


波司登
BOSIDENG

Bosideng
International
Holdings Limited

Incorporated in the
Cayman Islands with
limited liability

Stock Code: 3998



2021/22
Annual Result
June 24, 2022

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Contents

- Financial Review
- Business Review
- Future Development Plan

A woman with brown hair and blue eyes is shown from the chest up, wearing a beige trench coat. She is looking back over her right shoulder towards the camera. The coat has a dark collar with the letters 'R A' in gold. There are two dark buttons on the front. On the sleeve, the name 'BOGDENG' is visible. The background is a neutral, light brown color with some geometric shapes.

Financial Review

Financial Highlights

(RMB million)	For the year ended March 31		Change
	2022	2021	
Revenue	16,213.6	13,516.5	20.0%
Gross profit	9,737.2	7,924.3	22.9%
Profit from operations	2,568.8	2,224.6	15.5%
Profit attributable to equity holders of the Company	2,062.3	1,709.6	20.6%
Earnings per share (RMB cents)			
– Basic	19.14	15.98	19.8%
– Diluted	18.78	15.77	19.1%
Dividend per share (HKD cents)			
– Interim	4.5	3.5	28.6%
– Final	13.5	10.0	35.0%
– Full year	18.0	13.5	33.3%

Financial Highlights

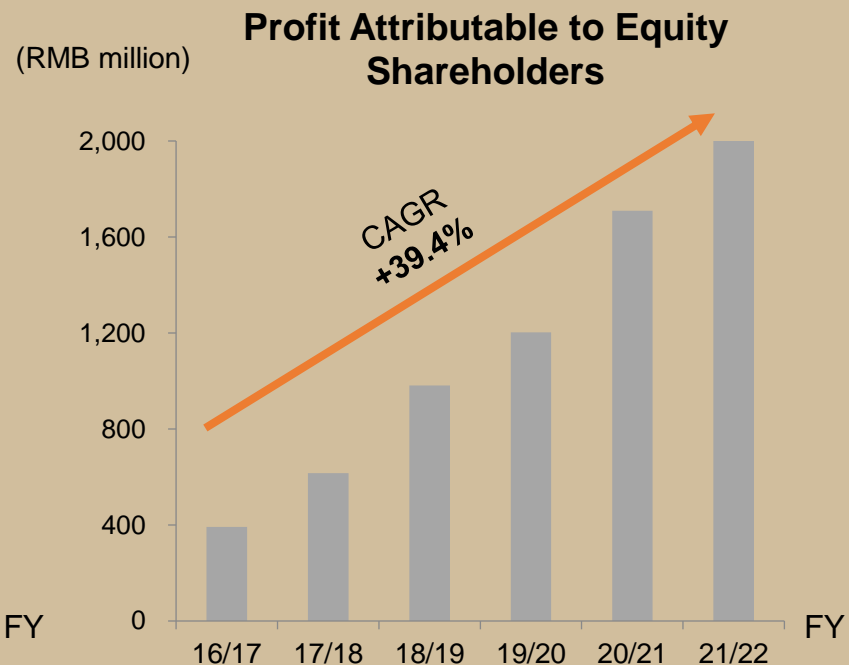
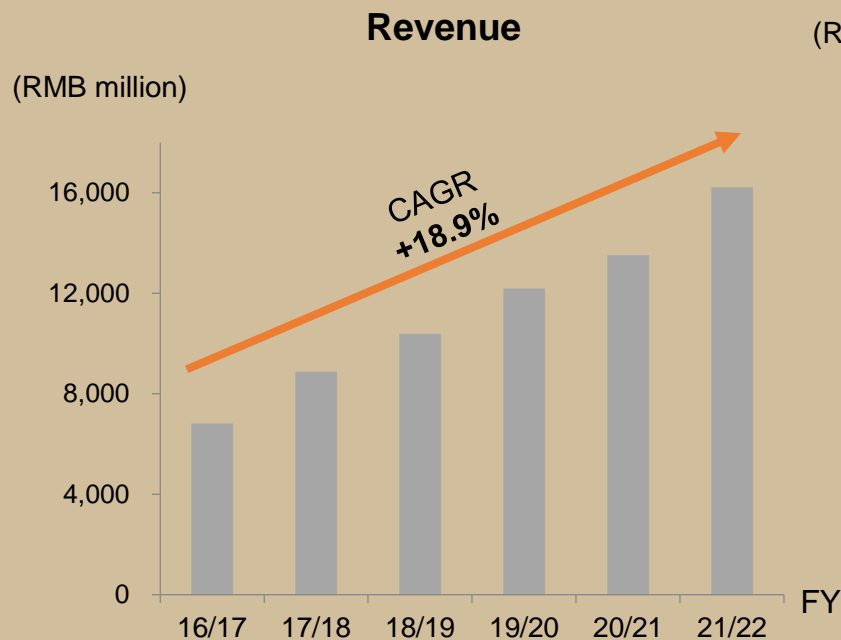
(RMB million)	For the year ended March 31		Change
	2022	2021	
Gross profit margin	60.1%	58.6%	+1.5ppt.
Operating profit margin	15.8%	16.5%	-0.7ppt.
Effective tax rate	23.0%	24.0%	-1.0ppt.
Net profit margin ⁽¹⁾	12.7%	12.6%	+0.1ppt.
Return on Equity ⁽²⁾	17.5%	15.7%	+1.8ppt.
Dividend pay-out ratio	80.2%	70.8%	+9.4ppt.

(1) Net profit margin is calculated by profit attributable to equity holders of the Company as percentage of revenue

(2) Return on equity is calculated as profit for the year of the Company divided the average net assets

Financial Highlights

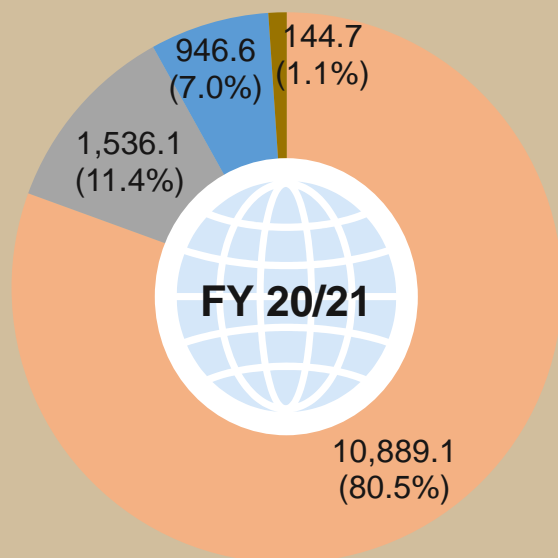
Revenue and profit continued to grow, with both revenue and profit hitting a **historical high** this fiscal year



Revenue Breakdown

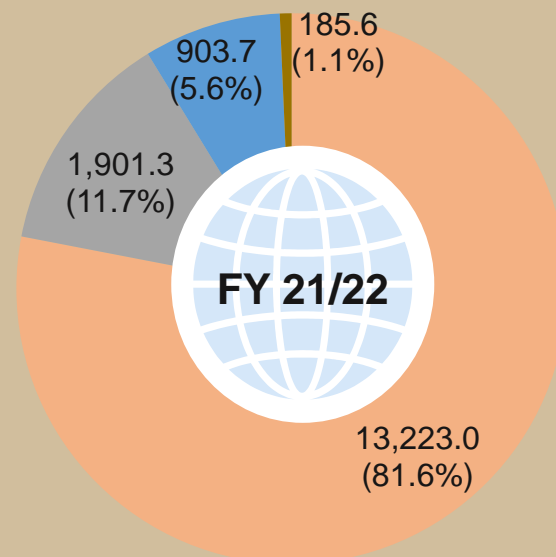
RMB 13,516.5 million

(RMB million)



RMB 16,213.6 million

(RMB million)



Revenue
increased by
+20.0%



■ Branded down apparel
 ■ OEM management
 ■ Ladieswear
 ■ Diversified apparels

(% of revenue)

The Group's revenue increased mainly due to:

- Continued to consolidate the four core competencies of "leading brand, innovating products, upgrading channel and adhering to high product quality and quick response" and the two security systems in relation to "organization, mechanism, culture and talent development and digital operation", and, under the circumstances of the industry's overall downward trend, achieved a steady and high quality development of the branded down apparel business, which showed the resilience of the corporation's development, driving stable revenue growth

Revenue Breakdown by Business

(RMB million)	For the year ended March 31		Change
	2022	2021	
Branded down apparel	13,223.0	10,889.1	+21.4%
OEM management	1,901.3	1,536.1	+23.8%
Ladieswear	903.7	946.6	-4.5%
Diversified apparels	185.6	144.7	+28.3%
Total	16,213.6	13,516.5	+20.0%

Revenue Breakdown - Branded Down Apparel Business

(RMB million)	For the year ended March 31		Change	% Change
	2022	2021		
Bosideng	11,617.7	9,993.7	+1,624.0	+16.3%
Snow Flying	974.2	551.7	+422.5	+76.6%
Bengen	235.3	146.8	+88.5	+60.3%
Other*	395.8	196.9	+198.9	+101.0%
Total	13,223.0	10,889.1	+2,333.9	+21.4%

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

Revenue Breakdown - Ladieswear Business

(RMB million)	For the year ended March 31		Change	% Change
	2022	2021		
JESSIE	285.3	302.8	-17.5	-5.8%
BUOU BUOU	253.5	257.7	-4.2	-1.6%
KOREANO & KLOVA	364.9	386.1	-21.2	-5.5%
Total	903.7	946.6	-42.9	-4.5%

Revenue Breakdown - Diversified Apparels Business

(RMB million)	For the year ended March 31		Change	% Change
	2022	2021		
Sameite	160.6	88.8	+71.8	+80.9%
Others brands and others*	25.0	55.9	-30.9	-55.3%
Total	185.6	144.7	+40.9	+28.3%

* Included children's wear, menswear, etc.

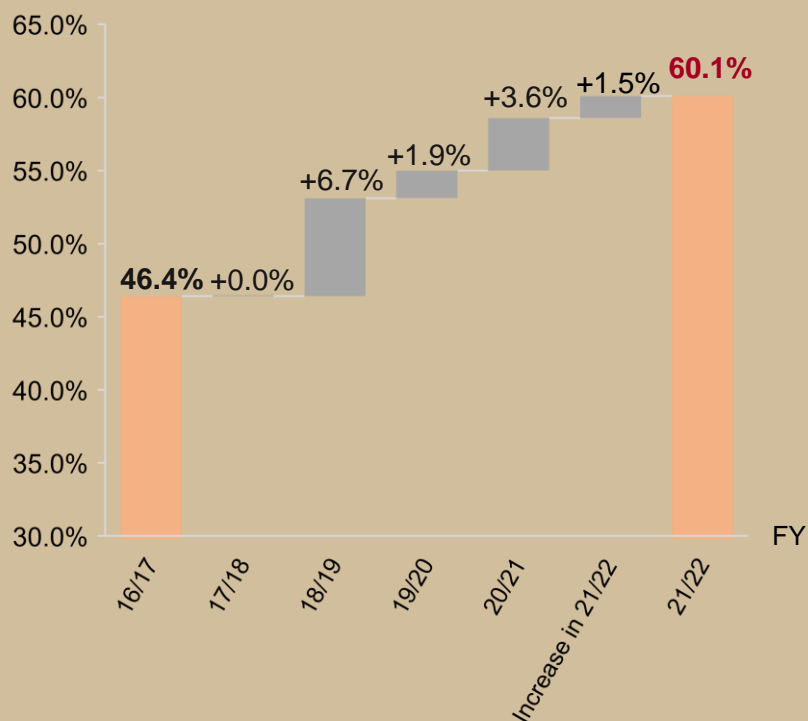
Gross Margin

Business	For the year ended March 31		Change
	2022	2021	
Branded down apparel	65.7%	63.7%	+2.0ppt.
OEM management	18.6%	19.6%	-1.0ppt.
Ladieswear	72.4%	72.6%	-0.2ppt.
Diversified apparels	25.7%	0.1%	+25.6ppt.
The Group	60.1%	58.6%	+1.5ppt.

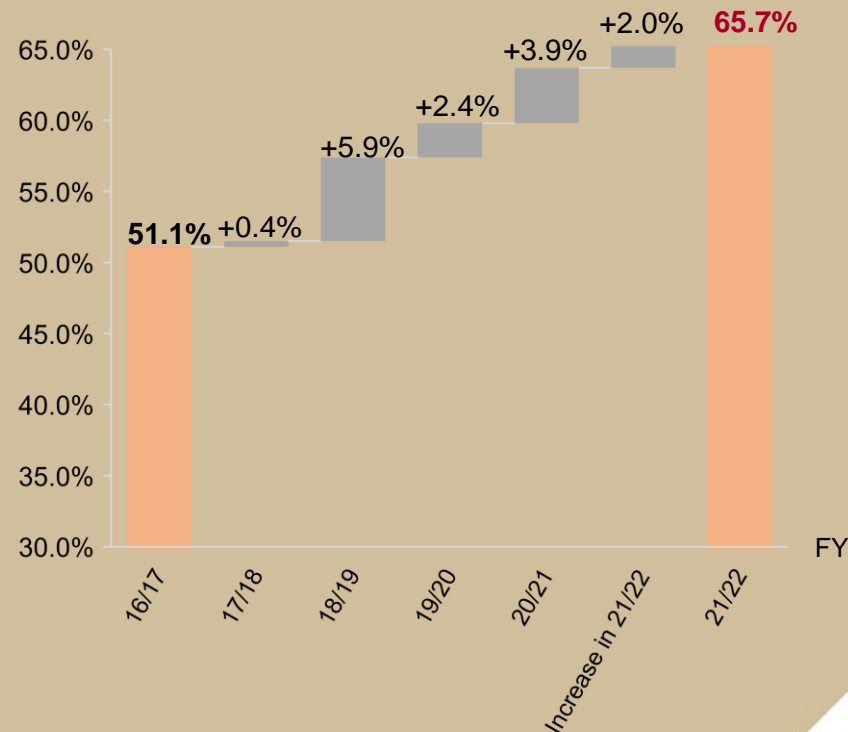
Gross Margin

Gross profit margin level has steadily increased year-on-year, surpassing the highest level in history

Gross Profit Margin of the Group



Gross Profit Margin of Branded Down Apparel Business



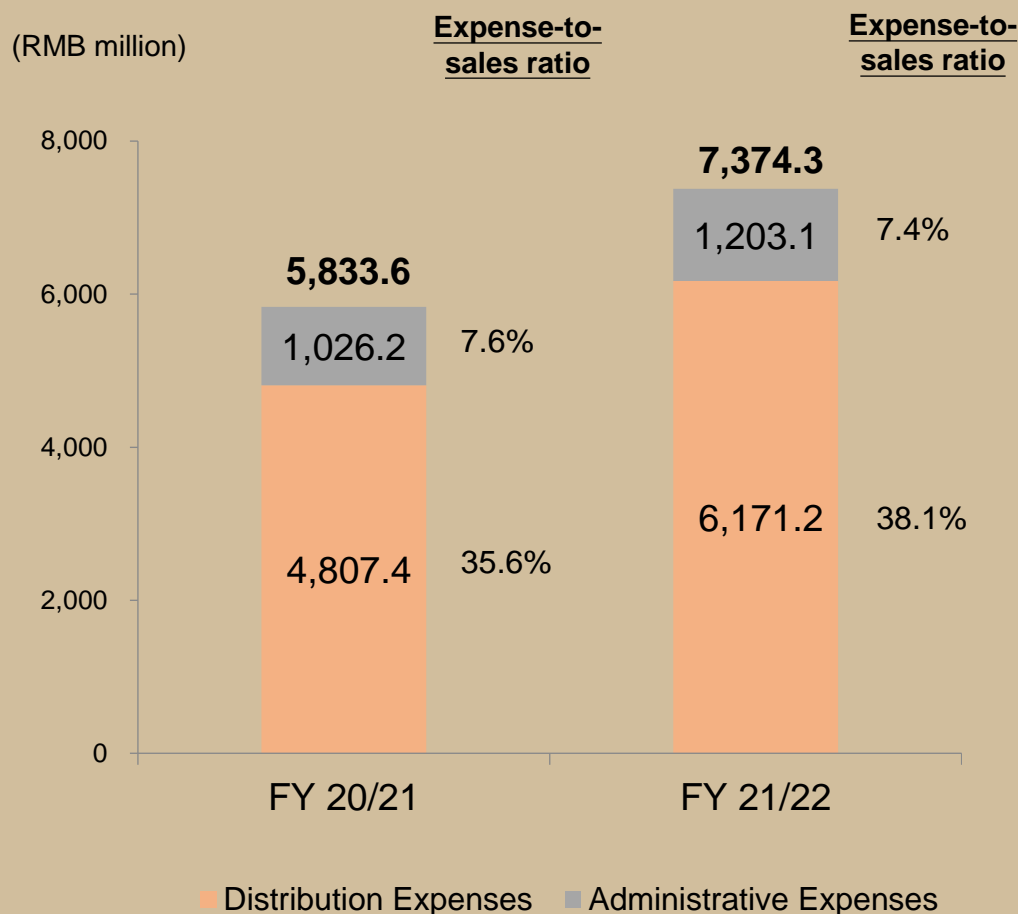
Gross Margin - Branded Down Apparel

	For the year ended March 31		Change
	2022	2021	
Bosideng	69.4%	66.2%	+3.2ppt.
Snow Flying	47.3%	38.9%	+8.4ppt.
Bengen	24.8%	35.2%	-10.4ppt.
Branded Down Apparel	65.7%	63.7%	+2.0ppt.

Gross Margin - Ladieswear

	For the year ended March 31		Change
	2022	2021	
JESSIE	66.5%	68.5%	-2.0ppt.
BUOU BUOU	68.3%	70.1%	-1.8ppt.
KOREANO & KLOVA	80.0%	77.4%	+2.6ppt.
Ladieswear	72.4%	72.6%	-0.2ppt.

Operation Expenditure



- Distribution Expenses:** The increase was mainly due to the Group's efforts in the construction of business channels and terminal stores for the branded down apparel business, as well as the enhanced brand promotion and marketing efforts, which led to an increase in related expenses. The proportion of distribution expenses to the Group's total revenue increased by 2.5ppt. year-on-year.
- Administrative Expenses:** The increase was mainly due to the increase in the costs of information system construction, research and development and supply-chain transformation during the overall construction of digital operation system of the Group in the year. The proportion of administrative expenses to the Group's total revenue decreased by 0.2ppt. year-on-year.

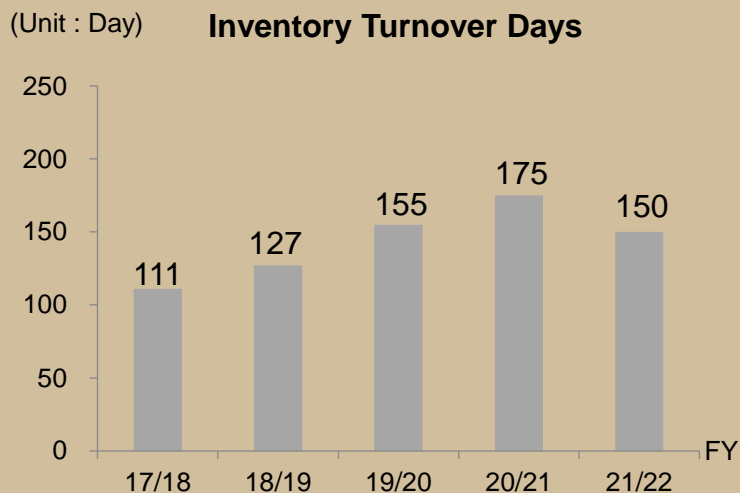
Inventories

(RMB'000)	As at Mar 31, 2022	As at Mar 31, 2021	Change
Raw materials	891,118	795,137	+12.1%
Work in progress	23,763	11,851	+100.5%
Finished goods	1,773,305	1,838,952	-3.6%
Total	2,688,186	2,645,940	+1.6%

Working Capital Management - Inventory Turnover Days

	For the year ended		Change
	March 31		
	2022	2021	
Average inventory turnover days*	150	175	-25 days

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

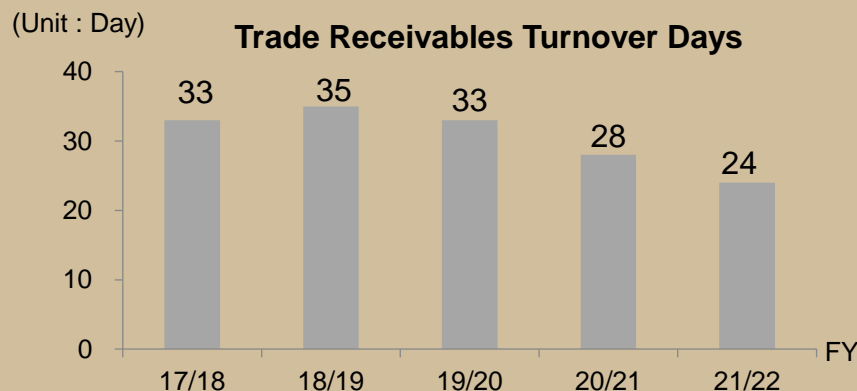


- Inventory turnover days decreased as compared with last year, which was mainly due to the launch and maintenance of a relatively lower proportion of first-time orders, as well as the continuous implementation of the demand-pull restocking and full-channel integrated operation model during the financial year, which effectively controlled the inventory of finished goods

Working Capital Management - Trade and Bills Receivables Turnover Days

	For the year ended March 31		Change
	2022	2021	
Average trade and bills receivables turnover days*	24	28	-4 days

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

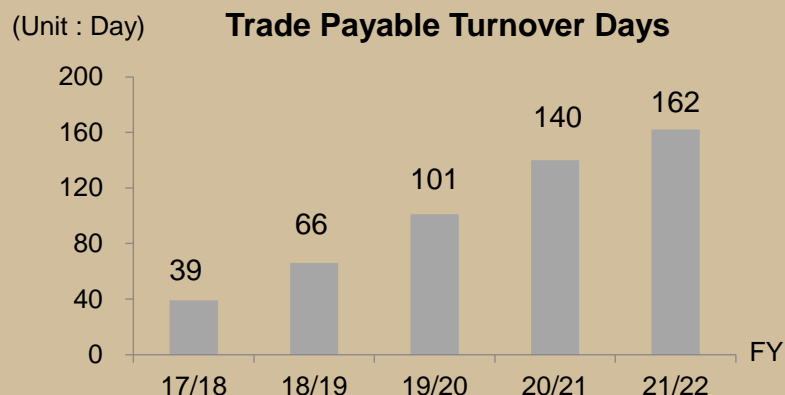


- Trade receivables turnover days decreased by 4 days as compared to last year, which was mainly due to the strengthening on the management of trade receivables and intensifying on the bills collections efforts

Working Capital Management - Trade Payable Turnover Days

	For the year ended March 31		Change
	2022	2021	
Average trade and bills payables turnover days*	162	140	+22 days

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



- Trade payables turnover days increased by 22 days as compared to last year, which was mainly due to:
 - ✓ The Group strengthened the use of financial supply chain
 - ✓ Increased in inventory purchases during the year

Total Cash and Net Cash

(RMB million)	As at Mar 31, 2022	As at Mar 31, 2021
Cash and cash equivalents	2,502.6	1,771.3
Time deposits with maturity over 3 months	324.3	539.3
Pledged bank deposits	952.1	657.3
Other financial assets	6,521.3	5,952.2
Total cash	10,300.3	8,920.1
Minus: Bank borrowings	(934.0)	(670.9)
Minus: Convertible Bonds	(1,604.6)	(1,609.5)
Net cash	7,761.7	6,639.7

Total Cash and Net Cash (cont.)

(RMB million)	As at Mar 31, 2022	As at Mar 31, 2021
Net cash inflow/(outflow) from operating activities	2,670.1	3,133.1
Net cash inflow/(outflow) from investment activities	(685.9)	(3,862.5)
Net cash inflow/(outflow) from financing activities	(1,232.5)	(1,092.3)
Net increase/(decrease) in total cash	751.7	(1,821.7)
Net cash inflow from operating activities / Net profit	1.3x	1.8x
Liquidity (times) ⁽¹⁾	2.2x	2.4x
Gearing ratio (%) ⁽²⁾	20.8%	20.3%

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

Investment activities: including store innovations and new equity investment in an associate company during the year

Financing activities: including dividends, store leasing expenses classified as financing activities, bank loans, and changes in capital inflows related to employee's exercise of share options, etc.

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

(2) Gearing ratio (%) is calculated as dividing total borrowings by total equity

Business Review

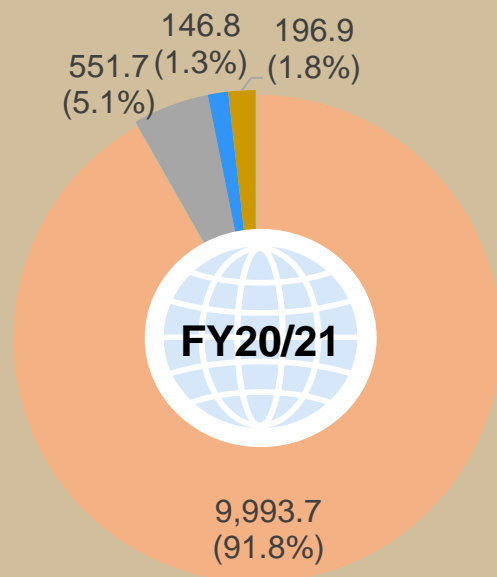


Branded Down Apparel Business

Revenue by brand

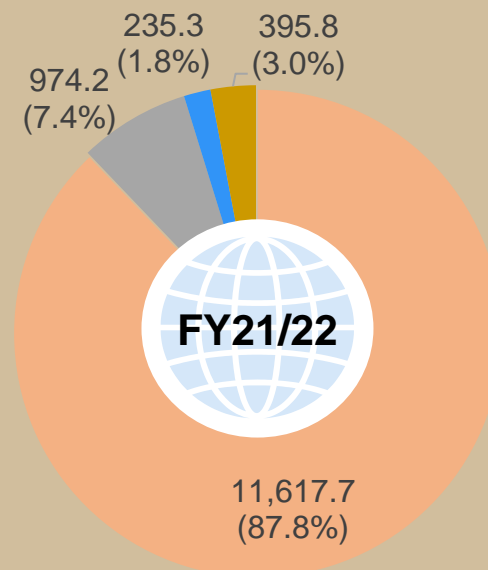
RMB 10,889.1 million

(RMB million)



RMB 13,223.0 million

(RMB million)



Revenue from
Branded Down
Apparel
+21.4%



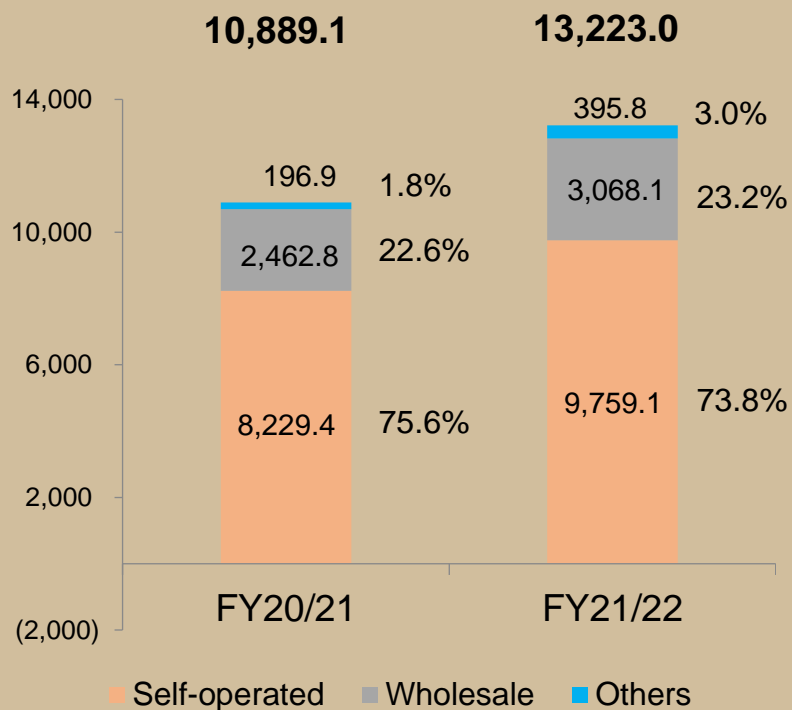
■ Bosideng
 ■ Snow Flying
 ■ Bengen
 ■ Others

(% of revenue)

Down Apparel Business

Revenue by sale category

(RMB million)

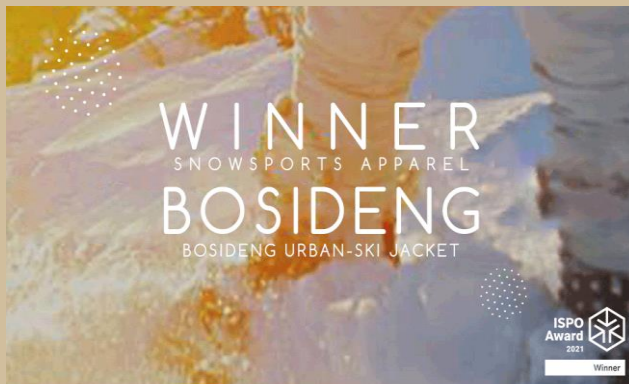


(RMB million)	For the year ended March 31		Change
	2022	2021	
Self-operated	9,759.1	8,229.4	+18.6%
Wholesale	3,068.1	2,462.8	+24.6%
Others	395.8	196.9	+101.0%
Total	13,223.0	10,889.1	+21.4%

Branded Down Apparel – Brand Building

Define its brand position as “the World’s Leading Expert in Down Apparel”

- Focusing on the strategic development direction of being the “world’s leading expert in down apparel” and adhere to the “Brand-led” development model
- Further extensively explored the brand value of Bosideng in association with “Top Brands, High Quality, Synonym of Down Apparel”, constantly launched brand events as well as innovated communication content and communication approaches
- Contributing to its brand building and improvement of operating results by continuously deepening consumer awareness and brand reputation.
- According to the Bosideng brand health tracking report prepared by Ipsos, Bosideng’s current brand recognition and top-of-mind awareness rate are both in the leading position in China’s apparel industry
- The Bosideng brand was being selected again into the “Brand Finance Apparel 50 2022 and its ranking improved to 48th



Branded Down Apparel - Milestones for Brand Promotion

- December 2021**
- **Bosideng held a release conference together with the National Theatre of China**, the “warm epic” of “world-leading Chinese down apparel” was being interpreted wonderfully; and the fusion of theatrical art and fashion elements pioneered the theatrical release conference in the industry, intensively elaborated Bosideng’s global leading position as a Chinese down apparel brand and was recognized by the fashion industry and the apparel industry
- November 2021**
- **Bosideng released the climbing 2.0 series**, raising the awareness of the Bosideng brand among consumers and effectively supporting brand development and positioning. The products are originally made in China, leading the further development of Chinese brand apparel in top design, craftsmanship and fabrics
- October 2021**
- **Bosideng released the Original Trench-style Down Jacket Collection**. Bosideng subverted customers’ perception of traditional down apparel by innovating the categories of down apparel. The Original Trench-style Down Jacket Collection may satisfy the needs and aesthetics of mainstream consumers for business scenarios and achieved the perfect conversion of brand power and sales power



Branded Down Apparel - Milestones for Brand Promotion (cont.)

September 2021 • **Bosideng brand officially announced its brand spokespersons** and once the Group launched a blockbuster of fashionable series for the new season, it became a hot topic among consumers and received a number of favorable comments

August 2021 • **Euromonitor International, an authoritative global market research agency, completed the statistics on sales revenue and sales volume of down apparel products from retail channels in 2020. The down apparel scale of Bosideng Group ranked first around the world as well as in terms of sales revenue and sales volume, which meant that Bosideng Group ranks in the first echelon of global down apparel brands**



Branded Down Apparel – Operation Management

Commodity Management

- Continued to completely separate order placements of direct sales and wholesale
- During the year, the proportion of first orders placed between the Group and distributors remained at a low level, and the remaining orders shall be replenished based on actual market feedback and demand in the peak seasons
- This demand-pull mechanism has a significant impact on the Group's centralized management of channel inventory and commodity structure during peak seasons
- Continued to use smart central delivery center (CDC) to serve all offline direct stores, franchised stores and e-commerce online to offline (i.e. O2O) businesses throughout the country and unified the inventory management of 9 direct large warehouses and 12 small warehouses of distributors through an integrated inventory management platform

Supply Chain Management

- Quick response of the Group's quality supply chains is an important competitive strength for its continued success in the industry and core competitiveness for maintaining the efficient and healthy sustainability of the Group
- Support a quicker turnover cycle and efficiency by demand-pull restocking through quickly launching new products and responding to small orders
- Continuously replenished on a rolling basis during the peak seasons according to market sales data
- During the year, the supply chains of the Group underwent systematic innovation upgrading in terms of resource integration, flexible and quick response times, excellent quality maintenance and leading costs
- Leveraging Bosideng's brand empowerment, volume and capital advantage, as well as its long-term win-win strategy with raw material suppliers, ensuring stable costs and control against the external uncertainty

Branded Down Apparel – Logistics and Delivery

- Continuously adopted a system to automatically match transport and delivery resources for each order based on traffic (mainly based on order quantity, weight and size), factoring in limitations such as the advantages of social transport and delivery resources, transport costs and timeliness. The Group also collects and monitors data in respect of each step of the entire process, including collection, distribution, in-transit and sign-for-acceptance
- Implemented an automatic and smart allocation system based on commodity attributes in conjunction with each carrier's ability and price in all regions of the PRC by way of enhancing the system transportation modules of EWM. Under the premise of maintaining reasonable costs, we maximized our service efficiency and improved users' experience
- The significantly improved out-warehouse rate and optimized in-transit efficiency has contributed to the Group's leading position in logistics and delivery in the industry
- A series of actions have been taken in the logistics park area to improve logistics efficiency



Branded Down Apparel - Digital Operations

- Significant achievements in terms of digitalization in many aspects, including smart manufacturing, smart logistics and smart commodity operations. While continuously learning from leading enterprises and successful cases, the Group has gradually established the three core business scenarios with a focus on users, retailing and commodities, and constantly improved the operating efficiency and created greater value for users
- Comprehensively formulated a three-year implementation plan for downlisting, upgrading, integrating, reconstructing and newly constructing IT products, and ultimately realized the goals of a mobile office, online business, digital operations and intelligent decision-making, thereby providing powerful technical solving tools or solutions for the Group's digital transformation



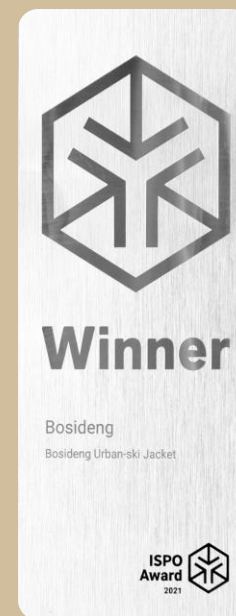
Branded Down Apparel - New Retail Operations

- Continued to create a customer tags system through the Alibaba Data Center, reach-out to customers with high-quality digital content to improve consumers' shopping experience and out-of-store sales through cloud-based stores with "Thousands of Stores with Thousands of Images"
- Provided marketing assistance for each corporate WeChat shopping guide and assist them in maintaining good customer relationships
- Achieved approximately 6.1 million new WeChat members and approximately 2.5 million new corporate WeChat friends. The Group had over 6.3 million followers on its Bosideng brand WeChat account and over 4.9 million fans on its Douyin official account. Among them, the number of young consumers under the age of 30 increased significantly year-on-year



Branded Down Apparel - Technological Innovation

- The use area of the Group's scientific technology center increased to 10,000+ sq.m., in which the Group built a leading polar environment simulation testing laboratory
- For the new material development, introduced a high potential energy fabric brand to the world to attain high-end functional resources, two types of products among which have obtained ISPO TOP 10 and ISPO SELECTION
- Initially established Bosideng's unique and exclusive technology system, and the extreme environmental-friendly and zero-pressure down apparel, Bosideng brand was awarded the Red Dot Design Award in this financial year
- In this financial year, the Group applied for an aggregate of 140 patents, including inventions, utilities model and appearance patents, and obtained 20 patent certificates applying during previous year, which provided patented technology and endorsement support for down apparel experts
- As at March 31, 2022, the Group has accumulated 369 patents (including invention, utility model and appearance patents in total



Branded Down Apparel - R&D of Products

Original Trench-style Down Jacket Collection

The Original Trench-style Down Jacket Collection by Bosideng marked innovation and a breakthrough in categories of down apparel. Combined the classic British trench coat down jacket with Chinese down apparel through an advanced custom production process and achieved the reformation of cross categories.



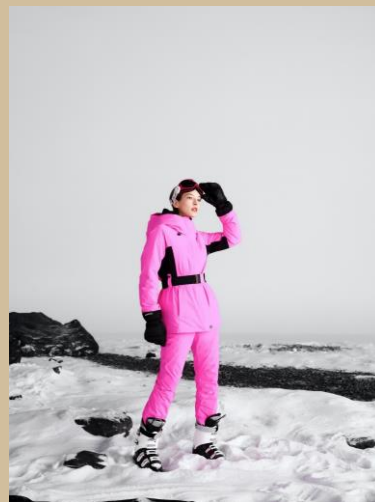
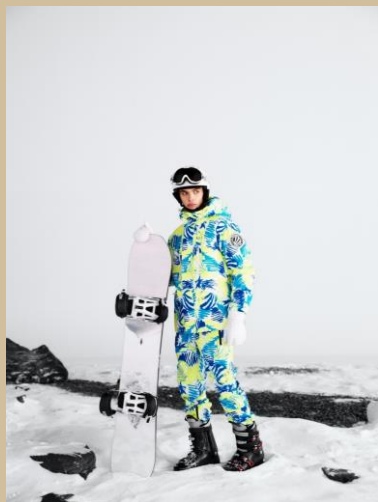
High-end Extreme Cold Collection

The luxury-grade functional collection is simple and elegant in design. It interprets the “big name design” by creating a unique balance between cold resistance and luxury fashion and can withstand the “extreme cold-resistant” experience of up to below 30°C.

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

High-end Outdoor

Builds a functional solution for the outlook of the city together with GORETEX, the “cloth of the century”, which can respond to all bad weather while making it more comfortable of the wearer. The products were filled with imported goose down with a bulkiness of 800+, which may keep the wearer from the cold for a long time with a lighter upper body.



Ski Collection

Made breakthroughs and innovations in the ski collection in terms of style, appearance and category style and also created two functional structures suitable for skiing scenes, to consolidate the product’s leading function and solve the problem that down material is not suitable for the filling of ski suits.

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

City Sport Collection

Wearing the Goosebumps collection, which integrates functionality and fashion, will enable a more comfortable, relaxed and natural city life. This season, we incorporated more vintage print elements into the existing colourful and workwear style and used 600+ high-loft quality goose down in combination with the trendy silhouette to lead the new fashion.



Stylish Sport Collection

Takes the natural snowy mountains as the origin, combining fashionable color schemes and 3D streamline shapes to inject a young and energetic style element into the theme products. Meanwhile, it upgrades the process that tightly locks down the craftsmanship spirit to offer downproof and more comfortable apparel to consumers.

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



Puff Collection

Defined by fashionable light-sensitive and super-light and soft nylon fabric, exquisite structure design, 3D fashion silhouette and waist classic version with hundreds of different models, the collection is stylish, light and fluffy and can maintain warmth for a long time, which can meet all-round demands for people's daily commuting and socials with their friends.

Golf Collection

By using 360-degree high-quality stretch fabric and 3D tailoring, the collection enables people to be comfortable and slim; the collection is made of 90% high-quality goose down with 600+ fill power, which makes it warm and. In terms of technology, Germany anti-lint technology and anti-drilling sewing technology are adopted and the needle holes are smaller to effectively prevent the down cluster from sticking out of needle holes.



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

Light Down Apparel Basic Collection

Carrying forward the Bosideng's 45-year classic version, we adopted new 25D super soft yarn and the Japanese calendaring and softening process to bring a cloud-like gentle touch; we choose fashionable bright colors to meet the needs of different consumers. The collection is made of 90% high-quality duck down with 600+ fill power and thus it is light, comfortable and fit for health, and brings customers peace of mind. In terms of technology, anti-lint technology and anti-drilling sewing technology are adopted and the needle holes are smaller so as to effectively prevent the down cluster from sticking out of needle holes.



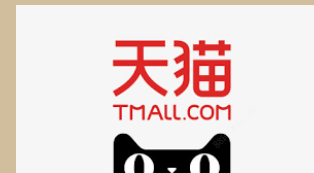
Branded Down Apparel - Channel Building

Offline channels:

- Paid more attention to the channel structural layout and targeted “2+13”, i.e. 15 first-tier and new first-tier cities in total
- Paid more attention to the quality of channels, and established better stores in shopping malls, popular business areas and core areas of cities by “closing down small stores and opening large-scale ones”
- Further enhanced the layout of multi-level markets and established corresponding self-operated stores or dealers’ stores according to options and plans in markets at different levels to start sales in local markets

Online channels:

- Omni-channel layout, gradually expanded through Jingdong, Douyin and other channels
- Focused on improving the operating efficiency of online distributors by streamlining, efficiency improvement and operation refinement



Branded Down Apparel - Retail Network

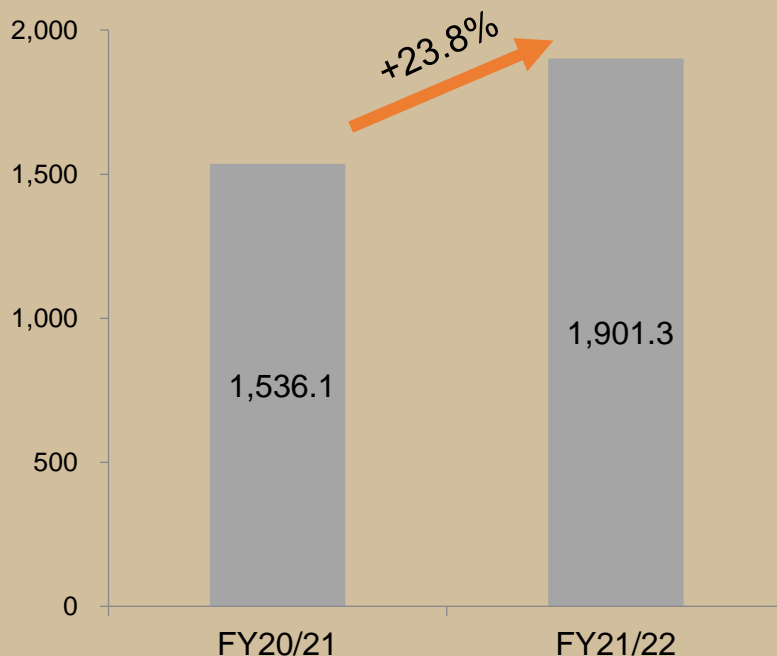
As at Mar 31, 2022	波司登 BOSIDENG		雪中飞 SNOW FLYING		冰洁 BENGEN		Total	
	No. of stores	Change	No. of stores	Change	No. of stores	Change	No. of stores	Change
Specialty stores								
Operated by the Group	1,018	-57	10	6	1	-4	1,029	-55
Operated by third party distributors	1,652	-107	95	-6	8	-62	1,755	-175
Sub-total	2,670	-164	105	-	9	-66	2,784	-230
Concessionary retail outlets								
Operated by the Group	555	-11	125	-6	17	-9	697	-26
Operated by third party distributors	259	-27	45	-26	24	-32	328	-85
Sub-total	814	-38	170	-32	41	-41	1,025	-111
Total	3,484	-202	275	-32	50	-107	3,809	-341

Change: compared with that as at March 31, 2021

OEM Management Business

Revenue of OEM Management Business

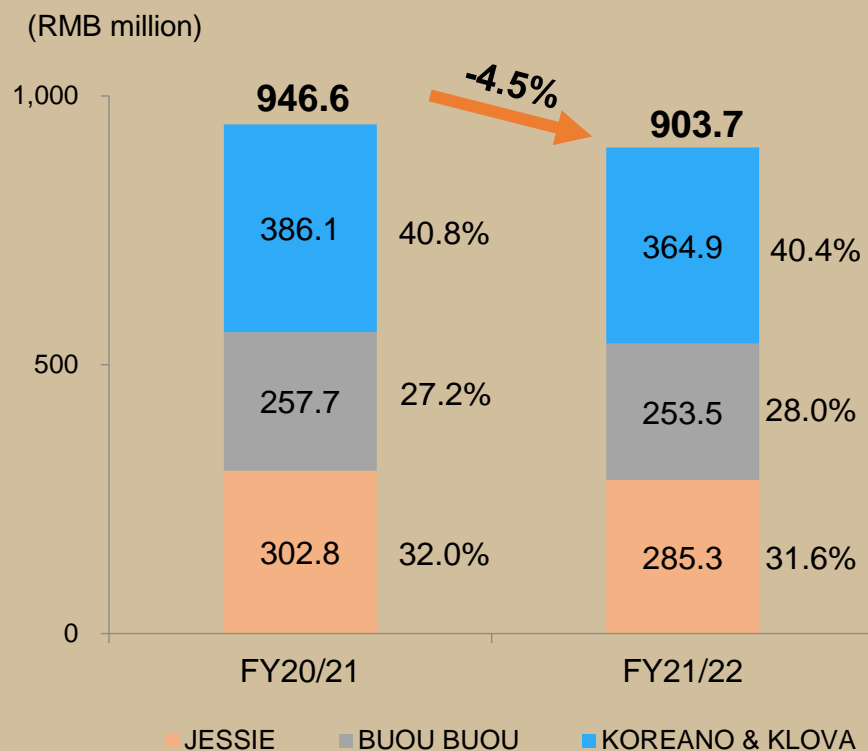
(RMB million)



- The OEM management business maintained stable and healthy development with relatively high growth in performance of core customers. In particular, the highest year-on-year sales growth for a single customer reached 75%
- The overseas production arrangement has achieved remarkable results, which effectively satisfied the production needs of customers
- The Group implemented a flexible management mechanism, in particular during the local epidemic in Vietnam, to quickly shift part of Vietnam orders to China by making use of the advantages in the layout of production resources in China and Vietnam to minimize the impact of the epidemic
- Strictly control costs and expenses, the gross profit margin decreased by 1.0 percentage points to 18.6% as the global epidemic has had a certain impact on the supply chain costs, transportation costs and others

Ladieswear Business

Revenue by brand



- Operates four mid- to high-end ladieswear brands to cater to customers' dressing needs on different occasions
- In the highly competitive ladieswear market in the PRC, the Group has won the favor of Chinese female consumers through its rich product hierarchy image and brand positioning.
- Due to the impact of the sporadic domestic epidemic, ladieswear business revenue decreased by 4.5% year-on-year

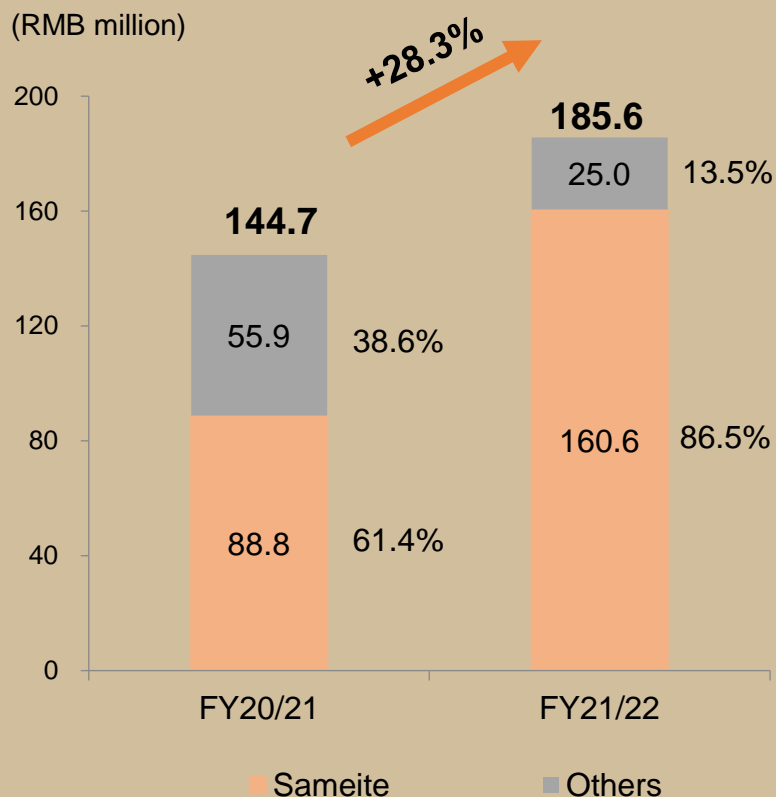
Ladieswear Business - Retail Network

As at Mar 31, 2022	JESSIE		BUOUBUOU		koreano		KLOVA		Total	
	No. of stores	Change	No. of stores	Change	No. of stores	Change	No. of stores	Change	No. of stores	Change
Specialty stores										
Operated by the Group	1	-	12	-	-	-	-	-	13	-
Operated by third party distributors	15	-4	7	-3	-	-	-	-	22	-7
Sub-total	16	-4	19	-3	-	-	-	-	35	-7
Concessionary retail outlets										
Operated by the Group	108	3	103	-2	82	7	58	2	351	10
Operated by third party distributors	61	-12	15	-6	-	-	-	-	76	-18
Sub-total	169	-9	118	-8	82	7	58	2	427	-8
Total	185	-13	137	-11	82	7	58	2	462	-15

Change: Compared with that as at March 31, 2021

Diversified Apparels Business

Revenue by brand

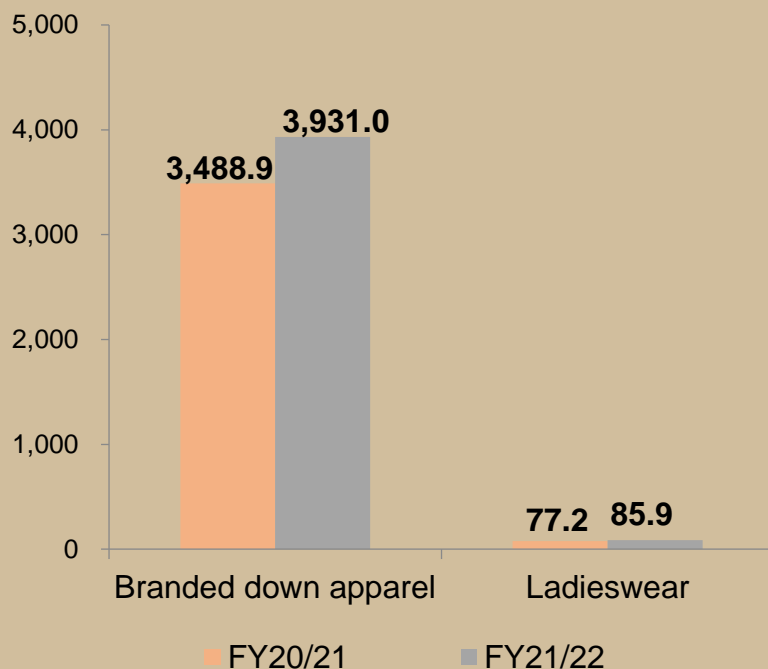


- Revenue of diversified apparels business increased by 28.3% year-on-year, of which, revenue from school uniform business of Sameite increased significantly by 80.9%
- The Sameite brand continued to promote the channel upgrading, and through cooperation with well-known domestic education groups and benchmark schools as well as the innovative independent digital system, to increase revenue and expand market coverage
- During the year, contract orders for the school uniform business of Sameite recorded an increase of 80.5% year-on-year
- Other businesses include children's wear and MAN, etc.. Of which, the MAN brand businesses kept downsizing comprehensively. There was no additional investment in the project company which cooperated with the Japanese brand of Petit main during the year.

Online Sales

Revenue of online sales

(RMB million)



- Online channels have been further transformed and expanded; the Group had realized sales in more channels
- Revenue from the total online sales of the Group's brands increased by 12.3% year-on-year. Revenue from the online sales of the branded down apparels and ladieswear businesses increased by 12.7% and 11.3% respectively year-on-year
- With further upgrading of the brand and product innovation, the proportion of product sales revenue in the middle and high price segment of the Group had steadily increased
- In terms of the online sales of the down apparel under the Bosideng brand, the proportion of the down apparel products over RMB1,800 per unit price increased significantly from significantly 31.8% to 46.9% year-on-year

Credit Ratings and ESG Ratings

Credit Ratings:

- In April 2022, Moody's Investors Service ("Moody's") and S&P Global Ratings ("S&P"), two international authoritative rating institutions, have assigned Bosideng with credit rating of "**Baa3 (Stable Outlook)**" and "**BBB- (Stable Outlook)**" respectively
- With double "Investment Grade" from Moody's and S&P, it is not only making the Group to be the first company in the branded apparel industry in the Asia-Pacific region to obtain investment grade, but also the best international credit rating result achieved in the Chinese branded apparel industry as of today

MOODY'S

S&P Global
Ratings

ESG Ratings:

- Morgan Stanley Capital International ("MSCI") issued ESG rating reports in June 2021 and February 2022 respectively, the Group's MSCI ESG rating has been upgraded from B to **BBB**, standing at the leading position in China textile and apparel industry



A woman in a white trench coat is walking in profile from left to right. She is wearing black high-heeled boots and carrying a black bag. The background is a dark blue shape with a white outline, set against a light beige wall. The text 'Future Development Plan' is written in white on the dark blue background.

Future Development Plan

Future Development Plan

Keep demonstrating its development resilience, Continue to build its core competitiveness
Strive to enhance its global leading position

Down apparel business

- Focus on the main channel of down jackets, build the core competitiveness of the main business, and lead the development of the down jacket industry
- Insist the brand positioning of Bosideng as "the world's leading down apparel expert", exert professional leadership and establish a leading awareness, from a single sales scale leader to a comprehensive global brand; at the same time, to achieve a store-centered retail and large-scale commodities business process strategy change project
- Overall layout and development of Snow Flying and Bengen brand down apparels, Snow Flying has developed into an affordable apparel brand operator trusted by consumers in the Internet age, and has become the first brand of cost-effective down apparels
- Through the differentiated positioning of Bosideng, Snow Flying and Bengen brands, we will achieve full coverage of the down apparels market, truly strengthen the core business of down apparels, and increase market share

OEM management business

- Committed to "becoming a mid-to-high-end international brand functional apparel OEM/ODM expert", tapping the potential of existing business, making breakthroughs in incremental business, and continuously improving business quality and profitability
- Continue to deepen the foundation of good and stable cooperation with existing core customers and expand new customer resources
- Accelerate the deployment of overseas production resources and optimize and improve service capabilities

Fashionable ladieswear business

- Pay more attention to the healthy development of fashionable ladieswear business, adjusts and optimizes empowerment, helps to further clarify the development direction and business model
- Promote resource sharing among various brands of ladieswear and expand synergy between brands
- Through the gradual improvement of the product power, channel power and brand power of each brand, the operation efficiency and management efficiency will be boosted, so as to realize the healthy and benign growth

Diversified apparels business

- The school uniform brand Samite focuses on the positioning of "international high-end school uniform expert", enhances brand influence, builds product core competitiveness, optimizes business structure, and taps market increments



波司登
BOSIDENG