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Yun Lee Marine Group Holdings Limited

潤利海事集團控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2682)

PROFIT WARNING

This announcement is made by Yun Lee Marine Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) 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 board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “Shareholders”) and potential investors that, based on a preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 September 2024 (the “**Period**”) and assessment of the information currently available, it is expected that the Group’s unaudited profits attributable to the owners of the Company will decrease by approximately 52.5% to approximately HK\$10.5 million for the Period as compared to the profits attributable to the owners of the Company of approximately HK\$22.2 million (restated) for the six months ended 30 September 2023. Such expected decrease in the Group’s unaudited profits attributable to the equity owner of the Company for the Period was mainly attributable to absence of one-off gain on deemed disposal of equity interest in an associate for the acquisition and business combination of Yun Lee (Tim Kee) Marine Construction Limited and its subsidiary recognised in the six months ended 30 September 2023 of approximately HK\$11.9 million during the Period. Notwithstanding the above, the Group expected to record a slight increase in both revenue and gross profit during the Period.

Pursuant to HKFRS 3 “Business Combination”, if the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group shall report in its consolidated financial statements provisional amounts for the items for which the accounting is incomplete.

The Group held 17% equity interest in Yun Lee (Tim Kee) Marine Construction Limited (“YLTK”) at 31 March 2023 and acquired additional 34% of equity interest from two shareholders of YLTK during the six months ended 30 September 2023 (the “Acquisition”), following which the Group owns 51% equity interest in YLTK. The Group recognised in its condensed consolidated financial statements for the six months ended 30 September 2023 provisional amounts of fair value of identifiable assets acquired and liabilities assumed and goodwill. During the year ended 31 March 2024 (i.e. within the measurement period), the Group retrospectively adjusted the provisional amounts of YLTK recognised at the acquisition date and recognised additional assets including intangible asset and financial asset at fair value through profit or loss to reflect new information obtained about facts and circumstance that existed as of acquisition date which have affected the identification and measurement of the amounts recognised as of that date. The Group retrospectively adjusted the 2023 comparative information on the condensed consolidated statement of profit or loss for the six months ended 30 September 2024.

As the Company is still in the process of finalising the final results of the Group for the Period, the information contained in this announcement is only a preliminary assessment by the Board based on the latest information currently available, which has not been audited by the Company’s auditors, and is subject to finalisation and adjustments when necessary. The interim results announcement of the Company for the Period is expected to be published in November 2024.

Shareholders of the Company and potential investors should exercise caution when dealing in the securities of the Company.

By order of the Board
Yun Lee Marine Group Holdings Limited
Chairman and executive Director
Mr. Wen Tsz Kit Bondy

Hong Kong, 8 November 2024

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Wen Tsz Kit Bondy and Ms. Chan Sau Ling Amy, and three independent non-executive Directors, namely Ms. Chan Hei Ting, Ms. Hong Ting and Mr. Ng Simon.