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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)**

## **INSIDE INFORMATION EXPECTED DECREASE IN LOSS**

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 six months ended 30 June 2024, the unaudited consolidated net loss of the Company for the six months ended 30 June 2024 is expected to be not more than HK\$7 million, a decrease in loss of approximately 68%, compared with the unaudited consolidated net loss of HK\$21.65 million for the corresponding period in 2023.

**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 six months ended 30 June 2024, the unaudited consolidated net loss of the Company for the six months ended 30 June 2024 is expected to be not more than HK\$7 million, a decrease in loss of approximately 68%, compared with the unaudited consolidated net loss of HK\$21.65 million for the corresponding period in 2023. During the period, the Group continued to implement high-quality development plan and made every effort to promote business model transformation in various aspects. The adjustment of the business model has driven the entire production process, effectively reduced unit fixed costs, brought positive gross profit impact to the Group, and effectively curbed the downward trend of the operating situation, achieving the expected goals of stabilizing operations and production, and enhancing operating capabilities, and improving business quality steadily. The expected decrease in the consolidated net loss was mainly due to the following factors:

- (i) With the reorganization of the operation and sales teams, the Group made unremitting efforts during the period to continue to promote the sales and reduction of inventory through diversified channels. The Group sold some of the substandard and unsatisfactory inventory from last year at the best price, to achieve the goals set at the beginning of the year. The increase in reversal of provision for inventories caused gross profit to turn from loss to profit; and
- (ii) A decrease in administrative expenses which was mainly attributable to a reduction in employee compensation compared to the corresponding period of last year.

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 six months ended 30 June 2024 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 six months ended 30 June 2024, which are subject to possible adjustments upon further review. The interim results of the Company for the six months ended 30 June 2024 are expected to be published by the end of August 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, 9 August 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, 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.*