

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

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 2017

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 2017, together with the comparative figures for the year ended 31 December 2016, as follows:

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Year ended 31 December	
		2017	2016
	Notes	RMB'000	RMB'000
Revenue	3	125,691	118,510
Cost of sales		<u>(99,980)</u>	<u>(83,865)</u>
Gross profit		25,711	34,645
Other income and gains	3	3,589	1,161
Selling expenses		(3,018)	(1,813)
Administrative and other expenses		(22,762)	(18,279)
Finance costs	4	<u>(2,655)</u>	<u>(2,331)</u>
Profit before income tax	5	865	13,383
Income tax expense	6	<u>(4,419)</u>	<u>(6,039)</u>
(Loss)/profit for the year		(3,554)	7,344
Other comprehensive (loss)/income for the year:			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translating foreign operations		<u>(1,882)</u>	<u>1,056</u>
Total comprehensive (loss)/income for the year attributable to the owners of the Company		<u><u>(5,436)</u></u>	<u><u>8,400</u></u>
(Loss)/earnings per share (cents)			
— Basic and diluted	8	<u><u>(1.03)</u></u>	<u><u>0.45</u></u>

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		As at 31 December	
		2017	2016
	Notes	RMB'000	RMB'000
Non-current assets			
Property, plant and equipment		31,660	12,068
Payments for leasehold land held for own use under operating lease		<u>5,973</u>	<u>6,139</u>
		<u>37,633</u>	<u>18,207</u>
Current assets			
Inventories		20,013	17,503
Trade and bills receivables	9	73,506	46,180
Prepayments, deposits and other receivables		17,028	8,610
Pledged bank deposits		1,054	3,193
Cash and cash equivalents		<u>43,103</u>	<u>50,105</u>
		<u>154,704</u>	<u>125,591</u>
Total assets		<u><u>192,337</u></u>	<u><u>143,798</u></u>
Current liabilities			
Trade and bills payables	10	48,605	43,902
Accruals and other payables		8,384	10,605
Bank borrowings		39,000	39,000
Income tax payable		<u>1,156</u>	<u>2,220</u>
		<u>97,145</u>	<u>95,727</u>
Net current assets		<u>57,559</u>	<u>29,864</u>
Total assets less current liabilities		<u>95,192</u>	<u>48,071</u>
Non-current liabilities			
Deferred tax liabilities		<u>2,227</u>	<u>—</u>
Net assets		<u><u>92,965</u></u>	<u><u>48,071</u></u>
Capital and reserve			
Share capital		3,372	2,505
Reserves		<u>89,593</u>	<u>45,566</u>
Total equity attributable to owners of the Company		<u><u>92,965</u></u>	<u><u>48,071</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

For the year ended 31 December 2017

1. CORPORATE INFORMATION

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 the Group is principally engaged in manufacturing and sales of tinplate packaging products in the People's Republic of China ("PRC").

The shares of the Company have been listed on the Growth Enterprise Market (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:

	2017 <i>RMB'000</i>	2016 <i>RMB'000</i>
The PRC (country of domicile)	86,404	118,510
Hong Kong	<u>39,287</u>	<u>—</u>
	<u>125,691</u>	<u>118,510</u>

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	
	2017	2016
	<i>RMB'000</i>	<i>RMB'000</i>
Customer A	<u>37,173</u>	<u>42,260</u>

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	
	2017	2016
	<i>RMB'000</i>	<i>RMB'000</i>
Sale of goods	<u>125,691</u>	<u>118,510</u>
Other income and gains:		
Interest income from bank deposits	367	302
Sale of scrap materials	544	581
Doubtful debts recovered	—	81
Government grant*	2,500	—
Others	<u>178</u>	<u>197</u>
	<u>3,589</u>	<u>1,161</u>

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

4. FINANCE COSTS

	Year ended 31 December	
	2017	2016
	<i>RMB'000</i>	<i>RMB'000</i>
Interest expenses on bank borrowings	1,864	1,834
Interest expenses on discounted bills receivables	739	447
Bank charges	<u>52</u>	<u>50</u>
	<u>2,655</u>	<u>2,331</u>

5. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging:

	Year ended 31 December	
	2017	2016
	RMB'000	RMB'000
Directors' emoluments	807	611
Other staff costs:		
— Wages, salaries and other benefits	9,786	11,260
— Contributions to defined contribution pension plans	2,181	2,159
Amortisation of payments for leasehold land held for own use under operating lease	166	166
Depreciation of property, plant and equipment	3,274	1,585
Auditor's remuneration	416	48
Listing expenses	8,578	8,823
Cost of inventories recognised as expenses	95,490	72,291
Loss on disposal of property, plant and equipment	9	—
Operating lease rental	109	—

6. INCOME TAX EXPENSE

Current income tax	Year ended 31 December	
	2017	2016
	RMB'000	RMB'000
Provision for the year — PRC	2,102	6,039
Deferred tax		
In respect of the current year	2,317	—
Income tax expense	4,419	6,039

7. DIVIDENDS

The Board does not recommend the payment of any dividend for the year ended 31 December 2017 (2016: Nil).

8. (LOSS)/EARNINGS 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 RMB3,554,000 and the weighted average of 345,753,425 shares in issue during the year.

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

The Group's earnings for the year ended 31 December 2016 attributable to owners of the Company was approximately RMB7,344,000. The weighted average number of ordinary shares in issue during the year ended 31 December 2016 represents 300,000,000 ordinary shares in issue before the listing as if such shares were issued during the year ended 31 December 2016 after taking into account the capitalisation issue pursuant to reorganisation.

Diluted loss/earnings per share were same as the basic loss/earnings per share as there were no dilutive potential ordinary shares in existence during the years ended 31 December 2017 and 2016.

9. TRADE AND BILLS RECEIVABLES

	As at 31 December	
	2017	2016
	<i>RMB'000</i>	<i>RMB'000</i>
Trade receivables	72,794	45,327
Bills receivables	<u>712</u>	<u>853</u>
	<u><u>73,506</u></u>	<u><u>46,180</u></u>

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 7 to 90 days (2016: 7 to 90 days) and the settlement period of bills receivables ranged from 30 to 120 days (2016: 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:

	As at 31 December	
	2017	2016
	<i>RMB'000</i>	<i>RMB'000</i>
Within 1 month	19,971	11,732
More than 1 month but not more than 3 months	35,195	21,172
More than 3 months but not more than 6 months	10,492	9,044
More than 6 months but not more than 1 year	5,512	4,148
More than 1 year	<u>2,336</u>	<u>84</u>
	<u><u>73,506</u></u>	<u><u>46,180</u></u>

10. TRADE AND BILLS PAYABLES

	As at 31 December	
	2017	2016
	<i>RMB'000</i>	<i>RMB'000</i>
Trade payables	45,093	33,258
Bills payables	<u>3,512</u>	<u>10,644</u>
	<u>48,605</u>	<u>43,902</u>

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

	As at 31 December	
	2017	2016
	<i>RMB'000</i>	<i>RMB'000</i>
Within 1 month	17,410	10,631
More than 1 month but not more than 3 months	20,948	24,200
More than 3 months but not more than 6 months	6,248	4,901
More than 6 months but not more than 1 year	1,940	1,733
Over 1 year	<u>2,059</u>	<u>2,437</u>
	<u>48,605</u>	<u>43,902</u>

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 2017, the Group derived the revenue principally from the sale of tinplate packaging products in the PRC. The major products were tin cans and steel pails, which are generally used for storing paint and coatings.

The Group recorded an increase in revenue by approximately RMB7.2 million, or approximately 6.1%, from approximately RMB118.5 million for the year ended 31 December 2016 to approximately RMB125.7 million for the year ended 31 December 2017, which was contributed by the increase in the average selling price of the Group’s tinplate packaging products.

The loss for the year ended 31 December 2017 was approximately RMB3.6 million as compared to profit for the year of approximately RMB7.3 million for the year ended 31 December 2016. Excluding the non-recurring listing expenses of approximately RMB8.8 million and approximately RMB8.6 million incurred for the year ended 31 December 2016 and 2017 respectively, profit for the year ended 31 December 2016 and 2017 would be approximately RMB16.1 million and RMB5.0 million respectively. Such decrease was mainly due to (a) increase of average cost of tinplate for the year ended 31 December 2017; (b) the recognition of non-recurring listing expenses of approximately RMB8.6 million recognised for the year ended 31 December 2017; and (c) deferred taxation due to temporary difference of property, plant and equipment recognised during the year ended 31 December 2017.

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 exhibitions 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. 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 RMB39.0 million and RMB39.0 million as at 31 December 2017 and 31 December 2016 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 RMB5.5 million and approximately RMB6.2 million as at 31 December 2017 and 31 December 2016 respectively;
- (b) Pledge of payments for leasehold land held for own use under operating lease by the Group with net carrying amount of approximately RMB6.0 million and approximately RMB6.1 million as at 31 December 2017 and 31 December 2016 respectively; and
- (c) Pledged bank deposits of approximately RMB1.1 million and approximately RMB3.2 million as at 31 December 2017 and 31 December 2016 respectively.

The unutilised banking facilities in respect of bank acceptance bills as at 31 December 2017 and 31 December 2016 is amounted to approximately RMB6.0 million and approximately RMB8.2 million respectively.

The unutilised banking facilities in respect of bank borrowings as at 31 December 2017 and 31 December 2016 is amounted to RMB25.0 million and RMB1.0 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 2017, the Group's planned application and actual utilisation of the net proceeds are set out below:

Use of proceeds	Net proceeds <i>HK\$ million</i>	Utilised <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	<u>2.1</u>	<u>2.1</u>
	<u><u>33.4</u></u>	<u><u>33.4</u></u>

Financial Review

Revenue

During the year ended 31 December 2017, the Group derived the revenue principally from the sale of tinplate packaging products in the PRC. 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 increased by approximately RMB3.6 million, or approximately 6.0%, from approximately RMB60.3 million for the year ended 31 December 2016 to approximately RMB63.9 million for the year ended 31 December 2017. Such increase was mainly due to the increase in average selling price during the year ended 31 December 2017.

Revenue from the sales of steel pails, which have relatively higher average selling price per unit than tin cans, increased by approximately RMB1.3 million, or approximately 2.7%, from approximately RMB48.0 million for the year ended 31 December 2016 to approximately RMB49.3 million for the year ended 31 December 2017. Such increase was mainly due to the increase of customer orders and average selling price during the year ended 31 December 2017.

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 increased by approximately RMB16.1 million, or approximately 19.2% from approximately RMB83.9 million for the year ended 31 December 2016 to approximately RMB100.0 million for the year ended

31 December 2017. Such increase was mainly due to the higher average cost of tinplate coils consumed for our production during the year ended 31 December 2017 as compared to the year ended 31 December 2016.

Gross profit and gross profit margin

Gross profit decreased from approximately RMB34.6 million for the year ended 31 December 2016 to approximately RMB25.7 million for the year ended 31 December 2017.

Gross profit margin decreased from approximately 29.2% for the year ended 31 December 2016 to 20.5% for the year ended 31 December 2017. The decrease was mainly due to the increase of average cost of tinplate notwithstanding it had partially been offset by the increased revenue from the increase in average selling price in the year ended 31 December 2017 as compared to the year ended 31 December 2016.

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 increased from approximately RMB1.2 million for the year ended 31 December 2016 to approximately RMB3.6 million for the year ended 31 December 2017. The increase was mainly due to the government grant of approximately RMB2.5 million in 2017.

Selling expenses

The Group's selling expenses mainly included transportation costs for its logistic team, staff costs, entertainment expenses and consumables were approximately RMB1.8 million and RMB3.0 million for the year ended 31 December 2016 and 2017 respectively. The increase was mainly due to the advertising activities performed during the year ended 31 December 2017 which amounting to approximately RMB1.2 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 an increase in administrative and other expenses by approximately RMB4.5 million, or approximately 24.5%, from approximately RMB18.3 million for the year ended 31 December 2016 to approximately RMB22.8 million for the year ended 31 December 2017. Such increase was mainly due to the higher professional fee incurred due to become listing and higher depreciation incurred for the year ended 31 December 2017. Excluding the non-recurring listing expenses of approximately RMB8.8 million and approximately RMB8.6 million incurred for the year ended 31 December 2016 and 2017, respectively, the adjusted administrative and other expenses were approximately RMB9.5 million and RMB14.2 million for each of the year ended 31 December 2016 and 2017 respectively.

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 RMB0.4 million, or approximately 13.9%, from approximately RMB2.3 million for the year ended 31 December 2016 to approximately RMB2.7 million for the year ended 31 December 2017. Such increase was mainly due to the higher discounted rate of bills for the year ended 31 December 2017 as compared to the year ended 31 December 2016.

Loss for the year

As a result of the cumulative factors discussed above, the loss for the year under review was approximately RMB3.6 million as compared to profit for the year of approximately RMB7.3 million for the year ended 31 December 2016. Excluding the non-recurring listing expenses approximately RMB8.8 million and approximately RMB8.6 million incurred for the year ended 31 December 2016 and 2017 respectively, the profit recorded by the Company would be RMB16.1 million for the year ended 31 December 2016 and approximately RMB5.0 million for the year ended 31 December 2017 respectively. Such decrease was mainly due to (a) increase of average cost of tinplate for the year ended 31 December 2017; (b) the recognition of non-recurring listing expenses of approximately RMB8.6 million for the year ended 31 December 2017; and (c) deferred taxation due to temporary difference of property, plant and equipment recognised during the year ended 31 December 2017.

Dividends

The Board does not recommend the payment of final dividend for the year ended 31 December 2017.

LIQUIDITY AND FINANCIAL RESOURCES

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

As at 31 December 2017, the Group's total cash and bank balances were approximately RMB43.1 million (31 December 2016: approximately RMB50.1 million). Gearing ratio of the Group decreased from approximately 81.1% as at 31 December 2016 to approximately 42.0% as at 31 December 2017 mainly due to increase in equity as a result of the listing during the year ended 31 December 2017.

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.

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 2017.

CONTINGENT LIABILITIES

As at 31 December 2017, there were no significant contingent liabilities for the Group.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2017, the Group employed 245 employees (31 December 2016: 294 employees). Staff costs of the Group (including Directors' remuneration, wages, salaries and other benefits and contribution to defined contribution pension plans) amounted to approximately RMB12.8 million for the year ended 31 December 2017 (for the year ended 31 December 2016: approximately RMB14.0 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 2017.

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 2017, 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 results announcement, the Group did not have other plans for material investments or capital assets as at 31 December 2017.

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

As at 31 December 2017, 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 Part XV 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 2017, 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

Name	Capacity/ Nature of interest	Number of shares held/ interested in	Approximate percentage of shareholding
Fortune Time Enterprises Limited ("Fortune Time") (Note 1)	Beneficial owner	277,500,000	69.38%
Mr. Liang Jianheng ("Mr. JH Liang") (Note 1)	Interest in a controlled corporation	277,500,000	69.38%
Mr. Liang Jianxun ("Mr. JX Liang") (Note 1)	Interest in a controlled corporation	277,500,000	69.38%
Ms. Liang Sharina (Note 2)	Interest of spouse	277,500,000	69.38%
Ms. Liang Yingjun (Note 3)	Interest of spouse	277,500,000	69.38%
Century Great Investments Limited ("Century Great") (Note 4)	Beneficial owner	22,500,000	5.63%
Mr. Law Sai Hung ("Mr. Law") (Note 4)	Interest in a controlled corporation	22,500,000	5.63%

Notes:

- Fortune Time is owned as to 50% by each of Mr. JH Liang and Mr. JX Liang. Each of Mr. JH Liang and Mr. JX Liang is deemed to be interested in the shares held by Fortune Time pursuant to the SFO.

2. Ms. Liang Sharina is the spouse of Mr. JH Liang and is deemed to be interested in the Shares in which Mr. JH Liang is interested in for the purpose of the SFO.
3. Ms. Liang Yingjun is the spouse of Mr. JX Liang and is deemed to be interested in the Shares in which Mr. JX Liang is interested in for the purpose of the SFO.
4. Century Great is wholly-owned by Mr. Law. Mr. Law is deemed to be interested in the shares held by Century Great pursuant to 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.

As at 31 December 2017, no share option has been granted by the Company pursuant to the Share Option Scheme.

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 2017.

DIRECTORS’ AND CONTROLLING SHAREHOLDERS’ COMPETING INTERESTS

As at 31 December 2017, 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.

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 2017.

AUDIT COMMITTEE

The audited financial statements of the Group for the year ended 31 December 2017 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 2017 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 Jianheng
Chairman and executive Director

Hong Kong, 21 March 2018

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

This announcement will remain on the Stock Exchange's website at 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.hk.