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NAMYUE HOLDINGS LIMITED

南粵控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 01058)

**UNAUDITED FINANCIAL INFORMATION
FOR THE THREE MONTHS ENDED 31 MARCH 2023**

The board of directors (the “Board”) of Namyue Holdings Limited (the “Company”) announces the unaudited financial information of the Company and its subsidiaries (the “Group”) for the three months ended 31 March 2023 together with comparative figures. This announcement is made by the Company on a voluntary basis in order to further enhance the level of corporate governance and transparency.

FINANCIAL HIGHLIGHTS			
	For the three months ended 31 March		Change
	2023	2022	
	(Unaudited)	(Unaudited)	%
	HK\$'000	HK\$'000	
Revenue	11,582	23,405	-50.5
Consolidated loss attributable to shareholders of the Company	(11,415)	(10,280)	-11.0
	At 31 March	At 31 December	
	2023	2022	<i>Note</i>
	(Unaudited)	(Audited)	
	HK\$'000	HK\$'000	
Total assets	167,799	174,007	
Shareholders' equity	110,821	120,013	

Note:

The financial information relating to the year ended 31 December 2022 included in this announcement as comparative information does not constitute the statutory annual consolidated financial statements of the Company for that year but is derived from those consolidated financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Chapter 622) is as follows:

The Company will deliver the consolidated financial statements for the year ended 31 December 2022 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Chapter 622) in due course. The auditor's report has been prepared on the consolidated financial statements for the year ended 31 December 2022. The independent auditor's report was unqualified; did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance (Chapter 622).

PERFORMANCE HIGHLIGHTS

For the three months ended 31 March 2023, with the lifting of the lockdown restrictions, people mobility and economic activities gradually resume. However, the internal and external environment of the leather industry was still influenced by the unfavourable situation, where lagging sales in the international and domestic markets. The footwear leather industry remains bogged down and both the production and sales volume of the Group were decreased as compared for the same period of last year.

For the three months ended 31 March 2023, the total production volume of cowhides was 803,000 sq. ft., representing a decrease of 220,000 sq. ft. or 21.5% as compared to 1,023,000 sq. ft. for the same period of last year. The production volume of grey hides was nil, representing a decrease of 100% as compared to 78 tons for the same period of last year. The total sales volume of cowhides was 876,000 sq. ft., representing a decrease of 749,000 sq. ft. or 46.1% as compared to 1,625,000 sq. ft. for the same period of last year. The sales volume of grey hides was nil, representing a decrease of 100% as compared to 78 tons for the same period of last year.

For the three months ended 31 March 2023 the consolidated turnover of the Group was HK\$11,582,000, representing a decrease of HK\$11,823,000 or 50.5% from HK\$23,405,000 for the same period of last year, of which the sales value of cowhides amounted to HK\$11,582,000 (three months ended 31 March 2022: HK\$22,965,000), representing a decrease of 49.6%, and that of grey hides and other products amounted to nil (three months ended 31 March 2022: HK\$440,000), representing a decrease of 100%. The decline in turnover was mainly attributable to the decrease in the sales volume of cowhides. The consolidated loss attributable to shareholders of the Company was HK\$11,415,000, representing an increase of loss of HK\$1,135,000 or 11.0% as compared to HK\$10,280,000 for the same period of last year.

CAUTION STATEMENT

Shareholders of the Company and potential investors should note that the above financial information is based on the Company's internal records and management accounts. The above financial information for the three months ended 31 March 2023 have not been reviewed or audited by the independent auditor of the Company. Accordingly, the information contained in this announcement shall in no way be regarded as to provide any indication of or assurance on the financial results of the Group for the three months ended 31 March 2023.

Shareholders of the Company and potential investors are urged to exercise caution in dealing in the securities of the Company and are recommended to consult their own professional advisers if they are in doubt as to their investment positions.

By Order of the Board
Zhou Hao
Chairman

Hong Kong, 28 April 2023

As at the date of this announcement, the Board comprises two Executive Directors, namely, Mr. Zhou Hao and Mr. Sun Jun; two Non-Executive Directors, namely, Mr. 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.