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WAI KEE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 610)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31ST DECEMBER, 2025

Financial Performance Highlights

Revenue	HK\$13,941 million
Loss attributable to owners of the Company	HK\$2,433 million
Basic loss per share	HK\$3.07
Equity attributable to owners of the Company per share	HK\$3.07

RESULTS

The board of directors (the “Board”) of Wai Kee Holdings Limited (the “Company”) announces the audited results of the Company and its subsidiaries (the “Group”) for the year ended 31st December, 2025 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31ST DECEMBER, 2025

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue from goods and services	2	13,941,166	14,479,915
Cost of sales		(12,661,988)	(13,158,425)
Gross profit		1,279,178	1,321,490
Other income	4	127,695	136,893
Other gains and losses	5	(105,924)	(46,353)
Impairment loss on interest in an associate	11	-	(1,510,000)
Selling and distribution costs		(71,246)	(97,263)
Administrative expenses		(696,816)	(676,084)
Finance costs	6	(43,890)	(89,613)
Share of results of associates		(2,661,426)	(1,833,879)
Share of results of joint ventures		(2,182)	(47,255)
Loss before tax	7	(2,174,611)	(2,842,064)
Income tax expense	8	(72,533)	(67,652)
Loss for the year		(2,247,144)	(2,909,716)
(Loss) profit for the year attributable to:			
Owners of the Company		(2,432,985)	(3,085,591)
Non-controlling interests		185,841	175,875
		(2,247,144)	(2,909,716)
		<i>HK\$</i>	<i>HK\$</i>
Loss per share	10		
– Basic		(3.07)	(3.89)

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER, 2025**

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loss for the year	<u>(2,247,144)</u>	<u>(2,909,716)</u>
Other comprehensive income (expense)		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences arising on translation of foreign operations	8,326	(12,864)
Fair value losses on hedging instruments designated in cash flow hedges	(6,012)	(24,609)
Exchange differences arising on translation of an associate	39,244	(327,765)
Share of cash flow hedging reserve of an associate	(49)	(1,353)
Other comprehensive income (expense) for the year	<u>41,509</u>	<u>(366,591)</u>
Total comprehensive expense for the year	<u><u>(2,205,635)</u></u>	<u><u>(3,276,307)</u></u>
Total comprehensive (expense) income for the year attributable to:		
Owners of the Company	(2,395,713)	(3,446,103)
Non-controlling interests	190,078	169,796
	<u><u>(2,205,635)</u></u>	<u><u>(3,276,307)</u></u>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31ST DECEMBER, 2025**

	<i>Notes</i>	2025 HK\$'000	2024 HK\$'000
Non-current assets			
Property, plant and equipment		530,482	471,138
Right-of-use assets		69,590	81,408
Intangible assets		200,455	216,839
Goodwill		29,838	29,838
Interests in associates	<i>11</i>	909,514	3,353,602
Interests in joint ventures		1,313	3,181
Financial assets at fair value through profit or loss ("FVTPL")		328,559	328,559
		2,069,751	4,484,565
Current assets			
Inventories		159,079	145,079
Debtors, deposits and prepayments	<i>12</i>	860,748	1,159,976
Contract assets	<i>13</i>	3,522,425	4,005,624
Amounts due from associates		20,836	68,801
Amount due from a joint venture		545	312
Amounts due from other partners of joint operations		59,528	46,284
Tax recoverable		4,175	8,270
Financial assets at FVTPL		154,310	652,981
Derivative financial instruments		-	6,012
Cash held on behalf of customers		12,975	8,403
Pledged bank deposits		122,880	80,507
Time deposits with original maturity of not less than three months		557	1,343
Bank balances and cash		2,796,970	1,973,858
		7,715,028	8,157,450
Current liabilities			
Creditors and accrued charges	<i>14</i>	3,962,328	4,619,521
Contract liabilities		1,377,000	966,170
Amounts due to associates		26,598	25,267
Amounts due to other partners of joint operations		9,020	3,855
Amounts due to non-controlling shareholders		1,363	1,363
Lease liabilities		55,703	63,302
Tax liabilities		79,904	56,232
Bank loans		88,344	1,053,196
		5,600,260	6,788,906
Net current assets		2,114,768	1,368,544
Total assets less current liabilities		4,184,519	5,853,109

	<i>Notes</i>	2025 HK\$'000	2024 <i>HK\$'000</i>
Non-current liabilities			
Deferred tax liabilities		5,750	8,665
Obligations in excess of interests in associates	<i>11</i>	11,499	14,207
Obligations in excess of interests in joint ventures		767	453
Amount due to an associate		-	671
Lease liabilities		9,250	20,261
Bank loans		470,000	-
Other creditors		2,420	1,345
Bonds		57,583	55,636
		557,269	101,238
Net assets		3,627,250	5,751,871
Capital and reserves			
Share capital		79,312	79,312
Share premium and reserves		2,355,382	4,564,406
Equity attributable to owners of the Company		2,434,694	4,643,718
Non-controlling interests		1,192,556	1,108,153
Total equity		3,627,250	5,751,871

Notes:

1. 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 1st January, 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability
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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 the 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 ²
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency ³
Amendments to HKFRS Accounting Standards HKFRS 18	Annual Improvements to HKFRS Accounting Standards - Volume 11 ² Presentation and Disclosure in Financial Statements ³

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

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

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

Except for the new and amendments to HKFRS Accounting Standards mentioned below, the directors of the Company anticipate that the application of all other amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

Amendments to HKFRS 9 and HKFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”

The amendments to HKFRS 9 “Financial Instruments” clarify the recognition and derecognition for financial asset and financial liability and add an exception which permits an entity to deem a financial liability to be discharged before the settlement date if it is settled in cash using an electronic payment system if, and only if certain conditions are met. An entity that elects to apply the derecognition option would be required to apply it to all settlements made through the same electronic payment system.

The amendments also provide guidance on the assessment of whether the contractual cash flows of a financial asset are consistent with a basic lending arrangement. The amendments specify that an entity should focus on what an entity is being compensated for rather than the compensation amount. Contractual cash flows are inconsistent with a basic lending arrangement if they are indexed to a variable that is not a basic lending risk or cost. The amendments state that, in some cases, a contingent feature may give rise to contractual cash flows that are consistent with a basic lending arrangement both before and after the change in contractual cash flows, but the nature of the contingent event itself does not relate directly to changes in basic lending risks and costs. Furthermore, the description of the term “non-recourse” is enhanced and the characteristics of “contractually linked instruments” are clarified in the amendments.

The disclosure requirements in HKFRS 7 “Financial Instruments: Disclosures” (“HKFRS 7”) in respect of investments in equity instruments designated at fair value through other comprehensive income are amended. In particular, entities are required to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately those related to investments derecognised during the reporting period and those related to investments held at the end of the reporting period. An entity is also required to disclose any transfers of the cumulative gain or loss within equity related to the investments derecognised during the reporting period. In addition, the amendments introduce the requirements of qualitative and quantitative disclosure of contractual terms that could affect the contractual cash flow based on a contingent event not directly relating to basic lending risks and cost.

The amendments are effective for annual reporting periods beginning on or after 1st January, 2026, with early application permitted. The application of the amendments is not expected to have material impact on the financial position and performance of the Group.

HKFRS 18 “Presentation and Disclosure in Financial Statements”

HKFRS 18 “Presentation and Disclosure in Financial Statements” (“HKFRS 18”), which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 “Presentation of Financial Statements” (“HKAS 1”). This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors” and HKFRS 7. Minor amendments to HKAS 7 “Statement of Cash Flows” and HKAS 33 “Earnings per Share” are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1st January, 2027, with early application permitted. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss.

2. REVENUE FROM GOODS AND SERVICES

Disaggregation of revenue from contracts with customers

Year ended 31st December, 2025

	Construction, sewage treatment and steam fuel HK\$'000	Construction materials HK\$'000	Quarrying HK\$'000	Consolidated HK\$'000
Type of goods and services				
Construction contracts	13,558,794	-	-	13,558,794
Sewage treatment plant operation	24,449	-	-	24,449
Steam fuel plant operation	216,273	-	-	216,273
Sale of construction materials	-	86,471	-	86,471
Sale of quarry products	-	-	55,179	55,179
Total	13,799,516	86,471	55,179	13,941,166
Geographical markets				
Hong Kong	13,558,794	86,471	55,179	13,700,444
Other regions in the People's Republic of China (the “PRC”)	240,722	-	-	240,722
Total	13,799,516	86,471	55,179	13,941,166
Timing of revenue recognition				
At a point in time	-	86,471	55,179	141,650
Over time	13,799,516	-	-	13,799,516
Total	13,799,516	86,471	55,179	13,941,166

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information.

	Segment revenue <i>HK\$'000</i>	Inter-segment elimination <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Revenue from contracts with customers			
Construction, sewage treatment and steam fuel	13,842,704	(43,188)	13,799,516
Construction materials	417,780	(331,309)	86,471
Quarrying	154,809	(99,630)	55,179
	<u>14,415,293</u>	<u>(474,127)</u>	<u>13,941,166</u>

Year ended 31st December, 2024

	Construction, sewage treatment and steam fuel <i>HK\$'000</i>	Construction materials <i>HK\$'000</i>	Quarrying <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Type of goods and services				
Construction contracts	14,108,668	-	-	14,108,668
Sewage treatment plant operation	48,902	-	-	48,902
Steam fuel plant operation	166,324	-	-	166,324
Sale of construction materials	-	138,801	-	138,801
Sale of quarry products	-	-	17,220	17,220
Total	<u>14,323,894</u>	<u>138,801</u>	<u>17,220</u>	<u>14,479,915</u>
Geographical markets				
Hong Kong	14,108,668	138,801	17,220	14,264,689
The PRC	215,226	-	-	215,226
Total	<u>14,323,894</u>	<u>138,801</u>	<u>17,220</u>	<u>14,479,915</u>
Timing of revenue recognition				
At a point in time	-	138,801	17,220	156,021
Over time	14,323,894	-	-	14,323,894
Total	<u>14,323,894</u>	<u>138,801</u>	<u>17,220</u>	<u>14,479,915</u>

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information.

	Segment revenue <i>HK\$'000</i>	Inter-segment elimination <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Revenue from contracts with customers			
Construction, sewage treatment and steam fuel	14,368,536	(44,642)	14,323,894
Construction materials	609,253	(470,452)	138,801
Quarrying	170,993	(153,773)	17,220
	<u>15,148,782</u>	<u>(668,867)</u>	<u>14,479,915</u>

3. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered or services provided. This is also the basis upon which the Group is organised. No operating segments have been aggregated in arriving at the reportable segments of the Group. The Group's reportable and operating segments under HKFRS 8 "Operating Segments" are summarised as follows:

Construction, sewage treatment and steam fuel
 – construction of civil engineering and building projects
 – operation of sewage treatment plant
 – operation of steam fuel plant

Construction materials
 – production and sale of concrete
 – production, sale and laying of asphalt

Quarrying
 – production and sale of quarry products

Property development and investment, toll road, investment and asset management
 – strategic investment in Road King Infrastructure Limited ("Road King"), an associate of the Group

Segment revenue and results

The following is an analysis of the segment revenue and profit (loss) for each reportable and operating segment:

Year ended 31st December, 2025

	Segment revenue			Segment profit (loss) <i>HK\$'000</i>
	Gross <i>HK\$'000</i>	Inter-segment elimination <i>HK\$'000</i>	External <i>HK\$'000</i>	
Construction, sewage treatment and steam fuel	13,842,704	(43,188)	13,799,516	264,079
Construction materials	417,780	(331,309)	86,471	64,095
Quarrying	154,809	(99,630)	55,179	65,295
Property development and investment, toll road, investment and asset management	-	-	-	(2,662,998)
Total	14,415,293	(474,127)	13,941,166	(2,269,529)

Year ended 31st December, 2024

	Segment revenue			Segment profit (loss) <i>HK\$'000</i>
	Gross <i>HK\$'000</i>	Inter-segment elimination <i>HK\$'000</i>	External <i>HK\$'000</i>	
Construction, sewage treatment and steam fuel	14,368,536	(44,642)	14,323,894	253,150
Construction materials	609,253	(470,452)	138,801	75,433
Quarrying	170,993	(153,773)	17,220	19,744
Property development and investment, toll road, investment and asset management	-	-	-	(1,835,077)
Total	<u>15,148,782</u>	<u>(668,867)</u>	<u>14,479,915</u>	<u>(1,486,750)</u>

Segment profit (loss) represents profit (loss) after tax and non-controlling interests for each reportable and operating segment and includes other income, other gains and losses, share of results of associates and share of results of joint ventures which are attributable to reportable and operating segments, but excluding corporate income and expenses (including staff costs, other administrative expenses and finance costs), other gains and losses, share of results of associates and share of results of joint ventures which are not attributable to any of the reportable and operating segments and are classified as unallocated items. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and performance assessment.

Reconciliation of total segment loss to loss attributable to owners of the Company

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Total segment loss	(2,269,529)	(1,486,750)
Unallocated items		
Other income	18,367	65,122
Other gains and losses	(88,850)	(15,680)
Impairment loss on interest in an associate	-	(1,510,000)
Administrative expenses	(54,755)	(69,051)
Finance costs	(36,388)	(70,857)
Share of results of associates	(1,830)	583
Share of results of joint ventures	-	1,042
Loss attributable to owners of the Company	<u>(2,432,985)</u>	<u>(3,085,591)</u>

4. OTHER INCOME

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Other income mainly includes:		
Dividend income from financial asset at FVTPL	1,259	1,189
Government subsidy for projects in the PRC	567	1,564
Government subsidy for Hong Kong operations	-	2,012
Interest on financial asset at FVTPL	3,511	18,836
Interest on other receivables	288	1,447
Interest on bank deposits	26,991	27,696
Interest on loan to an associate	-	61
Interest on other financial asset at amortised cost	-	676
Interest on interest rate swap contracts	5,308	27,309
Operation fee income	37,299	39,646
Rental income from land and buildings	186	236
Rental income from plant and machinery	462	615
Service income from an associate	60	60
	<u> </u>	<u> </u>

5. OTHER GAINS AND LOSSES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Bad debt written off	-	(3,500)
Gain on disposal of a subsidiary	-	16,960
Gain on disposal of an associate	4,020	-
Gain on disposal of property, plant and equipment, net	1,282	4,747
Gain on lease modification, net	207	-
Impairment loss on interest in a joint venture	-	(6,691)
Impairment loss on other debtors	-	(13,018)
(Loss) gain on change in fair value of bonds	(14,197)	14,617
Loss on change in fair value of financial assets at FVTPL, net	(101,196)	(26,609)
Remeasurement gain on interests in joint operations	-	4,760
Reversal (recognition) of allowance for credit losses	3,960	(130)
Written down to net realisable value of inventory	-	(37,489)
	<u> </u>	<u> </u>
	<u>(105,924)</u>	<u>(46,353)</u>

6. FINANCE COSTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest on bank loans	40,292	83,929
Interest on lease liabilities	2,271	3,800
Interest on other borrowings	566	1,143
Imputed interest on non-current amount due to an associate	761	741
	<u> </u>	<u> </u>
	<u>43,890</u>	<u>89,613</u>

7. LOSS BEFORE TAX

Loss before tax has been arrived at after charging (crediting):

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Auditor's remuneration	5,034	4,918
Amortisation of intangible assets	24,135	58,692
Depreciation of property, plant and equipment (<i>note</i>)	77,566	67,112
Depreciation of right-of-use assets	56,410	56,675
Exchange (gain) loss, net	(28,048)	19,597
Share of income tax credit of associates (included in share of results of associates)	(4,877)	(14,365)
Staff costs	<u>2,222,692</u>	<u>1,924,704</u>

Note: Included in depreciation of property, plant and equipment, HK\$37,000 (2024: HK\$36,000) were capitalised in inventories.

8. INCOME TAX EXPENSE

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current tax		
Hong Kong	66,902	71,738
The PRC	7,071	14,684
Others	566	-
	<u>74,539</u>	<u>86,422</u>
Under (over) provision in prior years		
Hong Kong	1,477	(11,492)
The PRC	(568)	182
	<u>909</u>	<u>(11,310)</u>
Deferred tax		
Credit for the year	(2,915)	(7,460)
	<u>72,533</u>	<u>67,652</u>

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for both years.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate for the PRC subsidiaries is 25% for both years.

9. DIVIDEND

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

10. LOSS PER SHARE

The calculation of the basic loss per share attributable to owners of the Company is based on the following data:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loss for the purpose of basic loss per share (Loss for the year attributable to owners of the Company)	<u>(2,432,985)</u>	<u>(3,085,591)</u>
	2025	2024
Number of ordinary shares for the purpose of basic loss per share	<u>793,124,034</u>	<u>793,124,034</u>

The Company has no potential ordinary shares in issue during both years. Accordingly, no diluted loss per share information is presented.

11. INTERESTS IN ASSOCIATES/OBLIGATIONS IN EXCESS OF INTERESTS IN ASSOCIATES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Cost of investments in associates		
Listed in Hong Kong (<i>note a</i>)	2,029,297	2,029,297
Unlisted	47,333	47,349
	<u>2,076,630</u>	2,076,646
Share of post-acquisition profits, losses and other comprehensive income, net of dividends received	331,385	2,772,749
Less: Impairment loss	<u>(1,510,000)</u>	<u>(1,510,000)</u>
	<u>898,015</u>	<u>3,339,395</u>
Represented by:		
Interests in associates	909,514	3,353,602
Obligations in excess of interests in associates (<i>note b</i>)	<u>(11,499)</u>	<u>(14,207)</u>
	<u>898,015</u>	<u>3,339,395</u>
Fair value of listed investments (<i>note c</i>)	<u>220,182</u>	<u>380,314</u>

Notes:

- (a) Included in the cost of investments in the associate listed in Hong Kong, there is goodwill of HK\$30,964,000 (2024: HK\$30,964,000) arising on acquisition of additional interest in the associate during the year ended 31st December, 2007.
- (b) The Group has contractual obligations to share the net liabilities of certain associates.
- (c) The fair value of the listed investments is determined based on the quoted market bid price.

At 31st December, 2025, the carrying amount of the Group's interest in Road King accounted for by using the equity method amounted to HK\$869,086,000 (2024: HK\$3,316,058,000) (net of accumulated impairment loss of HK\$1,510,000,000). For the year ended 31st December, 2025, the Group recognised (a) its share of the loss of Road King and its subsidiaries (the "Road King Group") amounting to HK\$2,662,998,000 (2024: HK\$1,835,077,000) based on the audited consolidated financial statements of Road King Group for the year ended 31st December, 2025 prepared by the management of Road King Group on a going concern basis in accordance with HKFRS Accounting Standards as issued by the HKICPA; and (b) no impairment adjustment to the carrying amount of its interest in Road King for the year ended 31st December, 2025 (2024: impairment loss of HK\$1,510,000,000 on the carrying amount of its interest in Road King) after conducting an impairment assessment on the Group's interest in Road King, which requires an estimation of recoverable amount of the Group's interest in Road King.

Road King Group decided to suspend payment of all principal and interest on Road King Group's senior notes, offshore bank loans and perpetual capital securities in August 2025. The management of Road King Group confirmed to the Company that the suspended payment has triggered events of default under certain financing arrangements and may lead to certain creditors of Road King Group demanding accelerated repayment of Road King Group's offshore bank loans and senior notes and/or taking enforcement actions pursuant to the relevant terms, and in October 2025, certain creditors of Road King Group have exercised such rights, accelerating repayment of a portion of Road King Group's offshore bank and other borrowings and taking enforcement actions.

The management of Road King Group has confirmed to the Company that when assessing the going concern assumptions of Road King Group for the preparation of the consolidated financial statements of Road King Group for the year ended 31st December, 2025, they have taken into account the plans and measures formulated by Road King Group (including restructuring proposal initiated by Road King Group) in connection with the above-mentioned suspension of payments and their status.

The management of the Group conducted impairment assessment with the assistance of an independent qualified professional valuer engaged by the Group on the entire carrying amount of its interest in Road King (including goodwill) as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its entire carrying amount. In determining the value in use of the investment, the Group estimated the present value of the future cash flows expected to be generated by Road King based on financial budgets of the Road King Group covering a five-year period prepared on the assumption that it can achieve the plans and measures referred to above within the forecast period and taking into account the adjustments made by the management of the Group. The key assumptions in the calculations included the estimated fair value of specific assets expected to be realized within a forecasted period, the estimated concession or revised repayment schedule of the borrowings and discount rate of 9.2% (2024: 9.9%) estimated by using the weighted average cost of capital method to discount the cash flow projections.

The management of Road King Group has confirmed that the restructuring proposal has not been agreed with the relevant creditors of Road King Group as at the date of approval of the consolidated financial statements, material uncertainties exist as to whether Road King Group can continue as a going concern. Given these uncertainties, there is insufficient information (inherent in view of the uncertainties described) available to the directors of the Company to assess the significant assumptions and estimations underlying (a) the going concern assessment of Road King Group, as a basis to determine the financial information of Road King Group for the purpose of equity accounting, and (b) the Group's estimation of the present value of the future cash flows expected to be generated by Road King, for the purposes of its impairment assessment.

12. DEBTORS, DEPOSITS AND PREPAYMENTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade debtors – contracts with customers	566,782	688,228
<i>Less: Allowance for credit losses</i>	(130)	(4,090)
	566,652	684,138
Bills receivables	13,054	3,254
Other debtors	163,335	205,842
Consideration receivable from disposal of a subsidiary	-	132,449
Deposits	114,749	123,266
Prepayments	2,958	11,027
	860,748	1,159,976

At 1st January, 2024, trade debtors (net of allowance for credit losses) from contracts with customers amounted to HK\$651,514,000.

At 31st December, 2025, the Group's trade debtors included an amount of HK\$3,041,000 (2024: HK\$645,000) due from a related company which is an associate of a substantial shareholder of the Company.

The Group allows an average credit period of 60 days to its trade customers. The following is an aged analysis of trade debtors (net of allowance for credit losses) presented based on the invoice date:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade debtors		
0 to 60 days	486,981	612,491
61 to 90 days	7,609	2,544
Over 90 days	72,062	69,103
	566,652	684,138

Bills receivables of the Group normally mature within 90 days from the bills receipt date.

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limit by customer. Limits and scores attributed to customers are reviewed periodically.

13. CONTRACT ASSETS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Analysed as current:		
Unbilled revenue of construction contracts	2,538,708	3,146,849
Retention receivables of construction contracts	983,717	858,775
	<u>3,522,425</u>	<u>4,005,624</u>
Retention receivables of construction contracts		
Due within one year	385,210	325,047
Due after one year	598,507	533,728
	<u>983,717</u>	<u>858,775</u>

At 1st January, 2024, contract assets amounted to HK\$3,646,488,000.

At 31st December, 2025, the Group's contract assets included an amount of HK\$127,131,000 (2024: HK\$43,742,000) receivable from related companies which are subsidiaries and a joint operation of a substantial shareholder of the Company.

The Group classifies these contract assets under current assets because the Group expects to realise them in its normal operating cycle.

14. CREDITORS AND ACCRUED CHARGES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade creditors (aged analysis based on the invoice date):		
0 to 60 days	253,666	672,100
61 to 90 days	116,784	91,325
Over 90 days	5,350	21,434
	<u>375,800</u>	<u>784,859</u>
Retention payables	1,354,394	1,247,804
Accrued project costs	1,979,765	2,326,826
Other creditors and accrued charges	252,369	260,032
	<u>3,962,328</u>	<u>4,619,521</u>
Retention payables		
Due within one year	546,425	603,813
Due after one year	807,969	643,991
	<u>1,354,394</u>	<u>1,247,804</u>

At 31st December, 2024, the Group's trade creditors included HK\$2,148,000 due to a related company which is an associate of a substantial shareholder of the Company.

The Group has financial risk management policies in place to ensure that all payables are within the credit time frame. For retention payables in respect of construction contracts, the due dates are usually one year after the completion of the construction works and are expected to be settled within the Group's normal operating cycle.

DIVIDEND

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

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the Annual General Meeting to be held on Friday, 22nd May, 2026, the register of members of the Company will be closed from Tuesday, 19th May, 2026 to Friday, 22nd May, 2026, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar in Hong Kong, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:00 p.m. on Monday, 18th May, 2026.

BUSINESS REVIEW

For the year ended 31st December, 2025, the Group recorded revenue of HK\$13,941 million (2024: HK\$14,480 million) and an audited consolidated loss attributable to owners of the Company of HK\$2,433 million (2024: HK\$3,086 million).

Property Development and Investment, Toll Road, Investment and Asset Management

For the year ended 31st December, 2025, the Group shared a loss of HK\$2,663 million (2024: HK\$1,835 million) from Road King Infrastructure Limited (“Road King”), an associate of the Group. As of the date of this announcement, the Group holds 44.52% interest in Road King (excluding 3,000,000 ordinary shares in Road King (“Road King Shares”), representing 0.40% interest in Road King, held by Build King Holdings Limited (“Build King”) which is classified under financial assets at fair value through profit or loss).

The management of the Group conducted impairment assessment with the assistance of an independent qualified professional valuer engaged by the Group on the entire carrying amount of its interest in Road King (including goodwill) as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its entire carrying amount. In determining the value in use of the investment, the Group estimated the present value of the future cash flows expected to be generated by Road King based on financial budgets of Road King Group covering a five-year period prepared on the assumption that it can achieve the plans and measures (including restructuring proposal initiated by Road King Group) formulated by Road King Group within the forecast period and taking into account the adjustments made by the management of the Group. After the directors of the Company assessing the recoverable amount of the Group’s interest in Road King, the Group did not make any impairment adjustment (2024: recognised impairment loss of HK\$1,510,000,000) to the carrying amount of its interest in Road King for the year ended 31st December, 2025.

For the year ended 31st December, 2025, Road King recorded an audited loss attributable to its owners of HK\$5,982 million (2024: HK\$4,122 million).

Road King achieved total property sales of RMB5,551 million in Mainland China in 2025. The property sales comprised contracted sales of RMB5,213 million and outstanding subscribed sales of RMB338 million. The Yangtze River Delta Region is the major sales region.

In view of the significant liquidity pressure faced by Road King and the commencement of debt restructuring, participation in land auctions has been suspended in order to reserve funds to support its daily operations. Therefore, no new projects or land parcels were acquired during the year. As of 31st December, 2025, Road King had a total land reserve of approximately 2,200,000 sqm, of which approximately 310,000 sqm were pre-sold but yet to be delivered.

Driven by factors such as high rental levels and interest rate cuts, properties purchase demand in the Hong Kong real estate market rebounded, with the real estate market in 2025 exhibiting a recovery trend of “a low start followed by stabilisation”. The three projects of Road King in Hong Kong achieved total sales of RMB1,839 million for the year.

In 2025, the average daily traffic of Road King’s Indonesian expressway projects was approximately 87,300 vehicles, a slight increase of approximately 1% compared to the previous year. The toll revenue recorded for the year was approximately HK\$1,695 million, a decrease of approximately 4% compared to the previous year. Excluding the impact of the depreciation of the Indonesian Rupiah against the Hong Kong dollar, toll revenue would have remained flat compared to the previous year.

In 2025, the property development projects of investment and asset management (“IAM”) segment of Road King (including joint venture and associate projects) achieved property sales of approximately RMB251 million. The business scale of the other original IAM businesses, which mainly comprised property fund investment and cultural and tourist businesses, has been significantly reduced, after restructuring and rectification, including non-core businesses closed and non-core assets sold. Going forward, Road King will continue to review the operation of its remaining businesses and take appropriate action in due course.

A winding-up petition was filed in the Eastern Caribbean Supreme Court in the High Court of Justice, Virgin Islands (Commercial Division) (“BVI Court”) against New Select Global Limited (“New Select”), the holding company of expressway projects in Indonesia under Road King and one of the guarantors of Road King’s senior notes. Road King has sought advice from its financial and legal advisors and taken all appropriate measures, including filing an application with the BVI Court for the appointment of provisional liquidators.

Since the beginning of 2026, the financial advisors of Road King and the financial advisors of the creditors have continued to engage in constructive discussions to explore a revised restructuring proposal that would be supported by the creditors. After multiple rounds of discussions, an in-principle agreement was finally reached with a number of relevant creditors in mid-March 2026, which will form the basis for further negotiations to achieve more detailed terms and a detailed long-form documentation.

In view of the progress made in the debt restructuring negotiations, the BVI Court has agreed to adjourn the hearing of the application for the appointment of provisional liquidators over New Select and the winding-up application against New Select to no earlier than 8th June, 2026, in order to facilitate the smooth conduct of negotiations with a view to formally launching the restructuring proposal to all relevant creditors as soon as practicable.

While the outlook of the real estate market is expected to remain grim in the short term, it is generally recognised that the real estate sector in Mainland China still plays an important role in supporting economic growth. Road King stays cautious in regard to the long-term outlook of property business development in Mainland China. Looking ahead, Road King will continue to focus on its core tasks: making every effort to advance the offshore debt restructuring; adhering to ensuring delivery, stabilising operations and strictly controlling cash flow; while continuing to pursue sale of its expressways projects in Indonesia and expanding real estate-related businesses, including commercial and property management.

Construction, Sewage Treatment and Steam Fuel

For the year ended 31st December, 2025, the Group shared a profit of HK\$264 million (2024: HK\$253 million) from Build King. As of the date of this announcement, the Group holds 58.33% interest in Build King.

For the year ended 31st December, 2025, Build King recorded revenue of HK\$13,843 million (2024: HK\$14,369 million), representing a decrease of 4% compared with last year, and an audited profit attributable to its owners of HK\$453 million (2024: HK\$434 million).

In Hong Kong, Build King provides a full spectrum of construction services, including building construction, civil engineering, foundation, electrical and mechanical, interior refurbishment and fitting-out works. As of the date of this announcement, Build King had total contracts on hand amounting to HK\$30.8 billion, which secure the revenue of Build King for the next two years.

In Mainland China, Build King operates a sewage treatment plant in Wuxi that treats household and industrial wastewater, as well as steam supply plants in Gansu and Hubei that provide steam to clients in industrial parks. Total revenue generated from environmental infrastructural operations in Mainland China amounted to HK\$241 million for the year ended 31st December, 2025 (2024: HK\$215 million). Segment profit, after deducting direct costs, increased to HK\$34 million (2024: loss of HK\$17 million). Total output capacity for Build King’s five operating steam plants increased from an average of 90 tons per hour in 2024 to an average of 115 tons per hour in 2025, representing an increase of 28%.

Build King holds a 10% interest in Haitao Garden, an urban renewal project located at 58 Haitao Road, Yantian District, Shenzhen, the PRC. The project, originally built in the 1980s, is being redeveloped for residential and commercial use. Construction of the project has commenced, and sales may begin as early as the third quarter of 2026.

Construction Materials

For the year ended 31st December, 2025, the construction materials division recorded revenue of HK\$418 million (2024: HK\$609 million) and a net profit of HK\$64 million (2024: HK\$75 million).

The moderate decline in the division's profit in 2025 was primarily attributable to substantially lower sales volumes of concrete, although profit margins improved slightly compared with 2024. This contraction in concrete demand was driven by tightened government spending and a substantial reduction in property construction investment by private developers during the year.

The asphalt business recorded a small profit in 2025, largely due to the reversal of an allowance for doubtful debts recognised in the prior year. This followed the successful collection of a disputed receivable related to a long-completed project.

In line with the Group's ongoing efforts to optimize resource utilization and enhance operational efficiency, management is currently reviewing the forward strategy for asphalt operations.

Management remains committed to stringent cost control and the delivery of high-quality services to enhance competitiveness.

Quarrying

For the year ended 31st December, 2025, the quarrying division recorded revenue of HK\$155 million (2024: HK\$171 million) and a net profit of HK\$65 million (2024: HK\$20 million).

In 2025, the division achieved a substantial increase in profit compared with last year, despite a decline in sales revenue. This growth was primarily driven by a higher volume of rock imported to Lam Tei Quarry for aggregates production, which significantly enhanced profit margins. Additionally, the division realised notable cost savings within its production processes, further bolstered the bottom line.

As the division's operations rely heavily on rock imported to Lam Tei Quarry for production of aggregates, both the import volume and procurement costs of imported rock remain critical factors influencing performance. Consequently, the division's results are highly sensitive to the availability and pricing of imported rock.

While market prices of aggregates remained generally stable, they experienced a slight softening in 2025 due to an abundant supply of aggregates originating from Mainland China, which increased local market competition.

In a significant strategic development, the Group was successfully awarded the Lam Tei Underground Quarrying Contract in the second quarter of 2025. This contract involves the development of an underground quarry-cum-cavern, encompassing comprehensive quarrying activities and related ancillary operations, and it is set to commence following the conclusion of the existing contract of Lam Tei Quarry and will span a minimum of thirteen and a half years. Preparation works are currently underway to ensure a seamless transition from the existing Lam Tei Quarry Contract to the new Underground Quarrying Contract.

Fund Management Service and Securities Brokerage

WK Fund Management Limited, which secured Type 4 (Advising on Securities) and Type 9 (Asset Management) registrations, and WK Securities Limited, which secured Type 1 (Dealing in Securities) and Type 4 (Advising on Securities) registrations, are two wholly-owned subsidiaries of the Group carrying out the fund management service and securities brokerage businesses respectively.

The division recorded a loss of HK\$4 million (2024: HK\$4 million) for the year ended 31st December, 2025.

Investment in equity securities and debt securities

The Group holds certain listed equity securities in Hong Kong and quoted equity securities in the USA. At 31st December, 2025, the fair value of these securities was HK\$27 million (2024: HK\$22 million), of which (including 3,000,000 Road King Shares) HK\$5 million (2024: HK\$5 million) was invested by Build King.

The Group also invested in quoted debt securities which are bonds. At 31st December, 2025, the fair value of the Group's portfolio of quoted debt securities was HK\$64 million (2024: HK\$185 million), of which HK\$5 million (2024: HK\$9 million) was invested by Build King.

Build King invested in an unlisted equity investment fund issued by a private entity incorporated in Hong Kong. At 31st December, 2025, the fair value of the unlisted equity investment fund was HK\$63 million (2024: HK\$45 million).

For the year ended 31st December, 2025, the net loss of the above investments, being the net amount of change in fair value of the investments, dividend income and interest income, was HK\$96 million (2024: net gain of HK\$21 million), of which the net loss of HK\$26 million (2024: net gain of HK\$12 million) was from the investments by Build King, mainly as a result of the significant drop in the quoted prices of the debt securities at 31st December, 2025.

FINANCIAL REVIEW

Liquidity and Financial Resources

During the year, total borrowings decreased from HK\$1,132 million to HK\$616 million, which included bonds with carrying amounts of HK\$58 million (2024: HK\$56 million) carrying no interest, with the maturity profile summarised as follows:

	31st December, 2025	31st December, 2024
	<i>HK\$'million</i>	<i>HK\$'million</i>
Within one year	48	1,050
In the second year	101	57
In the third to fifth year inclusive	467	25
	<hr/> 616 <hr/>	<hr/> 1,132 <hr/>
Classified under:		
Current liabilities (<i>note</i>)	88	1,076
Non-current liabilities	528	56
	<hr/> 616 <hr/>	<hr/> 1,132 <hr/>

Note: At 31st December, 2025, bank loans that are repayable over one year after the end of the reporting period but contain a repayment on demand clause with an aggregate carrying amount of HK\$40 million (2024: HK\$26 million) have been classified as current liabilities.

At 31st December, 2024, the Group had certain interest rate swap contracts, with an aggregate notional amount of HK\$680 million and maturity date of 25th March, 2025, designated as effective hedging instruments in order to minimise its exposures to forecast cash flow interest rate risk on certain bank loans. At 31st December, 2024, the fair value of the interest rate swaps under derivative financial assets was HK\$6 million. The accumulated sum has been fully released upon maturity of the interest rate swap contracts on 25th March, 2025. For the year ended 31st December, 2025, the Group recorded interest income on interest rate swap contracts of HK\$5 million (2024: HK\$27 million).

At 31st December, 2025, included in total borrowings, HK\$42 million (2024: HK\$27 million) carried interest at fixed rate.

At 31st December, 2025, total amount of the Group's time deposits, bank balances and cash was HK\$2,920 million (2024: HK\$2,056 million), of which bank deposits amounting to HK\$123 million (2024: HK\$81 million) were pledged to banks to secure certain banking facilities granted to the Group. In addition, the Group has available unutilised banking facilities of HK\$1,857 million (2024: HK\$1,573 million).

For the year ended 31st December, 2025, the Group recorded finance costs of HK\$44 million (2024: HK\$90 million).

The Group's borrowings, investments, time deposits and bank balances are principally denominated in Hong Kong dollar, Renminbi and United States dollar. As a result, the Group is exposed to the currency risks for fluctuation in exchange rates of Renminbi and United States dollar. For the year ended 31st December, 2025, the Group recorded net exchange gain of HK\$28 million (2024: net exchange loss of HK\$20 million). The Group will continue to monitor its exposure to the currency risks closely.

Capital Structure and Gearing Ratio

At 31st December, 2025, the equity attributable to owners of the Company amounted to HK\$2,435 million, representing HK\$3.07 per share (2024: HK\$4,644 million, representing HK\$5.85 per share).

At 31st December, 2025, the gearing ratio, representing the ratio of total borrowings to equity attributable to owners of the Company, was 25.3% (2024: 24.4%) and the net gearing ratio, representing the ratio of net borrowings (total borrowings less time deposits, bank balances and cash) to equity attributable to owners of the Company, was -94.7% (2024: -19.9%) as a result of total amount of time deposits, bank balances and cash exceeding total borrowings amount.

Pledge of Assets

At 31st December, 2025, apart from the bank deposits pledged to secure certain banking facilities granted to the Group, the quoted debt securities with an aggregate carrying amount of HK\$49 million (2024: nil) were also pledged to secure certain banking facilities granted to the Group.

Capital Commitments and Contingent Liabilities

At 31st December, 2025, the Group committed capital expenditure contracted for but not provided in the Group's consolidated financial statements of HK\$138 million (2024: HK\$17 million) in respect of acquisition of property, plant and equipment. At 31st December, 2025 and 2024, the Group had no contingent liabilities.

EMPLOYEES AND REMUNERATION POLICIES

At 31st December, 2025, the Group had 3,711 employees (2024: 3,922 employees), of which 3,317 (2024: 3,588) were located in Hong Kong, 385 (2024: 325) were located in the PRC and 9 (2024: 9) were located in Philippines. For the year ended 31st December, 2025, the Group's total staff costs were HK\$2,223 million (2024: HK\$1,925 million).

Competitive remuneration packages are structured to commensurate with individual responsibilities, qualification, experience and performance. In addition, discretionary bonuses may be paid depending upon the financial performance of the Group as well as the performance of the individual.

The emoluments of executive directors and senior management are determined by the Remuneration Committee of the Company with reference to salaries paid by comparable companies, their responsibilities, employment conditions and prevailing market conditions.

FUTURE OUTLOOK

The construction division currently maintains a robust order book, with existing contracts on hand sufficient to sustain its turnover for just over two years. The outlook for industry is bolstered by the government's announced increase in infrastructure spending, alongside signs of stabilization in the property market which have encouraged private developers to resume land acquisitions. Consequently, a higher volume of civil engineering and building project tenders is expected to emerge. However, intense competition persists, exerting significant pressure on tender prices and profit margins, thereby making the road ahead particularly challenging for contractors.

For the construction materials division, performance in 2026 is anticipated to remain under pressure due to prevailing market headwinds. Consequently, the quarrying division's results will continue to be highly sensitive to the volumes and procurement costs of rock imported to the Lam Tei Quarry.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31st December, 2025.

CORPORATE GOVERNANCE CODE

The Company has complied with the code provisions in Part 2 of Corporate Governance Code (the "Code") set out in Appendix C1 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") throughout the year ended 31st December, 2025, except for code provision C.2.1 of the Code.

Pursuant to code provision C.2.1 of the Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Derek Zen Wei Peu has been both the Chairman and Chief Executive Officer of the Company since 21st June, 2025. In addition to his responsibilities as Chairman overseeing the function of the Board and formulating overall strategies and policies of the Company, Mr. Zen has taken up the management of the Group's business and overall operation. However, the daily operation of the Company has been delegated to the divisional heads, who are responsible for the different aspects of the business.

The Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Group's business, given that there are a strong and independent element on the Board and a clear division of responsibility in running the business of the Group. The Board believes that the structure outlined above is beneficial to the Company and its business.

AUDIT COMMITTEE

The Audit Committee of the Company has conducted a meeting with the management and external auditor to review the accounting policies adopted by the Group, the Group's consolidated financial statements for the year ended 31st December, 2025, the general scope of audit work conducted by the external auditor and assessment of the Group's internal controls.

EXTRACT OF INDEPENDENT AUDITOR'S REPORT

The following is an extract of the independent auditor's report on consolidated financial statements for the year ended 31st December, 2025 from the external auditor of the Company, Messrs. Deloitte Touche Tohmatsu:

"Qualified Opinion

We have audited the consolidated financial statements of Wai Kee Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated statement of financial position as at 31st December, 2025, and the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31st December, 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Qualified Opinion

The carrying amount of the Group's interest in Road King Infrastructure Limited ("Road King"), an associate listed in Hong Kong accounted for by using the equity method, amounted to HK\$869,086,000 (net of accumulated impairment loss of HK\$1,510,000,000) as at 31st December, 2025. The Group recognised its share of the loss of Road King and its subsidiaries (collectively referred to as "Road King Group") amounting to HK\$2,662,998,000 based on the audited consolidated financial statements of Road King Group for the year ended 31st December, 2025 prepared by the management of Road King Group on a going concern basis in accordance with HKFRS Accounting Standards as issued by the HKICPA. In addition, the Group did not make any impairment adjustment to the carrying amount of its interest in Road King for the year ended 31st December, 2025, after the directors of the Company assessed and determined the recoverable amount of the Group's interest in Road King to be the value in use, which was the present value of the estimated future cash flows expected to be generated by Road King, based on financial budgets of the Road King Group covering a five-year period and the adjustments made by the management of the Group, the details of which are set out in note 22 to the consolidated financial statements of the Group.

In view of the uncertainties as set out in note 22 to the consolidated financial statements of the Group, there is insufficient information available to the directors of the Company to assess the significant assumptions and estimations underlying (a) the going concern assessment of Road King Group, as a basis to determine the financial information of Road King Group for the purpose of equity accounting, and (b) the Group's estimation of the present value of the future cash flows expected to be generated by Road King Group for the purpose of impairment assessment. Accordingly, we were unable to assess the equity accounting and the impairment of the Group's interest in Road King.

In view of the above-mentioned scope limitation, we were therefore unable to obtain sufficient appropriate evidence we considered necessary to assess (a) the amount of loss that should be shared from Road King Group for the year ended 31st December, 2025 and (b) the impairment on the Group's interest in Road King for the year ended 31st December, 2025. There were no other satisfactory procedures that we could adopt to satisfy ourselves that the Group's interest in Road King as at 31st December, 2025, share of the loss of Road King Group and impairment on the Group's interest in Road King for the year ended 31st December, 2025 are free from material misstatements. In addition, we were also unable to determine whether the disclosures in the consolidated financial statements of the Group related to interest in Road King, share of loss of Road King and impairment assessment of interest in Road King were sufficient and appropriate. Had we been able to obtain sufficient appropriate evidence to complete our review of the equity accounting and impairment assessment of the Group's interest in Road King, matters might have come to our attention indicating that adjustments might be necessary to the consolidated financial statements of the Group.

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") as issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion."

The aforesaid "note 22 to the consolidated financial statements of the Group" is disclosed as note 11 in this announcement.

THE BOARD'S AND THE AUDIT COMMITTEE'S VIEWS ON THE BASIS FOR QUALIFIED OPINION ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS

The Board and the Audit Committee of the Company have considered the qualified opinion and basis of qualified opinion that the auditor of the Company has included in their "Independent Auditor's Report". The qualification relates to (i) the Group's equity accounting of its interest in Road King based on Road King's consolidated financial statements prepared on a going concern basis, and (ii) the impairment assessment of the Group's interest in Road King which involved an assessment of its value in use based on cash flow projections, in both cases due to the uncertainties as to the timing and terms upon which plans and measures (including the restructuring proposal initiated by the Road King Group) to address the effects of Road King Group's suspension of interest payments of senior notes and offshore bank borrowings. Although these uncertainties are not within the control of the Company, the Board and the Audit Committee of the Company took into account of (i) the opinion of the directors of Road King that the Road King Group will have funds available to meet its financial obligations as and when they fall due within the next twelve months from 31st December, 2025 after their review of assumptions of Road King Group's cashflow projection and the likelihood of reaching an agreement of the restructuring proposal initiated by the Road King Group with the relevant creditors to meet the Road King Group's financing needs, (ii) the view of the directors of Road King that it is appropriate to prepare the Road King Group's consolidated financial statements on a going concern basis, and (iii) the Company's assessment of value in use of the Group's interest in Road King with the assistance of independent valuers, and considered it appropriate to continue to recognise the share of loss using the equity method based on the consolidated financial statements of Road King Group, which is prepared on a going concern basis, and to adopt the value in use for the impairment assessment of the Group's interest in Road King based on the higher of value in use and fair value less costs of disposal.

ANNUAL GENERAL MEETING

The Annual General Meeting of the Company will be held at Academy Room I-II, 1st Floor, InterContinental Grand Stanford Hong Kong, 70 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Friday, 22nd May, 2026 at 3:30 p.m. and the Notice of the Annual General Meeting will be published and despatched to the shareholders in the manner as required by the Listing Rules.

PUBLICATION OF THE FINAL RESULTS AND ANNUAL REPORT

This announcement is published on the Company's website (www.waikee.com) and the Stock Exchange's website (www.hkexnews.hk). The Annual Report 2025 containing all the information required by the Listing Rules will be published on the websites of the Company and the Stock Exchange, and despatched to the shareholders in due course.

APPRECIATION

The Board would like to take this opportunity to extend its heartiest thanks to our shareholders, business partners, directors and our loyal and dedicated staff.

By Order of the Board
Wai Kee Holdings Limited
Derek Zen Wei Peu
Chairman

Hong Kong, 26th March, 2026

At the date of this announcement, the Board comprises three executive directors, namely Mr. Derek Zen Wei Peu, Miss Anriena Chiu Wai Yee and Mr. Hayley Zen Chung Hei, and four independent non-executive directors, namely Dr. Steve Wong Che Ming, Mr. Samuel Wan Siu Kau, Mr. Francis Wong Man Chung and Ms. Tsang Wing Yee.