

[For Immediate Release]

Sterling Group Holdings Limited

(incorporated in the Cayman Islands with limited liability)

(HKEX: 1825)

Sterling Group Exclusively Supplies Apparel Products for IMBI's Proprietary Brands

(Hong Kong, 31 March 2020) – **Sterling Group Holdings Limited** (“Sterling Group” or the “Group”, HKEX: 1825), an apparel manufacturer for international apparel brands, has announced that it has entered into a Direct Vendor Agreement with iMedia Brands, Inc. (“IMBI”, NASDAQ: IMBI), pursuant to which, the Group has become the exclusive supplier of apparel products under IMBI’s proprietary brands for five years.

IMBI is a global interactive media company that manages a growing portfolio of niche, lifestyle television networks and media service businesses, primarily in North America. Its brand portfolio spans multiple business models and product categories. ShopHQ, its flagship network with a reach of millions of homes, is a multiplatform interactive television network offering an assortment of proprietary, exclusive and name brands to consumers via television, online and mobile. For the last three years, IMBI’s total fashion and accessories business, including proprietary and name brands, accounted for around 17 – 18% of its annual sales which ranged from US\$596 million to US\$666 million¹.

Ms. Wong Mei Wai Alice, Executive Director and Chief Executive Officer of Sterling Group, said, “We are pleased to establish the partnership with IMBI, especially under such a trying economic environment. This is an important development of the Group’s business having acquired a customer which potentially may contribute a significant increase in sales volume. Another noteworthy advantage is that the Group will chiefly act as their sourcing agent, manufacturing very little in the Group’s own factories but mostly buying complete garments from outsourced factories where the Group manage the production process by providing technical, quality assurance and manufacturing support services. The additional business takes advantage of our existing manufacturing and sourcing infrastructure in China, Sri Lanka and the Philippines, allowing us to offer quality products at better value to IMBI.”

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¹ According to the annual reports of IMBI for the three years ended 2 Feb 2019

About Sterling Group Holdings Limited (HKEX: 1825)

Sterling Group Holdings Limited is an apparel manufacturer for international apparel brands that are headquartered in the U.S. and certain European countries such as the U.K. with their products sold around the world. Apart from a diversified product portfolio such as outerwear, bottoms, tops and others, the Group has also established a presence in the business uniform market by supplying flight crew uniforms for U.S. airline in recent years. Headquartered in Hong Kong, the Group operates three production facilities, two of which are located in Sri Lanka and one in Panyu, China.

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