WING ON COMPANY INTERNATIONAL LIMITED
永安國際有限公司
(Incorporated in Bermuda with limited liability)
(Stock code: 289)

PROFIT WARNING
FOR THE SIX MONTHS ENDED 30 JUNE 2020

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance.

The Board would like to inform the shareholders of the Company and potential investors that, based on the preliminary review of the unaudited consolidated management accounts for the six months ended 30 June 2020 currently available to the management, the Group expects to record a loss of approximately HK$338.0 million for the six months ended 30 June 2020 as compared to a profit of HK$575.8 million for the corresponding period in 2019.

The Group's underlying profit attributable to shareholders, which excludes the unrealised net valuation loss on the Group's investment properties and related deferred tax thereon, for the first half of 2020 is expected to decrease by approximately 71% as compared to the corresponding period in 2019.

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

This announcement is made by Wing On Company International Limited ("the **Company**" together with its subsidiaries, the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap.571 of the Laws of Hong Kong).

The board of directors of the Company (the "**Board**") would like to inform the shareholders of the Company and potential investors that, based on the preliminary review of the Group's unaudited consolidated management accounts for the six months ended 30 June 2020, the Group expects to record a loss of approximately HK$338.0 million for the six months ended 30 June 2020 as compared to a profit of HK$575.8 million for the corresponding period in 2019. Such loss is mainly attributable to the unrealised net valuation loss of approximately HK$428.0 million recorded on the Group's investment properties for the six months ended 30 June 2020 as compared to the net valuation gain of HK$266.7 million recorded for the corresponding period in 2019.

The Group's underlying profit attributable to shareholders, which excludes the unrealised net valuation loss on the Group's investment properties and related deferred tax thereon, for the first half of 2020 is also expected to decrease by approximately 71% as compared to the corresponding period in 2019.

The Directors believe that the expected decrease in the Group's underlying profit attributable to shareholders for the period is primarily due to the adverse impact caused by the outbreak of COVID-19 pandemic since January 2020.

(1) Department Store operations

The Group's department store operations is expected to record a loss of about HK$4.0 million as compared to a profit of HK$31.2 million for the six months ended 30 June 2019.

(2) Property Investments

The Group's property income is expected to be approximately HK$255.0 million as compared to HK$254.5 million for the six months ended 30 June 2019.

(3) Investment in trading securities and derivative financial instruments

The loss from investment in trading securities and derivative financial instruments is expected to be approximately HK$91.0 million as compared to a gain of HK$73.8 million for the six months ended 30 June 2019.

The Company is still in the process of finalising the interim results of the Group for the six months ended 30 June 2020 and expects to release its interim results announcement for the six months ended 30 June 2020 in late August 2020. The information contained in this announcement is only a preliminary assessment made by the management of the Company based on the unaudited consolidated management accounts of the Group up to 30 June 2020, which is not based on any figures or information which have been confirmed or reviewed by the Company's auditor.

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

By Order of the Board
Karl C. Kwok
Chairman

Hong Kong, 5 August 2020

As at the date of this announcement, the executive directors of the Company are Mr. Karl C. Kwok (Chairman), Mr. Lester Kwok (Deputy Chairman and Chief Executive Officer), Dr. Bill Kwok and Mr. Mark Kwok, and the independent non-executive directors are Miss Maria Tam Wai Chu, Mr. Iain Ferguson Bruce, Mr. Leung Wing Ning and Mr. Nicholas James Debnam.