



SHENZHOU INTERNATIONAL
GROUP HOLDINGS LIMITED

Stock Code : 2313

ANNUAL RESULTS 2025

MARCH 2026



Agenda

01 Financial Highlights

02 Business Review

03 Strategies & Plans

04 Open Forum



SHENZHOU INTERNATIONAL
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01 Financial Highlights



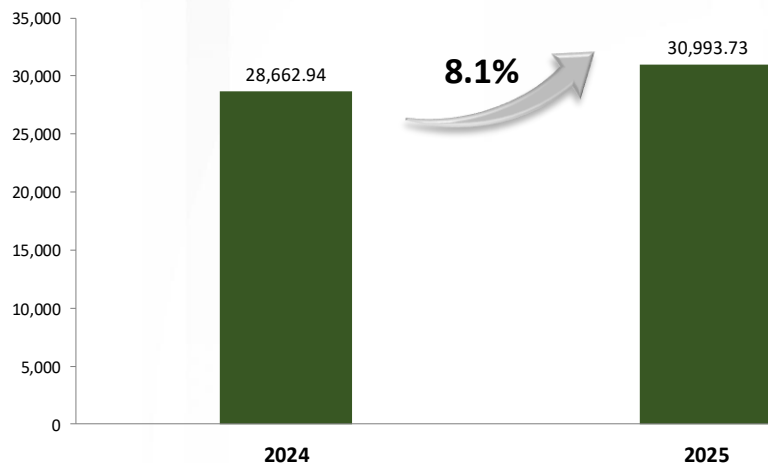
Financial Highlights

(RMB '000)	2025	2024	Change
Turnover	30,993,732	28,662,938	8.1%
Gross profit	8,165,360	8,054,897	1.4%
Profit attributable to owners of the parent	5,825,262	6,240,581	(6.7%)
Basic EPS (RMB)	3.88	4.15	(7.0%)
Total dividend(HK\$)	2.58	2.53	2.0%
- Interim dividend(HK\$)	1.38	1.25	10.4%
- Final dividend (HK\$)	1.20	1.28	(6.3%)

Sales Analysis

Sales

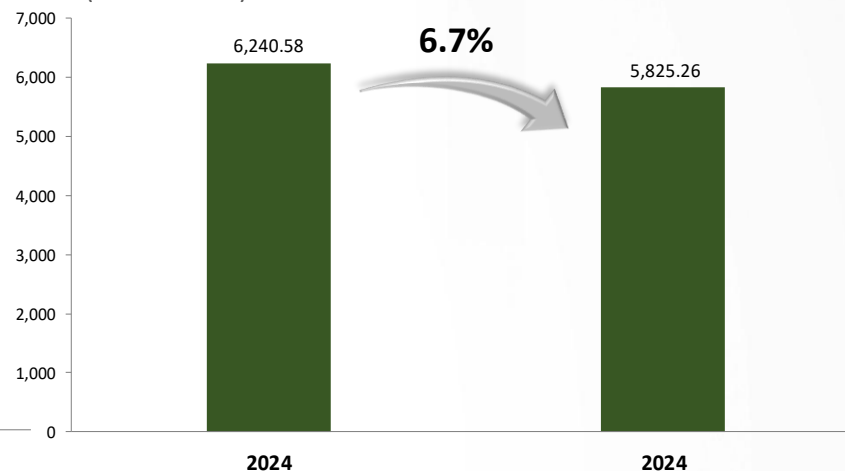
(RMB million)



- ◆ Recorded an increase in revenue
 - ◆ through diversifying product offerings
 - ◆ further enhancing procurement share among key customers
 - ◆ expanding production capacity at overseas facilities and improving operational efficiency

Profit Attributable to Equity Holders

(RMB million)

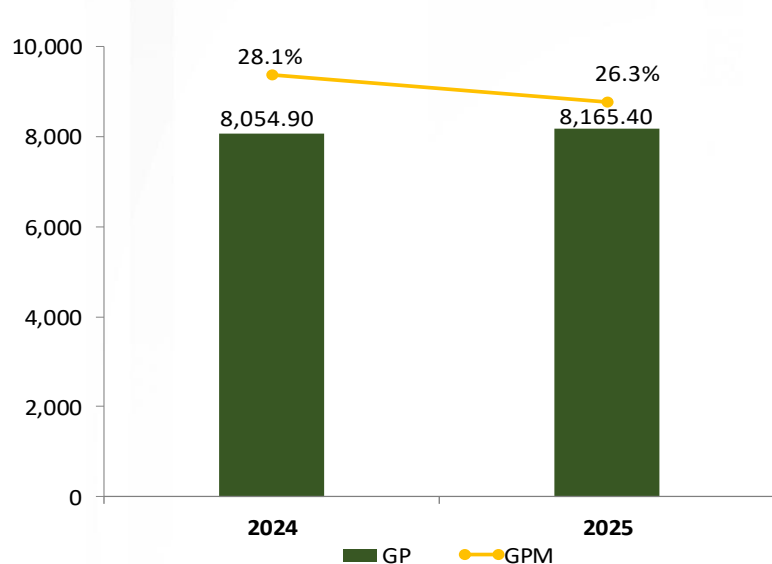


- ◆ Main factors of change
 - ◆ Rising labour costs
 - ◆ Absorption of certain import tariffs
 - ◆ Appreciation of Renminbi against US dollar
 - ◆ the absence of a one-off gain of approximately RMB330.6 million recognised in 2024 from the disposal of equity interests in one wholly-owned subsidiary of the Group

Profit Margin Analysis

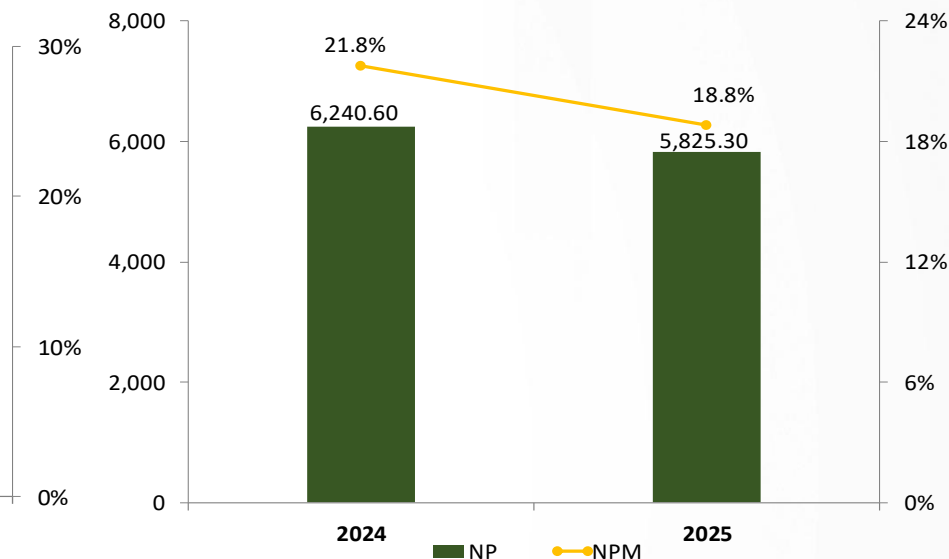
Gross Profit

(RMB million)



Net Profit Attributable to Equity Holders

(RMB million)



- ◆ Overall gross profit margin decreased by 1.8p.p. to 26.3%, mainly due to:
 - ◆ average employee salary increased
 - ◆ impact resulting from changes in import tariff policies, under which the Group absorbed a portion of the tariff costs with customers in US market

Operating Expenses Analysis

(RMB '000)	2054	2024	Change
Selling & distribution expenses	250,272	276,283	(26,011)
Administrative expenses	2,095,323	1,938,336	156,987
Finance cost	335,348	375,348	(40,000)
Operating expenses	2,680,943	2,589,967	90,976
% to revenue	8.6	9.0%	(0.4p.p.)

Net Profit Analysis

For the year ended 31 Dec

(RMB '000)	2025	2024	Change
Net profit to equity holders	5,825,262	6,240,581	(415,319)
Less: Government incentives	327,776	151,315	176,461
Net exchange (loss)/ gain	(256,142)	105,549	(361,691)
Net disposal (loss) gain of fixed assets	(28,178)	336,779	(364,957)
Net interest income	792,028	719,272	72,756
Net profit excluding government incentives, net exchange gain & loss, net fixed assets disposal gain & loss, and net interest income*	<u>4,989,778</u>	<u>4,927,666</u>	62,112

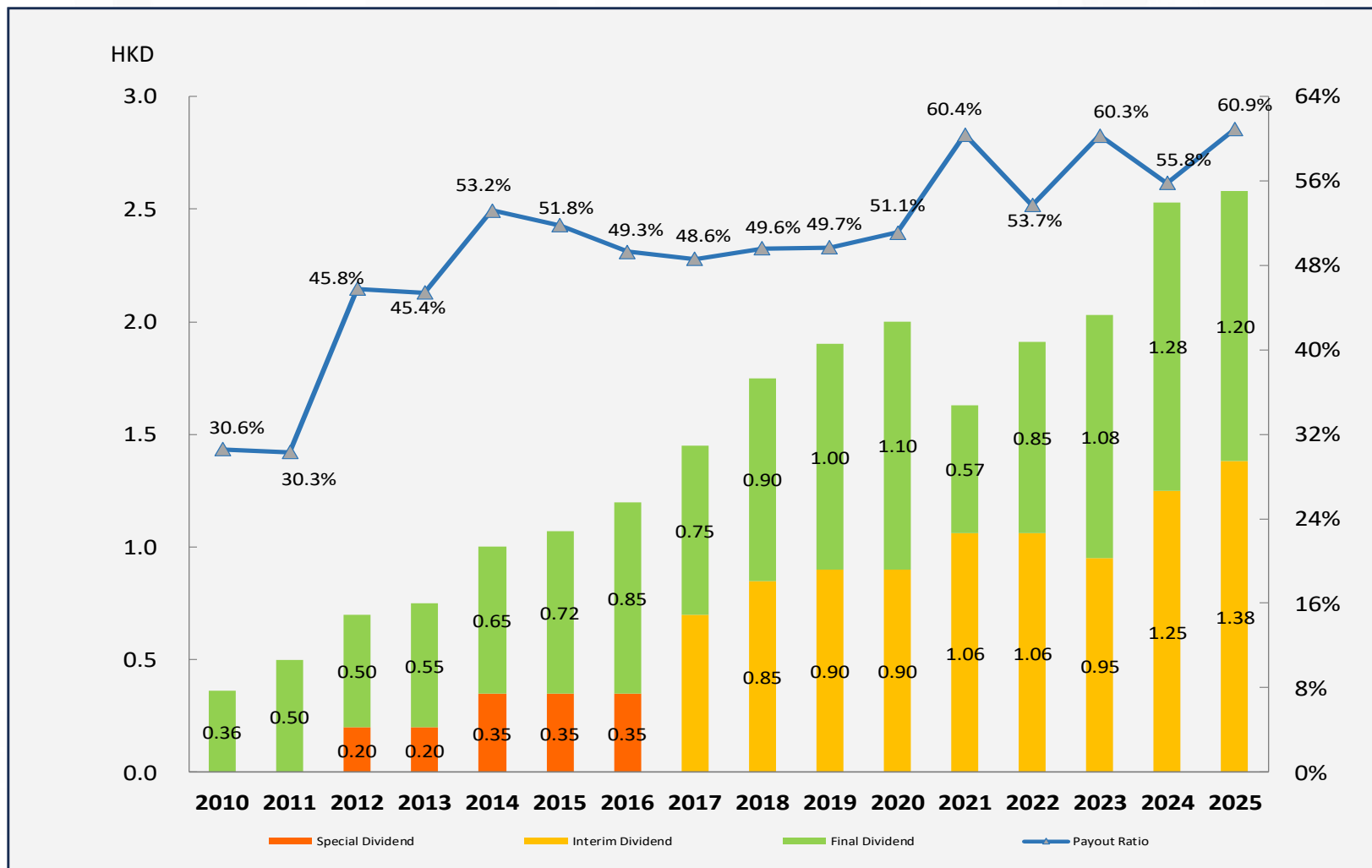
Remark: Net Profit Excluding Government Incentives, Net Exchange Gain & Loss, Net Fixed Assets Disposal Gain & Loss, and Net Interest Income Calculation has not adjusted the tax impact. For reference only.*

Expenses Analysis by Nature

For the year ended 31 Dec

(RMB '000)	2025	2024	Change
Employee benefit expenses:			
Wages and salaries	7,555,432	6,894,284	661,148
Retirement benefit contributions	856,685	749,239	107,446
Other benefits	284,186	278,197	5,989
Total	8,696,303	7,921,720	774,583
Depreciation, amortisation and impairment expenses	1,489,441	1,522,000	(32,559)
Cost of inventory sold	22,761,332	20,572,130	2,189,202
Net interest income	792,028	719,272	72,756
Net exchanges gain	(256,142)	105,549	(361,691)

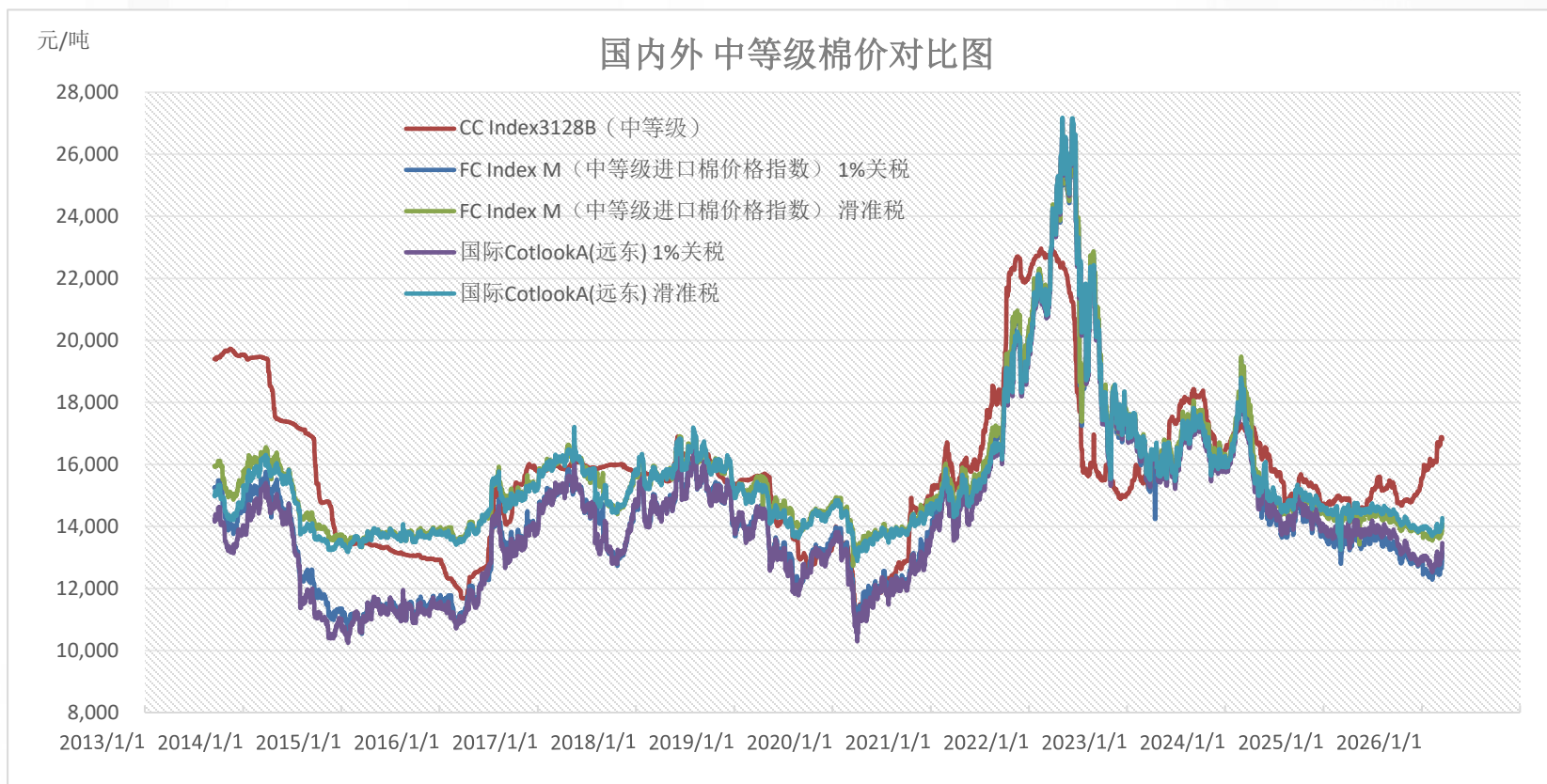
Dividend and Payout Ratio



- ◆ The payout ratio calculation is based on average exchange rate of the RMB to HKD, derived from the opening and closing middle rates published by the PBOC.

Domestic and International Cotton Prices

RMB/tonne



Turnover Breakdown by Product

	2025		2024		Change	
	RMB'000	%	RMB'000	%	RMB'000	%
By Product						
Sports wear	20,966,573	67.7	19,799,350	69.1	1,167,223	5.9
Casual wear	8,410,981	27.1	7,207,239	25.1	1,203,742	16.7
Lingerie	1,403,026	4.5	1,435,780	5.0	(32,754)	(2.3)
Other knitting products	213,152	0.7	220,569	0.8	(7,417)	(3.4)
Total	30,993,732	100.0	28,662,938	100.0	2,330,794	8.1

- ◆ Revenue from sales of sportswear increased primarily driven by the increase in demand for sports apparel in the European market and US market
- ◆ Recorded satisfactory growth in casual wear sales was mainly attributable to the rising demand for casual apparel in the Japanese market and other regions
- ◆ A slightly decrease in sales of lingerie product due to the decrease in procurement demand from the Japanese market

Turnover Breakdown by Market

	2025		2024		Change	
	RMB'000	%	RMB'000	%	RMB'000	%
By Market						
Europe	6,261,762	20.2	5,190,059	18.1	1,071,703	20.6
United States	5,582,598	18.0	4,611,826	16.1	970,772	21.0
Japan	5,144,000	16.6	4,834,111	16.9	309,889	6.4
Others	6,618,184	21.4	5,965,767	20.8	652,417	10.9
China Domestic Market	7,387,188	23.8	8,061,175	28.1	(673,987)	(8.4)
Total	30,993,732	100.0	28,662,938	100.0	2,330,794	8.1

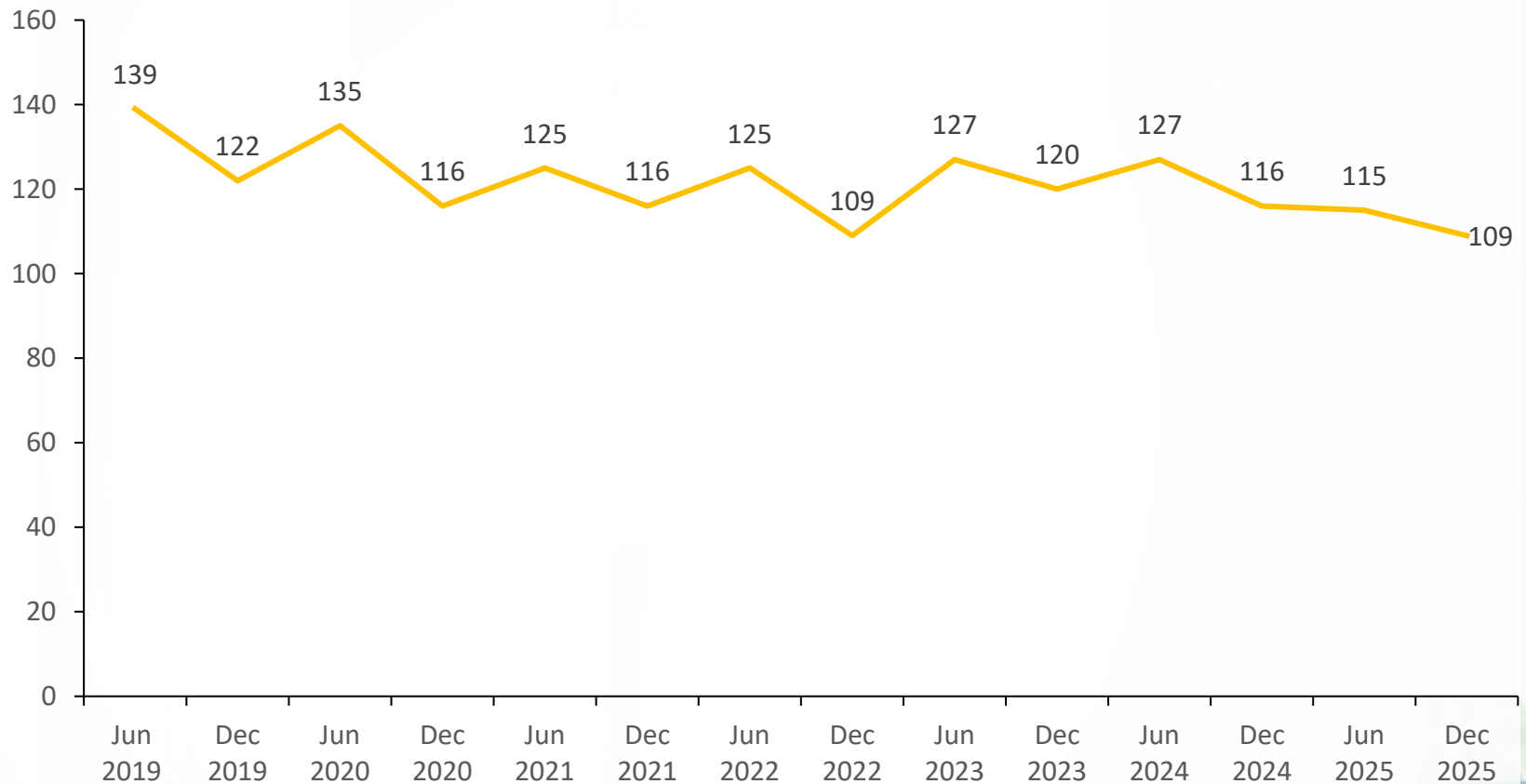
- ◆ The European market recorded an increase in sales which was primarily due to the increase in procurement demand for sportswear
- ◆ Achieved satisfactory growth in revenue in the US market, mainly driven by the rising demand for sportswear
- ◆ The Japanese market recorded an increase in revenue, which were primarily attributable to the increase in demand for casual wear
- ◆ A decrease in sales in domestic market was mainly due to the decrease in procurement demand for sportswear

Key Financial Indicators

	2025.12.31	2025.06.30	2024.12.31
Inventory turnover days	109	115	116
Debtor turnover days	77	77	71
Creditor turnover days	23	25	24

	2025.12.31	2025.06.30	2024.12.31
Gross gearing ratio (debt to equity) (%)	39.5	39.8	35.8
Current ratio (times)	2.2	2.2	2.3
Cash and cash equivalent (RMB million)	15,410.9	10,320.3	10,868.8
Net assets (RMB million)	37,491.9	36,959.9	35,852.9
Total assets (RMB million)	56,943.0	56,177.2	53,107.8

Inventory Turnover Days Analysis



Inventory

(RMB'000)	31-Dec-25	30-Jun-25	%	31-Dec-24	%
Raw materials	1,430,541	1,325,671	7.9	1,453,959	(1.6)
Work in progress	3,673,162	3,389,289	8.4	3,456,660	6.3
Finished goods	1,970,306	2,255,622	(12.6)	2,271,449	(13.2)
	7,074,009	6,970,582	1.5	7,182,068	(1.5)
Provision	(364,154)	(276,192)	31.8	(297,114)	22.5
	6,709,855	6,694,390	0.2	6,884,954	(2.5)

Treasury Management

(RMB'000)	31 Dec 2025	31 Dec 2024	Change
Bank Interest Income	1,094,796	1,075,710	19,086
Other Interest Income/ Fair Value Gain	32,580	18,910	13,670
	1,127,376	1,094,620	32,756
Less: Bank Interest Expenses	331,580	369,809	(38,229)
Other Interest Expenses on lease liabilities	3,768	5,539	(1,771)
	335,348	375,348	(40,000)
Net Interest Income	792,028	719,272	72,756

Treasury Management (Cont'd)

(RMB'000)	31 Dec 2025	31 Dec 2024	Change
Cash & Cash Equivalents	15,410,854	10,868,830	4,542,024
Bank Loan	(14,799,497)	(12,818,564)	1,980,933
Net Debts	611,357	(1,949,734)	2,561,091
Long Time Deposits (+1 year)	200,968	1,165,918	(964,950)
Bank Deposit (+3 months)	10,934,131	12,871,494	(1,937,363)
Pledged Deposit	-	5,440	(5,440)
Financial Assets	1,702,816	1,303,978	398,838
Total Fixed Deposit & Financial Assets	12,837,915	15,346,830	(2,508,915)
Net Free Cash & Financial Assets	13,449,272	13,397,096	52,176



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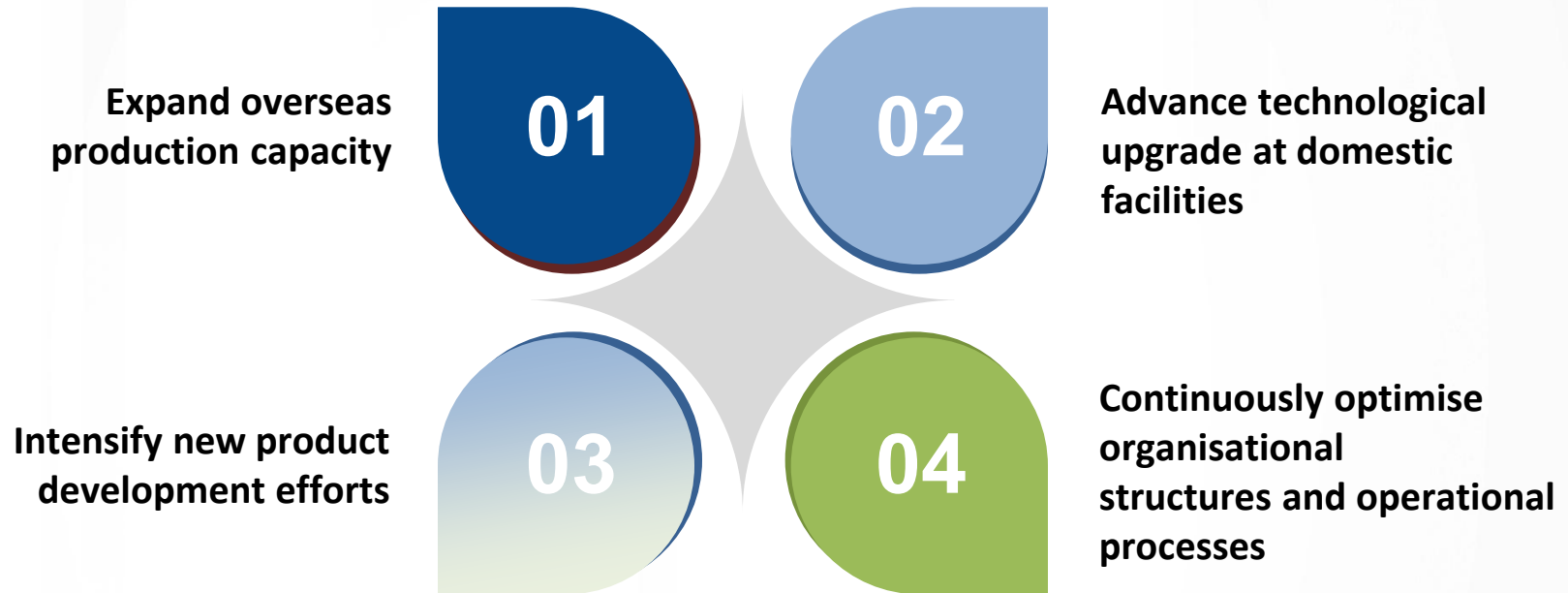
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02 Business Review



Major Achievements in 2025

Achieved solid business growth despite the challenging operating environment



Major Achievements in 2025 (Cont'd)

Expand Overseas Production Capacity



Vietnam Second Fabric Factory

- ◆ encompasses weaving, dyeing and finishing operations alongside partial in-house auxiliary material production
- ◆ with a planned daily capacity of approximately 200 tonnes
- ◆ completed the main civil engineering works and partial equipment installation as at year-end of 2025
- ◆ installation and commissioning of the remaining equipment are currently underway
- ◆ effectively alleviate fabric supply constraints arising from overseas garment factory expansions upon commencement of operations

Major Achievements in 2025 (Cont'd)

Expand Overseas Production Capacity



Cambodia Garment Factory y

- ◆ employed approximately 5,400 staff, reaching nearly 90 per cent of its projected workforce capacity
- ◆ production efficiency has now attained around 85% of normal levels
- ◆ as staffing levels stabilise and operational efficiency improves, the garment production capacity will be further unlocked

Major Achievements in 2025 (Cont'd)

Advance Technological Upgrade at Domestic Facilities

- ◆ achieved centralised production management, with a significant enhancement in the automation level of production facilities
- ◆ completed comprehensive refurbishment and renovation
- ◆ installed additional automated equipment and optimised assembly line layouts
- ◆ achieved the goal of reducing manpower while increasing efficiency
- ◆ undergoing comprehensive technological transformation
- ◆ acquired approx. 16 hectares of new land
- ◆ the civil engineering works for 1st phase of the transformation project nearing completion

**Ningbo
weaving factory**

**Ningbo
garment factory**

**Anhui
garment factory**

Optimisation of Product Structure

Sportswear customers



Casual wear customers



- ◆ Strengthened cooperation with strategic customers by prioritizing the allocation of production resources and Increased sales to domestic brand customers, the Group also introduced certain quality new clients
- ◆ Revenue from sportswear products represented 67.7% of total revenue. Four renowned customers, ADIDAS, NIKE, PUMA and UNIQLO , accounted for 82.6% (2024:80.7%) of the Group's total turnover.



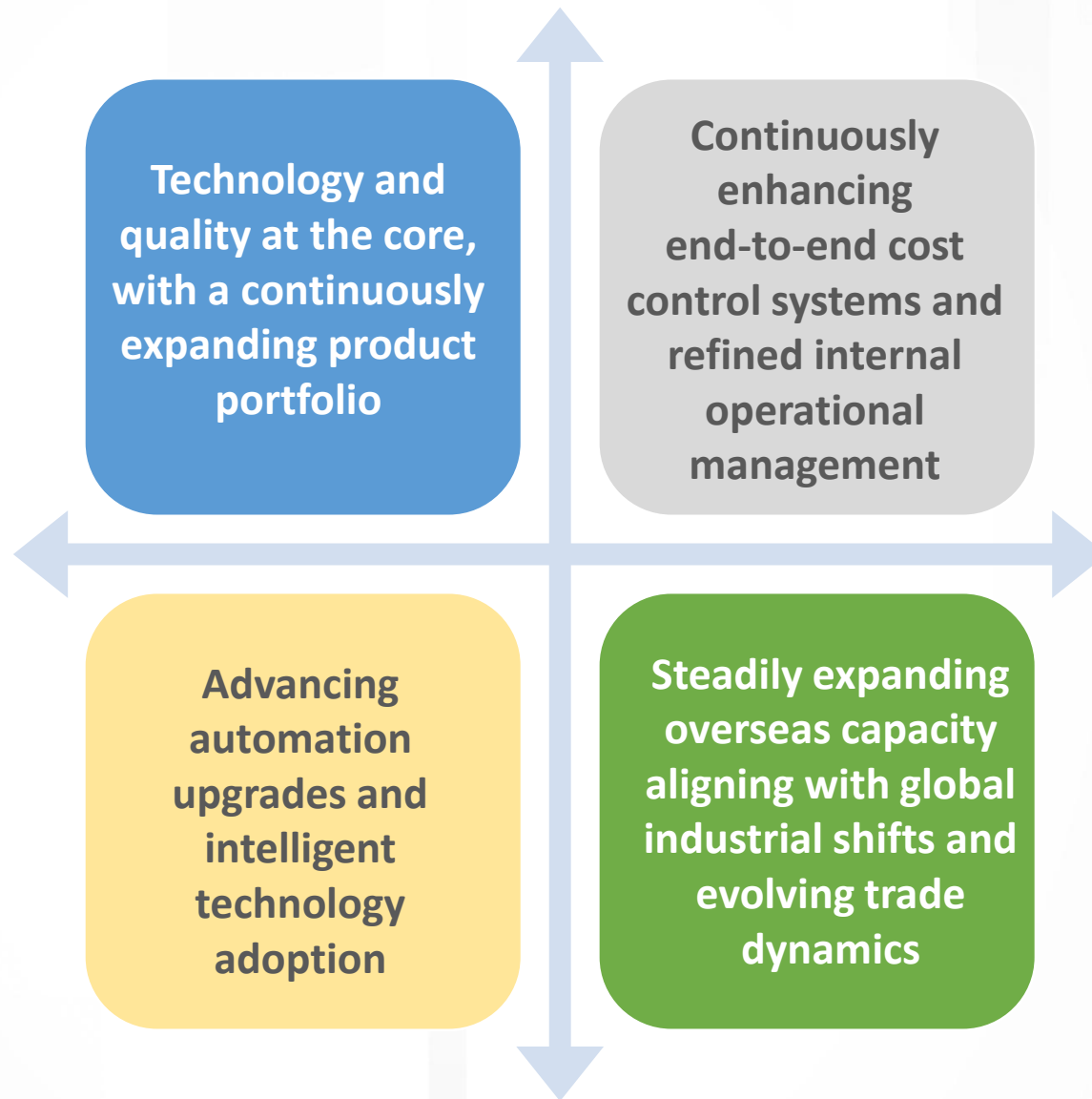
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03 Strategies and Plans



Future Strategies





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04 Open Forum

