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Sterling Group Holdings Limited **美臻集團控股有限公司***

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1825)

POSITIVE PROFIT ALERT

This announcement is made by Sterling Group Holdings 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 (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 (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary assessment of the latest available unaudited consolidated management accounts of the Group for the year ended 31 March 2023 and the information currently available to the Board, the unaudited earnings before interest, tax, depreciation and provision for estimated credit loss (the “**Earnings**”) for the year ended 31 March 2023 is expected to be in the range from HK\$35 million to HK\$40 million, as compared with approximately HK\$9.6 million for the year ended 31 March 2022.

The improvement in the Group’s Earnings was primarily a result of:

- an increase in sales of the Group to approximately HK\$625 million for the year ended 31 March 2023 as compared to approximately HK\$456 million for the year ended 31 March 2022; and
- improved operating margin at the Company’s factories in Sri Lanka and China and a decrease in overheads in the Hong Kong office notwithstanding an increase in sales of approximately 37%.

As at the date of this announcement, the Company is still in the process of finalising the annual results of the Group for the year ended 31 March 2023. The information in this announcement is only a preliminary assessment by the Board on the latest unaudited consolidated management accounts of the Group and the information currently available to the Board, which have not been audited by the auditors nor reviewed or approved by the audit committee of the Board, and may therefore be subject to revisions and adjustments.

Details of the financial information to be disclosed in the Group's annual results announcement for the year ended 31 March 2023 shall prevail over the information contained in this announcement. Shareholders and potential investors are advised to pay attention to the annual results announcement of the Company, which is expected to be published by the end of June 2023.

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

By order of the Board
Sterling Group Holdings Limited
美臻集團控股有限公司*

Wong Mei Wai Alice

Chairperson, Executive Director and Chief Executive Officer

Hong Kong, 9 May 2023

As at the date of this announcement, Ms. Wong Mei Wai Alice is the executive Director and Chairperson, Mr. Siu Yik Ming and Mr. Chung Sam Kwok Wai are the executive Directors, and Mr. Tsang Ho Yin, Ms. Zhang Lingling and Mr. Choi Wai Hin are the independent non-executive Directors.

* *For identification purposes only*