

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **FOURACE INDUSTRIES GROUP HOLDINGS LIMITED**

**科利實業控股集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1455)**

### **POSITIVE PROFIT ALERT**

This announcement is made by Fourace Industries Group 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 in the Listing Rules) 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 (the “**Shareholders**”) and potential investors that, based on the preliminary review by the Board on the unaudited consolidated management accounts of the Group for the six months ended 30 September 2022 (the “**Period**”) and taking into account the information currently available to the Board, it is expected that the Group will record an increase of profit after tax of approximately 50% for the Period, as compared to a profit after tax of approximately HK\$26.4 million for the six months ended 30 September 2021. The Board considers that the expected increase in profit after tax of the Group for the Period is primarily attributable to: (i) the increase in revenue due to increase in demand from the Japan market for the hair styling products of the Group, partially offset by the decrease in demand from the United States market for the hair styling products of the Group; (ii) the decrease in direct labour costs as the Group streamlined its operations to control cost, thus resulting in the reduction in the headcount; and (iii) the depreciation of Renminbi against the United States dollar in the Period has led to the exchange gains of approximately HK\$6.0 million and also improved the gross profit margin of the Group’s products. While the Board noted that the global economy is still facing profound uncertainty, the strong financial performance of the Group for the Period may not be a good indicator of its financial performance in future.

As the Company is still in the process of finalizing the consolidated interim results of the Group for the Period, the information contained in this announcement is only based on the information currently available to the Board and the preliminary review by the Board on the unaudited management accounts of the Group for the Period, which have not been reviewed or audited by the independent auditor and/or the audit committee of the Company. The actual financial results of the Group for the Period may differ from the disclosure herein.

Shareholders and potential investors are advised to read carefully the announcement of the Company in relation to the results of the Group for the Period, which is expected to be published on or around 28 November 2022 in accordance with the requirements of the Listing Rules.

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

By order of the Board  
**Fourace Industries Group Holdings Limited**  
**Li Shu Yeh**  
*Chairman and Chief Executive Officer*

Hong Kong, 2 November 2022

*As at the date of this announcement, the executive Directors are Mr. Li Shu Yeh, Ms. Li Sen Julian and Ms. Tang Suk Yee; and the independent non-executive Directors are Mr. Liu Kai Yu Kenneth, Mr. Leung Wai Chuen and Mr. Man Yun James.*