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KINGMAKER FOOTWEAR HOLDINGS LIMITED

信星鞋業集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 01170)

INSIDE INFORMATION

This announcement is made by Kingmaker Footwear Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders (the “**Shareholders**”) and potential investors of the Company that, as projected in the Company’s annual report for the year ended 31 March 2023, the Group entered the current financial year ending 31 March 2024 (“**FY2024**”) with an order pipeline that lacked visibility. Inventory destocking by the Group’s footwear brand customers continued into the first half of FY2024, resulting in more conservative order placements. The Board preliminarily estimates that, according to the unaudited figures from the Company’s management accounts, the revenue of the Group decreased by approximately 25% period on period for the April-June quarter of FY2024, mainly due to the weakened order volume. There was a moderate increase in the average selling price during the period, but pricing pressure is expected to continue.

* *For identification purposes only*

The Board will remain vigilant in monitoring the situation to ensure that the Group dynamically allocates its manufacturing capacity to balance demand, order pipeline and labor supply. The Group will maintain its efficiency and productivity as well as the highest level of flexibility and agility by leveraging its core strengths, adaptability and competitive advantages to overcome any short-term disruptions and safeguard its profitability, while focusing on cost control and cash flow management to ensure the health of its liquidity and financial position.

The Board will update the shareholders and potential investors of the Company as and when appropriate.

The information in this announcement is only based on the preliminary assessment by the Board, with reference to the management accounts and the information currently available, which are subject to finalization and adjustments, and has not been audited nor reviewed by the auditor of the Company. Details of the Group's financial performance for the first half of FY2024 will be disclosed in the interim results announcement of the Company for the six months ending 30 September 2023, which will be published by the Company in due course.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Kingmaker Footwear Holdings Limited
HUANG Hsiu Duan, Helen
Chairman

Hong Kong, 25 August 2023

As of the date of this announcement, the Board consists of three executive Directors, namely Mdm. HUANG Hsiu Duan, Helen, Mr. WONG Hei Chiu and Mr. CHEN Yi Wu, Ares; three non-executive Directors, namely Mr. CHAN Ho Man, Daniel, Mr. KIMMEL Phillip Brian and Dr. CHOW Wing Kin, Anthony; and four independent non-executive Directors, namely Mr. TAM King Ching, Kenny, Mr. YUNG Tse Kwong, Steven, Ms. CHAN Mei Bo, Mabel and Mr. WONG Hin Wing.