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MAINLAND HEADWEAR HOLDINGS LIMITED

飛達帽業控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 1100)

POSITIVE PROFIT ALERT

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions.

The Board wishes to inform the Shareholders and potential investors of the Company that, based on the information currently available, the Group is expected to record a significant increase in net profit for six months ending 30 June 2021 as compared with the corresponding period last year. Such substantial increase in the net profit is mainly contributed by the manufacturing and trading business segments of the Group.

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

Mainland Headwear Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) makes this announcement pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities the (“**Listing Rules**”) on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**Inside Information Provisions**”).

The board of directors (the “**Board**”) of the Company would like 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 and the information currently available to the Board, the consolidated net profit for the six months ending 30 June 2021 (the “**Period**”) of the Group is expected to be not less than HK\$65 million as compared to HK\$1.3 million in the corresponding period in 2020. Such significant increase in the net profit is mainly contributed by the manufacturing and trading business segments of the Group.

* For identification purpose only

Reference is made to the announcement of the Company dated 29 April 2020 (the “**Announcement**”). As disclosed in the Announcement, for the six months ended 30 June 2020, the sales volume of and revenue generated from the manufacturing and trading business segments were depressed due to the various lockdown measures taken by the respective local governments since the outbreak of the COVID-19 pandemic, which resulted in (i) the customers delayed their shipments and placing orders to the Group, and (ii) the Group’s factory in Bangladesh being able to operate in a very limited scale. However, with the rebound of the global economy and relaxation of the lockdown measures worldwide in recent months, particularly in USA and Bangladesh, there was an increase in production capacity in the manufacturing operation in Bangladesh and increase in sales volume in the manufacturing and trading business segments since the third quarter of 2020 and continue to improve in the first two quarters of 2021, which contributed to the increase in the net profit during the Period as compared to the corresponding period in 2020.

The information contained in this announcement is only a preliminary assessment by the Board based on the unaudited consolidated management accounts of the Group for the five months ended 31 May 2021 and the information currently available to the Board. The information in this announcement is not based on any figures or information that has been audited or reviewed by the auditor of the Company. The results announcement of the Company for the Period is expected to be released by the end of August 2021 in accordance with the Listing Rules.

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
Mainland Headwear Holdings Limited
Ngai Hei Keung
Chairman

Hong Kong, 23 June 2021

As at the date of this announcement, the Board comprises eight directors, of which five are Executive Directors, namely Mr. Ngan Hei Keung, Madam Ngan Po Ling, Pauline, BBS, JP, Mr. James S. Patterson, Mr. Ngan Siu Hon, Alexander, and Mr. Lai Man Sing; and three are Independent Non-executive Directors, namely Mr. Leung Shu Yin, William, Mr. Liu Tieh Ching, Brandon, JP and Mr. Gordon Ng.