

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **WK Group (Holdings) Limited**

**泓基集團(控股)有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2535)**

### **ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025**

#### **FINANCIAL HIGHLIGHTS**

- Revenue decreased by approximately HK\$50.7 million or 12.7%, from approximately HK\$398.5 million for the year ended 31 December 2024 to approximately HK\$347.7 million for the year ended 31 December 2025.
- The Group recorded a gross profit of approximately HK\$46.7 million for the year ended 31 December 2025 (2024: approximately HK\$71.4 million).
- The Group recorded a profit attributable to owners of the Company of approximately HK\$16.1 million for the year ended 31 December 2025 (2024: approximately HK\$31.5 million).
- Basic earnings per share was approximately HK0.8 cents for the year ended 31 December 2025 (2024: approximately HK1.7 cents).
- The Board resolved not to recommend the payment of a final dividend for the year ended 31 December 2025 (2024: nil).

#### **ANNUAL RESULTS**

The board (the “**Board**”) of directors (the “**Directors**”) of WK Group (Holdings) Limited (the “**Company**”) is pleased to present the consolidated annual results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2025, together with the comparative figures for the year ended 31 December 2024.

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

	<i>Notes</i>	<b>2025</b> <b>HK\$'000</b>	2024 HK\$'000
Revenue	4	<b>347,733</b>	398,463
Cost of services		<u><b>(301,070)</b></u>	<u>(327,071)</u>
<b>Gross profit</b>		<b>46,663</b>	71,392
Other income	5	<b>244</b>	620
Other gains/(losses), net	5	<b>179</b>	(353)
Administrative expenses		<b>(27,224)</b>	(26,533)
Listing expenses		–	(4,838)
Impairment losses under expected credit loss (“ECL”) model, net of reversal		<b>225</b>	(64)
Finance costs	6	<u><b>(400)</b></u>	<u>(579)</u>
<b>Profit before tax</b>	7	<b>19,687</b>	39,645
Income tax expense	8	<u><b>(3,573)</b></u>	<u>(8,145)</u>
<b>Profit for the year</b>		<b>16,114</b>	31,500
<b>Other comprehensive income:</b>			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operation		<u><b>(354)</b></u>	<u>412</u>
<b>Total comprehensive income for the year</b>		<u><b>15,760</b></u>	<u>31,912</u>
<b>Earnings per share</b>			
Basic and diluted (expressed in HK cents per share)	9	<u><b>0.8</b></u>	<u>1.7</u>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2025**

	<i>Notes</i>	<b>2025</b> <b><i>HK\$'000</i></b>	2024 <i>HK\$'000</i>
<b>Non-current Assets</b>			
Property, plant and equipment		<b>20,016</b>	21,200
Right-of-use assets		<b>6,379</b>	8,179
Investment in life insurance contracts		<b>6,303</b>	6,083
Deferred tax assets		<b>779</b>	849
Deposits		<b>–</b>	675
		<b>33,477</b>	36,986
<b>Current Assets</b>			
Trade and other receivables	<i>11</i>	<b>14,275</b>	70,683
Contract assets	<i>12</i>	<b>149,462</b>	95,444
Amount due from the holding company		<b>18</b>	–
Tax recoverable		<b>775</b>	688
Financial asset at fair value through profit or loss (“FVTPL”)		<b>–</b>	4,465
Bank deposit with original maturity over 3 months		<b>5,170</b>	5,076
Cash and cash equivalents		<b>108,711</b>	99,963
		<b>278,411</b>	276,319
<b>Current Liabilities</b>			
Trade and other payables	<i>13</i>	<b>34,647</b>	44,738
Contract liabilities	<i>12</i>	<b>1,732</b>	1,958
Lease liabilities		<b>4,519</b>	4,404
Bank borrowings		<b>1,254</b>	5,865
Tax liabilities		<b>–</b>	475
		<b>42,152</b>	57,440
<b>Net Current Assets</b>		<b>236,259</b>	218,879
<b>Total Assets less Current Liabilities</b>		<b>269,736</b>	255,865

	<b>2025</b> <b>HK\$'000</b>	2024 <i>HK\$'000</i>
<b>Non-current Liabilities</b>		
Lease liabilities	<u>594</u>	<u>2,483</u>
<b>Net Assets</b>	<b><u>269,142</u></b>	<b><u>253,382</u></b>
<b>Capital and Reserves</b>		
Share capital	<b>20,000</b>	20,000
Reserves	<u>249,142</u>	<u>233,382</u>
<b>Total Equity</b>	<b><u>269,142</u></b>	<b><u>253,382</u></b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2025

### 1. GENERAL INFORMATION

WK Group (Holdings) Limited (the “**Company**”) was incorporated in the Cayman Islands on 28 June 2023 as an exempted company with limited liability under Companies Act (as revised) of the Cayman Islands. The address of the Company’s registered office is Suite 102, Cannon Place, P.O. Box 712, North Sound Rd., George Town, Grand Cayman KY1-9006, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the “**Group**”) are engaged in the provision of structural steelwork in Hong Kong (the “**Listing Business**”). The ultimate holding company of the Company is WK (BVI) Limited (“**WK (BVI)**”), a limited liability company incorporated in the British Virgin Islands (the “**BVI**”). The ultimate controlling shareholders of the Group are Mr. Chan Kam Kei, Mr. Chan Kam Kong, Mr. Chan Wing Hong, Ms. Choi Chick Cheong and Ms. Chan Suk Man (together the “**Controlling Shareholders**”).

On 8 March 2024, the shares of the Company (the “**Shares**”) were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Listing**”) by way of share offer (the “**Share Offer**”).

The consolidated financial statements are presented in thousands of Hong Kong dollars (“**HK\$’000**”), unless otherwise stated.

### 2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

#### Amendments to an HKFRS Accounting Standard that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to an HKFRS Accounting Standard as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability
-----------------------	-------------------------

The application of the amendments to an HKFRS Accounting Standard in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

#### New and amendments to HKFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments <sup>2</sup>
Amendments to HKFRS 9 and HKERS 7	Contracts Referencing Nature-dependent Electricity <sup>2</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>1</sup>
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11 <sup>2</sup>
HKFRS 18	Presentation and Disclosure in Financial Statement <sup>3</sup>

1 Effective for annual periods beginning on or after a date to be determined.

2 Effective for annual periods beginning on or after 1 January 2026.

3 Effective for annual periods beginning on or after 1 January 2027.

The directors of the Company anticipate that the application of all other new and amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future except for HKFRS 18, it is expected to affect the structure and presentation of the consolidated statement of profit or loss.

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

#### Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

### 4. REVENUE AND SEGMENT INFORMATION

#### (i) Disaggregation of revenue from contracts with customers

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Types of service</b>		
Structural steelwork	<u>347,733</u>	<u>398,463</u>
<b>Geographical markets</b>		
Hong Kong	<u>347,733</u>	<u>398,463</u>
<b>Timing of revenue recognition</b>		
Over time	<u>347,733</u>	<u>398,463</u>

#### (ii) Transaction price allocated to the remaining performance obligation for contracts with customers

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December 2025 and 2024 and the expected timing of recognising revenue are as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within one year	93,708	236,684
More than one year but not more than two years	<u>71,610</u>	<u>85,458</u>
	<u>165,318</u>	<u>322,142</u>

### ***Segment information***

The chief operating decision maker (“CODM”) has been identified as the executive directors who review the Group’s internal reporting in order to assess performance and allocate resources. The CODM has determined the operating segments based on these reports.

Information reported to CODM for the purpose of resources allocation and performance assessment focuses on the operating results of the Group as a whole as the Group’s resources are integrated and no discrete operating segment financial information is available. Accordingly, no operating segment information is presented.

The Group monitors its total assets and liabilities centrally in one single operating segment. The total non-current assets other than financial instruments and deferred income tax assets amounted to HK\$10,859,000 (2024: HK\$5,360,000) were located in Hong Kong and HK\$15,536,000 (2024: HK\$24,694,000) were located in the PRC as at 31 December 2025.

### ***Information about major customers***

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

	2025 <i>HK\$’000</i>	2024 <i>HK\$’000</i>
Customer 1	145,872	220,721
Customer 2	75,376	53,221
	<u>145,872</u>	<u>220,721</u>
	<u>75,376</u>	<u>53,221</u>

No other revenue from transaction with a single external customer amounted to 10% or more of the total revenue of the Group for both years.

## **5. OTHER INCOME AND OTHER GAINS/(LOSSES), NET**

	2025 <i>HK\$’000</i>	2024 <i>HK\$’000</i>
<b>Other income:</b>		
Interest income from bank deposits	240	603
Government grants ( <i>Note</i> )	4	17
	<u>244</u>	<u>620</u>
<b>Other gains/(losses), net:</b>		
Change in value of life insurance contracts	220	182
Loss on disposal of property, plant and equipment	(41)	–
Fair value loss on financial asset at fair value through profit or loss	–	(535)
	<u>179</u>	<u>(353)</u>

*Note:* During the current year, the Group recognised government grants of HK\$4,000 (2024: HK\$17,000) in respect of Employment Supporting Scheme in PRC.

## 6. FINANCE COSTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Finance costs:</b>		
– Interest expense on bank borrowings	155	386
– Interest expense on lease liabilities	245	193
	<u>400</u>	<u>579</u>

## 7. PROFIT BEFORE TAX

Profit before tax has been arrived after charging:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Directors' emoluments	11,986	9,776
Salaries and other allowances	28,432	30,087
Retirement benefit scheme contributions, excluding those of directors	251	370
	<u>40,669</u>	<u>40,233</u>
Auditor's remuneration	780	1,800
Depreciation of property, plant and equipment	6,640	2,586
Depreciation of right-of-use assets	5,863	5,282
Sub-contracting charges	166,037	140,379

## 8. INCOME TAX EXPENSE

	2025 <i>HK\$</i>	2024 <i>HK\$</i>
Current income tax	3,503	8,221
Deferred income tax	70	(76)
	<u>3,573</u>	<u>8,145</u>

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Company and WK Development are not subject to any income tax in the Cayman Islands and the British Virgin Islands.

Under the two-tiered profits tax rates regime, Hong Kong Profits Tax of a qualified entity in the Group was provided at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million for the years ended 31 December 2025 and 2024. The profits of the other Hong Kong subsidiary were taxed at a flat rate of 16.5%.

Provision for Mainland China corporate income tax is calculated at the statutory rate of 25% (2024: 25%) on the assessable income of Dongguan Yongji Metal Component Manufacturing Co., Ltd during the year.

## 9. EARNINGS PER SHARE

The basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the years ended 31 December 2024.

The Company has 1 share in issue as at incorporation date. The weighted average number of ordinary shares in issue for the years ended 31 December 2024 for the purpose of earnings per share computation has been retrospectively adjusted for the effect of the 1,499,999,999 shares issued under the capitalisation issue on 8 March 2024.

On 8 March 2024, 500,000,000 shares were issued by way of Share Offer upon the Company's Listing. Hence, further 408,219,000 shares, being the effect of the Share Offer calculated using a time-weighting factor, has been included in such weighted average numbers of ordinary shares in issue for the year ended 31 December 2024.

	Year ended 31 December	
	2025	2024
Profit attributable to owners of the Company ( <i>HK\$'000</i> )	<u>16,114</u>	<u>31,500</u>
Weighted average number of ordinary shares in issue ( <i>'000</i> )	<u>2,000,000</u>	<u>1,908,219</u>
Basic earnings per share ( <i>in HK cents</i> )	<u>0.8</u>	<u>1.7</u>

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

## 10. DIVIDEND

In January 2024, prior to the capitalisation issue on 8 March 2024 and the Listing, the Company declared an interim dividend of approximately HK\$26,586,000, of which approximately HK\$10,000,000 was settled by cash and approximately HK\$16,586,000 was offset against the aggregate amounts due from the Directors and the related company.

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

## 11. TRADE AND OTHER RECEIVABLES

### (a) Trade receivables

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade receivables	15,541	67,870
Less: provision for impairment	<u>(3,835)</u>	<u>(3,996)</u>
Trade receivables, net	<u>11,706</u>	<u>63,874</u>

As at 1 January 2024, trade receivables from contracts with customers amounted to HK\$46,063,000.

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

	<b>2025</b>	2024
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
0 – 60 days	<b>7,326</b>	63,680
61 – 90 days	<b>904</b>	–
91 – 120 days	–	–
Over 120 days	<b>7,311</b>	4,190
	<b><u>15,541</u></b>	<b><u>67,870</u></b>

The credit terms provided to customers mainly range from 30 to 60 days. The Group's trade receivables are denominated in HK\$ as at 31 December 2025 and 2024.

**(b) Other receivables, deposits and prepayments**

	<b>2025</b>	2024
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Prepayments	<b>625</b>	5,301
Other receivables	–	77
Other tax receivables	<b>950</b>	1,153
Deposits	<b>994</b>	953
	<b><u>2,569</u></b>	<u>7,484</u>
Less: Non-current deposits	–	(675)
Current portion	<b><u>2,569</u></b>	<b><u>6,809</u></b>

The other receivables and deposits are denominated in HK\$ as at 31 December 2025 and 2024. None of the other receivables and deposits were impaired.

## 12. CONTRACT ASSETS AND CONTRACT LIABILITIES

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Contract assets</b>		
Unbilled revenue	77,038	20,789
Less: provision for impairment	(193)	(121)
Retention receivables for structural steelwork	75,451	77,746
Less: provision for impairment	(2,834)	(2,970)
	<u>149,462</u>	<u>95,444</u>
<b>Contract liabilities</b>	<u>(1,732)</u>	<u>(1,958)</u>

As at 1 January 2024, contract assets amounted to HK\$165,728,000.

## 13. TRADE AND OTHER PAYABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade payables	20,373	31,431
Retention payables	2,975	1,538
	<u>23,348</u>	<u>32,969</u>
Accruals and other payables		
– Accrued staff cost	6,738	3,518
– Other accruals and payables	4,561	8,251
	<u>11,299</u>	<u>11,769</u>

The trade payables, retention payables, accruals and other payables are mainly denominated in HK\$ and the carrying amounts approximate their fair values as at 31 December 2025 and 2024.

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0 – 60 days	11,714	20,322
61 – 90 days	2,492	5,123
More than 90 days	6,167	5,986
	<u>20,373</u>	<u>31,431</u>

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

The shares of the Company (the “**Shares**”) were successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 8 March 2024 (the “**Listing Date**”) by way of share offer (the “**Share Offer**”) (the “**Listing**”). The Group is a structural steelwork contractor in Hong Kong, specialising in the supply, fabrication and installation of structural steel for construction projects in Hong Kong.

The Hong Kong construction landscape was navigating a period of pronounced uncertainty during the year ended 31 December 2025. As property prices fluctuated and developers exercised caution, the Group, as a structural steelwork contractor, faced a challenging tendering environment. In response to these headwinds, the Group successfully secured several significant new contracts by adopting a more aggressive pricing strategy. By submitting competitive bids, the Group prioritised risk management and long-term operational stability over high-premium margins. During the year ended 31 December 2025, several key projects contributed significantly to the Group’s revenue, including the Causeway Bay Commercial Development project, the Tung Chung East Station projects, and the Kai Tak Hospital projects.

The decision to lower tender prices resulted in a visible shift in the Group’s financial profile. The gross profit margin decreased from approximately 17.9% for the year ended 31 December 2024 to approximately 13.4% for the year ended 31 December 2025, reflecting tightening market conditions. This strategic approach by the Board was designed to maintain healthy turnover and to protect the Group’s market share during an economic transition. This conservative strategy served several critical functions:

- **Workforce retention:** A constant project flow prevented the loss of specialised technical talent and site staff, who were often difficult and expensive to re-hire once the market recovers.
- **Operational continuity:** Maintaining a consistent pipeline ensured that fabrication facilities and machinery remained active, effectively covering fixed overheads.
- **Risk mitigation:** In an unstable property market, waiting for high-margin contracts risked a total loss of opportunities. Securing projects at a 13.4% gross profit margin provided a guaranteed revenue stream that anchors the Company’s performance for the coming financial year.

While the industry awaited a recovery in the property market, this prudent tendering approach ensured the Group remained financially healthy, operationally sound, and well-positioned to capitalise on higher-value opportunities as the economic cycle turned.

As at 31 December 2025, the Group had 30 projects (31 December 2024: 22 projects) on hand with backlog value of approximately HK\$165.3 million (31 December 2024: approximately HK\$322.1 million).

## **PROSPECTS**

The business prospects for structural steelwork in Hong Kong remain promising, driven primarily by the government's commitment to large-scale infrastructure and the Northern Metropolis development. While the private real estate market faces short-term volatility, the public sector continues to offer a stable pipeline of high-value projects, including transport hubs, hospitals, and civil works. As the economic cycle turns, the Group maintained operational continuity and technical expertise will be well-positioned to capture these emerging opportunities in sustainable construction.

The Group remains focused on its core business strengths while also continuing to explore business opportunities. Since second quarter of 2025, the Group has been aware of solar energy as a promising and growing sector as well as an increasing demand for prefabricated accommodation building structures and materials. As such, the Group has established subsidiaries to enter the solar panel market and the prefabricated accommodation and building materials business. In the coming year, the Group will keep on seeking opportunities in such markets.

## **FINANCIAL REVIEW**

### **Revenue**

Revenue decreased by approximately HK\$50.7 million or 12.7% from approximately HK\$398.5 million for the year ended 31 December 2024 to approximately HK\$347.7 million for the year ended 31 December 2025, which was mainly attributable to the decrease in number of projects for the year ended 31 December 2025.

### **Cost of Services**

Cost of services mainly comprised cost of materials, subcontracting fees, direct labour costs, transportation and machinery service fees.

The cost of services decreased by approximately HK\$26.0 million or 7.9%, from approximately HK\$327.1 million for the year ended 31 December 2024 to approximately HK\$301.1 million for the year ended 31 December 2025. The decrease was primarily driven by the decrease in the amount of works performed.

## **Gross profit and gross profit margin**

Gross profit decreased by approximately HK\$24.7 million or 34.6%, from approximately HK\$71.4 million for year ended 31 December 2024 to approximately HK\$46.7 million for the year ended 31 December 2025. Gross profit margin decreased from approximately 17.9% for the year ended 31 December 2024 to approximately 13.4% for the year ended 31 December 2025 mainly because the Group adopted lower gross profit margins for new projects in order to secure the tender under the increasing competition in the market.

## **Other income and other gains/(losses), net**

For the year ended 31 December 2025, other income and other net gain mainly included the interest income from bank deposits of approximately HK\$0.2 million and the increase in value of life insurance contracts of approximately HK\$0.2 million, which was partially offset by the loss on disposal of plant and equipment of approximately HK\$41,000.

For the year ended 31 December 2024, the other income and other net loss mainly included the interest income from bank deposits of approximately HK\$0.6 million and the increase in value of life insurance contracts of approximately HK\$0.2 million, partially offsetting by the decrease in value of financial asset at fair value through profit or loss of approximately HK\$0.5 million.

## **Administrative expenses**

Administrative expenses mainly comprised staff costs, motor vehicles expenses, depreciation and exchange differences.

Administrative expenses increased by approximately HK\$0.7 million or 2.6% from approximately HK\$26.5 million for the year ended 31 December 2024 to approximately HK\$27.2 million of the year ended 31 December 2025, which was mainly attributable to the increase in depreciation expenses following the Group moving to a new office and the increase in staff costs.

## **Impairment losses under the ECL model, net of reversal**

The Group recorded reversal of impairment losses on financial assets and contract assets of approximately HK\$225,000 for the year ended 31 December 2025 and impairment losses on financial assets and contract assets of approximately HK\$64,000 for the year ended 31 December 2024. The amount was calculated based on the default rates and repayment and default histories of the customers of the Group.

## **Profit for the year**

As a result of the foregoing, the profit for the year decreased by approximately HK\$15.4 million or 48.9%, from approximately HK\$31.5 million for the year ended 31 December 2024 to approximately HK\$16.1 million for the year ended 31 December 2025, and the net profit margin decreased from approximately 7.9% for the year ended 31 December 2024 to approximately 4.6% for the the year ended 31 December 2025.

## **LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE**

The Group needs to maintain a solid liquidity for working capital to support the Group's business operations. The principal sources of liquidity are equity capital, cash generated from operations and bank borrowings. As at 31 December 2025, the Group maintained a healthy liquidity position with net current assets balance of approximately HK\$236.3 million (2024: approximately HK\$218.9 million), bank deposit with original maturity over 3 months of approximately HK\$5.2 million (2024: approximately HK\$5.1 million) and cash and cash equivalents of approximately HK\$108.7 million (2024: approximately HK\$100.0 million). The cash and cash equivalents and bank deposit with original maturity over 3 months were denominated in Hong Kong dollars and in Renminbi (“**RMB**”).

The Shares were listed on the Main Board of the Stock Exchange on 8 March 2024. There has been no change in the capital structure of the Company since then. As at 31 December 2025, the capital structure of the Company comprised mainly issued share capital and reserves. The Group also deployed bank borrowings as its financial resources.

### **Bank Borrowings**

Bank borrowings as at 31 December 2025 amounted to approximately HK\$1.3 million (2025: approximately HK\$5.9 million). The bank borrowings were denominated in Hong Kong dollars and bear interest at floating rates.

### **Gearing Ratio**

Gearing ratio is calculated as total borrowings (i.e. bank borrowings and lease liabilities) divided by the total equity as at the respective reporting dates. The gearing ratio decreased from approximately 5.0% as at 31 December 2024 to approximately 2.4% as at 31 December 2025. Such decrease was mainly due to the decrease in bank borrowings and lease liabilities, coupled with the increase in total equity.

### **Net debt to equity ratio**

Net debt to equity ratio is calculated as net debts (i.e. bank borrowings and lease liabilities, net of cash and cash equivalents and bank deposit with original maturity over 3 months) divided by total equity as at the respective reporting dates. The Group recorded net cash positions as at 31 December 2024 and 31 December 2025.

### **Treasury Policy**

The Group has adopted a prudent financial management approach towards its treasury policy. The Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities, and other commitments can meet its funding requirements all the time.

## **Capital Expenditures**

For the year ended 31 December 2025, the Group incurred capital expenditures of approximately HK\$4.8 million (2024: approximately HK\$17.0 million).

## **CONTINGENT LIABILITIES**

As at 31 December 2024 and 31 December 2025, the Group did not have any contingent liabilities.

## **OFF-BALANCE SHEET ARRANGEMENTS AND COMMITMENTS**

The Directors confirm that as at 31 December 2025 and the date of this announcement, the Group did not have any off-balance sheet arrangements or commitments.

## **PLEDGE OF ASSETS**

As at 31 December 2025, the bank borrowings were secured by the life insurance contracts and guaranteed by the Company.

## **SIGNIFICANT INVESTMENTS, ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES**

As at 31 December 2025, the Group did not have any significant investments, acquisitions or disposals of subsidiaries, associates and joint ventures.

## **FOREIGN EXCHANGE EXPOSURE**

The Group's revenue from customers is mainly from Hong Kong while the part of materials purchased in the PRC and the fabrication of structural steel mainly operates in the PRC. Accordingly, the revenue is received in HK\$ while part of costs arising from the Group's operations are generally settled in RMB. As a result, fluctuations in the value of HK\$ against RMB could adversely affect the financial results of the Group. During the year ended 31 December 2025, the Group did not experience any material difficulties or impacts on its operations or liquidity as a result of currency exchange fluctuation.

The Group did not use any financial instruments for hedging purposes during the year ended 31 December 2025 and there was no hedging instruments outstanding as at 31 December 2025. The Group will continue to monitor closely the exchange rate risk arising from its existing operations and new investments in future. The Group will further implement the necessary hedging arrangement to mitigate any significant foreign exchange risk when and if appropriate.

## **FINANCIAL INSTRUMENTS**

As at 31 December 2025, the major financial instruments include trade receivables, other receivables and deposits, bank deposit with original maturity over 3 months, cash and cash equivalents, trade and retention payables, accruals and other payables, bank borrowings and lease liabilities. The management manages such exposure to ensure appropriate measures are implemented in a timely and effective manner.

## **EMPLOYEES AND REMUNERATION POLICIES**

As at 31 December 2025, the Group had 141 employees (2024: 137 employees) who were directly employed by the Group and based in Hong Kong and the PRC. The Group offers remuneration package to the employees which includes salary and bonuses. Generally, the Group considers employees' salaries based on each of their qualifications, position and seniority. The Group has an annual review system to appraise the performance of the employees, which constitutes the grounds of the decision as to the salary raises, bonuses and promotions. The remuneration of the Directors is decided by the Board upon the recommendation from the remuneration committee of the Company having regard to the Group's operating results, individual performance and comparable market statistics.

## **EVENTS AFTER THE REPORTING PERIOD**

There were no material events from the end of the reporting period up to the date of this announcement.

## **USE OF PROCEEDS**

The Shares were successfully listed on the Main Board of the Stock Exchange on 8 March 2024.

The amount of gross proceeds from the Share Offer was HK\$125 million and the amount of net proceeds from the Share Offer was approximately HK\$91.0 million after deducting underwriting commissions and the expenses relating to the Share Offer (the "**Net Proceeds**").

The Net Proceeds will be used in the manner consistent with that as disclosed in the section headed “Future Plans and Use of Proceeds” of the Company’s prospectus dated 29 February 2024 (the “**Prospectus**”). The particulars of the use of the Net Proceeds during the year ended 31 December 2025 are set forth:

Purposes	Intended use of Net Proceeds <i>HK\$ million</i>	Unutilised amount of Net Proceeds from as at 31 December 2024 <i>HK\$ million</i>	Utilised amount of Net Proceeds during the year ended 31 December 2025 <i>HK\$ million</i>	Unutilised amount of Net Proceeds as at 31 December 2025 <i>HK\$ million</i>	Expected timeline for the use of Net Proceeds
Financing the up-front costs of projects	56.0	–	–	–	N/A
Acquiring a piece of land and setting up a new production facility ( <i>Note</i> )	33.1	33.1	–	33.1	December 2026
Expanding and strengthening manpower	1.9	1.3	1.3	–	N/A
	<u>91.0</u>	<u>34.4</u>	<u>1.3</u>	<u>33.1</u>	

*Note:* The acquisition of a piece of land and set-up of a new production facility has been delayed because the Group is still in the process of identifying a suitable factory site.

As at the date of this results announcement, there was no further change for the intended use of Net Proceeds as disclosed in the Prospectus.

## **FUTURE PLAN FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS**

Save as disclosed in the section headed “Future Plans and Use of Proceeds” of the Prospectus, as at the 31 December 2025, the Group did not have other plans for material investments and capital assets.

## **DIVIDEND**

In January 2024, prior to the capitalisation issue on 8 March 2024 and the Listing, the Company declared an interim dividend of approximately HK\$26.6 million (representing approximately HK\$26.6 million per ordinary Share), of which approximately HK\$10.0 million was settled by cash before the Listing and approximately HK\$16.6 million was offset against the aggregate amounts due from the Directors and the related company.

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

## **CORPORATE GOVERNANCE CODE**

The Company is committed to ensuring high standards of corporate governance and business practices. The Company's corporate governance practices are based on the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"). During the year ended 31 December 2025, the Company has complied with the applicable code provisions of the CG Code and, where applicable, the recommended best practices of the CG Code.

## **MODEL CODE FOR SECURITIES TRANSACTIONS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as the required standard for securities transactions by Directors. All Directors, after specific enquiries by the Company, confirmed that they have complied with the required standard set out in the Model Code during the year ended 31 December 2025.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S 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 year ended 31 December 2025.

## **SHARE OPTION SCHEME**

Written resolutions were passed on 5 February 2024 to adopt the share option scheme (the "**Scheme**"). The principal terms of the Scheme are summarised in the paragraph headed "D. Share Option Scheme" in Appendix V of the Prospectus.

No share options have been granted, exercised, cancelled, forfeited or lapsed under the Scheme during the year ended 31 December 2025. The Scheme will remain in force for a period of 10 years after the date of adoption.

## **MANAGEMENT CONTRACT**

No contract, other than a contract of service with any Director or any person in the full-time employment of the Company, concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year ended 31 December 2025.

## **SUFFICIENCY OF PUBLIC FLOAT**

Based on information that is publicly available to the Company and to the best knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public during the year ended 31 December 2025.

## **AUDIT COMMITTEE**

The Company established an audit committee with written terms of reference in compliance with Rule 3.22 of the Listing Rules and paragraph D.3.3 of part 2 of the CG Code. The primary duties of the audit committee are, among others, to make recommendations to the Board on the appointment, reappointment and removal of external auditor, review the financial statements and material advice in respect of financial reporting, oversee the financial reporting process, internal control, risk management systems and audit process of the Company and perform other duties and responsibilities assigned by the Board.

The audit committee comprises Mr. Yu Chun Kit, Mr. Cha Ho Wa and Mr. Liu Chi Kwun Albert, all being our independent non-executive Directors. Mr. Yu Chun Kit is the chairperson of our audit committee.

The Audit Committee had reviewed the Group's annual results for the year ended 31 December 2025 and confirmed that they were prepared in accordance with applicable financial reporting standards and the Listing Rules and that adequate disclosures have been made.

## **SCOPE OF WORK OF OOP CPA & CO.**

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 the preliminary announcement for the year ended 31 December 2025 have been agreed by the Group's auditor, OOP CPA & Co. ("**OOP**"), to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by OOP in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by OOP on the preliminary announcement.

## **ANNUAL GENERAL MEETING**

The forthcoming Annual General Meeting ("**2026 AGM**") of the Company is scheduled be held on 22 June 2026 and the notice and circular of the 2026 AGM will be published in the manner as required by the Listing Rules in due course.

## **CLOSURE OF REGISTER OF MEMBERS**

To ascertain the identity of the Shareholders who will be entitled to attend and vote at the 2026 AGM, the register of members of the Company will be closed from Tuesday, 16 June 2026 to Monday, 22 June 2026, both dates inclusive, the period during which no transfer of Shares will be effected. In order to be eligible to attend and vote at the 2026 AGM, all completed share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Boardroom Share Registrars (HK) Limited, at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong for registration not later than 4:30 p.m. on Monday, 15 June 2026.

## **PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT**

The annual results announcement and the annual report are published on the Company's website at [www.wing-kei.com.hk](http://www.wing-kei.com.hk) and the Stock Exchange's website at [www.hkexnews.hk](http://www.hkexnews.hk). The annual report of the Company for the year ended 31 December 2025 will be published on the websites of both the Stock Exchange and the Company in due course in the manner as required by the Listing Rules.

## **APPRECIATION**

The Board would like to express its sincere gratitude to the management of the Group and all the staff for their hard work and dedication, as well as its shareholders, business associates and other professional parties for their support throughout the period.

On behalf of the Board  
**WK Group (Holdings) Limited**  
**Chan Wing Hong**  
*Chairman and Non-executive Director*

Hong Kong, 26 March 2026

*As at the date of this announcement, the Board comprises Mr. Chan Kam Kei, Mr. Chan Kam Kong, Ms. Chan Suk Man and Mr. Cheung Wang Fai Victor as executive Directors; Mr. Chan Wing Hong and Ms. Choi Chick Cheong as non-executive Directors; and Mr. Cha Ho Wa, Mr. Yu Chun Kit and Mr. Liu Chi Kwun Albert as independent non-executive Directors.*