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POSITIVE PROFIT ALERT

This announcement is made pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board is pleased to inform the Shareholders and potential investors that the Group is expected to record a turnaround with profit attributable to equity shareholders for the year ended 31 December 2021 of approximately HK\$15 million to HK\$35 million from the loss of approximately HK\$169 million for the corresponding year ended 31 December 2020.

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

This announcement is made by Tristate Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) pursuant to Rule 13.09 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) (the “SFO”).

The board of directors (the “Board”) of the Company is pleased to inform the shareholders of the Company (the “Shareholders”) and potential investors that based on the information currently available, the Group is expected to record a turnaround with profit attributable to equity shareholders for the year ended 31 December 2021 of approximately HK\$15 million to HK\$35 million from the loss of approximately HK\$169 million for the corresponding year ended 31 December 2020. The substantial improvement in the Group’s financial performance is mainly attributable to the followings:

- a) Improved performance and significant reduction of losses for our brands business. Among our brands:
- (i) Our own brand C.P. Company has remarkable growth in both revenue and net profit for the year ended 31 December 2021 as compared with last year;
 - (ii) Our licensed brand Nautica has achieved better operating performance in 2021 with reduction in loss as compared with last year; and
 - (iii) The above improved results are partially offset by the other licensed brand Spyder which is expected to record increase in loss after including impairment of certain intangible assets.

- b) Our garment manufacturing business has also achieved better performance, which is mainly driven by increased revenue, less inventory provision made and lower operating expenses arising from various cost reduction measures implemented by the Group since early 2020.

As the Group is still in the process of finalising its annual results for the year ended 31 December 2021, the information contained in this announcement is only based on a preliminary assessment by the management of the Company's information currently available, and such information has not been audited or reviewed by the Company's auditor. Shareholders and potential investors are advised to refer to the details in the annual results announcement of the Company for the year ended 31 December 2021, which is expected to be released in late March 2022.

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

On behalf of the Board
WANG Kin Chung, Peter
Chairman and Chief Executive Officer

Hong Kong, 8 March 2022

As at the date of this announcement, the Board comprises one Executive Director, Mr. WANG Kin Chung, Peter; three Non-Executive Directors, namely Ms. WANG KOO Yik Chun, Ms. MAK WANG Wing Yee, Winnie and Dr. WANG Shui Chung, Patrick; and three Independent Non-Executive Directors, namely Mr. LO Kai Yiu, Anthony, Mr. James Christopher KRALIK and Mr. Peter TAN.