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WING ON COMPANY INTERNATIONAL LIMITED
永安國際有限公司
(Incorporated in Bermuda with limited liability)
(Stock code: 289)

POSITIVE PROFIT ALERT
FOR THE YEAR ENDED 31 DECEMBER 2017

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance.

The Board would like to inform the shareholders of the Company and potential investors that, based on the preliminary review of the unaudited consolidated management accounts for the year ended 31 December 2017 currently available to the management, the Group expects to record an increase of approximately 160% in the amount of profit attributable to shareholders for the year ended 31 December 2017 as compared to that for the corresponding period in 2016.

It is also expected that the Group's underlying profit attributable to shareholders, which excludes valuation gains on the Group's investment properties and related deferred tax thereon, for the year ended 31 December 2017 will be better than that for the corresponding period in 2016 by approximately 25%.

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

This announcement is made by Wing On Company International 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 in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap.571 of the Laws of Hong Kong).

The board of directors of the Company (the "**Board**") would like to inform the shareholders of the Company and potential investors that, based on the preliminary review of the Group's unaudited consolidated management accounts for the year ended 31 December 2017, the Group expects to record an increase of approximately 160% in the amount of profit attributable to shareholders for the year ended 31 December 2017 as compared to that for the corresponding period in 2016. Such substantial increase is mainly attributable to the increase in the valuation gains on the Group's investment properties for the year ended 31 December 2017 as compared to that for the corresponding period in 2016.

It is also expected that the Group's underlying profit attributable to shareholders, which excludes valuation gains on the Group's investment properties and related deferred tax thereon, for the year ended 31 December 2017 will be better than that for the corresponding period in 2016 by approximately 25%.

The Directors believe that the expected net increase in the Group's underlying profit attributable to shareholders for the year is primarily due to the following:

(1) Investment in trading securities and derivative financial instruments

The gain from investment in trading securities and derivative financial instruments is expected to be approximately HK$97.0 million as compared to HK$17.5 million for the year ended 31 December 2016.

(2) Share of profit of an associate

The Group is expected to record a share of profit from the associate of approximately HK$20.0 million as compared to a loss of HK$26.8 million for the year ended 31 December 2016.

(3) Department Store operations

The operating profit from the Group's department store operations is expected to be approximately HK$115.0 million as compared to HK$151.5 million for the year ended 31 December 2016, affected by the decline in business revenue due to the unseasonably warm weather conditions in the first quarter of 2017 which affected the sales of winter goods, and slow recovery in customer spending during the remainder of the year.

The Company is still in the process of finalising the annual results of the Group for the year ended 31 December 2017 and the annual results announcement of the Company for the year ended 31 December 2017 is expected to be released in late March 2018. The information contained in this announcement is only a preliminary assessment made by the management of the Company based on the unaudited consolidated management accounts of the Group up to 31 December 2017, which is not based on any figures or information which have been confirmed or reviewed by the Company's auditor.

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

By Order of the Board
Karl C. Kwok
Chairman

Hong Kong, 30 January 2018

As at the date of this announcement, the executive directors of the Company are Mr. Karl C. Kwok (Chairman), Mr. Lester Kwok (Deputy Chairman and Chief Executive Officer) and Mr. Mark Kwok, the non-executive director is Dr. Bill Kwok, and the independent non-executive directors are Miss Maria Tam Wai Chu, Mr. Ignatius Wan Chiu Wong, Mr. Iain Ferguson Bruce and Mr. Leung Wing Ning.