

波司登
BOSIDENG

**Bosideng International
Holdings Limited**

Incorporated in the Cayman Islands
with limited liability

Stock Code: 3998

2024/25 Interim Results

November 29, 2024



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Future Development Plan

A woman wearing a long white puffer coat with a fur collar, sunglasses, and white pants stands on a modern staircase. The staircase has red steps and black risers, creating a strong geometric pattern. The background features a dark, textured wall and a concrete railing. The overall aesthetic is minimalist and architectural.

Financial Review

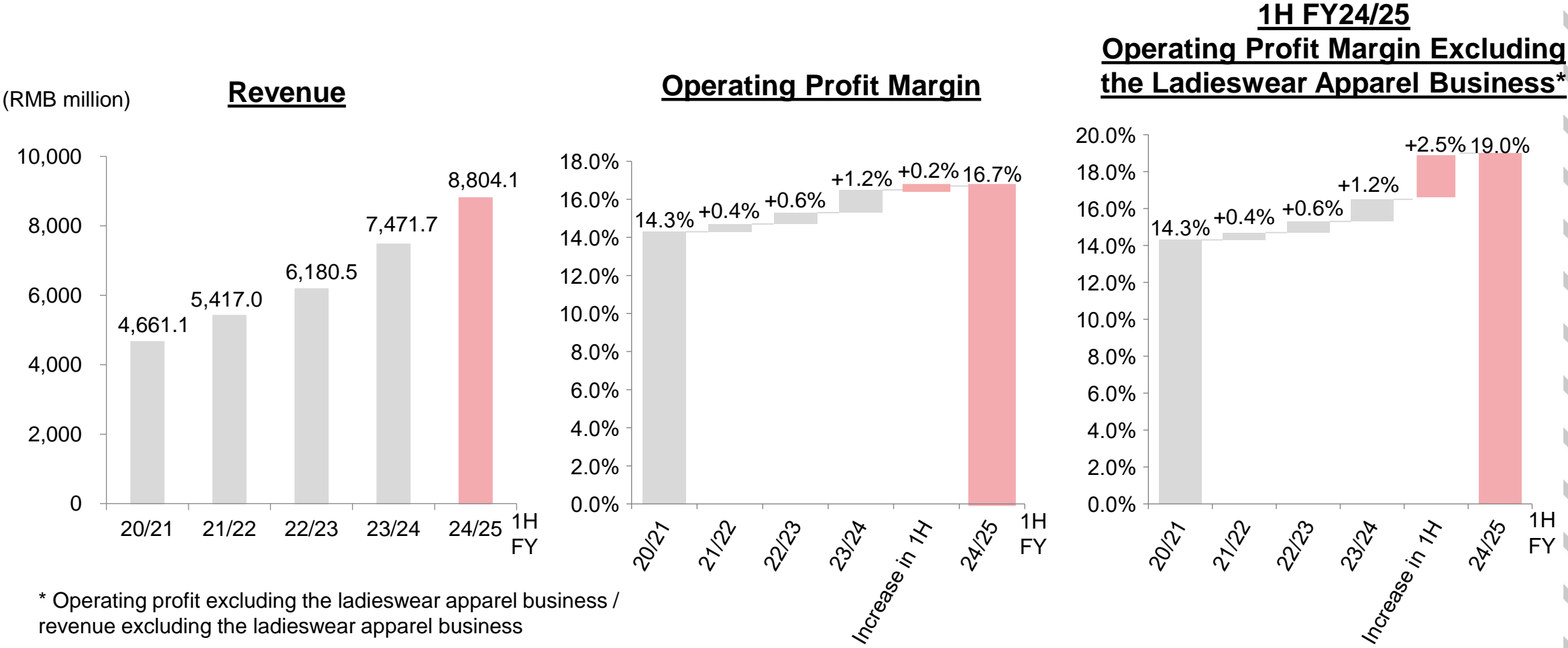
Financial Highlights

(RMB million)	For the six months ended Sep 30		Change
	2024	2023	
Revenue	8,804.1	7,471.7	+17.8%
Gross profit	4,391.3	3,733.5	+17.6%
Profit from operations	1,471.8	1,231.0	+19.6%
If excluding operating profit from the ladieswear apparel business*	1,610.2	1,254.9	+28.3%
Profit attributable to equity shareholders of the Company	1,129.7	918.6	+23.0%
Earnings per share (RMB cents)			
– Basic	10.35	8.47	+22.3%
– Diluted	10.13	8.35	+21.3%
Dividend per share (HKD cents)			
– Interim	6.0	5.0	+20.0%

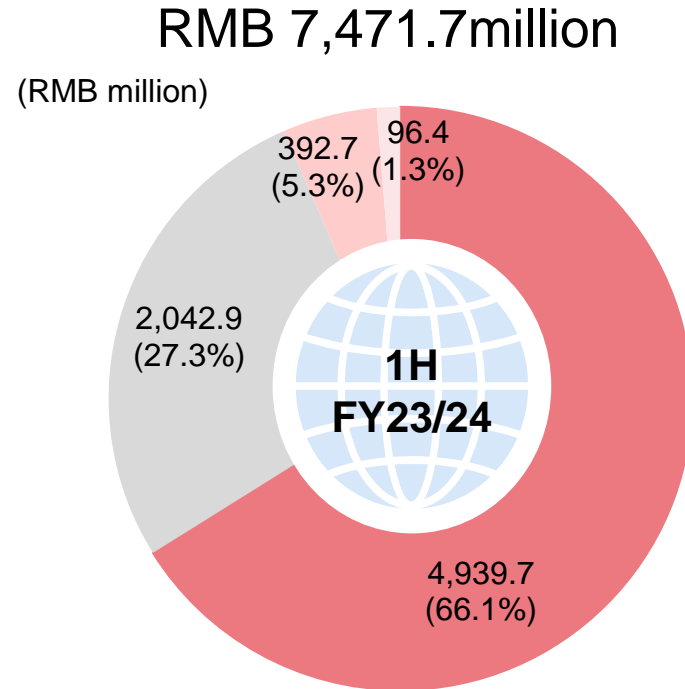
* Operating profit after deducting the reportable segment profit, amortization of intangible assets and impairment losses on goodwill from the ladieswear apparel business

Financial Performance Highlights:

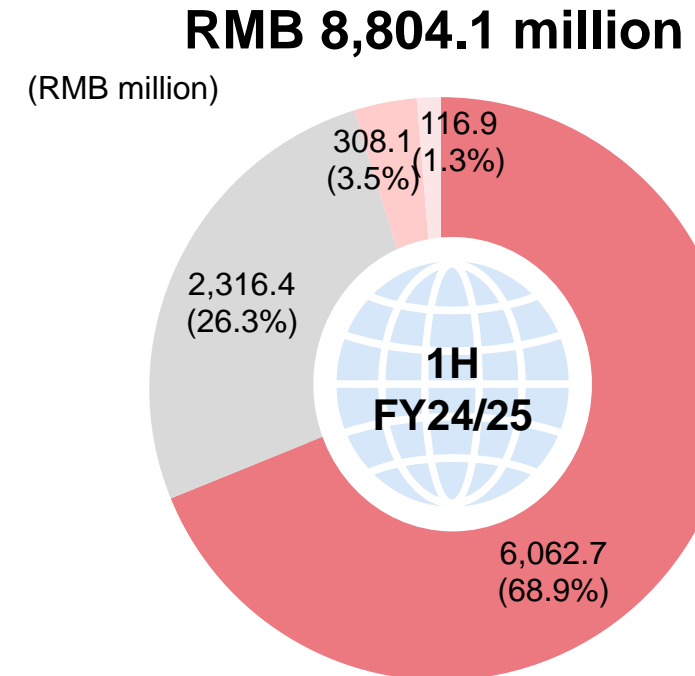
- Main business units achieved stable and high-quality growth
- Net profit has stabilized and increased significantly



Revenue Breakdown



Revenue
increased by
+17.8%



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

The Group's revenue increased mainly due to:

- By focusing on its core business of down jackets and led by brand building, the Group strived to innovate products, upgrade its retail business and maintain high product quality in quick responses as well as the digital transformation of its operation, and achieved sound and high-quality growth

Revenue Breakdown by Business

(RMB million)	For the six months ended Sep 30		
	2024	2023	Change
Branded down apparel	6,062.7	4,939.7	+22.7%
OEM management	2,316.4	2,042.9	+13.4%
Ladieswear apparel	308.1	392.7	-21.5%
Diversified apparels	116.9	96.4	+21.3%
Total	8,804.1	7,471.7	+17.8%

Revenue Breakdown

- Branded Down Apparel Business

(RMB million)	For the six months ended Sep 30			
	2024	2023	Change	% Change
Bosideng	5,279.9	4,421.0	+858.9	+19.4%
Snow Flying	390.4	265.4	+125.0	+47.1%
Bengen	20.7	12.8	+7.9	+61.5%
Other*	371.7	240.5	+131.2	+54.5%
Total	6,062.7	4,939.7	+1,123.0	+22.7%

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

Revenue Breakdown

- Ladieswear Apparel Business

(RMB million)	For the six months ended Sep 30			
	2024	2023	Change	% Change
JESSIE	116.3	138.7	-22.4	-16.1%
BUOU BUOU	70.8	103.0	-32.2	-31.3%
KOREANO & KLOVA	121.0	151.0	-30.0	-19.9%
Total	308.1	392.7	-84.6	-21.5%

Revenue Breakdown

- Diversified Apparels Business

(RMB million)	For the six months ended Sep 30			
	2024	2023	Change	% Change
Sameite	111.0	85.1	+25.90	+30.4%
Other brands and others*	5.9	11.3	-5.40	-47.3%
Total	116.9	96.4	+20.50	+21.3%

* Included MAN, HOME and Children's Wear Business

Gross Margin

Business	For the six months ended Sep 30		
	2024	2023	Change
Branded down apparel	61.1%	61.2%	-0.1 ppt.
OEM management	20.1%	20.4%	-0.3 ppt.
Ladieswear apparel	61.8%	67.7%	-5.9 ppt.
Diversified apparels	27.6%	26.3%	+1.3 ppt.
The Group	49.9%	50.0%	-0.1 ppt.

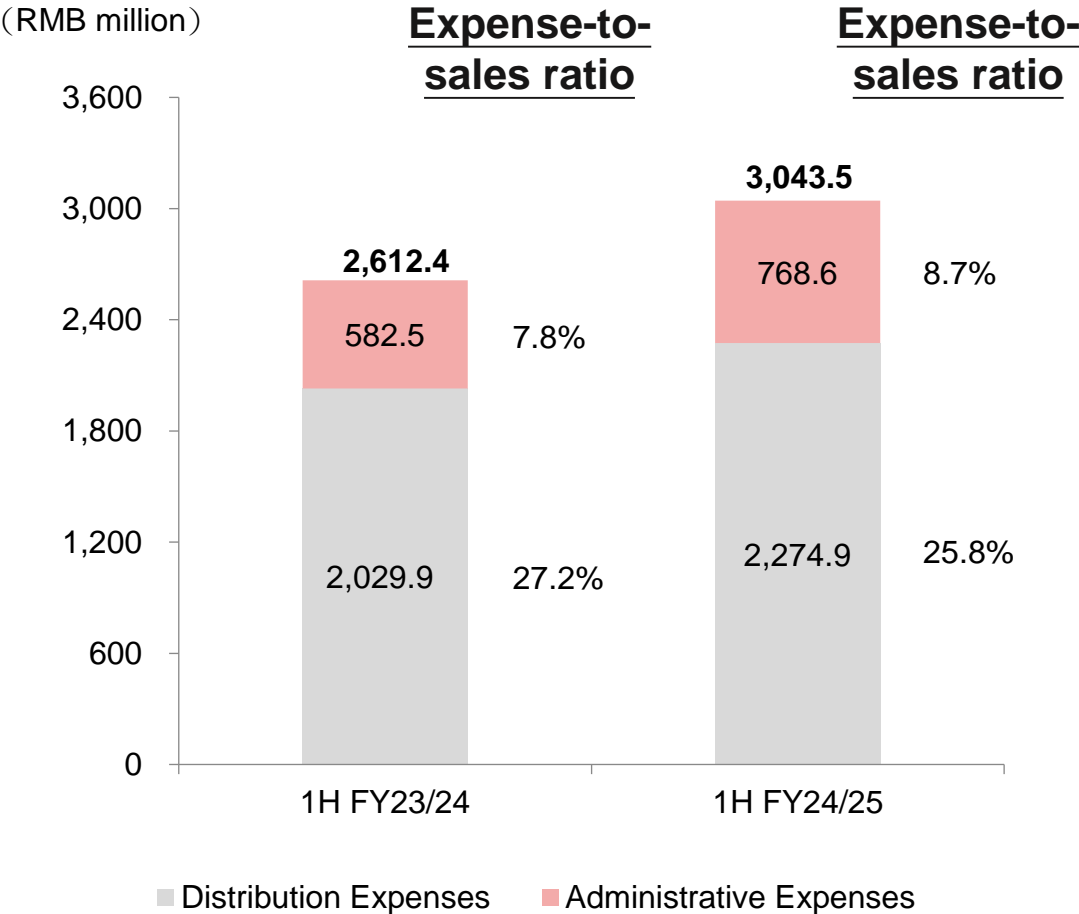
Gross Margin - Branded Down Apparel

For the six months ended Sep 30			
	2024	2023	Change
Bosideng	66.3%	65.4%	+0.9 ppt.
Snow Flying	50.1%	44.1%	+6.0 ppt.
Bengen	19.1%	26.7%	-7.6 ppt.
Branded Down Apparel	61.1%	61.2%	-0.1 ppt.

Gross Margin – Ladieswear Apparel

For the six months ended Sep 30			
	2024	2023	Change
JESSIE	59.4%	66.5%	-7.1 ppt.
BUOU BUOU	52.5%	61.2%	-8.7 ppt.
KOREANO & KLOVA	69.6%	73.3%	-3.7 ppt.
Ladieswear	61.8%	67.7%	-5.9 ppt.

Operation Expenditure



- **Distribution Expenses:** The distribution expenses as a percentage of the Group's total revenue decreased by 1.4 ppt., mainly comprising of advertising and promotion expenses, depreciation charge of right-of-use assets, contingent rents and sales personnel expenses
- **Administrative Expenses:** Administrative expenses as a percentage of the Group's total revenue increased by 0.9 ppt., mainly due to the increase in the amortization of fees for share options granted to employees by the Group in November 2023

Inventories

(RMB million)	As at Sep 30, 2024	As at Sep 30, 2023	% Change
Raw materials	2,081.2	1,202.4	+73.1%
Work in progress	34.3	16.4	+108.6%
Finished goods	3,823.7	2,653.9	+44.1%
Total	5,939.2	3,872.7	+53.4%

Working Capital Management –

Inventories Turnover Days, Trade and Bills Receivables and Payables Turnover Days

	For the six months ended Sep 30		Change
	2024	2023	
Average inventory turnover days ⁽¹⁾	189	160	+29 days
Average trade and bills receivables turnover days ⁽²⁾	63	64	-1 days
Average trade and bills payables turnover days ⁽³⁾	260	219	+41 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 increased by 29 days, which was mainly due to ①the Group prepared raw materials in advance, ②slightly advanced production so that the amount of finished goods increased, ③slowed down the delivery pace and frequency to distributors during the first half of the financial year, aiming to implement a responsive supply chain management capable of “small orders in quick response” to better meet consumer demand in the uncertain market environment
- The Group has provided customers with 30 to 90 days of credit period; During the Period, the Group has strengthened the management of accounts receivable, thereby average trade and bills receivables turnover days decreased by 1 day to 63 days
- During the Period, purchasing increased significantly; The increase in average trade payables and bills payables exceeded the growth in cost of sales, thereby average trade and bills payables turnover days increased by 41 days as compared to last year

Total Cash and Net Cash

(RMB million)	As at Sep 30, 2024	As at Mar 31, 2024	As at Sep 30, 2023
Cash and cash equivalents	1,962.7	6,227.0	2,807.8
Time deposits with maturity over 3 months	2,739.8	3,668.7	1,011.8
Pledged bank deposits	1,313.6	671.4	1,260.4
Other financial assets	3,113.7	3,963.0	3,039.4
Total cash	9,129.8	14,530.1	8,119.4
Minus: Bank borrowings	(995.5)	(768.4)	(918.4)
Minus: Convertible Bonds	(1,721.1)	(1,714.5)	(1,707.3)
Net cash	6,413.2	12,047.2	5,493.7

Total Cash and Net Cash (Cont')

(RMB million)	As at Sep 30, 2024	As at Mar 31, 2024	As at Sep 30, 2023
Net cash inflow/(outflow) from operating activities	(3,483.1)	7,338.8	(585.5)
Net cash inflow/(outflow) from investment activities	1,084.4	(2,426.5)	1,161.2
Net cash inflow/(outflow) from financing activities	(1,877.4)	(2,379.6)	(1,458.1)
Net increase/(decrease) in total cash	(4,276.1)	2,532.7	(882.4)
Liquidity (times) ⁽¹⁾	1.5x	1.7x	1.9x
Gearing ratio (%) ⁽²⁾	20.4%	18.0%	21.6%

Operating activities: including changes of inventory, trades and other receivables and prepayments, 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

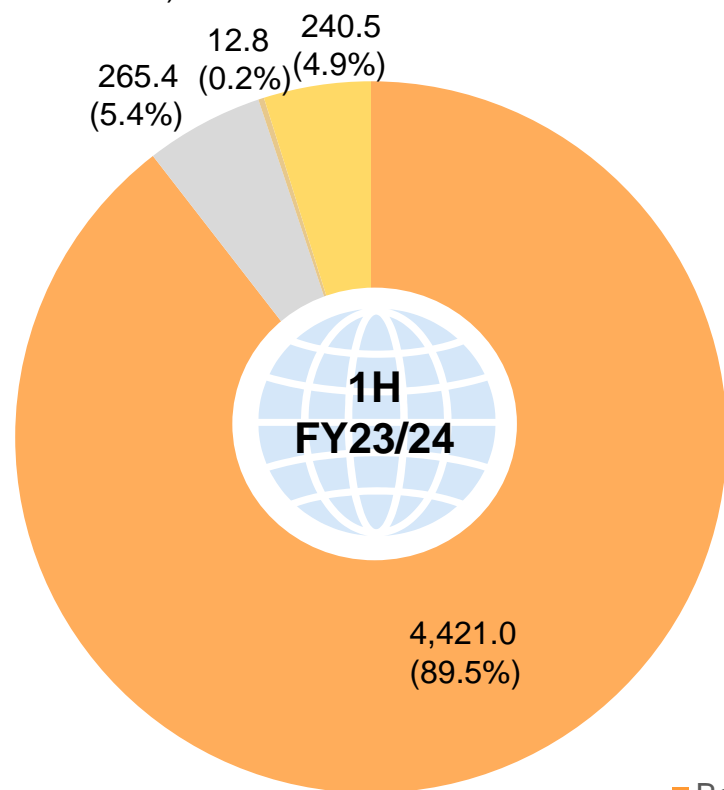


Business Review

Branded Down Apparel Business

RMB 4,939.7million

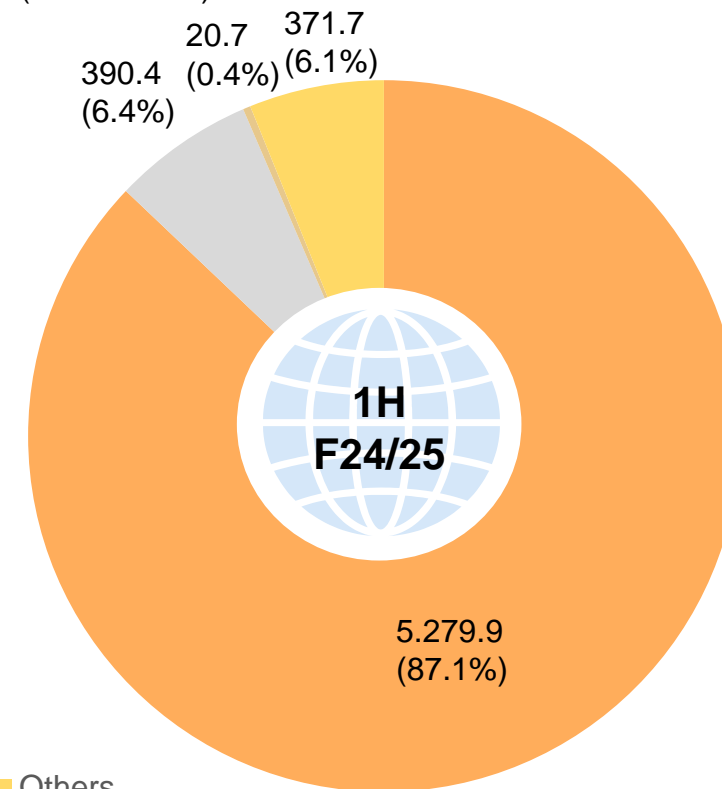
(RMB million)



Revenue
increased by
+22.7%

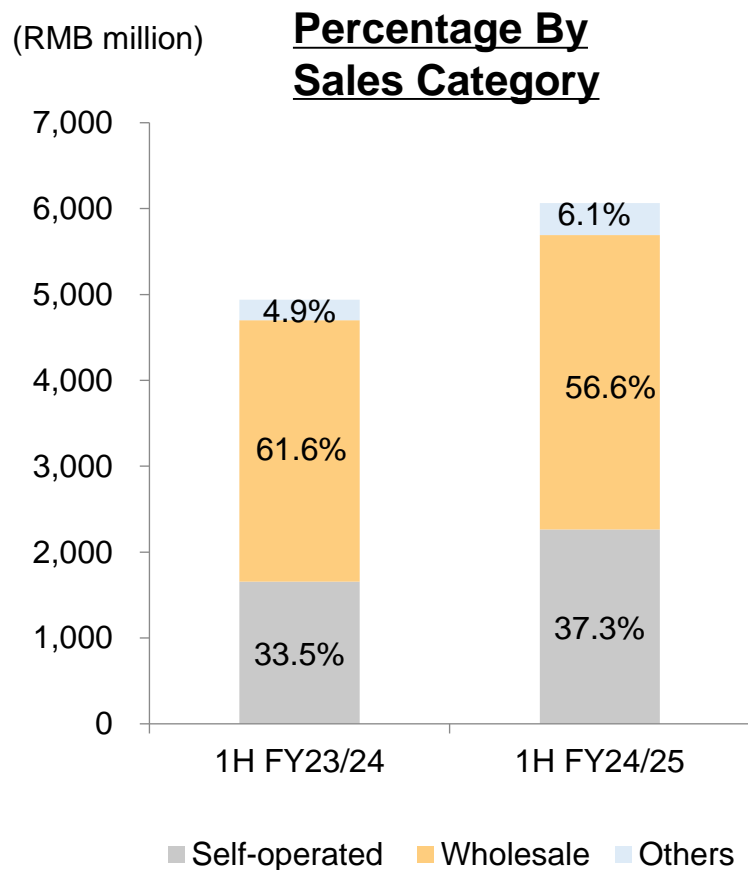
RMB 6,062.7 million

(RMB million)



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

Revenue by Sales Category



(RMB million)	For the six months ended Sep 30		
	2024	2023	Change
Self-operated	2,262.4	1,654.8	+36.7%
Wholesale	3,428.6	3,044.4	+12.6%
Others*	371.7	240.5	+54.5%
Total	6,062.7	4,939.7	+22.7%

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

Operation Management

Supply Chain Management



The ability to “deliver high-quality products in quick response” is an important competitive strength that has led to the Group’s continued success in the industry and is also one of its core competitive advantages with which the Group maintains efficient, healthy and sustainable development

- Implemented the down apparel, industry-leading model of futures/goods-in-stock operation
- Continuously replenished on a rolling basis during the peak seasons in sales 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 efficient turnover cycle and operation efficiency

In the 1H of FY24/25, 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, resources integration and cost leadership

Logistics and Delivery



Continuously adopted a system to automatically match transport and delivery resources for 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 the logistics park to improve its logistics efficiency

- Maximized service efficiency
- Improved user’ experiences
- Significantly improved speed of delivery from warehouses
- Optimized transportation efficiency

The Group maintained its industry leadership in terms of its logistics and delivery capability

Digital Operation



Made significant achievements in digitalization in many fields, including smart manufacturing, smart logistics and smart merchandise operation, gradually established a direction in which it would focus on users, retail and commodities as the entry points for digital transformation in the future

Completed the preliminary design, development and testing of the core business operation platform (based on users, retail and commodities), thereby providing powerful technical tools and solutions for the Group’s digital transformation

In the 1H of FY24/25, with the full implementation of the SAP system as a business-finance integrated platform across the Group and through digital transformation, the Group further laid a solid foundation for its operation and management, provided accurate financial data to support decision-making and established a cornerstone for digital revolution

Business Highlights in 1H FY24/25



1. Strengthen Brand Leadership and Consolidate the Positioning as the World's Leading Expert in Down Apparel

*Honored with several prestigious awards, demonstrating its strength and market competitiveness amongst the world's leading brands

Brand Finance®



Rising its ranking to the **46th** place on the "Brand Finance Apparel 50 2024"

WBL World Brand Lab
世界品牌实验室

Climbed to the **268th** place in the "Asia's 500 Most Influential Brands Ranking of 2024" and selected as one of the **Top Ten Most Favored Brands** by consumers in China



Ranked the **8th** in the list of the world's Top 100 Apparel Brand Strength, achieving **the highest ranking Chinese brands on the list**



reddot winner 2024

ISPO AWARD 2024

WINNER



INTERNATIONAL DESIGN EXCELLENCE AWARDS

In April, held a signing and awarding ceremony with the Polar Research Institute of China



In June, signed separate cooperation agreements with the Harbin Municipal People's Government and other related parties to jointly develop a series of "Erbin"



In July, participated in the "REVIVING CRAFT: Métiers d'Art et Design Contemporain de la Chine" exhibition series



In September, launched the "Metamorphosis" series of windbreaker down jackets and successfully entered to the outdoor warming market



2. Focus on Consistent Product Innovation and Efficiency Enhancement Led to Rapid Revenue Growth

Sun-protective Clothing - Sun Guard Collection

- All-in-one sun-protection jacket features upgraded fabrics that are lighter and more comfortable
- Expanded with new styles for parents and children, menswear, icy trousers and accessories (icy sleeves/ caps/ masks) for this season's collection



Sun-protective Clothing - Urban Light Outdoor Collection

- Introduced an innovative urban light outdoor series that meets consumers' diverse outdoor wearing needs
- The diverse punching details improve physical breathability while voluminous silhouettes cater to younger consumers



Windbreaker Collection

- Functional protection with "waterproof, windproof and breathable" performance to cater diverse styles and fashion needs
- Extended into multiple scenario-based categories such as "wind shell, soft shell and hard shell"



Goose Down Windbreaker Collection

- Suitable for both urban and natural environments
- With its versatile functionality, this clothing can adapt to temperature change, satisfying consumers' needs for seamless transitions across various scenarios



NEW Functional outdoor

3. Optimize Sales Channel Quality and Focus on Improving Capabilities of Top Stores and Single Store's Operation



- **Further consolidated and expanded its Top Stores system** by customizing strategies for each store. The Group engaged in deep collaboration with key Top Stores managers, forming clear implementation plans to steadily improve channel management capabilities and operational efficiency. By developing important leading Top Stores, the Group aims to create replicable and scalable models
- **Iterated its channel stratification management system** and strengthened the differentiated matching of resources among different store levels to better meet diverse customer needs, significantly improving refined store operations
- In terms of **solidifying single-store operations**, the Group's constructed a three-tier organizational management methodology with high targets as the driving force and customer demand as the origin and forged ahead with its "store-centric and customer value-oriented business" process transformation, thereby achieving an effective implementation of a closed-loop single-store operational strategy

3. Optimize Sales Channel Quality and Focus on Improving Capabilities of Top Stores and Single Store's Operation (Cont')

Retail Network

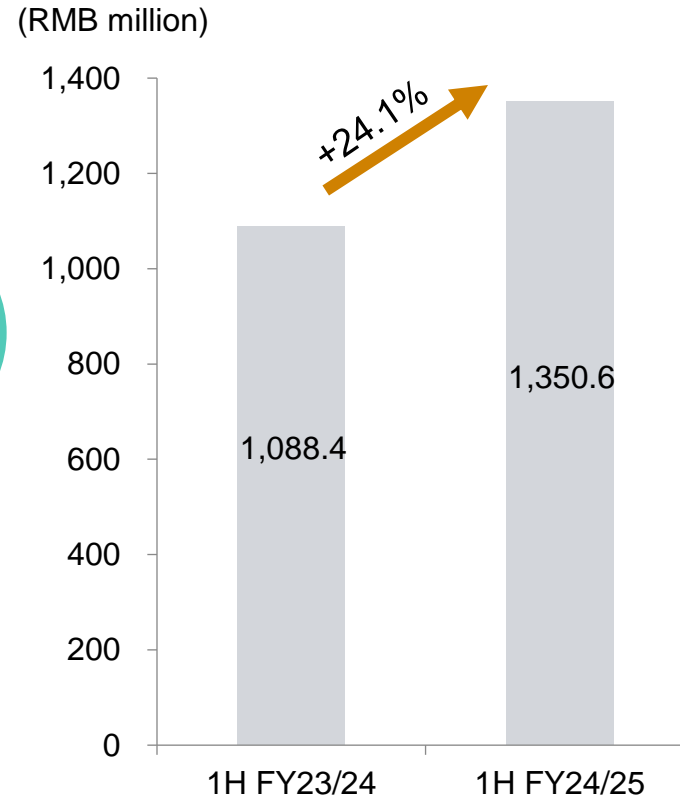
As at Sep 30, 2024	波司登 BOSIDENG		雪中飞 SNOW FLYING		冰洁 BENGGEN		Total	
	No. of stores	Change	No. of stores	Change	No. of stores	Change	No. of stores	Change
Specialty stores								
Operated by the Group	648	-21	17	7	-	-	665	-14
Operated by third party distributors	1,503	-114	103	-5	-	-	1,606	-119
Subtotal	2,151	-135	120	2	-	-	2,271	-133
Concessionary retail outlets								
Operated by the Group	404	11	85	21	-	-	489	32
Operated by third party distributors	318	-	110	72	-	-	428	72
Subtotal	722	11	195	93	-	-	917	104
Total	2,873	-124	315	95	-	-	3,188	-29

Change: compared with that as at March 31, 2024

4. Enhance Online Platform Capabilities and Operational Efficiency to Achieve High-quality Business Growth



Revenue of Online Sales of Branded Down Apparel



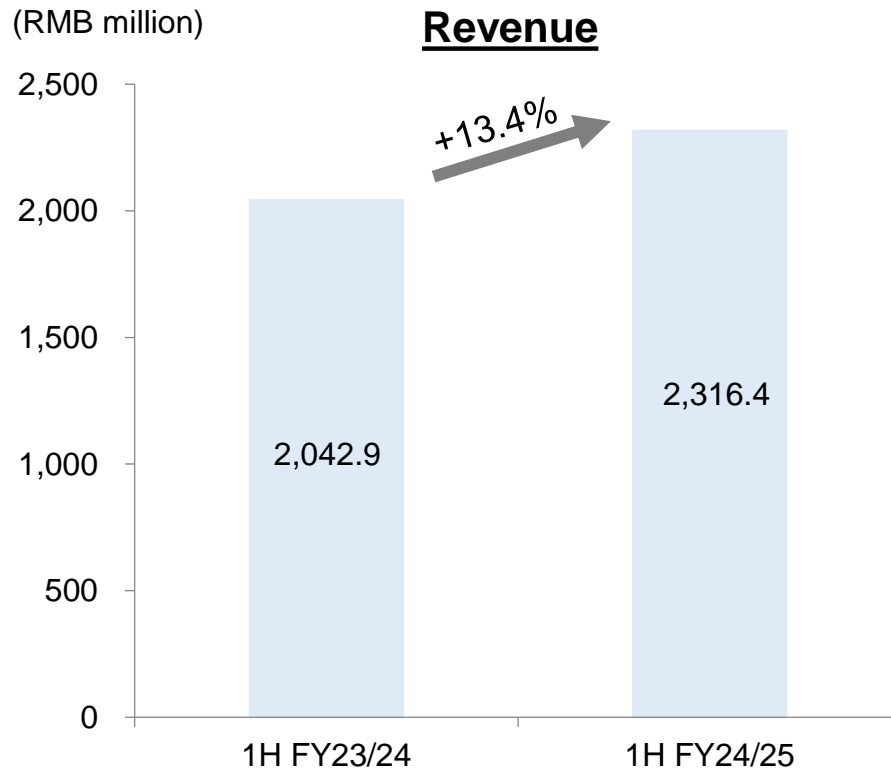
Double 11 Sales Ranking for Tmall Apparels Brand, Ladieswear Shop and Menswear Shop



In September, integrated with the trendy-focus IP of Douyin, held the “Metamorphosis” extravaganza in Shanghai, driving strong sales of ultralight down jackets



OEM Management Business



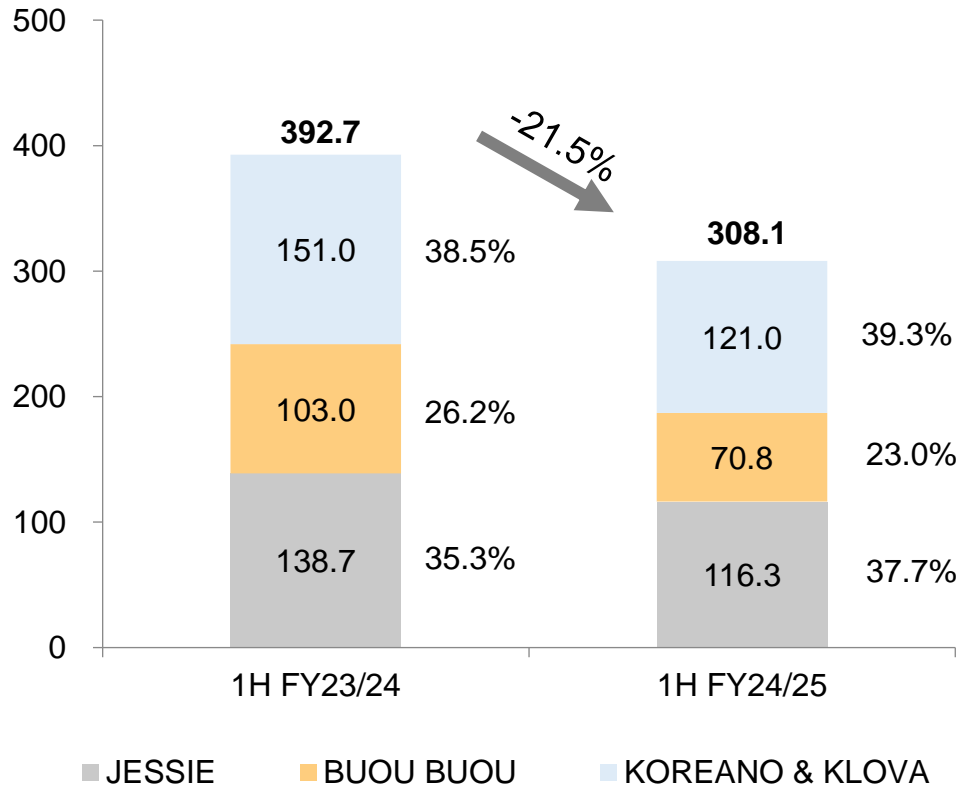
- Despite the impact of multiple challenges such as geopolitical risks and downturn in some regional consumer markets, the OEM management business maintained stable and healthy development, mainly due to :
 1. Developed new product categories and achieved a steady increase in orders from existing core customers
 2. Cultivated more new, high-quality customers to continuously supplement the incrementally high-quality orders
 3. Responded quickly to orders from OEM management customers
 4. Continued to strengthen its efficient and open management mechanism and effectively boost customer confidence
- Gross profit margin was **20.1%**, down by **0.3 ppt.** year-on-year

OEM/ODM

Ladieswear Apparel Business

(RMB million)

Revenue by Brand



- Affected by the persistently sluggish market environment, revenue from ladieswear business was approximately RMB **308.1 million**, representing a decrease of **21.5%**
- Contribution from the ladieswear business to the Group's total revenue was **3.5%**, with the proportion continuing to decline along with a sustained drop in profitability



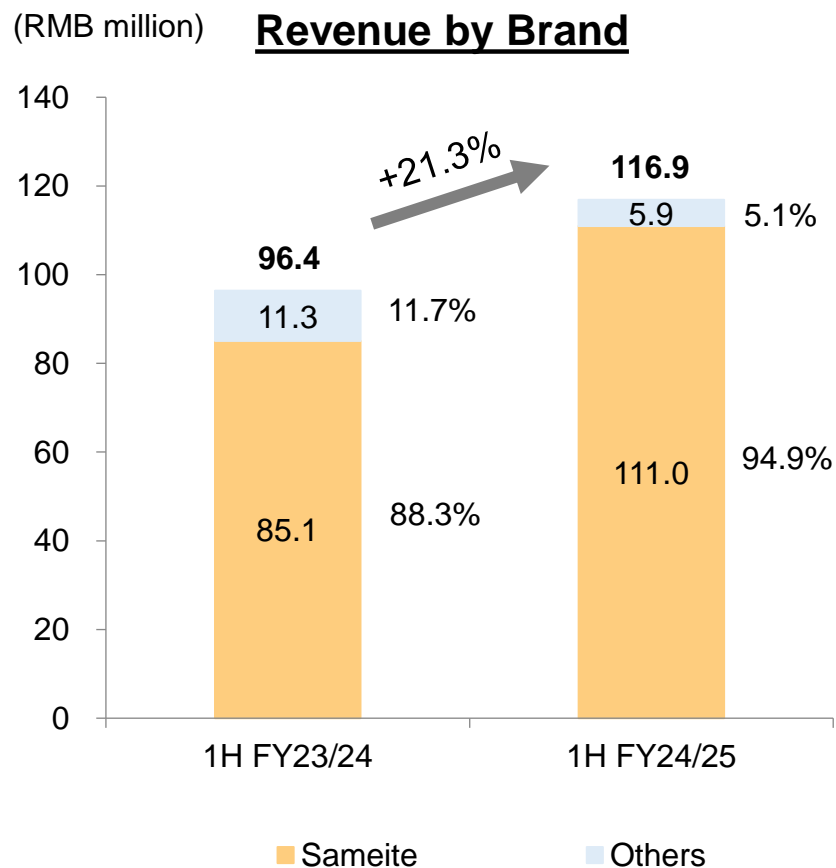
Ladieswear Apparel Business

Retail Network

As at Sep 30, 2024	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	-	5	-3	-	-	-	-	6	-3
Operated by third party distributors	9	-1	4	-	-	-	-	-	13	-1
Subtotal	10	-1	9	-3	-	-	-	-	19	-4
Concessionary retail outlets										
Operated by the Group	108	-2	71	-21	66	2	54	-	299	-21
Operated by third party distributors	64	1	14	-5	-	-	-	-	78	-4
Subtotal	172	-1	85	-26	66	2	54	-	377	-25
Total	182	-2	94	-29	66	2	54	-	396	-29

Change: compared with that as at March 31, 2024

Diversified Apparels Business



- Revenue from the diversified apparels business (mainly operated under the Sameite brand) continued to record stable growth with an increase of **21.3%** year-on-year, of which, revenue from the school uniforms business of Sameite increased by **30.4%**
- The Sameite brand continued to carry out sales channel upgrading to enhance the stability and adhesion of customer partnerships and expanded market coverage; won customer loyalty through customized offerings and became a core product benchmark within the industry
- The Sameite brand won many awards in the first half of FY2024/25



Future Development Plan

Future Development Plan

Down Apparel Business

- Concentrating advantageous resources on the development of its core competitiveness, striving to become a leader in the global down jacket industry; building on the strengthening of its core business of down jackets, focusing on the track of “fashionable and functional apparel enhanced with technology”, and steadily strengthens its core business
- **Brand-led development:**
 1. Convey the Bosideng brand’s core belief in warming the world and its expertise
 2. Comprehensively build a brand matrix and unlock the brand value in fashionable and functional apparel enhanced with technology
- **Product innovation:**
 1. Focus on enhancing products’ core competitiveness
 2. Enhance products’ value through technological innovation
 3. Innovate and extend the core product categories of “fashionable and functional apparel enhanced with technology”, unlock the value of new product categories, and create opportunities for growth
- **Sales channels:**
 1. Further enhance the single stores’ operation
 2. Strengthen its operation modes specific to different types of stores and enhance the capability of refined operation of sales channels
 3. Strengthen customer management and establish a user-value-driven business growth model

OEM Management Business

- Deepen existing good and stable partnerships with key clients, cultivate new customers relationships and continuously improve operational quality and profitability
- Further enhance its ODM design and technological innovation capabilities to develop its differentiated core competencies
- Increase production resource investments in Southeast Asia (e.g., Vietnam and Indonesia) and domestic markets to establish a foundation for sustainable and high-quality growth

Ladieswear Apparel Business

- Prioritize operational improvements and sustainable growth within the ladieswear business by defining clear target demographics for each ladieswear brand and developing differentiated development models, operational capabilities and management systems
- Re-evaluate the strategic positioning of the ladieswear business within its overall portfolio
- Emphasize refraining from significant investments in non-core businesses area

世界羽绒服 中國波司登 引領新潮流

高德康

波司登
BOSIDENG