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**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 YEAR ENDED 31 DECEMBER 2022**

This announcement is made by the Company pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance.

The Board would like to inform the Shareholders and potential investors that, based on the preliminary review of the unaudited consolidated management accounts for the year ended 31 December 2022 currently available to the management, the Group expects to record a loss attributable to Shareholders of approximately HK\$303.5 million for the year ended 31 December 2022 as compared to a profit of HK\$552.5 million for the year ended 31 December 2021.

The Group also expects to record an underlying profit attributable to Shareholders, which excludes the net valuation loss on the Group's investment properties and related deferred tax thereon, for the year ended 31 December 2022 in the amount of approximately HK\$75.8 million as compared to an underlying profit of HK\$420.2 million for the year ended 31 December 2021.

**Shareholders 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(2) 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 (“**Shareholders**”) and potential investors that, based on the preliminary review of the unaudited consolidated management accounts for the year ended 31 December 2022 currently available to the management, the Group expects to record a loss attributable to Shareholders of approximately HK\$303.5 million for the year ended 31 December 2022 as compared to a profit of HK\$552.5 million for the year ended 31 December 2021. Such loss is mainly due to the unrealised loss of approximately HK\$259.4 million from the Group's investment portfolio for the year ended 31 December 2022 as explained below, as well as the net valuation loss of approximately HK\$365.9 million on the Group's investment properties for the year ended 31 December 2022 as compared to the net valuation gain of HK\$180.1 million for the year ended 31 December 2021.

The Group also expects to record an underlying profit attributable to Shareholders, which excludes the net valuation loss on the Group's investment properties and related deferred tax thereon, for the year ended 31 December 2022 in the amount of approximately HK\$75.8 million as compared to an underlying profit of HK\$420.2 million for the year ended 31 December 2021.

The Board believes that the expected decrease in the underlying profit attributable to Shareholders for the year ended 31 December 2022 as compared to the year ended 31 December 2021 is primarily due to the following factors:

(1) Investment in trading securities

The Group is expected to record a loss from its investment portfolio, mainly arising from the remeasurement to fair value of trading securities, of approximately HK\$205.4 million for the year ended 31 December 2022 as compared to a gain of HK\$90.2 million for the year ended 31 December 2021. During the year, the portfolio was negatively affected by substantial global financial market volatilities across various asset classes. As at 31 December 2022, the Group's investment portfolio amounted to HK\$1,673.3 million (at 31 December 2021: HK\$1,571.7 million).

(2) Property investment

The Group's property income is expected to be approximately HK\$428.1 million for the year ended 31 December 2022 as compared to HK\$461.2 million for the year ended 31 December 2021. The resurgence of COVID-19 pandemic in 2022 continued to put pressure on occupancy and rental income for the Group's properties in Hong Kong. The performance of the Group's properties in Melbourne, Australia was adversely affected by the weak tenant demand for office space.

(3) Department stores operation

The Group's department stores operation is expected to record a loss of approximately HK\$21.6 million for the year ended 31 December 2022 as compared to HK\$17.1 million for the year ended 31 December 2021. During the year, the Group's department stores operation recorded wage subsidy from the Government's 2022 Employment Support Scheme of HK\$12.2 million. Against the backdrop of the COVID-19 pandemic situation and the Government's restrictive social distancing measures during the year, the business was impacted by a weak retail environment, shortened operating hours and significantly reduced customer traffic.

The Company is still in the process of finalising the annual results of the Group for the year ended 31 December 2022 and expects to release its annual results announcement for the year ended 31 December 2022 in late March 2023. 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 31 December 2022, which is not based on any figures or information which have been confirmed or reviewed by the Company's auditor.

**Shareholders 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, 7 February 2023

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. Leung Wing Ning and Mr. Nicholas James Debnam.