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PROFIT WARNING

This announcement is made by Wang On Properties Limited 宏安地產有限公司 (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**” or the “**Directors**”) wishes to inform the shareholders and potential investors of the Company that based on the preliminary assessment of the Board after reviewing the draft unaudited consolidated management accounts of the Group for the six months ended 30 September 2025 (the “**Period**”), the Group expects to record a consolidated loss attributable to owners of the Company of not more than HK\$390.0 million for the Period, compared to a profit of approximately HK\$96.9 million for the six months ended 30 September 2024. The expected loss mainly results from:

- (1) the disposal loss of approximately HK\$207.7 million from the sale of a 20% interest in joint venture companies for a hospitality project.
- (2) a decline in gross profit from HK\$92.7 million for the six months ended 30 September 2024 to a gross loss of approximately HK\$16.6 million for the Period, reflecting reduced profitability from property sales.

- (3) a decrease in the share of profits from joint ventures from HK\$248.8 million for the six months ended 30 September 2024 to approximately HK\$63.6 million for the Period, mainly due to the continued downturn in the commercial real estate market.

Regarding item (1) above, the sale of a 20% interest in the hospitality project was undertaken to enable the Group to reallocate resources for future investment opportunities and expansion into other high-potential projects. This followed the successful redevelopment of the property into student accommodation, which has delivered strong occupancy and solid operational performance. The decision of the sale of a 20% interest was made strategically after considering future potential collaboration with investment partners, particularly in student accommodation and the objective of enhancing cash flow liquidity to support ongoing business growth. Further details of the disposal were disclosed in the Company's announcement dated 12 June 2025.

The Group wishes to inform the shareholders and potential investors of the Company that the loss recorded for the Period was mainly due to the Group's strategic decision to dispose of certain assets, including properties held for sale and joint venture interests, to strengthen liquidity and position the Company for sustainable growth amid current challenging market conditions. In light of the ongoing downturn in the real estate market, these asset sales, although resulting in accounting losses for the Period, have provided immediate cash inflows and substantially reduced the Group's net debt. The Board considers these measures as essential to support the Group's capital structure and to maintain financial flexibility, for future investment opportunities and ongoing business development. Between 1 April 2024 and 30 September 2025, as a result of the asset disposals, the Group has reduced its net debt by approximately HK\$1,202.0 million, or decreased about 30.1%, compared to 31 March 2024. These initiatives have been implemented specifically to ensure the Group's resilience and adaptability amid prevailing market uncertainty.

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

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

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

By Order of the Board
WANG ON PROPERTIES LIMITED
宏安地產有限公司
Tang Ho Hong
Executive Director and Chief Executive Officer

Hong Kong, 17 November 2025

As at the date of this announcement, the Board comprises Mr. Tang Ho Hong, Ms. Ching Tak Won Teresa and Mr. Yiu Chi Man as executive Directors; and Mr. Sung Tze Wah, Dr. Chan Ho Wah Terence and Ms. Ho Nga Ling as independent non-executive Directors.