



Bosideng International Holdings Limited

Incorporated in the Cayman Islands
with limited liability

Stock Code: 3998

2022/23
Annual Results
June 29, 2023

波司登
BOSIDENG

Disclaimer

The information contained in this presentation is intended solely for your personal reference. Such information is subject to change without notice, its accuracy is not guaranteed and it may not contain all material information concerning Bosideng International Holdings Limited (the “Company”) and/or its business. The Company makes no representation regarding, and assumes no responsibility or liability for, the accuracy or completeness of, or any errors or omissions in, any information contained herein.

In addition, the information contains projections and forward-looking statements that may reflect the Company’s current views with respect to future events and financial performance. These views are based on current assumptions which are subject to various risks and which may change over time. No assurance can be given that future events will occur, that projections will be achieved, or that the Company’s assumptions are correct. Actual Results may differ from projections. It is not the intention to provide, and you may not rely on this presentation as providing, a complete or comprehensive analysis of the Company's financial or trading position or prospects.

This presentation does not constitute an offer or invitation to purchase or subscribe for any securities or financial instruments or to provide any investment service or investment advice, and no part of it shall form the basis of or be relied upon in connection with any contract, commitment or investment decision in relation thereto.



01 Financial
Review



02 Business
Review



03 Future
Development
Plan

Financial Review



Financial Highlights

(RMB million)	For the year ended March 31		
	2023	2022	Change
Revenue	16,774.2	16,213.6	+3.5%
Gross profit	9,975.9	9,737.2	+2.5%
Profit from operations	2,826.4	2,568.8	+10.0%
Profit attributable to equity holders of the Company	2,138.6	2,062.3	+3.7%
Earnings per share (RMB cents)			
– Basic	19.75	19.14	+3.2%
– Diluted	19.29	18.78	+2.7%
Dividend per share (HKD cents)			
– Interim	4.5	4.5	-
– Final	13.5	13.5	-
– Full year	18.0	18.0	-

Financial Highlights (Cont')

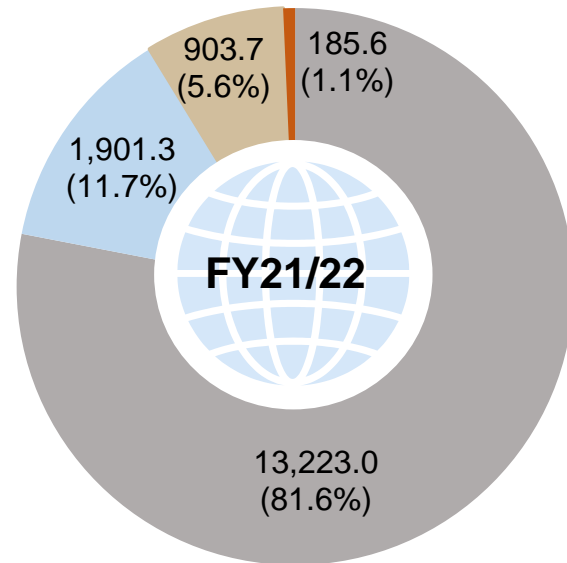
	For the year ended March 31		
	2023	2022	Change
Gross profit margin	59.5%	60.1%	-0.6ppt.
Operating profit margin	16.8%	15.8%	+1.0ppt.
Effective tax rate	25.3%	23.0%	+2.3ppt.
Net profit margin*	12.7%	12.7%	-
Dividend pay-out ratio	83.4%	80.2%	+3.2ppt.

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

Revenue Breakdown

RMB 16,213.6 million

(RMB million)

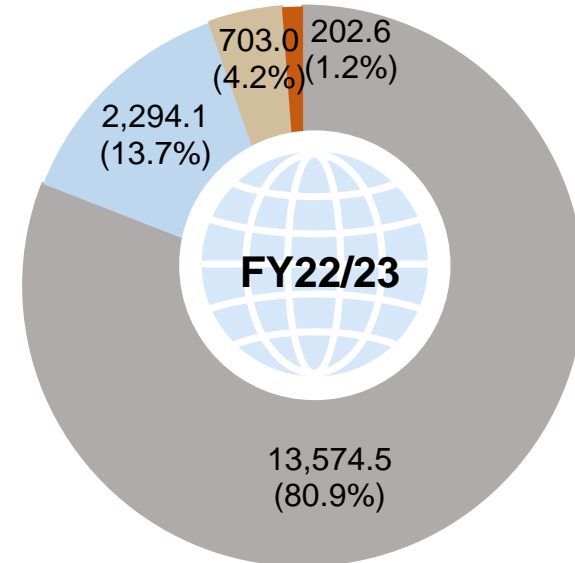


Revenue
increased by
+3.5%



RMB 16,774.2 million

(RMB million)



Branded down apparels
 OEM management
 Ladieswear apparels
 Diversified apparels
 (% of revenue)

The Group's revenue increased mainly due to:

- Continued to consolidate its four core competencies in “leading brand, innovating products, upgrading channel and adhering to high product quality and quick response” as well as its two security systems in relation to “organization, mechanism, culture and talent development and digital operation”. As a result, the Group achieved consistent and quality growth despite the industry’s overall downtrend, showing resilience in its development.

Revenue Breakdown by Business

(RMB million)	For the year ended March 31		
	2023	2022	Change
Branded down apparels	13,574.5	13,223.0	+2.7%
OEM management	2,294.1	1,901.3	+20.7%
Ladieswear apparels	703.0	903.7	-22.2%
Diversified apparels	202.6	185.6	+9.2%
Total	16,774.2	16,213.6	+3.5%

Revenue Breakdown - Branded Down Apparels Business

(RMB million)	For the year ended March 31			
	2023	2022	Change	% Change
Bosideng	11,762.8	11,617.7	+145.1	+1.2%
Snow Flying	1,221.5	974.2	+247.3	+25.4%
Bengen	125.5	235.3	-109.8	-46.7%
Other*	464.7	395.8	+68.9	+17.4%
Total	13,574.5	13,223.0	+351.5	+2.7%

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

Revenue Breakdown - Ladieswear Apparels Business

(RMB million)	For the year ended March 31			
	2023	2022	Change	% Change
JESSIE	254.9	285.3	-30.4	-10.7%
BUOU BUOU	167.7	253.5	-85.8	-33.8%
KOREANO & KLOVA	280.4	364.9	-84.5	-23.2%
Total	703.0	903.7	-200.7	-22.2%

Revenue Breakdown - Diversified Apparels Business

(RMB million)	For the year ended March 31			
	2023	2022	Change	% Change
Sameite school uniform	186.1	160.6	+25.5	+15.9%
Others brands and others*	16.5	25.0	-8.5	-34.0%
Total	202.6	185.6	+17.0	+9.2%

* Represents children's wear, menswear, etc.

Gross Margin

Business	For the year ended March 31		
	2023	2022	Change
Branded down apparels	66.2%	65.7%	+0.5ppt.
OEM management	19.9%	18.6%	+1.3ppt.
Ladieswear apparels	68.6%	72.4%	-3.8ppt.
Diversified apparels	25.7%	25.7%	-
The Group	59.5%	60.1%	-0.6ppt.

Gross Margin

- Branded Down Apparels Business

For the year ended March 31

	2023	2022	Change
Bosideng	70.8%	69.4%	+1.4ppt.
Snow Flying	46.0%	47.3%	-1.3ppt.
Bengen	33.6%	24.8%	+8.8ppt.
Branded Down Apparels	66.2%	65.7%	+0.5ppt.

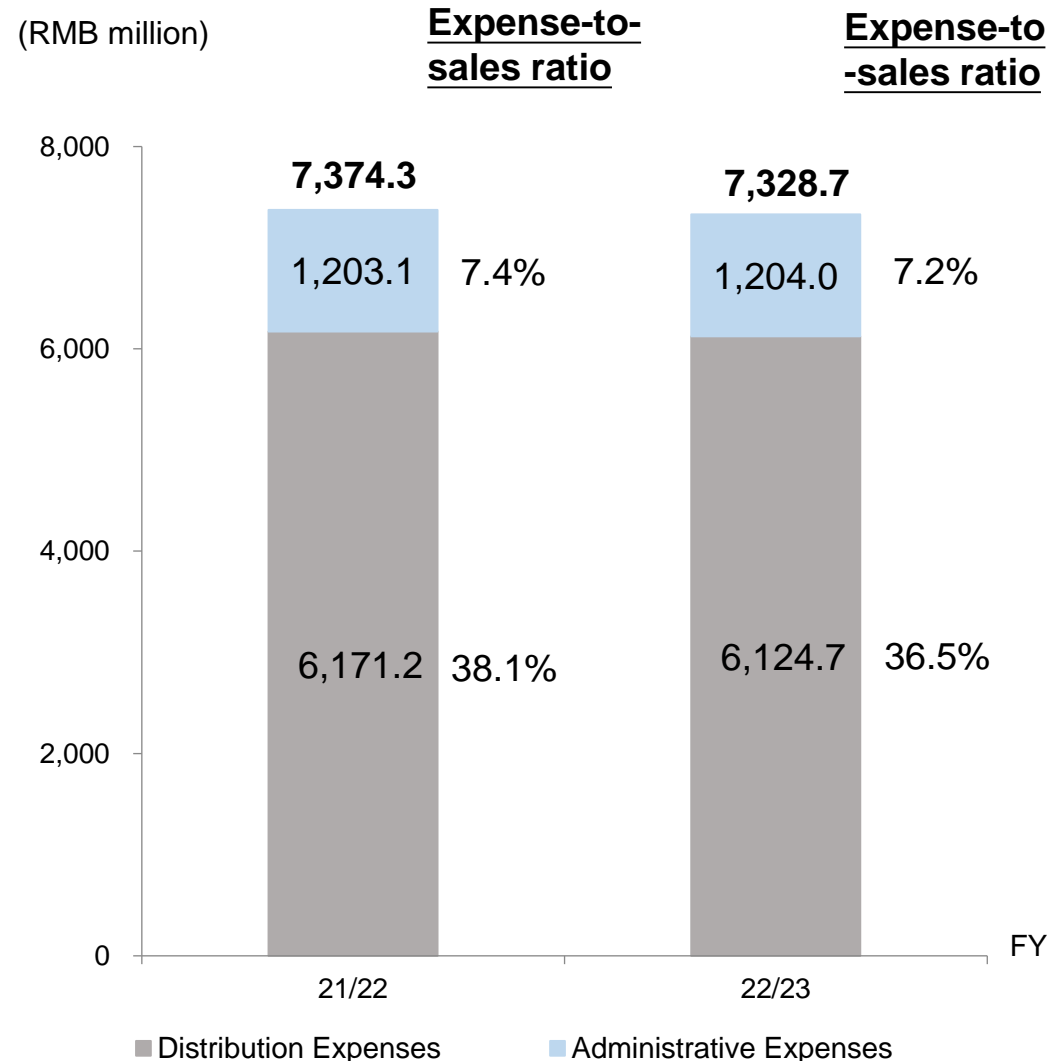
Gross Margin

- Ladieswear Apparels Business

For the year ended March 31

	2023	2022	Change
JESSIE	66.6%	66.5%	+0.1ppt.
BUOU BUOU	64.0%	68.3%	-4.3ppt.
KOREANO & KLOVA	73.0%	80.0%	-7.0ppt.
Ladieswear Apparels	68.6%	72.4%	-3.8ppt.

Operation Expenditure



- Distribution Expenses:** The ratio of distribution expenses to the total revenue of the Group effectively decreased by 1.6 percentage points, mainly because the Group had effectively planned and controlled its expenses in the renovation of its terminal stores, brand promotion and marketing activities in FY2022/23, as well as the enhanced expense control through improving efficiency in spending on such aspects
- Administrative Expenses:** The administrative expenses, which were mainly comprised of salary and welfare, amortization of fees for share options, depreciation and consultancy expenses; the administrative expenses stayed at a similar level compared with that in the previous financial year

Inventories

(RMB'000)	As at Mar 31, 2023	As at Mar 31, 2022	Change
Raw materials	878,207	891,118	-1.4%
Work in progress	11,930	23,763	-49.8%
Finished goods	1,799,146	1,773,305	+1.5%
Total	2,689,283	2,688,186	0.0%

Working Capital Management – Inventories Turnover Days, Trade and Bills Receivables and Payables Turnover Days

	For the year ended March 31		Change
	2023	2022	
Average inventory turnover days ⁽¹⁾	144	150	-6 days
Average trade and bills receivable turnover days ⁽²⁾	23	24	-1 day
Average trade and bills payables turnover days ⁽³⁾	171	162	+9 days

(1) Calculated as average inventory divided by cost of sales, multiplied by 365 days

(2) Calculated as average trade and bills receivables divided by revenue, multiplied by 365 days

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

- Inventory turnover days decreased by 6 days as compared to last year, which was mainly due to :
 - ✓ Maintained a relatively lower proportion of first-time orders
 - ✓ The continuous implementation of the demand-pull replenishment adjustment mechanism, which effectively promoted omni-channel commodity integrated operation and management.
 - ✓ Continuously improved the ability of quick replenishment, and maintained inventory at an optimal level while expanding the revenue
- Trade and bills receivables turnover days decreased by 1 day as compared with that in the previous year:
 - ✓ The Group has provided customers with 30 to 90 days of credit period
 - ✓ The Group has strengthened the management of accounts receivable
- Trade payables turnover days increased by 9 days as compared to last year, mainly due to:
 - ✓ Through supply chain finance, the Group has effectively managed the trade payables turnover days
 - ✓ The increase in the average amount of bills and accounts payables for the year as compared with that in the previous year

Total Cash and Net Cash

(RMB million)	As at Mar 31, 2023	As at Mar 31, 2022
Cash and cash equivalents	3,718.2	2,502.6
Time deposits with maturity over 3 months	1,646.2	324.3
Pledged bank deposits	1,028.2	952.1
Other financial assets	4,069.0	6,521.3
Total cash	10,461.6	10,300.3
Minus: Bank borrowings	(770.4)	(934.0)
Minus: Convertible Bonds	(1,608.0)	(1,604.6)
Net cash	8,083.2	7,761.7

Total Cash and Net Cash (Cont')

(RMB million)	As at Mar 31, 2023	As at Mar 31, 2022
Net cash inflow/(outflow) from operating activities	3,050.7	2,670.1
Net cash inflow/(outflow) from investment activities	616.6	(685.9)
Net cash inflow/(outflow) from financing activities	(2,493.0)	(1,232.5)
Net increase/(decrease) in total cash	1,174.3	751.7
Net cash inflow from operating activities / Net profit	1.4x	1.3x
Liquidity (times) ⁽¹⁾	2.4x	2.2x
Gearing ratio (%) ⁽²⁾	18.9%	20.8%

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

Investment activities: including changes in purchase or sale of other financial assets and fixed assets, etc.

Financing activities: including changes in financing, dividends, and pledged bank deposits, etc.

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

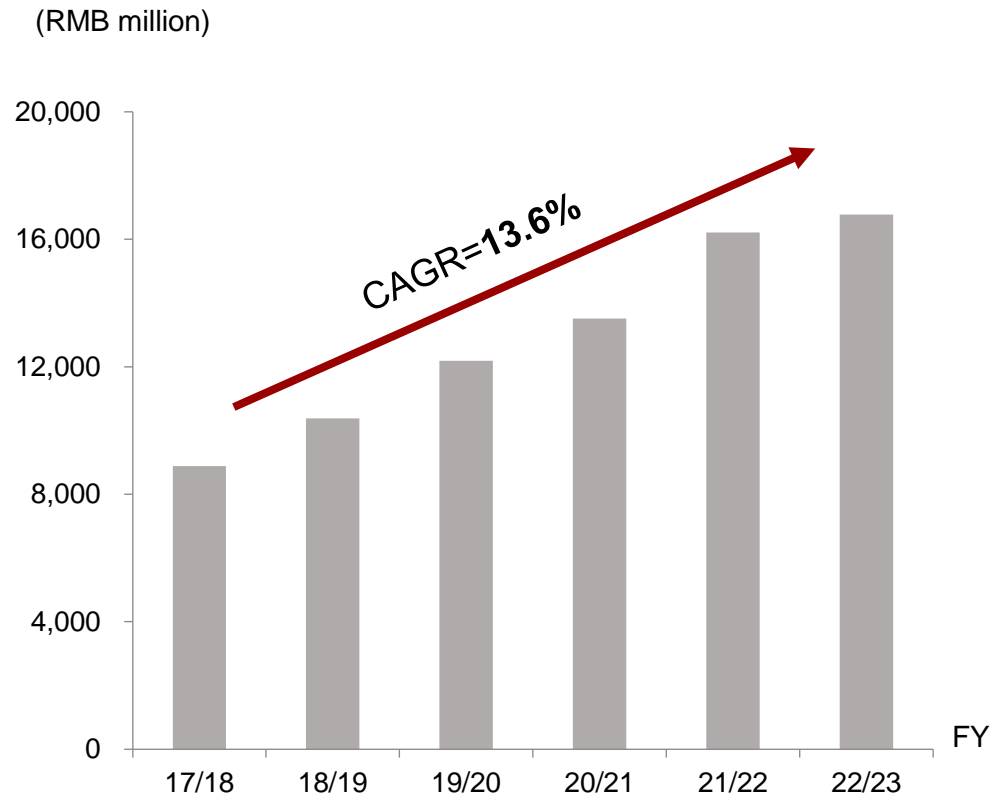
(2) Gearing ratio (%) is calculated as dividing total borrowings by total equity

Financial Performance Highlights

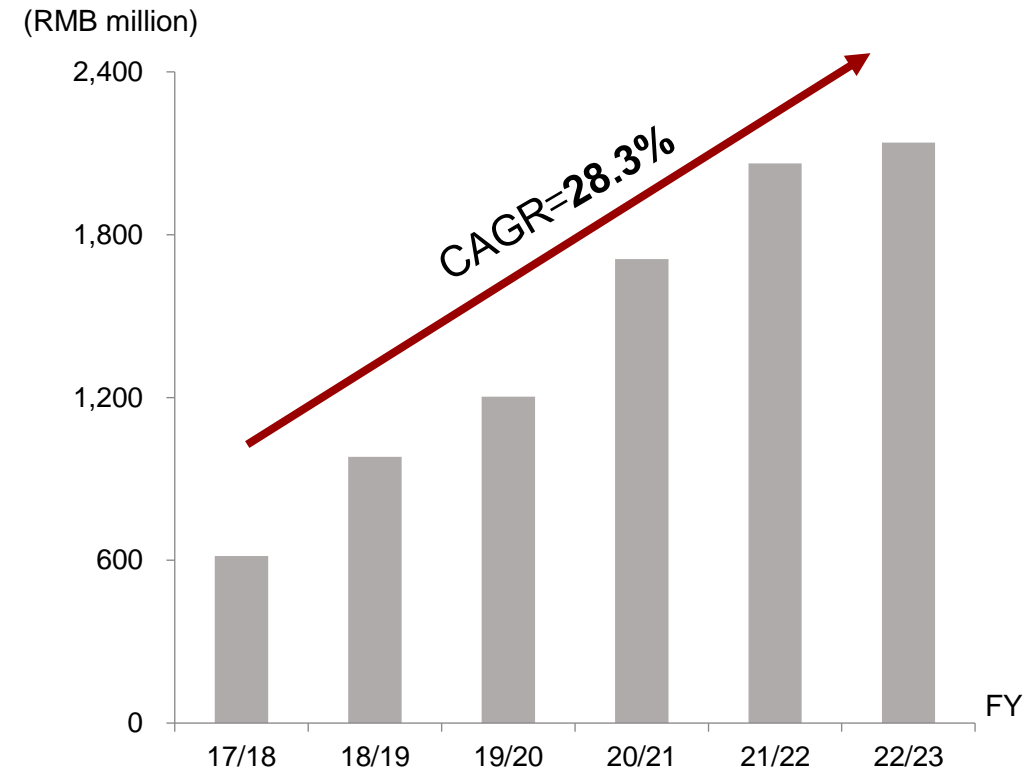
1. Revenue and Profit recorded historical highs

- Maintained a faster increasing rate for five years as compared with that of revenue

Revenue



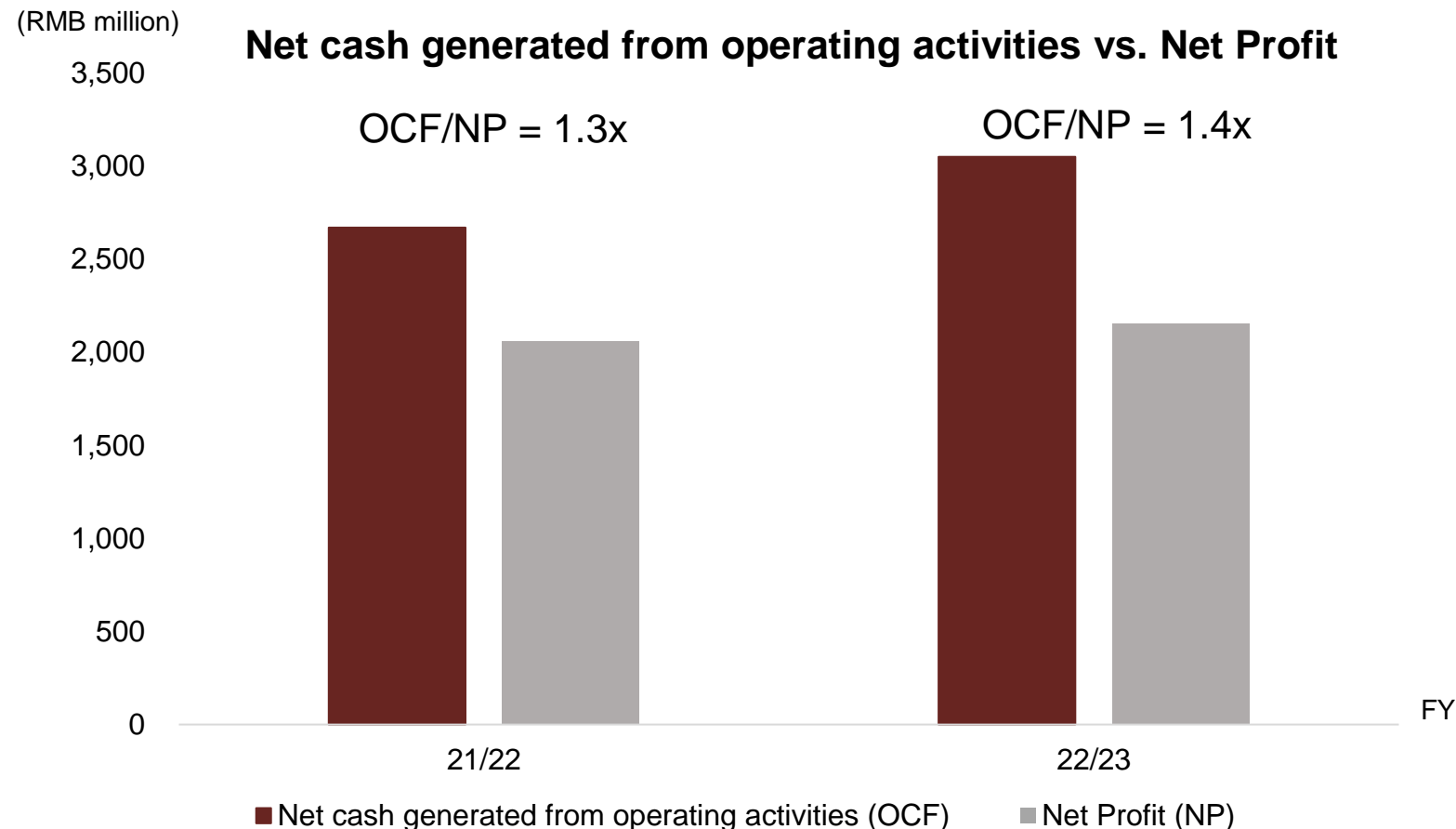
Profit attributable to equity holders



Financial Performance Highlights

2. Stable and Healthy Operating Cash Flow Performance

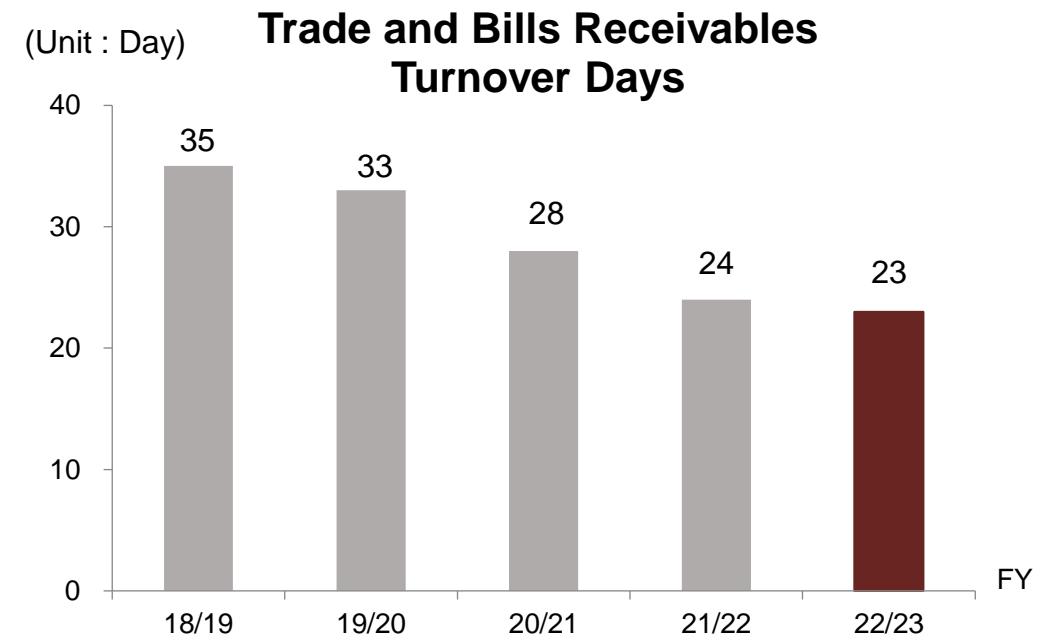
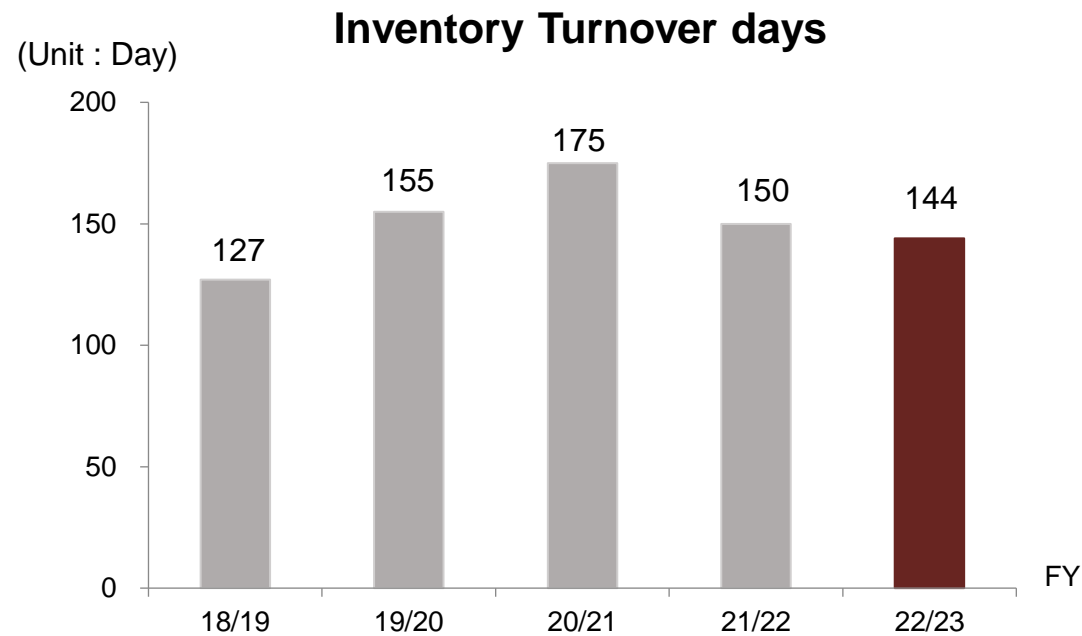
- Achieved strong and solid cash flow from operating activities during the outbreak of the pandemic, with net cash generated from operating activities increasing by 14.3% year-on-year



Financial Performance Highlights

3. Enhanced Working Capital Management Capabilities

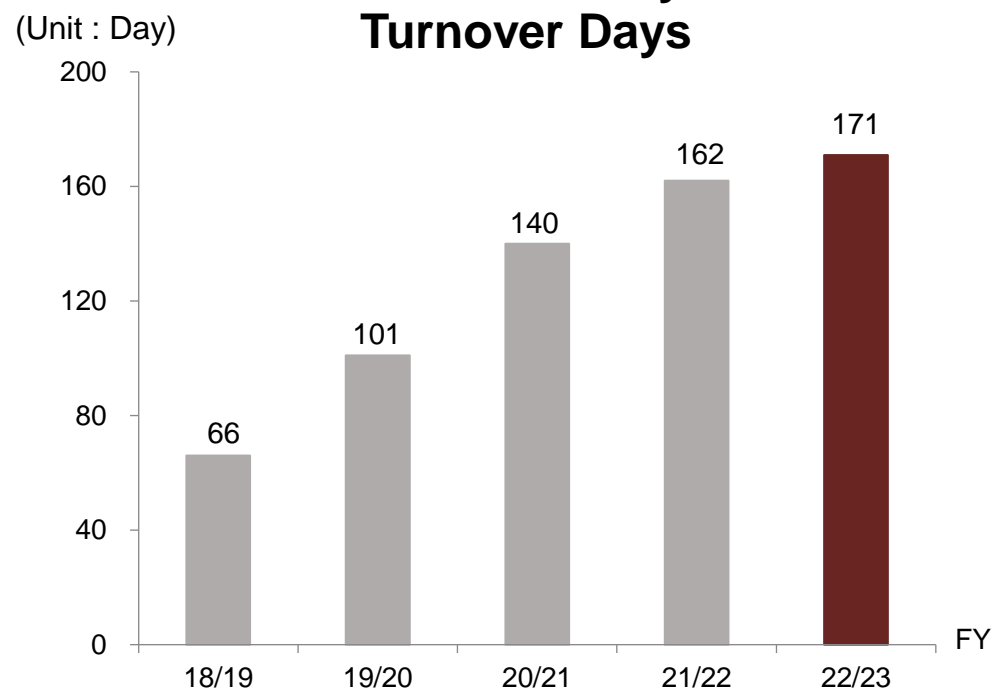
- Steady Improvement in inventory, trade and bills receivables and payables turnover days



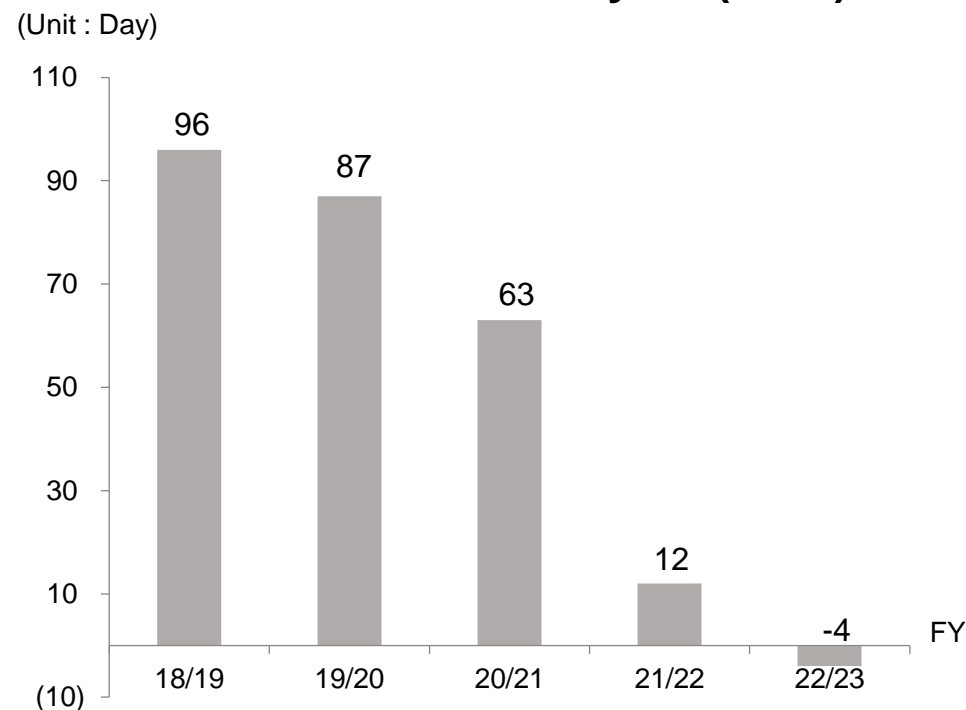
Financial Performance Highlights

3. Enhanced Working Capital Management Capabilities (Cont')

Trade and Bills Payables Turnover Days



Cash Conversion Cycle (CCC) *



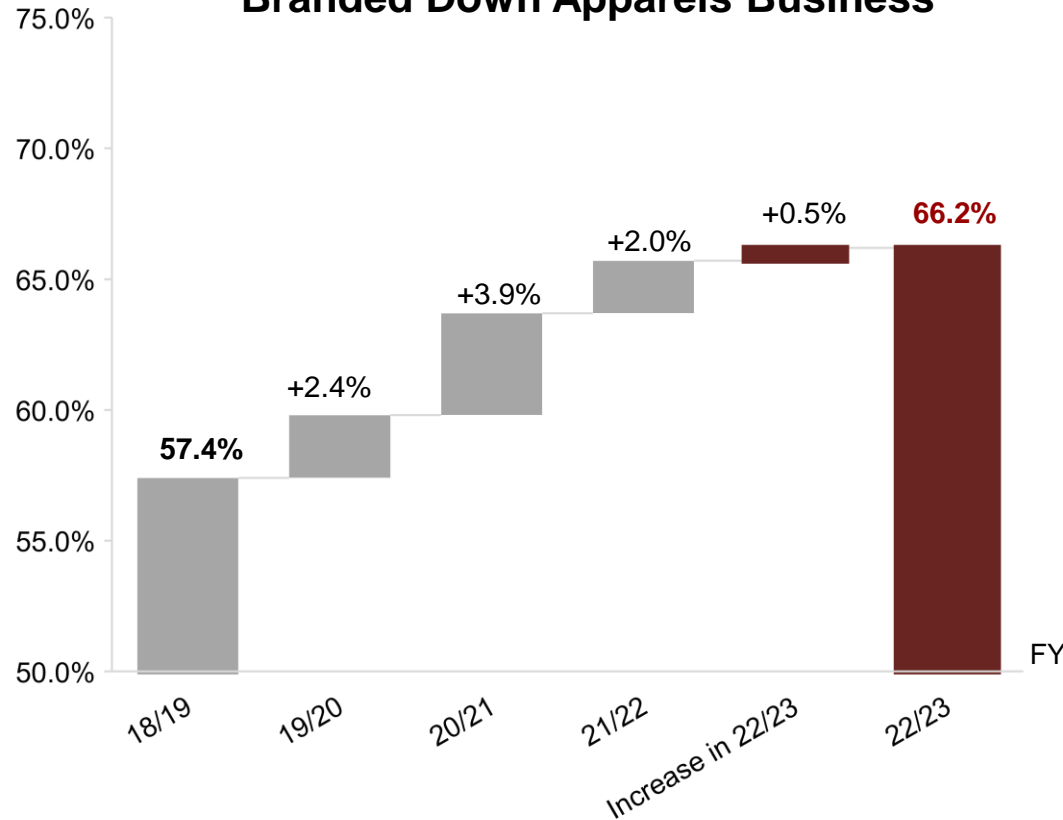
* Cash conversion cycle = Inventory turnover days + Trade and bills receivable turnover days - Trade and bills payable turnover days

Financial Performance Highlights

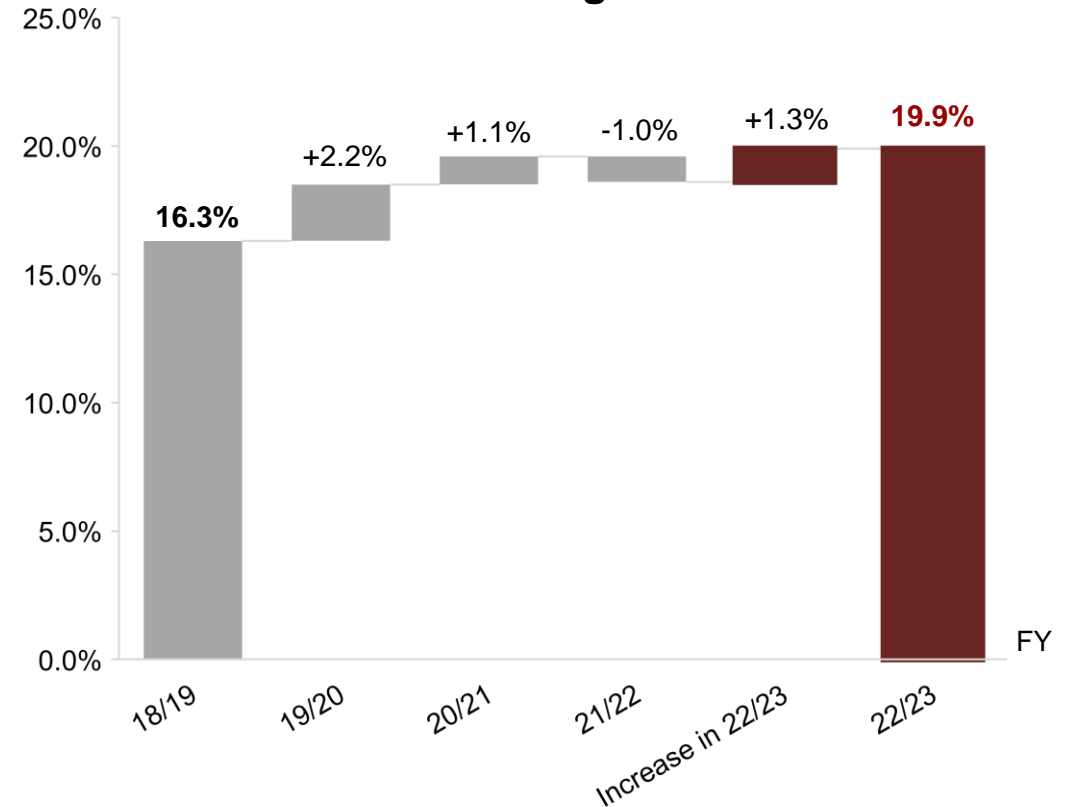
4. Steady Growth in Gross Profit Margin of Core Businesses

- Achieved success in brand reshaping, innovative product upgrades and effective cost control

Gross Profit Margin of Branded Down Apparels Business



Gross Profit Margin of OEM management

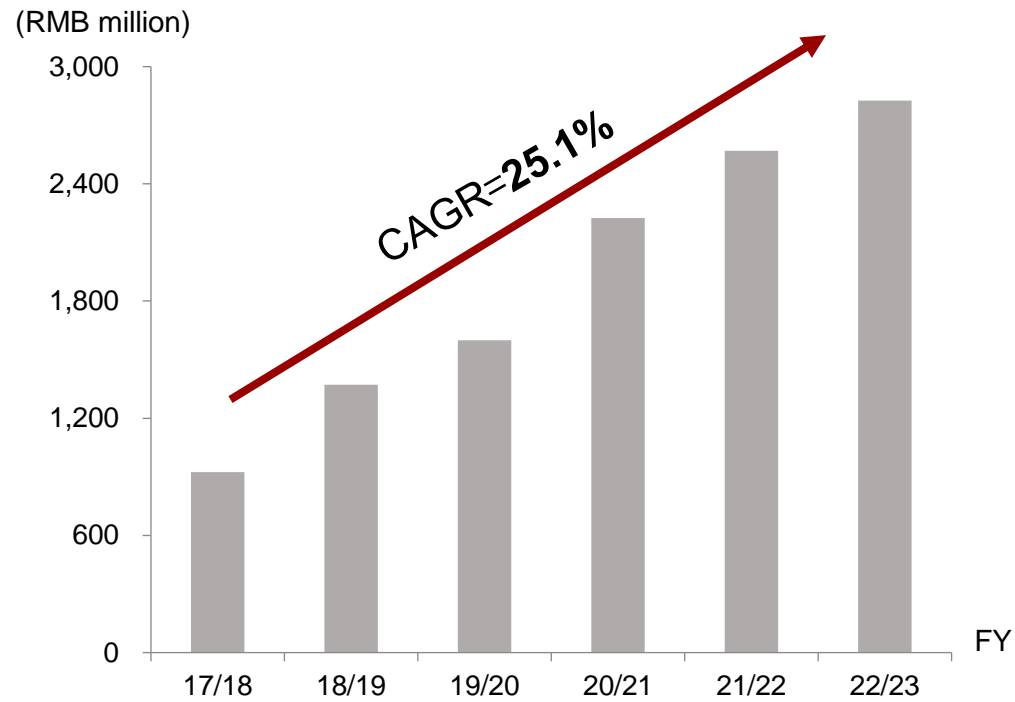


Financial Performance Highlights

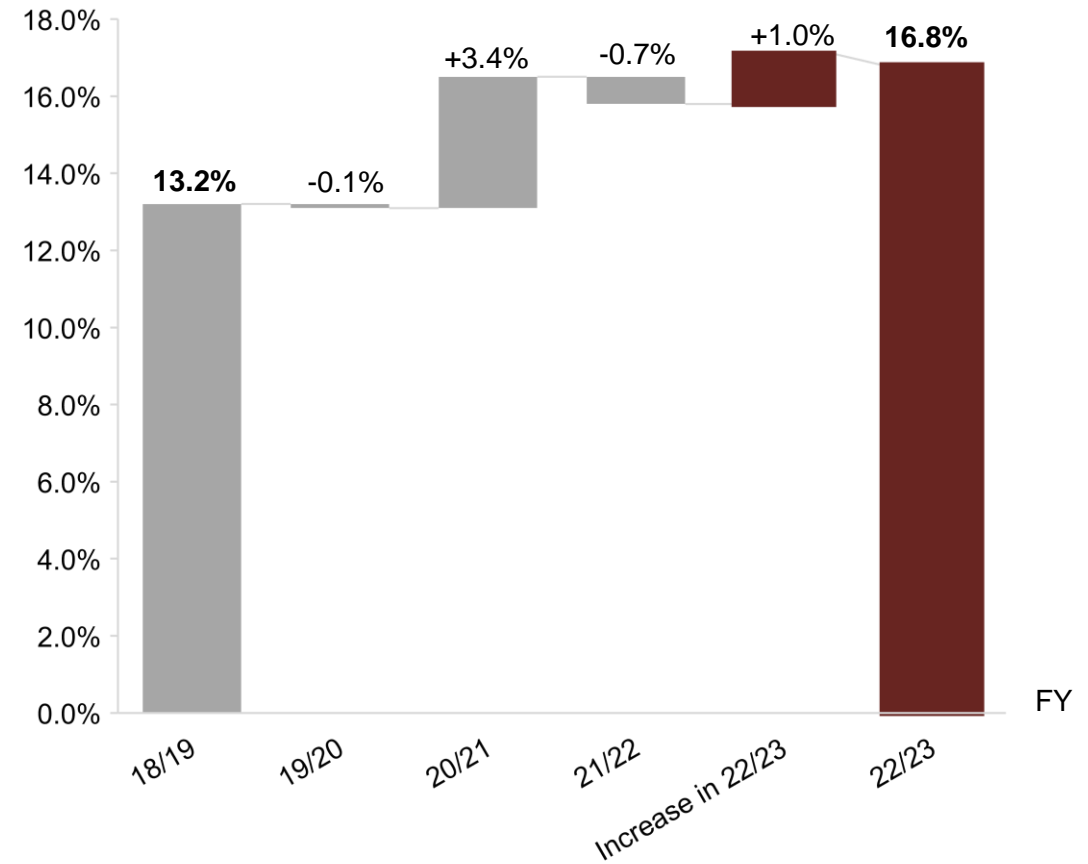
5. Enhanced Profitability and Quality of Earnings

- Operating profit increased significantly despite the industry's overall downtrend, operating profit reached new high

Operating Profit



Operating Profit Margin



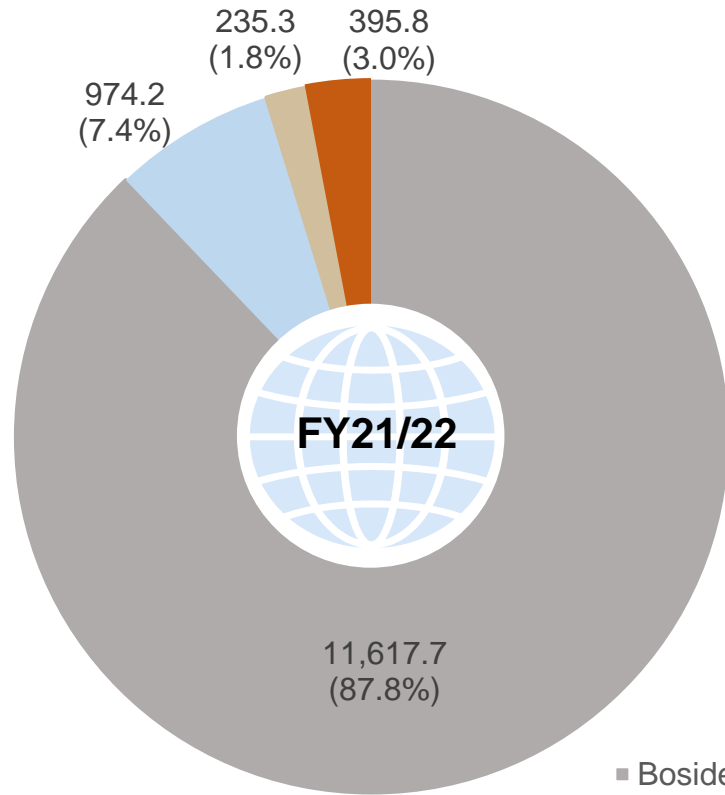


Business Review

Branded Down Apparels Business

RMB 13,223.0 million

(RMB million)

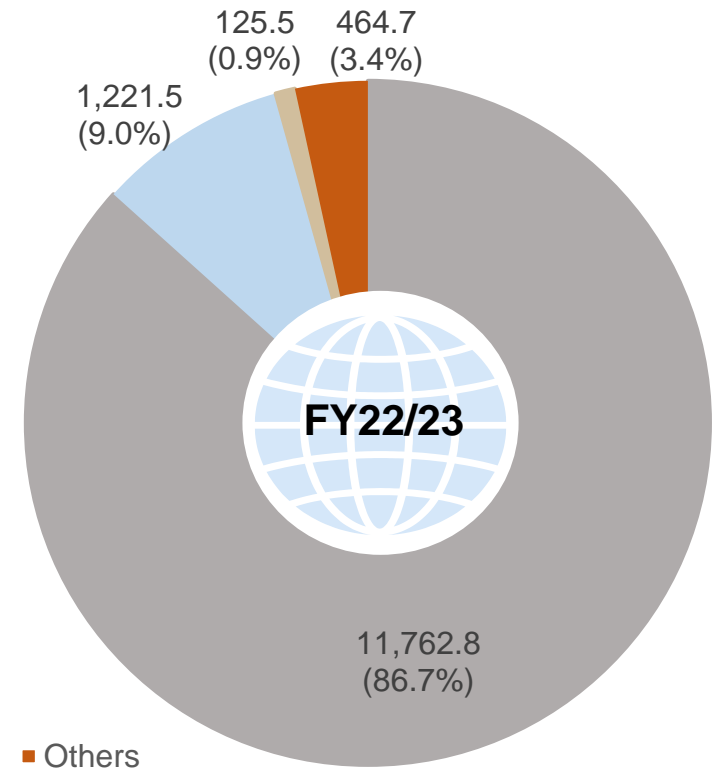


Revenue increased by +2.7%



RMB 13,574.5 million

(RMB million)

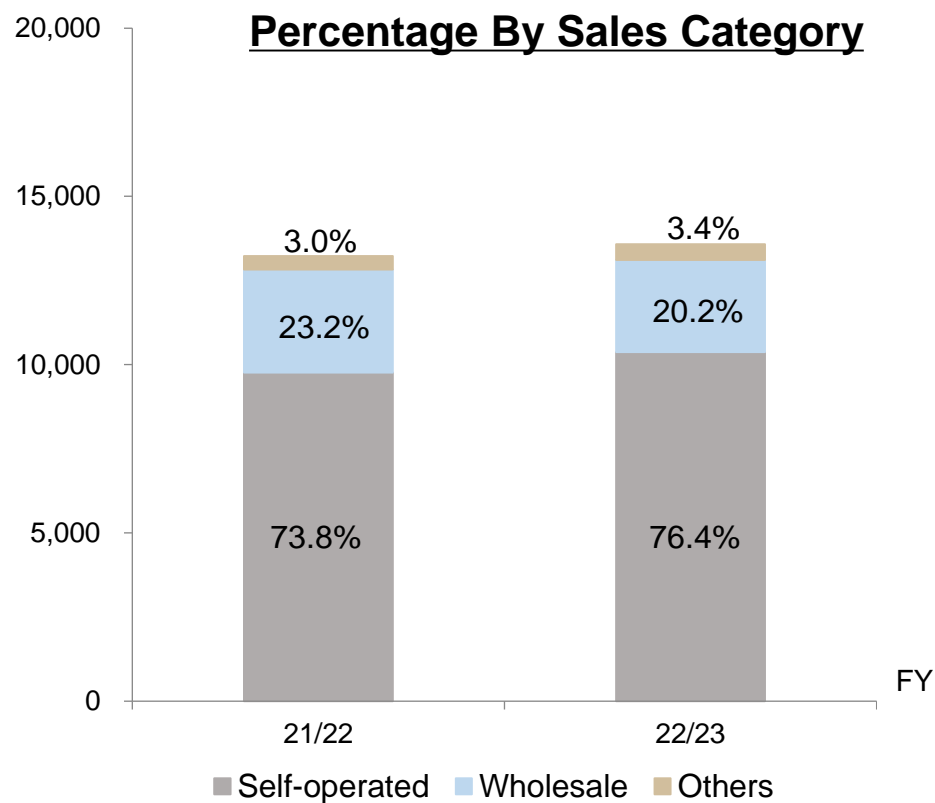


Bosideng
 Snow Flying
 Bengen
 Others

(% of revenue)

Revenue by Sales Category

(RMB million)



(RMB million)	For the year ended		
	2023	2022	Change
Self-operated	10,367.5	9,759.1	+6.2%
Wholesale	2,742.3	3,068.1	-10.6%
Others*	464.7	395.8	+17.4%
Total	13,574.5	13,223.0	+2.7%

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

Brand Building

- Adhered to the strategy of developing itself into the “world’s leading expert in down apparel
- Multi-dimensional “brand-driven development model: “innovation in fashion” and “innovation in functions”

- large-scale brand promotional campaigns
- upgraded visual presentations
- enhanced content of promotional messages
- promoted branding and sales interaction



- brand upgrading
- functional visualization
- enhance users’ experience in various scenarios



- deepened consumers’ brand awareness and recognition
- facilitated brand building and boosted sales

- Received a number of recognitions:
 - Bosideng improved its brand ranking to 48th place on the “Brand Finance Apparel 50 2022”
 - The titles of the “Leader in Retail Volume Sales of Down Apparel Globally” and “The No. 1 Brand in Retail Value Sales Globally” from Euromonitor
 - The Golden Novum Design Award in France
 - “US MUSE Design Award” jointly given by American Alliance of Museums and International Awards Associates

Held New Generation of Ultralight Down Jackets launch event in Shanghai in Sep



Opened the first global experience store in Oct



Launched co-branded collection with Maserati in Nov



Collaborated with well-known artist Chen Yingjie to launch seasonal gift sets for the Year of the Rabbit in 2023



Brand Finance

EUROMONITOR INTERNATIONAL

NOVUM DESIGN AWARD

MUSE DESIGN AWARDS

ISPO Award 2022

reddot winner 2022

Product Innovation

- **Successfully launched a new generation of Ultralight down jackets**

Completely innovated ultralight down jackets with century-old fashion items, unique down stitching and artistic quilting design, providing customers with a choice of varied, warmer and more fashionable and professionally designed products and opening up new opportunities for wearing a new type of cross-seasonal, multi-scenario and fashionable down apparel

- **Extreme Cold Collection**

Strictly selected 90% high velvet content, 700+ high-quality goose down, and fabrics with professional and efficient windproof performance, enabling the wearer to withstand the cold thoroughly and maintain warm, nearly 200,000 units of young fashion workwear products in the latest 2317 style were sold

- **High-end outdoor WIFI collection**

Launched a new high-end outdoor WIFI collection with Maserati by adopting intelligent temperature insulation technology and a “thermal-humid balanced” patented system to improve their warmth performance in all aspects. The new collection also shows a stronger sense of technological beauty and fashionable aesthetics



Marketable for different temperature



Marketable for different region



Marketable for the new generation



Ultralight Down Jackets



Extreme Cold Collection



High-end Outdoor WIFI Collection

Note: The above only shows some of the best-selling product series as examples

Retail Network - Offline

As at Mar 31, 2023	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	821	-197	13	3	-	-1	834	-195
Operated by third party distributors	1,599	-53	83	-12	-	-8	1,682	-73
Sub-total	2,420	-250	96	-9	-	-9	2,516	-268
Concessionary retail outlets								
Operated by the Group	458	-97	105	-20	2	-15	565	-132
Operated by third party distributors	305	46	37	-8	-	-24	342	14
Sub-total	763	-51	142	-28	2	-39	907	-118
Total	3,183	-301	238	-37	2	-48	3,423	-386

Change: compared with that as at March 31, 2022

Retail Network - Offline (Cont')

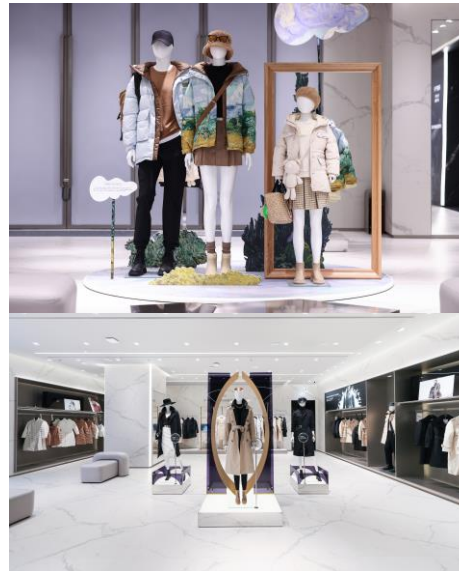
Further optimising sales channels structure and fine-tuning the retail stores management

- Paid attention to the operational quality of existing stores and elevated the “single store operation” for the strategic transformation dimension of the Group
- Focused on the geographical layout of offline sales channels to core cities and core business districts; also paid attention to the layout of multi-level markets and opened up sales channels in local markets by planning for the differentiated geographical layout of self-operated stores or dealer stores
- Paid attention to the operational capacity of branch formats and classified the retail outlets according to their different store formats and then widely promoted Top Sellers at the model stores in different store formats

First global experience store



Normal retail stores

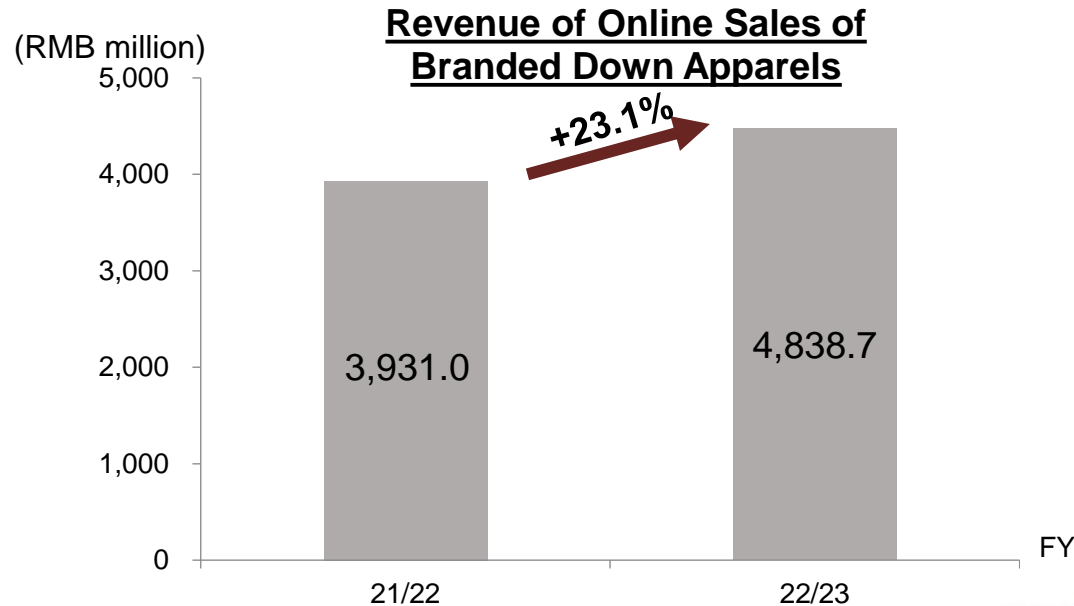


Over 1,000 peak-season stores



Retail Network - Online

- Key focus on vigorous development of online sales channels and continued to achieve steady and high-quality growth despite adverse market conditions
- Invested more resources to actively expand its presence through emerging content platforms such as Douyin as well as traditional e-commerce platforms
- On the Tmall platform, Bosideng brand ranked 1st in the market for ladieswear apparels and 2nd in the market for menswear during the “Double 11” event; ranked 1st in the market for ladieswear apparels and 1st in the market for menswear during the “Double 12” event; also ranked 1st in the three major promotional sales on the JD platform and the three major promotional sales of ladieswear apparels on Vipshop
- Bosideng’s flagship store on Douyin’s online platform became the No. 1 single store in terms of sales of down apparels for three consecutive years
- Revenue from the online sales of the branded down apparels business increased by 23.1% year-on-year



Operation Management



Supply Chain Management

- The ability to efficiently provide high-quality goods is an important competitive strength that has led to the Group's continued success in the industry as well as one of its core competitive advantages for maintaining its efficient and healthy sustainability
- Continuously replenished on a rolling basis during the peak sales seasons according to sales data and trend forecasts at the end-user market
- Maintained a shorter turnover cycle and higher efficiency by conducting demand-pull replenishment, quickly launching new products and quickly responding to small orders
- The supply chains underwent systematic planning and upgrading in terms of adopting flexible and quick response times, quality operations, scientific research technology, resource integration and cost management



Logistics and Delivery

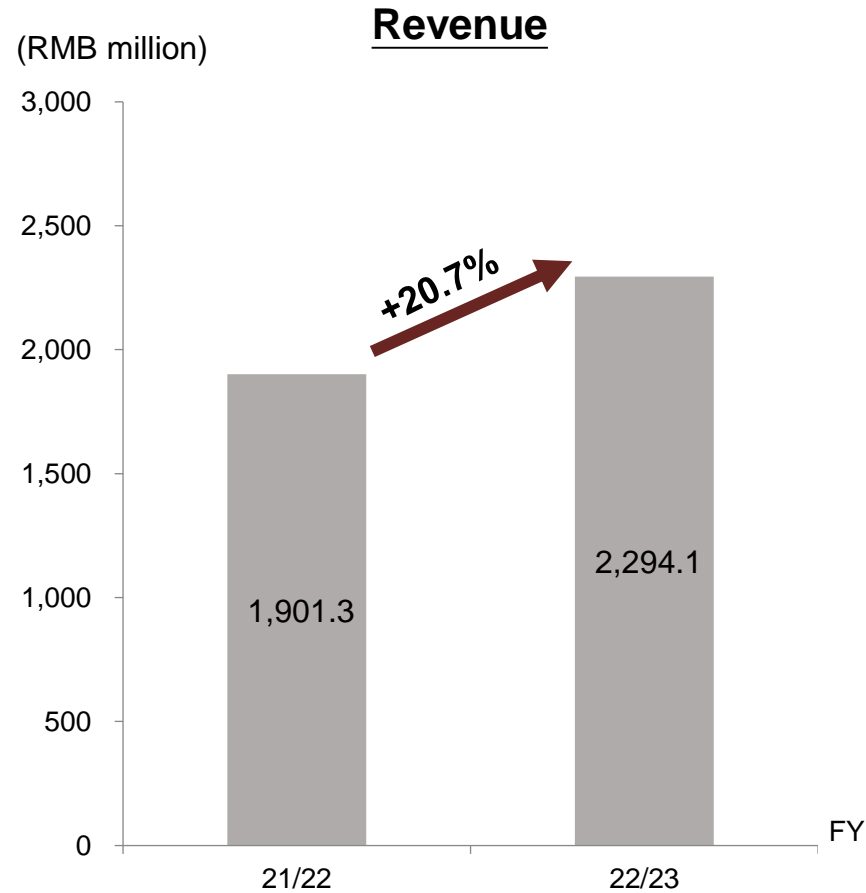
- Adopted a system to automatically match transport and delivery resources to each order, collected and monitored data in respect of each step of the entire process, including collection, distribution, in-transit and sign-for acceptance
- Took a series of actions in regards to the Group's logistics park to improve its logistics efficiency
- Under the premise of maintaining costs at reasonable levels, the Group maximized its service efficiency and improved user experience
- The significantly improved speed of delivering goods out of the warehouses and optimized in-transit efficiency have contributed to the Group's status as an industry leader in terms of logistics and delivery



Digital Operations

- Made significant achievements in terms of digitalization in many aspects, including smart manufacturing, smart logistics and smart merchandise operations. It has gradually established the direction where its efforts would be placed for digital transformation in the future with a focus on users, retailing and merchandise
- Started the preliminarily construction and exploration of the core business operation platform (based on users, retailing and merchandise), and conducted a trial operation by batch, laying a solid foundations for the ultimate realization of the goals of a mobile office, online business, digital operations and intelligent decision-making. This made up for the shortcomings of the Group's tools for or solutions to technical problems during its digital transformation

OEM Management Business



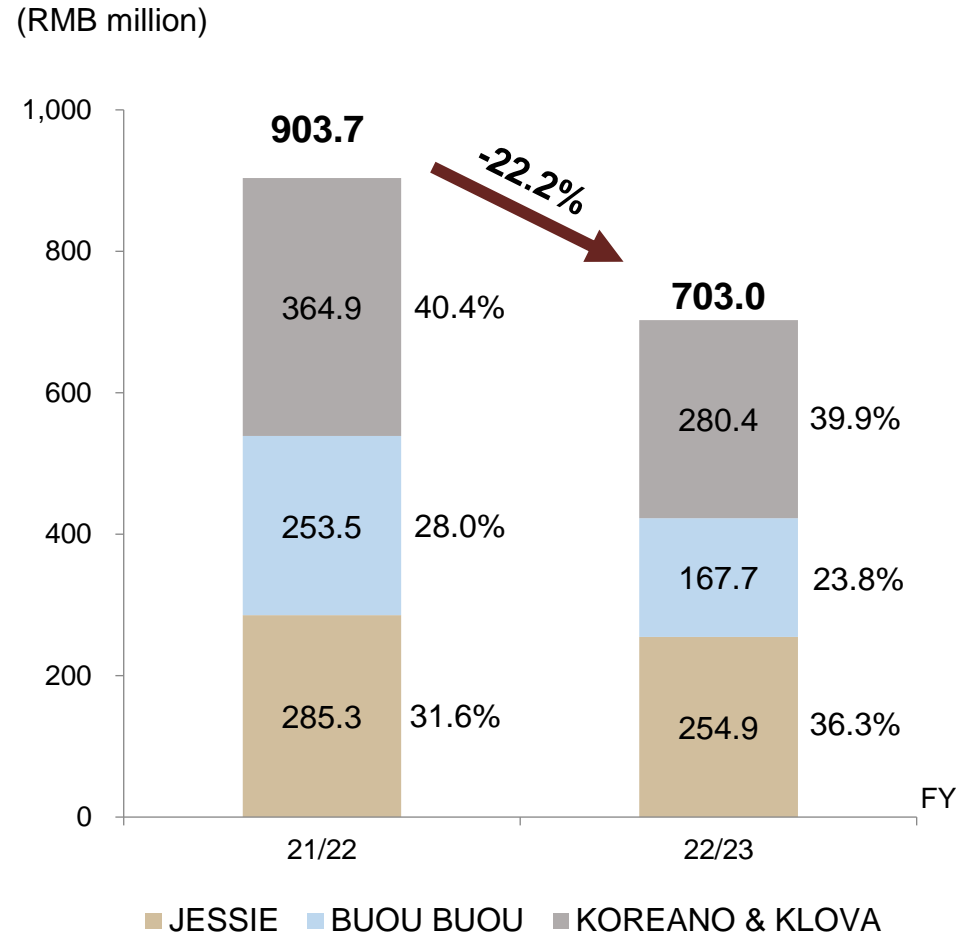
- The OEM management business maintained stable and healthy development, mainly due to:
 1. Steady order growth from the vast majority of existing customers
 2. Orders from new customers
 3. Flexible management mechanisms, especially during the pandemic, the team quickly adjusted its management ideas and production plans, and dispatched core senior management to Vietnam to provide timely support, coordinate resources, improve the on-time delivery rate, and thus achieve sustainable business growth
- Through effective cost management and benefiting from exchange rate changes in FY2022/23, gross profit margin increased steadily by 1.3 percentage points to 19.9%



Ladieswear Apparels Business



Revenue by Brand



- Won the favor of Chinese female consumers through the distinctive images of the Group's rich, multi-tiered product portfolio and brand positioning in the highly competitive ladieswear market in the PRC
- Its four ladieswear brands (especially the offline business) faced difficulties under the repeated flare-up of the pandemic
- Revenue from ladieswear apparels business was approximately RMB 703.0 million, down by 22.2% year-on-year
- Actively expanded its online businesses by making breakthroughs on online multi-platforms and by planning for the development of new retail platforms
- Online segment achieved a year-on-year growth of 3.4% in FY2022/23

Retail Network

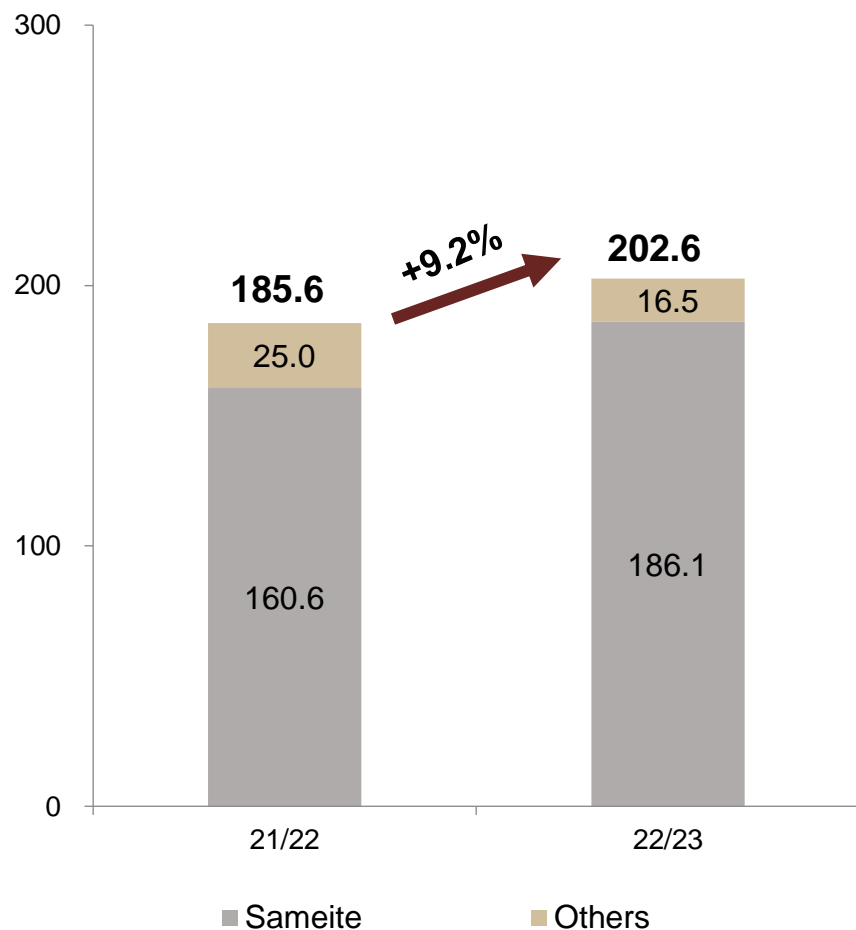
As at Mar 31, 2023	JESSIE		BUOUBUOU		koreano		KLOVA		Total	
	No. of stores	Change	No. of stores	Change	No. of stores	Change	No. of stores	Change	No. of stores	Change
Specialty stores										
Operated by the Group	1	-	9	-3	-	-	-	-	10	-3
Operated by third party distributors	12	-3	6	-1	-	-	-	-	18	-4
Sub-total	13	-3	15	-4	-	-	-	-	28	-7
Concessionary retail outlets										
Operated by the Group	115	7	96	-7	82	-	58	-	351	-
Operated by third party distributors	63	2	15	-	-	-	-	-	78	2
Sub-total	178	9	111	-7	82	-	58	-	429	2
Total	191	6	126	-11	82	-	58	-	457	-5

Change: Compared with that as at March 31, 2022

Diversified Apparels Business

(RMB million)

Revenue by Brand



- During FY2022/23, revenue from the diversified apparels business (mainly operated under the Sameite brand) continued to record stable growth with an increase of 9.2% year-on-year, of which, revenue from the school uniform business of Sameite increased by 15.9%
- The Sameite brand continued to carry out sales channel upgrading and product development, and expanded its online channels through layout of digital operations in order to increase revenue and expand regional market coverage
- The Sameite brand won many awards



FY

Future Development Plan



Future Development Plan



Strive for sustainable and high-quality development

OEM Management Business

Down Apparels Business

Ladieswear Business

- Aspire to become an expert in OEM/ODM of functional apparel for mid-range and high-end international brands
- Deepen good and stable cooperation with its existing core clients
- Develop business with new clients to improve both the quality of business operations and profitability
- Expand overseas production capacity to increase delivery capability

- Focus its efforts on the main brand Bosideng and reinforce its brand position as “the “world’s leading expert in down apparel”, driving its development with professionalism and brand awareness
- Plan to enter the market for down apparel with high performance-price ratio and enhance its core competencies
 - Brands: adhere to the strategy of driving its own development with branding, keep up with the times by imbuing the brands with new values
 - Products: continue to drive their development with innovation to adapt them to users’ needs in modern times
 - Retail: focus on improving both the quality and efficiency of its single stores’ operations, improve both the operation capability and profitability of its retail stores and enhance user experience

- Further clarify the strategic positioning of each of its ladieswear brands and the mode of business development
- Raise the efficiency of single stores’ operations, enhance its effectiveness of product assortment and increase its efficiency of customer membership management
- Boost both its operational and management efficiency
- Achieve healthy and sound growth



世界羽绒服 中國波司登 引領新潮流

高登承