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WANG ON GROUP LIMITED

(宏安集團有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1222)

PROFIT WARNING

This announcement is made by Wang On Group Limited (宏安集團有限公司)* (the “**Company**”, 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 (the “**Listing Rules**”) and Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**” or the “**Directors**”) wishes to inform the shareholders and potential investors of the Company that based on the preliminary review of the draft unaudited consolidated management accounts of the Group for the six months ended 30 September 2025 (the “**Review Period**”) and the information currently available, the Group expects to record a loss attributable to owners of the parent of not more than approximately HK\$360.0 million for the Review Period, as compared to a profit attributable to owners of the parent of approximately HK\$85.8 million for the six months ended 30 September 2024.

The expected loss attributable to owners of the parent was primarily attributable to, among other things, (i) the disposal loss arising from the sale of a 20% interest in joint venture companies for a hospitality project during the Review Period; (ii) the decrease in share of profits of joint ventures which was mainly due to the continued downturn in the commercial real estate market; (iii) the decrease in gross profit in delivery of completed residential projects; and (iv) the realised losses arising from the disposal of debt investments at fair value through other comprehensive income during the Review Period, as partially offset by the decrease in finance costs arising from interest rates decline during the Review Period as compared to that for the corresponding period in 2024.

Regarding item (i) above, the sale of a 20% interest in the hospitality project was undertaken to enable the Group to reallocate resources for future investment opportunities and expansion into other high-potential projects. This followed the successful redevelopment of the property into student accommodation, which has delivered strong occupancy rates and solid operational performance. The decision of the sale of a 20% interest was made strategically after considering future potential collaboration with investment partners, particularly in student accommodation, and the objective of enhancing cash flow liquidity to support ongoing business growth. Further details of the disposal were disclosed in the Company's announcement dated 12 June 2025.

The Group wishes to inform the shareholders and potential investors of the Company that the loss recorded for the Review Period was mainly due to the Group's strategic decision to dispose of certain assets, including properties held for sale and joint venture interests, in order to strengthen liquidity and position the Group for sustainable growth under the present challenging market conditions. Faced with the ongoing downturn in the real estate market, these asset sales, though resulting in accounting losses for the Review Period, have provided immediate cash inflows and substantially reduced the Group's net debt. The Board considers these measures essential for supporting the Group's capital structure, maintaining financial flexibility, enabling future investment opportunities, and ongoing business development. Between 1 April 2024 and 30 September 2025, as a result of the asset disposals, the Group achieved a decline in net debt by over 25% as compared to 31 March 2024. These initiatives have been implemented specifically to ensure the Group's resilience and adaptability amid the prevailing market uncertainty.

Despite the interim loss, the Group achieved record-high aggregate contracted sales of Hong Kong properties of approximately HK\$1,637.0 million for the Review Period, representing a significant increase of approximately 31.3% as compared to approximately HK\$1,247.0 million for the corresponding period in 2024. As of 30 September 2025, there were approximately HK\$2,674.2 million of unrecognised contracted sales of Hong Kong properties, which are expected to be recognised as revenue in the profit and loss accounts of the respective subsidiaries and joint ventures upon the completion and delivery of the related property projects.

As the Company is still in the course of preparing its interim results for the six months ended 30 September 2025, the information contained in this announcement is solely based on the preliminary assessment by the Board after reviewing the draft unaudited consolidated management accounts of the Group for the six months ended 30 September 2025 which have yet to be finalised. The unaudited consolidated interim results of the Group for the six months ended 30 September 2025 are expected to be announced by the Company on or before the end of November 2025 in accordance with the requirements under the Listing Rules.

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

By Order of the Board
WANG ON GROUP LIMITED
(宏安集團有限公司)*
Tang Ching Ho
Chairman and Executive Director

Hong Kong, 17 November 2025

As at the date of this announcement, the executive Directors are Mr. Tang Ching Ho, Ms. Yau Yuk Yin and Ms. Stephanie; and the independent non-executive Directors are Mr. Wong Chun, Justein, Mr. Siu Kam Chau and Mr. Chan Yung.

* *For identification purpose only*