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**WANG ON GROUP LIMITED**  
**(宏安集團有限公司)\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1222)**

**DISCLOSEABLE TRANSACTION  
IN RELATION TO  
PROVISION OF FINANCIAL ASSISTANCE**

**PROVISION OF FINANCIAL ASSISTANCE**

On 5 May 2023, the Lender, an indirect wholly-owned subsidiary of the Company, entered into the Loan Agreement to grant the Loan to the Customers of a principal amount of HK\$40.31 million for a term of twelve (12) months with an average interest rate of approximately 13.06% per annum. The Loan has been drawn down on 5 May 2023 after signing of the Loan Agreement by the Lender and the Customers.

Prior to entering into the Loan Agreement, the Lender, as lender, has entered into the Previous Loan Agreement A with Customer A, as borrower, and the Previous Loan Agreement B with Customer B, as borrower. As at the date of this announcement, the outstanding principal amounts of the Previous Loan A and the Previous Loan B have been fully repaid by part of the Loan.

**LISTING RULES IMPLICATION**

As the highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) in respect of the Loan Agreement exceeds 5% but is below 25%, the transaction contemplated under the Loan Agreement constitutes a disclosable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

## PROVISION OF FINANCIAL ASSISTANCE

On 5 May 2023, the Lender, an indirect wholly-owned subsidiary of the Company, entered into the Loan Agreement to grant the Loan to the Customers of a principal amount of HK\$40.31 million for a term of twelve (12) months with an average interest rate of approximately 13.06% per annum. The Loan has been drawn down on 5 May 2023 after signing of the Loan Agreement by the Lender and the Customers.

## PRINCIPAL TERMS OF THE LOAN AGREEMENT

The principal terms of the Loan Agreement are summarized below:

Date of the Loan Agreement:	5 May 2023
Lender:	The Lender, as lender
Borrowers:	Customer A and Customer B, as co-borrowers
Loan Amount:	HK\$40.31 million
Interest rate:	An average interest rate of approximately 13.06% per annum payable on a monthly basis
Term:	Twelve (12) months commencing from the Drawdown Date of the Loan
Repayment:	The first and the following 10 instalments comprising interest only and the last instalment comprising both principal and outstanding interest shall, in any event, be repaid in twelve (12) months from the Drawdown Date.
Security:	(i) A first legal charge executed by Customer A in favour of the Lender in respect of two lots of land and two portions of land located in North, New Territories, Hong Kong (“ <b>Customer A Mortgaged Properties</b> ”); and (ii) a first legal charge executed by Customer B in favour of the Lender in respect of two lots of land located in North, New Territories, Hong Kong (“ <b>Customer B Mortgaged Properties</b> ”) with valuation in respect of Customer A Mortgaged Properties and Customer B Mortgaged Properties conducted by an independent property valuer with an aggregate current market value of approximately HK\$67.5 million as at 3 May 2023

## **INFORMATION ON THE CREDIT RISK RELATING TO THE LOAN**

The advance in respect of the Loan was made on the basis of the Company's credit assessment made on the financial strength and repayment ability of the Customers, the Customers being the existing customers with no default record, the collaterals provided by the Customers and the relatively short term nature of the advance. After taking into account the factors as disclosed above in assessing the risks of the relevant advance, the Company considers that the risks involved in the advance to the Customers are relatively low.

## **FUNDING OF THE LOAN**

The Group will finance the Loan with its internal resources.

## **PREVIOUS LOAN AGREEMENTS**

Prior to the entering into of the Loan Agreement, the Lender, as lender, has entered into the Previous Loan Agreement A with Customer A, as borrower, and the Previous Loan Agreement B with Customer B, as borrower. As at the date of this announcement, the outstanding principal amounts of the Previous Loan A and the Previous Loan B have been fully repaid by part of the Loan.

Save as disclosed above, there is no prior transaction entered into between the Group and any of the Customers and the ultimate beneficial owner of Customer B which is required to be aggregated with the Loan Agreement pursuant to the Listing Rules.

## **INFORMATION ON THE CUSTOMERS**

Customer A is an individual being the sole director and ultimate beneficial owner of Customer B as at the date of this announcement, and a merchant principally engaging in the business of investment.

Customer B is a company incorporated in Hong Kong with limited liability and is principally engaged in property holding. It is wholly and ultimately owned by Customer A.

As at the date of this announcement, to the best knowledge, information and belief of the Board, having made all reasonable enquiries, the Customers (including Customer A, being the ultimate beneficial owner of Customer B) are the Independent Third Parties.

## **INFORMATION ON THE COMPANY, THE GROUP AND THE LENDER**

The Company is a company incorporated in Bermuda with limited liability and is an investment holding company.

The Group is principally engaged in (i) management and sub-licensing of fresh markets and treasury management in Hong Kong and the PRC; (ii) property investment, property development and asset management in Hong Kong through Wang On Properties Limited (Stock Code:1243), a 75.0%-owned listed subsidiary of the Company; (iii) manufacturing and/or retailing of pharmaceutical and health food products through Wai Yuen Tong Medicine Holdings Limited (“WYT”) (Stock Code: 897), an approximately 67.26%-owned listed subsidiary of the Company; and (iv) management and sale of properties in agricultural produce exchange markets in the PRC through China Agri-Products Exchange Limited (Stock Code: 149), an approximately 53.37%-owned listed subsidiary of WYT.

The Lender is a company incorporated in Hong Kong with limited liability and is an indirect wholly-owned subsidiary of the Company. It is principally engaged in treasury management under the Money Lenders Ordinance.

## **REASONS FOR AND BENEFITS OF ENTERING INTO OF THE LOAN AGREEMENT**

Taking into account the principal business activities of the Group, the provision of the Loan to the Customers is in the ordinary and usual course of business of the Group. The terms of the Loan Agreement were negotiated on an arm’s length basis between the Lender and the Customers. The Board is of the view that the terms of the Loan Agreement are entered into on normal commercial terms based on the Company’s credit policy. After having taken into account the satisfactory financial background of the Customers, the Loan being secured and that a stable revenue and cash inflow from the interest income are expected, the Board considers that the terms of the Loan Agreement are on normal commercial terms, fair and reasonable and the entering into of the Loan Agreement is in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATION**

As the highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) in respect of the Loan Agreement exceeds 5% but is below 25%, the transaction contemplated under the Loan Agreement constitutes a disclosable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

## DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“Board”	the board of the Directors
“Company”	Wang On Group Limited (宏安集團有限公司)*, an exempted company incorporated in Bermuda with limited liability whose shares are listed and traded on the Main Board of the Stock Exchange (Stock Code: 1222)
“connected person(s)”	has the meaning as ascribed thereto under the Listing Rules
“Customer A”	Mr. Li Sing Ming, an individual, who is the sole director and ultimate beneficial owner of Customer B
“Customer B”	Wide Great Investment Limited, a company incorporated in Hong Kong with limited liability
“Customers”	Customer A and Customer B
“Director(s)”	the director(s) of the Company
“Drawdown Date”	the date on which the Loan is drawn down
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	any entity(ies) or person(s) which or who is/are not a connected person of the Company within the meaning ascribed thereto under the Listing Rules
“Lender”	Fulling Limited, a company incorporated in Hong Kong with limited liability and with money lenders licence registered under Money Lenders Ordinance, which is an indirect wholly-owned subsidiary of the Company as at the date of this announcement

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	a secured loan in the principal amount of HK\$40.31 million granted by the Lender to the Customers
“Loan Agreement”	the loan agreement dated 5 May 2023 entered into between the Lender and the Customers, pursuant to which the Lender agreed to advance the Loan to the Customers
“Money Lenders Ordinance”	the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“PRC”	the People’s Republic of China, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Previous Loan A”	a loan in the principal sum of HK\$15 million advanced by the Lender to Customer A and secured by the first legal charge executed by Customer A in favour of the Lender in respect of Customer A Mortgaged Properties pursuant to Previous Loan Agreement A
“Previous Loan Agreement A”	the loan agreement dated 6 July 2022 entered into between the Lender, as lender, and Customer A, as borrower, pursuant to which the Lender agreed to grant to Customer A a secured loan in the principal amount of HK\$15 million for a term of twelve (12) months at the interest rate of 11.75% per annum which will be due on 8 July 2023
“Previous Loan Agreement B”	the loan agreement dated 6 July 2022 entered into between the Lender, as lender, and Customer B, as borrower, pursuant to which the Lender agreed to grant to Customer B a secured loan in the principal amount of HK\$15.31 million for a term of twelve (12) months at the interest rate of 11.75% per annum which will be due on 8 July 2023

“Previous Loan B”	a loan in the principal sum of HK\$15.31 million advanced by the Lender to Customer B and secured by the first legal charge executed by Customer B in favour of the Lender in respect of Customer B Mortgaged Properties pursuant to Previous Loan Agreement B
“Shareholder(s)”	the holder(s) of the ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning as ascribed thereto under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“%”	per cent.

By Order of the Board  
**WANG ON GROUP LIMITED**  
(宏安集團有限公司)\*  
**Tang Ching Ho**  
*Chairman and Executive Director*

Hong Kong, 5 May 2023

*As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Tang Ching Ho, Ms. Yau Yuk Yin and Ms. Stephanie; and three independent non-executive Directors, namely Mr. Wong Chun, Justein, Mr. Siu Kam Chau and Mr. Chan Yung.*

\* *For identification purpose only*