

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.



NAMYUE HOLDINGS LIMITED

南粵控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 01058)

INSIDE INFORMATION PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform the shareholders of the Company and potential investors that, based on a preliminary assessment of the Company's unaudited consolidated management accounts for the year ended 31 December 2023, the unaudited consolidated net loss of the Company for the year ended 31 December 2023 is expected to be not more than HK\$67 million, an increase in loss of approximately 53%, compared with the audited consolidated net loss of HK\$43.93 million in 2022.

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

This announcement is made by Namyue Holdings Limited (the "Company") pursuant to Rule 13.09(2)(a) 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO").

The board of directors (the “Board”) of the Company wishes to inform the shareholders of the Company and potential investors that, based on a preliminary assessment of the Company’s unaudited consolidated management accounts for the year ended 31 December 2023, the unaudited consolidated net loss of the Company for the year ended 31 December 2023 is expected to be not more than HK\$67 million, an increase in loss of approximately 53%, compared with the audited consolidated net loss of HK\$43.93 million in 2022.

The expected increase in consolidated net loss was mainly due to the significant increase in provision for inventories. Notwithstanding the decline in market price of cowhides at the beginning of 2024, the higher inventory costs of the cowhides procured by the Group in the first half of 2023 and the lower grade of certain products, coupled with the high unit cost of production due to insufficient production capacity led to a lack of competitive advantage in terms of cost compared to similar products in the market and instances of declining selling prices for certain products in stock. Due to indications of impairment in value of certain products in the Group's inventories at the end of 2023, the Group plans to make provision for inventories of HK\$22 million in accordance with the principle that the relevant inventory cost exceeds the net realizable value, resulting in a significant increase in provision for inventories in 2023 as compared to 2022.

The information contained in this announcement is only based on the preliminary assessment made by the Board with reference to the unaudited consolidated management accounts of the Company for the year ended 31 December 2023 and other information currently available to the Board, which have not been reviewed by the auditor of the Company. Further, the information in this announcement is not based on any figures or information reviewed or approved by the audit committee of the Board. The Company is still in the process of finalizing its consolidated results for the year ended 31 December 2023, which are subject to possible adjustments upon further review. The audited annual results of the Company for the year ended 31 December 2023 are expected to be published by the end of March 2024.

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

By Order of the Board
Zhou Hao
Chairman and Managing Director

Hong Kong, 18 March 2024

As at the date of this announcement, the Board comprises two Executive Directors, namely, Mr. Zhou Hao and Mr. Liao Siyang; two Non-Executive Directors, namely, Huang Junfeng and Mr. Kuang Hu; and three Independent Non-Executive Directors, namely, Mr. Yeung Man Lee, Mr. Leung Luen Cheong and Mr. Yang Ge.