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**Wan Cheng Metal Packaging Company Limited**  
**萬成金屬包裝有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8291)**

**ANNUAL RESULTS ANNOUNCEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

**CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

**GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.**

**Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.**

*This announcement, for which the directors (the “Directors”) of Wan Cheng Metal Packaging Company Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM (the “GEM Listing Rules”) of the Stock Exchange for the purpose of giving information with regard to the Company and its subsidiaries (together, the “Group”). The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material aspects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

## RESULTS

The board of directors (the “Board”) of the Company announces the audited consolidated results of the Company and its subsidiary (collectively the “Group”) for the year ended 31 December 2018, together with the comparative figures for the year ended 31 December 2017, as follows:

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Year ended 31 December	
		2018 RMB'000	2017 RMB'000
Revenue	3	115,438	125,691
Cost of sales		<u>(86,577)</u>	<u>(99,980)</u>
Gross profit		28,861	25,711
Other income and gains	3	1,921	3,589
Selling expenses		(6,436)	(3,018)
Administrative and other expenses		(22,050)	(22,762)
Impairment on financial asset at amortised cost		(7,073)	–
Finance costs	4	<u>(2,840)</u>	<u>(2,655)</u>
(Loss)/profit before income tax	5	(7,617)	865
Income tax expense	6	<u>(304)</u>	<u>(4,419)</u>
Loss for the year		(7,921)	(3,554)
Other comprehensive income for the year:			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translating foreign operations		<u>2,302</u>	<u>(1,882)</u>
Total comprehensive loss for the year attributable to the owners of the Company		<u>(5,619)</u>	<u>(5,436)</u>
Loss per share (cents)			
– Basic and diluted	8	<u>(1.98)</u>	<u>(1.03)</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31 December	
	2018	2017
Notes	RMB'000	RMB'000
<b>Non-current assets</b>		
Property, plant and equipment	30,571	31,660
Payments for leasehold land held for own use under operating lease	5,807	5,973
	<b>36,378</b>	37,633
<b>Current assets</b>		
Inventories	30,130	20,013
Trade and bills receivables	9 58,868	73,506
Prepayments, deposits and other receivables	45,816	17,028
Pledged bank deposits	4,239	1,054
Cash and cash equivalents	1,445	43,103
	<b>140,498</b>	154,704
<b>Total assets</b>	<b>176,876</b>	192,337
<b>Current liabilities</b>		
Trade and bills payables	10 35,649	48,605
Accruals and other payables	4,447	8,384
Bank borrowings	40,000	39,000
Income tax payable	1,098	1,156
	<b>81,194</b>	97,145
<b>Net current assets</b>	<b>59,304</b>	57,559
<b>Total assets less current liabilities</b>	<b>95,682</b>	95,192
<b>Non-current liabilities</b>		
Deferred tax liabilities	2,473	2,227
<b>Net assets</b>	<b>93,209</b>	92,965
<b>Capital and reserve</b>		
Share capital	3,372	3,372
Reserves	89,837	89,593
<b>Total equity attributable to owners of the Company</b>	<b>93,209</b>	92,965

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

For the year ended 31 December 2017

### 1. CORPORATE INFORMATION

Wan Cheng Metal Packaging Company Limited (the “Company”) was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of the Company’s registered office is PO Box 1350, Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands and its principal place of business in Hong Kong is Suite 1203, 12th Floor, Shanghai Industrial Investment Building, 60 Hennessy Road, Wanchai, Hong Kong.

The Company is an investment holding company and its subsidiaries (collectively as the “Group”) are principally engaged in manufacturing and sales of tinplate packaging products in the PRC.

The shares of the Company have been listed on the GEM of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 18 July 2017.

### 2. SEGMENT INFORMATION

The Group operates in one operating segment which is the manufacturing and sales of tinplate packaging products in the PRC. The Group determines its operating segment based on information reported to executive directors of the Company who are also the chief operating decision-maker that are used to make strategic decisions. Accordingly, the Group does not present separately segment information and all of the non-current assets are located in the PRC.

The Company is an investment holding company and the principal place of the Group’s operation is in the PRC. For the purpose of segment information disclosures under HKFRS 8, the Group regarded the PRC (excluding Hong Kong) as its country of domicile.

The Group’s revenue from external customers by geographical location of customers is detailed below:

	<b>2018</b> <b>RMB’000</b>	2017 <i>RMB’000</i>
The PRC (country of domicile)	<b>74,626</b>	86,404
Hong Kong	<b>40,812</b>	39,287
	<b>115,438</b>	125,691

Over 90% of the Group’s non-current assets are principally attributable to the PRC, being the single geographical region.

### Information about major customers

Revenue from major customers, each of whom amounted to 10% or more of the Group's revenue is set out below:

	Year ended 31 December	
	2018	2017
	<i>RMB'000</i>	<i>RMB'000</i>
Customer A	<u>39,367</u>	<u>37,173</u>

No other single customers contributed 10% or more to the Group's revenue for both 2018 and 2017.

### 3. REVENUE AND OTHER INCOME AND GAINS

The Group's principal activities are manufacturing and sales of tinplate packaging products. Revenue from the Group's principal activities during the year is as follows:

	Year ended 31 December	
	2018	2017
	<i>RMB'000</i>	<i>RMB'000</i>
Sale of goods	<u>115,438</u>	<u>125,691</u>
Other income and gains:		
Interest income from bank deposits	1	367
Sale of scrap materials	286	544
Government grant*	300	2,500
Others	<u>1,334</u>	<u>178</u>
	<u>1,921</u>	<u>3,589</u>

\* Government grant income were granted from the local government authorities in the PRC.

### 4. FINANCE COSTS

	Year ended 31 December	
	2018	2017
	<i>RMB'000</i>	<i>RMB'000</i>
Interest expenses on bank borrowings	2,138	1,864
Interest expenses on discounted bills receivables	652	739
Bank charges	<u>50</u>	<u>52</u>
	<u>2,840</u>	<u>2,655</u>

## 5. (LOSS)/PROFIT BEFORE INCOME TAX

(Loss)/profit before income tax is arrived at after charging:

	Year ended 31 December	
	2018 <i>RMB'000</i>	2017 <i>RMB'000</i>
Directors' emoluments	910	811
Other staff costs:		
– Wages, salaries and other benefits	8,944	9,786
– Contributions to defined contribution pension plans	1,170	2,181
Amortisation of payments for leasehold land held for own use under operating lease	166	166
Depreciation of property, plant and equipment	2,787	3,274
Auditor's remuneration	448	416
Listing expenses	–	8,578
Cost of inventories recognised as expenses	72,179	95,490
Loss on disposal of property, plant and equipment	–	9
Operating lease rental	230	109

## 6. INCOME TAX EXPENSE

The income tax expense in the consolidated statements of profit or loss and other comprehensive income represents:

	Year ended 31 December	
	2018 <i>RMB'000</i>	2017 <i>RMB'000</i>
Current income tax		
Provision for the year – PRC	178	2,102
Deferred tax		
In respect of the current year	126	2,317
Income tax expense	304	4,419

## 7. DIVIDENDS

The Board does not recommend the payment of any dividend for the year ended 31 December 2018 (2017: Nil).

## 8. LOSS PER SHARE

The calculations of basic loss per share are based on the Group's loss for the year attributable to owners of the Company of approximately RMB7,921,000 (2017: 3,554,000) and the weighted average of 400,000,000 (2017: 345,753,425) shares in issue during the year.

The weighted average number of shares used to calculate the basic loss per share for the year ended 31 December 2018 includes the weighted average effect of 100,000,000 shares issued upon the share offer of the Company's shares on 18 July 2017.

Diluted earnings per share were same as the basic loss per share as there were no dilutive potential ordinary shares in existence during the year ended 31 December 2018 and 2017.

## 9. TRADE AND BILLS RECEIVABLES

	<b>As at 31 December</b>	
	<b>2018</b>	2017
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Trade receivables	<b>65,240</b>	72,794
Bills receivables	<b>701</b>	712
	<b>65,941</b>	73,506
Less: loss allowance	<b>(7,073)</b>	–
	<b>58,868</b>	73,506

The credit terms granted to individual customers varies on a customer by customer basis which is determined by management with reference to the creditability of a respective customer. The general credit period ranged from 30 to 120 days (2017: 7 to 90 days) and the settlement period of bills receivables ranged from 30 to 120 days (2017: 30 to 120 days).

### (a) Ageing analysis

An ageing analysis of the Group's trade and bills receivables, net of impairment, and based on invoice date, is as follows:

	<b>As at 31 December</b>	
	<b>2018</b>	2017
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Within 1 month	<b>10,774</b>	19,971
More than 1 month but not more than 3 months	<b>4,021</b>	35,195
More than 3 months but not more than 6 months	<b>10,844</b>	10,492
More than 6 months but not more than 1 year	<b>22,157</b>	5,512
More than 1 year	<b>11,072</b>	2,336
	<b>58,868</b>	73,506

## 10. TRADE AND BILLS PAYABLES

	As at 31 December	
	2018	2017
	<i>RMB'000</i>	<i>RMB'000</i>
Trade payables	21,519	45,093
Bills payables	14,130	3,512
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	<b>35,649</b>	<b>48,605</b>
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An ageing analysis of the Group's trade and bills payables based on invoice date, is as follows:

	As at 31 December	
	2018	2017
	<i>RMB'000</i>	<i>RMB'000</i>
Within 1 month	9,055	17,410
More than 1 month but not more than 3 months	24,210	20,948
More than 3 months but not more than 6 months	1,532	6,248
More than 6 months but not more than 1 year	275	1,940
Over 1 year	577	2,059
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	<b>35,649</b>	<b>48,605</b>
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## MANAGEMENT DISCUSSION AND ANALYSIS

### Business Activities

The Group is principally engaged in manufacturing and sales of tinplate packaging products in the PRC. The shares of the Company were listed on the GEM of the Stock Exchange on 18 July 2017 (the “Listing Date”). Since the listing of the Company’s shares on the GEM of the Stock Exchange, there has been no significant change in the business operations of the Group.

### Business Review and Prospect

During the year ended 31 December 2018, the Group derived the revenue principally from the sale of tinplate packaging products in the PRC and Hong Kong. The major products were tin cans and steel pails, which are generally used for storing paint and coatings.

The Group recorded a decrease in revenue by approximately RMB10.3 million, or approximately 8.2%, from approximately RMB125.7 million for the year ended 31 December 2017 to approximately RMB115.4 million for the year ended 31 December 2018, which was contributed by the decrease in sales order of the Group’s tinplate packaging products which may caused by the uncertainties under the shadow of China – United States trade war.

The loss for the year ended 31 December 2018 was approximately RMB7.9 million as compared to loss for the year of approximately RMB3.6 million for the year ended 31 December 2017. Such increase was mainly due to the recognition of share-based payment of approximately RMB5.9 million and expected credit loss recognised under HKFRS 9 of approximately RMB7.1 million for the year ended 31 December 2018.

Looking forward, the Group is going to further consolidate its market share in the tinplate packaging business and to continue to expand domestically by implementing the following business strategies:

- (a) For tin cans, the Group upgraded its existing production lines. The Group considers that upgrading of the production line will enhance the overall production efficiency as well as to have better control over the operating costs, and ultimately enhance the profitability.
- (b) For steel pails, the Group purchased one new production line for production of steel pails to meet the potential growth on the Group’s revenue from the sales of steel pails so as to maintaining its competitiveness.

As part of its strategy to expand its market share, the Group will attend certain exhibition for coatings and coating related products. The Group also plan to expand the sales team with experienced staff in order to focus on the soliciting of new customers for its product portfolio. Despite of the uncertainties of China-United States trade war, the Group aim to achieve stable growth and reduce the concentration risk in any single customer group by the expansion of the customer base.

With the Group’s experienced management team and reputation in the market, the Directors consider the Group to be well-positioned to compete against its competitors and future challenges.

## **Debts and Charge on Assets**

The Group had total borrowings of RMB40.0 million and RMB39.0 million as at 31 December 2018 and 31 December 2017 respectively.

The bank borrowings and other banking facilities are secured by:

- (a) Pledge of buildings held by the Group with net carrying amount of approximately RMB4.8 million and approximately RMB5.5 million as at 31 December 2018 and 31 December 2017 respectively;
- (b) Pledge of payments for leasehold land held for own use under operating lease by the Group with net carrying amount of approximately RMB5.8 million and approximately RMB6.0 million as at 31 December 2018 and 31 December 2017 respectively; and
- (c) Pledged bank deposits of approximately RMB4.2 million and approximately RMB1.1 million as at 31 December 2018 and 31 December 2017 respectively.

The unutilised banking facilities in respect of bank acceptance bills as at 31 December 2018 and 31 December 2017 is amounted to approximately RMB6.0 million and approximately RMB6.0 million, respectively.

The unutilised banking facilities in respect of bank borrowings as at 31 December 2018 and 31 December 2017 is amounted to RMB6.0 million and RMB25.0 million, respectively.

## **Comparison of Business Objectives with Actual Business Progress and Use of Proceeds From the Share Offer**

The Company successfully listed on the GEM of the Stock Exchange on 18 July 2017 and 100,000,000 ordinary shares were issued at HK\$0.65 per share by way of share offer (“Share Offer”). Net proceeds from the Share Offer was approximately HK\$33.4 million (after deducting the underwriting fees and other related expenses).

These proceeds are designated for the purposes in accordance the Company’s prospectus dated 29 June 2017 (“Prospectus”), which is (i) approximately 56.1% of the net proceeds, representing approximately HK\$18.7 million to purchase of one new production line for production of steel pails, (ii) approximately 10.2% of the net proceeds, representing approximately HK\$3.4 million to upgrade of the Group’s existing production line, (iii) approximately 27.4% of the net proceeds, representing approximately HK\$9.2 million to repay bank loan and (iv) approximately 6.3% of the net proceeds, representing approximately HK\$2.1 million for general working capital purposes.

As at 31 December 2018, the Group's planned application and actual utilisation of the net proceeds are set out below:

<b>Use of proceeds</b>	<b>Net proceeds</b> <i>HK\$ million</i>	<b>Utilised</b> <i>HK\$ million</i>
Purchase of production line for production of steel pails	18.7	18.7
Upgrade of existing production lines	3.4	3.4
Partial repayment of bank loan	9.2	9.2
General working capital	2.1	2.1
	<hr/>	<hr/>
	33.4	33.4
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## **Financial Review**

### ***Revenue***

During the year ended 31 December 2018, the Group derived the revenue principally from the sale of tinplate packaging products in the PRC and Hong Kong. The Group generally recognises revenue from the sales of tinplate packaging products upon delivery of the products to the customers with their acceptance of the Group's products.

Revenue from the sales of tin cans decreased by approximately RMB13.2 million, or approximately 20.7%, from approximately RMB63.9 million for the year ended 31 December 2017 to approximately RMB50.7 million for the year ended 31 December 2018. Such decrease was mainly due to the decrease in sales order during the year ended 31 December 2018.

Revenue from the sales of steel pails, which have relatively higher average selling price per unit than tin cans, increased by approximately RMB2.4 million, or approximately 4.9%, from approximately RMB49.3 million for the year ended 31 December 2017 to approximately RMB51.7 million for the year ended 31 December 2018. Such increase was mainly due to the increase of average selling price during the year ended 31 December 2018.

### ***Cost of sales***

Cost of sales mainly comprised the cost of tinplate coil, tinplate processing costs, ancillary materials and consumables, staff costs, depreciation, utilities and repair and maintenance costs. The cost of sales decreased by approximately RMB13.4 million, or approximately 13.4% from approximately RMB100.0 million for the year ended 31 December 2017 to approximately RMB86.6 million for the year ended 31 December 2018. Such decrease was consistent with decrease in revenue.

### ***Gross profit and gross profit margin***

Gross profit increased from approximately RMB25.7 million for the year ended 31 December 2017 to approximately RMB28.9 million for the year ended 31 December 2018.

Gross profit margin increased from approximately 20.5% for the year ended 31 December 2017 to 25.0% for the year ended 31 December 2018. The increase was mainly due to the increase in average selling price for the year ended 31 December 2018.

### ***Other income and gains***

Other income and gains mainly represents the government grant, sales of scrap materials, interest income from bank deposits and bad debt recovered, which decreased from approximately RMB3.6 million for the year ended 31 December 2017 to approximately RMB1.9 million for the year ended 31 December 2018. The decrease was mainly due to the increase in other income and gains of approximately RMB1.2 million notwithstanding it had partially offset by the decrease in government grant of approximately RMB2.2 million in the year ended 31 December 2018 as compared to the year ended 31 December 2017.

### ***Selling expenses***

The Group's selling expenses mainly included transportation costs for its logistic team, staff costs, entertainment expenses and consumables were approximately RMB3.0 million and RMB6.4 million for the year ended 31 December 2017 and 2018 respectively. The increase was mainly due to the advertising activities performed during the year ended 31 December 2018 which amounting to approximately RMB4.4 million.

### ***Administrative and other expenses***

The Group's administrative and other expenses mainly included staff costs, building administrative fees, other tax expenses, depreciation and amortization, travelling and entertainment, office consumables and supplies, legal and professional fees, listing expenses and other miscellaneous administrative expenses. The Group recorded a slightly decrease in administrative and other expenses by approximately RMB0.7 million, or approximately 3.1%, from approximately RMB22.8 million for the year ended 31 December 2017 to approximately RMB22.1 million for the year ended 31 December 2018.

### ***Finance costs***

The Group's finance costs mainly comprised of interest expenses on bank borrowings and discounted bills receivables and bank charges. The finance costs increased by approximately RMB0.1 million, or approximately 7.0%, from approximately RMB2.7 million for the year ended 31 December 2017 to approximately RMB2.8 million for the year ended 31 December 2018. Such increase was mainly due to the higher interest rate of bank borrowings in the year ended 31 December 2018 as compared to the year ended 31 December 2017.

### ***Loss for the year***

As a result of the cumulative factors discussed above, the loss for the year was approximately RMB7.9 million as compared to loss for the year of approximately RMB3.6 million for the year ended 31 December 2017. Such decrease was mainly due to the recognition of share-based payment of approximately RMB5.9 million and expected credit loss recognised under HKFRS 9 of approximately RMB7.1 million during the year ended 31 December 2018.

### ***Dividends***

The Board does not recommend the payment of final dividend for the year ended 31 December 2018.

## **LIQUIDITY AND FINANCIAL RESOURCES**

During the year under review, the Group funded its liquidity primarily through cash inflows operating activities.

As at 31 December 2018, the Group's total cash and bank balances were approximately RMB5.7 million (31 December 2017: approximately RMB44.2 million). Gearing ratio of the Group remained relatively stable at approximately 42.0% and 42.9% as at 31 December 2017 and 2018 respectively.

## **TREASURY POLICIES**

The Group adopts a conservative approach towards its treasury policies. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that it can meet the funding requirements.

## **KEY PERFORMANCE INDICATORS (“KPIs”) WITH THE STRATEGY OF THE GROUP**

An analysis of the Group's performance during the period using KPIs in the section “Financial Review” of this annual result announcement.

## **MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES**

The Group did not carry out any material acquisition nor disposal of any subsidiaries for the year ended 31 December 2018.

## **CONTINGENT LIABILITIES**

As at 31 December 2018, there were no significant contingent liabilities for the Group.

## **EMPLOYEES AND REMUNERATION POLICIES**

As at 31 December 2018, the Group employed 199 employees (31 December 2017: 245 employees). Staff costs of the Group (including Directors' remuneration, wages, salaries and other benefits and contribution to defined contribution pension plans) amounted to approximately RMB11.0 million for the year ended 31 December 2018 (for the year ended 31 December 2017: approximately RMB12.8 million). The Group will endeavor to ensure that the employees' salary levels are in line with industry practice and prevailing market conditions and that employees' overall remuneration is determined based on the Group's and the employees' qualifications and performance.

## **SIGNIFICANT INVESTMENTS HELD**

Except for investment in its subsidiaries, the Group did not hold any significant investment for the year ended 31 December 2018.

## **FOREIGN EXCHANGE EXPOSURE**

The Group's main operations are in the PRC with most of its transactions settled in RMB. The Directors are of the opinion that the Group's exposure to foreign exchange risk is insignificant. During the year ended 31 December 2018, the Group did not hedge any exposure to foreign exchange risk.

## **CAPITAL STRUCTURE**

As at 4 May 2016, the Company's issued share capital was HK\$3,000,000 and the number of its issued ordinary share was 300,000,000 of HK\$0.01 each. As at Listing Date, the Company's issued share capital was increased to HK\$4,000,000 and the number of its issued ordinary shares was 400,000,000 of HK\$0.01 each. There has been no change in the capital structure of the Company since then.

## **FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS**

Save as disclosed in the Prospectus and in this annual result announcement, the Group did not have other plans for material investments or capital assets as at 31 December 2018.

## **DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY**

As at 31 December 2018, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO) or required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to the required standard of dealings by the Directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules, are as follows:

### **Long position in the shares of the Company**

<b>Name of Director</b>	<b>Capacity/Nature of interest</b>	<b>Number of shares held/ interested in</b>	<b>Approximate percentage of shareholding</b>
Ms. Liang Yingjun ("Ms. Liang") ( <i>Note 1</i> )	Interest in spouse	124,875,000	31.22%

#### *Note:*

1. Ms. Liang is the spouse of Mr. Liang Jianxun ("Mr. JX Liang"). Mr. JX Liang beneficially owns 50% of the issued share capital of Fortune Time Enterprises Limited ("Fortune Time"). By virtue of the SFO, Mr. JX Liang is deemed to be interested in 124,875,000 shares held by Fortune Time Enterprises Limited. Therefore, Ms. Liang is deemed to be interested in the shares in which Mr. JX Liang is interested in for the purpose of the SFO.

Save as disclosed above, none of the Directors and chief executive of the Company has any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO) or required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to the required standard of dealings by the Directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules.

## **SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY**

As at 31 December 2018, the interests and short positions of substantial shareholders and other persons (not being a Director or chief executive of the Company) in the shares and underlying shares which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO or required to be entered in the register maintained by the Company pursuant to Section 336 of the SFO were as follows:

### **Long positions in shares of the Company**

<b>Name</b>	<b>Capacity/Nature of interest</b>	<b>Number of shares held/ interested in</b>	<b>Approximate percentage of shareholding</b>
Fortune Time ( <i>Note 1</i> )	Beneficial owner	124,875,000	31.22%
Mr. JX Liang ( <i>Note 1</i> )	Interest in a controlled corporation	124,875,000	31.22%
Ms. Liang Zhimei ( <i>Note 1</i> )	Interest in a controlled corporation	124,875,000	31.22%
Mr. Zhang Zhiwei ( <i>Note 1</i> )	Interest in a controlled corporation	124,875,000	31.22%
Mr. Luo Yuanying ( <i>Note 2</i> )	Interest of spouse	124,875,000	31.22%
Ms. Yu Xianghong ( <i>Note 3</i> )	Interest of spouse	124,875,000	31.22%

#### *Notes:*

- Fortune Time is owned as to 50%, 25% and 25% by each of Mr. JX Liang, Ms. Liang Zhimei and Mr. Zhang Zhiwei respectively. Each of Mr. JX Liang, Ms. Liang Zhimei and Mr. Zhang Zhiwei is deemed to be interested in the Shares held by Fortune Time pursuant to the SFO.
- Mr. Luo Yuanying is the spouse of Ms. Liang Zhimei. Therefore, Mr. Luo Yuanying is deemed to be interested in the Share in which Ms. Liang Zhimei is interested in for the purpose of the SFO.
- Ms. Yu Xianghong is the spouse of Mr. Zhang Zhiwei. Therefore, Ms. Yu Xianghong is deemed to be interested in the Shares in which Mr. Zhang Zhiwei is interested in for the purpose of the SFO.



## SHARE OPTION SCHEME

The Company has conditional adopted a share option scheme (the “Share Option Scheme”) on 23 June 2017. For the principal terms of the Share Option Scheme, please refer to “D. Share Option Scheme” in Appendix V to the Prospectus.

Up to the date of this announcement, 40,000,000 share options has been granted by the Company pursuant to such Share Option Scheme. The options are unlisted. Each option gives the holder the right to subscribe for one share of HK\$0.01 each of the Company.

<b>Details of grantees</b>	<b>No. of options outstanding</b>	<b>Date granted</b>	<b>Periods during which options are exercisable</b>	<b>Exercise price per share</b>
Consultants, employees and others	40,000,000	17 April 2018	17 April 2018 to 16 April 2028	HK\$0.375 per share

## PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities during the year ended 31 December 2018.

## DIRECTORS’ AND CONTROLLING SHAREHOLDERS’ COMPETING INTERESTS

As at 31 December 2018, the Directors are not aware of any business or interest of the Directors, the controlling shareholders of the Company and their respective associates (as defined under the GEM Listing Rules) that compete or may compete with the business of the Group and any other conflict of interest which any such person has or may have with the Group.

## COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES

The Directors consider that the Company has applied the principles and complied with all the applicable code provisions set out in Appendix 15 to the GEM Listing Rules except the following deviations:

Code provision E.1.2 of the CG Code stipulates that the chairman should attend annual general meetings. Due to other business engagement, the chairman, Mr. Liang Junqian, was unable to attend the annual general meeting of the Company held on 12 June 2018.

Code provision A.6.7 of the CG Code stipulates that independent non-executive directors and other non-executive directors should attend general meetings. Due to other business engagement, the independent non-executive Directors, Ms. Hua Min and Ms. Xiao Ping, was unable to attend the annual general meeting of the Company held on 12 June 2018. For deviations from code provision A.6.7 and E.1.2 of the CG Code, the Company Secretary had reminded the chairman and the relevant independent non-executive Directors as well as the current independent non-executive Directors to attend general meetings of the Company in future.

## **INTERESTS OF THE COMPLIANCE ADVISER**

In accordance with Rule 6A.19 of the GEM Listing Rules, the Company has appointed Dakin Capital Limited (“Dakin”) as the compliance adviser. Dakin has declared its independence pursuant to Rule 6A.07 of the GEM Listing Rules. Except for the compliance adviser agreement entered into between the Company and Dakin dated 20 October 2017, neither Dakin nor its directors, employees or close associates had any interests in relation to the Company which is required to be notified to the Group pursuant to Rule 6A.32 of the GEM Listing Rules as at 31 December 2018.

## **AUDIT COMMITTEE**

The audited financial statements of the Group for the year ended 31 December 2018 have been reviewed by the audit committee of the Company. The audit committee is of the opinion that the financial statements of the Group for the year ended 31 December 2018 comply with applicable accounting standards, GEM Listing Rules and that adequate disclosures have been made.

By order of the Board  
**Wan Cheng Metal Packaging Company Limited**  
**Liang Junqian**  
*Chairman and Executive Director*

Hong Kong, 27 March 2019

*As at the date of this announcement, the executive Directors are Mr. Liang Juncheng and Mr. Chan Kit Lung Andy, and Ms. Liang Yingjun and the independent non-executive Directors are Mr. Wong Sui Chi, Ms. Hua Min and Ms. Xiao Ping.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange for the the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the Stock Exchange’s website at [www.hkexnews.hk](http://www.hkexnews.hk) on the “Latest Listed Company Information” page for at least 7 days from the date of its posting. This announcement will also be published on the Company’s website at [www.wanchengholdings.com](http://www.wanchengholdings.com).*