Wing Lee Development Construction Holdings Limited
榮利營造控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 9639)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2025

The board (the "**Board**") of directors (the "**Directors**") of Wing Lee Development Construction Holdings Limited (the "**Company**") is pleased to announce the audited consolidated annual results of the Company and its subsidiaries (together, the "**Group**", "**we**", "**our**" or "**us**") for the year ended 31 March 2025, together with comparative figures for the year ended 31 March 2024.

FINANCIAL HIGHLIGHTS

	2025	2024	Change
	HK$'000	*HK$'000*	*%*
Revenue	**716,639**	526,099	36.2
Gross profit	**144,407**	121,607	18.7
Operating profit	**70,528**	95,283	(26.0)
Profit before taxation	**68,253**	92,916	(26.5)
Profit for the year	**55,458**	76,907	(27.9)
Earnings per share — Basic and diluted *(expressed in HK cents per share)*	**6.4**	10.3	(37.9)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 March 2025

	Note	**2025**	2024
		HK$'000	*HK$'000*
Revenue	*5*	**716,639**	526,099
Cost of services		**(572,232)**	(404,492)
Gross profit		**144,407**	121,607
General and administrative expenses		**(60,593)**	(23,561)
Reversal of impairment loss on financial assets, net		**628**	174
Other income		**2,430**	1,933
Other gain		**172**	10
Listing expenses		**(16,516)**	(4,880)
Operating profit		**70,528**	95,283
Finance costs, net	*7*	**(2,275)**	(2,367)
Profit before income tax	*6*	**68,253**	92,916
Income tax expenses	*8*	**(12,795)**	(16,009)
Profit for the year and profit attributable to shareholders of the Company		**55,458**	76,907
Earnings per share attributable to shareholders of the Company (expressed in HK cents per share)			
— Basic and diluted	*10*	**6.4**	10.3

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2025

	Note	2025 *HK$'000*	2024 *HK$'000*
Profit for the year		**55,458**	76,907
Other comprehensive loss:			
Item that will not be subsequently reclassified to profit or loss:			
Remeasurements of post-employment benefit obligations		**(719)**	(29)
Other comprehensive loss for the year, net of tax		**(719)**	(29)
Total comprehensive income attributable to shareholders of the Company		**54,739**	76,878

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	Note	2025 HK$'000	2024 HK$'000
ASSETS			
Non-current assets			
Property and equipment		**102,513**	85,610
Right-of-use assets		**40,899**	2,764
Intangible assets		**2,814**	1,620
Deposits and prepayments		**6,456**	525
Deferred income tax assets		**2,887**	2,243
Total non-current assets		**155,569**	92,762
Current assets			
Inventories		**459**	469
Contract assets	*12*	**270,693**	187,895
Trade receivables	*11*	**20,108**	48,191
Deposits, prepayments and other receivables		**6,005**	9,099
Income tax recoverable		**2,784**	—
Pledged bank deposits		**19,922**	—
Cash and cash equivalents		**93,676**	27,361
Total current assets		**413,647**	273,015
Total assets		**569,216**	365,777
LIABILITIES			
Non-current liabilities			
Borrowings		**4,051**	7,959
Lease liabilities		**5,370**	813
Deferred tax liabilities		**10,210**	7,628
Other payable		**—**	6,727
Provision for long service payment		**1,049**	313
Total non-current liabilities		**20,680**	23,440

	Note	2025 HK$'000	2024 HK$'000
Current liabilities			
Trade and retention payables	*13*	**91,977**	79,419
Contract liabilities	*12*	**—**	4,073
Accruals, provision and other payables		**42,212**	46,548
Amount due to a related party		**—**	100
Lease liabilities		**4,521**	1,954
Borrowings		**58,233**	42,203
Current tax liabilities		**—**	12,648
Total current liabilities		**196,943**	186,945
Total liabilities		**217,623**	210,385
Net assets		**351,593**	155,392
EQUITY			
Equity attributable to shareholders of the Company			
Share capital		**10,000**	—
Combined capital		**—**	10
Reserves		**341,593**	155,382
Total equity		**351,593**	155,392

NOTES

For the year ended 31 March 2025

1 General Information

Wing Lee Development Construction Holdings Limited (the "**Company**") was incorporated in the Cayman Islands on 17 May 2024 as an exempted company with limited liability under the Companies Law (Cap. 22, Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is 89 Nexus Way, Camana Bay, Grand Cayman, KY1-9009, Cayman Islands.

The Company is an investment holding company and its subsidiaries are principally engaged in large-scale excavation, steel structure support design and construction of underground facilities and construction works, solar system construction and maintenance, road and drainage improvement and construction, underground cable laying and connection project, machinery leasing, and material trading in public and private sector in Hong Kong (the "**Listing Business**"). The ultimate holding company of the Company is Wing Lee Green Development Limited. The ultimate controlling shareholders of the Group are Mr. Yiu Wang Lee, Mr. Yiu Wang Lung and Mr. Chan Lo Man.

The Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 9 October 2024 (the "**Listing**") by way of share offer.

These consolidated financial statements are presented in Hong Kong dollars ("**HK$'000**"), unless otherwise stated.

2 Reorganisation

To prepare for the Listing, the Group underwent a group reorganisation (the "**Reorganisation**"), pursuant to which the Listing Business were transferred to the Company and the Company became the holding company of the companies now comprising the Group (details of the Reorganisation are set out in the section headed "History, Development and Reorganisation" in the prospectus of the Company dated 27 September 2024 (the "**Prospectus**")).

3 Basis of preparation

Immediately prior to the Reorganisation and during the years ended 31 March 2024 and 2025, the Listing Business is held by Wing Lee Group (Holdings) Limited and conducted through its subsidiaries. Pursuant to the Reorganisation, Wing Lee Group (Holdings) Limited and the Listing Business were transferred to and held by the Company. The Company and those companies newly incorporated pursuant to the Reorganisation have not been involved in any other business prior to the Reorganisation and do not meet the definition of a business. The Reorganisation is merely a recapitalization of the Listing Business with no change in management of such business and the ultimate owners of the Listing Business remain the same. Accordingly, the Group resulting from the Reorganisation is regarded as a continuation of the Listing Business under Wing Lee Group (Holdings) Limited and, for the purpose of this announcement, the consolidated financial statements has been prepared and presented as a continuation of the Listing Business, with the assets and liabilities of the Group recognised and measured at the carrying amounts of the Listing Business prior to the Reorganisation for all periods presented.

The consolidated financial statements of the Group have been prepared in accordance with the principal accounting policies as set out below which are in accordance with HKFRS Accounting Standard ("**HKFRS**") as issued by the Hong Kong Institute of Certified Public Accountants and disclosure requirements of the Hong Kong Companies Ordinance Cap. 622.

HKFRS comprise the authoritative literature:

- Hong Kong Financial Reporting Standards
- Hong Kong Accounting Standards
- Interpretations developed by the Hong Kong Institute of Certified Public Accountants

The consolidated financial statements have been prepared on a historical cost basis.

The preparation of the consolidated financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

4 Accounting Policies

(a) Amended standards and interpretation adopted by the Group

The Group has applied the following amended standards and interpretation for the first time for their annual reporting period commencing on or after 1 April 2024:

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants
Hong Kong Interpretation 5 (Revised)	Presentation of Financial Statements Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The updated policy did not result in a change in the classification of Group's bank borrowings as at 31 March 2025. The Group did not make retrospective adjustments as a result of adopting the amendments to HKAS 1.

The amended standards and interpretation listed above did not have any material impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

(b) New standards, amended standards and interpretations not yet adopted

The following new standards, amendments to existing standards and interpretation issued have been published that are not mandatory for 31 March 2025 reporting periods and have not been early adopted by the Group:

		Effective for annual periods beginning on or after
Amendments to HKAS 21	Lack of Exchangeability	1 April 2025
Amendments to HKFRS 9 and HKFRS 7	Classification and measurement of financial instruments	1 April 2026
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards — Volume 11	1 April 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 April 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 April 2027
Amendments to Hong Kong Interpretation 5	Classification by the borrower of a term loan that contains a repayment on demand clause	1 April 2027
Amendments to HKFRS 10 and HKAS 28	Sale or contribution of assets between an investor and its associate or joint venture	To be determined

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

HKFRS 18 Presentation and Disclosure in Financial Statements ("HKFRS 18") (effective for annual periods beginning on or after 1 April 2027)

HKFRS 18 will replace HKAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of HKFRS 18 will have no impact on the Group's net profit, the Group expects that grouping items of income and expenses in the consolidated statement of profit or loss into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the Group has performed, the following items might potentially impact operating profit:

  — Foreign exchange differences currently aggregated in the line item "other gain" in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.

- The line items presented on the primary financial statements might change as a result of the application of the concept of "useful structured summary" and the enhanced principles on aggregation and disaggregation.

- The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:

  — management-defined performance measures;

  — a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss — this break-down is only required for certain nature expenses; and

  — for the first annual period of application of HKFRS 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying HKFRS 18 and the amounts previously presented applying HKAS 1.

The Group will apply HKFRS 18 from its mandatory effective date of 1 April 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 March 2027 will be restated in accordance with HKFRS 18.

The Group will apply the above new standard, revised framework and amendments to standards when they become effective. Except for the HKFRS 18 mentioned above, no new standard, revised framework and amendments to standards is expected to have a material effect on the entity in the current or future reporting periods and on foreseeable future transactions.

5 Revenue and segment information

Revenue

	2025	2024
	HK$'000	*HK$'000*
Civil engineering	**508,941**	365,454
Electrical and mechanical engineering	**181,845**	113,244
New energy	**19,244**	44,308
Others		
— Sales of materials	**1,000**	2,064
— Leasing of machinery	**5,609**	1,029
	716,639	526,099

Segment information

The chief operating decision-maker ("**CODM**") has been identified as the Chairperson and Chief Executive Officer Mr. Yiu Wang Lee and the Executive Director Mr. Chan Lo Man of the Company. The CODM regards the Group's business as three main business segments, namely (i) civil engineering; (ii) electrical and mechanical engineering; and (iii) new energy and review the financial information accordingly.

(i) Civil engineering — principally engaged in civil engineering works which we specialise in site formation works and road and drainage works;

(ii) Electrical and mechanical engineering — principally engaged in electrical engineering works which generally include cable trenching, laying, emergency fault repair and substation refurbishment works; and

(iii) New energy — principally engaged in design, installation and maintenance works of solar PV system works.

Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted profit before income tax. The adjusted profit before income tax is measured consistently with the Group's profit before income tax except that other income, other gains, finance income, finance costs, impairment loss on financial assets as well as the head office and corporate general and administrative expenses are excluded from such measurement.

Inter-segment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

Information regarding the above segments is reported below.

(a) Revenue and Segment profit

	Year ended 31 March 2025				
	Civil engineering *HK$'000*	Electrical and mechanical engineering *HK$'000*	New energy *HK$'000*	Others *HK$'000*	Total *HK$'000*
Revenue from external customers	508,941	181,845	19,244	6,609	716,639
Timing of revenue recognition					
— At a point in time	—	—	—	1,000	1,000
— Over time	508,941	181,845	19,244	5,609	715,639
Cost of services (excluding depreciation)	(396,687)	(139,356)	(16,597)	(2,880)	(555,520)
General and administrative expenses (excluding depreciation)	(4,699)	(3,706)	(227)	(97)	(8,729)
Depreciation of right-of-use assets	(1,482)	(1,421)	(776)	(15)	(3,694)
Depreciation of property and equipment	(11,535)	(3,730)	(450)	(331)	(16,046)
Segment profit	94,538	33,632	1,194	3,286	132,650
Unallocated amounts:					
General and administrative expenses					(48,836)
Reversal of impairment loss on financial assets					628
Other income					2,430
Other gain					172
Listing expenses					(16,516)
Finance costs, net					(2,275)
Income tax expenses					(12,795)
Profit for the year					55,458

	Year ended 31 March 2024				
	Civil engineering *HK$'000*	Electrical and mechanical engineering *HK$'000*	New energy *HK$'000*	Others *HK$'000*	Total *HK$'000*
Revenue from external customers	365,454	113,244	44,308	3,093	526,099
Timing of revenue recognition					
— At a point in time	—	—	—	2,064	2,064
— Over time	365,454	113,244	44,308	1,029	524,035
Cost of services (excluding depreciation)	(282,901)	(77,431)	(30,287)	(1,960)	(392,579)
General and administrative expenses (excluding depreciation)	(3,604)	(2,063)	(306)	(58)	(6,031)
Depreciation of right-of-use assets	(2,109)	(247)	(97)	(7)	(2,460)
Depreciation of property and equipment	(9,590)	(1,761)	(18)	(1)	(11,370)
Segment profit	67,250	31,742	13,600	1,067	113,659
Unallocated amounts:					
General and administrative expenses					(15,613)
Reversal of impairment loss on financial assets					174
Other income					1,933
Other gains					10
Listing expenses					(4,880)
Finance costs, net					(2,367)
Income tax expenses					(16,009)
Profit for the year					76,907

The Group is domiciled in Hong Kong. All revenue are derived from external customers in Hong Kong for the years ended 31 March 2025 (2024: Same).

(b) Segment assets and liabilities

No analysis of segment assets or segment liabilities is presented as they are not regularly provided to the CODM.

6 Profit before income tax

Profit before income tax is arrived at after charging:

	Year ended 31 March	
	2025	2024
	HK$'000	*HK$'000*
Employee benefit expenses (including directors' remuneration)		
— Cost of services	**151,843**	112,609
— General and administrative expenses	**32,820**	10,010
Auditor's remuneration		
— Audit services	**1,370**	188
— Non-audit services	**640**	—
Depreciation of property and equipment	**16,046**	11,370
Depreciation of right-of-use assets	**3,694**	2,460
Amortisation of intangible assets	**52**	—
Donation	**3,396**	172
Expense relating to other short-term leases	**2,617**	2,701
Listing expenses	**16,516**	4,880

7 Finance costs, net

	Year ended 31 March	
	2025	2024
	HK$'000	*HK$'000*
Finance income:		
— Interest income from bank deposits	**96**	—*
Finance costs:		
— Interest expense on bank loans	**(1,190)**	(1,607)
— Interest expense on lease liabilities	**(225)**	(98)
— Interest expense on hire purchases	**(956)**	(662)
	(2,371)	(2,367)
Finance costs, net	**(2,275)**	(2,367)

* *The amount is less than HK$1,000.*

8 Income tax expenses

	Year ended 31 March	
	2025	2024
	HK$'000	*HK$'000*
Current income tax		
— Provision for current year	**12,992**	13,983
— Over-provision in prior year	**(2,135)**	—
Deferred income tax	**1,938**	2,026
Income tax expenses	**12,795**	16,009

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Company and the group companies incorporated in the Cayman Islands and the British Virgin Islands, respectively, are not subject to any income tax.

Other group companies are subject to Hong Kong profits tax. Hong Kong profits tax is calculated at 16.5% of the estimated assessable profits for the period, except for one entity that is qualified under the two-tiered profits tax regime, under which the first HK$2.0 million of its assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

9 Dividend

In September 2024, prior to the Listing, the Company declared an interim dividend of approximately HK$30,000,000, of which approximately HK$23,637,000 was settled by cash and approximately HK$6,363,000 was offset against the aggregate amounts due from the Directors during the year ended 31 March 2025. Other than the above, no other dividend has been proposed or paid by the Company for the year ended 31 March 2025.

10 Earnings per share

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to the shareholders of the Company by the weighted average number of ordinary shares in issue during the respective periods. The weighted average number of ordinary shares used for such purpose has been retrospectively adjusted for the effects of the issue of the shares in connection with the Reorganisation completed on 26 June 2024 and the capitalisation issue of ordinary shares which took place on 9 October 2024, respectively.

	Year ended 31 March	
	2025	2024
Profit attributable to shareholders of the Company during the periods (HK$'000)	**55,458**	76,907
Weighted average number of ordinary shares in issue ('000)	**868,493**	750,000
Basic earnings per share (in HK cents)	**6.4**	10.3

(b) Diluted

Diluted earnings per share for the years ended 31 March 2025 is the same as the basic loss per share as there were no potential dilutive ordinary shares outstanding during the year (2024: Same).

11 Trade receivables

	2025	2024
	HK$'000	*HK$'000*
Trade receivables	**24,545**	53,279
Less: provision for impairment	**(4,437)**	(5,088)
Trade receivables, net	**20,108**	48,191

The ageing analysis of the trade receivables based on invoice date is as follows:

	2025	2024
	HK$'000	*HK$'000*
Within 30 days	**16,041**	39,598
31–60 days	**2,121**	2,593
61–90 days	**271**	—
91–180 days	**892**	1,274
Over 180 days	**5,220**	9,814
	24,545	53,279

The credit terms provided to customers range from 7 days to 60 days. The Group's trade receivables are denominated in HK$.

The carrying amounts of trade receivables approximate to their fair values.

12 Contract assets and contract liabilities

Included in contract assets/(liabilities) are the following:

	2025	2024
	HK$'000	*HK$'000*
Contract assets		
Unbilled revenue	**240,970**	178,843
Billed retention receivables	**37,200**	16,506
Total contract assets	**278,170**	195,349
Less: provision for impairment		
— Unbilled revenue	**(6,475)**	(7,158)
— Billed retention receivables	**(1,002)**	(296)
Contract assets, net	**270,693**	187,895
Contract liabilities	**—**	(4,073)

13 Trade and retention payables

	2025	2024
	HK$'000	*HK$'000*
Trade payables	**80,368**	72,576
Retention payables	**11,609**	6,843
	91,977	79,419

The trade and retention payables are denominated in HK$ and the carrying amounts approximate their fair values.

The ageing analysis of the trade and retention payables based on invoice date is as follows:

Trade payables

	2025	2024
	HK$'000	*HK$'000*
Within 30 days	**36,336**	32,370
31–60 days	**10,750**	11,782
61–90 days	**19,580**	3,725
Over 90 days	**13,702**	24,699
	80,368	72,576

Retention payables

	2025	2024
	HK$'000	*HK$'000*
Within 30 days	**45**	524
31–60 days	**239**	496
61–90 days	**37**	433
Over 90 days	**11,288**	5,390
	11,609	6,843

14 Contingent liabilities

As at 31 March 2025, the Group has given guarantees on performance bonds in respect of construction contracts in the ordinary course of business amounting to HK$19,922,000 (2024: Nil). The performance bonds as at 31 March 2025 are expected to be released in accordance with the terms of the respective construction contracts.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is an established contractor in Hong Kong engaged in civil and electrical and mechanical engineering and new energy businesses. The Group's civil engineering works specialise in site formation works and road and drainage works, and its electrical and mechanical engineering works specialise in cable trench excavation, laying and emergency maintenance works. For new energy business, the Group undertook solar PV system works, distributed various electric commercial vehicles and electric engineering machinery, and undertook the construction of charging piles and follow-up maintenance, charging and battery swapping, recycling and energy storage businesses.

During the year ended 31 March 2025, the Group's revenue was mainly derived from civil engineering and electrical and mechanical engineering works.

As at 31 March 2025, the Group had 27 projects (31 March 2024: 24 projects) on hand for civil engineering and new energy businesses with total outstanding contract value of approximately HK$966.5 million (31 March 2024: approximately HK$707.6 million). In terms of electrical and mechanical engineering, the contract value of the 8-year master contracts for Transmission Cable Trenching and Laying Works in Kowloon and New Territories and Distribution Cable Trenching and Laying Works in Sham Shui Po and Wong Tai Sin zones is expected to be approximately HK$2 billion, subject to measurement based on the actual workdone, for the remaining contract period up to second half of 2032.

Civil Engineering

The Group's civil engineering works include site formation works, road and drainage works, water works and structural steel works.

During the year ended 31 March 2025, for civil engineering works, the Group was one of the subcontractors participating in the infrastructure project at the third runway of the Hong Kong International Airport (the "**Third Runway Projects**") and participating in a mega residential development project in Sai Sha, a village sewerage project at Mui Wo, a cavern sewage treatment facilities project in Ma On Shan, the refurbishment of Car Park 1 at the Hong Kong International Airport and other projects.

During the year ended 31 March 2025, the Group recorded a revenue of approximately HK$508.9 million, representing an increase of approximately HK$143.5 million or 39.3% from year ended 31 March 2024.

Through our management team's active response to tender invitations from customers, the Group was awarded the following tenders during the year ended 31 March 2025, including the resident development located at Sung Wong Toi and the water works in Hung Shui Kiu, with the total outstanding contract value of approximately HK$947.8 million.

Electrical and Mechanical Engineering

The Group's electrical and mechanical engineering works generally include cable trench excavation, laying, emergency fault repair and substation refurbishment and maintenance works, etc.

During the year ended 31 March 2025, the Group recorded a revenue of approximately HK$181.8 million, representing an increase of approximately HK$68.6 million or 60.6% from year ended 31 March 2024. The Group strives to maintain its leadership in this field, and aims to continuously build up a substantial market share and solid reputation among prestigious customers.

During the year ended 31 March 2025, the Group was further awarded and commenced an 8-year master contract as main contractor for Transmission Cable Trenching and Laying Works in Kowloon and New Territories, which is a significant milestone of the Group as well as the master contract as sub-contractor for Distribution Cable Trenching and Laying Works in Sham Shui Po and Wong Tai Sin zones, the total contract value is estimated to be approximately HK$2 billion, subject to measurement based on the actual workdone, for the remaining contract period up to second half of 2032.

New Energy Business

For the year ended 31 March 2025, the Group's solar photovoltaic energy business recorded a revenue of HK$19.2 million, the Group also increased its investment in new energy business by purchasing electric engineering machinery for engineering projects. Meanwhile, the Group also expanded its trading business on a self-use basis by entering into a distribution agreement with China Wealth Hong Kong Machine Limited ("**China Wealth Hong Kong**"), a fellow subsidiary of Sany Heavy Equipment International Holdings Company Limited ("**Sany International**"), Sany Heavy Industry Co., Ltd. ("**Sany Heavy Industry**"), and Sany Hongkong Group Limited ("**Sany HK**") to act as an agent for the sale of electrical engineering machinery and electric commercial vehicles, of which the Group is the exclusive distributor of electric dump trucks, electric heavy trucks, and electric light trucks, and to provide supporting services such as construction of charging piles and follow-up maintenance. The details of this distribution agreement are set out in the Prospectus. The Group led the establishment of the Zero Carbon Smart Alliance and began to get involved in the fields of charging, battery swapping, recycling and energy storage, and the Zero Carbon Smart Space under the Group, displaying industry-leading electric engineering machinery such as the first remote-controlled pure electric excavator in Hong Kong, the first battery-swapping station in Hong Kong, the world's first 5-axle pure electric dump truck, the first road-ready pure electric tractor in Hong Kong, new energy equipment such as energy storage cabinets, Shenxing Ultrafast Charger and CharGo, and its own Smart Site Safety System ("**4S**").

FUTURE OUTLOOK

Civil Engineering

Hong Kong's civil engineering sector is experiencing an investment peak, with the government's annual capital works expenditure rising from approximately HK$90 billion to HK$120 billion, primarily focused on mega infrastructure projects including: Northern Metropolis and Tung Chung New Town Extension. According to the 2025–2026 Budget report of the HKSAR Government, the HKSAR Government plans to issue approximately HK$150 billion to HK$195 billion in government bonds every year for the five years from 2025–26 to 2029–30 fiscal years, with a cumulative bond issuance scale of approximately HK$750 billion to HK$975 billion to support major local infrastructure projects, which include Tung Chung New Town Extension, the Northern Metropolis, University Town, Hung Shui Kiu, Ha Tsuen, Ngau Tam Mei, and the New Territories North New Town, and other projects.

In terms of civil engineering construction, the Group actively participated in projects such as the Northern Metropolis, Tung Chung New Town Extension. Recently, it has undertaken road and drainage projects in Kwu Tung North. The Group continues to expand its partner group and was included in the list of some pre-qualified contractors of public organizations in Hong Kong. The Group has entered into a long-term cooperation agreement with suppliers to improve the stability of supply of key materials such as steel reinforcement and concrete to mitigate cost volatility risks. With the help of digital platform and artificial intelligence technology, the Group fully implemented the Smart Site Safety System to enhance project management capabilities and effectively control costs and risks. Leveraging our technological and resource advantages, the Group possesses strong fundamentals to capture industry opportunities, effectively driving sustained corporate growth and competitive enhancement.

Electrical and Mechanical Engineering

The electrical and mechanical engineering market in Hong Kong has demonstrated steady growth in recent years. The market size of overall electrical works increased from approximately HK$18.4 billion in 2018 to HK$22.2 billion in 2023, and is expected to reach HK$26.5 billion by 2028, with a compound annual growth rate of around 3.9%. The market growth is primarily driven by ongoing development of new residential and commercial buildings, the upgrade of existing electrical infrastructure, and the increasing adoption of smart building technologies. Additionally, the government's policies to promote energy efficiency and sustainable development have further stimulated the demand for advanced power systems. With the increasing application of smart cables and high-performance cable technologies, the electrical and mechanical engineering industry in Hong Kong is undergoing rapid development. According to the public data of CLP Power Hong Kong Limited ("**CLP Power**"), Hong Kong's electricity consumption continues to grow, with electricity sales reaching 36,125 million kWh in 2024, a year-on-year increase of 2.1%. Coupled with the government's promotion of the development of a number of mega engineering projects and the popularization of new energy electric vehicles, it is predicted that the demand for electricity consumption will increase in the future.

With years of deep experience in the field of electrical and mechanical engineering and long-term stable cooperation mode with partners, the Group has always been in a leading position in the industry in terms of construction technology and safety maintenance. The Group will continue to improve its technical level and is expected to further expand its market share. To address the increasing demand for electricity consumption, CLP Power announced that it will invest HK$52.9 billion in a five-year development plan (2024–2028) to expand power infrastructure and support the energy transition. The Group is actively striving for more electrical and mechanical engineering projects in Kowloon and Hong Kong, and is expected to make greater breakthroughs in the field of electrical and mechanical engineering. The Group will actively participate in more green and smart infrastructure projects to facilitate the development of Hong Kong's electricity network, and consolidate its leading position in the industry.

New Energy Business

Hong Kong's new energy sector is experiencing rapid growth, propelled by the global green transition wave and local policy support. The whole process of green transition is bringing huge business opportunities. In terms of green city construction, the HKSAR Government has led the transformation and upgrading of industries, successively introduced the initiatives such as the "Hong Kong Roadmap on Popularisation of Electric Vehicles" (《香港電動車普及化路線圖》), "Clean Air Plan for Hong Kong 2035" (《香港清新空氣藍圖2035》), and "Hong Kong's Climate Action Plan 2050" (《香港氣候行動藍圖2050》), mandating the cessation of new registrations for fuel-powered private cars by 2035 to accelerate the adoption of new energy transport technologies (including electric commercial vehicles). According to Hong Kong Environmental Protection Department's "Ex-gratia Payment Scheme for Phasing Out Euro IV Diesel Commercial Vehicles", 40,000 Euro IV diesel commercial vehicles will be phased out by the end of 2027. Therefore, there is a great growth potential for the development of new energy electric commercial vehicles in the Hong Kong market. Especially in the logistics industry, the logistics industry accounts for 6.5% of Hong Kong's GDP. Urban logistics and retail distribution businesses are frequent, providing a broad market space for new energy electric commercial vehicles. On the other hand, the construction industry accounts for 4.4% of Hong Kong's GDP, such as the surge in the demand for electric heavy trucks in mega infrastructure projects in Northern Metropolis. Aligned with Hong Kong's goal of achieving carbon neutrality before 2050, its new energy vehicle policies encompass economic incentives, infrastructure construction, industry support, and long-term carbon neutrality targets, forming a comprehensive promotion system. The HKSAR Government has also launched the "Building-Integrated Photovoltaics Pilot Scheme", which aims to increase the proportion of new energy in the fuel mix for electricity generation, targeting 7.5%–10% by 2035 and progressively raising it to 15%. Benefiting from these government favourable measures, technologies including solar PV, energy storage systems, and new energy electric vehicles receive prioritized support. The government is also strengthening regulations and safety standards to facilitate the deployment of emerging energy solutions, laying a solid foundation for the development of Hong Kong's green economy.

The Group possesses significant future growth potential, demonstrating particularly robust momentum in the new energy and green infrastructure sectors. Since 2018, the Group has proactively expanded its new energy business, covering the design, installation, and maintenance of solar PV systems. In 2024, the Group also applied the Smart Site Safety System to realize digital and intelligent platform management. The Group pioneered the adoption of SANY Group's (三一集團) electric engineering machinery in Hong Kong's construction industry, serving as the contractor for the installation and follow-up maintenance of charging piles. This has facilitated the effective implementation of electric products, forming green infrastructure solutions for the whole industry chain and demonstrating its profound understanding and practical capabilities in smart city development and low-carbon transition. Moving forward, the Group will deepen collaboration with SANY Group to jointly promote the transformation of electric commercial vehicles in Hong Kong and the strategic layout of charging infrastructure construction, continuously accelerating new energy business growth. Given that the Group has already acted as an agent for the sales of electric commercial vehicles and electric engineering machinery, its new energy trading business has taken the lead in penetrating the transportation and construction sectors. Driven by favorable policies of all parties, the new energy trading business will become the second growth curve of the Group.

In addition, the Group has formed a "Zero Carbon Smart Alliance" with industry giants such as Sany Group Limited ("**SANY Group**") and Contemporary Amperex Technology Co., Limited ("**CATL**") to create a full industry chain solution covering photovoltaics, energy storage, charging and battery swapping, green transportation intelligent applications. The Group has signed a strategic cooperation agreement dated 9 May 2025 with SANY Group and CATL to formulate a global strategic layout, leveraging its local resources and technological advantages, to jointly launch an integrated solution covering "light, storage, charging, swapping, and recycling". The Group will use V2G (Vehicle-to-Grid) to build a "photovoltaic + energy storage + charging piles + V2G" integrated station to build a "generation-storage-use-recycling" closed-loop ecosystem, and has worked closely with Fujian Fairblu Energy Technology Co., Ltd ("**Fairblu**"), and plans to use distributed energy, V2G technology and industry-leading battery recycling technology to realize "space intensification" + "power localization" to fill the gap in the collaborative application of distributed energy and smart grid in Hong Kong.

Overall

The Group has a solid economic foundation for its future development. For civil engineering, the Group participated in a number of mega infrastructure and residential projects and recorded revenue of approximately HK$508.9 million, representing a year-on-year increase of 39.3%, demonstrating its continuous improvement in competitiveness in the market. Revenue from the electrical and mechanical engineering business increased significantly to HK$181.8 million, representing a year-on-year increase of 60.6%. With rich experience in civil engineering and mechanical and electrical engineering, the Group has actively expanded its new energy business and has established partnerships with various parties and provided a series of sales solutions. As the Group continued to deepen its original business and expand into new energy fields, it is expected that economic benefits will continue to improve in the future, bringing higher returns to shareholders.

In the future, the Group will lead the expansion of the Zero Carbon Smart Alliance and introduce more industry-leading enterprises, covering green transportation, green buildings, smart photovoltaic and energy storage systems, smart cities and other industries, and strengthen cooperation among members, base themselves on Hong Kong, look around the world, promote sustainable development, and achieve a win-win situation of economic benefits and environmental responsibilities.

FINANCIAL REVIEW

Revenue

Our revenue increased by approximately HK$190.5 million, or 36.2%, from approximately HK$526.1 million for the year ended 31 March 2024 to approximately HK$716.6 million for the year ended 31 March 2025. The increase in revenue is mainly due to the increase in revenue of civil engineering works by approximately HK$143.5 million and increase in revenue of electrical and mechanical engineering works by approximately HK$68.6 million. The increase in the revenue of civil engineering works was primarily attributable to a higher amount of works performed for the Third Runway Projects for the year ended 31 March 2025. The increase in the revenue of electrical and mechanical engineering works was primarily due to new projects tendered and commenced during the year ended 31 March 2025.

Gross profit and gross profit margin

Our gross profit increased by approximately HK$22.8 million, or 18.7% from approximately HK$121.6 million for the year ended 31 March 2024 to approximately HK$144.4 million for the year ended 31 March 2025. Our gross profit margin decreased from approximately 23.1% for the year ended 31 March 2024 to approximately 20.2% for the year ended 31 March 2025. The decrease in gross profit margin was mainly attributable to the increase in the revenue contributed by the projects undertaken by us with relatively low gross profit margin as compared with the overall gross profit margin for the year ended 31 March 2024.

General and administrative expenses

Our administrative expenses increased by approximately HK$37.0 million, or approximately 157%, from approximately HK$23.6 million for the year ended 31 March 2024 to approximately HK$60.6 million for the year ended 31 March 2025. The increase was mainly attributable to (i) an increase in donations of approximately HK$3.2 million; (ii) an increase in employee benefit expenses of approximately HK$5.3 million and an increase in employee bonus of approximately HK$17.5 million due to additional staff recruitment for business expansion; (iii) an increase in legal and professional fees of approximately HK$2.2 million incurred after the listing; and (iv) an increase in other administrative expenses for business expansion.

Finance costs, net

Our finance costs, net decreased by approximately HK$0.1 million, or 3.9%, from approximately HK$2.4 million for the year ended 31 March 2024 to approximately HK$2.3 million for the year ended 31 March 2025. Such decrease is mainly attributable to the increase in interest income from bank deposits due to the IPO proceeds raised during the year ended 31 March 2025.

Income tax expense

The effective tax rate for the year ended 31 March 2025 was approximately 18.7%, which was higher compared to that of 17.2% for the year ended 31 March 2024. The increase in effective tax rate for the year ended 31 March 2025 was mainly due to the inclusion of approximately HK$16.5 million Listing expenses for the year ended 31 March 2025 which was non-deductible for tax purposes.

Profit for the year

The profit for the year decreased by approximately HK$21.4 million, or approximately 27.9%, from approximately HK$76.9 million for the year ended 31 March 2024 to approximately HK$55.5 million for the year ended 31 March 2025. The decrease was mainly attributable to (i) the increase in expenses incurred in connection with the listing during the year ended 31 March 2025; and (ii) the increase in general and administrative expenses, which was mainly attributable to efforts by the Group to further enhance operational management capabilities.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group has funded the liquidity and capital requirements primarily through equity capital, borrowings and cash generated from operation. As at 31 March 2025, the capital structure of the Group consisted of equity of approximately HK$351.6 million (31 March 2024: HK$155.4 million), bank borrowings of approximately HK$62.3 million (31 March 2024: HK$50.2 million) and lease liabilities of approximately HK$9.9 million (31 March 2024: HK$2.8 million).

The Company's shares were listed on the Main Board of the Stock Exchange on 9 October 2024. There has been no change in the capital structure of the Company since then.

Cash position and fund available

During the year ended 31 March 2025, the Group maintained a healthy liquidity position, with working capital being financed by our operating cash flows and borrowings. As at 31 March 2025, our cash and cash equivalents were approximately HK$93.7 million (31 March 2024: HK$27.4 million).

As at 31 March 2025, the current ratio of the Group was approximately 2.10 times (31 March 2024: 1.46 times).

Gearing ratio

As at 31 March 2025, the Group's gearing ratio was approximately 20.5% (31 March 2024: 34.1%), calculated as the total borrowings and lease liabilities divided by the total equity as at the respective reporting dates.

Net current assets

As at 31 March 2025, the Group had net current assets of HK$216.7 million (31 March 2024: HK$86.1 million). There is no material change in the net current assets position during the year ended 31 March 2025.

The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from the banks to meet its liquidity requirements. The Board of Directors is not aware of any liquidity issue that may cast significant doubt on the Group's ability to continue as a going concern.

PLEDGE OF ASSETS

As at 31 March 2025, leasehold land and property and equipment with net book value of HK$26.1 million and HK$24.8 million respectively (31 March 2024: Nil and HK$71.3 million respectively) were pledged as security for the Group's borrowings.

CAPITAL EXPENDITURES AND CAPITAL COMMITMENTS

During the Year, the Group incurred cash outflows of approximately HK$65.5 million in leasehold land, property and equipment and software (31 March 2024: HK$18.6 million in property and equipment).

As at 31 March 2025, the capital expenditure in respect of the purchase of property and equipment and development of Zero Carbon Smart Space contracted for but not provided in the consolidated financial statements is HK$24.8 million (31 March 2024: HK$3.1 million in purchase of property and equipment).

FUTURE PLAN FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus, as at the date of this announcement, the Group did not have other plans for material investments and capital assets.

CONTINGENT LIABILITIES

Save for the disclosure set out in Note 14 to this announcement, the Group has no material contingent liabilities.

SIGNIFICANT INVESTMENTS AND MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

On 25 November 2024, Wing Lee Group (Holdings) Limited (being an indirect wholly-owned subsidiary of the Company) (the "**Purchaser**") entered into the Preliminary Sale and Purchase Agreement with Billion Charter Limited (the "**Vendor**"), pursuant to which the Vendor agreed to sell, and the Purchaser agreed to acquire a property at TML Tower in Tsuen Wan at the consideration of HK$43.4 million.

During the year ended 31 March 2025, save as disclosed herein, the Group did not have any other significant investments, acquisitions or disposals of subsidiaries, associates and joint ventures.

CORPORATE GOVERNANCE PRACTICES AND OTHER INFORMATION

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the holders of the shares of the Company (the "**Shareholders**") and to enhance corporate value and accountability.

The Company has adopted the Corporate Governance Code (the "**CG Code**") as contained in Appendix C1 to the Listing Rules as its own code of corporate governance. Since the date of listing of the shares of the Company (the "**Shares**") on the Stock Exchange on 9 October 2024 (the "**Listing Date**") and up to the date of this announcement, the Board is of the view that the Company has complied with all applicable principles and code provisions of the CG Code, except the deviation from code provision C.2.1 of the CG Code as disclosed below.

Code provision C.2.1 of the CG Code stipulates that the responsibilities between the chairman and the chief executive officer should be separate and should not be performed by the same individual. Mr. Yiu Wang Lee ("**Mr. Yiu**") is the chairman of the Board and chief executive officer of the Group. Mr. Yiu is primarily responsible for the overall management, formulation of business strategies, project management and day-to-day management of the operations of the Group and is instrumental to our growth and business expansion. In view of Mr. Yiu's extensive experience of over 27 years in the civil and electrical cable engineering industries, including his personal profile and critical role in the Group and its historical development, our Board considers that vesting the roles of chairman and chief executive officer in the same individual will provide a strong and consistent leadership which is beneficial to the management and performance of the Group. The Board will continue to review the effectiveness of the corporate governance structure of the Group and assess whether separation of the roles of chairman and chief executive officer is necessary.

The Board will continue to review its corporate governance structure and practices from time to time to ensure compliance with the CG Code and to maintain a high standard of corporate governance and shall make necessary arrangements as the Board considers appropriate.

Compliance with model code for securities transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as contained in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by the Directors.

Having made specific enquiry of all Directors, each of them has confirmed that he/she complied with the Model Code during the period from the Listing Date up to the date of this announcement. No incident of non-compliance of the Model Code by the employees who are likely to be in possession of inside information of the Company was noted by the Company during the period from the Listing Date up to the date of this announcement.

Use of Proceeds from the Share Offer

With the Shares of the Company listed on the Stock Exchange on 9 October 2024, the net proceeds from the Share Offer amounted to approximately HK$150.0 million, which will be utilised for the purposes as set out in the Prospectus. As of the date of this announcement, there was no change in the intended use of net proceeds as previously disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus. To the extent that the net proceeds are not immediately applied to the intended use and to the extent permitted by the applicable laws and regulations, the net proceeds are placed into short-term interest-bearing accounts at licensed commercial banks and/or other authorised financial institutions (as defined under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) or applicable laws or regulations in other jurisdictions).

The following table sets out the proposed and actual applications of the net proceeds from the Listing Date to 31 March 2025:

Intended use of net proceeds	Percentage of intended use of net proceeds (%)	Net proceeds (In HK$ million)	Amount utilised as at 31 March 2025 (In HK$ million)	Amount unutilised as at 31 March 2025 (In HK$ million)	Expected timeline of full utilisation of the net proceeds
Acquisition of additional electrical machinery and equipment	45	67.5	2.9	64.6	June 2026
Payment of upfront costs for new projects	35	52.5	46.9	5.6	June 2025
Recruitment of new staff members	5	7.5	7.5	—	N/A
Procurement of 4S and an enterprise planning system	5	7.5	3.6	3.9	March 2026
General working capital	10	15.0	15.0	—	N/A
Total:	100.0	150.0	75.9	74.1	

Employee and Remuneration Policy

As at 31 March 2025, the Group had 411 employees (as at 31 March 2024: 344), where their salaries and allowances were determined based on their performance, experience and the then prevailing market rates. We have also invested in continuing education and training programs, including internal and external training, for our management staff and other employees to upgrade their skills and knowledge. We have also adopted the Share Award Scheme and the Share Option Scheme (together, the "**Share Incentive Schemes**") (as defined in the Prospectus) to provide incentives or rewards to the eligible participants of the Share Incentive Schemes. The principal terms of the Share Incentive Schemes are set out in the Prospectus. Since the adoption of the Share Incentive Schemes until the date of this announcement, no share option or Share has been granted, exercised, cancelled or expired under the Share Incentive Schemes.

During the year ended 31 March 2025, the total staff costs (including Director's emoluments) were approximately HK$184.7 million (for the same period in 2024: HK$122.6 million).

Purchase, Sale or Redemption of Listed Securities

No purchase, sale or redemption of the Company's listed securities was made by the Company or any of its subsidiaries during the period from the Listing Date until the date of this announcement.

Final Dividend

The Board does not recommend the payment of a final dividend for the year ended 31 March 2025.

Audit Committee

The Company has established an audit committee (the "**Audit Committee**") with written terms of reference in compliance with the Listing Rules. The Audit Committee comprises the three independent non-executive directors of the Company, namely Mr. Leung Wai Hung, Mr. Shang Hailong and Mr. Fu He. Mr. Leung Wai Hung is the chairperson of the Audit Committee.

The Audit Committee has reviewed the annual results of the Group for the year ended 31 March 2025. The Audit Committee has also reviewed and discussed matters with respect to the accounting policies and practices adopted by the Company, and the internal control of the Group, with senior management members and the external auditor of the Company.

Scope of work of PricewaterhouseCoopers

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 March 2025 as set out in the preliminary announcement for the year ended 31 March 2025 have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by PricewaterhouseCoopers on the preliminary announcement.

Events After the Reporting Period

On 1 April 2025, an indirect wholly-owned subsidiary of the Group (the "**purchaser**") entered into a purchase agreement with China Wealth Hong Kong (the "**vendor**") for acquisition of machineries at a consideration of HK$1,732,000. The purchase, when aggregated with the previous purchases from the same vendor since the Listing Date and up to the date of the purchase agreement, constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules. Details of the purchase agreement, please refer to the announcements of the Company dated 1 April 2025.

Save as disclosed in this announcement, there were no other significant events which occurred subsequent to 31 March 2025 and up to the date of this announcement.

Publication of Annual Results and Annual Report

This annual results announcement is published on the Company's website (www.winglee.com.hk) and the website of the Stock Exchange (www.hkexnews.hk).

The annual report of the Company for the year ended 31 March 2025 will be published on the aforementioned websites and despatched to the Shareholders of the Company (if requested) in due course.

By order of the Board
Wing Lee Development Construction Holdings Limited
Yiu Wang Lee
Chairman and Executive Director

Hong Kong, 25 June 2025

As at the date of this announcement, the board of directors of the Company comprises Mr. Yiu Wang Lee, Mr. Yiu Wang Lung, Mr. Chan Lo Man and Ms. Tse Ka Wing as executive directors; and Mr. Shang Hailong, Mr. Fu He and Mr. Leung Wai Hung as independent non-executive directors.