Stock Code 股份代號：2078

2026 INTERIM REPORT 中期報告

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榮 陽 實 業 集 團 有 限 公 司 PanAsialum Holdings Company Limited

（於開曼群島註冊成立的有限公司）(Incorporated in the Cayman Islands with limited liability)

CONTENTS

Corporate Information

DIRECTORS

Executive Directors

Mr. Pan Zhaolong
(Chairman and Chief Executive Officer)

Non-executive Director

Ms. Lam Yuen Man Maria

Independent Non-executive Directors

Dr. Cheung Wah Keung
Mr. Chan Kai Nang
Mr. Man Yiu Kwong Nick

BOARD COMMITTEES

Audit Committee

Mr. Man Yiu Kwong Nick *(Chairman)*
Dr. Cheung Wah Keung
Mr. Chan Kai Nang

Remuneration Committee

Dr. Cheung Wah Keung *(Chairman)*
Mr. Chan Kai Nang
Mr. Man Yiu Kwong Nick

Nomination Committee

Mr. Man Yiu Kwong Nick *(Chairman)*
Mr. Pan Zhaolong
Ms. Lam Yuen Man Maria
Dr. Cheung Wah Keung
Mr. Chan Kai Nang

Environmental, Social and Governance Committee

Mr. Pan Zhaolong *(Chairman)*
Dr. Cheung Wah Keung
Mr. Man Yiu Kwong Nick

AUTHORIZED REPRESENTATIVES

Mr. Pan Zhaolong
Mr. Lam Ho Keung

COMPANY SECRETARY

Mr. Lam Ho Keung

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

STOCK CODE

2078

PLACE OF LISTING

The Stock Exchange of Hong Kong Limited
("**Exchange**")

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 01, 26/F, Tower 2
The Millennity
98 How Ming Street
Kwun Tong, Kowloon
Hong Kong

PRODUCTION BASES IN PEOPLE'S REPUBLIC OF CHINA ("PRC")

Long Sheng Industrial Area
No. 6 Long Sheng Road
Wolong District
Nanyang City
Henan Province
PRC

PRINCIPAL SHARE REGISTRAR

Suntera (Cayman) Limited
Suite 3204, Unit 2A, Block 3, Building D
P.O. Box 1586, Gardenia Court
Camana Bay
Grand Cayman, KY1-1100
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712–1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

PRINCIPAL BANKERS

Agricultural Bank of China
China Construction Bank Corporation
China Merchants Bank Company Limited
The Hongkong and Shanghai Banking Corporation Limited

INDEPENDENT AUDITOR

BDO Limited
Certified Public Accountants
Registered Public Interest Entity Auditor

LEGAL ADVISER

Jeffrey Mak Law Firm

WEBSITE

www.palum.com

Financial Highlights and Key Financial Ratios

(Unaudited financial data prepared in accordance with Hong Kong Financial Reporting Standards)

	For the six months ended June 30, 2026 (Unaudited)	2025 (Unaudited)	Change in %
Revenue	**HK$138.2 million**	HK$242.8 million	-43.1%
Gross Profit	**HK$5.1 million**	HK$28.7 million	-82.2%
Gross Profit Margin[(1)]	**3.7%**	11.8%	-68.6%
Loss for the period	**(HK$54.2 million)**	(HK$26.4 million)	105.3%
EBITDA	**(HK$22.5 million)**	HK$3.5 million	-742.9%
Loss per Share (HK cents)	**(4.55)**	(2.20)	
Return on Equity[(2)]	**-8.26%**	-3.58%	
Interest Coverage Ratio[(3)]	**(38.86)**	(7.69)	

	As at June 30, 2026 (Unaudited)	As at December 31, 2025 (Audited)
Current Ratio[(4)]	**1.65**	1.21
Quick Ratio[(5)]	**1.30**	1.29
Gearing Ratio[(6)]	**-8.2%**	5.0%
Debt to Equity Ratio[(7)]	**-7.6%**	5.3%

(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 for the Period 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%.

The board of directors ("**Directors**") of the Company ("**Board**") did not declare an interim dividend for the six months ended June 30, 2026 (six months ended June 30, 2025: Nil).

As at June 30, 2026

	Notes	Unaudited June 30, 2026 HK$'000	Audited December 31, 2025 HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment	*7*	**301,778**	317,198
Right-of-use assets		**223,178**	219,436
Prepayments for property, plant and equipment		**3,010**	2,343
		527,966	538,977
Current assets			
Inventories		**69,070**	75,663
Trade receivables	*8*	**89,454**	71,847
Prepayments, deposits and other receivables		**76,018**	78,900
Pledged bank deposits		**7,837**	85,812
Time deposit with original maturity over three months		**–**	37,812
Cash and cash equivalents		**85,964**	59,313
		328,343	409,347
Total assets		**856,309**	948,324
EQUITY			
Capital and reserves attributable to owners of the Company			
Share capital	*9*	**120,000**	120,000
Reserves		**536,236**	568,226
Total equity attributable to owners of the Company		**656,236**	688,226

As at June 30, 2026

	Notes	Unaudited June 30, 2026 HK$'000	Audited December 31, 2025 HK$'000
LIABILITIES			
Non-current liabilities			
Lease liabilities		1,294	994
		1,294	994
Current liabilities			
Trade and bills payables	*12*	13,502	8,984
Contract liabilities, other payables and accrued charges		61,821	68,568
Borrowings	*11*	36,095	95,513
Lease liabilities		1,019	1,456
Deferred income on government grants		12,430	12,195
Income tax liabilities		73,912	72,388
		198,779	259,104
Total liabilities		200,073	260,098
Total equity and liabilities		856,309	948,324

The notes on pages 10 to 19 are an integral part of this condensed consolidated interim financial information.

Condensed Consolidated Interim Statement of Comprehensive Income

For the six months ended June 30, 2026

	Notes	**Unaudited Six months ended June 30, 2026 HK$'000**	Unaudited Six months ended June 30, 2025 HK$'000
Revenue	6	**138,180**	242,783
Cost of sales		**(133,057)**	(214,093)
Gross profit		**5,123**	28,690
Distribution and selling expenses		**(5,854)**	(8,377)
Administrative expenses		**(58,779)**	(57,441)
Other income		**6,813**	4,977
Other (losses)/gains – net	14	**(1,536)**	4,881
Finance income – net	15	**17**	1,881
Loss before income tax		**(54,216)**	(25,389)
Income tax	16	**–**	(1,005)
Loss for the period		**(54,216)**	(26,394)
Loss per share attributable to owners of the Company			
Basic and diluted (HK cents per share)	18	**(4.55)**	(2.20)
Loss for the period		**(54,216)**	(26,394)
Other comprehensive income:			
Item that may be reclassified subsequently to profit or loss:			
Currency translation differences		**23,354**	2,326
Items reclassified to profit or loss:			
Exchange differences reclassified to profit or loss upon deregistration of a subsidiary		**–**	1,085
Other comprehensive income for the period		**23,354**	3,411
Total comprehensive loss for the period		**(30,862)**	(22,983)

The notes on pages 10 to 19 are an integral part of this condensed consolidated interim financial information.

Condensed Consolidated Interim Statement of Changes in Equity

For the six months ended June 30, 2026

	Attributable to owners of the Company						
	Share capital HK$'000	Share premium HK$'000	Shares held for share award scheme HK$'000	Share option reserve HK$'000	Other reserves HK$'000	Accumulated losses HK$'000	Total equity HK$'000
Balance at January 1, 2026 (audited)	**120,000**	**1,001,287**	**(774)**	**2,890**	**(72,068)**	**(363,109)**	**688,226**
Loss for the period	–	–	–	–	–	**(54,216)**	**(54,216)**
Other comprehensive income:							
Currency translation differences	–	–	–	–	**23,354**	–	**23,354**
Total comprehensive income for the period	–	–	–	–	**23,354**	**(54,216)**	**(30,862)**
Purchase of shares for share award scheme	–	–	**(1,128)**	–	–	–	**(1,128)**
Balance at June 30, 2026 (unaudited)	**120,000**	**1,001,287**	**(1,902)**	**2,890**	**(48,714)**	**(417,325)**	**656,236**
Balance at January 1, 2025 (audited)	120,000	1,001,287	(774)	3,124	(87,519)	(304,218)	731,900
Loss for the period	–	–	–	–	–	(26,394)	(26,394)
Other comprehensive income:							
Currency translation differences	–	–	–	–	2,326	–	2,326
Release of foreign currency translation reserve upon deregistration of a subsidiary	–	–	–	–	1,085	–	1,085
Total comprehensive income for the period	–	–	–	–	3,411	(26,394)	(22,983)
Transfer upon lapse of share options	–	–	–	(38)	–	38	–
Balance at June 30, 2025 (unaudited)	120,000	1,001,287	(774)	3,086	(84,108)	(330,574)	708,917

The notes on pages 10 to 19 are an integral part of this condensed consolidated interim financial information.

Condensed Consolidated Interim Statement of Cash Flows

For the six months ended June 30, 2026

	Unaudited Six months ended June 30, 2026 HK$'000	Unaudited Six months ended June 30, 2025 HK$'000
Net cash generated used in operating activities	**(29,111)**	(114,157)
Cash flows from investing activities		
Purchase of property, plant and equipment	**(3,896)**	(3,655)
Interest received	**1,377**	4,802
Withdrawn in pledged bank deposits	**78,674**	27,109
Withdrawn in time deposits with original maturity over three months	**37,812**	–
Cash generated from investing activities	**113,967**	28,256
Cash flows from financing activities		
Proceeds from borrowings	**22,535**	206,955
Repayments of borrowings	**(84,688)**	(242,946)
Payment for lease liabilities	**(1,156)**	(1,660)
Interest paid	**(1,360)**	(2,921)
Net cash used in financing activities	**(64,669)**	(40,572)
Net increase/(decrease) in cash and cash equivalents	**20,187**	(126,473)
Cash and cash equivalents at beginning of the period	**59,313**	290,996
Exchange gain on cash and cash equivalents	**6,464**	4,639
Cash and cash equivalents at end of the period	**85,964**	169,162

The notes on pages 10 to 19 are an integral part of this condensed consolidated interim financial information.

1 GENERAL INFORMATION

PanAsialum Holdings Company Limited ("**Company**") and its subsidiaries (together, the "**Group**" or "**PanAsialum**") 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 and its principal place of business is Unit 01, 26/F, Tower 2, The Millennity, 98 How Ming Street, Kwun Tong, Kowloon, Hong Kong.

The Company's shares have been listed on The Stock Exchange of Hong Kong Limited since February 5, 2013.

These unaudited condensed consolidated interim financial statements is presented in Hong Kong Dollar ("**HK$**" or "**HKD**"), unless otherwise stated. These unaudited condensed consolidated interim financial statements have been reviewed by the Audit Committee and approved for issue by the board of Directors ("**Board**") on August 24, 2026.

2 BASIS OF PREPARATION

These unaudited condensed consolidated interim financial statements have been prepared in accordance with the Hong Kong Accounting Standard ("**HKAS**") 34, Interim financial reporting, issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"). It is also in compliance with applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

These unaudited condensed consolidated interim financial statements have been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in Note 3. However, not all are expected to impact the Group as they are either not relevant to the Group's activities or require accounting which is consistent with the Group's current accounting policies.

The preparation of condensed consolidated interim financial statements in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

These unaudited interim financial statements contains condensed consolidated interim financial information and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2025 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with HKFRS Accounting Standards ("**HKFRS**").

3 ACCOUNTING POLICIES

Except as described below, the accounting policies applied are consistent with those of the consolidated financial statements for the year ended December 31, 2025, as described in those annual consolidated financial statements.

The HKICPA has issued the following amendment to HKFRSs that are first effective and relevant for the current accounting period of the Group:

- Amendments to HKFRS 9 and HKFRS 7, *Amendments to the Classification and Measurement of Financial Instruments*

The adoption of this amendment does not have any material financial effect on the Group's condensed consolidated interim financial statements.

The Group has not adopted new or amendments to HKFRSs that have been issued but are not yet effective in advance.

4 FINANCIAL RISK MANAGEMENT

4.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group is not exposed to material equity price risk. There have been no changes in any risk management policies since the last year end.

The condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's consolidated financial statements for the year ended December 31, 2025.

4.2 Liquidity risk

Compared to the last year end, there was no material change in the contractual undiscounted cash out flows for financial liabilities.

4.3 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 recognised a total loss from changes in fair value of derivative financial instruments of approximately HK$208,000 during the period ended June 30, 2026 (2025: gain from changes in fair value of derivative financial instruments approximately HK$131,000).

The outstanding balances of future contracts entered as at June 30, 2026 are approximately HK$1,414,000, which are measured at fair value and under level 1 of fair value hierarchy.

4.4 Fair value estimation

The carrying amounts of the Group's other financial assets and liabilities approximate their fair values due to their short maturity.

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of interim financial information requires the management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing this interim condensed consolidated financial information, the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial information for the year ended December 31, 2025.

6 REVENUE AND SEGMENT INFORMATION

(a) Reportable segment

The executive directors ("**ED(s)**") of the Company, being the chief operating decision makers, regularly review operating segment 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 EDs of the Company.

The Group has identified one operating segment which is manufacture and trading of aluminum products.

(b) Geographical information

The tables below present geographical entity-wide information. The Group derives revenue from the continuing operation, manufacture and trading of aluminium products at a point in time in the following geographical regions:

	Unaudited Six months ended June 30, 2026 HK$'000	Unaudited Six months ended June 30, 2025 HK$'000
South East Asia	–	158,543
The PRC	**118,425**	68,569
Australia	**6,205**	6,924
Others	**13,550**	8,747
Total	**138,180**	242,783
Time of revenue recognition		
At a point in time	**138,180**	242,783

7 PROPERTY, PLANT AND EQUIPMENT

	Unaudited Six months ended June 30, 2026 HK$'000	Audited Year ended December 31, 2025 HK$'000
Opening net book amount	**317,198**	362,934
Exchange differences	**11,286**	7,809
Additions	**3,896**	5,458
Disposals	**(1,953)**	(3,183)
Depreciation *(Note 13)*	**(28,649)**	(55,820)
Closing net book amount	**301,778**	317,198

8 TRADE RECEIVABLES

	Unaudited June 30, 2026 HK$'000	Audited December 31, 2025 HK$'000
Trade receivables	**110,591**	207,086
Less: impairment loss recognised	**(21,137)**	(135,239)
Trade receivables – net	**89,454**	71,847

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, 2025: Same). The Group does not hold any collateral as security.

The ageing analysis of the trade receivables net of impairment loss recognised, based on due date was as follows:

	Unaudited June 30, 2026 HK$'000	Audited December 31, 2025 HK$'000
Current	**81,784**	63,271
1–30 days	**7,670**	8,553
31–60 days	**–**	–
61–90 days	**–**	–
91–180 days	**–**	23
	89,454	71,847

As at June 30, 2026, receivables of approximately HK$81,784,000 were neither past due nor impaired (December 31, 2025: approximately HK$63,271,000). These receivables relate to customers for whom there is no recent history of default.

As at June 30, 2026, all trade receivables were non-interest bearing (December 31, 2025: Same).

9 SHARE CAPITAL

	Unaudited June 30, 2026 Number of shares	Unaudited June 30, 2026 HK$'000	Audited December 31, 2025 Number of shares	Audited December 31, 2025 HK$'000
Authorized:				
Ordinary shares of HK$0.10 each	**2,400,000,000**	**240,000**	2,400,000,000	240,000
Issued and fully paid	**1,200,000,000**	**120,000**	1,200,000,000	120,000

As at June 30, 2026 and December 31, 2025, the total number of issued ordinary shares of the Company included 9,480,000 shares (December 31, 2025: 595,000 shares) held for the share award scheme, representing approximately 0.79% and 0.05% of the issued share capital of the Company.

10 SHARE OPTION SCHEME

The Company's share option scheme (the "**Share Option Scheme**") expired on January 18, 2023 and there are no other share options schemes currently in force.

As at January 1, 2026 and June 30, 2026, no outstanding number of option is available for grant under the Share Option Scheme after its expiry on January 18, 2023.

Details of the share options movements during the Period under the Share Option Scheme are as follows:

Name or category of grantee	Date of grant of share options	Exercise price (HKD)	Exercise period	Balance as at January 1, 2026	Number of share options: Granted during the Period	Exercised during the Period	Lapsed during the Period	Cancelled during the Period	Balance as at June 30, 2026
Directors									
Dr. Cheung Wah Keung	23/12/2019	0.396 *(Note 1)*	23/12/2019 – 22/12/2029 *(Note 2)*	1,200,000	–	–	–	–	1,200,000
Mr. Chan Kai Nang	23/12/2019	0.396 *(Note 1)*	23/12/2019 – 22/12/2029 *(Note 2)*	1,200,000	–	–	–	–	1,200,000
Other Participants									
Employees	23/12/2019	0.396 *(Note 1)*	23/12/2019 – 22/12/2029 *(Note 2)*	6,312,000	–	–	–	–	6,312,000
Service Providers *(Note 3)*	23/12/2019	0.396 *(Note 1)*	23/12/2019 – 22/12/2029 *(Note 2)*	10,800,000	–	–	–	–	10,800,000
Total				19,512,000	–	–	–	–	19,512,000

10 SHARE OPTION SCHEME *(Continued)*

Notes:

* Save as disclosed herein, there are no other Directors, chief executive or substantial shareholders of the Company, or their respective associates that have been granted share options pursuant to the Share Option Scheme.

** No participants were granted options in excess of the 1% individual limit pursuant to the Share Option Scheme.

*** No related entity participant or service provider for goods or services were granted options exceeding 0.1% of the number of shares in issue in any 12-month period pursuant to the Share Option Scheme.

1. The closing price of the shares of the Company immediately before December 23, 2019, on which those options were granted, was HK$0.38.

2. The share options are exercisable for a period of 10 years from the date of grant, subject to the vesting period as follows: (i) 60% of the share options be vested on the date of grant; and (ii) 40% of the share options be vested on the first anniversary of the date of grant. No performance targets are attached to the options.

3. The share options were granted to a sales and marketing relations consultant appointed on July 1, 2019. The rationale for such grant was to serve as the consideration of the services provided by the consultant.

11 BORROWINGS

	Unaudited June 30, 2026 HK$'000	Audited December 31, 2025 HK$'000
Current		
Bank loans	**36,095**	95,513
Total	**36,095**	95,513

As at June 30, 2026, the effective interest rate of the interest-bearing borrowings was 1.76% per annum (December 31, 2025: 3.21% per annum). The Group's bank borrowings carry interest at floating rates and their carrying amounts approximate their fair values.

As at June 30, 2026, the Group's facilities were secured by the following:

(i) guarantees of the Company (December 31, 2025: the Company and a subsidiary);

(ii) guarantees of a director of the Company as at December 31, 2025;

(iii) pledge of the Group's certain property, plant and equipment and right-of-use assets (December 31, 2025: Same); and

(iv) pledge of the Group's certain bank deposits as at December 31, 2025.

12 TRADE AND BILLS PAYABLES

As at June 30, 2026 and December 31, 2025, the ageing analysis of the Group's trade and bills payables based on invoice date was as follows:

	Unaudited June 30, 2026 HK$'000	Audited December 31, 2025 HK$'000
0–30 days	**3,806**	4,520
31–60 days	**4,092**	509
61–90 days	**827**	17
Over 90 days	**4,777**	3,938
	13,502	8,984

13 LOSS BEFORE INCOME TAX

	Unaudited Six months ended June 30, 2026 HK$'000	Unaudited Six months ended June 30, 2025 HK$'000
The Group's loss before income tax is arrived at after charging/(crediting):		
Auditor's remuneration	**917**	1,310
Cost of inventories recognised as expenses	**133,057**	214,093
Employee benefit expenses (include wages and salaries)	**25,277**	32,920
Loss on disposal of property, plant and equipment	**1,555**	78
Depreciation of property, plant and equipment *(Note 7)*	**28,649**	27,820
Depreciation of right-of-use assets	**4,058**	4,613
Written off of prepayments for property, plant and equipment	**–**	2,969
Provision of impairment loss on trade receivables	**967**	3,120
Gain on deregistration of a subsidiary *(Note 14)*	**–**	(1,087)

14 OTHER (LOSSES)/GAINS – NET

	Unaudited Six months ended June 30, 2026 HK$'000	Unaudited Six months ended June 30, 2025 HK$'000
Net exchange (losses)/gains	**(1,254)**	4,079
Effect of lease modification	**(74)**	(416)
(Loss)/gain from change in fair value of derivative financial instruments	**(208)**	131
Gain on deregistration of a subsidiary *(Note 13)*	**–**	1,087
	(1,536)	4,881

15 FINANCE INCOME – NET

	Unaudited Six months ended June 30, 2026 HK$'000	Unaudited Six months ended June 30, 2025 HK$'000
Interest income:		
Interest income on bank deposits	**1,377**	4,802
Finance income	**1,377**	4,802
Interest expenses:		
Interest expense on lease liabilities	**(58)**	(215)
Interest expense on borrowings	**(1,302)**	(2,706)
Finance costs	**(1,360)**	(2,921)
Finance income – net	**17**	1,881

16 INCOME TAX

For the six months ended June 30, 2026, no provision for Hong Kong profits tax has been provided as there is sufficient tax losses to offset with the assessable profits (2025: Same).

The Group's operation in the PRC are subject to the PRC corporate income tax. The standard PRC corporate income tax rate was 25% for the six months ended June 30, 2026 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 a period of 3 years, which expired on December 31, 2025. Consequently, this PRC subsidiary is subject to standard 25% corporate income tax rate for the period ended June 30, 2026.

	Unaudited Six months ended June 30, 2026 HK$'000	Unaudited Six months ended June 30, 2025 HK$'000
The PRC corporate income tax		
– under-provision in prior years	–	47
Overseas taxation		
– under-provision in prior years	–	958
Income tax	–	1,005

17 DIVIDENDS

No dividend has been declared by the Company for the six months ended June 30, 2026 and 2025.

18 LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

Basic

Basic loss per share is calculated by dividing the loss for the period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

	Unaudited Six months ended June 30, 2026	Unaudited Six months ended June 30, 2025
Loss attributable to owners of the Company (HK$'000)	**(54,216)**	(26,394)
Weighted average number of ordinary shares in issue less shares held for share award scheme (thousands)	**1,190,520**	1,199,405
Basic loss per share (HK cents)	**(4.55)**	(2.20)

Diluted

For the six months ended June 30, 2026 and 2025, the computation of diluted loss per share does not assume the exercise of the Company's outstanding share options since their exercise price exceeded average market price during the period.

19 CAPITAL COMMITMENTS

	Unaudited June 30, 2026 HK$'000	Audited December 31, 2025 HK$'000
Contracted but not provided for		
– property, plant and equipment	**20,311**	20,040

20 RELATED PARTY TRANSACTIONS

Related parties refer to entities in which the Company has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or directors or officers of the Company and its subsidiaries.

Save as disclosed elsewhere in the condensed consolidated interim financial statements, the Group had the following related party transactions during the six months ended June 30, 2026 and 2025:

Key management compensation

Key management includes directors and senior management. The compensation paid or payable to key management for employee services is shown below:

	Unaudited Six months ended June 30, 2026 HK$'000	Unaudited Six months ended June 30, 2025 HK$'000
Salaries, bonus and allowances	**3,288**	3,315
Contributions to defined contribution plans	**184**	208
	3,472	3,523

21 EVENT AFTER THE REPORTING DATE

There was no significant event which took place after June 30, 2026.

PanAsialum Holdings Company Limited ("**Company**") and its subsidiaries (collectively, "**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

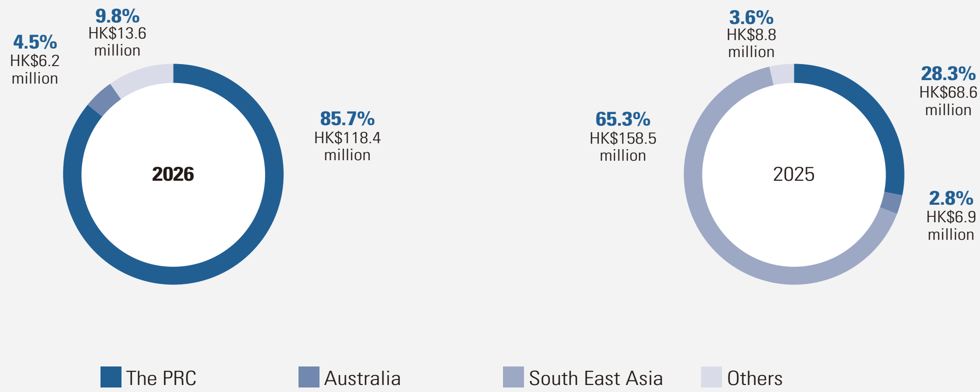
For the six months ended June 30, 2026 ("**Period**"), a substantial decrease in revenue was mainly due to the impact of ongoing geopolitical tensions leading to loss of clientele, evolving trade policies, and the slower than expected economic recovery in certain key markets, which have collectively affected customer sentiment and order volumes. In addition, with the loss of its largest customer in the second half of 2025, there was a substantial decrease in revenue from then. 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.

The Group recorded revenue of approximately HK$138.2 million, representing a decrease of approximately 43.1% as compared to the period ended June 30, 2025. Due to a reduced sales volume, which limited cost absorption, the gross profit margin of the Group decreased to approximately 3.7% for the Period (period ended June 30, 2025: approximately 11.8%). The loss attributable to owners of the Company amounted to approximately HK$54.2 million for the Period as compared with the period ended June 30, 2025 of HK$26.4 million, representing an increase by 105.3%.

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 following charts show the breakdown of revenue by geographical location for the Period and for the 2025 Period:



The Group recorded a decrease in revenue from Australia and South East Asia, representing a decrease of approximately 10.1% in Australia, 100% in South East Asia while 72.6% increase in the PRC for the Period as compared with the 2025 Period. The decrease in Australia market was mainly due to the sluggish demand for Industrial Products, while the decrease in South East Asia market was mainly due to the reduced orders of Solar Panels. The increase in the PRC market was due to the higher orders of consumer electronics and automobiles.

Cost of sales

With the decrease in sales, cost of sales shrank by 37.8% from approximately HK$214.1 million for the 2025 Period to approximately HK$133.1 million for the Period. Such decrease was mainly due to the decrease in sales volume.

Gross profit and gross profit margin

During the Period, the Group's gross profit amounted to approximately HK$5.1 million (2025 Period: approximately HK$28.7 million) and the overall gross profit margin amounted to approximately 3.7% (2025 Period: 11.8%). The decline in gross profit and gross profit margin was primarily attributable to the decreased order volume, which limited cost absorption and led to higher per-unit costs, as well as a change in product mix.

Distribution and selling expenses

Distribution and selling expenses decreased to approximately HK$5.9 million for the Period (2025 Period: approximately HK$8.4 million), primarily due to reductions in transportation costs and sales commission. Drops in transportation costs and sales commission were in line with the decrease in sales.

Administrative expenses

Administrative expenses mainly comprise research and development costs, salaries and benefit expenses, government levies, depreciation and amortisation charges and consultant fee. Administrative expenses increased to approximately HK$58.8 million for the Period from approximately HK$57.4 million for the 2025 Period, which was primarily due to an increase in consultant fee of approximately HK$1.1 million as compared to 2025 Period.

Other income

Other income increased from approximately HK$5.0 million for the 2025 Period to approximately HK$6.8 million for the Period. The increase was mainly attributable to super deduction of value added tax for advance manufacturing enterprises.

Other (losses)/gains – net

Other gains decreased from approximately HK$4.9 million for the 2025 Period to approximately HK$1.5 million other losses for the Period. The primary contributor to the losses recorded during the Period was the exchange difference.

During the Period, the Group entered into aluminium future contracts in order to manage its exposure to the price risk of aluminium. The loss from changes in fair value of derivative financial instruments – aluminium future contracts was approximately HK$0.2 million for the Period compared to approximately HK$0.1 million gain for the 2025 Period.

Finance income

Finance income decreased from approximately HK$4.8 million for the 2025 Period to approximately HK$1.4 million for the Period. It mainly comprised interest income earned on bank deposit.

Finance costs

Finance costs amounted to approximately HK$1.4 million for the Period compared to approximately HK$2.9 million for the 2025 Period. The decrease in finance costs primarily reflected a reduction in average outstanding loan balances compared with the 2025 Period.

Income tax

Income tax expenses mainly represented amounts of current tax paid or payable at the applicable tax rates in accordance with the relevant laws and regulations in Australia, Hong Kong and the PRC. During the Period, no provision for income tax was made since the Group does not have assessable profits for the Period.

Income tax expenses of approximately HK$1.0 million were recorded for the 2025 Period, which was due to the underprovision of profits tax in Australia and corporate income tax in the PRC.

PROSPECT

Looking ahead to the second half of 2026, 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 geopolitical tensions and 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.

LIQUIDITY AND FINANCIAL RESOURCES

The Group principally finances its operations through internally generated cash flow and borrowings. As at June 30, 2026, the Group had approximately HK$86.0 million cash and cash equivalents (as at December 31, 2025: approximately HK$59.3 million) and approximately HK$7.8 million in pledged bank deposits and time deposits with original maturity over three months (as at December 31, 2025: approximately HK$123.6 million). Interest-bearing borrowings of approximately HK$36.1 million denominated in Renminbi ("**RMB**") (as at December 31, 2025: approximately HK$95.5 million denominated in RMB).

CHARGES ON ASSET

As at June 30, 2026, assets with a total carrying amount of approximately HK$287.8 million (as at December 31, 2025: approximately HK$365.2 million) of the Group were pledged, including property, plant and equipment, right-of-use assets and bank deposits for the Group's borrowings.

CAPITAL STRUCTURE

As at June 30, 2026 and December 31, 2025, 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 AND OTHER RISK

The Group continued to receive United States Dollar and RMB from our sales to major customers during the Period, 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.

CAPITAL COMMITMENTS

Capital commitments contracted by the Group but not yet provided for in the consolidated financial statements as at June 30, 2026 amounted to approximately HK$20.3 million (as at December 31, 2025: approximately HK$20.0 million), which was mainly related to the acquisition of machineries.

CONTINGENT LIABILITIES

As at June 30, 2026, the Group had no contingent liabilities (as at December 31, 2025: Nil).

SIGNIFICANT INVESTMENT, MATERIAL ACQUISITION AND DISPOSAL

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

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Except the future plans as disclosed in the paragraph headed "Prospect", the Group had no other future plans for material investments or capital assets as at June 30, 2026.

EMPLOYEE INFORMATION AND REMUNERATION POLICIES

As at June 30, 2026, the Group had a total of 513 full-time employees across Chinese Mainland and Hong Kong (as at December 31, 2025: 539). 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 development opportunities according to their needs. During the Period, the Group incurred staff costs (including Directors' emoluments) of approximately HK$25.3 million (2025 Period: approximately HK$32.9 million). The Directors' remunerations 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, the results of the Group and the prevailing market rates.

EVENT AFTER REPORTING PERIOD

The Directors are not aware of any significant event requiring disclosure that has taken place subsequent to June 30, 2026 and up to the date of this report.

DISCLOSURE UNDER RULES 13.20, 13.21 AND 13.22 OF THE LISTING RULES

The Directors were not aware of any circumstances resulting in the responsibility of disclosure under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

INTERIM DIVIDEND

At the meeting of the Board held on August 24, 2026, the Board did not declare an interim dividend for the Period.

SHARE OPTION SCHEME

The Company's share option scheme (the "**Share Option Scheme**") expired on January 18, 2023 and there are no other share options schemes currently in force.

Following the expiry of the Share Option Scheme, as at the beginning of the Period (i.e. January 1, 2026) and the end of the Period (i.e. June 30, 2026), no options were available for grant under the Scheme Mandate Limit. Despite the fact that no further options may be granted under the Share Option Scheme, all other provisions shall remain in force to govern all the outstanding options previously granted until the end of the respective exercise periods.

As at the date hereof, no outstanding number of option is available for issuance under the Share Option Scheme, being the only share scheme (as defined in Chapter 17 of the Listing Rules) of the Company.

Details of the share options movements during the Period under the Share Option Scheme are as follows:

				Number of share options					
Name or category of grantee	**Date of grant of share options**	**Exercise price** (HKD)	**Exercise period**	**Balance as at January 1, 2026**	**Granted during the Period**	**Exercised during the Period**	**Lapsed during the Period**	**Cancelled during the Period**	**Balance as at June 30, 2026**
Directors									
Dr. Cheung Wah Keung	23/12/2019	0.396 (Note 1)	23/12/2019 – 22/12/2029 (Note 2)	1,200,000	–	–	–	–	1,200,000
Mr. Chan Kai Nang	23/12/2019	0.396 (Note 1)	23/12/2019 – 22/12/2029 (Note 2)	1,200,000	–	–	–	–	1,200,000
Other Participants									
Employees	23/12/2019	0.396 (Note 1)	23/12/2019 – 22/12/2029 (Note 2)	6,312,000	–	–	–	–	6,312,000
Service Providers (Note 3)	23/12/2019	0.396 (Note 1)	23/12/2019 – 22/12/2029 (Note 2)	10,800,000	–	–	–	–	10,800,000
Total				19,512,000	–	–	–	–	19,512,000

Notes:

* Save as disclosed herein, there are no other Directors, chief executive or substantial shareholders of the Company, or their respective associates that have been granted share options pursuant to the Share Option Scheme.

** No participants were granted options in excess of the 1% individual limit pursuant to the Share Option Scheme.

*** No related entity participant or service provider for goods or services were granted options exceeding 0.1% of the number of shares in issue in any 12-month period pursuant to the Share Option Scheme.

1. The closing price of the shares of the Company immediately before December 23, 2019, on which those options were granted, was HK$0.38.

2. The share options are exercisable for a period of 10 years from the date of grant, subject to the vesting period as follows: (i) 60% of the share options be vested on the date of grant; and (ii) 40% of the share options be vested on the first anniversary of the date of grant. No performance targets are attached to the options.

3. The share options were granted to a sales and marketing relations consultant appointed on July 1, 2019. The rationale for such grant was to serve as the consideration of the services provided by the consultant.

SHARE AWARD SCHEME

The Company adopted a share award scheme ("**Share Award Scheme**") on March 3, 2014 ("**Adoption Date**"). On March 1, 2024 (the "**Amendment Date**"), the Company has amended the Share Award Scheme by way of adopting the amended and restated Scheme Rules.

Who may join

Employee(s) are selected by the Board pursuant to the scheme rules for participation in the Share Award Scheme ("**Selected Employee(s)**").

The purpose and objective of the Share Award Scheme

The purposes of the Share Award Scheme are to recognise the contributions by Selected Employees and to give incentives thereto in order to retain them for the continual operation and development of the Group as part of talent retention program of the Group, and to attract suitable personnel for further development of the Group.

Operation of the Share Award Scheme

Bank of Communications Trustee Limited has been appointed as the trustee of the Share Award Scheme ("**Trustee**"). Pursuant to the scheme rules and the trust deed entered into with the Trustee, the Trustee shall purchase from the market or subscribe for the relevant number of shares awarded out of the Company's resources and shall transfer the relevant shares of the Company to that Selected Employee at no cost in accordance with the scheme rules.

Subject to any early termination as may be determined by the Board, the Share Award Scheme shall be valid and effective for a term of 10 years commencing on the Amendment Date and ending on the tenth (10th) anniversary of the Amendment Date.

Movement and position

The number of awards that are available for grant under the scheme limit (i.e. 60,000,000 shares) as at the beginning of the Period (i.e. January 1, 2026) and as at the end of the Period (i.e. June 30, 2026) were 54,619,000 shares.

As at the beginning and the end of the Period and as at the date of this report, there was no Awarded Shares outstanding under the Share Award Scheme.

No award was granted under the Share Award Scheme during the Period. No award was vested, cancelled or lapsed under the Share Award Scheme during the Period.

As no options or awards were granted during the Period, the number of shares that may be issued in respect of options and awards granted under all share schemes of the Company during the Period divided by the weighted average number of shares in issue for the Period is 0%.

INTERESTS AND SHORT POSITIONS OF THE DIRECTORS AND CHIEF EXECUTIVES OF THE COMPANY IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As at June 30, 2026, the interests or short positions of the Directors or chief executives of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("**SFO**")) required to be notified to the Company and the Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which would be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which would be required, pursuant to Model Code for Securities Transactions by Directors of Listed Companies as set out in Appendix C3 to the Listing Rules ("**Model Code**"), are as follows:

Long Position in the Shares

Name of Director	**Nature of interest**	**Number of ordinary shares**	**Number of underlying shares held pursuant to share options** *(Note 1)*	**Percentage of the issued share capital of the Company** *(Note 3)*
Mr. Pan Zhaolong	Other *(Note 2)*	900,000,000	–	75%
Dr. Cheung Wah Keung	Beneficial owner	–	1,200,000	0.10%
Mr. Chan Kai Nang	Beneficial owner	–	1,200,000	0.10%

Notes:

1. Details of share options held by Directors are set out in the section headed "Share Option Scheme".

2. Easy Star Holdings Limited is the registered holder of the 900,000,000 shares of the Company. Easy Star Holdings Limited is wholly-owned by Pantellus Ltd. The entire issued share capital of Pantellus Ltd. Limited was owned by Highvern Cayman Limited. as trustee for The Pan Family Trust, a discretionary trust under which Mr. Pan Zhaolong, the Chairman, executive Director and chief executive officer of the Company, is a nominated beneficiary.

3. The percentage represents the number of shares of the Company interested divided by the number of the issued shares of the Company as at June 30, 2026 (i.e. 1,200,000,000 shares).

Save as disclosed above, as at June 30, 2026, none of the Directors or chief executives of the Company had or was deemed to have any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO PURCHASE SHARES OR DEBENTURES

Save as disclosed under the headings "Share Option Scheme" and "Share Award Scheme", at no time during the Period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS

As at June 30, 2026, the following persons (other than the Directors and chief executives of the Company) had or deemed or taken to have an interest and/or short position in the shares or the underlying shares which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under section 336 of the SFO:

Long Position in the Share

Name	**Capacity**	**Number of Shares**	**Approximate Percentage of Shareholding** *(Note 2)*
Easy Star Holdings Limited ("**Easy Star**") *(Note 1)*	Beneficial owner	900,000,000	75%
Pantellus Ltd. *(Note 1)*	Interest in controlled corporation	900,000,000	75%
Highvern Cayman Limited *(Note 1)*	Trustee	900,000,000	75%

Notes:

1. Easy Star was the registered holder of the 900,000,000 shares. Easy Star was wholly-owned by Pantellus Ltd. The entire issued share capital of Pantellus Ltd. was owned by Highvern Cayman Limited. as trustee for The Pan Family Trust. The Pan Family Trust was a discretionary trust. Mr. Pan Zhaolong, the Chairman, executive Director and chief executive officer of the Company, is a nominated beneficiary under The Pan Family Trust.

2. The percentage represents the number of shares of the Company interested divided by the number of the issued shares of the Company as at June 30, 2026 (i.e. 1,200,000,000 shares).

Save as disclosed above, as at June 30, 2026, the Directors were not aware of any other person (other than the Directors and chief executive of the Company) who had an interest or short position in the shares, underlying shares or debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or any other substantial Shareholders whose interests or short positions were recorded in the register required to be kept by the Company under Section 336 of the SFO.

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 Group has applied the principles and complied with the code provisions of the Corporate Governance Code ("**CG Code**") as set out in Appendix C1 to the Listing Rules throughout the Period 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.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code set out in Appendix C3 to the 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 Period.

CHANGES OF DIRECTORS' INFORMATION

There is no change in the information of the Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules after the annual report for the year ended 31 December 2025.

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 Period. Neither the Company nor any of its subsidiaries purchased or sold any of the Company's listed securities (including sale of treasury shares) during the Period. As at June 30, 2026, the Company held no treasury shares.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information available to the Company and within the knowledge of the Directors, the Company maintained a sufficient public float as required under the Listing Rules as at the date hereof.

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 Dr. Cheung Wah Keung, Mr. Chan Kai Nang and Mr. Man Yiu Kwong Nick.

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

REVIEW OF INTERIM RESULTS

The condensed consolidated financial statements for the Period have not been audited, but have been reviewed by the Audit Committee.

By order of the Board

Pan Zhaolong
Chairman and Executive Director

Hong Kong, August 24, 2026

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