BILLION INDUSTRIAL HOLDINGS LIMITED
百宏實業控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2299)

POSITIVE PROFIT ALERT

This announcement is made by Billion Industrial 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 of 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 information currently available to the Company and the preliminary assessment by the Company's management with reference to the unaudited management accounts of the Group for the five months ended 31 May 2021, the Group is expected to record a substantial increase of 260% or more in profit after taxation for the six months ended 30 June 2021, as compared to the profit after taxation for the six months ended 30 June 2020. The expected increase is primarily due to (i) the increase in production capacity from the new production lines at our factory located in Jinjiang, which included 1 production line for ES fibers, 19 production lines for polyester industrial yarns and 6 production lines for polyester thin films, resulted in a production capacity increase of approximately 14,500 tons, 687,500 tons and 267,000 tons, respectively; (ii) the increase in production capacity from the new production lines at our factory in Tay Ninh, Vietnam, which included production lines for partially oriented yarns (the "**POY**") and 10 production lines for drawn textured yarns (the "**DTY**"), resulted in a production capacity increase of approximately 43,500 tons and 13,200 tons, respectively; and (iii) the increase in our average selling price of polyester thin films for the period from January 2021 to May 2021, as compared to the period from January 2020 to June 2020, which has resulted in a substantial increase in our total revenue.

The information contained in this announcement is only a preliminary assessment by the Company's management based on the unaudited management accounts of the Group for the five months ended 31 May 2021, which have not been audited or reviewed by the Company's auditors or the audit committee of the Board. Further details of the Group's performance will be disclosed when the annual results of the Group for the six months ending 30 June 2021 are announced.

CONTINUED SUSPENSION OF TRADING

Trading in the shares of the Company on the Stock Exchange has been suspended from 9:00 a.m. on 1 April 2021, and will remain suspended until the Company's fulfilling of the Resumption Guidance.

The Company will publish further announcement(s) to inform the shareholders of the Company of its progress in complying with the Resumption Guidance, any significant developments in respect of the publication of the 2020 Annual Results and the expected date for the publication of the 2020 Annual Results as and when appropriate, as well as quarterly updates on its development pursuant to Rule 13.24A of the Listing Rules. Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

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By order of the Board
Billion Industrial Holdings Limited
Sze Tin Yau
Co-Chairman

Hong Kong, 24 June 2021

As at the date of this announcement, the Board comprises Mr. Sze Tin Yau and Mr. Wu Jinbiao as executive directors, Mr. Zhang Shengbai as non-executive director and Mr. Chan Shek Chi, Mr. Lin Jian Ming and Mr. Shih Chun Pi as independent non-executive directors.