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有利集團有限公司*
Yau Lee Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 406)

PROFIT WARNING

This announcement is made by Yau Lee 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 under 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 “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group and other information currently available to the Board, the Group is expected to record a decrease in net profit for the year ended 31 March 2022 in a range of approximately 50% to 60% as compared to the net profit of HK\$149 million recorded by the Group for the year ended 31 March 2021.

The decrease in net profit is mainly attributable to (i) non-recurrence of wage subsidies from the Employment Support Scheme launched by the Hong Kong Government in 2020; (ii) an impairment provision made by the Group for equity investment in a joint venture (“**JV**”). To develop business in the People’s Republic of China (“**PRC**”), over the past years, a wholly-owned subsidiary of the Company has partnered with a PRC party (“**JV Partner**”) to form a joint venture in PRC for manufacturing and sale of precast concrete products. During the year ended 31 March 2022, the JV Partner faced financial issues that created adverse effect to the normal operations of the JV. After prudent consideration and assessment, the management of the Group believes there are indications of impairment for such investment.

* For identification purpose only

The Company is still in the course of finalizing its consolidated financial results of the Group for the year ended 31 March 2022. The information contained in this announcement is only a preliminary assessment by the Board based on the information currently available to the Board, which has neither been reviewed nor audited by the Company's auditors. The Group's audited results for the year ended 31 March 2022 are expected to be published in late June of 2022.

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

By Order of the Board
Yau Lee Holdings Limited
Wong Ip Kuen
Chairman

Hong Kong, 2 June 2022

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