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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\$70 million for the year ended 31 December 2023 as compared to the net profit of HK\$16 million recorded for the year ended 31 December 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\$70 million for the year ended 31 December 2023 as compared to the net profit of HK\$16 million recorded for the year ended 31 December 2022. The anticipated turnaround of the Group’s results from profit to loss is mainly due to the continuous low level of the Group’s sales revenue caused by the sluggish economic environment coupled with the unavoidable reduction of selling prices under the tough business operating environment.

During the year, there are various factors such as the weak consumer sentiment amidst the outbreak of the COVID-19 pandemic for more than 3 years, the weaker-than-expected global economic recovery after the full resumption of cross-border activities over the world, 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. It has continuously generated unprecedented challenges and uncertainties to the business operating environment in which the Group operates. The continuous low level of the Group's sales revenue coupled with the reduction of selling prices and the relatively fixed operation costs resulted in the turnaround of the Group's results from profit to loss for the year ended 31 December 2023.

The Company is still finalising the consolidated final results of the Group for the year ended 31 December 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. The audited consolidated final results of the Group may be subject to adjustments following further review by the Board, discussions with the auditor of the Company and completion of required auditing procedures.

Shareholders and potential investors are advised to read carefully the announcement of the audited consolidated final results of the Group for the year ended 31 December 2023, which is expected to be published before the end of March 2024 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, 5 January 2024

*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.*