

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.



PanAsialum Holdings Company Limited

榮陽實業集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2078)

INSIDE INFORMATION REDUCTION IN REVENUE

This announcement is made by PanAsialum Holdings Company Limited (the “**Company**”, and 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 shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary review by the Board on the latest unaudited consolidated management accounts of the Group for the six months ended 30 June 2023, which have not been reviewed or audited by the independent auditors and/or the audit committee of the Company, and taking into account the information currently available to the Board, it is expected that the Group will record a net profit of approximately HK\$0.5 million for the six months ended 30 June 2023, which is similar to a net profit of approximately HK\$0.4 million for the six months ended 30 June 2022.

The Board expects that there will be a significant drop of approximately 50% in revenue as compared to the corresponding period in 2022, primarily attributable to decrease in the average price of aluminium ingot leading to the drop in the average price of the sales in the first half of 2023 as compared to that of the corresponding period in 2022, and the prolonged post-COVID-19 effect resulting in the slowdown in global economic growth as well as the decrease in the sales volume.

Despite the reduction in revenue, the Group is expected to maintain a net profit position for the six months ended 30 June 2023, which is primarily attributable to (i) the continuous improvement in the gross profit margin as a result of improving operating efficiency and rigorous cost control; (ii) decrease in distribution and selling expenses due to the discontinuance of several overseas offices in 2022; (iii) decrease in finance cost as a result of a reduction in the average balances of borrowings of the Group as compared to the corresponding period in 2022; (iv) reversal of allowance for expected credit loss on trade receivables; and (v) gain on disposal of a subsidiary, offset by loss on disposal of fixed assets.

As the Company is still in the process of finalizing the unaudited consolidated results of the Group for the six months ended 30 June 2023, 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 six months ended 30 June 2023, which have not been audited or reviewed by the independent auditors and/or the audit committee of the Company and may be subject to changes and adjustments. The interim results of the Group for the six months ended 30 June 2023 may differ from what is disclosed in this announcement.

Shareholders and potential investors are advised to read carefully the announcement of the Company in relation to the results of the Group for the six months ended 30 June 2023, which is expected to be published in August 2023 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
PanAsialum Holdings Company Limited
Pan Zhaolong
Chairman and Executive Director

Hong Kong, 11 August 2023

As at the date of this announcement, the executive directors of the Company are Mr. Pan Zhaolong and Mr. Ho Pak Yiu; and the independent non-executive directors of the Company are Dr. Cheung Wah Keung, Mr. Chan Kai Nang and Mr. Man Yiu Kwong Nick.