

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Sinomax Group Limited

盛諾集團有限公司

(Incorporated under the laws of the Cayman Islands with limited liability)

(Stock Code: 1418)

POSITIVE PROFIT ALERT

This announcement is made by Sinomax Group Limited (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) pursuant to Rule 13.09(2)(a) 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 of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that, based on a preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2020 (“**FY2020**”) and other information currently available to the Board, the Group is expected to record a profit after taxation for FY2020 of not less than HK\$50 million as compared to a loss after taxation for the year ended 31 December 2019 of approximately HK\$212 million. This was primarily attributable to:

- (i) the decrease in impairment losses of property, plant and equipment, right-of-use assets, goodwill and intangible assets that were recognised for the year ended 31 December 2019;
- (ii) turnaround of the performance of our factory in the United States of America;
- (iii) cost savings in selling and administrative expenses; and
- (iv) the receipt of government subsidies.

The Company is in the process of finalising the Group's audited consolidated financial results for FY2020. This announcement is made based on a preliminary review of the unaudited consolidated management accounts of the Group for FY2020 and other financial information currently available, which are subject to finalisation and possible adjustments upon review and audit by the Company's auditors. Further details of the Group's financial results for FY2020 will be disclosed in the annual results announcement of the Company, which is expected to be published on 22 March 2021.

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
Sinomax Group Limited
Lam Chi Fan
Chairman

Hong Kong, 2 February 2021

As at the date of this announcement, the executive directors of the Company are Mr. Lam Chi Fan (Chairman of the Board), Mr. Cheung Tung (President), Mr. Chen Feng, Mr. Lam Kam Cheung (Chief Financial Officer and Company Secretary) and Ms. Lam Fei Man; and the independent non-executive directors of the Company are Mr. Wong Chi Keung, Professor Lam Sing Kwong Simon, Mr. Zhang Hwo Jie and Mr. Wu Tak Lung.