



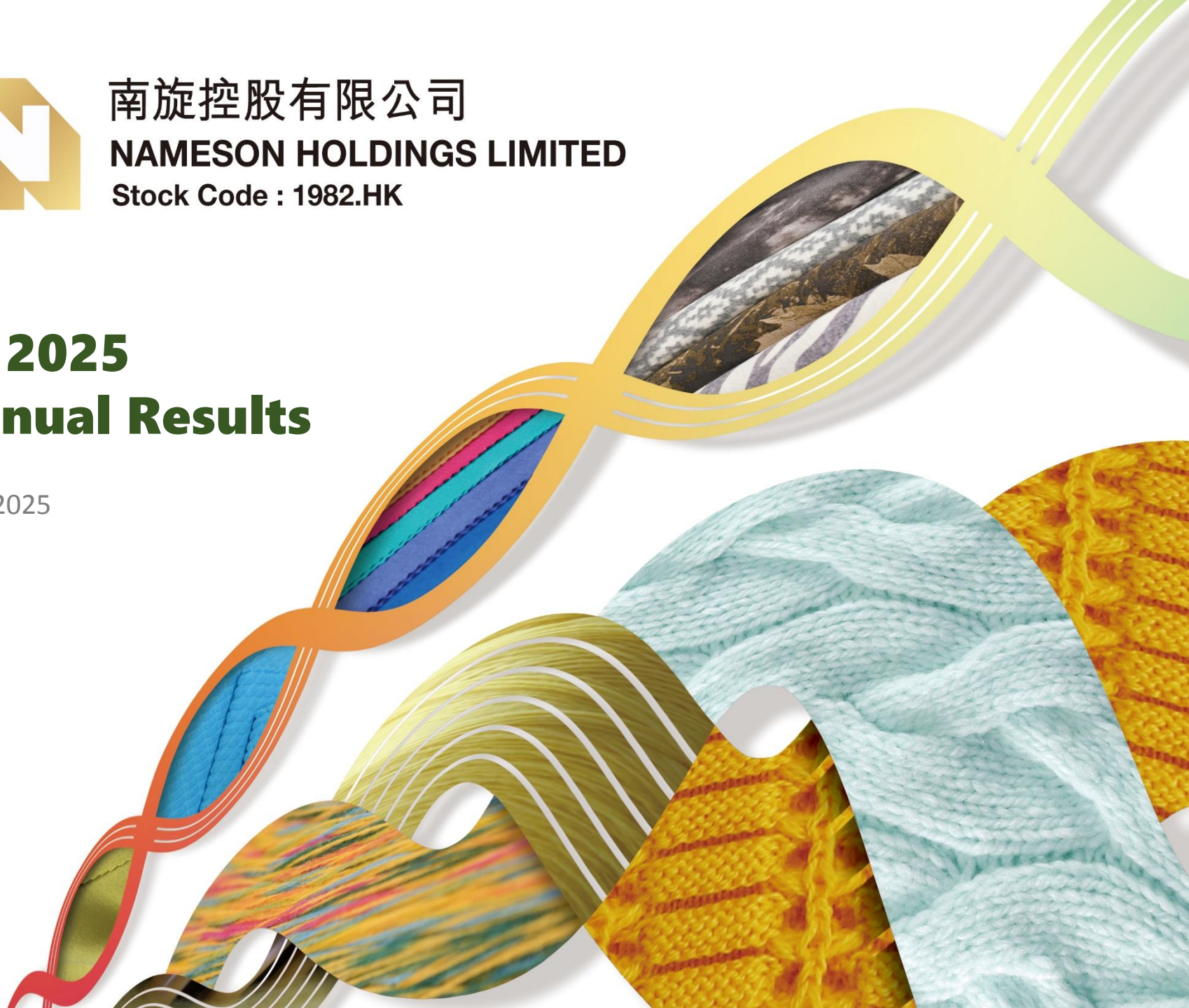
南旋控股有限公司

NAMESON HOLDINGS LIMITED

Stock Code : 1982.HK

FY 2025 Annual Results

June 2025



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Presenters



Benny Wong
Chairman &
Executive Director



Jason Man
CEO &
Executive Director



Stephen Tao
CFO &
Company Secretary

Agenda



- 1 Results Overview**
- 2 Financial Highlights**
- 3 Business Review**
- 4 Outlook**
- 5 Q&A**



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Results Overview



Results Overview



REVENUE (HK\$)

4,352.1 mn -0.6%

GROSS PROFIT (HK\$)

781.8 mn +1.0%

GROSS PROFIT MARGIN

18.0% +0.3 pp

NET PROFIT (HK\$)

355.4 mn -6.6%

NET PROFIT MARGIN

8.2% -0.5 pp

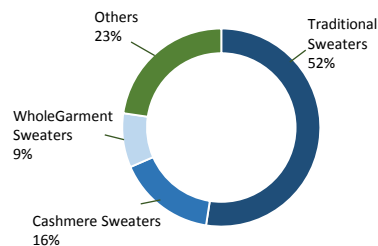
DIVIDEND PER SHARE (HK¢)

11.3 -13.1%

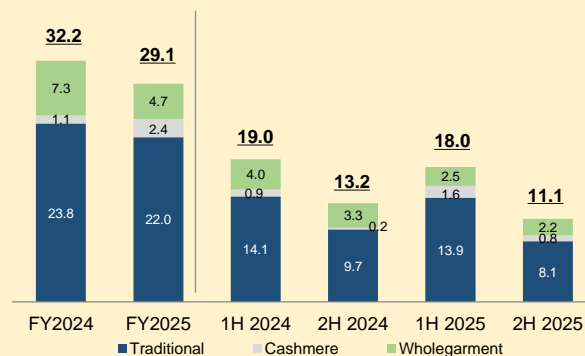
DIVIDEND PAYOUT RATIO

75.2%

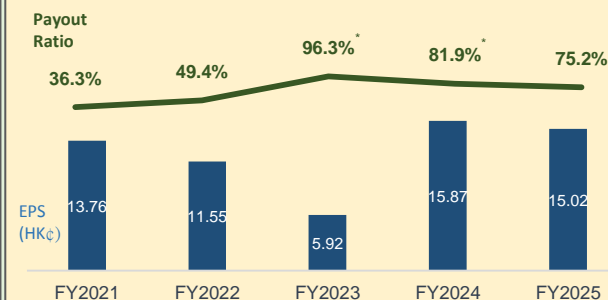
Business Breakdown



Sweaters Volume (mn pieces)

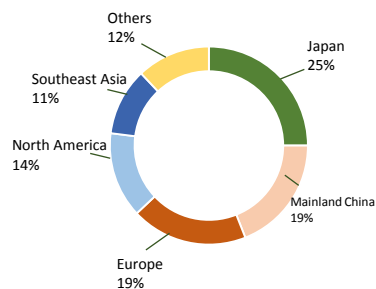


Historical Dividend



* If based on adjusted net profit which excluded non-recurring items, payout ratio would be 34.3% and 74.8% respectively for FY2023 and FY2024

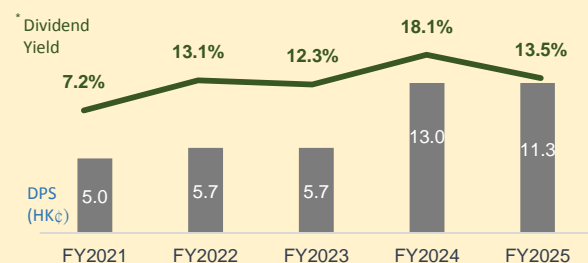
Business by Region



Capacity by Location



Dividend Yield



* Dividend yield calculated based on closing share price on corresponding announcement dates



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Financial Highlights



Financial Review



(HK\$ 'mn)	FY 2024	FY 2025	Change
Revenue	4,378.9	4,352.1	-0.6%
Gross Profit	774.2	781.8	+1.0%
<i>Gross Profit Margin</i>	17.7%	18.0%	+0.3 p.p.
Other income	13.3	20.5	+54.1%
Other gains, net	78.2	41.2	-47.3%
Selling and distribution expenses	(32.4)	(39.6)	+22.2%
General and administrative expenses	(331.8)	(353.9)	+6.7%
Impairment loss on the production base in Myanmar	(34.0)	-	-100%
Operating Profit	467.5	449.9	-3.8%
<i>Operating Profit Margin</i>	10.7%	10.3%	-0.4 p.p.
Finance income	29.6	7.8	-73.6%
Finance expenses	(64.8)	(51.3)	-20.8%
Finance Expenses, net	(35.2)	(43.5)	+23.6%
Profit before Tax	433.9	407.9	-6.0%
Net Profit	380.7	355.4	-6.6%
<i>Net Profit Margin</i>	8.7%	8.2%	-0.5 p.p.
Profit attributable to the owners of the Company	361.7	342.3	-5.4%

Financial Review



(HK¢ cents)	FY 2024	FY 2025	Change
Basic Earnings Per Share (EPS)	15.87	15.02	-5.4%
Interim Dividend Per Share	9.5	9.8	
Second Interim Dividend Per Share	3.5	1.5	
Total Dividend Per Share	13.0	11.3	-13.1%

Financial Position



(HK\$ 'mn)	As at 31 Mar 2024	As at 31 Mar 2025	Change
Cash and cash equivalents	717.4	430.8	-39.9%
Inventories	910.6	1,207.9	+32.6%
Trade and Bills Receivables	167.1	153.1	-8.4%
Trade and Bills Payables	335.5	400.7	+19.4%
Current Assets	2,048.9	2,227.8	+8.7%
Total Assets	4,448.1	4,778.6	+7.4%
Total Bank Borrowings and Lease Liabilities	971.0	1,095.1	+12.8%
Net Debt	253.6	664.3	+161.9%
Total Equity	2,599.0	2,637.7	+1.5%
Gearing Ratio (%) #	8.9%	20.1%	+11.2 ppt
Return on Equity (%)	14.6%	13.5%	
Return on Assets (%)	8.6%	7.4%	

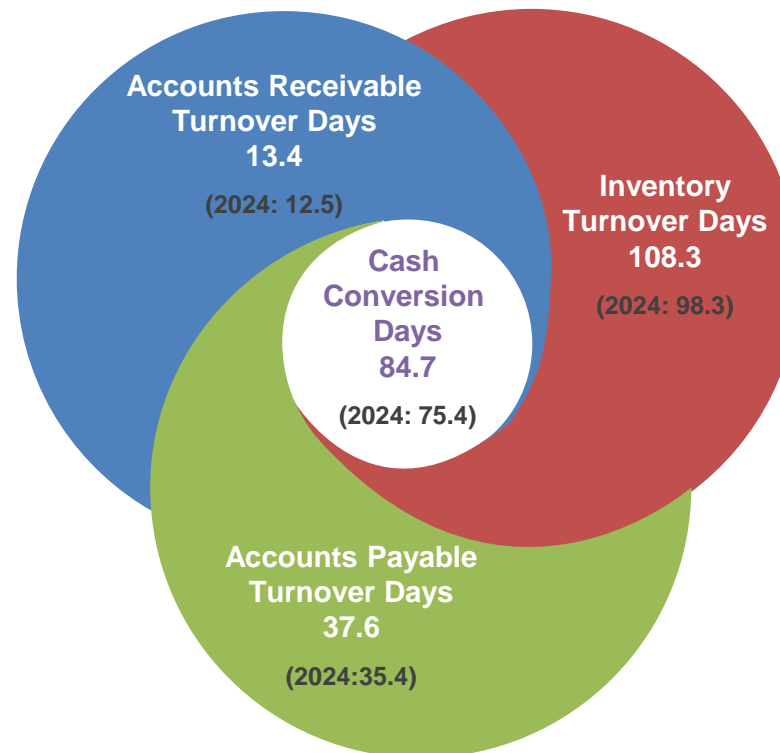
Calculation of Gearing Ratio: Net debt divided by total capital. Net debt is calculated as total bank borrowings and lease liabilities less cash and cash equivalents. Total capital is the sum of equity and net debt

Summary of Cash Flow

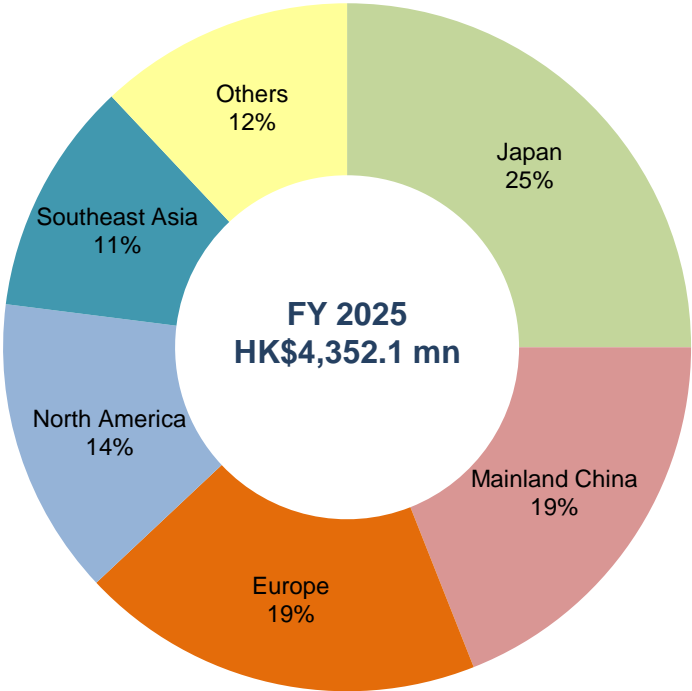
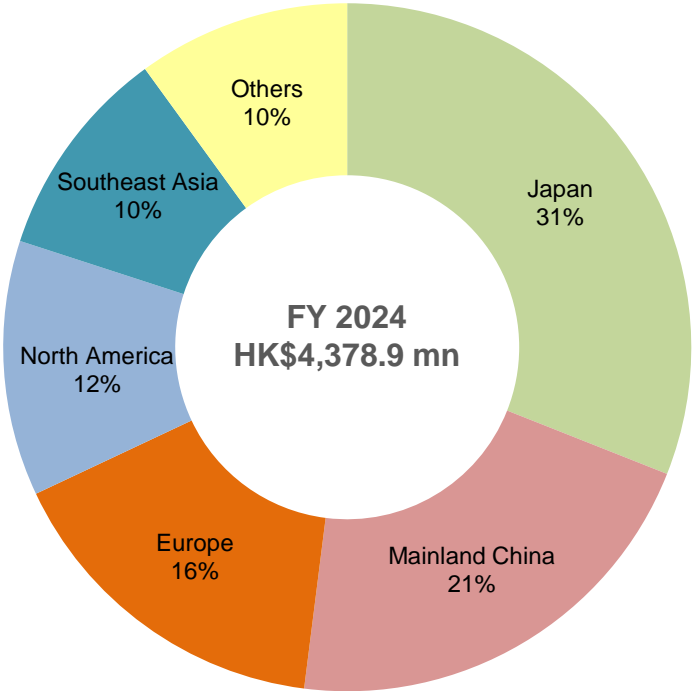


(HK\$ 'mn)	FY2024	FY2025
Net cash generated from operating activities	582.9	222.9
<i>Profit before income tax</i>	433.9	407.9
<i>Adjusted for:</i>		
<i>Income tax paid, net</i>	(51.5)	(87.5)
<i>Depreciation</i>	226.0	239.3
<i>Increase in prepayment, deposits, other receivable and other assets</i>	(69.5)	(144.6)
<i>Decrease/ (Increase) in inventories</i>	120.5	(280.1)
<i>Impairment loss on the production base in Myanmar</i>	34.0	-
<i>Net gains on disposal of property, plant and equipment</i>	(28.6)	(12.2)
<i>(Decrease)/Increase in trade and bills payable</i>	(27.8)	65.4
<i>Increase in accruals and other payables</i>	43.2	44.5
<i>Others</i>	(97.3)	(9.8)
Net cash used in investing activities	(145.1)	(238.3)
<i>Purchases of property, plant and equipment</i>	(216.3)	(255.5)
<i>Proceeds from disposals of property, plant and equipment</i>	41.6	14.5
<i>Loan to a non-controlling shareholder of a subsidiary</i>	-	(7.0)
<i>Dividend received from a joint venture</i>	-	1.9
<i>Others</i>	29.6	7.8
Net cash used in financing activities	(435.9)	(272.1)
<i>(Decrease) / Increase in bank borrowings and lease liabilities</i>	(203.4)	5.9
<i>Dividend payment</i>	(230.2)	(303.2)
<i>Capital contribution from non-controlling interests</i>	-	26.9
<i>Repayment of non-controlling shareholders of subsidiaries</i>	(2.3)	(1.8)
Net Inflow / (Outflow) of Cash	2.0	(287.5)

Cash Conversion Cycle



Geographical Breakdown by Revenue





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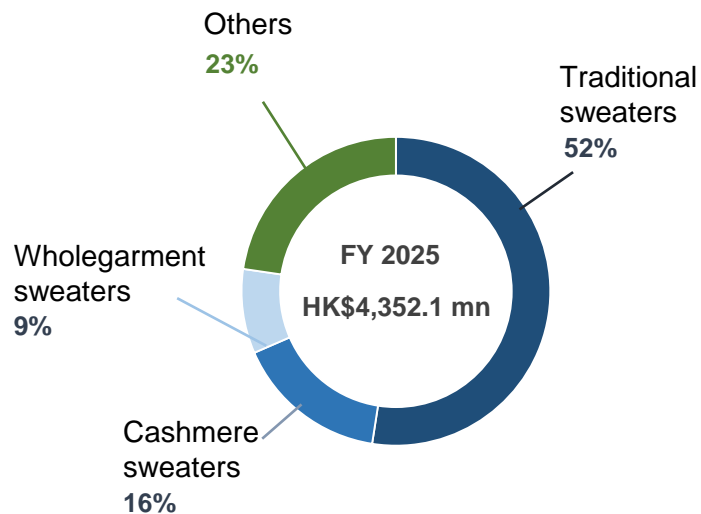
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Business Overview

Core Business (Sweaters)



Breakdown by Business



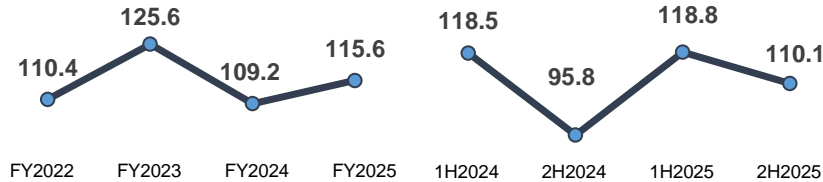
	2024	2025
 Men's and Women's Knitwear Products	80%	77%
 Others	20%	23%

"Others" includes cashmere yarn, fabric, knitted upper for footwear, children's wear, scarfs, hats, gloves, etc.

Sweaters: Volume and Selling Prices

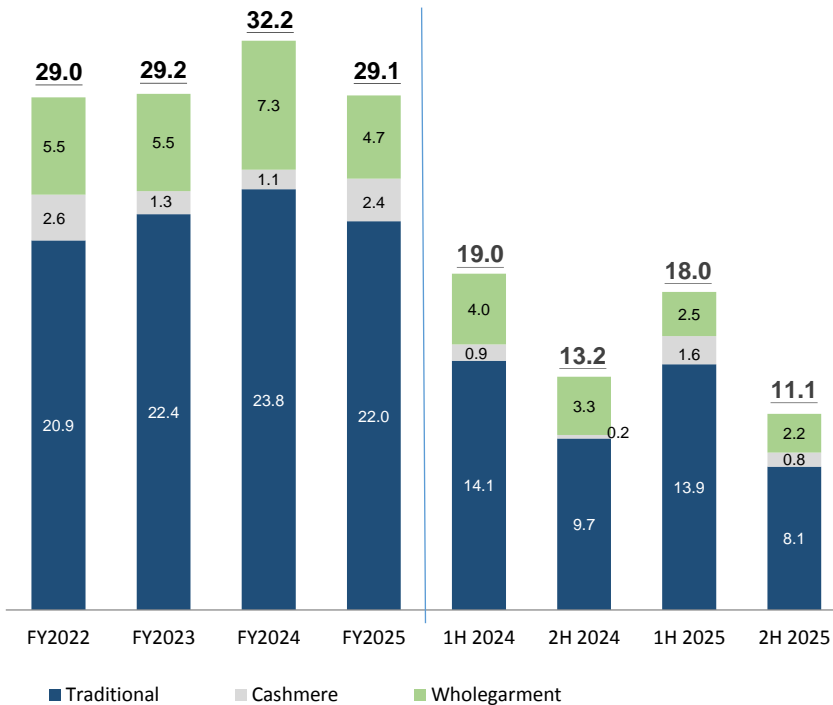


Average Selling Price (HK\$)



- Product mix change, with increased sales in the higher-valued cashmere sweaters

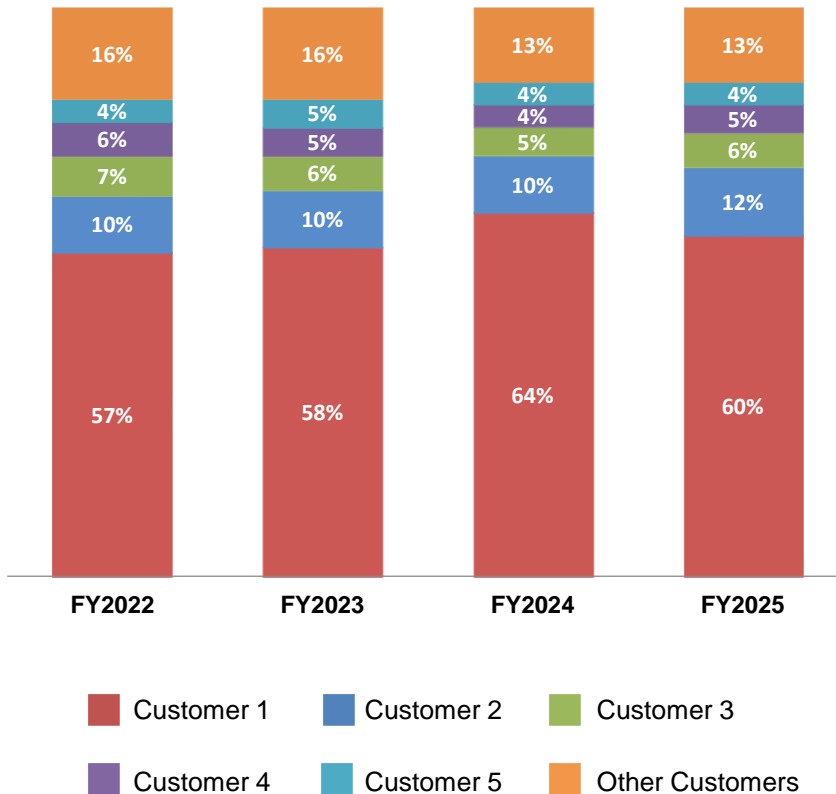
Sales Volume ('mn pieces)



Note: The figures above include men's and women's knitwear products only

- Later winter in FY2025, hence less quick-response orders in 2H, as well as less Wholegarment products that was elevated in FY2024
- Increased cashmere sweater orders
- More accessories in customers' assortment, which is not included in this volume for sweaters
- Showed resilience despite global sentiment

Sweaters: Customer Mix



Key Customers



TOMMY HILFIGER

RALPH LAUREN



Theory



Calvin Klein



BOSS
HUGO BOSS

A D A S T R I A
Plus fashion!

Marc O'Polo
EST. IN STOCKHOLM

ARITZIA



JNBY



* The products under this brand has been rebranded to "DEEP BREATH 深呼吸" from Jan 2025

Capacity By Location



Vietnam Factory

- Operating since 1Q 2015
- GFA of > 130,000m²
- Machinery: \approx 4,600
- Labor: \approx 9,600 employees
- Manufactured 69% of total sweaters in FY 2025
- Increased capacity by having expanded in Central Vietnam



China Factory

- Operating since 2002
- GFA of >350,000m²
- Machinery: \approx 3,600
- Labor: \approx 4,400 employees
- Manufactured 31% of total sweaters in FY 2025

Volume ('mn) (Mens' and womens' knitwear products only)		2019 1H	2019 2H	2020 1H	2020 2H	2021 1H	2021 2H	2022 1H	2022 2H	2023 1H	2023 2H	2024 1H	2024 2H	2025 1H	2025 2H
VN		8.0	5.5	7.9	6.0	9.7	7.3	8.9	4.7	9.5	6.0	12.4	8.7	12.6	7.4
CN		15.3	8.0	13.5	7.1	8.6	5.4	9.0	6.4	9.2	4.5	6.5	4.4	5.4	3.6

Vietnam: Supply Chain Support



- 11th year operating in Vietnam
- Encouraged key suppliers to set their foothold in Vietnam, with close proximity to Nameson, conduces to quicker servicing time to customers



- Supplier of top dyed and cone dyed yarn
- <30 mins driving distance
- 1.1m heads of spindles, adding 2m more spindles



- Supplier of fibre and cone dyed yarn
- <5 mins driving distance
- Over 8,600 tons a year



- Supplier of fibre dye / cone dye
- <2 mins walking distance from Central Vietnam facility
- About 8,000 tons a year



- Supplier of top dyed yarn
- <5 mins driving distance
- Constructing over 6,000 tons a year



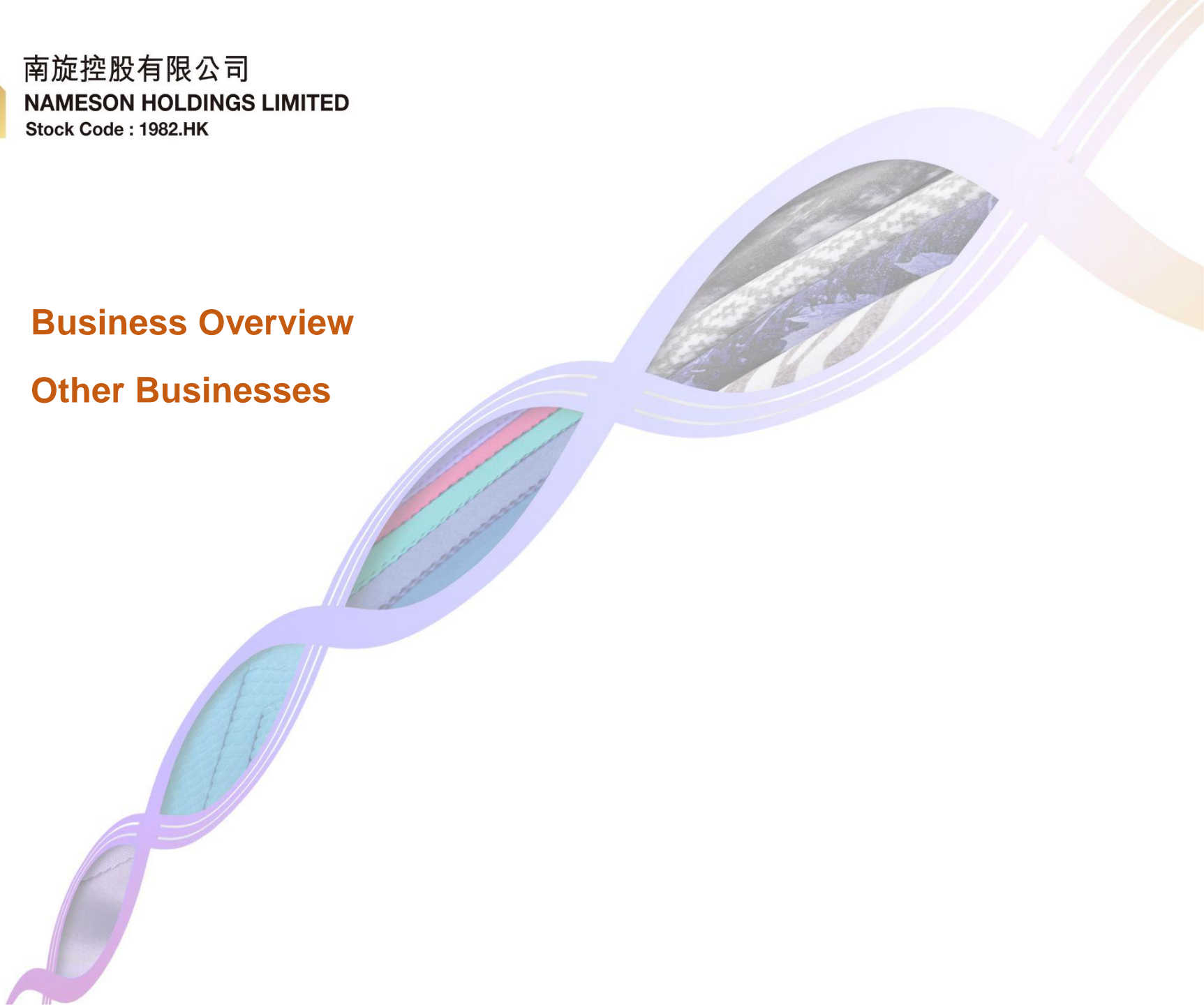
- M.oro: own cashmere yarn subsidiary
- Constructing 300 tons a year



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Business Overview

Other Businesses



Other Products: Cashmere Yarn

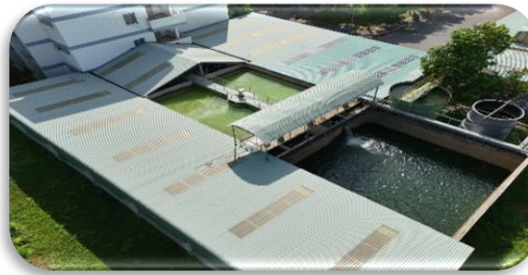
- 13 production lines in Hebei, totaling approx. 900 tons of annual design production capacity, FY2025 running at full capacity
- Flexibly provides for internal usage. Own brand M.oro widely accepted by the market and continued to grow sales to external customers despite an increase in the Group's sales of cashmere sweaters
- Provides a variety of blends, sales to external customers in FY2025 was HK\$575.6mn, contributing positively to the Group's revenue and profitability
- Adding capacity in Vietnam to enhance service to customers, expected to commence production in FY2026



Other Products: Fabric



Aerial view of fabric facility



State-of-the-art wastewater treatment, 24-hr online monitoring

- Operations improved notably, and expected to accelerate in ramping up
- International trade situations – yearn for local resources bode well for the business
- Expected to contribute more positively to the Group



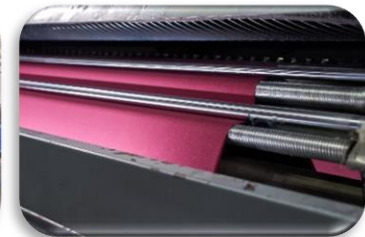
Weaving workshop



Dyeing machines, in excess of 100+ tubes



Setting



Diverse range of finishings



Fabric printing with automated rotary screen printing / flat screen printing

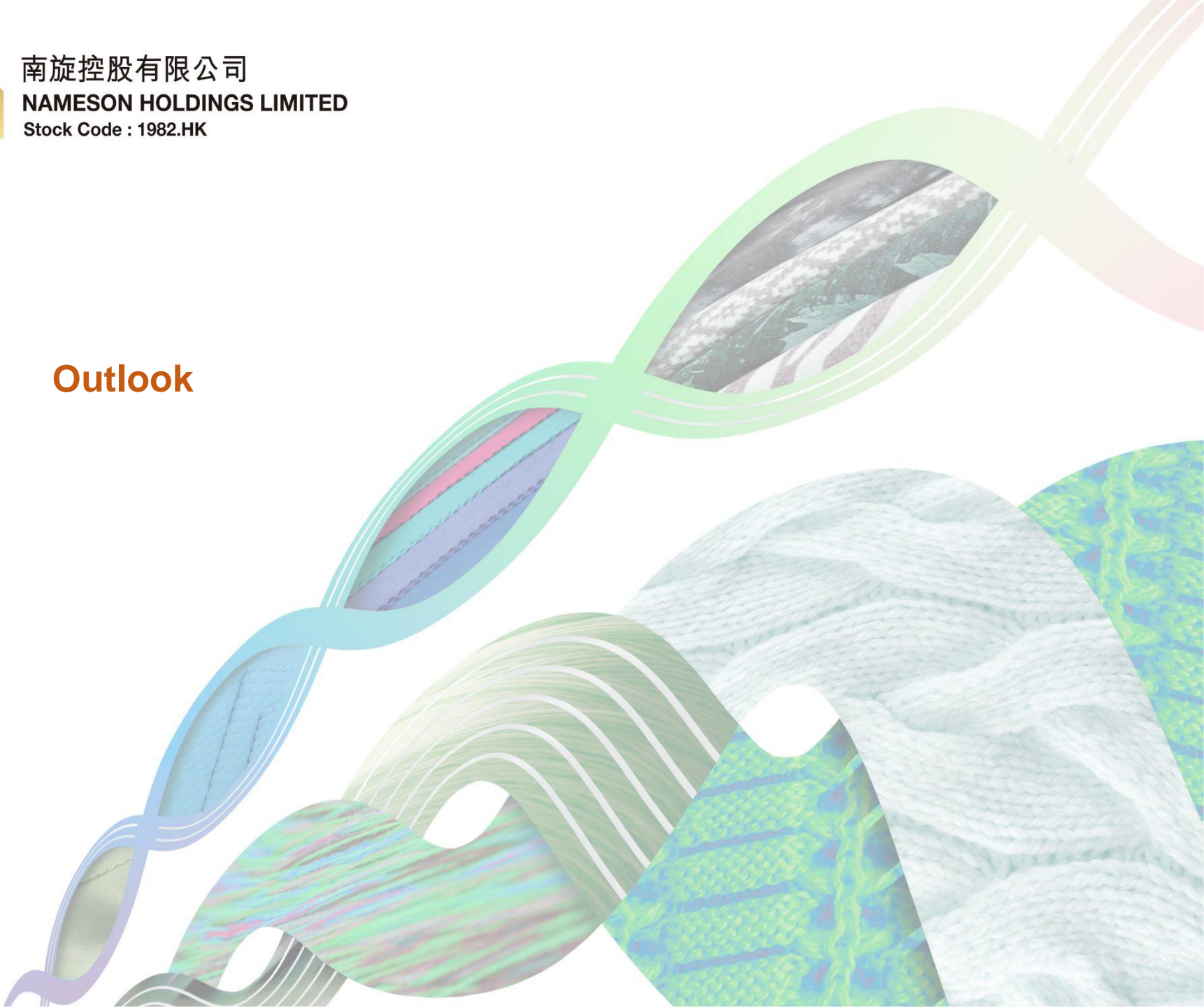


Variety of fabrics



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Outlook



International Trade:

Concerns for tariff, sudden change in dynamics

End-consumer sentiment:

Concerns for global economy, and increased cautiousness in spending

CHALLENGES**OPPORTUNITIES**Supplier Consolidation:

Brand customers inclined to suppliers with track record, and expand products to tap end-customer loyalty and stickiness

Fabric manufactured in VN highly demanded:
Observe and expand as appropriate

Tapping and growing with customers:

Continue to lead in material development, uncompromised quality tapping and deepening cooperation with quality customers

Secure Proximity of Supply Chain:

Quicker response time and better servicing



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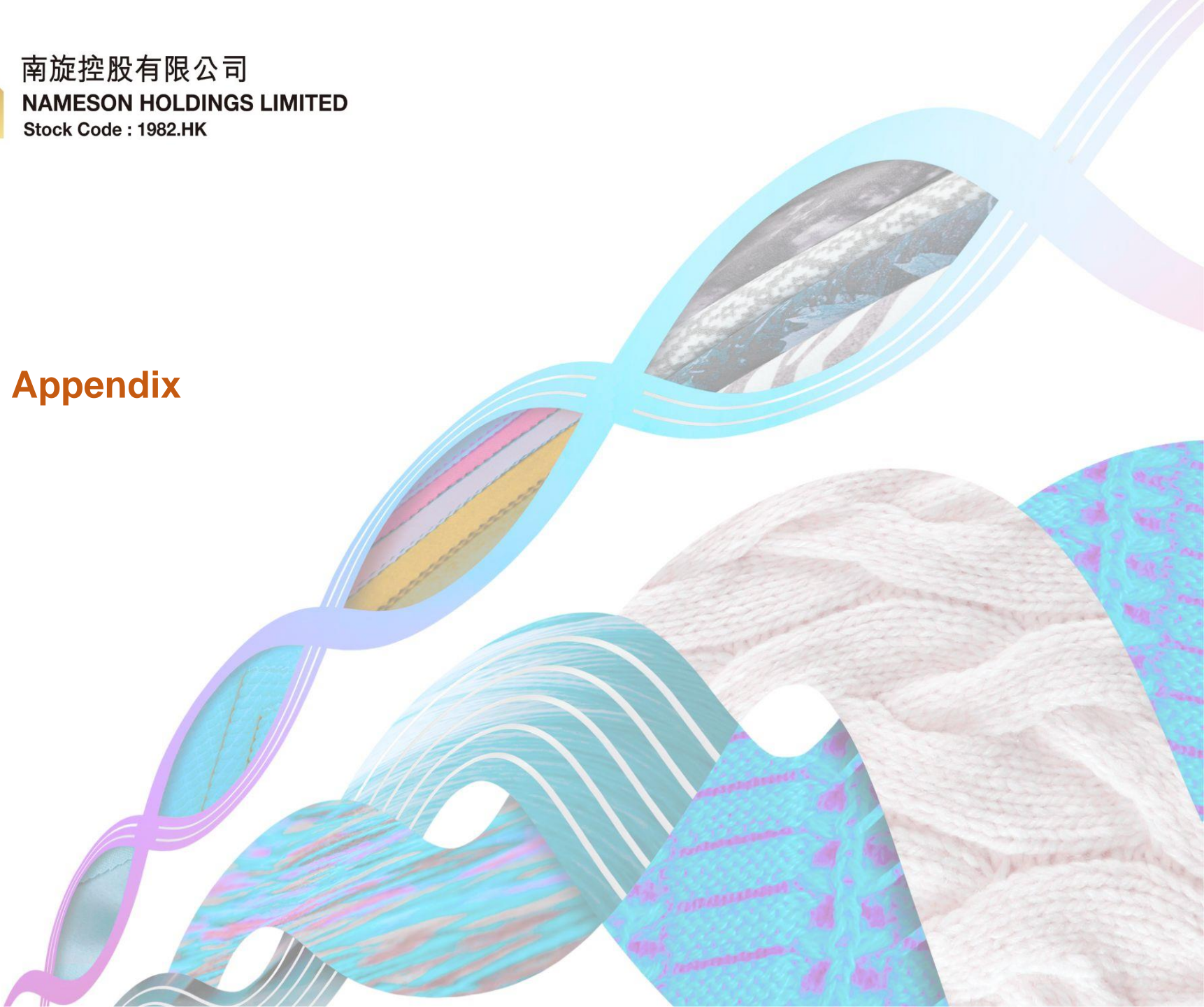
Question and Answer



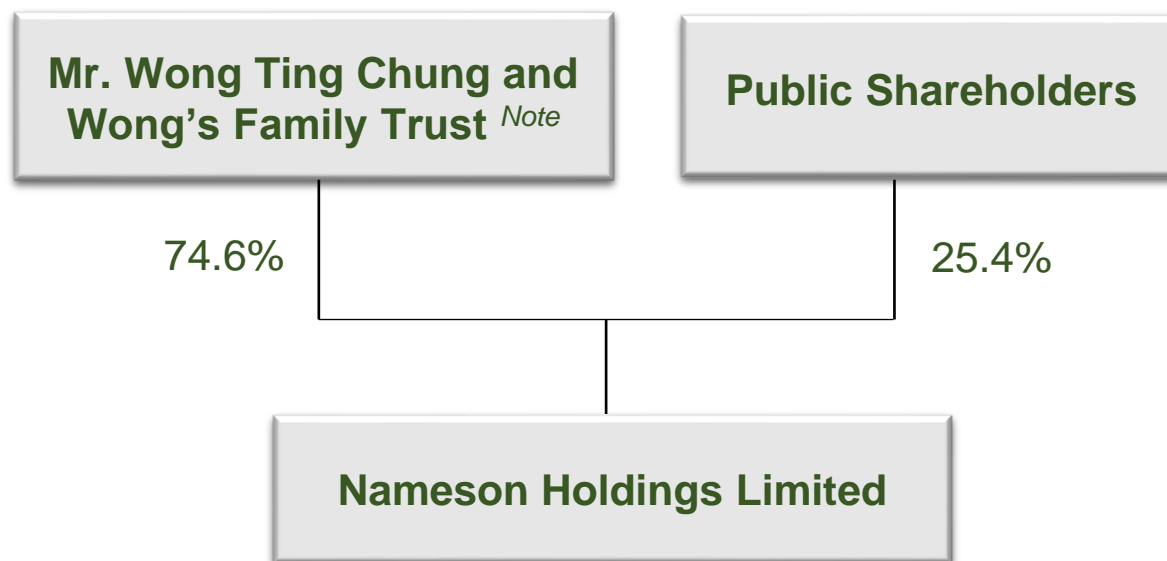


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Appendix



Shareholding Structure



Note: The above diagram is a simplified shareholding structure. The family trust is a trust established by Founding Chairman Mr. Wong Ting Chung as the settlor with the beneficiaries being Mr. Wong Ting Chung and certain family members of the Wong's family

Developments in Sustainability



- Our sustainable development is embodied in the “HEART” framework developed targeted to address the material issues identified through an annual double material assessment and the United Nations Sustainable Development Goals (“UNSDGs”)

H

Heartfelt Craftsmanship

UNSDGs



- Adhere to the Group's Quality First, Customer Priority and Continuous Improvement objectives: Ensure product quality through stringent and sustainable supply chain management, effective quality control and structured complaints handling procedures
- Sources sustainable and traceable materials in both sweaters and cashmere yarn businesses

E

Empowering Workspaces

UNSDGs



- Adhere to the Group's people-oriented management model, employees and their family's well-beings are of top considerations
- With multi-country operations, emphasis is placed on Diversity, Equity and Inclusion to nurture smooth cooperation among employees
- Continuous education and training is crucial to enrich employees' professional knowledge and working competence

A

Advocating Nature's Guardianship

UNSDGs



- Committed to setting Science Based Targets
- 13.89 MW of solar panels installed in PRC and Vietnam factories
- Conducted energy audits to evaluate any further potential to reduce GHG emission
- 1 of 11 HK-based companies to adopt Taskforce on Nature-related Financial Disclosures (TNFD)

R

Resilient Operational Practices

UNSDGs



- ISO 45001:2018 Occupational Health and Safety Management System certification obtained at Hebei Factory
- Sound whistle-blowing mechanism in place to safeguard ethical business operations
- Regular anti-corruption trainings provided to the Board and employees

T

Threaded Community Contributions

UNSDGs



- Community services with theme on “Youth cultivation”, to address the diverse needs of the youth
- Sponsored competitions at educational institutions to nurture young talents in the fashion industry
- Supported underprivileged students with donations and supplies
- Donated over HK\$2.3 million to charitable organisations and educational institutions
- Participated in 80 hours of volunteer work
- Hosted a journey to Inner Mongolia to foster communication, give back to herders, and explore the origins of ethnically sourced and traceability of cashmere with industry peers

Knitwear Production Process



WholeGarment Knitting vs Traditional Knitting



	WholeGarment Knitwear	Traditional Knitwear
Knitting machine		
Output product	<p>Whole piece of knitwear</p> 	<p>Panels (Front/Back/ Sleeves)</p> 
Linking process	Eliminated	Key Process

Seamless Knitting Technology: WholeGarment



Cost Effectiveness of Deploying WholeGarment Machinery

- Reduce production lead time by >50%
- Reduce labour in production process
- Reduce material wastage, especially beneficial for expensive raw materials

Cater to Diverse Customer Needs

- Better fit and styles very well-received by end market since inception
- Customer driving up the speed of introducing more knitwear utilising WholeGarment Technology

Enhances the Group's Production Planning

- Confirmed orders received early in the pipeline given the limited supply in the market, beneficial for production planning



Consolidated Income Statement



	Year ended 31 March	
	2024 (HK\$ '000)	2025 (HK\$ '000)
Revenue	4,378,888	4,352,130
Cost of sales	(3,604,649)	(3,570,315)
Gross profit	774,239	781,815
Other income	13,270	20,487
Other gains, net	78,191	41,163
Selling and distribution expenses	(32,359)	(39,606)
General and administrative expenses	(331,839)	(353,949)
Impairment loss on the production base in Myanmar	(34,005)	-
Operating profit	467,497	449,910
Share of post-tax profit of a joint venture	1,561	1,493
Finance expenses, net	(35,153)	(43,523)
Profit before income tax	433,905	407,880
Income tax expenses	(53,201)	(52,466)
Profit for the year	380,704	355,414
Profit for the year attributable to		
- Owners of the Company	361,672	342,327
- Non-controlling interests	19,032	13,087
	380,704	355,414
Earnings per share		
- Basic and diluted (HK cents per share)	15.87	15.02

Consolidated Balance Sheet



	As at 31 March 2024 (HK\$ '000)	As at 31 March 2025 (HK\$ '000)
ASSETS		
Non-current assets		
Property, plant and equipment	1,785,060	1,873,536
Right-of-use assets	290,709	358,786
Investment properties	1,590	7,686
Interest in a joint venture	7,083	6,174
Financial assets at fair value through profit or loss	191,118	197,358
Prepayments, deposits, other receivables and other assets	122,908	99,256
Loan to a non-controlling shareholder of a subsidiary	-	6,987
Deferred income tax assets	704	986
	2,399,172	2,550,769
Current assets		
Inventories	910,552	1,207,897
Trade and bills receivables	167,149	153,114
Prepayments, deposits, other receivables and other assets	253,826	435,997
Cash and cash equivalents	717,404	430,818
	2,048,931	2,227,826
Total assets	4,448,103	4,778,595

Consolidated Balance Sheet (Con'd)



	As at 31 March 2024 (HK\$ '000)	As at 31 March 2025 (HK\$ '000)
EQUITY		
Capital and reserves attributable to the owners of the Company		
Share capital	22,794	22,794
Reserves	2,360,314	2,348,761
	2,383,108	2,371,555
Non-controlling interests	215,851	266,150
Total equity	2,598,959	2,637,705
LIABILITIES		
Non-current liabilities		
Bank borrowings	454,811	563,453
Loans from a non-controlling shareholders of subsidiaries	3,359	1,565
Lease liabilities	120,675	153,933
Provision for reinstatement costs	4,409	2,372
Provision for long service payment	-	1,450
Deferred income tax liabilities	4,812	4,883
	588,066	727,656
Current liabilities		
Trade and bills payables	335,457	400,731
Accruals and other payables	255,832	333,562
Current income tax liabilities	274,275	301,228
Bank borrowings	353,129	309,335
Lease liabilities	42,385	68,378
	1,261,078	1,413,234
Total liabilities	1,849,144	2,140,890
Total equity and liabilities	4,448,103	4,778,595
Net current assets	787,853	814,592



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Investor Contact:

Doris Chan
dorisc@nameson.com.hk

