Wing Fung Group Asia Limited
榮豐集團亞洲有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 8526)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

The board (the "**Board**") of directors (the "**Directors**") of Wing Fung Group Asia Limited (the "**Company**") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries for the six months ended 30 June 2026. This announcement, containing the full text of the Interim Report 2026 of the Company, complies with the relevant requirements of the Rules (the "**GEM Listing Rules**") Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") in relation to information to accompany the preliminary announcement of interim results.

By order of the Board
Wing Fung Group Asia Limited
Chung Chi Keung
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 28 August 2026

As at the date of this announcement, the executive Directors are Mr. Chung Chi Keung and Ms. Zhang Chan; and the independent non-executive Directors are Mr. Choy Hiu Fai Eric, Mr. Lei For and Mr. Chan King Lun.

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, (i) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and (ii) 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 Listed Company Information" page of the Stock Exchange's website at www.hkexnews.hk for at least seven days from the date of its publication. This announcement will also be published on the Company's website at www.wingfunggroup.com.

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

*This report, for which the directors (the "**Directors**") of Wing Fung Group Asia Limited (the "**Company**") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "**GEM Listing Rules**") for the purpose of giving information with regard to the Company and its subsidiaries (collectively, the "**Group**"). The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report 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 report misleading.*

INTERIM RESULTS

The board of Directors (the "**Board**") of the Company announces the unaudited condensed consolidated results of the Group for the six months ended 30 June 2026 (the "**Relevant Period**"), together with the comparative unaudited figures for the six months ended 30 June 2025, as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Six months ended 30 June 2026

		Six months ended 30 June	
	Notes	**2026 (Unaudited) HK$'000**	2025 (Unaudited) HK$'000
Revenue	*3*	**131,438**	66,692
Cost of sales	*4*	**(130,592)**	(61,294)
Gross profit		**846**	5,398
Other income, net		**–**	64
(Provision for) Reversal of impairment losses on trade receivables and contract assets, net	*4*	**(367)**	481
Administrative expenses	*4*	**(10,176)**	(7,952)
Operating loss		**(9,697)**	(2,009)
Finance costs		**(624)**	(325)
Loss before income tax		**(10,321)**	(2,334)
Income tax credit (expense)	*5*	**799**	(334)
Loss for the period		**(9,522)**	(2,668)
Other comprehensive (expenses) income for the period, net of tax			
Item that may be reclassified to profit or loss:			
– Exchange differences on translation of a foreign operation		**–**	2
Total comprehensive expenses for the period		**(9,522)**	(2,666)
Basic and diluted loss per share for loss attributable to the ordinary equity holders of the Company (HK cents per share)	*7*	**(5.87)**	(1.64)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026

	Notes	As at 30 June 2026 (Unaudited) HK$'000	As at 31 December 2025 (Audited) HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment	*8*	**703**	737
Right-of-use assets		**–**	54
Deferred income tax assets		**11,171**	10,372
		11,874	11,163
Current assets			
Contract assets		**47,681**	43,917
Trade and other receivables, deposits and prepayments	*9*	**32,415**	45,647
Cash and cash equivalents		**16,614**	4,075
		96,710	93,639
Total assets		**108,584**	104,802
LIABILITIES			
Current liabilities			
Trade and retention payables	*10*	**44,952**	34,572
Other payables and accrued expenses		**3,001**	5,080
Amount due to a director		**3,500**	–
Lease liabilities		**–**	56
Bank and other borrowings	*11*	**21,921**	20,362
		73,374	60,070
Total liabilities		**73,374**	60,070
Net assets		**35,210**	44,732
EQUITY			
Share capital	*12*	**6,490**	6,490
Reserves		**28,720**	38,242
Total equity		**35,210**	44,732

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

Six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Net cash from (used in) operating activities	**8,206**	(6,994)
Net cash (used in) from investing activities	**(17)**	7,383
Net cash from financing activities	**4,350**	708
Net increase in cash and cash equivalents	**12,539**	1,097
Cash and cash equivalents at the beginning of the reporting period	**4,075**	9,728
Effects of exchange rate changes on cash and cash equivalents	**–**	2
Cash and cash equivalents at the end of the reporting period	**16,614**	10,827

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Six months ended 30 June 2026

	Share capital HK$'000	Share premium HK$'000	Exchange translation reserve HK$'000	Capital reserve HK$'000	Other reserve HK$'000	(Accumulated loss)/ Retained profits HK$'000	Total HK$'000
Six months ended 30 June 2026							
Balance at 1 January 2026 (Audited)	6,490	50,549	(870)	11,676	(12,941)	(10,172)	44,732
Loss for the period	–	–	–	–	–	(9,522)	(9,522)
Other comprehensive (expenses) income							
– *Item that may be reclassified to profit or loss*							
Exchange differences arising on translation of a foreign operation	–	–	–	–	–	–	–
Total comprehensive expenses for the period	–	–	–	–	–	(9,522)	(9,522)
Balance at 30 June 2026 (Unaudited)	6,490	50,549	(870)	11,676	(12,941)	(19,694)	35,210
Six months ended 30 June 2025							
Balance at 1 January 2025 (Audited)	6,490	50,549	(873)	11,676	(12,941)	11,837	66,738
Loss for the period	–	–	–	–	–	(2,668)	(2,668)
Other comprehensive income							
– *Item that may be reclassified to profit or loss*							
Exchange differences arising on translation of a foreign operation	–	–	2	–	–	–	2
Total comprehensive expenses for the period	–	–	2	–	–	(2,668)	(2,666)
Balance at 30 June 2025 (Unaudited)	6,490	50,549	(871)	11,676	(12,941)	9,169	64,072

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Six months ended 30 June 2026

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 29 September 2016 as an exempted company with limited liability under Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of the Company's registered office of 71 Fort Street, PO Box 500, George Town, Grand Cayman KY1-1106, Cayman Islands was valid until 31 January 2026 and the new registered office is P.O. Box 500, Suite 210, 2nd Floor, Windward III, Regatta Office Park, Grand Cayman, KY1-1106, Cayman Islands, with effect from 1 February 2026. The principal place of business is Unit D, 21st Floor, Tower B, Billion Centre, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong.

The Company is an investment holding company and its subsidiaries are principally engaged in the provision of supply, installation and fitting-out services of mechanical ventilation and air-conditioning ("**MVAC**") system for buildings. The Company's immediate and ultimate holding company is Wing Fung Capital Limited, a private company incorporated in the British Virgin Islands.

The unaudited condensed consolidated financial statements for the Relevant Period (the "**Interim Financial Statements**") are presented in Hong Kong dollars ("**HK$**"), which is the functional currency of the Company.

The Company listed its shares on GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 27 February 2018 (the "**Listing**").

The Interim Financial Statements have not been audited but have been reviewed by the audit committee of the Company.

2. BASIS OF PREPARATION

The Interim Financial Statements of the Company have been prepared in accordance with Hong Kong Accounting Standard 34 (HKAS 34), *Interim Financial Reporting* issued by Hong Kong Institute of Certified Public Accountants and the applicable disclosure requirements of the GEM Listing Rules. The Interim Financial Statements have been prepared under the historical cost convention.

The preparation of the Interim Financial Statements requires the Company's management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Other than changes in accounting policies resulting from application of new and amendments to HKFRS Accounting Standards, the accounting policies and methods of computation used in the Interim Financial Statements are the same as those presented in the Group's annual financial statements for the year ended 31 December 2025.

The application of the new and amendments to HKFRS Accounting Standards in the current period has had no material impact on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in the Interim Financial Statements.

The Group has not early applied the new and revised HKFRS Accounting Standards that have been issued but are not yet effective.

3. REVENUE AND SEGMENT INFORMATION

The Group's revenue is derived from the provision of supply, installation, and fitting-out services of MVAC system for buildings to external customers in Hong Kong and Macau during the period. For the purposes of resources allocation and performance assessment, the chief operating decision maker reviews the overall results and financial position of the Group as a whole prepared based on the accounting policies. The Group has only one single operating segment and no further analysis of this single segment is presented.

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Revenue from construction contracts	**131,438**	66,692

The Group's revenue is recognised over time for the six months ended 30 June 2026 and 2025.

Geographical information

The following table provides an analysis of the Group's revenue from external customers based on geographical location of the customers:

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Hong Kong	**131,438**	65,609
Macau	**–**	1,083
	131,438	66,692

Information about major customers

Revenue from customers contributing over 10% of total revenue of the Group are as follows:

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Customer A	**131,438**	49,767
Customer B	**–**	11,143

4. EXPENSES BY NATURE

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Costs of materials	**40,521**	16,871
Subcontractor costs	**74,780**	38,707
Employee benefit expenses		
– Directors' remuneration	**4,096**	3,186
– Direct labour	**11,048**	4,803
– Administrative staff	**3,230**	1,698
Reversal of impairment losses on trade receivables, net	**(17)**	(262)
Provision for (Reversal of) impairment losses on contract assets, net	**384**	(219)
Auditor's remuneration		
– Audit services	**335**	355
– Non-audit and other services	**20**	53

5. INCOME TAX (CREDIT) EXPENSE

The amount of income tax (credit) expense charged to the unaudited condensed consolidated statement of comprehensive income represents:

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Deferred income tax (credit) expense	**(799)**	334
Income tax (credit) expense	**(799)**	334

(i) Hong Kong profits tax

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "**Bill**") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK$2 million of profits of the qualifying group entity will be taxed at 8.25% (six months ended 30 June 2025: 8.25%), and profits above HK$2 million will be taxed at 16.5% (six months ended 30 June 2025: 16.5%). The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5% (six months ended 30 June 2025: 16.5%).

(ii) Macau Complementary Tax

Pursuant to a tax incentive approved under Section 22 of Decree Law No. 13/2025, Macau Complementary Tax is levied at a fixed rate of 12% (six months ended 30 June 2025: 12%) on the taxable income above Macau Pataca ("**MOP**") 600,000 (approximately HK$582,000) of the Group's operations in Macau.

6. DIVIDENDS

The Board did not recommend the payment of any dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

7. BASIC AND DILUTED LOSS PER SHARE

Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Loss attributable to owners of the Company (in HK$'000)	**(9,522)**	(2,668)
Weighted average number of ordinary shares in issue	**162,250,000**	162,250,000
Basic loss per share (HK cents per share)	**(5.87)**	(1.64)

Diluted loss per share is equal to the basic loss per share since the Company has no dilutive potential shares during the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

8. PROPERTY, PLANT AND EQUIPMENT

During the Relevant Period, additions to property, plant and equipment amounted to approximately HK$17,000 (six months ended 30 June 2025: HK$512,000).

9. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	At 30 June 2026 (Unaudited) HK$'000	At 31 December 2025 (Audited) HK$'000
Trade receivables *(Note i)*	32,500	45,309
Less: Provision for impairment loss allowance *(Note i)*	(2,223)	(2,240)
	30,277	43,069
Other receivables and deposits	1,573	1,176
Prepayments	565	1,402
	32,415	45,647

(i) Trade receivables

Trade receivables arise from the provision of supply, installation and fitting-out services of MVAC system for buildings. The Group grants a credit period ranged from 30 to 45 days to its customers. The following is an aging analysis of trade receivables based on valuation dates of payment certificates or reports net of provision for impairment loss allowance at the end of the reporting period:

	At 30 June 2026 (Unaudited) HK$'000	At 31 December 2025 (Audited) HK$'000
0 to 30 days	30,277	16,217
31 to 60 days	–	22,816
61 to 90 days	–	3,022
91 to 180 days	–	1,014
	30,277	43,069

The fair value of trade receivables approximate their carrying values.

10. TRADE AND RETENTION PAYABLES

	At 30 June 2026 (Unaudited) HK$'000	At 31 December 2025 (Audited) HK$'000
Trade payables	29,740	24,469
Retention payables	15,212	10,103
	44,952	34,572

The credit period of trade payables granted by subcontractors and suppliers ranges from 30 to 60 days upon the issue of invoices or application of interim payment generally.

The following is an aging analysis of trade payables based on the invoice dates or the dates of application of interim payment, as appropriate.

	At 30 June 2026 (Unaudited) HK$'000	At 31 December 2025 (Audited) HK$'000
0 to 30 days	18,407	9,491
31 to 60 days	4,937	6,989
61 to 90 days	2,966	2,726
91 to 180 days	639	2,377
181 days to 1 year	–	86
Over 1 year	2,791	2,800
	29,740	24,469

11. BANK AND OTHER BORROWINGS

	At 30 June 2026 (Unaudited) HK$'000	At 31 December 2025 (Audited) HK$'000
Secured:		
– Bank borrowings	21,347	16,441
– Other borrowings	574	3,921
	21,921	20,362

The fair value of the bank and other borrowings approximates their carrying amount as the impact of discounting is not significant.

The bank borrowings and other borrowings due for repayment are as follows:

	At 30 June 2026 (Unaudited) HK$'000	At 31 December 2025 (Audited) HK$'000
On demand or within one year	21,921	20,362

The bank borrowings at 30 June 2026 carried interest either at 2.5% below Hong Kong Prime Rate or at Hong Kong Prime Rate plus interest rate at 0.5% (31 December 2025: at 2.5% below Hong Kong Prime Rate or at Hong Kong Prime Rate plus interest rate at 0.5%) per annum. The effective interest rate on the bank borrowings (which is also equal to contracted interest rate) is ranging from 2.75% to 5.75% (31 December 2025: 2.75% to 6.125%) per annum.

On 10 October 2025, the Group entered into a loan agreement with a financial institution to borrow HK$5,000,000 at a fixed interest rate of 10.0% per annum for nine months. The other borrowing is secured by an assignment of the Group's accounts receivable, to the extent of the outstanding other borrowing balance of approximately HK$574,000 at 30 June 2026 (31 December 2025: HK$3,921,000), duly executed by the borrower in favour of the lender.

The Group's bank and other borrowings are denominated in HK$.

At 30 June 2026, the bank borrowing amounted to approximately HK$14,213,000 (31 December 2025: HK$8,842,000) is secured by a corporate guarantee given by the Company of HK$47,971,000, by personal guarantee of a director, Mr. Chung Chi Keung ("**Mr. Chung**") of HK$30,000,000 and the property held by Mr. Chung. Another bank borrowing amounted to approximately HK$7,134,000 (31 December 2025: HK$7,599,000) is secured by personal guarantee of Mr. Chung of HK$9,000,000.

At 30 June 2026, the other borrowing is secured by a corporate guarantee given by the Company of approximately HK$4,052,000 (31 December 2025: HK$4,052,000) and by personal guarantee of Mr. Chung of approximately HK$4,052,000 (31 December 2025: HK$4,052,000).

Analysis of the amounts due based on scheduled payment dates set out in the loan agreements (ignoring the effect of any repayment on demand clause) is as follows:

	At 30 June 2026 (Unaudited) HK$'000	At 31 December 2025 (Audited) HK$'000
Within one year	**15,737**	13,699
1 to 2 years	**976**	963
2 to 5 years	**3,094**	3,052
Over 5 years	**2,114**	2,648
	21,921	20,362

12. SHARE CAPITAL

The Company's authorised and issued ordinary share capital are as follows:

	Nominal value per share	Number of shares	Total
			HK$'000
Authorised:			
At 1 January 2025, 31 December 2025, 1 January 2026 and **30 June 2026**	HK$0.04	25,000,000,000	1,000,000
Issued and fully paid:			
At 1 January 2025, 31 December 2025, 1 January 2026 and **30 June 2026**	HK$0.04	162,250,000	6,490

13. CONTINGENCIES

	At 30 June 2026 (Unaudited) HK$'000	At 31 December 2025 (Audited) HK$'000
Corporate guarantee *(Note a)*	**13,853**	13,853

Note:

(a) At 30 June 2026, the Group provided corporate guarantee amounted to approximately HK$13,853,000 (31 December 2025: HK$13,853,000) to one (31 December 2025: one) customer as an indemnity for four (31 December 2025: four) construction contracts. During the six months ended 30 June 2026 and the year ended 31 December 2025, no corporate guarantee was being enforced. Typically, the estimated consideration is not constrained for revenue recognition.

14. RELATED PARTY DISCLOSURES

Key management personnel are deemed to be the members of the board of directors and senior management of the Company who have the responsibility for the planning and controlling the activities of the Group. The remuneration of directors and the senior management during the period is as follows:

	Six months ended 30 June	
	2026 (Unaudited) HK$'000	2025 (Unaudited) HK$'000
Salaries and other benefits	**4,614**	3,389
Contribution to retirement benefits scheme	**27**	27
	4,641	3,416

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

The Group is principally engaged as a subcontractor for the provision of supply, installation and fitting-out services of MVAC system for various types of private and public building projects including infrastructural, commercial and residential building projects in Hong Kong and Macau.

During the Relevant Period, despite steady recovery signs in both the local and global economies, the overall market sentiment in Hong Kong's construction sector had remained weak. The absence of major new construction projects intensified competition in the construction industry. On-going challenges such as heightened financial costs, soft demand and oversupply in both commercial and residential sectors, shortage of skilled labour, inflationary pressure and project delays continued to impact the local market, thereby exacerbating the industry's strategic challenges and outlook. Despite intense competition in the local market, leveraging on its solid foundation in MVAC industry, the Group secured, amongst other projects, a new project located in Chai Wan with an initial contract sum of approximately HK$83.0 million in May 2026.

During the Relevant Period, although the Group recorded an increase in revenue of approximately 97.1% as compared to the corresponding period in 2025, the Group recorded a loss of approximately HK$9.5 million as compared to a loss of approximately HK$2.7 million in the corresponding period in 2025. The loss during the Relevant Period was mainly due to (i) the increase in material costs and the prolonged completion of certain projects of the Group leading to overrun of other project costs, resulting in the significant decrease in the overall profit margin; and (ii) the increase in administrative expenses, which was attributable to the increase in employee costs and benefits. The Group has adopted a pragmatic and resilient approach focusing on quality assurance in project management, and stringent cost control measures. The Group will continue to regularly and closely monitor the progress of its ongoing projects and will continue to identify suitable tender opportunities and submit tenders for potential projects to maximise the Group's profits and return to its shareholders.

Looking ahead, the Group maintains a cautious outlook for the near future and will continue to explore cooperation with new customers and derive new revenue streams, and optimise resource utilisation and efficiencies in order to maximise return to our shareholders. In addition to the above, the Group continues to explore other investment opportunities in the future. Nonetheless, the Group will stay vigilant by constantly reviewing its business and tendering strategies and enhancing its operational efficiency and financial performance.

FINANCIAL REVIEW

Revenue

Our revenue increased by approximately HK$64.7 million, from approximately HK$66.7 million for the six months ended 30 June 2025 to approximately HK$131.4 million for the Relevant Period, representing an increase of approximately 97.1%. In particular, the increase in revenue mainly attributed to the project located at Wong Chuk Hang, which accounted for approximately 75.3% of the total revenue of the Group for the Relevant Period.

Cost of Sales

Our cost of sales increased from approximately HK$61.3 million for the six months ended 30 June 2025 to approximately HK$130.6 million for the Relevant Period, representing an increase of approximately 113.1%. The increase attributed to the substantial increase in the revenue.

Gross Profit and Gross Profit Margin

Our gross profit decreased by approximately HK$4.6 million from approximately HK$5.4 million for the six months ended 30 June 2025 to approximately HK$0.8 million for the Relevant Period. The gross profit margin decreased from approximately 8.1% for the six months ended 30 June 2025 to approximately 0.6% for the Relevant Period. The decrease in gross profit and gross profit margin was primarily attributable to the increase in material costs and the prolonged completion of certain projects of the Group leading to overrun of other project costs.

Administrative Expenses

Our administrative expenses increased by approximately HK$2.2 million, or approximately 28.0%, from approximately HK$8.0 million for the six months ended 30 June 2025 to approximately HK$10.2 million for the Relevant Period, mainly attributable to the increase in staff costs and benefits for the Relevant Period.

Income Tax Expense

The Group recorded income tax credit of approximately HK$ 0.8 million for the Relevant Period, while income tax expense of approximately HK$0.3 million recorded for the six months ended 30 June 2025. Such change was primarily attributable to the increase in loss before tax for the Relevant Period as compared to the corresponding period in 2025.

Loss for the Period

As a result of the foregoing, our Group recognised a loss of approximately HK$9.5 million for the Relevant Period as compared with a loss of approximately HK$2.7 million for the corresponding period in 2025.

Liquidity and Financial Resources

As at 30 June 2026, the Group had total assets of approximately HK$108.6 million (31 December 2025: HK$104.8 million), which is financed by total liabilities and shareholders' equity (comprising share capital and reserves) of approximately HK$73.4 million (31 December 2025: HK$60.1 million) and approximately HK$35.2 million (31 December 2025: HK$44.7 million), respectively.

The total interest-bearing borrowings (including bank and other borrowings) of the Group increased from approximately HK$20.4 million as at 31 December 2025 to approximately HK$21.9 million as at 30 June 2026. Current ratio, which is calculated by dividing current assets by current liabilities, decreased from 1.6 times as at 31 December 2025 to approximately 1.5 times as at 30 June 2026.

The Group's borrowing and bank balances are mainly denominated in Hong Kong dollars and there was no significant exposure to foreign exchange rate fluctuations during the Relevant Period.

The Group's gearing ratio, which is calculated by dividing the total interest-bearing borrowings and lease liabilities by total equity at the respective reporting date, increased from approximately 45.6% as at 31 December 2025 to approximately 62.3% as at 30 June 2026, primarily due to the combined effect of (i) the increase in the total interest-bearing borrowings; and (ii) the decrease in total equity resulting from the increase in loss for the Relevant Period.

Capital Structure

The shares of the Company (the "**Shares**") were successfully listed on GEM of the Stock Exchange on 27 February 2018. Immediately upon Listing, the total issued share capital of the Company was HK$5,740,000 divided into 574,000,000 Shares of par value of HK$0.01 each.

On 19 November 2021, 75,000,000 shares of par value HK$0.01 each of the Company were issued at a price of HK$0.144 by way of placing under general mandate (the "**Placing**"). For further information in relation to the Placing, please refer to the announcements of the Company dated 22 October 2021, 12 November 2021 and 19 November 2021.

On 21 January 2022, every four (4) issued and unissued existing shares of the Company of par value HK$0.01 each in the share capital of the Company were consolidated into one (1) consolidated share of par value HK$0.04 each in the share capital of the Company.

As at 30 June 2026, the Company's issued share capital was HK$6,490,000 (31 December 2025: HK$6,490,000) divided into 162,250,000 (31 December 2025: 162,250,000) ordinary Shares of par value of HK$0.04 (31 December 2025: HK$0.04) each.

Capital Commitments

As at 30 June 2026 and 31 December 2025, the Group did not have any capital commitments contracted but not provided for.

Future Plans for Material Investments and Capital Assets

Save as disclosed in this report, the Group did not have any plans for material investments or capital assets as at 30 June 2026.

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

During the Relevant Period, the Group did not have any material acquisitions or disposals of subsidiaries and affiliated companies.

Contingent Liabilities

Save as disclosed in note 13 of the notes to the unaudited condensed consolidated financial statements, as at 30 June 2026 and 31 December 2025, the Group did not have other material contingent liabilities.

Foreign Exchange Exposure

The Group's revenue generating operations are mainly transacted in HK$ and MOP. The Directors consider the impact of foreign exchange exposure to the Group is minimal and the Group did not engage in any derivatives agreements nor commit to any financial instrument to hedge its foreign exchange exposure during the Relevant Period.

Pledge of Assets

The Group did not have pledged assets as at 30 June 2026 and 31 December 2025.

Employees and Remuneration Policies

As at 30 June 2026, the Group employed a total of 325 employees, of whom 258 were labour workers nominated by subcontractors. The relevant cost of employing the labour workers nominated by subcontractors was classified as subcontracting charges, and the staff costs (including Directors' emoluments) of the Group were approximately HK$18.4 million for the Relevant Period (six months ended 30 June 2025: HK$9.7 million).

The Group promotes individuals based on their performance and development potential in the positions held. In order to attract and retain high quality staff, competitive remuneration package is offered to employees (with reference to market norms and individual employees' performance, qualification and experience). On top of basic salaries, bonuses may be paid with reference to the Group's performance as well as individual's performance. Other staff benefits include provision of retirement benefits, medical benefits and sponsorship of training courses.

DIVIDENDS

The Board did not recommend the payment of any dividend for the Relevant Period (six months ended 30 June 2025: Nil).

EVENTS AFTER THE REPORTING PERIOD

No significant events have taken place subsequent to 30 June 2026 and up to the date of this report.

DISCLOSURE OF INTERESTS

(I) Directors' and Chief Executive's Interests and Short Positions in the Shares, Underlying Shares or Debentures

As at 30 June 2026, the interests and short positions of the Directors and chief executive of the Company in the Shares, the underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**")), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests or short positions which any such director or chief executive was taken or deemed to have under such provision of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to standard of dealings by Directors referred in Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

Name of Director	Capacity/Nature of Interest	Number of the Shares held/ interested in	Long/short position	Percentage of Shareholding
Mr. Chung	Interest in controlled corporation *(Note)*	83,062,500	Long position	51.19%

Note: The 83,062,500 Shares are held by Wing Fung Capital Limited, which is an associated corporation of the Company and wholly-owned by Mr. Chung. Therefore, Mr. Chung is deemed to be interested in all the Shares held by Wing Fung Capital Limited for the purposes of the SFO. Mr. Chung is our executive Director, Chairman and Chief Executive Officer and the controlling shareholder of the Company.

Save as disclosed above, as at 30 June 2026, none of the Directors or chief executive of the Company had registered any interests and short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which were taken or deemed to have under such provisions of the SFO); or (ii) which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.48 to 5.67 of the GEM Listing Rules.

(II) Substantial Shareholders' and Other Persons' Interests and Short Positions in the Shares, Underlying Shares or Debentures

So far as the Directors are aware, as at 30 June 2026, the following person/entity (other than the Directors and chief executive of the Company) had or was deemed to have taken an interest or short position in the Shares or underlying Shares which was recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO, or which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO and the GEM Listing Rules.

Name of Shareholder	Capacity/Nature of Interest	Number of the Shares held/ interested in	Long/short position	Percentage of Shareholding
Wing Fung Capital Limited	Beneficial owner	83,062,500	Long position	51.19%

Save as disclosed above, as at 30 June 2026, no person, other than the Directors and chief executive of the Company whose interests are set out in the section "Directors' and Chief Executive's Interests and Short Positions in the Shares, Underlying Shares or Debentures" above, had notified the Company of an interest or short position in the Shares, underlying Shares or debenture of the Company that was required to be recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO or which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO.

DIRECTORS' RIGHTS TO ACQUIRE SHARES

At no time during the Relevant Period was the Company or any of its associated corporation a party to any arrangement to enable the Directors to acquire benefits by means of acquisition of the Shares in, or debentures of, the Company or any other body corporate, and none of the Directors, or their spouses or children under the age of 18, had any right to subscribe for the Shares in, or debentures of, the Company, or had exercised any such rights.

PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries have purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares, if any) during the Relevant Period. As at 30 June 2026, the Company did not hold any treasury shares.

CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Group has adopted a code of conduct regarding securities transactions by the Directors on the terms no less exacting than the required standard of dealing set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company has also made specific enquiry of all the Directors and all Directors confirmed that they had complied with the required standard of securities dealings regarding transactions during the Relevant Period. The Company was not aware of any non-compliance with the required standard of dealings regarding securities transactions by the Directors during the Relevant Period.

CORPORATE GOVERNANCE CODE

The Directors and the management of the Group recognise the importance of sound corporate governance to the long-term success and continuing development of the Group. Therefore, the Board is committed to upholding good corporate standards and procedures, so as to enhance the accountability system and transparency of the Group, protect the interests of the Company's stakeholders and create value for shareholders of the Company.

The Company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 of the GEM Listing Rules. Throughout the Relevant Period, the Company has adopted and complied with, where applicable, the CG Code to ensure that the Group's business activities and decision-making processes are regulated in a proper and prudent manner, except for Code Provision C.2.1 of the CG Code.

Pursuant to Code Provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Chung is currently the chairman of the Board and the chief executive officer of the Company, responsible for formulating the overall business strategies and overseeing the business and operation of the Group. Considering that Mr. Chung has been responsible for the overall management and operation of the Group since its inception, the Board believes that it is in the best interest of the Group to have Mr. Chung taking up both roles for effective management and business development.

Save as disclosed above, the Board considered that the Company has complied with, where applicable, the CG Code during the Relevant Period.

COMPETING INTEREST

The Directors are not aware of any business or interest of the Directors or the controlling shareholders (as defined in the GEM Listing Rules) of the Company or any of their respective close associates (as defined in the GEM Listing Rules) that compete or may compete with the business of the Group and any other conflicts of interest which any such person has or may have with the Group during the Relevant Period.

AUDIT COMMITTEE

The Group has established an audit committee of the Board (the "**Audit Committee**") in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules and with written terms of reference in compliance with the CG Code. The primary duties of the Audit Committee are to make recommendations to the Board on appointment or re-appointment and removal of external auditor; review financial statements of the Company and judgments in respect of financial reporting; and oversee the effectiveness of the procedures of the risk management and internal control procedures of the Group.

The Audit Committee currently consists of all three of our independent non-executive Directors, namely Mr. Choy Hiu Fai Eric ("**Mr. Choy**"), Mr. Lei For and Mr. Chan King Lun. Mr. Choy is the chairman of the Audit Committee and holds the appropriate professional qualifications as required under Rules 5.05(2) and 5.28 of the GEM Listing Rules.

The terms of reference of the Audit Committee are posted on the websites of the Stock Exchange and the Company. The unaudited condensed consolidated results of the Group for the Relevant Period had been reviewed by the Audit Committee, which was of the opinion that the unaudited condensed consolidated results have been prepared in compliance with the applicable accounting standards and the GEM Listing Rules, and that adequate disclosures have been made.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's financial condition, results of operations, and business prospects may be affected by a number of risks and uncertainties directly or indirectly pertaining to the Group's businesses. The management of the Company considers that the following are the principal risks and uncertainties faced by the Group:

(i) the outbreak of any pandemic could adversely affect the Group's business operations and financial performance by potentially causing suspension of works, delay in delivery of construction materials, increase in material and logistics costs and other interruption to the operation of the Group;

(ii) the business of the Group relies on successful tenders and any failure of the Group to secure tender contracts would affect sustainability of our revenue streams and adversely affect the operations and financial results of the Group;

(iii) erroneous or inaccurate estimation of project duration and the costs involved for the determination of tender price may adversely affect the profitability and financial performance of the Group;

(iv) cost overrun, any delay in project schedule or defects of the works of the suppliers and subcontractors of the Group could adversely affect its operations and financial results;

(v) reliance on major customers for a significant portion of the Group's revenue may expose the Group to credit and liquidity risks of such major customers and may have impact on the Group's cash flow and financial conditions; and

(vi) reliance on key management for the Group's operation may subject the Group to material adverse effect on business operation and profitability in case of departure of members of the key management team without timely and appropriate replacement.

CHANGES IN DIRECTORS' INFORMATION

Pursuant to Rule 17.50A(1) of the GEM Listing Rules, changes of Directors' information subsequent to the date of the annual report of the Company for the year ended 31 December 2025 are set out below:

1. Ms. Lai Suk Fan has resigned as an executive Director and member of the nomination committee of the Board (the "**Nomination Committee**") with effect from 19 June 2026.

2. Ms. Zhang Chan has been appointed as an executive Director and member of the Nomination Committee with effect from 19 June 2026.

By order of the Board
Wing Fung Group Asia Limited
Chung Chi Keung
Chairman, Chief Executive Officer
and Executive Director

Hong Kong, 28 August 2026

As at the date of this report, the executive Directors are Mr. Chung Chi Keung and Ms. Zhang Chan; and the independent non-executive Directors are Mr. Choy Hiu Fai Eric, Mr. Lei For and Mr. Chan King Lun.

This report will remain on the "Latest Listed Company Information" page of the Stock Exchange's website at www.hkexnews.hk for at least seven days from the date of its publication. This report will also be published on the Company's website at www.wingfunggroup.com.