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## **WAI KEE HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 610)**

### **PROFIT WARNING**

This announcement is made by Wai Kee Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) pursuant to the requirements of Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the Inside Information Provisions (as defined in the Listing Rules).

Based on the Company’s preliminary review of the Group’s estimated results in the unaudited consolidated management accounts of the Group for the six months ended 30th June, 2022 (“HY2022”) before taking into account (i) any contribution of Road King Infrastructure Limited (“RKI”, stock code 1098), a Hong Kong listed associate of the Company, whose results are reported in the Group’s property development and investment, toll road, investment and asset management segment, and (ii) any change in the fair value of the participation rights referred to in the Company’s announcement dated 30th November, 2021 held by the Group, it expects to record a net profit of approximately HK\$4 million, representing a significant decline by approximately 97% as compared with net profit (before the excluded items above) of HK\$118 million for the six months ended 30th June, 2021 (“HY2021”).

The significant decline in such net profit is mainly due to the net effect of (i) the recognition of approximately HK\$105 million net loss for HY2022 (HY2021: net gain of HK\$7 million) from the Group’s investments in equity securities and debt securities (not including those investments held by Build King Holdings Limited (“Build King”, stock code 240), the Company’s Hong Kong listed subsidiary, whose results are reported in the Group’s construction, sewage treatment and steam fuel segment) as a result of significant drop in the quoted prices of the equity securities and the debt securities as at 30th June, 2022; (ii) the absence of any gain for HY2022 on bargain purchase on acquisition of additional interest in RKI as a result of purchases of RKI shares (HY2021: gain of HK\$27 million); (iii) an increase of the Group’s share of profits for HY2022 from two US joint venture companies holding two residential rental properties in the USA, including one located in Houston which was sold during HY2022; and (iv) with regards to the operating segments of the Group, the significant increase in profit contribution in HY2022 from the Group’s construction, sewage treatment and steam fuel segment that is offset by the significant decline in net profits of the Group’s construction materials and quarrying segments for HY2022 mainly due to a substantial increase in depreciation and fixed production costs for additional concrete batching facilities upon completion of the relocation of plants at Lam Tei Quarry in early 2022, coupled with some disruption of aggregates and concrete demand caused by novel coronavirus cases in Hong Kong during HY2022.

The Group is still in the process of finalizing the Group's results for the six months ended 30th June, 2022, including ascertaining the impact (if any) of the results of RKI for the period and the fair value of the participation rights referred to above. It will make a further announcement if and when appropriate. The information contained in this announcement is only based on the Company's preliminary review of the unaudited consolidated management accounts of Group, which have not been reviewed or audited by the Company's audit committee or auditor. The results of the Group for the six months ended 30th June, 2022 will be announced as soon as practicable and the related Interim Report 2022 will be published thereafter.

**Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.**

By Order of the Board  
**Wai Kee Holdings Limited**  
**Anriena Chiu Wai Yee**  
*Company Secretary*

Hong Kong, 4th August, 2022

*As at the date of this announcement, the Board comprises three executive directors, namely Mr. William Zen Wei Pao, Mr. Derek Zen Wei Peu and Miss Anriena Chiu Wai Yee, two non-executive directors, namely Mr. Brian Cheng Chi Ming and Mr. Ho Gilbert Chi Hang, and three independent non-executive directors, namely Dr. Steve Wong Che Ming, Mr. Samuel Wan Siu Kau and Mr. Francis Wong Man Chung.*