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# 萬桐園

**CHINA WAN TONG YUAN (HOLDINGS) LIMITED**

**中國萬桐園(控股)有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 6966)**

## **PROFIT WARNING TURNAROUND FROM PROFIT TO LOSS**

This announcement is made by China Wan Tong Yuan (Holdings) Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) 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 board of directors of the Company (the “**Board**”) wishes to inform shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary review by the Board on the consolidated management accounts of the Group for the year ended 31 December 2025, which have not been reviewed or audited by the independent auditors and/or the audit committee of the Company, and taking into account the information currently available to the Board, it is estimated that the Group will record a loss and total comprehensive expense attributable to owners of the Company ranging from approximately RMB11.00 million to RMB14.00 million, as compared to the profit and total comprehensive income attributable to owners of the Group for the year ended 31 December 2024 of approximately RMB9.85 million.

The expected turnaround from profit to loss is primarily attributable to (i) the effect caused by the macro economy and prudent consumption of customers, the decrease in sales revenue as a result of decrease in unit price of burial plots and declining demand for funeral services; (ii) the increase in taxation cost due to the different taxation factors of the subsidiaries of the Company, including additional re-assessed value-added tax and surcharge for historical periods paid and accrued upon notice from tax authority as well

as the clarification of the different tax rates applicable to different services in funeral services; (iii) the decrease in the fair value of financial assets at fair value through profit or loss; and (iv) the potential impairment of certain non-current assets.

Loss incurred during the year ended 31 December 2025 was primarily attributable to certain non-recurring events including the additional re-assessed value-added tax and surcharge for historical periods paid and accrued upon notice from tax authority, the loss arising from the fair value of financial assets and the potential impairment of certain non-current assets, which did not affect the operation of the core businesses and operation of the Group. The Group will continue to focus on the whole burial industry development, actively response to the challenges brought by macroeconomy and external environmental changes through three driving forces namely “deep geographical exploration, cost refinement and ecosystem building”. Meanwhile, the Group will persistently optimize operational management and maintain healthy cash flow and financial structure to build a stable, coordinated enterprise with sustainable development.

As the Company is still in the process of finalizing the consolidated annual results of the Group for the year ended 31 December 2025, the information contained in this announcement is only based on the information currently available to the Board and the preliminary review by the Board on the unaudited management accounts of the Group for the year ended 31 December 2025, which have not been reviewed or audited by the independent auditors of the Company and/or the audit committee of the Board.

The actual financial results of the Group for the year ended 31 December 2025 may differ from what is disclosed in this announcement. Shareholders and potential investors are advised to read carefully the announcement of the Company in relation to the results of the Group for the year ended 31 December 2025, which is expected to be published by the end of March 2026 in accordance with the requirements of the Listing Rules.

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

By order of the Board  
**China Wan Tong Yuan (Holdings) Limited**  
**Zhao Ying**  
*Chairman*

Hong Kong, 16 March 2026

*As at the date of this announcement, the non-executive Director and the Chairman of the Company is Ms. Zhao Ying; the executive Directors of the Company are Ms. Li Xingying, Ms. Wang Wei and Mr. Yang Yun, and the independent non-executive Directors of the Company are Mr. Cheung Ying Kwan, Dr. Wong Wing Kuen Albert and Mr. Choi Hon Keung Simon.*