利記控股有限公司
LEE KEE HOLDINGS LIMITED

*(Incorporated in the Cayman Islands with limited liability)*
**(Stock Code: 637)**

# INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

The Board of Directors (the "Board") of Lee Kee Holdings Limited (the "Company") hereby announces the unaudited consolidated results of the Company and its subsidiaries (collectively "LEE KEE" or the "Group") for the six months ended 30 September 2025 (the "Interim Period" or the "Period") together with the comparative figures for the six months ended 30 September 2024 (the "Comparative Period") as follows:

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

*For the six months ended 30 September 2025 – unaudited*

| | | Six months ended 30 September | |
|---|---|---|---|
| | | **2025** | 2024 |
| | *Note* | ***HK$'000*** | *HK$'000* |
| **Revenue** | 4 | **920,736** | 1,007,579 |
| Cost of sales | | **(878,870)** | (968,003) |
| **Gross profit** | | **41,866** | 39,576 |
| Other income | | **8,868** | 7,124 |
| Distribution and selling expenses | | **(11,992)** | (12,041) |
| Administrative expenses | | **(45,933)** | (45,993) |
| Other net losses | | **(3,990)** | (5,763) |
| **Loss from operations** | | **(11,181)** | (17,097) |
| Finance income | | **1,068** | 1,264 |
| Finance costs | | **(343)** | (507) |
| Net finance income | 5(a) | **725** | 757 |

| | Note | Six months ended 30 September<br>**2025**<br>***HK$'000*** | <br>2024<br>*HK$'000* |
|---|---|---|---|
| **Loss before taxation** | 5 | **(10,456)** | (16,340) |
| Income tax credit/(expense) | 6 | **320** | (1,510) |
| **Loss for the period** | | **(10,136)** | (17,850) |
| **Attributable to:** | | | |
| Equity shareholders of the Company | | **(10,228)** | (17,991) |
| Non-controlling interests | | **92** | 141 |
| **Loss for the period** | | **(10,136)** | (17,850) |
| **Loss per share** | 8 | | |
| Basic and diluted *(Hong Kong cents)* | | **(1.23)** | (2.17) |

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

*For the six months ended 30 September 2025 – unaudited*

| | Six months ended 30 September | |
|---|---|---|
| | **2025** | 2024 |
| | ***HK$'000*** | *HK$'000* |
| **Loss for the period** | **(10,136)** | (17,850) |
| **Other comprehensive income for the period:** | | |
| *Items that will not be reclassified to profit or loss, net of nil tax:* | | |
| Revaluation of financial assets at fair value through other comprehensive income | **1,131** | (2,473) |
| *Items that may be reclassified subsequently to profit or loss, net of nil tax:* | | |
| Exchange differences on translation of financial statements of subsidiaries outside Hong Kong | **3,035** | 4,431 |
| **Other comprehensive income for the period** | **4,166** | 1,958 |
| **Total comprehensive income for the period** | **(5,970)** | (15,892) |
| **Attributable to:** | | |
| Equity shareholders of the Company | **(6,062)** | (16,033) |
| Non-controlling interests | **92** | 141 |
| **Total comprehensive income for the period** | **(5,970)** | (15,892) |

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*At 30 September 2025- unaudited*

| | Note | **At 30 September 2025 *HK$'000*** | At 31 March 2025 *HK$'000* |
|---|---|---|---|
| **Non-current assets** | | | |
| Investment properties | 9 | **98,500** | 106,300 |
| Other property, plant and equipment | 10 | **41,896** | 48,645 |
| Intangible assets | | **4,904** | 4,904 |
| Financial assets at fair value through other comprehensive income | | **3,813** | 2,682 |
| Prepayments | 12 | **850** | 178 |
| Deferred tax assets | | **2,532** | 2,532 |
| | | **152,495** | 165,241 |
| **Current assets** | | | |
| Inventories | 11 | **188,285** | 228,328 |
| Assets held for sale | 10 | **1,750** | – |
| Trade and other receivables | 12 | **230,473** | 209,351 |
| Tax recoverable | | **73** | 470 |
| Derivative financial instruments | | **405** | 264 |
| Cash and cash equivalents | 13 | **239,398** | 219,662 |
| | | **660,384** | 658,075 |
| **Current liabilities** | | | |
| Trade and other payables and contract liabilities | 14 | **24,715** | 22,670 |
| Bank borrowings | 15 | **2,887** | 7,709 |
| Lease liabilities | | **1,541** | 1,865 |
| Tax payable | | **102** | 675 |
| Derivative financial instruments | | **413** | 248 |
| | | **29,658** | 33,167 |
| **Net current assets** | | **630,726** | 624,908 |
| **Total assets less current liabilities** | | **783,221** | 790,149 |

| | Note | At 30 September 2025 HK$'000 | At 31 March 2025 HK$'000 |
|---|---|---|---|
| **Non-current liabilities** | | | |
| Employee retirement benefit obligations | | **3,044** | 3,222 |
| Lease liabilities | | **4,389** | 4,911 |
| Deferred tax liabilities | | **10,162** | 10,420 |
| | | **17,595** | 18,553 |
| **NET ASSETS** | | **765,626** | 771,596 |
| **CAPITAL AND RESERVES** | | | |
| Share capital | | **82,875** | 82,875 |
| Reserves | | **683,075** | 689,137 |
| **Total equity attributable to equity shareholders of the Company** | | **765,950** | 772,012 |
| Non-controlling interests | | **(324)** | (416) |
| **TOTAL EQUITY** | | **765,626** | 771,596 |

## NOTES:

### 1 GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 11 November 2005 as an exempted company with limited liability under the Companies Law (2004 Revision) of the Cayman Islands. The address of the Company's registered office is 89 Nexus Way, Camana Bay, Grand Cayman, KY1-9009, Cayman Islands.

The principal activity of the Company is investment holding. The principal activities of the Company and its subsidiaries (together, the "Group") are trading of zinc, zinc alloy, nickel, nickel-related products, aluminium, aluminium alloy, stainless steel and other electroplating chemical products, provision of metal testing and consultancy services as well as alloy production in Hong Kong and Mainland China.

The Company's shares are listed on the Mainboard of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

### 2 BASIS OF PREPARATION

The financial results set out in this announcement do not constitute the Group's interim financial report for the period ended 30 September 2025 but are derived from that interim report.

The interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange, including compliance with Hong Kong Accounting Standard ("HKAS") 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). It was authorised for issue on 14 November 2025.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024/25 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025/26 annual financial statements. Details of any changes in accounting policies are set out in note 3.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

The interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2024/25 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with HKFRS Accounting Standards.

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the HKICPA.

The financial information relating to the financial year ended 31 March 2025 that is included in the interim financial report as comparative information does not constitute the Company's annual consolidated financial statements for that financial year but is derived from those financial statements.

## 3 CHANGES IN ACCOUNTING POLICIES

The Group has applied amendments to HKAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability* issued by the HKICPA to the interim financial report for the current accounting period. The amendments do not have a material impact on the interim report as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

## 4 REVENUE AND SEGMENT REPORTING

The Group is principally engaged in the trading of zinc, zinc alloy, nickel, nickel-related products, aluminium, aluminium alloy, stainless steel and other electroplating chemical products, provision of metal testing and consultancy services, as well as alloy production in Hong Kong and Mainland China. Revenue recognised during the period is as follows:

| | **Six months ended 30 September** | |
|---|---|---|
| | **2025** | 2024 |
| | ***HK$'000*** | *HK$'000* |
| **Revenue** | | |
| Sales of goods (recognised at point in time) | **920,736** | 1,007,579 |

### (a) Segment revenue and results

The chief operating decision-maker assesses the performance of the operating segments based on a measure of operating results (before income tax) of each segment, which excludes the effects of other income, other net losses and net finance income.

| | **Six months ended 30 September** | | | |
|---|---|---|---|---|
| | **2025** | | 2024 | |
| | **Revenue** | **Segment results** | Revenue | Segment results |
| | ***HK$'000*** | ***HK$'000*** | *HK$'000* | *HK$'000* |
| Hong Kong | **402,601** | **(10,187)** | 389,934 | (28,823) |
| Mainland China | **518,135** | **(5,872)** | 617,645 | 10,365 |
| | **920,736** | **(16,059)** | 1,007,579 | (18,458) |

An analysis of the Group's segment assets and segment liabilities by reporting segment is set out below:

| | **At 30 September 2025** | | |
|---|---|---|---|
| | **Hong Kong** | **Mainland China** | **Total** |
| | ***HK$'000*** | ***HK$'000*** | ***HK$'000*** |
| Segment assets | **502,988** | **309,891** | **812,879** |
| Segment liabilities | **35,960** | **11,293** | **47,253** |

| | At 31 March 2025 | | |
|---|---|---|---|
| | Hong Kong | Mainland China | Total |
| | *HK$'000* | *HK$'000* | *HK$'000* |
| Segment assets | 497,866 | 325,450 | 823,316 |
| Segment liabilities | 45,735 | 5,985 | 51,720 |

**(b) Reconciliation of reportable segment profit or loss**

| | **Six months ended 30 September** | |
|---|---|---|
| | **2025** | 2024 |
| | ***HK$'000*** | *HK$'000* |
| Total segment results | **(16,059)** | (18,458) |
| Other income | **8,868** | 7,124 |
| Other net losses | **(3,990)** | (5,763) |
| Net finance income | **725** | 757 |
| Loss before taxation | **(10,456)** | (16,340) |

## 5 LOSS BEFORE TAXATION

Loss before taxation is arrived at after (crediting)/charging:

| | Six months ended 30 September | |
|---|---|---|
| | **2025** | 2024 |
| | ***HK$'000*** | *HK$'000* |
| **(a) Net finance income** | | |
| Interest income | **(1,068)** | (1,264) |
| Interest on lease liabilities | **116** | 151 |
| Interest on bank borrowings | **227** | 356 |
| | **(725)** | (757) |

| | Six months ended 30 September | |
|---|---|---|
| | **2025** | 2024 |
| | ***HK$'000*** | *HK$'000* |
| **(b) Other items** | | |
| Depreciation of property, plant and equipment | **5,320** | 4,772 |
| Depreciation of right-of-use assets | **1,028** | 1,182 |
| Short-term lease payments not included in the measurement of lease liabilities – land and buildings | **707** | 595 |
| Cost of inventories sold | **880,450** | 968,287 |
| Change in fair value of investment properties | **7,800** | 6,600 |
| Unrealised loss on foreign exchange forward contracts | **8** | 1,701 |
| Staff costs (including directors' remuneration) | **33,164** | 32,623 |
| Reversal of write-down of inventories | **(1,580)** | (284) |
| Net foreign exchange gain | **(3,835)** | (2,494) |
| (Reversal of)/provision for credit loss of trade receivables | **(377)** | 1,819 |
| Gain on disposal of property, plant and equipment | **(2)** | (44) |

## 6 INCOME TAX

| | Six months ended 30 September | |
|---|---|---|
| | **2025** | 2024 |
| | ***HK$'000*** | *HK$'000* |
| Current tax | | |
| – Hong Kong Profits Tax | **3** | 100 |
| – Mainland China Corporate Income Tax | **32** | 1,189 |
| Over-provision in prior years | **(97)** | – |
| | **(62)** | 1,289 |
| Deferred tax | **(258)** | 221 |
| | **(320)** | 1,510 |

The provision for Hong Kong Profits Tax is calculated by applying the estimated annual effective tax rate of 16.5% (six months ended 30 September 2024: 16.5%) to the six months ended 30 September 2025. Taxation for Mainland China's subsidiaries is similarly calculated using the tax rate of 25% (six months ended 30 September 2024: 25%) to the six months ended 30 September 2025.

## 7 DIVIDENDS

The directors do not recommend the payment of interim dividend for the six months ended 30 September 2025 (six months ended 30 September 2024: HK$Nil).

## 8 LOSS PER SHARE

### (a) Basic loss per share

Basic loss per share is calculated by dividing the loss attributable to equity shareholders of the Company by the average number of ordinary shares in issue during the interim period.

| | Six months ended 30 September | |
|---|---|---|
| | **2025** | 2024 |
| Loss attributable to equity shareholders of the Company *(HK$'000)* | **(10,228)** | (17,991) |
| Average number of ordinary shares in issue *('000)* | **828,750** | 828,750 |
| Basic loss per share *(Hong Kong cents)* | **(1.23)** | (2.17) |

### (b) Diluted loss per share

Diluted loss per share for the six months ended 30 September 2025 and 2024 are the same as basic loss per share as there were no potential dilutive ordinary shares outstanding during the periods.

## 9 INVESTMENT PROPERTIES

| | Six months ended 30 September | |
|---|---|---|
| | **2025** | 2024 |
| | ***HK$'000*** | *HK$'000* |
| Net book value as at 1 April | **106,300** | 118,900 |
| Fair value change | **(7,800)** | (6,600) |
| Net book value as at 30 September | **98,500** | 112,300 |

## 10 OTHER PROPERTY, PLANT AND EQUIPMENT

| | Six months ended 30 September | |
|---|---|---|
| | **2025** | 2024 |
| | ***HK$'000*** | *HK$'000* |
| Net book value as at 1 April | **48,645** | 49,670 |
| Exchange difference | **313** | 192 |
| Additions | **1,060** | 4,626 |
| Transfer to assets held for sale | **(1,750)** | – |
| Disposals | **(24)** | (192) |
| Depreciation | **(6,348)** | (5,954) |
| Net book value as at 30 September | **41,896** | 48,342 |

## 11 INVENTORIES

| | **At 30 September 2025** | At 31 March 2025 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Finished goods | **192,352** | 233,940 |
| Less: write-down of inventories | **(4,067)** | (5,612) |
| | **188,285** | 228,328 |

The cost of inventories recognised as expense and included in cost of sales amounted to HK$880,450,000 (six months ended 30 September 2024: HK$968,287,000) during the six months ended 30 September 2025.

## 12 TRADE AND OTHER RECEIVABLES

| | At 30 September 2025 HK$'000 | At 31 March 2025 HK$'000 |
|---|---|---|
| **Non-current portion** | | |
| Prepayments for purchase of property, plant and equipment | **850** | 178 |
| **Current portion** | | |
| Trade receivables, net of loss allowance | **165,418** | 172,605 |
| Prepayments to suppliers | **45,853** | 14,529 |
| Deposits | **1,583** | 1,536 |
| Other receivables | **17,619** | 20,681 |
| | **230,473** | 209,351 |
| | **231,323** | 209,529 |

The Group grants credit terms to its customers ranging from cash on delivery to 90 days. At the end of the reporting period, the ageing analysis of trade receivables, based on the invoice date and net of loss allowance, is as follows:

| | At 30 September 2025 HK$'000 | At 31 March 2025 HK$'000 |
|---|---|---|
| Within 1 month | **117,115** | 128,387 |
| Over 1 but within 2 months | **37,253** | 34,592 |
| Over 2 but within 3 months | **9,783** | 6,269 |
| Over 3 months | **1,267** | 3,357 |
| | **165,418** | 172,605 |

## 13 CASH AND CASH EQUIVALENTS

| | At 30 September 2025 HK$'000 | At 31 March 2025 HK$'000 |
|---|---|---|
| Short-term bank deposits | **40,779** | 30,334 |
| Cash at bank and on hand | **198,619** | 189,328 |
| | **239,398** | 219,662 |

## 14 TRADE AND OTHER PAYABLES AND CONTRACT LIABILITIES

| | At 30 September 2025 HK$'000 | At 31 March 2025 HK$'000 |
|---|---|---|
| **Trade and other payables** | | |
| Trade payables | **1,963** | 2,418 |
| Accrued expenses and other payables | **12,250** | 11,656 |
| | **14,213** | 14,074 |
| **Contract liabilities** | **10,502** | 8,596 |
| | **24,715** | 22,670 |

At the end of the reporting period, the ageing analysis of trade payables, based on the invoice date, is as follows:

| | At 30 September 2025 HK$'000 | At 31 March 2025 HK$'000 |
|---|---|---|
| Within 1 month | **1,447** | 2,220 |
| Over 1 but within 3 months | **326** | 161 |
| Over 3 months | **190** | 37 |
| | **1,963** | 2,418 |

## 15 BANK BORROWINGS

| | At 30 September 2025 HK$'000 | At 31 March 2025 HK$'000 |
|---|---|---|
| **Current liabilities** | | |
| Bank borrowings | **2,887** | 7,709 |

At the end of the reporting period, the bank borrowings were repayable as follows:

| | At 30 September 2025 HK$'000 | At 31 March 2025 HK$'000 |
|---|---|---|
| Within 1 year or on demand | **2,887** | 7,709 |

The effective interest rates (per annum) at the end of the reporting period were as follows:

| | At 30 September 2025 | At 31 March 2025 |
|---|---|---|
| Bank borrowings | **5.77%** | 5.96% |

## OVERALL BUSINESS PERFORMANCE

### Financial Review

During the six months ended 30 September 2025 (the "Interim Period"), the global operating backdrop remained challenging. Cautious sentiment prevailed across the metals value chain as policy uncertainties and recurring trade tensions continued to disrupt order visibility and inventory planning, which in turn weighed on industrial activity and customer procurement cycles. Against this environment, the Group remained focused on disciplined cost control, investing in value-added customised alloy and technical services and maintained agile working-capital management to stabilise performance throughout the Interim Period.

For the Interim Period, the Group recorded revenue of HK$921 million compared with HK$1,008 million for the Comparative Period. Tonnage sold by the Group decreased by 8.8% to approximately 39,300 tonnes compared with 43,100 tonnes for the Comparative Period.

For the Interim Period, the Group recorded a gross profit of HK$41.9 million and a gross margin of 4.5% compared to a gross profit of HK39.6 million and a gross margin of 3.9% for the Comparative Period. The gross profit margin improvement was mainly based on the Group's ability to respond to evolving customer needs that provided a more favorable product mix and tightened inventory control.

The Group recorded a loss attributable to equity shareholders of the Company of approximately HK$10.2 million for the Interim Period as compared with a loss of approximately HK$18.0 million for the Comparative Period. The narrowed loss was primarily due to margin improvement, underpinned by effective cost control and product-mix improvement with value-added services for the Interim Period.

With respect to zinc prices, during the Interim Period the metal exhibited steadily rising, trading within a range of approximately US$2,520 to US$3,019 per metric ton, and was quoted at around US$3,016 per metric ton as at 30 September 2025.

During the Interim Period, the distribution and selling expenses remained flat at HK$12.0 million and administration expenses remained flat at HK$46.0 million compared with the Comparative Period.

The Group recorded an increase in other income to HK$8.9 million for the Interim Period, compared with HK$7.1 million for the Comparative Period. The increase in other income can be attributed to the increase in services income from testing and consultancy services.

Finance costs for the Interim Period decreased to HK$0.3 million, compared with HK$0.5 million for the Comparative Period. The Group maintains a solid financial position, with HK$239.4 million in cash and cash equivalents, and HK$2.9 million in bank borrowings as at 30 September 2025.

**Business Review**

***Resilient Progress amid Market Volatility***

The global economic environment remained challenging, marked by moderating inflation, uneven industrial recovery, and heightened geopolitical uncertainties. Against this backdrop, policy support in China's advanced-manufacturing and green-transition sectors provided partial stability, yet market confidence in the non-ferrous metals industry remained cautious.

To navigate these conditions, the Group focused on responsible supply-chain management, sustainable manufacturing practices, and ongoing product innovation. Disciplined risk and cost control remained central to its approach, ensuring operational stability and effective management of inventory and procurement exposure to metal price fluctuations. The Group also strengthened supplier relationships and stabilized sourcing channels to mitigate risks associated with volatility in global logistics and raw-material costs.

LEE KEE continued to serve a broad and diverse customer base across the automotive, telecommunications, toys, electronics, construction, and general-manufacturing sectors. Demand patterns varied by segment, with modest recovery seen in automotive and appliance manufacturing, which was partially offset by weaker exports and slower activity in property-related industries. In response, the Group adopted flexible production planning and a customer-centric service model focused on reliability, quality assurance, and timely technical support. In parallel, it expanded its portfolio of metal solutions and further developed its testing and consultancy capabilities under Promet brand ("Promet"), reinforcing its position as a trusted partner to manufacturers across Asia.

***Driving Innovation and Expanding Value-Added Solutions***

The Group reinforced its position as an integrated metals solutions provider by advancing technological capabilities, deepening research collaborations, and enhancing product differentiation. Its proprietary brands, Mastercast and GZ (Genesis), maintained the leadership in specialty-alloy innovation, with a strong focus on performance, durability, and recyclability to address evolving industrial demands. These brands continued to strengthen LEE KEE's competitive advantage by delivering custom-made alloys tailored to customers' specific production requirements, supporting a more favorable product mix and higher-margins.

Collaboration with academic institutions advanced applied research into alloy composition, process optimisation, and defect diagnostics. Through these collaboration, the Group sought to accelerate the commercialisation of laboratory insights into practical industrial applications, thereby improving both product efficiency and environmental performance. Promet continued to complement these efforts by offering testing and quality-assurance services for metals, construction materials, and water quality–ensuring compliance with domestic and international standards.

The Group's participation in China Diecasting 2025 in Shanghai showcased its latest alloy innovations and reaffirmed its pioneering in sustainable and custom-made alloys. The event also provided opportunities to deepen relationships with key customers and industry partners, further enhancing the Group's visibility in the Greater China region. These initiatives reinforced the Group's reputation for technology-driven excellence and its ongoing participation to advancing industry standards through innovation and collaboration.

***Championing Sustainability and ESG Leadership***

Sustainability remained a core pillar of the Group's development direction. Building on its ISO 14064 and ISO 14067 certifications, LEE KEE further strengthened its environmental-management systems by integrating data-driven tools for monitoring energy consumption, waste management, and emissions. The Group continued to advance initiatives to further reduce the carbon intensity of its operations.

In addition to internal improvements, LEE KEE promoted responsible sourcing practices and broadened carbon-footprint transparency, including initial Scope 3 engagement with upstream suppliers where feasible. By aligning its process design, material selection, and data-capture systems with evolving regulatory and customer expectations, the Group supports stakeholders' decarbonisation journeys while strengthening its competitiveness in a circular-economy. Its commitment to transparency and verifiable sustainability credentials enables customers–particularly global brand owners and manufacturers–to meet their own ESG compliance and reporting requirements.

These efforts reflect LEE KEE's role not only as a metals supplier, but also as a catalyst for broader industry-wide sustainability. Through continuous improvement in environmental performance, the Group contributes to reducing emissions in manufacturing and demonstrates its vision to Hong Kong's development as a regional centre for responsible industrial innovation.

***Financial Compensation from land resumption***

Genesis Alloys (Ningbo) Limited entered into an agreement for a land-resumption under the Zhenpu Road Phase III Project and is entitled to receive total compensation and relocation bonus of approximately HK$14.3 million upon completion. Details are disclosed in the Company's announcement published on 29 July 2025. The proceeds are intended to be used as relocation of facilities and general working capital of Genesis Alloys. The resulting cash inflow, though non-recurring, enhances the Group's financial flexibility. On the other hand, the operating efficiency will be improved within the remaining land, contributing to better resource utilisation.

***Enhancing Governance and Accountability***

The Group reinforced its commitment to strong governance, transparency, and ethical management. A top-down accountability framework continued to guide operations, supported by board-level oversight, compliance reviews, and risk assessments across financial and ESG domains. These mechanisms ensure that business decisions remain aligned with regulatory requirements and the Group's long-term sustainability objectives.

LEE KEE also fostered a culture of integrity, accountability, and workplace safety through enhanced staff engagement, training programmes, and internal communications. The integration of ESG considerations into corporate decision-making further improved governance effectiveness and risk awareness at every level of the organisation. These initiatives underpin the Group's long-standing reputation for sound governance, prudent risk management, and responsible growth, forming a solid foundation for resilience in a dynamic business environment.

## Prospects

### *Empowering Green Transformation and Circular-Economy Initiatives*

The external operating environment is expected to remain uncertain in the second half of the financial year, influenced by periodic trade tension, policy adjustments, and uneven global demand. Within this backdrop, the Group will maintain a prudent operating stance while accelerating initiatives that support customers to reduce waste, lower emissions, and improve materials efficiency. Ongoing resources on data systems, measurement frameworks, and process innovation will broaden the availability and reliability of carbon-accounting and compliance information across the Group's production portfolio. These efforts will support growing market demand for sustainable metals solutions and strengthen the Group's contribution to the green transformation and circular-economy objectives in key manufacturing regions.

### *Accelerating Regional Expansion and Market Diversification*

Southeast Asia remains a key development focus as the region benefits from supply-chain realignment, rising industrial investment, and favourable trade dynamics. Building on its established presence and expansion in Thailand, the Group aims to deepen customer engagement, extend product offerings, and expand technical-consultancy and testing services to capture growth opportunities in emerging manufacturing clusters across ASEAN region. These initiatives will complement continued development in the Greater China market, providing a more balanced geographic profile and mitigating concentration risk.

The Group's integrated service model, combining metals supply, alloy expertise, and localised logistics, positions it well to meet increasing demand for reliable, high-quality materials and sustainability-aligned solutions as manufacturers diversify production footprints in the region.

### Leveraging Technology and R&D to Drive Industry Advancement

The Group will continue to channel resources into research and development, alloy innovation, and digital operations with the objective of improving product performance, shortening development cycles, and elevating service quality. Efforts will focus on integrating laboratory testing with process analytics to deliver more precise and efficient metal solutions that align with customers' evolving functional and environmental requirements. These initiatives are expected to enhance LEE KEE's differentiation in high-performance and eco-efficient alloys, reinforcing its competitive advantage in markets increasingly shaped by digitalisation and sustainability mandates.

**Maintaining Financial Discipline and Building Long-Term Resilience**

The Group will pursue growth within a framework of financial prudence and disciplined capital allocation, balancing investment in innovation and regional expansion with prudent liquidity management. Through sustained focus on operational excellence, customer partnerships, and responsible resource management, LEE KEE aims to create long-term value across business cycles while contributing to a more sustainable and technologically advanced metals industry.

## DIVIDEND

The Board of Directors of the Company does not recommend the payment of interim dividend for the Interim Period.

## LIQUIDITY, FINANCIAL RESOURCES AND COMMODITY PRICE RISK

The Group primarily financed its operation through internal resources and borrowings from banks. As at 30 September 2025, the Group had unrestricted cash and bank balances of approximately HK$239 million (as at 31 March 2025: HK$220 million) and bank borrowings of approximately HK$2.89 million (as at 31 March 2025: HK$7.71 million). The gearing ratio (total borrowings and lease liabilities to total equity) as at 30 September 2025 was 1.15% (as at 31 March 2025: 1.88%). The Group has a current ratio of 2,227% as at 30 September 2025 (as at 31 March 2025: 1,984%).

The Group constantly evaluates and monitors its risk exposure to metals prices with reference to the market conditions. In order to control the exposure efficiently and to capitalise on direction of price trends, the Group's management will employ appropriate operating strategies and set inventory levels accordingly.

The Group's foreign exchange exposure mainly resulted from the exchange rate between Hong Kong dollars against United States dollars and Renminbi.

## EMPLOYEES

As at 30 September 2025, the Group had 190 employees (as at 30 September 2024: 190 employees). Their remuneration, promotion and salary review are assessed based on job responsibilities, work performance, professional experiences and the prevailing industry practices. The key components of the Group's remuneration package include basic salary, and where appropriate, other allowances, incentive bonuses and the Group's contribution to mandatory provident funds (or state-managed retirement benefits scheme). During the Interim Period, staff costs (including directors' emoluments) were approximately HK$33.2 million (for the six months ended 30 September 2024: HK$32.6 million).

## PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased or sold or redeemed any of the Company's listed securities during the Interim Period.

## CORPORATE GOVERNANCE

To the knowledge and belief of the Directors, the Company has complied with the code provisions set out in the Corporate Governance Code (the "CG Code") contained in Appendix C1 of the Listing Rules. The Directors are not aware of any non-compliance with the code provisions of the CG Code during the Interim Period.

## SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors (the "Model Code") set out in Appendix C3 of the Listing Rules. The Company, having made specific enquiries of all the Directors, was not aware of any non-compliance with the Model Code by the Directors during the Interim Period.

## REVIEW OF UNAUDITED CONSOLIDATED INTERIM FINANCIAL INFORMATION

The interim financial report is unaudited, but has been reviewed by KPMG, in accordance with Hong Kong Standard on Review Engagements 2410 "*Review of interim financial information performed by the independent auditor of the entity*", issued by the HKICPA.

The unaudited interim financial information for the six months ended 30 September 2025 has also been reviewed by the Company's Audit Committee.

By Order of the Board
**CHAN Pak Chung**
*Chairman*

Hong Kong, 14 November 2025

*As at the date of this announcement, the Directors of the Company are Mr. CHAN Pak Chung, Ms. CHAN Yuen Shan Clara, MH, JP, Mr. CHAN Ka Chun Patrick, Ms. OKUSAKO CHAN Pui Shan Lillian, Mr. HO Kwai Ching Mark*, Mr. TAI Lun Paul* and Mr. WONG Kam Fai William*.*

* *Independent non-executive Directors*