



波司登
BOSIDENG

**Bosideng International
Holdings Limited**

Incorporated in the
Cayman Islands with
limited liability

Stock Code: 3998

2023/24 Interim Results

November 28, 2023

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”). 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 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.

Contents

Financial Review

1

Business Review

2

Future Development Plan

3

Financial Review



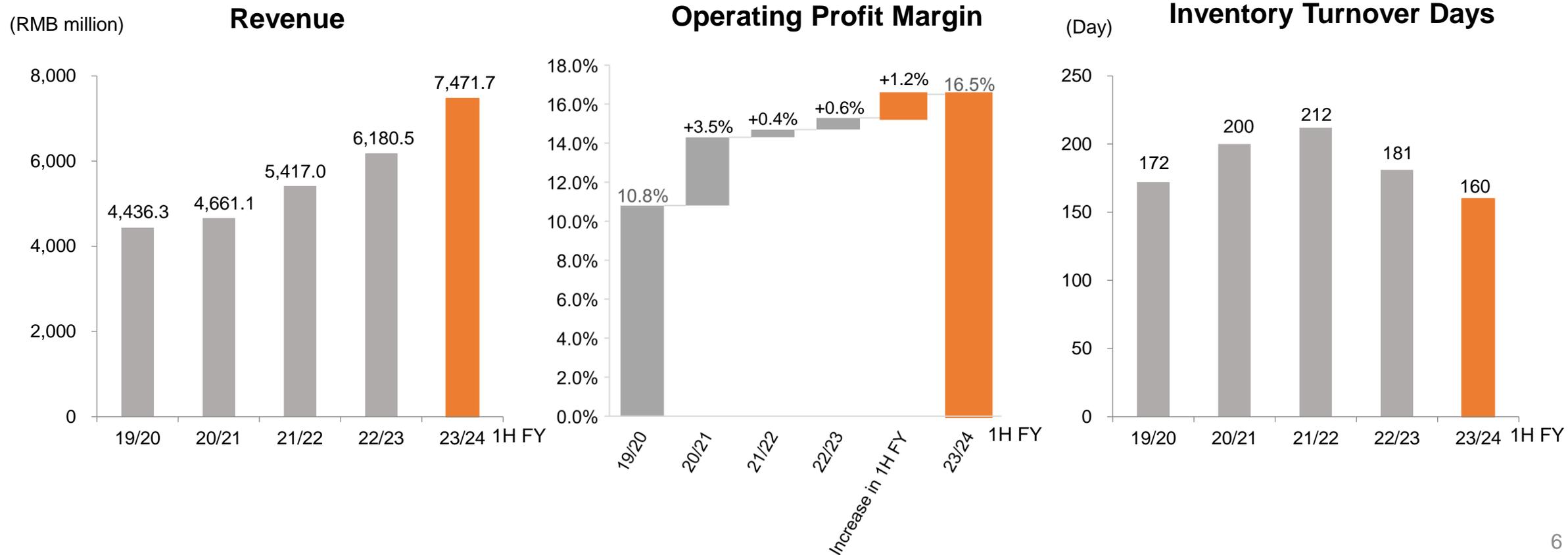
Financial Highlights

(RMB million)	For the six months ended Sep 30		Change
	2023	2022	
Revenue	7,471.7	6,180.5	+20.9%
Gross profit	3,733.5	3,089.1	+20.9%
Profit from operations	1,231.0	945.2	+30.2%
Profit attributable to equity holders of the Company	918.6	734.3	+25.1%
Earnings per share (RMB cents)			
– Basic	8.47	6.79	+24.7%
– Diluted	8.35	6.74	+23.9%
Dividend per share (HKD cents)			
– Interim	5.0	4.5	+11.1%

Financial Performance Highlights:

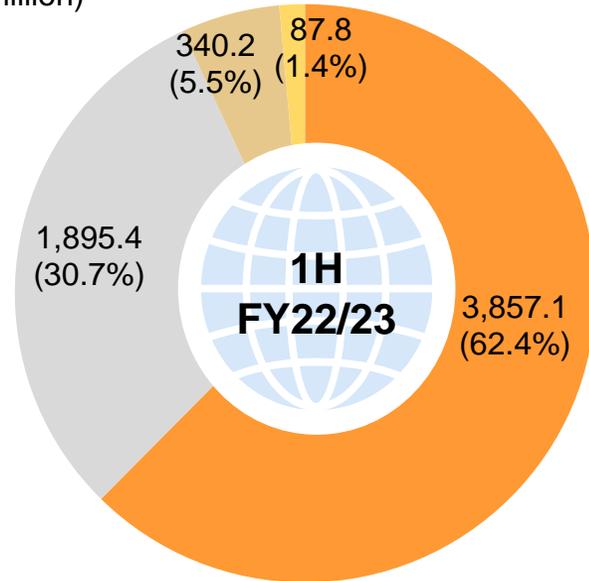
All business units achieved stable and high-quality growth, operating profit margin reached a new high, and inventory turnover continued to improve

- ❖ Both revenue and operating profit margin kept growing steadily and hit another record high despite the adverse market conditions
- ❖ Inventory turnover kept improving



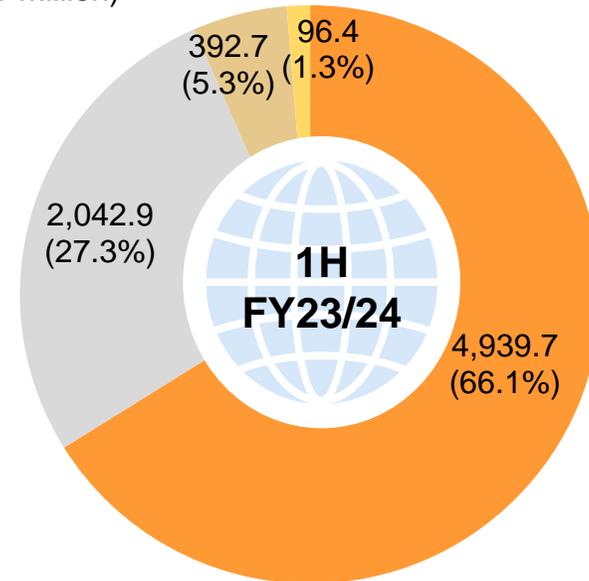
Revenue Breakdown

RMB 6,180.5 million
(RMB million)



Revenue
increased by
+20.9%

RMB 7,471.7million
(RMB million)



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

The Group's revenue increased mainly due to:

- Continued to consolidate its four core competencies of “leading brand, upgrading products, upgrading channel and delivering high product quality in quick response” and its two security systems in relation to “organization / mechanism / culture / talent development and digital operation”. As a result, the Group achieved sustainable and steady growth, showing its resilience in business development

Revenue Breakdown by Business

(RMB million)	For the six months ended Sep 30		Change
	2023	2022	
Branded down apparel	4,939.7	3,857.1	+28.1%
OEM management	2,042.9	1,895.4	+7.8%
Ladieswear	392.7	340.2	+15.4%
Diversified apparels	96.4	87.8	+9.8%
Total	7,471.7	6,180.5	+20.9%

Revenue Breakdown

- Branded Down Apparel Business

(RMB million)	For the six months ended Sep 30		Change	% Change
	2023	2022		
Bosideng	4,421.0	3,522.0	+899.0	+25.5%
Snow Flying	265.4	174.4	+91.0	+52.2%
Bengen	12.8	36.8	-24.0	-65.3%
Other*	240.5	123.9	+116.6	+94.1%
Total	4,939.7	3,857.1	+1,082.6	+28.1%

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

Revenue Breakdown

- Ladieswear Business

(RMB million)	For the six months ended Sep 30		Change	% Change
	2023	2022		
JESSIE	138.7	114.7	+24.0	+20.9%
BUOU BUOU	103.0	86.3	+16.7	+19.4%
KOREANO & KLOVA	151.0	139.2	+11.8	+8.5%
Total	392.7	340.2	+52.5	+15.4%

Revenue Breakdown

- Diversified Apparels Business

(RMB million)	For the six months ended Sep 30		Change	% Change
	2023	2022		
Sameite	85.1	76.2	+8.9	+11.7%
Other brands and others*	11.3	11.6	-0.3	-2.2%
Total	96.4	87.8	+8.6	+9.8%

* Included children's wear, menswear and Bosideng HOME

Gross Margin

Business	For the six months ended Sep 30		Change
	2023	2022	
Branded down apparel	61.2%	63.6%	-2.4 ppt.
OEM management	20.4%	20.4%	-
Ladieswear	67.7%	66.2%	+1.5 ppt.
Diversified apparels	26.3%	26.9%	-0.6 ppt.
The Group	50.0%	50.0%	-

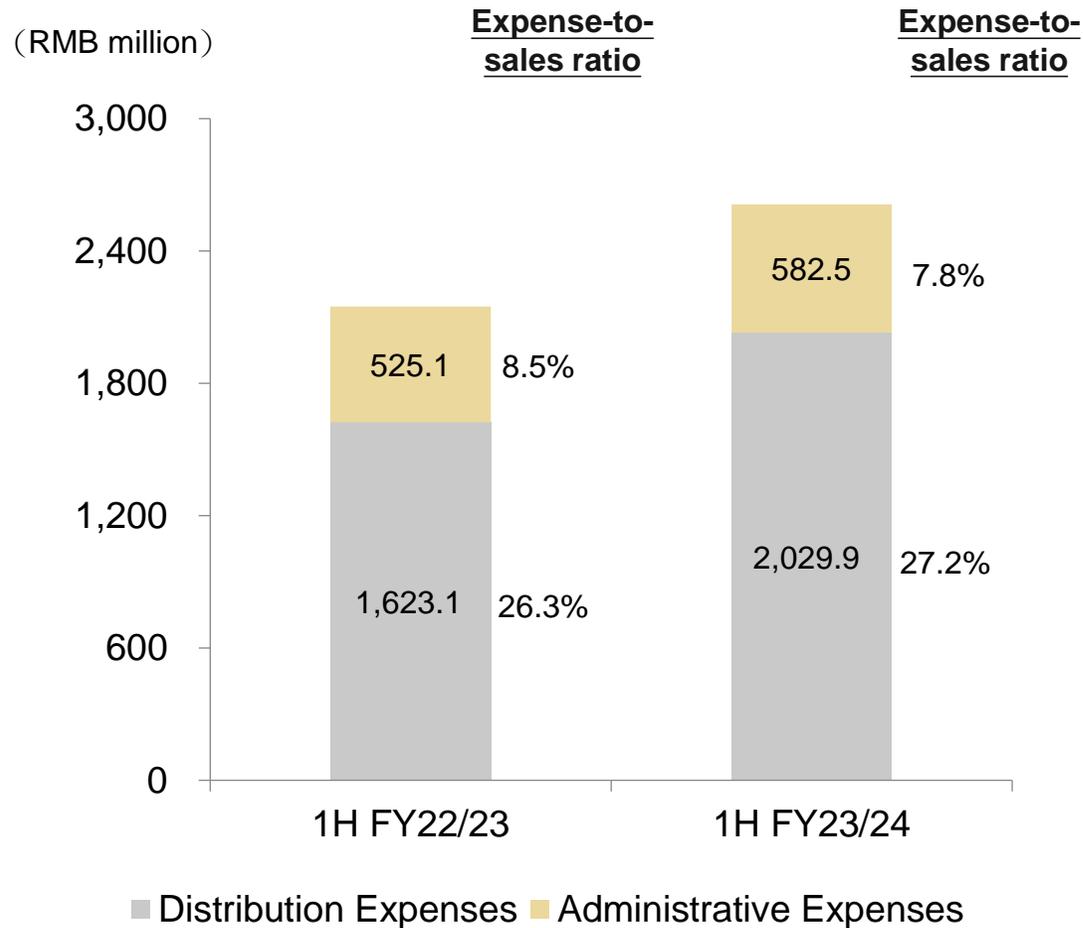
Gross Margin - Branded Down Apparel

	For the six months ended Sep 30		Change
	2023	2022	
Bosideng	65.4%	66.5%	-1.1 ppt.
Snow Flying	44.1%	46.4%	-2.3 ppt.
Bengen	26.7%	25.8%	+0.9 ppt.
Branded Down Apparel	61.2%	63.6%	-2.4 ppt.

Gross Margin - Ladieswear

For the six months ended Sep 30				Change
	2023	2022		
JESSIE	66.5%	64.6%	+1.9 ppt.	
BUOU BUOU	61.2%	65.6%	-4.4 ppt.	
KOREANO & KLOVA	73.3%	67.8%	+5.5 ppt.	
Ladieswear	67.7%	66.2%	+1.5 ppt.	

Operation Expenditure



- Distribution Expenses:** The ratio of distribution expenses to the total revenue of the Group increased by 0.9 percentage points, mainly because the Group carried out brand building activities and store refurbishment works in the 1H of FY2023/24 in response to the post-pandemic market changes and development needs in the peak sales season of this financial year, and such expenses increased compared with that for the same period of the previous financial year
- Administrative Expenses:** The ratio of administrative expenses to the total revenue of the Group decreased by 0.7 percentage points, mainly because in the 1H of FY2023/24, the Group refined the management of the mandatory binding of employee assessments and incentives, and certain of the option incentives resulted in lower capitation expenses due to the failure to meet the assessment targets

Inventories

(RMB million)	As at Sep 30, 2023	As at Sep 30, 2023	% Change
Raw materials	1,202.4	1,022.2	+17.6%
Work in progress	16.4	28.7	-42.9%
Finished goods	2,653.9	2,382.9	+11.4%
Total	3,872.7	3,433.8	+12.8%

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

	For the six months ended Sep 30		Change
	2023	2022	
Average inventory turnover days ⁽¹⁾	160	181	-21 days
Average trade and bills receivable turnover days ⁽²⁾	64	84	-20 days
Average trade and bills payables turnover days ⁽³⁾	219	243	-24 days

(1) Calculated as average inventory divided by cost of sales, multiplied by 365 days/2

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

(3) Calculated as average trade and bills payables divided by cost of sales, multiplied by 365 days/2

- Inventory turnover days decreased by 21 days, 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
 - ✓ With the effective management of both the inventory and merchandise operations, inventory returned to a relatively healthy and good level
- Trade and bills receivables turnover days decreased by 20 days, which was mainly due to:
 - ✓ 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 decreased by 24 days, which was 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 Sep 30, 2023	As at Mar 31, 2023	As at Sep 30, 2022
Cash and cash equivalents	2,807.8	3,718.2	1,766.9
Time deposits with maturity over 3 months	1,011.8	1,646.2	569.5
Pledged bank deposits	1,260.4	1,028.2	1,368.6
Other financial assets	3,039.4	4,069.0	4,080.7
Total cash	8,119.4	10,461.6	7,785.7
Minus: Bank borrowings	(918.4)	(770.4)	(1,654.5)
Minus: Convertible Bonds	(1,707.3)	(1,608.0)	(1,823.3)
Net cash	5,493.7	8,083.2	4,307.9

Total Cash and Net Cash (Cont')

(RMB million)	As at Sep 30, 2023	As at Mar 31, 2023	As at Sep 30, 2022
Net cash inflow/(outflow) from operating activities	(585.5)	3,050.7	(1,665.3)
Net cash inflow/(outflow) from investment activities	1,161.2	616.6	1,817.6
Net cash inflow/(outflow) from financing activities	(1,458.1)	(2,493.0)	(845.5)
Net increase/(decrease) in total cash	(882.4)	1,174.3	(693.2)
Liquidity (times) ⁽¹⁾	1.9x	2.4x	1.9x
Gearing ratio (%) ⁽²⁾	21.6%	18.9%	30.1%

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

Investment activities: including acquisition/sale of financial assets, changes of other financial assets and fixed assets, etc.

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

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

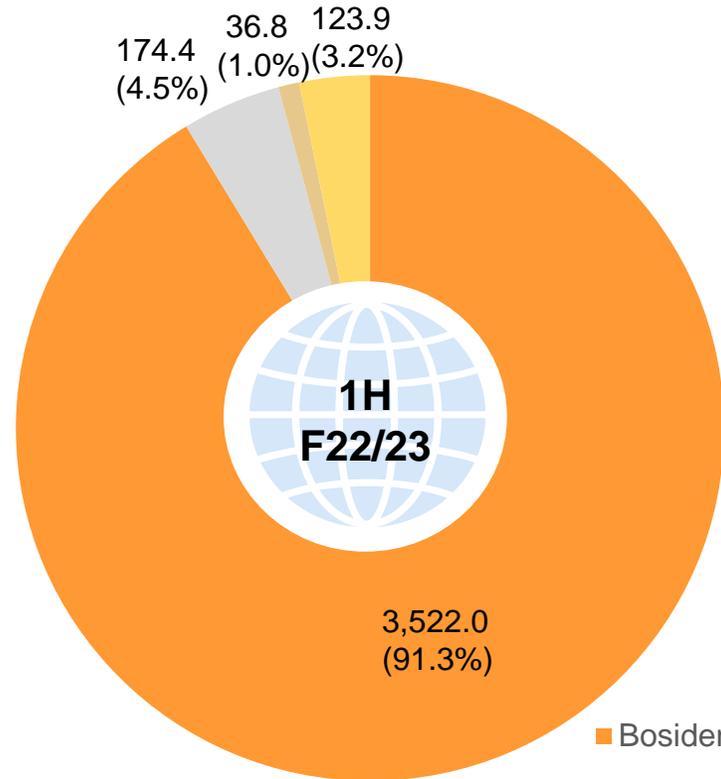
(2) Gearing ratio (%) is calculated as dividing total borrowings by total equity

Business Review

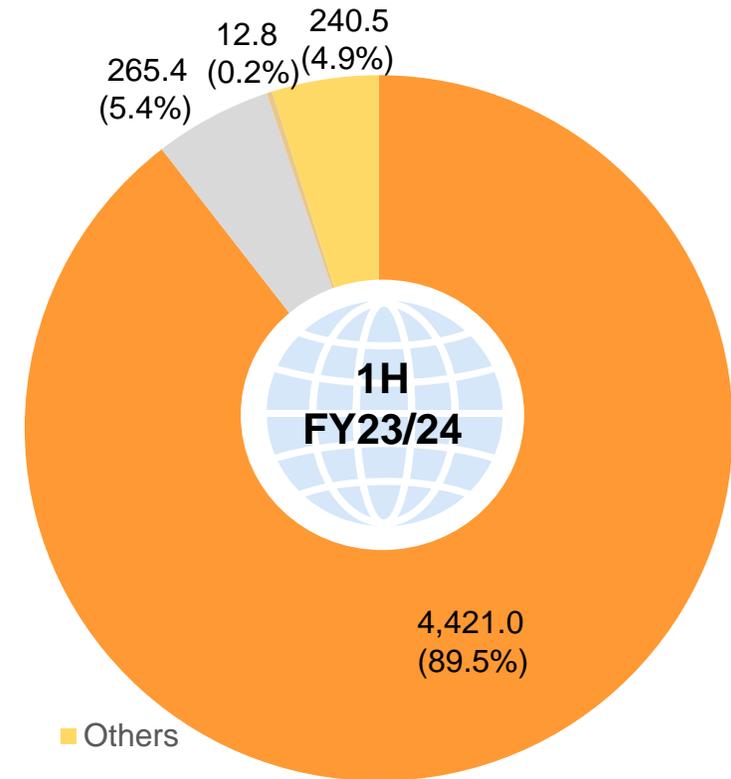

BOSIDENG

Branded Down Apparels Business

RMB 3,857.1 million
(RMB million)



RMB 4,939.7million
(RMB million)

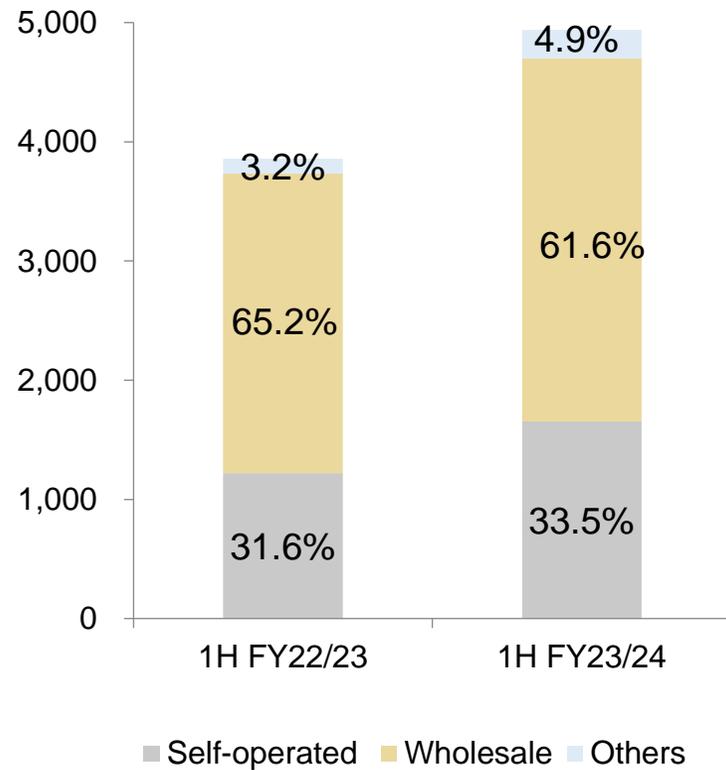


Revenue increased by
+28.1%

■ Bosideng
 ■ Snow Flying
 ■ Bengen
 ■ Others
 (% of revenue)

Revenue by Sales Category

(RMB million)



(RMB million)	For the six months ended		
	Sep 30		
	2023	2022	Change
Self-operated	1,654.8	1,220.2	+35.6%
Wholesale	3,044.4	2,513.0	+21.1%
Others*	240.5	123.9	+94.1%
Total	4,939.7	3,857.1	+28.1%

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

Operation Management



1

The ability to “deliver high quality in quick response” is an important competitive strength that enables 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

Realized a shorter turnover cycle and higher efficiency by conducting demand-pull replenishment, quickly launching new products and quickly responding to small orders

In the 1H, 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



2

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 logistics park to improve its logistics efficiency

- ❖ Maximized its service efficiency
- ❖ Improved user experience
- ❖ Significantly improved speed of delivering goods out of the warehouses
- ❖ Optimized in-transit efficiency

Contributing to the Group’s status as an industry leader in terms of logistics and delivery



3

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

Completed the preliminary design, development and testing of the core business operation platform (based on users, retailing and merchandise), laying a solid foundations for the ultimate realization of a mobile office, online business, digital operation and intelligent decision-making, thereby providing powerful technical tools or solutions for the Group’s digital transformation.

Business Highlights in 1H FY23/24

1

Adhering to the “brand-driven” development model, strengthening the positioning as the world’s leading expert in down apparel

2

Consistent product innovation leads to success in newly developed businesses

3

Upgrading the sales channel mix, building up model Top stores

4

Improving further both the quality and efficiency of single stores’ operation

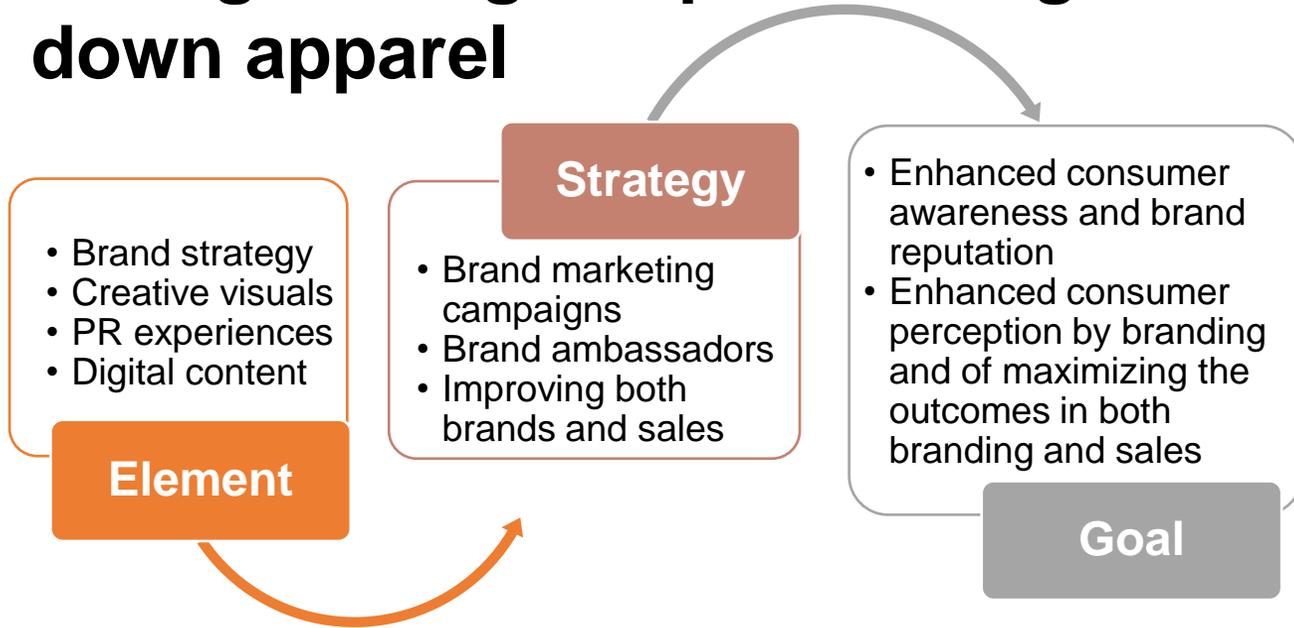
5

Steady and high-quality growth in business on online platforms

6

Consistent innovation in new retail operation, enhancement of membership value proposition

1. Adhering to the “brand-driven” development model, strengthening the positioning as the world’s leading expert in down apparel



Received a number of recognitions:

- ❖ Bosideng improved its brand ranking to 47th place on the “Brand Finance Apparel 50 2023”
- ❖ “My Favorite Chinese Brand 2023” from the China National Brand Network
- ❖ “Company with Tremendous Contributions to China’s Brand Construction” from the China Council for Brand Development



Fashion show at the Leonardo da Vinci Manor in September, Bosideng once again redefined the light down jacket



In the spring and summer of 2023, Bosideng launched a new line of sun-protective clothing, attracting widespread attention upon the product release



2. Consistent product innovation leads to success in newly developed businesses

❖ Sun-protective Clothing

Enhanced the enduring sun protection function, instant cooling sensation, and breathable comfort of the sun-protective clothing through innovative breakthroughs in fabric, innovative combinations of yarns, and innovative structure of the woven fabric, attracting widespread attention upon the release. Also collaborated with many artists and designers to jointly develop products and received positive feedback in the consumer market



❖ Advancing 2nd round of iterative upgrades for ultralight down jackets

Bosideng once again breaks the mould of traditional perceptions and integrates down jackets with cross-over stitching of various fashionable single items through the precise combination of different materials, 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



❖ Three-in-one Goose Down Windbreakers

It features "breathable" fabric technology to provide professional protection and comfort for wearers. Its three-in-one detachable design further enhances its connection with the Bosideng brand's flag-ship product category, the down jacket, further extending the scope of its usage, fully leveraging the brand's advantages, and continuously improving the warmth performance of the product



3. Upgrading the sales channel mix, building up model Top stores

- ❖ Continued to steadily improve the existing sales channels' mix, layout, quality and the image of the retail outlets, and further refined its business management and built up the operation of the sales channels, steadily enhancing the management capabilities and operational efficiency of the sales channels
- ❖ Focused on the ongoing creation of Top Stores by building over 250 projects, covering approximately 500 sales websites, and allocating resources precisely, it achieved rapid and effective growth in the business of Top Stores and enhanced brand influence

Brand Top Stores



Top Store System



3. Upgrading the sales channel mix, building up model Top stores

Retail Network

As at Sep 30, 2023							Total	
	No. of stores	Change	No. of stores	Change	No. of stores	Change	No. of stores	Change
Specialty stores								
Operated by the Group	698	-123	11	-2	-	-	709	-125
Operated by third party distributors	1,612	13	123	40	-	-	1,735	53
Sub-total	2,310	-110	134	38	-	-	2,444	-72
Concessionary retail outlets								
Operated by the Group	414	-44	83	-22	-	-2	497	-68
Operated by third party distributors	313	8	59	22	-	-	372	30
Sub-total	727	-36	142	-	-	-2	869	-38
Total	3,037	-146	276	38	-	-2	3,313	-110

Change: compared with that as at March 31, 2023

4. Improving further both the quality and efficiency of single stores' operation



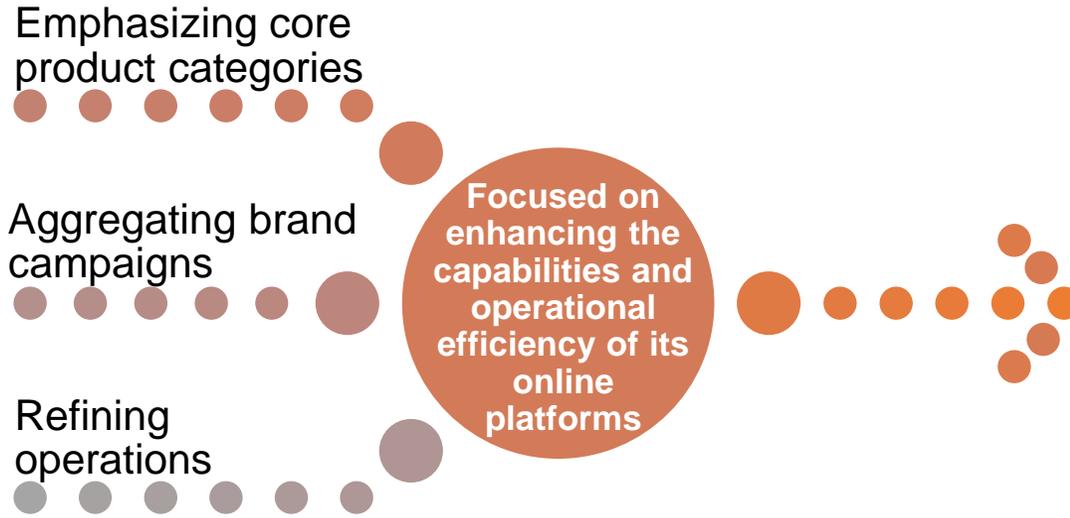
Mountaineering Theme Store



Global Brand Experience Store

Implement effectively the strategy of closed-loop operation of single stores by working towards the high targets and gearing itself towards customer needs

5. Steady and high-quality growth in business on online platforms



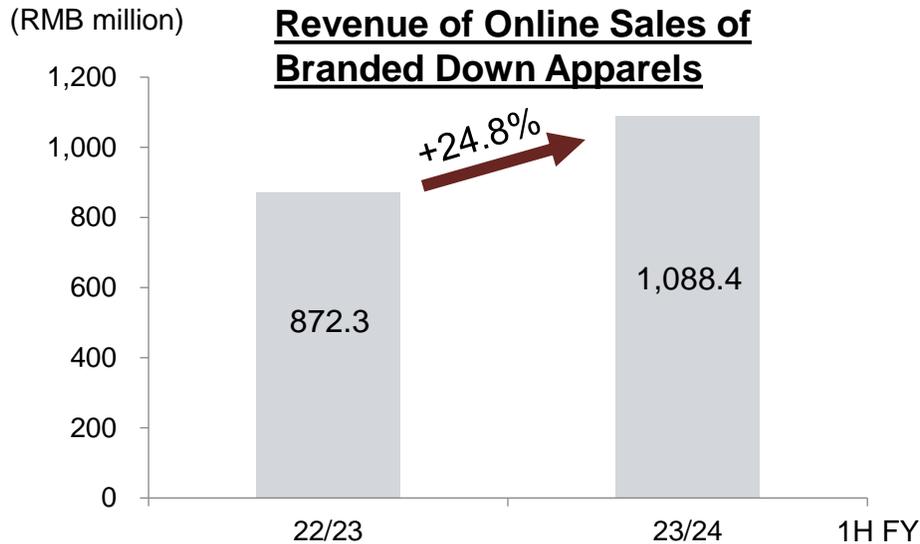
Excelled in platform category rankings



Continued to show the trend of high-quality growth



Revenue from the online sales of the branded down apparels business increased

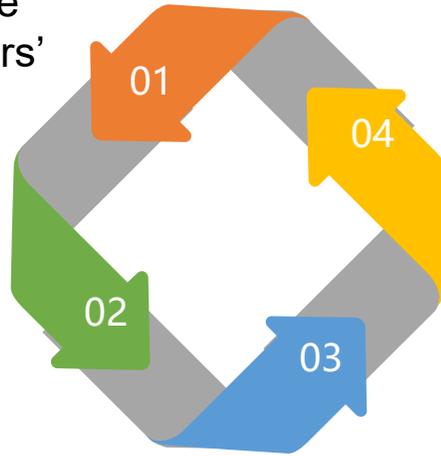


Double 11 Tmall Apparels Brand Sales Ranking

6. Consistent innovation in new retail operation, enhancement of membership value proposition

Enhance members' loyalty and raise the level of the members' satisfaction

Enhance members' stickiness and raise the level of the members' activeness



Build a unified omni-channel member system and member classification system

Launch more precise marketing activities

- ❖ Use corporate WeChat to build a more convenient means of communication with customers
- ❖ Build a consumer-centric, cross-channel operation platform
- ❖ Expand the membership, upgrade members' shopping experience



Over 3.0M New fans

Over 0.9M New members

Over 37.6M Total Fans

Over 14.6M Total Members

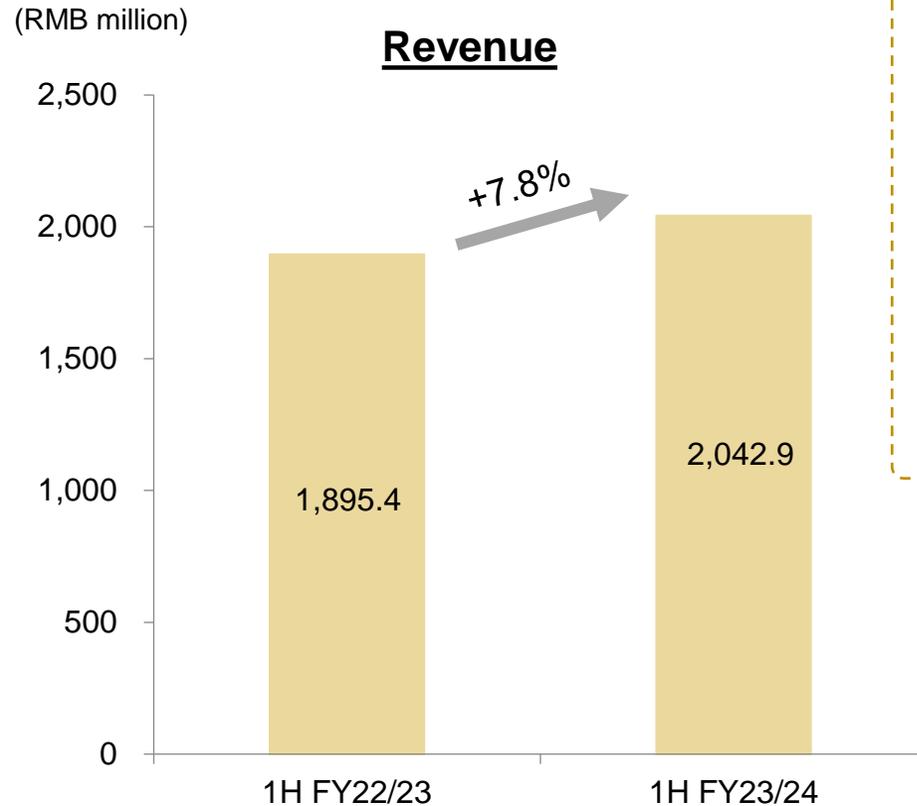


Over 1.0M New fans

Over 9.0M Total Fans

Remarks: the above is the data of Bosideng brand as at September 30, 2023

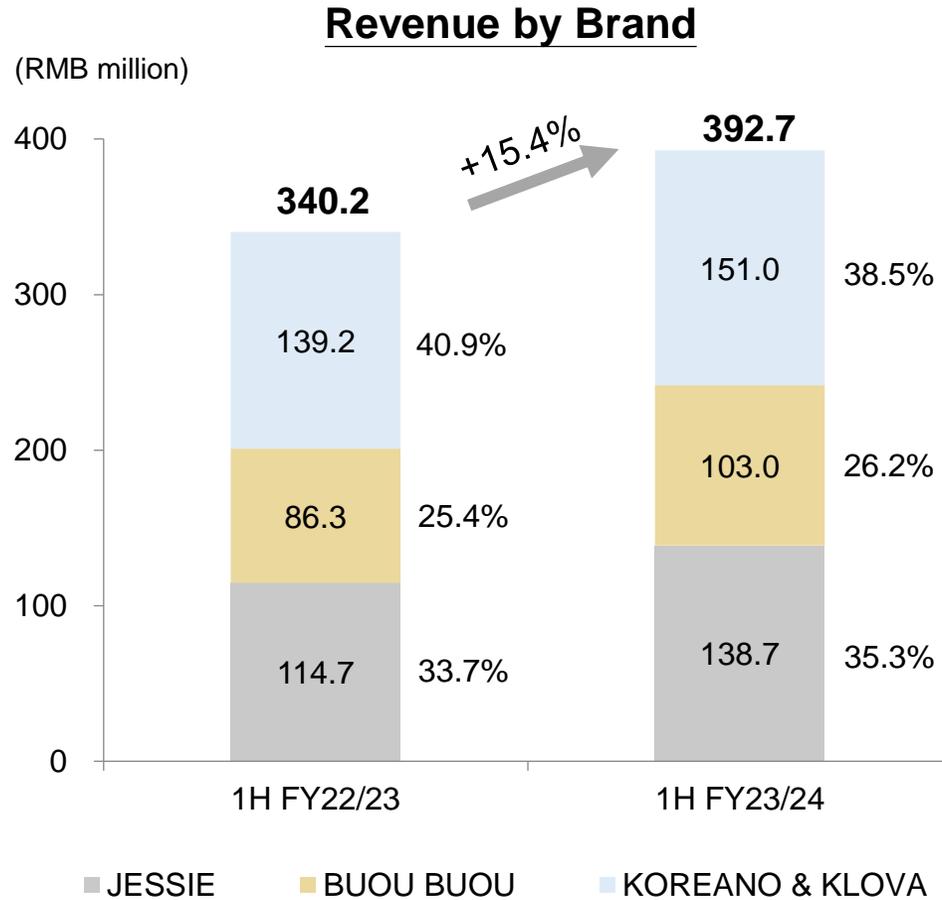
OEM Management Business



- ❖ The OEM management business maintained stable and healthy development, mainly due to:
 1. A steady increase in orders from existing core customers
 2. The establishment of a mechanism for fulfilling quickly the orders from the customers of its OEM management business
 3. Continuous upgrades of the Group's OEM management capabilities, and iterative optimization of its capability for product design and development
 4. Adopted efficient and open management mechanisms
- ❖ Through effective cost management, gross profit margin was 20.4%



Ladieswear Business



- ❖ Though facing many challenges and uncertainties, ladieswear business segment of the Group can still achieve steady and healthy growth through brand leadership, product innovation, and optimization of sales channels
- ❖ Revenue from ladieswear business was approximately RMB 392.7 million, representing an increase of 15.4% year-on-year
- ❖ Promoting through multiple platforms and actively expanding its online business, online segment achieved a year-on-year growth of 6.0% in the 1H of FY23/24



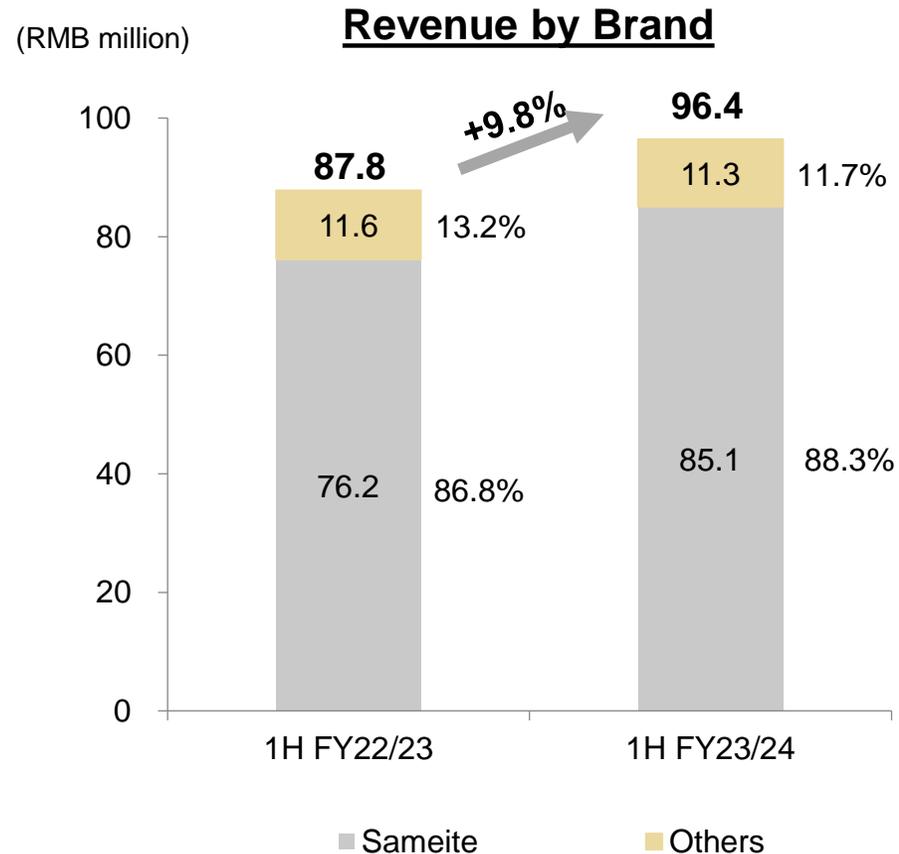
Ladieswear Business

Retail Network

As at Sep 30, 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	-	8	-1	-	-	-	-	9	-1
Operated by third party distributors	11	-1	7	1	-	-	-	-	18	-
Sub-total	12	-1	15	-	-	-	-	-	27	-1
Concessionary retail outlets										
Operated by the Group	105	-10	97	1	74	-8	56	-2	332	-19
Operated by third party distributors	66	3	16	1	-	-	-	-	82	4
Sub-total	171	-7	113	2	74	-8	56	-2	414	-15
Total	183	-8	128	2	74	-8	56	-2	441	-16

Change: compared with that as at March 31, 2023

Diversified Apparels Business



- ❖ Revenue from the diversified apparels business (mainly operated under the Sameite brand) continued to record solid growth with an increase of 9.8% year-on-year, of which, revenue from the school uniforms business of Sameite increased by 11.7%
- ❖ The Sameite brand continued to carry out sales channel upgrading and consolidate its business mix to expand market coverage, and ensured the continuous upgrading of its product mix by undertaking projects of supplying high-end private school uniforms
- ❖ The Sameite brand won many awards



Future Development Plan



Future Development Plan

Down Apparels Business

- ❖ Positioned itself as “the world’s leading expert in down apparel” and will drive its own development with professionalism and by enhancing its brand awareness
- ❖ Branding: Trying to gain a deep understanding of consumers’ mindset, focusing on key brand marketing campaigns to achieve new breakthroughs in the integration of branding and sales efforts
- ❖ Product innovation: Enhancing its product operation capabilities, enhancing its capabilities for research and development, innovation and original design to optimize its product mix
- ❖ Retail operation through sales channels: Keep planning for strategic markets and stores, establishing a model of operation based on various types of store operations to enhance its organizational capabilities for improving the single stores’ operation

OEM Management Business

- ❖ Committed to becoming an OEM/ODM expert for mid-end and high-end international branded functional apparel, and providing high value-added products and services to our customers
- ❖ Continuing deepen the good and stable cooperation with its existing core clients
- ❖ Developing business with new clients to improve both the quality of business operation and profitability
- ❖ Continuously accelerate the deployment of overseas production capacity while enhancing its delivery quality and delivery capability

Fashion Ladieswear Business

- ❖ Establishing a special working group at the Group level that can ensure the ladieswear business’s smooth operation and management as well as its development
- ❖ Raising efficiency at the model stores in key regions and continue to drive the digital transformation and upgrading of their business operation
- ❖ Multidimensional systematic upgrading and development with a view to promoting both the operation capability and operational efficiency of the ladieswear business

壹界羽絨服 中國波司登 引領新潮流

高德康

波司登
BOSIDENG