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力勁科技集團有限公司
L.K. Technology Holdings Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 558)

**ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025**

FINANCIAL HIGHLIGHTS			
	(Unaudited) For the six months ended 30 September		Change %
	2025 HK\$'000	2024 HK\$'000	
Operating results:			
Revenue	3,260,464	2,594,448	25.7%
Gross profit	767,223	744,623	3.0%
Gross profit margin	23.5 %	28.7%	-5.2%
Operating profit	249,840	216,520	15.4%
Operating profit margin	7.7 %	8.3%	-0.6%
Profit for the period	167,696	165,923	1.1%
Net profit margin	5.1 %	6.4%	-1.3%
Return on equity (annualised)	8.0 %	9.8%	-1.8%
	HK cents	HK cents	
Basic and diluted earnings per share	10.4	10.9	-4.6%
	(Unaudited) At 30 September 2025 HK\$'000	(Audited) At 31 March 2025 HK\$'000	Change %
Financial position:			
Total assets	12,608,479	11,914,252	5.8%
Net assets	4,183,090	4,116,554	1.6%
Net current assets	2,782,153	3,042,491	-8.6%
Cash and cash equivalents	1,406,817	1,560,253	-9.8%
Total borrowings	2,441,712	2,148,860	13.6%

The board (the “Board”) of directors (the “Directors”) of L.K. Technology Holdings Limited (the “Company”) is pleased to present the unaudited condensed consolidated interim financial information of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 September 2025.

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 September 2025

		(Unaudited)	
		Six months ended 30 September	
		2025	2024
	Notes	HK\$'000	HK\$'000
Revenue	3	3,260,464	2,594,448
Cost of sales	5	(2,493,241)	(1,849,825)
Gross profit		767,223	744,623
Other income	3	45,159	73,130
Other gains – net	4	9,371	27,818
Selling and distribution expenses	5	(223,931)	(254,671)
General administrative expenses	5	(350,701)	(367,083)
Reversal of provision/(provision) for impairment of trade receivables – net	5	2,719	(7,297)
Operating profit		249,840	216,520
Finance income		7,384	11,700
Finance costs		(35,181)	(33,407)
Finance costs – net	6	(27,797)	(21,707)
Share of losses of joint ventures		(2,806)	–
Share of losses of associates		(11,240)	(91)
Profit before income tax		207,997	194,722
Income tax expenses	7	(40,301)	(28,799)
Profit for the period		167,696	165,923
Profit attributable to:			
Equity holders of the Company		141,377	148,385
Non-controlling interests		26,319	17,538
		167,696	165,923

(Unaudited)			
Six months ended 30 September			
		2025	2024
		<i>HK cents</i>	<i>HK cents</i>
	<i>Notes</i>	<i>per share</i>	<i>per share</i>
Earnings per share for profit attributable to owners of the Company during the period			
– Basic	8(a)	10.4	10.9
		<u><u> </u></u>	<u><u> </u></u>
– Diluted	8(b)	10.4	10.9
		<u><u> </u></u>	<u><u> </u></u>

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2025

	(Unaudited)	
	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
Profit for the period	167,696	165,923
Other comprehensive income for the period:		
<i>Item that may be reclassified to profit or loss upon disposal</i>		
Currency translation difference	46,767	7,819
<i>Items that will not be reclassified to profit or loss</i>		
Fair value change of financial assets at fair value through other comprehensive income	(8,209)	—
Total comprehensive income for the period, net of tax	206,254	173,742
Total comprehensive income for the period attributable to:		
Equity holders of the Company	175,725	156,204
Non-controlling interests	30,529	17,538
	206,254	173,742

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2025

		(Unaudited) 30 September 2025 HK\$'000	(Audited) 31 March 2025 HK\$'000
	Notes		
Non-current assets			
Intangible assets		9,997	10,720
Property, plant and equipment		2,950,304	2,680,922
Investment properties		420,700	419,600
Right-of-use assets		492,159	495,281
Interests in joint ventures		61,794	64,542
Interests in associates		15,985	16,181
Other receivables and deposits		49,866	36,941
Deferred income tax assets		119,625	114,447
Trade and bill receivables	10	137,565	14,911
Financial assets at fair value through other comprehensive income		85,198	92,391
Total non-current assets		4,343,193	3,945,936
Current assets			
Inventories		1,965,982	1,928,097
Trade and bill receivables	10	4,083,694	3,718,880
Other receivables, prepayments and deposits		506,011	411,398
Short-term bank deposits		99,597	108,696
Restricted bank balances		203,185	240,992
Cash and cash equivalents		1,406,817	1,560,253
Total current assets		8,265,286	7,968,316
Total assets		12,608,479	11,914,252
Equity			
Share capital		136,440	136,440
Reserves		(795,013)	(826,765)
Retained earnings		2,708,507	2,680,555
		2,049,934	1,990,230
Non-controlling interests		2,133,156	2,126,324
Total equity		4,183,090	4,116,554

		(Unaudited) 30 September 2025 HK\$'000	(Audited) 31 March 2025 HK\$'000
	Notes		
Non-current liabilities			
Deferred income tax liabilities		69,354	73,086
Borrowings		248,268	253,829
Lease liabilities		56,168	57,630
Other payables	11	4,608	4,460
Redemption liabilities	11	2,563,858	2,482,868
Total non-current liabilities		2,942,256	2,871,873
Current liabilities			
Trade and bill payables	11	2,122,156	1,838,182
Other payables and contract liabilities	11	1,105,756	1,129,092
Borrowings		2,193,444	1,895,031
Lease liabilities		10,814	12,214
Current income tax liabilities		46,332	41,795
Financial liability at fair value through profit or loss		4,631	9,511
Total current liabilities		5,483,133	4,925,825
Total liabilities		8,425,389	7,797,698
Total equity and liabilities		12,608,479	11,914,252

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS*For the six months ended 30 September 2025*

	(Unaudited)	
	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
Net cash inflow/(outflow) from operating activities	101,478	(166,811)
Net cash outflow from investing activities	(493,864)	(368,668)
Net cash inflow/(outflow) from financing activities	217,646	(95,113)
Net decrease in cash and cash equivalents	(174,740)	(630,592)
Cash and cash equivalents at beginning of period	1,560,253	2,375,176
Exchange differences on cash and cash equivalents	21,304	2,138
Cash and cash equivalents at end of period	1,406,817	1,746,722

NOTES:

1 BASIS OF PREPARATION AND ACCOUNTING POLICIES

The condensed consolidated interim financial information for the six months ended 30 September 2025 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 ‘Interim Financial Reporting’ issued by the Hong Kong Institute of Certified Public Accountants. In addition, the condensed consolidated interim financial information has been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The condensed consolidated 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 accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the adoption of amended standards and interpretation as set out below.

Income tax expenses in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

a. Amendments to existing standard adopted by the Group

The Group has applied the following amended standard for the first time for the annual reporting period commencing 1 April 2025:

HKAS 21 and HKFRS 1 (amendments) Lack of Exchangeability

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

b. New and amended standards and interpretation not yet adopted

		Effective for accounting periods beginning on or after
HKFRS 9 & HKFRS 7 (amendments)	Classification and Measurement of Financial Instruments	1 April 2026
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 & HKAS 7	Annual Improvements to HKFRS Accounting Standards Volume 11	1 April 2026
HKFRS 9 & HKFRS 7 (amendments)	Contracts Referencing Nature-dependent Electricity	1 April 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 April 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 April 2027
HK Int 5 (amendments)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 April 2027
HKFRS 10 & HKAS 28 (amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Not yet established

The Group will apply the above new standards and amendments to existing standards, interpretation and annual improvements when they become effective.

The new standards, amendments to existing standards, interpretation and annual improvements are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions, except for HKFRS 18 which will mainly impact the presentation in the income statement and statement of cash flows. The Group is still in the process of evaluating the impact of adoption of HKFRS 18.

2 SEGMENT INFORMATION

The Group determines its operating segments based upon the internal reports reviewed by the chief operating decision maker (“CODM”) that are used to make strategic decisions. Segment results represent the profit/(loss) for the period before corporate expenses in each reportable segment. This is the measure reported to the Group’s management for the purpose of resource allocation and assessment of segment performance.

The measure used for reporting segment results is “profit from operations”, i.e. profit before finance income, finance costs, share of losses of associates, share of losses of joint ventures and income tax expenses. To arrive at the profit/(loss) from operations, the Group’s profit is further adjusted for items not specifically attributed to individual segments.

The Group is organised into three main reportable segments.

- (i) Die-casting machine;
- (ii) Plastic injection moulding machine;
- (iii) Computerised numerical controlled (“CNC”) machining centre.

For the six months ended 30 September 2025, none of the customers of the Group individually accounted for 10% or more of the Group’s total revenue (2024: same).

The segment results for the six months ended 30 September 2025 are as follows:

	(Unaudited)					
	Die-casting machine HK\$’000	Plastic injection moulding machine HK\$’000	CNC machining centre HK\$’000	Total segments HK\$’000	Eliminations HK\$’000	Total HK\$’000
Revenue						
External sales	2,263,178	920,164	77,122	3,260,464	–	3,260,464
Inter-segments sales	26,004	–	–	26,004	(26,004)	–
	<u>2,289,182</u>	<u>920,164</u>	<u>77,122</u>	<u>3,286,468</u>	<u>(26,004)</u>	<u>3,260,464</u>
Results						
Segment results	<u>228,751</u>	<u>45,090</u>	<u>(14,016)</u>	<u>259,825</u>	<u>–</u>	<u>259,825</u>
Administrative expenses						(9,985)
Finance income						7,384
Finance costs						(35,181)
Share of losses of associates						(11,240)
Share of losses of joint ventures						<u>(2,806)</u>
Profit before income tax						<u>207,997</u>

The segment results for the six months ended 30 September 2024 are as follows:

	(Unaudited)					
	Die-casting machine <i>HK\$'000</i>	Plastic injection moulding machine <i>HK\$'000</i>	CNC machining centre <i>HK\$'000</i>	Total segments <i>HK\$'000</i>	Eliminations <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue						
External sales	1,622,828	881,269	90,351	2,594,448	–	2,594,448
Inter-segments sales	13,440	–	–	13,440	(13,440)	–
	<u>1,636,268</u>	<u>881,269</u>	<u>90,351</u>	<u>2,607,888</u>	<u>(13,440)</u>	<u>2,594,448</u>
Results						
Segment results	<u>169,093</u>	<u>51,265</u>	<u>5,708</u>	<u>226,066</u>	<u>–</u>	226,066
Administrative expenses						(9,546)
Finance income						11,700
Finance costs						(33,407)
Share of losses of associates						<u>(91)</u>
Profit before income tax						<u>194,722</u>

The revenue from external parties reported to the CODM is measured in a manner consistent with that in the condensed consolidated income statement.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segments.

As at 30 September 2025

	(Unaudited)			
	Die-casting machine <i>HK\$'000</i>	Plastic injection moulding machine <i>HK\$'000</i>	CNC machining centre <i>HK\$'000</i>	Total <i>HK\$'000</i>
Assets				
Segment assets	8,075,974	2,287,709	2,164,141	12,527,824
Unallocated assets				<u>80,655</u>
Total assets				<u>12,608,479</u>
Liabilities				
Segment liabilities	6,268,582	1,606,652	434,601	8,309,835
Unallocated liabilities				<u>115,554</u>
Total liabilities				<u>8,425,389</u>

As at 31 March 2025

	(Audited)			
	Die-casting machine <i>HK\$'000</i>	Plastic injection moulding machine <i>HK\$'000</i>	CNC machining centre <i>HK\$'000</i>	Total <i>HK\$'000</i>
Assets				
Segment assets	7,739,222	2,072,834	2,016,609	11,828,665
Unallocated assets				85,587
Consolidated total assets				11,914,252
Liabilities				
Segment liabilities	5,929,239	1,439,350	375,727	7,744,316
Unallocated liabilities				53,382
Consolidated total liabilities				7,797,698

For the purpose of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments other than corporate assets;
- all liabilities are allocated to reportable segments other than corporate liabilities; and
- liabilities for which segments are jointly liable are allocated in proportion to segment assets.

3 REVENUE AND OTHER INCOME

	(Unaudited)	
	Six months ended 30 September	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue for sales of goods recognised under HKFRS 15 – at a point in time		
Die-casting machine	2,263,178	1,622,828
Plastic injection moulding machine	920,164	881,269
CNC machining centre	77,122	90,351
	3,260,464	2,594,448

	(Unaudited)	
	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
Other income		
Value added taxes refund and other subsidies from government (Note)	23,953	52,860
Rental income	16,295	16,693
Sundry income	4,911	3,577
	<u>45,159</u>	<u>73,130</u>

Note: Other subsidies from government recognised were primarily related to grants received from government in relation to sales and research and development of self-developed products in the PRC. There were no unfulfilled condition and other contingencies attached to the receipts of those subsidies.

4 OTHER GAINS – NET

	(Unaudited)	
	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
Net foreign exchange gains/(losses)	12,449	(2,545)
Fair value change of investment properties	(3,301)	9,500
Losses on disposals of property, plant and equipment	(663)	(1,780)
Gain on disposal of other receivables previously impaired (Note)	–	17,482
Fair value change on contingent consideration payable	(547)	–
Others	1,433	5,161
	<u>9,371</u>	<u>27,818</u>

Note: During the six months ended 30 September 2024, Fuxin Lida Steel Casting Co. Ltd. (“Fuxin Lida”), a wholly owned subsidiary of the Group, recovered RMB15,908,000 out of the total RMB50,908,000 previously impaired outstanding consideration receivable from 阜新金達鋼鐵鑄造有限公司 (“阜新金達”), the purchaser of the disposal, in connection with the disposal of 35% equity interest in 阜新力昌鋼鐵鑄造有限公司 (“阜新力昌”) completed during the year ended 31 March 2012. As stipulated in a tri-partite agreement entered into between 阜新金達, Fuxin Lida and Fuxin County government, 阜新金達 agreed to pay RMB15,908,000 on behalf of Fuxin Lida to a local contractor for construction of a factory site of Fuxin Lida in lieu of settlement of the outstanding consideration receivable. RMB35,000,000 was recovered during the year ended 31 March 2021. As at 30 September 2024 and 2025, no outstanding consideration receivable was unsettled by 阜新金達.

5 EXPENSES BY NATURE

	(Unaudited)	
	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
Raw materials and consumables used	1,895,298	1,727,827
Change in inventories of finished goods and work in progress	74,102	(278,399)
Staff costs	492,935	544,427
Amortisation of intangible assets	2,142	2,541
Depreciation of property, plant and equipment	122,117	107,796
Depreciation of right-of-use assets	12,134	10,940
Research costs	56,196	55,342
Utilities	48,054	42,481
Auditor's remuneration		
– Audit services	1,600	1,600
– Non-audit services	650	429
(Reversal of provision)/provision for impairment of trade receivables – net (<i>Note 10</i>)	(2,719)	7,297
Provision/(reversal of provision) for inventories write-down – net	529	(10,451)
Reversal of loss on financial guarantee contracts	–	(928)
Provision for impairment of other receivables – net	8,395	–
Other expenses	353,721	267,974
	3,065,154	2,478,876
Represented by:		
Cost of sales	2,493,241	1,849,825
Selling and distribution expenses	223,931	254,671
General administrative expenses	350,701	367,083
(Reversal of provision)/provision for impairment of trade receivables – net	(2,719)	7,297
	3,065,154	2,478,876

For the six months ended 30 September 2025, the staff costs related to research and development activities were HK\$65,327,000 (2024: HK\$67,492,000).

6 FINANCE COSTS – NET

	(Unaudited)	
	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
Finance income:		
Interest income on short-term bank deposits	(7,384)	(11,700)
Finance costs:		
Interests on bank borrowings	29,117	28,946
Less: Capitalised into property, plant and equipment (<i>Note</i>)	(2,040)	(3,560)
Interest on employees' incentive plan of subsidiaries	5,563	5,624
Interest on lease liabilities	1,084	1,175
Charges on bill receivables discounted without recourse	1,457	1,222
	35,181	33,407
	27,797	21,707

Note: Borrowing costs capitalised during the six months ended 30 September 2025 are arose from borrowing pool which were calculated by applying a capitalisation rate of 2.7% (2024: 3.2%) to expenditure on qualifying assets.

7 INCOME TAX EXPENSES

	(Unaudited)	
	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
Current income tax		
– PRC income tax	37,640	25,016
– Hong Kong profits tax	1,195	2,524
– Overseas tax	497	–
– Withholding tax on dividend income	5,594	2,780
	44,926	30,320
Deferred income tax	(4,625)	(1,521)
Tax charge	40,301	28,799

Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year.

In accordance with the applicable Corporate Income Tax Law of the PRC, the Company's subsidiaries established in the PRC are taxed at statutory rate of 25% (2024: same).

Certain subsidiaries in Shenzhen, Zhongshan, Ningbo, Shanghai, Kunshan and Fuxin have been certified as High and New Technology Enterprises and are entitled to a concessionary tax rate of 15% for three years. They are entitled to re-apply for the preferential tax treatment when the preferential tax period expires.

Under the Corporate Income Tax Law of the PRC, dividends out of profit earned on or after 1 January 2008 from the subsidiaries in the PRC distributed to the Group will be subject to withholding income tax. The implementation rules of the Corporate Income Tax Law of the PRC provide for the withholding income tax on such dividend to be at 10% unless reduced by tax treaty. Pursuant to a double tax arrangement between the PRC and Hong Kong, Hong Kong tax resident companies could enjoy a lower withholding tax rate of 5% on dividends received from PRC. Provision for withholding tax is included in deferred taxation.

As at 30 September 2025, deferred income tax liabilities of HK\$31,922,000 (31 March 2025: HK\$40,276,000) have not been recognised for the withholding tax and other taxes that would be payable on the unremitted earnings of certain subsidiaries. Unremitted earnings that are subject to withholding tax amounted to HK\$638,454,000 at 30 September 2025 (31 March 2025: HK\$805,520,000). Such amounts are not intended to be distributed in the foreseeable future to the Group companies outside of the PRC. For the subsidiaries that we have an intention to distribute their respective retained earnings, we have recognised deferred tax liabilities of HK\$13,170,000 (31 March 2025: HK\$19,790,000) for the withholding tax as at 30 September 2025 that would be payable upon such distribution.

Subsidiaries established in Hong Kong are subject to Hong Kong profits tax at a rate of 16.5% (2024: same) on the estimated assessable profit for the period.

Taxation on overseas profits has been calculated on the estimated assessable profits for the period at the rates of taxation prevailing in the jurisdiction in which the Group operates.

8 EARNINGS PER SHARE

(a) Basic

The calculation of the basic earnings per share is based on the consolidated profit attributable to the owners of the Company of HK\$141,377,000 (2024: HK\$148,385,000) and on the weighted average number of approximately 1,364,392,000 (2024: 1,364,392,000) ordinary shares in issue.

	(Unaudited)	
	Six months ended 30 September	
	2025	2024
Profit attributable to owners of the Company (<i>HK\$'000</i>)	<u>141,377</u>	<u>148,385</u>
Weighted average number of ordinary shares in issue (<i>thousands</i>)	<u>1,364,392</u>	<u>1,364,392</u>
Basic earnings per share (<i>HK cents</i>)	<u>10.4</u>	<u>10.9</u>

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

For the period ended 30 September 2025, the Group has the following category of potentially dilutive ordinary share: share option issued by the Company (2024: same).

As the share option has anti-dilutive effects on the earnings per share for the period ended 30 September 2025, the diluted earnings per share is equivalent to the basic earnings per share (2024: same).

9 INTERIM DIVIDEND

At a meeting held on 27 November 2025, the board of directors has resolved to declare an interim dividend of HK3 cents per share (2024: same) amounting to HK\$40,932,000 (2024: same). This declared dividend is not reflected as dividend payable in this condensed consolidated interim financial information, but will be recognised in shareholders' equity in the year ending 31 March 2026.

10 TRADE AND BILL RECEIVABLES

	(Unaudited) As at 30 September 2025 HK\$'000	(Audited) As at 31 March 2025 HK\$'000
Trade receivables	3,563,462	3,202,052
Less: Provision for impairment	(151,337)	(155,558)
	<u>3,412,125</u>	<u>3,046,494</u>
Bill receivables	809,134	687,297
	<u>4,221,259</u>	<u>3,733,791</u>
Less: Balance due after one year shown as non-current assets	(137,565)	(14,911)
	<u>4,083,694</u>	<u>3,718,880</u>

As at 30 September 2025, the amount of provision for impaired trade receivables was HK\$151,337,000 (31 March 2025: HK\$155,558,000). The reversal of provision for impairment of trade receivables made during the current period was HK\$2,719,000 (30 September 2024: provision of HK\$7,297,000). The individually impaired receivables mainly relate to individual customers, the recoverability of which was in doubt.

The ageing analysis of the gross trade receivables based on invoice date at the end of reporting period is as follows:

	(Unaudited) As at 30 September 2025 HK\$'000	(Audited) As at 31 March 2025 HK\$'000
Within 90 days	1,942,742	1,693,567
91–180 days	458,166	551,648
181–365 days	542,627	410,735
Over one year	619,927	546,102
	<u>3,563,462</u>	<u>3,202,052</u>

The maturity date of the bill receivables is generally between one to six months.

Goods sold to customers are either made on cash on delivery or on credit basis. Customers in general are required to pay deposits upon placing purchase orders, the remaining balances will be payable upon goods delivery to customers. Majority of customers are granted with credit terms ranging from one to six months. The Group also sells goods to certain customers with sales proceeds payable by installments which normally range from six to twelve months.

11 TRADE AND BILL PAYABLES, OTHER PAYABLES, CONTRACT LIABILITIES AND REDEMPTION LIABILITIES

	(Unaudited) As at 30 September 2025 HK\$'000	(Audited) As at 31 March 2025 HK\$'000
Current portion		
Trade payables (<i>Note i</i>)	1,273,762	1,226,667
Bill payables	848,394	611,515
	<u>2,122,156</u>	<u>1,838,182</u>
Trade and bill payables	<u>2,122,156</u>	<u>1,838,182</u>
Contract liabilities	329,206	412,885
Other deposits	13,962	10,708
Accrued salaries, bonuses and staff benefits	125,136	126,148
Accrued sales commission	70,796	80,996
Value added tax payable	22,671	27,243
Provision for warranty and installation	81,926	61,960
Accrued payment for construction in progress	113,807	137,286
Consideration payable for acquisition of a financial asset at FVOCI	–	65,217
Consideration payable for acquisition of a joint venture	30,933	36,545
Dividend payable to equity holders of the Company	61,497	–
Dividend payable to holders of employee's incentive plan	291	–
Others	255,531	170,104
	<u>1,105,756</u>	<u>1,129,092</u>
Other payables and contract liabilities	<u>1,105,756</u>	<u>1,129,092</u>
Non-current portion		
Redemption liabilities (<i>Note ii</i>)	2,563,858	2,482,868
Other payables	4,608	4,460
	<u>2,568,466</u>	<u>2,487,328</u>

Notes:

- (i) The ageing analysis of the trade payables based on invoice date is as follows:

	(Unaudited) As at 30 September 2025 HK\$'000	(Audited) As at 31 March 2025 HK\$'000
Within 90 days	1,136,926	1,076,926
91–180 days	54,007	77,145
181–365 days	32,872	28,552
Over one year	49,957	44,044
	<u>1,273,762</u>	<u>1,226,667</u>

The maturity dates of the bill payables are generally between one and six months.

- (ii) The balance represents the Group's obligation to repurchase:

	(Unaudited) As at 30 September 2025 HK\$'000	(Audited) As at 31 March 2025 HK\$'000
Equity interests of non-controlling interests in Shenzhen L.K. (Note a)	2,314,637	2,241,800
Employee's incentive plan of LK Injection (Note b)	70,398	68,314
Employee's incentive plan of Shenzhen L.K. (Note b)	178,823	172,754
	<u>2,563,858</u>	<u>2,482,868</u>

Notes:

- a. During the year ended 31 March 2024, the Future Industry Investment Fund II and other investors (the "Investors") subscribed to approximately 15.22% of the enlarged registered capital of Shenzhen L.K. through cash contributions of RMB 1,880,000,000 in total (equivalent to approximately HK\$2,065,934,000) (the "Consideration").

A repurchase option (the "Repurchase Option") has been granted by Shenzhen L.K., its subsidiaries, and the Company (the "Repurchase Obligor") to the Investors. In the event of specified repurchase events occur when the Investors hold equity interest in Shenzhen L.K., the Investors can require the Repurchase Obligor to repurchase all or part of their equity interest in Shenzhen L.K. at the agreed repurchase price.

Under the Repurchase Option, the Repurchase Obligor is required to pay the Investors the repurchase price, which is equal to the Consideration plus 7% interest per annum in cash, within 3 years in instalments if any specified repurchase events occur. A redemption liability of RMB 1,880,000,000 (equivalent to approximately HK\$2,065,934,000) has been recognised in the consolidated statement of financial position on the date of Completion. Shenzhen L.K. declared and paid HK\$23,697,000 dividend to the investors during the period. As at 30 September 2025, the redemption liability was HK\$2,338,334,000 (31 March 2025: HK\$2,241,800,000), being the Consideration less dividend paid plus accumulated interest of HK\$272,400,000 (31 March 2025: HK\$198,322,000).

Management has assessed the risks and rewards of ownership associating to the equity interests held by the Investors had substantially remained with the Investors in accordance with HKFRS 10. Hence, equity interests held by the Investors were recognised as non-controlling interests as at 30 September 2025 (31 March 2025: same).

- b. These balances represent the Group's obligation to repurchase, if certain repurchase events occur, all restricted shares of LK Injection and Shenzhen L.K., PRC subsidiaries of the Group in connection with their Employees' Incentive Plan's. These balances are denominated in RMB.

MANAGEMENT DISCUSSION AND ANALYSIS

I. Industry Development Trends and Macroeconomic Environment

(i) Global macroeconomic trends: opportunities across industries amidst an uneven recovery

During the reporting period, the global economy continued to exhibit a divergent pattern characterised by “slower growth in the developed economies, with the emerging markets leading the pace of expansion”. Manufacturing investment sentiment remained cautious in economies in Europe and America due to the lingering inflationary pressure and the delayed effects of policy tightening, with fluctuating industrial production indices. Emerging markets led by Southeast Asia and South Asia have been acting as the core drivers of global economic growth. The momentum stemmed from the sustained tariff reductions under the Regional Comprehensive Economic Partnership (RCEP) and the deepening of industrial chain integration, coupled with accelerated local infrastructure development and the demand for manufacturing upgrades.

In the raw materials market, the magnesium-to-aluminum price ratio remained consistently below 0.75. This trend has significantly reduced the application costs of magnesium alloy materials, creating favourable conditions for lightweight transformation in sectors such as automotive manufacturing and humanoid robotics, which has directly driven sustained growth in market demand for magnesium alloy die-casting equipment.

(ii) Core industry development trends

Automotive Manufacturing Industry: The deepening and emphasis of lightweight design of new energy technology has accelerated the resonance within the global automotive industry, driving an in-depth transition towards new energy technology. According to data from the China Passenger Car Association, during the first three quarters of 2025, global sales of new energy vehicle (NEV) reached 10,446,000 units, representing a year-on-year increase of 32%, among which the Chinese market continued to lead the industry as it accounted for 70.5% of the global market share with sales of 7,400,000 units. In this new phase where “product-driven” replaces “policy-driven,” automakers were focusing on performance upgrades and cost optimisation. The application of integrated die-casting technology has extended beyond battery trays and rear floor panels to core structural components such as the entire chassis and front compartment. Meanwhile, magnesium alloys rapidly gained traction in automotive body structures and interior components due to their superior lightweighting capabilities compared to aluminum alloys (offering weight reduction of 25%-50%). Coupled with the cost advantage of stabilised magnesium prices, this trend has been propelling magnesium die-casting equipment to become a new growth engine for the industry.

Automation and Intelligent Equipment Industry: The deep integration of AI technology with manufacturing has become an irreversible trend, with industrial robots achieving increasing penetration rates in production lines. As an emerging sector within smart manufacturing, humanoid robots were accelerating their R&D and mass production processes, driving an urgent demand for supporting automated production equipment, high-precision machining technologies, and intelligent solutions.

Precision Manufacturing and Consumer Electronics Industry: The market for emerging tech consumer products like AI glasses and smart wearables continued to expand, directly driving precision specialty casting equipment toward higher accuracy and more flexible processes. Tolerance control at the 0.01mm level has become the industry standard, creating differentiated competitive opportunities for equipment manufacturers with core technologies.

II. BUSINESS PERFORMANCE AND ANALYSIS OF CORE BUSINESSES

(i) Overall performance of the Group

During the first half of the financial year 2025/2026, amid persistent pressures from intensifying competition in the domestic market and structural opportunities in the global market, the Company achieved steady growth in overall operating performance through its deep technological expertise, precise market positioning, and efficient operational management, demonstrating strong business resilience. During the reporting period, the Company achieved operating revenue of HK\$3,260.5 million, representing a year-on-year increase of 25.7%. Gross profit reached HK\$767.2 million, an improvement of 3 percentage points compared to the same period last year. Net profit amounted to HK\$167.7 million, with a net profit margin of 5.1%, indicating a steady enhancement in profitability.

From a business structure perspective, our core die-casting machine business generated revenue of HK\$2,263.2 million, accounting for 69.4% of total revenue and representing a year-on-year increase of 39.5%. Overall sales revenue from the plastic injection moulding machine business grew by 4.4% year-on-year. Revenue from the CNC machining centre business amounted to HK\$77.1 million, accounting for 2.4% of total revenue, reflecting a year-on-year decrease of 14.7%.

(ii) Operating results by business segments

Die-casting Machine Business: The Company's die-casting machine business maintained its growth momentum, achieving a significant year-on-year increase of 39.5%. Driven by simultaneous advancements in both NEV die casting and magnesium alloy die casting, magnesium alloy die casting stands out particularly for its technological leadership and application breakthroughs. The Company's magnesium alloy equipment series recorded a year-on-year sales surge of more than 400% in 2025. Since establishing its magnesium alloy hot-chamber and cold-chamber die-casting capabilities in 2000, the Company has continuously deepened its expertise in core magnesium alloy technologies, focused on addressing industry-wide technical challenges. The "TPI Magnesium Alloy Semi-Solid Triggered Plasticity" equipment, launched in 2024, has rapidly gained market recognition for its disruptive technological performance and has successfully adapted to diverse high-value scenarios in automotive manufacturing. Driven by deepening market recognition of magnesium die-casting advantages, renewed technical evaluations triggering more orders from existing clients, and the Company's position in the scarce TPI equipment supply landscape, TPI series equipment focused on the high-end market. TPI equipment sales achieved explosive growth, with shipment volumes surging significantly. At present, collaborations with key clients yielded substantial results: A leading South China OEM has procured 5000T TPI series equipment for automotive chassis and structural component production. Concurrently, the jointly developed 5000T magnesium alloy semi-solid die-casting equipment for Chongqing's lightweighting benchmark project was successful. These two major orders underscore the Company's magnesium alloy equipment's market competitiveness. Furthermore, the Company provides magnesium alloy and magnesium-lithium alloy die-casting equipment to clients across smart wearables, two-wheeled electric vehicles, humanoid robots, and low-altitude economy sectors. This multi-domain deployment lays the equipment foundation for expanding magnesium alloy die casting into new applications, continuously broadening the boundaries of magnesium alloy utilisation.

Industry feedback indicated that the Company's product capabilities had been further enhanced. Revenue from automotive customers increased by 31% year-on-year, while revenue from smart 3C customers surged by 61%. The automotive sector has emerged as the primary driver of business growth, fully demonstrating the Company's technological prowess and market competitiveness in the die-casting machine industry. During the reporting period, the Company deepened its collaborations with multiple European OEMs and parts suppliers, as its overseas project delivery capabilities has continually validated: The 7000T super-large smart die-casting unit customised for a renowned automotive structural component supplier had been successfully shipped and delivered to its Eastern Europe facility. The unit would be used to produce battery housings and automotive body structural components for NEVs, serving multiple global mainstream automotive brands. Meanwhile, a 9000T ultra-large die-casting machine has been successfully

delivered to a European luxury car manufacturer. Additionally, certain medium-to-large die-casting equipment had commenced production at the North America facilities of renowned parts suppliers. The successful implementation of these series of projects fully demonstrated the Company's capabilities in overseas equipment deployment and systematic delivery within the high-end markets of Europe and America. In domestic OEM and parts sectors, several long-term clients had consistently purchased multiple medium-to-large die-casting machines. These included leading OEMs in southern China, emerging players in the NEV parts manufacturing segment, and benchmark enterprises in China's automotive casting industry. The Company's market share had further expanded, demonstrating recognition among core client groups and ability in soliciting recurring orders. To further expand into Europe's high-end market and strengthen its technological and talent pool, the Company entered into a strategic partnership with the University of Debrecen in Hungary to jointly establish the "European Innovation Machinery Centre (歐洲創新機械中心)".

Small and medium-sized die-casting machines also delivered impressive performance, with particularly strong demand actualisation in the motorcycle parts sector. During the reporting period, the Company successfully delivered equipment and secured bulk orders from leading enterprises, achieving significant year-on-year sales growth in the motorcycle parts industry. This has enabled the Company to continuously expand its market share in both the domestic and Southeast Asia motorcycle parts markets.

Injection Moulding Machine Business: Leveraging a dual-drive strategy of "high-end customisation + niche applications," the injection moulding machine business achieved dual successes in product structure upgrades and market expansion, with revenue growing by 4.4% year-on-year. During the reporting period, the Company achieved breakthroughs across multiple Southeast Asian markets, with significant results from core client collaborations: In Vietnam market, the Company focused on home appliance and toy sectors, establishing deep partnerships with leading industry players. Products were exported to Europe, the Middle East, Japan and other regions, with sales revenue surging by 150% year-on-year. In Indonesia market, we advanced strategic industry collaborations, partnering with key toy manufacturers to empower the global supply chain while providing robust support for leading vehicle enterprises' global expansion plans. On the product front, high-end customised models continued to gain momentum: The FA3550T large two-platen injection moulding machine, tailored for automotive exterior and structural component suppliers, was specifically designed for producing plastic battery enclosures for NEVs. It adopts a "plastic-for-steel" technology approach to address lightweighting trends, reduce battery pack weight and enhance driving range. The EL160 all-electric injection moulding machine leverages medical-grade precision control capabilities to introduce a "green production solution", successfully penetrating the medical device manufacturing sector and filling the business gap for high-end medical injection moulding equipment. In terms of specific models,

the dual-colour VARIA series delivered outstanding performance, with sales revenue increasing by 98% year-on-year. By industry segments, sales revenue from 3C/electronics and communications clients grew by 39% year-on-year, while sales revenue from toy industry clients surged by 88%.

CNC Machining Centre Business: The Company has developed a series of CNC product solutions, continuously iterating to enhance product performance while optimising production capacity and line layout. Through measures such as management team optimisation and sales channel expansion, market reach capabilities have been further strengthened.

III. Application Breakthroughs and Production Capacity Layout

(i) Magnesium alloy die-casting enables robot lightweighting: Integration of robotics and smart manufacturing

Leveraging its proprietary TPI magnesium alloy semi-solid die-casting technology, the Company has strategically entered the humanoid robot lightweighting sector, providing efficient forming solutions for robotic shell production. During the reporting period, the Company engaged in in-depth discussions with multiple robotics firms regarding technology implementation and product adaptation, reaching strategic cooperation agreements to significantly empower humanoid robot production and R&D. The solution focused on TPI magnesium alloy forming technology. Leveraging technical advantages such as optimised material flow and enhanced forming precision, it would enable the robotic body to achieve weight reduction and strength reinforcement, perfectly meeting demands for heavy-duty operations and endurance optimisation.

(ii) Amorphous alloy die-casting technology: Precisely empowering precision manufacturing in consumer electronics and beyond

Amorphous alloys, with their exceptional properties such as high strength and hardness, can be applied in fields including 3C electronics (foldable screen hinges), automotive precision components, and medical devices. Leveraging its extensive R&D expertise, the Company has achieved targeted breakthroughs in core technological challenges for the large-scale industrialisation of amorphous alloys – overcoming critical hurdles such as raw material compatibility, forming process optimisation, and the development of high-efficiency production equipment, thereby filling the gap in systematic guidance for die-casting processes. Leveraging technological breakthroughs, the Company has proactively positioned itself in the amorphous alloy die-casting equipment sector, focusing on core elements such as precise mould temperature control and vacuum environment maintenance to further enhance its strategic layout in high-end specialty casting equipment. Currently, the Company's amorphous alloy die-casting technology has made significant strides in

the 3C sector, successfully delivering equipment solutions for products including smartphone bezels, mid-frames, and liquid metal hinges for foldable phones. The achievement lays a solid foundation for further business expansion.

(iii) Further advancing of the globalisation strategy: Optimising and expanding domestic and international production and service networks

During the reporting period, the Company accelerated the optimisation of its domestic and overseas production capacity and deployment of service centres, focusing on enhancing core business capabilities and upgrading global services. In Mainland China, construction of the Fuxin Gantry CNC Machine Tool Project has formally commenced. It will focus on producing CNC optical machines, vertical/horizontal machining centres, and gantry CNC series products, further enhancing the high-end machine tool production capacity matrix while strengthening production coverage and customer responsiveness in northeastern China. In overseas, the Company's Indonesian technical service centre has officially commenced construction. It will establish a localised technical support and service system to precisely meet the equipment demands arising from the manufacturing shift in Southeast Asia.

Moving forward, the Company will continue to deepen technological innovation and global production capacity coordination. By expanding growth opportunities through diverse application breakthroughs and solidifying service foundations with a comprehensive production layout, we intend to fully capture the opportunities in high-end manufacturing and global development.

LIQUIDITY AND FINANCIAL RESOURCES

The working capital of the Group was generally financed by internal cash flows generated from its operation and existing banking facilities. As at 30 September 2025, the Group's cash and cash equivalents amounted to HK\$1,406.8 million (31 March 2025: HK\$1,560.3 million).

The gearing ratio of the Group is measured as total borrowings net of cash and cash equivalents divided by total equity. The gearing ratio was approximately 24.7% (31 March 2025: 14.3%).

As at 30 September 2025, the capital structure of the Company was constituted exclusively of 1,364,391,500 ordinary shares of HK\$0.1 each. The total amount of outstanding borrowings was HK\$2,441.7 million (31 March 2025: HK\$2,148.9 million), approximately 89.8% (31 March 2025: 88.2%) of which being short-term loans. Approximately 44.9% (31 March 2025: 38.5%) of the total borrowing was subject to interest payable at fixed rates.

CONTINGENT LIABILITIES

As at 30 September 2025, the Group did not have any material contingent liabilities.

PLEDGE OF ASSETS

As at 30 September 2025, the Group's banking facilities and financial guarantee contracts were secured by the assets of the Group, including restricted bank balances, right-of-use assets, investment properties, property, plant and equipment, bills receivables and other receivables, with aggregate carrying amounts of HK\$1,191.7 million (31 March 2025: HK\$1,119.6 million).

CAPITAL COMMITMENTS

As at 30 September 2025, the Group had capital commitments in respect of investment and acquisition of property, plant and equipment contracted but not provided in the consolidated financial information amounting to HK\$739.6 million (31 March 2025: HK\$778.9 million).

STAFF AND REMUNERATION POLICIES

As at 30 September 2025, the Group employed 5,880 full-time staff. The staff costs for the Period under Review amounted to HK\$492.9 million (2024: HK\$544.4 million). The remuneration policies of the Group are determined based on market trends, future plans, and the performance of individuals. In addition, the Group also provides other staff benefit such as mandatory provident fund, state-managed social welfare scheme, share option scheme and share award scheme.

On 24 September 2021, the Company granted an aggregate of 27,540,000 share options (the "Share Options") to 390 employees of the Group. Details of the above grant of the Share Options are set out in the announcement dated 24 September 2021.

INTERIM DIVIDEND

The Board has resolved to declare an interim dividend of HK3 cents per share for the six months ended 30 September 2025 (2024: HK3 cents per share) to the shareholders whose names appear on the register of members of the Company on Tuesday, 23 December 2025. The interim dividend will be paid on or about Friday, 9 January 2026.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the six months ended 30 September 2025, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the listed securities of the Company.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 19 December 2025 to Tuesday, 23 December 2025, both days inclusive, during which no transfer of shares will be registered. In order to qualify for the interim dividend, all shares transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Thursday, 18 December 2025.

CORPORATE GOVERNANCE

The Company has complied with all the code provisions as set out in the Corporate Governance Code as set out in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") during the Period under Review.

AUDIT COMMITTEE

The Audit Committee consists of three independent non-executive Directors, namely Dr. Lui Ming Wah, Dr. Low Seow Chay and Mr. Look Andrew. Dr. Lui Ming Wah is the chairman of the Audit Committee. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control system of the Group and provide advice and comments to the Board.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules. Having made specific enquiry of all Directors, all Directors have confirmed that they have fully complied with the required standard set out in the Model Code throughout the Period under Review.

REVIEW OF FINANCIAL INFORMATION

The Audit Committee has reviewed the unaudited condensed consolidated interim financial information of the Group for the six months ended 30 September 2025. PricewaterhouseCoopers, the Group's external auditor, also reviewed the unaudited condensed interim financial information for the six months ended 30 September 2025 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 Hong Kong Institute of Certified Public Accountants.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the websites of the Company (www.lk.world) and the Stock Exchange (www.hkexnews.hk). The 2025/26 interim report containing all the information required by the Listing Rules will be dispatched to the shareholders of the Company and available on the same websites in due course.

On behalf of the Board
L.K. Technology Holdings Limited
Chong Siw Yin
Chairperson

Hong Kong, 27 November 2025

As at the date of this announcement, the executive Directors are Ms. Chong Siw Yin, Mr. Liu Zhuo Ming and Mr. Tse Siu Sze; and the independent non-executive Directors are Dr. Low Seow Chay, Dr. Lui Ming Wah, PhD, SBS, JP and Mr. Look Andrew.