

To: Business / Property Editors

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WANG ON PROPERTIES' SHARE PRICE CLOSED AT HK\$1.05 ON FIRST TRADING DAY

Shares of Wang On Properties Limited (“Wang On Properties” or “the Company”, Stock Code: 1243; together with its subsidiaries, the “Group”), a property developer in Hong Kong, commenced trading on the Main Board of The Stock Exchange of Hong Kong Limited (“Stock Exchange”) today. The Company's shares were traded with a record day high of HK\$1.12 per share on the first day of trading and closed at HK\$1.05 per share, representing an increase of approximately 14 per cent from its offer price of HK\$0.92 per share. A total of approximately 67.4 million shares of the Company were traded, representing a total turnover of approximately HK\$70.7 million on its trading debut.

Wang On Properties was listed on the Main Board of the Stock Exchange through an offer of 380 million new shares (“Offer Shares”) at an offer price of HK\$0.92 per share. The aggregate net proceeds, after deducting underwriting fees and estimated expenses payable in connection with the share offer, amount to approximately HK\$310.8 million.

Mr Chan Chun Hong, non-executive chairman of Wang On Properties, said, “Wang On Properties possesses extensive experience in property investment and property development. Our property investment segment can be traced back to 1997, while our property development business began in 2004. Currently, we focus on the development of residential and Ginza-style commercial properties for sale, as well as investment in commercial and industrial properties for stable recurring rental income and capital appreciation. Through the listing platform, Wang On Properties is able to further promote its brand recognition in Hong Kong, and focus more resources on the development and investment of different types of quality properties, with the aim to create long-term value for its assets.”

At present, the Group has established “The Met.” brand and developed three boutique residential development projects in Hong Kong. “The Met.” brand signifies quality residential units with trendy design and layout, which are most suitable for single occupants and young couples with easy access to the MTR. With its unique brand images and buildings' quality, the directors of the Group believe that the Group's reputation has been rising among residents and investors.

The Group are currently establishing its new brand “Ladder” for its commercial development projects. The Group intends to use the brand, “Ladder”, for its Ginza-style commercial property

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located at 575 Nathan Road, which is currently under development, and other Ginza-style commercial properties to be developed in the future. Wang On Properties believes that by offering properties which match the market trend and meet the customer demands, it will be able to promote its brand recognition and reputation in Hong Kong.

With a broad range of properties for development and investment, the Group has achieved a steady business development. For the years ended 31 March 2013, 2014 and 2015 and the six months ended 30 September 2015, the Group's total revenue was approximately HK\$509.8 million, HK\$1,389.4 million, HK\$1,228.8 million and HK\$535.0 million, respectively.

Prior to completion of the reorganisation and the spin-off, Wang On Properties was a wholly-owned subsidiary of Wang On Group Limited ("Wang On Group" or "Parentco"). Upon the listing of Wang On Properties, Parentco will continue to be its controlling shareholder, indirectly holding about 75 per cent. of Wang On Properties' issued share capital. Therefore, Wang On Group will continue to benefit from any potential upside in the business of property development and property investment in Hong Kong. On the aspect of spin-off and reorganisation, Mr Chan said, "The spin-off provides a separate fund raising platform for the Group, thereby enabling it to raise the capital required to finance its future expansion without reliance on Wang On Group. Simultaneously, it allows both Wang On Group and Wang On Properties to target their respective investor base more effectively which in turn improves capital raising on a competitive basis and capital allocation, and to enhance growth within each of Wang On Group and Wang On Properties."

Mr Chan added, "The spin-off provides an opportunity for investors to invest in either one or all of the business models, thereby unlocking the value of the businesses of Wang On Group and Wang On Properties, which will allow the true market value of each of Wang On Group and Wang On Properties to be better reflected. Meanwhile, the investors and financiers are able to appraise the strategies, functional exposure, risks and returns of the respective businesses of Wang On Group and Wang On Properties separately and to make proper investment decisions. "

After listing, the Group intends to apply (i) approximately 74.0 per cent. of its net proceeds to acquire suitable development sites in Hong Kong to replenish its land bank for the property development business; (ii) approximately 16.3 per cent. to finance its purchase of properties for investment to enhance its portfolio of properties for investment; and (iii) approximately 9.7 per cent. as general working capital of the Group.

Mr Chan remarked, "After our listing, we will continue to focus predominately on developing residential and commercial properties in locations accessible by public transportation and

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maintain a prudent land bank strategy. Wang On Properties will make persistent efforts to further improve the mix of the portfolio for the property investment business and create satisfactory return for its shareholders.”

Kingston Corporate Finance Limited and CLC International Limited are the joint sponsors to the listing of the Group.

About Wang On Properties

Wang On Properties Limited, a property developer in Hong Kong, was incorporated on 19 November 2015. Prior to completion of the reorganisation and the spin-off, Wang On Properties was a wholly-owned subsidiary of Wang On Group. 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, 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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