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Evergreen Products Group Limited

訓修實業集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1962)

POSITIVE PROFIT ALERT

This announcement is made by Evergreen Products Group Limited (the “**Company**”, together with its subsidiaries, 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 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, following a preliminary review of the currently available information which includes, but without limitation to, the latest unaudited consolidated management accounts of the Group for the eleven months ended 30 November 2021, the Group is expected to record a net profit of not less than HK\$53 million for the year ended 31 December 2021 (the “**Year**”), representing a turnaround from a net loss of HK\$18.0 million for the year ended 31 December 2020, and the revenue of the Group for the Year is expected to increase by approximately 35%, from the revenue of HK\$890 million for 2020 to approximately HK\$1,200 million.

Such substantial increase in revenue was primarily due to our stable supply chain and production during the second year of the COVID-19 pandemic which was not significantly impacted by the Bangladesh government’s epidemic prevention measures, coupled with an increase in customers’ confidence which continued to bring a strong demand for braid products since the second half of 2020 and throughout the rest of the Year. The demand for, and the sales of, human hair extension products and lace wig products with a high margin have gradually recovered and the newly launched products, lace closures, have also contributed to the revenue growth during the Year.

A net profit increase is mainly due to the strong demand rebound after the COVID-19 pandemic on human hair extension products and lace wig products with a high profit margin and the fixed cost did not increase with the increase in the Group’s production volume.

The Board expects that the announcement of the unaudited consolidated results of the Group for the year ended 31 December 2021 will be published before the end of March 2022 in compliance with the requirements under the Listing Rules.

This announcement is based on the information currently available to the Board which includes, but without limitation to, the latest unaudited consolidated management accounts of the Group for the eleven months ended 30 November 2021. There may be changes or adjustments following further review of the unaudited management accounts by the Board. The information in this announcement has not been reviewed by the auditors of the Company or the audit committee of the Company.

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

By Order of the Board
Evergreen Products Group Limited
Chang Yoe Chong Felix
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 11 January 2022

As at the date of this announcement, the executive Directors are Mr. Chang Yoe Chong Felix, Mr. Kwok Yau Lung Anthony, Mr. Chan Kwok Keung, Mr. Hui Wing Ki, Ms. Jia Ziyang and Mr. Li Yanbo; the non-executive Director is Mr. Chan Lau Yui Kevin; and the independent non-executive Directors are Mr. Sin Hendrick, Mr. Szeto Yuk Ting, Ir. Cheung Siu Wa and Mr. Tseung Yuk Hei, Kenneth.