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Wang Yang Holdings Limited

泓盈控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1735)

PROFIT WARNING

This announcement is made by Wang Yang Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the Company’s preliminary review of the unaudited financial information currently available to the Board, the Group is expected to record a decline in the net profit for the six months ended 30 September 2018 (the “**Period**”) of approximately 22% as compared to that as recorded for the six months ended 30 September 2017.

The Board considers that the aforesaid decline was mainly attributable to an increase in direct costs during the Period as a result of (i) direct costs incurred for additional works with variation orders for our two projects at the Waterloo Road and Pak Sha Wan but the amount of such variation orders is still under negotiation with customers; (ii) an increase in material costs for our foundation works project at the Ko Shing Street; and (iii) prolonged periods for our works at Island Road and Tsung Tsai Yuen due to the change in building plans.

The Company is still in the process of finalizing its unaudited consolidated results of the Group for the Period. The information contained in this announcement is only based on a preliminary assessment by the Board with reference to the unaudited draft consolidated management accounts of the Group for the Period and the information available for the time being, which have been neither audited by the auditors of the Company nor reviewed by the audit committee of the Company. The above information may be subject to possible adjustments upon further review. Shareholders and potential investors are advised to read carefully the interim results announcement of the Group for the Period which is expected to be published by the end of November 2018 in accordance with the Listing Rules.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Wang Yang Holdings Limited
Tsui Kwok Ying
Chairman and non-executive Director

Hong Kong, 20 November 2018

As at the date of this announcement, the Board comprises a total of six Directors, namely, Mr. Ng Chi Bun Benjamin and Ms. Ng Chung Yan May as executive Directors; Ms. Tsui Kwok Ying (Chairman) as non-executive Director and Mr. Yau Chung Hang, Mr. Pong Kam Keung and Mr. Lo Ki Chiu as independent non-executive Directors.