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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)**

**ANNOUNCEMENT OF FINAL RESULTS  
FOR THE YEAR ENDED 31 MARCH 2026**

<b>ANNUAL FINANCIAL HIGHLIGHTS</b>			
	<b>FY2026</b>	<b>FY2025</b>	<b>Change</b>
Revenue ( <i>HK\$ million</i> )	<b>2,631</b>	2,740	-4.0%
Gross profit ( <i>HK\$ million</i> )	<b>596</b>	809	-26.3%
Loss attributable to owners of the parent ( <i>HK\$ million</i> )	<b>(804)</b>	(922)	-12.8%
Loss per share ( <i>HK cent</i> ) – Basic and diluted	<b>(5.68)</b>	(6.51)	-12.7%
	<b>As at 31 March</b>		
	<b>2026</b>	2025	
Net asset value ( <i>HK\$ million</i> )	<b>5,585</b>	6,780	-17.6%
Net asset value per share ( <i>HK\$</i> )	<b>0.39</b>	0.48	-18.8%
Gearing ratio	<b>57.7%</b>	58.7%	-1.0pp

## RESULTS

The board of directors (the “**Board**” or the “**Directors**”) of Wang On Group Limited (the “**Company**”) is pleased to announce the consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 March 2026, together with the comparative figures for the previous financial year, as follows:

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 March 2026

	Notes	2026 HK\$'000	2025 HK\$'000
<b>REVENUE</b>			
Revenue from contracts with customers	4	2,318,505	2,395,409
Interest income from treasury operation	4	9,486	15,027
Revenue from other sources	4	303,145	329,750
Total revenue		2,631,136	2,740,186
Cost of sales		(2,035,231)	(1,931,426)
Gross profit		595,905	808,760
Other income and gains, net	4	81,278	124,210
Selling and distribution expenses		(473,354)	(560,829)
Administrative expenses		(422,420)	(463,276)
Impairment losses on financial assets, net	5	(36,994)	(112,108)
Other expenses, net		(285,606)	(49,323)
Finance costs	6	(330,066)	(354,594)
Fair value losses on financial assets and liabilities at fair value through profit or loss, net		(22,729)	(34,607)
Fair value gains/(losses) on owned investment properties, net		10,808	(34,007)
Write-down of properties under development and properties held for sale, net		(101,353)	(229,273)
Share of profits and losses of:			
Joint ventures		(222,678)	(288,662)
Associates		5,964	998
<b>LOSS BEFORE TAX</b>	5	(1,201,245)	(1,192,711)
Income tax credit	7	26,034	2,576
<b>LOSS FOR THE YEAR</b>		<b>(1,175,211)</b>	<b>(1,190,135)</b>

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
<b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>		
<i>Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:</i>		
Debt investments at fair value through other comprehensive income:		
Changes in fair value	(3,958)	3,734
Reclassification adjustments for losses/(gains) included in profit or loss:		
– impairment losses/(reversal of impairment losses), net	12,145	(3,103)
– losses/(gains) on disposal/redemption, net	<u>35,927</u>	<u>(345)</u>
	<u>48,072</u>	<u>(3,448)</u>
Exchange differences on translation of foreign operation, net	97,547	(73,960)
Release of exchange reserve upon disposal of subsidiaries during the year	1,909	12,940
Other reserves		
Share of other comprehensive income of joint ventures	<u>6,060</u>	<u>1,094</u>
Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods	<u>149,630</u>	<u>(59,640)</u>
<i>Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:</i>		
Equity investments at fair value through other comprehensive income:		
Changes in fair value	<u>(14,145)</u>	<u>(8,690)</u>
Net other comprehensive loss that will not be reclassified to profit or loss in subsequent periods	<u>(14,145)</u>	<u>(8,690)</u>
<b>OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR</b>	<u>135,485</u>	<u>(68,330)</u>
<b>TOTAL COMPREHENSIVE LOSS FOR THE YEAR</b>	<u><u>(1,039,726)</u></u>	<u><u>(1,258,465)</u></u>

	<b>2026</b>	2025
<i>Note</i>	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Loss attributable to:		
Owners of the parent	<b>(804,373)</b>	(922,431)
Non-controlling interests	<b>(370,838)</b>	(267,704)
	<b><u>(1,175,211)</u></b>	<u>(1,190,135)</u>
 Total comprehensive loss attributable to:		
Owners of the parent	<b>(719,128)</b>	(962,724)
Non-controlling interests	<b>(320,598)</b>	(295,741)
	<b><u>(1,039,726)</u></b>	<u>(1,258,465)</u>
 <b>LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT</b>		
 Basic and diluted	<b>9 <u>(HK5.68 cents)</u></b>	<u>(HK6.51 cents)</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 March 2026

	<i>Notes</i>	<b>2026</b> <i>HK\$'000</i>	2025 <i>HK\$'000</i>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		<b>762,357</b>	875,456
Investment properties		<b>3,387,357</b>	3,023,812
Club memberships		<b>28,460</b>	28,460
Properties under development		<b>172,200</b>	177,600
Interests in joint ventures		<b>2,979,306</b>	3,790,258
Interests in associates		<b>310,921</b>	24,979
Financial assets at fair value through other comprehensive income		<b>49,067</b>	58,310
Financial assets at fair value through profit or loss		<b>175,086</b>	159,594
Loans and interest receivables	<i>11</i>	<b>5,980</b>	9,755
Prepayment, other receivables and other assets		<b>32,343</b>	46,609
Deferred tax assets		<b>28,908</b>	30,879
		<hr/>	<hr/>
Total non-current assets		<b>7,931,985</b>	8,225,712
<b>CURRENT ASSETS</b>			
Properties under development		<b>988,582</b>	1,206,188
Properties held for sale		<b>1,178,255</b>	2,548,412
Inventories		<b>226,553</b>	238,110
Trade receivables	<i>10</i>	<b>59,318</b>	78,057
Loans and interest receivables	<i>11</i>	<b>59,566</b>	128,978
Prepayments, other receivables and other assets		<b>318,153</b>	475,885
Cost of obtaining contracts		<b>3,051</b>	8,375
Financial assets at fair value through other comprehensive income		<b>3,099</b>	15,395
Financial assets at fair value through profit or loss		<b>80,510</b>	48,513
Tax recoverable		<b>8,330</b>	7,327
Pledged deposits		–	2,000
Restricted bank balances		<b>3,897</b>	3,780
Cash and bank balances		<b>1,136,056</b>	732,179
		<hr/>	<hr/>
		<b>4,065,370</b>	5,493,199
Assets classified as held for sale		<b>5,600</b>	10,101
		<hr/>	<hr/>
Total current assets		<b>4,070,970</b>	5,503,300

	<i>Note</i>	<b>2026</b> <i>HK\$'000</i>	2025 <i>HK\$'000</i>
<b>CURRENT LIABILITIES</b>			
Trade payables	12	215,307	94,109
Other payables and accruals		738,513	732,134
Contract liabilities		67,566	237,469
Unsecured notes		25,244	12,958
Interest-bearing bank and other borrowings		1,758,950	1,311,706
Financial liabilities at fair value through profit or loss		2,580	1,156
Tax payable		99,180	99,108
		<u>2,907,340</u>	<u>2,488,640</u>
<b>NET CURRENT ASSETS</b>			
		<u>1,163,630</u>	<u>3,014,660</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<u>9,095,615</u>	<u>11,240,372</u>
<b>NON-CURRENT LIABILITIES</b>			
Unsecured notes		106,877	47,720
Interest-bearing bank and other borrowings		2,471,529	3,343,866
Other payables		443,060	517,337
Financial liabilities at fair value through profit or loss		8,244	4,419
Deferred tax liabilities		481,327	546,711
		<u>3,511,037</u>	<u>4,460,053</u>
Total non-current liabilities		<u>3,511,037</u>	<u>4,460,053</u>
Net assets		<u><u>5,584,578</u></u>	<u><u>6,780,319</u></u>
<b>EQUITY</b>			
<b>Equity attributable to owners of the parent</b>			
Issued capital		141,667	141,667
Reserves		3,476,069	4,190,880
		<u>3,617,736</u>	<u>4,332,547</u>
<b>Non-controlling interests</b>		<u>1,966,842</u>	<u>2,447,772</u>
Total equity		<u><u>5,584,578</u></u>	<u><u>6,780,319</u></u>

# NOTES TO FINANCIAL INFORMATION

## 1 BASIS OF PREPARATION

This financial information has been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the disclosure requirements of the Hong Kong Companies Ordinance. The financial information has been prepared under the historical cost convention, except for investment properties, financial assets at fair value through other comprehensive income (“FVTOCI”), and financial assets/liabilities at fair value through profit or loss (“FVTPL”) which have been measured at fair value. Assets classified as held for sale and assets of a disposal group are stated at the lower of their carrying amounts and fair value less costs to sell.

This financial information is presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand except when otherwise indicated.

## 2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted amendments to HKAS 21 *Lack of Exchangeability* for the first time for the current year’s financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted in and the functional currencies of group entities for translation into the Group’s presentation currency were exchangeable, the amendments did not have any impact on the Group’s financial statements.

### 3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has five reportable operating segments as follows:

- (a) the property development segment engages in the development and trading of properties;
- (b) the property investment segment engages in investment in industrial and commercial premises and residential units for rental or for sale;
- (c) the fresh markets segment engages in the management and sub-licensing of fresh markets and butchery business which also includes management of agricultural produce exchange markets in Chinese mainland;
- (d) the pharmaceutical segment engages in the production and sale of pharmaceutical and health food products and provision of Traditional Chinese Medicine (“TCM”) services; and
- (e) the treasury management segment engages in the provision of finance, investment in debt and other securities which earns interest and dividend income and managing assets on behalf of the Group’s capital partners via investment vehicles.

Management monitors the results of the Group’s operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/(loss) before tax is measured consistently with the Group’s loss before tax except that bank interest income, finance costs, and head office and corporate income and expenses are excluded from such measurement.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

	Property development		Property investment		Fresh markets		Pharmaceutical		Treasury management		Elimination		Total	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Segment revenue and income:</b>														
Sales to external customers	1,365,896	1,352,492	11,838	5,909	528,848	599,639	677,954	741,398	46,600	40,748	-	-	2,631,136	2,740,186
Intersegment sales	-	-	4,723	6,117	-	-	3,176	1,880	-	-	(7,899)	(7,997)	-	-
Other income	25,099	36,094	177	87	21,566	53,794	418	5,996	-	97	-	-	47,260	96,068
<b>Total</b>	<b>1,390,995</b>	<b>1,388,586</b>	<b>16,738</b>	<b>12,113</b>	<b>550,414</b>	<b>653,433</b>	<b>681,548</b>	<b>749,274</b>	<b>46,600</b>	<b>40,845</b>	<b>(7,899)</b>	<b>(7,997)</b>	<b>2,678,396</b>	<b>2,836,254</b>
<b>Segment results</b>	<b>(499,065)</b>	<b>(822,432)</b>	<b>(317,986)</b>	<b>72,264</b>	<b>239,121</b>	<b>202,280</b>	<b>(13,535)</b>	<b>(34,832)</b>	<b>(61,201)</b>	<b>(31,233)</b>	<b>-</b>	<b>-</b>	<b>(652,666)</b>	<b>(613,953)</b>
<i>Reconciliation:</i>														
Bank interest income													4,134	9,678
Finance costs													(330,066)	(354,594)
Corporate and unallocated income and expenses													(222,647)	(233,842)
Loss before tax													(1,201,245)	(1,192,711)
Income tax credit													26,034	2,576
Loss for the year													(1,175,211)	(1,190,135)

#### 4. REVENUE, OTHER INCOME AND GAINS, NET

An analysis of the Group's revenue is as follows:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
<b>Revenue</b>		
<i>Revenue from contracts with customers</i>		
Sale of properties	1,365,896	1,352,492
Sale of goods	714,247	822,373
Pharmaceutical management and promotion services	12,728	14,449
TCM services	11,667	12,361
Commission income from agricultural produce exchange markets	80,587	80,005
Agricultural produce exchange markets ancillary services	96,266	88,731
Asset management fees	37,114	24,998
	<hr/>	<hr/>
Subtotal	2,318,505	2,395,409
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<i>Interest income</i>		
Interest income from treasury operation	9,486	15,027
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<i>Revenue from other sources</i>		
Sub-licensing fee income	98,040	143,769
Gross rental income from operating leases	205,105	185,258
Dividend income from financial assets	–	723
	<hr/>	<hr/>
Subtotal	303,145	329,750
	<hr/>	<hr/>
Total revenue	<b>2,631,136</b>	<b>2,740,186</b>
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An analysis of the Group's other income and gains, net is as follows:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
<b>Other income</b>		
Bank interest income	4,134	9,678
Property management fee income	12,563	13,387
Forfeiture of deposits from customers	509	12,261
Others	<u>22,254</u>	<u>58,752</u>
 Total other income	 <u>39,460</u>	 <u>94,078</u>
<b>Gains, net</b>		
Gains on disposal of subsidiaries, net	18,436	28,731
Gains on reversal of impairment losses on items of property, plant and equipment, net	–	1,056
Gains on disposal/redemption of debt investments at FVTOCI, net	–	345
Remeasurement gain upon transfer of certain properties held for sale to investment properties	<u>23,382</u>	<u>–</u>
 Total gains	 <u>41,818</u>	 <u>30,132</u>
 Total other income and gains, net	 <u><u>81,278</u></u>	 <u><u>124,210</u></u>

## 5. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Cost of services provided**	155,385	169,489
Cost of properties sold**	1,430,942	1,196,656
Cost of inventories recognised as an expense (including allowance for obsolete inventories of HK\$1,366,000 (2025: HK\$4,015,000))**	330,229	418,094
Depreciation of owned assets	54,008	53,610
Depreciation of right-of-use assets	70,872	78,697
Auditor's remuneration	10,500	11,480
Research and development costs	1,863	1,124
Lease payments not included in the measurement of lease liabilities	4,885	8,850
Employee benefit expense (including directors' remuneration):		
Wages and salaries	453,113	473,689
Expense/(credit) arising from equity settle share option transaction	(354)	2,975
Pension scheme contributions****	24,886	24,966
Less: Amount capitalised	(17,959)	(2,191)
Total	<u>459,686</u>	<u>499,439</u>

The Group's loss before tax is arrived at after charging/(crediting): (Continued)

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Direct operating expenses (including repairs and maintenance) arising from rental-earning investment properties**	27,136	27,103
Fair value losses on sub-leased investment properties**	91,539	120,084
Gains on disposal of subsidiaries, net***	(18,436)	(28,731)
Losses on partial disposal of interest in joint ventures, net*	206,703	–
Impairment losses/(reversal of impairment) on items of property, plant and equipment, net	14,543*	(1,056)***
Impairment of an item of club memberships*	–	4,320
Losses on modification/termination of lease contracts, net*	21,137	28,669
Losses/(gains) on disposal/redemption of debt investments at FVTOCI, net	35,927*	(345)***
Remeasurement gain upon transfer to certain properties held for sales to investment properties***	(23,382)	–
Losses on disposal of investment properties, net*	2,991	8,307
Losses on disposal of items of property, plant and equipment, net*	1,537	3,275
Foreign exchange differences, net*	2,768	4,752
Impairment losses/(reversal of impairment losses) on financial assets, net:		
Debt investments at fair value through other comprehensive income, net	12,145	(3,103)
Other receivables, net	13,350	793
Trade receivables, net	(693)	19,224
Loans and interest receivables, net	12,192	95,194
Total	<u><u>36,994</u></u>	<u><u>112,108</u></u>

\* These items are included in “Other expenses” on the face of the consolidated statement of profit or loss and other comprehensive income.

\*\* These items are included in “Cost of sales” on the face of the consolidated statement of profit or loss and other comprehensive income.

\*\*\* These items are included in “Other income and gains, net” on the face of the consolidated statement of profit or loss and other comprehensive income.

\*\*\*\* There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

## 6. FINANCE COSTS

An analysis of finance costs is as follows:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Interest on bank and other borrowings	337,025	403,821
Interest on lease liabilities	33,431	42,205
Interest on unsecured notes	<u>5,526</u>	<u>679</u>
Subtotal	<u>375,982</u>	<u>446,705</u>
Less: Interest capitalised	<u>(45,916)</u>	<u>(92,111)</u>
Total	<u><u>330,066</u></u>	<u><u>354,594</u></u>

## 7. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2025: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group which was a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 (2025: HK\$2,000,000) of assessable profits of the related subsidiary was taxed at 8.25% (2025: 8.25%) and the remaining assessable profits were taxed at 16.5% (2025: 16.5%). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates. The provision for PRC land appreciation tax (“LAT”) is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT has been provided at ranges of progressive rates of the appreciation value, with certain allowable deductions.

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Current – Hong Kong		
Charge for the year	132	2,008
Current – Chinese mainland		
Charge for the year	21,412	15,231
LAT	533	9,508
Overprovision in prior years	(75)	(13,085)
	<u>22,002</u>	<u>13,662</u>
Deferred	(48,036)	(16,238)
Total tax credit for the year	<u>(26,034)</u>	<u>(2,576)</u>

## 8. DIVIDENDS

The board of directors of the Company does not recommend the payment of a final dividend for the year ended 31 March 2026 (2025: Nil) to the shareholders of the Company.

## 9. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amounts is based on the loss for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares outstanding during the year less the weighted average number of the treasury shares held by the Group during the year.

No adjustment has been made to the basic loss per share amounts presented for the years ended 31 March 2026 and 2025 in respect of a dilution as the impact of the share options issued by CAP had no dilutive effect on the basic loss per share amounts presented.

The calculations of basic and diluted loss per share are based on:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
<b>Loss</b>		
Loss attributable to ordinary equity holders of the parent, used in the basic and diluted loss per share calculations	<u><b>(804,373)</b></u>	<u>(922,431)</u>
	<b>Number of shares</b>	
	2026 <i>'000</i>	2025 <i>'000</i>
<b>Shares</b>		
Weighted average number of ordinary shares outstanding	<b>14,166,697</b>	14,261,016
Less: Weighted average number of treasury shares	<u>–</u>	<u>(94,405)</u>
Weighted average number of ordinary shares used in the basic and diluted loss per share calculation	<u><b>14,166,697</b></u>	<u>14,166,611</u>

#### 10. TRADE RECEIVABLES

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Trade receivables	<b>76,125</b>	97,226
Impairment	<u><b>(16,807)</b></u>	<u>(19,169)</u>
Net carrying amount	<u><b>59,318</b></u>	<u>78,057</u>

The Group's trading terms with its customers are mainly on credit. The credit periods range from 7 to 120 days. Each customer has a maximum credit limit and the credit limit is reviewed regularly. The Group seeks to maintain strict control over its outstanding receivables and to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

Included in the Group's trade receivables are amounts due from the Group's joint ventures of HK\$2,598,000 (2025: HK\$5,942,000), with credit periods ranging from 10 to 90 days.

Included in the Group's trade receivables are amounts due from the Group's associates of HK\$7,535,000 (2025: HK\$9,575,000) which are repayable on credit terms similar to those offered to the major customers of the Group.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of provisions, is as follows:

	<b>2026</b>	2025
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Within 1 month	<b>41,682</b>	60,452
Over 1 month but within 3 months	<b>16,157</b>	16,043
Over 3 months but within 6 months	<b>1,226</b>	852
Over 6 months	<b>253</b>	710
	<hr/>	<hr/>
Total	<b>59,318</b>	78,057
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#### 11. LOANS AND INTEREST RECEIVABLES

		<b>2026</b>	2025
	<i>Notes</i>	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Loans and interest receivables, secured	<i>(i), (iii)</i>	<b>104,691</b>	215,090
Loans and interest receivables, unsecured	<i>(ii)</i>	<b>57,254</b>	61,962
		<hr/>	<hr/>
		<b>161,945</b>	277,052
Less: Impairment allowance		<b>(96,399)</b>	(138,319)
		<hr/>	<hr/>
		<b>65,546</b>	138,733
Less: Loans and interest receivables classified as non-current assets		<b>(5,980)</b>	(9,755)
		<hr/>	<hr/>
Portion classified as current assets		<b>59,566</b>	128,978
		<hr/> <hr/>	<hr/> <hr/>

*Notes:*

- (i) These loans receivable are stated at amortised cost at effective interest rates ranging from 5% to 22% (2025: 5% to 22%) per annum. The credit terms of these loans receivable range from 1 year to 3 years (2025: 3 months to 5 years).
- (ii) These loans receivable are stated at amortised cost at effective interest rates ranging from 1% to 33% (2025: 1% to 33%) per annum. The credit terms of these loans receivable range from 3 months to 113 months (2025: 3 months to 113 months).
- (iii) At 31 March 2026, the Group's loans receivable with an aggregate carrying value of HK\$47,352,000 (2025: HK\$63,917,000) was pledged to secure the Group's other borrowings.

## 12. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Within 1 month	190,840	63,326
Over 1 month but within 3 months	3,022	2,105
Over 3 months but within 6 months	801	412
Over 6 months	<u>20,644</u>	<u>28,266</u>
Total	<u><u>215,307</u></u>	<u><u>94,109</u></u>

The trade payables are non-interest-bearing and have an average term of 30 to 360 days. The Group has financial risk management policies in place to ensure that all payables are within the credit time frame.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **FINANCIAL RESULTS**

For the financial year ended 31 March 2026 (“**this Financial Year**” or the “**Year**”), the Group’s revenue and loss attributable to owners of the parent amounted to approximately HK\$2,631.1 million (2025: approximately HK\$2,740.2 million) and approximately HK\$804.4 million (2025: approximately HK\$922.4 million), respectively.

### **DIVIDENDS**

The Board does not recommend a final dividend (2025: Nil) for the year ended 31 March 2026. No interim dividend was declared for the six months ended 30 September 2025 (30 September 2024: Nil).

### **BUSINESS REVIEW**

The Group’s revenue for the Year decreased slightly by approximately 4.0% to approximately HK\$2,631.1 million (2025: approximately HK\$2,740.2 million). Such change in revenue was mainly due to an increase from the sales and delivery of completed residential projects in Hong Kong, offsetting by the combined effect of a number of items, including but not limited to a reduction from the property sales in the People’s Republic of China (the “**PRC**”).

Loss attributable to owners of the parent for the Year was approximately HK\$804.4 million (2025: approximately HK\$922.4 million). This was primarily attributable to, among other things, (i) the losses arising from the partial disposal of interests in joint ventures; (ii) the decrease in gross profit from the delivery of certain residential projects; (iii) the net write-down of properties under development and properties held for sale; and (iv) the net share of losses of joint ventures and associates during the Year.

The Group recorded gross profit and gross profit margin of approximately HK\$595.9 million and approximately 22.6%, respectively for the Year (2025: approximately HK\$808.8 million and approximately 29.5%, respectively). The decline in gross profit was mainly due to the recognition of revenue from certain residential units delivered during the Year at compressed margins, amid continued softness in Hong Kong property market in 2025.

Other income and gains, net, amounted to approximately HK\$81.3 million for the Year (2025: approximately HK\$124.2 million). The decrease was mainly due to a reduction in gain on disposal of subsidiaries as compared to last year.

Selling and distribution expenses were approximately HK\$473.4 million for the Year (2025: approximately HK\$560.8 million), and such decrease was mainly attributable to the relatively lower commission rates for one residential project located at Finnie Street which was delivered in the first quarter of 2026. The lower commission rates were primarily due to the recovery of property market, which improved sales momentum and reduced the need for higher incentive commission to property agents.

The Group recorded administrative expenses of approximately HK\$422.4 million for the Year (2025: approximately HK\$463.3 million). This demonstrated the Group's ongoing commitment to achieving cost savings this Financial Year.

Impairment losses on financial assets, net, amounted to approximately HK\$37.0 million for the Year (2025: approximately HK\$112.1 million). The decrease was mainly due to lesser impairment losses recognised for loans and interest receivables as compared to last year.

Other expenses, net, amounted to approximately HK\$285.6 million for the Year (2025: approximately HK\$49.3 million). The increase was mainly attributable to losses of approximately HK\$206.7 million arising from the partial disposal of interests in joint ventures (operating the "Sunny House" project) during the Year (2025: Nil). For details, please refer to the section headed "Student Accommodation" below.

Finance costs were approximately HK\$330.1 million for the Year (2025: approximately HK\$354.6 million). The decline was mainly due to the scheduled repayment of interest-bearing bank and other borrowings, and a reduction in the average Hong Kong Interbank Offered Rate (HIBOR) as compared to last year.

The Group recorded fair value gains on owned investment properties, net, of approximately HK\$10.8 million for the Year (2025: losses of approximately HK\$34.0 million). The change was mainly contributed by those investment properties located in the PRC.

A net write-down of properties under development and properties held for sale for the Year amounted to approximately HK\$101.4 million (2025: approximately HK\$229.3 million). During the Year, a write-down was recognised on certain properties held for sale, while part of the previously recognised write-down on certain properties under development was reversed following a reassessment of their recoverable amounts. This net movement reflects the differing circumstances of individual properties, resulting in a lower level of write-downs as compared to last year. The management of the Group conducts regular assessments of the carrying values of properties under development and properties held for sale, taking into account prevailing market prices and sales prospects, and recognises write-downs or reversals where appropriate.

A net share of losses of joint ventures and associates for the Year amounted to approximately HK\$216.7 million (2025: approximately HK\$287.7 million). Such net share of losses for the Year mainly included write-downs of properties under development and held for sale, as well as fair value adjustments on investment properties arising from the joint ventures.

Income tax of the Group comprised of Hong Kong profits tax, PRC enterprise income tax and PRC land appreciation tax. During the Year, the Group recorded an income tax credit of approximately HK\$26.0 million (2025: approximately HK\$2.6 million). The change was mainly due to the previously recognised deferred tax liabilities in respect of fair value adjustments for Yulin Market Phase I were reversed at disposal during the Year. For details, please refer to the section headed “Property Development” below.

As at 31 March 2026, the Group’s net assets were approximately HK\$5,584.6 million (2025: approximately HK\$6,780.3 million). Its cash and short-term resources amounted to approximately HK\$1,221.0 million (2025: approximately HK\$800.7 million) including total cash and bank balances of approximately HK\$1,140.0 million (2025: approximately HK\$738.0 million) and short-term realisable investments of approximately HK\$81.0 million (2025: approximately HK\$62.7 million). In aggregate, the total borrowings as at 31 March 2026 were approximately HK\$4,362.6 million (2025: approximately HK\$4,716.3 million) giving the Group a net debt position (total borrowings less total cash and bank balances) of approximately HK\$3,222.6 million (2025: approximately HK\$3,978.3 million).

The Group regularly reviews its financial position and maintains a healthy cash balance to support the business growth. The review of the individual business segments of the Group is set out below.

## Property Development

The property development segment consists of the property sales in Hong Kong residential and commercial market from Wang On Properties Limited (“**WOP**”, a non-wholly owned subsidiary of the Company and the shares of which are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) with stock code: 1243, together with its subsidiaries, collectively, the “**WOP Group**”); and the property sales in the PRC from China Agri-Products Exchange Limited (“**CAP**”, a non-wholly owned subsidiary of the Company and the shares of which are listed on the Stock Exchange with stock code: 0149, together with its subsidiaries, collectively, the “**CAP Group**”).

During the Year, the Group’s property development business recorded segment revenue (sales to external customers) of approximately HK\$1,365.9 million and segment loss of approximately HK\$499.1 million, respectively (2025: segment revenue of approximately HK\$1,352.5 million and segment loss of approximately HK\$822.4 million, respectively).

A segment loss of approximately HK\$499.1 million incurred for the Year was primarily due to the average selling prices of residential units delivered fell below the respective cost of sales, as a result of the downturn in Hong Kong property market.

During the Year, the Group recorded segment revenue in Hong Kong (through the WOP Group) and the PRC (through the CAP Group) of approximately HK\$1,358.7 million and approximately HK\$7.2 million, respectively (2025: approximately HK\$1,228.0 million and approximately HK\$124.5 million, respectively). Regarding the PRC business, the revenue reduced by approximately 94.2% to approximately HK\$7.2 million as compared to last year. The decline was mainly due to lesser property sales derived from Yulin Hongjin Agricultural By-products Wholesale Marketplace Limited (the “**Target Company**” or “**Yulin Market Phase I**”). On 30 May 2025, Century Choice Limited (“**Century Choice**”), a subsidiary of CAP, entered into a capital reduction agreement with the non-controlling shareholder, pursuant to which Century Choice’s equity interests in its non-wholly owned subsidiary, as the Target Company, shall be reduced from 51% to nil at a total consideration of approximately RMB24.7 million. Such reduction in equity interests constitutes a disposal by the Company and CAP of their respective indirect equity interests in the Target Company. This disposal was completed in July 2025. For details, please refer to the joint announcement of the Company and CAP dated 30 May 2025.

On 20 May 2025, two subsidiaries of CAP, as the co-lessees, entered into two sale and leaseback agreements, respectively, with an independent third party, as the lessor, in respect of the sale and leaseback of certain construction projects in Luoyang City and Puyang City involving sheds and certain equipment at the sale prices of RMB51.0 million and RMB20.4 million, respectively. For details, please refer to the joint announcement of the Company and CAP dated 20 May 2025 and the Company's circular dated 18 June 2025.

On 19 August 2025, a subsidiary of CAP, as the lessee, entered into a sale and leaseback agreement with an independent third party, as the lessor, in respect of the sale and leaseback of certain equipment, including high and low voltage transmission equipment, power transformer system equipment and low-temperature large cold storage refrigeration equipment, at a sale price of RMB20.0 million. For details, please refer to the Company's announcement dated 19 August 2025.

The WOP Group continuously explores different channels to expand its land bank as and when suitable opportunities arise. Apart from its engagement in public tenders, the WOP Group also pursues old building acquisitions to secure stable land resources for future development. During the Year, no new land acquisition was made as the WOP Group adopted a prudent approach toward capital management, prioritising existing development projects and optimising internal resources over new land acquisition.

As at the date of this announcement, the WOP Group has a total unsold saleable floor area of land bank of approximately 506,100 square feet. The following table sets forth an overview of the WOP Group's property projects as at the date of this announcement.

<b>Project</b>	<b>Approximate gross floor area (square feet)</b>	<b>Intended usage</b>	<b>Progress/ Anticipated year of completion</b>	<b>Approximate unsold saleable floor area (square feet)</b>	<b>% of sold saleable area</b>
Pokfulam Project <sup>#</sup>	28,500	Residential	Completed	13,200	58%
Ap Lei Chau Project I <sup>#</sup>	74,200	Residential and Commercial	2027	63,700	0%
Ap Lei Chau Project II <sup>#</sup>	38,600	Residential and Commercial	Completed	2,100	93%
Ap Lai Chau Project III	68,200	Residential and Commercial	2027	38,900	32%
Wong Tai Sin Project I <sup>#</sup>	81,200	Residential and Commercial	Completed	7,700	89%
Wong Tai Sin Project II <sup>#</sup>	93,700	Residential and Commercial	Completed	49,100	41%
Ngau Tau Kok Project <sup>#</sup>	46,300	Residential and Commercial	2027	38,100	0%
Fortress Hill Project <sup>#</sup>	130,000	Residential and Commercial	Completed	17,200	85%
Quarry Bay Project	40,100	Residential and Commercial	Completed	2,700	91%
Sze Shan Street Project <sup>#</sup>	309,500	Residential and Commercial	2029	273,400	0%
<b>Total</b>	<b>910,300</b>			<b>506,100</b>	

<sup>#</sup> The WOP Group has been engaged as the asset manager for the projects.

## **Fresh Markets and Agricultural Produce Exchange Markets**

The fresh market and agricultural produce exchange market segment recorded a decrease in revenue (sales to external customers) by approximately 11.8% to approximately HK\$528.8 million for the Year (2025: approximately HK\$599.6 million), of which annual revenue of approximately HK\$370.2 million (2025: approximately HK\$378.7 million) was contributed from the operation of agricultural produce exchange markets of the CAP Group in the PRC, approximately HK\$98.1 million (2025: approximately HK\$143.8 million) was contributed from the operation of fresh markets in Hong Kong, and approximately HK\$60.5 million (2025: approximately HK\$77.1 million) was contributed from the revenue streams brought by butchery and other retail operation in Hong Kong. Segment result recorded a profit of approximately HK\$239.1 million for the Year (2025: approximately HK\$202.3 million). Both segment revenue and profit are fairly satisfactory and has been the foundation of the Group.

Over the past two decades, the Group has established a significant presence in its fresh market, agricultural produce exchange market, and sub-licensing business. As at 31 March 2026, the Group managed a portfolio of approximately 290 stalls operating under the brands of “Allmart” and “Day Day Fresh” in Hong Kong, which covers a total gross floor area of over 122,000 square feet. The Group’s focus is on meeting the growing expectations of its customers by providing a comfortable and spacious shopping environment. As such, the Group incorporates well-designed layouts, carries out improvement works, and delivers top-notch management services. By continually enhancing the overall shopping experience, the Group aims to strengthen its partnerships with tenants and local communities through effective marketing strategies. Also, the Group prioritises cleanliness and hygiene in its fresh markets, adopting electronic payment systems to boost operational efficiency and address public concerns about safety and cleanliness.

During the Year, the butchery business generated revenue of approximately HK\$60.5 million (2025: approximately HK\$76.0 million). We believe the Group’s well-established fresh market network with the strong foundation can continually facilitate the distribution and sale of pork products to meet the demand of local customers in the foreseeable future. As at 31 March 2026, eleven butchery stalls were in operation.

Through the CAP Group, the Group operates nine agricultural produce exchange markets and thirteen fresh markets through a joint venture across six provinces in the PRC, which are located in Guangdong Province, Guangxi Zhuang Autonomous Region, Henan Province, Hubei Province, Jiangsu Province and Liaoning Province. The CAP Group’s strong presence in this industry provides a solid platform for ongoing growth and development, leverages economies of scale, and capitalises on opportunities from diverse customer base.

### **Property Investment**

As at 31 March 2026, the Group owned investment properties in Hong Kong and the PRC comprised of commercial and residential units with a total carrying value of approximately HK\$3,213.1 million (2025: approximately HK\$2,774.7 million).

During the Year, the Group received gross rental income (sales to external customers) of approximately HK\$11.8 million (2025: approximately HK\$5.9 million).

The WOP Group's portfolio of investment properties comprised of one wholly-owned commercial property and five projects in partnership with global private equity funds, including Kohlberg Kravis Roberts & Co. L.P. and Angelo, Gordon & Co., L.P. ("AG"), with holding stakes ranging from 15% to 50%. As at the date of this announcement, the overall occupancy rate of the WOP Group's investment properties was over 96%, excluding the recently acquired Sunny House Mong Kok, which is slated for conversion into student accommodation and is expected to provide 216 beds upon the completion of renovation in the second half of 2026.

On 20 June 2025, a subsidiary of WOP, as the vendor, entered into a provisional agreement with an independent third party, as the purchaser, to dispose of a property located on Ground Floor including Cocklofts and Canopy at First Floor Level, Iskra Building, Nos. 132-134 Cheung Sha Wan Road, Kowloon, Hong Kong, at a consideration of approximately HK\$23.3 million. This disposal was completed in October 2025. For details, please refer to the Company's announcements dated 20 June 2025 and 2 July 2025.

The WOP Group has been engaged as the asset manager for the projects of Lake Silver, The Parkside, Jumbo Court, Sunny House and Sunny House Mong Kok.

As at 31 March 2026, Wai Yuen Tong Medicine Holdings Limited ("WYT", a non-wholly owned subsidiary of the Company and the shares of which are listed on the Stock Exchange with stock code: 0897, together with its subsidiaries, collectively, the "WYT Group") owned four properties in Hong Kong which are all retail properties. A majority of these properties were used as retail shops under self-operating and franchise models.

On 10 April 2025, a subsidiary of WYT, as the vendor, entered into a provisional agreement with an independent third party, as the purchaser, to dispose of a retail shop situated on Ground Floor with the Cockloft, 60A Yen Chow Street, Kowloon, Hong Kong, at a consideration of HK\$19.5 million. This disposal was completed in June 2025. For details, please refer to the Company's announcement dated 10 April 2025.

As at 31 March 2026, the Group still held one second-hand residential property with a valuation of approximately HK\$5.6 million. The Group intends to continue identifying suitable opportunities to dispose of this second-hand residential property.

## **Pharmaceutical and Health Food Products**

The WYT Group is a pharmaceutical group focusing on the manufacturing and retailing of pharmaceutical and health food products, and providing Traditional Chinese Medicine services. During the Year, the WYT Group's pharmaceutical and health food products segment with revenue (sales to external customers) of approximately HK\$678.0 million (2025: approximately HK\$741.4 million), representing a decrease of approximately 8.6%.

### **Chinese Pharmaceutical and Health Food Products**

Leveraging its pharmaceutical credibility of over a century, WYT continued to optimise its product portfolio and service quality in response to dynamic market demands. During the year, WYT opened two new stores at Paradise Mall in Hong Kong and Hotel Central in Macau, consolidating the local market while further expanding its service coverage. At the same time, in response to changes in the economic climate in Chinese mainland, the WYT Group proactively integrated the physical retail store market in Chinese mainland, moderately downsized its stores, and sold the property at Yen Chow Street to optimise resource allocation and move towards an asset-light model. WYT continued to strengthen collaborations with leading retailers and e-commerce platforms in both Hong Kong and Chinese mainland, broadening the sales channels for its products.

The WYT Group continued to expand its cross-border e-commerce, deepening collaborations with platforms such as Douyin, Xiaohongshu, Tmall and JD.com's direct-operated stores. Through influencer live-streaming and content promotion, WYT successfully recommended its products to consumers across various provinces and cities in Chinese mainland, significantly increasing the brand's penetration and awareness in Chinese mainland market.

In terms of product innovation, WYT launched several new health supplements this year, headlined by Nano Bone Enhancer “骨盈素”, developed with Hong Kong Polytechnic University under the concept of “simultaneous repair of cartilage and bone”, which became the year's talked-about product. Additionally, WYT rolled out upgraded supplements for immunity (Wall-Broken Ganoderma Lucidum Spores “破壁靈芝孢子”), insomnia and stress (Sweet Dream Essence “安睡寧”), as well as liver health (Liver Guardian “護肝康”), while its flagship product series: Hou Tsao Powder “猴棗除痰散”, Young Yum Pill “養陰丸” and Angong Niu Huang Wan “安宮牛黃丸”, kept selling well.

Regarding the Greater Bay Area policy, the National Medical Products Administration implemented a simplified approval procedure for traditional oral Chinese patent medicines already listed in Hong Kong, under which a total of 26 WYT products are eligible. In late 2025, “Hou Tsao Powder” was the first to complete registration, becoming the first Hong Kong oral Chinese patent medicine to be approved for listing in Chinese mainland under the simplified procedure, which fully demonstrates the regulatory authorities’ high recognition of the WYT Group’s product quality.

### **Western Pharmaceutical and Personal Care Products**

Despite a challenging and competitive Hong Kong pharmaceutical market over the past year, WYT did complete the annual core business objectives with steady customer growth and stable operations – most notably keeping Madame Pearl’s cough syrup the No. 1 selling brand in Hong Kong for 16 consecutive years, supported by a large-scale in-store display program, including window displays, light boxes, and display boards, across 50+ drug stores. While flagging the need to strengthen distributor collaboration and pursue new business development, WYT will create a new brand and launch new over-the-counter (“OTC”) products in the year ahead to widely expand Luxembourg’s pharmaceutical presence in Hong Kong.

For Chinese mainland market, WYT has successfully expanded the distribution of Madame Pearl’s cough syrup to over 30,000 outlets, including top chain drugstores and leading hospitals in Chinese mainland. WYT will continue to expand the breadth and depth of the distribution of Madame Pearl’s products to improve the respiratory health among consumers.

As for the aspect of Personal Care, in order that it could significantly promote the brand awareness of Pearl’s in Hong Kong, WYT launched various sales and marketing programs in the last year, such as eye-catching display of Pearl’s mosquito products in about 100 community dispensaries and ongoing collaboration with Pokémon on seasonal promotion packs. WYT also had a very satisfactory sales achievement of Pearl’s mosquito products in the last year after having implemented the summer’s promotions in key chains (i.e. Mannings and Watsons).

## **Treasury Management**

The Group maintained a healthy financial position. Liquid investments and total cash and bank balances amounted to approximately HK\$1,221.0 million as at 31 March 2026, representing an increase of approximately 52.5% from the balance of approximately HK\$800.7 million as at 31 March 2025. As at 31 March 2026, approximately 4.0% and approximately 96.0% of the liquid investments of approximately HK\$81.0 million were debt securities, and funds and other investments, respectively, and approximately HK\$1,140.0 million were total cash and bank balances.

## **Money Lending Business**

The Group engages in providing lending services to third-parties. These loans are secured by various types of collateral, including first-mortgage residential properties, commercial properties, industrial properties and etc., all located in Hong Kong.

The Group has adopted a more prudent and cautious approach in assessing potential loan applications, particularly considering the uncertain economic outlook. To evaluate and approve loans, the Group has a credit committee in place. This committee is responsible for evaluating and approving loans within predetermined credit limits.

The Group has established credit control policies to govern the loan review and approval processes. These policies focus on verifying the borrowers' identity, repayment ability, and the quality of the asset that are used as collateral, to mitigate credit risks associated with the lending operations. Overall, the Group aims to effectively manage its credit risks, in order to ensure the long-term stability and sustainability of its money lending business.

During the Year, the Group's lending business contributed revenue of approximately HK\$9.3 million (2025: approximately HK\$14.4 million), down by approximately 35.4%, mainly due to the drop in loan portfolio. The borrowers of the Group's lending business included individuals and private companies in Hong Kong from different industries. As at 31 March 2026, we had 6 (2025: 16) active loan accounts of which 2 unlisted corporate borrowers and 4 individual borrowers, gross loan balances of which were approximately HK\$75.8 million (2025: approximately HK\$116.0 million). Secured loans accounted for approximately 60.7% (2025: approximately 72.3%) while unsecured loans accounted for approximately 39.3% (2025: approximately 27.7%). Loans to corporate borrowers accounted for approximately 35.2% (2025: approximately 33.3%) while loans to individuals accounted for approximately 64.8% (2025: approximately 66.7%). As at 31 March 2026, in terms of the loan balances, the top five customers of the money lending business accounted for approximately 99.3% (2025: approximately 80.4%) of the loan portfolio. The tenors of the loans ranged from 6 months to 113 months (2025: 6 months to 113 months).

The ageing analysis of loan receivables (before allowance for credit losses) based on initial loan commencement date as set out in the relevant contracts is as follows:

	<b>As at 31 March 2026 HK\$'000</b>
Within 12 months	<b>72,776</b>
61 months to 120 months	<b>3,053</b>
	<hr/>
Total	<b><u>75,829</u></b>

The weighted-average interest rates of secured loans were approximately 12.6% (2025: approximately 12.3%) per annum and that for unsecured loans were approximately 13.8% (2025: approximately 13.8%) per annum. As at 31 March 2026, the loan-to-value ratio of the secured loans was approximately 49.9% (2025: approximately 64.1%) per annum which management considered to be a safe level.

## **Loan impairment policy**

The Group assessed and estimated credit loss allowances (“ECLs”) for the loan receivables according to the requirements of HKFRS 9 issued by the HKICPA. The Group applies a general approach to assess the ECLs of loan receivables by assessing the increase in credit risk of the Group’s borrowers. The Group has recognised ECLs on loan receivables from the money lending business amounting to approximately HK\$10.7 million during the Year (2025: approximately HK\$78.8 million). The Group considers that there has been a significant increase in credit risk when loan repayments are more than 30 days past due and the Group considers that a borrower to be in default when loan repayments are 90 days past due. In certain cases, the Group may also consider a borrower to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding loan repayments in full before taking into account any credit enhancements held by the Group. The Group has taken into account the following factors on the impairment assessment for the outstanding loans in accordance with the HKFRS 9: (i) historical information such as past default records, an analysis of its current financial position, likelihood or risk of a default, an assessment on any significant increase in credit risk, and fair value of collaterals (if any); and (ii) adjust for forward-looking information that is available without undue cost or effort, such as the current and forecasted global economy and the general economic conditions of the industry in which the borrower operates. Related disclosures on the loan impairment from the money lending business are included in note 11 to the consolidated financial information.

The drop in the size of the Group’s loan portfolio was a result of the more cautious approach in accepting potential loan applications amidst a risky environment.

Despite the uncertainties in economic environment, the Group strives to continuously monitor and review the customers’ profile and the market conditions for its money lending business, with the goal of building a healthy and stable platform within its treasury management segment.

## **Asset Management**

The Group provides asset management services through the WOP Group, which has established joint ventures and associates with various strategic partners for both residential development and commercial property investments. By leveraging its resources and networks in the Hong Kong market, the WOP Group also manages the assets on behalf of its joint venture partners.

Acting as the asset manager, the WOP Group earns various fee incomes, including asset management fees, acquisition fees, development fees and leasing fees, as well as promote fees upon achieving or exceeding specific target internal rates of return.

Please refer to the above sections headed “Property Development” and “Property Investment” for further details of the residential and commercial properties of which the WOP Group serves as asset manager.

### **Student Accommodation**

In December 2022, the WOP Group formed a new joint venture with AG for the acquisition and operation of a property located at No. 19 Luk Hop Street, Kowloon, Hong Kong, formerly known as “Pentahotel Hong Kong, Kowloon”. Prior to the disposal of 20% equity interests, the WOP Group held 35% equity interests in this joint venture. Following the completion of renovation in the third quarter of 2024, the property was rebranded as “Sunny House” and redeveloped into student accommodation. It now offers a total of 720 rooms providing 1,424 beds to the market. As of the date of this announcement, the property is fully leased for its second academic year commencing in the third quarter of 2025, achieving full occupancy and an approximately 11.0% increase in the overall rent as compared to the first academic year.

In June 2025, two subsidiaries of WOP entered into agreements to dispose of each of 20% equity interests in Fortune Harbour Investments Limited and Mega Hope Global Limited, which hold and operate “Sunny House” project, to two limited partnerships, which are indirectly managed by AG, respectively, at a total consideration of approximately HK\$87.2 million. Concurrently reflecting the successful collaboration on the “Sunny House” project, AG and the WOP Group, entered into a framework agreement (the “**Framework Agreement**”) to establish new joint ventures. Under the Framework Agreement, the total investment commitment of AG and the WOP Group amounted to US\$100.0 million and US\$18.0 million, respectively. This disposal was completed in August 2025. Further details were set out in the joint announcements of the Company and WOP dated 12 June 2025 and 26 August 2025, and the Company’s circular dated 25 July 2025.

In July 2025, under the Framework Agreement, the WOP Group formed a new joint venture with AG for the acquisition and operation of a property located at No. 60 Portland Street, Kowloon, Hong Kong, including the hotel building formerly known as “Hotel Ease • Mong Kok”. The WOP Group holds 15% equity interests in this joint venture. The property will be redeveloped into student accommodation and rebranded under “Sunny House Mong Kok”. Renovation is expected to be completed in the second half of 2026 and 216 beds will be provided to the market. For details, please refer to the joint announcement of the Company and WOP dated 31 July 2025.

By leveraging the WOP Group’s expertise in asset management and building on the success of the “Sunny House” brand, the WOP Group aims to expand its presence in the student accommodation sector under the Framework Agreement. This strategic expansion is expected to increase recurring revenue through stable asset management income and new joint ventures, positioning the WOP Group for long-term growth in this dynamic market.

### **Property Management**

The WOP Group commenced its property management business in 2017. As at the date of this announcement, the WOP Group manages ten projects reflecting an increase of two projects during the Year, following the addition of The Parkside, a mall in which the WOP Group holds 50% equity interests under the property investment segment and which is self-managed by the WOP Group, as well as one residential project located at Finnie Street and developed by the WOP Group which is also self-managed. The WOP Group believes that this self-management arrangement can enhance operational efficiency, improve tenant and customer experiences, and ultimately add value to the project.

The pricing model for the management fee charged by the WOP Group is determined by reference to a proportion of the total annual expenses incurred by the respective buildings, providing a fair and transparent pricing structure. Driven by an increase in the delivery of residential projects, the WOP Group anticipates further expansion in its property management business, and continues investing in a professional property management team and advanced management technology to deliver high-quality services and meet customer demands.

## LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2026, the equity attributable to owners of the parent decreased by approximately 16.5% to approximately HK\$3,617.7 million (2025: approximately HK\$4,332.5 million). The Group's total equity, including the non-controlling interests, decreased to approximately HK\$5,584.6 million (2025: approximately HK\$6,780.3 million) as at 31 March 2026.

As at 31 March 2026, the Group's total assets were approximately HK\$12,003.0 million (2025: approximately HK\$13,729.0 million). Total cash and bank balances held amounted to approximately HK\$1,140.0 million (2025: approximately HK\$738.0 million) as at 31 March 2026. The Group also maintained a portfolio of liquid investments with an aggregate market value of approximately HK\$81.0 million (2025: approximately HK\$62.7 million) as at 31 March 2026, which was immediately available for realisation when in need.

As at 31 March 2026, the Group's total debt amounted to approximately HK\$4,362.6 million (2025: approximately HK\$4,716.3 million), and the Group's net debt to equity ratio (or the net gearing ratio) was approximately 57.7% (2025: approximately 58.7%).

The net debt to equity ratio (or the net gearing ratio) is calculated as net debt divided by total equity. Net debt is calculated as a total of interest-bearing bank and other borrowings, and unsecured notes, less cash and bank balances, restricted bank balances and pledged deposits.

As at 31 March 2026, the Group's property, plant and equipment, investment properties and certain rental income generated therefrom, properties under development, properties held for sale, trade receivables, and loans and interest receivables with an aggregate carrying value of approximately HK\$4,707.6 million (2025: approximately HK\$5,197.1 million), and share charges in respect of the entire interest of certain subsidiaries of the Group, which are engaged in the agricultural produce exchange market operation and property sales, were pledged to secure the Group's interest-bearing bank and other borrowings.

The Group's capital commitment as at 31 March 2026 amounted to approximately HK\$1,147.8 million (2025: approximately HK\$1,400.0 million) which was mainly attributed to its property development business. In addition, the Group's share of its joint ventures' capital commitments amounted to approximately HK\$312.8 million (2025: approximately HK\$409.0 million). The Group has provided guarantee to banks in connection with facilities granted to two joint ventures of up to approximately HK\$425.0 million (2025: approximately HK\$425.0 million), of which approximately HK\$368.9 million were utilised as at 31 March 2026 (2025: approximately HK\$381.6 million).

As at 31 March 2026, the Group provided guarantees of approximately HK\$12.7 million (2025: approximately HK\$16.9 million) to customers in favour of certain banks for the loans provided by the banks to the customers in respect of the properties sold to them, representing the contingent liabilities of approximately HK\$23,000 (2025: approximately HK\$29,000) in relation to such guarantees. Pursuant to the terms of the guarantees, in the event of default on mortgage payments by these purchasers before the expiry of the guarantees, the Group is responsible for repaying the outstanding mortgage principals together with the accrued interest and penalties owed by the defaulted purchasers to the banks, net of any sales proceeds. Save as disclosed herein, the Group had no significant contingent liabilities as at 31 March 2026.

The Group continually strengthens and improves its financial risk control and adopts a prudent financial management approach. By closely monitoring its financial resources, the Group ensures efficient and effective operations while retaining flexibility to respond to opportunities and uncertainties. The management of the Group believes the current financial structure is healthy and the related resources are sufficient to meet the Group's operation needs in the foreseeable future. Operating a central cash management system optimises cash flow and minimises idle cash, while prudent investments in liquid assets can generate reasonable returns and maintain liquidity.

As at 31 March 2026, interest-bearing debt profile of the Group was analysed as follows:

	<b>31 March 2026 HK\$'000</b>	31 March 2025 HK\$'000
<b>Bank loans repayable</b>		
Within one year or on demand	<b>1,663,294</b>	1,082,732
In the second year	<b>944,042</b>	1,234,835
In the third to fifth years, inclusive	<b>694,902</b>	1,750,650
Beyond five years	<b>73,354</b>	65,887
	<u><b>3,375,592</b></u>	<u>4,134,104</u>
<b>Other loans repayable</b>		
Within one year or on demand	<b>95,656</b>	228,974
In the second year	<b>745,710</b>	276,269
In the third to fifth years, inclusive	<b>13,521</b>	16,225
	<u><b>854,887</b></u>	<u>521,468</u>
<b>Unsecured Notes (Note)</b>		
Within one year or on demand	<b>25,244</b>	12,958
In the second year	<b>3,810</b>	1,735
In the third to fifth years, inclusive	<b>8,004</b>	3,335
Beyond five years	<b>95,063</b>	42,650
	<u><b>132,121</b></u>	<u>60,678</u>
	<u><b>4,362,600</b></u>	<u>4,716,250</u>

*Note:*

On 23 August 2024, CAP announced the establishment of HK\$1,000,000,000 medium-term note programme (the “**Programme**”).

During the Year, CAP issued unsecured fixed coupon rate notes (the “**Unsecured Notes**”) on 3 April 2025 (HK\$38.0 million, maturing on 3 April 2037), 18 July 2025 (HK\$43.5 million, maturing on 18 July 2037) and 27 March 2026 (HK\$39.0 million, maturing on 27 March 2038), respectively. Their carrying values as at 31 March 2026 were approximately HK\$26.3 million, approximately HK\$28.8 million and approximately HK\$26.9 million, respectively.

As at the date of this announcement, CAP has HK\$211.5 million in aggregate principal amount of the Unsecured Notes outstanding under the Programme.

To meet the interest-bearing debts, business capital expenditure and funding needs for, inter alia, replenishment of the Group’s land bank, enhancing the Group’s portfolio of properties for investment and/or payment of construction costs for the Group’s property development projects, the Group has from time to time been considering various financing alternatives including but not limited to equity fund raising, financial institution borrowings, non-financial institution borrowings, bond issuance, convertible notes, other debt financial arrangements, and disposal of properties.

As at 31 March 2026, the Group’s total interest-bearing debts amounted to approximately HK\$4,362.6 million (2025: approximately HK\$4,716.3 million), among which, approximately HK\$1,623.3 million (2025: approximately HK\$1,783.3 million) bore interest at fixed interest rates, and the remaining debts of approximately HK\$2,739.3 million (2025: approximately HK\$2,933.0 million) bore interest at floating interest rates.

## SIGNIFICANT INVESTMENTS HELD AND MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

As at 31 March 2026, the Group held financial assets at fair value through other comprehensive income (“FVOCI”) and financial assets and liabilities at fair value through profit or loss (“FVPL”) of approximately HK\$52.2 million and approximately HK\$244.8 million, respectively:

	As at 31 March 2026		Year ended 31 March 2026			Fair value/carrying value		
	Amount held	Percentage to the Group’s total assets	Fair value gain/(loss)	Interest income	Dividend received	As at 31 March 2026	As at 31 March 2025	Investment cost
	HK\$’000		HK\$’000	HK\$’000	HK\$’000	HK\$’000	HK\$’000	HK\$’000
FVOCI:								
A. Equity investment	45,657	0.4%	(14,145)	–	–	45,657	58,310	110,272
B. Bonds	6,509	0.1%	(3,958)	164	–	6,509	15,395	151,109
Subtotal	<u>52,166</u>	<u>0.5%</u>	<u>(18,103)</u>	<u>164</u>	<u>–</u>	<u>52,166</u>	<u>73,705</u>	<u>261,381</u>
FVPL:								
A. Equity investment	35	–	(22)	–	–	35	57	78
B. Funds	184,784	1.5%	(485)	–	–	184,784	171,304	198,062
C. Others, net	59,953	0.5%	(22,222)	–	–	59,953	31,171	80,524
Subtotal	<u>244,772</u>	<u>2.0%</u>	<u>(22,729)</u>	<u>–</u>	<u>–</u>	<u>244,772</u>	<u>202,532</u>	<u>278,664</u>
Total	<u>296,938</u>	<u>2.5%</u>	<u>(40,832)</u>	<u>164</u>	<u>–</u>	<u>296,938</u>	<u>276,237</u>	<u>540,045</u>

As at 31 March 2026, financial assets at fair value through other comprehensive income included listed equity securities and listed/unlisted debt investments. The Group has always adopted a prudent investment strategy and would closely monitor the market changes and adjust its investment portfolio as and when necessary. The Group intended to hold these investments for long-term purpose aiming to generating a stable income.

As at 31 March 2026, financial assets and liabilities at fair value through profit or loss mainly included an investment portfolio of unlisted funds and derivative financial instruments.

The fair value of each item of the above investment category represented less than 1.0% of the Group's total assets as at 31 March 2026.

On 4 November 2025, a subsidiary of WOP, as both the policyholder and the beneficiary, received the final life insurance policy (the “**Policy**”) and acknowledgement of receiving the Policy from Manulife (International) Limited (“**Manulife**”), thereby completing the subscription of key man insurance policy. Pursuant to the Policy, the policyholder placed an initial single premium, totalling approximately US\$4.85 million thereunder with Manulife. For details, please refer to the joint announcement of the Company and WOP dated 4 November 2025.

Save as disclosed above, during the Year, the Group did not have any other significant investments held and material acquisitions or disposals of subsidiaries, associates or joint ventures.

## **EVENTS AFTER THE YEAR**

There is no material subsequent event undertaken by the Company or by the Group after 31 March 2026 and up to the date of this announcement.

## **FOREIGN EXCHANGE**

The Board is of the opinion that the Group has material foreign exchange exposure in Renminbi (“**RMB**”). All the bank and other borrowings are denominated in Hong Kong dollar or RMB. The Group’s revenue, mostly denominated in Hong Kong dollar or RMB, aligns with the currency requirements of its operating expenses. Currently, the Group does not have a foreign currency hedging policy.

The activities of the Group are exposed to foreign currency risks mainly arising from its operations in the PRC. The RMB exposure of the Group is mainly derived from the currency translation risk arising from the net assets of its PRC subsidiaries. The re-translation of the net assets denominated in RMB into Hong Kong dollar using the exchange rate as at 31 March 2026 resulted in a re-translation gain of approximately HK\$97.5 million (2025: loss of approximately HK\$74.0 million). The re-translation gain/loss was recognised in other comprehensive income/exchange reserve.

## **EMPLOYEES AND REMUNERATION POLICIES**

As at 31 March 2026, the Group had 1,631 (2025: 1,900) employees, of whom approximately 52% (2025: approximately 47%) were located in Hong Kong and Macau, and the rest were located in the PRC. The Group remunerates its employees mainly based on the industry practices and individual performance and experience. On top of the regular remuneration, discretionary bonus and share options may be granted to selected staff by reference to the Group’s as well as individual’s performances. The Group also provides a defined contribution to the Mandatory Provident Fund as required under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) for eligible employees in Hong Kong and pays retirement contributions for staff in the PRC and Macau in accordance with the statutory requirements. The Group had launched a defined scheme of remuneration and promotion review to accommodate the above purpose, which is normally carried out annually. The Group also provides other forms of benefits such as medical and retirement benefits, and structured training programs to its employees.

## **PRINCIPAL RISKS AND UNCERTAINTIES**

The Group has reviewed the principal risks and uncertainties which may affect its businesses, financial conditions, operations and prospects based on its risk management system and considered that the major risks and uncertainties that may affect the Group included (i) Hong Kong economic conditions which may directly affect the property market; (ii) availability of suitable land bank for future development; (iii) continuous escalation of construction costs in Hong Kong in recent years; (iv) business cycle for property under development may be influenced by a number of factors and the Group's revenue will be directly affected by the mix of properties available for sale and delivery; (v) all construction works were outsourced to independent third parties and they may fail to provide satisfactory services adhering to the Group's quality and safety standards or within the timeline required by the Group; (vi) fluctuations of fair value gain or loss arising from financial assets and investment properties; (vii) credit risk and recoverability of loans provision which may incur bad debts during the economic downturn; (viii) loss of management contracts for fresh markets which may arise in light of severe competition with the existing market players and entry of new participants into the market; (ix) industrial policy risk and supply chain disruption due to material shortage or price inflation from pharmaceutical business; (x) internet risk; (xi) unfavourable fluctuations in the exchange rate which may adversely affect the Group's cash flow and profits when converting currencies; and (xii) industrial policy risk arising from development, construction, operation and acquisition of agricultural produce exchange markets.

In response to the above possible risks, the Group has implemented a series of internal control and risk management policies to cope with the possible risks, and has carried out serious scrutiny over the selection of quality customers and suppliers. The Group has formed various committees to develop and review strategies, policies and guidelines on risk control. These measures enable the Group to monitor and response to risks effectively and promptly. The Group also actively proposes solutions to lower the impact of the possible risks on its businesses.

## PROSPECTS

Hong Kong maintains its position as a key global hub for finance, transport and trade, the economy is facing challenges from increased competition and its reliance on Chinese mainland, which brings both opportunities and vulnerabilities. To enhance its competitive edge, the government is actively striving to attract international investments and skilled professionals through initiatives aimed at improving the business environment and strengthening the workforce. These efforts seek to reinforce Hong Kong's status as a premier destination for global companies, fostering a dynamic and innovative economic landscape for sustainable growth.

Driven by the sustained strong performance in external trade and pick-up in domestic demand, the Hong Kong's economy expanded robustly in the first quarter of 2026, with a real gross domestic product (“GDP”) grew by 5.9% over a year earlier in the first quarter, accelerating from the 4.0% growth in the preceding quarter. Looking ahead, Hong Kong's economic outlook remains broadly resilient. Underpinned by thriving inbound tourism, relatively solid consumer sentiment and an upbeat business outlook, domestic demands are expected to keep growing. Taking into account the stronger-than-expected outturn in the first quarter of 2026, the real GDP growth forecast for 2026 as a whole is maintained at 2.5% to 3.5%.

Hong Kong's property market showed further signs of recovery during the Year, supported by stable interest rates, continued policy support, improving buyer confidence and a rebound in home prices. Residential transaction activity remained active across both primary and secondary markets, with market sentiment benefiting from favourable financing conditions and sustained end-user demand. These improving conditions contributed to steady progress across the WOP Group's residential, student accommodation and commercial segments.

During the Year, the WOP Group's residential sales remained resilient, as reflected in the sell-out of residential projects located at Ming Fung Street and Wai Fung Street, and the continued progress of residential projects located at King's Road and Finnie Street. The WOP Group launched two new residential projects located at Fei Fung Street and Ping Lan Street in March 2026 and May 2026, respectively, both of which received an encouraging market response. The successful launch of these projects provided solid support for revenue recognition and cash flow. Against a backdrop of improving transaction volumes and firmer pricing momentum in the broader residential market, the WOP Group continued to adopt flexible sales strategies and responsive pricing, enabling it to capture demand efficiently and speed up cash collection. Active inventory management and disciplined project execution further strengthened the WOP Group's ability to recycle capital and position itself to capture future opportunities.

For the student accommodation segment, “Sunny House” continued to stand out for its strong operating performance and thoughtfully designed living environment. Strategically located near Diamond Hill MTR station and major universities, the residence offers 720 spacious guest rooms together with extensive communal amenities, including a shared kitchen, study rooms, a gym room and sports courts, while all-inclusive services such as utilities, Wi-Fi and weekly housekeeping provide a convenient living experience for students. Demand for quality student housing in Hong Kong remains compelling, with market studies indicating a significant structural shortfall in the student bed supply. The WOP Group’s recent joint venture project of “Sunny House Mong Kok” is another student accommodation project planned to supply 216 beds, leveraged on the success of “Sunny House” project, the WOP Group is well positioned to benefit from this favourable demand outlook.

The commercial property market remained mixed during the Year. Although the office sector continued to face elevated vacancy and rental pressure in some submarkets, market data indicated early signs of stabilisation by the end of March 2026, including a decline in the overall office vacancy to 13.5% and improving take-up in selected districts. In this environment, the WOP Group’s refinancing of Lake Silver and The Parkside joint ventures further strengthened its capital structure and enhanced financial flexibility, allowing it to continue evaluating asset enhancement, tenant mix optimisation and strategic repositioning initiatives, aimed at improving recurring income and long-term asset value.

Overall, the WOP Group’s proactive execution across its residential, student accommodation and commercial segments supports its long-term growth strategy and enhances its ability to capture emerging opportunities in Hong Kong’s evolving property market.

The fresh market business has been profitable and generated positive cash flow over the past decades. However, it now faces increased competition from the growing online shopping and home delivery services. Additionally, weak economic conditions and shifting consumer spending, particularly as Hong Kong residents travel to Chinese mainland, present further challenges. In response, the Group is stabilising its fresh market portfolio by fostering effective communication and collaboration with landlords to establish mutually beneficial partnerships.

This strategy ensures the availability of suitable locations for fresh markets, providing a stable foundation for the Group's operations. It also creates opportunities to cater diversified consumer preferences. By leveraging its existing expertise, resources and systems, the Group aims to optimise operations and achieve economies of scale, leading to improved efficiency, cost savings, enhanced customer service, as well as bolstering its reputation as a reliable fresh market operator.

Looking ahead, the Traditional Chinese Medicine (“TCM”) sector is ushering in unprecedented opportunities for development. Driven by the trend of an accelerating aging population, growing public awareness of preventive medicine, and the official implementation of simplified approval policies for TCM in the Greater Bay Area, the WYT Group is at the forefront of the best sector for TCM modernisation and regional integration, leveraging the WYT Group's century-old brand reputation, a pipeline of 26 eligible products, and the first-mover advantage of having successfully secured approval for its “Hou Tsao Powder”. WYT will continue to capitalise on the favourable policies and actively bring more renowned traditional formulas into Chinese mainland market, thereby consolidating its position as a benchmark for Hong Kong's TCM brands.

The coming year is of particular significance as it marks the major milestone of the 130th anniversary for the foundation of the WYT Group. WYT will allocate greater resources to launch thematic promotional programs throughout the year, roll out anniversary-edition products, and pursue cross-industry collaborations to raise brand vitality across the board. Concurrently, WYT will deepen its distribution network by adopting a provincial and municipal agency model, combined with its advantages in synergies of Western medicine business channels, to systematically promote its products across three key terminal channels – pharmacies, hospitals, and clinics, thereby further unlocking the growth potential of its OTC products in Chinese mainland market. As innovation remains the core driver of its sustained development, WYT will continue to promote the roll-out of “Smart TCM” across more stores and increase its investment in cross-border e-commerce and social media platforms. Through data-driven product R&D as well as precision marketing, WYT will lay a solid foundation for its sustainable growth in the next decade.

The WYT Group will strengthen its collaboration with distributors and continue to deepen partnerships with major pharmacy chains and community pharmacies in Hong Kong and Macau, thereby enhancing in-store brand visibility and consumer reach. In the meantime, WYT plans to explore the creation of new brands and the development of new OTC products, in order to expand the market presence of Luxembourg Medicine's products in Hong Kong and Chinese mainland. As for the aspect of Personal Care, WYT will continue to leverage collaborations with popular IP characters to launch seasonal promotion packaging, maintaining the competitiveness and brand awareness of Pearl's mosquito products in the market. WYT will give full play to the channel advantages of its Western pharmaceutical business to forge stronger synergies with its Chinese pharmaceutical business, driving the WYT Group's overall sustainable and healthy growth.

During the Year, consumer spending in the PRC remained cautious amid a sustained downturn in the property sector, contributing to softer overall economic growth. Compounded by the broader economic pressure, the agricultural sector faced headwinds from volatile commodity prices, rural supply chain disruptions, and seasonal swings in produce volumes.

The CAP Group will closely monitor commodity price trends and rural supply conditions, while cautiously expanding its nationwide agricultural produce exchange network. This will draw on its established operational foundation, integrated management systems, robust IT infrastructure for real-time trading and data analytics, and proven service framework for market participants.

The PRC's 2026 No. 1 Central Document, dated 3 January 2026, prioritises rural revitalisation and agricultural modernisation as the core national strategies. It emphasises safeguarding food security through stable grain production and resilient supply chains; enhancing financial support for livestock industry via subsidies and credit access; promoting advanced agricultural technologies such as precision farming and biotech crops; and accelerating rural digitalisation with platforms for e-commerce and data-driven decision making.

In response, the CAP Group implemented targeted initiatives, including an asset-light strategic partnership to share infrastructure costs and extend reach without heavy capital outlay; and enhanced electronic platforms featuring mobile trading apps and blockchain for traceability (in alignment with the PRC's digital economy policies). Going forward, the CAP Group will systematically review and refine its strategies to navigate ongoing market conditions, optimise resource allocation, and support sustainable long-term operations for CAP and its shareholders as a whole.

Looking ahead, the Group is well-prepared to tackle the challenges presented by the global economic uncertainties in 2026. By closely monitoring changes, risks and assets, the Group adopts a proactive approach to managing the situation. Its commitment to exploring opportunities and delivering solid returns to its shareholders demonstrates a strong determination to thrive in this challenging environment. The Group's overall healthy financial position is favourably to withstand economic fluctuations, while its diversified business portfolio is expected to contribute to ongoing growth. The Group's confidence in achieving sustained growth and delivering long-term value to its stakeholders is grounded in its strategic investments.

## **ENVIRONMENTAL, SOCIAL AND GOVERNANCE**

### **Environmental Protection**

The Group had taken measures to promote environmental-friendliness of the workplace by encouraging paper-recycling culture and energy-saving culture. The WOP Group participated in the BEAM Plus assessment scheme, a comprehensive environmental assessment scheme for buildings recognised by the Hong Kong Green Building Council, for the development of some of its properties, including "101 KINGS ROAD" by engaging a third-party consultant for the provision of services in respect of BEAM Plus Certification and other environmental assessments. The WYT Group continues to upgrade its industrial facilities to become more environmental friendly, including the use of solar energy and implementation of energy saving policy. The CAP Group incorporated sustainable development into its corporate policies and business development plans. Environmental, Social and Governance risks and opportunities, such as combating climate change, are associated with its business development.

## **Social Responsibility**

While the Group endeavours to promote business development and strive for greater rewards for our stakeholders, we acknowledge our corporate social responsibility to share some burden in building the society where our business has been established and thrived. During the Year, the Group made charity donations to organisations, including various non-government and non-profit making organisations. The Group will continue to devote further resources and effort for being a socially responsible corporation.

## **Relationship with Customers and Suppliers**

The Group recognised enhancing and maintaining good relationships with suppliers and customers are essential for the Group's overall growth and development. The Group placed specific caution on the selection of quality suppliers and customers, and encourages fair and open competition to foster long-term relationships with quality suppliers on the basis of mutual trust. The Group has maintained good communications and shared business updates with them when appropriate.

## **Compliance with the Corporate Governance Code**

The Company recognises the importance of corporate governance and is committed to maintaining a high standard of corporate governance within a sensible framework with a strong emphasis on transparency, accountability, integrity and independence and enhancing the Company's competitiveness and operating efficiency, to ensure its sustainable development and to generate greater returns for its shareholders.

The Board has reviewed the corporate governance practices of the Company and is satisfied that the Company has applied the principles and complied with all applicable code provisions set out in the Corporate Governance Code (the “**CG Code**”) as contained in Appendix C1 to the Listing Rules throughout the financial year ended 31 March 2026 save as for the following deviation:

Code provision C.2.1 of the CG Code provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual. During the Year, Mr. Tang Ching Ho, the chairman of the Board, also assumed the role of managing Director. Furthermore, there are various experienced individuals in charge of various business units in the daily business operation and the Board comprises three executive Directors and three independent non-executive Directors with balance of skill and experience appropriate for the Group's further development.

Currently, the Company does not propose to comply with code provision C.2.1 of the CG Code for the time being but will continue to review such deviation to enhance the best interest of the Group as a whole.

Further details of the Company's corporate governance practices would be set out in the Corporate Governance Report to be contained in the Company's 2026 Annual Report.

### **Model Code for Securities Transactions by Directors**

The Company has adopted its code of conduct regarding the securities transactions by the Directors on terms no less exacting than the required standard set forth in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**"), as amended from time to time and set out in Appendix C3 to the Listing Rules as its own code of conduct governing securities transactions by the Directors. Having made specific enquiries, all Directors have confirmed that they have complied with the required standards set out in the Model Code throughout the Year. No incident of non-compliance by the Directors was identified by the Company during the Year.

### **Corporate Social Responsibility**

The Group acknowledges its corporate social responsibility in relation to its environmental, social and governance (the "**ESG**") strategy and reporting. The Group is responsible for overseeing ESG risk management and maintaining effective internal control systems to ensure compliance with the ESG strategies and reporting requirements. Detailed information on the Group's ESG performance is set out in the "2026 Environmental, Social and Governance Report", which will be made available on the websites of the Company ([www.wangon.com](http://www.wangon.com)) and the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) in due course.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY**

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury share of the Company, if any) during the year under review.

The Company and its subsidiaries did not hold any treasury shares of the Company as at 31 March 2026 and up to the date of this announcement.

## **AUDIT COMMITTEE**

As at the date of this announcement, the audit committee of the Company (the “**Audit Committee**”) comprises three independent non-executive Directors, namely Mr. Siu Kam Chau (chairman of the Audit Committee), Mr. Wong Chun, Justein and Mr. Chan Yung.

During the Year, the Audit Committee held three meetings with management and the external auditor.

The Audit Committee reviewed and considered, among other things, the accounting principles and practices adopted by the Group, the financial reporting matters (including the review of interim and final results), the audit plan, the statutory compliance, internal controls and risk management and the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function as well as their training programmes and budget.

The Audit Committee has also reviewed with management and the independent auditors the accounting principles and practices adopted by the Group and has reviewed the consolidated financial statements for the year ended 31 March 2026.

## **SCOPE OF WORK OF ERNST & YOUNG**

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 for the year ended 31 March 2026, as disclosed in this announcement, have been agreed by the Company's independent auditor, Ernst & Young, to the amounts set out in the Group's draft consolidated financial statements for the year ended 31 March 2026. The work performed by Ernst & Young in this respect does not constitute an assurance engagement and consequently no audit opinion or assurance conclusion has been expressed by Ernst & Young on this announcement.

## **ANNUAL GENERAL MEETING**

The 2026 annual general meeting of the Company will be held at Event Room 1-5, LG/F, New World Millennium Hong Kong Hotel, 72 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Wednesday, 19 August 2026 at 12:15 p.m. and the notice convening the meeting will be published and despatched to the shareholders of the Company in the manner required under the Listing Rules in due course.

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Friday, 14 August 2026 to Wednesday, 19 August 2026, both days inclusive, during which period no transfers of shares will be registered. To qualify to attend and vote at the annual general meeting of the Company to be held on 19 August 2026, all transfers of shares, accompanied by the relevant share certificate(s) and duly completed transfer form(s), either overleaf or separately, must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 13 August 2026.

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

This final results announcement is published on the websites of the Company ([www.wangon.com](http://www.wangon.com)) and the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)). The 2026 Annual Report of the Company, containing all the information required under the Listing Rules, will be despatched to the shareholders of the Company and made available on the above websites in due course.

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, 25 June 2026

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

\* *For identification purpose only*