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WANG ON PROPERTIES LIMITED
宏安地產有限公司
(Incorporated in Bermuda with limited liability)
(Stock Code: 1243)

INSIDE INFORMATION

POSITIVE PROFIT ALERT

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

The Board wishes to inform 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 2026, the Group expects to record a profit attributable to the owners of the parent of not less than HK$150.0 million for the six months ended 30 September 2026, as compared to a loss attributable to the owners of the parent of approximately HK$384.2 million for the six months ended 30 September 2025.

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

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 in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**").

The board of directors of the Company (the "**Board**") 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 2026 (the "**Period**"), the Group expects to record a profit attributable to the owners of the parent of not less than HK$150.0 million for the Period, as compared to a loss attributable to the owners of the parent of approximately HK$384.2 million for the six months ended 30 September 2025 (the "**Corresponding Period**"). The Board considers that the expected turnaround from loss to profit is primarily attributable to the following factors:

(1) the turnaround from a gross loss of approximately HK$16.6 million, representing a gross loss margin of approximately 2.7%, for the Corresponding Period to a gross profit of approximately HK$16.6 million, representing a gross profit margin of approximately 24.0%, for the Period, mainly due to the improved gross profit margin of, and lower costs associated with, the properties delivered during the Period;

(2) the decrease in selling and distribution expenses from approximately HK$113.0 million for the Corresponding Period to approximately HK$15.0 million for the Period, which was in line with the decrease in revenue recognised from the sale of properties from approximately HK$590.9 million for the Corresponding Period to approximately HK$52.9 million for the Period, as fewer property units were delivered to purchasers during the Period;

(3) the absence of the loss of approximately HK$207.7 million arising from the disposal of the Group's 20% equity interests in certain joint venture companies holding a student accommodation project, which was recognised in the Corresponding Period;

(4) the recognition of a one-off and non-cash gain of approximately HK$285.8 million arising from the Waiver (as defined below), of which approximately HK$200.1 million is attributable to the owners of the parent; and

(5) the recognition of a non-cash reversal of write-down of properties under development of approximately HK$50.0 million for the Period, as compared to a write-down of properties held for sale of approximately HK$32.4 million recognised in the Corresponding Period, mainly reflecting the improvement in the estimated net realisable value of the relevant property project;

partially offset by the decrease in the Group's share of profits of joint ventures and associates from approximately HK$63.6 million for the Corresponding Period to approximately HK$19.5 million for the Period.

THE WAIVER

During the Period, in order to facilitate the settlement arrangement of the shareholder's loan from a non-controlling shareholder (the "**NCI**") of an indirect non-wholly owned subsidiary of the Company (the "**Subsidiary**"), the Group entered into a waiver agreement with the NCI. Pursuant to the waiver agreement, the NCI irrevocably and unconditionally waived indebtedness of HK$285.8 million due from the Subsidiary, comprising an other loan of HK$200.0 million and the related interest payable of HK$85.8 million included in other payables (the "**Waiver**").

The indebtedness arose from advances made by the NCI in prior years to finance construction costs, professional fees and other expenses incurred in connection with the development of the Subsidiary's property project. The Waiver was granted by the NCI in its capacity as a creditor of the Subsidiary. Accordingly, upon extinguishment of the relevant financial liabilities, the Group derecognised the liabilities and recognised the resulting gain of HK$285.8 million in profit or loss during the Period.

Shareholders and potential investors of the Company should note that the gain arising from the Waiver is one-off and non-cash in nature, and that the reversal of write-down of properties under development is non-cash in nature. Neither has any impact on the cash flow of the Group for the Period.

As the Company is still in the course of preparing its interim results for the Period, the information contained in this announcement is solely based on the preliminary assessment of the Board after reviewing the draft unaudited consolidated management accounts of the Group for the Period which have yet to be finalised and reviewed by the auditor of the Company and may therefore be subject to adjustment. 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 2026 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, 6 November 2026

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.