TLMC

Tak Lee Machinery Holdings Limited
德利機械控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2102)

POSITIVE PROFIT ALERT

This announcement is made by Tak Lee Machinery Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") 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 in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the "**Directors**" and the "**Board**", respectively) wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on the Group's unaudited consolidated management accounts for the year ended 31 July 2025 and the information currently available to the Board, the net profit of the Group for the year ended 31 July 2025 is expected to increase by approximately 250% to 300% as compared to the net profit of the Group recorded for the year ended 31 July 2024. The Board considers that the increase in net profit was mainly attributed to (i) the increase in the sales and leasing of heavy equipment, which was driven by the demand arising from the various developments and railway projects, as well as the landfill extension projects implemented by the Government of the Hong Kong Special Administrative Region; and (ii) the reversal of allowance for expected credit losses on trade and lease receivables ("**ECL allowance**") as a result of the decrease in carrying amount of trade and lease receivables and improvement in recovery rates for the year ended 31 July 2025 (2024: ECL allowance of approximately HK$3.2 million mainly due to the increase in ECL allowance in view of an increase in credit risk and expected default risk in respect of the economic conditions over the expected lives of the receivables and the payment history of customers).

As at the date of this announcement, the Company is still in the process of finalising the consolidated financial results of the Group for the year ended 31 July 2025. The information contained in this announcement is only based on a preliminary review of the relevant consolidated management accounts of the Group, which have neither been confirmed nor audited by the Company's independent auditor, nor reviewed by the audit committee of the Board. The announcement of the Group's audited consolidated financial results for the year ended 31 July 2025 is expected to be published on or about 20 October 2025.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Tak Lee Machinery Holdings Limited
Chow Luen Fat
Chairman and Chief Executive Officer

Hong Kong, 8 October 2025

As at the date of this announcement, the executive Directors are Mr. Chow Luen Fat (chairman and chief executive officer), Ms. Liu Shuk Yee and Ms. Ng Wai Ying; the non-executive Director is Ms. Cheng Ju Wen; and the independent non-executive Directors are Sir Kwok Siu Man KR, Mr. Law Tze Lun and Dr. Wong Man Hin Raymond.