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BELLE INTERNATIONAL HOLDINGS LIMITED

百麗國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 1880)

OPERATIONAL DATA OF THE RETAIL BUSINESS IN MAINLAND CHINA FOR THE FOURTH QUARTER OF FINANCIAL YEAR 2016/17 AND PROFIT WARNING

Belle International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) announces the following operational data of the Group’s retail business in Mainland China (for the purpose of this announcement, excluding Hong Kong, Macau and Taiwan) for the fourth quarter of Financial Year 2016/17 (three months from December 2016 to February 2017).

In the fourth quarter of Financial Year 2016/17, the total number of retail outlets of the Group in Mainland China increased by 86 on a net basis.

As at 28 February 2017, the total number of retail outlets of the Group in Mainland China was 20,716, consisting of 13,062 footwear outlets and 7,654 sportswear and apparel outlets, all of which were directly managed by the Group.

For the fourth quarter of Financial Year 2016/17, the footwear business had a same store sales decline of 6.2%, while the sportswear and apparel business had a same store sales growth of 4.5%.

Based on preliminary assessment by the board of directors of the Company (the “**Board**”) of the unaudited consolidated management accounts of the Group and information currently available, the Board expects that the profit attributable to the equity holders of the Company recorded in the financial results for the year ended 28 February 2017 (“**Year 2016/17**”) decreased by approximately 15% to 25%, compared with the same period of the year ended 29 February 2016 (“**Year 2015/16**”), mainly due to the following reasons:

First, the performance of the footwear business continued to be weak, which resulted in impairment in respect of certain goodwill and other intangible assets relating to the footwear business.

Secondly, in Year 2016/17, revenue, gross profit and operating profit of the footwear business declined compared to the same period of Year 2015/16.

Thirdly, in order to incentivize management members more effectively, the Group made certain adjustments to the share award scheme approved and adopted on 26 May 2014, which resulted in a significant increase of relevant expenses (non-cash item).

The announcement on the audited consolidated annual results of the Group for the Year 2016/17 will be released by the end of May 2017.

The Company's shareholders and potential investors should note that the data shown above are operational statistics and have not been audited or reviewed by the Company's auditors.

The Company's shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Belle International Holdings Limited
SHENG Baijiao
CEO & Executive Director

Hong Kong, 19 March 2017

As at the date of this announcement, the Executive Directors are Mr. Sheng Baijiao, Mr. Tang King Loy, Mr. Sheng Fang and Mr. Yu Wu, the Non-executive Directors are Mr. Tang Yiu, Mr. Tang Wai Lam and Ms. Hu Xiaoling, and the Independent Non-executive Directors are Mr. Ho Kwok Wah, George, Mr. Chan Yu Ling, Abraham, Dr. Xue Qiuzhi and Mr. Gao Yu.