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南旋控股有限公司

NAMESON HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1982)

PROFIT ALERT

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

The board (the “**Board**”) of directors of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on a preliminary review on the unaudited consolidated management accounts of the Group and the information currently available to the Board, the Group is expected to record a profit for the year ended 31 March 2020 in the range of between HK\$130 million and HK\$170 million as compared to a loss of approximately HK\$300 million for the year ended 31 March 2019. The principal reason for the turnaround is due to the impairment loss on the intangible assets relating to V. Success Limited and its subsidiaries (“**V. Success Group**”) of HK\$522 million being recorded in the year ended 31 March 2019. If we exclude the impact of the impairment loss, the Group’s net profit would have been HK\$221 million for the year ended 31 March 2019.

The principal business of V. Success Group is the manufacturing of knitted uppers for footwear and knitted upper shoes. As the business of V. Success Group remains intensely competitive and market conditions have been exacerbated by the recent outbreak of novel coronavirus (COVID-19) pandemic, our Group has implemented various additional measures to restructure the business of V. Success Group. The costs and expenses directly or indirectly related to the restructuring of V. Success Group, including the impairment charges to the relevant assets, for the year ended 31 March 2020 is estimated to be no more than HK\$100 million which is substantially less than the aforementioned impairment loss on intangible assets of approximately HK\$522 million for the year ended 31 March 2019.

The Company is still in the process of finalising its financial results for the year ended 31 March 2020. The Board wishes to emphasise that the information contained in this announcement is based on the preliminary assessment made by the Board based on the information made available to the Board as at the date hereof, which have not been audited or reviewed by the Company's independent external auditor or the audit committee of the Board and may be subject to further adjustments. The annual results of the Company for the year ended 31 March 2020 will be announced by the end of June 2020.

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

By order of the Board of
Nameson Holdings Limited
Mr. Wong Ting Chung *BBS, JP*
Chairman

18 May 2020

As at the date of this announcement, the Board comprises Mr. Wong Ting Chung BBS, JP (Chairman and chief executive officer), Mr. Wong Wai Yue (Vice Chairman), Mr. Wong Ting Chun and Mr. Li Po Sing as executive Directors; Mr. Tam Wai Hung, David and Mr. Wong Ting Kau, as non-executive Directors; Ms. Fan Chiu Fun, Fanny GBM, GBS, JP, Mr. Kan Chung Nin, Tony SBS, JP, Mr. Ong Chor Wei, Mr. Fan Chun Wah, Andrew JP, Ms. Lee Bik Kee, Betty and Mr. Ip Shu Kwan, Stephen GBS, JP, as independent non-executive Directors.