TSUN YIP HOLDINGS LIMITED
進業控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 8356)

PROFIT ALERT

The announcement is made by Tsun Yip Holdings Limited (the "**Company**"), together with its subsidiaries, the "**Group**") pursuant to Rule 17.10 of the Rules (the "**GEM Listing Rules**") Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the "**Board**") of directors (the "**Director(s)**") of the Company 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 for the financial year ended 31 March 2026 (the "**2026 Annual Results**") and assessment of the latest information currently available to the Board, the Group is expected to record a profit attributable to the owners of the Company of approximately HK$7.6 million for the financial year ended 31 March 2026 as compared to a loss attributable to the owners of the Company of approximately HK$11.3 million recorded for the financial year ended 31 March 2025 (the "**2025 Annual Results**").

The expected turnaround from loss to profit for the 2026 Annual Results was primarily attributable to the net effect of the following factors:

(i) The increase in revenue was mainly due to certain existing projects entering the peak construction periods successively.

(ii) The increase in gross profit and the improved gross profit margin were mainly driven by higher margins derived from certain civil engineering projects during their peak construction periods, alongside a decrease in subcontracting costs resulting from the successful negotiation and finalisation of accounts for a completed project with a subcontractor. This improvement was partially offset by extra construction costs incurred for certain civil engineering projects entering their maintenance periods or nearing completion.

(iii) A significant decrease in the provision for expected credit losses in the 2026 Annual Results, compared to the provision for expected credit losses of approximately HK$13.2 million made in the 2025 Annual Results due to increased credit risk on the Group's receivables from a customer under provisional liquidation.

(iv) The decrease in administrative expenses in the 2026 Annual Results was mainly due to the reduction in (a) legal and professional fees paid for special transactions including the extension and issuance of convertible bonds, share consolidation, and the change of company name and (b) the provision for long service payments arising from the abolition of the Mandatory Provident Fund (MPF) offsetting mechanism.

(v) The above-mentioned positive factors were partially offset by the absence of a fair value gain recognised in the 2026 Annual Results, in contrast to the recognition of a non-recurring fair value gain of approximately HK$17.3 million on the modification of certain terms and conditions of the promissory note in the 2025 Annual Results.

The Company is still in the process of finalising the 2026 Annual Results. The information contained in this announcement is only based on the Board's preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended 31 March 2026 which have not been audited by the auditor of the Company nor reviewed by the audit committee of the Company and may be subject to adjustment. The actual results of the Group for the 2026 Annual Results may differ from the information contained in this announcement. Details of the Group's audited financial information and performance will be disclosed in the Group's annual result announcement, which is expected to be released on 29 June 2026.

Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

By Order of the Board
Tsun Yip Holdings Limited
Kan Kwok Cheung
Chairman and Executive Director

Hong Kong, 25 June 2026

As at the date of this announcement, the Directors are Mr. Kan Kwok Cheung[1] (Chairman), Mr. Hui Ka Tsun[1], Mr. Kan Chun Ting Max[1], Ms. Lam Shun Kiu Rosita[2], Mr. Chin Chi Ho Stanley[3], Mr. Wong Chung Yip Kenneth[3] and Mr. Lai Ah Ming Leon[3].

[1] *Executive Director*
[2] *Non-executive Director*
[3] *Independent non-executive Director*

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not *misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

This announcement will remain on the "Latest Company Announcements" page of the Stock Exchange's website at www.hkexnews.hk for at least seven days from the date of its posting and the Company's website at http://www.tsunyip.hk.