



For immediate release

KINGMAKER FOOTWEAR HOLDINGS LIMITED
Announces annual results for the year to March 2024
Final dividend of HK0.2 cent and special final dividend of HK6.8 cents declared

Financial highlights:

- Revenue decreased by 35.1% yoy to HK\$689 million, on 33.4% business volume (pairs) decline and 0.1% ASP increase.
- Net profit attributable to equity holders of the Company of HK\$20 million.
- Final dividend of HK0.2 cent and special final dividend of HK6.8 cents; total yearly dividends of HK9.0 cents.
- Net cash in hand of HK\$416 million as at 31 March 2024.

Hong Kong, 28 June 2024 – Leading rugged and premium casual footwear manufacturer Kingmaker Footwear Holdings Limited (01170.HK) today announced that during the year ended 31 March 2024 (the “Year”), a net profit attributable to equity holders of the Company of HK\$20 million (2023: HK\$53 million) was achieved. The Group declared a final dividend of HK0.2 cent and a special final dividend of HK6.8 cents in celebration of the Group’s 30th listing anniversary; with total dividends for the Year amounting to HK9.0 cents (2023: HK4.5 cents).

Revenue decreased by 35.1% year on year to HK\$689 million (2023: HK\$1,062 million) on a 33.4% decline in footwear business volume (pairs). Efforts to develop higher-value products yielded an enhanced mix of footwear models, but as general market price points decreased, the average selling price (“ASP”) rose only by 0.1%.

Kingmaker Footwear Chairman Mdm. HUANG Hsiu Duan, Helen, said: “The Year marked the 30th anniversary of our Company’s listing on the Main Board of SEHK, a milestone that generates pride and pleasant reminders of our memorable journey. To commemorate our anniversary and express our appreciation to our shareholders, we proposed a special final dividend for the Year. As we look forward to a more positive outlook in the second half of financial year 2025, we will continue to invest in our capabilities and infrastructure to prepare for business recovery opportunities on the horizon.”

Maintaining geographic diversity, the Group operates two core manufacturing sites in southern Vietnam and Cambodia, both equipped with research and development (“R&D”) facilities. In addition, the Group holds a 40% interest in a joint-venture factory in central Vietnam. The R&D center in Zhuhai, the Chinese mainland, was relocated to southern Vietnam during the Year.

As at the Year-end date, the Group had a combined production scale of 21 processing lines in operation, mostly under the concept-line set-up. They contributed an annual capacity of around 7 million pairs of shoes, and were 57.5% utilized (2023: 73.5%).

The geographical distribution of markets continued to be demand-driven. Revenue from the United States generated 26.5% (2023: 37.3%) of the Group’s revenue. Europe’s proportionate contribution stood at 26.4% (2023: 22.5%), and shipments to other markets, including Asia and other areas, accounted for 47.1% (2023: 40.2%)

The rugged-shoe category remained the major revenue contributor during the Year, producing 78.6% (2023: 73.7%). The proportionate contribution by premium casual footwear remained relatively stable at 15.2% (2023: 15.4%). Revenue generated by

babies' and children's footwear decreased proportionately to 6.2% (2023: 10.9%) in line with the business direction towards higher-value products.

Major customers for the Year included Cat, Chaco, Dr. Martens, Merrell and Wolverine, which in aggregate contributed 95.0% (2023: 95.3%) of total revenue. Two brands, Axion and Palladium, were introduced to the Group's portfolio during the Year.

The Group's 40%-held associate plant in central Vietnam operated 39 lines as at the Year-end date, designated for world-leading footwear brands Crocs and Columbia. It achieved a 7.0% increase in revenue to HK\$1,024 million (2023: HK\$957 million) and contributed to the Group a share of profit of associates of HK\$23.9 million (2023: HK\$32.5 million).

The portfolio of investment properties yielded gross rental income of HK\$27.8 million (2023: HK\$28.2 million). The Group will continue to review this asset portfolio, and consider sale or leasing options.

The Group maintained a healthy liquidity position with net cash in hand of HK\$416 million (2023: HK\$393 million) as at 31 March 2024. The current and quick ratios were 3.2 and 2.8 respectively (2023: 2.8 and 2.2 respectively).

Financial Highlights

	For the year ended 31 March	
	2024	2023
	HK\$'000	HK\$'000
CONTINUING OPERATIONS		
Revenue	689,269	1,061,974
Gross profit	29,106	89,623
Gross profit margin	4.2%	8.4%
Profit attributable to equity holders of the Company	20,221	53,410
Basic earnings per share	HK3.00 cents	HK7.92 cents
Interim dividend per share	HK1.5 cents	HK1.8 cents
Special interim dividend per share	HK0.5 cent	HK0.5 cent
Final dividend per share	HK0.2 cent	HK2.0 cents
Special final dividend per share	HK6.8 cents	HK0.2 cent
Full-year dividends per share	HK9.0 cents	HK4.5 cents

To download this press release, please click http://www.t6pr.com/1170_AR2024_PR_E.pdf

About Kingmaker Footwear Holdings

Kingmaker Footwear Holdings Limited (01170.HK) is a premium name-brand manufacturer of rugged and fashion casual footwear. The Group operates production centers and R&D facilities in Vietnam and Cambodia, with a staff of approximately 6,300. It holds a 40% interest in an associate footwear operation in central Vietnam.

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