For Immediate Release

Global Brands Announces FY2020 Interim Results

Focused Efforts Yield Significant Improvement in Performance

Total Margin Trending Up and EBITDA Returned to Positive

Highlights

- Significant improvement in total margin, increasing by 600 basis points, from 27.2% to 33.4% as a percentage of revenue
- Returned to a positive EBITDA, recorded an increase of 304.4% to US$80 million
- Operating costs reduced by 20.7% while the Group continues to lower costs and restructure the business
- The restructuring program is on track and expected to be completed by the end of FY2020
- Revenue for the first half of FY2020 down by 5.2%

Hong Kong, 14 November, 2019 **–** Global Brands Group Holding Limited ("Global Brands" or the "Group"; SEHK Stock Code: 787) today announced its results for the six months ended September 30, 2019 (the "Reporting Period").

Mr. Rick Darling, Chief Executive Officer of Global Brands Group Holding Limited, said, "I'm pleased we have achieved a significant improvement in performance despite the challenging macro environment and changes facing the retail sector globally. This demonstrates our efforts to streamline the Group's operations have positively impacted our results."

For the Reporting Period, while revenue was down slightly by 5.2% compared to the same period last year, the Group's total margin has increased 600 basis points, from 27.2% to 33.4%, as a percentage of revenue. The increase was primarily attributable to the reduction of off-price sales levels and the strengthening of our sourcing capability, as the Group moved certain functions closer to the needlepoint, where production is located.

Operating costs, excluding other gains/losses, reflected a decrease of US$68 million or 20.7%. The decrease was driven by the Group's ongoing efforts to streamline the business and optimize its brands and resources.

Contributed by higher margins and lower operating expenses, the Group has returned to a positive EBIDTA for the Reporting Period, with an increase of 304.4% compared to the same period last year.

In an environment shaped by rapidly changing consumer preferences and shifting buying patterns, Global Brands continues to refine and build on the strengths of its brand portfolio to grasp the opportunities in fast growing areas. At the same time, the Group focuses on expanding its Brand Management business. As an outcome of its clearly defined operating model and streamlined organizational structure, the Group is also benefitting from greater efficiencies and more synergies across the organization.

"It is encouraging to see the progress we have made in driving forward the Group's transformation," added Mr. Rick Darling, "At the half-year mark, I'm pleased to share that we have already exceeded both our initial target of US$100 million and subsequent target of US$140 million in operating cost reduction, which we had originally anticipated achieving by the end of this FY2020. While we continue to restructure and transform our business, our product expertise, unique global platform and channel-agnostic approach have put us on a path to sustainable growth."

– Ends –

*For details of Global Brands Group Holding Limited's FY2020 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 and footwear companies. The Group designs, develops, markets and sells products under a diverse array of owned and licensed brands.

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. In addition, the Group is the global leader in the brand management business through the CAA-GBG Global Brand Management Group.

For more information, please visit the corporate website: www.globalbrandsgroup.com.

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