



PROFIT WARNING FOR FIRST HALF ENDED 30 JUNE 2020

The Board of Directors (the “**Board**”) of Pan Asian Holdings Limited (the “**Company**”) wishes to announce that based on the preliminary review of the draft financial results for the first half ended 30 June 2020 (“**1HFY2020**”), the Company is expected to report a net loss for 1HFY2020.

The expected net loss for 1HFY2020 is mainly attributable to:

- (a) the significant impact of COVID-19 on the Company’s operations as highlighted in the Company’s COVID-19 Business Update published on SGXNet on 8 April 2020. The measures taken by the Governments around the world has impacted the Group’s business. The Group has in 1HFY2020 experienced delays from its suppliers in Asia and Europe to deliver its current order book. Sales and marketing activities have also been put on hold due to restrictions on traveling and holding exhibitions by the Governments to curb the spread of COVID-19.; and
- (b) the possibility of bad debt recognition on the Group’s trade receivables and the recognition of allowances for impairment of the Company’s trade receivables and inventories. The aforesaid are attributable to the COVID-19 situation, which has adversely affected our customers.

The Company is still in the process of finalising its results for 1HFY2020 and will provide further details of the Company’s performance when it releases the financial results on or before 14 August 2020.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company. Persons who are in doubt as to the action they should take should consult their stockbrokers, bankers, solicitors, accountants or other professional advisers.

BY ORDER OF THE BOARD

Richard Koh Chye Heng
Executive Chairman
7 August 2020

This announcement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “Sponsor”) in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Jennifer Tan, Associate Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and Email: sponsorship@ppcf.com.sg).