

# LILANZ 利郎

China Lilang Limited  
中國利郎有限公司

Stock Code: 1234

(Incorporated in the Cayman Islands with limited liability)



## LILANZ 利郎



## 2011 Annual Results

contain all material information concerning China Lilang Limited (the “Company”). The Company

Company’s current views with respect to future events and financial performance. These views are

the Company’s assumptions are correct. It is not the intention to provide, and you may not rely on

# Agenda

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# Results Highlights

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Turnover rose by 31.9% year-on-year to RMB2,708.0 million. Sub-brand contributed RMB129.0 million in turnover, and contributed 4.8% to the

Profit attributable to equity shareholders increased by 48.8% to RMB 623.1million. Earnings per share is RMB51.90 cents, up by 48.8% year-on-year

Sub-brand profit after tax of RMB1.7 million



Net profit margin improved to 23.0%

The Board of directors declared a final dividend of HK19 cents per share and a special final dividend of HK6 cents per share

Core retail stores while sub-brand stores increased at the end of 2011

We aim to strengthen our position as one of the leading business casual menswear enterprises in the PRC

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## 1 Financial Highlights

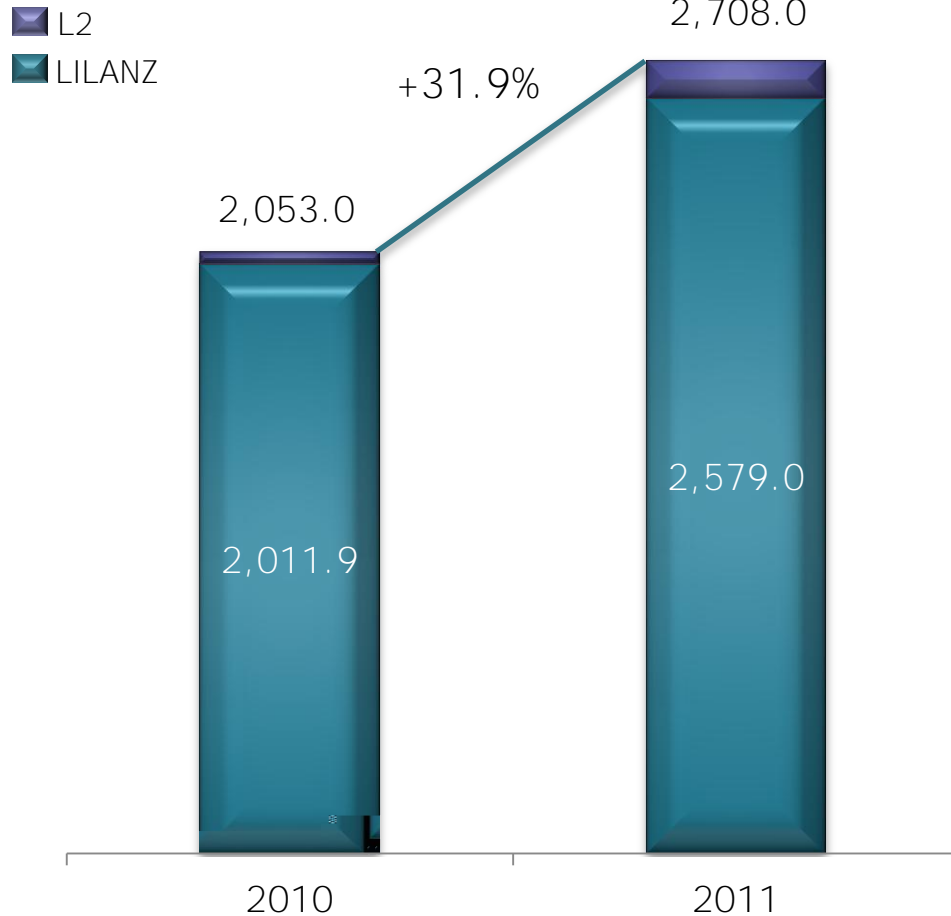


	A m o c t m i h m		
	2011		c i b
	2,708.0		31.9%
	1,055.5		35.7%
	703.7		46.7%
	623.1		48.8%
	51.90		48.8%
Final dividend per share	19.0		appro. 28.3%
Special final dividend per share	6.0		N/A
Interim dividend per share	11.0		appro. 78.3%
Special interim dividend per share	5.0		N/A
<b>Profitability ratios</b>			
<i>m m h r b d</i>	39.0		+1.1p.p.
<i>m a d b h r b d</i>	26.0		+2.6p.p.
<i>l o h r b d</i>	23.0		+2.6p.p.
<b>Effective tax rate (%)</b>	17.2		+3.0p.p.
<b>Advertising and promotional expenses (as percentage of turnover) (%)</b>	8.2		-0.6p.p.

# Robust Turnover Growth

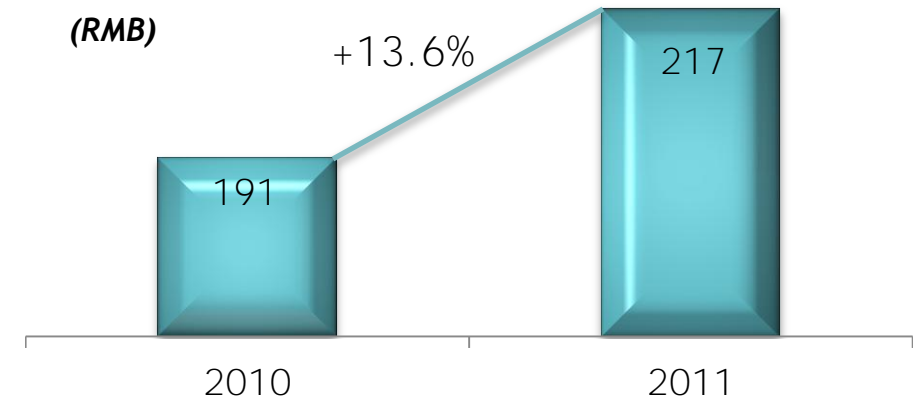
## Turnover

(RMB million)



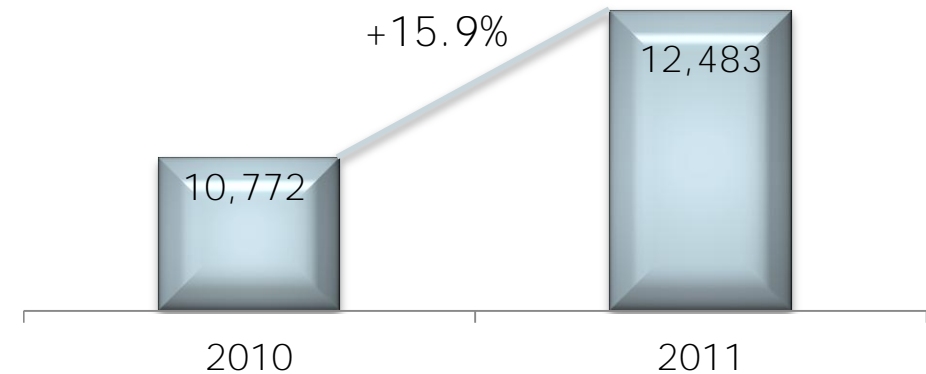
## Average Selling Price

(RMB)

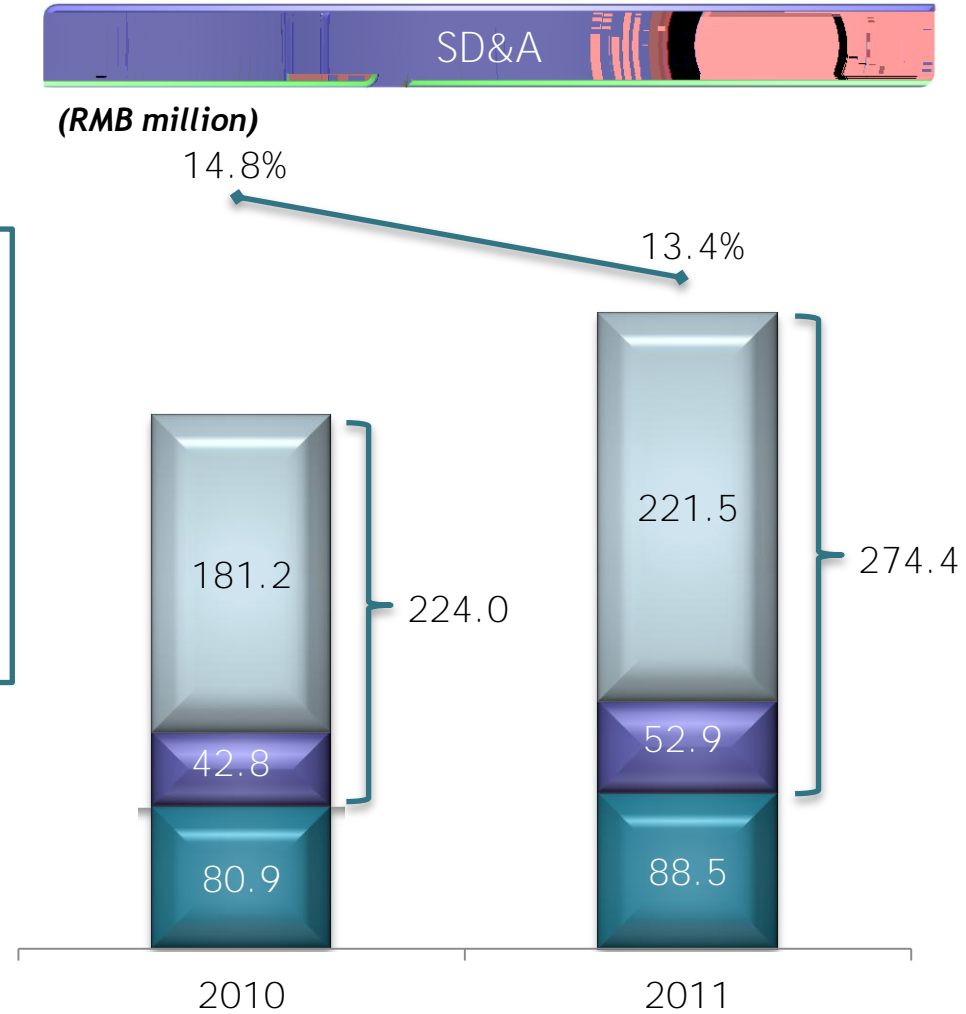
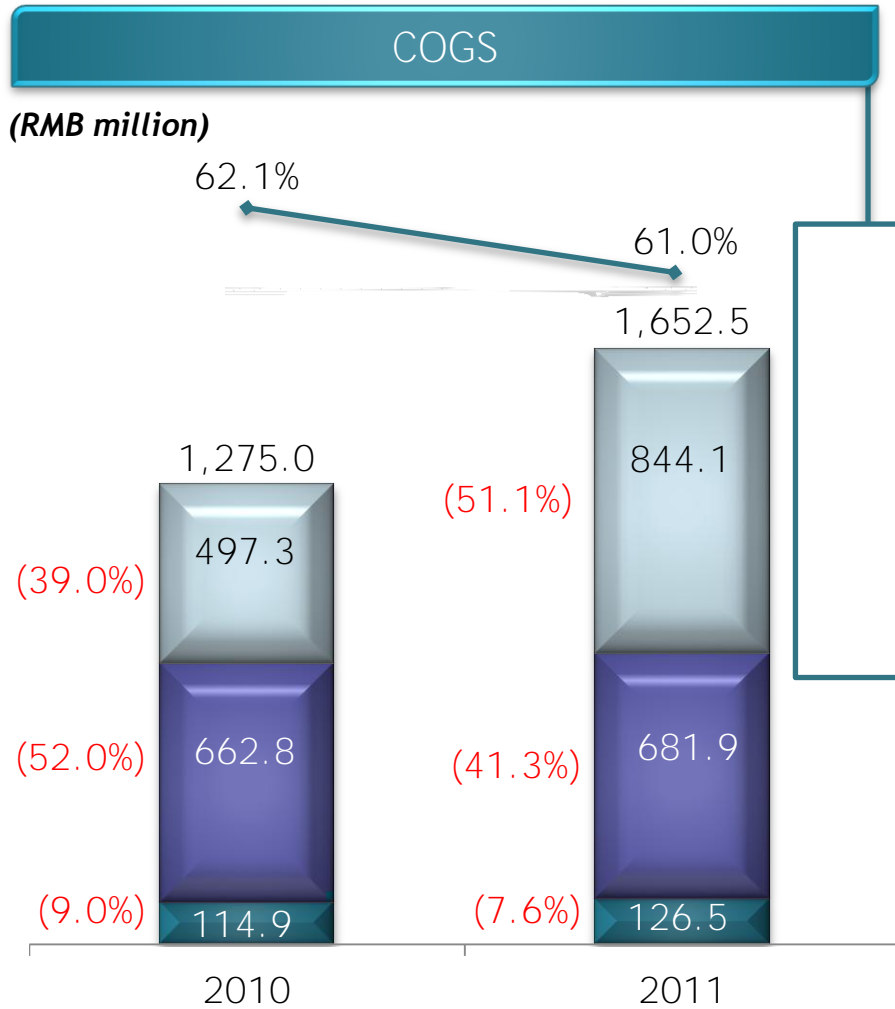


## Total Sales Volume

(Volume '000)



# Effective control over Cost of Sales, and SD&A



OEM Purchases  
 Other Self-production Costs  
 Process Outsourcing Charges  
 As % of Turnover  
( ) As % of COGS

Advertising and Promotional Expenses  
 Other Selling and Distribution Expenses  
 Administrative Expenses  
 As % of Turnover

# Profit and Margins

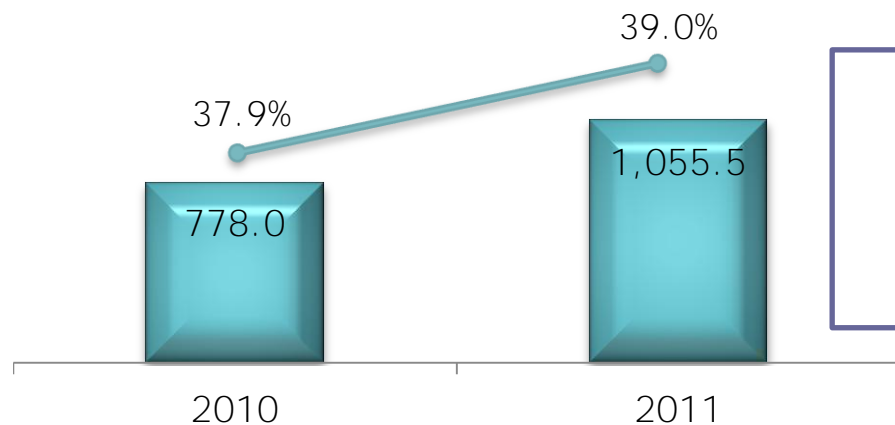
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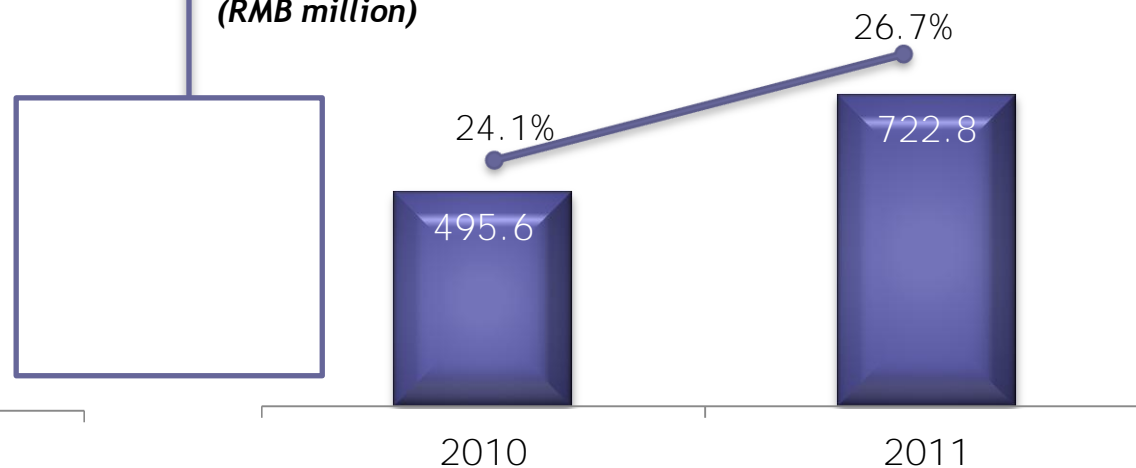
## Gross Profit and Gross Margin

(RMB million)



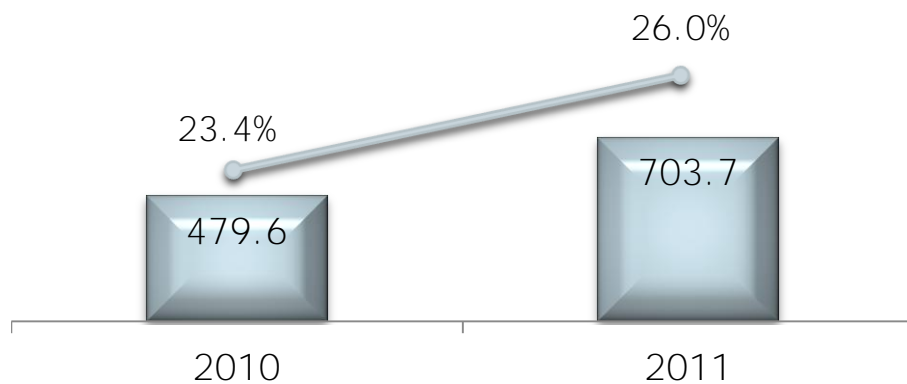
## EBITDA and EBITDA Margin

(RMB million)



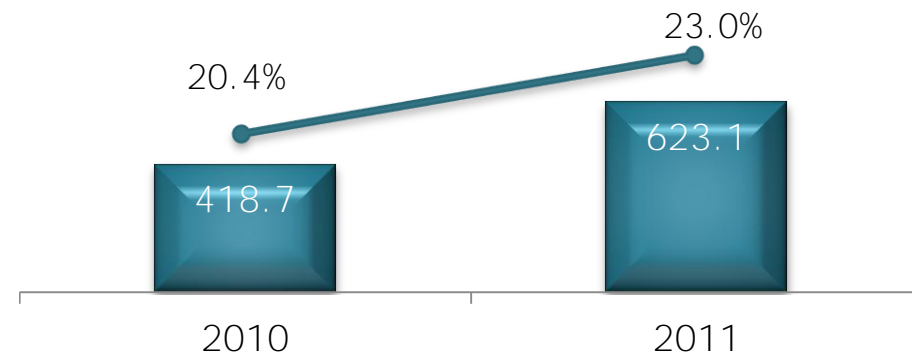
## Operating Profit and Operating Margin

(RMB million)



## Net Profit and Net Margin

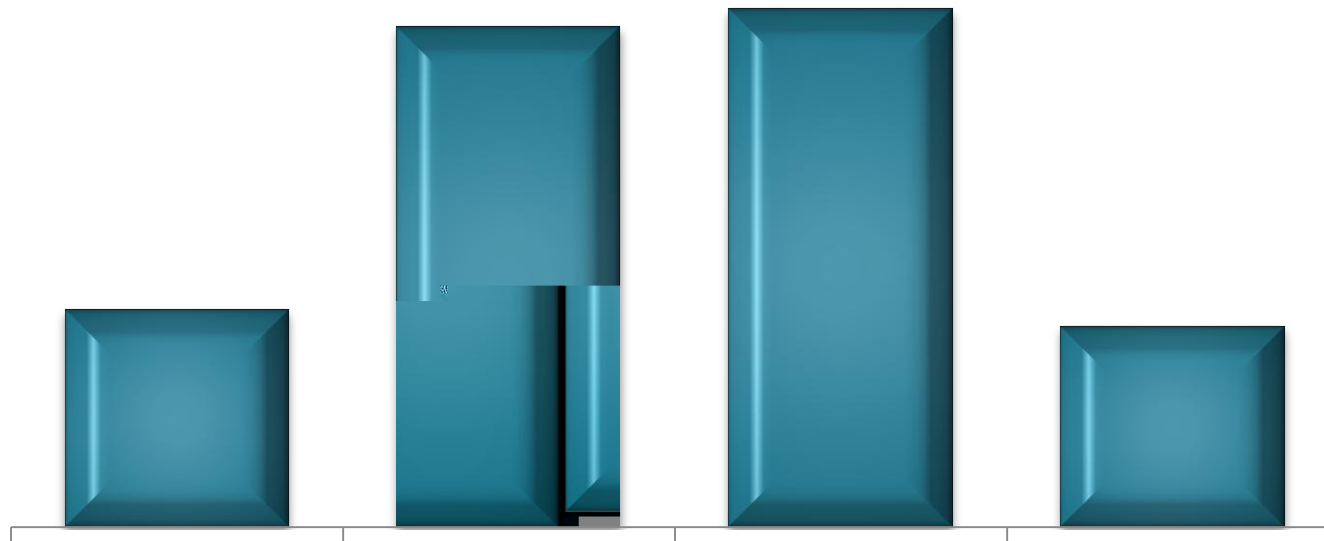
(RMB million)



g p g o n m b a b d i d b i i d b d i o n g i d d t n o a n g n i h p g d g l t 1 t n  
- g p g o n m b a b d i d b i i d b c m i d g m d g n g i d d t m i p d g g  
o s i h p g d g l t 1 t n  
g p g o n m b a b d i d b i i d b c m i d g t g n g i d d t n n a n g n i h p g d g l t  
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## Cash and Bank Balance

*(RMB million)*



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# Cash Flow Statement

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**2. Business and**

**Operational Review**

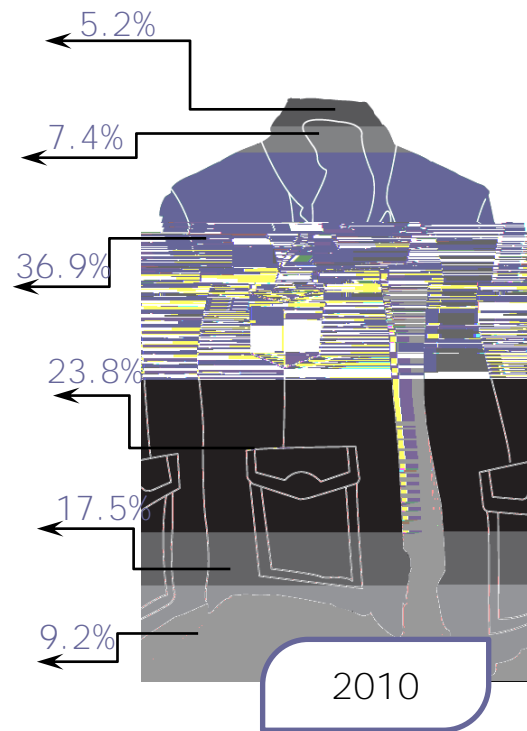
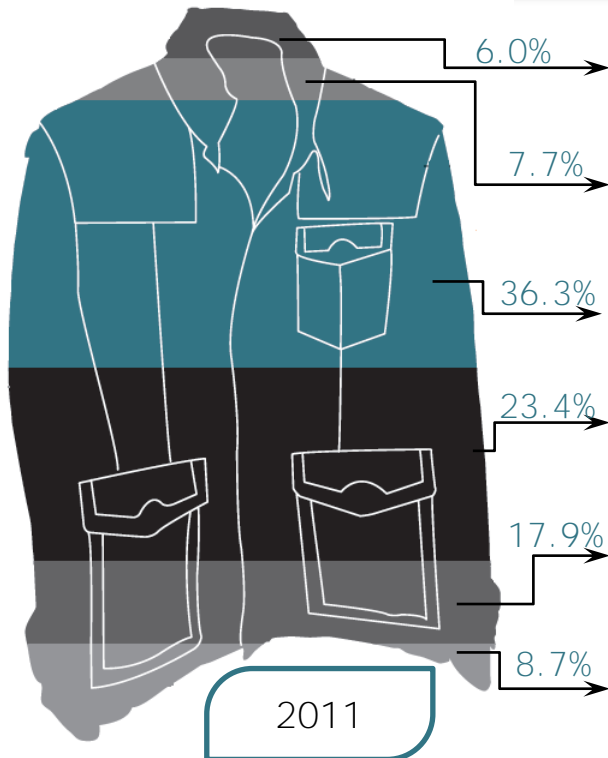


- In March 2011, “LILANZ” and “L2” participated in the China Fashion Week in Beijing together for the first time ever, where the Group officially introduced “L2” as a sub
- In November 2011, “LILANZ” participated in the Beijing Fashion Week, and held its product release fashion show at “ Guan” of D
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- brand “L2”, promotional strategies focused on advertising in magazines and on the

# Nationwide Distribution Network

- There were 3,032 “LILANZ” stores and 236 “L2” stores as of 31 December 2011
- “LILANZ” added 227 new stores, total retail area amounted to 326,000m
- “L2” added 156 new stores, total retail area amounted to 25,300m

## Turnover by Region



Region	Number of Stores	
	2011	2010
Region 1	306	306
Region 2	419	419
Region 3	990	990
Region 4	736	736
Region 5	577	577
Region 6	240	240
Total	3,268	3,268

## Improved retail management

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- As at the end of 2011, about 1,000 “LILANZ”
- All “L2” stores are connected online
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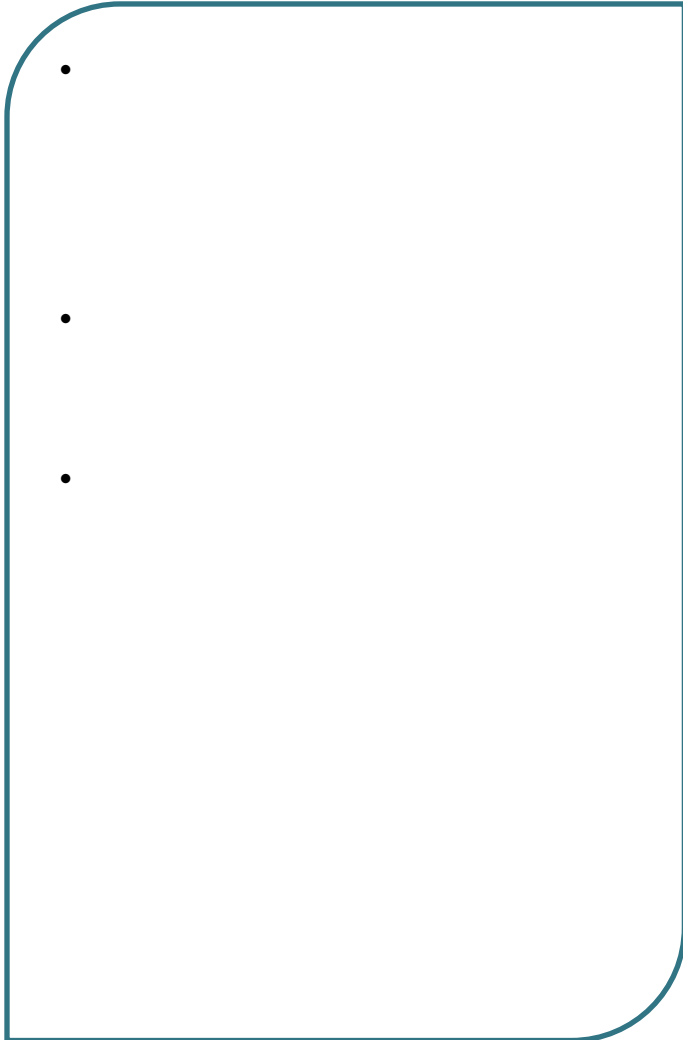
## Expanded store network to strategic locations

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- Online sales platform for the “LILANZ” brand was launched during the year

# Product Design and Development

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- Collaborated with suppliers in the R&D of unique quality fabrics to increase the Group's products innovation,
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### 3. Prospects and Strategies



## Brand Management

- To introduce next generation “LILANZ” store image to further enhance brand image
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## Products

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## Production and Supply Chain

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## Sales Network

- Plan to open 250 to 300 “LILANZ” stores and about 150 “L2” stores in 2012
- Open two “LILANZ” self
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## 4. Open Forum



