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衍生集團(國際)控股有限公司

Hin Sang Group (International) Holding Co. Ltd.

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6893)

PROFIT WARNING

This announcement is made by Hin Sang Group (International) Holding Co. Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and Rule 13.09(2)(a) of the Listing Rules.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders (the “**Shareholders**”) and potential investors of the Company that, based on the preliminary assessment of the Group’s latest unaudited consolidated management accounts for the year ended 31 March 2021 (the “**Year**”) and information currently available, the Group is expected to record a consolidated net loss of approximately not more than HK\$35 million for the Year as compared to a consolidated net loss of approximately HK\$32 million for the year ended 31 March 2020. The expected increase in consolidated net loss for the Year is primarily attributable to the continued decline in sales by approximately 30% during the Year, due to the continued and prolonged outbreak of the COVID-19 pandemic, which has adversely impacted the retail and tourism industries in Hong Kong.

In response to the above, the management of the Company has introduced both short-term and long-term cost reduction measures and plans to optimize the cost structure of the Group. One of the focuses is to catch up with the changes in consumer habits and patterns during the COVID-19 pandemic and actively promote the development and use of e-commerce and online shopping platforms. It is the Company’s plan to accelerate the integration of offline retail stores and online business, so as to absorb the growing online consumer group and lay a solid foundation for long-term development.

The Company is still in the process of finalizing its financial results for the Year. The information contained in this announcement is only based on the preliminary assessment by the Company's management according to the Group's latest unaudited consolidated management accounts for the Year and information currently available. The above information may be subject to further adjustment based on updated information and further review by the auditors of the Company and the audit committee of the Board. The information contained in this announcement is for Shareholders' and investors' reference only. Shareholders and potential investors of the Company are advised to read carefully the results announcement of the Company for the Year which is expected to be published by the end of June 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 of
Hin Sang Group (International) Holding Co. Ltd.
Pang Siu Hin
Chairman

Hong Kong, 4 June 2021

As at the date of this announcement, the executive directors are Mr. Pang Siu Hin and Ms. Kwan Lai Man, the non-executive directors are Ms. Wong Wai Ling and Mr. Yuen Chi Ping (suspension of duties), and the independent non-executive directors are Mr. Lau Chi Kit, Mr. Lee Luk Shiu and Dr. Tang Sing Hing, Kenny.