

Wang On Properties Investor Presentation FY2022 Annual Results



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1. Financial Highlights



FY2022 Annual Results Highlights

	FY2022 (HK\$ Mn)	FY2021 (HK\$ Mn)	Change
Revenue*	39	340	(88.5%)
EBITDA[^]	449	728	(38.3%)
Profit attributable to the shareholders	285	467	(39.0%)
Final dividend per share (cent)	0.75	0.74	 1.4%
Dividend yield (%)	10.7	7.4	 44.6%

	FY2022 (HK\$ Mn)	FY2021 (HK\$ Mn)	Change
Cash & Bank Balance	831	827	0.5%
Bank loans	4,359	4,697	(7.2%)
Total Assets	10,606	10,203	 3.9%
Net Assets	5,172	5,023	 2.9%
Net Debt to Total Asset (%)	33.3	37.9	(12.1%)

*Revenue will increase by additional HK\$859 million & HK\$3,344 million if including revenue from Joint Venture which dominates sales for the fiscal year 2022 & 2021, respectively.

[^]Not include fair value changes of investment properties and financial assets, disposal gain / loss of debt investments and impairment.

Milestones

- A new Residential JV (“Res JV”) with APG Asset Management (“APG”), one of the world’s largest pension investors
- With an initial total commitment of HK\$4.7 billion
- Key objectives : mass residential and urban regeneration
- 5 projects are now developed by the Res JV with approx. GFA 296,000 sqf. and GDV > HK\$6.6 billion
- New Commercial JVs for “The Parkville” & “Jumbo Court” with aggregate rental income > HK\$30M / year
- All these assets are managed by WOP

2. Property Development



Land Bank – FY2022

Series	Project	WOP's interest	Usage	Est. GFA (sq.ft)	Est. GDV (HK\$ Mn)	Target Pre-sale in
The Met.	Larch Street, TKT	100%	R&C	61,500	1,300	2H 22
The Met.	Wai Fung Street, ALC	50%	R&C	38,500	990	1H 23
The Met.	Ming Fung Street, WTS	50%	R&C	81,000	1,800	1H 23
The Met.	120-126 Main Street, ALC	50%	R&C	37,100	820	2H 23
Luxury	Pok Fu Lam Road	70%	R	28,500	2,400	2H 23
The Met.	Ting Yip Street, NTK	50%	R&C	46,300	940	2H 23
The Met.	Fei Fung Street, WTS	50%	R&C	93,700	2,100	1H 24
Prestige	101-111 King's Road	40%	R&C	129,400	3,900	1H 24
Total				516,000	14,250	

Series	Acquired ownership > 80%	Usage	Est. GFA (sq.ft)
The Met.	*Ping Lan Street, ALC	R&C	64,500
The Met.	*18-20 Sze Shan Street, Yau Tong	R&C	269,500
Total			334,000

*Their ownership will be consolidated by proceeding to court for compulsory sale under the "Land Compulsory Sale for Redevelopment Ordinance". In the extent that no court order is granted, the Group may not be able to complete the consolidation % the ownership for development.

Contracted sales

Projects	WOP's Interest	FY2021 (HK\$ Mn)	FY2022 (HK\$ Mn)	Ave Price (HK\$)
The Met. Azure	100%	-	1,112	23,500
maya	50%	918	700	20,900
Altissimo	40%	1,393	1,277	20,100
Total		2,311	3,089	



The Met. Azure 薈藍



maya 曦臺



Altissimo 泓碧

Completed Projects

	Completed Projects	GDV (HK\$ Mn)	GFA (sq.ft)	WOP's Interest
FY2013	The Met. Focus	460	42,700	100%
FY2014	The Met. Sublime	720	45,100	100%
FY2015	The Met. Delight	470	45,500	100%
FY2018	The Met. Bliss	1,580	115,000	60%
FY2019	The Met. Blossom	2,560	200,000	60%
FY2020	The Met. Acappella	2,680	148,000	100%
FY2021	maya	4,780*	272,000	50%
FY2021	Altissimo	7,310*	388,000	40%
	TOTAL	20,560	1,256,300	

*Estimated figures



The Met. Focus 薈點



The Met. Sublime 薈臻



The Met. Delight 薈悅



The Met. Bliss 薈晴



The Met. Blossom 薈朗

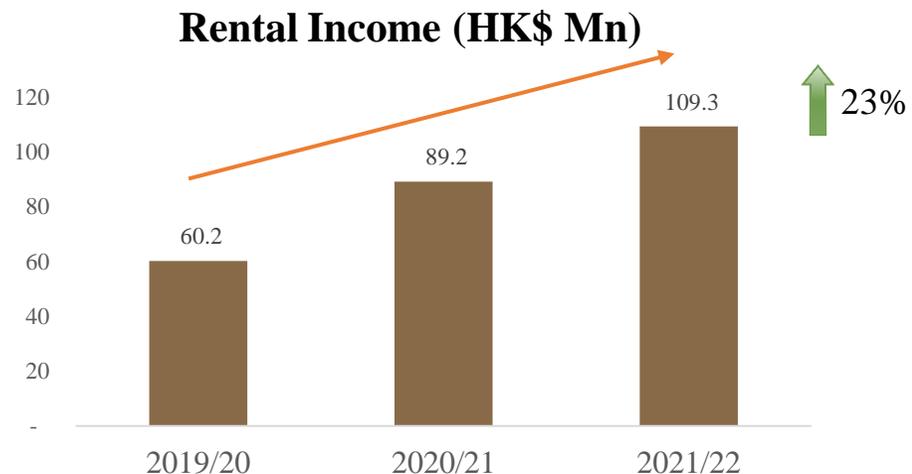


The Met. Acappella 薈菁

3. Commercial Investment & Asset Management



Commercial Investment

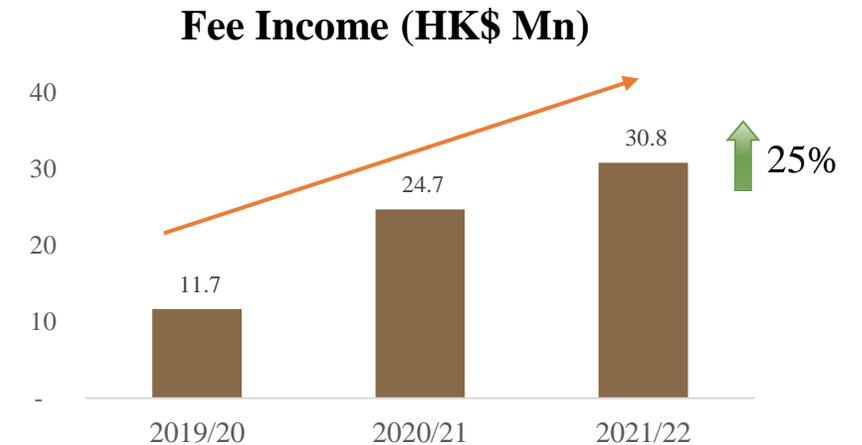


Property	WOP's interest	Acquired / Completed in	Approx. Floor Area (sq.ft)	Rent (psf/mth)		Occupancy	
				2022	2021	2022	2021
The Parkside	50%	7/2019	35,200	~HK\$74	~HK\$67	~95%	~95%
Lake Silver	50%	5/2019	31,400				
Parkville	64%	6/2021	11,700				
Jumbo Court	50%	9/2021	509 CPS				
575 Nathan Road	100%	2/2018	15,200				
Others ^	100%		57,100				
Total			150,600				

Asset Management

Assets under management

Property	Partner	WOP's interest	Approx. Floor Area (sq.ft)
5 Residential projects	APG	50%	296,600
The Parkside	KKR	50%	35,200
Lake Silver	KKR	50%	31,400
Parkville	Professional investors	64%	11,700
Jumbo Court	Angelo Gordon	50%	509 CPS
101 & 111 King's Road	CIFI	40%	15,200
86A-D Pok Fu Lam	Kam Wah	100%	57,100
Total			447,200



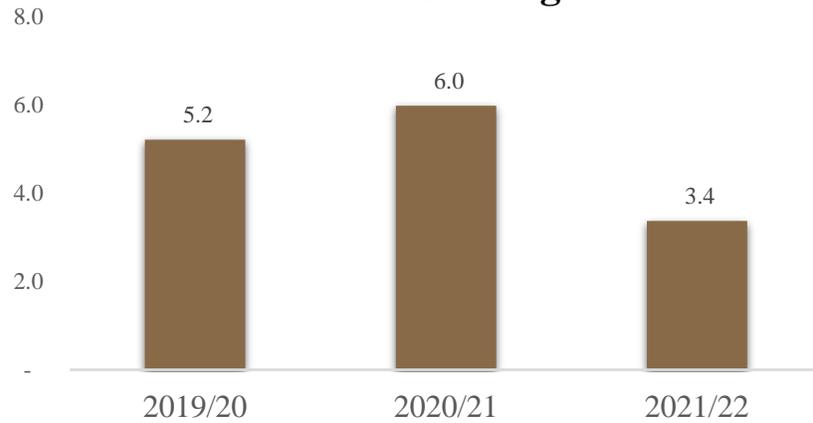
- Growing Asset Management business
- Asset Manager of 7 JVs (2021: 5 & 2020: 4)
- Fee income established in 3 years
- New pillar of income



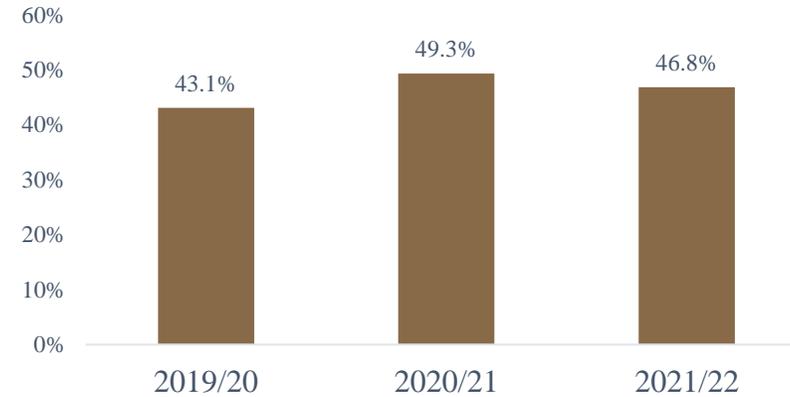
4. Financials

Key Credit Metrics

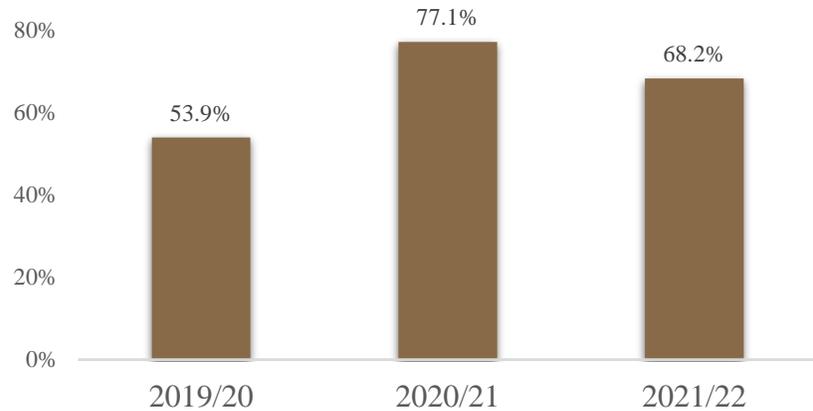
Interest Coverage [^]



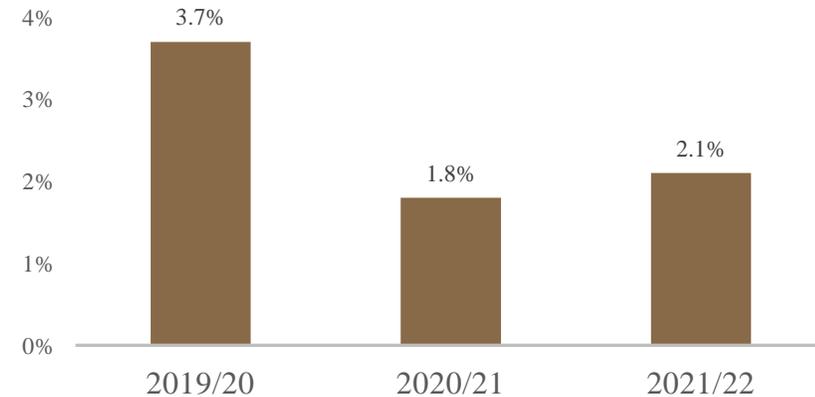
Total Debt / Capitalization *



Net Gearing (Net debt / NAV)



Cost of Funding



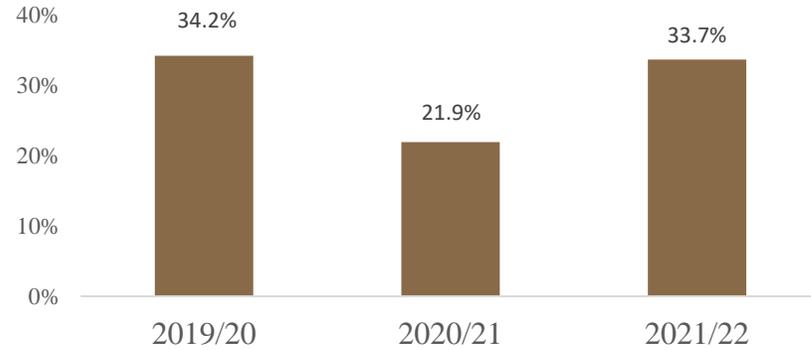
Notes:

[^] EBITDA / Interest expenses (including capitalized interest)

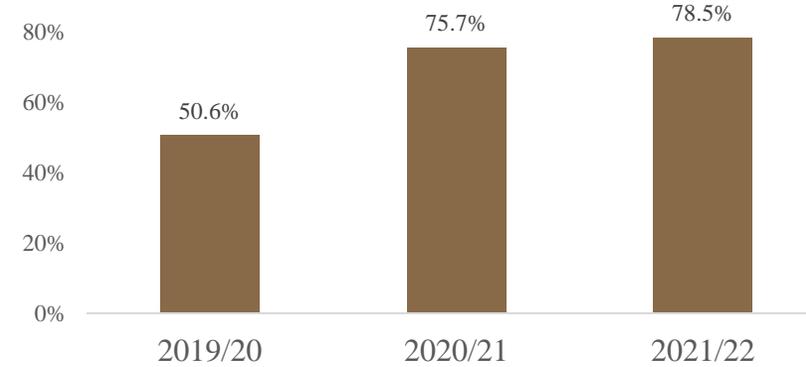
* Capitalization = Total Debt + Total Equity

Operating Margin / Dividend Payout / Loan Maturity

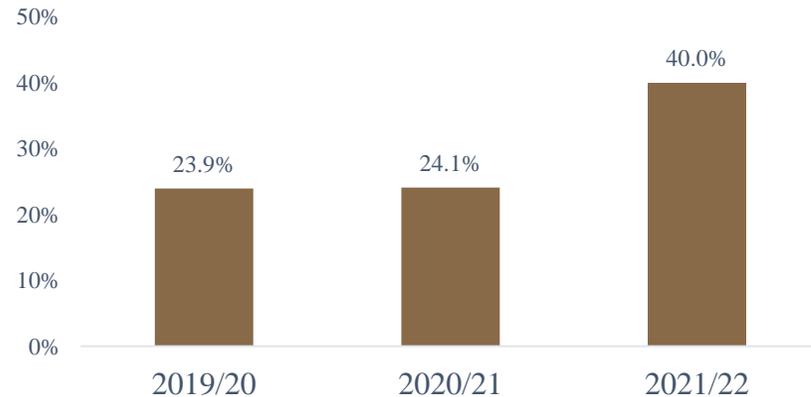
Property Development Operating Margin*



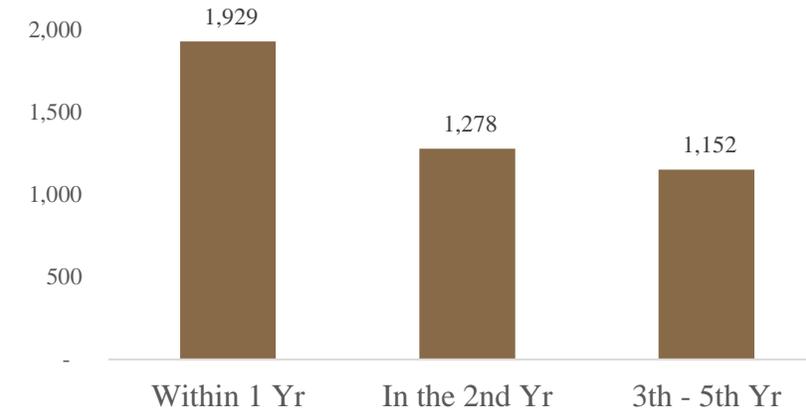
Commercial Investment Operating Margin*



Dividend Payout



Loan Maturity (HK\$ Mn)

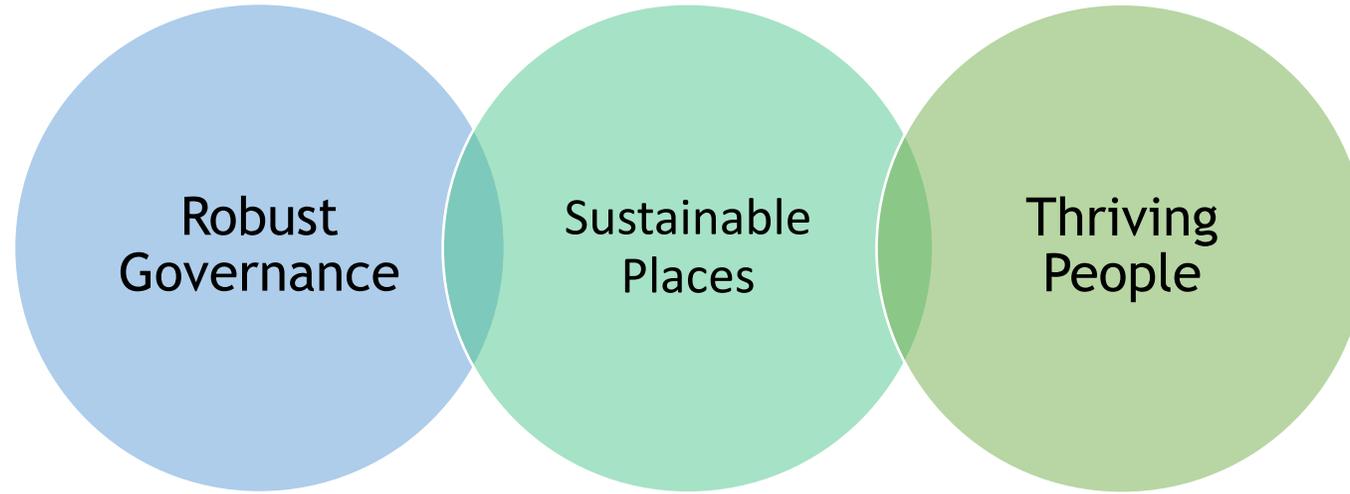


* Operating Margin represents the Group's attributable share of contributions before unallocated corporate expenses, finance costs and taxation from its subsidiaries and joint ventures and divided by corresponding Group's attributable share of revenue.



5. ESG

ESG Pillars



- ▶ ESG governance (MDR)
- ▶ Corporate governance (MDR, B8)

- ▶ Climate action and resilience (A1; A2, A4)
- ▶ Sustainable certifications (A1;A2;A3)
- ▶ Circular economy (A1; A2; A3)

- ▶ Driven employees (B1; B2; B3)
- ▶ Satisfied clients (B6)
- ▶ Healthy supply chains (B5)
- ▶ Prosperous communities (B8)

ESG Highlights

- In June 2022, we announced our 5-year plan which covers corporate governance, sustainability in places, and people. We support the United Nation's Sustainability Development Goals (SDG) to advance sustainability development in our Group. Consistent indicators are used to monitor our progress.
- Completed a 3.5-year club loan of HK\$1,450 million and targeted to convert it into sustainability-linked loan to further integrate sustainability our overall business strategy.
- In response to Covid-19, we supported the community by working with various local-community organizations by donated goods and resources to people in need, including rapid antigen tests, medicines and surgical masks.
- We continues to established scholarships to academically outstanding students in “Hang Seng University of Hong Kong” and “Hong Kong University”.
- We will participate in the GRESB assessments annually and closely follow the industry updates.

Thank You

Tel: +852 2312 8213

Email: pr@wangon.com