波司登
BOSIDENG

Bosideng International Holdings Limited

Incorporated in the Cayman Islands with limited liability

Stock Code: 3998

ANNUAL REPORT 2024/25

COMPANY PROFILE

Bosideng International Holdings Limited (the "Company", together with its subsidiaries, the "Group") is a renowned operator in the People's Republic of China (the "PRC") with down apparel brands. Founded in 1976, the Group commenced its operations in extremely difficult conditions under the leadership of Mr. Gao Dekang. On October 11, 2007, the Company was listed on the main board of the Stock Exchange (stock code: 3998).

With a focus on down apparel business, the Group has developed into an expert in down apparel which has been widely recognized by consumers and a leader in the development of the industry. Currently, the Group's down apparel brands include Bosideng, Snow Flying, Bengen, etc. These brands have been supporting the Group in meeting the needs of different groups of customers and enhancing its position as a leader in the PRC market. Among them, the down apparel business under the Bosideng brand maintained a significant lead in the industry for 30 consecutive years (1995 - 2024) in terms of sales volume in the PRC.

Currently, the Group's ladieswear brands include JESSIE, BUOU BUOU, KOREANO, KLOVA; and the school uniform brand is Sameite.

The Group has been proactively implementing its strategies of brand development. During the Year, Bosideng was selected again as "Brand Finance Apparel 50" and was selected as "Top 500 World Brands 2024" by World Brand Lab. Looking forward, the Group will maintain the focus on its core down apparel business, upgrade its products, channels and terminals under the strategies of brand development, stay true to the mission of warming the world, and strive for the goal of being the leading fashionable, functional and technological apparel group in the world.

In 2025, during the Mount Everest summit window, renowned mountaineer Li Shengtao (Muzi), wore a Bosideng down jacket and successfully conquered the summit of Mount Everest. With 49 years of expertise and an unwavering spirit of exploration, Bosideng has woven a legacy of protection into every detail, empowering every climber to forge ahead with confidence. Illuminating the harshest icy terrains with warmth and shaping legends through courage and perseverance, Bosideng and climbers together write a shining chapter in China's mountaineering history at the 8,848-meter peak.


SPIRIT OF
CLIMBING
TO THE
SUMMIT

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MISSION

Bosideng warms the world

CORE VALUES

Customer Foremost, Openness and Innovation, Results-Driven, Striving for the Best

VISION

Being the leading fashionable, functional and technological apparel group in the world

BOSIDENG BRAND POSITIONING

World's leading expert in down apparel

AWARDS

BOSIDENG BRAND PRIMARY HONORS

1 Bosideng was ranked 457th in the 2024 “World’s 500 Most Influential Brands” by World Brand Lab
2 Bosideng was ranked 268th in the 2024 “Asia’s 500 Most Influential Brands” by World Brand Lab
3 Bosideng was ranked 76th in the “Top 500 Most Valuable Chinese Brands 2024” by World Brand Lab
4 Bosideng was ranked 46th in the “Brand Finance Apparel 50 2024” by Brand Finance
5 Bosideng was ranked 145th in the “Top 500 Most Valuable Chinese Brands 2024” by Brand Finance
6 Bosideng brand was awarded “My Favorite Chinese Brand 2024” by China National Brand Network
7 Bosideng was ranked 8th in the “2024 Brand Strength Evaluation Result of World Apparel Brands” by International Academy of Brand Science

LISTED COMPANY PRIMARY AWARDS OR RATINGS

1 Selected into the 2024 Sustainability Yearbook (China Version) of S&P Global CSA
2 AA rating appraised by MSCI ESG (Environmental, Social and Corporate Governance)
3 CDP 2024 Climate Change Score B
4 Selected into the 2024 “Socially Responsible Enterprise Case” by People’s Daily Online
5 Awarded “ESG New Benchmark Enterprise Award” by www.stockstar.com

CAPITAL MARKET TEAM PRIMARY AWARDS

1 Awarded “2024 Listed Company with the Most Brand Influence in Hong Kong Stocks” by Phoenix Satellite Television and ifeng.com
2 Awarded “2024 Outstanding Brand Award” by The Power of www.stockstar.com
3 Awarded “Annual Investment Value Award” in the 6th Gelonghui Golden Award for “Annual Outstanding Companies”

CONSTITUENT STOCKS OF INDEXES

Index code	Index name
HSLMI	Hang Seng Composite LargeCap & MidCap Index
HSLMLCI	Hang Seng Large-Mid Cap Low Volatility Comprehensive Index
HSCHDY	Hang Seng China High Dividend Yield Index
HSSCHKY	Hang Seng SCHK High Dividend Yield Index
HSHYLV	Hang Seng SCHK High Dividend Low Volatility Index
HSMCHYI	Hang Seng Mainland China Companies High Dividend Yield Index
HSSCHYS	Hang Seng SCHK High Dividend Yield Screened Index
HSSCFCF	Hang Seng SCHK Free Cash Flow Index
HSQGLV	Hang Seng SCHK Quality Growth Low Volatility Index
HSSCPOE	Hang Seng SCHK China Private-owned Enterprises Index
HSSCC	Hang Seng SCHK Consumption Index
HSSCCD	Hang Seng SCHK Consumer Discretionary Index
HSC500	Hang Seng Stock Connect China 500 Index
HSSCSCI	Hang Seng Stock Connect China Low Size Comprehensive Index
HSSCLCI	Hang Seng Stock Connect China Low Volatility Comprehensive Index
HSSCYCI	Hang Seng Stock Connect China Dividend Yield Comprehensive Index
HSSCVCI	Hang Seng Stock Connect China Value Comprehensive Index
HSC15TI	Hang Seng Climate Change 1.5°C Target Index
714032.MI	MSCI Hong Kong Enhanced Value Index
932323.CSI	CSI Hong Kong-Listed Private-Owned Mainland Enterprises Composite Index
932327.CSI	CSI Hong Kong Connect Private-Owned Mainland Enterprises Composite Index
932326.CSI	CSI Hong Kong Connect Private-Owned Mainland Enterprises 50 Index
932502.CSI	CSI HK Stock Connect Consumption 50 Index
h30455.CSI	CSI SH-HK-SZ 500 Index
931027.CSI	CSI HK Connect Comprehensive Consumption Thematic Index
931454.CSI	CSI HK Stock Connect Consumer Thematic Index
930839.CSI	CSI Hong Kong Connect High Dividend Yield Select Index
CESFHY.CSI	CES HIGH YIELD
931663.CSI	CSI SH-HK-SZ Consumer Top Index
932153.CSI	CSI HK Connect Value Strategy Index
932152.CSI	CSI HK Connect Growth Strategy Index
987028.CNI	HKCCMEESG

As at the Latest Practicable Date (being July 18, 2025)

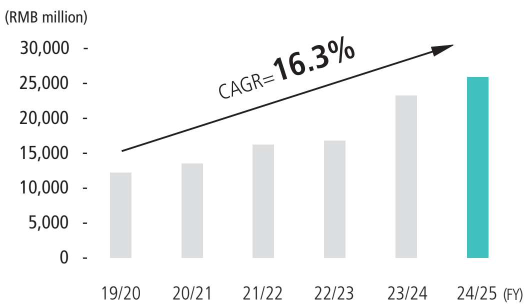
FINANCIAL HIGHLIGHTS

(All amounts in RMB thousands unless otherwise stated)

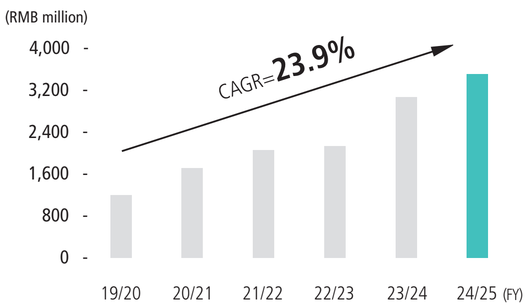
	For the year ended March 31,				
	2025	2024	2023	2022	2021
Revenue	**25,901,713**	23,214,033	16,774,220	16,213,608	13,516,513
Gross profit	**14,839,856**	13,833,540	9,975,876	9,737,179	7,924,266
Profit from operations	**4,966,883**	4,397,556	2,826,372	2,568,847	2,224,606
Profit attributable to:					
Equity shareholders of the Company	**3,513,913**	3,074,072	2,138,574	2,062,323	1,709,566
Non-controlling interests	**38,830**	46,064	17,809	(3,551)	(4,600)
Dividends per share (HKD cents):					
Interim	**6.0**	5.0	4.5	4.5	3.5
Final	**22.0**	20.0	13.5	13.5	10.0
Total	**28.0**	25.0	18.0	18.0	13.5
Non-current assets	**8,180,878**	6,752,593	6,220,645	6,546,999	6,079,665
Current assets	**19,222,392**	19,018,612	14,722,039	14,736,717	12,876,571
Current liabilities	**9,508,405**	11,183,068	6,053,902	6,610,102	5,442,073
Non-current liabilities	**864,666**	768,652	2,284,413	2,447,174	2,263,433
Net current assets	**9,713,987**	7,835,544	8,668,137	8,126,615	7,434,498
Total assets	**27,403,270**	25,771,205	20,942,684	21,283,716	18,956,236
Total assets less current liabilities	**17,894,865**	14,588,137	14,888,782	14,673,614	13,514,163
Total equity	**17,030,199**	13,819,485	12,604,369	12,226,440	11,250,730
Gross profit margin (%)	**57.3**	59.6	59.5	60.1	58.6
Operating margin (%)	**19.2**	18.9	16.8	15.8	16.5
Net profit margin (%)*	**13.6**	13.2	12.7	12.7	12.6
Earnings per share					
– basic (RMB cents)	**31.58**	28.34	19.75	19.14	15.98
– diluted (RMB cents)	**30.83**	27.52	19.29	18.78	15.77
Current ratio (x)	**2.0**	1.7	2.4	2.2	2.4
Gearing ratio (%)	**5.3**	18.0	18.9	20.8	20.3

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

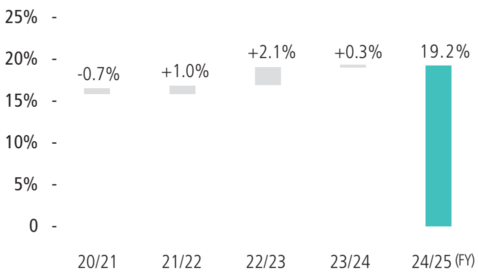
REVENUE OF THE GROUP



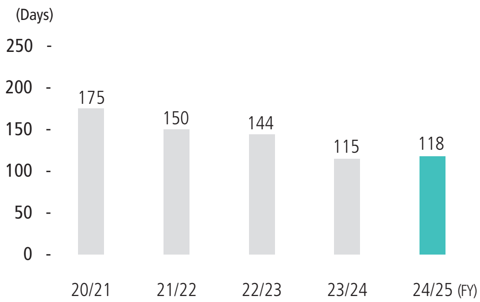
PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE GROUP



OPERATING PROFIT MARGIN



INVENTORY TURNOVER DAYS



EMBRACE INNOVATION, STRIVE FOR EXCELLENCE AND ADVANCE TOWARD GLOBAL LEADERSHIP

Dear shareholders,

On behalf of the Board, I am pleased to present the Group's annual results for the Year. Over the past year, against the backdrop of a complicated and ever-changing market environment, Bosideng upheld its strategic discipline to respond to market changes and unleashed innovation to drive incremental growth, achieving a new leap forward in both steady expansion and sustainable development.

Upgrading strategic deployment to facilitate steady improvement and quality enhancement of results

In FY2024/25, the Group clarified its strategic vision of "becoming the world's leading fashionable, functional and technological apparel group" and anchored its "dual-focus" strategic direction of "focusing on the mainstay business of down jackets and focusing on the main track of fashionable and functional apparel enhanced with technology". Being customer-centric and guided by brand leadership, we continuously strengthened our core competitiveness through innovation and accountability, delivering steady improvement in key operating indicators and tangible advance in high-quality development.

The Group's revenue reached RMB25.902 billion, representing a year-on-year increase of 11.6%. Net profit attributable to shareholders amounted to RMB3.514 billion, representing a year-on-year increase of 14.3%, while the Group's operating profit amounted to RMB4.967 billion, representing a year-on-year increase of 12.9%. Operating profit margin increased to 19.2%, demonstrating steady improvement in operational quality. To thank the shareholders for their trust and support, the

Board recommended the distribution of a final dividend of HKD22.0 cents per share, resulting in the distribution of dividend with a total of HKD28.0 cents per share for the Year, continuously generating steady returns for our shareholders.

Enriching core business and building a brand matrix

In FY2024/25, there was a steady growth in the Group's core competitiveness and operational efficiency in its branded down apparel business, achieving revenue of RMB21.668 billion, accounting for 83.7% of the Group's total revenue, representing a year-on-year increase of 11.0%, and serving as a strong engine driving the Group's growth.

The Bosideng brand remained committed to its positioning as a "the world's leading expert in down apparel". Through strengthening brand leadership, enriching category operations, optimizing channel management and enhancing customer experience, it achieved revenue of RMB18.481 billion, representing a year-on-year growth of 10.1%. The Bosideng brand was again ranked among the "Brand Finance Apparel 50" by Brand Finance and was ranked 457th in "The World's 500 Most Influential Brands" by the World Brand Lab.

The Snow Flying brand leveraged its snow and ice heritage to steadily expand its market share in the cost-effective mass-market down apparel segment, generating revenue of RMB2.206 billion, representing a year-on-year increase of 9.2%. Bogner accelerated its development of strategic ski-related product lines, breaking into high-potential ski resort channels and opening a new chapter of brand development. Amid a complex and volatile international trade environment, the OEM management business continued to progress under pressure by relying on upgraded ODM capabilities and a globally integrated production layout, achieving breakthroughs in both order volume and quality, with revenue reaching RMB3.373 billion, representing a year-on-year growth of 26.4%. The Group also made a strategic investment in the global luxury down apparel brand, Moose Knuckles, to build a more complete and multi-dimensional brand matrix, injecting new momentum into its global expansion.

In terms of operational efficiency, the Group's management capabilities also improved steadily, with inventory turnover days maintained at an industry-leading level of 118 days. Net cash flow from operating activities amounted to RMB3.982 billion, indicating a healthy and robust cash position. Moody's and S&P continued to assign the Group a "double investment-grade" rating, reflecting the global capital market's vote of confidence in the Group's steady development.

Strengthening innovation-driven development and building core competencies

Innovation is embedded in the DNA of Bosideng and the cornerstone that enables us to navigate through market cycles with confidence. The Group has leveraged technology to empower product innovation, retail upgrades, and digital-intelligent transformation, thereby comprehensively reinforcing our core competitiveness.

"Technology + Fashion" driving product innovation. We continue to increase investment in R&D to build our innovation capability in the four new areas, i.e. new materials, new categories, new technologies, and new techniques. The "Metamorphosis" series of windbreaker down jackets combines cutting-edge technical functionality with urban design aesthetics, featuring an innovative "three-in-one" convertible design, setting a benchmark for versatile cross-scenario apparel. Meanwhile, the Polar Expedition collection supported China's 41st Antarctic scientific research, pioneering "Dynamic Cold Resistance Technology" to overcome the challenge of working in extreme environments where movement generates heat and stillness brings a chill" delivering reliable protection even in temperatures as low as -50°C. Bosideng continues to garnered strong performance in the fashion world, with its "Rong" concept show dazzling in Paris and showcasing the allure of Chinese brands on the global stage. The "Erbin × Bosideng" co-branded products pioneered an innovative model of integrated development between cities and brands, while the "Tribute to Ice and Snow" fashion show captivated audiences beyond traditional communities. Further elevating its fashion credentials, Bosideng launched co-branded collections with Errolson Hugh, the godfather of functional fashion, and Italian streetwear label MSGM, continuously enriching its design sophistication. We had also strategically expanded into functional outerwear such as monocoque windbreaker jackets and sun-protective clothing, further exploring category value and pushing boundaries. Bosideng's innovative designs have earned multiple international accolades, including the ISPO Global Design Award and Red Dot Design Award.

"Online + Offline" omni-channel retail upgrade. We continue to optimize the structure, layout, quality and terminal image of existing channels. Through systematic and refined management of hierarchical markets and store operation, we have significantly improved our channel management capabilities and operational efficiency. The grand opening of the Bosideng Beijing Sanlitun Peak Concept Store has innovatively created a scenario-based, immersive and interactive consumption experience. By thoroughly implementing the operational concept focusing on providing excellent services to its customers, relying on its physical stores and prioritizing the needs of its customers, we also promoted the business process transformation of "store-centric and customer value-oriented" to improve the quality and efficiency of single-store operations. We also focus on core product categories, aggregate brand campaigns, concentrate on content innovation, cross-category marketing and refined operations to continuously consolidate our sales share and industry position. Through the "smart stores + online cloud stores" omni-channel retail model, we have connected online and offline members and commodity information to enhance consumers' full-scenario shopping experience.

Digital and intelligent transformation empowers quality and efficiency improvement in operation. We have identified "users, retail and commodities" as the key focus areas for digital transformation, accelerating the shift toward digitalization and intelligent transformation in critical segments such as AI design, smart manufacturing, intelligent supply chain, and digital marketing. By establishing an artificial intelligence innovation application laboratory, we have created the vertical-domain AI large model "BSD.AI Aesthetic Brain", which best understands user design language and achieves digitization of the entire process from design conception to virtual garment delivery. We also upgraded the industry-leading model of futures/goods-in-stock operation and controlled first batch of orders at less than 40%. The demand-pull replenishment, quick launch of new products and delivery of small orders in quick responses enable an efficient turnover cycle and operational efficiency, thereby allowing the Group to relentlessly pursue the goal of "hot-moving merchandise is not out of stock and refrain from producing products with low demand".

Living up to social responsibility and pioneering sustainable fashion

The value of a company extends beyond commercial success, but also lies in its commitment to society and the environment. In FY2024/25, we introduced the "1+3+X" ESG strategic framework, which was guided by the vision of "leading sustainable fashion with a consumer-oriented approach", with a clear carbon target of "achieving net-zero emissions in operational processes by 2038" to systematically advance comprehensive green management across all fronts. We actively engaged in ESG ecosystem co-construction and practical innovation to drive sustainable transformation across the entire value chain: Bosideng has officially joined the United Nations Global Compact (UNGC), participated in the "Fashion Climate Innovation 30•60 Carbon Neutrality Acceleration Plan" (時尚氣候創新30•60碳中和加速計劃) launched by the China National Textile and Apparel Council, participated in the formulation of a series of standards for the carbon footprint management system in the textile and apparel industry, and joined the Zero Discharge of Hazardous Chemicals (ZDHC) Program, as well as comprehensively upgraded the safety control of chemicals from suppliers, ensuring every product meets high-quality and eco-friendly standards. Bosideng has been consecutively listed in the S&P Global Sustainability Yearbook (China Edition), while its MSCI ESG Rating was upgraded to AA – the industry-leading level.

Adhering to the principle of "warming people with products and warming hearts with charity", we actively implemented public welfare initiatives such as "10,000 Enterprises Revitalizing 10,000 Villages" and "Warmth in China", fulfilling our social responsibility commitment through concrete actions. We donated high-quality down jackets worth over RMB11 million to earthquake-affected areas in Tibet, bringing compassionate warmth to the snow-covered plateau. With responsible business practices, we have created long-term value for our customers, employees, shareholders and the society, which promotes the sharing of corporate development results and exemplifies the ultimate purpose of business for good.

Driving new quality development towards "global leadership"

Amid a new wave of technological revolution and industrial transformation, new quality productive forces are activating new development momentum and providing a comprehensive domestic demand boost to create new market opportunities. The down apparel industry has a wide range of prospects and huge potential. The Group will anchor its "dual-focus" strategic direction of "focusing on the mainstay business of down jackets and focusing on the main track of fashionable and functional apparel enhanced with technology", while adhering to its core cultural values of "user-first, open mindedness, achieving results and an unwavering pursuit of excellence". These efforts aim to support the Group's pursuit of sustainable and high-quality growth.

Anchoring the "dual-focus" strategy to strengthen business layout and brand portfolio

Taking the strategic direction of "dual-focus", the Group will allocate resources strategically to enhance its business layout and further develop a multi-brand portfolio comprising Bosideng, Snow Flying, Bengen, Bogner and Moose Knuckles. Through differentiated brand positioning, constructing a more complete brand matrix, the Group seeks to meet the needs of diverse consumer segments with high-quality offerings, strengthen the core competitiveness of its principal business, and establish itself as a global leader in the down apparel industry. At the same time, the Group will focus on the track of "fashionable and functional apparel enhanced with technology" and extend the scope of the related product categories and business. In addition, the Group is building a platform system to support coordinated multi-brand development, enabling joint deployment and synergistic efforts across its brand portfolio, thereby laying a solid foundation for its vision of "Being the leading fashionable, functional and technological apparel group in the world".

Staying committed to brand leadership and strengthening innovation-driven development to create value for customers

The Group will consistently uphold a customer-centric approach as its guiding principle, regarding our brands as leaders and driving our development through innovation, and continue to innovate in areas such as "brand, product, retail, and supply chain", so as to consolidate its core competitiveness and create value for people's better lives. In terms of branding, the Group will deepen the "brand-led" development model, and optimize the brand management system based on its brand culture and consumer mindset to strengthen consumers' attention. In terms of products development, the Group will enhance technological research and development and innovation, increase the investment in scientific research for building an integrated innovation capability in the four new areas, leverage technological innovation to consolidate brand value and core competitiveness, and generate new demand with high-quality supply. In terms of retail business, the Group will strengthen its operation modes specific to different types of stores, adopt "one store, one design" and "one store, one strategy" approaches, optimize store operation model, and improve the operational quality and efficiency of stores. In terms of supply chain, the Group strives to build a global leading supply chain sharing platform that is multi-brand, multi-category, differentiated, centralized, and digitally intelligent.

Upgrading management systems and advancing digital and intelligent transformation to achieve sustainable high-quality development

The Group will continue to upgrade its management systems and organizational capabilities. Oriented towards rapid responses to market and consumer demands, it will optimize its organization and processes to ensure they are vertically integrated, horizontally aligned, interconnected, and barrier-free. The Group will also focus on "users, products and retail", and drive intelligent and digital transformation by elevating data governance standards, pioneering innovative AI applications and empowering operational efficiency enhancement with new-generation digital technologies, so as to achieve the goal of "scientific, digital and intelligent operations". The Group will accelerate sustainable fashion initiatives, green and low-carbon transition and the implementation of its "1+3+X" ESG strategic framework and governance structure under the guidance of the dual-carbon objective. By doing so, ESG principles will be fully integrated into corporate strategy and development practices, which will contribute to a community of shared interests for mankind. Meanwhile, the Group will actively fulfill its corporate social responsibilities by cultivating national pride and social commitment and driving rural revitalization and common prosperity, in a bid to create long-term symbiotic value for its customers, employees, shareholders and the society.

Peaks bow to those who dare to climb, the journey of which is never-ending. On behalf of the Board, I would like to express my sincere gratitude to our members of the Board and the management team for their dedicated wisdom, to all employees for their diligent efforts, to shareholders for their trust and support, and to global consumers for their valued patronage. At the new starting point of the 15th Five-Year Plan, the Group will remain true to its original mission, remain confident in development, target its strategic goals, and innovate the mechanism for the co-existence, co-creation and co-sharing of the Company's value, in a bid to deliver long-term returns for shareholders and start a new chapter of "World Down Apparel, China Bosideng, New Leading Trends." We will contribute Bosideng's strength to the construction of a modern textile industrial system and to the construction of a powerful nation in clothing and brands!

Let us join hands and march toward the next journey!

Gao Dekang
Chairman and President
June 26, 2025

In FY2024/25, the complex changes in the international landscape, geopolitical tensions, adjustments in tariff policies, and the reshaping of the global economic pattern have led to greater uncertainties in the external environment. Despite the intricate and complex international and domestic economic and trade environment, the fundamental trend of China's economy being stable, resilient, having great potential, and maintaining long-term positive growth remained unchanged. New quality productive forces are activating new development momentum, and the comprehensive boost to domestic demand is bringing new market opportunities, providing strong support for the upgrading and development of the industry.

The Group closely followed the trends of the times, adapted to the circumstances, and actively responded to external challenges such as the warm winter, changes in the consumption environment, and structural adjustments. The Group seized the favorable opportunity of the rise of domestic brands, continuously strengthened brand building and market promotion. By improving product quality, optimizing product categories, strengthening retail layout, enhancing supply chain management, and promoting digital transformation, the Group has continuously improved operational efficiency, created better customer value, and achieved the development goal of steady progress.

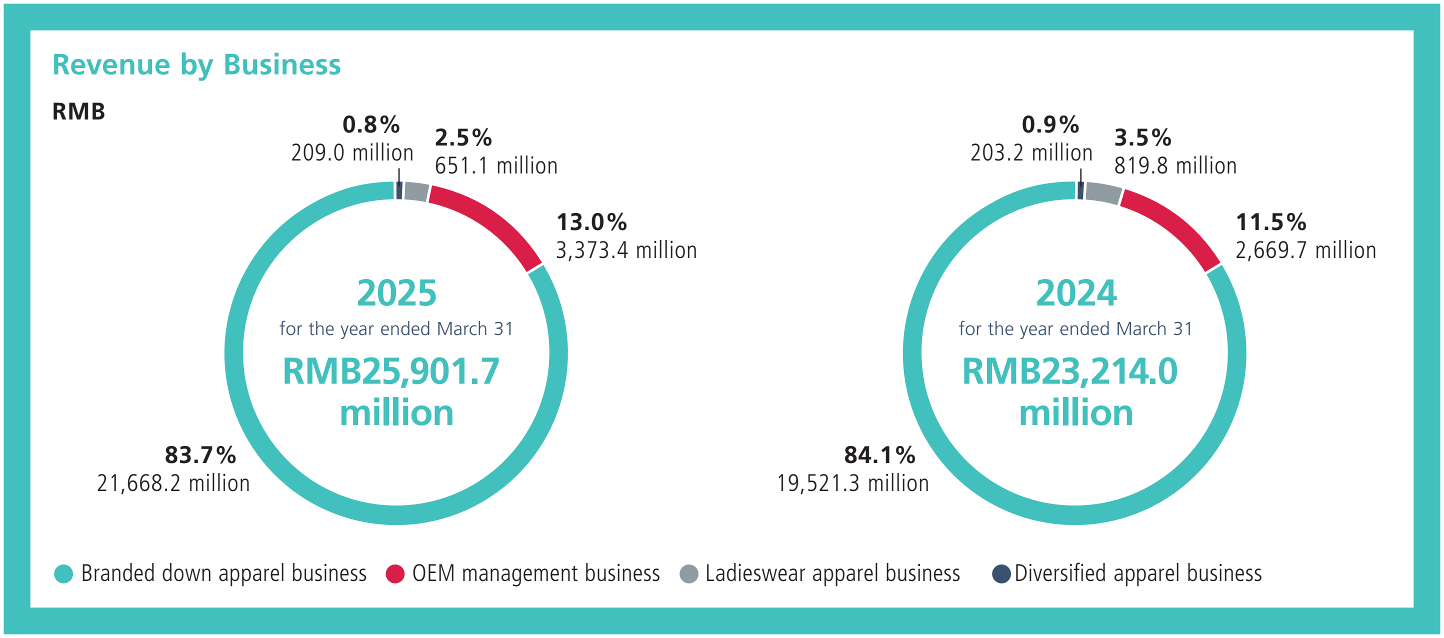
Standing at the forefront of the trend of the times, and guided by the strategic vision of "becoming the world's leading fashionable, functional and technological apparel group", the Group will anchor its "dual-focus" strategic direction of "focusing on the mainstay business of down jackets and focusing on the main track of fashionable and functional apparel enhanced with technology". The Group aims to improve its quality through innovation and strive for higher achievements, thereby contributing Bosideng's strength to the comprehensive advancement of Chinese modernization.

REVENUE ANALYSIS

Since 2018, the Group has put forward new strategic goals, embarking on a new journey of transformation and upgrading. Over the past seven years, the Group has returned to its entrepreneurial roots, focused on its core business of down apparel, and guided by brand building, driven transformative changes in product innovation, retail upgrading, high-quality rapid responses, and intelligent digital operations. As a result, the Group achieved consistent, sound and high-quality growth, demonstrating resilience in its development.

In FY2024/25, the Group's revenue amounted to RMB25,901.7 million, representing an increase of approximately 11.6% compared with that in the previous year. The branded down apparel business, OEM management business, ladieswear apparel business and diversified apparel business are the Group's main business segments.

In FY2024/25, the Group's main business segments achieved stable and high-quality growth. Among them, the branded down apparel business remained the biggest revenue contributor to the Group, and recorded a revenue of approximately RMB21,668.2 million, accounting for 83.7% of the total revenue and representing an increase of 11.0% year-on-year. The OEM management business recorded a revenue of RMB3,373.4 million, accounting for 13.0% of the total revenue and representing an increase of 26.4% year-on-year. The ladieswear apparel business recorded a revenue of RMB651.1 million, accounting for 2.5% of the total revenue and representing a decrease of 20.6% year-on-year. The diversified apparel business recorded a revenue of RMB209.0 million, accounting for 0.8% of the total revenue and representing an increase of 2.8% year-on-year.



Branded Down Apparel Business

The Group focused on its core business, concentrated on its advantageous resources, and built the core competencies of its main business, striving to become a leader in the global down apparel industry. In terms of branded down apparel business segment, the Group introduced the "four reinforcements" initiative to "enhance brand leadership, product category management, channel operation, and customer experience" to further consolidate its core capabilities during the Year.

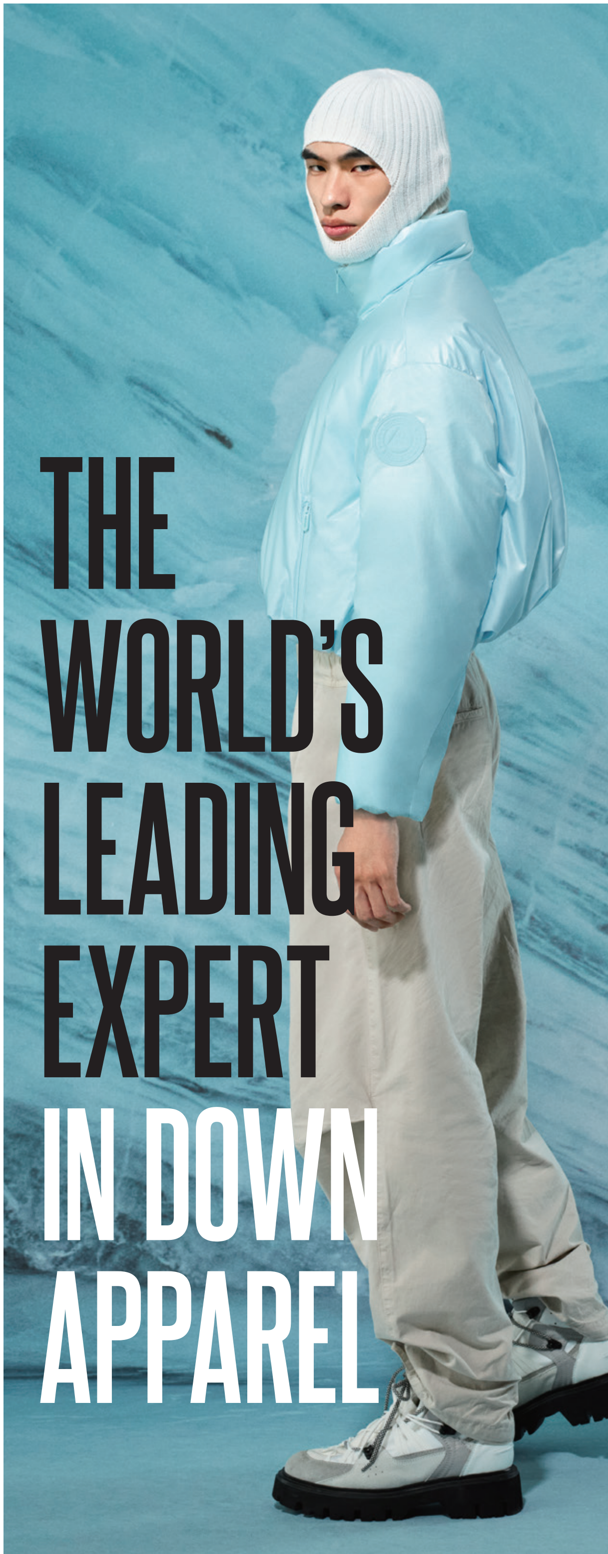
In terms of branding, the Group continued to build its brand image of being "the world's leading expert in down apparel", adhering to a brand-led development model and elevating its brand perception from a global leader in down apparel in terms of sales volume to a truly global leader in all respects in the down apparel industry. In terms of products, the Group adopted a category efficiency enhancement approach, further developing functional outerwear for spring and summer, such as sun-protective clothing and monocoque windbreaker jackets. Meanwhile, the Group actively expanded the category of light down jackets like Goose Down Windbreaker Collection, upgraded the "Polar Workwear" series of down jackets and launched the "Erbin x Bosideng" city brand collaboration, so as to earn recognition from mainstream consumers continuously. In terms of channels, on one hand, the Group continued to focus on building its TOP store ("Top Store(s)") system to unleash the channel leading effects, improving consumer perception and optimizing the shopping experience. On the other hand, it solidified its refined operation capabilities by iterating its tiered channel management system, which significantly improved the operational efficiency of its branch stores.

In FY2024/25, the Bosideng brand under the Group's branded down apparel business recorded a year-on-year increase of 10.1% in revenue to RMB18,481.0 million. Revenue of the whole branded down apparel business segment increased by 11.0% to RMB21,668.2 million on a year-on-year basis.

Brand Building

In FY2024/25, the Group adhered to its strategic development direction of "the world's leading expert in down apparel". With a focus on four core dimensions, namely content upgrading, visual upgrading, deepening platform cooperation, and value-driven event operation, the Group implemented a comprehensive and in-depth brand upgrading project to fully unleash brand potential and achieve breakthroughs in brand visibility, thereby solidifying its industry discourse power.

In terms of content upgrading, the Group adheres to a user demand-oriented approach by deeply exploring



the brand's cultural connotations and the core selling points of its products. This enhances emotional connections with consumers and improves brand reputation and loyalty. For example, in response to the global "outdoor craze" consumer trend, the Group innovatively launched the"Metamorphosis" collection, integrating the concept of "urban outdoor tech down jackets" into the awareness of mainstream Chinese consumers.

In terms of visual upgrades, the Group adheres to an international, fashionable and professional design philosophy, conducting comprehensive visual upgrades across all aspects, including brand image and in-store displays.

In terms of platform cooperation, the Group proactively expands external cooperation. By partnering with top platforms such as CCTV.com and Douyin Mall (抖音商城), the Group jointly created "CHINA'S GOOD DOWN (中國好羽絨)" IP and carried out diverse brand promotion activities. Meanwhile, through a strategic cooperation with the Harbin Government, the Group jointly developed the "Erbin × Bosideng (爾濱×波司登)" co-branded products, pioneering an innovative model of integrated development between cities and brands, further expanding the brand's market boundary and cultural connotation.

In terms of value event operations, the Group leads with a series of brand-building events with industry influence and social attention, continuously consolidating its

brand position as "the world's leading expert in down apparel".

According to the "Brand Finance Apparel 50 2024" released by Brand Finance, one of the top five international authoritative brand value evaluation consultancies, the Bosideng brand once again made it to the list, rising one spot to the 46th place, demonstrating the Group's strength and influence amongst the world's leading brands. In the 2024 "Asia's 500 Most Influential Brands" ranking released by the World Brand Lab, the Bosideng brand ranked 268th. In the "2024 Brand Strength Evaluation Result of World Apparel Brands" released by the International Academy of Brand Science, the Bosideng brand ranked 8th in the list of the world's Top 100 Apparel Brand Strength, achieving the highest ranking for Chinese brands on the list.

Brand Finance®

WBL World Brand Lab 世界品牌实验室

In FY2024/25, the Bosideng brand also received numerous industry recognitions, for example, in the "2024 Top 100 Annual Brands Selection (2024百大年度品牌評選)" organized by Sina Finance, the case of "Bosideng × Eileen Gu Milan Show" was selected as one of the "Top 50 Brand Marketing Cases (品牌營銷案例榜 Top 50)"; it was awarded the title of "Hong Kong-Listed Company with the Most Brand Influence" at the "2024 Phoenix Star Best Listed Companies" selection conference, organized by Phoenix Satellite Television and ifeng.com.

In FY2024/25, Bosideng conducted a series of brand-building events:

In the spring and summer seasons of 2024, Bosideng put sun-protective clothing as the focus of category breakthrough and launched a new line of sun-protective clothing products. The trendy designs and excellent sun protection performance have garnered widespread attention and positive consumer feedback upon release. Sun-protective clothing became one of the new categories in FY2024/25 and contributed to an increase in sales during the off-peak seasons.

In April 2024, Bosideng and the Polar Research Institute of China held a signing and awarding ceremony to formalize their cooperation on China's Antarctic and Arctic expeditions. Through deepening their partnership, both parties will jointly promote the innovation and application of polar scientific research technology. They will collaborate on the research and development of professional cold-proof clothing for polar exploration, jointly develop co-branded product series, and collectively convey the "Antarctic spirit", allowing more consumers to understand the significant importance of "knowing the poles, protecting the poles and utilizing the poles."

In July 2024, on the occasion of the 60th anniversary of the establishment of diplomatic relations between China and France, the China-France Year of Culture and Tourism and the eve of the Paris Olympic Games, Bosideng participated in the "REVIVING CRAFT: Métiers d'Art et Design Contemporain de la Chine" exhibition series, and held "Rong", a Chinese-inspired concept show, at the General Hall of the Musée des Arts Décoratifs. Bosideng incorporated cutting-edge technologies into traditional craftsmanship such as ancient totems, auspicious knotted buttons, and Suzhou embroidery, preserving the unique charm of Eastern culture while meeting modern aesthetic preferences, seamlessly blending ancient craftsmanship with contemporary fashion, and demonstrating the openness, innovation and inclusiveness of the Bosideng brand.

In September 2024, capitalizing on the growing consumer interest in outdoor activities, Bosideng launched the "Metamorphosis" series of windbreaker down jackets in the autumn of 2024, successfully entering the outdoor warming market. The "Metamorphosis" three-in-one (layered) windbreaker down jackets quickly gained consumer recognition.

In December 2024, the Bosideng Beijing Sanlitun Peak Concept Store grandly opened. Inspired by the spirit of reaching the peak, the store conveys Bosideng's tenacious will of exploring the unknown and constantly scaling new heights to customers through its meticulously crafted spatial experiences, offering customers a dual experience for both vision and soul. On the opening day, Eileen Gu, the Bosideng brand ambassador, shared the journey of challenging the limits and bravely breaking through with numerous brand followers, jointly ushering in a new height of peak spirit for the Bosideng brand.

In December 2024, Bosideng and the Harbin authorities jointly announced strategic achievements by launching the "Erbin × Bosideng" co-branded series and hosting the "Tribute to Ice and Snow" fashion show. This showcased the deep integration of Bosideng's cold-weather technology with Harbin's unique history and ice and snow culture, and pioneering a new model of city-brand cooperation. This collaboration, rooted in Harbin but with a global outlook, highlighting the international vision and open-mindedness of Chinese brands collaborating with Chinese cities. It is a beneficial exploration in promoting the high-quality development of Heilongjiang's ice and snow economy in the fields of ice and snow equipment, sports, and fashion, powerfully fostering the intrinsic high-quality development of the ice and snow cultural tourism industry.

Merchandise Management

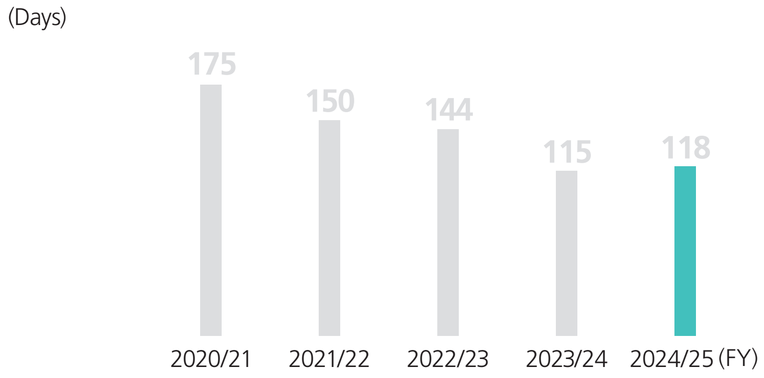
The Group believes that merchandise management serves as a crucial driving force for enterprises to achieve sustainable and high-quality development and is also an important guarantee for enhancing market competitiveness and profitability.

In FY2024/25, the Group continued to completely classify the orders into direct sales and wholesales. Orders placed at self-operated single stores would be processed in a way in which products for sale in single stores would match the demand for orders and the stock would be replenished and products would be produced according to the actual demand. By doing so, a dynamic adjustment to orders can be achieved. Meanwhile, distributors adopted different flexible modes of order placement and rebate policies based on their respective scales of operation. In FY2024/25, the Group maintained the demand-pull replenishment of "fulfilling small orders in quick responses on a rolling basis which would match the demand for orders, and products according to the actual demand" during the sales process in peak seasons based on sales performance and under the premise of ensuring that the proportion of first-time orders remained at a low level. Such a mechanism has effectively promoted the dynamic centralized management of channel inventory and merchandise mix, significantly improved the channel efficiency and the flexibility of merchandise management during the peak seasons, providing strong support for the continuous improvement of peak seasons performance.

In FY2024/25, the Group continued to stick to the concept of merchandise operation management of the last financial year. With its smart delivery center serving all offline direct stores, franchised stores and online traditional e-commerce platforms, the online Douyin platform, WeChat Mall/ Channels, O2O and other channels throughout the country efficiently, the Group unified the inventory management of eight directly-operated large warehouses and 12 small warehouses of distributors across China through an integrated inventory management platform. The services included taking deliveries from suppliers or returned goods from the market to the warehouse for storage, sorting and shelving arrangements, and they were combined with different strategies for allocating warehouses in different locations for the storage of merchandise. Efforts were stepped up to bring Top Sellers to the front during the process. As a result, the availability of replenished merchandise was continuously enhanced based on sales performance in the market.

As of March 31, 2025, the inventory turnover days of the Group were 118 days, representing a slight increase of three days as compared with that in the same period up until March 31, 2024. The effective inventory management in a warm winter environment was primarily attributed to the Group's strategy of maintaining a relatively low proportion of first orders as well as actively adopting demand-pull replenishment and "small orders in quick responses" adjustment mechanism, and effectively promoting integrated omnichannel merchandise operating management. The high-quality and stable management of inventory turnover days not only demonstrated the Group's efficient merchandise management capability and operational resilience in rapidly responding to market changes during peak sales seasons, reflecting the continuous improvement of the Group's overall operational efficiency, but also provided a more flexible and easily manageable inventory level for the next financial year.

Inventory Turnover Analysis



Supply Chain Management

The ability of the Group's supply chain to enable "delivery of high-quality products in quick responses" is an important competitive strength that has led to its continued success in the industry, and is also one of its core competitive advantages with which the Group maintains efficient, healthy and sustainable development.

The Group has implemented the down apparel, industry-leading model of futures/goods-in-stock operation. The first batch of orders would be controlled at less than 40%, while the remaining proportion would be continuously adjusted dynamically and replenished on a rolling basis during the peak sales seasons 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 an efficient turnover cycle and operational efficiency, thereby allowing the Group to solidify its ability for high-quality products in quick responses and ensure that "hot-moving merchandise is not out of stock and refrain from producing products with low demand".

In FY2024/25, 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, resource integration and cost leadership.

In terms of flexible and quick responses, the Group has transformed from a collaborative supply chain model to a more proactive and digitally driven approach, further refining its closed loop, high-value commodity chain and strengthening its digital intelligence infrastructure. Having achieved a 99% replenishment rate for the Top Sellers, the Group took the availability rate of replenishment of unexpectedly popular "dark horse" items as a new high challenge target for the first time, and maximized the elasticity of the supply chain to make up for the deviation of the sales forecast and meet the dynamic market demand. It empowered the single stores' operation strategy so that hot-moving merchandise remains consistently in stock, thereby maximizing sales growth. Meanwhile, the Group improved the collaborative response speed and capabilities of both internal teams and external suppliers to create a core competitiveness of the Group that is difficult to replicate.

ACHIEVING 99% REPLENISHMENT RATE FOR THE TOP SELLERS

In terms of quality excellence, the Group has adhered to quality excellence and users' perceptions as its core focus, spanning the entire process from user scenario needs, user experience, to user emotional value, driving the upgrade of all-touchpoint experience and quality. To support product innovation, the Group has established an integrated full-lifecycle quality management system encompassing all stages from commercial businesses, design companies, research and development, verification, small-batch trial production and environmental simulation testing in response to product innovation. The Group also allocated quality resources strategically based on product category and intended use, ensuring high standards across materials, processes, production lines and finished product appearances. By implementing a digitalized operation system for quality control, it also linked all the sections within a closed loop of quality management and made the whole process controllable and traceable, so as to ensure real-time transparency, and reinforce quality as one of the key factors for users in brand selection.

In terms of science and technology, the Group continued to increase its long-term investment in science and technology and focus on building an integrated innovation capability in the four new areas. For new product categories, the Group developed an innovation platform to cooperate with/co-brand with master-level designers domestically and internationally. Bosideng AI Lab, by integrating decades of design data with global fashion trends, has created a "large model" in the vertical domain, and combining AI innovation with 3D technologies to empower product innovation and industry leadership. Regarding new materials, the Group concentrated on a thermal insulation strategy by integrating global top-tier resources to establish a high-performance three-layer material research system and material pool. In new technologies, the Group recruited leading industry and inter-disciplinary talents to develop an advanced scientific and technological system as well as a polar environment simulation laboratory. This comprehensive framework strengthens the Group's capabilities in materials, clothing pattern craftsmanship, garment production, and temperature validation, transforming technology systems into industry standards. These advancements will empower the Group's high-performance products and high-end products, such as those designed for Antarctic scientific research, and Mount Everest expeditions, driving technological and product innovation as the new engine for continuous growth and a core competitive advantage supporting the Group's expert-driven strategy and future development.

In terms of resources integration, the Group, based on its overarching strategy, brand strategy and product category innovation planning, and in close alignment with national policies and industry trends, has strategically proposed and positioned itself for a long-term "Five Leading Resources" development strategy. To support the high-quality development of the Group's brand matrix, it is proactively designing a multi-tiered and structured panoramic framework for resources deployment, moving from structural upgrades to capability and leadership upgrades, meeting the demands for a multi-brand, multi-category, differentiated, centralized, and digitally intelligent commodity supply chain platform. The Group has gradually built a sustainable resources ecosystem encompassing a strategic resources business community, a community of shared interests and a community of shared destiny by stepping up the long-term win-win cooperation policy for the resources ecosystem. This will establish a "worldwide leading" resources system, making resources a solid and reliable guarantee for the implementation of the Group's strategy.

In terms of comprehensive cost leadership, the Group has always viewed cost strategy as a reflection of its overall system and organizational capabilities, evolving from system-wide cost reduction leadership to comprehensive cost leadership and ultimately to brand and customer value leadership. The Group has developed a robust and mature operational closed-loop system for cost leadership. By enhancing organizational capabilities through planning costs, resources costs, design costs, quality costs and standard costs, the Group has fully integrated cost management throughout the entire value chain of cost. Leveraging its deep understanding of the down industry, the Group anticipates trends through proactive analysis to conduct upfront planning and research for bulk materials and major projects to identify the best combination of strategies, methods and paths, making comprehensive cost leadership one of the core drivers for the Group's stable profit and growth.

Logistics and Delivery

For logistics and delivery, the Group continuously adopted a system to automatically match transport and delivery resources for each order based on traffic, factoring in limitations such as the characteristics of the transport and delivery of resources in society, transport costs and timeliness. The Group also collected and monitored data in respect of each step of the entire process, including collection, distribution, in transit and sign-for-acceptance. Under the premise of maintaining reasonable costs, the Group maximized service efficiency and improved users' experiences.

The Group took a series of innovative measures to improve logistics efficiency. On the one hand, the advanced algorithms of the self-developed inventory calculation center and order processing center have been adopted to instantly monitor the geographical location of the products and the consumers, accurately match, locate and prioritize, and generate instructions based on the principle of "the shortest distance between the products and the consumers" to ensure immediate warehouse operations and early pick-up by the courier company, achieving the fastest distribution to consumers. On the other hand, the Group advanced integration and connection to build an integrated warehousing and distribution platform. By leveraging intelligent logistics information systems and highly automatic logistics equipment, the Group has implemented an automatic and smart allocation system to revamp operating models for piece-picking and returns-picking, achieving fully automated and intelligent routing to drastically reduce operation time. Under the premise of maintaining reasonable costs, the Group continued to enhance its service efficiency and improve users' experiences. The improved speed of delivery from warehouses and optimized transportation efficiency have contributed to the maintenance of the Group's industry leadership in terms of its logistics and delivery capability.

Digital Operation

Facing the uncertain environment for development, it is certain that digitalization is the way forward. The digital transformation and digitalized operation have been a top priority of the Group's infrastructure construction in recent years.

In terms of digital transformation, the Group has in recent years made significant achievements in many fields, including smart design, smart manufacturing, smart logistics and smart merchandise operation. It has gradually entered into a more advanced stage of digital transformation and established a direction in which it would focus on users, retail and commodities as the entry points for digital transformation in the future.

In terms of smart design, the Group actively promotes an "AI + Design" innovative model. The Group has partnered with Zhejiang University to establish an artificial intelligence innovation application laboratory, utilizing big data to drive apparel design, research and development. This involves building a comprehensive design database, continuously iterating AI algorithms, and creating the "BSD.AI Aesthetic Brain" to achieve a full-process digital closed-loop from design conception to virtual garment. With AI technology, the Group has effectively enhanced design efficiency while significantly reducing sample development time and cost.

Currently, multiple AI-designed patterns and finished garments have already been launched to market, gaining positive feedback from customers.

On smart manufacturing, the Group has reshaped the smart manufacturing system and built a new ecosystem for full-chain collaboration. The Group enhances the supply chain's responsiveness and collaboration efficiency through digital transformation. Leveraging a smart supply chain ecosystem platform, we achieved dynamic and precise matching of raw and auxiliary materials and full-chain traceability. We actively track big data on product sales and dynamic inventory, automatically generate sales forecasts and procurement plans, and drive automated push notifications to suppliers, thereby transforming the supply chain from passive reaction to active response. Meanwhile, the Group has independently developed the GiMS platform, an industrial internet platform for the apparel industry, to promote in-depth collaboration across upstream and downstream, and to build a high-quality, quick-response, flexible supply chain and a digital commodity value chain.

On smart product operations, the Group has reshaped retail scenarios and created new digital consumption experience. In the new retail era of "people, goods and scenarios" reconstruction, the Group is leveraging full-domain digitalization to redefine business logic to enhance the capacities in consumer insights, product insights, digital marketing, and product operations. In the meantime, the Group is breaking down traditional online and offline retail boundaries and is implementing a new comprehensive retail model of "smart stores + online cloud stores". Through innovative tools such as live streaming and off-store sales, the Group is rebuilding customer relationships and fostering deep integration across all channels and touchpoints. The Group is optimizing its membership operation system by upgrading the traditional single membership operation model to a multi-dimensional one, under which "AI shopping assistants" are created based on the combination of AI large models with member data to achieve personalized and precise services across multiple scenarios, comprehensively enhancing customer connection and shopping experience.

In FY2024/25, with the full launch of its digital operating system, the Group used digital transformation as a driving force to drive business with digitalization, promote the organization with business, and facilitate growth through the organization. These efforts have effectively accelerated the enterprise's transition from traditional operational management to digital operational management, laying a solid foundation for its sustainable high-quality development.

Customer Management

In FY2024/25, the Group continued the use of various channels to build a more convenient bridge for communication with customers. The Bosideng brand had approximately 7.0 million new fans and approximately 3.0 million new members on the Tmall and JD.com platforms. As of March 31, 2025, the Bosideng brand had approximately 21.0 million members in total on the Tmall and JD.com platforms. In addition, the Bosideng brand had over 1.0 million new fans on the Douyin platform. As of March 31, 2025, the Bosideng brand had approximately 10.0 million fans in total on the Douyin platform.

In terms of innovation in user management, the Group has been continuously building a consumer-centric, omni-channel user management system in recent years. Through digital empowerment, the Group has achieved precise multi-channel product recommendations, intelligent user data analysis, and differentiated interactive experiences, thereby forming an efficient closed-loop operational model that effectively enhances users' shopping experience and brand loyalty.

The current user management system of the Group has the following five prominent features:

Firstly, the Group employs full lifecycle operations of its users, upgrades its membership points system and diversifies its rights system to increase the loyalty and satisfaction of its members, thus providing a robust customer base for sustainable business growth.

Secondly, the Group focuses on enhancing the experience of core users by organizing exclusive activities tailored for them, building an ecosystem that directly engages core users, co-creating content, and empowering product innovation and iteration. The Group also strengthens emotional connections with its users, effectively attracting and retaining younger consumer groups while enhancing the lifelong value of core users.

Thirdly, the Group extensively applies artificial intelligence (AI) technology by developing an intelligent matching model that connects user behavior with product demand, and utilizing AI tools to enable automated and precise product recommendations. While ensuring data privacy and data security, the Group integrates data across omni-channels to gain deep insights into consumer preferences, enabling user experience optimization from a user-centric perspective, and driving continuous business innovation.

MANAGEMENT DISCUSSION AND ANALYSIS

Fourthly, by upgrading the membership system and integrating data across all channels, the Group has built a cohesive membership system and a precise tagging system, which continuously optimizes the user portrait. Through one-on-one precise interactions with members and an online-offline integrated operation approach, it effectively reduces customer acquisition costs, increases member conversion rates, and promotes quality business development.

Fifthly, the Group has built a consumer-centric customer service system. By upgrading the smart customer service system and ensuring collaboration through a full-chain management system, we achieved quick response to customer complaints and full-chain tracking. Furthermore, by establishing a 400 service capability platform and implementing a dual guarantee mechanism for complaint classification and compensation schemes, the Group ensures consistent service standards are met, thereby safeguarding our brand value.

Technological Innovation

The Group attaches great importance to the technological innovation of products and incorporates scientific research technological innovation into the development of new materials, research and development of new products, supply chain management and other important corporate core strategies. It continues to increase investment in this aspect.

The Group has focused on the continuous investment in technological research to create a worldwide-leading and user-value-oriented platform for technological research that integrates new materials, new product categories, new technologies, new patents and new systems. The Group's technological research centre has the first polar environment simulation testing laboratory in the apparel industry to make technological breakthroughs with leading products for Antarctic scientific research and Mount Everest expeditions, etc. By fully upgrading software and hardware capabilities for materials, technology, and verification while converting related technological research results into approved patents, the Group has established the leading standard in the industry, solidifying the leading position of its products.

In FY2024/25, the Group applied for an aggregate of 466 patents and 527 authorized patents, which provided patented technology and endorsement support for its experts in down apparel. As of March 31, 2025, the Group had a cumulative total of 1,498 patents (including invention, utility models and design patents).

The Group plays a significant role as the Down Apparel Sub-committee Secretariat under the National Technical Committee on Garment Standardization (SAC/TC 219/SC1), the Secretariat under the International Organization for Standardization/Garment Size Series and Coding Technology Committee Secretariat (ISO/TC133), acts as a recognized laboratory and a member of the technology committee of the International Down and Feather Bureau (IDFB), a recognized laboratory of the China Feather and Down Industrial Association, the core drafting unit and the first drafter of the Down Clothing standard GB/T14272-2021, the fourth drafting unit of Professional Sports Apparel – Ski Clothing, the first drafting unit and the drafter of the Standards for Design Assessment on Green Design Products – Down Clothing （《綠色設計產品評價設計規範—羽絨服裝》）, and has published Mount Everest Expeditions II Down Apparels, Green Standards, 6A of High Quality Sun Protective Clothing Leading Standard and a number of other leading standards in the industry. In particular, 6A High Quality Sun Protecting Cloth Leading Standard was rated as an advanced standard, and the Group has been awarded the title of "Corporate Standard Leader" for down apparel by the State Administration for Market Regulation for five consecutive years. Besides, the Group successfully hosted the Third Inaugural Meeting of Down Apparel Sub-committee under the National Technical Committee on Garment Standardization in August 2024 and the 16th International Annual Meeting of the International Organization for Standardization ISO/TC 133 Sizing systems – Size Designation, Size Measurement Methods and Digital Fittings Technology Committee from 3rd to 6th September 2024, contributing to the innovation of international standards, fully demonstrating the Group's image in setting industry standards and Bosideng's determination to run its business in accordance with the most advanced international standards and to press on with its innovation efforts.

Research and Development ("R&D") of Products

The Group has always attached great importance to product innovation. Product enhancement and expansion are the cornerstones for the development of the Bosideng brand.

Matching product design to consumer preferences is the key to product innovation. The Group engages in the precise development of different series of products based on consumers' preferences, behavior and traits to satisfy their needs in different scenarios. Through end-to-end integration of development for a series of scientific, objective and methodical design processes covering customer research, market research, trend analysis, merchandise planning, design planning, promotion planning, product development, customer appreciation, ordering feedback, sales feedback and summary reviews, we endeavor to present new series of products to consumers.

The Bosideng brand also attaches great importance to its cooperation with well-known cross-sector intellectual properties ("IPs"). Through cooperation with designers, international brands and IPs such as Kuromi and Ultraman comics, the Group launched new products which were well received and sought after by young consumers.

In FY2024/25, two products of the Bosideng brand, i.e., the "Women Tech Shell" and the "Polar Workwear" won the ISPO Award – Global Design Award. Five products of the Bosideng brand, including the "TMP Management Outdoor Down Jacket", the "Detachable 3-in-1 Functional Jacket" and the "Easy Pack, Easy Go 3-in-1 Functional Jacket", won the Red Dot Design Award. Three products of the Bosideng brand, including the "Bosideng TMP Management Skiing Down Jacket" won the IDEA Finalist Award and the "Eco-design Circular Lightweight Functional Down Puffer" won the IDEA Bronze Award.

The key product collections sold in FY2024/25 included:

Sun Protection Collection

In 2024, Bosideng launched the Sun Protection Collection of sun-protective clothing in the spring and summer seasons. Not only does the sun-protection jacket fulfill the sun-blocking needs, but it also ensures high breathability and comfort, while its enhanced cool-touch feature provides a cooler sensation against the skin. The newly developed Sun Protection Collection features upgraded fabrics that are lighter, thinner and more comfortable. The icy, cool and soft tones and colorful tie-dye patterns, as well as technological decorative details, are designed to bring consumers a fashionable and comfortable experience in the sunny summer.Meanwhile, this season’s collection is expanded with new styles for parents and children, menswear, icy trousers and accessories (icy sleeves/caps/masks).

Urban Light Outdoor Collection

In 2024, Bosideng introduced an innovative urban light outdoor series to its collection of sun-protective clothing, adding a stylish and fashionable edge to the sun-protective clothing with vibrant fresh bright colors and dual-color patching. The diverse punching details improve physical breathability while voluminous silhouettes cater to the needs of younger consumers. For the women's versions, various waist-cinching and slim-fitting cuts, paired with concise designs, create a perfectly proportioned overall look. Not only is this collection suitable for daily outdoor scenes, but it also offers simple dual-tone options, making it a vibrant light sports style that meets consumers' diverse outdoor wearing needs.

Windbreaker Collection

In 2024, Bosideng launched a new series of windbreakers products. These products strike a balance between fashionable and functional protection with "waterproof, windproof and breathable" performance. Catering to diverse styles and fashion needs, they are extended into multiple scenario-based categories such as "wind shell, soft shell and hard shell", providing customers with light protective functional jackets that are suitable for urban and outdoor wear.

Goose Down Windbreaker Collection

To meet the needs of contemporary consumers, Bosideng has developed down apparel that is suitable for both urban and natural environments. This collection utilizes windproof, waterproof and more breathable technological fabrics for superior protection against wind and chill. It features an upgraded heat and humidity balance system version 2.0, and employs high-quality goose down with a fill power of 700+, ensuring comfort and warmth while incorporating unique fashion elements. With its versatile functionality, this clothing can adapt to temperature changes, satisfying consumers' needs for seamless transitions across various scenarios.

Puff Collection

Bosideng is pushing beyond conventional limits, evolving its down apparel from traditionally bulky styles to comfortable and warm puff down apparel, and consistently spearheading their upgrade and innovation. This smart warm Puff collection focuses on ultra-light, ultra-fluffy and ultra-comfortable, crafting from microfiber and lightweight, durable fabrics to provide a soft and exquisite experience. Adorned in ultra-cool, on-trend colors, they infuse a sense of fashion into the chilly winter months. For this season, Bosideng has partnered with Italian fashion brand MSGM to release an entirely new Puff down apparel collection, seamlessly blending boundless imagination with unparalleled professional craftsmanship, thereby leading a new fashion style of down apparel.

Co-branded Designer Collections

Firstly, Bosideng joined forces with Errolson Hugh, the godfather of functional fashion, to create the all-new VERTEX series, sparking a fresh wave of outdoor-tech style. By launching the exclusive collection on the Dewu platform, the limited-edition pieces sold out in just one hour. Secondly, Bosideng partnered with Italian streetwear label MSGM to introduce the Puff collection, setting new fashion heights. Endorsed by numerous celebrities and fashion influencers, the collection gained widespread consumer acclaim, meeting diverse demands for winter down apparel. Thirdly, Bosideng teamed up with contemporary paper-cutting artist Chen Fenwan to release a Lunar New Year limited edition, reinforcing the brand's 49-year legacy of "warming Chinese families." Deeply rooted in festive and cozy scenarios, the collection was widely embraced by consumers.

Extreme Cold/Polar Expedition Collection

In 2024, Bosideng introduced an enhanced and entirely new Polar Expedition collection of down apparel, which innovatively features Dynamic Cold Resistance Technology. This groundbreaking collection incorporates a polar bear-inspired down chamber structure, an Antarctic shark-gill moisture-venting and breathable system, and an ergonomic load-alleviating system, resulting in superior warmth, enhanced breathability, and reduced weight. The collection, identical to products used by Chinese Arctic and Antarctic expeditions, meticulously selects 90% high-down content, 800+ high-loft water-resistant goose down, and professional high-efficiency windproof GORE-TEX fabric for outdoor use. It provides all-around cold resistance and warmth, meeting the ultimate cold protection needs for traveling in high-altitude and extremely cold regions.

Multi-brand Strategies

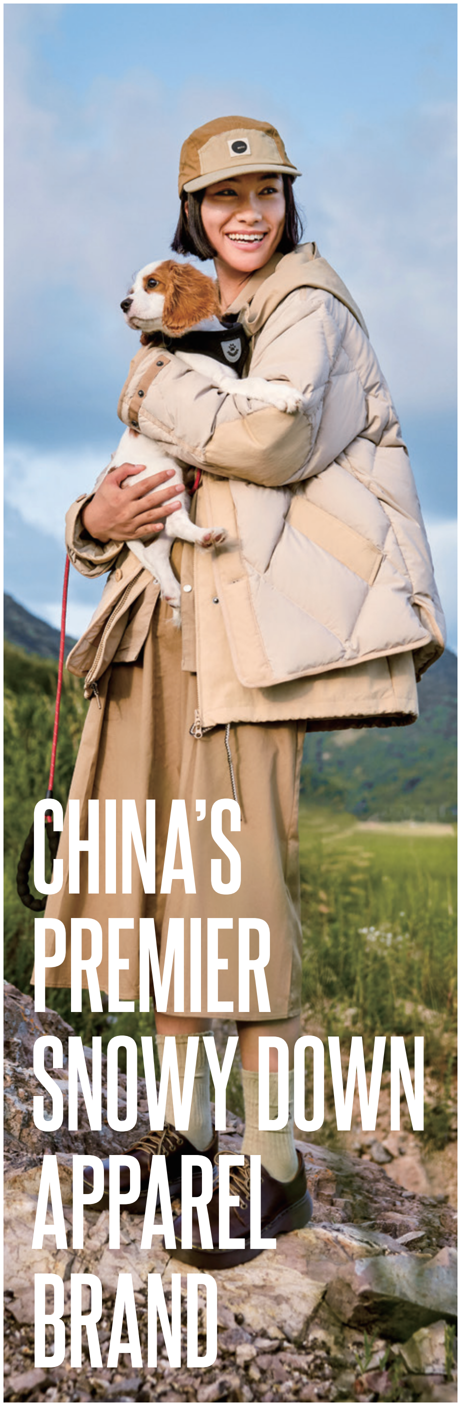
While emphasizing the development of the Bosideng brand and repositioning Bosideng as a mid- to high-end brand of functional apparel, the Group adhered to the strategy of "Down apparel+" to continuously develop and position its branded down apparel business under its mid-end brand Snow Flying, to achieve full coverage through the differentiated positioning of each brand, thereby strengthening the core business of down apparel and maximizing its market share.

Snow Flying

In FY2024/25, the Snow Flying brand recorded revenue of approximately RMB2,205.5 million, representing a year-on-year growth of 9.2%. Focusing on the cost-effective down apparel market, Snow Flying has strengthened its brand differentiation and continued to develop its online business. The Group has achieved stable growth by focusing on category value innovation and extension, integrating core channel resources, breaking through with key customers, and reshaping brand user perception.

For its brand, the Snow Flying brand taps into its inherent "ice and snow" gene to forge a distinctive winter culture identity. Aligning with its brand vision as "China's Premier Snowy Down Apparel Brand" and its mission to "create a wonderful life for all", it reshapes brand user perception through a brand positioning rooted in "sports, functionality, and fashion".

For business expansion, the Snow Flying brand actively developed its online strategic platforms and focused on expanding and strengthening its core online sales channels. Leveraging with both brand and platform IP resources for promotion, it has achieved remarkable success, including securing 2nd place as an inclusive down apparel brand for the Year on the Tmall platform. Through the brand's e-commerce self-broadcasting and live streaming, as well as combining with the Snow Flying experience stores to carry out



real-time broadcasting, etc., to connect the online and offline channels, and enhance the user experience. In addition, the brand further amplified its market impact via strategic partnerships with top-tier fashion key opinion leaders ("KOLs"), invited high-quality KOLs as "Brand Recommender", with their influence to enhance product exposure, drive sales conversion, and foster multi-channel business collaboration.

For customer development, the Snow Flying brand targets young women aged 18 to 35 as its core customer base, a demographic that values trends, quality and popularity. With in-depth insight into these consumer traits, the brand continues to innovate and offer products that are high in value, diverse in style and fashionably adaptable. This strategy caters to mainstream consumers' love for life and willingness to share, thereby strengthening its foothold in the segmented market.

Bengen

In FY2024/25, the Bengen brand recorded revenue of approximately RMB126.6 million, representing a year-on-year decrease of 12.9%. In FY2024/25, Bengen persisted in expanding its online channels, explicitly targeting the new generation of high-quality people as its core clientele. The brand is committed to becoming the top-choice down apparel brand for this demographic in China.

Revenue from branded down apparel business by brand

Brands	2025 RMB million	2025 % of branded down apparel revenue	2024 RMB million	2024 % of branded down apparel revenue	Change
	For the year ended March 31,				
Bosideng	**18,481.0**	**85.3%**	16,784.5	86.0%	10.1%
Snow Flying	**2,205.5**	**10.2%**	2,018.9	10.3%	9.2%
Bengen	**126.6**	**0.6%**	145.4	0.8%	-12.9%
Others*	**855.1**	**3.9%**	572.5	2.9%	49.4%
Total revenue from branded down apparel business	**21,668.2**	**100.0%**	19,521.3	100.0%	11.0%

Revenue from branded down apparel business by sales category

Sales categories	2025 RMB million	2025 % of branded down apparel revenue	2024 RMB million	2024 % of branded down apparel revenue	Change
	For the year ended March 31,				
Self-operated	**15,089.5**	**69.6%**	14,345.1	73.5%	5.2%
Wholesale	**5,723.6**	**26.4%**	4,603.7	23.6%	24.3%
Others*	**855.1**	**4.0%**	572.5	2.9%	49.4%
Total revenue from branded down apparel business	**21,668.2**	**100.0%**	19,521.3	100.0%	11.0%

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

In FY2024/25, the Group further optimized its sales channels quality to increase their operational efficiency. On the one hand, by consolidating and expanding the Top Stores system, the Group will customize "one store, one design" and "one store, one strategy" approach to cater different customers' needs, thereby effectively communicating the brand story. Meanwhile, through in-depth collaboration with key Top Stores managers, the Group will develop replicable and promotable models, formulate clear implementation plans, and steadily enhance channel management and operational capabilities. On the other hand, the Group will further upgrade the tiered channel operation system, improve consumer-centric tiered channel management standards, strengthen the differentiated allocation of resources based on store formats to meet the needs of different customer segments, significantly enhancing the refined store operations.

In terms of solidifying single-store operations, the Group optimized resource allocation based on customer needs, focusing on core events, key projects and major holidays to enhance overall operational efficiency. By assigning responsibilities to various individuals at different levels, the Group established a comprehensive and effective high-frequency planning and inspection closed- loop mechanism to ensure the implementation of all measures. At the same time, by promoting the business process transformation of "store-centric and customer value-oriented", the effective implementation of a closed-loop single-store operation strategy is achieved, thereby continuously improving store profitability and customer satisfaction.

As of March 31, 2025, the total number of regular retail stores of the Group's down apparel business (excluding peak-season stores) (net) increased by 253 to 3,470 as compared to that as at the end of the previous financial year; self-operated retail stores (net) increased by 100 to 1,236 and retail stores operated by third-party distributors (net) increased by 153 to 2,234. The self- operated retail stores and those operated by third-party distributors accounted for 35.6% and 64.4% of the entire retail network respectively. Among the total retail stores of the Group's branded down apparel business, approximately 31.2% were located in first- and second-tier cities (i.e. Beijing, Shanghai, Guangzhou, Shenzhen and provincial capital cities in China) and approximately 68.8% were located in third-tier cities or lower-tier ones.

Retail network breakdown by down apparel brand

	Bosideng		Snow Flying		Bengen		Total	
As at March 31, 2025	Number of stores	Change	Number of stores	Change	Number of stores	Change	Number of stores	Change
Specialty stores								
Operated by the Group	707	38	11	1	–	–	718	39
Operated by third party distributors	1,714	97	70	(38)	–	–	1,784	59
Subtotal	2,421	135	81	(37)	–	–	2,502	98
Concessionary retail outlets								
Operated by the Group	431	38	87	23	–	–	518	61
Operated by third party distributors	355	37	95	57	–	–	450	94
Subtotal	786	75	182	80	–	–	968	155
Total	**3,207**	**210**	**263**	**43**	**–**	**–**	**3,470**	**253**

Change: Compared with that as at March 31, 2024

Retail network of down apparel business by region

	As at March 31, 2025	As at March 31, 2024	Change
Eastern China	**1,151**	1,050	101
Central China	**761**	702	59
Northern China	**288**	259	29
Northeast China	**396**	336	60
Northwest China	**382**	360	22
Southwest China	**492**	510	(18)
Total	**3,470**	3,217	253

Region
Eastern China : Jiangsu, Anhui, Zhejiang, Shanghai, Fujian, Shandong
Central China : Hubei, Hunan, Henan, Jiangxi, Guangdong, Guangxi, Hainan
Northern China : Beijing, Tianjin, Hebei
Northeast China : Liaoning, Jilin, Heilongjiang, Inner Mongolia
Northwest China : Xinjiang, Gansu, Qinghai, Shaanxi, Ningxia, Shanxi
Southwest China : Sichuan, Tibet, Chongqing, Yunnan, Guizhou

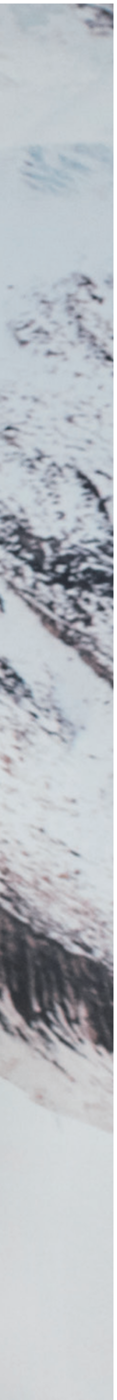
In FY2024/25, in addition to a number of regular types of stores as mentioned above (e.g. flagship stores, high-end stores, mainstream stores and mass stores, etc.), the Group had also established over 1,500 peak-season stores (peak-season stores mainly refer to stores that are operated in peak seasons for one week to three months, mainly in provincial capital cities, with popular seasonal Top Sellers as the mainstay products for sale. They were located mainly in core business districts and sports venues).

OEM Management Business

In FY2024/25, the Group's revenue from the OEM management business amounted to approximately RMB3,373.4 million, representing 13.0% of the Group's total revenue and an increase of 26.4% as compared to that in the previous financial year. The Group's top five customers accounted for approximately 90.4% of the total revenue of the OEM management business.

In FY2024/25, despite external challenges such as geopolitical risks and downturns in some regional markets, the OEM management business maintained a healthy and robust development momentum. It was primarily attributed to the following: Firstly, the Group focused on its core customers, built a core competitive edge in original equipment manufacturer (OEM) and original design manufacturer (ODM) management business, developed new product categories and conducted technological innovation, thereby achieving a steady increase in orders from core customers. Secondly, the Group actively cultivated more new, high-quality customers, with new orders bringing stable and premium increments to the OEM management business. Thirdly, the Group strengthened quick order response capabilities, flexibly matching the pace of the customers' order placement and consumer demands to enhance customer satisfaction and market responsiveness. Fourthly, by continuously maintaining and expanding production capacity overseas, establishing efficient and open management mechanisms that effectively align with global supply chain trends, the Group has further boosted customer confidence.

Due to a slight increase in processing costs at overseas partner factories, the gross profit margin of the OEM management business decreased by 1.5 percentage points in FY2024/25 as compared to the same period of the previous financial year, reaching approximately 19.1%.



Ladieswear Apparel Business

The Group operates four mid-range and high-end ladieswear brands. After 20 to over 30 years of brand development, the four brands present a rich, multi-tiered product portfolio with unique, differentiated styles. JESSIE focuses on the internal search for self, leisurely self-adaptation, and embodies the elegance, relaxation, and wit of women; BUOU BUOU embodies the gentleness, confidence, and self-appreciation of women, and is designed to be more delicate, elegant, and romantic; KOREANO highlights simplicity, smoothness, and comfort, allowing customers to have the ultimate wearing experience, with a style that is more casual, cool, and conveys a sense of the wearer's astuteness; KLOVA is positioned as a brand for a simple and classic style, targeted at women who are pursuing understated luxury, advocating for self-expression with a taste for individuality, creating a uniquely characteristic product series. In the highly competitive ladieswear market in China, the Group has won the favor of Chinese female consumers through the distinctive images of its rich, multi-tiered product portfolio and brand positioning.

In terms of brand management, the four ladieswear brands, based on different characteristics and attributes, leveraged membership operations and content promotion. Firstly, the Group focused on creating differentiated brand styles, strengthening brand image recognition, upgrading the visual system and iterating the store image in order to enhance the shopping experience. Secondly, through diversified approaches such as cross-over collaborations and partnering with celebrities and KOLs, the Group expanded its brand communication channels and target audience groups and built up a diversified brand culture. Thirdly, by leveraging major brand events to create highly influential and high-profile marketing nodes, the Group showcased brand core values, and enhanced brand voice. Fourthly, the Group further integrated brand building with the development of its membership operation system. Through optimization of members' operation system, the Group increased its interaction with consumers and developed the repurchasing cycle management.

In terms of product development, the Group adopted the following measures. Firstly, by upholding the market and customer-oriented concept, the Group improved the design and development process to establish a comprehensive design database, and enhance information sharing and R&D efficiency among various departments and designers. Secondly, the Group focused on the core product categories and key promotional products, reduced the number of models developed, and ensured precise market launch. Thirdly, the Group integrated external resources and carried out joint cooperation, thus further diversifying and enriching the product offering. Fourthly, the Group was committed to aligning its commodity management with its multi-tiered store operations, satisfying consumers' diverse needs and improving its commodity management efficiency with such methods as style classification, and price-range stratification.

In terms of sales channel development, the Group redefined existing stores and gradually realized multilevel management of stores on the one hand, based on the principle of "matching sales channels with merchandise" and, on the other hand, the Group continuously optimized the channel structure, advanced the strategy of "opening large flagship stores and high-quality stores", and promoted the layout and development of the core regional market. Through effective integration of resources, empowering terminal stores through middle and back-end collaboration, and planning regional marketing activities, the Group aims to establish an efficient and collaborative operation and management model for core regional TOP Stores. In terms of online channels, ladieswear brands strengthen new retail empowerment, covering live streaming across various platforms to effectively divert traffic and enhance the conversion capacity of online traffic. The Group will deepen the private domain store operations, establish customer data pools and personalized marketing mechanisms, so as to boost consumers' repurchase rate and help improve overall sales performance.

MANAGEMENT DISCUSSION AND ANALYSIS

In FY2024/25, affected by the persistently sluggish market environment, the revenue from the Group's ladieswear apparel business was approximately RMB651.1 million, representing a decrease of 20.6% as compared with that in the previous financial year. The contribution from the ladieswear apparel business to the Group was 2.5%, with the proportion continuing to decline along with a continuous drop in profitability. The revenue breakdown for each ladieswear brand was as follows:

Revenue from ladieswear apparel business by brand

	For the year ended March 31,				
	2025		2024		
Brands	**RMB million**	**% of ladieswear apparel revenue**	RMB million	% of ladieswear apparel revenue	Change
JESSIE	**252.9**	**38.8%**	302.7	36.9%	-16.4%
BUOU BUOU	**147.1**	**22.6%**	198.1	24.2%	-25.7%
KOREANO and KLOVA	**251.1**	**38.6%**	319.0	38.9%	-21.3%
Total revenue from ladieswear apparel business	**651.1**	**100.0%**	819.8	100.0%	-20.6%

Revenue from ladieswear apparel business by sales category

	For the year ended March 31,				
	2025		2024		
Sales categories	**RMB million**	**% of ladieswear apparel revenue**	RMB million	% of ladieswear apparel revenue	Change
Self-operated	**602.9**	**92.6%**	763.0	93.1%	-21.0%
Wholesale	**48.2**	**7.4%**	56.8	6.9%	-15.1%
Total revenue from ladieswear apparel business	**651.1**	**100.0%**	819.8	100.0%	-20.6%

DESIGN PHILOSOPHY OF ELEGANCE, RELAXATION AND WIT

Fashion Ladieswear – JESSIE

In FY2024/25, the JESSIE brand clearly defined its brand, customer, product, and business format positioning. It deeply explored the brand's essence, revitalized its brand DNA, solidified its core brand competitiveness, and formulated a medium- to long-term operation strategic plan, thereby initiating a new phase of transformation in business format, regional presence, and R&D. Insisting on brand leadership, the JESSIE brand has developed a trinity communication model of "international events + traditional culture + artistic cross-over", actively engaged in external communication to reshape brand image, thereby improving brand market awareness, recognition, and loyalty. Through new product launch events and innovative media promotions, the Group conveyed brand value to partners and consumers, boosting brand influence and operational confidence. In terms of products development, adhering to the design philosophy of "Elegance, Relaxation, and Wit", we took insights into consumption trends, and conducted research on the needs of its core consumer groups. Focusing on core categories, through series innovation and silhouettes optimization, etc., we provided contemporary oriental women with a refined, intellectual, effortlessly elegant, practical, and high-quality apparel experience. In terms of channels, we optimized the channel layout with a focus on core regions by increasing the proportion of high-potential channels such as fashionable shopping centers and key commercial systems. Within the distribution segment, taking continuous advantage of the "Winning Leader Program", we prioritized the development of key customers tiers, implementing strategic policies and fostering empowerment support to cultivate a sustainable operation model. In retail operations, we reinforced standardized terminal services and management through the implementation of differentiated store operation strategies and the establishment of peak weeks and benchmark stores, driving growth in membership and new retail operations. In supply chain, we integrated internal and external resources to strengthen quality management and cost control, thereby enhancing overall supply chain collaboration.

Fashion Ladieswear – BUOU BUOU

In FY2024/25, BUOU BUOU ladieswear focused on enhancing single-store efficiency and overall operational quality, achieving quality enhancement and efficiency improvement through branding, channels, products, and marketing. In terms of brand rebuilding, BUOU BUOU ladieswear joined hands with Wuhan SKP to host its 20th anniversary grand show, strengthening brand exposure and announcing the brand's return to the mainstream market, thereby reshaping consumer perception. It also launched its 8th-generation store image, upgrading key stores to provide consumers with a superior shopping experience. In terms of channel optimization, BUOU BUOU ladieswear readjusted its channel structure and layout, closed inefficient and loss-making stores, increased cooperation with high-end commercial complexes, and engaged closely with high-traffic quality customer groups. For product innovation, leveraging its 20-year legacy of specializing in dresses, BUOU BUOU has revived classics with new life, reinterpreted the extraordinary essence through its four iconic classic collections: "Ballet, Hepburn, Magic, Lace". This approach has won unanimous recognition from consumers. At the same time, by integrating latest trends in ladieswear, BUOU BUOU actively explored new categories and developed new lines, including the "Luxury Two Kilometers" comfortable suit collection designed for versatile wear across various occasions. To boost operational efficiency, BUOU BUOU has established an exclusive membership program to enhance engagement with members and drive repeated purchases, utilizing digital tools to foster member loyalty. Further, BUOU BUOU partnered with nine key sales cities to execute the "Nine Cities, Nine Shows" marketing initiative, consolidating resources to elevate the quality of these marketing campaigns and strengthen the brand's exposure and customer loyalty in our core markets.

HIGHLIGHTS SIMPLICITY, SMOOTHNESS, COMFORT

Fashion ladieswear – KOREANO and KLOVA

In FY2024/25, while maintaining the original product styles of both brands, KOREANO and KLOVA ladieswear expanded their collections by introducing the youthful KOREANO E line and BETWEEN line, and as well as launching online-exclusive complementary styles and high-traffic items to support the layout and rapid development of the online live streaming business.

In terms of business models, both the KOREANO and KLOVA brands have consistently prioritized member services. They achieved this through invitation-based sales, consignment, and daily interactive marketing, complemented by year-round member activities aligned with mall anniversary, holidays, and member months. From daily wear tips, styling services, regular designer-led "customization salons", to in-store live streaming, they convey brand culture, product design concepts, new product styling recommendations and value-added services to customers, continuously enhancing the customer experience. In terms of brand promotion, they amplified content promotion across mainstream online platforms and increased the quantity and quality of product stories and short videos content to boost brand awareness, thus achieving multi- dimensional membership acquisition, reactivation, and growth. In terms of sales channel expansion, the brands have concentrated on the strategy of "increasing market penetration in core regions, closing down small stores while opening larger ones". This approach, coupled with renovations of key stores while expanding into new sales channels, enabled the brands to cultivate key markets. Concurrently, the brands established an omni-channel live streaming presence to achieve regional coverage and increase sales opportunities. In terms of product upgrades, through R&D model innovation such as splitting product development into short and long cycles and reducing the proportion of first orders, the brands reduced the number of style developed and the proportion of slow-moving items, while investing more in product design, styles, and color application. The brands further optimized product lifecycle and discount management for inventory across different age categories, gradually enhancing product competitiveness and stabilizing the overall discount rate.

As of March 31, 2025, the total number of retail outlets of the Group's ladieswear apparel business decreased by 52 (net) to 373, self-operated retail outlets decreased by 41 (net) to 288 and the number of retail outlets operated by third party distributors decreased by 11 to 85, compared with the figures in the previous financial year. Self-operated retail outlets and those operated by third party distributors accounted for 77.2 % and 22.8% of the entire retail network, respectively. Approximately 62.2% of the total retail outlets of the Group's ladieswear apparel business are located in first-and second-tier cities (i.e. Beijing, Shanghai, Guangzhou, Shenzhen and other provincial capital cities in China) and approximately 37.8% are located in third-tier cities or lower- tier ones.

Retail network breakdown by ladieswear apparel brand

	JESSIE		BUOU BUOU		KOREANO		KLOVA		Total	
As at March 31, 2025	Number of stores	Change	Number of stores	Change	Number of stores	Change	Number of stores	Change	Number of stores	Change
Specialty stores										
Operated by the Group	1	–	4	(4)	–	–	–	–	5	(4)
Operated by third party distributors	9	(1)	3	(1)	–	–	–	–	12	(2)
Subtotal	10	(1)	7	(5)	–	–	–	–	17	(6)
Concessionary retail outlets										
Operated by the Group	105	(5)	62	(30)	66	2	50	(4)	283	(37)
Operated by third party distributors	60	(3)	13	(6)	–	–	–	–	73	(9)
Subtotal	165	(8)	75	(36)	66	2	50	(4)	356	(46)
Total	**175**	**(9)**	**82**	**(41)**	**66**	**2**	**50**	**(4)**	**373**	**(52)**

Change: Compared with those as at March 31, 2024

Retail network of ladieswear apparel business by region

	As at March 31, 2025	As at March 31, 2024	Change
Eastern China	**45**	54	(9)
Central China	**121**	139	(18)
Northern China	**34**	38	(4)
Northeast China	**41**	48	(7)
Northwest China	**77**	84	(7)
Southwest China	**55**	62	(7)
Total	**373**	425	(52)

Region
Eastern China : Jiangsu, Anhui, Zhejiang, Shanghai, Fujian, Shandong
Central China : Hubei, Hunan, Henan, Jiangxi, Guangdong, Guangxi, Hainan
Northern China : Beijing, Tianjin, Hebei
Northeast China : Liaoning, Jilin, Heilongjiang, Inner Mongolia
Northwest China : Xinjiang, Gansu, Qinghai, Shaanxi, Ningxia, Shanxi
Southwest China : Sichuan, Tibet, Chongqing, Yunnan, Guizhou

Diversified apparel business segment

In FY2024/25, revenue from the Group's diversified apparel business segment was approximately RMB209.0 million, representing an increase of 2.8% compared with that of the previous financial year. Notably, the school uniform business developed by the Group since 2016 recorded an increase of 3.0% in revenue in FY2024/25. Revenue from that business segment in FY2024/25 was as follows:

Revenue from diversified apparel business by brands

	For the year ended March 31,				
	2025		2024		
Brands	**RMB million**	**% of diversified apparel business revenue**	RMB million	% of diversified apparel business revenue	Change
Sameite	**194.2**	**92.9%**	188.5	92.8%	3.0%
Other brands and others	**14.8**	**7.1%**	14.7	7.2%	0.7%
Total revenue from diversified apparel business	**209.0**	**100.0%**	203.2	100.0%	2.8%

Revenue from diversified apparel business by sales category

	For the year ended March 31,				
	2025		2024		
Sales categories	**RMB million**	**% of diversified apparel business revenue**	RMB million	% of diversified apparel business revenue	Change
Self-operated	**198.8**	**95.1%**	188.5	92.8%	5.4%
Wholesale	**8.6**	**4.1%**	13.4	6.6%	-36.0%
Others*	**1.6**	**0.8%**	1.3	0.6%	20.9%
Total revenue from diversified apparel business	**209.0**	**100.0%**	203.2	100.0%	2.8%

* Represents rental income

School uniform business – Sameite

During FY2024/25, the school uniform business under the diversified apparel business segment continued to operate under the Sameite brand. Adhering to the design concept of "carrying education with clothes and inheriting culture through apparel", the Sameite brand insists on is providing students with safe, comfortable, fashionable and functional school uniforms, and is committed to equipping every child for their educational journey. Currently, the Sameite brand serves more than 500 schools, with an annual supply of over one million pieces.

During FY2024/25, the Sameite brand continued to focus on user services. In terms of brand building, the brand influence was enhanced through online multi-media promotion, campus resources connection, and cross-channel publicity, while offline scenario-based activities enhanced the interactive experience with customers and strengthen brand recognition. For channel upgrades, on the one hand, Sameite has established a presence in premium school uniform areas such as Beijing and Shanghai, successfully striving for the share of key school contracts, and reinforced existing partnerships. On the other hand, it also developed benchmark franchise regional agents to expand local brand coverage and drive steady growth in its franchise business. In product development, Sameite kept deepening its warm brand identity, and positioning winter school uniforms as a core category. It won customer loyalty through customized offerings. The winter school uniform category experienced consistent growth, becoming a core product benchmark within the industry and driving transformative development within the sector.

During FY2024/25, the Sameite brand was honored with several prestigious awards in the Chinese school uniform industry, including the Outstanding Enterprise of the Year in the Annual Brand Selection, the Most Influential Brand of the Year, and the Grand Prize in the High School Sports Series at the Chinese School Uniform Design Competition. The Sameite brand also won the First Prize in the Junior High School Formal Series, the First Prize in the High School Formal Series, the First Prize in the Kindergarten Uniform Series, and the First Prize in the Elementary School Formal Series. Furthermore, the Sameite brand was recognized as a Leading Brand in Quality in the National School Uniform Industry, and as a National Product and Service Quality Integrity Model Enterprise.

During FY2024/25, the revenue from school uniform business of the Sameite brand amounted to approximately RMB194.2 million, representing a slight increase of 3.0% compared with that of the previous financial year.

Children's wear business, MAN and HOME business

Since FY2018/19, the Group had started to downsize the MAN and HOME business under the diversified apparel business segment. The projects in cooperation with the Japanese brand Petit main had also been significantly scaled back.

ONLINE SALES

Since the Group's strategic transformation in 2018, online sales channels have always been a key focus for the layout and continuous development of the Group. It has consistently demonstrated stable and high-quality growth. During FY2024/25, consumer behavior trended towards increased rationality, with the traditional e-commerce platform gradually entering a phase characterized by market share competition. Brand competition dynamics and strategies continued to evolve, with leading brands further solidifying their market dominance. Meanwhile, content-driven e-commerce platforms experienced shifts in traffic patterns, achieving rapid growth through content, e-commerce, and advertising traffic. In response to these trends, the Group focused on enhancing its online platform capabilities and operational efficiency through strategies including prioritizing core product categories, executing integrated brand campaigns, focusing on content innovation, engaging in cross-category marketing campaigns and refining operational processes to achieve high-quality growth.

In terms of brand building, the Group has continued to consolidate its industry-leading position on the online platforms and has deeply cultivated its industry segment, continuously building its core competitive advantages. By emphasizing core product categories, innovating functional design, and highlighting product advantages and fashionable styles, the Group ranks at the forefront of product categories. Through intensive brand campaigns, the Group expanded its brand influence through such tactics such as new product launches, brand ambassador live streams, and co-creation with IP owners. Furthermore, the Group emphasized holiday marketing strategies on online platforms, integrating high-quality platform resources, deeply developing high-quality users, achieving precise matching of people and goods, and proactively planning sales hotspots, thereby achieving both strong brand presence and robust sales on online platforms.

In terms of customer membership operation, the Group continued to expand its customer base in an effective way. On one hand – it attracts high-value new users by conducting cross-category marketing and cooperating with brands in various categories, while increasing the number of members and enhance fan loyalty; on the other hand, the Group focused on the accumulation and cultivation of high-quality members by refining the membership management through market segmentation and organizing activities such as members' day on a regular basis with the aim of increasing the proportion of members with high values in the membership, thus increasing the members' contribution to revenue.

In terms of the expansion of emerging platforms, the Group has consistently kept pace with the times, actively promoting the construction and development of new platforms such as Douyin. During FY2024/25, the Group optimized organizational structure of its online content platforms, with a strong focus on self-operated initiatives, content enhancement, and new product launches. In terms of content innovation and platform marketing, in September 2024, the Group integrated a trendy focal IP promotion on the Douyin platform for ultralight down apparel and hosted the "Metamorphosis" extravaganza in Shanghai, illuminating the Shanghai Tower and driving a surge in sales of light down jackets. Meanwhile, the Bosideng brand pioneered new sales approaches on Douyin through Professional Generated Content ("PGC") innovations in livestreaming, boosting new product sales and setting industry trends. Regarding online store operations on emerging platforms, the Group continued to consolidate the "single-stores' operation" by categorizing and managing them as sub-category stores and regional Top Stores. This strategy formed a "rocket- type" sales channel matrix, with the official flagship store as the core driver and sub-category and regional Top Stores as key supporting pillars, enabling multi-dimensional, high-quality growth. Additionally, the Group expanded its self-operated stores and team development, with the proportion of self-operated sales on emerging online platforms increasing year over year, ensuring more stable long-term growth. As of March 31, 2025, over approximately 80% of Bosideng's revenue from Douyin was generated from live-stream sales.

During FY2024/25, revenue from the total online sales conducted by the Group's brands was RMB7,575.4 million, representing a year-on-year increase of 9.3%. Revenue from the online sales of the branded down apparel business and ladieswear apparel business were approximately RMB7,478.2 million and RMB97.2 million, respectively, accounting for 34.5% and 14.9% of the revenue of the branded down business and ladieswear apparel business, respectively. By sales category, revenue from the self-operated and wholesale businesses through online sales amounted to approximately RMB6,881.0 million and RMB694.4 million, respectively.

OPERATION OF JOINT VENTURE AND ASSOCIATE COMPANIES

JOINT VENTURE

On December 1, 2021, Bosideng International Fashion Limited (a direct wholly-owned subsidiary of the Company) ("BSD Fashion") and Bogner (a German company) entered into a joint venture agreement in relation to the formation of a joint venture ("Bogner Joint Venture"). The Bogner Joint Venture is granted the exclusive right to sell and distribute apparel under BOGNER and FIRE+ICE in mainland China, Hong Kong, China, Macau, China and Taiwan, China.

During FY2024/25, the Bogner Joint Venture concentrated on China's high-end ski-fashion consumer segment through its integrated strategy of "brand awareness activation, strong product- market performance, channel optimization, and tiered customer operations" to strengthen its brand recognition as "the global leader in luxury professional skiing" in the local market. In terms of brand building, the Bogner Joint Venture made its debut in China by hosting the "Bogner China Legend Show" at Wanlong Ski Resort in Chongli, paying tribute to its rich heritage.

MANAGEMENT DISCUSSION AND ANALYSIS

The exhibition featured iconic pieces including: professional ski suits worn by Mr. Willy Bogner; the pioneering stirrup ski pants originally designed by his wife, Mrs. Maria Bogner; classic film costumes from productions directed by Willy Bogner Jr. Not only did this showcase honor the brand's legacy, but it also strengthened the cultural resonance and brand equity in the market. Regarding product development, the Spring/Summer 2024 collection adapted German sportswear DNA for the Chinese market across various scenarios, including classic skiing, urban outdoor activities and business athletic occasions, to meet diverse consumer needs. The Winter collection, on the other hand, primarily features high-end luxury skiwear, further reinforcing Bogner's luxury-professional positioning. The newly launched resort ski collection, upon its release, was immediately favored by consumers. For channel strategy, by entering high-end shopping centers in first-tier cities, ski resorts, and online platforms, Bogner gradually enhanced its market penetration in the high-end Chinese market, thereby strengthening its influence among the target consumer group.

ASSOCIATES

To further develop a multi-dimensional brand matrix, the Group made a strategic investment in the Canadian luxury downwear brand Moose Knuckles during FY2024/25. Through this strategic investment, the Group has become a key investor in Moose Knuckles with an approximate 31.6% equity interest, making it an associate company of Moose Knuckles. The globally renowned private equity firm Cathay Capital remains the controlling shareholder of Moose Knuckles. For details, please refer to the section titled "SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS ACQUISITIONS."

In addition, to further expand overseas production capacity and strengthen the integration of upstream resources, the Group also invested in other joint ventures and associates, including manufacturing facilities in Vietnam and Indonesia, as well as raw material suppliers in China, all of which maintained healthy operations during FY2024/25.

For FY2024/25, the Group recorded a loss to its proportionate shareholding in joint ventures and associates of approximately RMB22.0 million.

GROSS PROFIT

Gross profit of the Group increased by 7.3% to RMB14,839.9 million in FY2024/25 from approximately RMB13,833.5 million in the previous financial year.

In terms of gross profit margin, the gross profit margin of the branded down apparel segment decreased by 1.6 percentage points to 63.4%, primarily due to the following three key factors: (i) changes in channel structure: the wholesale channels outperformed self-operated channels in sales growth in FY2024/25, while maintaining lower gross profit margins than self-operated channels; (ii) changes in product portfolio: new categories such as sun-protective clothing introduced under the Bosideng brand carried relatively lower gross profit margins compared to down apparel products; (iii) cost changes: the increase in the procurement costs of key raw materials including down feathers during FY2024/25. As a result, the changes in channel structure, product structure and raw material costs together led to a slight decrease in the gross profit margin of the branded down apparel business segment. For OEM management business, the gross profit margin declined by 1.5 percentage points year-on-year to 19.1%, mainly attributable to a slight increase in processing cost at overseas partner factories. For the ladieswear apparel business, the gross profit margin decreased by 4.3 percentage points to 63.2% due to intense market competition and adjustment of product structure.

Given the abovementioned factors, considering the faster revenue growth of the OEM management business compared to the branded down apparel business segment, and the structural adjustment brought about by the OEM management business having a lower gross profit margin than the branded down apparel business segment, the Group's overall gross profit margin for FY2024/25 decreased slightly by 2.3 percentage points to 57.3% as compared to that in the previous financial year.

The table below sets out the analysis on the gross profit margin of each brand:

	For the year ended March 31,		
Brands	**2025**	2024	Change (percentage point)
Bosideng	**69.0%**	69.6%	-0.6
Snow Flying	**42.8%**	46.0%	-3.2
Bengen	**24.2%**	39.2%	-15.0
Branded down apparel business	**63.4%**	65.0%	-1.6
OEM management business	**19.1%**	20.6%	-1.5
JESSIE	**58.7%**	64.8%	-6.1
BUOU BUOU	**52.2%**	59.9%	-7.7
KOREANO and KLOVA	**74.0%**	74.9%	-0.9
Ladieswear apparel business	**63.2%**	67.5%	-4.3
Diversified apparel business	**21.7%**	20.2%	+1.5
The Group	**57.3%**	59.6%	-2.3

MANAGEMENT DISCUSSION AND ANALYSIS

OPERATING PROFIT

In FY2024/25, the Group's operating profit increased steadily by 12.9% to approximately RMB4,966.9 million. The operating profit margin was 19.2%. The increase in operating profit was mainly due to the Group's focus on efficiency regarding the selling and distribution expenses and administrative expenses in daily operations as well as the steady growth in revenue and excluding the goodwill impairment of the ladieswear apparel business, the operating profit increased steadily and with high quality. In summary, the Group's operating profit margin increased by 0.3 percentage points as compared with that in the previous financial year.

DISTRIBUTION EXPENSES

In FY2024/25, the Group's distribution expenses, mainly comprising advertising and promotion expenses, depreciation charge of right of use assets, contingent rents and sales personnel expenses, amounted to approximately RMB8,523.8 million, representing an increase of 5.8% as compared with approximately RMB8,055.1 million in the previous financial year. The distribution expenses as a percentage of the Group's total revenue decreased by 1.8 percentage points to 32.9% from 34.7% in FY2023/24, due to the improvement of operational efficiency.

ADMINISTRATIVE EXPENSES

The Group's administrative expenses, mainly comprising salary and welfare, amortization of fees for share options, depreciation and consultancy expenses, amounted to approximately RMB1,652.3 million in FY2024/25, representing an increase of 9.6% as compared with approximately RMB1,507.9 million in the previous financial year. Administrative expenses as a percentage of the Group's total revenue slightly decreased by 0.1 percentage points to 6.4% from 6.5% in FY2023/24.

FINANCE INCOME

The Group's finance income decreased by 0.8% to approximately RMB371.3 million in FY2024/25 from approximately RMB374.2 million in the previous financial year, mainly due to the exchange losses during FY2024/25.

FINANCE COSTS

In FY2024/25, the Group's finance costs decreased to approximately RMB167.0 million, representing a decrease of 22.8% compared with that in the previous financial year. The decrease in finance costs was mainly due to the decrease in interest expenses on convertible bonds during FY2024/25.

TAXATION

Income tax expenses increased to approximately RMB1,596.5 million in FY2024/25 from approximately RMB1,421.1 million. The effective tax rate was approximately 31.0%. The increase in income tax expenditure is primarily due to an anticipated expansion in the Group's management and deployment in overseas capital in response to the requirement of overseas capital, which in turn has led to an increase in PRC dividend withholding tax corresponding to the dividend distributed during the Year and expected to be distributed in the foreseeable future by domestic subsidiaries to offshore subsidiaries.

DIVIDENDS

The Board recommended the payment of a final dividend of HKD22.0 cents (equivalent to approximately RMB20.1 cents) per ordinary share for the year ended March 31, 2025. The proposed dividend will be paid on or around September 12, 2025 to shareholders whose names appear on the register of members of the Company on August 26, 2025. The proposed dividend shall be subject to approval by the shareholders of the Company at the annual general meeting to be held on or around August 20, 2025 ("AGM").

LIQUIDITY AND FINANCIAL RESOURCES

In FY2024/25, the Group's net cash generated from operating activities amounted to approximately RMB3,981.8 million; net cash used in investing activities amounted to approximately RMB3,098.1 million and net cash used in financing activities amounted to approximately RMB2,941.4 million. As at March 31, 2025, the Group's cash and cash equivalents amounted to approximately RMB4,184.8 million.

As at March 31, 2025, the distribution of cash and cash equivalents by currency was as follows:

	RMB'000
Renminbi	**2,598,705**
US dollar	**1,384,363**
Pound sterling	**2,868**
Hong Kong dollar	**197,931**
Japanese yen	**708**
Euro	**30**
Singapore dollar	**232**
Vietnamese dong	**1**
Total	**4,184,838**

In order to obtain reasonable return on the Group's available cash reserves, the Group appropriately increased the amounts placed in time deposits in order to obtain stable returns against the background of the consistently decreasing deposit interest rates at financial institutions. In addition, under the general trend of net value management of financial institutions' treasury market, the market share of capital guaranteed treasury has been significantly reduced. Other financial assets placed in the Year include a government bond which has expected interest rate of 1.46% per annum. The vast majority of other financial assets are capital non-guaranteed and short-term investments at medium – and low-risks in wealth management subsidiaries of banks in the PRC. The expected but unguaranteed rate of returns on capital guaranteed short-term investments with banks ranged from 1.46% to 2.95% per annum. Other financial securities refer to trading stocks held by Shuo Ming De Investment Co., Ltd. ("Shuo Ming De Investment"). Shuo Ming De Investment invested approximately RMB224,921,000 in February 2018 to subscribe for 12,184,230 shares of Jinhong Fashion Group Co., Ltd. (a company listed in Shanghai Stock Exchange with stock code: 603518) ("Jinhong Group") through a private placement at a subscription price of RMB18.46 per share. Due to the bonus issue of shares by Jinhong Group in May 2019, the number of shares held by Shuo Ming De Investment increased to 17,057,922 shares, and the investment cost was adjusted to RMB13.19 per share. In July 2021, Shuo Ming De Investment reduced its shareholding in Jinhong Group by 2,787,223 shares by way of centralized bidding, at an average price of RMB24.60 per share. During FY2024/25, Shuo Ming De Investment disposed of its remaining 14,270,699 shares of Jinhong Group at the transaction price ranging from RMB9.105 to RMB10.370 per share. As at March 31, 2025, the Group did not hold any shareholding in Jinhong Group.

As at March 31, 2025, the bank

borrowings of the Group amounted to approximately RMB896.1 million (March 31, 2024: RMB768.4 million). The convertible bonds matured on December 17, 2024 ("Maturity Date"). A total of 500,587,088 shares of the Company (the "Shares") were converted before the Maturity Date, and bonds with a face value of USD1,700,000 were redeemed. As of March 31, 2025, there was no outstanding convertible bond issued by the Group. The gearing ratio (being total borrowings/total equity) of the Group was 5.3% (March 31, 2024: 18.0%).

As at March 31, 2025, the distribution of borrowings by currency unit and types of interest rate adopted were as follows:

Types of interest rate	HK dollars RMB million	Japanese yen RMB million	Renminbi RMB million	Total RMB million
Floating interest rate	**166.1**	**220.0**	**10.0**	**396.1**
Fixed interest rate	**-**	**-**	**500.0**	**500.0**
Total	**166.1**	**220.0**	**510.0**	**896.1**

The Group anticipates that it will be able to arrange with its lenders to obtain new loans to replace the existing borrowings as they fall due in the foreseeable future and, if it is not available, the Group has sufficient cash and assets held for sale to meet its borrowing repayment requirements.

As of March 31, 2025, two major internationally authoritative credit rating agencies, namely Moody's and S&P, have respectively assigned long-term credit ratings of the Group as "Baa3 (stable outlook)" and "BBB- (stable outlook)". The Group has attained the "double investment grades" from both Moody's and S&P.

SUSTAINABLE DEVELOPMENT

The Group actively responds to important national strategies such as the development of new quality productive forces and "dual-carbon" objective in China, calmly addressing various uncertainties and changes in market dynamics. The Group fully integrates environmental, social and governance ("ESG") concepts into all aspects of its operations and management, facilitating its high-quality development of corporations in a sustainable manner.

Selected into the Sustainability Yearbook (China Edition) published by S&P Global

On July 16, 2024, the globally renowned credit rating agency S&P Global published the Sustainability Yearbook (China Edition) 2024. The Group stood out from over 1,700 assessed companies across 60 industries for its excellent performance in the ESG criteria, and was selected into the Sustainability Yearbook (China Edition) 2024 for the first time. On April 15, 2025, the Group was once again selected into the Sustainability Yearbook (China Edition) 2025 published by S&P Global, making it one of the two selected companies in the Chinese brand apparel industry and placing it at a leading level in China's textile and apparel industry.

Continued to be recognized by MSCI, an internationally authoritative institution, with its ESG Rating being upgraded to AA Rating

Morgan Stanley Capital International ("MSCI") released its ESG rating report on January 24, 2025, in which the Group's MSCI ESG rating was upgraded from A to AA, placing it as a leading level within China's textile and apparel industry. Such improvement of ESG rating benefited from the Company's excellent performance across various aspects, including product quality enhancement, responsible procurement, product innovation, and corporate governance, etc. As a leading Chinese down apparel brand in the world, Bosideng has always been actively exploring the innovative path for sustainable development, with ESG management permeating all aspects of its corporate strategy and operations.

Release of "1+3+X" ESG strategy and carbon goals

In terms of the establishment and improvement of the ESG system, the Board unanimously approved the "1+3+X" ESG strategy at a Board meeting held in June 2024. Guided by the ESG vision of "leading sustainable fashion with a consumer-oriented approach", the strategy clearly defines three objectives for the short-, medium- and long-term, and implements them through X initiatives focused on "Nature positive, Product positive and People positive".

ESG strategic framework of "1+3+X"

1 Vision

Leading sustainable fashion with a consumer-oriented approach

3 Goals

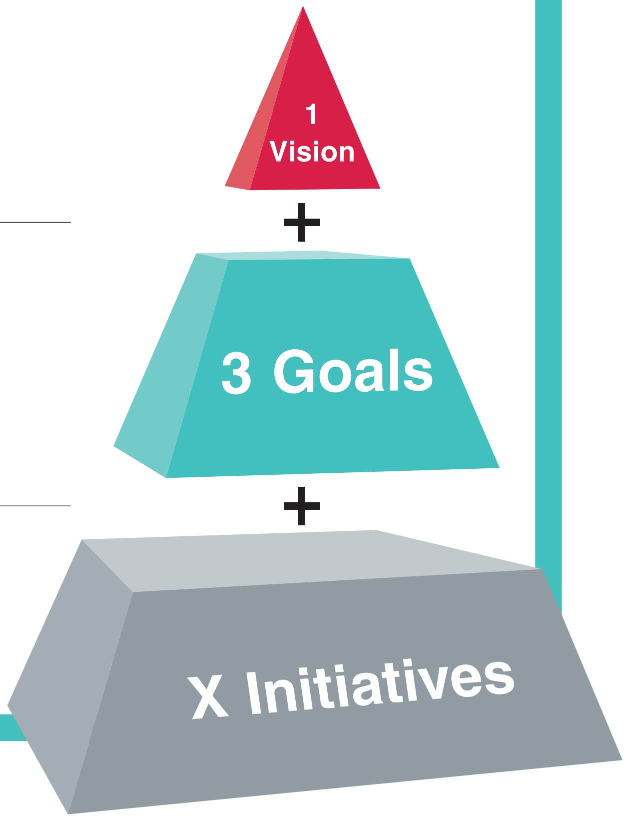
Short-term: Integrate ESG concepts and core initiatives into the entire business operation process and 80% of core stakeholders

Medium-term: Net-zero emissions from operations by 2038

Long-term: Lead the development of sustainable fashion along the entire value chain, and facilitate the realization of net-zero emissions in the industry

X Initiatives

Through the three key areas of Nature Positive, Product Positive, and People Positive, as well as X Initiatives under several major issues, we provide effective action directions and foundational support for our ESG strategy and goals.



In terms of carbon pathway planning, the Group has proactively carried out carbon emission accounting for the corporate value chain, covering the entire chain of the Group itself, suppliers, distributors, transport and sale of products, and completed independent carbon verification. On the basis of such a complete carbon data system, the Group has formulated practical and comprehensive carbon pathway planning in accordance with its medium-term strategic targets. The carbon pathway planning as above has been approved by the Board.

2038

- Achieving **net-zero** emissions across operations
- Green electricity in operation accounting for **100%**
- Low-carbon fabrics usage rate reaching **80%**
- Continuously exploring methods for product recycling and reuse, reducing product landfilling, and aiming for product recycle rate by 2038 at **30%**

2035

- Green electricity in operation accounting for over **60%**
- Building energy efficiency improved by over **30%**
- Actively supporting over **80%** core suppliers and upstream and downstream partners to improve energy efficiency by **30%**

2030

- Low-carbon fabrics usage rate reaching **40%**
- Enhancing the efficiency of "**integrated operations of merchandise**" to further reduce overproduction and increase the utilization of raw materials
- Optimizing transportation routes, improving transportation efficiency, and exploring new transportation methods constantly

Under the guidance of the Group's ESG strategies and carbon pathway planning, the Group has implemented a number of specific measures in multiple special fields, including sustainable supply chain, chemical safety, carbon footprint of innovative materials and products, and green retail in FY2024/25. For example, the Group has established the "Policy for Responsible Procurement", requiring suppliers to strictly comply with environmental and social responsibility standards; sorted out relevant standards, provided training and conducted regular audits with suppliers to ensure that leather and cotton products in the value chain meet sustainable development requirements; developed the "Supplier Chemicals Control Manual" to enhance the requirements for chemical control by suppliers; conducted supplier trainings to promote the implementation of sustainable development projects of suppliers; issued the "Chemicals Control Manual", setting the goal of achieving zero emissions of toxic and harmful chemicals throughout the supply chain in 2030; developed the "Restricted Substances List for Chemicals of Bosideng", expressly setting out banned substances and limiting the use of restricted chemicals; and joined the Zero Discharge of Hazardous Chemicals (ZDHC) to promote continuous enhancement of chemicals safety management. At the same time, the Group has actively researched and developed sustainable material alternatives, and is committed to reducing environmental impacts while meeting the highest performance standards. Several fabrics have won ISPO Textrends awards. In the field of green consumption, Bosideng vigorously promotes digital and intelligent transformation to optimize circulation and retail efficiency. By launching a data platform, the Group achieves integrated operation of omni-channel data. Through intelligent marketing and customized production based on big data, the Group has reduced unnecessary transportation waste and carbon emissions. Concurrently, both offline stores and e-commerce channels work together to actively interact with consumers, improving the matching degree between users and desired products, reducing return rates, and effectively decreasing carbon emissions in retail transportation. Through long-term and unremitting efforts, the Group is dedicated to creating a "symbiotic community of product positivity", an "innovative community of industry-academy cooperation" and a "consumer community of sustainable fashion", in order to lead the sustainable development of the textile and apparel industry in China.

WE SUPPORT

波司登 BOSIDENG

ZDHC

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS ACQUISITIONS

In FY2024/25, the Group completed its strategic investment in Moose Knuckles. This move is an important strategic layout for the Group to focus on its core business of down apparel, build a diversified brand matrix and expand its international business coverage. The Group has become a substantial shareholder of Moose Knuckles, with a shareholding of approximately 31.6%, and Cathay Capital, the world-renowned private equity investment institution, remains its controlling shareholder.

This strategic investment is of positive significance to the Group's expansion of international market operations. This is not only a strategic cooperation with complementary advantages, but also injects new momentum into the medium and long-term development for both the Group and Moose Knuckles. Through this investment, the Group will further improve its down apparel brand matrix. The key brands of Bosideng, centering around the brand positioning of becoming the "world's leading expert in down apparel", have continued to deepen their development in the mid-to-high-end down apparel market, while the Snow Flying brand focuses on expanding its market share of the highly cost-effective down apparel for the general public; the BOGNER brand introduced and operated by the Group in China, is positioned to become the "high luxury and professional ski suit brand" in the PRC market, focusing on high-end skiing and fashion consumers; and Moose Knuckles brand is positioned in the high-end luxury trend market. On this basis, the Group has thus established a more comprehensive brand matrix to consolidate its core business of down apparel, striving to become a leader in the global down apparel industry.

In FY2024/25, the Group successfully bid for a land parcel at Panglong Road, Xihongqiao, Qingpu District, Shanghai with a consideration of approximately RMB413.0 million with a lease term of 40 to 50 years, with a view to constructing new office buildings and commercial buildings in the core area of Hongqiao Business District and to establish the Group's headquarters in Shanghai.

Saved as disclosed above, the Group did not hold any other significant investments, nor have any material acquisitions or disposals of subsidiaries, associates or joint ventures. There were also no other material investments or capital assets acquisitions authorized by the Board as at March 31, 2025.

CONTINGENT LIABILITIES

As at March 31, 2025, the Group had no material contingent liabilities.

CAPITAL COMMITMENTS

As at March 31, 2025, the Group had outstanding capital commitments in respect of the IT system improvement, property and equipment, advertising and promotional expenses of the Group amounting to approximately RMB218.4 million (March 31, 2024: approximately RMB156.0 million).

PLEDGE OF ASSETS

As at March 31, 2025, bank deposits amounting to approximately RMB442.8 million had been pledged to banks as security for the issuance of bills payable (March 31, 2024: approximately RMB671.4 million).

FINANCIAL MANAGEMENT AND TREASURY POLICY

The financial risk management of the Group is the responsibility of the Group's treasury center at its head office. The Group adopted prudent funding and treasury management policies while prioritizing risk prevention and maintaining a sound cash management strategy. The Group's funding in FY2024/25 was primarily raised by cash generated from its operating activities and bank borrowings. The major objective of the Group's treasury policies is to appropriately improve the overall income level of funds on the basis of ensuring liquidity.

FOREIGN CURRENCY EXPOSURE

The business operations of the Group were conducted mainly in mainland China with revenue and expenses of the Group's subsidiaries denominated in Renminbi, and therefore, the Group has chosen Renminbi as the reporting currency. Some of the Group's cash and bank deposits were denominated in Hong Kong dollars or US dollars. The Company and some of its overseas subsidiaries selected US dollars or Hong Kong dollars as their functional currency. Any significant exchange rate fluctuations of Hong Kong dollars, US dollars, Pound sterling or any other functional currencies of the entities may have a financial impact on the Group.

Facing the instability of the foreign exchange market, the Group will make use of forward contracts and foreign exchange swaps to mitigate the exchange rate risk as and when appropriate.

HUMAN RESOURCES

As of March 31, 2025, the Group had 13,106 full-time employees (as of March 31, 2024: 11,831 full-time employees), representing a year-on-year increase of 1,275 employees. For the year ended March 31, 2025, staff costs (including Directors' remuneration in the form of salaries, other allowances and equity-settled share-based transaction expenses) were approximately RMB2,573.4 million (approximately RMB2,656.6 million for the previous financial year).

Based on the strategic deployment of the Group to become the "world's leading expert in down apparel", the Group focuses on the value creation that customers can explicitly perceive, linking the requirement for the Group's strategic core capabilities. To perform well now and look ahead to the future, the Group establishes an organizational talent development plan that meets the strategic requirements, steps up its efforts to identify and develop strategically significant employees, and actively reserves and fosters a new generation of young talents. Based on the above, the Group has systematically established Bosideng's "Eagle" talent development system.

On the one hand, this system operates professionally to build dual development pathways for core in-service management (M) and professional (P) talent, addressing the current organizational development needs and ensuring the achievement of short/medium-term strategic objectives. At the same time, in parallel with the strategic future development, the Group conducts regular training for "Young Eagle" talents, treating college students as cornerstones of the internal talent generation system of the Group. Maintaining sufficient, high-quality reserve graduates is a key part and the foundation of building a system for fostering talents internally. The 2024/25 campus recruitment was carried out under three programs, namely the Millions Annual Salary Plan, Young Eagle Plan and Leading Action, and ensured employment of high-quality graduates, with the aim of attracting outstanding graduates from target universities with cultural and character traits that align with the Group. This will allow the Group to continuously build and consolidate its brand image as a preferred employer for textile and garment colleges, and expand the Bosideng brand's influence as an employer.

The Group's remuneration and bonus policy is primarily based on the duties, performance, outstanding contribution and length of service of each employee with reference to prevailing market conditions. Based on this, the Group has built a value creation-oriented remuneration incentive system, determined a remuneration structure combining fixed salaries and floating incentives and a value distribution mechanism linking overall organizational performance with employee performance, and established a fair and equitable employee remuneration incentive distribution standard, which always drives the development of talents within the organization in a positive way. At the same time, the Group has established a welfare system that meets the needs of talents of the times, and continues to meet the living needs of young talents joining the Company. On the one hand, on the basis of regular medical check-ups, the Company established high-end medical projects for core management talents and created high-quality dining and office conditions. On the other hand, the Group provided a comfortable and harmonious living environment to employees of the Group, and offered staff dormitories with hotel-style management services or corresponding accommodation allowances to those non-local university graduates, professional technicians and management staff who did not have places of residence in Changshu once they were employed by the Group.

CORPORATE CULTURE

The Group attaches great importance to the construction and continuity of corporate culture. We firmly believe that culture is the foundation for the Group to achieve the development goal of "creating a 100-year brand, building a 100-year enterprise", and the Group's core impetus for leading development and sustainability, the gene and essence of the corporation and brand in the entrepreneurial process, the soul and bloodline that run through the development of the corporation, and the driving force, philosophical pillar and guiding direction of development. In the course of the development of the Group, the excellent corporate culture with Bosideng's characteristics has been crystallized, and a large number of key talents and outstanding backbone with Bosideng genes have emerged. It is precisely because of the strong driving force of the corporate culture that the Group has successfully completed the previous strategic transformation and laid the foundation for the implementation of its strategies in the future.

The Group respects and supports laborers' freedom of association. In addition to the Group's respect for employees' rights to freedom of association and collective bargaining which is stated in the Employee Handbook , the Group has also made it clear in its "Supplier Management Policy" and "Supplier Manual" that suppliers shall respect the labors' rights to freedom of association and collective bargaining and shall comply with relevant standards of the International Labor Organization (ILO).

The Group advocates the practice of corporate culture, and focuses on the strategic core tasks and organizes a series of activities such as cultural concept dissemination, cultural behavior modeling, explaining outstanding case studies, fostering model employees, learning from the organizational experience, implementing cultural development and culture practice assessments, to form a closed loop that encompasses "identification with the corporate culture and values, understanding of the essence of the corporate culture, making the corporate culture and values ingrained in behavior and ultimately the practices and actions that yield value and results", to create "a user-first orientation, a cultural soil for open-mindedness, evaluation and motivation of value results, and the spirit of unyielding pursuit of excellence", and to form a cohesive team that has the same ideas and concepts and aligns actions with goals, and makes its teams unite their efforts so as to ensure the efficient achievement of strategic goals.

TALENT DEVELOPMENT

Adhering to the talent philosophy of "providing opportunities for those who aspire, a platform for those who can deliver, and rewards for those who achieve", the Group has implemented a talent development strategy aligned with its corporate growth strategies. Focusing on talent "selection, utilization, education, and retention", the Group systematically conducts talent development initiatives and assembles outstanding talent teams that provide solid support for corporate growth.

In order to effectively execute its 1-3 year strategic plan, the Group attaches greater importance to talents cultivation, recognizing employees as its most valuable resources. Building upon years of experience, the Group has established a scientific system for talent-training, namely strategic interpretation, organizational capability inventory, to talent identification and development, and talent-role alignment. This system undergoes continuous refinement to ensure alignment with strategic objectives and talent cultivation goals. The Group insists on recruiting top- tier talents from outside to match market changes, lead industry development, and establish leading advantages. The Group will also continue to develop an outstanding team of operational management cadres, professional experts, and mid-to-long-term strategic reserve talents internally so as to continuously develop talent echelon, enhance organizational capabilities, stimulate organizational vitality, and guarantee the realization of strategies.

The core operation and management team serves as both the inheritors of corporate culture and the key force leading the team to victory in achieving core campaign objectives and overall business value outcomes. In FY2024/25, the Group fostered alignment among senior executives to enhance synergy and achieve strategic goals. Core management teams across divisions conducted internal and external learning that focused on the Group's annual core operation and management objectives and potential challenges, and drove positive transformations, so as to enhance operational and decision-making quality.

The Group's three-year strategic business plan emphasizes the importance of strategic talent reserves. As at March 31, 2025, the "Eagle" program has cultivated 1,035 outstanding university graduates, 207 excellent reserve managers, 58 excellent reserve directors, and 25 excellent general managers of retail companies, providing a strong talent pipeline to support the Group's strategic goal of becoming "the world's leading expert in down apparel".

OUTLOOK

Based on consumers' increasingly personalized, quality-oriented, and diversified needs, the Group will anchor the "dual focus" strategic direction of "focusing on the mainstay business of down apparel and focusing on the main track of fashionable and functional apparel enhanced with technology". It will concentrate superior resources, optimize business layout, improve the brand matrix, so as to meet the needs of consumers at different levels with high quality through differentiated brand positioning. This aims to build core competitiveness in the main business and become the leader in the global down apparel industry. Meanwhile, while strengthening its core down apparel business, the Group will focus on the track of "fashionable and functional apparel enhanced with technology" and extend the scope of the related product categories and business.

Down apparel business:
The Group has always focused on the core business of down apparel, concentrating advantageous resources on the development of the core competitiveness of the down apparel business and striving to become a leader in the global down apparel industry. Building on the strengthening of the core business of down apparel, the Group is focusing on the track

of "fashionable and functional apparel enhanced with technology". It will steadily enhance its core competitiveness by promoting the organic and healthy growth of existing brands, expanding product categories and strategically building a brand matrix, so as to ensure continued industry leadership in a diversified market environment.

In terms of branding, the Group will focus on the brand positioning of "the world's leading expert in down apparel" and continue to strengthen the top-of-mind recognition of the "No.1 down apparel brand". Through clear brand strategic positioning and strategies, the Group will convey the Bosideng brand's core belief in "warming the world" and its "expertise" to create consistency in brand building. At the same time, from an overall perspective, it will build a brand matrix, strengthen its capabilities for operating its various brands, unlock the brand value in fashionable and functional apparel enhanced with technology, so as to achieve continuous growth in brand value and enhanced influence.

In terms of products, the Group will focus on enhancing its products' core competitiveness. Through innovation-driven approaches, the Group will convey the essence of its brands through original design and enhance the products' value through technological innovation to continuously meet the growing and evolving needs of a better life. Additionally, the Group will try to understand consumer demand with precision, innovate and extend the core product categories of "fashionable and functional apparel enhanced with technology", unlock the potential value of new product categories, and create opportunities for growth.

In terms of sales channels, the Group will further enhance the single stores' operation to improve quality and efficiency. By leveraging insights on customers, the Group will develop strategic incremental markets while strengthening its operation modes specific to different types of stores, and enhance the capability of refined operation of sales channels. Moreover, the Group will strengthen customer management by building a fine-tuned operating system throughout the customer's lifecycle and establishing a user-value-driven business growth model.

OEM management business:
Riding on its globally leading professional expertise in the down apparel sector, the Group will build the differentiated core competitiveness of its OEM management business across "business development, supply chain operations, and technological leadership". Firstly, the Group will continue to deepen existing good and stable partnerships with key clients, cultivate new customers, and continuously improve operational quality and profitability. Secondly, the Group will further enhance its ODM design and technological innovation capabilities to become the top-of-mind choice for mid-to-high-end clients in down/ functional outerwear categories, establishing itself as an OEM/ODM expert in functional apparel for mid-to-high-end international brands. Thirdly, the Group will increase production resources investment in Southeast Asia (such as Vietnam, Indonesia, etc.) and domestic markets to establish a foundation for sustainable and high-quality growth.

Ladieswear apparel business:
The Group continues to monitor the future development of the ladieswear business. Starting from brand positioning, the Group defined clear target demographics for each ladieswear brand, further optimizes the business development model, and enhances the operational and management efficiency of the ladieswear business to achieve healthy and sustainable growth.


IMPROVE
THROUGH
INNOVATION
STRIVE
FOR HIGHER
ACHIEVEMENTS
BOSIDENG

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE CODE

The Company is dedicated to maintaining and ensuring high standards of corporate governance practices. The corporate governance principles of the Company emphasize accountability and transparency and are adopted in the best interests of the Company and its shareholders. The Board reviews its corporate governance practices from time to time in order to meet the rising expectations of its shareholders and to fulfill its commitment to excellence in corporate governance.

The Group has applied and complied with the applicable code provisions set out in the Code for the Year, except for code provisions B.2.4, C.2.1 and F.2.2, the details of which are disclosed below.

CORPORATE PURPOSE, STRATEGY AND CULTURE

The Board has established the Company's mission, vision, core values and strategy, and has ensured that these are aligned with a high degree of consistency and convergence of the Company's corporate culture, clearly expressed to all members of the Company, and provide operating guidance for the management team. All Directors should act with integrity, lead by example, and promote the desired corporate culture.

Mission:
Warming the world

The Group will stay true to its original mission of warming the world. With a focus on human development, the Group strives to deliver exceptional craftsmanship and quality, provide sincere and thoughtful services, drive technological innovation, and create shared values that build upon customers' love and trust for a better life.

Vision:
Being the leading fashionable, functional and technological apparel group in the world

The Group is committed to building a leading organization in terms of scale, with a global market presence and excellent operations, and which is to become the preferred brand for customers, the best employer for employees, an environmentally friendly enterprise that co-exists with partners harmoniously and a trend leader, expert in down apparel as well as a functional expert, which promotes industrial upgrading, leading the sustainable and healthy development of the industry, and gaining social respect.

Core Values:
Customers Foremost, Openness and Innovation, Results Driven, Striving for the Best

The Group is committed to meeting the evolving needs of its customers and has built four major capabilities: leading brands, leading products, retail upgrades, and high product quality and quick response, in order to provide high-quality products and services to customers. Honesty and trustworthiness are at the core of the Group's values, and it upholds the principles of taking the right path, abiding by rules, being responsible and benefiting others. The Group faces challenges without fear, stays abreast of the latest trends, fosters teamwork, strives to be a pioneer in its industry and embodies a positive and entrepreneurial spirit. The Group dares to innovate and push beyond boundaries, adapting to changes with an open and inclusive mindset that respects professionalism. The Group's operational concept focuses on providing excellent services to its customers, relying on its physical stores and prioritizing the needs of its customers. The Group establishes shared values, responsibility and work standards that are aligned with the global business environment.

Corporate Strategy:

The Group has established the development vision of "Being the leading fashionable, functional and technological apparel group in the world", clarified the strategic direction of "focusing on principal business and key brands" by regarding our mission as our foundation, centering on customers, regarding our brands as leaders, and driving our development by innovation. By focusing on the main theme of "fashionable, functional and technological apparel", the Group continues to consolidate the four core competencies in "leading brands, leading products, retail upgrades and high product quality and quick response" and the two security systems in relation to "organization, mechanism, culture and talent development and digital operation" and has devoted its efforts to realizing Bosideng's original mission of "Warming the world".

The Group regards empowering employees internally, warming customers externally and giving back to society as its responsibility, and unswervingly strives towards the development goal of "creating a 100-year brand, building a 100-year enterprise" by advocating and practicing the concept of "sustainable fashion".

BOARD OF DIRECTORS

DUTIES OF THE BOARD OF DIRECTORS

The Board is charged with providing effective and responsible leadership for the Company. The Board takes responsibility to oversee all major matters of the Company, including the formulation and approval of the Group's overall purposes, values and strategies, internal control and risk management systems and internal audit function, monitoring its operational and financial performance and evaluating the performance of the senior management of the Group. The Directors, individually and collectively, have to make decisions objectively in the best interests of the Company and its shareholders.

The role of the Board includes convening shareholders' meetings and reporting their work to shareholders in shareholders' meetings, implementing the resolutions of the shareholders' meetings, determining the Group's business plans and investment plans, preparing the Group's annual budget and final accounts, putting forward proposals for dividend and bonus distributions and for the increase or reduction of registered or issued share capital, formulating proposals for share repurchases in accordance with any repurchase mandate granted by the shareholders as well as exercising other powers, functions and duties as conferred by the Articles. The Board is also responsible for performing the corporate governance duties set out in code provision A.2.1 of the Code. The Directors are continually updated with the most up-to-date regulatory requirements, business activities and development of the Company to facilitate the discharge of their responsibilities through regular Board meetings and by acting in good faith and with due diligence and care. During the Year, the following were discussed during Board meetings: (i) developing and reviewing the Group's policies and practices on corporate governance and making recommendations; (ii) reviewing and monitoring the training and continuous professional development of the Directors and senior management of the Group; (iii) reviewing and monitoring the Group's policies and practices on compliance with legal and regulatory requirements; (iv) developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to the Directors and employees of the Group; and (v) reviewing the Group's compliance with the Code and disclosure in this annual report.

THE COMPOSITION OF THE BOARD

As at July 18, 2025 (being the Latest Practicable Date), the Board consisted of eight Directors, of whom five are executive Directors and three are independent non-executive Directors. The executive Directors are responsible for implementing business strategies and managing the business of the Group in accordance with all applicable laws, rules and regulations, including but not limited to the Listing Rules. All Directors (including the independent non-executive Directors) have been consulted on all major and material matters of the Group. The Company maintains appropriate Directors' and senior management's insurance.

THE ROLES OF THE CHAIRMAN OF THE BOARD AND CHIEF EXECUTIVE OFFICER

Code provision C.2.1 of the Code provides that the roles of the chairman and chief executive officer should be separate and should not be performed by the same individual.

Mr. Gao Dekang is the founder of the Group, the chairman of the Board and the CEO. The Board believes that it is necessary to vest the roles of the chairman and the CEO in the same person due to Mr. Gao Dekang's unique role, his experience and well-established reputation in China's down apparel industry, and the importance of Mr. Gao Dekang in the strategic development of the Company. This dual role provides strong and consistent market leadership and is critical for effective business planning and the decision-making of the Company. As all major decisions are made in consultation with members of the Board and relevant Board committees, and there are independent non-executive Directors on the Board offering independent perspectives, the Board is of the view that there are adequate safeguards in place to ensure a sufficient balance of powers within the Board.

The Board will continue to review and monitor the practices of the Company for the purpose of complying with the Code and maintaining a high standard of corporate governance practices within the Company.

THE INDEPENDENCE OF THE BOARD

During the Year, the Board reviewed the implementation and effectiveness of mechanisms to ensure independent views and input are available to the Board on an annual basis. Taking into account the following measures, the Board is of the opinion that those are proper, adequate and/or effective:

- the Board has appointed three independent non-executive Directors (representing more than one-third of the Board) and all of them continue to devote adequate time to the Company;

- the independent non-executive Directors enjoy equal status with other Board members;

- all independent non-executive Directors share their views and opinions through regular meetings;

- the chairman of the Board holds annual meetings with all independent non-executive Directors without the presence of other Directors, providing an effective platform for the chairman of the Board to listen to independent views on various issues concerning the Group;

- interaction with the management and other Board members, including the chairman of the Board, outside of the boardroom, upon request by the Directors;

- independent professional advice would be provided to independent non-executive Directors upon reasonable request to assist them in performing their duties to the Company; and

- the Board reviews its structure, size, composition (including the skills, knowledge and experience) and the Board Diversity Policy at least once a year to maintain a balanced composition of executive Directors and non-executive Directors (including independent non-executive Directors).

During the Year, the Board had met the requirements of Rules 3.10 and 3.10A of the Listing Rules of having at least three independent non-executive Directors (representing at least one-third of the Board) with one of them (namely, Dr. Ngai Wai Fung) possessing the appropriate accounting professional qualifications.

The independent non-executive Directors bring a variety of experience and expertise to the Company. Each of the independent non-executive Directors has confirmed his independence in writing pursuant to Rule 3.13 of the Listing Rules. The Directors are of the view that all independent non-executive Directors have met the independence guidelines set out in Rule 3.13 of the Listing Rules.

Save as disclosed in the section headed "Directors and Senior Management" in this annual report, there is no relationship (including financial, business, family or other material or relevant relationship) between each Director (including the independent non-executive Directors) and the other members of the Board or the senior management of the Group.

BOARD MEETINGS

During the Year, the Board convened a total of four Board meetings based on the needs of the operations and business development of the Group. Each Board meeting had been arranged to discuss multiple topics and resolutions. During the Year, the Directors were provided with all relevant information on an ongoing basis to enable them to stay informed of the Group's development progress and to make swift decisions as required.

The composition of the Board and their respective attendance at the Board meetings and the Board committee meetings convened during the Year, as well as the annual general meeting held on August 20, 2024 and the extraordinary general meeting held on March 27, 2025, are as follows:

	No. of meetings attended/held					
	Board Meetings	**Audit Committee Meetings**	**Remuneration Committee Meetings**	**Nomination Committee Meeting**	**Annual General Meeting**	**Extraordinary General Meeting *(Note 3)***
Executive Directors						
Mr. Gao Dekang *(Chairman of the Board and CEO) (Note 1)*	4/4	N/A	2/2	1/1	0/1	1/1
Ms. Mei Dong	4/4	N/A	N/A	N/A	0/1	0/1
Ms. Huang Qiaolian	4/4	N/A	N/A	N/A	0/1	1/1
Mr. Rui Jinsong *(Note 2)*	3/4	N/A	N/A	N/A	0/1	0/1
Mr. Gao Xiaodong	4/4	N/A	N/A	N/A	0/1	0/1
Independent non-executive Directors						
Mr. Dong Binggen	4/4	2/2	2/2	1/1	0/1	0/1
Mr. Wang Yao	4/4	2/2	2/2	1/1	0/1	0/1
Dr. Ngai Wai Fung	4/4	2/2	N/A	N/A	1/1	1/1

Notes:

1. Mr. Gao Dekang, Chairman of the Board, was unable to attend the annual general meeting of the Company held on August 20, 2024 due to his other business commitments, thereby deviating from code provision F.2.2 of the Code. However, he arranged for other Board members to attend the annual general meeting and communicate with shareholders.

2. Director who failed to attend Board meeting arranged for his alternate director to attend, but the attendance of alternate director was not counted in the attendance records.

3. The extraordinary general meeting held on March 27, 2025 was to approve the proposed annual caps for each of the three years ending March 31, 2028 and the renewal of the transactions contemplated under the framework manufacturing outsourcing and agency agreement entered into between the Company and Mr. Gao Dekang dated January 17, 2025.

Meeting minutes of the Board and its committees are maintained by the company secretary and are available for inspection by Directors and the auditors of the Company. Such minutes recorded the matters considered and decisions reached at the relevant meetings in sufficient detail. Directors may also provide comments on and propose amendments to the meeting minutes.

AUDIT COMMITTEE

The Audit Committee was established by the Company on September 15, 2007, whose primary duties are to review and supervise the financial reporting process and internal control procedures of the Group, nominate and monitor the external auditor, and perform other duties and responsibilities as assigned by the Board. Please refer to the terms of reference of the Audit Committee published on the websites of the Company and the Stock Exchange for the principal roles and functions of the Audit Committee. The Financial Statements have been reviewed by the Audit Committee and audited by KPMG, the Company's external auditor. As at July 18, 2025 (being the Latest Practicable Date), the Audit Committee comprised three independent non-executive Directors (i.e. Dr. Ngai Wai Fung (Chairman), Mr. Dong Binggen and Mr. Wang Yao).

During the Year, the Audit Committee held two meetings and the major works performed during the Year are summarized as follows:

- review, and make recommendation for the Board's approval, of the 2023/24 annual results and 2024/25 interim results of the Group, as well as the financial information contained therein with a focus on compliance with accounting and auditing standards, the Listing Rules and other requirements in relation to financial reporting and the reports prepared by the external auditor relating to accounting matters and other major findings identified during the course of the interim review and annual audit;

- review of the continuing connected transactions of the Group;

- review of the accounting policies adopted by the Group and matters related to common accounting practices;

- review of the nature and scope of audit;

- discussion with the external auditor and the management on possible accounting risks;

- assist the Board to evaluate the efficiency of the financial reporting procedures, and the systems of internal control and risk management;

- review of and monitor the scope, effectiveness and results of the internal audit function, so as to ensure co-ordination between the internal and external auditors and to ensure that the internal audit function is adequately resourced and has appropriate standing within the Group;

- approval of the audit fees and terms of engagement of the external auditor; and

- review of the external auditor's qualifications, independence and performance, and make recommendation for the Board's re-appointment of the external auditor.

During the Year, the Board had no disagreement with the Audit Committee's view on the re-appointment of the Company's external auditor.

REMUNERATION COMMITTEE

The Remuneration Committee was established by the Company on September 15, 2007, whose primary duties are to determine the remuneration packages of individual executive Directors and senior management of the Group based on the Company's operating results, individual performance and comparable market statistics. Please refer to the terms of reference of the Remuneration Committee published on the websites of the Company and the Stock Exchange for the principal roles and functions of the Remuneration Committee.

As at July 18, 2025 (being the Latest Practicable Date), the Remuneration Committee consisted of one executive Director and two independent non-executive Directors (i.e. Mr. Wang Yao (Chairman), Mr. Gao Dekang and Mr. Dong Binggen).

During the Year, the Remuneration Committee held two meetings and reviewed the Group's policy on remuneration of all the Directors and senior management of the Group, assessed performance of executive Directors and approved the terms of executive Directors' service contracts, reviewed the new share option scheme approved by shareholders on August 20, 2024 and approved the grant of Options and share awards to senior management and employees of the Group. The Remuneration Committee, after assessing the performance of the Directors, had also determined the remuneration packages of all executive Directors and senior management of the Group (i.e. the model disclosed in code provision E.1.2(c)(i) of the Code was adopted) and made recommendations to the Board on the remuneration of the independent non-executive Directors (i.e. required under code provision E.1.2(d) of the Code). The Remuneration Committee noted that the Board has not resolved to approve any remuneration or cooperation arrangements with which the Remuneration Committee has disagreed with.

Pursuant to code provision E.1.5 of the Code, the annual remuneration of the members of the senior management of the Group by band for the Year are set out below:

Remuneration band	Number of persons
RMB6,500,001 to RMB7,000,000	1
RMB9,500,001 to RMB10,000,000	2
RMB10,000,001 to RMB10,500,000	1
RMB11,000,001 to RMB11,500,000	1

Note: The members of the senior management of the Group disclosed above refer to employees other than Directors.

NOMINATION COMMITTEE

The Nomination Committee was established by the Company on September 15, 2007, whose primary functions are to determine the nomination policy for the Directors, review the structure, size, diversity and composition of the Board, identify individuals suitably qualified to become Board members with reference to the candidates' experience and qualifications and the Company's corporate strategy and diversity policy, assess the independence of independent non-executive Directors and select and make recommendations to the Board regarding candidates to fill vacancies on the Board. The Board is ultimately responsible for the selection and appointment of new Directors. Please refer to the terms of reference of the Nomination Committee published on the websites of the Company and the Stock Exchange for the principal roles and functions of the Nomination Committee.

As at July 18, 2025 (being the Latest Practicable Date), the Nomination Committee consisted of one executive Director and two independent non-executive Directors (i.e. Mr. Gao Dekang (Chairman), Mr. Dong Binggen and Mr. Wang Yao).

The Nomination Committee noted that all the independent non-executive Directors have served for more than nine years, and is aware of the requirement to appoint a new independent non-executive Director at the AGM by the Company pursuant to code provision B.2.4(b) of the Code. The Group will take practical steps to appoint a new independent non-executive Director as and when appropriate. The Nomination Committee will continue to review the structure of the Board, consider a range of diversity perspectives, as well as the merits and contributions that the candidates will bring to the Board.

During the Year, the Nomination Committee held one meeting and had performed various duties, including reviewing the structure, number and composition (including the skills, knowledge and experience) of the Board and senior management of the Group, assessing the independence of independent non-executive Directors, making recommendations to the Board on matters relating to the succession of Directors and disclosing the policy on nomination of Directors during the Year, including the nomination process adopted by the Nomination Committee for director candidates and the selection and recommendation criteria during the Year.

BOARD DIVERSITY

The Board adopted the Board Diversity Policy setting out the approach to achieve the diversity of members of the Board, and the nomination policy for the Directors is embedded within the Board Diversity Policy. The Company recognizes and embraces the benefits of diversity of the Board members and strives to have high transparency in the selection process of the Board. It endeavors to ensure that the Board has a balance of skills, experience and diversity of perspectives that are appropriate to the requirements of the Company's business. All Board appointments are made on a merit basis with due regard for the benefits of diversity of the Board members. Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, experience (professional or otherwise), skills and knowledge. The ultimate decision will be made upon the merits and contribution that the selected candidates will bring to the Board.

During the Year, the Company continued to comply with its Board Diversity Policy, and the Board considered that it has a balanced mix of knowledge and skills, including knowledge and experience in the areas of business management, the textile industry, auditing and accounting. The Directors obtained degrees in various majors including business administration, engineering, economics and accounting. Furthermore, the Board consists of a wide range of ages, ranging from 49 years old to 75 years old. The current gender ratio of all employees of the Group is approximately 80.7% (female) to approximately 19.3% (male), and the percentage of female general management and above was 51.8%. The Group will also continue to take steps to promote gender diversity at all levels of the Group, including but without limitation at the Board and the management levels, and continue to take opportunities to increase the proportion of female Board members over time as and when suitable candidates are identified, subject to the Board being satisfied with the competence and experience of the relevant candidates after a comprehensive review process based on reasonable criteria. The Group will also try to ensure gender diversity when recruiting staff at the senior level and engage more resources in training female staff with the aim of promoting them to the senior management or directorship of the Company, and will continue to apply the principle of merit-based recruitment with reference to our diversity policy as a whole. All Directors, including independent non-executive Directors, have brought a variety of valuable business experiences, knowledge and professional skills to the Board for its efficient and effective operation. Independent non-executive Directors are invited to serve on the Board Committees namely, the Audit Committee, the Remuneration Committee and the Nomination Committee.

As at the date of this annual report, the Board comprises eight Directors, which includes five executive Directors and three independent non-executive Directors. Details of the current members of the Board are set out as follows:

Gender			**Male**	**Female**
			6	2
Nationality				**Chinese**
				8
Age group	**40-49**	**50-59**	**60-69**	**70-79**
	1	2	3	2
Length of service			**6-10 years**	**Over 10 years**
			1	7

Biographies of the Directors (including their ages and appointment dates) are set out in the section headed "Directors and Senior Management" in this annual report.

DIRECTORS' TRAINING AND CONTINUOUS PROFESSIONAL DEVELOPMENT

All Directors have received comprehensive, formal and tailored induction on appointment, so as to ensure their understanding of the business and operations of the Group and Directors' responsibilities and obligations under the Listing Rules, the SFO and other relevant regulatory requirements.

All Directors are continually updated on developments in the relevant statutory and regulatory regimes, and the latest business and market changes to facilitate the discharge of their responsibilities and obligations under the Listing Rules and the relevant statutory requirements. Briefings and professional development for Directors will be arranged when necessary.

Pursuant to the requirements of code provision C.1.4 of the Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills, and should provide their training records to the Company. According to the training records provided by the Directors, the trainings attended by them during the Year are summarized as follows:

Directors	Corporate Governance, Regulatory Development and Trainings on other relevant topics
Executive Directors	
Mr. Gao Dekang	✓
Ms. Mei Dong	✓
Ms. Huang Qiaolian	✓
Mr. Rui Jinsong	✓
Mr. Gao Xiaodong	✓
Independent non-executive Directors	
Mr. Dong Binggen	✓
Mr. Wang Yao	✓
Dr. Ngai Wai Fung	✓

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its code of conduct regarding Directors' securities transactions. Directors are reminded of their obligations under the Model Code on a regular basis. Following specific enquiry by the Company, all Directors have confirmed that they had complied with the required standards set out in the Model Code throughout the Year and up to the date of this annual report. During the Year, the Company has also adopted a code of conduct for securities transactions by employees on terms no less exacting than the standard set out in the Model Code for employees who are likely to be in possession of unpublished inside information of the Company to comply with the requirements to deal in the securities of the Company.

No incident of non-compliance in relation to the guidelines of the Model Code by the Directors or relevant employees was noted by the Company during the Year.

APPOINTMENTS, RE-ELECTION AND REMOVAL OF DIRECTORS

Each of the executive Directors has entered into a service contract with the Company, and each of the independent non-executive Directors has entered into an appointment letter with the Company, both of which are for a fixed term of three years and renewable automatically for a successive term of one year, until terminated by either party by giving a three-month written notice. Each Director is subject to retirement by rotation and re-election at the annual general meeting of the Company every three years in accordance with the Articles. The Articles provide that any Director appointed by the Board to fill a casual vacancy or as an addition to the existing Board shall hold office until the first annual general meeting after his/her appointment and be subject to re-election at the annual general meeting.

DELEGATION OF BOARD'S POWER

The Articles set out matters specifically referred to the Board for decision. To enhance efficiency, the Board delegates day-to-day responsibilities and operations to the senior management of the Group under the supervision of the Board. The management team meets regularly to review and discuss with the executive Directors on day-to-day operational matters, financial and operational performance and to monitor and ensure proper implementation by the management of the Group of policies and strategies set by the Board.

INTERNAL CONTROL AND RISK MANAGEMENT AND INTERNAL AUDIT FUNCTION

INTERNAL CONTROL AND RISK MANAGEMENT PROCESS

The Board acknowledges its responsibility over the risk management and internal control systems, reviewing their effectiveness and maintaining a sound and effective internal audit function of the Group. The risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. Under the internal control and risk management systems of the Group, the processes used to identify, evaluate and manage significant risks by the Group are summarized as follows:

- risk identification: identify risks that may potentially affect the Group's business and operations;

- risk assessment: assess the risks identified by using the assessment criteria developed by the management, and consider the impact and consequences on the business and the likelihood of their occurrence;

- risk response: prioritize risks by comparing the results of the risk assessment, and determine the risk management strategies and internal control processes to prevent, avoid or mitigate the risks; and

- risk monitoring and reporting: perform ongoing and periodic monitoring of the risks and ensure that appropriate internal control processes are in place, revise risk management strategies and internal control processes in case of any significant change of circumstances, and report the results of risk monitoring to the management and the Board regularly.

Furthermore, set out below are the main features of the said systems:

- risk management and internal control procedures have been designed to identify risks, safeguard assets against misappropriation and disposition, and to protect the interests of stakeholders;

- comprehensive management accounting system to provide financial and operational performance assessment, proper maintenance of accounting records for the provision of reliable financial information used for reporting or for publication; and

- strict compliance with relevant laws, rules and regulations, strict prohibition on unauthorized access and use of confidential, sensitive or inside information.

The Group has established a "three-tier" risk management framework, clearly defining the responsibilities of each department in risk management. The business departments serve as the first line of defense, identifying key risk points based on business scenarios, and conducting reasonable risk assessments and contingency planning. The main functional departments act as the second line of defense, establishing comprehensive risk management systems across the entire business chain and collaborating with the business units to optimize risk control processes. The internal audit and other monitoring departments serve as the third line of defense, responsible for independently verifying the effectiveness and reliability of major risks and internal controls. The Board has conducted reviews of its systems of internal control and risk management semi-annually, through the Audit Committee, to ensure the effectiveness and adequacy of the systems. Key processes used to conduct the said reviews include considering the internal control evaluations conducted by the management and the internal and external auditors as well as the adequacy of resources, staff qualifications and experience, training programs and budget of the Group's accounting, internal audit and financial reporting functions, as well as those relating to environmental, social and governance performance and reporting. In the event that any material internal control defects are identified during the reviews, the Audit Committee will review the actions performed or the plans to be carried out by the management in addressing the issues and defects regarding the internal control and risk management systems. The corresponding remedial plans and recommendations to resolve such defects will then be submitted to the Board for consideration. The Board convened meetings with the Audit Committee semi-annually to discuss financial, operational and risk management controls. The Directors are of the view that the existing systems of internal control and risk management are effective and adequate to the Group.

The Company has an internal audit function, the effectiveness of which had been reviewed by the Audit Committee during the Year. Further information about the Audit Committee, including its work during the Year, is set out in the section headed "Audit Committee" in this annual report.

WHISTLEBLOWING POLICY

The whistleblowing policy has been put in place to enable all employees and other parties who have dealings with the Group (e.g. customers, suppliers, creditors and debtors, etc.) to report any misconduct, malpractice or irregularity within the Group. This policy allows individuals to raise concerns in writing by post, by email or by phone to the audit and supervision center which has been delegated by the Audit Committee (the "Audit and Supervision Center") to supervise and implement the day-to-day operations of such policy. Reports made under this policy will be treated with utmost confidentiality and anonymity. If there is sufficient evidence to reasonably suggest that a case involving a possible criminal offence or element of corruption exists, the Audit and Supervision Center will report to the CEO and/or the Audit Committee. After consulting the legal advisors of the Company, the matter will be reported to the relevant local authorities as soon as reasonably practicable in accordance with the relevant laws and regulations, and the Company's rules and regulations. For details regarding the whistleblowing policy, please refer to the Corporate Governance page on the website of the Company.

ANTI-CORRUPTION POLICY

The Group has formulated its own anti-corruption policy to ensure that all Directors, senior officers, employees and contractual workers of the Group (the "Applicable Personnel") comply with the Prevention of Bribery Ordinance (Chapter 201 of the Laws of Hong Kong) (the "POBO"), as well as other relevant laws of other countries or regions as applicable, to avoid any criminal and civil penalties as provided under the POBO and such other relevant anti-corruption laws of other countries or regions, and to mitigate the risk of any reputational damage that may arise from the Group's involvement in any form of bribery, corruption, money laundering and financing of terrorism, whether in Hong Kong or elsewhere. The policy includes specific requirements for integrity and conduct and outlines the policies and controls in place which apply to all levels of Applicable Personnel. The policy is regularly reviewed to ensure that it remains effective in preventing corruption and maintaining the Group's commitment to ethical business practices. For details regarding the anti-corruption policy, please refer to the Corporate Governance page on the website of the Company.

INSIDE INFORMATION DISCLOSURE POLICY

The Group has formulated the inside information disclosure policy to prevent the misuse of inside information and avoid conflicts of interest. All Directors and those employees who could have access to or monitor the information of the Group are responsible for taking appropriate precautions to prevent abuse or misuse of such information. Employees of the Group are prohibited from using inside information for their own benefit. The Board is also vested with the responsibility to disseminate to the shareholders of the Company and the public any inside information in the form of announcements, in accordance with the Listing Rules. For details regarding the inside information disclosure policy, please refer to the Corporate Governance page on the website of the Company.

DIRECTORS AND AUDITOR'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledge that it is their responsibility to oversee the preparation of the financial statements for each financial period to ensure that they give a true and fair view of the state of affairs, results and cash flow of the Group.

In preparing the Financial Statements, the Directors have selected suitable accounting policies and applied them consistently, adopted appropriate International Financial Reporting Standards, made prudent and reasonable judgments and estimates, and prepared the Financial Statements on a going concern basis. The Directors also warrant that the Financial Statements will be published in a timely manner.

The statement of the auditor of the Group about their reporting responsibilities on the Financial Statements is set out in the section headed "Independent Auditor's Report" on pages 107 to 114 of this annual report.

AUDITOR'S REMUNERATION

During the Year, the fees charged by the Company's external auditor, KPMG, for audit and non-audit services are set out below:

	RMB'000
Audit services (including interim financial report review services)	5,600
Non-audit services (including tax advisory, compliance and other special audit services)	680
Total	6,280

The Audit Committee is responsible for making recommendations to the Board as to the selection, appointment, re-appointment, resignation and/or dismissal of the external auditor, which are subject to the approval by the Board and at the annual general meetings of the Company by its shareholders.

Certain factors that the Audit Committee will take into account when assessing the external auditor include the audit performance, quality, objectivity and independence of the auditor.

COMPANY SECRETARY

During the Year, Ms. Liang Shuang was the Company Secretary and she had taken no less than 15 hours of professional training. The biography of Ms. Liang is set out in the section headed "Directors and Senior Management" of this annual report.

SHAREHOLDER

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTOR RELATIONS

The Company is committed to strictly complying with the provisions of the Listing Rules in the disclosure of information and any other information that may significantly impact the decisions of the shareholders of the Company and other relevant parties on a true, accurate, complete and timely basis. In accordance with the good faith principle, the Company ensures that all of its shareholders have equal access to such information. The Company has duly fulfilled its statutory obligations in respect of information disclosures.

Effective communication with investors is a top priority for the management of the Group. Since the listing of the Company in October 2007, the executive Directors (including the CEO) and the senior management of the Group have held regular briefings and results presentations, attended investors' forums and responded to investors' call-in enquiries, arranged site visits and participated in roadshows, reverse roadshows, face-to-face meetings, and telephone conferences, to communicate with institutional investors and financial analysts in mainland China, Hong Kong, China and overseas countries. These efforts are aimed at keeping investors abreast of the latest updates on the Company's business and development as well as its operating strategies and prospects. The Company values the advice and feedback of its investors and strives to develop an interactive and mutually beneficial relationship with them. By listening to their input, the Company can better meet the needs and expectations of its investors, which ultimately benefits both the Company and its shareholders.

Shareholders and investors of the Company who wish to make inquiries to the Company can contact us via mail, email, telephone, or fax. The contact address and details are as follows:

Address:	Unit 5709, 57/F., The Center 99 Queen's Road Central Central, Hong Kong
Email:	bosideng_ir@bosideng.com
Tel:	(852) 2866 6918
Fax:	(852) 2866 6930

The Company has established a shareholders' communication policy. For details, please refer to the Corporate Governance page on the website of the Company.

SHAREHOLDERS' RIGHTS

Shareholders of the Company may request to convene extraordinary general meetings. Pursuant to Article 58 of the Articles, any one or more shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary (i) to require an extraordinary general meeting to be called by the Board for the transaction of any business or resolution specified in such requisition; (ii) to add resolutions in the meeting agenda; and (iii) such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may convene a physical meeting at only one location which will be the principal meeting place, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board to hold such meeting shall be reimbursed to the requisitionist(s) by the Company.

Shareholders of the Company may put forward proposals at general meetings of the Company by sending the same to the Company, either by post, by email or by facsimile (the contact details are set out in the section headed "Communications with Shareholders and Investor Relations" above), specifying his/her information, contact details and the proposal(s) he/she intends to put forward at the general meeting regarding any specified transaction/business and the supporting documents.

During the Year, the Company has reviewed the implementation and effectiveness of its shareholders' communication policy and considered that the policy was effectively implemented with the measures as disclosed under the sections headed "Communications with Shareholders and Investor Relations" and "Shareholders' Rights" above.

DIVIDEND POLICY

The Board has adopted the Dividend Policy setting out the appropriate procedures on recommending and declaring the dividend payment of the Company. The Dividend Policy aims to allow the shareholders of the Company to share the Company's profits whilst preserving the Company's liquidity to capture future growth opportunities. The dividend distribution decision of the Company will depend on, among other factors, its financial results, cashflow, current and future operations and liquidity and capital requirements. In addition to the declaration of dividends based on the foregoing, the Board may also declare special dividends from time to time. The Dividend Policy will be reviewed by the Board on a regular basis. For details regarding the Dividend Policy, please refer to the Corporate Governance page on the website of the Company.

MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE COMPANY

During the Year, no amendments were made by the Company to the memorandum of association and the Articles.

DIRECTORS AND SENIOR MANAGEMENT

EXECUTIVE DIRECTORS

Mr. Gao Dekang, born in 1952, is the Chairman and the CEO and a director of certain subsidiaries of the Group. He is a representative of the 10th to 12th National Congress and a National Model Worker (全國勞動模範). He is the founder of the Group and Bosideng brand, and was appointed as an executive Director in July 2006. He is responsible for the overall strategic development of the Group. He has over 49 years of experience in the apparel industry. He is a senior economist and a senior engineer and received an EMBA degree and a Master's degree in business management.

Mr. Gao has held the following public offices:

Year	Public Offices
2019	Vice President and member of the Presidium of the 6th China Federation of Industrial Economics
2021	Vice President of the 5th Council of the China National Light Industry Council
2022	Special Invitee Vice President of the 5th China National Textile and Apparel Council
2023	Chairman of the Textile and Garment Chamber of Commerce, All-China Federation of Industry and Commerce
2023	Executive Director of the China Society for Promotion of the Guangcai Program
2024	Honorary President of the 8th Council of the China National Garment Association
2024	Specially Appointed Vice President of the 9th Council of the China Commerce Association for General Merchandise

Mr. Gao has been widely recognized throughout the years:

Year	Award
1993	Special Contributor to the Development of China's Apparel Industry
1997	Special Contribution Award by the Chinese Young Volunteers Association
1998	Outstanding factory manager (manager and chairman) of China
2000	Merit in the Apparel Industry in the PRC
2001	Special Contribution Award for the Mother River Protection Operation
2005	Palmery Contribution and Exploit Award in the China Feather and Down Garments Industry
2005	Down apparel expert in China
2005	Outstanding Persons of the Textile Brand Culture Development of the PRC
2006	National Title of "Outstanding Staff Caring Private Entrepreneur"
2006	2006 Brand China Person of the Year
2006	2006 CCTV China Economic Person of the Year
2007	Top ten business leaders in China
2008	Global Leader of Chinese Entrepreneurs
2009	Excellent Contributor of Chinese Socialism

Year	Award
2009	Outstanding Administrator of the 30th Anniversary for Total Quality Control in the PRC
2011	Leader of the Textile and Apparel Industry in China
2011	2011 Forbes 25 Influential Chinese in Global Fashion
2012	The 7th China Charity Award
2012	China's Outstanding Quality People
2013	Special Contributor to the Textile Enterprises Culture Construction in the PRC
2015	2014-2015 Outstanding Persons in the Enterprises Culture Construction in the PRC
2015	Most Respected Entrepreneur of China in 2015 by Hurun Report
2017	Person of the Year in Innovation for the Textile Industry in the PRC
2017	CCTV's Charitable Person of the Year
2018	The Pioneer of China's Feather and Down industry
2018	Outstanding Persons in the Textile Industry of 40 years of Reform and Opening up
2018	Craftsman of the Nation in the Light Industry
2019	Commemorative Medal Celebrating the 70th Anniversary of the Founding of the People's Republic of China
2020	China National Light Industry Council 1st Class Science and Technology Progress Award
2020	Role Model in the PRC Textile Industry's Fight Against COVID-19
2021	Innovative Person of the 13th Five-year Plan for the PRC Textile Industry
2022	Annual National Excellent Entrepreneur awarded by China Enterprise Confederation (中國企業聯合會) and China Enterprise Directors Association (中國企業家協會)
2022	Annual National Excellent Textile Entrepreneur awarded by China National Textile and Apparel Council
2022	Meritorious Entrepreneur in China's Down Apparel Industry awarded by China Feather and Down Industrial Association
2022	Contributor to the Talent Development in the PRC Textile Industry awarded by China National Textile and Apparel Council
2022	Outstanding Brand Figure of China Textile and Apparel awarded by China National Textile and Apparel Council
2022	Jiangsu Advanced Individual with Outstanding Contribution in Manufacture
2024	Outstanding Individual of the Year for Distinguished Contributions to Philanthropy

Mr. Gao is the spouse of Ms. Mei Dong (an executive Director and the Executive President of the Company) and the father of Mr. Gao Xiaodong (an executive Director and a Vice President of the Company).

Ms. Mei Dong, aged 57, is an executive Director and the Executive President of the Company. Ms. Mei was appointed as an executive Director in July 2006 and is responsible for the overall operation and management of the Group. Ms. Mei is a director and/or legal representative of certain subsidiaries of the Group. She has over 30 years' experience in the down apparel industry. Ms. Mei obtained various awards and honors such as the recognition of "Successful Female Entrepreneur" (巾幗建功) in China and the National Model Worker (全國勞動模範). Ms. Mei joined Bosideng Corporation Limited ("Bosideng Corporation") in June 1994, and remained with the Group after the reorganization of the businesses of the Group prior to its listing. She received an EMBA degree (majoring in Business Administration) from Phoenix International University in New Zealand in 2002. She is the spouse of Mr. Gao Dekang (the Chairman, the CEO, a controlling shareholder of the Company and an executive Director) and the mother of Mr. Gao Xiaodong (an executive Director and a Vice President of the Company).

Ms. Huang Qiaolian, aged 60, is an executive Director and a Vice President of the Company. She is also the General Manager of Shanghai Bosideng Fashion Design and Development Centre Co., Ltd. (a subsidiary of the Company). Ms. Huang was appointed as an executive Director in June 2007. Ms. Huang is responsible for conducting monographic studies on the fashion trends of down apparel, unveiling the fashion trends and designing apparel products. Her works have been displayed in numerous exhibitions in countries such as Korea, Canada and Russia, and in special releases held during the New York Fashion Week and the Milan Fashion Week in 2018 and 2019, respectively. She presented a special fashion release during the China-France cultural exchange in Paris, France, in July 2024. She received various honors such as contemporary renowned designer, one of the top ten fashion designers in China and the contributing designer in publishing research on the garment trends in China. She has over 20 years of experience in the fashion industry. She worked in the Fashion Art Committee of the China Fashion Association (中國服裝設計師協會時裝藝術委員會). Ms. Huang joined Bosideng Corporation in March 1997 and had remained with the Group since the reorganization of the businesses of the Group prior to its listing. She graduated from the School of Fashion Design in Jiangsu (江蘇服裝設計學校) in 1987, and further studied in Donghua University majoring in High Fashion in 1994 and the Public School of High Fashion in Paris, France (法國巴黎高級時裝公學院) in 1999. She studied in East China Normal University in Shanghai majoring in Business Administration in 2004.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Rui Jinsong, aged 52, is an executive Director and the Senior Vice President of the Company. He is the General Manager of the Bosideng brand division and a director of certain other subsidiaries of the Group. He was appointed as an executive Director with effect from May 2013. Mr. Rui is fully responsible for the overall management of the operational management business of the Group's core Bosideng brand. Mr. Rui graduated from Wuxi Light Industry College majoring in Textile Engineering in 1994. He joined Bosideng Corporation in May 2004 and had remained with the Group since the reorganization of the businesses of the Group prior to its listing, from which he acquired practical experience in brand positioning strategy, core competitiveness building and brand operating management.

Mr. Gao Xiaodong, aged 49, is an executive Director and a Vice President of the Company. He joined the Group in 2013 and was appointed as an executive Director in March 2017. Mr. Gao is fully in charge of the Group's diversified apparel businesses. He is a qualified senior economist and has obtained a master's degree in business administration from Centenary College in 2009. Mr. Gao joined Bosideng Corporation in 2002 and has been serving as its Chairman since January 2024, during which he accumulated tremendous experience in the apparel, highway, real estate and hotel segments. Mr. Gao is the son of Mr. Gao Dekang (the Chairman, the CEO, an executive Director and a controlling shareholder of the Company) and Ms. Mei Dong (an executive Director and the Executive President of the Company).

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Dong Binggen, aged 75, a senior engineer, was appointed as an independent non-executive Director in September 2007. He graduated from Eastern China Textile Institute (currently known as Donghua University) in 1977. From February 1997 to December 2023, he worked with Hualian Development Group Co., Ltd. as the Chairman, President and Secretary of the Communist Party Committee, and since December 2023, he was the Honorary Chairman of Hualian Development Group Co., Ltd. Mr. Dong was the Chairman of China Union Holdings Ltd. (SZSE, Stock Code: 000036) from June 2004 to June 2019. He had also been the Chairman of the Shenzhen Textile Industry Association and the President of the Shenzhen Textile Engineering Association. He is currently a member of the Standing Committee and the Invited Vice Chairman of China Textile Industry Association.

Mr. Wang Yao, aged 66, was appointed as an independent non-executive Director in September 2007. Mr. Wang currently acts as the Vice President of the Commerce Economy Association of China. In the past, he had served as the Vice President (part-time) of the China General Chamber of Commerce. He received a Ph.D. in Engineering from Harbin Institute of Technology in 1989. He also obtained the qualification as a professor-grade senior engineer.

Dr. Ngai Wai Fung, aged 63, was appointed as an independent non-executive Director in September 2007. He is currently the director and chief executive officer of China Resources SWCS Holding Limited and SWCS Corporate Services Group (Hong Kong) Limited, a company specializing in company secretarial, corporate governance and compliance services for pre – and post-listing companies. Prior to that, he was a director and the head of listing services of an independent integrated corporate services provider. Dr. Ngai has over 30 years of professional practice and senior management experience, including acting as an executive director, the chief financial officer and a company secretary, most of which are in the areas of finance, accounting, internal control, regulatory compliance, corporate governance and company secretarial work for listed issuers including major red chips companies. He had led or participated in a number of significant corporate finance projects including listings, mergers and acquisitions as well as issuance of debt securities. Dr. Ngai is currently a Vice Chair of Professional Services Panel of the Hong Kong Chartered Governance Institute (HKCGI), Vice Chairman of the General Committee of the Chamber of Hong Kong Listed Companies and the Chairman of its Membership Services Sub – Committee, a member of both Environmental, Social and Governance Committee and Financial and Regulatory Affairs Committee Sub-Committees, and a member of Governance Committee of Hong Kong Institute of Certified Public Accountants (HKICPA). He was the President of The Hong Kong Institute of Chartered Secretaries (currently known as The Hong Kong Chartered Governance Institute) (2014-2015), a non-official member of the Working Group on Professional Services under the Economic Development Commission of the Hong Kong Special Administrative Region (2013-2018), a member of the Qualification and Examination Board of the Hong Kong Institute of Certified Public Accountants (2013-2018) and the first batch of Finance Expert Consultants of the Ministry of Finance of the People's Republic of China (2016-2021). He is a fellow of the Association of Chartered Certified Accountants in the United Kingdom, a member of the Hong Kong Institute of Certified Public Accountants, a fellow of the Chartered Governance Institute, a fellow of The Hong Kong Chartered Governance Institute, a fellow of The Hong Kong Institute of Directors, a fellow of the Hong Kong Securities and Investment Institute and a member of the Chartered Institute of Arbitrators. Dr. Ngai obtained a Doctoral degree in Finance at the Shanghai University of Finance and Economics in 2011, a Master's degree in Corporate Finance from The Hong Kong Polytechnic University in 2002, a Master's degree in Business Administration from Andrews University of Michigan in 1992 and a Bachelor's degree in Law at the University of Wolverhampton in 1994.

Dr. Ngai is currently an independent non-executive director of each of the following companies, namely Powerlong Real Estate Holdings Limited (SEHK, Stock Code: 01238) and China Energy Engineering Corporation Limited (SEHK, Stock Code: 03996). He was an independent non-executive director of China Communications Construction Company Limited (SEHK, Stock Code: 01800; SSE, Stock Code: 601800) from November 2017 to February 2022, an independent non-executive director of BaWang International (Group) Holding Limited (SEHK, Stock Code: 01338) from December 2008 to May 2022; an independent non-executive director of TravelSky Technology Limited (SEHK, Stock Code: 00696) from January 2016 to September 2022; an independent non-executive director of Beijing Capital Grand Limited (SEHK, Stock Code: 01329) from December 2013 to May 2023; and an independent director of SPI Energy Co., Ltd. (listed on Nasdaq Stock Market, Stock Code: SPI) from May 2016 to January 2025.

DIRECTORS AND SENIOR MANAGEMENT

SENIOR MANAGEMENT

Mr. Zhang Lei, aged 46, is a Vice President and the CHRO of the Group. Mr. Zhang Lei holds a Bachelor's degree in Management from Shandong University and a Master's degree in Business Administration (Finance) from The Chinese University of Hong Kong. Mr. Zhang Lei joined Bosideng International Holdings Limited in November 2024, and is fully responsible for the Group's human resource management.

Mr. Wang Lijun, aged 46, is the Vice President and the General Manager of the Foreign Trade Division of the Group. Mr. Wang Lijun graduated from Changshu College (常熟高等專科學校) (currently known as Suzhou University of Technology) majoring in Foreign Trade English in June 2000 and graduated from Nanjing University of Science and Technology with a Master's degree in business administration in June 2014. Mr. Wang Lijun joined Bosideng Corporation in July 2000 and successively served as the business supervisor, business manager, business director and Deputy General Manager of the Foreign Trade Division. In April 2017, he was appointed as the General Manager of the Foreign Trade Division, and is responsible for the overall foreign trade business of the Group.

Mr. Zhu Gaofeng, aged 50, is a Vice President and the General Manager of the Ladieswear Division of the Group. Mr. Zhu Gaofeng is qualified as an internationally certified internal auditor and a China certified public accountant. Mr. Zhu Gaofeng graduated from Yancheng Commerce School (鹽城商業學校) in Jiangsu Province in 1993, obtained a professional degree in finance and accounting from Anhui College of Finance and Trading (安徽財貿學院) in 1998 and obtained a Bachelor's degree in accounting from Yancheng Teachers University (鹽城師範學院) in 2008. Mr. Zhu Gaofeng joined Bosideng Corporation in 2005.

Mr. Zhao Xiang, aged 40, is the Group's Vice President and the General Manager of the Bosideng brand e-commerce business. Mr. Zhao Xiang graduated from Tianjin Foreign Studies University in 2007. He joined Bosideng Corporation in 2010 and successively served as the marketing minister of the region, General Manager of retail companies as well as the director of the retail operation center, and was appointed as the General Manager of the E-Commerce Center under the Bosideng Brand Division in April 2020. He is currently responsible for the online platform operation and sales management of the Bosideng brand.

Mr. He Maosheng, aged 47, is the Group's Vice President and the General Manager of the Supply Chain Management Center. Mr. He Maosheng graduated from Jiangxi Institute of Fashion Technology majoring in design and engineering in 1998. He joined Bosideng Corporation in December 2010 and successively served as the director of the supply chain of the Group, the assistant to the executive president, the general manager of the Supply Chain Management Center and the Group's Vice President. He is responsible for the supply chain, scientific research and technology, and centralized procurement management.

COMPANY SECRETARY

Ms. Liang Shuang, aged 36, joined the Group in 2018 and was appointed as the Company Secretary in May 2019. She obtained a master degree in Accounting and Finance from The University of Warwick. Ms. Liang is a member of The Hong Kong Chartered Governance Institute (formerly known as The Hong Kong Institute of Chartered Secretaries) and is qualified as a Chartered Secretary and a Chartered Governance Professional. She is a fellow of the Hong Kong Institute of Certified Public Accountants and a member of the Institute of Chartered Accountants in England and Wales.

CHANGES OF INFORMATION OF DIRECTORS UNDER RULE 13.51B(1) OF LISTING RULES

Below is the information relating to the Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the date of the 2024/25 interim report:

- Dr. Ngai Wai Fung, an independent non-executive Director, resigned as an independent director of SPI Energy Co., Ltd. (listed on Nasdaq Stock Market, Stock Code: SPI) in January 2025.

Save as disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

REPORT OF DIRECTORS

The Board presents this annual report, together with the Financial Statements set out in the Auditor's Report contained in this annual report.

PRINCIPAL ACTIVITIES

The Company was incorporated in the Cayman Islands on July 10, 2006 as an exempted company with limited liability. The Group's operations are substantially conducted through its direct or indirect subsidiaries in the PRC. The Group primarily focuses on developing and managing the portfolio of its down apparel brands, which includes research, design and development, raw materials procurement, outsourced manufacturing, and marketing and distribution of branded down apparel products, OEM products and non-down apparel products.

The Group's revenue and net profits attributable to the shareholders of the Company during the Year are set out in the consolidated statement of profit or loss and other comprehensive income on pages 115 to 116 and Note 6 to the Financial Statements in this annual report.

BUSINESS REVIEW

A fair review of the business of the Group, a discussion and analysis of the Group's performance during the Year, the material factors underlying its results and financial position, the future development of the Group's business, and principal business risks and uncertainties are provided in the sections headed "Chairman's Statement", "Management Discussion and Analysis" and "Subsequent Events" on pages 8 to 11, on pages 12 to 61 and page 106 of this annual report, respectively. Additionally, the financial risk management objectives and policies of the Company can be found in Note 38 to the Financial Statements. These discussions form part of this report of directors.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group has always encouraged environmental protection, strictly complied with environmental regulations and promoted environmental protection awareness among employees. The Group implements strict monitoring through the establishment of an ever-improving environmental management system. For details, please refer to the 2024/25 ESG report of the Company.

COMPLIANCE WITH LAWS AND REGULATIONS

During the Year and up to the date of this annual report, the Group has complied with all the relevant laws and regulations in the places where the Group operates in all material respects.

DEPENDENCE OF EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Group adopts market remuneration practices by reference to market terms, company performance, and individual qualifications and performance with well and organized management structures, so that no key and specific employee would materially and significantly affect the Group's success. Meanwhile, there are no major customers or major suppliers that cannot be replaced by other appropriate customers or suppliers. In this connection, no customer or supplier would have any material impact on the success of the Group's business performance.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 6 of this annual report.

RESULTS AND DISTRIBUTION

The results of the Group for the Year are set out in the Financial Statements. The Board has resolved to recommend the payment of a final dividend of HKD22.0 cents (equivalent to approximately RMB20.1 cents) per Share in respect of the Year.

NON-CURRENT ASSETS

Details of the acquisition and other movements of non-current assets during the Year are set out in Notes 15 to 22 and Notes 25 to 28 to the Financial Statements.

SHARE CAPITAL

Details of the movement in the Group's share capital during the Year are set out in Note 36 to the Financial Statements.

RESERVES

Details of the movements in the reserves of the Group during the Year are set out in Note 36 to the Financial Statements of which, the reserves available for distribution to shareholders of the Company amounted to approximately RMB6,065.6 million (FY2023/24: approximately RMB2,941.4 million).

BANK BORROWINGS

Details of bank borrowings of the Group as at March 31, 2025 are set out in Note 30 to the Financial Statements.

DONATIONS

The Group's charitable and other donations during the Year amounted to approximately RMB18.0 million (FY2023/24: approximately RMB19.1 million).

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The Directors during the Year and up to July 18, 2025 (being the Latest Practicable Date) were as follows:

Executive Directors:

Mr. Gao Dekang *(Chairman of the Board and CEO)*
Ms. Mei Dong
Ms. Huang Qiaolian
Mr. Rui Jinsong
Mr. Gao Xiaodong

Independent non-executive Directors:

Mr. Dong Binggen
Mr. Wang Yao
Dr. Ngai Wai Fung

All Directors were appointed for a fixed term of three years under their respective service contracts or appointment letters entered into with the Company, renewable automatically for successive terms of one year, until terminated by either party by giving a three-month written notice. In accordance with Article 84 of the Articles, at each annual general meeting of the Company, one-third of the Directors for the time being shall retire from office by rotation and these retiring Directors shall be eligible for re-election at that annual general meeting. Accordingly, Mr. Gao Dekang, Ms. Huang Qiaolian and Mr. Dong Binggen shall retire by rotation at the AGM.

None of the Directors has a service contract with the Company or any of its subsidiaries which is not terminable within one year without payment of compensation, other than statutory compensation.

INDEPENDENCE OF THE INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of its independent non-executive Directors the confirmation of his independence pursuant to Rule 3.13 of the Listing Rules and the Board considers the independent non-executive Directors to be independent.

DIRECTORS AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Directors and the senior management of the Group are set out in the section headed "Directors and Senior Management" in this annual report.

DIRECTORS AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES OR DEBENTURES

As at March 31, 2025, the interests and short positions of the Directors and chief executive of the Company in the shares of the Company or its associated corporations (within the meaning of Part XV of the SFO), which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which each of them had taken or deemed to have taken under the provisions of the SFO); or (b) to be recorded in the register required to be kept by the Company pursuant to section 352 of the SFO; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

(i) Long position in shares of the Company

Name of Director	Nature of interest	Number of Shares	Approximate percentage of interest in the Company (Note 1)
Mr. Gao Dekang	Interest of controlled corporation (Note 2)	262,479,999	2.27%
	Deemed interest (Note 3)	2,763,697	0.02%
	Settlor of discretionary trust and beneficiary of discretionary trust (Note 4)	1,314,862,385	11.39%
	Settlor of discretionary trust and beneficiary of discretionary trust (Note 5)	611,656,857	5.30%
	Settlor of discretionary trust and beneficiary of discretionary trust (Note 6)	2,836,311,202	24.58%
	Settlor of discretionary trust and beneficiary of discretionary trust (Note 7)	2,000,000,000	17.33%
Ms. Mei Dong	Deemed interest (Note 2)	262,479,999	2.27%
	Beneficial owner (Note 3)	2,763,697	0.02%
	Settlor of discretionary trust and beneficiary of discretionary trust (Note 4)	1,314,862,385	11.39%
	Settlor of discretionary trust and beneficiary of discretionary trust (Note 5)	611,656,857	5.30%
	Settlor of discretionary trust and beneficiary of discretionary trust (Note 6)	2,836,311,202	24.58%
	Settlor of discretionary trust and beneficiary of discretionary trust (Note 7)	2,000,000,000	17.33%
Ms. Huang Qiaolian	Beneficial owner (Note 8)	16,763,697	0.14%
Mr. Rui Jinsong	Beneficial owner (Note 8)	88,874,242	0.77%
Mr. Gao Xiaodong	Beneficiary of discretionary trust (Note 4)	1,314,862,385	11.39%
	Beneficiary of discretionary trust (Note 5)	611,656,857	5.30%
	Beneficiary of discretionary trust (Note 6)	2,836,311,202	24.58%
	Beneficiary of discretionary trust (Note 7)	2,000,000,000	17.33%

Notes:

1. The percentage represents the number of Shares interested divided by the total number of the issued Shares as at March 31, 2025 of 11,536,554,473.

2. These Shares were directly held by Kong Bo Development Limited. Kong Bo Development Limited is owned as to 80% by Lucky Pure Limited, which is in turn wholly owned by Mr. Gao Dekang. As Ms. Mei Dong is the spouse of Mr. Gao Dekang, Ms. Mei Dong is deemed to be interested in the 262,479,999 Shares interested by Mr. Gao Dekang under the SFO.

3. Mr. Gao Dekang is the spouse of Ms. Mei Dong. Thus, he is deemed to be interested in the 2,763,697 Shares held by Ms. Mei Dong under the SFO.

4. These Shares were directly held by New Surplus, which is wholly owned by Topping Wealth Limited. Topping Wealth Limited is owned as to 50% by Kova Group Limited and 50% by GDK and MD Family Holdings Limited, which are each wholly owned by separate trusts, and the trustee for both trusts is Cititrust Private Trust (Cayman) Limited. The trusts are discretionary trusts respectively set up by each of Mr. Gao Dekang and Ms. Mei Dong, for the benefit of his/her family members (including Mr. Gao Xiaodong). Accordingly, each of Mr. Gao Dekang, Ms. Mei Dong and Mr. Gao Xiaodong is deemed to be interested in such Shares under the SFO. Further, Topping Wealth Limited had conferred and assigned all its voting rights in New Surplus to Bo Flying Limited, which is wholly owned by Bosideng Corporation Limited, which in turn is owned as to 75.04% by Kangbo Holdings Group Co., Ltd. and 24.46% by Jiangsu Kangbo Investment Co., Ltd. (a company wholly owned by Mr. Gao Dekang). Kangbo Holdings Group Co., Ltd. is owned as to 81.56% by Jiangsu Kangbo Investment Co., Ltd. and 18.44% by Mr. Gao Dekang. Accordingly, each of Mr. Gao Dekang, Ms. Mei Dong, Kova Group Limited, GDK and MD Family Holdings Limited, Topping Wealth Limited, Cititrust Private Trust (Cayman) Limited, Bo Flying Limited, Bosideng Corporation Limited, Kangbo Holdings Group Co., Ltd. and Jiangsu Kangbo Investment Co., Ltd. is deemed to be interested in the 1,314,862,385 Shares held by New Surplus under the SFO.

   Mr. Gao Dekang is a director of each of New Surplus, Topping Wealth Limited, Lucky Pure Limited (as mentioned in note 2 above), Bo Flying Limited, Blooming Sky Ventures Limited (as mentioned in note 6 below), Kong Bo Investment Limited (as mentioned in note 6 below), Jiangsu Kangbo Investment Co., Ltd., Bosideng Corporation Limited and Kangbo Holdings Group Co., Ltd.

   Ms. Mei Dong is a director of Blooming Sky Ventures Limited (as mentioned in note 6 below).

   Mr. Gao Xiaodong is a director of Bosideng Corporation Limited and Kangbo Holdings Group Co., Ltd., and a general manager of Jiangsu Kangbo Investment Co., Ltd.

5. These Shares were directly held by Topping Wealth Limited (as mentioned in note 4 above).

6. These Shares were directly held by Kong Bo Investment Limited. Kong Bo Investment Limited is owned as to 90% by Blooming Sky Ventures Limited, which is owned as to 50% by Blooming Sky Investment Limited and 50% by The Wish Family Holdings Limited, which are each wholly owned by separate trusts, and the trustee for both trusts is BOS Trustee Limited. The trusts are discretionary trusts respectively set up by each of Mr. Gao Dekang and Ms. Mei Dong, for the benefit of his/her family members (including Mr. Gao Xiaodong). Accordingly, each of Mr. Gao Dekang, Ms. Mei Dong and Mr. Gao Xiaodong is deemed to be interested in such Shares under the SFO.

7. These Shares were directly held by Blooming Sky Ventures Limited (as mentioned in note 6 above).

8. Details of the Options and awarded Shares are set out in the sections headed "Share Option Scheme" and "Share Award Scheme" of this annual report, respectively.

Save as disclosed above, as at March 31, 2025, none of the Directors or chief executive of the Company had interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which each of them had taken or were deemed to have taken under the provisions of the SFO); or (b) to be recorded in the register required to be kept by the Company pursuant to section 352 of the SFO; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in this annual report, for the Year, at no time did the Company or any of its subsidiaries enter into any arrangement that would enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their respective spouses or children under the age of 18 were granted any right to subscribe for the share capital or debt securities of the Company or any other body corporate or had exercised any such right.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at March 31, 2025, according to the register of interests kept by the Company under section 336 of the SFO, and so far as was known to the Directors or chief executive of the Company, the following persons, other than Directors or the chief executive of the Company, had an interest or short position in the Shares which would be required to be disclosed by the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was directly or indirectly interested in 5% or more of the number of the issued Shares carrying rights to vote in all circumstances at a general meeting of the Company:

Name of shareholder	Nature of interest	Number of Shares in long position	Approximate percentage of interest in the Company (Note 7)
Jiangsu Kangbo Investment Co., Ltd.	Interest of controlled corporation (Note 1)	1,314,862,385	11.39%
Kangbo Holdings Group Co., Ltd.	Interest of controlled corporation (Note 1)	1,314,862,385	11.39%
Bosideng Corporation Limited	Interest of controlled corporation (Note 1)	1,314,862,385	11.39%
Bo Flying Limited	Interest of controlled corporation (Note 1)	1,314,862,385	11.39%
New Surplus	Beneficial interest (Note 1)	1,314,862,385	11.39%
Topping Wealth Limited	Interest of controlled corporation (Note 1)	1,314,862,385	11.39%
	Beneficial interest (Note 2)	611,656,857	5.30%
Kova Group Limited	Interest of controlled corporation (Note 3)	1,926,519,242	16.69%
GDK and MD Family Holdings Limited	Interest of controlled corporation (Note 3)	1,926,519,242	16.69%
Cititrust Private Trust (Cayman) Limited	Trustee (Note 3)	1,926,519,242	16.69%
Kong Bo Investment Limited	Beneficial interest (Note 4)	2,836,311,202	24.58%
Blooming Sky Ventures Limited	Interest of controlled corporation (Note 4)	2,836,311,202	24.58%
	Beneficial interest (Note 5)	2,000,000,000	17.33%
Blooming Sky Investment Limited	Interest of controlled corporation (Note 6)	4,836,311,202	41.92%
The Wish Family Holdings Limited	Interest of controlled corporation (Note 6)	4,836,311,202	41.92%
BOS Trustee Limited	Trustee (Note 5)	4,836,311,202	41.92%

Notes:

1. Same as the interests as disclosed in note 4 in the section headed "Directors and Chief Executive's Interests and Short Positions in Shares, Underlying Shares or Debentures" above.

2. Same as the interests as disclosed in note 5 in the section headed "Directors and Chief Executive's Interests and Short Positions in Shares, Underlying Shares or Debentures" above.

3. Same as the interests as disclosed in notes 4 and 5 in the section headed "Directors and Chief Executive's Interests and Short Positions in Shares, Underlying Shares or Debentures" above.

4. Same as the interests as disclosed in note 6 in the section headed "Directors and Chief Executive's Interests and Short Positions in Shares, Underlying Shares or Debentures" above.

5. Same as the interests as disclosed in note 7 in the section headed "Directors and Chief Executive's Interests and Short Positions in Shares, Underlying Shares or Debentures" above.

6. Same as the interests as disclosed in notes 6 and 7 in the section headed "Directors and Chief Executive's Interests and Short Positions in Shares, Underlying Shares or Debentures" above.

7. The percentage represents the number of Shares interested divided by the total number of the issued Shares as at March 31, 2025 of 11,536,554,473.

Save as disclosed above, as at March 31, 2025, no person had an interest or short position in the Shares which would require to be disclosed by the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or is directly or indirectly interested in 5% or more of the issued Shares carrying rights to vote in all circumstances at a general meeting of the Company.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

None of the Directors is or was interested in any business apart from the Group's business, which competes or is likely to compete (either directly or indirectly) with the Group's business at any time during the Year and up to the date of this annual report.

As disclosed in the Prospectus, Mr. Gao Dekang has entered into a Non-competition Deed (as defined in the Prospectus) dated September 15, 2007 in favor of the Company. Mr. Gao Dekang has provided the Group with a written confirmation that the Parent Group had fully complied with the Non-competition Deed as at the date of this annual report.

The independent non-executive Directors have, based on the information available to them, including information and confirmation provided by or obtained from the Parent Group, for the Year, conducted a review of the compliance with the Non-competition Deed and are of the view that: (i) the Parent Group has complied with the non-competition undertakings pursuant to the Non-competition Deed; and (ii) there have been no decisions taken in relation to whether to exercise the option pursuant to the Non-competition Deed and whether to pursue any business opportunities which may be referred or offered to the Group by the Parent Group pursuant to the Non-competition Deed.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as those transactions as disclosed under the section headed "Connected Transactions" and Note 40 to the Financial Statements under the section "Material Related Party Transactions", no Director or an entity connected with a Director had a material interest in any transaction, arrangement or contract of significance to the Group's business which was subsisting during the Year or as at March 31, 2025 in which the Group was a party.

REMUNERATION POLICY

The remuneration policy of the Group to reward its employees is based on their performance, qualifications and competence displayed.

The remuneration of the Directors recommended by the Remuneration Committee to the Board was determined with regard to the Company's operating results, individual performance and comparable market statistics.

Details of the remuneration of the Directors and of the five highest paid individuals in the Group are set out in Notes 12 and 13 to the Financial Statements, respectively.

PROVIDENT AND RETIREMENT BENEFIT SCHEMES

The Group's employees in mainland China participate in various defined contribution schemes provided by the relevant provincial and municipal governments under which the Group is required to make monthly contributions to these schemes. The Group's subsidiaries in the PRC contribute funds to the retirement schemes, which are calculated on a stipulated percentage of the average employee salary provided by the relevant provincial and municipal governments.

The Group has arranged for its Hong Kong employees to join the MPF Scheme. Under the MPF Scheme, each member of the Group in Hong Kong (the employer) and its employees are required by the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) to make monthly contributions to the MPF scheme at a rate which is generally equivalent to 5% of the employees' earnings. The monthly contributions of each of the employer and the employee are subject to a maximum contribution of HKD1,500 per month and thereafter contributions are voluntary.

The Group has arranged for its employees in the United Kingdom to join the National Insurance and the relevant pension scheme, respectively (collectively, the "UK Schemes"). Under the UK Schemes, each member of the Group in the United Kingdom (the employer) and its employees are required to make monthly contributions to the UK Schemes pursuant to the relevant laws and regulations. The Group's subsidiaries in the United Kingdom contribute funds to the UK Schemes, which are calculated on a stipulated percentage of the average employee salary provided by the government of the United Kingdom.

The Group has conducted relevant operations in Vietnam and Indonesia through respective joint ventures. In Vietnam, the Social Insurance Law has been strictly complied with, and all local employees are mandated to participate in the statutory social insurance plans in accordance with regulations. Under the current law, the plan covers three mandatory insurances: pension, health and unemployment, with employer contributions amounting to 21.5% and employee contributions at 10.5%. In Indonesia, the local Social Security Law is adhered to, and employees are required to participate in the national integrated social security program, with the employer responsible for approximately 11% and the employee for approximately 4% of the contribution rate.

The Group has no obligations to make further payments of post-retirement benefits beyond the above-mentioned contributions.

The Group's contributions to the retirement benefit schemes charged to the consolidated statement of comprehensive income for the Year were approximately RMB275,143,000 (FY2023/24: approximately RMB239,397,000). The Group's contributions made to the above defined contribution schemes are non-refundable and cannot be used to reduce the future or existing level of contribution of the Group should any forfeiture result from the schemes.

Details of the Group's contributions to the retirement benefit schemes are shown in Note 8 to the Financial Statements.

MANAGEMENT CONTRACTS

Save as disclosed below under the section headed "Connected Transactions" and the employment contracts, no contracts concerning the management and administration of the whole or any substantial part of the Company's business were entered into or existed during the Year.

CONNECTED TRANSACTIONS

The Group has entered into certain non-exempt continuing connected transactions and connected transactions with the Parent Group, which are subject to the reporting, announcement and/or independent shareholders' approval requirements under Chapter 14A of the Listing Rules. Certain related party transactions as disclosed in Note 40 to the Financial Statements also constituted non-exempt continuing connected transactions which were required to be disclosed in accordance with Chapter 14A of the Listing Rules. The Company has complied with the disclosure requirements of Chapter 14A of the Listing Rules in respect of the above-mentioned connected transactions.

Further details of these transactions are set out below, in the chapter headed "Relationship with Controlling Shareholders and Connected Transactions" of the Prospectus and in the Company's announcements dated March 11, 2010, January 9, 2012, April 22, 2013, June 26, 2014, December 23, 2014, March 23, 2016, March 28, 2017, March 22, 2019, May 27, 2019, December 20, 2021 and January 17, 2025, respectively, and circulars dated March 31, 2010, February 7, 2012, July 25, 2014, January 21, 2015, May 12, 2017, July 26, 2019, March 8, 2022 and March 7, 2025, respectively.

Save as those transactions as disclosed under this section and Note 40 to the Financial Statements under the section headed "Material Related Party Transactions", at no time during the Year had the Company or any of its subsidiaries entered into any contract of significance with the controlling shareholder of the Company or any of its subsidiaries, nor had any contract of significance been entered into for the services provided by the controlling shareholder of the Company or any of its subsidiaries to the Company or any of its subsidiaries.

FRAMEWORK MANUFACTURING OUTSOURCING AND AGENCY AGREEMENT

The Group outsourced the manufacturing process of down apparel, OEM products and/or its down related materials to the Parent Group on a non-exclusive basis. Under the existing framework manufacturing outsourcing and agency agreement, the Parent Group shall provide labor, factories, premises, necessary equipment, water and electricity for the processing of the down apparel products (including semi-finished and finished products), OEM products and/or down related materials of the Group. After determining the processing fee which is to be charged at the costs to be incurred for the processing services estimated by the Group and the applicable mark-up rate ranging from 5% to 10% (depending on the location, quantity and the turnaround time of the processing services required) (the "Estimated Cost"), the Company will then invite independent third parties to consider if they are able to provide the processing services on similar terms (i.e. quality, turnaround time, payment terms) at a fixed price (being the Estimated Cost) or any lower price they can offer. Should the terms offered by independent manufacturers be lower than the Estimated Cost with other terms better than or similar to those offered by the Parent Group, the Group will then appoint other outsourcing manufacturers for the processing of down apparel products, OEM products and/or its down related materials.

The existing framework manufacturing outsourcing and agency agreement had a term of three years from September 15, 2022 to September 14, 2025. The Company entered into the Renewed Framework Manufacturing Outsourcing and Agency Agreement on January 17, 2025, which had a term of three years from September 15, 2025 to September 14, 2028. Pursuant to the Renewed Framework Manufacturing Outsourcing and Agency Agreement, in addition to the above-mentioned manufacturing outsourcing and agency work, the Group may from time to time instruct the Parent Group to purchase raw materials from independent third-party suppliers for the Group's down apparel products and OEM products. The Group is not required to pay any agency fees to the Parent Group for the portion of raw materials purchased by the Parent Group as an agent, and the raw materials purchased are only used for the production of the Group's down apparel products and OEM products. The processing fees charged under the Renewed Framework Manufacturing Outsourcing and Agency Agreement will be determined in accordance with the same method as mentioned above. Subject to compliance by the Group with the relevant requirements applicable to continuing connected transactions under the Listing Rules, the Renewed Framework Manufacturing Outsourcing and Agency Agreement is renewable at the option of the Company for another term of three years or such other terms as agreed by the parties by giving at least three months' notice prior to the expiry of the term.

The annual caps of the existing framework manufacturing outsourcing and agency agreement and the Renewed Framework Manufacturing Outsourcing and Agency Agreement for the four financial years ending March 31, 2028, were RMB3,000,000,000, RMB3,440,000,000, RMB4,310,000,000 and RMB5,440,000,000, respectively.

The actual amount of fees paid or payable by the Group to the Parent Group for the Year was approximately RMB2,106,183,000 (FY2023/24: RMB1,649,049,000).

LEASE AGREEMENTS

As at March 31, 2025, the Parent Group leased 10 properties with a total area of approximately 50,698 square metres to the Group, which were mainly used as the Group's regional offices, stores, warehouses, archives room and showrooms, pursuant to the property lease agreement dated September 15, 2007 and agreements supplemental to the property lease agreement entered into between the Company and Mr. Gao Dekang.

The term of each lease granted under the original property lease agreement shall be no more than 20 years from the date thereof. Under the property lease agreement, the Group may terminate a lease of any premise, by giving a 30-day prior notice, at any time prior to its expiry at its sole discretion and without any penalty. The Parent Group, on the other hand, is not entitled to terminate any lease under the property lease agreement without the Group's consent.

On April 22, 2013, the Company and Mr. Gao Dekang entered into the supplemental lease agreement, pursuant to which the Parent Group agreed to lease additional premises in the PRC to the Group from time to time for a term of not more than three years from April 22, 2013 and has been renewed and further extended to April 21, 2028. The new leases to be entered into under the supplemental lease agreement shall, subject to compliance by the Group with the relevant requirements applicable to continuing connected transactions under the Listing Rules, be renewable at the option of the Company for another term of three years by giving at least three months' notice prior to the expiry of the term. Under the property lease agreement and its supplemental agreements, the annual rental paid and expected to be paid by the Group to the Parent Group for the leasing of properties have been determined on an arm's length basis by reference to the prevailing market condition in the PRC and the market rates of comparable properties, which in any event are not higher than the rent applicable to a third party tenant at the relevant time.

The annual caps of the property lease agreement and its supplemental agreements for the four financial years ending March 31, 2028, were RMB20,000,000, RMB24,000,000, RMB24,500,000 and RMB25,000,000, respectively.

During the year ended March 31, 2025, the Group recognised a right-of use asset and a lease liability of RMB5,047,000 (FY2023/24: RMB9,371,000).

FRAMEWORK INTEGRATED SERVICE AGREEMENT

The Parent Group had also provided the Group with various ancillary services, which currently include the provisions of hotel accommodation and property management services, which include repair and maintenance, security and general cleaning, for the properties occupied by the Group in the PRC, pursuant to the Framework Integrated Service Agreement.

The Framework Integrated Service Agreement had an initial term of three years from September 15, 2007 and had been renewed and further extended to September 14, 2028. Subject to compliance by the Group with the relevant requirements applicable to continuing connected transactions under the Listing Rules, the Framework Integrated Service Agreement is renewable at the option of the Company for another term of three years or such other term as agreed by the parties by giving at least three months' notice prior to the expiry of the term.

The service fees payable by the Group to the Parent Group under the Framework Integrated Service Agreement are determined with reference to:

(a) Hotel accommodation: the Company gathers publicly available pricing and hotel information for similar hotels from no less than two booking agencies and/or websites, which focus on hotels of comparable size and standard near those hotels operated by the Parent Group; and

(b) Property management services: the Company obtains tenders and fee quotations from no less than two independent property management service providers, in particular, the Company considers the following factors: (i) the location, type, quality and size of properties; (ii) the scope and standard of the services to be provided; (iii) the anticipated operational cost (including labor costs, material costs and administrative costs) for providing such services and the anticipated increase in the relevant costs due to inflation and economic development; (iv) guidance/regulations regarding fees for the relevant services in the PRC; (v) the prevailing market rate generally offered by independent service providers in respect of similar services; and/or (vi) the rate generally offered by the Parent Group to its independent customers in respect of similar services. The Company is aware that the prevailing market prices may fluctuate from time to time, and takes into account the above factors when determining whether the service fees are fair and reasonable.

The annual caps for the four financial years ending March 31 2028 are RMB22,000,000, RMB30,000,000, RMB35,000,000 and RMB40,000,000, respectively.

The actual amount of service fees paid or payable by the Group to the Parent Group for the Year was approximately RMB20,344,000 (FY2023/24: RMB17,202,000).

Pursuant to Rule 14A.55 of the Listing Rules, the independent non-executive Directors have confirmed that the continuing connected transactions set out above and in Note 40 to the Financial Statements were entered into:

(i) in the ordinary and usual course of business of the Group;

(ii) on normal commercial terms or on better terms to the Group than terms available to or from independent third parties; and

(iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Company's shareholders as a whole.

Pursuant to Rule 14A.56 of the Listing Rules, the Company engaged its auditor to perform certain agreed-upon procedures in respect of the continuing connected transactions set out above on a sample basis. The auditor has reported its factual findings on the selected samples based on the agreed procedures to the Board and has confirmed that the continuing connected transactions set out above have complied with the requirements under Rule 14A.56 of the Listing Rules.

EQUITY-LINKED AGREEMENT

Save as disclosed in the sections headed "Share Option Scheme", "Share Award Scheme" and "Convertible Bonds" below, no equity-linked agreements were entered into or renewed by the Company during the Year or subsisted as at March 31, 2025.

SHARE OPTION SCHEMES

2017 SHARE OPTION SCHEME

The adoption of the 2017 Share Option Scheme was approved by the shareholders of the Company on August 25, 2017. The terms of the 2017 Share Option Scheme are in accordance with the provisions of Chapter 17 of the Listing Rules.

The purpose of the 2017 Share Option Scheme is to replace the former share option scheme and to attract skilled and experienced personnel, to incentivize them to remain with the Company and to give effect to the customer-focused corporate culture of the Company, and to motivate them to strive for the future development and expansion of the Company, by providing them with the opportunity to acquire equity interests in the Company. The Board may, at its absolute discretion, offer any director (including independent non-executive directors), employee (whether full-time or part-time), consultant or advisor of the Group (who in the sole discretion of the Board has contributed or will contribute to the Group) Options to subscribe for Shares on the terms set out in the 2017 Share Option Scheme. The amount payable on acceptance of an Option is HKD1.00. Details of the 2017 Share Option Scheme were provided in the Company's circular dated July 26, 2017.

The 2017 Share Option Scheme shall be valid and effective for a period of 10 years from August 25, 2017 (the "Adoption Date"), after which no further Option will be granted or offered, but the provisions of the 2017 Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any subsisting Option granted prior to the expiry of this 10-year period or otherwise as may be required in accordance with the provisions of the 2017 Share Option Scheme. The 2017 Share Option Scheme was terminated on August 20, 2024.

The original maximum number of Shares in respect of which Options may be granted under the 2017 Share Option Scheme when aggregated with the maximum number of Shares in respect of which Options may be granted under any other scheme shall not exceed 10% of the Company's issued share capital on the Adoption Date (being 1,068,256,038 Shares, accounting for approximately 9.24% of the total number of issued Shares (excluding Treasury Shares) as at the Latest Practicable Date) without prior approval from the shareholders of the Company.

The period within which the Options must be exercised will be specified by the Company at the time of grant, and must expire no later than 10 years from the date of grant of the Option (being the date on which the Board makes a written offer of grant of the Option to the relevant proposed beneficiary) unless the Company obtains separate shareholders' approval in relation to such grant. The amount payable for each Share to be subscribed for under an Option upon exercise shall be not less than the highest of (a) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheet on the date of grant, which must be a business day; (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotation sheet for the five business days immediately preceding the date of grant; and (c) the nominal value of the Shares.

As the 2017 Share Option Scheme was terminated on August 20, 2024, no further options can be granted by the Company under the 2017 Share Option Scheme as at March 31, 2025 (as at March 31, 2024: 43,699,039). There are no service provider sub-limits stipulated under the 2017 Share Option Scheme.

2024 SHARE OPTION SCHEME

The adoption of the 2024 Share Option Scheme was proposed by the Board on July 26, 2024 and approved by the shareholders of the Company on August 20, 2024. The terms of the 2024 Share Option Scheme are in accordance with the provisions of Chapter 17 of the Listing Rules.

The purpose of the 2024 Share Option Scheme is to replace the 2017 Share Option Scheme and to attract skilled and experienced personnel, to incentivize them to remain with the Company and to give effect to the corporate culture of the Company, and to motivate them to strive for the future development and expansion of the Company, by providing them with the opportunity to acquire equity interests in the Company. The Board may, at its absolute discretion, offer any director (including independent non-executive directors), employee (whether full-time or part-time), consultant or advisor of the Group (who in the sole discretion of the Board has contributed or will contribute to the Group) Options to subscribe for Shares on the terms set out in the 2024 Share Option Scheme. The amount payable on acceptance of an Option is HKD1.00. Details of the 2024 Share Option Scheme were provided in the Company's circular dated July 29, 2024.

Unless otherwise terminated by the Board or the shareholders of the Company in general meeting in accordance with the terms of the 2024 Share Option Scheme, the 2024 Share Option Scheme shall be valid and effective for a period of 10 years from August 20, 2024 (the "Scheme Adoption Date"), after which no further Option will be granted or offered, but the provisions of the 2024 Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any subsisting Option granted prior to the expiry of this 10-year period or otherwise as may be required in accordance with the provisions of the 2024 Share Option Scheme. The remaining life of the 2024 Share Option Scheme is approximately 9 years.

The Company may issue new Shares and/or utilize existing Treasury Shares (if any) to satisfy grants of the Options under the 2024 Share Option Scheme. The maximum number of Shares in respect of which Options may be granted under the 2024 Share Option Scheme when aggregated with the maximum number of Shares in respect of which Options may be granted under any other scheme shall not exceed 10% of the issued share capital of the Company (excluding Treasury Shares) as at the Scheme Adoption Date (inclusive of 3% sublimit for grant to Service Providers) without prior approval from the Company's shareholders. As at the Scheme Adoption Date, the issued share capital of the Company comprised 11,036,521,385 Shares and the Company has no Treasury Shares as at the Scheme Adoption Date, as such, the maximum number of Shares which may be issued upon exercise of all Options to be granted under the 2024 Share Option Scheme and all options and/or awards to be granted under any other share scheme(s) of the Company (if any), in aggregate will be 1,103,652,138 Shares (including the 331,095,641 Shares to be granted to Service Providers).

The period within which the Options must be exercised will be specified by the Company at the time of grant, and must expire no later than 10 years from the date of grant of the Option (being the date on which the Board makes a written offer of grant of the Option to the relevant proposed beneficiary) unless the Company obtains separate shareholders' approval in relation to such grant. The vesting period of Options granted under the 2024 Share Option Scheme shall be determined by the Board and shall not be less than 12 months. However, Options granted may be subject to a shorter vesting period under certain circumstances, details of which are set out in the circular of the Company dated July 29, 2024.

The amount payable for each Share to be subscribed for under an Option upon exercise shall be not less than the highest of (a) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheet on the date of grant, which must be a business day; (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotation sheet for the five business days immediately preceding the date of grant; and (c) the nominal value of the Shares.

As of March 31, 2025, the Company can further grant 1,013,352,138 Options under the 2024 Share Option Scheme (as of March 31, 2024: 43,699,039 Options under the 2017 Share Option Scheme), representing approximately 8.76% of the issued share capital of the Company (excluding Treasury Shares) as at July 18, 2025, being the Latest Practicable Date. The service provider sublimit shall not exceed 331,095,641 shares.

Further information of the 2017 Share Option Scheme and 2024 Share Option Scheme is set out in Note 37 to the Financial Statements and details of the movement of the Options during the Year are included in the table as follows:

	Number of Options							
Category of participants	As at March 31, 2024	Granted during the Year	Exercised during the Year (Note 1)	Cancelled during the Year	Lapsed during the Year	**As at March 31, 2025 (Note 2)**	Date of grant (Note 4)	Exercise price (Note 3)
Directors								
Rui Jinsong	13,280,000	–	2,680,000	–	–	10,600,000	26/10/2018	HKD1.07
	6,000,000	–	6,000,000	–	–	–	23/04/2020	HKD1.94
	30,000,000	–	2,300,000	–	–	27,700,000	28/11/2023	HKD3.24
	49,280,000	–	10,980,000	–	–	38,300,000		
Huang Qiaolian	1,374,000	–	1,374,000	–	–	–	23/04/2020	HKD1.94
	5,000,000	–	–	–	–	5,000,000	28/11/2023	HKD3.24
	6,374,000	–	1,374,000	–	–	5,000,000		
Others								
Employees (Except Gao Jianting)	27,431,999	–	5,752,000	–	–	21,679,999	26/10/2018	HKD1.07
	105,072,000	–	105,072,000	–	–	–	23/04/2020	HKD1.94
	57,708,000	–	–	–	39,120,000	18,588,000	20/12/2021	HKD4.98
	472,580,000	–	55,954,000	–	27,630,000	388,996,000	28/11/2023	HKD3.24
	–	90,300,000	–	–	–	90,300,000	14/01/2025	HKD3.65
Gao Jianting (Note 5)	3,900,000	–	–	–	–	3,900,000	28/11/2023	HKD3.24
Consultant (Note 6)	100,000,000	–	–	–	100,000,000	–	23/10/2020	HKD3.41
	766,691,999	90,300,000	166,778,000	–	166,750,000	523,463,999		
Total	822,345,999	90,300,000	179,132,000	–	166,750,000	566,763,999		

Notes:

1. The weighted average closing prices of the Shares immediately before the dates on which the Options were exercised was approximately HKD4.64 (for Options exercised by Rui Jinsong, an executive Director), HKD4.46 (for Options exercised by Huang Qiaolian, an executive Director) and HKD4.43 (for Options exercised by employees), respectively.

2. As at March 31, 2025, the Company had a total of 566,763,999 outstanding Options, of which:

   2.1 32,279,999 Options were granted on October 26, 2018 under the 2017 Share Option Scheme, of which:

      2.1.1 10,709,999 Options had been vested and are exercisable during the period ending on October 25, 2028;

      2.1.2 7,180,000 Options shall be vested commencing from October 26, 2025 and ending on October 25, 2026, and are exercisable during the period ending on October 25, 2028;

2.1.3 7,180,000 Options shall be vested commencing from October 26, 2026 and ending on October 25, 2027, and are exercisable during the period ending on October 25, 2028; and

2.1.4 7,210,000 Options shall be vested and are exercisable during the period commencing from October 26, 2027 and ending on October 25, 2028;

2.2 18,588,000 Options were granted on December 20, 2021 under the 2017 Share Option Scheme and had been vested and are exercisable;

2.3 425,596,000 Options were granted on November 28, 2023 under the 2017 Share Option Scheme, of which:

2.3.1 85,746,000 Options had been vested and are exercisable during the period ending on July 27, 2027;

2.3.2 145,650,000 Options shall be vested and are exercisable during the period commencing from July 28, 2025 to July 27, 2027; and

2.3.3 194,200,000 Options shall be vested and are exercisable during the period commencing from July 28, 2026 to July 27, 2027;

2.4 90,300,000 Options were granted on January 14, 2025 under the 2024 Share Option Scheme, of which:

2.4.1 27,090,000 Options shall be vested and are exercisable during the period commencing from January 14, 2026 to January 13, 2029;

2.4.2 27,090,000 Options shall be vested and are exercisable during the period commencing from January 14, 2027 to January 13, 2029; and

2.4.3 36,120,000 Options shall be vested and are exercisable during the period commencing from January 14, 2028 to January 13, 2029.

3. The closing prices of the Shares immediately before the respective dates of grant (being October 26, 2018, December 20, 2021, November 28, 2023 and January 14, 2025) were HKD1.08, HKD4.89, HKD3.08 and HKD3.58 per Share, respectively.

4. The validity period for each batch of Options granted on October 26, 2018, December 20, 2021, November 28, 2023 and January 14, 2025 is 10 years, 48 months, 44 months and 48 months from the respective date of grant.

5. As disclosed in the announcement of the Company dated November 28, 2023, such 3,900,000 Options were granted to Mr. Gao Jianting, who is a core employee, and also son of Mr. Gao Dekang and Ms. Mei Dong.

6. As disclosed in the announcement of the Company dated October 23, 2020, such 100,000,000 Options were granted to Wise Triumph Group Limited (the "Consultant"), who is an independent consultancy company of the Group which provides multi-latitude strategic consulting services to the Group. The Board believes that the grant of the Options will help motivate the Consultant to continue to contribute to the future multi-latitude development and expansion of the Group, including but not limited to aspects such as brand, strategy and overall business development both in China and overseas. The vesting criteria and conditions include the overall consolidated financial results of the Group and the Consultant's own key performance indicators, including but not limited to the result indicators of the Bosideng brand for the relevant financial years as well as the objectives of the competitive strategies of the Bosideng brand, for the three financial years ended March 31, 2023. Such 100,000,000 Options lapsed during the Year as the vesting criteria and conditions were not met.

7. The percentage of the number of Shares that may be issued in respect of the Options granted under the 2024 Share Option Scheme during the Year divided by the weighted average number of Shares of the relevant classes in issue (excluding Treasury Shares) during the Year was approximately 0.8%.

8. The performance targets for the Share Option Schemes include both the business performance and financial performance targets of the Group and/or related business segment and/or individual key performance indicators for his/her unique role and responsibility in the relevant departments and/or business units. Options not vested or exercisable as a result of non-fulfillment of the performance-based conditions or not exercised during the relevant exercise periods shall lapse with immediate effect.

SHARE AWARD SCHEME

The Company adopted the Share Award Scheme on April 23, 2020 to replace the former share award scheme and to recognize and reward the contribution of certain eligible persons (including the directors and core management team of the Group) to the growth and development of the Group and to incentivize them for the growth and development of the Group through an award of Shares. The Share Award Scheme only involves existing Shares. Subject to any early termination of the Share Award Scheme and any resolutions by the Directors to renew the term of the Share Award Scheme, the Share Award Scheme shall remain in force for a period commencing on the adoption date, i.e. April 23, 2020, and will end on the business day immediately prior to the tenth (10th) anniversary of the said adoption date, i.e. April 22, 2030. The remaining life of the Share Award Scheme is approximately five years. The participants under the Share Award Scheme are any employees and directors of the Group based on the absolute discretion of the members of the senior management of the Company who are in charge of the finance department and human resources department of the Company, delegated with the power and authority by the Board to administer the Share Award Scheme.

The terms of the Share Award Scheme do not specify any amount required to be paid on the acceptance of awarded Shares and the pricing determination basis. The basis of determining the purchase price of the awarded Shares under the Share Award Scheme is 50% of the average closing price per Share as stated in the daily quotations sheets issued by the Stock Exchange for the five trading days immediately preceding the relevant date of grant.

The total number of Shares held by the Share Award Scheme trustee under the Share Award Scheme will not exceed 1.5% of the total issued Shares at any time and the maximum number of the awarded Shares which may be granted to a selected person at any one time or in aggregate may not exceed 1.5% of the total issued Shares as at the adoption date.

Further information of the awarded Shares granted pursuant to the Share Award Scheme is set out in Note 37 to the Financial Statements and the details of the movement of the awarded Shares during the Year are included in the table as follows:

		Number of awarded Shares					
Category of participants	Date of grant	Outstanding as at March 31, 2024 (Note 1)	Granted during the Year	Vested during the Year (Note 3)	Lapsed during the Year	**Outstanding as at March 31, 2025**	Purchase price per awarded Share (Note 4)
Directors							
Rui Jinsong	November 28, 2023	20,000,000	–	6,000,000	–	14,000,000	HKD1.62
		20,000,000	–	6,000,000	–	14,000,000	
Five highest paid individuals during the Year (Note 2)							
Employees	December 20, 2021	3,200,000	–	3,200,000	–	–	HKD2.49
Employees	November 28, 2023	22,500,000	–	6,750,000	3,710,000	12,040,000	HKD1.62
		25,700,000	–	9,950,000	3,710,000	12,040,000	
Others (in aggregate)							
Employees	December 20, 2021	3,200,000	–	1,600,000	1,600,000	–	HKD2.49
Employees	November 28, 2023	35,900,000	–	5,970,000	11,310,000	18,620,000	HKD1.62
Employees	January 14, 2025	–	8,000,000	–	–	8,000,000	HKD1.82
		39,100,000	8,000,000	7,570,000	12,910,000	26,620,000	
Total		84,800,000	8,000,000	23,520,000	16,620,000	52,660,000	

Notes:

1. The validity period for each batch of awarded Shares granted on December 20, 2021, November 28, 2023 and January 14, 2025 is 48 months, 44 months and 48 months from the respective date of grant.

2. One of the five highest paid individuals during the Year was Mr. Rui Jinsong. Information relating to his awarded Shares was shown under the category of Directors above.

3. The weighted average closing prices of the Shares immediately before the vesting date of the awarded Shares held by Mr. Rui Jinsong, the five highest paid individuals (including Mr. Rui Jinsong) and others were approximately HKD3.87, HKD3.92 and HKD3.92, respectively.

4. The closing price of the Shares immediately preceding the date of grant (i.e., January 14, 2025) was HKD3.58 per share.

5. The performance targets for the Share Award Scheme include both the business performance and financial results targets of the Group and/or each divisions and the performance of the selected persons, with specific key performance indicators set for unique roles and responsibilities. The awarded Shares not vested as a result of non-fulfillment of the performance-based conditions during the relevant vesting periods shall lapse with immediate effect, provided that the Company shall refund the amounts contributed by the selected persons to the relevant selected person.

6. During the Year, no awarded Share was cancelled.

7. The percentage obtained by dividing the number of Shares that may be issued under the awarded Shares granted pursuant to the Share Award Scheme during the Year by the weighted average number of issued Shares of the relevant class (excluding Treasury Shares) during the Year is 0% as only existing Shares are involved.

Since January 1, 2023, unless separately approved by the shareholders of the Company in general meeting (with the relevant eligible participant and such eligible participant's close associates (with the meaning ascribed thereto under the Listing Rules) (or such eligible participant's associates if such eligible participant is a connected person of the Company) abstaining from voting), no eligible participant shall be granted an Option or awarded Shares if such grant will result in the total number of Shares issued and to be issued in respect of all Options and awarded Shares granted (excluding any lapsed Options and awarded Shares) to such eligible participant in the 12-month period up to and including the date of such grant would in aggregate exceed 1% of the total number of issued Shares.

CONVERTIBLE BONDS

The Company completed the issue of the Convertible Bonds with an initial aggregate principal amount of USD275 million on December 17, 2019, raising net proceeds of approximately USD271 million, all of which had been used on or before the year ended March 31, 2021 in accordance with the intended use as disclosed in the Company's announcement dated December 5, 2019. For details of the usage, please refer to the "Convertible Bonds" section under the "Report of Directors" of the Company's 2020/21 annual report.

The Convertible Bonds bear simple coupon interest at 1% per annum, and the interest shall be payable semi-annually. The rights of the bondholders to convert the Convertible Bonds into Conversion Shares are as follows:

- subject to redemption options pursuant to the terms and conditions of the Convertible Bonds, conversion rights are exercisable at any time from January 27, 2020 to December 7, 2024 (both days inclusive) at the bondholders' option;
- at the initial conversion price being HKD4.91 per Share (subject to adjustments in the manner provided in the terms and conditions of the Subscription Agreement), the Convertible Bonds would be convertible into 438,470,977 Conversion Shares;
- since the issue of the Convertible Bonds on December 17, 2019 up to December 7, 2024 (being the latest date for exercising conversion rights), the conversion price has been adjusted to HKD3.83 per Share; and
- On December 7, 2022 (the optional put date), the Company redeemed the Convertible Bonds with an aggregate principal amount of USD28,400,000.

The Convertible Bonds matured on December 17, 2024. During the Year, the principal amount of Convertible Bonds redeemed was USD1,700,000. The total amount of Convertible Bonds exercised for conversion was USD244,900,000, resulting in a total of 500,587,088 Shares issued upon conversion. As of March 31, 2025, there were no remaining Convertible Bonds.

For further details of the Convertible Bonds, please refer to Note 33 to the Financial Statements and the Company's announcements dated December 5, 2019, December 17, 2019, August 21, 2020, December 3, 2020, August 20, 2021, December 1, 2021, August 22, 2022, November 24, 2022, August 22, 2023, December 18, 2023, and August 20, 2024, respectively.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Year, the Company repurchased a total of 64,206,000 Shares on the Stock Exchange for an aggregate consideration of HKD240,367,760. All the repurchased Shares were cancelled within the Year. Details of the repurchased Shares are as follows:

Month	Number of repurchased Shares	Maximum price paid per Share repurchased (HKD)	Minimum price paid per Share repurchased (HKD)	Total consideration (HKD)
January 2025	26,774,000	3.77	3.53	98,301,220
February 2025	20,932,000	3.83	3.70	79,196,240
March 2025	16,500,000	3.93	3.69	62,870,300

Save as disclosed above, the Company and its subsidiaries had not purchased, sold or redeemed any of the Company's listed securities.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles and the laws of the Cayman Islands, which would oblige the Company to offer new Shares on a pro-rata basis to existing shareholders of the Company.

TAX RELIEF AND EXEMPTION

The Directors are not aware of any tax relief and exemption available to the shareholders of the Company by reason of their holding of the Company's securities.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the total number of issued Shares were held by the public as at July 18, 2025 (being the Latest Practicable Date).

MAJOR SUPPLIERS AND CUSTOMERS

For the Year, the Group's five largest suppliers (comprising suppliers of down, fabric and ancillary materials) together accounted for approximately 38.1% of the Group's total raw material purchases and the largest supplier accounted for approximately 14.8% of the Group's total raw material purchases. None of the Directors, their associates or any shareholder of the Company (who or which, to the knowledge of the Directors, owns more than 5% of the number of issued Shares) had any equity interest in any of the Group's major suppliers.

For the Year, the Group's five largest customers accounted for less than 30% of the Group's revenue and none of the Directors, their associates or any shareholder of the Company (who or which to the knowledge of the Directors, owns more than 5% of the number of issued Shares) had any interest in any of the Group's major customers.

COMMITMENTS AND CONTINGENT LIABILITIES

Details of the commitments and contingent liabilities of the Group are set out in Note 39 to the Financial Statements.

INDEMNITY OF DIRECTORS

A permitted indemnity provision (as defined in section 469 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)) for the benefit of the Directors is currently in force and was in force throughout the Year.

SUBSEQUENT EVENTS

No material event happened subsequent to the Year and up to the date of this annual report.

AUDITOR

The Financial Statements have been audited by KPMG. A resolution for the re-appointment of KPMG as the Company's auditor will be proposed at the AGM.

By order of the Board
Gao Dekang
Chairman of the Board of Directors

Hong Kong, June 26, 2025

INDEPENDENT AUDITOR'S REPORT

KPMG

Independent auditor's report to the shareholders of Bosideng International Holdings Limited
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Bosideng International Holdings Limited ("the Company") and its subsidiaries ("the Group") set out on pages 115 to 226, which comprise the consolidated statement of financial position as at March 31, 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes, comprising material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at March 31, 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* ("the Code") together with any ethical requirements that are relevant to our audit of the consolidated financial statements in Cayman Islands, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTERS (CONTINUED)

Assessment of impairment of goodwill

Refer to note 17 to the consolidated financial statements and the accounting policies on page 126.

The Key Audit Matter	How the matter was addressed in our audit
For the purpose of impairment testing, goodwill in the consolidated statement of financial position is allocated to three cash-generating units ("CGUs") which are derived from the Group's acquisitions of three ladieswear businesses (including JESSIE brand, BUOU BUOU brand and Tianjin ladieswear). Management performed an impairment assessment at the year end to determine whether an impairment exits by estimating the recoverable amount of each CGU containing the goodwill. The recoverable amounts of the CGUs are determined based on the higher of fair value less costs of disposal and value-in-use. The recoverable amount of each CGU is determined by management by preparing discounted cash flow forecasts. An impairment loss is recognized when the recoverable amount is lower than the carrying amount of the relevant CGU. Management appointed an external valuer to assist the preparation of the discounted cash flow forecasts.	Our audit procedures to assess the impairment of goodwill included the following: • assessing management's identification of CGUs and the allocation of assets and liabilities to each CGU with reference to the requirements of the prevailing accounting standards; • assessing the qualification, experience and expertise of the external valuer appointed by management and considering their objectivity and independence; • engaging our internal valuation specialists to assist us in evaluating the valuation methodology adopted by management in the impairment assessment with reference to the requirements of the prevailing accounting standards and the discount rates applied in the discounted cash flow forecasts by benchmarking against those of comparable companies and external market data if available; • performing retrospective review by comparing the actual performance and the results for the current year with the forecasts adopted by management in the prior year and making enquiries with the management for any significant variations identified and considering if there was any indication of management bias;

KEY AUDIT MATTERS (CONTINUED)

Assessment of impairment of goodwill (continued)

Refer to note 17 to the consolidated financial statements and the accounting policies on page 126.

The Key Audit Matter	How the matter was addressed in our audit
The preparation of discounted cash flow forecasts involves the exercise of significant management judgement, in particular estimating the key assumptions including growth rates of future revenue, future margins and the discount rates applied. We identified assessing impairment of goodwill as a key audit matter because assessing impairment involves forecasting future cash flows which is complex and the determination of key assumptions could be subject to management bias.	• comparing the key assumptions in the discounted cash flow forecasts, including growth rates of future revenue, future margins, with the latest approved financial budgets, historical performance, management's forecasts, industry reports and business developments subsequent to the reporting date; • obtaining sensitivity analyses of the key assumptions adopted in the discounted cash flow forecasts and considering the resulting impact of changes in the key assumptions to the conclusions reached in the impairment assessments and whether there is any indication of management bias; and • assessing the reasonableness of the disclosures in the consolidated financial statements in respect of assessing impairment of goodwill with reference to the requirements of the prevailing accounting standards.

KEY AUDIT MATTERS (CONTINUED)

Valuation of inventories

Refer to note 23 to the consolidated financial statements and the accounting policies on page 137.

The Key Audit Matter	How the matter was addressed in our audit
Sales of inventories in the apparel industry can be volatile with consumer demand changing according to current fashion trends. The Group typically sells or disposes of off-season inventories at a discount. As a result, the actual future selling prices of these inventories may fall below their purchase costs. Inventories are measured at the lower of cost and net realizable value. If the net realizable values of these inventories fall below their costs, the difference is taken as write-down of inventories. In determining the net realizable value of inventories, management predicts the expected selling price of respective inventories with reference to their latest selling prices; and the salability of inventories based on the design of the inventory by seasons, the Group's sales and marketing strategies, the current retail market conditions and the historical experience of distributing and selling products of a similar nature.	Our audit procedures to assess the valuation of inventories included the following: • assessing the Group's inventory provisioning policy with reference to the requirements of the prevailing accounting standards; • assessing whether the inventory write-down at the end of the financial period was calculated on a basis consistent with the Group's inventory provisioning policy by re-calculating the write-down based on the percentages and other parameters in the Group's inventory provisioning policy; • performing retrospective review by comparing the actual sales of inventory during the reporting period with previous forecast to assess the reliability of management's judgement and whether there is any indication of management bias; • attending the Group's inventory counts to assess, on a sample basis, the quantity and condition of inventories at that date; • inspecting, on a sample basis, whether the inventory items were classified appropriately based on the design and season of the items by checking to the underlying documents which indicated the product season of the items;

KEY AUDIT MATTERS (CONTINUED)

Valuation of inventories (continued)

Refer to note 23 to the consolidated financial statements and the accounting policies on page 137.

The Key Audit Matter	How the matter was addressed in our audit
We identified the valuation of inventories as a key audit matter because of the significant judgement exercised by the management in determining the net realizable value of inventories, which involves predicting the expected selling prices and salability of inventories. These factors can be inherently uncertain and could be subject to management bias.	• comparing management's key estimations including selling prices and salability of inventories in the foreseeable future with the historical sales data for the prior year to assess whether there is any indication of management bias; • comparing, on a sample basis, whether inventories are sold at prices above their carrying values subsequent to the reporting date; and • enquiring of the management about any expected changes in plans for markdowns or disposals of off-season inventories and comparing their representations with actual sales transactions subsequent to the reporting date.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the disclosure requirements of the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are assisted by the audit committee of the Company (the "Audit Committee") in discharging their responsibilities for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Tse Wong Pui (practicing certificate number: P05157).

KPMG
Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

June 26, 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended March 31, 2025 (Expressed in Renminbi)

	Note	For the year ended March 31, 2025 RMB'000	2024 RMB'000
Revenue	6	**25,901,713**	23,214,033
Cost of sales		**(11,061,857)**	(9,380,493)
Gross profit		**14,839,856**	13,833,540
Other income	7	**492,098**	216,076
Selling and distribution expenses		**(8,523,799)**	(8,055,089)
Administrative expenses		**(1,652,317)**	(1,507,860)
Impairment losses on goodwill	17	**(171,000)**	(70,000)
Other expenses		**(17,955)**	(19,111)
Profit from operations		**4,966,883**	4,397,556
Finance income		**371,344**	374,212
Finance costs		**(167,028)**	(216,363)
Net finance income	10	**204,316**	157,849
Share of losses of associates and joint ventures	18,19	**(21,962)**	(14,195)
Profit before taxation		**5,149,237**	4,541,210
Income tax	11	**(1,596,494)**	(1,421,074)
Profit for the year		**3,552,743**	3,120,136
Other comprehensive income for the year:			
Item that will not be reclassified to profit or loss:			
Equity investments at fair value through other comprehensive income ("FVOCI") (after tax)			
– net movement in fair value (non-recycling)		**5,763**	8,669
		5,763	8,669
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of operations outside Mainland China		**88,275**	(49,832)
		88,275	(49,832)
Other comprehensive income for the year		**94,038**	(41,163)
Total comprehensive income for the year		**3,646,781**	3,078,973

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended March 31, 2025 (Expressed in Renminbi)

	Note	For the year ended March 31, 2025 RMB'000	2024 RMB'000
Profit attributable to:			
Equity shareholders of the Company		**3,513,913**	3,074,072
Non-controlling interests		**38,830**	46,064
Profit for the year		**3,552,743**	3,120,136
Total comprehensive income attributable to:			
Equity shareholders of the Company		**3,607,951**	3,032,909
Non-controlling interests		**38,830**	46,064
Total comprehensive income for the year		**3,646,781**	3,078,973
Earnings per share	14		
– basic (RMB cents)		**31.58**	28.34
– diluted (RMB cents)		**30.83**	27.52

The notes on pages 123 to 226 form part of these financial statements. Details of dividends payable to equity shareholders of the Company attributable to the profit for the year are set out in note 36(b).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at March 31, 2025 (Expressed in Renminbi)

	Note	At March 31, 2025 RMB'000	2024 RMB'000
Non-current assets			
Property, plant and equipment	15	**1,918,930**	1,543,951
Right-of-use assets	16	**1,611,913**	958,155
Intangible assets and goodwill	17	**1,138,169**	1,236,397
Interest in associates	18	**340,575**	52,558
Interest in joint ventures	19	**183,132**	200,789
Investment properties	20	**34,634**	264,702
Other financial assets	26	**458,256**	358,902
Derivative financial instruments	21	**3,754**	3,726
Deferred tax assets	22	**541,467**	497,703
Pledged bank deposits	27	**250**	18,336
Time deposits	28	**1,900,000**	1,570,000
Long-term receivables	25	**49,798**	47,374
		8,180,878	6,752,593
Current assets			
Inventories	23	**3,950,629**	3,197,497
Trade and bills receivables	24	**1,194,973**	1,497,900
Deposits, prepayments and other receivables	25	**1,552,547**	1,287,676
Amounts due from related parties	40	**469,685**	93,752
Other financial assets	26	**6,214,347**	3,963,011
Pledged bank deposits	27	**442,529**	653,095
Time deposits	28	**1,212,844**	2,098,666
Cash and cash equivalents	29	**4,184,838**	6,227,015
		19,222,392	19,018,612

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at March 31, 2025 (Expressed in Renminbi)

	Note	At March 31, 2025 RMB'000	2024 RMB'000
Current liabilities			
Current income tax liabilities		**324,446**	497,071
Interest-bearing borrowings	30	**896,063**	768,436
Lease liabilities	31	**450,473**	356,071
Trade and other payables	32	**7,834,399**	7,765,152
Amounts due to related parties	40	**3,024**	86,815
Convertible bonds	33	**–**	1,709,523
		9,508,405	11,183,068
Net current assets		**9,713,987**	7,835,544
Total assets less current liabilities		**17,894,865**	14,588,137
Non-current liabilities			
Deferred tax liabilities	22	**298,778**	309,021
Lease liabilities	31	**511,928**	384,423
Derivative financial instruments	21	**3,661**	3,655
Other non-current liabilities	34	**50,299**	71,553
		864,666	768,652
Net assets		**17,030,199**	13,819,485
Capital and reserves			
Share capital	36(c)	**863**	819
Reserves		**16,918,157**	13,734,617
Equity attributable to equity shareholders of the Company		**16,919,020**	13,735,436
Non-controlling interests		**111,179**	84,049
Total equity		**17,030,199**	13,819,485

Approved and authorized for issue by the board of directors on June 26, 2025.

Gao Dekang
Chairman of the Board of Directors

Gao Xiaodong
Director

The notes on pages 123 to 226 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2025 (Expressed in Renminbi)

	Attributable to the equity shareholders of the Company										
	Share capital RMB '000 (note 36(c))	Share premium RMB '000	Treasury shares held for the Share Award Scheme RMB '000 (note 35(b))	Capital reserves RMB '000 (note 36(d))	Statutory reserves RMB '000 (note 36(d))	Translation reserves RMB '000 (note 36(d))	Other reserves RMB '000	Retained earnings RMB '000	Total RMB '000	Non-controlling interests RMB '000	Total equity RMB '000
Balance at April 1, 2024	819	1,966,044	(207,370)	218,333	1,005,390	(645,783)	161,313	11,236,690	13,735,436	84,049	13,819,485
Total comprehensive income for the year:											
Profit for the year	–	–	–	–	–	–	–	3,513,913	3,513,913	38,830	3,552,743
Foreign currency translation differences – foreign operations	–	–	–	–	–	88,275	–	–	88,275	–	88,275
Net change in fair value of equity investment at fair value through other comprehensive income, net of tax (non-recycling)	–	–	–	–	–	–	5,763	–	5,763	–	5,763
Total comprehensive income for the year	–	–	–	–	–	88,275	5,763	3,513,913	3,607,951	38,830	3,646,781
Transactions with owners, recorded directly in equity											
Equity-settled share-based transactions (note 37)	13	486,453	–	154,674	–	–	–	–	641,140	–	641,140
Treasury shares granted for Share Award Scheme	–	–	62,984	(27,996)	–	–	–	–	34,988	–	34,988
Conversion and redemption of convertible notes (note 33)	36	2,001,609	–	–	–	–	(244,779)	–	1,756,866	–	1,756,866
Deregister of a subsidiary	–	–	–	–	(2,174)	–	–	2,174	–	–	–
Disposal of equity investment at fair value through other comprehensive income, net of tax (non-recycling)	–	–	–	–	–	–	77,703	(77,703)	–	–	–
Appropriation to reserves	–	–	–	–	9,745	–	–	(9,745)	–	–	–
Purchase of own shares (note 36 (c))	(5)	(222,726)	–	–	–	–	–	–	(222,731)	–	(222,731)
Dividends	–	–	–	–	–	–	–	(2,634,630)	(2,634,630)	(11,700)	(2,646,330)
	44	2,265,336	62,984	126,678	7,571	–	(167,076)	(2,719,904)	(424,367)	(11,700)	(436,067)
Balance at March 31, 2025	863	4,231,380	(144,386)	345,011	1,012,961	(557,508)	–	12,030,699	16,919,020	111,179	17,030,199

The notes on pages 123 to 226 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2025 (Expressed in Renminbi)

	Attributable to the equity shareholders of the Company										
	Share capital RMB '000 (note 36(c))	Share premium RMB '000	Treasury shares held for the Share Award Scheme RMB '000 (note 35(b))	Capital reserves RMB '000 (note 36(d))	Statutory reserves RMB '000 (note 36(d))	Translation reserves RMB '000 (note 36(d))	Other reserves RMB '000	Retained earnings RMB '000	Total RMB '000	Non-controlling interests RMB '000	Total equity RMB '000
Balance at April 1, 2023	818	1,928,764	(109,924)	144,772	1,001,472	(595,951)	152,644	10,024,516	12,547,111	57,258	12,604,369
Total comprehensive income for the year:											
Profit for the year	–	–	–	–	–	–	–	3,074,072	3,074,072	46,064	3,120,136
Foreign currency translation differences – foreign operations	–	–	–	–	–	(49,832)	–	–	(49,832)	–	(49,832)
Net change in fair value of equity investment at fair value through other comprehensive income, net of tax (non-recycling)	–	–	–	–	–	–	8,669	–	8,669	–	8,669
Total comprehensive income for the year	–	–	–	–	–	(49,832)	8,669	3,074,072	3,032,909	46,064	3,078,973
Transactions with owners, recorded directly in equity											
Equity-settled share-based transactions (note 37)	1	37,280	–	91,653	–	–	–	–	128,934	–	128,934
Treasury shares granted for Share Award Scheme	–	–	(97,446)	(15,945)	–	–	–	(13,566)	(126,957)	–	(126,957)
Deregister of subsidiaries	–	–	–	–	(182)	–	–	182	–	–	–
Acquisition of non-controlling interests without a change in control	–	–	–	(2,147)	–	–	–	–	(2,147)	(12,010)	(14,157)
Appropriation to reserves	–	–	–	–	4,100	–	–	(4,100)	–	–	–
Dividends	–	–	–	–	–	–	–	(1,844,414)	(1,844,414)	(7,263)	(1,851,677)
	1	37,280	(97,446)	73,561	3,918	–	–	(1,861,898)	(1,844,584)	(19,273)	(1,863,857)
Balance at March 31, 2024	819	1,966,044	(207,370)	218,333	1,005,390	(645,783)	161,313	11,236,690	13,735,436	84,049	13,819,485

The notes on pages 123 to 226 form part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT

for the year ended March 31, 2025 (Expressed in Renminbi)

	For the year ended March 31,	
	2025	2024
	RMB'000	RMB'000
Operating activities		
Profit for the year	**3,552,743**	3,120,136
Adjustments for:		
Income tax	**1,596,494**	1,421,074
Depreciation	**1,176,739**	1,181,198
Amortization	**49,537**	35,881
Impairment losses	**171,000**	70,000
Equity-settled share-based transactions	**161,587**	99,552
Dividend income from other financial assets	**(3,710)**	(1,427)
Net loss on disposal of property, plant and equipment and right-of-use assets	**37,745**	28,962
Net interest income	**(86,483)**	(9,672)
Unrealized/realized fair value change of financial instruments	**(139,861)**	(141,239)
Share of losses of associates and joint ventures	**21,962**	14,195
Operating profit before changes in working capital	**6,537,753**	5,818,660
Increase in inventories	**(753,132)**	(508,214)
Decrease/(increase) in trade and bills receivables and deposits, prepayments and other receivables	**158,422**	(503,605)
(Increase)/decrease in amounts due from related parties	**(337,933)**	70,556
Decrease in pledged bank deposits for bills payable	**228,652**	356,801
Increase in trade and other payables	**61,529**	3,429,131
(Decrease)/increase in amounts due to related parties	**(83,791)**	82,741
Cash generated from operations	**5,811,500**	8,746,070
Interest paid	**(110,119)**	(129,412)
Income tax paid	**(1,719,541)**	(1,277,876)
Net cash generated from operating activities	**3,981,840**	7,338,782

CONSOLIDATED CASH FLOW STATEMENT

for the year ended March 31, 2025 (Expressed in Renminbi)

	For the year ended March 31, 2025 RMB'000	2024 RMB'000
Investing activities		
Payments in relation to investments in associates and joint ventures	**(287,416)**	(28,821)
Payment in relation to acquisition of non-controlling interests in a subsidiary	**–**	(14,157)
Payment of a loan provided to an associate	**(20,000)**	(42,500)
Collection of a loan repaid by an associate	**–**	21,000
Advances to a joint venture	**(18,000)**	(3,000)
Collection of advances to a joint venture	**–**	3,000
Payments of loans provided to third parties	**–**	(57,000)
Payment for the purchase of property, plant and equipment	**(816,178)**	(559,973)
Payment for the acquisition of land use right	**(447,991)**	–
Payment for the purchase of intangible assets	**(67,667)**	–
Acquisition of other financial assets	**(6,416,092)**	(6,480,450)
Proceeds from disposal of other financial assets	**4,217,563**	6,549,371
Decrease/(increase) in time deposits	**555,822**	(2,022,482)
Dividend income from other financial assets	**3,710**	1,427
Interest received	**198,128**	207,095
Net cash used in investing activities	**(3,098,121)**	(2,426,490)
Financing activities		
Proceeds from interest-bearing borrowings	**610,000**	838,611
Repayment of interest-bearing borrowings	**(490,425)**	(838,611)
Payments for purchase of treasury shares	**–**	(149,787)
Payments for purchase of own shares	**(222,731)**	–
Proceeds from exercise of share options	**369,431**	29,382
Proceeds of upfront payment received from employees in connection with Share Award Scheme	**13,446**	102,219
Capital element of lease liabilities paid	**(562,530)**	(516,267)
Dividends paid	**(2,646,330)**	(1,845,102)
Payments for redemption of convertible bonds	**(12,221)**	–
Net cash used in financing activities	**(2,941,360)**	(2,379,555)
Net (decrease)/increase in cash and cash equivalents	**(2,057,641)**	2,532,737
Cash and cash equivalents at the beginning of the year	**6,227,015**	3,718,211
Effect of foreign currency exchange rate changes	**15,464**	(23,933)
Cash and cash equivalents at the end of the year	**4,184,838**	6,227,015

The notes on pages 123 to 226 form part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION OF THE REPORTING ENTITY

Bosideng International Holdings Limited (the "Company") was incorporated in the Cayman Islands on July 10, 2006 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. Its registered address is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The Company and its subsidiaries (collectively, the "Group") are principally engaged in the research, design and development, raw materials procurement, outsourced manufacturing, marketing and distribution of branded down apparel products, original equipment manufacturing ("OEM") products and non-down apparel products in the People's Republic of China (the "PRC").

The Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on October 11, 2007.

2 BASIS OF PREPARATION

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable IFRS Accounting Standards, which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards ("IASs") and Interpretations issued by the International Accounting Standards Board ("IASB"), and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities ("Listing Rules") on the Stock Exchange. Material accounting policies adopted by the Group is set out in note 4.

The IASB has issued certain amendments to IFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group and the Company. Note 3 provides information on any changes in accounting policies resulting from the initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

(b) Basis of measurement

The consolidated financial statements for the year ended March 31, 2025 comprise the Company and its subsidiaries and the Group's interest in associates and joint ventures.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

– other investments in securities (see note 4(d)); and

– derivative financial instruments (see note 4(e)).

2 BASIS OF PREPARATION (CONTINUED)

(c) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the entity ("functional currency"). These financial statements are presented in Renminbi ("RMB", the "presentation currency"). All financial information presented in RMB has been rounded to the nearest thousand except where otherwise stated. The functional currency of the Company is United States Dollars ("USD").

(d) Use of estimates and judgments

The preparation of the consolidated financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of IFRSs that have significant effect on the consolidated financial statements and major sources of estimation uncertainty are discussed in note 5.

3 CHANGES IN ACCOUNTING POLICIES

The Group has applied the following amendments to IFRS Accounting Standards issued by the IASB to these financial statements for the current accounting period:

- Amendments to IAS 1, *Presentation of financial statements – Classification of liabilities as current or non-current* ("2020 amendments") and amendments to IAS 1, *Presentation of financial statements – Non-current liabilities with covenants* ("2022 amendments")

- Amendments to IFRS 16, *Leases – Lease liability in a sale and leaseback*

- Amendments to IAS 7, *Statement of cash flows* and IFRS 7, *Financial instruments: Disclosures – Supplier finance arrangements*

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period. None of these amendments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented in this consolidated financial statement.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES

(a) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Intra-group balances and transactions, and any unrealized income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealized losses resulting from intra-group transactions are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

For each business combination, the Group can elect to measure any non-controlling interests ("NCI") either at fair value or at the NCI's proportionate share of the subsidiary's net identifiable assets. NCI are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. NCI in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between NCI and the equity shareholders of the Company.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

When the Group loses control of a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in that former subsidiary is measured at fair value when control is lost.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 4(j)(ii)), unless it is classified as held for sale (or included in a disposal group classified as held for sale).

(b) Associates and joint ventures

An associate is an entity in which the Group or the Company has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group or the Company has joint control, whereby the Group or the Company has the rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

An interest in an associate or a joint venture is accounted for using the equity method, unless it is classified as held for sale (or included in a disposal group classified as held for sale). They are initially recognised at cost, which includes transaction costs. Subsequently, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income ("OCI") of those investees, until the date on which significant influence or joint control ceases.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(b) Associates and joint ventures (continued)

When the Group's share of losses exceeds its interest in the associate or the joint venture, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method, together with any other long-term interests that in substance form part of the Group's net investment in the associate or the joint venture, after applying the expected credit losses ("ECL"s) model to such other long-term interests where applicable (see note 4(j)(i)).

Unrealized gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent there is no evidence of impairment.

In the Company's statement of financial position, an investment in an associate or a joint venture is stated at cost less impairment losses (see note 4(j)), unless it is classified as held for sale (or included in a disposal group classified as held for sale).

(c) Goodwill

Goodwill arising on acquisition of businesses is measured at cost less accumulated impairment losses and is tested annually for impairment (see note 4(j)).

(d) Other investments in securities

The Group's policies for investments in equity securities, other than investments in subsidiaries, associates and joint ventures, are set out below.

Investments in securities are recognized/derecognized on the date the Group commits to purchase/sell the investment. The investments are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at fair value through profit or loss ("FVPL") for which transaction costs are recognized directly in profit or loss. For an explanation of how the Group determines fair value of financial instruments, see note 38(f). These investments are subsequently accounted for as follows, depending on their classification:

(i) Non-equity investments

Non-equity investments are classified into one of the following measurement categories:

- amortized cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Expected credit losses, interest income from the investment is calculated using the effective interest method (see note 4(z)), foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(d) Other investments in securities (continued)

(i) Non-equity investments (continued)

- FVOCI – recycling, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses are recognized in profit or loss and computed in the same manner as if the financial asset was measured at amortized cost. The difference between the fair value and the amortized cost is recognized in OCI. When the investment is derecognized, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.

- FVPL, if the investment does not meet the criteria for being measured at amortized cost or FVOCI (recycling). Changes in the fair value of the investment (including interest) are recognized in profit or loss.

(ii) Equity investments

An investment in equity securities is classified as FVPL unless the investment is not held for trading purposes and on initial recognition the Group makes an irrevocable election to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognized in OCI. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. If such election is made for a particular investment, at the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained earnings and not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVPL or FVOCI, are recognized in profit or loss as other income in (see note 4(z)).

(e) Derivative financial instruments

Derivative financial instruments are initially measured at fair value. Subsequently, they are measured at fair value with changes therein recognized in profit or loss.

(f) Investment properties

Investment properties are land and/or buildings which are owned to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use and property that is being constructed or developed for future use as investment property.

Investment properties are measured at cost less accumulated depreciation and impairment losses (see note 4(j)(ii)). Cost includes expenditure that is directly attributable to the acquisition of the investment property. Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of 20 to 50 years. Depreciation methods, useful lives and residual values are re-assessed at the end of each reporting period and adjusted if appropriate. Rental income from investment properties is accounted for as described in note 4(w)(ii)(b).

When the Group changes the use of investment properties to own-occupied, investment properties are reclassified to property, plant and equipment, the property remains measured at cost less accumulated depreciation and impairment losses (see note 4(j)(ii)).

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(g) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses (see note 4(j)).

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labor, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs (see note 4(y)). Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, the cost or valuation of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

Items may be produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management. The proceeds from selling any such items and the related costs are recognized in profit or loss.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognized in profit or loss on the date of retirement or disposal. Any related revaluation surplus is transferred from the revaluation reserve to retained earnings and is not reclassified to profit or loss.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. Ongoing repairs and maintenance is expensed as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately. Freehold land with unlimited useful life is measured at cost and not depreciated.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(g) Property, plant and equipment (continued)

(iii) Depreciation (continued)

Depreciation is recognized in profit or loss using the straight-line method over the estimated useful lives of each component of an item of property, plant and equipment.

Depreciation is calculated to write off the cost or valuation of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

	Useful lives	Residual value
Land and buildings	20 – 50 years	0% ~ 10%
Machinery	5 – 10 years	4% ~ 10%
Motor vehicles and others	2 – 10 years	0% ~ 10%
Leasehold improvements	Over the shorter of the un-expired term of the lease and estimated useful lives	0%

Depreciation methods, useful lives and residual values are reviewed annually and adjusted if appropriate.

(h) Intangible assets (other than goodwill)

Expenditure on research activities is recognised in profit or loss as incurred. Development expenditure is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the resulting asset. Otherwise, it is recognised in profit or loss as incurred. Capitalized development expenditure is subsequently measured at cost less accumulated amortization and any accumulated impairment losses.

Other intangible assets, including customer relationship and trademark, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses (see note 4(j)(ii)). Intangible assets are not amortized while their useful lives are assessed to be indefinite.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Intangible assets (other than goodwill) (continued)

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, if any, and is generally recognised in profit or loss.

The principal estimated useful lives of the Group's intangible assets are as follows:

– Software and other intangible assets	1 – 10 years
– Customer relationship	3 – 15 years
– Trademark	20 years

Amortization methods and useful lives are reviewed annually and adjusted if appropriate.

(i) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. This is the case if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) As a lessee

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognizes a right-of-use asset and a lease liability, except for leases that have a short lease term of 12 months or less and leases of low-value such as certain properties. When the Group enters into a lease in respect of a low-value item, the Group decides whether to capitalize the lease on a lease-by-lease basis. If not capitalized, the associated lease payments are recognized in profit or loss on a systematic basis over the lease term.

Where the lease is capitalized, the lease liability is initially recognized at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortized cost and interest expense is recognized using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and are charged to profit or loss as incurred.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(i) Leased assets (continued)

(i) As a lessee (continued)

The right-of-use asset recognized when a lease is capitalized is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The Group's right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see notes 4(g) and 4(j)(ii)).

Refundable rental deposits are accounted for separately from the right-of-use assets in accordance with the accounting policy applicable to investments in non-equity securities carried at amortized cost (see notes 4(d)(i), 4(j)(i) and 4(z)). Any excess of the nominal value over the initial fair value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The lease liability is also remeasured when there is a lease modification, which means a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract, if such modification is not accounted for as a separate lease. In this case the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification.

In the consolidated statement of financial position, the current portion of long-term lease liabilities is determined as the present value of contractual payments that are due to be settled within twelve months after the reporting period.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(i) Leased assets (continued)

(ii) As a lessor

The Group determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. Otherwise, the lease is classified as an operating lease.

When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. The rental income from operating leases is recognized in accordance with note 4(w)(ii)(b).

(j) Credit losses and impairment of assets

(i) Credit losses from financial instruments

The Group recognizes a loss allowance for ECLs on:

– financial assets measured at amortized cost (including cash and cash equivalents, pledged bank deposits, time deposits with maturity over 3 months, trade and bills receivables, deposits, other receivables and receivables due from related parties including those loans to associates and joint ventures, that are held for the collection of contractual cash flows which represent solely payments of principal and interest).

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Generally, credit losses are measured as the present value of all expected cash shortfalls between the contractual and expected amounts.

The expected cash shortfalls are discounted using effective interest rate determined at initial recognition or an approximation thereof for fixed-rate financial assets, trade and bills receivables, deposits, other receivables and receivables due from related parties including those loans to associates and joint ventures, where the effect of discounting is material.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Credit losses and impairment of assets (continued)

(i) Credit losses from financial instruments (continued)

Measurement of ECLs (continued)

ECLs are measured on either of the following bases:

– 12-month ECLs: these are the portion of ECLs that result from default events within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months); and

– lifetime ECLs: these are the ECLs that result from all possible default events over the expected lives of the items to which the ECLs model applies.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-months ECLs:

– financial instruments that are determined to have low credit risk at the reporting date; and

– other financial instruments for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

Significant increases in credit risk

When determining whether the credit risk of a financial instrument has increased significantly since initial recognition and when measuring ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Credit losses and impairment of assets (continued)

(i) Credit losses from financial instruments (continued)

Significant increases in credit risk (continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

– failure to make payments of principal or interest on their contractually due dates;

– an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);

– an actual or expected significant deterioration in the operating results of the debtor; and

– existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

The Group considers a financial asset to be in default when:

– the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held);

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Credit losses and impairment of assets (continued)

(i) Credit losses from financial instruments (continued)

Credit-impaired financial assets

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

– significant financial difficulties of the debtor;

– a breach of contract, such as a default or past due event;

– the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;

– it is probable that the debtor will enter bankruptcy or other financial reorganisation; or

– the disappearance of an active market for a security because of financial difficulties of the issuer.

Write-off policy

The gross carrying amount of a financial asset is written off to the extent that there is no realistic prospect of recovery. This is generally the case when the Group otherwise determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Credit losses and impairment of assets (continued)

(ii) Impairment of other non-current assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units ("CGU"s). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the resulting carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(iii) Interim financial reporting and impairment

Under the requirement of the Listing Rules, the Group is required to prepare an interim financial report in compliance with IAS 34, *Interim financial reporting*, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (see notes 4(j)(i) and (ii)).

Impairment losses recognized in an interim period in respect of goodwill are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognized had the impairment been assessed only at the end of the financial year to which the interim period relates.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(k) Inventories

Inventories are measured at the lower of cost and net realizable value.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of production or conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(l) Contract liabilities

A contract liability is recognized when the customer pays non-refundable consideration before the Group recognizes the related revenue (see note 4(w)(i)). A contract liability is also recognized if the Group has an unconditional right to receive non-refundable consideration before the Group recognizes the related revenue. In such latter cases, a corresponding receivable is also recognized (see note 4(m)).

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see note 4(w)(i)).

(m) Trade and other receivables

A receivable is recognized when the Group has an unconditional right to receive consideration and only the passage of time is required before payment of that consideration is due.

Trade receivables that do not contain a significant financing component are initially measured at their transaction price. Trade receivables that contain a significant financing component and other receivables are initially measured at fair value plus transaction costs. All receivables are subsequently stated at amortized cost (see note 4(j)(i)).

(n) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated cash flow statement. Cash and cash equivalents are assessed for ECLs (see note 4(j)(i)).

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(o) Interest-bearing borrowings

Interest-bearing borrowings are recognized initially at fair value less transaction costs. Subsequently, these borrowings are stated at amortized cost using the effective interest method. Interest expense is recognized in accordance with note 4(y).

(p) Trade and other payables

Trade and other payables are initially recognized at fair value. Subsequent to initial recognition, trade and other payables are stated at amortized cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

(q) Convertible bonds that contain an equity component

Compound financial instruments issued by the Group comprise convertible bonds denominated in USD that can be converted to ordinary shares at the option of the holder, when the number of shares to be issued is fixed and does not vary with changes in fair value.

The liability component of compound financial instruments is initially recognized at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognized at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component is measured at amortized cost using the effective interest method. Interest is recognized in profit or loss. The equity component is not remeasured and is recognized in the capital reserve until the notes are converted.

If the notes are converted, the capital reserve, together with the carrying amount of the liability component at the time of conversion, is transferred to share capital and share premium as consideration for the shares issued.

(r) Employee benefits

(i) Short-term employee benefits and contributions to defined contribution retirement plans

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Obligations for contributions to defined contribution retirement plans are expensed as the related service is provided.

(ii) Termination benefits

Termination benefits are recognized at the earlier of when the Group can no longer withdraw the offer of those benefits and when it recognizes restructuring costs involving the payment of termination benefits.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(s) Share-based payment transactions

(i) Equity-settled share-based payment transaction with employees

The grant-date fair value of restricted share and share option granted to employees is measured using the Asian option model and binomial lattice model, respectively. The amount is generally recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service conditions at the vesting date. The equity amount is recognised in the capital reserve until either the option is exercised (when it is included in the amount recognised in share capital for the shares issued) or the option expires (when it is released directly to retained profits).

(ii) Equity-settled share-based payment transaction with parties other than employees

For equity-settled share-based payment transaction with parties other than employees, services are recognized as expenses when they are received with reference to the fair value of the services received, unless that fair value cannot be estimated reliably. If the entity cannot estimate reliably the fair value of the services received, the entity shall measure their value by reference to the fair value of the equity instruments granted. The fair value shall be measured at the date the counterparty renders service.

(t) Repurchase of shares

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognised as a deduction from equity and classified as treasury shares.

When the repurchased shares are cancelled, the share capital shall be eliminated according to the number of shares and par value of cancelled shares, the difference between the carrying amount of the treasury shares and the share capital are recognised in reserve.

(u) Income tax

Income tax expense comprises current tax and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.

Current tax comprises the estimated tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects any uncertainty related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(u) Income tax (continued)

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

- temporary differences related to investment in subsidiaries, associates and joint venture to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;

- taxable temporary differences arising on the initial recognition of goodwill; and

- those related to the income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two model rules published by the Organization for Economic Co-operation and Development.

The Group recognized deferred tax assets and deferred tax liabilities separately in relation to its lease liabilities and right-of-use assets.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognize a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax assets and liabilities are offset only if certain criteria are met.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(v) Provisions and contingent liabilities

Generally provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability.

A provision for warranties is recognised when the underlying products or services are sold, based on historical warranty data and a weighting of possible outcomes against their associated probabilities.

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under that contract and an allocation of other costs directly related to fulfilling that contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract (see note 4(j)(ii)).

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, a separate asset is recognised for any expected reimbursement that would be virtually certain. The amount recognised for the reimbursement is limited to the carrying amount of the provision.

(w) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods, the provision of services or the use by others of the Group's assets under leases in the ordinary course of the Group's business.

Further details of the Group's revenue and other income recognition policies are as follows:

(i) Revenue from contracts with customers

The Group is the principal for its revenue transactions and recognizes revenue on a gross basis, including the sale of apparel products that are sourced externally. In determining whether the Group acts as a principal or as an agent, it considers whether it obtains control of the products before they are transferred to the customers. Control refers to the Group's ability to direct the use of and obtain substantially all of the remaining benefits from the products.

Revenue is recognized when control over a product or service is transferred to the customer, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties such as value added tax or other sales taxes.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(w) Revenue and other income (continued)

(i) Revenue from contracts with customers (continued)

(a) Sale of goods

Revenue is recognized when the customer takes possession of and accepts the products. If the products are a partial fulfilment of a contract covering other goods and/or services, then the amount of revenue recognized is an appropriate proportion of the total transaction price under the contract, allocated between all the goods and services promised under the contract on a relative stand-alone selling price basis.

The Group has applied the practical expedient that for sales contracts that had an original expected duration of one year or less, the Group has not disclosed the information related to the aggregated amount of the transaction price allocated to the remaining performance obligations in accordance with paragraph 121(a) of IFRS 15.

(b) Royalty income

Royalties represent brand authorization business that the Group provides customers with the right to use brands and charges authorization fees. Royalty income is recognized on an accrual basis in accordance with the substance of the relevant agreements.

(ii) Revenue from other sources and other income

(a) Government grants

Government grants are recognized in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them.

Grants that compensate the Group for expenses incurred are recognized as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred.

Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognized in profit or loss over the useful life of the asset by way of reduced depreciation expense.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(w) Revenue and other income (continued)

(ii) Revenue from other sources and other income (continued)

(b) Rental income from operating leases

Rental income from operating leases is recognized in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income, over the term of the lease. Variable lease payments that do not depend on an index or a rate are recognized as income in the accounting period in which they are earned.

(x) Translation of foreign currencies

Transactions in foreign currencies are translated into the respective functional currencies of group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognized in profit or loss.

The assets and liabilities of foreign operations are translated into Renminbi at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Renminbi at the exchange rates at the dates of the transactions.

Foreign currency differences are recognized in OCI and accumulated separately in equity in the exchange reserve, except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the exchange reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. On disposal of a subsidiary that includes a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation that have been attributed to the NCI shall be derecognized, but shall not be reclassified to profit or loss. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(y) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

(z) Finance income and finance costs

The Group's finance income and finance costs include:

- interest income;
- interest expense;
- the net realized/unrealized gain or loss on financial assets at FVPL;
- the foreign currency gain or loss on financial assets and financial liabilities;
- dividend income:
    - dividend income from unlisted investments is recognized when the shareholder's right to receive payment is established.
    - dividend income from listed investments is recognized when the share price of the investment goes ex-dividend.

Interest income is recognized using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired). However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(aa) Related parties

(a) A person, or a close member of that person's family, is related to the Group if that person:

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or the Group's parent.

(b) An entity is related to the Group if any of the following conditions applies:

(i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(bb) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

5 ACCOUNTING JUDGMENT AND ESTIMATES

Accounting judgements and sources of estimation uncertainty

Notes 11, 17, 21, 24, 25, 26, 32 and 37 contain information about the assumptions and their risk factors relating to income tax, goodwill impairment, impairment for bad and doubtful debts, fair value of financial instruments, contract liabilities and fair value of share options and restricted shares granted. Other critical accounting judgements and key sources of estimation uncertainty are as follows:

(a) Net realizable value of inventories

The Group reviews the carrying amounts of inventories at each reporting date to determine whether the inventories are carried at lower of cost and net realizable value in accordance with the accounting policy set out in note 4(k). Management calculates the inventory provision based on the forecast net realizable value of sales of inventories. The forecast quantities to be sold and the corresponding selling prices are prepared based on the Group's sales and marketing strategies, the current market conditions, the historical experience of distributing and selling products of a similar nature and the aging information of the relevant inventories. Any change in the assumptions would increase or decrease the amount of inventories write-down or the related reversals of write-down and affect the Group's profit and net asset value.

5 ACCOUNTING JUDGMENT AND ESTIMATES (CONTINUED)

Accounting judgements and sources of estimation uncertainty (continued)

(b) Impairment for non-current assets

The management determines the impairment loss on non-current assets other than goodwill if circumstances indicate that the carrying value of an asset may not be recoverable. The carrying amounts of assets are reviewed periodically in order to assess whether the recoverable amounts have declined below the carrying amounts. These assets are tested for impairment whenever events or changes in circumstances indicate that their recorded carrying amounts may not be recoverable. When such a decline has occurred, the carrying amount is reduced to recoverable amount. Goodwill is tested annually for impairment. Management assesses impairment of goodwill by preparing discounted cash flow forecasts for each CGU to which goodwill has been allocated and comparing the net present value of the forecast cash flows with the carrying values of the related assets.

The recoverable amount is the greater of the fair value less costs to sell and the value in use. In determining the value in use, expected cash flows generated by the asset are discounted to their present value, which requires significant judgment relating to level of sales volume, sales revenue and amount of operating costs. The Group uses all readily available information in determining an amount that is a reasonable approximation of recoverable amount, including estimates based on reasonable and supportable assumptions and projections of sales volume, sales revenue and amount of operating costs.

(c) Determining the lease term

As explained in policy note 4(i), the lease liability is initially recognized at the present value of the lease payments payable over the lease term. In determining the lease term at the commencement date for leases that include renewal options exercisable by the Group, the Group evaluates the likelihood of exercising the renewal options taking into account all relevant facts and circumstances that create an economic incentive for the Group to exercise the option, including favourable terms, leasehold improvements undertaken and the importance of that underlying asset to the Group's operation. The lease term is reassessed when there is a significant event or significant change in circumstance that is within the Group's control. Any increase or decrease in the lease term would affect the amount of lease liabilities and right-of-use assets recognized in future years.

6 REVENUE AND SEGMENT REPORTING

The Group manages its businesses by divisions, which are organized by business lines (products and services). In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has identified the following four major operating segments. Certain operating segments have been aggregated to form the following reportable segments.

- Down related apparels – The down related apparels segment carries on the business of sourcing and distributing branded down and related apparels and certain brand authorization.

- OEM management – The OEM management segment carries on the business of sourcing and distributing OEM products.

6 REVENUE AND SEGMENT REPORTING (CONTINUED)

- Ladieswear apparels – The ladieswear apparels segment carries on the business of sourcing and distributing branded ladieswear apparels.

- Diversified apparels – The diversified apparels segment carries on the business of sourcing and distributing non-seasonal apparels, including school uniforms and children's wear.

(a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

	For the year ended March 31,	
	2025	2024
	RMB'000	RMB'000
Revenue from contracts with customers within the scope of IFRS 15		
Disaggregated by major products or service lines		
– Sales of apparels	**25,623,739**	23,041,393
– Royalty income	**276,863**	168,274
Revenue from other sources		
Gross rentals from investment properties	**1,111**	4,366
Consolidated revenue	**25,901,713**	23,214,033

All revenue was recognized at point in time except for rental income from investment properties.

Disaggregation of revenue from contracts with customers by geographic markets is disclosed in note 6(d).

(b) Segment results

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments.

Segment profit represents revenue less cost of sales, and includes selling and distribution expenses and administrative expenses directly attributable to the segment. Items that are not specifically attributable to individual segments, share of losses of associates and joint ventures, finance income, finance costs, government grants, and unallocated head office and corporate expenses are not included in segment profit.

6 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment results (continued)

In addition to receiving segment information concerning segment profit, management is also provided with segment information concerning amortization expenses and impairment losses recognized in profit or loss during the reporting period on intangible assets and goodwill.

A measurement of segment assets and liabilities is not provided regularly to the Group's most senior executive management, and accordingly, no segment assets or liabilities information is presented.

Disaggregation of revenue from contracts with customers and revenue from other sources by the information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the years ended March 31, 2025 and 2024 is set out below.

	For the year ended March 31, 2025				
	Down related apparels RMB'000	**OEM management RMB'000**	**Ladieswear apparels RMB'000**	**Diversified apparels RMB'000**	**Group RMB'000**
Revenue from external customers	**21,668,201**	**3,373,407**	**651,151**	**208,954**	**25,901,713**
Inter-segment revenue	**41,713**	**41,926**	**–**	**22,803**	**106,442**
Reportable segment revenue	**21,709,914**	**3,415,333**	**651,151**	**231,757**	**26,008,155**
Reportable segment profit/(losses)	**4,976,636**	**465,279**	**(109,069)**	**(25,988)**	**5,306,858**
Amortization of intangible assets	**–**	**–**	**(35,881)**	**–**	**(35,881)**
Impairment losses on goodwill	**–**	**–**	**(171,000)**	**–**	**(171,000)**

	For the year ended March 31, 2024				
	Down related apparels RMB'000	OEM management RMB'000	Ladieswear apparels RMB'000	Diversified apparels RMB'000	Group RMB'000
Revenue from external customers	19,521,311	2,669,712	819,800	203,210	23,214,033
Inter-segment revenue	21,715	25,595	–	32,120	79,430
Reportable segment revenue	19,543,026	2,695,307	819,800	235,330	23,293,463
Reportable segment profit/(losses)	4,350,179	260,871	(20,805)	(1,617)	4,588,628
Amortization of intangible assets	–	–	(35,881)	–	(35,881)
Impairment losses on goodwill	–	–	(70,000)	–	(70,000)

6 REVENUE AND SEGMENT REPORTING (CONTINUED)

(c) Reconciliations of reportable segment revenues, profit before taxation

	For the year ended March 31, 2025 RMB'000	2024 RMB'000
Revenue		
Reportable segment revenue	**26,008,155**	23,293,463
Elimination of inter-segment revenue	**(106,442)**	(79,430)
Consolidated revenue	**25,901,713**	23,214,033

	For the year ended March 31, 2025 RMB'000	2024 RMB'000
Profit before taxation		
Reportable segment profit	**5,306,858**	4,588,628
Amortization of intangible assets	**(35,881)**	(35,881)
Government grants (note 7)	**492,098**	216,076
Impairment losses on goodwill (note 17)	**(171,000)**	(70,000)
Share of losses of associates and joint ventures	**(21,962)**	(14,195)
Finance income (note 10)	**371,344**	374,212
Finance costs (note 10)	**(167,028)**	(216,363)
Unallocated expenses	**(625,192)**	(301,267)
Consolidated profit before taxation	**5,149,237**	4,541,210

(d) Geographic information

Except for land and buildings and investment properties with the aggregate carrying amount of RMB259,861,000 (March 31, 2024: RMB250,016,000) located in the United Kingdom, all of the Group's land and buildings and investment properties are located in mainland China at March 31, 2025.

The geographical location information of property, plant and equipment and investment property is based on the physical location of the assets.

The following table sets out information about the geographical location of the Group's revenue from external customers. The geographical location of customers is based on the location at which the services were provided or the goods delivered to.

6 REVENUE AND SEGMENT REPORTING (CONTINUED)

(d) Geographic information (continued)

	For the year ended March 31, 2025 RMB'000	2024 RMB'000
PRC	**24,714,804**	21,817,412
North America	**493,777**	677,788
Europe and other regions	**693,132**	718,833
	25,901,713	23,214,033

7 OTHER INCOME

	For the year ended March 31, 2025 RMB'000	2024 RMB'000
Government grants	**486,279**	214,718
Refund of service fees charged for withholding individual income tax	**5,819**	1,358
	492,098	216,076

The Group received unconditional discretionary grants amounting to RMB486,279,000 for the year ended March 31, 2025 (for the year ended March 31,2024: RMB214,718,000) from various local PRC government authorities.

8 PERSONNEL EXPENSES

	For the year ended March 31, 2025 RMB'000	2024 RMB'000
Salaries, wages and other benefits	**2,136,627**	2,317,612
Equity-settled share-based payments (note 37)	**161,587**	99,552
Contributions to defined contribution plans	**275,143**	239,397
	2,573,357	2,656,561

Employees of the Group's PRC subsidiaries are required to participate in defined contribution retirement schemes administered and operated by the local municipal governments where the subsidiaries are registered. The Group's PRC subsidiaries contribute funds which are calculated on certain percentages of the average employee salary as agreed by the respective local municipal government to the schemes to fund the retirement benefits of the employees. The Group remits all pension fund contributions to the respective tax bureau, which are responsible for the payment and liabilities relating to the pension funds.

8 PERSONNEL EXPENSES (CONTINUED)

The Group also operates a Mandatory Provident Fund Scheme ("the MPF scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed in Hong Kong under the Employment Ordinance and not previously covered by the defined benefit retirement plan. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HKD 30,000. Contributions to the plan vest immediately.

The Group has arranged for its employees in the United Kingdom to join the National Insurance and the relevant pension scheme, respectively (collectively, the "UK Schemes"). Under the UK Schemes, each member of the Group in the United Kingdom (the employer) and its employees are required to make monthly contributions to the UK Schemes pursuant to the relevant laws and regulations. The Group's subsidiaries in the United Kingdom contribute funds to the UK Schemes, which are calculated on a stipulated percentage of the average employee salary provided by the government of the United Kingdom.

The Group has conducted relevant operations in Vietnam. In Vietnam, the Group strictly complies with the Social Insurance Law, mandating all local employees to participate in the statutory social insurance plans in accordance with regulations. Under the current law, the plan covers three mandatory insurances: pension, health and unemployment, with employer contributions amounting to 21.5% and employee contributions at 10.5%.

The Company's and its subsidiaries' contributions made to the above defined contribution schemes are non-refundable and cannot be used to reduce the future or existing level of contribution of the Company and its subsidiaries should any forfeiture be resulted from the schemes.

The Group has no other material obligation for the payment of retirement benefits other than the contributions described above.

9 EXPENSE BY NATURE

The following expenses are included in cost of sales, selling and distribution expenses and administrative expenses:

	For the year ended March 31,	
	2025	2024
	RMB'000	RMB'000
Cost of inventories recognized as expenses included in cost of sales	**11,061,857**	9,380,493
Depreciation		
– assets leased out	**7,398**	9,276
– owned property, plant and equipment	**590,662**	687,061
– right-of-use assets	**578,679**	484,861
Amortization charge		
– intangible assets	**49,537**	35,881
Impairment losses on goodwill	**171,000**	70,000
Lease charge of short-term leases exempt from capitalization under IFRS16	**93,176**	117,765
Variable lease payments	**1,944,733**	1,916,759
Auditors' remuneration of audit service	**5,600**	5,600

10 NET FINANCE INCOME

	For the year ended March 31, 2025 RMB'000	2024 RMB'000
Recognized in profit or loss:		
Interest income on bank deposits, loan receivable due from a related party and long-term receivables	**231,792**	200,509
Interest income on other financial assets measured at amortized cost (note 26(a))	**18**	2,566
Total interest income on financial assets	**231,810**	203,075
Unrealized/realized net gain in financial assets classified as FVPL (note 26(c))	**139,861**	140,518
Dividend income (note 26(b))	**3,710**	1,427
Changes in fair value of derivative financial instruments (note 21)	**22**	721
Net foreign exchange (loss)/gain	**(4,059)**	28,471
Finance income	**371,344**	374,212
Interest on interest-bearing borrowings and discounted bills and other finance cost	**(52,122)**	(73,256)
Interest on convertible bonds (note 33)	**(44,147)**	(70,685)
Bank charges	**(21,679)**	(22,960)
Interest expenses on lease liabilities	**(49,080)**	(49,462)
Finance costs	**(167,028)**	(216,363)
Net finance income recognized in profit or loss	**204,316**	157,849

11 INCOME TAX

(a) Income tax in profit or loss represents:

	For the year ended March 31, 2025 RMB'000	2024 RMB'000
Current tax		
Provision for income tax for the year	**1,639,508**	1,105,942
Deferred tax		
Origination and reversal of temporary differences (note 22(a))	**(43,014)**	315,132
	1,596,494	1,421,074

11 INCOME TAX (CONTINUED)

(a) Income tax in profit or loss represents: (continued)

(i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands ("BVI"), the Group is not subject to any income tax in the Cayman Islands and the BVI.

(ii) No tax provision has been made for Bosideng UK Limited and Bosideng Retail Limited, as they do not have assessable profits subject to any income tax in the United Kingdom during the years ended March 31, 2025 and 2024.

(iii) The provision includes provision for PRC income tax, provision for Hong Kong income tax and provision for Singapore income tax. Provision for PRC income tax is based on the respective applicable rates on the estimated assessable income of each of the Group's subsidiaries in the PRC as determined in accordance with the relevant income tax rules and regulations of the PRC. Provision for Hong Kong income tax is calculated at Hong Kong Profits Tax rate 16.5% on the estimated assessable Hong Kong profits for the years ended March 31, 2025 (2024: 16.5%). Provision for Singapore income tax is calculated at Singapore Profits Tax rate 17.0% on the estimated assessable Singapore profits for the years ended March 31, 2025.

For the year ended March 31, 2025, the standard income tax rate for all domestic companies established in the PRC was 25%, except for Shanghai Bosideng Information Technology Co., Ltd., You Nuo (Tianjin) Clothing Limited ("You Nuo"), and Xizang Bosideng Fashion Co., Ltd.. Shanghai Bosideng Information Technology Co., Ltd. was granted a preferential rate of 15% for high-tech enterprises for three years starting from 2022, and You Nuo was granted a preferential rate of 15% for high-tech enterprises for three years starting from 2024. The applicable tax rate of Xizang Bosideng Fashion Co., Ltd. is 9%.

(iv) Under the Enterprise Income Tax Law ("EIT Law") and its relevant regulations, dividends receivable by non-PRC resident enterprises from PRC resident enterprises for earnings accumulated beginning on January 1, 2008 are subject to withholding tax at a rate of 10% unless reduced by tax treaties or agreements. Under the tax arrangement between the mainland China and the Hong Kong Special Administrative Region of the PRC, a qualified Hong Kong tax resident which is the "beneficial owner" and holds 25% or more of the equity interest of a PRC resident enterprise is entitled to a reduced dividend withholding tax rate of 5%.

During the year ended March 31, 2025, a PRC dividend withholding tax of RMB230,614,000 (2024: RMB244,939,000) was provided against the dividend distributed during the year and to be distributed in the foreseeable future out of earnings of the PRC subsidiaries.

(v) The equity-settled share-based payments expenses recognized in profit or loss could not be tax-deducted until the relevant share options are actually exercised or relevant restricted shares are vested and the individual income tax has been paid. Tax benefit from intrinsic value of share options exercised and restricted shares vested represents the difference between the actual costs offered by the Group to the employees in relation to equity-settled share-based payments, i.e. the total consideration obtained by the employees via trading the shares in capital market minus the proceeds received by the Group from the employees, and the corresponding expenses previously recognized in profit or loss being deducted in annual tax filing by relevant subsidiaries within the Group.

11 INCOME TAX (CONTINUED)

(b) Reconciliation between income tax and accounting profit at applicable tax rates:

	For the year ended March 31,	
	2025	2024
	RMB'000	RMB'000
Profit before taxation	**5,149,237**	4,541,210
Income tax at the applicable PRC income tax rate of 25%	**1,287,309**	1,135,303
Tax effect of unused tax losses and temporary differences not recognized, net of utilization	**23,553**	4,067
Tax effect of non-deductible expenses	**51,344**	50,259
Effect of tax concessions of PRC operations	**(3,242)**	2,607
Effect of tax rate difference under different tax jurisdictions	**11,123**	(426)
Effect of tax benefit from intrinsic value of share options exercised and restricted shares vested (note 11(a)(v))	**–**	(9,432)
Effect of share of losses of associates and joint ventures	**3,966**	2,028
Effect of PRC dividend withholding tax (note 11(a)(iv))	**230,614**	244,939
Others	**(8,173)**	(8,271)
Income tax	**1,596,494**	1,421,074

12 DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

For the year ended March 31, 2025

	Directors' fees RMB'000	Salaries, allowances and other benefits in kind RMB'000	Discretionary bonuses RMB'000	Equity-settled share-based payments RMB'000	Contributions to defined Contribution Schemes RMB'000	Total RMB'000
Executive directors						
Gao Dekang	330	11,610	–	–	–	11,940
Mei Dong	330	14,910	–	–	144	15,384
Huang Qiaolian	330	1,460	–	879	–	2,669
Rui Jinsong	330	16,089	–	26,710	150	43,279
Gao Xiaodong	330	1,310	–	–	107	1,747
Independent non-executive directors						
Dong Binggen	330	–	–	–	–	330
Wang Yao (i)	–	–	–	–	–	–
Ngai Wai Fung	385	–	–	–	–	385
	2,365	45,379	–	27,589	401	75,734

12 DIRECTORS' EMOLUMENTS (CONTINUED)

For the year ended March 31, 2024

	Directors' fees RMB'000	Salaries, allowances and other benefits in kind RMB'000	Discretionary bonuses RMB'000	Equity-settled share-based payments RMB'000	Contributions to defined Contribution Schemes RMB'000	Total RMB'000
Executive directors						
Gao Dekang	330	7,108	–	–	–	7,438
Mei Dong	330	3,810	–	–	145	4,285
Huang Qiaolian	330	1,332	–	–	–	1,662
Rui Jinsong	330	14,442	–	20,898	145	35,815
Gao Xiaodong	330	1,309	–	–	101	1,740
Independent non-executive directors						
Dong Binggen	330	–	–	–	–	330
Wang Yao (i)	–	–	–	–	–	–
Ngai Wai Fung	385	–	–	–	–	385
	2,365	28,001	–	20,898	391	51,655

(i) During the years ended March 31, 2025 and 2024, Mr. Wang Yao, an independent non-executive director, waived director's fee of RMB330,000.

During the years ended March 31, 2025 and 2024, no amount was paid or payable by the Group to the directors or any of the other two highest paid individuals set out in note 13 below as an inducement to join or upon joining the Group or as compensation for loss of office.

13 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, three (for the year ended March 31, 2024: one) are directors whose emoluments are disclosed in note 12. For the year ended March 31, 2025, the aggregate of the emoluments in respect of the other two (for the year ended March 31, 2024: four) individuals are listed as follows:

	For the year ended March 31,	
	2025	2024
	RMB'000	RMB'000
Salaries and other emoluments	**9,769**	8,758
Equity-settled share-based payments	**11,423**	26,860
Contributions to defined contribution schemes	**251**	536
	21,443	36,154

For the year ended March 31, 2025, the other two (for the year ended March 31, 2024: four) individuals with the highest emoluments are within the following band:

	For the year ended March 31,	
	2025	2024
	Number of individuals	Number of individuals
RMB6,500,001 to RMB7,000,000	**–**	1
RMB8,500,001 to RMB9,000,000	**–**	1
RMB9,000,001 to RMB9,500,000	**–**	1
RMB10,000,001 to RMB10,500,000	**1**	–
RMB11,000,001 to RMB11,500,000	**1**	1

14 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share for the year ended March 31, 2025 is based on the profit attributable to equity shareholders of the Company of RMB3,513,913,000 for the year ended March 31, 2025 (2024: RMB3,074,072,000) and the weighted average number of ordinary shares in issue during the years ended March 31, 2025 and 2024, calculated as follows:

Weighted average number of ordinary shares:

	For the year ended March 31,	
	2025	2024
	'000	'000
Issued ordinary shares at the beginning of the year	**10,837,841**	10,847,435
Effect of treasury shares purchased for the Share Award Scheme	**–**	(16,577)
Effect of restricted shares vested	**13,497**	11,472
Effect of share options exercised	**121,350**	2,905
Effect of conversion of convertible notes	**163,249**	–
Effect of share repurchased and cancelled	**(7,165)**	–
Weighted average number of ordinary shares	**11,128,772**	10,845,235
Basic earnings per share (RMB cents)	**31.58**	28.34

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to equity shareholders of the Company of RMB3,558,060,000 (2024: RMB3,144,757,000), after adjusting for the effective interest on the liability component of convertible bonds of RMB44,147,000 (2024: RMB70,685,000), and the weighted average number of ordinary shares of 11,539,415,000 (2024: 11,425,719,000 shares), after adjusting for the effect of the Company's share-based payment arrangements (note 37) and the effect of conversion of convertible bonds, as follows:

Weighted average number of ordinary shares (diluted):

	For the year ended March 31,	
	2025	2024
	'000	'000
Weighted average number of ordinary shares (basic)	**11,128,772**	10,845,235
Effect of share-based payment arrangements	**70,821**	99,048
Effect of conversion of convertible bonds	**339,822**	481,436
Weighted average number of ordinary shares (diluted)	**11,539,415**	11,425,719
Diluted earnings per share (RMB cents)	**30.83**	27.52

15 PROPERTY, PLANT AND EQUIPMENT

	Land and Buildings RMB'000	Machinery RMB'000	Motor vehicles and others RMB'000	Leasehold improvements RMB'000	Construction in progress RMB'000	Total RMB'000
Cost:						
At April 1, 2023	1,078,095	314,023	504,354	1,930,348	42,735	3,869,555
Additions	–	29,374	36,195	440,994	21,343	527,906
Transfer among items under property, plant and equipment	–	26,178	1,837	15,978	(43,993)	–
Disposal	(2,626)	(152)	(22,536)	(115,299)	–	(140,613)
Movement of exchange rate	3,713	–	169	–	–	3,882
At March 31, 2024	1,079,182	369,423	520,019	2,272,021	20,085	4,260,730
Additions	234	29,454	93,129	545,783	101,026	769,626
Transfer among items under property, plant and equipment	1,694	–	17,153	–	(18,847)	–
Transfer from investment properties (note 20)	256,175	–	–	–	–	256,175
Disposal	–	(3,762)	(37,034)	(43,039)	–	(83,835)
Movement of exchange rate	2,306	921	231	19	–	3,477
At March 31, 2025	**1,339,591**	**396,036**	**593,498**	**2,774,784**	**102,264**	**5,206,173**
Accumulated depreciation:						
At March 31, 2023	(311,303)	(92,911)	(336,124)	(1,401,476)	–	(2,141,814)
Depreciation charged for the year	(48,516)	(26,942)	(55,522)	(556,081)	–	(687,061)
Disposal	1,859	142	16,046	95,671	–	113,718
Movement of exchange rate	(1,469)	–	(153)	–	–	(1,622)
At March 31, 2024	(359,429)	(119,711)	(375,753)	(1,861,886)	–	(2,716,779)
Depreciation charged for the year	(38,418)	(18,766)	(133,826)	(399,652)	–	(590,662)
Transfer from investment properties (note 20)	(24,304)	–	–	–	–	(24,304)
Disposal	–	418	29,769	15,894	–	46,081
Movement of exchange rate	(1,009)	(358)	(205)	(7)	–	(1,579)
At March 31, 2025	**(423,160)**	**(138,417)**	**(480,015)**	**(2,245,651)**	**–**	**(3,287,243)**
Net book value:						
At March 31, 2025	**916,431**	**257,619**	**113,483**	**529,133**	**102,264**	**1,918,930**
At March 31, 2024	719,753	249,712	144,266	410,135	20,085	1,543,951

Except for freehold land and buildings with the carrying amount of RMB254,573,000 (March 31, 2024: RMB39,602,000) which were located in the United Kingdom, all other buildings were located in mainland China at March 31, 2025. The properties located in the United Kingdom were acquired by the Group in June 2011.

As at March 31, 2025, no interest expense was capitalized as there were no material borrowing costs directly attributable to the acquisition of qualifying assets.

16 RIGHT-OF-USE ASSETS

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

	Properties leased for own use RMB'000	Land use rights RMB'000	Total RMB'000
Cost:			
At April 1, 2023	2,086,013	182,505	2,268,518
Additions	474,614	–	474,614
Disposals	(22,198)	–	(22,198)
At March 31, 2024 and April 1, 2024	2,538,429	182,505	2,720,934
Additions	784,552	447,991	1,232,543
Disposals	(174,686)	–	(174,686)
At March 31, 2025	**3,148,295**	**630,496**	**3,778,791**
Accumulated depreciation:			
At April 1, 2023	(1,264,243)	(26,149)	(1,290,392)
Charge for the year	(479,280)	(5,581)	(484,861)
Disposals	12,474	–	12,474
At March 31, 2024 and April 1, 2024	(1,731,049)	(31,730)	(1,762,779)
Charge for the year	(566,319)	(12,360)	(578,679)
Disposals	174,580	–	174,580
At March 31, 2025	**(2,122,788)**	**(44,090)**	**(2,166,878)**
Net book Value			
At March 31, 2025	**1,025,507**	**586,406**	**1,611,913**
At March 31, 2024	807,380	150,775	958,155

16 RIGHT-OF-USE ASSETS (CONTINUED)

The analysis of expense items in relation to leases recognized in profit or loss is as follows:

	For the year ended March 31,	
	2025	2024
	RMB'000	RMB'000
Depreciation charge of right-of-use assets by class of underlying asset:		
Land use rights (i)	**12,360**	5,581
Properties leased for own use (ii)	**566,319**	479,280
	578,679	484,861
Interest on lease liabilities (note 10)	**49,080**	49,462
Lease charge of short-term leases exempt from capitalization under IFRS 16	**93,176**	117,765
Variable lease payments	**1,944,733**	1,916,759

During the year ended March 31, 2025, the Group entered into a number of lease agreements for use of warehouses and retail stores, and therefore recognized the additions to right-of-use assets of RMB784,552,000.

During the year ended March 31, 2025, the Group acquired the land use rights for land parcels located at Qingpu District of Shanghai and Pingfang District of Harbin, the PRC, with total costs amounted to approximately RMB425,421,000 and RMB22,570,000, respectively, for the purpose of the construction of office and commercial buildings.

Details of total cash outflow for leases and the maturity analysis of lease liabilities are set out in notes 29(c) and 31, respectively.

(i) Land use rights

Land in respect of land use rights are all located in the PRC with a lease period of 40 to 50 years when granted.

(ii) Properties leased for own use

The Group has obtained the right to use other properties as its warehouses and retail stores through tenancy agreements. The leases typically run for an initial period of 2 to 13 years.

Some leases include an option to renew the lease for an additional period after the end of the contract term. Where practicable, the Group seeks to include such extension options exercisable by the Group to provide operational flexibility. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. If the Group is not reasonably certain to exercise the extension options, the future lease payments during the extension periods are not included in the measurement of lease liabilities. As the Group has been reasonably certain to exercise the extension options, future lease payments of leases with options to renew have been recorded as right-of-use assets and no potential exposure to these future lease payments is needed.

17 INTANGIBLE ASSETS AND GOODWILL

	Goodwill RMB'000	Customer relationships RMB'000	Trademarks RMB'000	Software and other intangible assets RMB'000	Total RMB'000
Cost:					
At March 31, 2023 and 2024	1,708,151	648,822	633,795	–	2,990,768
Additions	–	–	–	122,309	122,309
At March 31, 2025	1,708,151	648,822	633,795	122,309	3,113,077
Amortization and impairment losses:					
At March 31, 2023	(758,741)	(639,043)	(250,706)	–	(1,648,490)
Amortization charge for the year	–	(4,191)	(31,690)	–	(35,881)
Impairment losses	(70,000)	–	–	–	(70,000)
At March 31, 2024	(828,741)	(643,234)	(282,396)	–	(1,754,371)
Amortization charge for the year	–	(4,191)	(31,690)	(13,656)	(49,537)
Impairment losses	(171,000)	–	–	–	(171,000)
At March 31, 2025	**(999,741)**	**(647,425)**	**(314,086)**	**(13,656)**	**(1,974,908)**
Net book value:					
At March 31, 2025	**708,410**	**1,397**	**319,709**	**108,653**	**1,138,169**
At March 31, 2024	879,410	5,588	351,399	–	1,236,397

Customer relationships and trademarks acquired in the business combination were identified and recognized as intangible assets with definite useful lives and carried at historical cost with amortization. The amortization charge of customer relationships and trademarks for the year is included in "selling and distribution expenses" in the consolidated statement of profit or loss and other comprehensive income.

Impairment testing for cash-generating unit containing goodwill

For the purpose of impairment testing, customer relationships, trademarks and goodwill are allocated to the Group's CGUs according to the Group's operating divisions.

The management of the Group engaged an external valuer to conduct an impairment test to determine the recoverable amounts of each of the above CGUs containing intangible assets and goodwill as at March 31, 2025.

The recoverable amounts of each of the above CGUs were estimated based on the value in use, determined by discounting the future cash flows to be generated from the continuing use of the CGUs. The value in use calculation uses cash flow projections based on financial budgets approved by the management for the purposes of impairment reviews covering a five-year period. Cash-flows beyond the five-year period are extrapolated using an estimated annual growth rate of 2.0% (for the year ended March 31, 2024: 2.5%). The discount rate used is the CGU's specific weighted average cost of capital, adjusted for a risk premium to reflect specific risks relating to the CGU. The estimates of value in use of JESSIE brand ladieswear CGU, BUOU BUOU brand ladieswear CGU and Tianjin ladieswear CGU, respectively, were determined using a pre-tax discount rate with a range from 15.6% to 16.0% (for the year ended March 31, 2024: from 16.4% to 16.8%).

17 INTANGIBLE ASSETS AND GOODWILL (CONTINUED)

Impairment testing for cash-generating unit containing goodwill (continued)

Based on assessments using the discounted cashflow forecast method, the businesses of BUOU BUOU brand ladieswear CGU, JESSIE brand ladieswear CGU and Tianjin ladieswear CGU were under-performed. According to the valuation reports issued by the external valuer on June 19, 2025, the recoverable amount of BUOU BUOU brand ladieswear CGU, JESSIE brand ladieswear CGU and Tianjin ladieswear CGU as at March 31, 2025, respectively, were RMB266,260,000, RMB380,646,000 and RMB704,296,000, which were RMB97,000,000, RMB32,000,000 and RMB42,000,000 lower than their carrying amount. Therefore, impairment losses of RMB97,000,000, RMB32,000,000 and RMB42,000,000 have been recognized in the profit or loss account for the year ended March 31, 2025. Any adverse change in the key assumptions, including growth rates of future revenue, future margins and the discount rates, used in the calculation of recoverable amount would result in further impairment losses. The impairment losses have been fully allocated to goodwill.

The aggregate carrying amount of goodwill allocated to each CGU is as follows:

	At March 31,	
	2025	2024
	RMB'000	RMB'000
Gross value		
Menswear	**292,741**	292,741
Ladieswear – JESSIE brand	**484,312**	484,312
Ladieswear – BUOU BUOU brand	**525,137**	525,137
Ladieswear – Tianjin Ladieswear	**405,961**	405,961
	1,708,151	1,708,151
Accumulated impairment losses		
Menswear	**(292,741)**	(292,741)
Ladieswear – JESSIE brand	**(192,800)**	(160,800)
Ladieswear – BUOU BUOU brand	**(417,600)**	(320,600)
Ladieswear – Tianjin Ladieswear	**(96,600)**	(54,600)
	(999,741)	(828,741)
Net value		
Menswear	**–**	–
Ladieswear – JESSIE brand	**291,512**	323,512
Ladieswear – BUOU BUOU brand	**107,537**	204,537
Ladieswear – Tianjin Ladieswear	**309,361**	351,361
	708,410	879,410

18 INTERESTS IN ASSOCIATES

The following list contains the particulars of associates, all of which are unlisted corporate entities whose quoted market price is not available:

Name of associate	Form of business structure	Place of incorporation and business	Particulars of issued and paid-up capital	Proportion of ownership interest: Group's effective interest	Held by the Company	Held by a subsidiary	Principal activity
Anhui Liuqiao International Supply Chain Co., Ltd. ("Anhui Liuqiao")	Limited liability company	Mainland China	Registered capital RMB150,000,000	35%	–	35%	Trading of down raw materials (i)
Anhui Ehong Down Co., Ltd. ("Anhui Ehong")	Limited liability company	Mainland China	Registered capital RMB33,350,000	40%	–	40%	Trading of down raw materials (ii)
MODES MOOSE HOLDINGS ULC ("Modes Moose")	Unlimited liability company	Canada	Registered shares designated as Class A-F shares of 496,754,961 shares as fully diluted and as converted	31.61%	–	31.61%	Wholesale and retail of clothes and accessories (iii)

(i) Anhui Liuqiao is a down supplier in the Chinese market, which was invested by a subsidiary of the Company on November 29, 2021.

(ii) Anhui Ehong is a down supplier in the Chinese market, which was invested by a subsidiary of the Company on October 30, 2023. Pursuant to the relevant shares transfer agreement, the Group was granted a put option, giving it a right to require the original shareholders of Anhui Ehong to repurchase all the shares held by the Group at a price equal to the original consideration of RMB13,350,000 plus interests at 8% per annum by cash if certain conditions are met.

(iii) On August 6, 2024, the Group had made cash contribution of Canadian dollars 50,000,000 (equivalent to RMB259,263,000) for the subscription of 157,035,288 Class F Preferred Shares of Modes Moose, which represented 31.61% equity interest in Modes Moose on a fully diluted and as converted basis. Modes Moose is mainly engaged in the manufacturing and distribution of high-end down and related apparels of Moose Knuckles brand.

All of the above associates are accounted for using the equity method in the consolidated financial statements.

18 INTERESTS IN ASSOCIATES (CONTINUED)

Aggregate information of associates that are not individually material:

	For the year ended March 31, 2025 RMB'000	2024 RMB'000
Aggregate carrying amount of individually immaterial associates in the consolidated financial statements	**340,575**	52,558
Aggregate amounts of the Group's share of those associates'		
– Profit for the year	**8,357**	3,700
– Other comprehensive income	**–**	–
Total comprehensive income	**8,357**	3,700

19 INTEREST IN JOINT VENTURES

Details of the Group's interest in joint ventures, which are accounted for using the equity method in the consolidated financial statements, are as follows:

				Proportion of ownership interest			
Name of joint venture	Form of business structure	Place of incorporation and business	Particulars of issued and paid-up capital	Group's effective interest	Held by the Company	Held by a subsidiary	Principal activity
Bogner GCA Holding PTE. Ltd. ("Bogner GCA Holding")	Limited liability company	Singapore	Registered capital USD30,800,000	55%	–	55%	Wholesale and retail of clothes and accessories (i)
Bogner GCA IP GmbH & Co. KG ("Bogner IPCo")	Limited partnership	Germany	Registered capital EUR100	45%	–	45%	Holding and administration of assets (ii)
Bogner GCA IP Management GmbH ("Bogner IPCo GP")	Limited liability company	Germany	Registered capital EUR25,000	45%	–	45%	Management of Bogner IPCo (iii)
Lang Giang Textile Joint Stock Company ("Lang Giang")	Limited liability company	Vietnam	Registered capital Vietnam Dong ("VND") 105,000,000,000	60%	–	60%	Garment manufacturing (iv)
Tan Duong Export Garment Co., Ltd. ("Tan Duong")	Limited liability company	Vietnam	Registered capital VND 60,575,291,615	60%	–	60%	Garment manufacturing (v)
PT. Indonesia Snowflying Garment ("PT Indonesia")	Limited liability company	Indonesia	Registered capital Indonesia Rupiah 39,500,000,000	60%	–	60%	Garment manufacturing (vi)

(i) Bogner GCA Holding was established by the Group together with WILLY BOGNER GMBH & CO. KGAA ("WILLY BOGNER"). On February 24, 2022, the Group had made cash contribution of USD16,940,000 (equivalent to RMB107,196,000) for 55% ownership interest in Bogner GCA Holding. Bogner GCA Holding is mainly engaged in the sourcing and distribution of high-end outdoor sport fashion apparels of Bogner brand.

(ii) Bogner IPCo was established by the Group together with WILLY BOGNER. On June 29, 2022, the Group had made cash contribution of USD13,860,000 (equivalent to RMB92,911,000) for 45% ownership interest in Bogner IPCo. Bogner IPCo is a German limited partnership, which is mainly engaged in holding and administration of assets, in particular, trademarks and licensing of trademarks of Bogner brand.

(iii) Bogner IPCo GP was established by the Group together with WILLY BOGNER. On June 29, 2022, the Group had made cash contribution of EUR11,000 (equivalent to RMB78,000) for 45% ownership interest in Bogner IPCo GP. Bogner IPCo GP participates as a general partner and assumes the management of Bogner IPCo.

19 INTEREST IN JOINT VENTURES (CONTINUED)

(iv) Lang Giang operates in Vietnam and is principally engaged in garment manufacturing, which was firstly invested by the Group on November 26, 2021 to acquire 25% of its equity shares by making cash consideration of USD1,148,000 (equivalent to RMB7,432,000). The Group entered into a share transfer agreement ("STA1") with the other shareholder of Lang Giang to acquire an additional 35% of the shares of Lang Giang on July 13, 2023 by making cash consideration of USD1,545,000 (equivalent to RMB10,959,000). Pursuant to STA1, the Group granted a call option to the other shareholder of Lang Giang, giving it the right to purchase back its 35% of equity shares in Lang Giang with the original cash consideration paid by the Group if certain conditions are met.

(v) Tan Duong operates in Vietnam and is principally engaged in garment manufacturing, which was firstly invested by the Group on January 13, 2023 to acquire 49% of its equity shares by making a cash consideration of USD2,800,000 (equivalent to RMB18,931,000). The Group entered into a share transfer agreement ("STA2") with the other shareholder of Tan Duong to acquire an additional 11% of its equity shares of Tan Duong on August 4, 2023 by making a cash consideration of USD629,000 (equivalent to RMB4,512,000). Pursuant to STA2, the Group granted a call option to the other shareholder of Tan Duong, giving it the right to purchase back its 11% equity shares in Tan Duong with the original cash consideration paid by the Group if certain conditions are met.

(vi) PT Indonesia operates in Indonesia and is principally engaged in garment manufacturing, which was firstly invested by the Group on May 16, 2024 to acquire 60% of its equity shares by making a cash consideration of USD1,500,000 (equivalent to RMB10,653,000).

Bogner GCA Holding, Bogner IPCo, Bogner IPCo GP, Lang Giang and Tan Duong are unlisted corporate entities whose quoted market price are not available.

(a) Summarized financial information of Bogner GCA Holding and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below:

	At March 31,	
	2025	2024
	RMB'000	RMB'000
Gross amounts of Bogner GCA Holding's		
Current assets	**96,506**	105,439
Non-current assets	**21,772**	18,092
Current liabilities	**(33,834)**	(8,909)
Equity	**84,444**	114,622

19 INTEREST IN JOINT VENTURES (CONTINUED)

(a) Summarized financial information of Bogner GCA Holding and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below: (continued)

	For the year ended March 31,	
	2025	2024
	RMB'000	RMB'000
Revenue	**60,138**	52,318
Loss for the year	**(30,810)**	(20,315)
Other comprehensive income	**–**	–
Total comprehensive income	**(30,810)**	(20,315)
Reconciled to the Group's interest in Bogner GCA Holding		
Gross amounts of Bogner GCA Holding's net assets	**84,444**	114,622
Group's effective interest	**55%**	55%
Group's share of Bogner GCA Holding's net assets	**46,444**	63,042
Carrying amount of the Group's interest	**46,444**	63,042

(b) Summarized financial information of Bogner IPCo and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below:

	At March 31,	
	2025	2024
	RMB'000	RMB'000
Gross amounts of Bogner IPCo's		
Current assets	**891**	1,186
Non-current assets	**201,625**	207,337
Current liabilities	**(4,542)**	(1,314)
Equity	**197,974**	207,209

19 INTEREST IN JOINT VENTURES (CONTINUED)

(b) Summarized financial information of Bogner IPCo and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below: (continued)

	For the year ended March 31,	
	2025	2024
	RMB'000	RMB'000
Revenue	**1,084**	728
Loss for the year	**(9,235)**	(9,907)
Other comprehensive income	**–**	–
Total comprehensive income	**(9,235)**	(9,907)
Reconciled to the Group's interest in Bogner IPCo		
Gross amounts of Bogner IPCo's net assets	**197,974**	207,209
Group's effective interest	**45%**	45%
Group's share of Bogner IPCo's net assets	**89,088**	93,244
Carrying amount of the Group's interest	**89,088**	93,244

(c) Aggregate information of joint ventures which are not individually material, are disclosed below:

	For the year ended March 31,	
	2025	2024
	RMB'000	RMB'000
Gross amounts of individually immaterial joint ventures in the consolidated financial statements		
Aggregate amounts of the Group's share of those joint ventures		
Loss for the year	**(9,218)**	(2,264)
Total comprehensive income	**(9,218)**	(2,264)

	At March 31,	
	2025	2024
	RMB'000	RMB'000
Aggregate carrying amount of individually immaterial joint ventures in the consolidated financial statements	**47,600**	44,503

20 INVESTMENT PROPERTIES

	At March 31, 2025 RMB'000	2024 RMB'000
Cost:		
At the beginning of the year	**383,178**	370,801
Transfer out to property, plant and equipment (note 15)	**(256,175)**	–
Effect of movement in exchange rates	**9,867**	12,377
At March 31	**136,870**	383,178
Accumulated depreciation:		
At the beginning of the year	**(118,476)**	(108,287)
Charge for the year	**(7,398)**	(9,276)
Transfer out to property, plant and equipment (note 15)	**24,304**	–
Effect of movement in exchange rates	**(666)**	(913)
At March 31	**(102,236)**	(118,476)
Net book value:		
At March 31	**34,634**	264,702

Investment properties comprise land and buildings that are leased to third parties. As at March 31, 2025, freehold investment properties of RMB5,288,000 (March 31, 2024: RMB210,414,000) represented land and buildings located in the United Kingdom and leasehold investment properties of RMB29,346,000 (March 31, 2024: RMB54,288,000) represented buildings located in mainland China. The Group leases out investment properties under operating leases. The leases carry rentals which were determined based on the lease contract with third parties for a period of typically three to ten years.

As at March 31, 2025, the aggregate fair value of the investment properties located in the United Kingdom was approximately GBP1,590,000 (equivalent to approximately RMB14,816,000) (March 31, 2024: GBP26,280,000 (equivalent to approximately RMB236,526,000)), which was based on the valuation performed by an independent professionally qualified valuer, on an open market, existing use basis. The aggregate fair value of the investment properties located in mainland China was approximately RMB141,111,000 (2024: RMB176,405,000), which was based on the valuation performed by an independent professionally qualified valuer, on an open market, existing use basis.

During the year ended March 31, 2025, the properties located in the United Kingdom of GBP22,618,000 (equivalent of RMB210,766,000) and the properties located in Mainland China of RMB21,105,000 were reclassified from investment property to property, plant and equipment because of the use of the properties has changed.

During the year ended March 31, 2025, rental income of RMB1,111,000 (March 31, 2024: RMB4,366,000) was recognized in profit or loss.

20 INVESTMENT PROPERTIES (CONTINUED)

The Group's total future minimum lease payments under non-cancellable operating leases are receivable as follows:

	At March 31, 2025 RMB'000	2024 RMB'000
Within 1 year	**2,510**	3,294
After 1 year but within 5 years	**8,202**	9,041
After 5 years	**2,541**	4,124
	13,253	16,459

21 DERIVATIVE FINANCIAL INSTRUMENTS

	At March 31, 2025 RMB'000	2024 RMB'000
Derivative financial asset		
Non-current		
Put option to sell equity interests to other shareholders of an associate (note 18(ii))	**3,754**	3,726
Derivative financial liabilities		
Non-current		
Call options granted to other shareholders a right to repurchase equity interests in joint ventures (notes 19(iv) and (v))	**(3,661)**	(3,655)

During the year, the net unrealized gain in these derivative financial instruments of RMB22,000 was recognized as a gain in finance income (for the year ended March 31, 2024: RMB721,000). The derivative financial asset has been classified as a non-current asset as the corresponding put option is expected not to be exercised within one year. The derivative financial liabilities have been classified as non-current liabilities as the exercise dates of the call options were beyond one year.

22 DEFERRED TAX ASSETS AND LIABILITIES

(a) The components of deferred tax assets/(liabilities) recognized in the consolidated statement of financial position and the movements during the years are as follows:

	Write down of inventory RMB'000	Provision for impairment loss for bad and doubtful debts RMB'000	Customer relationships and Trademark RMB'000	Withholding tax on dividends RMB'000	Unrealized profits arising from intra-group transactions RMB'000	Unused tax losses RMB'000	Right-of-use assets RMB'000	Lease liabilities RMB'000	Share base payment RMB'000	Deferred revenue RMB'000	Others RMB'000	Total RMB'000
At March 31, 2023	78,578	20,306	(98,212)	(24,000)	144,293	341,712	(181,430)	193,547	37,260	–	(5,350)	506,704
Credited/(charged) to profit or loss	13,907	(201)	8,971	(244,939)	(90,100)	(106,344)	9,836	(8,549)	13,450	20,475	(3,077)	(386,571)
Released upon distribution of dividends	–	–	–	71,439	–	–	–	–	–	–	–	71,439
Charged to OCI	–	–	–	–	–	–	–	–	–	–	(2,890)	(2,890)
At March 31, 2024 and April 1, 2024	92,485	20,105	(89,241)	(197,500)	54,193	235,368	(171,594)	184,998	50,710	20,475	(11,317)	188,682
Credited/(charged) to profit or loss	13,872	(1,290)	8,971	(230,614)	(23,742)	20,825	(57,857)	57,805	7,592	10,909	8,429	(185,100)
Released upon distribution of dividends	–	–	–	228,114	–	–	–	–	–	–	–	228,114
Credited to reserves	–	–	–	–	–	–	–	–	17,530	–	–	17,530
Charged to OCI	–	–	–	–	–	–	–	–	–	–	(6,537)	(6,537)
At March 31, 2025	**106,357**	**18,815**	**(80,270)**	**(200,000)**	**30,451**	**256,193**	**(229,451)**	**242,803**	**75,832**	**31,384**	**(9,425)**	**242,689**

Deferred tax assets in respect of unused tax losses, which will expire within five years under current tax legislation, are related to certain subsidiaries of the Group in mainland China, which are expected to derive profits in the foreseeable future. Accordingly, it is considered probable that sufficient taxable profits will be available to utilize their unused tax losses before they expire.

(b) Reconciliation to the consolidated statement of financial position:

	At March 31, 2025 RMB'000	2024 RMB'000
Net deferred tax assets	**541,467**	497,703
Net deferred tax liabilities	**(298,778)**	(309,021)
	242,689	188,682

22 DEFERRED TAX ASSETS AND LIABILITIES (CONTINUED)

(c) Deferred tax assets and liabilities not recognized

Deferred tax assets/(liabilities) have not been recognized in respect of the following items:

	At March 31, 2025 RMB'000	2024 RMB'000
Temporary difference and tax losses of subsidiaries	**227,607**	202,614
Retained earnings from PRC subsidiaries not expected to be distributed outside of the PRC in the foreseeable future	**(9,729,849)**	(8,278,645)

No deferred tax assets have been recognized in respect of the cumulative tax losses of certain overseas subsidiaries of the Group as at March 31, 2025, as management considered that it is not probable that future taxable profit against which the losses can be utilized will be available in the relevant tax jurisdictions and entities. The tax losses of overseas entities do not expire under current tax legislation.

Except for the dividend to be distributed out of earnings of PRC subsidiaries (note 11(a)(iv)), deferred tax liabilities in relation to withholding tax have not been recognized in respect of the above retained earnings from PRC subsidiaries as the Company controls the timing and amounts of distribution and does not expect to incur such liabilities in the foreseeable future.

23 INVENTORIES

	At March 31, 2025 RMB'000	2024 RMB'000
Raw materials	**1,438,296**	921,703
Work in progress	**28,623**	13,718
Finished goods	**2,483,710**	2,262,076
	3,950,629	3,197,497

The analysis of the amount of inventories recognized in cost of sales and included in profit or loss is as follows:

	For the year ended March 31, 2025 RMB'000	2024 RMB'000
Carrying amount of inventories sold	**11,007,372**	9,308,423
Write-down of inventories	**54,485**	72,070
	11,061,857	9,380,493

24 TRADE AND BILLS RECEIVABLES

	At March 31, 2025 RMB'000	2024 RMB'000
Trade receivables	**1,028,149**	1,191,438
Bills receivable	**212**	122,149
Less: loss allowance for doubtful debts	**(81,306)**	(87,195)
	947,055	1,226,392
Bills receivables, measured at FVOCI	**247,918**	271,508
	1,194,973	1,497,900

All of the trade and bills receivables are expected to be recovered within one year.

As at March 31, 2025, the Group endorsed certain bank acceptance bills totaling RMB43,000,000 (March 31, 2024: RMB142,641,000) to suppliers for settling trade payables of the same amount on a full recourse basis. Among these, the Group has derecognized RMB43,000,000 (March 31, 2024: RMB20,492,000) bills receivable and the payables to suppliers in their entirety. These derecognized bank acceptance bills had a maturity date of less than twelve months from the end of the reporting period. In the opinion of the directors of the Company, the Group has transferred substantially all the risks and rewards of ownership of these bills and has discharged its obligation of the payables to its suppliers, and the Group has limited exposure in respect of the settlement obligation of these bills receivable under the relevant PRC rules and regulations should the issuing banks fail to settle the bills on maturity date. The maximum exposure arising from the Group's continuing involvement in the endorsed bills and the undiscounted cash flows to repurchase these endorsed bills equal to their carrying amounts. The Group considered the issuing banks of the bills are of good credit quality and the non-settlement of these bills by the issuing banks on maturity is not probable.

24 TRADE AND BILLS RECEIVABLES (CONTINUED)

Ageing analysis

As of the end of the reporting period, the ageing analysis of trade receivables, based on the revenue recognition date and net of loss allowance on expected credit losses, is as follows:

	At March 31, 2025 RMB'000	2024 RMB'000
Within credit terms	785,395	1,005,233
1 to 3 months past due	122,851	84,853
Over 3 months but less than 6 months past due	33,004	10,842
Over 6 months but less than 12 months past due	2,153	2,052
Over 1 year past due	3,440	1,263
	946,843	1,104,243

Trade receivables are generally due within 30 to 90 days from the date of billing. Further details on the Group's credit policy and exposure to credit and currency risk related to trade receivables are disclosed in notes 38(a) and 38(d).

25 LONG-TERM RECEIVABLES/DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	At March 31, 2025 RMB'000	2024 RMB'000
Non-current		
Long-term receivables (i)	49,798	47,374
Current		
Deposits	704,857	482,235
Prepayments	513,535	510,903
Third party other receivables:		
– Value-added tax ("VAT") recoverable	194,636	187,626
– Advances to employees	10,613	28,410
– Others	128,906	78,502
	1,552,547	1,287,676
	1,602,345	1,335,050

25 LONG-TERM RECEIVABLES/DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES (CONTINUED)

(i) Changshu Bosideng Import and Export Co., Ltd. ("Bosideng Import and Export"), a PRC subsidiary of the Group, entered into loan agreements with two PRC entities, Suzhou Rabboni Garment Co., Ltd. ("Rabboni Garment") and Chongqing Shi Shang Gong Yuan Shi Ye Co., Ltd. ("Chongqing Shi Shang"), respectively, pursuant to which Bosideng Import and Export agreed to provide Rabboni Garment and Chongqing Shi Shang guaranteed interest-free loan in the nominal amount of RMB30,000,000 and RMB27,000,000, respectively with 7 years of maturity (the "Loans") for the purpose of facilitating the construction and development of the factories in Indonesia and Chongqing which will serve the Group's key customers of the OEM business. Bosideng Import and Export initially measured the Loans at its fair value of RMB46,879,000, being the present value of expected future cash inflows, discounted at a market-related interest rate of 5%. The difference between the fair value at initial recognition and the nominal amount paid of the Loans amounting to RMB10,121,000 is recognized in the consolidated statement of profit or loss. The Loans were subsequently measured at amortized cost using the effective interest method. As at March 31, 2025, the amortized cost of the Loans was RMB49,798,000. The imputed interest income of the Loans of RMB2,424,000 for the year ended March 31, 2025 was recognized as interest income in the consolidated statement of profit or loss (for the year ended March 31, 2024: RMB495,000).

26 OTHER FINANCIAL ASSETS

		At March 31,	
	Note	**2025**	2024
		RMB'000	RMB'000
Non-current			
Equity securities designated at FVOCI (non-recycling)	(b)	**–**	130,291
Financial assets classified as FVPL	(c)	**458,256**	228,611
		458,256	358,902
Current			
Financial asset measured at amortized cost	(a)	**19,996**	–
Financial assets classified as FVPL	(c)	**6,194,351**	3,963,011
		6,214,347	3,963,011
Total		**6,672,603**	4,321,913

(a) Financial asset measured at amortized cost is government bond and has expected interest rate of 1.46% per annum.

During the year, the interest income derived from the government bond of RMB18,000 (for the year ended March 31, 2024: RMB2,566,000) was recognized as finance income in the consolidated statement of profit or loss and other comprehensive income.

26 OTHER FINANCIAL ASSETS (CONTINUED)

(b) On February 9, 2018, Shuo Ming De Investment Co., Ltd. ("Shuo Ming De"), a subsidiary of the Group, subscribed for 12,184,230 non-public issued shares of Jinhong Fashion Group Co., Ltd. (formerly known as V-GRASS Fashion Co., Ltd.) (Shanghai Stock Exchange stock code: 603518) ("Jinhong Group") for RMB224,921,000. The Group designated its investment in Jinhong Group as FVOCI (non-recycling), as it is held as a long-term investment instead of being traded for short-term gains. On May 31, 2019, the shares held by Shuo Ming De increased to 17,057,922 due to the bonus issue of shares made by Jinhong Group. After the disposal of 2,787,223 shares in July 2021, the number of shares held by Shuo Ming De decreased to 14,270,699. During the year, the changes in fair value of this investment, after tax effect, of RMB5,552,000 was recognized as a gain in other comprehensive income (for the year ended March 31, 2024: gain of RMB8,669,000). During the year ended March 31, 2025, Shuo Ming De disposed of its remaining 14,270,699 shares of Jinhong Group at the transaction price ranging from RMB9.105 to 10.370 per share.

Dividend income of RMB3,710,000 was received on this investment during the year ended March 31, 2025 (for the year ended March 31, 2024: RMB1,427,000) and recognized as finance income (note 10) in the consolidated statement of profit or loss and other comprehensive income.

(c) As at March 31, 2025, financial assets classified as FVPL represent listed equity investments of RMB1,329,000 (March 31, 2024: RMB1,480,000) and investments with banks and other financial institutions of RMB6,651,278,000 (March 31, 2024: RMB4,190,142,000).

(i) Listed equity investments

During the year, the net unrealized/realized loss of listed equity investments held by the Group of RMB151,000 were recognized as a loss in finance income (for the year ended March 31, 2024: gain of RMB287,000).

No dividend income received for the year ended March 31, 2025 (for the year ended March 31, 2024: Nil).

(ii) Investments with banks and other financial institutions

Investments with banks and other financial institutions represent wealth management products offered by banks and other financial institutions. These investments with no guarantee of principal and interest were classified as FVPL. The underlying assets of these wealth management products are a wide range of government and corporate bonds, bank deposits, asset-backed securities, money market funds as well as other listed equity securities, etc.

During the year, the net unrealized/realized gain in these investments of RMB140,012,000 was recognized as a gain in finance income (for the year ended March 31, 2024: RMB140,231,000). Neither the single investment nor investment made with the same bank or other financial institution on an aggregate basis accounted for over 5% of the Group's total assets.

27 PLEDGED BANK DEPOSITS

Bank deposits are pledged to banks as security for the issuance of bills payables:

	At March 31, 2025 RMB'000	2024 RMB'000
Non-current	**250**	18,336
Current	**442,529**	653,095
	442,779	671,431

The pledged bank deposits as at March 31, 2025 will be released upon the settlement of the relevant bills payable.

28 TIME DEPOSITS

	At March 31, 2025 RMB'000	2024 RMB'000
Time deposits with initial terms over 3 months:		
Non-current		
Time deposits held with maturity over 1 year	**1,900,000**	1,570,000
Current		
Time deposits held with maturity within 1 year	**1,212,844**	2,098,666
	3,112,844	3,668,666

29 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

(a) Cash and cash equivalents comprise:

	At March 31, 2025 RMB'000	2024 RMB'000
Cash at bank and on hand	**7,740,461**	10,567,112
Less: Pledged bank deposits	**(442,779)**	(671,431)
Time deposits	**(3,112,844)**	(3,668,666)
Cash and cash equivalents	**4,184,838**	6,227,015

(i) Cash at bank and on hand are denominated in:

	At March 31, 2025 RMB'000	2024 RMB'000
– RMB	**5,813,984**	10,003,602
– USD	**1,724,707**	457,603
– HKD	**197,931**	101,341
– GBP	**2,868**	2,580
– EUR	**30**	108
– VND	**1**	–
– SGD	**232**	–
– JPY	**708**	1,878
	7,740,461	10,567,112

Among the Group's cash at bank balances that are denominated in Renminbi, RMB5,809,077,000 (March 31, 2024: RMB7,946,687,000) of which are deposited with banks in mainland China. The conversion of RMB into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC government.

(ii) Cash and cash equivalents include bank balance of RMB23,185,000 (March 31, 2024: RMB34,936,000) with restriction on use which represented cash collection on behalf of employees in relation to shares disposed of by employees under share-based payment schemes.

29 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (CONTINUED)

(b) Reconciliation of liabilities arising from financing activities:

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Bank loans and other borrowings RMB'000 (note 30)	Convertible Bonds RMB'000 (note 33)	Lease liabilities RMB'000 (note 31)	Total RMB'000
At April 1, 2023	770,406	1,607,971	789,804	3,168,181
Changes from financing cash flows:				
Proceeds from new bank loans	838,611	–	–	838,611
Repayment of bank loans	(838,611)	–	–	(838,611)
Capital element of lease rentals paid	–	–	(516,267)	(516,267)
Total changes from financing cash flows	–	–	(516,267)	(516,267)
Exchange adjustments	(1,970)	53,424	–	51,454
Other changes:				
Increase in lease liabilities from entering into new leases during the year	–	–	474,614	474,614
Effect of early termination of lease contracts	–	–	(7,657)	(7,657)
Interest expenses (note 10)	–	70,685	49,462	120,147
Interest paid/interest element of lease rentals paid	–	(17,538)	(49,462)	(67,000)
Total other changes	–	53,147	466,957	520,104
At March 31 and April 1, 2024	768,436	1,714,542	740,494	3,223,472
Changes from financing cash flows:				
Proceeds from new bank loans	610,000	–	–	610,000
Repayment of bank loans	(490,425)	–	–	(490,425)
Redemption (note 33)	–	(12,221)	–	(12,221)
Capital element of lease rentals paid	–	–	(562,530)	(562,530)
Total changes from financing cash flows	119,575	(12,221)	(562,530)	(455,176)
Exchange adjustments	8,052	10,948	–	19,000
Other changes:				
Increase in lease liabilities from entering into new leases during the year	–	–	784,552	784,552
Effect of early termination of lease contracts	–	–	(115)	(115)
Conversion (note 33)	–	(1,748,583)	–	(1,748,583)
Interest expenses (note 10)	–	44,147	49,080	93,227
Interest paid/interest element of lease rentals paid	–	(8,833)	(49,080)	(57,913)
Total other changes	–	(1,713,269)	784,437	(928,832)
At March 31, 2025	**896,063**	**–**	**962,401**	**1,858,464**

29 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (CONTINUED)

(c) Total cash outflow for leases

Amounts included in the cash flow statement for leases comprise the following:

	For the year ended March 31,	
	2025	2024
	RMB'000	RMB'000
Within operating cash flows	**2,086,989**	2,083,986
Within financing cash flows	**562,530**	516,267
Within investing cash flows	**447,991**	–
	3,097,510	2,600,253

30 INTEREST-BEARING BORROWINGS

At March 31, 2025, the interest-bearing borrowings were repayable as follows:

	At March 31,	
	2025	2024
	RMB'000	RMB'000
Within 1 year or on demand	**896,063**	768,436

At March 31, 2025, the interest-bearing borrowings were secured as follows:

	At March 31,	
	2025	2024
	RMB'000	RMB'000
Bank loans		
– Secured	**–**	135,982
– Unsecured (i)	**896,063**	632,454
	896,063	768,436

(i) Unsecured bank borrowings of RMB176,112,000 as at March 31, 2025 were guaranteed by subsidiaries within the Group (March 31, 2024: RMB417,948,000).

Further details of the Group's management of liquidity risk are set out in note 38(b).

31 LEASE LIABILITIES

At March 31, 2025, the lease liabilities were repayable as follows:

	At March 31, 2025 RMB'000	2024 RMB'000
Within 1 year	**450,473**	356,071
After 1 year but within 2 years	**247,720**	241,192
After 2 years but within 5 years	**158,242**	88,633
After 5 years	**105,966**	54,598
	511,928	384,423
	962,401	740,494

32 TRADE AND OTHER PAYABLES

	At March 31, 2025 RMB'000	2024 RMB'000
Trade payables	**1,023,595**	1,308,359
Bills payables	**4,182,587**	3,868,527
	5,206,182	5,176,886
Other payables and accrued expenses		
– Deposits from customers	**278,909**	205,461
– Contract liabilities (i)	**1,235,710**	1,150,784
– Construction payables	**266,436**	212,937
– Accrued advertising expenses	**92,567**	90,673
– Accrued payroll, welfare and bonus	**547,887**	737,165
– VAT and other tax payable	**65,955**	13,703
– Payables in relation to shares disposed of by employees under share-based payment schemes (note 29(a))	**23,185**	34,936
– Receipts in advance in relation to unvested restricted shares (note 37(a))	**34,699**	43,722
– Interest payable in relation to convertible bonds (note 33)	**–**	5,019
– Others	**82,869**	93,866
	7,834,399	7,765,152

32 TRADE AND OTHER PAYABLES (CONTINUED)

All of the trade, bills and other payables are expected to be settled within one year.

As of the end of the reporting period, the ageing analysis of trade and bills payables, based on the invoice date, is as follows:

	At March 31, 2025 RMB'000	2024 RMB'000
Within 1 month	**4,874,281**	4,900,978
1 to 3 months	**331,901**	275,908
	5,206,182	5,176,886

(i) The amount of revenue recognized for the year ended March 31, 2025 that was included in the contract liabilities balance at the beginning of the year was RMB1,068,886,000.

33 CONVERTIBLE BONDS

	Liability component RMB'000	Equity component RMB'000	Total RMB'000
At March 31, 2024	1,714,542	244,779	1,959,321
Effective interest expenses for the year	44,147	–	44,147
Interest paid	(8,833)	–	(8,833)
Conversion	(1,748,583)	(244,779)	(1,993,362)
Redemption	(12,221)	–	(12,221)
Exchange adjustment	10,948	–	10,948
At March 31, 2025	–	–	–

Liability component

	At March 31, 2025 RMB'000	2024 RMB'000
Carrying amount of liability component	–	1,714,542
Less: interest payable due within 1 year (note 32)	–	(5,019)
Convertible bonds	–	1,709,523

33 CONVERTIBLE BONDS (CONTINUED)

Liability component (continued)

On December 17, 2019, pursuant to a subscription agreement dated December 4, 2019 (the "Subscription Agreement"), the Company issued convertible bonds with a principal amount of USD275 million due on December 17, 2024 (the "Convertible Bonds"). The Convertible Bonds bear simple coupon interest at 1% per annum, and the interest shall be payable semi-annually.

The Convertible Bonds may be converted into shares of the Company pursuant to the terms and conditions of the Subscription Agreement. The rights of the bondholders to convert the Convertible Bonds into ordinary shares are as follows:

- subject to redemption options pursuant to the terms and conditions of the Subscription Agreement, conversion rights are exercisable at any time from January 27, 2020 to December 7, 2024 (both days inclusive) at the bondholders' option;

- at the initial conversion price being HKD4.91 per share (subject to adjustments in the manner provided in the terms and conditions of the Subscription Agreement), with a fixed exchange rate of HKD7.8287 to USD1;

- since the issue of the Convertible Bonds on December 17, 2019, the conversion price has been adjusted nine times, according to the announcements issued by the Company dated August 21, 2020, December 3, 2020, August 20, 2021, December 1, 2021, August 22, 2022, November 24, 2022, August 22, 2023, December 18, 2023 and August 20, 2024, respectively. Details of the adjustment to conversion price and relevant effective date are as follows:

Effective date	Adjustment to conversion price
August 27, 2020	HKD4.91 per share adjusted to HKD4.73 per share
December 19, 2020	HKD4.73 per share adjusted to HKD4.67 per share
August 26, 2021	HKD4.67 per share adjusted to HKD4.56 per share
December 23, 2021	HKD4.56 per share adjusted to HKD4.52 per share
August 26, 2022	HKD4.52 per share adjusted to HKD4.37 per share
December 16, 2022	HKD4.37 per share adjusted to HKD4.28 per share
August 31, 2023	HKD4.28 per share adjusted to HKD4.08 per share
December 20, 2023	HKD4.08 per share adjusted to HKD4.01 per share
August 27, 2024	HKD4.01 per share adjusted to HKD3.83 per share

- the number of ordinary shares to be issued on exercise of a conversion right shall be determined by dividing the principal amount of the Convertible Bonds to be converted by the conversion price in effect on the relevant conversion date.

33 CONVERTIBLE BONDS (CONTINUED)

Liability component (continued)

Pursuant to the terms and conditions of the Convertible Bonds, each holder of the Convertible Bonds has the right to require the Company to redeem all or only some of the Convertible Bonds of such holder on December 17, 2022 (the "Optional Put Date") at their principal amount, together with any interest accrued but unpaid up to but excluding such Optional Put Date (if any) by depositing a duly completed and signed notice of redemption (the "Optional Put Exercise Notice(s)") not earlier than October 18, 2022 and not later than November 17, 2022. As of November 17, 2022, the Company had received Optional Put Exercise Notices in respect of USD28,400,000 (equivalent to RMB198,203,000) in aggregate principal amount of the Convertible Bonds (the "Put Bonds"). Accordingly, the Company redeemed such Put Bonds on December 17, 2022.

During the year ended March 31, 2025, the outstanding principal amount of USD244,900,000 (approximately equivalent to RMB1,748,583,000) of the Convertible Bonds were converted at the adjusted conversion price of HKD3.83 per share, and outstanding principal amount of USD1,700,000 (approximately equivalent to RMB12,221,000) of the Convertible Bonds were redeemed, respectively. A total number of 500,587,088 shares were issued upon the conversion of the Convertible Bonds (note 36(c)).

34 OTHER NON-CURRENT LIABILITIES

	At March 31,	
	2025	2024
	RMB'000	RMB'000
Payables in relation to equity-settled share-based transactions (note 37(a))	**50,299**	71,553

35 INVESTMENT IN SUBSIDIARIES

(a) Subsidiaries

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

			Proportion of ownership interest			
Name of company	Place of incorporation and business, date of incorporation and type of legal entity	Particulars of issued and paid-up capital	Group's effective interest	Held by the Company	Held by a subsidiary	Principal activity
1. Enterprises established outside the PRC						
1) Down segment and OEM management						
Bosideng International Fashion Limited 波司登國際服飾有限公司	BVI, July 11, 2006 Limited company	USD1	100%	100%	–	Retail sales of apparels and investment holding
Golden Progress Limited 金浩進有限公司	Hong Kong, October 12, 2015 Limited company	HKD1	100%	–	100%	Investment holding
Delight Kingdom Group Limited 景勵集團有限公司	BVI, January 3,2017 Limited company	USD100	100%	–	100%	Investment holding
Bosideng UK Limited 波司登(英國)有限公司	United Kingdom, March 23,2012 Limited company	GBP1	100%	–	100%	Sourcing and distribution of down apparels
Bosideng Retail Limited 波司登零售有限公司	United Kingdom, March 23, 2012 Limited company	GBP8,000,000	100%	–	100%	Sourcing and distribution of down apparels
Rocawear (China) Limited 洛卡(中國)有限公司	Hong Kong, July 2, 2009 Limited company	USD100	100%	–	100%	Investment holding
Bosideng International Fashion (Singapore) Pte. Ltd. 波司登國際服飾(新加坡)貿易有限公司	Singapore, May 27, 2024 Limited company	–	100%	–	100%	Retail sales of apparels and investment holding

35 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Subsidiaries (continued)

Name of company	Place of incorporation and business, date of incorporation and type of legal entity	Particulars of issued and paid-up capital	Proportion of ownership interest Group's effective interest	Held by the Company	Held by a subsidiary	Principal activity
2) Ladieswear apparels						
Jessie International Holdings Limited 杰西國際控股有限公司	BVI, September 20, 2011 Limited company	USD1	100%	–	100%	Investment holding
Joy Smile Development Limited 欣悦發展有限公司	BVI, June 15, 2015 Limited company	USD33	100%	–	100%	Investment holding
Kandy E-Incorporation Limited 康德藝有限公司	Hong Kong, September 11, 2014 Limited company	HKD658,050,882	100%	–	100%	Investment holding
Talent Shine Limited 迪暉有限公司	Hong Kong, April 10, 2007 Limited company	HKD99,146,354	100%	–	100%	Investment holding
HeYuan (HongKong) Industrial Limited 和元(香港)實業有限公司	Hong Kong, January 18, 2013 Limited company	HKD44,128,861	100%	–	100%	Investment holding
HeYuan (HongKong) Fashion Design Limited 和元(香港)時裝設計有限公司	Hong Kong, January 18, 2013 Limited company	RMB39,500,000	100%	–	100%	Provision of service for brand design and development
BuouBuou International Holdings Limited 邦寶國際控股有限公司	BVI, March 13, 2014 Limited company	USD60,000	100%	–	100%	Investment holding

35 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Subsidiaries (continued)

Name of company	Place of incorporation and business, date of incorporation and type of legal entity	Particulars of issued and paid-up capital	Proportion of ownership interest: Group's effective interest	Held by the Company	Held by a subsidiary	Principal activity
3) Diversified apparels						
Ying Fai Int'l Investment Limited 盈輝國際投資有限公司	BVI, June 2, 2008 Limited company	USD10,000	100%	–	100%	Investment holding
Long Pacific (H.K.) Ltd. 長隆(香港)有限公司	Hong Kong, May 22, 2008 Limited company	HKD1	100%	–	100%	Investment holding
2. Enterprises established in the PRC						
1) Down segment and OEM management						
Bosideng International Fashion (China) Limited 波司登國際服飾(中國)有限公司	PRC, June 23, 2005 Limited liability company	USD138,000,000	100%	–	100%	Sourcing and distribution of down apparels
Bosideng Down Wear Limited 波司登羽絨服裝有限公司	PRC, March 30, 2006 Limited liability company	USD80,000,000	100%	–	100%	Sourcing and distribution of down apparels
Gaoyou Bosideng Fashion Co., Ltd. 高郵波司登服飾有限公司	PRC, September 13, 2013 Limited liability company	RMB10,000,000	100%	–	100%	Sourcing and distribution of down apparels
Jiangsu Bosideng Supply Chain Co., Ltd. 江蘇波司登供應鏈管理有限公司	PRC, June 16, 2014 Limited liability company	RMB50,000,000	100%	–	100%	Providing of logistic and storage service

35 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Subsidiaries (continued)

Name of company	Place of incorporation and business, date of incorporation and type of legal entity	Particulars of issued and paid-up capital	Proportion of ownership interest: Group's effective interest	Proportion of ownership interest: Held by the Company	Proportion of ownership interest: Held by a subsidiary	Principal activity
Shanghai Bosideng Information Technology Co., Ltd. 上海波司登信息科技有限公司	PRC, December 20, 2011 Limited liability Company	RMB50,000,000	100%	–	100%	Network consulting and e-business of down and non-down apparels
Shanghai Bosideng Clothing Design and Development Centre Co., Ltd. 上海波司登服裝設計開發中心有限公司	PRC, March 23, 2001 Limited liability Company	RMB2,000,000	100%	–	100%	Designing and distribution of down and non-down apparels
Xuezhongfei Enterprise Co., Ltd. 雪中飛實業有限公司	PRC, February 8, 2012 Limited liability Company	RMB500,000,000	70%	–	100%	Sourcing and distribution of down apparels
Bosideng Fashion (Shanghai) Limited 波司登服飾(上海)有限公司	PRC, April 21, 1999 Limited liability company	RMB497,208,633	100%	–	100%	Sourcing and distribution of down apparels
Jiangsu Bingjie Fashion Limited 江蘇冰潔時尚服飾有限公司	PRC, February 24, 2016 Limited liability company	RMB9,000,000	70%	–	100%	Sourcing and distribution of down apparels
Kangbo Fashion Limited 康博服飾有限公司	PRC, September 18, 2006 Limited liability company	USD85,000,000	100%	–	100%	Sourcing and distribution of down apparels

35 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Subsidiaries (continued)

Name of company	Place of incorporation and business, date of incorporation and type of legal entity	Particulars of issued and paid-up capital	Proportion of ownership interest: Group's effective interest	Proportion of ownership interest: Held by the Company	Proportion of ownership interest: Held by a subsidiary	Principal activity
Shanghai Shuangyu Fashion Limited 上海雙羽服飾有限公司	PRC, June 28, 2006 Limited liability company	USD68,000,000	100%	–	100%	Sourcing and distribution of down apparels
Rocawear (Shanghai) Fashion Co., Ltd. 洛卡薇爾(上海)服飾有限公司	PRC, August 28, 2008 Limited liability company	USD10,000,000	100%	–	100%	Sourcing and distribution of down apparels
Shuomingde Investment Co., Ltd. 朔明德投資有限公司	PRC, January 17, 2017 Limited liability company	RMB500,000,000	100%	–	100%	Investment holding
Changshu Bosideng Import and Export Co., Ltd. 常熟市波司登進出口有限公司	PRC, April 11, 2002 Limited liability company	RMB5,000,000	100%	–	100%	Sourcing and distribution of OEM products
Jiangsu Bosideng Marketing Co., Ltd. 江蘇波司登營銷有限公司	PRC, April 13, 2009 Limited liability company	RMB200,000,000	100%	–	100%	Distribution of down apparels
Heilongjiang Bosideng Marketing Co., Ltd. 黑龍江波司登營銷有限公司	PRC, July 10, 2024 Limited liability company	–	100%	–	100%	Distribution of down apparels

35 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Subsidiaries (continued)

Name of company	Place of incorporation and business, date of incorporation and type of legal entity	Particulars of issued and paid-up capital	Proportion of ownership interest: Group's effective interest	Proportion of ownership interest: Held by the Company	Proportion of ownership interest: Held by a subsidiary	Principal activity
Hangzhou Bosideng Marketing Co., Ltd. 杭州波司登營銷有限公司	PRC, October 16, 2024 Limited liability company	–	100%	–	100%	Distribution of down apparels
Shanghai Bosideng Trade Development Co., Ltd. 上海波司登商貿發展有限公司	PRC, November 10, 2011 Limited liability company	RMB200,000,000	100%	–	100%	Distribution of down apparels
Shanghai Bosideng Electronic Commerce Co., Ltd. 上海波司登電子商務有限公司	PRC, July 31, 2012 Limited liability company	RMB28,000,000	100%	–	100%	E-commerce of down and non-down apparels
Shanghai Bosideng Clothing Co., Ltd. 上海波司登服裝有限公司	PRC, March 22, 2021 Limited liability company	RMB50,000,000	100%	–	100%	Distribution of down apparels
Jiangsu Bosideng Technology Co., Ltd. 江蘇波司登科技有限公司	PRC, April 13, 2009 Limited liability company	RMB100,000,000	100%	–	100%	Distribution of down apparels
Suzhou Bosideng E-commerce Technology Co., Ltd. 蘇州波司登電子商務科技有限公司	PRC, March 27, 2023 Limited liability company	RMB5,000,000	100%	–	100%	Distribution of down apparels

35 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Subsidiaries (continued)

Name of company	Place of incorporation and business, date of incorporation and type of legal entity	Particulars of issued and paid-up capital	Proportion of ownership interest			Principal activity
			Group's effective interest	Held by the Company	Held by a subsidiary	
Shanghai Bosideng Marketing Management Co., Ltd. 上海波司登市場營銷管理有限公司	PRC, July 12, 2022 Limited liability company	RMB50,000,000	100%	–	100%	Distribution of down apparels
Liaoning Bosideng Trading Co., Ltd. 遼寧波司登貿易有限公司	PRC, September 3, 2002 Limited liability company	RMB20,000,000	100%	–	100%	Distribution of down apparels
Beijing Bosideng Trading Co., Ltd. 北京市波司登貿易有限公司	PRC, October 26, 1998 Limited liability company	RMB30,000,000	100%	–	100%	Distribution of down apparels
Dalian Bosideng Trading Co., Ltd. 大連波司登貿易有限公司	PRC, April 30, 2006 Limited liability company	RMB500,000	100%	–	100%	Distribution of down apparels
Chongqing Bosideng Trading Co., Ltd. 重慶波司登貿易有限公司	PRC, May 16, 2006 Limited liability company	RMB500,000	100%	–	100%	Distribution of down apparels
Xizang Bosideng Fashion Co., Ltd. 西藏波司登服飾有限公司	PRC, Nov 16, 2023 Limited liability company	RMB10,000,000	100%	–	100%	Distribution of down apparels

35 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Subsidiaries (continued)

Name of company	Place of incorporation and business, date of incorporation and type of legal entity	Particulars of issued and paid-up capital	Proportion of ownership interest			Principal activity
			Group's effective interest	Held by the Company	Held by a subsidiary	
Bosideng (Harbin) Technology Co., Ltd. 波司登(哈爾濱)科技有限公司	PRC, July 10, 2024 Limited liability company	RMB45,000,000	90%	–	100%	Distribution of down apparels
Bosideng (Harbin) Intelligent Manufacturing Co., Ltd. 波司登(哈爾濱)智能製造有限公司	PRC, August 8, 2024 Limited liability company	RMB28,000,000	100%	–	100%	Distribution of down apparels
Jiangsu Snow-Flying Outdoor Co., Ltd. 江蘇雪中飛戶外用品有限公司	PRC, May 20, 2016 Limited liability company	RMB16,900,000	70%	–	100%	E-commerce of down and non-down apparels
Jiangsu Snow-Flying Electronic Commerce Co., Ltd. 江蘇雪中飛電子商務有限公司	PRC, May 18, 2021 Limited liability company	RMB10,000,000	70%	–	100%	E-commerce of down and non-down apparels
Suqian Bosideng Marketing Co., Ltd. 宿遷波司登營銷有限公司	PRC, August 25, 2021 Limited liability company	RMB10,000,000	100%	–	100%	Distribution of down apparels
Jiangsu Bingjie Electronic Commerce Technology Co., Ltd. 江蘇冰潔電子商務科技有限公司	PRC, Dec 6, 2021 Limited liability company	RMB10,000,000	70%	–	100%	E-commerce of down and non-down apparels

35 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Subsidiaries (continued)

Name of company	Place of incorporation and business, date of incorporation and type of legal entity	Particulars of issued and paid-up capital	Proportion of ownership interest: Group's effective interest	Held by the Company	Held by a subsidiary	Principal activity
Bosideng New Era Business Development Co., Ltd. 波司登新時代商業發展有限公司	PRC, September 7, 2023 Limited liability company	RMB300,000,000	100%	–	100%	E-commerce of down and non-down apparels
Jiangsu Bosideng Advertising Media Co., Ltd. 江蘇波司登廣告傳媒有限公司	PRC, August 9, 2021 Limited liability company	RMB10,000,000	100%	–	100%	Advertisement agency
Jiangsu Kangying Fashion Co., Ltd. 江蘇康盈時裝有限公司	PRC, May 24, 2021 Limited liability company	RMB10,000,000	100%	–	100%	Sourcing and distribution of non-down apparels
2) Ladieswear apparels						
Shenzhen Jessie Fashion Co., Ltd. 深圳市杰西服裝有限責任公司	PRC, March 26, 2001 Limited liability company	RMB76,500,000	100%	–	100%	Sourcing and distribution of non-down apparels
Talent Shine Import & Export (Shenzhen) Co., Ltd. 迪輝達進出口(深圳)有限公司	PRC, July 16, 2007 Limited liability company	HKD8,300,000	100%	–	100%	Sourcing and distribution of non-down apparels

35 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Subsidiaries (continued)

Name of company	Place of incorporation and business, date of incorporation and type of legal entity	Particulars of issued and paid-up capital	Proportion of ownership interest: Group's effective interest	Held by the Company	Held by a subsidiary	Principal activity
Shenzhen Buoubuou Fashion Co., Ltd. 深圳邦寶時尚服飾有限公司	PRC, July 5, 2013 Limited liability company	HKD26,000,000	100%	–	100%	Sourcing and distribution of non-down apparels
Shenzhen Weiyi Garment Processing Co., Ltd. 深圳市唯伊服裝加工有限公司	PRC, May 8, 2015 Limited liability company	RMB3,000,000	100%	–	100%	Sourcing and distribution of non-down apparels
Shanghai Buoubuou Electronic Commerce Co., Ltd. 上海邦寶電子商務有限公司	PRC, November 3, 2014 Limited liability company	RMB10,000,000	100%	–	100%	Sourcing and distribution of non-down apparels
Chongqing Buoubuou Garment Sales Co., Ltd. 重慶邦寶服裝銷售有限公司	PRC, June 25, 2015 Limited liability company	RMB1,000,000	100%	–	100%	Sourcing and distribution of non-down apparels
You Nuo (Tianjin) Clothing Limited 優諾(天津)服裝有限公司	PRC, August 4, 2014 Limited liability company	RMB30,000,000	100%	–	100%	Sourcing and distribution of non-down apparels
Koreano (Tianjin) Clothing Limited 天津柯利亞諾時裝有限公司	PRC, April 20, 1992 Limited liability company	RMB1,650,000	100%	–	100%	Sourcing and distribution of non-down apparels

35 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Subsidiaries (continued)

Name of company	Place of incorporation and business, date of incorporation and type of legal entity	Particulars of issued and paid-up capital	Proportion of ownership interest: Group's effective interest	Proportion of ownership interest: Held by the Company	Proportion of ownership interest: Held by a subsidiary	Principal activity
Luhua (Tianjin) Clothing Limited 盧華(天津)服裝有限公司	PRC, July 1, 2003 Limited liability company	USD4,000,000	100%	–	100%	Sourcing and distribution of non-down apparels
Kandy E-Incorporation (China) Clothing Limited 康德藝(中國)時裝有限公司	PRC, November 30, 2018 Limited liability company	USD10,000,000	100%	–	100%	Sourcing and distribution of non-down apparels
3) Diversified apparels						
Jiangsu Vetallo Garment Co., Ltd. 江蘇威德羅服飾有限公司	PRC, October 13, 2006 Limited liability company	USD35,000,000	100%	–	100%	Sourcing and distribution of non-down apparels
Jiangsu Sameite Education Technology Development Co., Ltd. 江蘇颯美特教育科技發展有限公司	PRC, April 18, 2016 Limited liability company	RMB20,000,000	100%	–	100%	Sourcing and distribution of non-down apparels
Shanghai Bingjie Fashion Co., Ltd. 上海冰潔時裝服飾有限公司	PRC, July 6, 2016 Limited liability company	RMB10,000,000	70%	–	100%	Sourcing and distribution of non-down apparels

35 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Subsidiaries (continued)

Name of company	Place of incorporation and business, date of incorporation and type of legal entity	Particulars of issued and paid-up capital	Proportion of ownership interest: Group's effective interest	Held by the Company	Held by a subsidiary	Principal activity
Shanghai Bosideng Kidswear Co., Ltd. 上海波司登兒童服飾有限公司	PRC, April 28, 2017 Limited liability company	RMB14,000,000	100%	–	100%	Sourcing and distribution of non-down apparels
Fanchun Shanghai Network Technology Co., Ltd. 梵椿(上海)網絡科技有限公司	PRC, May 4, 2018 Limited liability company	RMB30,500,000	51%	–	51%	Sourcing and distribution of non-down apparels
Shanghai Pinmeng Kidswear Co., Ltd. 上海品萌兒童服飾有限公司	PRC, May 17, 2018 Limited liability company	RMB30,000,000	51%	–	100%	Sourcing and distribution of non-down apparels
Ningbo Hameng Network Technology Co., Ltd. 寧波哈萌網絡科技有限公司	PRC, October 24, 2018 Limited liability company	RMB4,750,000	51%	–	100%	Sourcing and distribution of non-down apparels
Jingzhou Sameite Garments Co., Ltd. 荊州市颯美特服飾有限公司	PRC, February 1, 2024 Limited liability company	–	100%	–	100%	Sourcing and distribution of non-down apparels

(i) The English translation of the names of the companies registered in the PRC above is for reference only. The official names of these companies are in Chinese.

As at March 31, 2025 and 2024, none of the Group's subsidiaries have non-controlling interests which are material to the Group's consolidated financial statements.

35 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(b) A trust for the share award scheme (the "Trust")

On April 23, 2020, the Company adopted a new share award scheme (the "Share Award Scheme") to recognize and reward the contribution of certain eligible employees (including the directors and core management team of the Group) and to incentivize them for the growth and development of the Group through an award of the Company's shares.

The Company has appointed a trustee for administration of the Share Award Scheme (the "Trustee"). The principal activity of the Trustee is administrating and holding the Company's shares for the Share Award Scheme for the benefit of the Company's eligible employees. Pursuant to the Share Award Scheme, the Company's shares will be purchased by the Trustee in the market out of cash contributed by the Company and held in the Trust for relevant employees until such shares are vested in the relevant beneficiary in accordance with the provisions of the Share Award Scheme at no cost. The total number of the Company's shares held by the Trustee under the Share Award Scheme will not exceed 1.5% of the total issued shares of the Company at any time.

As the Company has the power to govern the financial and operating policies of the Trust and can derive benefits from the contributions of the employees who have been awarded the shares of the Company (the "Awarded Shares") through their continued employment with the Group, the Group is required to consolidate the Trust.

As of March 31, 2025, the Company had contributed RMB549,145,000 (March 31, 2024: RMB415,730,000) to the Trust and the amount was recorded as "Investment in subsidiaries" in the Company's statement of financial position.

During the year ended March 31, 2025, 18,720,000 and 4,800,000 shares were vested to employees on July 29, 2024 and December 20, 2024, respectively (note 37(a)). As at March 31, 2025, total number of shares held by the Trustee was 59,680,000 (March 31, 2024: 83,200,000) at a total cost (including related transaction costs) of RMB144,386,000 (March 31, 2024: RMB207,370,000).

36 CAPITAL, RESERVES AND DIVIDENDS

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

	Share capital RMB'000 (note 36(c))	Share premium RMB'000	Capital reserves RMB'000 (note 36(d))	Other reserves RMB'000 (note 33)	Translation reserves RMB'000 (note 36(d))	Retained earnings RMB'000	Total RMB'000
Balance at March 31, 2023	818	1,928,764	270,652	244,779	(725,850)	1,545,650	3,264,813
Changes in equity for the year:							
Profit for the year	–	–	–	–	–	1,282,048	1,282,048
Other comprehensive income:							
– Exchange realignment	–	–	–	–	76,419	–	76,419
Equity-settled share-based transactions	1	37,280	91,653	–	–	–	128,934
Dividends	–	–	–	–	–	(1,852,391)	(1,852,391)
Balance at March 31, 2024	819	1,966,044	362,305	244,779	(649,431)	975,307	2,899,823
Changes in equity for the year:							
Profit for the year	–	–	–	–	–	3,508,967	3,508,967
Other comprehensive income:							
– Exchange realignment	–	–	–	–	(26,318)	–	(26,318)
Equity-settled share-based transactions	13	486,453	44,552	–	–	–	531,018
Conversion and redemption of convertible notes	36	2,001,609	–	(244,779)	–	–	1,756,866
Purchase of own shares	(5)	(222,726)	–	–	–	–	(222,731)
Dividends	–	–	–	–	–	(2,650,102)	(2,650,102)
Balance at March 31, 2025	**863**	**4,231,380**	**406,857**	**–**	**(675,749)**	**1,834,172**	**5,797,523**

(b) Dividends

(i) Dividends payable to equity shareholders of the Company attributable to the year:

	For the year ended March 31, 2025 RMB'000	2024 RMB'000
Interim dividend declared and paid of HKD6.0 cents per ordinary share (2024: interim dividend declared and paid of HKD5.0 cents per ordinary share)	**633,076**	492,640
Final dividend proposed after the end of the reporting period of HKD22.0 cents per ordinary share (2024: HKD20.0 cents per ordinary share)	**2,321,355**	2,001,530
	2,954,431	2,494,170

The final dividend proposed after the end of the reporting period has not been recognized as a liability at the end of the reporting period.

36 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(b) Dividends (continued)

(ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year:

	For the year ended March 31, **2025** **RMB'000**	2024 RMB'000
Final dividend in respect of the previous financial year, approved and paid during the year, of HKD20.0 cents per ordinary share (2024: final dividend of HKD13.5 cents per ordinary share)	**2,003,441**	1,345,200

(c) Share capital

Movements in the authorized and issued and fully paid share capital of the Company during the years are as follows:

	2025 No. of shares ('000)	**2025** USD'000	2024 No. of shares ('000)	2024 USD'000
Authorized:				
Ordinary shares	**20,000,000**	**200**	20,000,000	200
RMB equivalent ('000)		**1,556**		1,556
Ordinary shares, issued and fully paid:				
At April 1	**10,921,041**	**109**	10,903,285	109
Issue of ordinary shares for equity-settled share-based transactions (note 37 (b)) (i)	**179,132**	**2**	17,756	–
Conversion of convertible bonds (note 33)	**500,587**	**5**	–	–
Purchase of own shares (ii)	**(64,206)**	**(1)**	–	–
At March 31	**11,536,554**	**115**	10,921,041	109
RMB equivalent ('000)		**863**		819

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

36 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(c) Share capital (continued)

Authorized share capital

The Company was incorporated on July 10, 2006 with an authorized share capital of USD100, divided into 100 shares of par value of USD1.00 each. Through a series of changes in share capital, the authorized share capital is USD200,000 divided into 20,000,000,000 ordinary shares of USD0.00001 each after the completion of the Hong Kong Public Offering and the International Placing.

(i) The Company issued a total number of 179,132,000 new ordinary shares for the exercised share options during the year ended March 31, 2025 (March 31, 2024: 17,756,000) (see note 37(b)).

(ii) During the year, the Company repurchased and cancelled its own ordinary shares on the Stock Exchange as follows:

Month/year	Number of shares repurchased '000	Highest price paid per share HKD	Lowest price paid per share HKD	Aggregate price paid HKD'000
January 2025	26,774	3.77	3.53	98,301
February 2025	20,932	3.83	3.70	79,196
March 2025	16,500	3.93	3.69	62,870
	64,206			240,367

(d) Nature and purpose of reserves

(i) Capital reserves

The capital reserves at March 31, 2025 and 2024 represent the value of employee services in respect of shares granted to employees.

(ii) Statutory reserves

Statutory reserves were established in accordance with the relevant PRC rules and regulations and the articles of association of the entities now comprising the Group which are incorporated in the PRC. Transfers to the reserves were approved by the respective boards of directors.

(iii) Translation reserves

The translation reserves comprise all foreign exchange differences arising from the translation of the financial statements of the operations outside the PRC which are dealt with in accordance with the accounting policies as set out in note 4(x).

36 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(e) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure on the basis of an adjusted net debt-to-capital ratio. For this purpose, adjusted net debt is defined as total debt (which includes interest-bearing loans and borrowings, lease liabilities and convertible bonds) plus unaccrued proposed dividends, less cash and cash equivalents. Adjusted capital comprises all components of equity, less unaccrued proposed dividends.

The Group's adjusted net debt-to-capital ratio at the end of the current and previous reporting periods was as follows:

	Note	At March 31 **2025** **RMB'000**	 2024 RMB'000
Liabilities:			
Interest-bearing borrowings	30	**896,063**	768,436
Lease liabilities	31	**962,401**	740,494
Convertible bonds	33	**–**	1,714,542
Total debts		**1,858,464**	3,223,472
Add: Proposed dividends	36(b)	**2,321,355**	2,001,530
Less: Cash and cash equivalents	29	**(4,184,838)**	(6,227,015)
Adjusted net debts		**(5,019)**	(1,002,013)
Total equity		**17,030,199**	13,819,485
Less: Proposed dividends	36(b)	**(2,321,355)**	(2,001,530)
Adjusted capital		**14,708,844**	11,817,955
Adjusted net debt to-capital ratio		**0%**	-8%

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

37 EQUITY-SETTLED SHARE-BASED TRANSACTIONS

A share option scheme (the "2017 Share Option Scheme") was proposed by the board of directors of the Company on July 26, 2017 and approved by the shareholders of the Company on August 25, 2017. In light of the amendments to the requirements under Chapter 17 of the Listing Rules which took effect on January 1, 2023, the board of directors proposed to adopt a new share option scheme (the "Share Option Scheme") to comply with the said new requirements and such scheme was approved by the shareholders of the Company on August 20, 2024. The terms of each of the 2017 Share Option Scheme and the Share Option Scheme are in accordance with the applicable provisions of Chapter 17 of the Listing Rules.

On April 23, 2020, the Company adopted a new share award scheme (the "Share Award Scheme"), which is funded solely by existing shares of the Company, to recognize and reward the contribution of certain eligible employees (including the directors and core management team of the Group) and to incentivize them for the growth and development of the Group through an award of the Company's shares.

At March 31, 2025, the Company had the following share-based payment arrangements:

(a) Restricted shares

The term and conditions of the restricted shares are as follows:

Grant date	Number of instruments	Purchase price	Vesting conditions	Contractual life of restricted shares
Restricted shares granted to directors, senior management or core employees:				
On December 20, 2021 (i)	16,000,000	HKD2.49	30% – 3 years commencing from 12 months after the grant date 30% – 2 years commencing from 24 months after the grant date 40% – 1 year commencing from 36 months after the grant date	48 months
On November 28, 2023 (ii)	78,400,000	HKD1.62	30% – 3 years commencing from 8 months after the grant date 30% – 2 years commencing from 20 months after the grant date 40% – 1 year commencing from 32 months after the grant date	44 months
On January 14, 2025 (iii)	8,000,000	HKD1.82	30% – 3 years commencing from 12 months after the grant date 30% – 2 years commencing from 24 months after the grant date 40% – 1 year commencing from 36 months after the grant date	48 months

37 EQUITY-SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(a) Restricted shares (continued)

(i) In addition to the service condition, there are other vesting conditions related to the employees' performance and the Group's performance for each of the three years ended March 31, 2022, 2023 and 2024 as well as the cumulative performance for the two years ended March 31, 2023 and three years ended March 31, 2024, respectively. These restricted shares also have a lock-up period of 12 months from the dates of vesting. Employees are required to make the upfront payment of HKD2.49 per share, which shall be refunded if the restricted shares are not vested.

(ii) In addition to the service condition, there are other vesting conditions related to the employees' performance and the Group's performance for each of the three years ended March 31, 2024 and 2025, and ending March 31, 2026 as well as the cumulative performance for the two years ended March 31, 2025 and three years ending March 31, 2026, respectively. These restricted shares also have a lock-up period of 12 months from the dates of vesting. Employees are required to make the upfront payment of HKD1.62 per share, which shall be refunded if the restricted shares are not vested. As of March 31, 2025, upfront payments for all restricted shares were received by the Group and such payments were recorded as current other payable of RMB30,666,000 and non-current other payables of RMB40,887,000, respectively.

(iii) In addition to the service condition, there are other vesting conditions related to the employees' performance and the Group's performance for each of the three years ended March 31, 2025 and ending March 31, 2026 and 2027 as well as the cumulative performance for the two years ending March 31, 2026 and three years ending March 31, 2027, respectively. These restricted shares also have a lock-up period of 12 months from the dates of vesting. Employees are required to make the upfront payment of HKD1.82 per share, which shall be refunded if the restricted shares are not vested. As of March 31, 2025, upfront payments for all restricted shares were received by the Group and such payments were recorded as current other payable of RMB4,033,000 and non-current other payables of RMB9,412,000, respectively.

(iv) Movements in the number of restricted shares granted to the employees under the Share Award Scheme and the respective weighted average grant date fair value are as below:

	Weighted average fair value per share	Number of restricted shares
Outstanding at March 31, 2024	HKD1.48	84,800,000
Granted during the period	HKD1.63	8,000,000
Vested during the period	HKD1.51	(23,520,000)
Forfeited during the period	HKD1.49	(16,620,000)
Outstanding at March 31, 2025	HKD1.47	52,660,000

37 EQUITY-SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(b) Share Options

The terms and conditions of the share options are as follows:

Grant date	Number of instruments	Exercise price	Vesting conditions	Contractual life of options
Options granted to directors, senior management or core employees:				
On October 26, 2018 (i)	260,000,000	HKD1.07	30% – 9 years commencing from 12 months after the grant date 30% – 8 years commencing from 24 months after the grant date 40% – 7 years commencing from 36 months after the grant date	10 years
On April 23, 2020 (ii)	330,000,000	HKD1.94	30% – 3 years commencing from 15 months after the grant date 30% – 2 years commencing from 27 months after the grant date 40% – 1 year commencing from 39 months after the grant date	51 months
On December 20, 2021 (iii)	103,200,000	HKD4.98	30% – 3 years commencing from 12 months after the grant date 30% – 2 years commencing from 24 months after the grant date 40% – 1 year commencing from 36 months after the grant date	48 months
On November 28, 2023 (iv)	511,480,000	HKD3.24	30% – 3 years commencing from 8 months after the grant date 30% – 2 years commencing from 20 months after the grant date 40% – 1 year commencing from 32 months after the grant date	44 months

37 EQUITY-SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(b) Share Options (continued)

Grant date	Number of instruments	Exercise price	Vesting conditions	Contractual life of options
On January 14, 2025 (v)	90,300,000	HKD3.65	30% – 3 years commencing from 12 months after the grant date 30% – 2 years commencing from 24 months after the grant date 40% – 1 year commencing from 36 months after the grant date	48 months
Options granted to parties other than employees:				
On October 23, 2020 (vi)	100,000,000	HKD3.41	30% -3 years commencing from 12 months after the grant date 30% – 2 years commencing from 24 months after the grant date 40% – 1 years commencing from 36 months after the grant date	48 months

(i) Each option gives the eligible persons the right to subscribe for one ordinary share of the Company. In addition to the service condition, there are other vesting conditions related to the employees' performance and the Group's performance for each of the three years ended March 31, 2019, 2020 and 2021.

(ii) Each option gives the eligible persons the right to subscribe for one ordinary share of the Company. In addition to the service condition, there are other vesting conditions related to the employees' performance and the Group's performance for each of the three years ended March 31, 2021, 2022 and 2023 as well as the cumulative performance for the two years and three years ended March 31, 2022 and 2023, respectively.

(iii) Each option gives the eligible persons the right to subscribe for one ordinary share of the Company. In addition to the service condition, there are other vesting conditions related to the employees' performance and the Group's performance for each of the three years ended March 31, 2022, 2023 and 2024 as well as the cumulative performance for the two years ended March 31, 2023 and three years ended March 31, 2024, respectively.

(iv) Each option gives the eligible persons the right to subscribe for one ordinary share of the Company. In addition to the service condition, there are other vesting conditions related to the employees' performance and the Group's performance for each of the three years ended March 31, 2024 and 2025, and ending March 31, 2026 as well as the cumulative performance for the two years ended March 31, 2025 and three years ending March 31, 2026, respectively.

37 EQUITY-SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(b) Share Options (continued)

(v) Each option gives the eligible persons the right to subscribe for one ordinary share of the Company. In addition to the service condition, there are other vesting conditions related to the employees' performance and the Group's performance for each of the three years ended March 31, 2025 and ending March 31, 2026 and 2027 as well as the cumulative performance for the two years ending March 31, 2026 and three years ending March 31, 2027, respectively.

(vi) On October 23, 2020, the Company granted 100,000,000 share options to Wise Triumph Group Limited, an eligible independent consultant of the Group. Each option gives the right to subscribe for one ordinary share of the Company. In addition to the service condition, there are other vesting conditions related to:

– the Group's performance for each of the three years ended March 31, 2022, 2023 and 2024 as well as the cumulative performance for the two years and three years ended March 31, 2023 and 2024, respectively; and

– the Bosideng brand's performance for each of the three years ended March 31, 2022, 2023 and 2024 as well as the cumulative performance for the two years and three years ended March 31, 2023 and 2024, respectively.

On October 23, 2024, the 100,000,000 share options granted to Wise Triumph Group Limited lapsed due to the failure to meet the vesting conditions.

(vii) Movements in the number of share options granted under the Share Option Scheme and their related weighted average exercise prices are as below:

	Weighted average exercise price per share	Number of share options
Outstanding at March 31, 2024	HKD3.10	822,345,999
Granted during the period	HKD3.65	90,300,000
Exercised during the period	HKD2.32	(179,132,000)
Forfeited during the period	HKD3.75	(166,750,000)
Outstanding at March 31, 2025	HKD3.24	566,763,999
Exercisable at March 31, 2025	HKD3.32	115,043,999

37 EQUITY-SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(c) Fair value of restricted shares and share options and assumptions

The fair value of services received in return for restricted shares granted is measured by reference to the fair value of restricted shares granted. The estimate of the fair value of the restricted shares granted is measured based on an Asian option model. The discount of lack of marketability ("DLOM") during the lock-up period of the restricted shares is used as one of the key inputs into this model. For restricted shares granted during the year ended March 31, 2025, the key inputs and assumptions used in the model are as follows:

Fair value of restricted shares granted on January 14, 2025 and assumptions	
Fair value at grant date	HKD1.63379
Share price at grant date	HKD3.65
Purchase price	HKD1.82
Expected DLOM (weighted average)	5.38%
Lock-up period	12 months
Expected dividend	5.10%
Risk-free interest rate (based on government bonds)	3.74%

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the share options granted is measured based on a binomial lattice model. The contractual life of the share option is used as one of the key inputs into this model. Expectations of early exercise and demission rate are incorporated into the binomial lattice model. For share options granted during the year ended March 31, 2025, the key inputs and assumptions used in the model are as follows:

Fair value of share options granted on January 14, 2025 and assumptions	
Fair value at grant date	HKD0.6059 ~ 0.6093
Share price at grant date	HKD3.65
Exercise price	HKD3.65
Expected volatility (weighted average)	28.41%
Expected life (weighted average)	48 months
Expected dividend	5.10%
Risk-free interest rate (based on government bonds)	3.74%

The expected volatility is based on the historic volatility (calculated based on the weighted average expected remaining life of the share options), adjusted for any expected changes to future volatility based on publicly available information. Expected dividends are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate.

Both restricted shares and share options were granted under a service condition and certain non-market performance conditions. These conditions have not been taken into account in the grant date fair value measurement of the services received. There were no market conditions associated with the restricted shares and share option grants.

(d) Expense recognized in profit or loss

For details of the related employee benefit expenses, see note 8.

38 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. The Group is also exposed to business risks primarily arising from the weather conditions and competition.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade receivables, deposits, other receivables, long-term receivables and amounts due from related parties. The Group's exposure to credit risk arising from cash and cash equivalents, pledged bank deposits, time deposits, bills receivables and other financial assets with banks is limited because the counterparties are banks, which the Group considers to represent low credit risk.

(i) Trade receivables

Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 30 days to 90 days from the date of billing. Normally, the Group does not obtain collateral from customers.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At the end of the reporting period, 2.59% (2024: 2.22%) and 6.21% (2024: 4.48%) of the total trade receivables was due from the Group's largest customer and the five largest customers, respectively.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

38 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Credit risk (continued)

(i) Trade receivables (continued)

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables:

	At March 31, 2025		
	Expected loss rate %	**Gross carrying amount RMB'000**	**Loss allowance RMB'000**
Current (not past due)	**0.24%**	**787,261**	**1,866**
1 to 3 months past due	**1.33%**	**124,502**	**1,651**
Over 3 months but less than 6 months past due	**16.31%**	**39,434**	**6,430**
Over 6 months but less than 12 months past due	**41.80%**	**3,699**	**1,546**
Over 1 year past due	**95.30%**	**73,253**	**69,813**
		1,028,149	**81,306**

	At March 31, 2024		
	Expected loss rate %	Gross carrying amount RMB'000	Loss allowance RMB'000
Current (not past due)	0.81%	1,013,483	8,250
1 to 3 months past due	3.27%	87,721	2,868
Over 3 months but less than 6 months past due	16.89%	13,046	2,204
Over 6 months but less than 12 months past due	63.00%	5,546	3,494
Over 1 year past due	98.24%	71,642	70,379
		1,191,438	87,195

Expected loss rates are based on historical actual loss experience. These rates are adjusted for factors that are specific to the debtors, and to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

There is no significant concentration of credit risk with respect to customers receivables, as the Group has a large number of customers.

38 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Credit risk (continued)

(i) Trade receivables (continued)

Movement in the loss allowance account in respect of trade receivables during the year were as follows:

	For the year ended March 31	
	2025	2024
	RMB'000	RMB'000
At the beginning of the year	**87,195**	87,668
Reversal for impairment losses	**(5,889)**	(473)
At March 31	**81,306**	87,195

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The default risk of the industry and country in which customers operate also has an influence on credit risk but to a lesser extent.

(ii) Deposits, other receivables, long-term receivables and amounts due from related parties

Credit risk in respect of deposits, other receivables, long-term receivables and amounts due from related parties are limited since the balances are not yet past due and settled on a regular basis.

The Group measures loss allowances for deposits, other receivables, long-term receivables and amounts due from related parties at an amount equal to 12-month ECLs unless there has been a significant increase in credit risk since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs. The Group assessed there is no significant loss allowance recognized in accordance with IFRS 9 for deposits, other receivables, long-term receivables and amounts due from related parties as at March 31, 2025.

38 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and readily realizable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay:

	At March 31, 2025 Contractual undiscounted cash flow						At March 31, 2024 Contractual undiscounted cash flow					
	Within 1 year or on demand RMB'000	More than 1 year but less than 2 years RMB'000	More than 2 years but less than 5 years RMB'000	More than 5 years RMB'000	Total RMB'000	Carrying amount RMB'000	Within 1 year or on demand RMB'000	More than 1 year but less than 2 years RMB'000	More than 2 years but less than 5 years RMB'000	More than 5 years RMB'000	Total RMB'000	Carrying amount RMB'000
The Group												
Interest-bearing borrowings	901,061	–	–	–	901,061	896,063	773,451	–	–	–	773,451	768,436
Lease liabilities	501,915	289,811	195,153	135,117	1,121,996	962,401	395,427	267,200	102,569	74,628	839,824	740,494
Trade and other payables	6,598,689	–	–	–	6,598,689	6,598,689	6,609,349	–	–	–	6,609,349	6,609,349
Payables due to related parties	3,024	–	–	–	3,024	3,024	86,815	–	–	–	86,815	86,815
Convertible bonds	–	–	–	–	–	–	1,767,123	–	–	–	1,767,123	1,714,542
Non-current other payables	–	44,921	5,378	–	50,299	50,299	–	30,666	40,887	–	71,553	71,553
	8,004,689	334,732	200,531	135,117	8,675,069	8,510,476	9,632,165	297,866	143,456	74,628	10,148,115	9,991,189

As shown in the above analysis, bank loans of the Group amounting to RMB896,063,000 were due to be repaid during the year ending March 31, 2026. The short-term liquidity risk inherent in this contractual maturity date is expected to be addressed after the end of the reporting period by obtaining new loan financing from new and existing lenders.

38 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(c) Interest rate risk

The Group's interest rate risk arises primarily from interest-bearing borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. The Group's interest rate profile as monitored by management is set out in (i) below:

(i) Interest rate profile

The following table details the interest rate profile of the Group's interest-bearing borrowings at the end of the reporting period:

	At March 31, 2025		At March 31, 2024	
	Effective Interest rate	**RMB'000**	Effective Interest rate	RMB'000
Fixed rate borrowings				
Lease liabilities (note 31)	**3.60% – 4.75%**	**(962,401)**	4.75% – 4.90%	(740,494)
Convertible bonds (note 33)	**–**	**–**	4.30%	(1,714,542)
Interest-bearing borrowings	**2.70% – 2.72%**	**(500,000)**	3.70%	(10,000)
		(1,462,401)		(2,465,036)
Variable rate borrowings				
Interest-bearing borrowings	**1.79% – 5.78%**	**(396,063)**	1.71% – 6.20%	(758,436)

(ii) Sensitivity analysis

At March 31, 2025, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would have decreased/increased the Group's profit after tax and retained earnings by approximately RMB3,936,000 (for the year ended March 31, 2024: decreased/increased by approximately RMB7,659,000). Other components of equity would not have been affected by the changes in interest rates.

The sensitivity analysis above indicates the instantaneous change in the Group's profit after tax (and retained earnings) that would arise assuming that the change in interest rates had occurred at the end of the reporting period. In respect of the exposure to cash flow interest rate risk arising from floating rate non-derivative instruments held by the Group at the end of the reporting period, the impact on the Group's profit after tax (and retained earnings) is estimated as an annualized impact on interest expense or income of such a change in interest rates. The analysis is performed on the same basis as at March 31, 2024.

38 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(d) Currency risk

RMB is not freely convertible into foreign currencies. All foreign exchange transactions involving RMB have to take place through the People's Bank of China or other institutions authorized to buy and sell foreign exchange. The exchange rates adopted for the foreign exchange transactions are the rates of exchange quoted by the People's Bank of China that are determined largely by supply and demand. The Group is exposed to currency risk primarily through time deposits and cash and cash equivalents, trade and bills receivables, intercompany receivables, prepayments, trade payables and interest-bearing borrowings that are denominated in a currency other than the functional currency of the operations to which they relate. The currencies giving rise to this risk are primarily United States Dollars, Hong Kong Dollars, Japanese Yen, Europe Euro, Singapore Dollars and Vietnam Dollars.

(i) Exposure to currency risk

The following table details the Group's major exposures at the end of the reporting period to currency risk arising from recognized assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in Renminbi, translated using the spot rate at the year end date. Differences resulting from the translation of the financial statements of foreign operations into the Group's presentation currency are excluded.

	Exposure to foreign currencies (expressed in Renminbi)							
	At March 31, 2025				At March 31, 2024			
	United States Dollars RMB'000	Hong Kong Dollars RMB'000	Japanese Yen RMB'000	Europe Euro RMB'000	United States Dollars RMB'000	Hong Kong Dollars RMB'000	Japanese Yen RMB'000	Renminbi RMB'000
Time deposits, bank deposits and cash and cash equivalents	172,234	192,899	709	29	29,215	101,452	1,878	318,512
Trade and bills receivables	28,304	–	–	10,011	17,183	–	–	–
Intercompany receivables	181,277	–	–	–	194,321	–	–	–
Prepayments	79,773	–	–	150	68,848	–	–	–
Trade payables	(56,050)	–	–	–	(925)	–	–	–
Interest-bearing borrowings	–	(166,104)	(220,152)	–	–	(543,930)	(214,506)	–
	405,538	26,795	(219,443)	10,190	308,642	(442,478)	(212,628)	318,512

38 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(d) Currency risk (continued)

(ii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's profit after tax (and retained earnings) and other components of consolidated equity that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant.

	For the year ended March 31, 2025			For the year ended March 31, 2024		
	(Decrease)/ increase in foreign exchange rate %	**Effect on profit after tax and retained earnings RMB'000**	**Effect on other components of equity RMB'000**	(Decrease)/ increase in foreign exchange rate %	Effect on profit after tax and retained earnings RMB'000	Effect on other components of equity RMB'000
United States Dollars	**10%**	**±42,118**	**–**	10%	±23,385	–
Hong Kong Dollars	**10%**	**±2,679**	**–**	10%	∓44,251	–
Japanese Yen	**10%**	**∓21,944**	**–**	10%	∓21,281	–
Europe Euro	**10%**	**±764**	**–**			

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the Group entities' profit after tax and equity measured in the respective functional currencies, translated into Renminbi at the exchange rate ruling at the end of the reporting period for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period, including inter-company receivables within the Group which are denominated in a currency other than the functional currencies of the lender or the borrower. The analysis excludes differences that would result from the translation of the financial statements of foreign operations into the Group's presentation currency. The analysis is performed on the same basis for the year ended March 31, 2024.

38 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(e) Business risk

The Group's primary business is research, design and development, raw materials procurement, outsourced manufacturing, marketing and distribution of branded down apparel products, which experiences seasonal fluctuations. As such, the sales volumes and revenue in the second half of the financial year are normally substantially higher than those during the first half of the financial year. The Group's financial results are influenced by the weather conditions during the year and the rapidity with which designs are copied by competitors and reproduced at lower prices, as well as by the Group's ability to develop new designs that capture market demand, maintain an effective distribution network, manufacture sufficient quantities to meet cyclical sales, and manage an optimal level of inventories. Based on these factors, the Group may experience significant fluctuations in its future financial results.

(f) Fair value measurement

(i) Financial assets and liabilities measured at fair value

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorized into the three-level fair value hierarchy as defined in IFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date;

- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available; and

- Level 3 valuations: Fair value measured using significant unobservable inputs.

38 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(f) Fair value measurement (continued)

(i) Financial assets and liabilities measured at fair value (continued)

Fair value hierarchy (continued)

The Group	Fair value at March 31, 2025 RMB'000	Fair value measurements as at March 31, 2025 categorised into Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000
Recurring fair value measurements				
Financial assets:				
Financial assets classified as FVPL	**6,652,607**	**1,329**	**6,651,278**	**–**
Derivative financial assets	**3,754**	**–**	**–**	**3,754**
Bills receivable measured at FVOCI	**247,918**	**–**	**247,918**	**–**
Financial liabilities:				
Derivative financial liabilities	**(3,661)**	**–**	**–**	**(3,661)**

The Group	Fair value at March 31, 2024 RMB'000	Fair value measurements as at March 31, 2024 categorised into Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000
Recurring fair value measurements				
Financial assets:				
Equity securities designated at FVOCI	130,291	130,291	–	–
Financial assets classified as FVPL	4,191,622	1,480	4,190,142	–
Derivative financial assets	3,726	–	–	3,726
Bills receivable, measured at FVOCI	271,508	–	271,508	–
Financial liabilities:				
Derivative financial liabilities	(3,655)	–	–	(3,655)

38 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(f) Fair value measurement (continued)

(i) Financial assets and liabilities measured at fair value (continued)

Valuation techniques and inputs used in level 2 fair value measurements

The fair value of other financial assets in Level 2 is determined by reference to quoted prices of instruments similar to the assets being valued, adjusted for factors unique to the assets being valued.

Information about level 3 fair value measurement

The fair value of derivative financial instruments, the put option and call options, are determined by Black-Scholes model. The key parameters used include spot share price, share price volatility, dividend yield, risk-free rate and repurchase probability.

Below is a summary of significant unobservable inputs to the valuation of the options together with an analysis for the relationship of unobservable inputs to the fair value measurements at the end of reporting period:

	Valuation techniques	Significant unobservable inputs	Relationship of unobservable inputs to the input
Put option	Black-Scholes model	Share price volatility, dividend yield and repurchase probability	The fair value increase/decrease as the volatility increase/decrease, dividend yield increase/decrease and repurchase probability increase/decrease
Call options	Black-Scholes model	Share price volatility, dividend yield and repurchase probability	The fair value increase/decrease as the volatility increase/decrease, dividend yield decrease/increase and repurchase probability increase/decrease

38 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(f) Fair value measurement (continued)

(i) Financial assets and liabilities measured at fair value (continued)

Information about level 3 fair value measurement (continued)

The movements during the year in the balance of these Level 3 fair value measurements were as follows:

	At March 31, 2025 RMB'000	2024 RMB'000
Put option		
At April 1	**3,726**	–
Addition due to investment in an associate	**–**	3,558
Fair value change	**28**	168
At March 31	**3,754**	3,726
Call options		
At April 1	**(3,655)**	–
Addition due to investment in joint ventures	**–**	(4,208)
Fair value change	**(6)**	553
At March 31	**(3,661)**	(3,655)

Any gain or loss arising from the remeasurement of the put option and call options are presented in the "Net finance income" line item in the consolidated statement of profit or loss.

38 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(f) Fair value measurement (continued)

(ii) Fair values of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortized cost are not materially different from their fair values as at March 31, 2025 and 2024.

39 COMMITMENTS AND CONTINGENT LIABILITIES

(a) Commitments

Commitments of the Group in respect of plant, property and equipment, equity investment and advertising and promotional expenses outstanding at March 31, 2025 not provided for in the consolidated financial statements were as follows:

	At March 31,	
	2025	2024
	RMB'000	RMB'000
Contracted for	**218,371**	156,011

(b) Contingent liabilities

As at March 31, 2025, the Group did not have any significant contingent liabilities.

40 MATERIAL RELATED PARTY TRANSACTIONS

During the year, transactions with the following parties are considered as related party transactions.

Name of parties	Relationship
Bosideng Corporation Limited (“Bosideng Corporation”) 波司登股份有限公司(「波司登股份」)	Solely ultimately beneficially owned by Mr. Gao Dekang, the controlling equity shareholders of the Group
Shandong Kangbo Industrial Co., Ltd. (“Shandong Kangbo Industrial”) 山東康博實業有限公司(「山東康博實業」)	Effectively controlled by the Gao Family, the controlling equity shareholders of the Group
Jiangsu Suyong International Trade Co., Ltd. (“Jiangsu Suyong”) 江蘇蘇甬國際貿易有限公司(「江蘇蘇甬」)	Effectively controlled by the Gao Family, the controlling equity shareholders of the Group
Changshu Kangbo Landscaping Co., Ltd. (“Changshu Kangbo”) 常熟市康博園林綠化有限公司(「常熟康博」)	Effectively controlled by the Gao Family, the controlling equity shareholders of the Group and one of the shareholders since April 1, 2014
Jiangsu Kangxin Garment Co., Ltd. (“Jiangsu Kangxin”) 江蘇康欣製衣有限公司(「江蘇康欣」)	Effectively controlled by the Gao Family, the controlling equity shareholders of the Group
Anhui Liuqiao 安徽柳橋國際供應鏈有限公司(「安徽柳橋」)	Associate
Anhui Ehong 安徽鵝泓羽絨有限公司(「安徽鵝泓」)	Associate
Bogner GCA Holding 博格納大中華控股有限公司(「博格納大中華控股」)	Joint venture
Tan Duong 新洋服裝出口有限責任公司(「新洋服裝」)	Joint venture

40 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Transactions with related parties

	For the year ended March 31,	
	2025	2024
	RMB'000	RMB'000
Purchase of raw materials:		
Anhui Ehong	**137,269**	–
Processing service fees:		
Tan Duong	**20,017**	5,712
Manufacturing outsourcing service:		
Bosideng Corporation	**1,987,948**	1,524,676
Jiangsu Kangxin	**118,235**	124,373
	2,106,183	1,649,049
Integrated service fees:		
Bosideng Corporation	**19,386**	14,899
Changshu Kangbo	**958**	2,280
Jiangsu Kangxin	**–**	23
	20,344	17,202
Integrated service income:		
Bogner GCA Holding	**468**	493
Loans or advances provided to, netting off the repayment:		
Anhui Liuqiao	**–**	21,500
Bogner GCA Holding	**18,000**	–
Anhui Ehong	**20,000**	–
Interest income charged to an associate:		
Anhui Liuqiao	**2,125**	2,077

Leasing arrangements

During the year ended March 31, 2025, the Group entered into certain lease arrangements in respect of certain leasehold properties from a fellow subsidiary of the Group. At the commencement date of the lease, the Group recognised a right-of-use asset and a lease liability of RMB5,047,000.

40 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Transactions with related parties (continued)

Applicability of the Listing Rules relating to connected transactions

The related party transactions in respect of manufacturing outsourcing service, leasing arrangements and integrated service fees above constituted non-exempt continuing connected transactions as defined in Chapter 14A of the Listing Rules.

(b) Balances with related parties

	At March 31, 2025 RMB'000	2024 RMB'000
Amounts due from:		
Prepayments to related parties(i):		
Bosideng Corporation	287,073	19,567
Anhui Ehong	76,784	–
Jiangsu Kangxin	1,848	2,927
	365,705	22,494
Other receivables due from related parties (iii):		
Bosideng Corporation	22,088	27,016
Anhui Liuqiao (ii)	42,843	43,746
Anhui Ehong (ii)	20,064	–
Bogner GCA Holding	18,497	496
Jiangsu Kangxin	488	–
	103,980	71,258
	469,685	93,752
Amounts due to:		
Trade and other payables due to related parties (iv):		
Bosideng Corporation	2,429	86,589
Changshu Kangbo	–	226
Jiangsu Kangxin	595	–
	3,024	86,815

(i) The prepayments to related parties mainly arose from the transaction of raw material and processing service procurement from related parties which are expected to be settled within one year.

(ii) The other receivables due from Anhui Liuqiao and Anhui Ehong represented loans provided with the maturity date on August 30, 2025 and April 3, 2025, respectively. The loans are guaranteed and bear 4.5% interest rate per annum. During the year ended March 31, 2025, total interest income generating from the loans was RMB2,125,000 (2024: RMB2,077,000).

(iii) Except for the other receivables due from Anhui Liuqiao and Anhui Ehong, the remaining receivables due from related parties are unsecured, interest-free and expected to be recovered within one year or on demand.

(iv) The trade and other payables due to related parties are unsecured, interest-free and are expected to be paid within one year or on demand.

40 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in note 12 and certain of the highest paid employees as disclosed in note 13, is as follows:

	For the year ended March 31, 2025 RMB'000	2024 RMB'000
Short-term employee benefits	**63,230**	40,947
Equity-settled share-based payments	**48,805**	51,967
Total	**112,035**	92,914

41 COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

	Note	At March 31, 2025 RMB'000	2024 RMB'000
Non-current asset			
Investment in and amounts due from subsidiaries		**1,537,389**	1,694,070
		1,537,389	1,694,070
Current assets			
Trade and other receivables		**7,462**	47,478
Dividends receivables due from a subsidiary		**3,665,272**	3,175,275
Other financial assets		**4,009**	150,336
Cash and cash equivalents		**1,269,718**	695,554
		4,946,461	4,068,643
Current liabilities			
Interest-bearing borrowings		**386,063**	758,436
Trade and other payables		**106,334**	55,543
Amounts due to subsidiaries		**193,930**	339,388
Convertible bonds		**–**	1,709,523
		686,327	2,862,890
Net current assets		**4,260,134**	1,205,753
Total assets less current liabilities		**5,797,523**	2,899,823
Net assets		**5,797,523**	2,899,823
Capital and reserves			
Share capital	36(c)	**863**	819
Reserves	36(d)	**5,796,660**	2,899,004
Total equity		**5,797,523**	2,899,823

42 ULTIMATE HOLDING COMPANY

The directors consider the ultimate holding company of the Company as at March 31, 2025 to be Kangbo Holdings Group Co., Ltd. (previously known as Bosideng Holdings Group Co., Ltd.), which is incorporated in the PRC.

43 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

Subsequent to March 31, 2025, the board of directors of the Company proposed a final dividend of HKD2,541,110,000 (approximately RMB2,321,355,000), representing HKD22.0 cents per ordinary share to the equity shareholders of the Company.

44 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED MARCH 31, 2025

Up to the date of issue of these financial statements, the IASB has issued a number of new or amended standards, which are not yet effective for the year ended March 31, 2025 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

	Effective for accounting period beginning on or after (unless specified)
Amendments to IAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability*	January 1, 2025
Amendments to IFRS 9, *Financial instruments* and IFRS 7, *Financial instruments: disclosures – Amendments to the classification and measurement of financial instruments*	January 1, 2026
Annual improvements to IFRS Accounting Standards – Volume 11	January 1, 2026
IFRS 18, *Presentation and disclosure in financial statements*	January 1, 2027
IFRS 19, *Subsidiaries without public accountability: disclosures*	January 1, 2027

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Gao Dekang *(Chairman of the Board and CEO)* *(Notes 1 & 2)*
Ms. Mei Dong
Ms. Huang Qiaolian
Mr. Rui Jinsong
Mr. Gao Xiaodong

Independent Non-executive Directors

Mr. Dong Binggen *(Notes 1, 2 & 3)*
Mr. Wang Yao *(Notes 1, 2 & 3)*
Dr. Ngai Wai Fung *(Note 3)*

COMPANY SECRETARY

Ms. Liang Shuang

AUTHORIZED REPRESENTATIVES

Mr. Gao Dekang
Ms. Liang Shuang

SHARE LISTING

Place of Listing
The Stock Exchange of Hong Kong Limited

STOCK CODE

3998

INVESTOR RELATIONS

Email: bosideng_ir@bosideng.com
Tel: (852) 2866 6918
Fax: (852) 2866 6930

WEBSITES

http://company.bosideng.com
http://www.bosideng.com

INVESTOR RELATIONS CONSULTANT

iPR Ogilvy Ltd.

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 5709, 57/F., The Center
99 Queen's Road Central
Central, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Suntera (Cayman) Limited
Suite 3204, Unit 2A
Block 3, Building D, P.O. Box 1586
Gardenia Court, Camana Bay
Grand Cayman, KY1-1100
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17 Floor, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

PRINCIPAL LEGAL ADVISORS AS TO HONG KONG LAW

CFN Lawyers

CORPORATE INFORMATION

AUDITOR

KPMG
Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance

PRINCIPAL BANKERS

Agricultural Bank of China Limited
China Construction Bank Corporation
Bank of China Limited
China CITIC Bank Corporation Limited
DBS Bank Ltd., Hong Kong Branch
Standard Chartered Bank (Hong Kong) Limited
Sumitomo Mitsui Banking Corporation Hong Kong Branch
The Hongkong and Shanghai Banking Corporation Limited

Notes:

(1) Members of the Remuneration Committee, Mr. Wang Yao is the Chairman of the Remuneration Committee

(2) Members of the Nomination Committee, Mr. Gao Dekang is the Chairman of the Nomination Committee

(3) Members of the Audit Committee, Dr. Ngai Wai Fung is the Chairman of the Audit Committee

SHAREHOLDER INFORMATION

IMPORTANT DATES

Closure of Register of Members

August 15, 2025 to August 20, 2025
(for attending the AGM) (both days inclusive)

August 26, 2025 to August 28, 2025
(for entitlement to the final dividend) (both days inclusive)

ANNUAL GENERAL MEETING

On or around August 20, 2025

DIVIDEND

Final dividend	:	HKD22.0 cents per Share
Payable	:	On or around September 12, 2025

FINANCIAL YEAR END

March 31

BOARD LOT

2,000 Shares

DEFINITIONS

Terms	Definitions
"AGM"	the forthcoming annual general meeting of the Company
"Articles"	the existing amended and restated articles of association of the Company
"Audit Committee"	the audit committee of the Company
"Board"	the board of Directors
"Board Diversity Policy"	the board diversity policy of the Company adopted by the Board
"CEO"	the chief executive officer of the Company
"Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules (applicable for the Year)
"Company"	Bosideng International Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability on July 10, 2006
"Company Secretary"	the company secretary of the Company
"Conversion Share(s)"	the Share(s) to be issued by the Company upon conversion of the Convertible Bonds
"Convertible Bond(s)"	the convertible bonds with an initial aggregate principal amount of USD275,000,000 with a coupon of 1.00 per cent. due 2024 issued by the Company on December 17, 2019
"Directors"	director(s) of the Company
"Dividend Policy"	the dividend policy of the Company adopted by the Board
"Euro"	the lawful currency of the European Union
"Financial Statements"	the audited consolidated financial statements of the Group for the Year
"Framework Integrated Service Agreement"	the framework integrated service agreement entered into between the Company and Mr. Gao Dekang dated September 15, 2007, pursuant to which the Parent Group agreed to provide various ancillary services to the Group
"Group"	the Company and its subsidiaries
"HKD" or "HK dollars" and "HK cents"	the lawful currency of Hong Kong

Terms	Definitions
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Japanese yen"	the lawful currency of Japan
"Latest Practicable Date"	the latest practicable date prior to the issue of this annual report (being on July 18, 2025)
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"Moody's"	Moody's Investors Service, Inc.
"MPF Scheme"	the Mandatory Provident Fund Scheme, a defined contribution scheme managed by an independent trustee
"New Surplus"	New Surplus International Investment Limited, a shareholder of the Company
"Nomination Committee"	the nomination committee of the Company
"OEM"	original equipment manufacturing
"Options"	the share options granted under the Share Option Scheme of the Group
"Parent Group"	Mr. Gao Dekang and his associates (other than the members of the Group)
"Pound sterling"	the lawful currency of the United Kingdom
"PRC" or "China"	the People's Republic of China
"Prospectus"	the prospectus of the Company dated September 27, 2007
"Remuneration Committee"	the remuneration committee of the Company
"Renewed Framework Manufacturing Outsourcing and Agency Agreement"	the renewed framework manufacturing outsourcing and agency agreement entered into between the Company and Mr. Gao Dekang dated January 17, 2025, pursuant to which the Group agreed to outsource its manufacturing process of down apparel, OEM products and/or its down related materials to the Parent Group on a non-exclusive basis

DEFINITIONS

Terms	Definitions
"RMB" or "Renminbi"	the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary share(s) in the share capital of the Company with nominal value of USD0.00001 each
"Share Award Scheme"	the share award scheme adopted by the Company on April 23, 2020
"2017 Share Option Scheme"	the share option scheme adopted by the Company on August 25, 2017
"2024 Share Option Scheme"	the share option scheme adopted by the Company on August 20, 2024
"SSE"	the Shanghai Stock Exchange
"Stock Exchange" or "SEHK"	The Stock Exchange of Hong Kong Limited
"Subscription"	the subscription and issue of the Convertible Bonds pursuant to the Subscription Agreement
"Subscription Agreement"	the subscription agreement dated December 4, 2019 entered into between the Company and Citigroup Global Markets Limited and China International Capital Corporation Hong Kong Securities Limited, as managers, in relation to, among other things, the Subscription
"SZSE"	the Shenzhen Stock Exchange
"S&P"	S&P Global Ratings
"Treasury Shares"	Shares repurchased and held by the Company in treasury, as authorized by the laws of the Cayman Islands and the Articles
"USD" or "US dollars"	the lawful currency of the United States of America
"Year" or "FY2024/25"	the year ended March 31, 2025
"%"	per cent.

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波司登
BOSIDENG

Bosideng International Holdings Limited
Incorporated in the Cayman Islands with limited liability
Stock Code: 3998

世界羽绒服 中國波司登 引領新潮流

高德康