



For Immediate Release

Profits Surge in Global Brands' Results Post Listing

Core Operating Profit Up 37%, Net Profit Increased 25% from Second Half 2013

Highlights

- Strong growth of Profit Attributable to Shareholders of 24.9% for the six months ended 31 December 2014
- Strong increase in total margin and Core Operating Profit of 15.5% and 36.6% respectively, with momentum going into 2015
- Solid turnover growth of 7.5% to US\$2,105 million
- Both Licensed and Controlled Brands segments showed growth momentum
- Strong improvement in operating cash flow

Hong Kong, 26 March, 2015 – Global Brands Group Holding Limited (“Global Brands” or the “Group”; SEHK Stock Code: 787), one of the world’s leading branded apparel, footwear, fashion accessories and lifestyle product companies, today announced its strong performance after its spin-off and listing as an independent company in July 2014.

For the second half of the year ended 31 December, 2014, which represents the Group’s performance track record as an independent company since listing in July 2014, Global Brands achieved strong results, with turnover and core operating profit at US\$2,105 million and US\$217 million, respectively, representing an increase of 7.5% and 36.6% respectively as compared to the same period last year. Total margin percentage increased to 34.0% from 31.7%. Profit attributable to shareholders increased by 24.9% to US\$202 million, while EBITDA increased by 21.5% to US\$306 million over the same period last year. This strong set of results was mainly driven by growth in turnover achieved despite a challenging market environment, an improving business mix in favor of higher-margin businesses, and the Group’s exit from underperforming businesses.

Mr. Bruce Rockowitz, Chief Executive Officer and Vice Chairman of Global Brands Group Holding Limited, said, “Our successful spin-off from Li & Fung, and listing in July 2014, marked the beginning of an exciting new chapter for Global Brands. It has allowed us to pursue our own distinct and focused strategy, which would otherwise not have been possible. We have been excited to see the Group achieve such a robust performance in the short first six months following our listing as an independent company. This is evidence of the tremendous growth potential unlocked by the spin-off.”



GLOBAL BRANDS GROUP

Taking into consideration the first half of 2014 when Global Brands' business was a part of Li & Fung, the Group recorded turnover of US\$3,454 million for the full year ended 31 December, 2014, representing an increase of 5.0%. Core operating profit increased by 15.2% to US\$154 million, while total margin percentage increased to 32.3% in 2014 from 30.7% in 2013. EBITDA increased by 14.7% to US\$339 million as compared to last year.

“2014 was a pivotal year for Global Brands. We have continued to leverage our unique global platform to grow our business across both Licensed and Controlled Brands, and have seen encouraging results in each segment,” said, Mr. Dow Famulak, President of Global Brands Group Holding Limited. “We entered into major licensing agreements, and have made significant progress in growing the overall Licensed Brands business with a sharpened focus on core categories, such as kids fashion, characters, footwear and accessories. In addition, our Controlled Brands continued to perform well over the past year, accounting for an increasing percentage of contribution. The brands Frye, Spyder and Juicy Couture in particular have posted strong results, while Aquatalia, although smaller in scale, has proven its brand appeal as we expand its product range.”

Mr. Rockowitz, said, “Global Brands is in a positive place today; we are focused and streamlined, and we see an increasing appetite for affordable luxury, the sector in which we primarily operate. Going forward, we intend to strengthen our business in the U.S. At the same time, we will continue to focus on accelerating growth by taking our American power brands global and replicating our success in North America across Europe and Asia. Despite a complex macroeconomic environment, we are confident on continued growth momentum in 2015 and beyond.”

– Ends –

For details of Global Brands Group Holding Limited's 2014 annual results, please refer to the announcement posted on the Stock Exchange of Hong Kong Limited website (www.hkex.com.hk).

About Global Brands Group Holding Limited

Global Brands Group Holding Limited (SEHK Stock Code: 787) is one of the world's leading branded apparel, footwear, fashion accessories and related lifestyle product companies. The Group designs, develops, markets and sells products under a diverse array of controlled and licensed brands and a wide range of product categories. Global Brands' innovative design capabilities, strong brand management focus, and strategic vision enable it to create new opportunities, product categories and market expansion for brands on a global scale. For more information, please visit the corporate website: www.globalbrandsgroup.com.



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