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## 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)

### ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2025

#### FINANCIAL HIGHLIGHTS

	Year ended December 31,		% of changes
	2025 HK\$'000	2024 HK\$'000	
<b>Operating results</b>			
Revenue	359,779	917,179	-60.8%
Gross profit	22,513	164,240	-86.3%
EBITDA	(44,121)	68,760	-164.2%
(Loss)/profit attributable to owners of the Company	(59,125)	28,081	-310.6%
<b>(Losses)/earnings per share attributable to owners of the Company</b>			
Basic and diluted (HK cents per share)	<u>(4.9)</u>	<u>2.3</u>	-313.0%

The board (“**Board**”) of directors (“**Directors**”) of PanAsialum Holdings Company Limited (“**Company**”, together with its subsidiaries, “**Group**”) announces the consolidated annual results of the Group for the year ended December 31, 2025 (“**Year**”), together with the comparative figures as below.

## FINANCIAL INFORMATION

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

*For the year ended December 31, 2025*

	<i>Notes</i>	<b>Year ended December 31, 2025 HK\$’000</b>	Year ended December 31, 2024 HK\$’000
Revenue	3	<b>359,779</b>	917,179
Cost of sales		<b>(337,266)</b>	(752,939)
<b>Gross profit</b>		<b>22,513</b>	164,240
Distribution and selling expenses		<b>(13,615)</b>	(25,743)
Administrative expenses		<b>(122,175)</b>	(148,041)
Other income	6	<b>11,167</b>	4,897
Other gains – net	7	<b>3,881</b>	3,369
Finance income – net		<b>2,001</b>	7,157
(Impairment loss)/reversal of impairment loss on trade and other receivables		<b>(10,459)</b>	2,989
<b>(Loss)/profit before income tax</b>	8	<b>(106,687)</b>	8,868
Income tax credit	9	<b>47,562</b>	19,213
<b>(Loss)/profit for the year</b>		<b>(59,125)</b>	28,081
<b>(Losses)/earnings per share attributable to owners of the Company</b>			
Basic and diluted ( <i>HK cents per share</i> )		<b>(4.9)</b>	2.3

<i>Note</i>	<b>Year ended December 31, 2025 HK\$'000</b>	Year ended December 31, 2024 HK\$'000
(Loss)/profit for the year	<b>(59,125)</b>	28,081
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss:		
Currency translation differences	<b>16,536</b>	(17,224)
Release of foreign currency translation reserve upon deregistration a subsidiary	<b>(1,085)</b>	–
Total comprehensive income for the year	<b><u>(43,674)</u></b>	<b><u>10,857</u></b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2025

	<i>Note</i>	<b>December 31, 2025 HK\$'000</b>	December 31, 2024 HK\$'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		<b>317,198</b>	362,934
Right-of-use assets		<b>219,436</b>	241,896
Prepayments for property, plant and equipment		<b>2,343</b>	1,791
		<u><b>538,977</b></u>	<u>606,621</u>
<b>Current assets</b>			
Inventories		<b>75,663</b>	65,408
Trade receivables	4	<b>71,847</b>	226,450
Prepayments, deposits and other receivables		<b>78,900</b>	111,719
Pledged bank deposits		<b>85,812</b>	34,835
Time deposits with original maturity over three months		<b>37,812</b>	78,000
Cash and cash equivalents		<b>59,313</b>	290,996
		<u><b>409,347</b></u>	<u>807,408</u>
<b>Total assets</b>		<u><b>948,324</b></u>	<u>1,414,029</u>
<b>EQUITY</b>			
<b>Capital and reserves attributable to owners of the Company</b>			
Share capital		<b>120,000</b>	120,000
Reserves		<b>568,226</b>	611,900
Total equity attributable to owners of the Company		<u><b>688,226</b></u>	<u>731,900</u>

	<i>Note</i>	<b>December 31, 2025 HK\$'000</b>	December 31, 2024 HK\$'000
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Lease liabilities		<u>994</u>	<u>14,771</u>
		<u>994</u>	<u>14,771</u>
<b>Current liabilities</b>			
Trade payables	5	8,984	12,313
Contract liabilities, other payables and accrued charges		68,568	103,233
Borrowings		95,513	251,633
Lease liabilities		1,456	8,858
Deferred income on government grants		12,195	12,204
Income tax liabilities		<u>72,388</u>	<u>279,117</u>
		<u>259,104</u>	<u>667,358</u>
<b>Total liabilities</b>		<u>260,098</u>	<u>682,129</u>
<b>Total equity and liabilities</b>		<u>948,324</u>	<u>1,414,029</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1 GENERAL INFORMATION

PanAsialum Holdings Company Limited (the “**Company**”) and its subsidiaries (together the “**Group**”) are principally engaged in the manufacturing and trading of aluminium products. The Company is an investment holding company. The Company was incorporated and registered as an exempted company with limited liability in the Cayman Islands on October 7, 2005 under the Companies Law, Cap.22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company is a subsidiary of Easy Star Holdings Limited, a company incorporated in the British Virgin Islands (the “**BVI**”). In the opinion of the directors, the ultimate holding company of the Company is Genesis Trust & Corporate Services Limited, which is incorporated in the Cayman Islands and is beneficially and wholly-owned by a discretionary trust under which Mr. Pan Zhaolong, the Chairman, executive director and chief executive officer of the Company, is a nominated beneficiary.

The Company’s shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Exchange**”) since February 5, 2013.

These consolidated financial statements are presented in Hong Kong Dollar (“**HK\$**” or “**HKD**”), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors (the “**Board**”) on March 26, 2026.

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

The summary of material accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

### 2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKAS**”) and interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”), and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Exchange. The consolidated financial statements have been prepared under the historical cost convention, except for financial instruments which are measured at fair value.

The preparation of the consolidated financial statements in accordance with HKFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies.

### 2.1.1 Changes in accounting policy and disclosure

(a) *Amended standards and interpretation adopted by the Group*

The HKICPA has issued amendments to HKFRS Accounting Standards that are first effective for the current accounting period of the Group:

Amendments to HKAS 21	Lack of Exchangeability
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As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries for translation into the Group's presentation currency were, exchangeable, the amendments did not have any impact on the Group's financial statements. The Group has not early applied any new or amendments to HKFRS Accounting Standards that is not yet effective for the current accounting period.

(b) *New standards, interpretations and amendments not yet effective*

There are a number of new, revised, amendments to standards which have been issued by the HKICPA that are effective in future accounting periods that the Group has decided not to adopt early.

Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency <sup>2</sup>
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments <sup>1</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>
HKFRS 18	Presentation and Disclosure in Financial Statements <sup>2</sup>
HKFRS 19 and its amendments	Subsidiaries without Public Accountability: Disclosures <sup>2</sup>
Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10, and HKAS 7	Annual Improvements to HKFRS Accounting Standards – Volume 11 <sup>1</sup>
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-Dependent Electricity <sup>1</sup>

<sup>1</sup> Effective for annual periods beginning on or after January 1, 2026

<sup>2</sup> Effective for annual periods beginning on or after January 1, 2027

<sup>3</sup> No mandatory effective date yet determined but available for adoption

The Group expects the adoption of these amendments will not have any significant impact on its operations or consolidated financial statements.

### 3 REVENUE AND SEGMENT INFORMATION

#### (a) Reportable segments

The executive director (“ED”) of the Company, being the chief operating decision maker, regularly review operating segments based on reports that are used to make strategic decisions. The operating segment has been identified on the basis of internal management reports prepared and is regularly reviewed by the ED the Company and no analysis of product segment is presented.

The Group’s reporting segment derives revenue primarily from manufacture and trading of aluminium products. Business segment information is not considered necessary other than the Group’s result and financial position as a whole by the ED of the Company.

#### (b) Geographical information

The tables below present geographical segment information. The Group derives revenue from manufacture and trading of aluminium products at a point in time in the following geographical regions:

	Year ended December 31, 2025 <i>HK\$’000</i>	Year ended December 31, 2024 <i>HK\$’000</i>
<b>Primary geographical markets</b>		
The PRC	170,054	230,713
Australia	12,955	26,456
Vietnam	158,543	606,961
Canada	17,162	45,909
Others	1,065	7,140
	<hr/>	<hr/>
Total	<b>359,779</b>	917,179
	<hr/> <hr/>	<hr/> <hr/>
<b>Time of revenue recognition</b>		
At a point in time	<b>359,779</b>	917,179
	<hr/> <hr/>	<hr/> <hr/>

The Group’s sales contracts generally have an original expected duration of one year or less and accordingly, the Group has applied the practical expedient in HKFRS 15 not to disclose the transaction price allocated to the remaining performance obligations for the contracts existed at the end of the reporting period that has an original expected duration of one year or less.

The geographical locations of non-current assets are determined based on the countries of domicile of the companies now comprising the Group. The total of non-current assets located in respective geographical locations is as follows:

	<b>December 31, 2025</b>	December 31, 2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
The PRC	535,658	581,783
Hong Kong	1,976	3,495
Thailand	1,343	21,343
	<u>538,977</u>	<u>606,621</u>

(c) **Information about major customers**

Details of customers accounting for 10% or more of total revenue are as follows:

	<b>Year ended December 31, 2025</b>	Year ended December 31, 2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Customer A	158,376	606,961
Customer B ( <i>Note</i> )	81,024	N/A
Customer C ( <i>Note</i> )	39,261	N/A
	<u>178,661</u>	<u>606,961</u>

*Note:* The corresponding customers did not contribute over 10% of the total revenue for the year ended December 31, 2024.

**4 TRADE RECEIVABLES**

	<b>December 31, 2025</b>	December 31, 2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade receivables	207,086	356,220
Less: impairment loss recognized	<u>(135,239)</u>	<u>(129,770)</u>
Trade receivables – net	<u>71,847</u>	<u>226,450</u>

The carrying amounts of these receivables approximate their fair values. The Group's sales are mainly made on (i) cash on delivery; and (ii) credit terms of 30 to 90 days (December 31, 2024: Same). The Group does not hold any collateral as security.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned above.

As at December 31, 2025, the ageing analysis of the trade receivables based on due date was as follows:

	<b>December 31, 2025</b>	December 31, 2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Current	<b>63,271</b>	209,854
1–30 days	<b>8,553</b>	13,146
31–60 days	–	558
61–90 days	–	2,780
91–180 days	<b>23</b>	112
	<u><b>71,847</b></u>	<u>226,450</u>

## 5 TRADE PAYABLES

	<b>December 31, 2025</b>	December 31, 2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade payables	<b>8,984</b>	12,313
	<u><b>8,984</b></u>	<u>12,313</u>

As at December 31, 2025, the ageing analysis of the Group's trade payables based on invoice date was as follows:

	<b>December 31, 2025</b>	December 31, 2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
0–30 days	<b>4,520</b>	7,241
31–60 days	<b>509</b>	2,363
61–90 days	<b>17</b>	439
Over 90 days	<b>3,938</b>	2,270
	<u><b>8,984</b></u>	<u>12,313</u>

## 6 OTHER INCOME

	Year ended December 31, 2025 <i>HK\$'000</i>	Year ended December 31, 2024 <i>HK\$'000</i>
Government grants <sup>(i)</sup>	1,152	2,149
Scrap sales	5,205	2,019
Rental income	890	–
Other tax refund	447	–
Write back of other payables	2,867	–
Others	606	729
	<u>11,167</u>	<u>4,897</u>

- (i) For the year ended December 31, 2025, government grants mainly include HK\$862,000 (year ended December 31, 2024: HK\$1,858,000) received from the PRC government for export, research and development activities. There were no unfulfilled conditions or contingencies related to these grants. The remaining amounts were transferred from deferred income to consolidated statement of comprehensive income during the respective year.

## 7 OTHER GAINS – NET

	Year ended December 31, 2025 <i>HK\$'000</i>	Year ended December 31, 2024 <i>HK\$'000</i>
Net exchange gains	3,349	133
Effect of lease modification	(610)	(2)
Gain from changes in fair value of derivative financial instruments	55	3,238
Gain on deregistration of a subsidiary	1,087	–
	<u>3,881</u>	<u>3,369</u>

## 8 (LOSS)/PROFIT BEFORE INCOME TAX

The Group's (loss)/profit before income tax is arrived at after charging/(crediting):

	<b>Year ended December 31, 2025 HK\$'000</b>	Year ended December 31, 2024 HK\$'000
Auditor's remuneration	1,800	2,480
Cost of inventories recognized as expenses	337,266	752,939
(Gain)/loss on disposal of property, plant and equipment, net	(60)	912
Employee benefit expenses	76,046	86,870
Depreciation:		
– Owned property, plant and equipment	55,820	58,401
– Right-of-use assets	8,746	8,619
Written off of prepayments	16,248	–
Impairment loss/(reversal of impairment loss) on trade and other receivables	10,459	(2,989)
Legal and professional fees	6,121	6,379
Research and development expenses (included in administrative expenses)	26,449	45,779
	<u>26,449</u>	<u>45,779</u>

## 9 INCOME TAX CREDIT

For the year ended December 31, 2025, no provision for Hong Kong profits tax has been provided as there is no assessable profit arising in Hong Kong. For the year ended December 31, 2024, no provision for Hong Kong profits tax has been provided as there is sufficient tax losses to offset with the assessable profits.

The Group's operations in the PRC are subject to the PRC corporate income tax. For the year ended December 31, 2025, no provision for PRC corporate income tax has been provided as is no assessable profit arising in the PRC (year ended December 31, 2024: Same). The standard PRC corporate income tax rate was 25% for the years ended December 31, 2024 and 2025. One of the PRC subsidiaries of the Company was qualified as a High and New Technology Enterprise in December 2022 and was entitled to enjoy a preferential income tax rate of 15% for the years ended December 31, 2024 and 2025.

Taxation for overseas subsidiaries is charged at the appropriate current rates of taxation ruling in the relevant countries.

	<b>Year ended December 31, 2025 HK\$'000</b>	Year ended December 31, 2024 HK\$'000
Hong Kong profits tax		
– current year	–	–
Overseas taxation		
– current year	–	3,847
– Over-provision in respect of prior years	(47,562)	(23,060)
	<u>(47,562)</u>	<u>(19,213)</u>

## 10 (LOSSES)/EARNINGS PER SHARE

### Basic

Basic (losses)/earnings per share is calculated by dividing the profit for the year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

	<b>Year ended December 31, 2025</b>	Year ended December 31, 2024
(Losses)/earnings attributable to owners of the Company ( <i>HK\$'000</i> )	<u><u>(59,125)</u></u>	<u><u>28,081</u></u>
Weighted average number of ordinary shares in issue less shares held for share award scheme ( <i>thousands</i> )	<u><u>1,199,405</u></u>	<u><u>1,199,405</u></u>

### Diluted

For the years ended December 31, 2024 and 2025, the computation of diluted earnings per share does not assume the exercise of the Company's outstanding share options since their exercise price exceeded average market price, and such options result in no dilutive effect on (losses)/earnings per share.

## 11 DIVIDENDS

No dividend has been paid or declared by the Company during the year ended December 31, 2025 (year ended December 31, 2024: Nil).

## **MANAGEMENT DISCUSSION AND ANALYSIS**

The Group is an aluminium products manufacturer and trader with production plants in the People's Republic of China ("PRC"), making and selling a large and diverse portfolio of high quality products to its customers.

### **PERFORMANCE OVERVIEW**

For the year of 2025, a substantial decrease in revenue was mainly due to the impact of ongoing geopolitical tensions leading to loss of clientele, evolving trade policies, and the slower than expected economic recovery in certain key markets, which have collectively affected customer sentiment and order volumes. The Group has been putting effort to broaden its customer base by, amongst others, geographical diversification, to improve its competitiveness in order to attract more business from its existing customers, and appropriate cost saving measures have been implemented to streamline its cost structure and enhance efficiency.

#### **Revenue**

The Group operates under a single business segment, the Industrial and Infrastructure Segment, which encompasses a diversified portfolio of products and solutions serving customers across renewable energy, mobility, consumer technology, and industrial applications. These products share common production processes, distribution channels, and customer bases, and are managed under a unified strategic and operational framework. The Group recorded revenue of approximately HK\$359.8 million, representing a decrease of approximately 60.8% as compared to the year ended December 31, 2024. Due to the lower sales volume, which limited cost absorption, the gross profit margin of the Group decreased to approximately 6.3% for the Year (year ended December 31, 2024: approximately 17.9%). The loss attributable to owners of the Company amounted to approximately HK\$59.1 million for the Year as compared with year ended December 31, 2024 profit of HK\$28.1 million, representing a decrease by 310.6%.

The Group recorded an overall decrease in all geographic locations, primarily Australia and Vietnam, representing a decrease of approximately 51% and 74% for the Year as compared with 2024. The decrease in Australia market was mainly due to the sluggish demand for Industrial Products, while the decrease in the Vietnam was mainly due to the reduced orders of Solar Panels.

#### **Cost of Sales**

The Group's cost of sales shrank by 55.2% from approximately HK\$752.9 million for the year ended December 31, 2024 to approximately HK\$337.3 million for the Year. Such decrease was mainly due to the decrease in sales volume.

## **Gross Profit and Gross Profit Margin**

During the Year, the Group's gross profit amounted to approximately HK\$22.5 million (December 31, 2024: approximately HK\$164.2 million) and the overall gross profit margin amounted to approximately 6.3% (December 31, 2024: approximately 17.9%). The decrease of the Group's overall gross profit margin was primarily due to the lower sales volume, which limited cost absorption.

## **Distribution and Selling Expenses**

Distribution and selling expenses decreased to approximately HK\$13.6 million for the Year from approximately HK\$25.7 million for the year ended December 31, 2024, which was primarily contributed by the decrease in transportation costs and sales commission. The drop in transportation costs and sales commission was in line with the decrease in sales.

## **Administrative Expenses**

Administrative expenses mainly comprise research and development costs, salaries and benefit expenses, government levies, depreciation charges and provision for doubtful debts. Administrative expenses decreased to approximately HK\$122.2 million for the Year from approximately HK\$148.0 million for the year ended December 31, 2024, which was primarily due to a decrease in research and development cost and salaries and benefit expenses of approximately HK\$19.3 million and HK\$6.6 million respectively.

## **Other Income**

Other income increased from approximately HK\$4.9 million for the year ended December 31, 2024 to approximately HK\$11.2 million for the Year. Such increase was primarily contributed by the increase in gain from scrap sales, write back of other payables of approximately HK\$3.2 million and HK\$2.9 million respectively.

## **Other Gains – Net**

Other gains increased from approximately HK\$3.4 million for the year ended December 31, 2024 to approximately HK\$3.9 million for the Year. The primary contributor to the increase during the Year was the loss on change of lease modification of approximately HK\$0.6 million offset by gain on deregistration of a subsidiary of approximately HK\$1.1 million.

During the Year, the Group entered into aluminum future contracts in order to manage its exposure to the price risk of aluminium. The gain on settlement of derivative financial instruments – aluminum future contracts was approximately HK\$0.06 million during the year, compared with the gain of approximately HK\$3.2 million for the year ended December 31, 2024.

## **Finance Income**

Finance income decreased from approximately HK\$16.8 million for the year ended December 31, 2024 to approximately HK\$8.0 million for the Year primarily attributable to interest income earned on bank deposits.

## **Finance Costs**

Finance costs amounted to approximately HK\$6.0 million for the Year compared to approximately HK\$9.6 million for the year ended December 31, 2024 primarily attributable to interest expense for bank borrowings.

## **Income Tax Credit**

Income tax credit mainly represented amounts of current tax paid or payable at the applicable tax rates in accordance with the relevant laws and regulations in Hong Kong and the PRC. During the Year, income tax credit was approximately HK\$47.6 million due to reversal of PRC income tax, compared to approximately HK\$19.2 million for the year ended December 31, 2024, which was due to the over-provision of tax payable in the PRC in respect to previous years.

## **OUTLOOK AND PROSPECTS**

Looking ahead, we expect the global trade environment to remain complex, with tariffs, trade disputes and policy changes continuing to pose challenges in the near to medium term. In addition, the escalation of geopolitical tensions and new conflicts in the Middle East have introduced further uncertainty, particularly in relation to energy prices, logistics costs and supply chain stability, which may exert additional pressure on operating costs and market visibility. Nevertheless, the Board believes that the actions taken during this period of disruption have strengthened the Group's foundation. This environment is accelerating our strategic transformation, driving improvements in technical capability, operational excellence, research and development, and innovation. The Group will continue to adhere to a disciplined approach to capital allocation, carefully balancing growth opportunities with return on investment considerations. While uncertainties remain, we are confident that our clear strategy, prudent cost management and strengthened organisational resilience will enable the Group to navigate challenges and capture opportunities as market conditions evolve.

## **SIGNIFICANT INVESTMENT, MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES**

The Group did not have any other significant investment, material acquisition and disposal of subsidiaries, associates and joint ventures during the Year.

## EVENT AFTER REPORTING PERIOD

The Directors are not aware of any significant event requiring disclosure that has taken place subsequent to December 31, 2025 and up to the date of this announcement.

## LIQUIDITY AND FINANCIAL RESOURCES

The Group mainly used its internally generated cashflow and borrowings for its capital expenditure and working capital. As at December 31, 2025, the Group's financial position included approximately HK\$59.3 million in cash and cash equivalents, down from approximately HK\$291.0 million as at December 31, 2024, and approximately HK\$123.6 million in pledged bank deposits and time deposits with original maturity over three months, an increase from approximately HK\$112.8 million as at December 31, 2024. Interest-bearing borrowing stood at approximately HK\$95.5 million, a decrease from approximately HK\$251.6 million as at December 31, 2024, with all borrowings denominated in RMB. The reduction in debt levels can be attributed to the Group's strategic improvements in capital allocation and debt restructuring.

## PLEGGED ASSETS

As at December 31, 2025, assets with a total carrying amount of approximately HK\$365.2 million (December 31, 2024: approximately HK\$305.9 million) of the Group were pledged, including property, plant and equipment, right-of-use assets and bank deposits for the Group's borrowings and a standby letter of credit in favour of the lending bank.

## SUMMARY OF KEY FINANCIAL RATIOS

	<b>Year ended December 31, 2025</b>	Year ended December 31, 2024
Gross Profit Margin <sup>(1)</sup>	<b>6.3%</b>	17.9%
Return on Equity <sup>(2)</sup>	<b>(8.6%)</b>	3.8%
Interest Coverage Ratio <sup>(3)</sup>	<b>(16.88)</b>	1.92
	<b>As at December 31, 2025</b>	As at December 31, 2024
Current Ratio <sup>(4)</sup>	<b>1.21</b>	1.21
Quick Ratio <sup>(5)</sup>	<b>1.29</b>	1.11
Gearing Ratio <sup>(6)</sup>	<b>5.0%</b>	N/A
Debt to Equity Ratio <sup>(7)</sup>	<b>5.3%</b>	N/A

*Notes:*

- (1) The calculation of Gross Profit Margin is based on gross profit divided by revenue and multiplied by 100%.
- (2) The calculation of Return on Equity is based on profit attributable to owners of the Company divided by equity attributable to owners of the Company and multiplied by 100%.
- (3) The calculation of Interest Coverage Ratio is based on profit before interest and tax expenses divided by finance costs.
- (4) The calculation of Current Ratio is based on current assets divided by current liabilities.
- (5) The calculation of Quick Ratio is based on current assets less inventories divided by current liabilities.
- (6) The calculation of Gearing Ratio is based on net debt (total borrowings less cash and cash equivalents) divided by sum of total equity and net debt multiplied by 100%.
- (7) The calculation of Debt to Equity Ratio is based on total borrowings less cash and cash equivalents divided by total equity multiplied by 100%.

## **CAPITAL STRUCTURE**

As at December 31, 2025 and December 31, 2024, the Company's issued share capital was HK\$120,000,000, divided into 1,200,000,000 shares of HK\$0.1 each.

## **FOREIGN EXCHANGE RISK**

The Group continued to receive United States Dollar (“USD”) and RMB from the sales to major customers during the Year, while most of the Group's purchases of raw materials were settled in RMB. As RMB is not a freely convertible currency, any fluctuation in exchange rate of USD against RMB may have impact on the Group's results. Currently, the Group has not entered into any agreements or purchased any instruments to hedge the Group's exchange rate risks. Any material fluctuation in the exchange rates of USD and RMB may have an impact on the operating results of the Group.

## **COMMODITY PRICE RISK ON ALUMINIUM**

The Group is exposed to commodity price risk because aluminium ingots are the major raw materials of the Group's products. Any change in prices of aluminium could affect the Group's financial performance. The Group has entered into future contracts traded on the Shanghai Futures Exchange in order to mitigate the risk arising from fluctuation in aluminium price.

The Group recognized a total gain on derivative financial instruments of approximately HK\$0.06 million during the Year (December 31, 2024: total gain of approximately HK\$3.2 million). Management considers the fluctuation on the commodity price of aluminium do not have a significant impact on the Group's earnings and cash flows in the long run.

## **CAPITAL COMMITMENTS**

Capital commitments contracted by the Group but not yet provided for in the consolidated financial statements as at December 31, 2025 amounted to approximately HK\$20.0 million (December 31, 2024: approximately HK\$16.2 million), which was mainly related to the acquisition of plant and machineries in the PRC.

## **FINAL DIVIDEND**

The Board does not recommend the payment of a final dividend for the Year (2024: Nil).

## **FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS**

Except the future plans as disclosed in the paragraph headed "Outlook and Prospects", the Group had no other future plans for material investments or capital assets as at December 31, 2025.

## **CONTINGENT LIABILITIES**

As at December 31, 2024 and 2025, the Group had no significant contingent liabilities.

## **EMPLOYEE INFORMATION AND REMUNERATION POLICIES**

As at December 31, 2025, the Group employed approximately 539 staff (December 31, 2024: approximately 721). The Group's remuneration package is determined with reference to the experience and qualifications of the individual employee and general market conditions. The Group offers competitive remuneration packages commensurate with industry practice and provides various fringe benefits to employees including medical benefits, social insurance, provident funds, bonuses and share incentives. The Group also ensures that all employees are provided with adequate training and continued professional opportunities according to their needs. During the Year, the Group incurred staff costs (including Directors' emoluments) of approximately HK\$76.0 million (year ended December 31, 2024: approximately HK\$86.9 million).

The Directors' fees are subject to shareholders' approval at general meetings every year. Other emoluments are determined by the Board with reference to Directors' duties, responsibilities and performance, their qualifications and experience, the results of the Group and the prevailing market rates.

## **OTHER INFORMATION**

### **Directors' Securities Transaction**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Companies (“**Model Code**”) as set out in Appendix C3 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Exchange**”) (“**Listing Rules**”) as its code of conduct for dealings in securities of the Company by the Directors. Having made specific enquiry, all Directors confirmed that they had complied with the Model Code provisions during the Year.

### **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES**

The Company and any of its subsidiaries have not redeemed any of its listed securities during the Year. Neither the Company nor any of its subsidiaries purchased or sold any of the Company's listed securities (including treasury shares) during the Year.

### **CORPORATE GOVERNANCE PRACTICES**

The Group is committed to maintaining high standards of corporate governance and the Board considers that effective corporate governance is an essential factor to corporate success and to enhance the shareholders' value. The Board will continue to review and enhance its corporate governance practice of the Company to ensure compliance and alignment with the latest developments of Corporate Governance Code (“**CG Code**”) as set out in Appendix C1 to the Listing Rules.

The Group has applied the principles and complied with the code provisions of the CG Code throughout the Year with the exception of the following deviation:

#### **Code Provision C.2.1**

Under the code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

Since July 1, 2022, the chairman and chief executive officer of the Company are performed by same individual, Mr. Pan Zhaolong. The Board would meet regularly to consider major matters affecting the operations of the Company. It is considered that this structure would not impair the balance of power and authority between the Directors and the management of the Company and believe that the current structure would enable the Group to make and implement decisions promptly and efficiently. However, going forward, the Board will review from time to time the need to separate the roles of the chairman and the chief executive officer if the situation warrants it.

## **SCOPE OF WORK OF BDO LIMITED**

The figures in respect of the Group's consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income and the related notes thereto for the Year as set out in the preliminary announcement have been agreed by the Group's auditor, BDO Limited, to the amounts set out in the Group's audited consolidated financial statements for the Year. The work performed by BDO Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by BDO Limited on this preliminary announcement.

## **AUDIT COMMITTEE**

The Company has an Audit Committee which was established in compliance with Rule 3.21 of the Listing Rules for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal controls. The Audit Committee comprises three members who are the independent non-executive Directors, namely Mr. Man Yiu Kwong Nick, Dr. Cheung Wah Keung, and Mr. Chan Kai Nang.

The Audit Committee and the management have reviewed the accounting principles and practices adopted by the Group, as well as the audited consolidated financial statements for the Year and has recommended their adoption to the Board.

## **PUBLICATION OF ANNUAL REPORT**

This annual results announcement is published on the websites of the Exchange (<http://www.hkex.com.hk>) and the Company (<http://www.palum.com>). The annual report of the Company for the Year containing all the information required by the Listing Rules will be despatched to shareholders of the Company and made available for review on the same websites in due course in accordance with the Listing Rules.

By order of the Board  
**PanAsialum Holdings Company Limited**  
**Pan Zhaolong**  
*Chairman and Executive Director*

Hong Kong, March 26, 2026

*As at the date of this announcement, the executive director of the Company is Mr. Pan Zhaolong, the non-executive director of the Company is Ms. Lam Yuen Man Maria, and the independent non-executive directors of the Company are Dr. Cheung Wah Keung, Mr. Chan Kai Nang and Mr. Man Yiu Kwong Nick.*