171,000)**	**–**	**(171,000)**

	For the year ended March 31, 2024				
	Down related apparels	OEM management	Ladieswear apparels	Diversified apparels	Group
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Revenue from external customers	19,521,311	2,669,712	819,800	203,210	23,214,033
Inter-segment revenue	21,715	25,595	–	32,120	79,430
Reportable segment revenue	19,543,026	2,695,307	819,800	235,330	23,293,463
Reportable segment profit/(losses)	4,350,179	260,871	(20,805)	(1,617)	4,588,628
Amortization of intangible assets	–	–	(35,881)	–	(35,881)
Impairment losses on goodwill	–	–	(70,000)	–	(70,000)

(c) Reconciliations of reportable segment revenues, profit before taxation

	For the year ended March 31,	
	2025	2024
	RMB'000	*RMB'000*
Revenue		
Reportable segment revenue	**26,008,155**	23,293,463
Elimination of inter-segment revenue	**(106,442)**	(79,430)
Consolidated revenue	**25,901,713**	23,214,033

	For the year ended March 31,	
	2025	2024
	RMB'000	*RMB'000*
Profit before taxation		
Reportable segment profit	**5,306,858**	4,588,628
Amortization of intangible assets	**(35,881)**	(35,881)
Government grants	**492,098**	216,076
Impairment losses on goodwill	**(171,000)**	(70,000)
Share of losses of associates and joint ventures	**(21,962)**	(14,195)
Finance income *(note 6)*	**371,344**	374,212
Finance costs *(note 6)*	**(167,028)**	(216,363)
Unallocated expenses	**(625,192)**	(301,267)
Consolidated profit before taxation	**5,149,237**	4,541,210

4 OTHER INCOME

	For the year ended March 31,	
	2025	2024
	RMB'000	*RMB'000*
Government grants	**486,279**	214,718
Refund of service fees charged for withholding individual income tax	**5,819**	1,358
	492,098	216,076

The Group received unconditional discretionary grants amounting to RMB486,279,000 for the year ended March 31, 2025 (for the year ended March 31,2024: RMB214,718,000) from various local PRC government authorities.

5 EXPENSE BY NATURE

The following expenses are included in cost of sales, selling and distribution expenses and administrative expenses:

	For the year ended March 31,	
	2025	2024
	RMB'000	*RMB'000*
Cost of inventories recognized as expenses included in cost of sales	**11,061,857**	9,380,493
Depreciation		
– assets leased out	**7,398**	9,276
– owned property, plant and equipment	**590,662**	687,061
– right-of-use assets	**578,679**	484,861
Amortization charge		
– intangible assets	**49,537**	35,881
Impairment losses on goodwill	**171,000**	70,000
Lease charge of short-term leases exempt from capitalization under IFRS 16	**93,176**	117,765
Variable lease payments	**1,944,733**	1,916,759
Auditors' remuneration of audit service	**5,600**	5,600

6 NET FINANCE INCOME

	For the year ended March 31,	
	2025	2024
	RMB'000	*RMB'000*
Recognized in profit or loss:		
Interest income on bank deposits, loan receivable due from a related party and long-term receivables	**231,792**	200,509
Interest income on other financial assets measured at amortized cost	**18**	2,566
Total interest income on financial assets	**231,810**	203,075
Unrealized/realized net gain in financial assets classified as FVPL	**139,861**	140,518
Dividend income	**3,710**	1,427
Changes in fair value of derivative financial instruments	**22**	721
Net foreign exchange (loss)/gain	**(4,059)**	28,471
Finance income	**371,344**	374,212
Interest on interest-bearing borrowings and discounted bills and other finance cost	**(52,122)**	(73,256)
Interest on convertible bonds	**(44,147)**	(70,685)
Bank charges	**(21,679)**	(22,960)
Interest expenses on lease liabilities	**(49,080)**	(49,462)
Finance costs	**(167,028)**	(216,363)
Net finance income recognized in profit or loss	**204,316**	157,849

7 INCOME TAX

(a) Income tax in profit or loss represents:

	For the year ended March 31,	
	2025	2024
	RMB'000	*RMB'000*
Current tax		
Provision for income tax for the year	**1,639,508**	1,105,942
Deferred tax		
Origination and reversal of temporary differences	**(43,014)**	315,132
	1,596,494	1,421,074

(i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands ("**BVI**"), the Group is not subject to any income tax in the Cayman Islands and the BVI.

(ii) No tax provision has been made for Bosideng UK Limited and Bosideng Retail Limited, as they do not have assessable profits subject to any income tax in the United Kingdom during the years ended March 31, 2025 and 2024.

(iii) The provision includes provision for PRC income tax, provision for Hong Kong income tax and provision for Singapore income tax. Provision for PRC income tax is based on the respective applicable rates on the estimated assessable income of each of the Group's subsidiaries in the PRC as determined in accordance with the relevant income tax rules and regulations of the PRC. Provision for Hong Kong income tax is calculated at Hong Kong Profits Tax rate 16.5% on the estimated assessable Hong Kong profits for the years ended March 31, 2025 (2024: 16.5%). Provision for Singapore income tax is calculated at Singapore Profits Tax rate 17.0% on the estimated assessable Singapore profits for the years ended March 31, 2025.

For the year ended March 31, 2025, the standard income tax rate for all domestic companies established in the PRC was 25%, except for Shanghai Bosideng Information Technology Co., Ltd., You Nuo (Tianjin) Clothing Limited ("**You Nuo**"), and Xizang Bosideng Fashion Co., Ltd.. Shanghai Bosideng Information Technology Co., Ltd. was granted a preferential rate of 15% for high-tech enterprises for three years starting from 2022, and You Nuo was granted a preferential rate of 15% for high-tech enterprises for three years starting from 2024. The applicable tax rate of Xizang Bosideng Fashion Co., Ltd. is 9%.

(iv) Under the Enterprise Income Tax Law ("**EIT Law**") and its relevant regulations, dividends receivable by non-PRC resident enterprises from PRC resident enterprises for earnings accumulated beginning on January 1, 2008 are subject to withholding tax at a rate of 10% unless reduced by tax treaties or agreements. Under the tax arrangement between the mainland China and the Hong Kong Special Administrative Region of the PRC, a qualified Hong Kong tax resident which is the "beneficial owner" and holds 25% or more of the equity interest of a PRC resident enterprise is entitled to a reduced dividend withholding tax rate of 5%.

During the year ended March 31, 2025, a PRC dividend withholding tax of RMB230,614,000 (2024: RMB244,939,000) was provided against the dividend distributed during the year and to be distributed in the foreseeable future out of earnings of the PRC subsidiaries.

(v) The equity-settled share-based payments expenses recognized in profit or loss could not be tax-deducted until the relevant share options are actually exercised or relevant restricted shares are vested and the individual income tax has been paid. Tax benefit from intrinsic value of share options exercised and restricted shares vested represents the difference between the actual costs offered by the Group to the employees in relation to equity-settled share-based payments, i.e. the total consideration obtained by the employees via trading the shares in capital market minus the proceeds received by the Group from the employees, and the corresponding expenses previously recognized in profit or loss being deducted in annual tax filing by relevant subsidiaries within the Group.

(b) Reconciliation between income tax and accounting profit at applicable tax rates:

	For the year ended March 31,	
	2025	2024
	RMB'000	*RMB'000*
Profit before taxation	**5,149,237**	4,541,210
Income tax at the applicable PRC income tax rate of 25%	**1,287,309**	1,135,303
Tax effect of unused tax losses and temporary differences not recognized, net of utilization	**23,553**	4,067
Tax effect of non-deductible expenses	**51,344**	50,259
Effect of tax concessions of PRC operations	**(3,242)**	2,607
Effect of tax rate difference under different tax jurisdictions	**11,123**	(426)
Effect of tax benefit from intrinsic value of share options exercised and restricted shares vested *(note 7(a)(v))*	**–**	(9,432)
Effect of share of losses of associates and joint ventures	**3,966**	2,028
Effect of PRC dividend withholding tax *(note 7(a)(iv))*	**230,614**	244,939
Others	**(8,173)**	(8,271)
Income tax	**1,596,494**	1,421,074

8 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share for the year ended March 31, 2025 is based on the profit attributable to equity shareholders of the Company of RMB3,513,913,000 for the year ended March 31, 2025 (2024 RMB3,074,072,000) and the weighted average number of ordinary shares in issue during the years ended March 31, 2025 and 2024, calculated as follows:

Weighted average number of ordinary shares:

	For the year ended March 31,	
	2025	2024
	'000	*'000*
Issued ordinary shares at the beginning of the year	**10,837,841**	10,847,435
Effect of treasury shares purchased for the Share Award Scheme	**–**	(16,577)
Effect of restricted shares vested	**13,497**	11,472
Effect of share options exercised	**121,350**	2,905
Effect of conversion of convertible notes	**163,249**	–
Effect of share repurchased and cancelled	**(7,165)**	–
Weighted average number of ordinary shares	**11,128,772**	10,845,235
Basic earnings per share (RMB cents)	**31.58**	28.34

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to equity shareholders of the Company of RMB3,558,060,000 (2024: RMB3,144,757,000), after adjusting for the effective interest on the liability component of convertible bonds of RMB44,147,000 (2024: RMB70,685,000), and the weighted average number of ordinary shares of 11,539,415,000 (2024: 11,425,719,000 shares), after adjusting for the effect of the Company's share-based payment arrangements and the effect of conversion of convertible bonds, as follows:

Weighted average number of ordinary shares (diluted):

	For the year ended March 31,	
	2025	2024
	'000	*'000*
Weighted average number of ordinary shares (basic)	**11,128,772**	10,845,235
Effect of share-based payment arrangements	**70,821**	99,048
Effect of conversion of convertible bonds	**339,822**	481,436
Weighted average number of ordinary shares (diluted)	**11,539,415**	11,425,719
Diluted earnings per share (RMB cents)	**30.83**	27.52

9 RIGHT-OF-USE ASSETS

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

	Properties leased for own use *RMB'000*	Land use rights *RMB'000*	Total *RMB'000*
Cost:			
At April 1, 2023	2,086,013	182,505	2,268,518
Additions	474,614	–	474,614
Disposals	(22,198)	–	(22,198)
At March 31, 2024 and April 1, 2024	2,538,429	182,505	2,720,934
Additions	784,552	447,991	1,232,543
Disposals	(174,686)	–	(174,686)
At March 31, 2025	3,148,295	630,496	3,778,791
Accumulated depreciation:			
At April 1, 2023	(1,264,243)	(26,149)	(1,290,392)
Charge for the year	(479,280)	(5,581)	(484,861)
Disposals	12,474	–	12,474
At March 31, 2024 and April 1, 2024	(1,731,049)	(31,730)	(1,762,779)
Charge for the year	(566,319)	(12,360)	(578,679)
Disposals	174,580	–	174,580
At March 31, 2025	(2,122,788)	(44,090)	(2,166,878)
Net book Value			
At March 31, 2025	1,025,507	586,406	1,611,913
At March 31, 2024	807,380	150,775	958,155

The analysis of expense items in relation to leases recognized in profit or loss is as follows:

	For the year ended March 31,	
	2025	2024
	RMB'000	*RMB'000*
Depreciation charge of right-of-use assets by class of underlying asset:		
Land use rights (i)	**12,360**	5,581
Properties leased for own use (ii)	**566,319**	479,280
	578,679	484,861
Interest on lease liabilities *(note 6)*	**49,080**	49,462
Lease charge of short-term leases exempt from capitalization under IFRS 16	**93,176**	117,765
Variable lease payments	**1,944,733**	1,916,759

During the year ended March 31, 2025, the Group entered into a number of lease agreements for use of warehouses and retail stores, and therefore recognized the additions to right-of-use assets of RMB784,552,000.

On May 21, 2024 and November 19, 2024, the Group succeeded in the bid for the land use rights of a land parcel for a lease period of 40 to 50 years located at Qingpu District of Shanghai and Pingfang District of Harbin, the PRC, with a consideration amounted to approximately RMB425,421,000 and RMB22,570,000, respectively, for the purpose of the construction of office and commercial buildings.

(i) Land use rights

Land in respect of land use rights are all located in the PRC with a lease period of 40 to 50 years when granted.

(ii) Properties leased for own use

The Group has obtained the right to use other properties as its warehouses and retail stores through tenancy agreements. The leases typically run for an initial period of 2 to 13 years.

Some leases include an option to renew the lease for an additional period after the end of the contract term. Where practicable, the Group seeks to include such extension options exercisable by the Group to provide operational flexibility. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. If the Group is not reasonably certain to exercise the extension options, the future lease payments during the extension periods are not included in the measurement of lease liabilities. As the Group has been reasonably certain to exercise the extension options, future lease payments of leases with options to renew have been recorded as right-of-use assets and no potential exposure to these future lease payments is needed.

10 INTANGIBLE ASSETS AND GOODWILL

	Goodwill *RMB'000*	Customer relationships *RMB'000*	Trademarks *RMB'000*	Software and other intangible assets *RMB'000*	Total *RMB'000*
Cost:					
At March 31, 2023 and 2024	1,708,151	648,822	633,795	–	2,990,768
Additions	–	–	–	122,309	122,309
At March 31, 2025	1,708,151	648,822	633,795	122,309	3,113,077
Amortization and impairment losses:					
At March 31, 2023	(758,741)	(639,043)	(250,706)	–	(1,648,490)
Amortization charge for the year	–	(4,191)	(31,690)	–	(35,881)
Impairment losses	(70,000)	–	–	–	(70,000)
At March 31, 2024	(828,741)	(643,234)	(282,396)	–	(1,754,371)
Amortization charge for the year	–	(4,191)	(31,690)	(13,656)	(49,537)
Impairment losses	(171,000)	–	–	–	(171,000)
At March 31, 2025	(999,741)	(647,425)	(314,086)	(13,656)	(1,974,908)
Net book value:					
At March 31, 2025	708,410	1,397	319,709	108,653	1,138,169
At March 31, 2024	879,410	5,588	351,399	–	1,236,397

Customer relationships and trademarks acquired in the business combination were identified and recognized as intangible assets with definite useful lives and carried at historical cost with amortization. The amortization charge of customer relationships and trademarks for the year is included in "selling and distribution expenses" in the consolidated statement of profit or loss and other comprehensive income.

Impairment testing for cash-generating units ("CGUs") containing goodwill

For the purpose of impairment testing, customer relationships, trademarks and goodwill are allocated to the Group's CGUs according to the Group's operating divisions.

The management of the Group engaged an external valuer to conduct an impairment test to determine the recoverable amounts of each of the above CGUs containing intangible assets and goodwill as at March 31, 2025.

The recoverable amounts of each of the above CGUs were estimated based on the value in use, determined by discounting the future cash flows to be generated from the continuing use of the CGUs. The value in use calculation uses cash flow projections based on financial budgets approved by the management for the purposes of impairment reviews covering a five-year period. Cash-flows beyond the five-year period are extrapolated using an estimated annual growth rate of 2.0% (for the year ended March 31, 2024: 2.5%). The discount rate used is the CGU's specific weighted average cost of capital, adjusted for a risk premium to reflect specific risks relating to the CGU. The estimates of value in use of JESSIE brand ladieswear CGU, BUOU BUOU brand ladieswear CGU and Tianjin ladieswear CGU, respectively, were determined using a pre-tax discount rate with a range from 15.6% to 16.0% (for the year ended March 31, 2024: from 16.4% to 16.8%).

Based on assessments using the discounted cashflow forecast method, the businesses of BUOU BUOU brand ladieswear CGU, JESSIE brand ladieswear CGU and Tianjin ladieswear CGU were under-performed. According to the valuation reports issued by the external valuer on June 19, 2025, the recoverable amount of BUOU BUOU brand ladieswear CGU, JESSIE brand ladieswear CGU and Tianjin ladieswear CGU as at March 31, 2025, respectively, were RMB266,260,000, RMB380,646,000 and RMB704,296,000, which were RMB97,000,000, RMB32,000,000 and RMB42,000,000 lower than their carrying amount. Therefore, impairment losses of RMB97,000,000, RMB32,000,000 and RMB42,000,000 have been recognized in the profit or loss account for the year ended March 31, 2025. Any adverse change in the key assumptions, including growth rates of future revenue, future margins and the discount rates, used in the calculation of recoverable amount would result in further impairment losses. The impairment losses have been fully allocated to goodwill.

The aggregate carrying amount of goodwill allocated to each CGU is as follows:

	At March 31,	
	2025	2024
	RMB'000	*RMB'000*
Gross value		
Menswear	**292,741**	292,741
Ladieswear – JESSIE brand	**484,312**	484,312
Ladieswear – BUOU BUOU brand	**525,137**	525,137
Ladieswear – Tianjin Ladieswear	**405,961**	405,961
	1,708,151	1,708,151
Accumulated impairment losses		
Menswear	**(292,741)**	(292,741)
Ladieswear – JESSIE brand	**(192,800)**	(160,800)
Ladieswear – BUOU BUOU brand	**(417,600)**	(320,600)
Ladieswear – Tianjin Ladieswear	**(96,600)**	(54,600)
	(999,741)	(828,741)
Net value		
Menswear	**–**	–
Ladieswear – JESSIE brand	**291,512**	323,512
Ladieswear – BUOU BUOU brand	**107,537**	204,537
Ladieswear – Tianjin Ladieswear	**309,361**	351,361
	708,410	879,410

11 INVENTORIES

	At March 31,	
	2025	2024
	RMB'000	*RMB'000*
Raw materials	**1,438,296**	921,703
Work in progress	**28,623**	13,718
Finished goods	**2,483,710**	2,262,076
	3,950,629	3,197,497

The analysis of the amount of inventories recognized in cost of sales and included in profit or loss is as follows:

	For the year ended March 31,	
	2025	2024
	RMB'000	*RMB'000*
Carrying amount of inventories sold	**11,007,372**	9,308,423
Write-down of inventories	**54,485**	72,070
	11,061,857	9,380,493

12 TRADE AND BILLS RECEIVABLES

	At March 31,	
	2025	2024
	RMB'000	*RMB'000*
Trade receivables	**1,028,149**	1,191,438
Bills receivable	**212**	122,149
Less: loss allowance for doubtful debts	**(81,306)**	(87,195)
	947,055	1,226,392
Bills receivables, measured at FVOCI	**247,918**	271,508
	1,194,973	1,497,900

The gross carrying amount of trade and bills receivables from contract with customers amounted to RMB1,276,279,000 as at March 31, 2025 (2024: RMB1,585,095,000).

All of the trade and bills receivables are expected to be recovered within one year.

As at March 31, 2025, the Group endorsed certain bank acceptance bills totaling RMB43,000,000 (March 31, 2024: RMB142,641,000) to suppliers for settling trade payables of the same amount on a full recourse basis. Among these, the Group has derecognized RMB43,000,000 (March 31, 2024: RMB20,492,000) bills receivable and the payables to suppliers in their entirety. These derecognized bank acceptance bills had a maturity date of less than twelve months from the end of the reporting period. In the opinion of the directors of the Company, the Group has transferred substantially all the risks and rewards of ownership of these bills and has discharged its obligation of the payables to its suppliers, and the Group has limited exposure in respect of the settlement obligation of these bills receivable under the relevant PRC rules and regulations should the issuing banks fail to settle the bills on maturity date. The maximum exposure arising from the Group's continuing involvement in the endorsed bills and the undiscounted cash flows to repurchase these endorsed bills equal to their carrying amounts. The Group considered the issuing banks of the bills are of good credit quality and the non-settlement of these bills by the issuing banks on maturity is not probable.

Ageing analysis

As of the end of the reporting period, the ageing analysis of trade receivables, based on the revenue recognition date and net of loss allowance on expected credit losses, is as follows:

	At March 31, 2025	2024
	RMB'000	*RMB'000*
Within credit terms	**785,395**	1,005,233
1 to 3 months past due	**122,851**	84,853
Over 3 months but less than 6 months past due	**33,004**	10,842
Over 6 months but less than 12 months past due	**2,153**	2,052
Over 1 year past due	**3,440**	1,263
	946,843	1,104,243

Trade receivables are generally due within 30 to 90 days from the date of billing.

13 LONG-TERM RECEIVABLES/DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	At March 31, 2025	2024
	RMB'000	*RMB'000*
Non-current		
Long-term receivables	**49,798**	47,374
Current		
Deposits	**704,857**	482,235
Prepayments	**513,535**	510,903
Third party other receivables:		
– Value-added tax ("**VAT**") recoverable	**194,636**	187,626
– Advances to employees	**10,613**	28,410
– Others	**128,906**	78,502
	1,552,547	1,287,676
	1,602,345	1,335,050

14 OTHER FINANCIAL ASSETS

	Note	At March 31, 2025 *RMB'000*	2024 *RMB'000*
Non-current			
Equity securities designated at FVOCI (non-recycling)	*(b)*	**–**	130,291
Financial assets classified as FVPL	*(c)*	**458,256**	228,611
		458,256	358,902
Current			
Financial asset measured at amortized cost	*(a)*	**19,996**	–
Financial assets classified as FVPL	*(c)*	**6,194,351**	3,963,011
		6,214,347	3,963,011
Total		**6,672,603**	4,321,913

(a) Financial asset measured at amortized cost is government bond and has expected interest rate of 1.46% per annum.

During the year, the interest income derived from the government bond of RMB18,000 (for the year ended March 31, 2024: RMB2,566,000) was recognized as finance income in the consolidated statement of profit or loss and other comprehensive income.

(b) On February 9, 2018, Shuo Ming De Investment Co., Ltd. ("**Shuo Ming De**"), a subsidiary of the Group, subscribed for 12,184,230 non-public issued shares of Jinhong Fashion Group Co., Ltd. (formerly known as V-GRASS Fashion Co., Ltd.) (Shanghai Stock Exchange stock code: 603518) ("**Jinhong Group**") for RMB224,921,000. The Group designated its investment in Jinhong Group as FVOCI (non-recycling), as it is held as a long-term investment instead of being traded for short-term gains. On May 31, 2019, the shares held by Shuo Ming De increased to 17,057,922 due to the bonus issue of shares made by Jinhong Group. After the disposal of 2,787,223 shares in July 2021, the number of shares held by Shuo Ming De decreased to 14,270,699. During the year, the changes in fair value of this investment, after tax effect, of RMB5,552,000 was recognized as a gain in other comprehensive income (for the year ended March 31, 2024: gain of RMB8,669,000). During the year ended March 31, 2025, Shuo Ming De disposed its remaining 14,270,699 shares of Jinhong Group at price ranging from RMB9.105 to RMB10.370 per share.

Dividend income of RMB3,710,000 was received on this investment during the year ended March 31, 2025 (for the year ended March 31, 2024: RMB1,427,000) and recognized as finance income in the consolidated statement of profit or loss and other comprehensive income.

(c) As at March 31, 2025, financial assets classified as FVPL represent listed equity investments of RMB1,329,000 (March 31, 2024: RMB1,480,000) and investments with banks and other financial institutions of RMB6,651,278,000 (March 31, 2024: RMB4,190,142,000).

(i) Listed equity investments

During the year, the net unrealized/realized loss of listed equity investments held by the Group of RMB151,000 were recognized as a loss in finance income (for the year ended March 31, 2024: gain of RMB287,000).

No dividend income received for the year ended March 31, 2025 (for the year ended March 31, 2024: Nil).

(ii) Investments with banks and other financial institutions

Investments with banks and other financial institutions represent wealth management products offered by banks and other financial institutions. These investments with no guarantee of principal and interest were classified as FVPL. The underlying assets of these wealth management products are a wide range of government and corporate bonds, bank deposits, asset-backed securities, money market funds as well as other listed equity securities, etc.

During the year, the net unrealized/realized gain in these investments of RMB140,012,000 was recognized as a gain in finance income (for the year ended March 31, 2024: RMB140,231,000). Neither the single investment nor investment made with the same bank or other financial institution on an aggregate basis accounted for over 5% of the Group's total assets.

15 TRADE AND OTHER PAYABLES

	At March 31,	
	2025	2024
	RMB'000	*RMB'000*
Trade payables	**1,023,595**	1,308,359
Bills payables	**4,182,587**	3,868,527
	5,206,182	5,176,886
Other payables and accrued expenses		
– Deposits from customers	**278,909**	205,461
– Contract liabilities (i)	**1,235,710**	1,150,784
– Construction payables	**266,436**	212,937
– Accrued advertising expenses	**92,567**	90,673
– Accrued payroll, welfare and bonus	**547,887**	737,165
– VAT and other tax payable	**65,955**	13,703
– Payables in relation to shares disposed of by employees under share-based payment schemes	**23,185**	34,936
– Receipts in advance in relation to unvested restricted shares	**34,699**	43,722
– Interest payable in relation to convertible bonds	**–**	5,019
– Others	**82,869**	93,866
	7,834,399	7,765,152

All of the trade, bills and other payables are expected to be settled within one year.

As of the end of the reporting period, the ageing analysis of trade and bills payables, based on the invoice date, is as follows:

	At March 31,	
	2025	2024
	RMB'000	*RMB'000*
Within 1 month	**4,874,281**	4,900,978
1 to 3 months	**331,901**	275,908
	5,206,182	5,176,886

(i) The amount of revenue recognized for the year ended March 31, 2025 that was included in the contract liabilities balance at the beginning of the year was RMB1,068,886,000.

16 DIVIDENDS

(i) Dividends payable to equity shareholders of the Company attributable to the year:

	For the year ended March 31,	
	2025	2024
	RMB'000	*RMB'000*
Interim dividend declared and paid of HKD6.0 cents per ordinary share (2024: interim dividend declared and paid of HKD5.0 cents per ordinary share)	**633,076**	492,640
Final dividend proposed after the end of the reporting period of HKD22.0 cents per ordinary share (2024: HKD20.0 cents per ordinary share)	**2,321,355**	2,001,530
	2,954,431	2,494,170

The final dividend proposed after the end of the reporting period has not been recognized as a liability at the end of the reporting period.

(ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year:

	For the year ended March 31,	
	2025	2024
	RMB'000	*RMB'000*
Final dividend in respect of the previous financial year, approved and paid during the year, of HKD20.0 cents per ordinary share (2024: final dividend of HKD13.5 cents per ordinary share)	**2,003,441**	1,345,200

17 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

Subsequent to March 31, 2025, the board of directors of the Company proposed a final dividend of HKD2,541,110,000 (approximately RMB2,321,355,000), representing HKD22.0 cents per ordinary share to the equity shareholders of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

In FY2024/25, the complex changes in the international landscape, geopolitical tensions, adjustments in tariff policies, and the reshaping of the global economic pattern have led to greater uncertainties in the external environment. Despite the intricate and complex international and domestic economic and trade environment, the fundamental trend of China's economy being stable, resilient, having great potential, and maintaining long-term positive growth remained unchanged. New quality productive forces are activating new development momentum, and the comprehensive boost to domestic demand is bringing new market opportunities, providing strong support for the upgrading and development of the industry.

The Group closely followed the trends of the times, adapted to the circumstances, and actively responded to external challenges such as the warm winter, changes in the consumption environment, and structural adjustments. The Group seized the favorable opportunity of the rise of domestic brands, continuously strengthened brand building and market promotion. By improving product quality, optimizing product categories, strengthening retail layout, enhancing supply chain management, and promoting digital transformation, the Group has continuously improved operational efficiency, created better customer value, and achieved the development goal of steady progress.

Standing at the forefront of the trend of the times, and guided by the strategic vision of "becoming the world's leading fashionable, functional and technological apparel group", the Group will anchor its "dual-focus" strategic direction of "focusing on the mainstay business of down jackets and focusing on the main track of fashionable and functional apparel enhanced with technology". The Group aims to improve its quality through innovation and strive for higher achievements, thereby contributing Bosideng's strength to the comprehensive advancement of Chinese modernization.

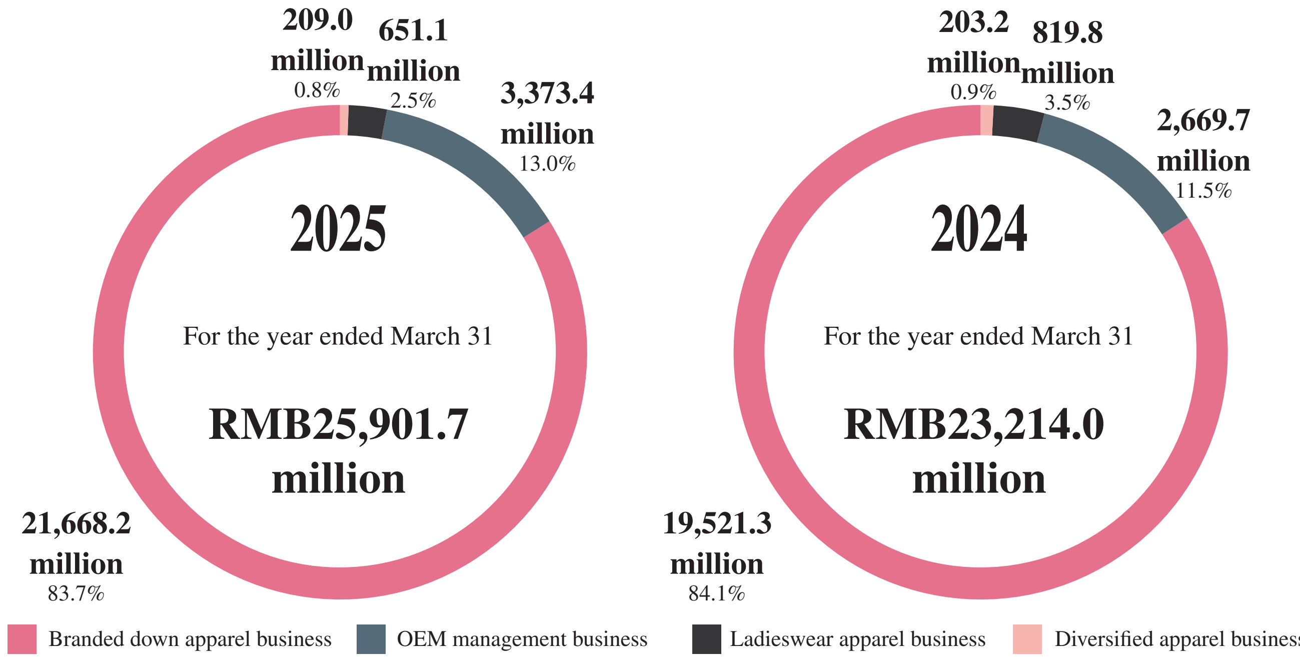
REVENUE ANALYSIS

Since 2018, the Group has put forward new strategic goals, embarking on a new journey of transformation and upgrading. Over the past seven years, the Group has returned to its entrepreneurial roots, focused on its core business of down apparel, and guided by brand building, driven transformative changes in product innovation, retail upgrading, high-quality rapid responses, and intelligent digital operations. As a result, the Group achieved consistent, sound and high-quality growth, demonstrating resilience in its development.

In FY2024/25, the Group's revenue amounted to RMB25,901.7 million, representing an increase of approximately 11.6% compared with that in the previous year. The branded down apparel business, OEM management business, ladieswear apparel business and diversified apparel business are the Group's main business segments.

In FY2024/25, the Group's main business segments achieved stable and high-quality growth. Among them, the branded down apparel business remained the biggest revenue contributor to the Group, and recorded a revenue of approximately RMB21,668.2 million, accounting for 83.7% of the total revenue and representing an increase of 11.0% year-on-year. The OEM management business recorded a revenue of RMB3,373.4 million, accounting for 13.0% of the total revenue and representing an increase of 26.4% year-on-year. The ladieswear apparel business recorded a revenue of RMB651.1 million, accounting for 2.5% of the total revenue and representing a decrease of 20.6% year-on-year. The diversified apparel business recorded a revenue of RMB209.0 million, accounting for 0.8% of the total revenue and representing an increase of 2.8% year-on-year.

Revenue by Business



Branded Down Apparel Business:

The Group focused on its core business, concentrated on its advantageous resources, and built the core competencies of its main business, striving to become a leader in the global down apparel industry. In terms of branded down apparel business segment, the Group introduced the "four reinforcements" initiative to "enhance brand leadership, product category management, channel operation, and customer experience" to further consolidate its core capabilities during the Year.

In terms of branding, the Group continued to build its brand image of being "the world's leading expert in down apparel", adhering to a brand-led development model and elevating its brand perception from a global leader in down apparel in terms of sales volume to a truly global leader in all respects in the down apparel industry. In terms of products, the Group adopted a category efficiency enhancement approach, further developing functional outerwear for spring and summer, such as sun-protective clothing and monocoque windbreaker jackets. Meanwhile, the Group actively expanded the category of light down jackets like Goose Down Windbreaker Collection, upgraded the "Polar Workwear" series of down jackets and launched the "Erbin x Bosideng" city brand collaboration, so as to earn recognition from mainstream consumers continuously. In terms of channels, on one hand, the Group continued to focus on building its TOP store ("**Top Store(s)**") system to unleash the channel leading effects, improving consumer perception and optimizing the shopping experience. On the other hand, it solidified its refined operation capabilities by iterating its tiered channel management system, which significantly improved the operational efficiency of its branch stores.

In FY2024/25, the Bosideng brand under the Group's branded down apparel business recorded a year-on-year increase of 10.1% in revenue to RMB18,481.0 million. Revenue of the whole branded down apparel business segment increased by 11.0% to RMB21,668.2 million on a year-on-year basis.

Brand Building

In FY2024/25, the Group adhered to its strategic development direction of "the world's leading expert in down apparel". With a focus on four core dimensions, namely content upgrading, visual upgrading, deepening platform cooperation, and value-driven event operation, the Group implemented a comprehensive and in-depth brand upgrading project to fully unleash brand potential and achieve breakthroughs in brand visibility, thereby solidifying its industry discourse power.

In terms of content upgrading, the Group adheres to a user demand-oriented approach by deeply exploring the brand's cultural connotations and the core selling points of its products. This enhances emotional connections with consumers and improves brand reputation and loyalty. For example, in response to the global "outdoor craze" consumer trend, the Group innovatively launched the"Metamorphosis" collection, integrating the concept of "urban outdoor tech down jackets" into the awareness of mainstream Chinese consumers.

In terms of visual upgrades, the Group adheres to an international, fashionable and professional design philosophy, conducting comprehensive visual upgrades across all aspects, including brand image and in-store displays.

In terms of platform cooperation, the Group proactively expands external cooperation. By partnering with top platforms such as CCTV.com and Douyin Mall (抖音商城), the Group jointly created "CHINA'S GOOD DOWN (中國好羽絨)" IP and carried out diverse brand promotion activities. Meanwhile, through a strategic cooperation with the Harbin Government, the Group jointly developed the "Erbin × Bosideng (爾濱×波司登)" co-branded products, pioneering an innovative model of integrated development between cities and brands, further expanding the brand's market boundary and cultural connotation.

In terms of value event operations, the Group leads with a series of brand-building events with industry influence and social attention, continuously consolidating its brand position as "the world's leading expert in down apparel".

According to the "Brand Finance Apparel 50 2024" released by Brand Finance, one of the top five international authoritative brand value evaluation consultancies, the Bosideng brand once again made it to the list, rising one spot to the 46th place, demonstrating the Group's strength and influence amongst the world's leading brands. In the 2024 "Asia's 500 Most Influential Brands" ranking released by the World Brand Lab, the Bosideng brand ranked 268th. In the "2024 Brand Strength Evaluation Result of World Apparel Brands" released by the International Academy of Brand Science, the Bosideng brand ranked 8th in the list of the world's Top 100 Apparel Brand Strength, achieving the highest ranking for Chinese brands on the list.

In FY2024/25, the Bosideng brand also received numerous industry recognitions, for example, in the "2024 Top 100 Annual Brands Selection (2024百大年度品牌評選)" organized by Sina Finance, the case of "Bosideng × Eileen Gu Milan Show" was selected as one of the "Top 50 Brand Marketing Cases (品牌營銷案例榜 Top 50)"; it was awarded the title of "Hong Kong-Listed Company with the Most Brand Influence" at the "2024 Phoenix Star Best Listed Companies" selection conference, organized by Phoenix Satellite Television and ifeng.com.

In FY2024/25, Bosideng conducted a series of brand-building events:

In the spring and summer seasons of 2024, Bosideng put sun-protective clothing as the focus of category breakthrough and launched a new line of sun-protective clothing products. The trendy designs and excellent sun protection performance have garnered widespread attention and positive consumer feedback upon release. Sun-protective clothing became one of the new categories in FY2024/25 and contributed to an increase in sales during the off-peak seasons.

In April 2024, Bosideng and the Polar Research Institute of China held a signing and awarding ceremony to formalize their cooperation on China's Antarctic and Arctic expeditions. Through deepening their partnership, both parties will jointly promote the innovation and application of polar scientific research technology. They will collaborate on the research and development of professional cold-proof clothing for polar exploration, jointly develop co-branded product series, and collectively convey the "Antarctic spirit", allowing more consumers to understand the significant importance of "knowing the poles, protecting the poles and utilizing the poles."

In July 2024, on the occasion of the 60th anniversary of the establishment of diplomatic relations between China and France, the China-France Year of Culture and Tourism and the eve of the Paris Olympic Games, Bosideng participated in the "REVIVING CRAFT: Métiers d'Art et Design Contemporain de la Chine" exhibition series, and held "Rong", a Chinese-inspired concept show, at the General Hall of the Musée des Arts Décoratifs. Bosideng incorporated cutting-edge technologies into traditional craftsmanship such as ancient totems, auspicious knotted buttons, and Suzhou embroidery, preserving the unique charm of Eastern culture while meeting modern aesthetic preferences, seamlessly blending ancient craftsmanship with contemporary fashion, and demonstrating the openness, innovation and inclusiveness of the Bosideng brand.

In September 2024, capitalizing on the growing consumer interest in outdoor activities, Bosideng launched the "Metamorphosis" series of windbreaker down jackets in the autumn of 2024, successfully entering the outdoor warming market. The "Metamorphosis" three-in-one (layered) windbreaker down jackets quickly gained consumer recognition.

In December 2024, the Bosideng Beijing Sanlitun Peak Concept Store grandly opened. Inspired by the spirit of reaching the peak, the store conveys Bosideng's tenacious will of exploring the unknown and constantly scaling new heights to customers through its meticulously crafted spatial experiences, offering customers a dual experience for both vision and soul. On the opening day, Eileen Gu, the Bosideng brand ambassador, shared the journey of challenging the limits and bravely breaking through with numerous brand followers, jointly ushering in a new height of peak spirit for the Bosideng brand.

In December 2024, Bosideng and the Harbin authorities jointly announced strategic achievements by launching the "Erbin × Bosideng" co-branded series and hosting the "Tribute to Ice and Snow" fashion show. This showcased the deep integration of Bosideng's cold-weather technology with Harbin's unique history and ice and snow culture, and pioneering a new model of city-brand cooperation. This collaboration, rooted in Harbin but with a global outlook, highlighting the international vision and open-mindedness of Chinese brands collaborating with Chinese cities. It is a beneficial exploration in promoting the high-quality development of Heilongjiang's ice and snow economy in the fields of ice and snow equipment, sports, and fashion, powerfully fostering the intrinsic high-quality development of the ice and snow cultural tourism industry.

Merchandise Management

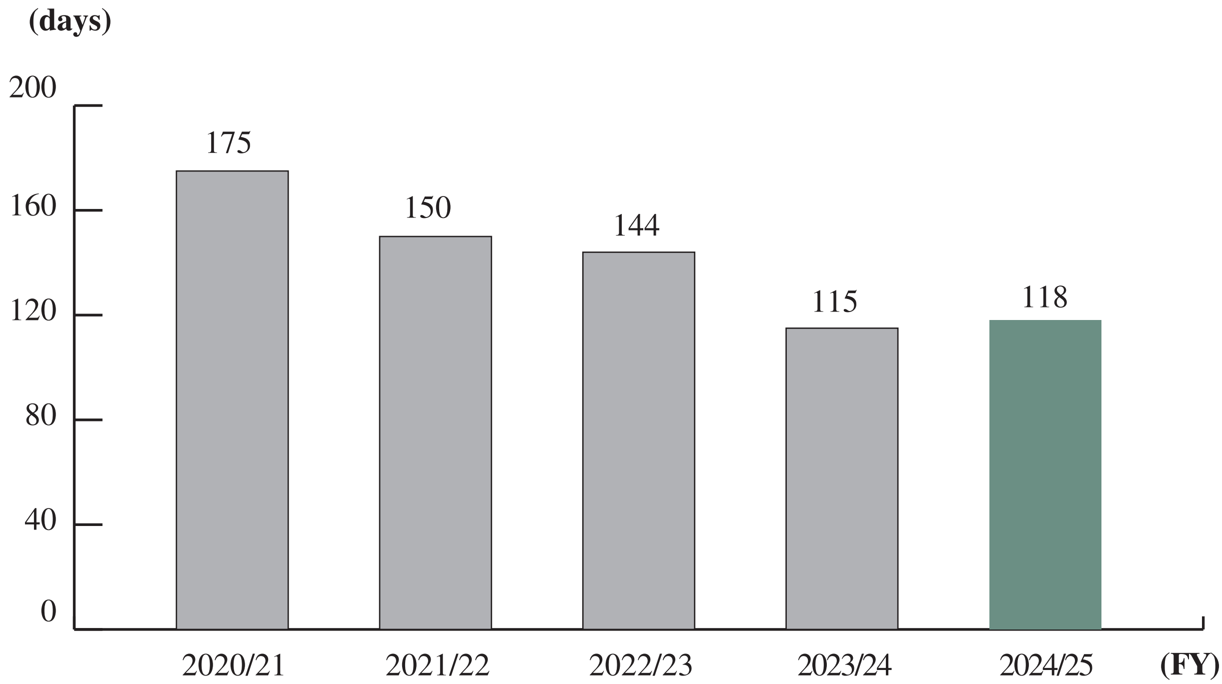
The Group believes that merchandise management serves as a crucial driving force for enterprises to achieve sustainable and high-quality development and is also an important guarantee for enhancing market competitiveness and profitability.

In FY2024/25, the Group continued to completely classify the orders into direct sales and wholesales. Orders placed at self-operated single stores would be processed in a way in which products for sale in single stores would match the demand for orders and the stock would be replenished and products would be produced according to the actual demand. By doing so, a dynamic adjustment to orders can be achieved. Meanwhile, distributors adopted different flexible modes of order placement and rebate policies based on their respective scales of operation. In FY2024/25, the Group maintained the demand-pull replenishment of "fulfilling small orders in quick responses on a rolling basis which would match the demand for orders, and products according to the actual demand" during the sales process in peak seasons based on sales performance and under the premise of ensuring that the proportion of first-time orders remained at a low level. Such a mechanism has effectively promoted the dynamic centralized management of channel inventory and merchandise mix, significantly improved the channel efficiency and the flexibility of merchandise management during the peak seasons, providing strong support for the continuous improvement of peak seasons performance.

In FY2024/25, the Group continued to stick to the concept of merchandise operation management of the last financial year. With its smart delivery center serving all offline direct stores, franchised stores and online traditional e-commerce platforms, the online Douyin platform, WeChat Mall/Channels, O2O and other channels throughout the country efficiently, the Group unified the inventory management of eight directly-operated large warehouses and 12 small warehouses of distributors across China through an integrated inventory management platform. The services included taking deliveries from suppliers or returned goods from the market to the warehouse for storage, sorting and shelving arrangements, and they were combined with different strategies for allocating warehouses in different locations for the storage of merchandise. Efforts were stepped up to bring Top Sellers to the front during the process. As a result, the availability of replenished merchandise was continuously enhanced based on sales performance in the market.

As of March 31, 2025, the inventory turnover days of the Group were 118 days, representing a slight increase of three days as compared with that in the same period up until March 31, 2024. The effective inventory management in a warm winter environment was primarily attributed to the Group's strategy of maintaining a relatively low proportion of first orders as well as actively adopting demand-pull replenishment and "small orders in quick responses" adjustment mechanism, and effectively promoting integrated omnichannel merchandise operating management. The high-quality and stable management of inventory turnover days not only demonstrated the Group's efficient merchandise management capability and operational resilience in rapidly responding to market changes during peak sales seasons, reflecting the continuous improvement of the Group's overall operational efficiency, but also provided a more flexible and easily manageable inventory level for the next financial year.

Inventory Turnover Analysis



Supply Chain Management

The ability of the Group's supply chain to enable "delivery of high-quality products in quick responses" is an important competitive strength that has led to its continued success in the industry, and is also one of its core competitive advantages with which the Group maintains efficient, healthy and sustainable development.

The Group has implemented the down apparel, industry-leading model of futures/goods-in-stock operation. The first batch of orders would be controlled at less than 40%, while the remaining proportion would be continuously adjusted dynamically and replenished on a rolling basis during the peak sales seasons according to retail sales data and trend forecasts on the market. The demand-pull replenishment, quick launch of new products and delivery of small orders in quick responses enable an efficient turnover cycle and operational efficiency, thereby allowing the Group to solidify its ability for high-quality products in quick responses and ensure that "hot-moving merchandise is not out of stock and refrain from producing products with low demand".

In FY2024/25, the supply chain of the Group continuously underwent systematic planning and upgrading in terms of flexible and quick responses, excellent quality, scientific research and technology, resource integration and cost leadership.

In terms of flexible and quick responses, the Group has transformed from a collaborative supply chain model to a more proactive and digitally driven approach, further refining its closed loop, high-value commodity chain and strengthening its digital intelligence infrastructure. Having achieved a 99% replenishment rate for the Top Sellers, the Group took the availability rate of replenishment of unexpectedly popular "dark horse" items as a new high challenge target for the first time, and maximized the elasticity of the supply chain to make up for the deviation of the sales forecast and meet the dynamic market demand. It empowered the single stores' operation strategy so that hot-moving merchandise remains consistently in stock, thereby maximizing sales growth. Meanwhile, the Group improved the collaborative response speed and capabilities of both internal teams and external suppliers to create a core competitiveness of the Group that is difficult to replicate.

In terms of quality excellence, the Group has adhered to quality excellence and users' perceptions as its core focus, spanning the entire process from user scenario needs, user experience, to user emotional value, driving the upgrade of all-touchpoint experience and quality. To support product innovation, the Group has established an integrated full-lifecycle quality management system encompassing all stages from commercial businesses, design companies, research and development, verification, small-batch trial production and environmental simulation testing in response to product innovation. The Group also allocated quality resources strategically based on product category and intended use, ensuring high standards across materials, processes, production lines and finished product appearances. By implementing a digitalized operation system for quality control, it also linked all the sections within a closed loop of quality management and made the whole process controllable and traceable, so as to ensure real-time transparency, and reinforce quality as one of the key factors for users in brand selection.

In terms of science and technology, the Group continued to increase its long-term investment in science and technology and focus on building an integrated innovation capability in the four new areas. For new product categories, the Group developed an innovation platform to cooperate with/co-brand with master-level designers domestically and internationally. Bosideng AI Lab, by integrating decades of design data with global fashion trends, has created a "large model" in the vertical domain, and combining AI innovation with 3D technologies to empower product innovation and industry leadership. Regarding new materials, the Group concentrated on a thermal insulation strategy by integrating global top-tier resources to establish a high-performance three-layer material research system and material pool. In new technologies, the Group recruited leading industry and inter-disciplinary talents to develop an advanced scientific and technological system as well as a polar environment simulation laboratory. This comprehensive framework strengthens the Group's capabilities in materials, clothing pattern craftsmanship, garment production, and temperature validation, transforming technology systems into industry standards. These advancements will empower the Group's high-performance products and high-end products, such as those designed for Antarctic scientific research, and Mount Everest expeditions, driving technological and product innovation as the new engine for continuous growth and a core competitive advantage supporting the Group's expert-driven strategy and future development.

In terms of resources integration, the Group, based on its overarching strategy, brand strategy and product category innovation planning, and in close alignment with national policies and industry trends, has strategically proposed and positioned itself for a long-term "Five Leading Resources" development strategy. To support the high-quality development of the Group's brand matrix, it is proactively designing a multi-tiered and structured panoramic framework for resources deployment, moving from structural upgrades to capability and leadership upgrades, meeting the demands for a multi-brand, multi-category, differentiated, centralized, and digitally intelligent commodity supply chain platform. The Group has gradually built a sustainable resources ecosystem encompassing a strategic resources business community, a community of shared interests and a community of shared destiny by stepping up the long-term win-win cooperation policy for the resources ecosystem. This will establish a "worldwide leading" resources system, making resources a solid and reliable guarantee for the implementation of the Group's strategy.

In terms of comprehensive cost leadership, the Group has always viewed cost strategy as a reflection of its overall system and organizational capabilities, evolving from system-wide cost reduction leadership to comprehensive cost leadership and ultimately to brand and customer value leadership. The Group has developed a robust and mature operational closed-loop system for cost leadership. By enhancing organizational capabilities through planning costs, resources costs, design costs, quality costs and standard costs, the Group has fully integrated cost management throughout the entire value chain of cost. Leveraging its deep understanding of the down industry, the Group anticipates trends through proactive analysis to conduct upfront planning and research for bulk materials and major projects to identify the best combination of strategies, methods and paths, making comprehensive cost leadership one of the core drivers for the Group's stable profit and growth.

Logistics and Delivery

For logistics and delivery, the Group continuously adopted a system to automatically match transport and delivery resources for each order based on traffic, factoring in limitations such as the characteristics of the transport and delivery of resources in society, transport costs and timeliness. The Group also collected and monitored data in respect of each step of the entire process, including collection, distribution, in transit and sign-for-acceptance. Under the premise of maintaining reasonable costs, the Group maximized service efficiency and improved users' experiences.

The Group took a series of innovative measures to improve logistics efficiency. On the one hand, the advanced algorithms of the self-developed inventory calculation center and order processing center have been adopted to instantly monitor the geographical location of the products and the consumers, accurately match, locate and prioritize, and generate instructions based on the principle of "the shortest distance between the products and the consumers" to ensure immediate warehouse operations and early pick-up by the courier company, achieving the fastest distribution to consumers. On the other hand, the Group advanced integration and connection to build an integrated warehousing and distribution platform. By leveraging intelligent logistics information systems and highly automatic logistics equipment, the Group has implemented an automatic and smart allocation system to revamp operating models for piece-picking and returns-picking, achieving fully automated and intelligent routing to drastically reduce operation time. Under the premise of maintaining reasonable costs, the Group continued to enhance its service efficiency and improve users' experiences. The improved speed of delivery from warehouses and optimized transportation efficiency have contributed to the maintenance of the Group's industry leadership in terms of its logistics and delivery capability.

Digital Operation

Facing the uncertain environment for development, it is certain that digitalization is the way forward. The digital transformation and digitalized operation have been a top priority of the Group's infrastructure construction in recent years.

In terms of digital transformation, the Group has in recent years made significant achievements in many fields, including smart design, smart manufacturing, smart logistics and smart merchandise operation. It has gradually entered into a more advanced stage of digital transformation and established a direction in which it would focus on users, retail and commodities as the entry points for digital transformation in the future.

In terms of smart design, the Group actively promotes an "AI + Design" innovative model. The Group has partnered with Zhejiang University to establish an artificial intelligence innovation application laboratory, utilizing big data to drive apparel design, research and development. This involves building a comprehensive design database, continuously iterating AI algorithms, and creating the "BSD.AI Aesthetic Brain" to achieve a full-process digital closed-loop from design conception to virtual garment. With AI technology, the Group has effectively enhanced design efficiency while significantly reducing sample development time and cost. Currently, multiple AI-designed patterns and finished garments have already been launched to market, gaining positive feedback from customers.

On smart manufacturing, the Group has reshaped the smart manufacturing system and built a new ecosystem for full-chain collaboration. The Group enhances the supply chain's responsiveness and collaboration efficiency through digital transformation. Leveraging a smart supply chain ecosystem platform, we achieved dynamic and precise matching of raw and auxiliary materials and full-chain traceability. We actively track big data on product sales and dynamic inventory, automatically generate sales forecasts and procurement plans, and drive automated push notifications to suppliers, thereby transforming the supply chain from passive reaction to active response. Meanwhile, the Group has independently developed the GiMS platform, an industrial internet platform for the apparel industry, to promote in-depth collaboration across upstream and downstream, and to build a high-quality, quick-response, flexible supply chain and a digital commodity value chain.

On smart product operations, the Group has reshaped retail scenarios and created new digital consumption experience. In the new retail era of "people, goods and scenarios" reconstruction, the Group is leveraging full-domain digitalization to redefine business logic to enhance the capacities in consumer insights, product insights, digital marketing, and product operations. In the meantime, the Group is breaking down traditional online and offline retail boundaries and is implementing a new comprehensive retail model of "smart stores + online cloud stores". Through innovative tools such as live streaming and off-store sales, the Group is rebuilding customer relationships and fostering deep integration across all channels and touchpoints. The Group is optimizing its membership operation system by upgrading the traditional single membership operation model to a multi-dimensional one, under which "AI shopping assistants" are created based on the combination of AI large models with member data to achieve personalized and precise services across multiple scenarios, comprehensively enhancing customer connection and shopping experience.

In FY2024/25, with the full launch of its digital operating system, the Group used digital transformation as a driving force to drive business with digitalization, promote the organization with business, and facilitate growth through the organization. These efforts have effectively accelerated the enterprise's transition from traditional operational management to digital operational management, laying a solid foundation for its sustainable high-quality development.

Customer Management

In FY2024/25, the Group continued the use of various channels to build a more convenient bridge for communication with customers. The Bosideng brand had approximately 7.0 million new fans and approximately 3.0 million new members on the Tmall and JD.com platforms. As of March 31, 2025, the Bosideng brand had approximately 21.0 million members in total on the Tmall and JD.com platforms. In addition, the Bosideng brand had over 1.0 million new fans on the Douyin platform. As of March 31, 2025, the Bosideng brand had approximately 10.0 million fans in total on the Douyin platform.

In terms of innovation in user management, the Group has been continuously building a consumer-centric, omni-channel user management system in recent years. Through digital empowerment, the Group has achieved precise multi-channel product recommendations, intelligent user data analysis, and differentiated interactive experiences, thereby forming an efficient closed-loop operational model that effectively enhances users' shopping experience and brand loyalty.

The current user management system of the Group has the following five prominent features:

Firstly, the Group employs full lifecycle operations of its users, upgrades its membership points system and diversifies its rights system to increase the loyalty and satisfaction of its members, thus providing a robust customer base for sustainable business growth.

Secondly, the Group focuses on enhancing the experience of core users by organizing exclusive activities tailored for them, building an ecosystem that directly engages core users, co-creating content, and empowering product innovation and iteration. The Group also strengthens emotional connections with its users, effectively attracting and retaining younger consumer groups while enhancing the lifelong value of core users.

Thirdly, the Group extensively applies artificial intelligence (AI) technology by developing an intelligent matching model that connects user behavior with product demand, and utilizing AI tools to enable automated and precise product recommendations. While ensuring data privacy and data security, the Group integrates data across omni-channels to gain deep insights into consumer preferences, enabling user experience optimization from a user-centric perspective, and driving continuous business innovation.

Fourthly, by upgrading the membership system and integrating data across all channels, the Group has built a cohesive membership system and a precise tagging system, which continuously optimizes the user portrait. Through one-on-one precise interactions with members and an online-offline integrated operation approach, it effectively reduces customer acquisition costs, increases member conversion rates, and promotes quality business development.

Fifthly, the Group has built a consumer-centric customer service system. By upgrading the smart customer service system and ensuring collaboration through a full-chain management system, we achieved quick response to customer complaints and full-chain tracking. Furthermore, by establishing a 400 service capability platform and implementing a dual guarantee mechanism for complaint classification and compensation schemes, the Group ensures consistent service standards are met, thereby safeguarding our brand value.

Technological Innovation

The Group attaches great importance to the technological innovation of products and incorporates scientific research technological innovation into the development of new materials, research and development of new products, supply chain management and other important corporate core strategies. It continues to increase investment in this aspect.

The Group has focused on the continuous investment in technological research to create a worldwide-leading and user-value-oriented platform for technological research that integrates new materials, new product categories, new technologies, new patents and new systems. The Group's technological research centre has the first polar environment simulation testing laboratory in the apparel industry to make technological breakthroughs with leading products for Antarctic scientific research and Mount Everest expeditions, etc. By fully upgrading software and hardware capabilities for materials, technology, and verification while converting related technological research results into approved patents, the Group has established the leading standard in the industry, solidifying the leading position of its products.

In FY2024/25, the Group applied for an aggregate of 466 patents and 527 authorized patents, which provided patented technology and endorsement support for its experts in down apparel. As of March 31, 2025, the Group had a cumulative total of 1,498 patents (including invention, utility models and design patents).

The Group plays a significant role as the Down Apparel Sub-committee Secretariat under the National Technical Committee on Garment Standardization (SAC/TC 219/SC1), the Secretariat under the International Organization for Standardization/Garment Size Series and Coding Technology Committee Secretariat (ISO/TC133), acts as a recognized laboratory and a member of the technology committee of the International Down and Feather Bureau (IDFB), a recognized laboratory of the China Feather and Down Industrial Association, the core drafting unit and the first drafter of the Down Clothing standard GB/T14272-2021, the fourth drafting unit of Professional Sports Apparel – Ski Clothing, the first drafting unit and the drafter of the Standards for Design Assessment on Green Design Products – Down Clothing (《綠色設計產品評價設計規範－羽絨服裝》), and has published Mount Everest Expeditions II Down Apparels, Green Standards, 6A of High Quality Sun Protective Clothing Leading Standard and a number of other leading standards in the industry. In particular, 6A High Quality Sun Protecting Cloth Leading Standard was rated as an advanced standard, and the Group has been awarded the title of "Corporate Standard Leader" for down apparel by the State Administration for Market Regulation for five consecutive years. Besides, the Group successfully hosted the Third Inaugural Meeting of Down Apparel Sub-committee under the National Technical Committee on Garment Standardization in August 2024 and the 16th International Annual Meeting of the International Organization for Standardization ISO/TC 133 Sizing systems – Size Designation, Size Measurement Methods and Digital Fittings Technology Committee from 3rd to 6th September 2024, contributing to the innovation of international standards, fully demonstrating the Group's image in setting industry standards and Bosideng's determination to run its business in accordance with the most advanced international standards and to press on with its innovation efforts.

Research and Development ("R&D") of Products

The Group has always attached great importance to product innovation. Product enhancement and expansion are the cornerstones for the development of the Bosideng brand.

Matching product design to consumer preferences is the key to product innovation. The Group engages in the precise development of different series of products based on consumers' preferences, behavior and traits to satisfy their needs in different scenarios. Through end-to-end integration of development for a series of scientific, objective and methodical design processes covering customer research, market research, trend analysis, merchandise planning, design planning, promotion planning, product development, customer appreciation, ordering feedback, sales feedback and summary reviews, we endeavor to present new series of products to consumers.

The Bosideng brand also attaches great importance to its cooperation with well-known cross-sector intellectual properties ("**IPs**"). Through cooperation with designers, international brands and IPs such as Kuromi and Ultraman comics, the Group launched new products which were well received and sought after by young consumers.

In FY2024/25, two products of the Bosideng brand, i.e., the "Women Tech Shell" and the "Polar Workwear" won the ISPO Award – Global Design Award. Five products of the Bosideng brand, including the "TMP Management Outdoor Down Jacket", the "Detachable 3-in-1 Functional Jacket" and the "Easy Pack, Easy Go 3-in-1 Functional Jacket", won the Red Dot Design Award. Three products of the Bosideng brand, including the "Bosideng TMP Management Skiing Down Jacket" won the IDEA Finalist Award and the "Eco-design Circular Lightweight Functional Down Puffer" won the IDEA Bronze Award.

The key product collections sold in FY2024/25 included:

Sun Protection Collection:

In 2024, Bosideng launched the Sun Protection Collection of sun-protective clothing in the spring and summer seasons. Not only does the sun-protection jacket fulfill the sun-blocking needs, but it also ensures high breathability and comfort, while its enhanced cool-touch feature provides a cooler sensation against the skin. The newly developed Sun Protection Collection features upgraded fabrics that are lighter, thinner and more comfortable. The icy, cool and soft tones and colorful tie-dye patterns, as well as technological decorative details, are designed to bring consumers a fashionable and comfortable experience in the sunny summer. Meanwhile, this season's collection is expanded with new styles for parents and children, menswear, icy trousers and accessories (icy sleeves/caps/masks).

Urban Light Outdoor Collection:

In 2024, Bosideng introduced an innovative urban light outdoor series to its collection of sun-protective clothing, adding a stylish and fashionable edge to the sun-protective clothing with vibrant fresh bright colors and dual-color patching. The diverse punching details improve physical breathability while voluminous silhouettes cater to the needs of younger consumers. For the women's versions, various waist-cinching and slim-fitting cuts, paired with concise designs, create a perfectly proportioned overall look. Not only is this collection suitable for daily outdoor scenes, but it also offers simple dual-tone options, making it a vibrant light sports style that meets consumers' diverse outdoor wearing needs.

Windbreaker Collection:

In 2024, Bosideng launched a new series of windbreakers products. These products strike a balance between fashionable and functional protection with "waterproof, windproof and breathable" performance. Catering to diverse styles and fashion needs, they are extended into multiple scenario-based categories such as "wind shell, soft shell and hard shell", providing customers with light protective functional jackets that are suitable for urban and outdoor wear.

Goose Down Windbreaker Collection:

To meet the needs of contemporary consumers, Bosideng has developed down apparel that is suitable for both urban and natural environments. This collection utilizes windproof, waterproof and more breathable technological fabrics for superior protection against wind and chill. It features an upgraded heat and humidity balance system version 2.0, and employs high-quality goose down with a fill power of 700+, ensuring comfort and warmth while incorporating unique fashion elements. With its versatile functionality, this clothing can adapt to temperature changes, satisfying consumers' needs for seamless transitions across various scenarios.

Puff Collection:

Bosideng is pushing beyond conventional limits, evolving its down apparel from traditionally bulky styles to comfortable and warm puff down apparel, and consistently spearheading their upgrade and innovation. This smart warm Puff collection focuses on ultra-light, ultra-fluffy and ultra-comfortable, crafting from microfiber and lightweight, durable fabrics to provide a soft and exquisite experience. Adorned in ultra-cool, on-trend colors, they infuse a sense of fashion into the chilly winter months. For this season, Bosideng has partnered with Italian fashion brand MSGM to release an entirely new Puff down apparel collection, seamlessly blending boundless imagination with unparalleled professional craftsmanship, thereby leading a new fashion style of down apparel.

Co-branded Designer Collections:

Firstly, Bosideng joined forces with Errolson Hugh, the godfather of functional fashion, to create the all-new VERTEX series, sparking a fresh wave of outdoor-tech style. By launching the exclusive collection on the Dewu platform, the limited-edition pieces sold out in just one hour. Secondly, Bosideng partnered with Italian streetwear label MSGM to introduce the Puff collection, setting new fashion heights. Endorsed by numerous celebrities and fashion influencers, the collection gained widespread consumer acclaim, meeting diverse demands for winter down apparel. Thirdly, Bosideng teamed up with contemporary paper-cutting artist Chen Fenwan to release a Lunar New Year limited edition, reinforcing the brand's 49-year legacy of "warming Chinese families." Deeply rooted in festive and cozy scenarios, the collection was widely embraced by consumers.

Extreme Cold/Polar Expedition Collection:

In 2024, Bosideng introduced an enhanced and entirely new Polar Expedition collection of down apparel, which innovatively features Dynamic Cold Resistance Technology. This groundbreaking collection incorporates a polar bear-inspired down chamber structure, an Antarctic shark-gill moisture-venting and breathable system, and an ergonomic load-alleviating system, resulting in superior warmth, enhanced breathability, and reduced weight. The collection, identical to products used by Chinese Arctic and Antarctic expeditions, meticulously selects 90% high-down content, 800+ high-loft water-resistant goose down, and professional high-efficiency windproof GORE-TEX fabric for outdoor use. It provides all-around cold resistance and warmth, meeting the ultimate cold protection needs for traveling in high-altitude and extremely cold regions.

Multi-brand Strategies

While emphasizing the development of the Bosideng brand and repositioning Bosideng as a mid- to high-end brand of functional apparel, the Group adhered to the strategy of "Down apparel+" to continuously develop and position its branded down apparel business under its mid-end brand Snow Flying, to achieve full coverage through the differentiated positioning of each brand, thereby strengthening the core business of down apparel and maximizing its market share.

Snow Flying

In FY2024/25, the Snow Flying brand recorded revenue of approximately RMB2,205.5 million, representing a year-on-year growth of 9.2%. Focusing on the cost-effective down apparel market, Snow Flying has strengthened its brand differentiation and continued to develop its online business. The Group has achieved stable growth by focusing on category value innovation and extension, integrating core channel resources, breaking through with key customers, and reshaping brand user perception.

For its brand, the Snow Flying brand taps into its inherent "ice and snow" gene to forge a distinctive winter culture identity. Aligning with its brand vision as "China's Premier Snowy Down Apparel Brand" and its mission to "create a wonderful life for all", it reshapes brand user perception through a brand positioning rooted in "sports, functionality, and fashion".

For business expansion, the Snow Flying brand actively developed its online strategic platforms and focused on expanding and strengthening its core online sales channels. Leveraging with both brand and platform IP resources for promotion, it has achieved remarkable success, including securing 2nd place as an inclusive down apparel brand for the year on the Tmall platform. Through the brand's e-commerce self-broadcasting and live streaming, as well as combining with the Snow Flying experience stores to carry out real-time broadcasting, etc., to connect the online and offline channels, and enhance the user experience. In addition, the brand further amplified its market impact via strategic partnerships with top-tier fashion key opinion leaders ("**KOLs**"), invited high-quality KOLs as "Brand Recommender", with their influence to enhance product exposure, drive sales conversion, and foster multi-channel business collaboration.

For customer development, the Snow Flying brand targets young women aged 18 to 35 as its core customer base, a demographic that values trends, quality and popularity. With in-depth insight into these consumer traits, the brand continues to innovate and offer products that are high in value, diverse in style and fashionably adaptable. This strategy caters to mainstream consumers' love for life and willingness to share, thereby strengthening its foothold in the segmented market.

Bengen

In FY2024/25, the Bengen brand recorded revenue of approximately RMB126.6 million, representing a year-on-year decrease of 12.9%. In FY2024/25, Bengen persisted in expanding its online channels, explicitly targeting the new generation of high-quality people as its core clientele. The brand is committed to becoming the top-choice down apparel brand for this demographic in China.

Revenue from branded down apparels business by brand

	For the year ended March 31,				
	2025		2024		
Brands	***RMB million***	***% of branded down apparel revenue***	*RMB million*	*% of branded down apparel revenue*	*Change*
Bosideng	**18,481.0**	**85.3%**	16,784.5	86.0%	10.1%
Snow Flying	**2,205.5**	**10.2%**	2,018.9	10.3%	9.2%
Bengen	**126.6**	**0.6%**	145.4	0.8%	-12.9%
Others*	**855.1**	**3.9%**	572.5	2.9%	49.4%
Total revenue from branded down apparels business	**21,668.2**	**100.0%**	19,521.3	100.0%	11.0%

Revenue from branded down apparels business by sales category

	For the year ended March 31,				
	2025		2024		
Sales categories	***RMB million***	***% of branded down apparel revenue***	*RMB million*	*% of branded down apparel revenue*	*Change*
Self-operated	**15,089.5**	**69.6%**	14,345.1	73.5%	5.2%
Wholesale	**5,723.6**	**26.4%**	4,603.7	23.6%	24.3%
Others*	**855.1**	**4.0%**	572.5	2.9%	49.4%
Total revenue from branded down apparels business	**21,668.2**	**100.0%**	19,521.3	100.0%	11.0%

* *Represents revenue from sales of raw materials which are related to down apparel products*

In FY2024/25, the Group further optimized its sales channels quality to increase their operational efficiency. On the one hand, by consolidating and expanding the Top Stores system, the Group will customize "one store, one design" and "one store, one strategy" approach to cater different customers' needs, thereby effectively communicating the brand story. Meanwhile, through in-depth collaboration with key Top Stores managers, the Group will develop replicable and promotable models, formulate clear implementation plans, and steadily enhance channel management and operational capabilities. On the other hand, the Group will further upgrade the tiered channel operation system, improve consumer-centric tiered channel management standards, strengthen the differentiated allocation of resources based on store formats to meet the needs of different customer segments, significantly enhancing the refined store operations.

In terms of solidifying single-store operations, the Group optimized resource allocation based on customer needs, focusing on core events, key projects and major holidays to enhance overall operational efficiency. By assigning responsibilities to various individuals at different levels, the Group established a comprehensive and effective high-frequency planning and inspection closed-loop mechanism to ensure the implementation of all measures. At the same time, by promoting the business process transformation of "store-centric and customer value-oriented", the effective implementation of a closed-loop single-store operation strategy is achieved, thereby continuously improving store profitability and customer satisfaction.

As of March 31, 2025, the total number of regular retail stores of the Group's down apparel business (excluding peak-season stores) (net) increased by 253 to 3,470 as compared to that as at the end of the previous financial year; self-operated retail stores (net) increased by 100 to 1,236 and retail stores operated by third-party distributors (net) increased by 153 to 2,234. The self-operated retail stores and those operated by third-party distributors accounted for 35.6% and 64.4% of the entire retail network respectively. Among the total retail stores of the Group's branded down apparel business, approximately 31.2% were located in first-and second-tier cities (i.e. Beijing, Shanghai, Guangzhou, Shenzhen and provincial capital cities in China) and approximately 68.8% were located in third-tier cities or lower-tier ones.

Retail network breakdown by down apparel brand

As at March 31, 2025	*Bosideng* Number of stores	*Bosideng* Change	*Snow Flying* Number of stores	*Snow Flying* Change	*Bengen* Number of stores	*Bengen* Change	*Total* Number of stores	*Total* Change
Specialty stores								
Operated by the Group	707	38	11	1	–	–	718	39
Operated by third party distributors	1,714	97	70	(38)	–	–	1,784	59
Subtotal	2,421	135	81	(37)	–	–	2,502	98
Concessionary retail outlets								
Operated by the Group	431	38	87	23	–	–	518	61
Operated by third party distributors	355	37	95	57	–	–	450	94
Subtotal	786	75	182	80	–	–	968	155
Total	3,207	210	263	43	–	–	3,470	253

Change: Compared with that as at March 31, 2024

Retail network of down apparel business by region

	As at March 31, 2025	As at March 31, 2024	Change
Eastern China	**1,151**	1,050	101
Central China	**761**	702	59
Northern China	**288**	259	29
Northeast China	**396**	336	60
Northwest China	**382**	360	22
Southwest China	**492**	510	(18)
Total	**3,470**	3,217	253

Region
Eastern China: Jiangsu, Anhui, Zhejiang, Shanghai, Fujian, Shandong
Central China: Hubei, Hunan, Henan, Jiangxi, Guangdong, Guangxi, Hainan
Northern China: Beijing, Tianjin, Hebei
Northeast China: Liaoning, Jilin, Heilongjiang, Inner Mongolia
Northwest China: Xinjiang, Gansu, Qinghai, Shaanxi, Ningxia, Shanxi
Southwest China: Sichuan, Tibet, Chongqing, Yunnan, Guizhou

In FY2024/25, in addition to a number of regular types of stores as mentioned above (e.g. flagship stores, high-end stores, mainstream stores and mass stores, etc.), the Group had also established over 1,500 peak-season stores (peak-season stores mainly refer to stores that are operated in peak seasons for one week to three months, mainly in provincial capital cities, with popular seasonal Top Sellers as the mainstay products for sale. They were located mainly in core business districts and sports venues).

OEM Management Business:

In FY2024/25, the Group's revenue from the OEM management business amounted to approximately RMB3,373.4 million, representing 13.0% of the Group's total revenue and an increase of 26.4% as compared to that in the previous financial year. The Group's top five customers accounted for approximately 90.4% of the total revenue of the OEM management business.

In FY2024/25, despite external challenges such as geopolitical risks and downturns in some regional markets, the OEM management business maintained a healthy and robust development momentum. It was primarily attributed to the following: Firstly, the Group focused on its core customers, built a core competitive edge in original equipment manufacturer (OEM) and original design manufacturer (ODM) management business, developed new product categories and conducted technological innovation, thereby achieving a steady increase in orders from core customers. Secondly, the Group actively cultivated more new, high-quality customers, with new orders bringing stable and premium increments to the OEM management business. Thirdly, the Group strengthened quick order response capabilities, flexibly matching the pace of the customers' order placement and consumer demands to enhance customer satisfaction and market responsiveness. Fourthly, by continuously maintaining and expanding production capacity overseas, establishing efficient and open management mechanisms that effectively align with global supply chain trends, the Group has further boosted customer confidence.

Due to a slight increase in processing costs at overseas partner factories, the gross profit margin of the OEM management business decreased by 1.5 percentage points in FY2024/25 as compared to the same period of the previous financial year, reaching approximately 19.1%.

Ladieswear Apparel Business:

The Group operates four mid-range and high-end ladieswear brands. After 20 to over 30 years of brand development, the four brands present a rich, multi-tiered product portfolio with unique, differentiated styles. JESSIE focuses on the internal search for self, leisurely self-adaptation, and embodies the elegance, relaxation, and wit of women; BUOU BUOU embodies the gentleness, confidence, and self-appreciation of women, and is designed to be more delicate, elegant, and romantic; KOREANO highlights simplicity, smoothness, and comfort, allowing customers to have the ultimate wearing experience, with a style that is more casual, cool, and conveys a sense of the wearer's astuteness; KLOVA is positioned as a brand for a simple and classic style, targeted at women who are pursuing understated luxury, advocating for self-expression with a taste for individuality, creating a uniquely characteristic product series. In the highly competitive ladieswear market in China, the Group has won the favor of Chinese female consumers through the distinctive images of its rich, multi-tiered product portfolio and brand positioning.

In terms of brand management, the four ladieswear brands, based on different characteristics and attributes, leveraged membership operations and content promotion. Firstly, the Group focused on creating differentiated brand styles, strengthening brand image recognition, upgrading the visual system and iterating the store image in order to enhance the shopping experience; Secondly, through diversified approaches such as cross-over collaborations and partnering with celebrities and KOLs, the Group expanded its brand communication channels and target audience groups and built up a diversified brand culture. Thirdly, by leveraging major brand events to create highly influential and high-profile marketing nodes, the Group showcased brand core values, and enhanced brand voice. Fourthly, the Group further integrated brand building with the development of its membership operation system. Through optimization of members' operation system, the Group increased its interaction with consumers and developed the repurchasing cycle management.

In terms of product development, the Group adopted the following measures. Firstly, by upholding the market and customer-oriented concept, the Group improved the design and development process to establish a comprehensive design database, and enhance information sharing and R&D efficiency among various departments and designers. Secondly, the Group focused on the core product categories and key promotional products, reduced the number of models developed, and ensured precise market launch. Thirdly, the Group integrated external resources and carried out joint cooperation, thus further diversifying and enriching the product offering. Fourthly, the Group was committed to aligning its commodity management with its multi-tiered store operations, satisfying consumers' diverse needs and improving its commodity management efficiency with such methods as style classification, and price-range stratification.

In terms of sales channel development, the Group redefined existing stores and gradually realized multilevel management of stores on the one hand, based on the principle of "matching sales channels with merchandise" and, on the other hand, the Group continuously optimized the channel structure, advanced the strategy of "opening large flagship stores and high-quality stores", and promoted the layout and development of the core regional market. Through effective integration of resources, empowering terminal stores through middle and back-end collaboration, and planning regional marketing activities, the Group aims to establish an efficient and collaborative operation and management model for core regional TOP Stores. In terms of online channels, ladieswear brands strengthen new retail empowerment, covering live streaming across various platforms to effectively divert traffic and enhance the conversion capacity of online traffic. The Group will deepen the private domain store operations, establish customer data pools and personalized marketing mechanisms, so as to boost consumers' repurchase rate and help improve overall sales performance.

In FY2024/25, affected by the persistently sluggish market environment, the revenue from the Group's ladieswear apparel business was approximately RMB651.1 million, representing a decrease of 20.6% as compared with that in the previous financial year. The contribution from the ladieswear apparel business to the Group was 2.5%, with the proportion continuing to decline along with a continuous drop in profitability. The revenue breakdown for each ladieswear brand was as follows:

Revenue from ladieswear apparel business by brand

	For the year ended March 31,				
	2025		2024		
Brands	***RMB million***	***% of ladieswear apparel business revenue***	*RMB million*	*% of ladieswear apparel business revenue*	*Change*
JESSIE	**252.9**	**38.8%**	302.7	36.9%	-16.4%
BUOU BUOU	**147.1**	**22.6%**	198.1	24.2%	-25.7%
KOREANO and KLOVA	**251.1**	**38.6%**	319.0	38.9%	-21.3%
Total revenue from ladieswear apparel business	**651.1**	**100.0%**	819.8	100.0%	-20.6%

Revenue from ladieswear apparel business by sales category

	For the year ended March 31,				
	2025		2024		
Sales categories	***RMB million***	***% of ladieswear apparel business revenue***	*RMB million*	*% of ladieswear apparel business revenue*	*Change*
Self-operated	**602.9**	**92.6%**	763.0	93.1%	-21.0%
Wholesale	**48.2**	**7.4%**	56.8	6.9%	-15.1%
Total revenue from ladieswear apparel business	**651.1**	**100.0%**	819.8	100.0%	-20.6%

Fashion Ladieswear – JESSIE

In FY2024/25, the JESSIE brand clearly defined its brand, customer, product, and business format positioning. It deeply explored the brand's essence, revitalized its brand DNA, solidified its core brand competitiveness, and formulated a medium- to long-term operation strategic plan, thereby initiating a new phase of transformation in business format, regional presence, and R&D. Insisting on brand leadership, the JESSIE brand has developed a trinity communication model of "international events + traditional culture + artistic cross-over", actively engaged in external communication to reshape brand image, thereby improving brand market awareness, recognition, and loyalty. Through new product launch events and innovative media promotions, the Group conveyed brand value to partners and consumers, boosting brand influence and operational confidence. In terms of products development, adhering to the design philosophy of "Elegance, Relaxation, and Wit", we took insights into consumption trends, and conducted research on the needs of its core consumer groups. Focusing on core categories, through series innovation and silhouettes optimization, etc., we provided contemporary oriental women with a refined, intellectual, effortlessly elegant, practical, and high-quality apparel experience. In terms of channels, we optimized the channel layout with a focus on core regions by increasing the proportion of high-potential channels such as fashionable shopping centers and key commercial systems. Within the distribution segment, taking continuous advantage of the "Winning Leader Program", we prioritized the development of key customers tiers, implementing strategic policies and fostering empowerment support to cultivate a sustainable operation model. In retail operations, we reinforced standardized terminal services and management through the implementation of differentiated store operation strategies and the establishment of peak weeks and benchmark stores, driving growth in membership and new retail operations. In supply chain, we integrated internal and external resources to strengthen quality management and cost control, thereby enhancing overall supply chain collaboration.

Fashion Ladieswear – BUOU BUOU

In FY2024/25, BUOU BUOU ladieswear focused on enhancing single-store efficiency and overall operational quality, achieving quality enhancement and efficiency improvement through branding, channels, products, and marketing. In terms of brand rebuilding, BUOU BUOU ladieswear joined hands with Wuhan SKP to host its 20th anniversary grand show, strengthening brand exposure and announcing the brand's return to the mainstream market, thereby reshaping consumer perception. It also launched its 8th-generation store image, upgrading key stores to provide consumers with a superior shopping experience. In terms of channel optimization, BUOU BUOU ladieswear readjusted its channel structure and layout, closed inefficient and loss-making stores, increased cooperation with high-end commercial complexes, and engaged closely with high-traffic quality customer groups. For product innovation, leveraging its 20-year legacy of specializing in dresses, BUOU BUOU has revived classics with new life, reinterpreted the extraordinary essence through its four iconic classic collections: "Ballet, Hepburn, Magic, Lace". This approach has won unanimous recognition from consumers. At the same time, by integrating latest trends in ladieswear, BUOU BUOU actively explored new categories and developed new lines, including the "Luxury Two Kilometers" comfortable suit collection designed for versatile wear across various occasions. To boost operational efficiency, BUOU BUOU has established an exclusive membership program to enhance engagement with members and drive repeated purchases, utilizing digital tools to foster member loyalty. Further, BUOU BUOU partnered with nine key sales cities to execute the "Nine Cities, Nine Shows" marketing initiative, consolidating resources to elevate the quality of these marketing campaigns and strengthen the brand's exposure and customer loyalty in our core markets.

Fashion ladieswear – KOREANO and KLOVA

In FY2024/25, while maintaining the original product styles of both brands, KOREANO and KLOVA ladieswear expanded their collections by introducing the youthful KOREANO E line and BETWEEN line, and as well as launching online-exclusive complementary styles and high-traffic items to support the layout and rapid development of the online live streaming business.

In terms of business models, both the KOREANO and KLOVA brands have consistently prioritized member services. They achieved this through invitation-based sales, consignment, and daily interactive marketing, complemented by year-round member activities aligned with mall anniversary, holidays, and member months. From daily wear tips, styling services, regular designer-led "customization salons", to in-store live streaming, they convey brand culture, product design concepts, new product styling recommendations and value-added services to customers, continuously enhancing the customer experience. In terms of brand promotion, they amplified content promotion across mainstream online platforms and increased the quantity and quality of product stories and short videos content to boost brand awareness, thus achieving multi-dimensional membership acquisition, reactivation, and growth. In terms of sales channel expansion, the brands have concentrated on the strategy of "increasing market penetration in core regions, closing down small stores while opening larger ones". This approach, coupled with renovations of key stores while expanding into new sales channels, enabled the brands to cultivate key markets. Concurrently, the brands established an omni-channel live streaming presence to achieve regional coverage and increase sales opportunities. In terms of product upgrades, through R&D model innovation such as splitting product development into short and long cycles and reducing the proportion of first orders, the brands reduced the number of style developed and the proportion of slow-moving items, while investing more in product design, styles, and color application. The brands further optimized product lifecycle and discount management for inventory across different age categories, gradually enhancing product competitiveness and stabilizing the overall discount rate.

As of March 31, 2025, the total number of retail outlets of the Group's ladieswear apparel business decreased by 52 (net) to 373, self-operated retail outlets decreased by 41 (net) to 288 and the number of retail outlets operated by third party distributors decreased by 11 to 85, compared with the figures in the previous financial year. Self-operated retail outlets and those operated by third party distributors accounted for 77.2 % and 22.8% of the entire retail network, respectively. Approximately 62.2% of the total retail outlets of the Group's ladieswear apparel business are located in first-and second-tier cities (i.e. Beijing, Shanghai, Guangzhou, Shenzhen and other provincial capital cities in China) and approximately 37.8% are located in third-tier cities or lower-tier ones.

Retail network breakdown by ladieswear brand

	JESSIE		***BUOU BUOU***		***KOREANO***		***KLOVA***		***Total***	
As at March 31, 2025	Number of stores	Change	Number of stores	Change	Number of stores	Change	Number of stores	Change	Number of stores	Change
Specialty stores										
Operated by the Group	1	–	4	(4)	–	–	–	–	5	(4)
Operated by third party distributors	9	(1)	3	(1)	–	–	–	–	12	(2)
Subtotal	10	(1)	7	(5)	–	–	–	–	17	(6)
Concessionary retail outlets										
Operated by the Group	105	(5)	62	(30)	66	2	50	(4)	283	(37)
Operated by third party distributors	60	(3)	13	(6)	–	–	–	–	73	(9)
Subtotal	165	(8)	75	(36)	66	2	50	(4)	356	(46)
Total	175	(9)	82	(41)	66	2	50	(4)	373	(52)

Change: Compared with those as at March 31, 2024

Retail network of ladieswear apparel business by region

	As at March 31, 2025	As at March 31, 2024	Change
Eastern China	**45**	54	(9)
Central China	**121**	139	(18)
Northern China	**34**	38	(4)
Northeast China	**41**	48	(7)
Northwest China	**77**	84	(7)
Southwest China	**55**	62	(7)
Total	**373**	425	(52)

Region
Eastern China: Jiangsu, Anhui, Zhejiang, Shanghai, Fujian, Shandong
Central China: Hubei, Hunan, Henan, Jiangxi, Guangdong, Guangxi, Hainan
Northern China: Beijing, Tianjin, Hebei
Northeast China: Liaoning, Jilin, Heilongjiang, Inner Mongolia
Northwest China: Xinjiang, Gansu, Qinghai, Shaanxi, Ningxia, Shanxi
Southwest China: Sichuan, Tibet, Chongqing, Yunnan, Guizhou

Diversified apparel business segment

In FY2024/25, revenue from the Group's diversified apparel business segment was approximately RMB209.0 million, representing an increase of 2.8% compared with that of the previous financial year. Notably, the school uniform business developed by the Group since 2016 recorded an increase of 3.0% in revenue in FY2024/25. Revenue from that business segment in FY2024/25 was as follows:

Revenue from the diversified apparel business by brand

	For the year ended March 31,				
	2025		2024		
Brands	***RMB million***	***% of diversified apparel business revenue***	*RMB million*	*% of diversified apparel business revenue*	*Change*
Sameite	**194.2**	**92.9%**	188.5	92.8%	3.0%
Other brands and others	**14.8**	**7.1%**	14.7	7.2%	0.7%
Total revenue from diversified apparel business	**209.0**	**100.0%**	203.2	100.0%	2.8%

Revenue from diversified apparel business by sales category

Sales categories	For the year ended March 31, 2025 RMB million	2025 % of diversified apparel business revenue	2024 RMB million	2024 % of diversified apparel business revenue	Change
Self-operated	**198.8**	**95.1%**	188.5	92.8%	5.4%
Wholesale	**8.6**	**4.1%**	13.4	6.6%	-36.0%
Others*	**1.6**	**0.8%**	1.3	0.6%	20.9%
Total revenue from diversified apparel business	**209.0**	**100.0%**	203.2	100.0%	2.8%

* *Represents rental income*

School uniform business – Sameite

During FY2024/25, the school uniform business under the diversified apparel business segment continued to operate under the Sameite brand. Adhering to the design concept of "carrying education with clothes and inheriting culture through apparel", the Sameite brand insists on is providing students with safe, comfortable, fashionable and functional school uniforms, and is committed to equipping every child for their educational journey. Currently, the Sameite brand serves more than 500 schools, with an annual supply of over one million pieces.

During FY2024/25, the Sameite brand continued to focus on user services. In terms of brand building, the brand influence was enhanced through online multi-media promotion, campus resources connection, and cross-channel publicity, while offline scenario-based activities enhanced the interactive experience with customers and strengthen brand recognition. For channel upgrades, on the one hand, Sameite has established a presence in premium school uniform areas such as Beijing and Shanghai, successfully striving for the share of key school contracts, and reinforced existing partnerships. On the other hand, it also developed benchmark franchise regional agents to expand local brand coverage and drive steady growth in its franchise business. In product development, Sameite kept deepening its warm brand identity, and positioning winter school uniforms as a core category. It won customer loyalty through customized offerings. The winter school uniform category experienced consistent growth, becoming a core product benchmark within the industry and driving transformative development within the sector.

During FY2024/25, the Sameite brand was honored with several prestigious awards in the Chinese school uniform industry, including the Outstanding Enterprise of the Year in the Annual Brand Selection, the Most Influential Brand of the Year, and the Grand Prize in the High School Sports Series at the Chinese School Uniform Design Competition. The Sameite brand also won the First Prize in the Junior High School Formal Series, the First Prize in the High School Formal Series, the First Prize in the Kindergarten Uniform Series, and the First Prize in the Elementary School Formal Series. Furthermore, the Sameite brand was recognized as a Leading Brand in Quality in the National School Uniform Industry, and as a National Product and Service Quality Integrity Model Enterprise.

During FY2024/25, the revenue from school uniform business of the Sameite brand amounted to approximately RMB194.2 million, representing a slight increase of 3.0% compared with that of the previous financial year.

Children's wear business, MAN and HOME business

Since FY2018/19, the Group had started to downsize the MAN and HOME business under the diversified apparel business segment. The projects in cooperation with the Japanese brand Petit main had also been significantly scaled back.

ONLINE SALES

Since the Group's strategic transformation in 2018, online sales channels have always been a key focus for the layout and continuous development of the Group. It has consistently demonstrated stable and high-quality growth. During FY2024/25, consumer behavior trended towards increased rationality, with the traditional e-commerce platform gradually entering a phase characterized by market share competition. Brand competition dynamics and strategies continued to evolve, with leading brands further solidifying their market dominance. Meanwhile, content-driven e-commerce platforms experienced shifts in traffic patterns, achieving rapid growth through content, e-commerce, and advertising traffic. In response to these trends, the Group focused on enhancing its online platform capabilities and operational efficiency through strategies including prioritizing core product categories, executing integrated brand campaigns, focusing on content innovation, engaging in cross-category marketing campaigns and refining operational processes to achieve high-quality growth.

In terms of brand building, the Group has continued to consolidate its industry-leading position on the online platforms and has deeply cultivated its industry segment, continuously building its core competitive advantages. By emphasizing core product categories, innovating functional design, and highlighting product advantages and fashionable styles, the Group ranks at the forefront of product categories. Through intensive brand campaigns, the Group expanded its brand influence through such tactics such as new product launches, brand ambassador live streams, and co-creation with IP owners. Furthermore, the Group emphasized holiday marketing strategies on online platforms, integrating high-quality platform resources, deeply developing high-quality users, achieving precise matching of people and goods, and proactively planning sales hotspots, thereby achieving both strong brand presence and robust sales on online platforms.

In terms of customer membership operation, the Group continued to expand its customer base in an effective way. On one hand – it attracts high-value new users by conducting cross-category marketing and cooperating with brands in various categories, while increasing the number of members and enhance fan loyalty; on the other hand, the Group focused on the accumulation and cultivation of high-quality members by refining the membership management through market segmentation and organizing activities such as members' day on a regular basis with the aim of increasing the proportion of members with high values in the membership, thus increasing the members' contribution to revenue.

In terms of the expansion of emerging platforms, the Group has consistently kept pace with the times, actively promoting the construction and development of new platforms such as Douyin. During FY2024/25, the Group optimized organizational structure of its online content platforms, with a strong focus on self-operated initiatives, content enhancement, and new product launches. In terms of content innovation and platform marketing, in September 2024, the Group integrated a trendy focal IP promotion on the Douyin platform for ultralight down apparel and hosted the "Metamorphosis" extravaganza in Shanghai, illuminating the Shanghai Tower and driving a surge in sales of light down jackets. Meanwhile, the Bosideng brand pioneered new sales approaches on Douyin through Professional Generated Content ("**PGC**") innovations in livestreaming, boosting new product sales and setting industry trends. Regarding online store operations on emerging platforms, the Group continued to consolidate the "single-stores' operation" by categorizing and managing them as sub-category stores and regional Top Stores. This strategy formed a "rocket-type" sales channel matrix, with the official flagship store as the core driver and sub-category and regional Top Stores as key supporting pillars, enabling multi-dimensional, high-quality growth. Additionally, the Group expanded its self-operated stores and team development, with the proportion of self-operated sales on emerging online platforms increasing year over year, ensuring more stable long-term growth. As of March 31, 2025, over approximately 80% of Bosideng's revenue from Douyin was generated from live-stream sales.

During FY2024/25, revenue from the total online sales conducted by the Group's brands was RMB7,575.4 million, representing a year-on-year increase of 9.3%. Revenue from the online sales of the branded down apparel business and ladieswear apparel business were approximately RMB7,478.2 million and RMB97.2 million, respectively, accounting for 34.5% and 14.9% of the revenue of the branded down business and ladieswear apparel business, respectively. By sales category, revenue from the self-operated and wholesale businesses through online sales amounted to approximately RMB6,881.0 million and RMB694.4 million, respectively.

OPERATION OF JOINT VENTURE AND ASSOCIATE COMPANIES

JOINT VENTURE

On December 1, 2021, Bosideng International Fashion Limited (a direct wholly-owned subsidiary of the Company) ("**BSD Fashion**") and Bogner (a German company) entered into a joint venture agreement in relation to the formation of a joint venture ("**Bogner Joint Venture**"). The Bogner Joint Venture is granted the exclusive right to sell and distribute apparel under BOGNER and FIRE+ICE in mainland China, Hong Kong, China, Macau, China and Taiwan, China.

During FY2024/25, the Bogner Joint Venture concentrated on China's high-end ski-fashion consumer segment through its integrated strategy of "brand awareness activation, strong product-market performance, channel optimization, and tiered customer operations" to strengthen its brand recognition as "the global leader in luxury professional skiing" in the local market. In terms of brand building, the Bogner Joint Venture made its debut in China by hosting the "Bogner China Legend Show" at Wanlong Ski Resort in Chongli, paying tribute to its rich heritage. The exhibition featured iconic pieces including: professional ski suits worn by Mr. Willy Bogner; the pioneering stirrup ski pants originally designed by his wife, Mrs. Maria Bogner; classic film costumes from productions directed by Willy Bogner Jr. Not only did this showcase honor the brand's legacy, but it also strengthened the cultural resonance and brand equity in the market. Regarding product development, the Spring/Summer 2024 collection adapted German sportswear DNA for the Chinese market across various scenarios, including classic skiing, urban outdoor activities and business athletic occasions, to meet diverse consumer needs. The Winter collection, on the other hand, primarily features high-end luxury skiwear, further reinforcing Bogner's luxury-professional positioning. The newly launched resort ski collection, upon its release, was immediately favored by consumers. For channel strategy, by entering high-end shopping centers in first-tier cities, ski resorts, and online platforms, Bogner gradually enhanced its market penetration in the high-end Chinese market, thereby strengthening its influence among the target consumer group.

ASSOCIATES

To further develop a multi-dimensional brand matrix, the Group made a strategic investment in the Canadian luxury downwear brand Moose Knuckles during FY2024/25. Through this strategic investment, the Group has become a key investor in Moose Knuckles with an approximate 31.6% equity interest, making it an associate company of Moose Knuckles. The globally renowned private equity firm Cathay Capital remains the controlling shareholder of Moose Knuckles. For details, please refer to the section titled "SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS ACQUISITIONS."

In addition, to further expand overseas production capacity and strengthen the integration of upstream resources, the Group also invested in other joint ventures and associates, including manufacturing facilities in Vietnam and Indonesia, as well as raw material suppliers in China, all of which maintained healthy operations during FY2024/25.

For FY2024/25, the Group recorded a loss to its proportionate shareholding in joint ventures and associates of approximately RMB22.0 million.

GROSS PROFIT

Gross profit of the Group increased by 7.3% to RMB14,839.9 million in FY2024/25 from approximately RMB13,833.5 million in the previous financial year.

In terms of gross profit margin, the gross profit margin of the branded down apparel segment decreased by 1.6 percentage points to 63.4%, primarily due to the following three key factors, (i) changes in channel structure: the wholesale channels outperformed self-operated channels in sales growth in FY2024/25, while maintaining lower gross profit margins than self-operated channels; (ii) changes in product portfolio: new categories such as sun-protective clothing introduced under the Bosideng brand carried relatively lower gross profit margins compared to down apparel products; (iii) cost changes: the increase in the procurement costs of key raw materials including down feathers during FY2024/25. For OEM management business, the gross profit margin declined by 1.5 percentage points year-on-year to 19.1%, mainly attributable to a slight increase in processing cost at overseas partner factories. For the ladieswear apparel business, the gross profit margin decreased by 4.3 percentage points to 63.2% due to intense market competition and adjustment of product structure.

Given the abovementioned factors, considering the faster revenue growth of the OEM management business compared to the branded down apparel business segment, and the structural adjustment brought about by the OEM management business having a lower gross profit margin than the branded down apparel business segment, the Group's overall gross profit margin for FY2024/25 decreased slightly by 2.3 percentage points to 57.3% as compared to that in the previous financial year.

The table below sets out the analysis on the gross profit margin of each brand:

	For the year ended March 31,		
Brands	**2025**	2024	Change (percentage point)
Bosideng	**69.0%**	69.6%	-0.6
Snow Flying	**42.8%**	46.0%	-3.2
Bengen	**24.2%**	39.2%	-15.0
Branded down apparel business	**63.4%**	65.0%	-1.6
OEM Management Business	**19.1%**	20.6%	-1.5
JESSIE	**58.7%**	64.8%	-6.1
BUOU BUOU	**52.2%**	59.9%	-7.7
KOREANO and KLOVA	**74.0%**	74.9%	-0.9
Ladieswear apparel business	**63.2%**	67.5%	-4.3
Diversified apparel business	**21.7%**	20.2%	+1.5
The Group	**57.3%**	59.6%	-2.3

OPERATING PROFIT

In FY2024/25, the Group's operating profit increased steadily by 12.9% to approximately RMB4,966.9 million. The operating profit margin was 19.2%. The increase in operating profit was mainly due to the Group's focus on efficiency regarding the selling and distribution expenses and administrative expenses in daily operations as well as the steady growth in revenue and excluding the goodwill impairment of the ladieswear apparel business, the operating profit increased steadily and with high quality. In summary, the Group's operating profit margin increased by 0.3 percentage points as compared with that in the previous financial year.

DISTRIBUTION EXPENSES

In FY2024/25, the Group's distribution expenses, mainly comprising advertising and promotion expenses, depreciation charge of right of use assets, contingent rents and sales personnel expenses, amounted to approximately RMB8,523.8 million, representing an increase of 5.8% as compared with approximately RMB8,055.1 million in the previous financial year. The distribution expenses as a percentage of the Group's total revenue decreased by 1.8 percentage points to 32.9% from 34.7% in FY2023/24, due to the improvement of operational efficiency.

ADMINISTRATIVE EXPENSES

The Group's administrative expenses, mainly comprising salary and welfare, amortization of fees for share options, depreciation and consultancy expenses, amounted to approximately RMB1,652.3 million in FY2024/25, representing an increase of 9.6% as compared with approximately RMB1,507.9 million in the previous financial year. Administrative expenses as a percentage of the Group's total revenue slightly decreased by 0.1 percentage points to 6.4% from 6.5% in FY2023/24.

FINANCE INCOME

The Group's finance income decreased by 0.8% to approximately RMB371.3 million in FY2024/25 from approximately RMB374.2 million in the previous financial year, mainly due to the exchange losses during FY2024/25.

FINANCE COSTS

In FY2024/25, the Group's finance costs decreased to approximately RMB167.0 million, representing a decrease of 22.8% compared with that in the previous financial year. The decrease in finance costs was mainly due to the decrease in interest expenses on convertible bonds during FY2024/25.

TAXATION

Income tax expenses increased to approximately RMB1,596.5 million in FY2024/25 from approximately RMB1,421.1 million. The effective tax rate was approximately 31.0%. The increase in income tax expenditure is primarily due to an anticipated expansion in the Group's management and deployment in overseas capital in response to the requirement of overseas capital, which in turn has led to an increase in PRC dividend withholding tax corresponding to the dividend distributed during the year and expected to be distributed in the foreseeable future by domestic subsidiaries to offshore subsidiaries.

DIVIDENDS

The Board recommended the payment of a final dividend of HKD22.0 cents (equivalent to approximately RMB20.1 cents) per ordinary share for the year ended March 31, 2025. The proposed dividend will be paid on or around September 12, 2025 to shareholders whose names appear on the register of members of the Company on August 26, 2025. The proposed dividend shall be subject to approval by the shareholders of the Company at the annual general meeting to be held on or around August 20, 2025 ("**AGM**").

LIQUIDITY AND FINANCIAL RESOURCES

In FY2024/25, the Group's net cash generated from operating activities amounted to approximately RMB3,981.8 million; net cash used in investing activities amounted to approximately RMB3,098.1 million and net cash used in financing activities amounted to approximately RMB2,941.4 million. As at March 31, 2025, the Group's cash and cash equivalents amounted to approximately RMB4,184.8 million.

As at March 31, 2025, the distribution of cash and cash equivalents by currency was as follows:

	RMB'000
Renminbi	2,598,705
US dollar	1,384,363
Pound sterling	2,868
Hong Kong dollar	197,931
Japanese yen	708
Euro	30
Singapore dollar	232
Vietnamese dong	1
Total	4,184,838

In order to obtain reasonable return on the Group's available cash reserves, the Group appropriately increased the amounts placed in time deposits in order to obtain stable returns against the background of the consistently decreasing deposit interest rates at financial institutions. In addition, under the general trend of net value management of financial institutions' treasury market, the market share of capital guaranteed treasury has been significantly reduced. Other financial assets placed in this financial year include a government bond which has expected interest rate of 1.46% per annum. The vast majority of other financial assets are capital non-guaranteed and short-term investments at medium – and low-risks in wealth management subsidiaries of banks in the PRC. The expected but unguaranteed rate of returns on capital guaranteed short-term investments with banks ranged from 1.46% to 2.95% per annum. Other financial securities refer to trading stocks held by Shuo Ming De Investment Co., Ltd. ("**Shuo Ming De Investment**"). Shuo Ming De Investment invested approximately RMB224,921,000 in February 2018 to subscribe for 12,184,230 shares of Jinhong Fashion Group Co., Ltd. (a company listed in Shanghai Stock Exchange with stock code: 603518) ("**Jinhong Group**") through a private placement at a subscription price of RMB18.46 per share. Due to the bonus issue of shares by Jinhong Group in May 2019, the number of shares held by Shuo Ming De Investment increased to 17,057,922 shares, and the investment cost was adjusted to RMB13.19 per share. In July 2021, Shuo Ming De Investment reduced its shareholding in Jinhong Group by 2,787,223 shares by way of centralized bidding, at an average price of RMB24.60 per share. During FY2024/25, Shuo Ming De Investment disposed of its remaining 14,270,699 shares of Jinhong Group at the transaction price ranging from RMB9.105 to RMB10.370 per share.

As at March 31, 2025, the bank borrowings of the Group amounted to approximately RMB896.1 million (March 31, 2024: RMB768.4 million). The convertible bonds matured on December 17, 2024 ("**Maturity Date**"). A total of 500,587,088 shares of the Company (the "**Shares**") were converted before the Maturity Date, and bonds with a face value of USD1,700,000 were redeemed. As of March 31, 2025, there was not any outstanding convertible bond issued by the Group. The gearing ratio (being total borrowings/total equity) of the Group was 5.3% (March 31, 2024: 18.0%).

The Group anticipates that it will be able to arrange with its lenders to obtain new loans to replace the existing borrowings as they fall due in the foreseeable future and, if it is not available, the Group has sufficient cash and assets held for sale to meet its borrowing repayment requirements.

As of March 31, 2025, two major internationally authoritative credit rating agencies, namely Moody's Investors Service ("**Moody's**") and S&P Global Ratings ("**S&P**"), have respectively assigned long-term credit ratings of the Group as "Baa3 (stable outlook)" and "BBB- (stable outlook)". The Group has attained the "double investment grades" from both Moody's and S&P.

SUSTAINABLE DEVELOPMENT

The Group actively responds to important national strategies such as the development of new quality productive forces and "dual-carbon" objective in China, calmly addressing various uncertainties and changes in market dynamics. The Group fully integrates environmental, social and governance ("**ESG**") concepts into all aspects of its operations and management, facilitating its high-quality development of corporations in a sustainable manner.

Selected into the Sustainability Yearbook (China Edition) published by S&P Global

On July 16, 2024, the globally renowned credit rating agency S&P Global published the Sustainability Yearbook (China Edition) 2024. The Group stood out from over 1,700 assessed companies across 60 industries for its excellent performance in the ESG criteria, and was selected into the Sustainability Yearbook (China Edition) 2024 for the first time. On April 15, 2025, the Group was once again selected into the Sustainability Yearbook (China Edition) 2025 published by S&P Global, making it one of the two selected companies in the Chinese brand apparel industry and placing it at a leading level in China's textile and apparel industry.

Continued to be recognized by MSCI, an internationally authoritative institution, with its ESG Rating being upgraded to AA Rating

Morgan Stanley Capital International ("**MSCI**") released its ESG rating report on January 24, 2025, in which the Group's MSCI ESG rating was upgraded from A to AA, placing it as a leading level within China's textile and apparel industry. Such improvement of ESG rating benefited from the Company's excellent performance across various aspects, including product quality enhancement, responsible procurement, product innovation, and corporate governance, etc. As a leading Chinese down apparel brand in the world, Bosideng has always been actively exploring the innovative path for sustainable development, with ESG management permeating all aspects of its corporate strategy and operations.

Release of "1+3+X" ESG strategy and carbon goals

In terms of the establishment and improvement of the ESG system, the Board unanimously approved the "1+3+X" ESG strategy at a Board meeting held in June 2024. Guided by the ESG vision of "leading sustainable fashion with a consumer-oriented approach", the strategy clearly defines three objectives for the short-, medium- and long-term, and implements them through X initiatives focused on "Nature positive, Product positive and People positive".

In terms of carbon pathway planning, the Group has proactively carried out carbon emission accounting for the corporate value chain, covering the entire chain of the Group itself, suppliers, distributors, transport and sale of products, and completed independent carbon verification. On the basis of such a complete carbon data system, the Group has formulated practical and comprehensive carbon pathway planning in accordance with its medium-term strategic targets. The carbon pathway planning as above has been approved by the Board.

2030

Low-carbon fabrics usage rate reaching

40%

Enhancing the efficiency of "integrated operations of merchandise" to further reduce overproduction and increase the utilization of raw materials

Optimizing transportation routes, improving transportation efficiency, and exploring new transportation methods constantly

2035

Green electricity in operation accounting for over

60%

Building energy efficiency improved by over

30%

Actively supporting over 80% core suppliers and upstream and downstream partners to improve energy efficiency by

30%

2038

Achieving net-zero emissions across operations

Green electricity in operation accounting for

100%

Low-carbon fabrics usage rate reaching

80%

Continuously exploring methods for product recycling and reuse, reducing product landfilling, and aiming for product recycle rate by 2038 at

30%

Under the guidance of the Group's ESG strategies and carbon pathway planning, the Group has implemented a number of specific measures in multiple special fields, including sustainable supply chain, chemical safety, carbon footprint of innovative materials and products, and green retail in FY2024/25. For example, the Group has established the "Policy for Responsible Procurement", requiring suppliers to strictly comply with environmental and social responsibility standards; sorted out relevant standards, provided training and conducted regular audits with suppliers to ensure that leather and cotton products in the value chain meet sustainable development requirements; developed the "Supplier Chemicals Control Manual" to enhance the requirements for chemical control by suppliers; conducted supplier trainings to promote the implementation of sustainable development projects of suppliers; issued the "Chemicals Control Manual", setting the goal of achieving zero emissions of toxic and harmful chemicals throughout the supply chain in 2030; developed the "Restricted Substances List for Chemicals of Bosideng", expressly setting out banned substances and limiting the use of restricted chemicals; and joined the Zero Discharge of Hazardous Chemicals (ZDHC) to promote continuous enhancement of chemicals safety management. At the same time, the Group has actively researched and developed sustainable material alternatives, and is committed to reducing environmental impacts while meeting the highest performance standards. Several fabrics have won ISPO Textrends awards. In the field of green consumption, Bosideng vigorously promotes digital and intelligent transformation to optimize circulation and retail efficiency. By launching a data platform, the Group achieves integrated operation of omni-channel data. Through intelligent marketing and customized production based on big data, the Group has reduced unnecessary transportation waste and carbon emissions. Concurrently, both offline stores and e-commerce channels work together to actively interact with consumers, improving the matching degree between users and desired products, reducing return rates, and effectively decreasing carbon emissions in retail transportation. Through long-term and unremitting efforts, the Group is dedicated to creating a "symbiotic community of product positivity", an "innovative community of industry-academy cooperation" and a "consumer community of sustainable fashion", in order to lead the sustainable development of the textile and apparel industry in China.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS ACQUISITIONS

In FY2024/25, the Group completed its strategic investment in Moose Knuckles. This move is an important strategic layout for the Group to focus on its core business of down apparel, build a diversified brand matrix and expand its international business coverage. The Group has become a substantial shareholder of Moose Knuckles, with a shareholding of approximately 31.6%, and Cathay Capital, the world-renowned private equity investment institution, remains its controlling shareholder.

This strategic investment is of positive significance to the Group's expansion of international market operations. This is not only a strategic cooperation with complementary advantages, but also injects new momentum into the medium and long-term development for both the Group and Moose Knuckles. Through this investment, the Group will further improve its down apparel brand matrix. The key brands of Bosideng, centering around the brand positioning of becoming the "world's leading expert in down apparel", have continued to deepen their development in the mid-to-high-end down apparel market, while the Snow Flying brand focuses on expanding its market share of the highly cost-effective down apparel for the general public; the BOGNER brand introduced and operated by the Group in China, is positioned to become the "high luxury and professional ski suit brand" in the PRC market, focusing on high-end skiing and fashion consumers; and Moose Knuckles brand is positioned in the high-end luxury trend market. On this basis, the Group has thus established a more comprehensive brand matrix to consolidate its core business of down apparel, striving to become a leader in the global down apparel industry.

In FY2024/25, the Group successfully bid for a land parcel at Panglong Road, Xihongqiao, Qingpu District, Shanghai with a consideration of approximately RMB413.0 million with a lease term of 40 to 50 years, with a view to constructing new office buildings and commercial buildings in the core area of Hongqiao Business District and to establish the Group's headquarters in Shanghai.

Saved as disclosed above, the Group did not hold any other significant investments, nor have any material acquisitions or disposals of subsidiaries, associates or joint ventures. There were also no other material investments or capital assets acquisitions authorized by the Board as at March 31, 2025.

CONTINGENT LIABILITIES

As at March 31, 2025, the Group had no material contingent liabilities.

CAPITAL COMMITMENTS

As at March 31, 2025, the Group had outstanding capital commitments in respect of the IT system improvement, property and equipment, advertising and promotional expenses of the Group amounting to approximately RMB218.4 million (March 31, 2024: approximately RMB156.0 million).

PLEDGE OF ASSETS

As at March 31, 2025, bank deposits amounting to approximately RMB442.8 million had been pledged to banks as security for the issuance of bills payable (March 31, 2024: approximately RMB671.4 million).

FINANCIAL MANAGEMENT AND TREASURY POLICY

The financial risk management of the Group is the responsibility of the Group's treasury center at its head office. The Group adopted prudent funding and treasury management policies while prioritizing risk prevention and maintaining a sound cash management strategy. The Group's funding in FY2024/25 was primarily raised by cash generated from its operating activities and bank borrowings. The major objective of the Group's treasury policies is to appropriately improve the overall income level of funds on the basis of ensuring liquidity.

FOREIGN CURRENCY EXPOSURE

The business operations of the Group were conducted mainly in mainland China with revenue and expenses of the Group's subsidiaries denominated in Renminbi, and therefore, the Group has chosen Renminbi as the reporting currency. Some of the Group's cash and bank deposits were denominated in Hong Kong dollars or US dollars. The Company and some of its overseas subsidiaries selected US dollars or Hong Kong dollars as their functional currency. Any significant exchange rate fluctuations of Hong Kong dollars, US dollars, Pound sterling or any other functional currencies of the entities may have a financial impact on the Group.

Facing the instability of the foreign exchange market, the Group will make use of forward contracts and foreign exchange swaps to mitigate the exchange rate risk as and when appropriate.

HUMAN RESOURCES

As of March 31, 2025, the Group had 13,106 full-time employees (as of March 31, 2024: 11,831 full-time employees), representing a year-on-year increase of 1,275 employees. For the year ended March 31, 2025, staff costs (including Directors' remuneration in the form of salaries, other allowances and equity-settled share-based transaction expenses) were approximately RMB2,573.4 million (approximately RMB2,656.6 million for the previous financial year).

Based on the strategic deployment of the Group to become the "world's leading expert in down apparel", the Group focuses on the value creation that customers can explicitly perceive, linking the requirement for the Group's strategic core capabilities. To perform well now and look ahead to the future, the Group establishes an organizational talent development plan that meets the strategic requirements, steps up its efforts to identify and develop strategically significant employees, and actively reserves and fosters a new generation of young talents. Based on the above, the Group has systematically established Bosideng's "Eagle" talent development system. On the one hand, this system operates professionally to build dual development pathways for core in-service management (M) and professional (P) talent, addressing the current organizational development needs and ensuring the achievement of short/medium-term strategic objectives. At the same time, in parallel with the strategic future development, the Group conducts regular training for "Young Eagle" talents, treating college students as cornerstones of the internal talent generation system of the Group. Maintaining sufficient, high-quality reserve graduates is a key part and the foundation of building a system for fostering talents internally. The 2024/25 campus recruitment was carried out under three programs, namely the Millions Annual Salary Plan, Young Eagle Plan and Leading Action, and ensured employment of high-quality graduates, with the aim of attracting outstanding graduates from target universities with cultural and character traits that align with the Group. This will allow the Group to continuously build and consolidate its brand image as a preferred employer for textile and garment colleges, and expand the Bosideng brand's influence as an employer.

The Group's remuneration and bonus policy is primarily based on the duties, performance, outstanding contribution and length of service of each employee with reference to prevailing market conditions. Based on this, the Group has built a value creation-oriented remuneration incentive system, determined a remuneration structure combining fixed salaries and floating incentives and a value distribution mechanism linking overall organizational performance with employee performance, and established a fair and equitable employee remuneration incentive distribution standard, which always drives the development of talents within the organization in a positive way. At the same time, the Group has established a welfare system that meets the needs of talents of the times, and continues to meet the living needs of young talents joining the Company. On the one hand, on the basis of regular medical check-ups, the Company established high-end medical projects for core management talents and created high-quality dining and office conditions. On the other hand, the Group provided a comfortable and harmonious living environment to employees of the Group, and offered staff dormitories with hotel-style management services or corresponding accommodation allowances to those non-local university graduates, professional technicians and management staff who did not have places of residence in Changshu once they were employed by the Group.

CORPORATE CULTURE

The Group attaches great importance to the construction and continuity of corporate culture. We firmly believe that culture is the foundation for the Group to achieve the development goal of "creating a 100-year brand, building a 100-year enterprise", and the Group's core impetus for leading development and sustainability, the gene and essence of the corporation and brand in the entrepreneurial process, the soul and bloodline that run through the development of the corporation, and the driving force, philosophical pillar and guiding direction of development. In the course of the development of the Group, the excellent corporate culture with Bosideng's characteristics has been crystallized, and a large number of key talents and outstanding backbone with Bosideng genes have emerged. It is precisely because of the strong driving force of the corporate culture that the Group has successfully completed the previous strategic transformation and laid the foundation for the implementation of its strategies in the future.

The Group respects and supports laborers' freedom of association. In addition to the Group's respect for employees' rights to freedom of association and collective bargaining which is stated in the *Employee Handbook*, the Group has also made it clear in its "Supplier Management Policy" and "Supplier Manual" that suppliers shall respect the labors' rights to freedom of association and collective bargaining and shall comply with relevant standards of the International Labor Organization (ILO).

The Group advocates the practice of corporate culture, and focuses on the strategic core tasks and organizes a series of activities such as cultural concept dissemination, cultural behavior modeling, explaining outstanding case studies, fostering model employees, learning from the organizational experience, implementing cultural development and culture practice assessments, to form a closed loop that encompasses "identification with the corporate culture and values, understanding of the essence of the corporate culture, making the corporate culture and values ingrained in behavior and ultimately the practices and actions that yield value and results", to create "a user-first orientation, a cultural soil for open-mindedness, evaluation and motivation of value results, and the spirit of unyielding pursuit of excellence", and to form a cohesive team that has the same ideas and concepts and aligns actions with goals, and makes its teams unite their efforts so as to ensure the efficient achievement of strategic goals.

TALENT DEVELOPMENT

Adhering to the talent philosophy of "providing opportunities for those who aspire, a platform for those who can deliver, and rewards for those who achieve", the Group has implemented a talent development strategy aligned with its corporate growth strategies. Focusing on talent "selection, utilization, education, and retention", the Group systematically conducts talent development initiatives and assembles outstanding talent teams that provide solid support for corporate growth.

In order to effectively execute its 1-3 year strategic plan, the Group attaches greater importance to talents cultivation, recognizing employees as its most valuable resources. Building upon years of experience, the Group has established a scientific system for talent-training, namely strategic interpretation, organizational capability inventory, to talent identification and development, and talent-role alignment. This system undergoes continuous refinement to ensure alignment with strategic objectives and talent cultivation goals. The Group insists on recruiting top-tier talents from outside to match market changes, lead industry development, and establish leading advantages. The Group will also continue to develop an outstanding team of operational management cadres, professional experts, and mid-to-long-term strategic reserve talents internally so as to continuously develop talent echelon, enhance organizational capabilities, stimulate organizational vitality, and guarantee the realization of strategies.

The core operation and management team serves as both the inheritors of corporate culture and the key force leading the team to victory in achieving core campaign objectives and overall business value outcomes. In FY2024/25, the Group fostered alignment among senior executives to enhance synergy and achieve strategic goals. Core management teams across divisions conducted internal and external learning that focused on the Group's annual core operation and management objectives and potential challenges, and drove positive transformations, so as to enhance operational and decision-making quality.

The Group's three-year strategic business plan emphasizes the importance of strategic talent reserves. As at March 31, 2025, the "Eagle" program has cultivated 1,035 outstanding university graduates, 207 excellent reserve managers, 58 excellent reserve directors, and 25 excellent general managers of retail companies, providing a strong talent pipeline to support the Group's strategic goal of becoming "the world's leading expert in down apparel".

OUTLOOK

Based on consumers' increasingly personalized, quality-oriented, and diversified needs, the Group will anchor the "dual focus" strategic direction of "focusing on the mainstay business of down jackets and focusing on the main track of fashionable and functional apparel enhanced with technology". It will concentrate superior resources, optimize business layout, improve the brand matrix, so as to meet the needs of consumers at different levels with high quality through differentiated brand positioning. This aims to build core competitiveness in the main business and become the leader in the global down apparel industry. Meanwhile, while strengthening its core down apparel business, the Group will focus on the track of "fashionable and functional apparel enhanced with technology" and extend the scope of the related product categories and business.

Down apparel business: The Group has always focused on the core business of down apparel, concentrating advantageous resources on the development of the core competitiveness of the down apparel business and striving to become a leader in the global down apparel industry. Building on the strengthening of the core business of down apparel, the Group is focusing on the track of "fashionable and functional apparel enhanced with technology". It will steadily enhance its core competitiveness by promoting the organic and healthy growth of existing brands, expanding product categories and strategically building a brand matrix, so as to ensure continued industry leadership in a diversified market environment.

In terms of branding, the Group will focus on the brand positioning of "the world's leading expert in down apparel" and continue to strengthen the top-of-mind recognition of the "No.1 down apparel brand". Through clear brand strategic positioning and strategies, the Group will convey the Bosideng brand's core belief in "warming the world" and its "expertise" to create consistency in brand building. At the same time, from an overall perspective, it will build a brand matrix, strengthen its capabilities for operating its various brands, unlock the brand value in fashionable and functional apparel enhanced with technology, so as to achieve continuous growth in brand value and enhanced influence.

In terms of products, the Group will focus on enhancing its products' core competitiveness. Through innovation-driven approaches, the Group will convey the essence of its brands through original design and enhance the products' value through technological innovation to continuously meet the growing and evolving needs of a better life. Additionally, the Group will try to understand consumer demand with precision, innovate and extend the core product categories of "fashionable and functional apparel enhanced with technology", unlock the potential value of new product categories, and create opportunities for growth.

In terms of sales channels, the Group will further enhance the single stores' operation to improve quality and efficiency. By leveraging insights on customers, the Group will develop strategic incremental markets while strengthening its operation modes specific to different types of stores, and enhance the capability of refined operation of sales channels. Moreover, the Group will strengthen customer management by building a fine-tuned operating system throughout the customer's lifecycle and establishing a user-value-driven business growth model.

OEM management business: Riding on its globally leading professional expertise in the down apparel sector, the Group will build the differentiated core competitiveness of its OEM management business across "business development, supply chain operations, and technological leadership". Firstly, the Group will continue to deepen existing good and stable partnerships with key clients, cultivate new customers, and continuously improve operational quality and profitability. Secondly, the Group will further enhance its ODM design and technological innovation capabilities to become the top-of-mind choice for mid-to-high-end clients in down/functional outerwear categories, establishing itself as an OEM/ODM expert in functional apparel for mid-to-high-end international brands. Thirdly, the Group will increase production resources investment in Southeast Asia (such as Vietnam, Indonesia, etc.) and domestic markets to establish a foundation for sustainable and high-quality growth.

Ladieswear business: The Group continues to monitor the future development of the ladieswear business. Starting from brand positioning, the Group defined clear target demographics for each ladieswear brand, further optimizes the business development model, and enhances the operational and management efficiency of the ladieswear business to achieve healthy and sustainable growth.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from (i) August 15, 2025 to August 20, 2025 and (ii) August 26, 2025 to August 28, 2025, both days inclusive, during which periods no transfer of Shares will be effected. In order to (i) determine the eligibility of the members who are entitled to attend and vote at the AGM and (ii) qualify for the proposed dividend payable on or around September 12, 2025, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on (i) August 14, 2025 and (ii) August 25, 2025, respectively.

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

During the Year, the Company repurchased a total of 64,206,000 issued Shares on the Stock Exchange for an aggregate consideration of HKD240,367,760. All the repurchased Shares were cancelled within the Year. Details of the repurchased Shares are as follows:

Month	**Number of repurchased Shares**	**Maximum price paid per Share repurchased** *(HKD)*	**Minimum price paid per Share repurchased** *(HKD)*	**Total consideration** *(HKD)*
January 2025	26,774,000	3.77	3.53	98,301,220
February 2025	20,932,000	3.83	3.70	79,196,240
March 2025	16,500,000	3.93	3.69	62,870,300

Save as mentioned above, the Company and its subsidiaries had not purchased, sold or redeemed any of the Company's listed securities.

CORPORATE GOVERNANCE CODE

The Directors are of the opinion that the Company had complied with the code provisions of the Corporate Governance Code (the "**Code**"), as set out in Appendix C1 to the Listing Rules for the Year, except for the following deviations:

Code provision C.2.1 of the Code, which provides that the roles of chairman and CEO should be separate and should not be performed by the same individual. Mr. Gao Dekang is the Chairman and CEO of the Company, as well as the founder of the Group. The Board believes that it is necessary to vest the roles of Chairman and CEO in the same person due to its unique role, Mr. Gao Dekang's experience and established market reputation in China's down apparel industry, and the importance of Mr. Gao Dekang in the strategic development of the Company. This dual role provides strong and consistent market leadership and is critical to efficient business planning and decision-making of the Company. As all major decisions of the Group are made in consultation with members of the Board and the relevant Board committees, and there are three independent non-executive Directors on the Board offering independent perspectives, the Board is of the view that adequate safeguards are in place to ensure sufficient balance of powers within the Board.

Code provision B.2.4 of the Code provides that where all the independent non-executive directors of an issuer have served more than nine years on the board, the issuer should appoint a new independent non-executive director on the board at its forthcoming annual general meeting. The Group will take practical steps to appoint a new independent non-executive Director as and when appropriate. The nomination committee of the Company will continue to review the structure of the Board, consider a range of diversity perspectives, as well as the merits and contributions that the candidates will bring to the Board.

Code provision F.2.2 of the Code provides that the chairman of the board should attend the annual general meeting. Mr. Gao Dekang, the Chairman of the Board, was unable to attend the AGM of the Company held on August 20, 2024, due to his other business commitments. However, he had arranged other Board members to attend the AGM and communicate with shareholders.

AUDIT COMMITTEE

The audit committee of the Company has reviewed with the management the accounting principles and practices adopted by the Group, and has discussed with the Group's auditors, KPMG, regarding the auditing, internal control and financial report matters including the review of the Group's consolidated annual results for the Year.

AUDITOR

The financial figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the Year as set out in this announcement have been compared by the Group's auditor, KPMG, Certified Public Accountants, to the amounts set out in the Group's consolidated financial statements for the Year and the amounts were found to be in agreement. The work performed by KPMG in this respect did not constitute an audit, review or other 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 the auditor.

A resolution for the re-appointment of KPMG as auditors of the Group is to be proposed at the AGM.

PUBLICATION OF THE ANNUAL RESULTS AND ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This announcement will be published on the websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (http://company.bosideng.com). The annual report for the Year containing all the information required by Appendix D2 to the Listing Rules will be published on the websites of the Stock Exchange and the Company in due course.

By order of the Board
Bosideng International Holdings Limited
Gao Dekang
Chairman

Hong Kong, June 26, 2025

As at the date of this announcement, the executive Directors are Mr. Gao Dekang, Ms. Mei Dong, Ms. Huang Qiaolian, Mr. Rui Jinsong and Mr. Gao Xiaodong, and the independent non-executive Directors are Mr. Dong Binggen, Mr. Wang Yao and Dr. Ngai Wai Fung.