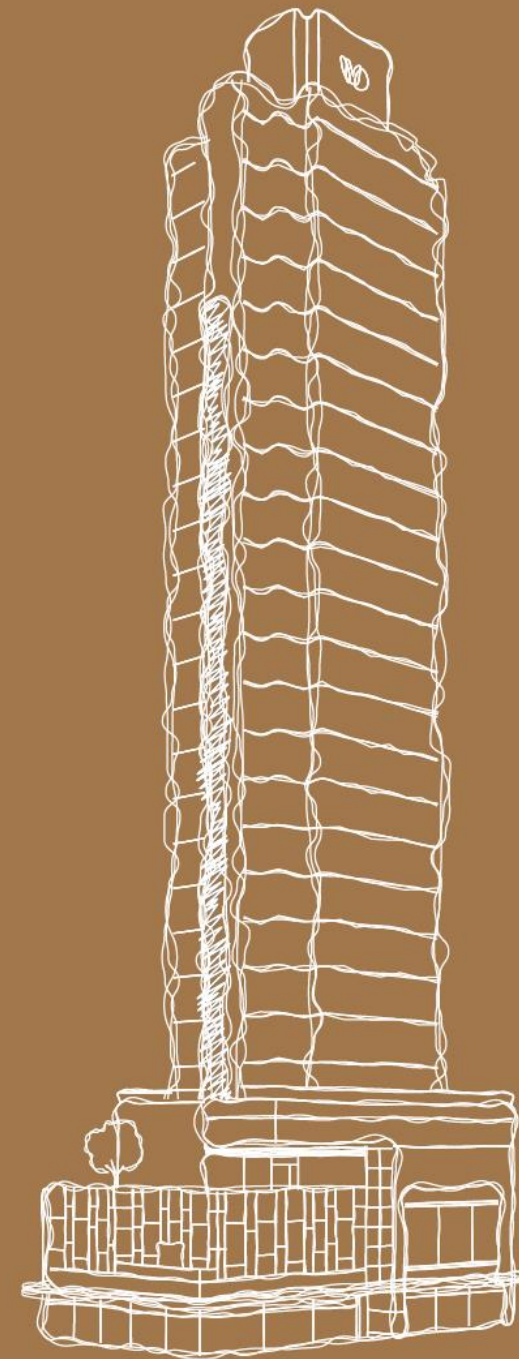




宏安地產
WANG ON PROPERTIES

於百慕達註冊成立之有限公司
Incorporated in Bermuda with limited liability
股份代號 Stock Code: 1243

Wang On Properties Investor Presentation 2022 Interim Results



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1. Financial Highlights



2022 Interim Results Highlights

Res JV with APG: Completion of first phase of investment

- Deployed 91% of the capital from the Residential JV with APG Asset Management, one of the world's largest pension investors, and completed first phase of investment. 6 projects in the Res JV are currently under development with total GFA amounted to approximately 466,000 sqf. and GDV > HK\$11 billion.

Increasing rental income with stable occupancy rate

- Rental income in 1H2022 increased by 5.3%yoy to HK\$53.3mn; Average rent psf/month improved from HK\$68 to HK\$76 with occupancy rate of 97%.

Asset management to be new pillar of income

- Fee income from asset management amounted to HK\$9.1mn during 1H2022, up 107% yoy. Since the establishment of asset management 3 years ago, asset management has become a new pillar of income.

Prudent cash management strategy

- Against the backdrop of volatile market and interest rate hike, WOP adheres to its prudent cash management strategy and maintains a healthy cash & bank balances. As at 30 Sep 2022, total cash & bank balances amounted to HK\$949mn, up 14% as compared to that as at 31 Mar 2022. Undrawn committed bank facilities as at 30 Sep 2022 amounted to approximately HK\$1,091mn.

Seize opportunities at appropriate time

- WOP will continue to actively destock as well as to continuously optimizing its portfolio, improving overall efficiency while freeing up cash to seize opportunities at the appropriate time.

2022 Interim Results Highlights

	1H 2022/23 (HK\$ Mn)	1H 2021/22 (HK\$ Mn)	Change
Revenue*	1,261	10	12,510.0%
EBITDA[^]	212	204	3.9%
Profit Attributable to Shareholders	68	149	(54.4%)

	As at 30 Sep 2022 (HK\$ Mn)	As at 31 Mar 2022 (HK\$ Mn)	Change
Cash & Bank Balance	949	831	14.2%
Bank Loans #	4,214	4,359	(3.3%)
Total Assets	10,118	10,606	(4.6%)
Net Assets	5,102	5,184	(1.6%)
Net Debt to Total Asset (%)	32.3	33.3	(3.0%)

Notes:
 *Revenue will increase by additional HK\$664 million & HK\$1,214 million if including revenue from Joint Ventures which dominate sales for the 6M2022 & 6M2021, respectively.
[^]Not include fair value changes of investment properties and financial assets, disposal gain / loss of debt investments and impairment.
 #Undrawn committed bank facilities as at 30 Sep 2022 amounted to approximately HK\$1,091mn.

2. Property Development



Land Bank

Series	Project	WOP's interest	Usage^	Est. GFA (sq.ft)	Est. GDV (HK\$ Mn)	Pre-sale
The Met.	Wai Fung Street, ALC	50%	R&C	39,200	1,000	1H 23
The Met.	Ming Fung Street, WTS	50%	R&C	81,300	1,800	1H 23
Luxury	86A-D Pok Fu Lam Road	70%	R	28,500	2,400	2H 23
The Met.	120-130 Main Street, ALC	50%	R&C	74,200	2,000	2H 23
The Met.	Ting Yip Street, KT	50%	R&C	46,300	950	2H 23
Prestige	101 & 111 King's Road, NP	40%	R&C	131,600	3,900	1H 24
The Met.	Fei Fung Street, WTS	50%	R&C	93,700	2,000	1H 24
Total				494,800	14,050	

Series	Acquired ownership > 80%	Usage	Est. GFA (sq.ft)
The Met.	*Ping Lan Street, ALC	R&C	64,500
Prestige	*18-20 Sze Shan Street, Yau Tong	R&C	269,000
Total			333,500

^R: Residential; C: Commercial.

*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	6M2021 (HK\$ Mn)	6M2022 (HK\$ Mn)	Ave Price (HK\$)
The Met. Azure	100%	901	275	25,700
Larchwood	100%	-	169	21,600
maya	50%	452	148	23,300
Altissimo	40%	808	202	21,900
Total		2,161	794	



The Met. Azure 薈藍



Larchwood



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	4,800*	272,000	50%
FY2021	Altissimo	7,680*	388,000	40%
1H2022	The Met. Azure	1,640*	89,700	100%
	Total	22,590	1,346,000	

**Estimated figures*



The Met. Delight 蒼悅



The Met. Bliss 蒼晴



The Met. Blossom 蒼朗



maya 曦臺



The Met. Azure 蒼藍

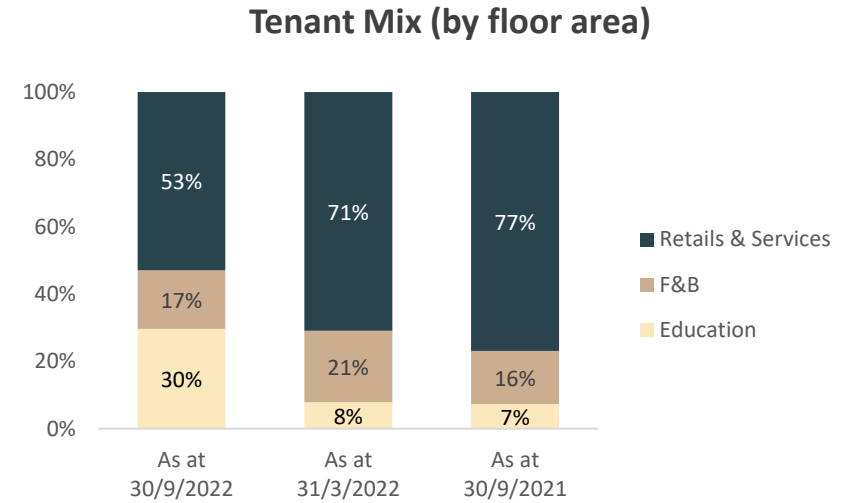
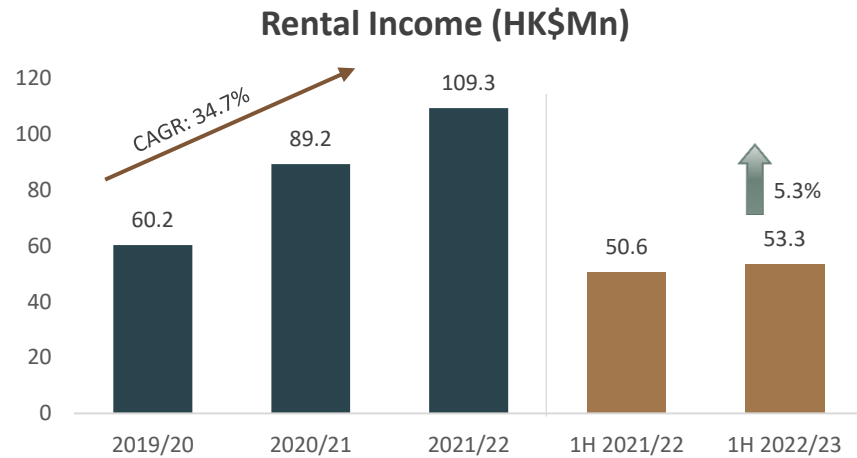


The Met. Acappella 蒼薔



3. Commercial Investment & Asset Management

Commercial Investment



Property	WOP's interest	Acquired / Completed in	Approx. Floor Area (sq.ft)	Rent (psf/mth)		Occupancy	
				1H2022	1H2021	End-Sep 2022	End-Mar 2022
The Parkside	50%	7/2019	35,200	~HK\$76	~HK\$68	~97%	~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%		38,300				
Total			131,800				

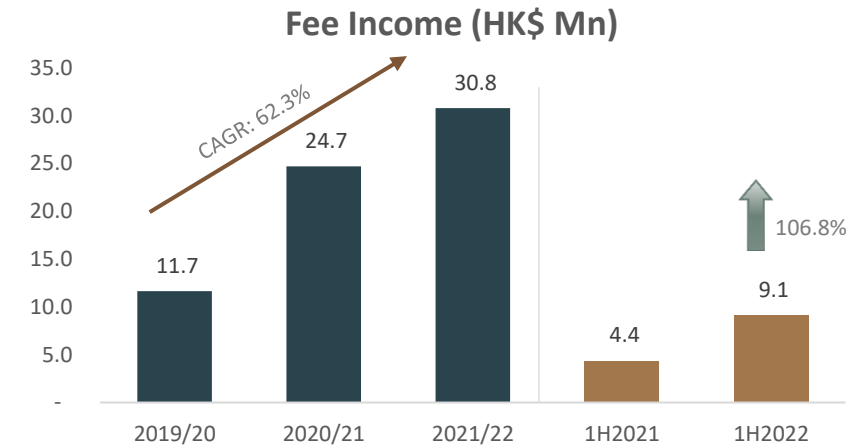
*Car park space

Asset Management

Assets under management

Property	Partner	WOP's interest	Approx. Floor Area (sq.ft)
6 Residential projects	APG	50%	466,300^
86A-D Pok Fu Lam Road	Kam Wah	70%	28,500^
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
Total			573,100

^GFA



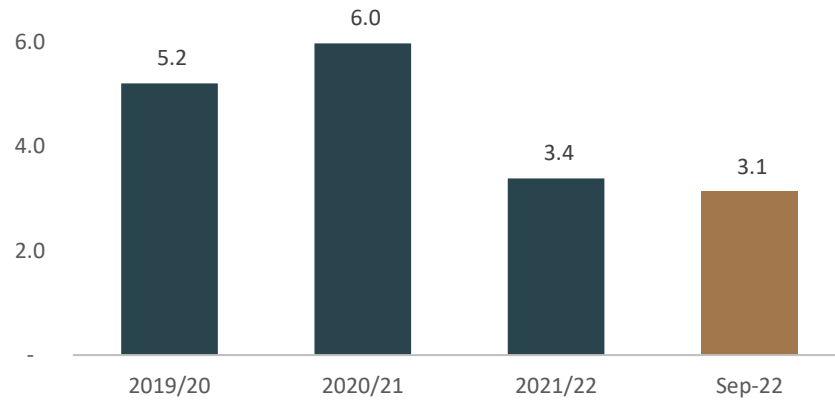
- Growing Asset Management business
- Asset Manager of 6 JVs (2021: 6 & 2020: 3)
- Fee income established in 3 years
- New pillar of income

4. Financials

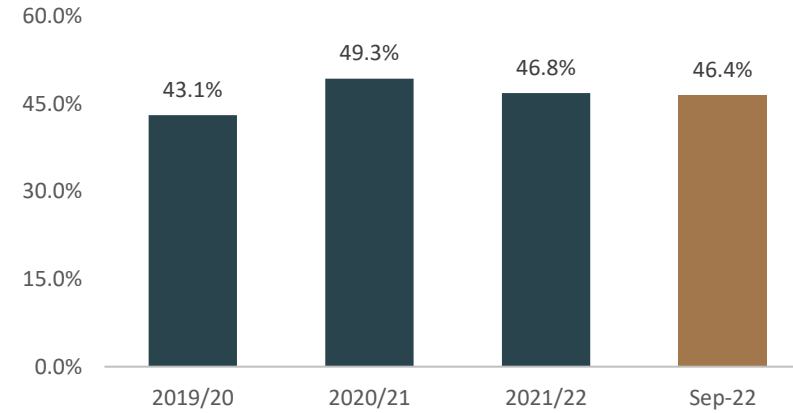


Key Credit Metrics

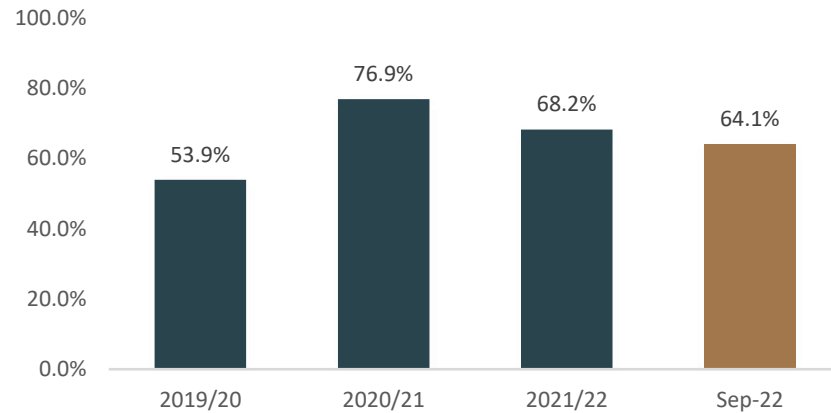
Interest Coverage



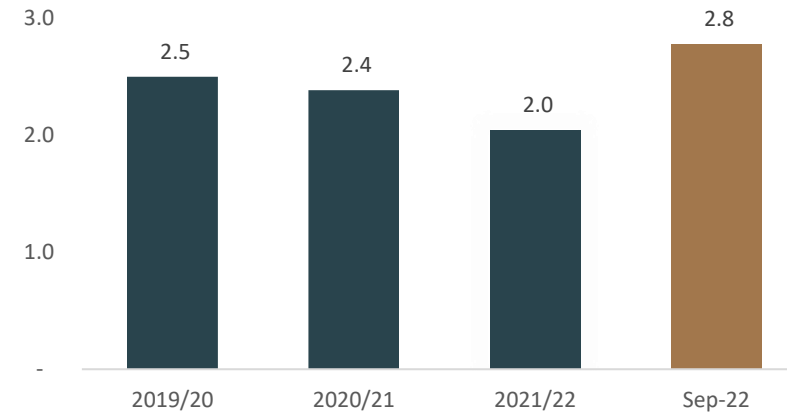
Total Debt / Capitalization



Net Gearing (Net debt / NAV)



Current Ratio



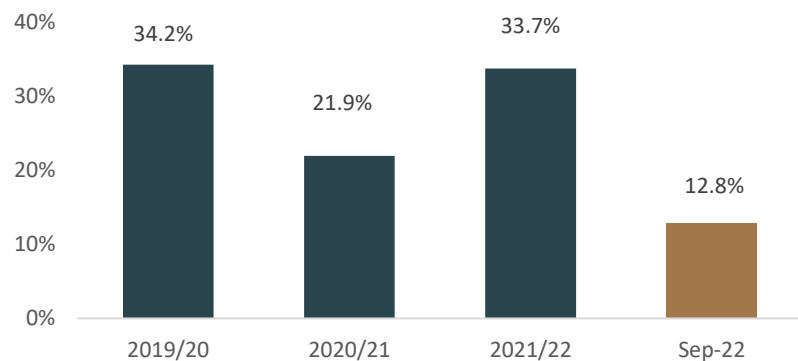
Notes:

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

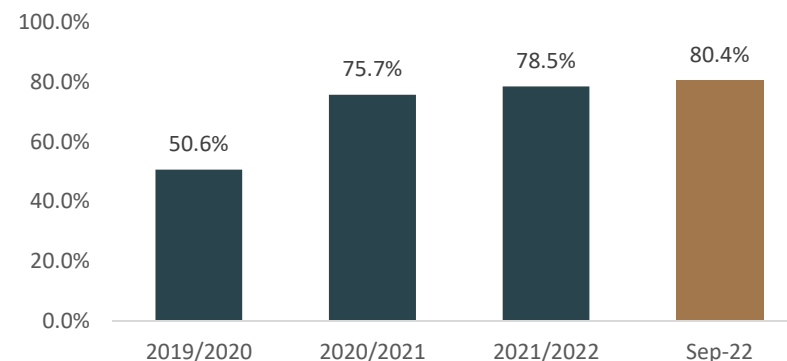
* Capitalization = Total Debt + Total Equity

Operating Margin / Cost of Funding / Loan Maturity

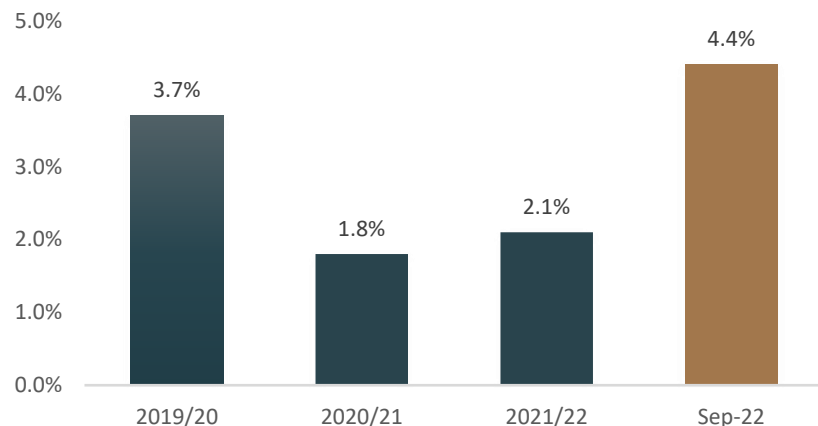
Property Development Operating Margin*



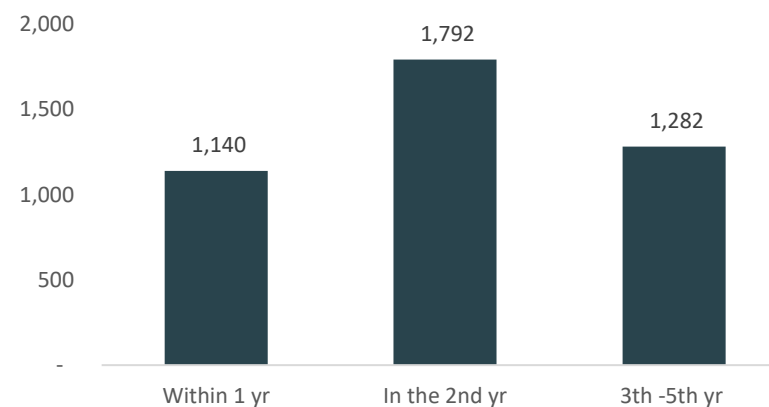
Commercial Investment Operating Margin*



Cost of Funding



Loan Maturity (HK\$ Mn)



* Operating Margin represents the Group's attributable share of profits 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

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.

Robust Governance



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

Sustainable Places



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

Thriving People



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

A Passion for Tomorrow



見愛 · 建明天



Environment

- Completed a 3.5-year club loan of HK\$1,450 million and converted it into sustainability-linked loan to further integrate sustainability our overall business strategy.
- Collaborated with HK Timberbank on Larchwood, transformed recycled timber into elaborated art piece for homes.
- Worked with CLP to develop projects into “all-electric home” in order to promote “low carbon living” and improve energy efficiency.

Social

- In response to Covid-19, we supported the community by working with various local-community organizations and donated goods and resources to people in need.
- Continue to establish scholarships for academically outstanding students in Hang Seng University of Hong Kong and Hong Kong University.
- Arranged construction site visit for THEi BSE students at WOP’s project for them to gain first-hand experience.
- Donated approximately HK\$7.5 million in 1H2022.

Governance

- Established ESG Committee.
- Announced 5-year plan which covers corporate governance, sustainability in places, and people.
- Support the United Nation’s Sustainability Development Goals (SDG) to advance sustainability development in our Group.



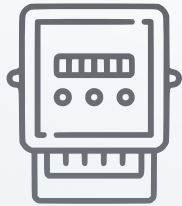
Low Carbon Living – The Met. Living+



WOP strives to incorporate sustainability into its business development and promote green living. WOP has worked with CLP to develop The Met. Azure into an “all-electric home” in order to promote “low carbon living” and improve energy efficiency by installing all-rounded comprehensive intelligent technology. The unit is designed to be more energy efficient with the ideology of “maintaining the health and wellbeing of the home owners” at heart.



Smart Meter



Smart Meter monitors the electricity usage, home owners can adjust their electricity usage habits accordingly and promote a low carbon living lifestyle.

Smart Pass



Smart Pass enables home owners to access common area facilities with ease (contactless entrance and elevators, smart mailbox).

Smart Park



Smart Park provides vehicle identification system, contactless parking solution and EV charging stations.

Smart Air



Intelligent ventilation system in the car park and NCCO purification system in the common area help safeguarding home owner’s health.

Energy-saving Equipment



Common area is equipped with energy-saving equipment including automatic sensor for lights, solar lighting, automatic sprinkler system, etc.



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Thank You