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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)

PROPOSED SHARE SUBDIVISION

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The Board proposes to put forward to the Shareholders a proposal to effect the proposed Share Subdivision whereby every one (1) existing issued and unissued Share in the share capital of the Company will be subdivided into ten (10) Subdivided Shares. The Share Subdivision will become effective upon fulfillment of the conditions set out under the section headed “Conditions of the Share Subdivision” below. All Subdivided Shares will rank *pari passu* with each other in all respects with the Shares in issue prior to the Share Subdivision and the Share Subdivision will not result in any change in the relevant rights of the Shareholders.

Upon the Share Subdivision becoming effective, the board lot size for trading will remain unchanged and in board lots of 4,000 Subdivided Shares.

GENERAL

An ordinary resolution to approve the Share Subdivision will be proposed at the SGM. A circular containing, among other things, further details of the Share Subdivision, together with the notice convening the SGM, will be despatched to the Shareholders on or before Thursday, 10 November 2016.

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Conditions of the Share Subdivision

The Share Subdivision is conditional upon:

- (i) the passing of an ordinary resolution to approve the Share Subdivision by the Shareholders at the SGM; and
- (ii) the Stock Exchange granting the approval to the listing of, and permission to deal in, the Subdivided Shares.

An application will be made by the Company to the Stock Exchange for the listing of, and the permission to deal in, the Subdivided Shares.

Assuming all the conditions are fulfilled, the Share Subdivision will become effective on the next Business Day following the passing of the ordinary resolution at the SGM, which is expected to be held on Tuesday, 6 December 2016.

Effect of the Share Subdivision

As at the date of this announcement, the authorised share capital of the Company is HK\$50,000,000 divided into 5,000,000,000 Shares, of which 1,520,000,000 Shares are issued and credited as fully paid. Assuming that no further Shares are issued or repurchased between the date of this announcement and the date of the SGM, immediately after the Share Subdivision becoming effective, the authorised share capital of the Company will become HK\$50,000,000 divided into 50,000,000,000 Subdivided Shares, of which 15,200,000,000 Subdivided Shares will be in issue and are credited as fully paid.

Upon the Share Subdivision becoming effective, all Subdivided Shares will rank *pari passu* in all respects with the Shares in issue prior to the Share Subdivision and the Share Subdivision will not result in any change in the relevant rights of the Shareholders.

The Shares are currently traded in the board lots of 4,000 Shares. Upon the Share Subdivision becoming effective, the board lot size for trading will remain unchanged in board lots of 4,000 Subdivided Shares. The Share Subdivision is not expected to result in any odd lots other than those that already exist. By way of illustration, if on the effective date of the Share Subdivision, the share price of each Share remains at the level at close of trading before the release of this announcement of HK\$9.65 and assuming the share price of each Share decreases to one-tenth of its original value following the Share Subdivision, each board lot will be valued at HK\$3,860 on the effective date of the Share Subdivision. There is however no assurance that the share price of the Shares will not fluctuate after the date of this announcement and before the SGM or thereafter regardless of whether the Share Subdivision is approved by Shareholders at the SGM or not.

Free exchange of Subdivided Shares' certificates and trading arrangement

Subject to the Share Subdivision becoming effective, which is expected to be on Wednesday, 7 December 2016, Shareholders may, during the period from Wednesday, 7 December 2016 to Tuesday, 17 January 2017 (both days inclusive) between 9:00 a.m. and 4:30 p.m. on any Business Day, submit share certificates for the existing Shares in blue colour to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, to exchange, at the expense of the Company, for new certificates of the Subdivided Shares in grey colour. After the expiry of such period, each share certificate for the existing Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may from time to time be specified by the Stock Exchange) for each new share certificate issued for the Subdivided Shares or each share certificate for the existing Shares submitted for cancellation, whichever the number of certificates issued or cancelled is higher.

The existing share certificates will only be valid for delivery, trading and settlement purposes for the period up to 4:00 p.m. on Friday, 13 January 2017 and thereafter will not be accepted for delivery, trading and settlement purposes. However, the existing share certificates will continue to be good evidence of title to the Subdivided Shares on the basis of one Share for ten Subdivided Shares.

It is expected that the new share certificates will be available for collection within a period of ten Business Days after the submission of the existing share certificates to the Company's branch share registrar for exchange.

Securities convertible or exchangeable into Shares

As at the date of this announcement, the Company does not have any options outstanding under any share option scheme of the Company or any other derivatives, options, warrants and conversion rights or other similar rights which are convertible or exchangeable into Shares.

REASONS FOR THE SHARE SUBDIVISION

The trading price of the Shares has recently increased and resulted in the increase in the value of a board lot. On the initial listing of the Shares on 12 April 2016, the placing price per Share was HK\$0.92 and the market value per board lot value was HK\$3,680. As at the last trading date before the release of this announcement, the closing price per Share as quoted on the Stock Exchange is HK\$9.65 and the market value per board lot value is HK\$38,600 which is approximately 948.9% more than each board lot value on initial listing. The high board lot value sets a high entry fee for investors and compromises the liquidity of the trading of the Shares.

Upon the proposed Share Subdivision becoming effective, the par value of each share of the Company will decrease and the total number of shares of the Company in issue will increase. The Share Subdivision is therefore expected to result in a downward adjustment to the trading price of the shares of the Company. The Board believes that the Share Subdivision will improve the liquidity in trading of the Company's Subdivided Shares, and

thereby attract more investors and widen its Shareholder base. In view of the above, the Board considers that the Share Subdivision is fair and reasonable and in the interests of the Company and its Shareholders as a whole.

Other than the relevant expenses, including professional fees and printing charges incurred, the implementation of the Share Subdivision will have no effect on the consolidated net asset value of the Group, nor will it alter the underlying assets, business, operations, management or financial position of the Company or the interests of the Shareholders. The Directors believe that the Share Subdivision will not have any material adverse effect on the financial position of the Group.

EXPECTED TIMETABLE

The expected timetable for the implementation of the Share Subdivision and the associated trading arrangement is as follows:

Events	Time and date 2016
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Expected despatch date of the circular with notice of the SGM.....	Thursday, 10 November
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Latest time for lodging proxy forms for the SGM.....	11:30 a.m. on Sunday, 4 December
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Expected date and time of the SGM.....	11:30 a.m. on Tuesday, 6 December
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Announcement of results of the SGM	Tuesday, 6 December
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The following events are conditional on the fulfillment of the conditions for the implementation of the Share Subdivision as set out in the section headed “Conditions of the Share Subdivision” above

Effective date and time of the Share Subdivision	9:00 a.m. on Wednesday, 7 December
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Commencement of dealing in the Subdivided Shares.....	9:00 a.m. on Wednesday, 7 December
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Original counter for trading in Shares in board lots of 4,000 Shares temporarily closes	9:00 a.m. on Wednesday, 7 December
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Temporary counter for trading in Subdivided Shares in board lots of 40,000 Subdivided Shares (in the form of existing share certificates) opens	9:00 a.m. on Wednesday, 7 December
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First day of free exchange of existing share certificates for new share certificates for the Subdivided Shares	Wednesday, 7 December
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Events**Time and date
2016**

Original counter for trading in Subdivided Shares in board lots of 4,000 Subdivided Shares (in the form of new share certificates for the Subdivided Shares) re-opens..... 9:00 a.m. on Wednesday, 21 December

Parallel trading in the Shares and Subdivided Shares (in the form of existing share certificates and new share certificates) commences 9:00 a.m. on Wednesday, 21 December

2017

Temporary counter for trading in Subdivided Shares in board lots of 40,000 Subdivided Shares (in the form of existing share certificates) closes..... 4:00 p.m. on Friday, 13 January

Parallel trading in the Shares and Subdivided Shares (in the form of existing share certificates and new share certificates) ends..... 4:00 p.m. on Friday, 13 January

Last day of free exchange of existing certificates for new share certificates for the Subdivided Shares Tuesday, 17 January

Notes:

1. All dates and times set out in this announcement refer to Hong Kong local dates and times.
2. Dates or deadlines specified in this announcement are indicative only and may be varied by the Company. Any consequential changes to the expected timetable will be published or notified to the Shareholders by way of announcement(s) at the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.woproperties.com as and when appropriate and in accordance with the Listing Rules.

GENERAL

An ordinary resolution to approve the Share Subdivision will be proposed at the SGM. A circular containing, among other things, further details of the Share Subdivision, together with the notice convening the SGM will be despatched to the Shareholders on or before Thursday, 10 November 2016.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the same meanings set out below:

“Board”	the board of the Directors
“Business Day”	a day (other than a Saturday, Sunday or public holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“Company”	Wang On Properties Limited 宏安地產有限公司, an exempted company incorporated in Bermuda with limited liability whose shares are listed and traded on the Main Board of the Stock Exchange (Stock Code: 1243)
“Director(s)”	the directors of the Company
“Group”	the Company together with its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“SGM”	the special general meeting of the Company to be convened and held for the purpose of considering and, if thought fit, approving the proposed Share Subdivision
“Share(s)”	the ordinary share(s) in the issued and unissued share capital of the Company, the par value of which being of HK\$0.01 each prior to completion of the Share Subdivision
“Shareholder(s)”	the holder(s) of the Share(s) and/or the Subdivided Share(s) (as the case maybe)
“Share Subdivision”	the proposed subdivision of every one (1) issued and unissued Share of par value of HK\$0.01 each into ten (10) Subdivided Shares of par value of HK\$0.001 each
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Subdivided Share(s)” the ordinary share(s) of par value of HK\$0.001 each in the share capital of the Company upon completion of the Share Subdivision

“%” per cent.

By Order of the Board
WANG ON PROPERTIES LIMITED
宏安地產有限公司
Chan Chun Hong
Chairman

Hong Kong, 22 October 2016

As at the date of this announcement, the Board comprises Mr. Wong Yiu Hung Gary and Mr. Tang Ho Hong as executive Directors; Mr. Chan Chun Hong as non-executive Director; and Mr. Li Wing Sum Steven, Mr. Sung Tze Wah and Sr. Dr. Leung Tony Ka Tung as independent non-executive Directors.