

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.

WING LEE PROPERTY INVESTMENTS LIMITED

永利地產發展有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 864)

POSITIVE PROFIT ALERT

The Board wishes to inform the shareholders and potential investors of the Company that the Group expects to record a significant increase in profit for the year ended 31 December 2021 as compared with that for 2020. This is mainly attributable to the fact that there is expected to be a net increase in fair values of the Group's investment properties for the year ended 31 December 2021 as compared with a net decrease for 2020.

The Company also expects to record an increase in other comprehensive income arising from fair value changes of the Fund into which the Group invested in 2018. The fair value changes of the Fund are a result of a modification of the lease of the Fund Property from industrial use to commercial use.

Shareholders and potential investors of the Company are advised to exercise caution in dealing in the securities of the Company.

This announcement is made by Wing Lee Property Investments Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and the provisions in Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) relating to disclosure of inside information.

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders and potential investors of the Company that based on a preliminary assessment of the unaudited management accounts of the Group for the year ended 31 December 2021 and a draft valuation report for the Group's investment property portfolio as at 31 December 2021 prepared by the Group's external valuer, the Group expects to record a significant increase in profit for the year ended 31 December 2021 as compared with that for 2020. This is mainly attributable to the fact that there is expected to be a net increase in fair values of the Group's investment properties for the year ended 31 December 2021 as compared with a net decrease for 2020, which reflects the general market conditions of the commercial retail and residential property market in Hong Kong for the period under review. The net increase in fair values of the Group's investment properties for the year ended 31 December 2021 is expected to range from HK\$200,000 to HK\$2 million (the net decrease in fair values for the year ended 31 December 2020 was approximately HK\$111 million).

In addition, during the year ended 31 December 2021, the Group continued to hold a 10% investment in Epic Capital Development Fund I, L.P. (the “**Fund**”), an exempted limited partnership established in the Cayman Islands that is engaged in a property redevelopment project at No. 32 Hung To Road, Kwun Tong, Kowloon (the “**Fund Property**”). Reference is made to the investment in the Fund which was announced by the Company as a discloseable transaction on 24 July 2018. As at the date of this announcement, the foundation has been laid on the site and the super structure is in progress.

The Fund applied to the Lands Department of the Government of Hong Kong for lease modification of the Fund Property from industrial use to commercial use and lease modification premium was paid in the second half of 2021. Due to the change from industrial use to commercial use of the Fund Property, there was a significant increase in the fair value of the Fund Property, thus increasing the fair value of the Fund. As a result of such increase in fair value of the Fund, for which election has been made to present such fair value changes in other comprehensive income, and which will not be reclassified to profit or loss, the Company is expected to record a significant increase in total comprehensive income ranging from HK\$40 million to HK\$45 million for the year ended 31 December 2021, compared to an increase in other comprehensive expense for the year ended 31 December 2020 of approximately HK\$13 million.

The unrealised valuation changes referred to in this announcement are non-cash items, and do not affect the Group’s daily operations and cash flow.

The Company is still in the process of finalising the results of the Group for the year ended 31 December 2021. The information contained in this announcement is only a preliminary assessment by the Board and is not based on any figures or information which have been audited or reviewed by the Company’s auditor.

Shareholders and potential investors of the Company are advised to exercise caution in dealing in the securities of the Company.

By order of the Board of
Wing Lee Property Investments Limited
Ng Ho Yin Owen
Company Secretary

Hong Kong, 25 February 2022

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

* *for identification purposes only*