有利集團有限公司*

Yau Lee Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 406)

INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

HIGHLIGHTS

The Group reported revenue of HK$5,683,972,000 (2024: HK$4,433,441,000) for the six months ended 30 September 2025 (the "period").

The gross profit for the period increased from HK$320,946,000 to HK$348,029,000.

Profit attributable to equity holders of the Company for the period increased from HK$24,619,000 to HK$39,198,000.

Basic and diluted earnings per share were approximately HK8.95 cents (2024: HK5.62 cents).

The net asset value attributable to equity holders of the Company as at 30 September 2025 was HK$1,434,422,000 (31 March 2025: HK$1,376,001,000), equivalent to HK$3.27 (31 March 2025: HK$3.14) per share based on the 438,053,600 (31 March 2025: 438,053,600) ordinary shares in issue.

* *For identification purpose only*

INTERIM RESULTS

The Board of Directors (the "Board") of Yau Lee Holdings Limited (the "Company") is pleased to announce that the unaudited consolidated interim results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 September 2025 were as follows:

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT
For the six months ended 30 September 2025

		Six months ended 30 September	
		2025	2024
	Note	***HK$'000***	*HK$'000*
Revenue	*4*	**5,683,972**	4,433,441
Cost of sales	*6*	**(5,335,943)**	(4,112,495)
Gross profit		**348,029**	320,946
Other income and losses, net	*5*	**4,674**	6,004
Selling and distribution costs	*6*	**(35,346)**	(21,028)
Administrative expenses	*6*	**(241,829)**	(228,245)
Other operating expenses	*6*	**(3,579)**	(4,077)
Operating profit		**71,949**	73,600
Finance costs	*7*	**(21,458)**	(34,185)
Share of loss of an associate		**(1)**	(1)
Share of loss of joint ventures		**(3,633)**	(3,922)
Profit before income tax		**46,857**	35,492
Income tax expense	*8*	**(8,190)**	(12,339)
Profit for the period		**38,667**	23,153
Attributable to:			
Equity holders of the Company		**39,198**	24,619
Non-controlling interests		**(531)**	(1,466)
		38,667	23,153
Interim dividend	*9*	**–**	10,951
Earnings per share (basic and diluted)	*10*	**HK8.95 cents**	HK5.62 cents

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 30 September 2025

	Six months ended 30 September	
	2025	2024
	HK$'000	*HK$'000*
Profit for the period	**38,667**	23,153
Other comprehensive income		
Item that may be reclassified to profit or loss:		
Currency translation differences	**19,223**	22,391
Total comprehensive income for the period	**57,890**	45,544
Attributable to:		
Equity holders of the Company	**58,421**	47,010
Non-controlling interests	**(531)**	(1,466)
Total comprehensive income for the period	**57,890**	45,544

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET
As at 30 September 2025

	Note	**30 September 2025** *HK$'000*	31 March 2025 *HK$'000*
ASSETS			
Non-current assets			
Property, plant and equipment		**1,309,510**	1,294,599
Investment properties		**201,100**	213,300
Other intangible assets		**3,534**	4,062
Goodwill		**17,898**	17,898
Associate		**32**	33
Joint ventures		**41,713**	44,477
Deferred income tax assets		**14,044**	16,749
Mortgage loans receivables		**8,322**	9,066
		1,596,153	1,600,184
Current assets			
Cash and bank balances		**833,521**	770,225
Trade debtors, net	*11*	**1,360,718**	1,090,240
Contract assets		**1,970,203**	2,107,738
Prepayments, deposits and other receivables		**285,444**	261,324
Mortgage loans receivables		**1,462**	1,428
Inventories		**94,997**	143,914
Completed properties held for sale		**493,229**	540,411
Due from a joint operation		**6,000**	9,161
Due from other partners of joint operations		**25,114**	32,436
Prepaid income tax		**13,729**	14,170
		5,084,417	4,971,047
Total assets		**6,680,570**	6,571,231

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET *(Continued)*
As at 30 September 2025

	Note	30 September 2025 HK$'000	31 March 2025 HK$'000
EQUITY			
Share capital		**87,611**	87,611
Other reserves		**395,634**	376,411
Retained profits		**951,177**	911,979
Attributable to equity holders of the Company		**1,434,422**	1,376,001
Non-controlling interests		**(6,423)**	(5,892)
Total equity		**1,427,999**	1,370,109
LIABILITIES			
Non-current liabilities			
Long-term borrowings		**510,773**	454,577
Deferred income tax liabilities		**68,130**	76,513
Other non-current liabilities		**11,182**	18,140
		590,085	549,230
Current liabilities			
Short-term bank loans		**2,300,234**	1,961,581
Current portion of long-term borrowings		**179,181**	337,868
Payables to suppliers and subcontractors	*12*	**661,345**	929,635
Accruals, retention payables, deposits received and other liabilities		**932,690**	958,756
Income tax payable		**6,432**	3,328
Contract liabilities		**563,980**	445,519
Due to joint operations		**16,124**	9,624
Due to a partner of a joint operation		**2,500**	5,581
		4,662,486	4,651,892
Total liabilities		**5,252,571**	5,201,122
Total equity and liabilities		**6,680,570**	6,571,231

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the six months ended 30 September 2025

	Attributable to equity holders of the Company									
	Share capital *HK$'000*	**Share premium** *HK$'000*	**Capital redemption reserve** *HK$'000*	**Currency translation reserve** *HK$'000*	**Property revaluation reserve** *HK$'000*	**Other reserve** *HK$'000*	**Retained profits** *HK$'000*	**Sub-total** *HK$'000*	**Non-controlling interests** *HK$'000*	**Total** *HK$'000*
As at 1 April 2024	87,611	413,776	359	(85,661)	55,366	948	1,032,765	1,505,164	(3,598)	1,501,566
Profit/(loss) for the period	–	–	–	–	–	–	24,619	24,619	(1,466)	23,153
Other comprehensive income:										
Currency translation differences	–	–	–	22,391	–	–	–	22,391	–	22,391
2024 final dividend *(Note 9)*	–	–	–	–	–	–	(10,951)	(10,951)	–	(10,951)
As at 30 September 2024	87,611	413,776	359	(63,270)	55,366	948	1,046,433	1,541,223	(5,064)	1,536,159
As at 1 April 2025	**87,611**	**413,776**	**359**	**(94,038)**	**55,366**	**948**	**911,979**	**1,376,001**	**(5,892)**	**1,370,109**
Profit/(loss) for the period	**–**	**–**	**–**	**–**	**–**	**–**	**39,198**	**39,198**	**(531)**	**38,667**
Other comprehensive income:										
Currency translation differences	**–**	**–**	**–**	**19,223**	**–**	**–**	**–**	**19,223**	**–**	**19,223**
As at 30 September 2025	**87,611**	**413,776**	**359**	**(74,815)**	**55,366**	**948**	**951,177**	**1,434,422**	**(6,423)**	**1,427,999**

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1. GENERAL INFORMATION

Yau Lee Holdings Limited (the "Company") and its subsidiaries (collectively the "Group") are principally engaged in contracting of building construction, plumbing, renovation, maintenance and fitting-out projects, electrical and mechanical installation, building materials supply, property investment and development and hotel operations. The Group is also engaged in other activities which mainly include computer software development and architectural and engineering services.

The Company is a limited liability company incorporated in Bermuda on 25 June 1991. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The Company is listed on the Main Board of The Stock Exchange of Hong Kong Limited ("SEHK").

Condensed consolidated interim financial information is presented in thousands of Hong Kong dollars ("HK$'000"), unless otherwise stated. The condensed consolidated interim financial information has been approved for issue by the Board of Directors on 24 November 2025.

2. BASIS OF PREPARATION

This condensed consolidated interim financial information for the six months ended 30 September 2025 has been prepared in accordance with Hong Kong Standards on Auditing ("HKSAs"), "Interim Financial Reporting". The condensed consolidation interim financial information should be read in conjunction with the annual financial statements for the year ended 31 March 2025, which have been prepared in accordance with HKFRS Accounting Standards.

The unaudited condensed consolidated interim financial information has been prepared under historical cost convention, as modified by the revaluation of financial assets and liabilities (including derivative financial instruments) at fair value through profit or loss and investment properties which are carried at fair value.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION *(Continued)*

3. ACCOUNTING POLICIES

Except as described below, the accounting policies applied are consistent with those of the audited consolidated financial statements for the year ended 31 March 2025.

3.1 Amendments to standards adopted by the Group

Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability

The adoption of these amendments to standards does not have any significant change to the accounting policies or any significant effect on the results and financial position of the Group.

3.2 New standards, amendments to standards and interpretation have been issued but are not yet effective

The following new standards, amendments to standards and interpretation have been published that are not mandatory for the financial year beginning on 1 April 2025 and have not been early adopted by the Group:

		Effective for annual periods beginning on or after
Amendments to HKFRS 9 and HKFRS 7	Classification and Measurement of Financial Instruments	1 January 2026
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to Hong Kong Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced

4. REVENUE AND SEGMENT INFORMATION

The Group is principally engaged in contracting of building construction, plumbing, renovation, maintenance and fitting-out projects, electrical and mechanical installation, building materials supply, property investment and development and hotel operations.

	Six months ended 30 September	
	2025	2024
	HK$'000	*HK$'000*
Revenue		
Construction	**4,203,006**	3,430,681
Electrical and mechanical installation	**1,319,367**	945,200
Building materials supply	**89,888**	39,061
Property investment and development	**59,585**	10,878
Hotel operations	**4,767**	–
Others	**7,359**	7,621
	5,683,972	4,433,441

For the six months ended 30 September 2025, the Group recognised revenue from contracts with customers (including construction, electrical and mechanical installation, hotel operations and others) over time except for revenue from building materials supply of HK$89,888,000 (2024: HK$39,061,000) and others of HK$6,410,000 (2024: HK$7,038,000), which were recognised at a point in time. The revenue from other source (rental income included in property investment and development and hotel operations) amounted to HK$7,875,000 (2024: HK$1,928,000).

The chief operating decision makers have been identified as the Executive Directors. In accordance with the Group's internal financial reporting provided to the Executive Directors, who are responsible for allocating resources, assessing performance of the operating segments and making strategic decisions, the reportable operating segments are as follows:

- Construction – Contracting of building construction, plumbing, renovation, maintenance and fitting-out projects
- Electrical and mechanical installation – Provision of electrical, mechanical, ventilation and air conditioning, fire, plumbing and environmental engineering services
- Building materials supply – Supply of construction and building materials
- Property investment and development
- Hotel operations

Other operations of the Group mainly comprise computer software development and architectural and engineering services which are not of a sufficient size to be reported separately.

4. REVENUE AND SEGMENT INFORMATION *(Continued)*

	Construction *HK$'000*	**Electrical and mechanical installation** *HK$'000*	**Building materials supply** *HK$'000*	**Property investment and development** *HK$'000*	**Hotel operations** *HK$'000*	**Others** *HK$'000*	**Total** *HK$'000*
For the six months ended 30 September 2025							
Total revenue	**4,243,642**	**1,762,641**	**647,480**	**59,585**	**4,767**	**72,096**	**6,790,211**
Inter-segment and intra-segment revenue	**(40,636)**	**(443,274)**	**(557,592)**	**–**	**–**	**(64,737)**	**(1,106,239)**
External revenue	**4,203,006**	**1,319,367**	**89,888**	**59,585**	**4,767**	**7,359**	**5,683,972**
Segment results	**47,208**	**25,006**	**20,304**	**(13,496)**	**(12,744)**	**219**	**66,497**
Share of loss of an associate	**–**	**(1)**	**–**	**–**	**–**	**–**	**(1)**
Share of loss of joint ventures	**–**	**–**	**(3,633)**	**–**	**–**	**–**	**(3,633)**
	47,208	**25,005**	**16,671**	**(13,496)**	**(12,744)**	**219**	**62,863**
Unallocated income							**5,452**
Finance costs							**(21,458)**
Profit before income tax							**46,857**
Income tax expense							**(8,190)**
Profit for the period							**38,667**

	Construction *HK$'000*	Electrical and mechanical installation *HK$'000*	Building materials supply *HK$'000*	Property investment and development *HK$'000*	Hotel operations *HK$'000*	Others *HK$'000*	Total *HK$'000*
For the six months ended 30 September 2024							
Total revenue	3,523,320	1,304,436	435,667	10,918	–	92,539	5,366,880
Inter-segment and intra-segment revenue	(92,639)	(359,236)	(396,606)	(40)	–	(84,918)	(933,439)
External revenue	3,430,681	945,200	39,061	10,878	–	7,621	4,433,441
Segment results	63,053	18,594	5,482	(12,040)	(6,411)	(2,733)	65,945
Share of loss of an associate	–	(1)	–	–	–	–	(1)
Share of loss of joint ventures	–	–	(3,922)	–	–	–	(3,922)
	63,053	18,593	1,560	(12,040)	(6,411)	(2,733)	62,022
Unallocated income							7,655
Finance costs							(34,185)
Profit before income tax							35,492
Income tax expense							(12,339)
Profit for the period							23,153

5. OTHER INCOME AND LOSSES, NET

	Six months ended 30 September	
	2025	2024
	HK$'000	*HK$'000*
Other income		
Bank interest income	**4,610**	8,259
Interest income from subcontractors	**14**	332
Sundry income	**7,126**	6,441
	11,750	15,032
Other losses, net		
(Loss)/gain on disposal of property, plant and equipment, net	**(196)**	970
Fair value loss on investment properties, net	**(12,200)**	(11,654)
Exchange gain, net	**5,320**	1,656
	(7,076)	(9,028)
	4,674	6,004

6. EXPENSES BY NATURE

	Six months ended 30 September	
	2025	2024
	HK$'000	*HK$'000*
Cost of construction	**4,007,736**	3,207,425
Cost of inventories sold	**475,567**	213,524
Cost of properties sold	**55,448**	7,380
Staff costs (including directors' emoluments)	**829,936**	717,898
Depreciation		
Owned property, plant and equipment	**33,563**	30,877
Leased property, plant and equipment	**12,415**	14,040
	45,978	44,917
Expenses relating to short-term leases of		
Land and buildings	**1,728**	1,831
Other equipment	**101,680**	88,182
	103,408	90,013
Amortisation of other intangible assets	**528**	528
Movement in loss allowance for trade debtors	**342**	(2,891)
Auditor's remuneration	**2,584**	2,517
Direct operating expenses arising from investment properties		
– Generate rental income	**433**	815
– Not generate rental income	**23**	37
Selling and distribution costs	**35,346**	21,028
Others	**59,368**	62,654
Total cost of sales, selling and distribution costs, administrative and other operating expenses	**5,616,697**	4,365,845

7. FINANCE COSTS

	Six months ended 30 September	
	2025	2024
	HK$'000	*HK$'000*
Interest on short-term bank loans	**36,975**	43,553
Interest on long-term bank loans	**15,116**	25,172
Interest element of lease payments	**938**	1,259
Total borrowing costs incurred	**53,029**	69,984
Less: Classified as cost of construction	**(31,571)**	(35,799)
	21,458	34,185

8. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the applicable rates of 8.25% and 16.5% (2024: 8.25% and 16.5%) on the estimated assessable profits for the six months ended 30 September 2025. Under the two-tiered profits tax rates regime introduced on 29 March 2018, Hong Kong profits tax rate for the first HK$2 million of assessable profits is 8.25%. Assessable profits above HK$2 million is at the rate of 16.5%.

Taxation on non-Hong Kong profits has been calculated on the estimated assessable profits for the period at the rates of taxation prevailing in the countries/regions in which the Group operates.

The Group is within the scope of the Organisation for Economic Co-operation and Development Pillar Two model rules (the "Rules"). Under the Rules, the Group is liable to pay a top-up tax in jurisdictions where its effective tax rate falls below 15%.

Pillar Two legislation in Hong Kong, namely the Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Ordinance 2025, has been enacted on 6 June 2025 and the Rules take effect retroactively from 1 January 2025.

The Group has assessed its exposure to the Rules. In accordance with accounting standards, the Group has applied the mandatory temporary exception from recognising and disclosing deferred taxes related to the Rules. Based on the assessment for the six months ended 30 September 2025, the Group does not expect a material impact on its income tax position resulting from the Rules.

The amount of income tax charged to the unaudited condensed consolidated income statement represents:

	Six months ended 30 September	
	2025	2024
	HK$'000	*HK$'000*
Hong Kong profits tax provision for the period	**5,910**	11,898
Non-Hong Kong tax provision for the period	**9,100**	559
Over-provision in prior years	**(21)**	(31)
Deferred income tax relating to the origination and reversal of temporary differences	**(6,799)**	(87)
	8,190	12,339

9. DIVIDENDS

	Six months ended 30 September 2025 *HK$'000*	2024 *HK$'000*
Dividends payable during the period		
Final in respect of the financial year ended 31 March 2025 – Nil (2024: HK2.50 cents per ordinary share)	**–**	10,951
Declared interim dividend		
Interim – Nil (2024: HK2.50 cents per ordinary share)	**–**	10,951

The Board does not recommend an interim dividend for the period (2024: HK2.50 cents per ordinary share) in order to retain more cash for funding future projects.

10. EARNINGS PER SHARE (BASIC AND DILUTED)

The calculation of earnings per share is based on:

	Six months ended 30 September 2025 *HK$'000*	2024 *HK$'000*
Net profit attributable to the equity holders of the Company	**39,198**	24,619

	Six months ended 30 September 2025	2024
Weighted average number of shares in issue during the period	**438,053,600**	438,053,600
Basic earnings per share	**HK8.95 cents**	HK5.62 cents

Diluted earnings per share for the six months ended 30 September 2025 and 2024 are equal to basic earnings per share as there are no potential dilutive shares in issue during the periods.

11. TRADE DEBTORS, NET

Trade debtors, net included trade debtors and retention receivables less provision for impairment.

The trade debtors are due from 30 days to 150 days after invoicing depending on the nature of services or products. The aging analysis of the trade debtors, net by overdue day(s) is as follows:

	30 September 2025 *HK$'000*	31 March 2025 *HK$'000*
Current	**1,202,453**	940,279
1-30 days	**46,635**	72,084
31-90 days	**55,744**	40,972
91-180 days	**19,446**	12,827
Over 180 days	**36,440**	24,078
	158,265	149,961
	1,360,718	1,090,240

12. PAYABLES TO SUPPLIERS AND SUBCONTRACTORS

The aging analysis of payables to suppliers and subcontractors by overdue day(s) is as follows:

	30 September 2025 *HK$'000*	31 March 2025 *HK$'000*
Current	**577,340**	843,637
1-30 days	**65,730**	72,229
31-90 days	**7,185**	5,915
91-180 days	**7,054**	2,595
Over 180 days	**4,036**	5,259
	84,005	85,998
	661,345	929,635

13. COMMITMENTS AND CONTINGENT LIABILITIES

The Group has the following outstanding commitments and contingent liabilities:

(a) In the normal course of its business, the Group is subject to various claims under its construction contracts. As at 30 September 2025, the Group has various liquidated damages claims on certain contracts for which the respective extension of time claims have been forwarded and filed to the clients. The amount of the ultimate liquidated damages, if any, cannot be ascertained but the Directors are of the opinion that any resulting liability would not materially affect the financial position of the Group.

(b) The Group has provided performance bonds amounting to approximately HK$1,160,878,000 (31 March 2025: HK$1,190,779,000) in favour of the Group's customers.

(c) As at 30 September 2025, the Group has capital expenditure contracted for but not yet incurred in relation to joint ventures of approximately RMB26,036,000 (31 March 2025: RMB26,036,000).

(d) The future aggregate minimum lease rental payable under non-cancellable short-term leases is as follows:

	30 September 2025 *HK$'000*	31 March 2025 *HK$'000*
Land and buildings		
Within one year	**156**	–

MANAGEMENT DISCUSSION AND ANALYSIS

Interim Results and Review of Operation

As highlighted in last annual report, the Group's record contract value has driven remarkable revenue growth across all key segments in this period. The Group's revenue in the first half of the year increased by 28% to HK$5,684 million (2024: HK$4,433 million), like for like underpinned by core businesses growth. The Construction segment achieved impressive revenue of HK$4,203 million, representing a 23% increase period on period (2024: HK$3,431 million). The Electrical and Mechanical Installation segment also got an encouraging revenue increase of 40% to HK$1,319 million (2024: HK$945 million). Besides, the revenue of Building Materials Supply segment surged by 49% to HK$647 million (2024: HK$436 million). With a robust order book, we expect to sustain high revenue levels in these two years.

Consolidated gross profit was HK$348 million, representing an increase of HK$27 million or 8% over the prior period. The overall gross profit margin down slightly from 7% to 6%. During this period, project price fluctuation indexes generally continued the downward trend, slightly affecting profits, which has been assessed and reported on account. However, with building material prices stabilizing due to China's efforts to address chronic oversupply issues, we anticipate a gradual stabilization of the index in coming periods. Currently, most of our building contracts are MiC projects. Our factory in Huizhou has reached full capacity. During the period, we established a second plant in Dongguan and reconfigured the production lines to meet future demands. The associated costs also have had a short-term impact on profitability.

Total operating expenses increased by HK$28 million to HK$281 million (2024: HK$253 million), caused mainly by the rises in transportation costs and payroll. The increase in transportation costs was driven by the growth in factory business and more deliveries of large-scale MiC components in the period. The increase in the Group's payroll expenses was partly attributable to the opening of hotel during the period and the hiring of a full staff team, leading to higher salary costs period on period.

Consolidated net profit before tax for the period was HK$47 million, as compared to HK$35 million in prior period. Like last period, an unrealized revaluation loss in investment properties of HK$12 million was reported, reflecting the ongoing downturn in the real estate market.

As at 30 September 2025, the value of contracts in hand was around HK$46,663 million, as compared to HK$48,207 million at 31 March 2025. As mentioned last year, we do not anticipate a significant volume of new building contracts this year, primarily due to operation constraints like manpower availability and maximum building capacity mandated by existing licensing requirements. Instead, we explored the growing segments such as infrastructure and environmental related works and were awarded two contracts of nearly HK$2 billion.

Movement of Contracts

For the six months ended 30 September 2025

	31 March 2025 *HK$'million*	Contracts Secured *HK$'million*	Contracts Completed *HK$'million*	**30 September 2025** ***HK$'million***
Building construction, renovation and maintenance	36,976	1,001	(3,908)	**34,069**
Electrical and mechanical installation	14,548	3,723	(1,364)	**16,907**
Building materials supply	6,177	38	(142)	**6,073**
Others	22	12	(9)	**25**
Less: Inter-segment contracts	(9,516)	(1,619)	724	**(10,411)**
	48,207	3,155	(4,699)	**46,663**

Financial Position

The Group's finance and treasury functions have been centrally managed and controlled at the headquarters in Hong Kong. As at 30 September 2025, the Group's total cash and bank balances was HK$834 million (31 March 2025: HK$770 million) and total borrowings was HK$2,990 million (31 March 2025: HK$2,754 million). The increase in borrowings was primarily due to financing of some large construction and E&M projects which were in peak stage of works with higher needs in working capital. The current ratio (total current assets: total current liabilities) as at 30 September 2025 was 1.1 (31 March 2025: 1.1). Total current liabilities included a term loan from bank with the majority amount due in next two to three years. The term loan was classified as current liabilities pursuant to specific criteria under the relevant accounting standard, the current ratio was so lowered by 0.1. If taking this term loan into account, the amount of bank loans and other facilities fall due beyond one year would be HK$811 million (31 March 2025: HK$847 million). With prudent financial management policy in place, the Group considers the financial position as healthy with sufficient liquidity.

All the bank borrowings are arranged on a floating rate basis. The Group will closely monitor and manage its exposure to interest rate fluctuations and consider engaging relevant hedging arrangements when appropriate. As at 30 September 2025, the Group had total banking facilities in respect of bank overdrafts, bank loans, bank guarantees and trade financing of HK$5,646 million (31 March 2025: HK$5,737 million), of which HK$3,953 million (31 March 2025: HK$3,711 million) had been utilised. The Group considers it has sufficient committed and unutilised banking facilities to meet its current business operation, property development and capital expenditure requirements.

Human Resources

As at 30 September 2025, the Group had approximately 4,600 (31 March 2025: 4,500) employees. There are approximately 3,700 (31 March 2025: 3,600) employees in Hong Kong, Macau and Singapore and 900 (31 March 2025: 900) in Chinese Mainland. Yau Lee aims to be a good and attractive employer as we understand people are key to long-term success. The Group offers competitive remuneration packages and employees are rewarded on a performance related basis. The Group is firmly committed to training and staff development. We work continuously to ensure employees can realise their full potentials and thus to foster their development to the Group.

Outlook

The Hong Kong construction industry is still navigating a complex environment marked by divergence between public and private sectors, persistent challenges, and strategic opportunities. Private construction activity has weakened due to elevated borrowing costs, subdued residential sales, and developer caution. On public sector, government-backed infrastructure and housing projects remain the primary growth engine. Strategic initiatives like the Northern Metropolis Development and cross-border transport networks in the Greater Bay Area are accelerating, supported by a HK$1.3 trillion infrastructure pipeline. While our Group's core businesses on public projects provide a stable foundation, diversifying into adjacent sectors will be crucial to sustaining long-term growth. For instance, our Electrical and Mechanical division strategically expanded its presence in the environmental infrastructure projects a few years ago and successfully developed a business model to foster grow. In the past six months, the division secured two environmental engineering projects totaling nearly HK$2 billion through joint ventures. We are partnering with specialized companies from Mainland to leverage their extensive experience and innovative technologies. This not only expands our specialties but also capitalizes on opportunities in the growing infrastructure project sector. The deepening integration of Hong Kong with the Greater Bay Area presents transformative opportunities for us to expand our environmental technology solutions. Leveraging our established mainland supplier network and aligning with GBA's digital-green synergy, we can expand our presence in the value chain going forward.

Our hotel in Sheung Wan reopened in mid-August, proudly operating under the brand "Motto by Hilton Hong Kong SoHo". This marks the first Motto hotel in the Asia Pacific region. The property was thoughtfully renovated from the world's greenest hotel and has successfully achieved BEAM Plus EB provisional platinum certification. Through various technologies applied, such as DfMA, autonomous twin systems, and other AI measures, we have elevated our green performance to new heights and established a benchmark for eco-friendly hospitality. Since its opening, our hotel demonstrated a steady growth in occupancy rates. With Hong Kong's tourism industry regaining momentum in 2025, the October Golden Week alone attracted over one million visitors to the city, 60% of them being overnight guests. Amid this favorable market environment, we are confident that the hotel will generate strong returns.

The persistent issues of manpower shortage, quality subcontractor availability and rising cost continue to affect the industry. In the short term, our top priority will be to deliver large-scale, high-quality projects on schedule while achieving reasonable profits.

In long term, innovation and sustainability will remain key elements of our development strategy. With the rapid advancement of artificial intelligence, we will actively explore its applications in the industry to continue enhancing the Group's competitiveness and market share. We remain dedicated to seizing new opportunities while enhancing efficiency across our core businesses.

DIRECTORS' INTERESTS

At the date of this announcement, the interests of each Director and chief executive in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of the Securities and Futures Ordinance ("SFO")), as recorded in the register maintained by the Company under Section 352 of the SFO or as notified to the Company and the SEHK pursuant to the Model Code for Securities Transactions by Directors of Listed Companies ("Model Code") were as follows:

Shares of HK$0.2 each in the Company

Director	Number of shares held (long position) Corporate interest	Percentage
Mr. Wong Ip Kuen	267,642,599	61.10%

The shares referred to above are registered in the names of All Fine Investment Company Limited and Billion Goal Holdings Limited with respective registered holding of 230,679,599 shares and 36,963,000 shares. Mr. Wong Ip Kuen owns the entire issued share capital of All Fine Investment Company Limited and Billion Goal Holdings Limited. All Fine Investment Company Limited and Billion Goal Holdings Limited are incorporated in the British Virgin Islands. Mr. Wong Ip Kuen is a director of both All Fine Investment Company Limited and Billion Goal Holdings Limited.

During the six months ended 30 September 2025, none of the Directors and chief executives (including their spouses and minor children) had any interests in, or had been granted, or exercised, any rights to subscribe for shares or debentures of the Company and its associated corporations (within the meaning of the SFO).

At no time during the period was the Company, its subsidiaries, its associates, its joint ventures or its joint operations, a party to any arrangement to enable the Directors and chief executives of the Company to hold any interests or short positions in the shares or underlying shares in, or debentures of, the Company or its associated corporations.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES OF THE COMPANY

As at 30 September 2025, the register of substantial shareholders maintained under Section 336 of Part XV of the SFO showed that the Company had not been notified of any substantial shareholders' interests and short positions, being 5% or more of the Company's issued share capital, other than those of the Directors and chief executives as disclosed above.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company has not redeemed, and neither the Company nor any of its subsidiaries had purchased or sold the Company's listed securities during the six months ended 30 September 2025.

REVIEW OF INTERIM FINANCIAL INFORMATION

The Audit Committee, together with the management, has reviewed the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the Group's unaudited interim results.

CORPORATE GOVERNANCE

The Board believes that corporate governance is fundamental to corporate long-term success and the enhancement of shareholders' value. The Company has adopted the principles and practices of the Corporate Governance Code (the "Code") as set out in the Appendix C1 of the Listing Rules. The Company strives to improve the transparency of its corporate governance practices and maximise the return to its shareholders through prudent management, investment and treasury policies. Detailed disclosure of the Company's corporate governance practices is available in the 2024/2025 Annual Report.

COMPLIANCE WITH LISTING RULES

In the opinion of the Directors, the Company has complied with the requirements of the Code as set out in Appendix C1 of the Listing Rules for the six months ended 30 September 2025 except for the Code provision C.2.1.

Code provision C.2.1 requires the roles of chairman and chief executive officer be separated and not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing. However, the roles of the chairman and the chief executive officer of the Company are not separated and are performed by the same individual, Mr. Wong Ip Kuen. The current structure enables the Company to make and facilitate the implementation of decisions promptly and efficiently.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the requirements of the Model Code as set out in Appendix C3 of the Listing Rules as its own code of conduct regarding the securities transactions of the Directors of the Company. Having made specific enquiries to all Directors of the Company, they have confirmed that they complied with the required standard set out in the Model Code during the six months ended 30 September 2025.

By order of the Board
Wong Ip Kuen
Chairman

Hong Kong, 24 November 2025

As at the date of this announcement, the Board comprises Mr. Wong Ip Kuen (Chairman), Ir. Dr. Wong Tin Cheung, Dr. Wong Rosana Wai Man and Mr. Sun Chun Wai as Executive Directors and Mr. Chan Bernard Charnwut, Mr. Wu King Cheong, Mr. Yeung Tak Bun and Dr. Yeung Tsun Man Eric as Independent Non-Executive Directors.

The full version of this announcement can also be accessed on the following websites:
(i) http://www.yaulee.com; and
(ii) http://www.irasia.com/listco/hk/yaulee/