



WANG ON PROPERTIES 2017 INTERIM RESULT SOARS 7,811% TO HK\$903,850,000

Financial Highlights

For the six months ended 30 September	2017 HK\$'000	2016 HK\$'000	Change (%)
Revenue	12,071	60,305	-80.0%
Gross Profit	10,270	33,519	-69.4%
Profit attributable to owners of the parent	903,850	11,425	+7,811.2%
Basic earnings per share	HK 5.95 cents	HK 0.08 cent (Restated)	+7,337.5%

(21 November 2017 – Hong Kong) Wang On Properties Limited (“Wang On Properties” or “the Company” together with its subsidiaries, “the Group”; stock code: 1243.HK) is pleased to announce its interim results for the six months ended 30 September 2017 (the “Reporting Period”). During the Reporting Period, the Group’s revenue amounted to approximately HK\$12,071,000 (2016 corresponding period: approximately HK\$60,305,000). Profit attributable to owners of the parent for the Reporting Period significantly increased by 7,811.2% to approximately HK\$903,850,000 (2016 corresponding period: approximately HK\$11,425,000). The notable increase in the profit recorded was primarily attributable to a gain on disposal of 50% shareholdings and shareholder loans of a subsidiary holding a property development project — Nos. 13 and 15 Sze Shan Street, Yau Tong. Basic earnings per share were HK 5.95 cents (2016 corresponding period: HK 0.08 cent (restated)). The board of directors does not recommend the payment of interim dividend for the six months ended 30 September 2017 (2016 corresponding period: Nil).

The Group has launched the pre-sales of the Met. Blossom and the Met. Bliss, two of “The Met.” boutique residential property series in Ma On Shan, in August and October 2016 respectively. The total contracted pre-sales amount to approximately HK\$4,000,000,000. The two projects are expected to be completed and ready for occupation in 2018 as scheduled. For the Met. Acappella, the third project of the series, the site at Tai Po Road –

Tai Wai Section in Shatin, the pre-sale consent has been obtained in mid-October and is launching for pre-sale in mid-November. The Met. Acappella is a residential building consisting of two wings of 12 and 13-storeys respectively, offering 336 units. It comprises diversified unit layouts with 80% mainly comprises of studio, 1-bedroom and 1-bedroom (with store room and reading room) units and also offers garden duplex units and penthouse units with rooftop terrace. The Met. Acappella is designed to incorporate the natural scenery of neighbouring areas and has excellent and convenient transport network, and is expected to be welcomed by buyers. The Group's site at 575–575A Nathan Road, Mongkok has completed the foundation works and is undergoing the construction of superstructure. The site will be developed into a 19-floor Ginza type commercial complex and is expected to be completed by end of 2017.

The Group has reached a consensus with Lands Department regarding land premium of HK\$983,000,000 for the redevelopment project — Nos. 13 and 15 Sze Shan Street, Yau Tong in June 2017. On 7 June 2017, the Group's indirectly wholly-owned subsidiary has entered into an agreement to sell 50% of interest of the redevelopment project at Nos. 13 and 15 Sze Shan Street, Yau Tong for a consideration of approximately HK\$713,700,000. The construction work is resumed and foundation is undergoing.

On 8 September 2017, the Group's indirectly wholly-owned subsidiary has entered into an agreement to sell 60% interest of the site at Yiu Sha Road, Whitehead, Ma On Shan (Sha Tin Lot No.601) for a total consideration of HK\$2,441,300,000. The land lot has a site area of approximately 253,000 sq ft and estimated gross floor area of approximately 387,500 sq ft, and it will be developed as residential project.

To achieve the sustainable operation of the Group in the long run, other than public tender, the Group will also explore the opportunities in old building acquisition, land use conversion and joint development.

As at 30 September 2017, the Group's portfolio of investment properties comprised of commercial and industrial units located in Hong Kong with a total carrying value of approximately HK\$1,568,800,000 (31 March 2017: approximately HK\$1,229,300,000). During the Reporting Period, the Group received gross rental income of approximately HK\$12,100,000 (2016 corresponding period: approximately HK\$12,200,000).

Looking ahead, Mr. Chan Chun Hong, Non-executive Chairman of Wang On Properties said, "we will continue to monitor the market changes, adjust the investment strategies to capture the development opportunities and at the same time strengthen and improve risk

control on a continual basis, as well as flexibility to respond to market opportunities and uncertainties so as to achieve solid returns to our shareholders

Mr. Gary Wong, Chief Executive Officer of Wang On Properties said, “The Hong Kong residential market recorded continuous growth in both property price and number of transaction. Although the various uncertainties from both Hong Kong and other regions may impact the development pace, the Group is confident on the property market and believes that moderate adjustments would be healthy to the market growth in the long run.”

About Wang On Properties

Wang On Properties, a property developer in Hong Kong, was incorporated on 19 November 2015. Prior to completion of the reorganisation and the spin-off under separate listing, Wang On Properties was a wholly-owned subsidiary of Wang On Group Limited. The property investment segment of Wang On Properties can be traced back to 1997, while its property development business began in 2004. At present, Wang On Properties has established “The Met.” brand in Hong Kong, with a broad range of properties for development and investment. Leveraging the solid foundation of its parent company Wang On Group Limited, the Group is well received by residents and investors with positive reputation. Wang On Properties was listed on the Main Board of The Stock Exchange of Hong Kong Limited on 12 April 2016.

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Wang On Properties Limited
Condensed Consolidated Statement of Profit or Loss and Other
Comprehensive Income

	Six months ended 30 September	
	2017	2016
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
REVENUE	12,071	60,305
Costs of sales	(1,801)	(26,786)
Gross profit	<u>10,270</u>	<u>33,519</u>
Other income and gains, net	930,934	4,043
Selling and distribution expenses	(11,290)	(37,215)
Administrative expenses	(50,008)	(39,723)
Finance costs	(29,407)	(3,694)
Fair value gains on investment properties, net	52,938	2,398
Share of loss of a joint venture	(710)	-
Reversal of write-down of properties under development	-	44,411
PROFIT BEFORE TAX	<u>902,727</u>	<u>3,739</u>
Income tax credit / (expense)	1,325	(248)
PROFIT AND TOTAL COMPREHENSIVE INCOME		
FOR THE PERIOD	<u>904,052</u>	<u>3,491</u>
Profit and total comprehensive income attributable to:		
Owners of the parent	903,850	11,425
Non-controlling interests	202	(7,934)
	<u>904,052</u>	<u>3,491</u>
EARNINGS PER SHARE ATTRIBUTABLE TO		(restated)
ORDINARY EQUITY HOLDERS OF THE PARENT		
Basic and diluted	<u>HK5.95 cents</u>	<u>HK0.08 cent</u>