



## Wang On Properties Announces 2018 Interim Results

### Completion and Delivery of Met. Blossom Contributes to Notable Increase in Revenue

#### Financial Highlights

	For the six months ended 30 September		Change
	2018 (HK\$ million)	2017 (HK\$ million)	
Revenue	2,730	12	+22,650%
Gross profit	1,083	10	+10,730%
Profit attributable to owners of the parent Company	550	904	-39%
Basic earnings per share (HK cents)	3.62	5.95	-39%

(20 November 2018, Hong Kong) – **Wang On Properties Limited** (“**Wang On Properties**” or the “**Company**”, together with its subsidiaries or the “**Group**”; stock code: 1243) is pleased to announce its interim results for the six months ended 30 September 2018 (“**the period under review**”). The Group’s revenue surged by approximately 22,650% year-on-year to approximately HK\$2,729.7 million (2017: approximately HK\$12.1 million) benefitting from the completion and delivery of Met. Blossom during the period under review. Profit attributable to owners of the parent recorded approximately HK\$550.3 million (2017: approximately HK\$903.9 million). The reduced profit was mainly attributable to the decrease in other income recognised from the gain on the disposal of a wholly-owned subsidiary and remeasurement of 50% equity interest retained in a joint venture in the last corresponding period, net of the profit recognised from completion of **The Met. Blossom**. Basic earnings per share were HK3.62 cents (2017: HK5.95 cents).

#### Business Review

##### ***Property Development***

During the period under review, revenue recognised from this business segment amounted to approximately HK\$2,726.1 million (six months ended 30 September 2017: approximately HK\$2.1 million), and was mainly attributable to the completion and delivery of **The Met. Blossom**. The Group owns 60% equity interest in the development project and the relevant results and financial position have been consolidated into the financial statements of the Group.

The Group started the pre-sale of **The Met. Acappella** in November 2017. Of the 306 units released, 305 units have been sold with contracted sales (to be recognised (subject to audit) as revenue of the Group upon completion and delivery) reaching of approximately HK\$2,100.0 million. The project is expected to be completed within the first quarter of 2019.

The Group has also cooperated with CIFI Holdings (Group) Co. Ltd. in launching the new “**NOUVELLE**” luxury residential brand series. The first project “**maya 曦臺**” is located on No. 8 Shung Shan Street and No. 15 Sze Shan Street in Yau Tong. The project comprises two residential towers situated on a podium with shopping arcade. The project offers 326 units in total consisting of different layout designs, with standard two- to three-bedroom units and special units. The project boasts a modern and clean outlook, exceptional green landscaping and a large clubhouse, promising residents a luxurious and cozy living environment. Construction of the project’s superstructure is underway. The Group possesses 50% equity interest in this development project and is responsible for its project management.

The Group’s Whitehead project (Sha Tin Town Lot No. 601), co-developed with Country Garden Holdings Company Limited and China State Construction International Holdings Limited, has been named “**Altissimo 泓碧**”. Representing a low-density residential development, “**Altissimo 泓碧**” will provide a total of 547 units with a diversified unit layouts to meet the needs of different families. The project overlooks the Starfish Bay nature reserve and has the Ma On Shan Country Park to its back. Residents will be able to enjoy picturesque views of Pat Sin Leng and the Whitehead Club that are within walking distance. These attributes, plus top-class construction materials and delicate designs, will see it become a new model for premium residential projects in the area. Pre-sale of “**Altissimo 泓碧**” is launched in mid of November 2018.

In April 2018, the Group completed the acquisition of all 16 properties at **Nos. 86A–86D Pokfulam Road**. The site is undergoing preliminary site work and will be redeveloped into luxurious properties. The Group owns 70% equity interest in this development project.

Also in the same month, the Group won the tender for the land plot for residential and commercial use at the **junction of Liu To Road and Hang Mei Street, Tsing Yi (Tsing Yi Town Lot No. 192)** at a total consideration of HK\$867.3 million. It intends to develop the land under the exquisite residential property series “**The Met.**”, adding to the brand’s remarkable track record and strengthening the presence of the brand. The site spans approximately 14,400 square feet with total permitted residential and commercial floor area of approximately 90,000 square feet. It will also provide a public transportation terminal (minibus station).

In addition, construction works on the site at **Nos. 575-575A Nathan Road, Mongkok** have been completed and an occupation permit was secured in February 2018. The development is a 19-storey Ginza-type commercial complex under the “**Ladder**” brand.

### **Property Investment**

As at 30 September 2018, the Group’s investment property portfolio consists of commercial and industrial units in Hong Kong with a total carrying value of approximately HK\$782.0 million (31 March 2018: approximately HK\$1,517.3 million). The Group received gross rental income of approximately HK\$6.2 million (six months ended 30 September 2017: approximately HK\$12.1 million).

## **Prospects**

**Mr. Gary Wong, CEO of Wang On Properties**, said, “Although the global and Hong Kong markets were full of challenges in the first half of 2018 and the interest rate is expected to continue rising, with the low unemployment rate and a market dominated by end-users, it is not expected to significantly impact demand for residential properties.”

Looking ahead, the ongoing China-US trade war, rising mortgage rates and receding stock market will affect development of the Hong Kong property market. **Mr. Chan Chun Hong, Non-executive Chairman of Wang On Properties**, said, “The Group remains cautiously optimistic about the Hong Kong property market. We will continue to monitor market changes and will adjust our investment strategies in order to tap development opportunities and achieve solid returns for our shareholders.”

- End -

## **About Wang On Properties Ltd.**

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.

- End -

For further information, please contact:

Wang On Group Ltd.

Trace Law | Assistant Manager (Corporate Communications)

Tel : +852 2312 8202

Email : [trace.ts.law@wangon.com](mailto:trace.ts.law@wangon.com)

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

	<b>Six months ended 30 September</b>	
	<b>2018</b>	<b>2017</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>REVENUE</b>	<b>2,729,749</b>	12,071
Cost of sales	<b>( 1,646,775)</b>	(1,801)
Gross profit	<b>1,082,974</b>	10,270
Other income and gains, net	<b>32,597</b>	930,934
Selling and distribution expenses	<b>(106,731)</b>	(11,290)
Administrative expenses	<b>(69,145)</b>	(50,008)
Finance costs	<b>(44,341)</b>	(29,407)
Fair value gains on investment properties, net	<b>43,000</b>	52,938
Share of losses of joint ventures	<b>(10,458)</b>	(710)
Reversal of write-down of properties under development	<b>88,856</b>	-
<b>PROFIT BEFORE TAX</b>	<b>1,016,752</b>	902,727
Income tax credit / (expense)	<b>(154,614)</b>	1,325
<b>PROFIT AND TOTAL COMPREHENSIVE INCOME</b>		
<b>FOR THE PERIOD</b>	<b>862,138</b>	904,052
Profit and total comprehensive income attributable to:		
Owners of the parent	<b>550,269</b>	903,850
Non-controlling interests	<b>311,869</b>	202
	<b>862,138</b>	904,052
<b>EARNINGS PER SHARE ATTRIBUTABLE TO</b>		
<b>ORDINARY EQUITY HOLDERS OF THE PARENT</b>		
Basic and diluted	<b>HK3.62 cents</b>	HK5.95 cents