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PHOENITRON
PHOENITRON HOLDINGS LIMITED

品創控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8066)

PROFIT WARNING

This announcement is made by Phoenitron Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors of the Company (the “**Directors**”) wishes to inform the shareholders (the “**Shareholders**”) and potential investors that, based on the Board’s preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2024 (the “**Reporting Period**”), the Group is expected to record a net loss attributable to owners of the Company of about HKD3.05 million for the Reporting Period as compared to a net profit attributable to owners of the Company of about HKD1.26 million for the corresponding period in 2023.

Based on the information available to the Company immediately preceding the publication of this announcement, the Board believes that the expected loss is mainly attributable to the combined effects of: (1) revenue from smartcard business segment declining by about 42% year-on-year, causing the segment profit to decline by about HK\$6.1 million. Such a significant decrease in revenue was attributable to (i) a high-level of revenue for the first half of 2023 due to the supply of chips bouncing back after COVID 19, enabling the SZ plant to clear its smartcard order backlog; and (ii) orders placed by one of the major customers for the first half of 2024 declined due to certain short-term market factors; and (2) in relation to the investment in TV programmes, the Group recorded fair value gain of about HKD2.9 million during the Reporting Period, representing an increase of about HKD1.3 million as compared to approximately HKD1.6 million for the corresponding period in 2023.

The information contained in this announcement is only based on the Board's preliminary assessment of the unaudited consolidated management accounts of the Group for the Reporting Period and the information currently available to the Company. The Company is still in the process of finalising such accounts, which are yet to be confirmed. The unaudited consolidated results of the Group for the Reporting Period are expected to be announced on 15 August 2024.

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

By Order of the Board
Phoenitron Holdings Limited
Chang Wei Wen
Director

Hong Kong, 9 August 2024

As at the date of this announcement, the Board comprises three executive Directors, Ms. Lily Wu (Chairman and Chief Executive Officer), Mr. Chang Wei Wen and Mr. Yang Meng Hsiu, and three independent non-executive Directors, Ms. Wong Ka Wai, Jeanne, Mr. Yeung Man Chit, Daniel and Mr. Chan Siu Wing, Raymond.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement in this announcement misleading.

This announcement will remain on the "Latest Listed Company Information" page of the website of the Stock Exchange at www.hkexnews.hk for at least 7 days from the date of its publication and on the website of the Company at www.phoenitron.com.