KINGMAKER

For immediate release

KINGMAKER FOOTWEAR HOLDINGS LIMITED

Year to Mar 2026 incurs revaluation loss on investment properties
With core manufacturing loss narrowing
Special final dividend of HK2.0 cents declared

Financial highlights:

- Revenue decreased by 3.0% yoy to HK$607 million, on a relatively stable business volume (pairs) and 4.6% ASP decrease.
- Net loss attributable to equity holders of the Company of HK$71 million, mainly attributable to revaluation loss from investment properties segment.
- Special final dividend of HK2.0 cents; total yearly dividends of HK4.0 cents.
- Net cash in hand of HK$299 million as at 31 March 2026.

Hong Kong, 30 June 2026 – Leading rugged and premium casual footwear manufacturer Kingmaker Footwear Holdings Limited (01170.HK) today announced that during the year ended 31 March 2026 (the "Year"), an attributable net loss to equity holders of HK$71 million (2025: HK$34 million) was incurred, mainly attributable to a fair value loss of HK$76 million (2025: HK$16 million) on revaluation of the Group's investment properties in the Chinese Mainland and Hong Kong, including the factory premises in Zhuhai which is to be disposed of in 2026.

The Year's subdued business conditions and broader economic volatility led to a 3.0% year-on-year decrease in revenue to HK$607 million (2025: HK$626 million), primarily due to a 4.6% decrease on the average selling price ("ASP") while footwear business volume (pairs) remained relatively stable.

The Group declared a special final dividend of HK2.0 cents (2025: HK2.0 cents) with no final dividend proposed for the Year (2025: Nil). Combined with the special interim dividend of HK2.0 cents, total dividends for the Year will amount to HK4.0 cents (2025: HK4.0 cents).

Kingmaker Footwear Chairman Mdm. HUANG Hsiu Duan, Helen, said: "The Year unfolded against a backdrop of persistently subdued consumer sentiment and cautious ordering patterns. Under these conditions, we remained focused on safeguarding our financial strength and operational resilience. Management also made a concerted effort to contain administrative expenses and optimize factory overheads, while production lines and workforce were rationalized, and labor working hours were adjusted to reflect the order pipeline. Despite the significant revaluation losses and impairment allowances for the investment properties segment, I wish to highlight that our core manufacturing segment has gradually returned to a more resilient position, with segment loss narrowed. We believe our competence will enable us to participate in upside opportunities as macroeconomic conditions stabilize."

Looking ahead to the financial year ending 31 March 2027, the macroeconomic environment remains complex, albeit with some shifts in risk factors. Greater clarity around tariff frameworks is now in place, allowing brands and manufacturers to plan procurements further ahead. Clearer tariff schemes also lessen the need for the Group to offer tariff-related support on products for export to the United States (the "US"), which is expected to ease pressure on selling expenses.

The Group's order book for the April–to-June 2026 quarter has held steady compared with the same quarter last year, suggesting a slight pickup in procurement confidence among our branded clients. The ASP also improved slightly, supported by the Group's continued focus on developing higher-ASP products in line with its value-driven strategy.

The asset portfolio optimization strategy will remain a key focus. During the Year, the Group took a significant step by disposing of part of the factory premises in Zhuhai. Despite the provision for the expected loss on disposal, the Group believes this represents an opportune occasion for it to monetize the property. Management will continue to assess sale options for unutilized factory premises and land held by the Group. It will also review the rental performance of our investment properties and consider alternative rental or disposal options where appropriate, with a view to generating stable rental returns from the investment properties portfolio.

In respect of the manufacturing segment, following restructuring initiatives to consolidate production lines and streamline workforces, the Group operated a combined production scale of 17 processing lines as at the Year-end date, mostly under a concept-line setup designed for quick turnaround and smaller orders. These lines contributed an annual capacity of around 6 million pairs of shoes, and were operated at a utilization rate of 61.1% (2025: 55.7%) during the Year.

Major customers for the Year, including Cat, Chaco, Palladium, Merrell, and Wolverine, collectively accounted for 88.1% (2025: 76.8%) of total revenue.

The Group's 40%-held associate plant in central Vietnam operated 40 lines and a satellite factory as at the Year-end date, designated for world-leading footwear brands Crocs, Columbia and Tracksmith. Investments made over the past few years have equipped this associated company with a robust capacity to meet more sophisticated production demands, and it has now entered a clear business harvest phase. Revenue increased by 9.8% to HK$1,470 million (2025: HK$1,339 million) on the back of a strong order pipeline, contributing a share of profit of associates of HK$36 million to the Group (2025: HK$23 million).

The Group maintained a healthy liquidity position with net cash in hand of HK$299 million (2025: HK$353 million) as at 31 March 2026. The current and quick ratios were 3.2 and 2.6 respectively (2025: 2.7 and 2.3 respectively).

Financial Highlights

	For the year ended 31 March	
	2026	2025
	HK$'000	*HK$'000*
Revenue	**607,140**	625,876
Gross profit/(loss)	**8,354**	(11,384)
Gross profit/(loss) margin	**1.4%**	(1.8)%
Loss attributable to equity holders of the Company	**(70,623)**	(33,890)
Basic earnings/(loss) per share	**HK(10.68) cents**	HK(5.05) cents
Interim dividend per share	**-**	-
Special interim dividend per share	**HK2.0 cents**	HK2.0 cents
Final dividend per share	**-**	-
Special final dividend per share	**HK2.0 cents**	HK2.0 cents
Full-year dividends per share	**HK4.0 cents**	HK4.0 cents

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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, and holds a 40% interest in an associate footwear operation in central Vietnam.

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