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LUNG KEE (BERMUDA) HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 255)

Website: <http://www.irasia.com/listco/hk/lkm>

PROFIT WARNING

This announcement is made by the Board pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

Based on the currently available information, the Board wishes to inform the Shareholders and potential investors that the Group is expected to record a net loss of not less than HK\$30 million for the six months ended 30 June 2023 as compared to the net profit of HK\$41 million recorded for the six months ended 30 June 2022.

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

This announcement is made by the board of directors (the “**Board**”) of Lung Kee (Bermuda) Holdings Limited (the “**Company**”) which 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 “**SFO**”).

The Board wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on the latest review of the unaudited management accounts and the information of the Group currently available to the Board, the Group is expected to record a net loss of not less than HK\$30 million for the six months ended 30 June 2023 as compared to the net profit of HK\$41 million recorded for the six months ended 30 June 2022. The anticipated turnaround of the Group’s results from profit to loss is mainly due to the significant decrease of the Group’s sales revenue as the significant reduction of aggregate purchase orders in the market caused by the tough business operating environment.

During the period, there are various factors such as the weak consumer sentiment amidst the outbreak of the COVID-19 pandemic for more than 3 years, the continuous trade disputes between China and the United States of America, the increase of interest rates by major economies such as the United States of America to curb inflation and the geopolitical tension in various regions, all these factors adversely affect the overall economy which slowed down global production and aggravated the tough business operating environment in which the Group operates. The significant

reduction of aggregate purchase orders in the market coupled with the relatively fixed operation costs resulted in the significant decrease in the Group's revenue and the turnaround of the Group's results from profit to loss.

The Company is still finalising the interim results of the Group for the six months ended 30 June 2023. Hence, the information disclosed in this announcement only represents a preliminary assessment by the Board and the management of the Group based on the information currently available to the Board, which has not been audited or reviewed by the Company's independent auditor. The interim results of the Group may be subject to adjustments following further review by the Board and the Company's Audit Committee.

Shareholders and potential investors are advised to read carefully the announcement of the unaudited interim results of the Group for the six months ended 30 June 2023, which is expected to be published before the end of August 2023 pursuant to the requirements of the Listing Rules.

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

By Order of the Board
Wai Lung Shing
Director and Company Secretary

Hong Kong, China, 7 July 2023

As at the date of this announcement, the executive directors of the Company are Mr. Siu Tit Lung (Chairman), Mr. Siu Yuk Lung, Mr. Wai Lung Shing, Mr. Ting Chung Ho, Mr. Siu Yuk Tung, Ivan and Mr. Siu Yu Hang, Leo; and the independent non-executive directors of the Company are Dr. Lee Tat Yee, Mr. Lee Joo Hai, Mr. Wong Hak Kun and Ms. He Lamei.