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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)

ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 MARCH 2025

HIGHLIGHTS

- The net profit for the year attributable to owners of the Company has decreased by 37.3%, from approximately HK\$31,584,000 for the year ended 31 March 2024 to approximately HK\$19,807,000 for the year ended 31 March 2025.
- Basic earnings per share for the year ended 31 March 2025 was approximately HK1.98 cents (2024: HK3.16 cents).
- The Board has resolved to recommend the payment of a final dividend of HK1.0 cent per ordinary share in respect of the year ended 31 March 2025 (2024: HK1.0 cent). The proposed final dividend which totals HK\$10,000,000 (2024: HK\$10,000,000), if approved at the forthcoming annual general meeting, will be paid on 26 September 2025 to the shareholders on the register of members as at 3 September 2025.

ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2025

The board (the “**Board**”) of directors (the “**Director(s)**”) of Yun Lee Marine Group Holdings Limited (the “**Company**”) is pleased to announce the consolidated results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 March 2025, together with the comparative figures for the previous year, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2025

	Notes	2025 HK\$'000	2024 HK\$'000
Revenue	3	373,187	334,604
Cost of revenue		(274,623)	(245,194)
Gross profit		98,564	89,410
Other income	4	3,983	2,667
Other gains and losses, net	5	1,771	11,203
Impairment loss (recognised) reversed under expected credit loss model, net		(848)	311
Administrative expenses		(68,782)	(68,413)
Finance costs	6	(708)	(824)
Share of result of an associate		(107)	277
Profit before taxation		33,873	34,631
Income tax expenses	7	(1,368)	(5,095)
Profit for the year	8	32,505	29,536
Profit (loss) for the year attributable to:			
– owners of the Company		19,807	31,584
– non-controlling interests		12,698	(2,048)
		32,505	29,536
Earnings per share – Basic (HK cents)	10	1.98	3.16

	2025	2024
	HK\$'000	HK\$'000
Profit for the year	32,505	29,536
Other comprehensive (expense) income for the year		
Items that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on the translation of foreign operations	(1)	1
Total comprehensive income for the year	32,504	29,537
Total comprehensive income (expense) for the year attributable to:		
– owners of the Company	19,806	31,585
– non-controlling interests	12,698	(2,048)
	32,504	29,537

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2025

	Notes	2025 HK\$'000	2024 HK\$'000
Non-current assets			
Property, plant and equipment		119,186	126,707
Right-of-use assets		8,387	11,518
Interests in associates		3,327	3,434
Other non-current asset		3,100	3,100
Goodwill	11	16,986	25,400
Intangible asset		5,661	8,491
Financial asset at fair value through profit or loss ("FVTPL")		—	2,628
Rental deposits		459	457
Deferred tax assets		1,129	1,320
		<u>158,235</u>	<u>183,055</u>
Current assets			
Trade and other receivables	12	84,297	71,380
Contract assets		58,586	52,192
Amount due from an associate		7	10
Tax recoverable		1,659	1,534
Financial asset at FVTPL		12,611	—
Time deposits		51,538	58,134
Cash and cash equivalents		73,572	76,577
		<u>282,270</u>	<u>259,827</u>
Current liabilities			
Trade and other payables	13	54,341	56,102
Promissory note payable		—	12,422
Amounts due to non-controlling shareholders of subsidiaries		42,961	42,088
Bank and other borrowings		7,385	8,296
Lease liabilities		4,943	5,256
Tax payables		4,847	7,358
		<u>114,477</u>	<u>131,522</u>
Net current assets		<u>167,793</u>	<u>128,305</u>
Total assets less current liabilities		<u>326,028</u>	<u>311,360</u>

	Note	2025 HK\$'000	2024 HK\$'000
Non-current liabilities			
Bank and other borrowings		—	199
Lease liabilities		3,764	6,504
Deferred tax liabilities		14,436	15,413
		<u>18,200</u>	<u>22,116</u>
Net assets		<u>307,828</u>	<u>289,244</u>
Capital and reserves			
Share capital	14	10,000	10,000
Reserves		264,779	254,973
		<u>274,779</u>	<u>264,973</u>
Equity attributable to owners of the Company		274,779	264,973
Non-controlling interests		33,049	24,271
		<u>307,828</u>	<u>289,244</u>
Total equity		<u>307,828</u>	<u>289,244</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands and registered as an exempted company with limited liability under the Companies Law Chapter 22 of the Cayman Islands on 21 February 2018. Its immediate and ultimate holding company is Kitling Investments (BVI) Limited (“**Kitling (BVI)**”). The ultimate controlling shareholders of the Company and its subsidiaries (the “**Group**”) are Mr. Wen Tsz Kit Bondy (“**Mr. Wen**”) and Ms. Chan Sau Ling Amy (“**Ms. Chan**”), the spouse of Mr. Wen (collectively as “**the Controlling Shareholders**”). The address of the registered office of the Company is 89 Nexus Way, Camana Bay, Grand Cayman, KY1-9009, Cayman Islands. The principal place of business of the Company is Flat D, 31/F., Billion Plaza II, 10 Cheung Yue Street, Cheung Sha Wan, Kowloon, Hong Kong.

The Company is an investment holding company. The principal activities of its subsidiaries are provision of (i) vessel chartering and related services; (ii) ship management services; (iii) marine construction services; and (iv) trading of machineries and equipment related to marine and construction industries in Hong Kong.

The consolidated financial statements are presented in Hong Kong Dollars (“**HK\$**”), which is the same as the functional currency of the Company and its subsidiaries.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Amendments to HKFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 April 2024 for the preparation of the consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5(2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

Except as described below, the application of the amendments to HKFRS Accounting Standards in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Impacts on application of Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) (the “2020 Amendments”) and Amendments to HKAS 1 Non-current Liabilities with Covenants (the “2022 Amendments”)

The Group has applied the amendments for the first time in the current year.

The 2020 Amendments provide clarification and additional guidance on the assessment of right to defer settlement for at least twelve months from reporting date for classification of liabilities as current or noncurrent, which:

- specify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. Specifically, the classification should not be affected by management intentions or expectations to settle the liability within 12 months.
- clarify that the settlement of a liability can be a transfer of cash, goods or services, or the entity’s own equity instruments to the counterparty. If a liability has terms that could, at the option of the counterparty, result in its settlement by the transfer of the entity’s own equity instruments, these terms do not affect its classification as current or non-current only if the entity recognises the option separately as an equity instrument applying HKAS 32 Financial Instruments: Presentation.

For rights to defer settlement for at least twelve months from reporting date which are conditional on the compliance with covenants, the 2022 Amendments specifically clarify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity’s right to defer settlement of a liability for at least twelve months after the reporting date, even if compliance with the covenant is assessed only after the reporting date. The 2022 Amendments also specify that covenants with which an entity must comply after the reporting date (i.e. future covenants) do not affect the classification of a liability as current or non-current at the reporting date. However, if the entity’s right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants, the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

In accordance with the transition provision, the Group has applied the new accounting policy to the classification of liability as current or non-current retrospectively. The application of the amendments in the current year had no material impact on the consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

Revenue represents revenue arising from provision of vessel chartering and related services and ship management services.

Information reported to the executive director of the Company, Mr. Wen Tsz Kit Bondy (“**Mr. Wen**”), being the chief operating decision maker (the “**CODM**”) of the Group, for the purposes of resource allocation and assessment of segment performance focuses on types of service provided. The Group’s operating segments are classified as (i) vessel chartering and related services; (ii) ship management services; and (iii) marine construction services. The details of the Group’s operating segments are as follows:

- | | |
|---|---|
| (i) Vessel chartering and related services: | The Group provides vessel chartering services mainly to contractors for construction projects in Hong Kong, including time chartering representing the hiring of vessel and crew for a specific period of time and voyage chartering representing the hiring of vessel and crew for a specific voyage between two designated locations. |
| (ii) Ship management services: | The Group provides ship management services for two vessels which transport the dewatered sludge from Stonecutters Island and other designated sites to the sludge treatment facilities located at Nim Wan, Tuen Mun. The Group is responsible for the provision of crew members for daily operation and the repair and maintenance services. |
| (iii) Marine construction services: | The Group provides marine construction and engineering services and mainly to contractors for marine construction projects in Hong Kong. |

These operating segments also represent the Group’s reportable segments. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

Segment revenues and results

The following is an analysis of the Group's revenue and results by operating and reportable segments:

Year ended 31 March 2025

	Vessel chartering and related services HK\$'000	Ship management services HK\$'000	Marine construction services HK\$'000	Eliminations HK\$'000	Total HK\$'000
SEGMENT REVENUE					
External revenue	130,933	26,718	215,536	—	373,187
Inter-segment revenue	<u>17,172</u>	<u>—</u>	<u>1,958</u>	<u>(19,130)</u>	<u>—</u>
Total	<u>148,105</u>	<u>26,718</u>	<u>217,494</u>	<u>(19,130)</u>	<u>373,187</u>
Segment profit	<u>56,502</u>	<u>11,458</u>	<u>29,756</u>	<u>—</u>	97,716
Other income					3,983
Other gains and losses, net					1,771
Administrative expenses					(68,782)
Finance costs					(708)
Share of result of an associate					<u>(107)</u>
Profit before taxation					<u>33,873</u>

Year ended 31 March 2024

	Vessel chartering and related services HK\$'000	Ship management services HK\$'000	Marine construction services HK\$'000	Eliminations HK\$'000	Total HK\$'000
SEGMENT REVENUE					
External revenue	145,475	26,379	162,750	—	334,604
Inter-segment revenue	<u>13,413</u>	<u>—</u>	<u>1,448</u>	<u>(14,861)</u>	<u>—</u>
Total	<u>158,888</u>	<u>26,379</u>	<u>164,198</u>	<u>(14,861)</u>	<u>334,604</u>
Segment profit	<u>63,221</u>	<u>12,084</u>	<u>14,416</u>	<u>—</u>	89,721
Other income					2,667
Other gains and losses, net					11,203
Administrative expenses					(68,413)
Finance costs					(824)
Share of result of an associate					<u>277</u>
Profit before taxation					<u>34,631</u>

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit represents the profit before taxation earned by each segment without allocation of share of result of an associate, other income, other gains and losses, administrative expenses and finance costs. This is the measure reported to the CODM of the Group for the purpose of resource allocation and performance assessment.

Except as disclosed above, no other amounts are regularly provided to the CODM of the Group and therefore, no further analysis is presented.

Segment assets and liabilities

No analysis of segment assets or segment liabilities is presented as they are not regularly provided to the CODM of the Group on making decision for resource allocation and performance assessment.

4. OTHER INCOME

	2025	2024
	HK\$'000	HK\$'000
Interest income from banks	2,211	1,870
Management fee income	672	360
Insurance refund	1,063	394
Others	37	43
	<u>3,983</u>	<u>2,667</u>

5. OTHER GAINS AND LOSSES, NET

	2025	2024
	HK\$'000	HK\$'000
Loss on disposal of property, plant and equipment	—	(21)
Loss on lease modification	(23)	—
Fair value changes of financial asset/liability at FVTPL	9,908	(406)
Impairment loss recognised on goodwill	(8,414)	—
Gain on deemed disposal of equity interest of an associate	—	11,900
Gain on disposal of scrapped materials	297	—
Exchange gain (loss)	3	(272)
Others	—	2
	<u>1,771</u>	<u>11,203</u>

6. FINANCE COSTS

	2025	2024
	HK\$'000	HK\$'000
Interest on bank and other borrowings	297	322
Interest on lease liabilities	411	502
	<u>708</u>	<u>824</u>

7. INCOME TAX EXPENSES

	2025 HK\$'000	2024 HK\$'000
Hong Kong Profits Tax		
– Current year	3,531	4,415
– Overprovision in prior years	(1,377)	—
	<u>2,154</u>	<u>4,415</u>
Deferred tax		
Current year	(786)	680
	<u>1,368</u>	<u>5,095</u>

8. PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR

	2025 HK\$'000	2024 HK\$'000
Profit and total comprehensive income for the year has been arrived at after charging:		
Staff costs, including directors' remuneration		
– Salaries and other allowances	118,997	102,637
– Retirement benefit scheme contributions	3,278	2,930
Total staff costs	<u>122,275</u>	<u>105,567</u>
Amortisation of an intangible asset	2,830	2,830
Depreciation of property, plant and equipment	12,085	11,691
Depreciation of right-of-use assets	5,654	5,424
Auditor's remuneration	<u>1,100</u>	<u>1,500</u>

9. DIVIDENDS

	2025	2024
	HK\$'000	HK\$'000
Dividends for ordinary shareholders of the Company recognised as distribution during the year:		
2024 Final - HK1.0 cent (2023 Final: HK1.8 cents)	<u>10,000</u>	<u>18,000</u>

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 March 2025 of HK1.0 cent (2024: HK1.0 cent) per ordinary share, in an aggregate amount of HK\$10,000,000 (2024: HK\$10,000,000), has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming general meeting.

10. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to owners of the Company is based on the following data:

	2025	2024
Earnings:		
Profit for the year attributable to owners of the Company		
for purpose of basic earnings per share (HK\$'000)	<u>19,807</u>	<u>31,584</u>
Number of shares:		
Weighted average number of ordinary shares for the purpose		
of basic earnings per share (in thousand)	<u>1,000,000</u>	<u>1,000,000</u>

No diluted earnings per share is presented for both years as there was no potential ordinary share in issue.

11. BUSINESS COMBINATION

On 13 January 2023, the Group entered into a sale and purchase agreement to acquire additional 34% of equity interest from two shareholders of Yun Lee (Tim Kee) Marine Construction Limited (“**YLTK**”) (the “**Vendors**”) at a total consideration of HK\$23,800,000. The Group is required to pay to the Vendors a total amount of HK\$11,900,000 in cash up to the completion date and the remaining balance of HK\$11,900,000 was settled by promissory note. The promissory note had an interest of 5% per annum with a maturity date of 12 months from the completion date.

12. TRADE AND OTHER RECEIVABLES

The Group allows a credit period of 30 to 90 days (2024: 30 to 90 days) to its trade customers.

The following is an aged analysis of trade receivables net of allowance for credit losses presented based on the invoice date at the end of the reporting period:

	2025 HK\$'000	2024 HK\$'000
Within 30 days	33,146	32,044
31 to 60 days	9,121	10,068
61 to 90 days	8,436	5,446
91 to 120 days	7,745	5,039
Over 120 days	16,889	8,749
	<u>75,337</u>	<u>61,346</u>

13. TRADE AND OTHER PAYABLES

The credit period of trade payables is from 30 to 60 days from the invoice date.

The following is an aged analysis of trade payables based on the invoice date at the end of each reporting period.

	2025 HK\$'000	2024 HK\$'000
Within 30 days	12,830	13,643
31 to 60 days	9,329	12,404
61 to 90 days	4,767	1,717
91 to 120 days	840	197
Over 120 days	9,698	7,921
	<u>37,464</u>	<u>35,882</u>

14. SHARE CAPITAL

	Number of shares	Amount HK\$	Shown as HK\$'000
Ordinary shares of HK\$0.01 each			
Authorised			
At 1 April 2023, 31 March 2024 and 31 March 2025	<u>5,000,000,000</u>	<u>50,000,000</u>	<u>N/A</u>
Issued and fully paid			
At 1 April 2023, 31 March 2024 and 31 March 2025	<u>1,000,000,000</u>	<u>10,000,000</u>	<u>10,000</u>

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS PROSPECTS

As there are numbers of high-profile development projects and infrastructure projects related to marine construction works initiated by the government of Hong Kong which reached their final stage in recent years, management of the Group expects the demand of the Group's vessel chartering and related services for these marine construction projects would diminish gradually. On the other hand, for marine construction services, the acquisition of 34% equity interest in YLTK (the “**Acquisition**”) allows the Group to capitalise on the majority of the duration and revenue of two subcontracts marine construction agreements (the “**Sub-contracts**”) with contract sum of approximately HK\$540 million, providing the Group with a long-term, stable and major customer until March 2027 which are expected to contribute to the Group's revenue in the future.

Group has established a trading business arm for the trading of machineries and equipment related to marine and construction industries (the “**New Business Activities**”). The New Business Activities will complement the existing businesses of the Group by providing different products to its clients, which will diversify the Group's revenue streams. It is expected that the New Business Activities will potentially generate additional revenue growth and operation returns to the Group from time to time, which is in the interests of the Company and its shareholders as a whole. The Group intends to fund the New Business Activities with its internal financial resources. The Group is currently exploring a potential cooperation with an independent business entity which is engaging in the production and sales of machineries and equipment for construction industry.

The Group will continue to invest in its vessel fleet and identify other opportunities in order to capture such business opportunities.

Hong Kong has a long coastal line and the Government of Hong Kong SAR (the “**Government**”) is dedicated to improving the infrastructure of Hong Kong. As a result, the Directors believe that the long term outlook of the local marine construction market remains promising. The Company is in constant contact with the relevant departments within the government setup and are constantly being updated on the Government’s directions.

Overall speaking, management of the Group is cautiously optimistic about the on-going growth of revenue and profits from the Group’s vessel leasing and related services, ship management and marine construction business in the short coming future.

FINANCIAL REVIEW

Revenue

The Group’s total revenue increased by approximately 11.5%, from HK\$334,604,000 for the year ended 31 March 2024 to HK\$373,187,000 for the year ended 31 March 2025. Such increase was mainly attributed by a net effect of (i) the decreased revenue of vessel chartering and related services as result of decrease in the demands for the Group’s overall vessel chartering and related services from other short term marine services projects during the year; and (ii) the increased revenue of marine construction services as a result of improved progress of certain sizeable projects during the year.

Cost of revenue

The Group's cost of revenue primarily consists of vessel chartering costs, staff costs and related expenses, subcontracting fees, repair and maintenance expenses, fuel costs, depreciation expenses, and other costs. The cost of revenue increased by approximately 12.0%, from HK\$245,194,000 for the year ended 31 March 2024 to HK\$274,623,000 for the year ended 31 March 2025, which was mainly represented by a net effect of (i) the decreased vessel chartering expenses payable to third-party vessel suppliers and other costs related to services rendered to short term marine services projects; and (ii) the increased construction and engineering costs of the marine construction projects as a result of improved progress of certain sizeable projects during the year.

Gross profit and gross profit margins

The Group's gross profit increased by approximately 10.2%, from HK\$89,410,000 for the year ended 31 March 2024 to HK\$98,564,000 for the year ended 31 March 2025. Meanwhile, the Group's gross profit margin decreased slightly by approximately 0.3 percentage point from approximately 26.7% for the year ended 31 March 2024 to approximately 26.4% for the year ended 31 March 2025, which was mainly due to combined effect of (i) the aforesaid decrease in the provision of third-party owned vessels, which generated relatively lower gross profit margin than the Group's self-owned vessels; and (ii) the lower gross profit margin of approximately 13.7% contributed by marine construction services segment after the Acquisition as a result of significant upfront costs incurred during the earlier stage of the Sub-contracts during the year.

Other income

The Group's other income increased by approximately 49.3%, from HK\$2,667,000 for the year ended 31 March 2024 to HK\$3,983,000 for the year ended 31 March 2025. The increase was mainly due to (i) increase in bank interest income of HK\$341,000; and (ii) increase in income from compensation of insurance refund covered by insurance policies of HK\$669,000 during the year.

Other gains and losses, net

The Group's other gains decreased from other losses of HK\$11,203,000 for the year ended 31 March 2024 to other gains of HK\$1,771,000 for the year ended 31 March 2025. Such decrease was mainly due to (i) absence of one-off gain on deemed disposal of equity interest in an associate for the acquisition and business combination of YLTK and its subsidiary recognised in the year ended 31 March 2024 of HK\$11,900,000 during the year; (ii) increase in fair value gain on a financial asset/liability at fair value through profit of loss of HK\$10,314,000 during the year; and (iii) impairment loss recognised on goodwill for the acquisition of equity interest of YLTK of HK\$8,414,000 during the year.

Administrative expenses

The Group's administrative expenses increased slightly by approximately 0.5%, from HK\$68,413,000 for the year ended 31 March 2024 to HK\$68,782,000 for the year ended 31 March 2025.

Finance costs

The Group's finance costs decreased from HK\$824,000 for the year ended 31 March 2024 to HK\$708,000 for the year ended 31 March 2025, which was attributable by a combined effect of (i) the recognition of interest expenses from the new leases on lease liabilities; and (ii) decreased interest expenses of bank and other borrowings as a result of gradual repayments of bank and other borrowings during the year.

Share of result of an associate

The Group recorded share of loss from an associate of HK\$107,000 during the year ended 31 March 2025 (2024: share of profit of HK\$277,000). Such change mainly represented by the share of profit of Eastlink Marine Services Limited.

Income tax expenses

For the year ended 31 March 2025, the Group's income tax expenses were HK\$1,368,000 (2024: HK\$5,095,000), and the effective tax rate was approximately 4.0% (2024: approximately 14.7%). The decrease in effective tax rate was mainly due to a combined effect of (i) over provision of tax in prior years; and (ii) successful application of tax concession of using 8.25% for ship management services segment.

Profit and total comprehensive income for the year attributable to owners of the Company

As a result of the foregoing, the Group's profit for the year attributable to owners of the Company decreased by approximately 37.3%, from HK\$31,584,000 for the year ended 31 March 2024 to HK\$19,807,000 for the year ended 31 March 2025. Basic earnings per share attributable to owners of the Company decreased from approximately HK3.16 cents for the year ended 31 March 2024 to approximately HK1.98 cents for the year ended 31 March 2025.

Dividend

The Board has resolved to recommend the payment of a final dividend of HK1.0 cent per ordinary share in respect of the year ended 31 March 2025 (2024: HK1.0 cent). The proposed final dividend which totals HK\$10,000,000 (2024: HK\$10,000,000), if approved at the forthcoming annual general meeting, will be paid on 26 September 2025 to the shareholders on the register of members as at 3 September 2025.

Trade and other receivables

The Group trade and other receivables increased by approximately 18.0%, from HK\$71,837,000 as at 31 March 2024 to HK\$84,756,000 as at 31 March 2025.

The Group's trade receivables turnover days increased from approximately 58.2 days for the year ended 31 March 2024 to approximately 66.8 days for the year ended 31 March 2025.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group had net current assets of HK\$167,793,000 as at 31 March 2025 (2024: HK\$128,305,000). The Group's current ratio recorded an increased from approximately 2.0 as at 31 March 2024 to approximately 2.5 as at 31 March 2025.

Gearing ratio is calculated based on the interest bearing borrowings excluding lease liabilities divided by total equity and multiplied by 100% at the respective reporting date. As at 31 March 2025, the Group's gearing ratio was approximately 2.40% (2024: 7.23%).

Following the Listing, the Group's operations were mainly financed by internal resources including but not limited to existing cash and cash equivalents, cash flow from its operating activities and the net proceeds generated from the Listing. The Board believes that the Group's liquidity needs will be satisfied. With strengthened liquidity position, the Group is able to expand in accordance with its business strategy.

Details of the Company's share capital are set out in note 13 to this announcement.

CAPITAL EXPENDITURE

The Group incurred capital expenditure of HK\$4,564,000 during the year ended 31 March 2025 (2024: HK\$2,748,000), mainly represented the addition of leasehold improvements and vessels.

CAPITAL COMMITMENTS

As at 31 March 2025, save as disclosed elsewhere in this announcement, the Group had no significant capital commitments (2024: nil).

SIGNIFICANT INVESTMENT, MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES

Save as disclosed elsewhere in this announcement, the Group did not conduct any significant investment, material acquisition and disposal of subsidiaries during the year ended 31 March 2025.

CONTINGENT LIABILITIES

As at 31 March 2025, save as disclosed elsewhere in this announcement, the Group did not have any significant contingent liabilities (2024: nil).

PLEDGE OF ASSETS

At 31 March 2025, bank and other borrowings and lease liabilities of HK\$3,826,000 (2024: HK\$5,470,000) are secured by mortgages over the equipment with an aggregate carrying value of HK\$3,991,000 (2024: HK\$5,457,000).

Save as disclosed elsewhere in this announcement, the Group had no other material pledge of assets at 31 March 2025.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed elsewhere in this announcement, there were no significant events affecting the Company nor any of its subsidiaries after the end of the reporting period and up to the date of this announcement requiring disclosure in this announcement.

PAST PERFORMANCE AND FORWARD LOOKING STATEMENTS

The performance and the results of operation of the Group as set out in this annual results announcement are historical in nature and past performance is not a guarantee of future performance. This annual results announcement may contain certain statements that are forward-looking or which use certain forward-looking terminologies. These forward-looking statements are based on the current beliefs, assumptions and expectations of the Board regarding the industry and markets in which it operates. Actual results may differ materially from expectations discussed in such forward-looking statements and opinions. The Group, the Directors, employees and agents of the Group assume (a) no obligation to correct or update the forward-looking statements or opinions contained in this annual results announcement of the Company; and (b) no liability in the event that any of the forward-looking statements or opinions do not materialise or turn out to be incorrect.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to achieving high corporate governance standards. The Board believes that good corporate governance standards are essential in providing a framework for the Company to safeguard the interests of shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has adopted the principles and code provisions of the Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) and has complied with the CG Code since Listing Date and up to 31 March 2025, except in relation to provision A.2.1 of the CG Code which requires that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Wen Tsz Kit Bondy, an executive Director, is both the chairman of the Board and the chief executive officer of the Company. With over 30 years of experience in the maritime industry in Hong Kong, Mr. Wen has been responsible for the overall management of the Group’s operations and business development and has been instrumental to the Group’s growth and business expansion since November 1994. The Board considers that vesting the roles of chairman and chief executive officer in the same person is beneficial to the management of the Group. The balance of power and authority is ensured by the operation of the senior management and the Board, which comprises experienced and high-calibre individuals. The Board currently comprises two executive Directors (including Mr. Wen) and three independent non-executive Directors and therefore has a strong independence element in its composition.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

From the Listing Date up to the date of this announcement, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities.

MODEL CODE OF SECURITIES TRANSACTIONS BY DIRECTORS

For the year ended 31 March 2025, the Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 of the Listing Rules as rules governing dealings by the Directors in the listed securities of the Company. The Company has made specific enquiries to all Directors and all Directors have confirmed that they have complied with the Model Code from the Listing date and up to the date of this announcement.

USE OF NET PROCEEDS FROM THE LISTING

The Company was successfully listed on the Main Board of the Stock Exchange on 18 March 2019. Net proceeds from the Listing (after deducting underwriting fee and relevant expenses payable by the Group in connection with the Listing) amounted to approximately HK\$65.6 million. As at 31 March 2025, a total amount of HK\$43.6 million out of the net proceeds had been used by the Group according to the allocation set out in the Company's announcement of offer price and allotment results dated 15 March 2019. As at 31 March 2025, the Group's planned application and actual utilisation of the net proceeds is set out below:

	Planned use of net proceeds HK\$'000	Utilisation of net proceeds during the year ended 31 March 2025 HK\$'000	Utilised net proceeds as at 31 March 2025 HK\$'000	Remaining balance of the net proceeds as at 31 March 2025 HK\$'000	Expected timetable of full utilisation of the balance
Acquiring vessels	43,625	—	43,625	—	—
Setting up a shipyard in Hong Kong (<i>Note</i>)	22,000	—	—	22,000	2026
	<u>65,625</u>	<u>—</u>	<u>43,625</u>	<u>22,000</u>	

Note: Although the Group has endeavoured to adhere to the implementation plan for the use of proceeds as disclosed in the prospectus of the Company dated 4 March 2019 (the “**Prospectus**”) by submitting tenders to rent two parcels of lands for shipyard sites in late December 2018, the Group was not awarded any tenancy from the Government for the tendered parcel of land. The Group would continue to exploit opportunities to rent a suitable site for a shipyard. The Directors expect the remaining net proceeds will be fully utilised in 2026.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 March 2025 as set out in the preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board of Directors on 26 June 2025. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") is responsible for assisting the Board in safeguarding the Group's assets by providing an independent review of the effectiveness of the financial reporting process and the internal controls and risk management systems of the Group. It also performs other duties as assigned by the Board.

The Audit Committee has discussed with the management of the Group and reviewed this annual financial results announcement and the consolidated financial statements for the year ended 31 March 2025, including the accounting policies, principles and practices adopted by the Group, and discussed risk management and internal control system, and financial related matters.

The Audit Committee comprises three independent non-executive Directors and chaired by Ms. Hong Ting, who has appropriate professional qualifications and experience as required by the Listing Rules.

CLOSURE OF REGISTER OF MEMBERS

The register of members will be closed from 21 August 2025 to 26 August 2025, both days inclusive. During this period, no transfer of shares will be registered. Shareholders whose names appear on the register of members of the Company on 26 August 2025 are entitled to attend the forthcoming annual general meeting scheduled on 26 August 2025. In order to qualify for the right to vote for and/or attend the forthcoming annual general meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on 20 August 2025.

The proposed final dividend is subject to the passing of an ordinary resolution by the shareholders at the forthcoming annual general meeting. For determining the entitlement to the proposed final dividend, the register of members will be closed for one day on 3 September 2025, during that day no transfer of shares will be effected. In order to qualify for the final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on 2 September 2025.

PUBLICATION OF ANNUAL RESULTS AND 2025 ANNUAL REPORT

This announcement will be published on the websites of the Stock Exchange and the Company.

The annual report of the Company for the year ended 31 March 2025 containing all the information required by Appendix 16 to the Listing Rules and other applicable laws and regulations will be despatched to the shareholders of the Company and published on the websites of the Stock Exchange and the Company in due course.

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

Hong Kong, 26 June 2025

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.