GLOBAL BRANDS GROUP

Global Brands Group Holding Limited

(Incorporated in Bermuda with limited liability)
(Provisional Liquidator Appointed for Restructuring Purposes)
(Stock Code: 787)

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AND

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This announcement is made by Global Brands Group Holding Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a), Rule 13.25(1)(b) and Chapter 14 of the Rules (the "**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

We refer to the announcements of the Company dated 30 June 2021, 19 July 2021 (the "**19 July Announcement**"), 29 July 2021 (the "**29 July Announcement**"), 17 August 2021, 27 August 2021, 10 September 2021 (the "**10 September Announcement**"), 17 September 2021 (the "**17 September Announcement**"), 28 September 2021 (the "**28 September Announcement**"), 1 October 2021 (the "**1 October Announcement**") and 8 October 2021 (the "**8 October Announcement**", and collectively, the "**Announcements**"), in relation to, among other things, (i) various financial, operational and restructuring updates of the Group, (ii) the Chapter 11 Proceeding, (iii) the appointment of the PL, (iv) the further delay in publication of the 2021 Annual Results and despatch of the 2021 Annual Report and (v) further postponement of the Board Meeting.

Unless otherwise defined, capitalised terms used in this announcement shall have the meanings as those defined in the Announcements.

TRADING AND BUSINESS SEGMENT UPDATE

The Board wishes to provide shareholders and the market with certain unaudited operating results based on the unaudited consolidated management accounts of the Group for the six months ended 30 September 2021 and information currently available to the Board.

The ongoing pandemic as well as structural shifts in the retail industry and other business headwinds continued to inhibit the Group's initiatives to improve its financial position and ability to service its debts.

	Six months ended 30 September		**Change**	
(US$ million)	**2021 (Unaudited)**	2020 (Unaudited)	*(US$ million)*	*(%)*
Revenue	**173**	290	(116)	-40.2
Total Margin	**75**	102	(28)	-27.0
As % of Revenue	***43.2%***	*35.4%*		
Operating Cost	**135**	171	(37)	-21.3
Operating (Loss) / Profit Before Other Gains / (Losses)	**(60)**	(69)	9	12.9
Other Gains / (Losses)	**(39)**	-	(39)	-
Operating (Loss) / Profit	**(99)**	(69)	(30)	-43.6

A breakdown of the Group's business segments for the six months ended 30 September 2021 is as follows:

North America

(US$ million)	**Six months ended 30 September**		**Change**	
	2021 (Unaudited)	2020 (Unaudited)	*(US$ million)*	*(%)*
Revenue	**61**	152	(91)	-59.9
Total Margin	**36**	52	(15)	-29.5
As % of Revenue	***59.6%***	*33.9%*		
Operating Cost	**52**	119	(67)	-56.3
Operating (Loss) / Profit Before Other Gains / (Losses)	**(15)**	(67)	52	76.9
Other Gains / (Losses)	**(29)**	-	(29)	-
Operating (Loss) / Profit	**(44)**	(67)	23	34.0

In relation to the North America business, the revenue for the six months ended 30 September 2021 has decreased by 59.9% to approximately US$61 million (unaudited) compared to the corresponding period last year, primarily attributable to (i) the inability of the North America subsidiaries to purchase inventory as their vendors would not extend credit because of past due payments, (ii) the termination of the Master License Agreement by ABG on 30 June 2021 (details of which were set out in the 19 July Announcement) and (iii) the Chapter 11 Proceeding.

Europe

(US$ million)	**Six months ended 30 September**		**Change**	
	2021 (Unaudited)	2020 (Unaudited)	*(US$ million)*	*(%)*
Revenue	**88**	108	(20)	-18.7
Total Margin	**15**	22	(8)	-34.1
As % of Revenue	***16.7%***	*20.6%*		
Operating Cost	**64**	28	36	129.5
Operating (Loss) / Profit Before Other Gains / (Losses)	**(49)**	(6)	(44)	-777.8
Other Gains / (Losses)	**(10)**	-	(10)	-
Operating (Loss) / Profit	**(59)**	(6)	(53)	-951.5

In relation to the Europe wholesale business:

(i) the revenue for the six months ended 30 September 2021 has decreased by 18.7% to approximately US$88 million (unaudited) compared to the corresponding period last year, primarily attributable to the inability of the Europe subsidiaries to purchase inventory as their vendors, who also supplied the North America subsidiaries, would not extend credit because of past due payments from both the Europe and North America subsidiaries;

(ii) the total margin for the six months ended 30 September 2021 has decreased by 34.1% to approximately US$15 million (unaudited) compared to the corresponding period last year, primarily due to higher discounts to customers to liquidate out of season inventory, higher rates charged by vendors as a result of past due payments and smaller quantities of inventory being purchased by the Europe subsidiaries; and

(iii) the operating cost for the six months ended 30 September 2021 has increased by 129.5% to approximately US$64 million (unaudited) compared to the corresponding period last year, primarily attributable to (a) higher shipping costs due to container shortages and increased air freight utilisation caused by production delay in light of late payments to vendors, and (b) higher salaries compared to last year when much of the staff in Europe were furloughed.

Brand Management

	Six months ended 30 September		**Change**	
(US$ million)	**2021 (Unaudited)**	2020 (Unaudited)	*(US$ million)*	*(%)*
Revenue	**24**	29	(5)	-17.7
Total Margin	**24**	29	(5)	-17.0
As % of Revenue	***97.9%***	*97.1%*		
Operating Cost	**19**	25	(6)	-23.6
Operating (Loss) / Profit Before Other Gains / (Losses)	**5**	4	1	25.1
Other Gains / (Losses)	**-**	-	-	-
Operating (Loss) / Profit	**5**	4	1	17.4

In relation to the brand management business:

(i) the revenue for the six months ended 30 September 2021 has decreased by 17.9% to approximately US$24 million (unaudited) compared to the corresponding period last year, primarily attributable to loss of license revenue during the period; and

(ii) the operating cost for the six months ended 30 September 2021 has decreased by 23.6% to approximately US$19 million (unaudited) compared to the corresponding period last year, primarily attributable to the implementation of cost-saving initiatives for the segment during the period.

North America

The sale process under the Chapter 11 Proceeding is still ongoing and is expected to conclude by the end of November 2021.

Sale of the Aquatalia Assets Completed

The Board is pleased to announce that the Aquatalia Sale was completed on 15 October 2021 (New York time). For details of the Aquatalia Sale, please refer to the 29 July Announcement and the 1 October Announcement.

Sale of the Ely & Walker Assets Completed

As part of the Chapter 11 Proceeding, on 29 September 2021 (New York time), (i) GBG USA and (ii) Pacific Alliance USA Inc. (a direct wholly-owned subsidiary of GBG USA and a company incorporated in Delaware with limited liability) (collectively, the "**Ely & Walker Sellers**") entered into an agreement (the "**Ely & Walker Agreement**") with TAJ Imports, Inc. (the "**Ely & Walker Purchaser**"), an independent third party for the sale (the "**Ely & Walker Sale**") of all of the properties, rights, interests and other assets primarily related to the Ely & Walker Sellers' global wholesale, e-commerce and retail footwear and accessories business operated under the "Ely & Walker" brand including "Ely Cattleman", "Cumberland Outfitters" and "Ely Plains" (the "**Ely & Walker Assets**"), for a cash consideration of US$750,000 (approximately HK$5,850,000).

The Court entered an order approving the Ely & Walker Sale and the Ely & Walker Agreement on 5 October 2021 (New York time).

Based on the unaudited management accounts of the Group as at 30 June 2021, the book value attributable to the Ely & Walker Assets were approximately US$710,000 (approximately HK$5,538,000).

Section 363 Sale(s) of other brands and assets of the North America business

Based on the latest updates on plans for the Section 363 Sales for the remaining brands and assets under the North America business, the bidding and auction processes for the assets under the "Sean John", "Juniper" and "Air Bands" brands remain ongoing and are expected to close by the end of November 2021.

Europe

The liquidity of the Europe wholesale business continues to be strained. In addition, a German subsidiary has filed for insolvency proceedings in Germany and a preliminary insolvency administrator had been appointed with respect to that German entity in October 2021, as further set out in the 8 October Announcement.

For detailed discussion on the liquidity situation in Europe, please refer to the section headed "Reason for the Administration Filings" in this announcement.

Brand Management

The Group's brand management business remains profitable, as was disclosed in the 1 October Announcement.

PRE-PACKAGED ADMINISTRATION OF MAJOR SUBSIDIARIES IN THE UK

The Board announces that:

(i) on 1 November 2021 (UK time), each of (a) the directors (the "**GIHCL Board**") of GBG International Holding Company Limited ("**GIHCL**") (an indirect wholly-owned subsidiary of the Company which holds the Group's Europe wholesale business and brand management business), (b) the directors of GBG Europe Footwear & Accessories Limited ("**GBG F&A**") (an indirect wholly-owned subsidiary of GIHCL), and (c) the directors of TVM Fashion Lab Ltd ("**TVM Fashion Lab**", and together with GIHCL and GBG F&A, the "**UK Companies**" and each a "**UK Company**") (a direct wholly-owned subsidiary of GIHCL) decided, after due and careful consideration, to make an orderly administration filing for each UK Company (collectively, the "**Administration Filings**") and to appoint Mr. Ian Wormleighton, Mr. Daniel Butters and Mr. Benjamin Dymant of Teneo Restructuring Limited (address: 5th Floor, 6 More London Place, London, United Kingdom, SE1 2DA) (together, the "**Joint Administrators**") as joint administrators of each UK Company; and

(ii) subsequently, the directors of the UK Companies made the Administration Filings on 2 November 2021 (UK time), pursuant to which the Joint Administrators were appointed as joint administrators of each UK Company (together, the "**Joint Administrators Appointment**").

Under English law, the Joint Administrators Appointment brings into effect a statutory moratorium which prevents certain enforcement action by the creditors of the UK Companies, so that the Joint Administrators have a stable platform to perform their duties (including to potentially realise the assets of the UK Companies in an orderly manner in order, ultimately, to make distributions to their respective creditors).

Information about GIHCL, GBG F&A and TVM Fashion Lab

GIHCL, a company incorporated in England and Wales with limited liability, is an indirect wholly-owned subsidiary of the Company and is primarily engaged in investment holding. It currently holds the Group's Europe wholesale business and brand management business.

GBG F&A, a company incorporated in England and Wales with limited liability, is an indirect wholly-owned subsidiary of GIHCL and is primarily engaged in trading.

TVM Fashion Lab, a company incorporated in England and Wales with limited liability, is a direct wholly-owned subsidiary of GIHCL and is primarily engaged in design, sourcing and wholesaling.

As (i) each of the consolidated total assets, total revenue and consolidated total profits of each of GIHCL and GBG F&A and (ii) the consolidated total revenue of TVM Fashion Lab for the year ended 31 March 2020 represents more than 5% of the respective percentage ratios defined under Rule 14.04(9) of the Listing Rules, Rule 13.25(1)(b) applies to each of GIHCL, GBG F&A and TVM Fashion Lab according to Rule 13.25(2) of the Listing Rules, which classifies subsidiaries that could trigger an announcement obligation of the Company on their administration.

Reasons for the Administration Filings

As disclosed in the 1 October Announcement, the Group was evaluating all restructuring options and contingency plans (including actively marketing the business to potential buyers (the "**Marketing Process**") and bankruptcy protection measures) in order to preserve value of the business, mitigate any potential losses to creditors and/or expedite the monetisation of certain assets.

Since 1 October 2021, the Company has continued to face increasingly serious liquidity issues. In an attempt to preserve the available cash resources of the UK Companies and the wider Europe wholesale business, the management team of GIHCL has minimised, to the extent possible, any payments that were not business critical. Unfortunately, despite the Group's best efforts, the UK Companies' financial situation continued to deteriorate. With no reasonable prospect of receiving additional funding to allow GIHCL to continue to trade, GIHCL's management informed the Board on 31 October 2021 that GIHCL will not be able to continue as a going concern.

After due and careful consideration and having regard to the financial position of the UK Companies, the directors of each UK Company have concluded that it would be in the best interests of the creditors of such UK Company, including with a view to minimising their potential losses, for the respective directors to file a notice to appoint administrators for such UK Company as soon as practicable.

Because of the comprehensive Marketing Process conducted by GIHCL and its advisers together with extensive contingency planning preparations conducted by the UK Companies (including with the close cooperation of the Joint Administrators), the directors of each UK Company anticipate that the Joint Administrators would be able to expeditiously execute transactions to realise value from the Group's Europe wholesale business in the UK and maximise recoveries for creditors.

As GIHCL also holds all of the Group's interest in the brand management business, the UK Companies' management also worked with its advisers as part of the preparation for the Administration Filings and contingency planning to ensure that the Administration Filings cause minimal disruptions to the Group's brand management business. In particular:

(i) as part of the contingency planning, and with a view to mitigate or eliminate any disruption from the Administration Filings, the employees of the UK Companies providing services to the brand management business have been transferred to the relevant brand management entities; and

(ii) GIHCL's management has been engaged in regular communications with the joint venture partners of the brand management business and will facilitate the Joint Administrators' transition into the role of managing these relationships where necessary.

As at the date of this announcement, the subsidiaries of GIHCL that carry on the brand management business are operating in the usual course and they are not in any insolvency proceedings.

Following the Administration Filings, the Joint Administrators of GIHCL will now manage GIHCL's interests in the brand management business and make any decisions relating to it (including the monetisation of the brand management business).

The plan for the Administration Filings has been carefully considered after consultation with the UK Companies' professional financial, legal and restructuring advisers, and forms part of the Group's wider strategy to preserve value of the business, as disclosed in the 1 October Announcement.

After careful and due consideration, the Board endorses the decision of the directors of the UK Companies to proceed with the Administration Filings.

Effects of the Administration Filings on the UK Companies

Based on the unaudited management accounts of the Group as at 30 September 2021, the consolidated total assets and consolidated total liabilities of the UK Companies are as follows:

	Consolidated total assets (US$'000)	**Consolidated total liabilities (US$'000)**
GIHCL	175,180	1,075,835
GBG F&A	5,952	85,130
TVM Fashion Lab	22,578	7,446

Following the Administration Filings, the direct and indirect shareholders of the UK Companies (including the Company) ceased to have any control over the affairs of the UK Companies.

SALE OF FIORELLI ASSETS

On 2 November 2021 (UK time), GBG F&A completed the sale (the "**Fiorelli Sale**") of all the rights, titles and interests of assets under the "Fiorelli" brand (the "**Fiorelli Assets**"), comprising (i) brand licence, (ii) information and intellectual property rights (including trademarks, domain names, design materials and customer database) and (iii) stock-in-trade, for a cash consideration of £2,443,055 (approximately US$3,322,555) (the "**Fiorelli Consideration**"). The purchaser is Centric Brands International Europe Limited (the "**Fiorelli Purchaser**") and Centric Brands Holding LLC (the "**Fiorelli Guarantor**") acts as the guarantor of the Fiorelli Purchaser's obligations under the Fiorelli Sale.

The Fiorelli Sale was carried out by the Joint Administrators who acted only as agents of GBG F&A, as part of the Joint Administrators' efforts to realise value from the Group's Europe wholesale business in the UK and maximise recoveries for creditors.

Determination of the Consideration

The Fiorelli Consideration was determined based on arm's length negotiations between the Joint Administrators and the Fiorelli Purchaser.

Use of Proceeds from the Transaction

The Joint Administrators will use the Fiorelli Consideration to pay the expenses of the UK Companies' administration in accordance with UK insolvency law. To the extent there are surplus funds, after the payment of costs and expenses, creditors (including the Lenders) will be repaid as per the order of priority, as set out under UK insolvency law.

Financial Effects of the Transaction

As a result of the Fiorelli Sale, the Company expects to recognise a gain of £2,443,055 (approximately US$3,322,555).

The basis for calculating the expected gain from the Fiorelli Sale is the consideration of £2,443,055 (approximately US$3,322,555) less the carrying value of the Fiorelli Assets as at 30 September 2021, being the net asset value attributable to the Fiorelli Assets (based on the unaudited management accounts of the Group as at 30 September 2021) of US$ nil (as reflecting the write-off set out in the section headed "Additional Unaudited Annual Results for the Year Ended 31 March 2021" in this announcement).

Reasons for, and Benefits of, the Transaction

The Board is of the view that the Fiorelli Sale is in the interests of the Company and the Shareholders as a whole. The reasons for, and benefits of, the Fiorelli Sale are:

(i) to allow the Joint Administrators to realise value from the Group's Europe wholesale business in the UK and maximise recoveries for creditors. For details, please refer to the section headed "Reasons for the Administration Filings" in this announcement; and

(ii) to repay part of the Group's existing bank debt under the Secured Bank Facilities.

Information about the Fiorelli Purchaser and the Fiorelli Guarantor

The Fiorelli Purchaser is a limited liability company incorporated in England and Wales. It is primarily engaged in retail sale of clothing in specialised stores. Based on information available to the Board, the ultimate beneficial owner of the Fiorelli Purchaser is Centric Brands LLC ("**Centric Brands**"), a lifestyle brands collective (formerly known as Centric Brands Inc.) which shares were previously traded on Nasdaq.

The Fiorelli Guarantor is a limited liability company incorporated in Delaware. It is primarily engaged in the jewellery business within the wholesale trade and durable goods sector. Based on information available to the Board, the ultimate beneficial owner of the Fiorelli Guarantor is Centric Brands.

The Directors confirm that, to the best of their knowledge, information and belief, having made all reasonable enquiries, the Fiorelli Purchaser, the Fiorelli Guarantor and Centric Brands are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

Information about the Company, GBG F&A and the Joint Administrators

The Company and its subsidiaries are principally engaged in the design, development, marketing and sale of branded kids, men's and women's apparel, footwear, fashion accessories and related lifestyle products, primarily for sales to retailers in North America and Europe. The Company and its subsidiaries are also engaged in the brand management business offering expertise in expanding its clients' brand assets to new product categories, new geographies and retail collaborations, as well as assisting in distribution of licensed products on a global basis.

For information about GBG F&A and the Joint Administrators, please refer to the section headed "Pre-packaged Administration of Major Subsidiaries in the UK" in this announcement.

Information about the Fiorelli Assets

Based on the unaudited management accounts of the Group as at 30 September 2021, there is no book value attributable to the Fiorelli Assets (as reflecting the write-off set out in the section headed "Additional Unaudited Annual Results for the Year Ended 31 March 2021" in this announcement) .

The consolidated loss before tax and after tax of the Fiorelli Assets, as derived from the unaudited management accounts of the Group, is as follows:

	Year ended 31 March		**Six months ended 30**
US$ millions	**2020**	**2021**	**September 2021**
(Loss) before tax	(9.6)	(31.8)	(10.0)
(Loss) after tax	(13.0))	(31.8)	(10.0)

Implications Under the Listing Rules

As the highest applicable percentage ratio (as set out and calculated under Rule 14.07 of the Listing Rules) in respect of the Fiorelli Sale exceeds 5% but is less than 25%, the Fiorelli Sale constitutes a discloseable transaction for the Company and is subject to reporting and announcement requirements under Chapter 14 of the Listing Rules.

APPLICATION FOR WINDING UP OF THE COMPANY

Since the completion of the disposal of the Group's Spyder Korea business on 16 June 2021, of which substantially all of the proceeds were used to reduce the Group's outstanding debt to the Lenders, the Company has been trying to preserve and realise value from its assets, while attempting to develop and agree a comprehensive restructuring plan with the Lenders, certain other creditors and also potential investors. These efforts and attempts would entail new equity injection from prospective investors into the Company, backed by an injection of new assets from certain equity holders of the Company into the Group's brand management business, coupled with further amendments and waivers to the terms of debt documents of certain creditors including the Secured Loan Documents (as defined in the 29 July Announcement) (the "**Holistic Restructuring Plan**").

In addition to (and in some cases, in parallel with the development of) the Holistic Restructuring Plan, the Company and the Group have, in the past five months also explored and attempted to develop other potential refinancing transactions, sales and contingency plans. Whilst the Board believed the implementation of the Holistic Restructuring Plan to be in the best interests of the Company, such plan (or any similar iterations) would require fundamental changes to key terms of the Group's financial indebtedness (including the Secured Bank Facilities) that would, in turn, necessitate the consent and approval of the Lenders, in addition to prospective new equity investors being satisfied with the terms of the post-restructuring capital structure. Despite the Group's best efforts, it was unable to garner the requisite level of support from the Lenders to implement the Holistic Restructuring Plan, on terms that would be commercially acceptable to the prospective investors.

As at the date of this announcement, the Group continues to experience severe lack of liquidity, as evidenced by the situation of its major subsidiary, GIHCL, as further discussed in the section headed "Reasons for the Administration Filings" in this announcement.

In view of the Company's latest financial position, the continuation of the winding down of the Group's businesses and sales of the Group's assets and with no reasonable prospects to implement the Holistic Restructuring Plan and in the absence of any other sources of additional funding, the Company is of the view that an orderly winding up of the Company is in the best interests of the creditors of the Company. Accordingly, at the next hearing with the Bermuda Court on 5 November 2021 (Atlantic Daylight Time) (details of which were set out in the 17 September Announcement), it is expected that the Company intends to invite the Bermuda Court to order that the Company be wound up pursuant to the Bermuda Companies Act 1981.

FURTHER DELAY IN PUBLICATION OF THE 2021 ANNUAL RESULTS AND DESPATCH OF THE 2021 ANNUAL REPORT

The Board announces that as more time is needed for the Company's management to finalise the impairment assessments of all assets in different operating segments, and for the Auditors to finalise auditing these assets impairment assessments, the Company is unable to publish the 2021 Annual Results on or before Friday, 5 November 2021 or despatch the 2021 Annual Report on or before Friday, 12 November 2021 as previously anticipated in the 28 September Announcement and the 1 October Announcement.

As disclosed in the 28 September Announcement, the potential Sales of the Group's North America assets were expected to conclude on or around Friday, 15 October 2021. As at the date of this announcement, such sale process is still ongoing and is expected to conclude by the end of November 2021.

Based on the above, and the current progress of the audit process, it is expected that the publication of the 2021 Annual Results and the despatch of the 2021 Annual Report (of which the Environmental, Social and Governance Report forms part) will be further postponed.

The Company has been using its best endeavours to assist the Auditors to complete the audit work.

FURTHER POSTPONEMENT OF BOARD MEETING

In light of the delay in publication of the 2021 Annual Results, the Board Meeting will be further postponed.

ADDITIONAL UNAUDITED ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2021

Since the 19 July Announcement and the 10 September Announcement, which disclosed, among other matters, (i) certain unaudited operating results of the Group for the year ended 31 March 2021 and (ii) the expected Losses and operating loss before impairment and other gain / losses, the Board has continued to work with the Auditors to finalise the 2021 Annual Results.

In the meantime, the Company wishes to provide shareholders and the market with additional unaudited annual results based on the unaudited consolidated management accounts for the year ended 31 March 2021 and information currently available to the Board, details of which are set out below.

For the year ended 31 March 2021, the Group recorded an operating loss before impairment and other losses of approximately US$222,753,000 (unaudited). The Group also recorded non-cash operating losses from impairment and other losses of approximately US$1,493,558,000 (unaudited), which is primarily attributable to impairment losses arising from the Chapter 11 Proceeding of the US Debtors (as further explained in the 10 September Announcement) and the Administration Filings, which include shortfalls from sale of assets and write-offs of intangible assets and other assets.

In view of the Chapter 11 Proceeding for the North America business, the Administration Filings and in the absence of support from the Lenders to implement the Holistic Restructuring Plan, the financial statements of the Group for the year ended 31 March 2021 have been prepared on a break-up basis. All assets have been written down to their recoverable amounts and additional liabilities that may crystallise in a winding up have only been recognised in the financial statements if they satisfy the recognition criteria at the end of the financial year.

Consolidated Profit and Loss Account

	Year ended 31 March 2021 (Unaudited) US$'000	Year ended 31 March 2020 (Audited) US$'000
Continuing operations		
Revenue	**725,345**	1,082,073
Cost of sales	**(483,112)**	(688,504)
Gross profit	**242,233**	393,569
Other income	**471**	2,513
Total margin	**242,704**	396,082
% Total margin to Revenue	***33.5%***	*36.6%*
Selling and distribution expenses	**(144,023)**	(195,592)
Merchandising and administrative expenses	**(321,434)**	(296,098)
Operating loss before impairment and other gains / (losses)	**(222,753)**	(95,608)
Other gains / (losses)*	**(310,125)**	8,727
Impairment of goodwill	**(875,471)**	(285,890)
Write-off of intangible assets	**(307,962)**	(14,497)
Operating loss	**(1,716,311)**	(387,268)
% Operating loss to revenue	***-236.6%***	*-35.8%*
Interest income	**266**	331
Interest expenses		
Non-cash interest expenses	**(22,724)**	(28,075)
Cash interest expenses	**(50,880)**	(50,622)
Change in redemption value on put option written on non-controlling interests	**9,800**	22,167
	(1,779,849)	(443,467)
Share of profits / (losses) of joint ventures	**1,907**	(6,136)
Impairment of investments in joint ventures	**(30,931)**	-
Loss before taxation	**(1,808,873)**	(449,603)
Taxation	**(241,185)**	(12,016)
Net loss for the year from continuing operations	**(2,050,058)**	(461,619)
Discontinued operations		
Net loss for the year from discontinued operations	**(26,129)**	(124,971)
Net loss for the year	**(2,076,187)**	(586,590)
Attributable to:		
Shareholders of the Company	**(2,084,246)**	(597,968)
Non-controlling interests	**8,059**	11,378
	(2,076,187)	(586,590)
Attributable to shareholders of the Company arising from:		
Continuing operations	**(2,058,117)**	(472,997)
Discontinued operations	**(26,129)**	(124,971)
	(2,084,246)	(597,968)

* Other gains / (losses) for the year ended 31 March 2021 represents impairment of other assets other than goodwill and intangible assets.

Consolidated Balance Sheet

	Year ended 31 March 2021 (Unaudited) US$'000	Year ended 31 March 2020 (Audited) US$'000
Non-current assets		
Intangible assets	**1,444**	1,207,162
Property, plant and equipment	**8,308**	75,277
Right-of-use assets	**4,273**	240,051
Joint ventures	**10,000**	55,857
Other receivables and deposits	**8,390**	4,366
Deferred tax assets	**2,988**	228,131
	35,403	1,810,844
Current assets		
Inventories	**79,972**	194,912
Due from related companies	**-**	52
Trade receivables	**127,836**	231,609
Other receivables, prepayments and deposits	**50,528**	73,049
Derivative financial instruments	**400**	1,371
Cash and bank balances	**58,582**	97,604
Tax recoverable	**-**	7,194
	317,318	605,791
Current liabilities		
Due to related companies	**655,483**	566,648
Trade payables	**318,192**	378,995
Accrued charges and sundry payables	**199,973**	110,668
Lease liabilities	**33,493**	59,945
Purchase consideration payable for acquisitions	**1,578**	6,323
Tax payable	**14,164**	6,282
Short-term bank loans	**253,214**	249,055
	1,476,097	1,377,916
Net current liabilities	**(1,158,779)**	(772,125)
Total assets less current liabilities	**(1,123,376)**	1,038,719
Financed by:		
Total equity	**(1,791,078)**	221,976
Non-current liabilities		
Purchase consideration payable for acquisitions	**256**	1,138
Shareholder's loan payable	**277,677**	270,974
Lease liabilities	**108,666**	244,304
Other long-term liabilities	**274,289**	293,878
Deferred tax liabilities	**6,814**	6,519
	667,702	816,743
	(1,123,376)	1,038,719

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 2 July 2021 and will remain suspended until further notice.

By Order of the Board
Global Brands Group Holding Limited
William FUNG Kwok Lun
Chairman

Hong Kong, 3 November 2021

As at the date of this announcement, the Board comprises three Executive Directors, namely William Fung Kwok Lun (Chairman), Richard Nixon Darling (Chief Executive Officer) and Patrick Ho Pak Chuen (Chief Operating Officer) and four Independent Non-executive Directors, namely Paul Edward Selway-Swift, Stephen Harry Long, Audrey Wang Lo and Ann Marie Scichili.