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WING LEE PROPERTY INVESTMENTS LIMITED

永利地產發展有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 864)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of Wing Lee Property Investments Limited (the “**Company**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 December 2025, together with comparative figures for the year ended 31 December 2024, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

	NOTE	2025 HK\$'000	2024 HK\$'000
Revenue	3	21,197	26,826
Direct operating expenses		<u>(2,248)</u>	<u>(953)</u>
		18,949	25,873
Other income	4	996	3,020
Net change in fair value of investment properties	9	(273,180)	(247,260)
Administrative expenses		(10,094)	(6,059)
Finance costs	5	(3,162)	(7,717)
		<u>(266,491)</u>	<u>(232,143)</u>
Loss before taxation	5	(266,491)	(232,143)
Income tax	6	(1,195)	(2,123)
		<u>(267,686)</u>	<u>(234,266)</u>
Loss for the year		(267,686)	(234,266)
Other comprehensive expense for the year			
Item that will not be reclassified subsequently to profit or loss:			
Equity investments at FVOCI-net movement in fair value reserves (non-recycling)	11	(33,152)	(40,051)
		<u>(300,838)</u>	<u>(274,317)</u>
Total comprehensive expense for the year		(300,838)	(274,317)
		HK cents	HK cents
Loss per share	8		
– Basic		(69.32)	(60.66)
– Diluted		(69.32)	(60.52)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2025

	NOTE	2025 HK\$'000	2024 HK\$'000
Non-current assets			
Investment properties	9	330,900	604,080
Property, plant and equipment		10,775	11,276
Deferred lease receivables	10	165	247
Other financial assets	11	27,400	55,667
		369,240	671,270
Current assets			
Lease receivables, other receivables and prepayments	10	1,389	1,911
Current tax recoverable		1,606	571
Deposits with bank with original maturity date over three months		–	45,409
Cash and cash equivalents		8,262	33,986
		11,257	81,877
Current liabilities			
Deposits received and other payables	12	8,335	8,304
Bank loans – due within one year		–	80,910
Loan from a related company	13	60,000	–
Current tax payable		59	275
		68,394	89,489
Net current liabilities		(57,137)	(7,612)
Total assets less current liabilities		312,103	663,658
Non-current liabilities			
Bank loans – due after one year		–	51,308
Deferred tax liabilities		4,800	4,377
		4,800	55,685
NET ASSETS		307,303	607,973
CAPITAL AND RESERVES			
Share capital		3,862	3,862
Reserves		303,441	604,111
TOTAL EQUITY		307,303	607,973

NOTES TO THE FINANCIAL INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2025

1. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The financial information contained in this preliminary announcement of annual results was extracted from the Group's consolidated financial statements. Consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards (“**HKFRSs**”), Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) and the disclosure requirements of the Hong Kong Companies Ordinance.

As at 31 December 2025, the Group had net current liabilities of approximately HK\$57,137,000 (2024: HK\$7,612,000).

In preparing the consolidated financial statements, the directors of the Company have given due and careful consideration to the future liquidity of the Group in light of the Group's net current liabilities of approximately HK\$57,137,000 as at 31 December 2025.

The directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will be able to finance its future working capital. The Group has an outstanding loan from MSI (see Note 13). The loan is repayable in May 2026. However, MSI has provided a written undertaking that, in the event the Group does not have sufficient cash resources to repay the loan upon maturity, MSI will extend the repayment terms to a date when the Group has sufficient cash resources to satisfy its future working capital and other financial requirements.

Having considered the future liquidity and performance of the Group, the continuing financial support from MSI, and the Group's other available sources of financing (including ongoing rental cash flows and potential refinancing or disposal of investment properties), the directors are satisfied that the Group will have sufficient working capital for its present requirements for the foreseeable future. On this basis, the consolidated financial statements have been prepared on a going concern basis.

Should the Group be unable to continue as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effect of these adjustments has not been reflected in the financial statements.

2. CHANGES IN ACCOUNTING POLICIES

The Group has applied amendments to HKAS 21, The effects of changes in foreign exchange rates – Lack of exchangeability issued by the HKICPA to these financial statements for the current accounting period. The amendments do not have a material impact on these financial statements as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3. REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are property investment.

Revenue represents the rentals from investment properties.

(b) Segment reporting

The Group's operating activities are attributable to a single operating segment focusing on property investment. This operating segment has been identified on the basis of internal management reports prepared in accordance with accounting policies which conform to HKFRSs, that are regularly reviewed by the executive directors of the Company (the "Executive Directors"), being the chief operating decision maker. The Executive Directors regularly review revenue analysis by locations of the investment properties and relevant types of properties which generate rental income as presented below. Other than revenue analysis, no operating results and other discrete financial information is available for the assessment of performance of the respective locations. The Executive Directors review the overall results of the Group as a whole to make decisions about resources allocation.

An analysis of the Group's revenue by geographical locations of the investment properties and relevant types of properties which generate rental income are as follows:

	Revenue from external customers	
	2025 HK\$'000	2024 HK\$'000
Hong Kong		
Hong Kong Island:		
Commercial	10,468	13,987
Residential	299	296
Kowloon:		
Commercial	4,307	6,465
Residential	3,451	3,517
Industrial	2,672	2,561
	<u>21,197</u>	<u>26,826</u>

During the year ended 31 December 2025, nil (2024: one) individual customer contributed over 10% of the total revenue of the Group.

All of the Group's non-current assets are located in Hong Kong.

4. OTHER INCOME

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest income	726	2,744
Others	270	276
	<u>996</u>	<u>3,020</u>

5. LOSS BEFORE TAXATION

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
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Loss before taxation is arrived after charging:

(a) Finance costs

Interest on bank loans	2,183	7,717
Interest on loan from a related company	979	–

3,162 7,717

(b) Staff costs

Directors' emoluments		
– Salaries, wages and other benefits	3,674	916
– Contributions to defined contribution retirement plan	22	16

3,696 932

– Equity-settled share-based payment expenses 168 –

3,864 932

Other staff costs

– Salaries, wages and other benefits	1,767	1,704
– Contributions to defined contribution retirement plan	51	50

1,818 1,754

5,682 2,686

(c) Other items

Auditors' remuneration - audit services	580	580
Depreciation of other property, plant and equipment	501	501
Rentals receivable from investment properties less direct outgoings of HK\$2,248,000 (2024: HK\$953,000)	18,949	25,873

6. INCOME TAX

(a) Taxation in the consolidated statement of profit or loss and other comprehensive income represents:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current tax – Hong Kong Profits Tax:		
Provision for the year	629	1,669
Under provision in respect of prior years	105	15
	<u>734</u>	<u>1,684</u>
Deferred tax:		
Origination and reversal of temporary differences	461	439
	<u>1,195</u>	<u>2,123</u>

Pursuant to the rules and regulations of Bermuda, the Group is not subject to any income tax in the jurisdiction.

Pursuant to the rules and regulations of the British Virgin Islands, the Group is not subject to any income tax in the jurisdiction.

The provision for Hong Kong Profits Tax for 2025 is calculated at 16.5% (2024: 16.5%) of the estimated assessable profits for the year, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rate regime.

For this subsidiary, the first HK\$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

7. DIVIDENDS

During the years ended 31 December 2025 and 2024, no dividends were paid, declared or proposed.

There is no dividend proposed by the directors of the Company subsequent to the end of the reporting period.

8. LOSS PER SHARE

(a) Basic loss per share

The calculation of the basic loss per share is based on the following data:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loss:		
Loss for the year attributable to the owners of the Company for the purpose of calculating basic loss per share	<u>(267,686)</u>	<u>(234,266)</u>
	2025	2024
Number of shares:		
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	<u>386,175,758</u>	<u>386,175,758</u>

(b) Diluted loss per share

The calculation of the diluted loss per share for the year ended 31 December 2025 and 2024 is based on the loss attributable to owners of the Company, and weighted average number of ordinary shares, as adjusted for the effects of all dilutive potential ordinary shares.

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loss:		
Loss for the year attributable to the owners of the Company for the purpose of calculating diluted loss per share	<u>(267,686)</u>	<u>(234,266)</u>
	2025	2024
Number of shares:		
Weighted average number of ordinary shares at 31 December	386,175,758	386,175,758
Effect of deemed issue of shares under the Company's share option scheme	<u>—*</u>	<u>899,204</u>
Weighted average number of ordinary shares (diluted) as at 31 December	<u>386,175,758</u>	<u>387,074,962</u>

* For the year ended 31 December 2025, the diluted loss per share is same as basic loss per share because the exercise price of Company's share options was higher than the average market price for share.

9. INVESTMENT PROPERTIES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
FAIR VALUE		
At beginning of the year	604,080	851,340
Fair value adjustment	<u>(273,180)</u>	<u>(247,260)</u>
At end of the year	<u><u>330,900</u></u>	<u><u>604,080</u></u>
The carrying value of the investment properties shown above situated on land in Hong Kong	<u><u>330,900</u></u>	<u><u>604,080</u></u>
Net change in fair value of investment properties – Unrealised loss on investment properties revaluation	<u><u>(273,180)</u></u>	<u><u>(247,260)</u></u>
Tenure of title to investment properties		
	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Held in Hong Kong		
– Long leases	180,230	360,080
– Medium-term leases	<u>150,670</u>	<u>244,000</u>
	<u><u>330,900</u></u>	<u><u>604,080</u></u>

10. LEASE AND OTHER RECEIVABLES AND PREPAYMENTS

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Lease receivables, net of loss allowance of Nil (2024: Nil)	299	337
Deferred lease receivables (see note below)	566	702
Deposits and other receivables	362	797
	<u>1,227</u>	<u>1,836</u>
Less: non-current portion of deferred lease receivables	(165)	(247)
	<u>1,062</u>	<u>1,589</u>
Lease and other receivables	1,062	1,589
Add: Prepayments	327	322
	<u>1,389</u>	<u>1,911</u>

Note:

Deferred lease receivables represent the accumulated difference between effective rental revenue and actual invoiced rental amount.

Included in lease and other receivables, deferred lease receivables of approximately HK\$165,000 (2024: HK\$247,000) are expected to be recovered over one year and classified as non-current assets. All of the other lease and other receivables are expected to be recovered or recognised within one year.

Ageing analysis

As of the end of the reporting period, the ageing analysis of lease receivables, based on rental demand notices issued on the first calendar day of each month and net of loss allowance, is as follows:

	2025 <i>HK\$'000</i>	2024 HK\$'000
Age		
0 – 90 days	<u>299</u>	<u>337</u>

11. OTHER FINANCIAL ASSETS

	2025 <i>HK\$'000</i>	2024 HK\$'000
Equity instrument designated at FVOCI (non-recycling)		
Unlisted partnership investment	<u>27,400</u>	<u>55,667</u>

The balance represents 10% equity interest in Epic Capital Development Fund I, L.P. (“**Epic Fund**”), a private limited partnership entity established in the Cayman Islands. The principal activity of Epic Fund is redevelopment of properties located in Hong Kong, specifically the project at No. 32 Hung To Road, Kwun Tong, Kowloon (the “**Fund Property**”). The directors of the Company have elected to designate the investment in equity instrument as at FVOCI (non-recycling) as they believe that recognising short-term fluctuations in the investment in profit or loss would not be consistent with the Group’s strategy of holding the investment for long term investment purpose and realising the performance potential in the long run. No dividends were received on this investment during the year ended 31 December 2025 (2024: Nil).

The movements during the period in the balance of this Level 3 fair value measurement are as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Unlisted equity instrument:		
At 1 January	55,667	89,503
Payment for capital injection	4,885	6,215
Net unrealised loss recognised in other comprehensive income during the period	<u>(33,152)</u>	<u>(40,051)</u>
At 31 December	<u>27,400</u>	<u>55,667</u>

Any gain or loss arising from the remeasurement of the Group's unlisted equity instrument held for strategic purposes are recognised in the fair value reserve (non-recycling) in other comprehensive income. Upon disposal of the equity instrument, the amount accumulated in other comprehensive income is transferred directly to retained profits.

12. DEPOSITS RECEIVED AND OTHER PAYABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Rental deposits received	5,342	7,082
Accrued expenses	2,433	883
Other payables	<u>560</u>	<u>339</u>
Financial liabilities measured at amortised cost	<u>8,335</u>	<u>8,304</u>

Apart from the rental deposits received of approximately HK\$3,163,000 (2024: HK\$1,652,000), all of the deposits received and other payables are expected to be settled or recognised as income within one year or are repayable on demand.

13. LOAN FROM A RELATED COMPANY

During the year ended 31 December 2025, the Group borrowed HK\$60 million from Morning Star Industrial Company Limited ("MSI"), a company which is controlled by Mr. Chow Tak Hung (spouse of Ms. Chau Choi Fa, the chairperson and executive director of the Company), Ms. Wong Siu Wah (the chief executive officer and executive director of the Company), and Ms. Chow Woon Yin (an executive director of the Company).

The loan from the related company is unsecured, bears interest at 3.93% per annum as at 31 December 2025 and is repayable in May 2026.

The interest rate of the loan from a related company is determined by the related company with reference to the prevailing market rate.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group continued to engage in its business of leasing completed commercial and residential properties in Hong Kong. As at 31 December 2025, the aggregate market value of the Group's investment properties was approximately HK\$330.9 million, representing a decrease of approximately HK\$273.2 million as compared to 2024. This decrease was mainly due to a decrease in net changes in fair value of the investment properties.

Furthermore, during the year ended 31 December 2025, the Group continued to hold a 10% investment in Epic Capital Development Fund I, L.P. (the "**Fund**"), an exempted limited partnership established in the Cayman Islands that is engaged in a property redevelopment project at No. 32 Hung To Road, Kwun Tong, Kowloon (the "**Fund Property**") which has been redeveloped to a commercial building (including shops, offices and carparks) as at 31 December 2025. Reference is made to the investment in the Fund which was announced by the Company as a discloseable transaction on 24 July 2018. In addition, a further discloseable transaction announcement was made by the Company on 23 May 2025, relating to the capital contributions to the Fund. The Fund Property has a site area of approximately 9,805 square feet and the total attributable gross floor area upon redevelopment is approximately 146,900 square feet.

The Group's main source of income is rental generated from the Group's investment properties. The rental income was approximately HK\$21.2 million for the year ended 31 December 2025, representing a decrease of approximately 21.0% as compared to 2024. The decrease was mainly due to more rental concessions granted to tenants in 2025 as compared to 2024. The Group's investment properties were 96.2% occupied as at 31 December 2025.

The Group's other comprehensive expense for 2025 was approximately HK\$33.2 million, as compared to approximately HK\$40.1 million in 2024. This was mainly attributable to the net movement in fair value reserves from the Fund. As the net decrease in fair value reserves from the Fund is a non-cash item and will not be reclassified to profit or loss, it does not have any material adverse effect on the operations or cash flow of the Group.

In general, office demand has undergone a transformation due to a work-from-home revolution, whereby businesses are finding themselves in need of less physical office space. In addition, an oversupply of office space in Kwun Tong area, coupled with a general trend of Mainland firms reducing their investments in Hong Kong office properties, has caused office property values in Kwun Tong area to continue to decrease during the year under review, causing the fair value of the Fund Property and the Fund to continue to decrease during the year ended 31 December 2025. Notwithstanding additional capital injected into the Fund in 2025 of approximately HK\$4.9 million, this was net off against the net decrease in the fair value reserves from the Fund of approximately HK\$33.2 million, and as a result, as at 31 December 2025, the fair value of the investment of the Fund recorded as other financial asset was approximately HK\$27.4 million (31 December 2024: approximately HK\$55.7 million).

Without taking into account the impact of the aforesaid net decrease in fair value reserves from the Fund, the Group recorded a net loss for the year ended 31 December 2025 of approximately HK\$267.7 million (2024: net loss of approximately HK\$234.3 million).

In 2025, the Group recorded a net decrease in fair value of the Group's investment properties of approximately HK\$273.2 million, as compared to a decrease of approximately HK\$247.3 million for 2024, which reflected the general market conditions of the commercial retail and residential investment property market in Hong Kong for the period under review. In 2025, a growing number of owners are selling their retail properties in Hong Kong at substantial discounts due to high borrowing costs affecting mortgage repayments. Concurrently, negative carry continues to dampen buyer sentiment in the Hong Kong retail property market. Moreover, Hong Kong banks are increasingly reluctant to provide credit to potential Hong Kong retail property buyers. These factors have collectively contributed to a downward spiral in Hong Kong retail property prices. Nevertheless, as the net decrease in fair values of the Group's investment properties is a non-cash item and the business of the Group is long-term investment and leasing of properties, it does not have any material adverse effect on the operations or cash flow of the Group.

In addition, there was a share option expense of approximately HK\$168,000 in 2025, whilst there was no such expense in 2024.

Without taking into account the impact of the aforesaid net change in fair values of the Group's investment properties and the granting of share options in 2025, the Group recorded a net profit for the year ended 31 December 2025 of approximately HK\$5.7 million which is in line with that for 2024 of approximately HK\$13.0 million. The decrease in above mentioned net profit compared to 2024 was mainly attributable to decrease in rental income as more rental concessions were granted to tenants in 2025 as compared to 2024 and an increase in direct operating and administrative expenses in 2025.

PROSPECTS

Whilst the Hong Kong economy has been showing signs of recovery with the rebound of the Hong Kong's stock market in 2025, the Hong Kong retail property segment is expected to face significant challenges with growing vacancy rates and rents dropping. Retailers are taking a more restrained approach to expansion, leading to lower retail leasing transactions. In general, banks in Hong Kong are increasingly reluctant to provide further credit for commercial properties, causing potential investors to face significant challenges in financing. Additionally, tourists continue to demonstrate a stronger preference for experiences over highend shopping.

Moreover, the persistent trend of Hong Kong residents traveling to Mainland China for shopping as well as shifting to online shopping has continued to negatively affect the Hong Kong physical retail environment and the Group's leasing business.

Looking ahead, the Hong Kong's economic recovery is still clouded by the geopolitical conflict overseas, the trade tensions between China and USA, and interest rates trend, all of which will continue to bring uncertainty to Hong Kong's economic recovery and impact the Group's rental performance. In an effort to boost consumer confidence and business momentum, we have seen supportive measures from the Hong Kong governments such as strengthening Hong Kong as an international hub, attracting global talent and students, promoting tourism, and hosting large scale entertainment events. These measures are aimed at boosting market confidence and driving business expansion in Hong Kong which will provide support and resilience to the local economy.

However, the leasing market in the Hong Kong physical retail sector has become polarized. Leasing activity is mainly concentrated in prime shopping areas such as Causeway Bay and Tsim Sha Tsui, while non-prime locations struggle to attract tenants. As most of the Group's commercial properties are not located in prime shopping areas, they have been significantly affected by this trend.

Fortunately, the Group's portfolio continues to maintain high occupancy rates during the year under review as our Group has a diverse tenant pool with tenants from different industries. To maintain the occupancy rates, the Group will continue to closely monitor the economic developments and property market changes and make rental policy adjustments accordingly. We will also closely communicate with our tenants and continue to support them during difficult times.

In the Group's efforts to maintain competitiveness and ensure shareholder returns, the Group has been cautiously exploring opportunities to diversify its business beyond the rental property market.

Currently, the Group does not have plans for any material investments or acquisitions of capital assets. Due to market uncertainties, the Group will continue to maintain a conservative treasury policy when evaluating potential investment opportunities.

The Group will continue to cautiously explore and expand its investment portfolio and may look beyond the Hong Kong region for investment opportunities in efforts to maintain competitiveness.

OPERATIONS

The Group is engaged in the business of property investment, principally the leasing of completed commercial and residential properties. As at 31 December 2025, the Group held an investment property portfolio of 38 properties located in Hong Kong.

During the year ended 31 December 2025, the Group continued to hold an investment portfolio, through a 10% investment in the Fund that is engaged in a redevelopment project of the Fund Property. The consideration paid for this investment was financed by the Group's internal funds and bank borrowings. The fair value of the Group's investment into the Fund as at 31 December 2025 was approximately HK\$27.4 million (31 December 2024: approximately HK\$55.7 million) representing approximately 7.2% of the Company's total assets as at that date. The total investment cost of the Group into the Fund as at 31 December 2025 was approximately HK\$104.5 million. The decrease in fair value of the Fund since initial investment was approximately HK\$77.1 million.

As at 31 December 2025, the Fund Property has been redeveloped into a commercial building (including shops, offices and carparks) and the sale of the units in the Fund Property had commenced since June 2024. The Fund Property consists of 171 commercial units and 98 carparks. Up to 31 December 2025, 80 commercial units and 21 carparks were sold and completed. As the Group holds a minority interest in the Fund, the Group will go along with the Fund as to their sales marketing strategy with respect to the Fund Property.

The Group did not introduce or announce any new business or services for the year ended 31 December 2025.

RESULTS

Our total comprehensive expense for the year attributable to owners of the Company for 2025 was approximately HK\$300.8 million (2024: approximately HK\$274.3 million). Current year total comprehensive expense was mainly attributable to a decrease in the net movement in fair value reserves from the Fund of approximately HK\$33.2 million and a net decrease in fair value of the investment properties of approximately HK\$273.2 million, which reflects the general market conditions of the commercial retail and residential investment property market in Hong Kong during the year and the net movement in fair value reserves from the Fund.

Basic loss per share for 2025 was approximately HK\$0.6932 (2024: basic loss per share of approximately HK\$0.6066), representing an increase in loss of approximately HK\$0.0866 per share in 2025.

FINANCIAL REVIEW

Liquidity and Capital Resources

As at 31 December 2025, the net current liabilities of the Group amounted to approximately HK\$57.1 million (31 December 2024: net current liabilities of approximately HK\$7.6 million). The current ratio, expressed as current assets over current liabilities, was approximately 0.16 (31 December 2024: approximately 0.91).

The higher net current liabilities as at 31 December 2025, was mainly due to a new loan from a related company of approximately HK\$60.0 million, which was unsecured and repayable within one year, on a more favorable terms than loan from banks, and this full amount was classified as current liabilities. In addition, the Group used its bank deposits and the proceeds of the new loan from a related company to fully repay its outstanding bank loans of approximately HK\$132.2 million, thus considerably decreased the Group's current and non-current liabilities, and at the same time decreased the Group's current assets. Both factors caused the Group's current ratio to decrease. After taking into account the estimated cash flows generated from the Group's operations, the directors of the Company (“**Directors**”) are satisfied that the Group will have sufficient working capital for its present requirements for the foreseeable future. As such, the management believes that the Group is well positioned with sufficient operating funds to manage its existing operations and investment plans, if any. The management will continue to implement all necessary measures to ensure that the Group maintains adequate cash and appropriate credit facilities to meet its future operating expenditure and loan repayment obligations.

As at 31 December 2025, the total equity of the Group was approximately HK\$307.3 million (31 December 2024: approximately HK\$608.0 million), representing a decrease of approximately HK\$300.7 million from the previous year-end.

Moreover, as at 31 December 2025, the bank deposits and cash of the Group were approximately HK\$8.3 million (31 December 2024: approximately HK\$79.4 million), with no non-pledged time deposits with banks with original maturity date over three months (31 December 2024: HK\$45.4 million). The significant decrease in the Group's bank deposits and cash was mainly attributable to the full repayment of bank loans and bank loan interest of approximately HK\$134.4 million in 2025 and cash outflow from the new capital contribution in the Fund of approximately HK\$4.9 million, which were netted off with a new loan from a related company of approximately HK\$60.0 million raised during 2025, together with the cash generated from the operation of the Group and interest earned of approximately HK\$8.5 million.

In order to save on finance costs due to increasing interest rates, the Group's financial strategy was to fully repay all bank loans. In 2025, the interest rates of the bank loans obtained by the Group range from 5.33% to 6.34% per annum. As at 31 December 2025, all bank loans were fully repaid, and the carrying amount of our bank loans was nil. The repayments of the bank loans were driven by the above-mentioned financial strategy, and there was no breach of any bank loan covenants during 2025. As at 31 December 2024, the carrying amount of our bank loans was approximately HK\$132.2 million, all of the bank loans were secured by mortgages over certain investment properties and property, plant and equipment of the Group with carrying amounts of approximately HK\$273.3 million, and the bank loans bore interest ranging from 5.63% to 6.34% per annum. As at 31 December 2025, certain of the Group's investment properties, leasehold land and building with an aggregate carrying value of approximately HK\$26.1 million were still subject to mortgages to secure banking facilities of the Group that have been fully repaid, the Group is in the process of arranging mortgage release of these relevant properties. As at 31 December 2025 and 31 December 2024, the Group had no unutilized bank loan facilities. The Group's borrowing was not affected by seasonality. All the Group's bank loans were on floating rate basis. The Group does not use any financial instruments for hedging of interest rate.

Of the total bank loans as at 31 December 2024, approximately HK\$80.9 million (or approximately 61.2%) was repayable within one year or on demand. Approximately HK\$44.6 million (or approximately 33.7%) was repayable after one year but within two years. Approximately HK\$6.7 million (or approximately 5.1%) was repayable after two years but within five years. None was repayable after five years.

The Group's total debt to equity ratio, calculated as total borrowings (being the aggregate of total bank loans and loan from a related company) of approximately HK\$60.0 million (31 December 2024: approximately HK\$132.2 million) divided by shareholder's equity of the Group of approximately HK\$307.3 million (31 December 2024: approximately HK\$608.0 million) was approximately 19.5% as at 31 December 2025 (31 December 2024: approximately 21.7%). The decrease in ratio was mainly attributable to the full repayment of all bank loans in 2025.

Capital Expenditure

Capital expenditure incurred by the Group (representing acquisition of investment properties and property, plant and equipment and new contribution made in the investment in the Fund) for the year ended 31 December 2025 was approximately HK\$4.9 million (2024: HK\$6.2 million). The Group anticipates that the funding required for future capital expenditure will be principally financed by cash generated from operations and bank borrowings, although the Group may consider raising additional funds as and when appropriate.

Capital commitments

As at 31 December 2025 and 31 December 2024, the Group had no capital commitment, contracted for but not provided for in the financial statements in respect of its investment in the Fund.

Contingent liabilities

The Group had no significant contingent liabilities as at 31 December 2025 and 31 December 2024.

Pledge of assets

Certain of the Group's investment properties with an aggregate carrying value of approximately HK\$26.1 million as at 31 December 2025 (31 December 2024: approximately HK\$262.0 million) were still subject to the mortgages to secure banking facilities of the Group which have been fully repaid. The Group is in the process of arranging mortgage release of these relevant properties.

As at 31 December 2024, one of the Group's leasehold land and buildings with a carrying value of approximately HK\$11.3 million had been pledged to secure a bank loan of the Group. As at 31 December 2025, the above-mentioned loan was fully repaid and the relevant property was discharged.

As at 31 December 2025 and 31 December 2024, the Group did not have any finance lease.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

There was no material acquisition or disposal of subsidiaries, associates and joint ventures by the Company during the years ended 31 December 2025 and 2024.

TREASURY POLICIES

The Group principally operates in Hong Kong and the revenue, operating cost and borrowings were mainly denominated in Hong Kong dollars. As a result, the Group has minimal exposure to exchange rate fluctuation. The Group adopts conservative treasury policies in cash and financial management. Cash is generally placed in short-term deposits mostly denominated in Hong Kong dollars. The Group does not use any financial instruments for hedging purpose.

RISK MANAGEMENT

The Group has established and maintained sufficient risk management procedures to identify and control various types of risk within the organisation and the external environment with active management participation and effective internal control procedures in the best interest of the Group and its shareholders.

HUMAN RESOURCES

As at 31 December 2025, the Group had 7 employees (31 December 2024: 7 employees) in Hong Kong. The Group recorded staff costs of approximately HK\$5.7 million for the year ended 31 December 2025 (2024: approximately HK\$2.7 million). The increase was mainly due to increased director remuneration in 2025.

All of our employees have employment contracts that cover matters such as wages, benefits and grounds for termination. The Group's remuneration policies and packages are reviewed by the management on a regular basis. The Group grants discretionary bonuses to qualified employees based on operation results and individual performance.

Share options were granted in 2025 resulting in recording of share-based payment expenses of approximately HK\$168,000 in 2025, whilst no such expenses were recorded in 2024 as no share options were granted in 2024.

RELATIONSHIP WITH KEY STAKEHOLDERS

The Group fully understands that staff, tenants and suppliers are the key to our sustainable and stable development.

We are committed to establishing a close relationship with our staff, enhancing cooperation with our suppliers and our tenants so as to ensure the Group's sustainable development.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 December 2025 (2024: Nil).

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries redeemed, purchased or cancelled any redeemable securities or listed securities during the year ended 31 December 2025. As at 31 December 2025, there were no outstanding redeemable securities of the Company.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has adopted the code provisions in the Corporate Governance Code (the “**CG Code**”) contained in Part 2 of Appendix C1 (formerly Appendix 14) of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) as its own code of corporate governance. The Board considers that the Company was in compliance with all applicable code provisions set out in the CG Code during the year ended 31 December 2025.

COMPLIANCE WITH MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules (the “**Model Code**”) as its model code for securities transactions by Directors. Having made specific enquiries, all the Directors confirmed that they have complied with the Model Code during the year ended 31 December 2025.

AUDIT COMMITTEE

The Audit Committee has reviewed the accounting principles and practices adopted by the Group with the management and discussed auditing, internal control and financial reporting matters including the financial results of the Group for the year ended 31 December 2025.

SCOPE OF WORK OF MESSRS. CROWE (HK) CPA LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in this announcement have been agreed by the Group's auditor, Messrs. Crowe (HK) CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Messrs. Crowe (HK) CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Messrs. Crowe (HK) CPA Limited on this announcement.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This annual results announcement is published on the Company's website (<http://www.wingleeproperties.com>) and the Stock Exchange's website (<http://www.hkexnews.hk>). The 2025 annual report will be disseminated to the shareholders of the Company and will be made available on the websites of the Company and the Stock Exchange in due course in accordance with the Listing Rules.

APPRECIATION

On behalf of the Board, I would like to express my sincere gratitude to all of our shareholders, tenants and professional parties for their continued support and I would also like to extend my sincere appreciation to all of our colleagues and my fellow directors for their efforts and contributions to the Company.

By Order of the Board of
Wing Lee Property Investments Limited
Chau Choi Fa
Chairperson

Hong Kong, 16 March 2026

As at the date of this announcement, the Board comprises four executive Directors, namely Ms. Chau Choi Fa, Ms. Wong Siu Wah, Ms. Wong Vivien Man-Li and Ms. Chow Woon Yin, and three independent non-executive Directors, namely Mr. Lam John Cheung-wah, Mr. Chui Chi Yun Robert and Mr. Lam Kwok Cheong.

* *for identification purposes only*