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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your securities in Wang On Group Limited (宏安集團有限公司)\*, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or the transfer was effected for onward transmission to the purchaser or the transferee.

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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)**

**PROPOSALS FOR  
GRANT OF NEW ISSUE MANDATE AND NEW REPURCHASE MANDATE,  
RE-ELECTION OF DIRECTORS,  
REFRESHMENT OF SCHEME MANDATE LIMIT,  
INCREASE IN AUTHORISED SHARE CAPITAL  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the AGM of the Company to be held at Garden Rooms A & B, 2/F., Hotel Nikko Hongkong, 72 Mody Road, Tsimshatsui, Kowloon, Hong Kong on Wednesday, 18 August 2010 at 11:30 a.m. is set out on pages 17 to 21 of this circular.

Whether or not you intend to attend and vote in person at the AGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as practicable but in any event not later than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof (as the case maybe). Completion and return of the form of proxy will not preclude you from subsequently attending and voting in person at the AGM or any adjournment thereof (as the case maybe) should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

16 July 2010

\* For identification purpose only

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## DEFINITIONS

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*In this circular, unless the context otherwise specifies, the following expressions have the following meanings:*

“AGM”	the annual general meeting of the Company to be held at Garden Rooms A & B, 2/F., Hotel Nikko Hongkong, 72 Mody Road, Tsimshatsui, Kowloon, Hong Kong on Wednesday, 18 August 2010 at 11:30 a.m. or at any adjournment thereof (as the case may be)
“associate”	has the same meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company
“Capital Reorganisation”	the reorganisation of the share capital of the Company by consolidating every five Old Shares into one New Share which became effective at 5:00 p.m. on 23 February 2010, details of which are set out in the announcement and circular of the Company dated 12 January 2010 and 4 February 2010, respectively
“Code”	the Hong Kong Code on Takeovers and Mergers
“Company”	Wang On Group Limited (宏安集團有限公司)*, an exempted company incorporated in Bermuda with limited liability and the Shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the same meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Eligible Participant(s)”	means: <ul style="list-style-type: none"><li>(i) (a) any director or proposed director (whether executive or non-executive, including any independent non-executive director), employee or proposed employee (whether full time or part time) of, or</li><li>(b) any individual for the time being seconded to work for,</li></ul> any member of the Group (as defined in the Share Option Scheme) or any substantial shareholder or any company controlled by a substantial shareholder; or

\* *For identification purpose only*

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## DEFINITIONS

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- (ii) any holder of any securities issued by any member of the Group or any substantial shareholder or any company controlled by a substantial shareholder; or
- (iii)
  - (a) any business or joint venture partner, contractor, agent or representative of,
  - (b) any person or entity that provides research, development or other technological support or any advisory, consultancy, professional or other services to,
  - (c) any supplier, producer or licensor of goods or services to,
  - (d) any customer, licensee (including any sub-licensee) or distributor of goods or services of, or
  - (e) any landlord or tenant (including any sub-tenant) of,any member of the Group or any substantial shareholder or any company controlled by a substantial shareholder;

and, for the purposes of the Share Option Scheme, shall include any company controlled by one or more persons belonging to any of the above classes of participants

“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
“Latest Practicable Date”	13 July 2010, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to allot, issue and deal with additional Shares and other securities up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution granting the New Issue Mandate

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## DEFINITIONS

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“New Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise the powers of the Company to repurchase Shares during the prescribed period on the Stock Exchange up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the relevant resolution granting the New Repurchase Mandate
“Old Share(s)”	the ordinary share(s) with a nominal value of HK\$0.01 each in the share capital of the Company immediately before the Capital Reorganisation becoming effective at 5:00 p.m. on 23 February 2010
“Placing”	placing of 453,000,000 Old Shares at a price of HK\$0.14 per Old Share under the general mandate granted to the Directors at the annual general meeting held on 26 August 2009, details of which are set out in the announcement of the Company dated 13 October 2009
“PRC”	The People’s Republic of China and for the purpose of this circular shall exclude Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Scheme Mandate Limit”	the maximum number of the Shares (being up to 10% of the Shares in issue as at the date of the relevant general meeting) which may be issued upon exercise of all Share Options to be granted under the Share Option Scheme as at the date of adoption of the Share Option Scheme or as refreshed from time to time
“Scheme Period”	the period commencing on the date on which the Share Option Scheme was adopted by the Shareholders and expiring at the close of business on the day immediately preceding the tenth anniversary thereof
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	the holder(s) of the Old Share(s) or the Share(s)
“Share Option(s)”	the option(s) to subscribe for Old Shares or Shares granted under the Share Option Scheme
“Share Option Scheme”	the share option scheme adopted by the Shareholders at the special general meeting of the Company held on 3 May 2002

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## DEFINITIONS

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“Share(s)”	the ordinary share(s) with a nominal value of HK\$0.05 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the same meaning ascribed thereto under the Listing Rules
“%”	per cent.

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LETTER FROM THE BOARD

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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)**

*Executive Directors:*

Mr. Tang Ching Ho (*Chairman*)

Ms. Yau Yuk Yin (*Deputy Chairman*)

Mr. Chan Chun Hong, Thomas (*Managing Director*)

*Independent non-executive Directors:*

Dr. Lee Peng Fei, Allen, *CBE, BS, FHKIE, JP*

Mr. Wong Chun, Justein, *MBE, JP*

Mr. Siu Yim Kwan, Sidney, *S.B.St.J.*

Mr. Siu Kam Chau

*Registered office:*

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*Head office and principal*

*place of business:*

5/F., Wai Yuen Tong Medicine Building

9 Wang Kwong Road

Kowloon Bay

Kowloon

Hong Kong

16 July 2010

*To the Shareholders and, for information only,  
the holders of the Share Options*

Dear Sir or Madam,

**PROPOSALS FOR  
GRANT OF NEW ISSUE MANDATE AND NEW REPURCHASE MANDATE,  
RE-ELECTION OF DIRECTORS,  
REFRESHMENT OF SCHEME MANDATE LIMIT,  
INCREASE IN AUTHORISED SHARE CAPITAL  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to provide you with information and to seek your approval to the proposed (i) grant of the New Issue Mandate and the New Repurchase Mandate; (ii) the extension of the New Issue Mandate by the addition of the number of Shares repurchased pursuant to the New Repurchase Mandate; (iii) re-election of the retiring Directors; (iv) refreshment of the Scheme Mandate Limit; and (v) increase in authorised share capital of the Company. A notice of the AGM containing the resolutions to be proposed at the AGM is set out on pages 17 to 21 of this circular.

\* *For identification purpose only*

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## LETTER FROM THE BOARD

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### GRANT OF THE NEW ISSUE MANDATE AND THE NEW REPURCHASE MANDATE

At the Company's last annual general meeting held on 26 August 2009, the Directors were granted a general mandate to allot, issue and deal with Old Shares with an aggregate value of not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at 26 August 2009 (equivalent to the then aggregate nominal amount of HK\$4,531,446.54 divided into 453,144,654 Old Shares with a nominal value of HK\$0.01 each) (the "**2009 General Mandate**") and a general mandate to repurchase Old Shares up to a maximum 10% of the aggregate nominal amount of the issued share capital of the Company as at 26 August 2009 (equivalent to the then aggregate nominal amount of HK\$2,265,723.27 divided into 226,572,327 Old Shares with a nominal value of HK\$0.01 each) (the "**2009 Repurchase Mandate**").

On 13 October 2009, the Company entered into an agreement to issue and allot 453,000,000 Old Shares under the 2009 General Mandate to independent placees pursuant to the Placing, completion of which took place on 3 November 2009. Details of the Placing are disclosed in the Company's announcements dated 13 October 2009 and 3 November 2009. Nets proceeds of approximately HK\$61.3 million were raised for the Group's property development business.

As such, the 2009 General Mandate granted to the Directors has almost been utilised. At the special general meeting of the Company held on 30 November 2009, ordinary resolutions were passed by the independent Shareholders and Shareholders, respectively to refresh (i) the 2009 General Mandate and extension thereof to the Directors to allot and issue Old Shares or Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at 30 November 2009 (equivalent to the then aggregate nominal amount of HK\$5,437,446.54 divided into 543,744,654 Old Shares with nominal value of HK\$0.01 each or equivalent to the aggregate nominal amount of HK\$5,437,446.54 divided into 108,748,930 Shares with nominal value of HK\$0.05 each immediately following the Capital Reorganisation becoming effective at 5:00 p.m. on 23 February 2010) (the "**Refreshed 2009 General Mandate**"); and (ii) the 2009 Repurchase Mandate to the Directors to repurchase Old Shares or Shares not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company as at 30 November 2009 (equivalent to the then aggregate nominal amount of HK\$2,718,723.27 divided into 271,872,327 Old Shares with nominal value of HK\$0.01 each or equivalent to the aggregate nominal amount of HK\$2,718,723.25 divided into 54,374,465 Shares with nominal value of HK\$0.05 each immediately following the Capital Reorganisation becoming effective at 5:00 p.m. on 23 February 2010) (the "**Refreshed 2009 Repurchase Mandate**").

The Refreshed 2009 General Mandate and the Refreshed 2009 Repurchase Mandate had not been utilised and will expire at the conclusion of the AGM.

To facilitate future allotment and issue of Shares by the Directors on behalf of the Company, the Directors will seek the approval of the Shareholders for the grant of:

- (a) the New Issue Mandate;
- (b) the New Repurchase Mandate; and



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## LETTER FROM THE BOARD

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- (c) if the New Repurchase Mandate is granted, a general mandate to add the aggregate number of Shares repurchased by the Company under the New Repurchase Mandate to the New Issue Mandate, subject to a maximum of 10% of the issued share capital of the Company as at the date of passing of the relevant resolution.

The Directors have no immediate plans to allot and issue any new Shares and such Shares which may fall to be issued upon the exercise of the outstanding Share Options granted.

An explanatory statement as required under the Listing Rules giving certain information regarding the New Repurchase Mandate is set out in Appendix I to this circular.

### RE-ELECTION OF THE DIRECTORS

The Board currently consists of seven Directors, namely Mr. Tang Ching Ho, Ms. Yau Yuk Yin and Mr. Chan Chun Hong, Thomas, as the executive Directors, Dr. Lee Peng Fei, Allen, Mr. Wong Chun, Justein, Mr. Siu Yim Kwan, Sidney and Mr. Siu Kam Chau, as the independent non-executive Directors.

Pursuant to bye-law 87 of the Bye-laws, Ms. Yau Yuk Yin, Mr. Wong Chun, Justein and Mr. Siu Yim Kwan, Sidney shall retire as Directors by rotation at the AGM and, being eligible, offer themselves for re-election.

Biographical details of each of Ms. Yau, Mr. Wong and Mr. Siu required to be disclosed by the Listing Rules are set out in the Appendix II to this circular. If a valid notice from a Shareholder to propose a person to stand for election as a Director at the AGM is received in accordance with the Bye-laws after the printing of this circular, the Company will issue a supplementary circular to inform Shareholders of the details of such additional candidate(s) proposed.

### REFRESHMENT OF THE SCHEME MANDATE LIMIT

The Company adopted the Share Option Scheme pursuant to a resolution passed by the Shareholders at the special general meeting held on 3 May 2002 in accordance with the requirements set out in Chapter 17 of the Listing Rules. The purpose of the Share Option Scheme is to provide incentives and rewards to Eligible Participants who contribute to the success of the operations of the Group. As at the Latest Practicable Date, apart from the Share Option Scheme, the Company did not have any other share option schemes.

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## LETTER FROM THE BOARD

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Under the rules of the Share Option Scheme:

- (1) Subject to sub-paragraphs (2) and (3) below, the maximum number of Shares issuable upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company as from the commencement of the Scheme Period (excluding, for this purpose, Share Options which have lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company) must not in aggregate exceed the Scheme Mandate Limit. The Shares underlying any Share Options granted under the Share Option Scheme or any other share option schemes of the Company which have been cancelled (but not Share Options which have lapsed) are counted for the purpose of calculating the Scheme Mandate Limit.
- (2) The Scheme Mandate Limit may be refreshed at any time by obtaining approval of the Shareholders at general meeting provided that the new limit under the refreshed Scheme Mandate Limit must not exceed 10% of the Shares in issue at the date of the Shareholder's approval of such refreshed Scheme Mandate Limit. Share Options previously granted under the Share Option Scheme or any other share option schemes of the Company (including those exercised, outstanding, cancelled or lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company) will not be counted for the purpose of calculating the total number of Shares subject to the refreshed Scheme Mandate Limit.
- (3) The aggregate number of Shares which may be issued upon exercise of all outstanding Share Options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company must not exceed 30% of the Shares in issue from time to time.

At annual general meeting held on 26 August 2009, the Scheme Mandate Limit was refreshed to allow the Company to grant Share Options entitling holders to subscribe for Old Shares or Shares not exceeding 10% of the issued share capital of the Company as at the date of approving the refreshment, which amounted to 226,572,327 Old Shares and was adjusted to 45,314,465 Shares immediately upon the Capital Reorganisation becoming effective at 5:00 p.m. on 23 February 2010 (the “**2009 Refreshed Scheme Mandate Limit**”).

The Company granted an aggregate of 20,700,000 Share Options in May 2010 to allow the Eligible Participants to subscribe for an aggregate 20,700,000 Shares, which represented approximately 45.7% of the 2009 Refreshed Scheme Mandate Limit. As at the Latest Practicable Date, no Share Option granted in May 2010 was exercised or cancelled and 4,700,000 Share Options were lapsed.

Following the Share Options granted in May 2010, the outstanding 2009 Refreshed Scheme Mandate Limit entitling the Company to issue Share Options to Eligible Participants under the Share Option Scheme has been reduced to 24,614,465 Share Options, representing 0.75% of the total issued share capital of the Company as at the Latest Practicable Date.

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## LETTER FROM THE BOARD

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The Directors are of the view that the refreshment of the Scheme Mandate Limit will enable the Company to grant further Share Options to Eligible Participants who, at the sole discretion of the Board, will contribute or has contributed to the Group as incentives or rewards. As at the Latest Practicable Date, there were 3,262,467,540 Shares in issue. Assuming no further Shares are/will be issued and allotted prior to the date of the AGM, the maximum number of Share Options that can be granted by the Company under the refreshed Scheme Mandate Limit would be 326,246,754. According to the rules and requirements of the Share Option Scheme and the Listing Rules, an ordinary resolution will be proposed at the AGM to approve the proposed “refreshed” Scheme Mandate Limit.

As at the Latest Practicable Date, there were in aggregate 50,175,267 Share Options remained outstanding entitling the holders of the Share Options to subscribe for an aggregate of 50,175,267 Shares, representing 1.54% of the issued share capital of the Company. The aggregate maximum number of the Shares that can be issued pursuant to the Share Options to be granted under the refreshed Scheme Mandate Limit (326,246,754 Shares) and the existing number of Shares to be issued upon the exercise of the outstanding Share Options granted under the Share Option Scheme and any other share option schemes adopted by the Company (50,175,267 Shares) were 376,422,021 Shares, representing 11.54% of the total issued share capital of the Company and did not exceed 30% of the Shares in issue as at the Latest Practicable Date.

The refreshment of the Scheme Mandate Limit is conditional upon:

- (a) the passing of an ordinary resolution by the Shareholder at the AGM to approve, among other things, the refreshment of the Scheme Mandate Limit; and
- (b) the Listing Committee of the Stock Exchange granting the approval of the listing of, and permission to deal in, 10% of the Shares in issue at the date of approval of the refreshment of the Scheme Mandate Limit which may be issued upon exercise of any Share Option granted under the refreshed Scheme Mandate Limit.

Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares which may fall to be issued upon the exercise of any Share Options that may be granted under the refreshed Scheme Mandate Limit.

### **INCREASE IN AUTHORISED SHARE CAPITAL**

As at the Latest Practicable Date, the authorised share capital of the Company was HK\$200,000,000 divided into 4,000,000,000 Shares of HK\$0.05 each.

To provide for flexibility and accommodate future expansion and growth of the Company, the Board proposed to the Shareholders to increase the authorised share capital of the Company from HK\$200,000,000 divided into 4,000,000,000 Shares to HK\$400,000,000 divided into 8,000,000,000 Shares by creating an addition of 4,000,000,000 Shares of HK\$0.05 each. The Board has no present intention of issuing any new Share.

Pursuant to the Bye-laws, the proposed increase in authorised share capital of the Company is conditional on the Shareholders’ approval by an ordinary resolution at the AGM.

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## LETTER FROM THE BOARD

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### **CLOSURE OF THE REGISTER OF MEMBERS**

The register of members of the Company will be closed from Monday, 16 August 2010 to Wednesday, 18 August 2010 (both days inclusive) during which period no transfer of Shares will be registered. In order to qualify for the final dividend and be entitled to attend and vote at the AGM, all Shareholders are required to lodge their duly signed transfer documents accompanied by the relevant share certificates with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited of 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration by no later than 4:00 p.m. on Friday, 13 August 2010.

### **RESPONSIBILITY STATEMENT**

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular 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 circular misleading.

### **AGM**

The notice of the AGM, which is convened for the purpose of considering and, if thought fit, approving, among other things, the proposed grant of the New Issue Mandate and the New Repurchase Mandate, the re-election of the retiring Directors, the refreshment of the Scheme Mandate Limit and the increase in authorised share capital are set out on pages 17 to 21 of this circular.

Pursuant to Rules 13.39(4) and 13.39(5) of the Listing Rules and the Bye-laws, the voting on all proposed resolutions will be taken by way of a poll and an announcement on the poll results will be made by the Company after the AGM.

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you intend to attend and vote in person at the AGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as practicable but in any event not later than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from subsequently attending and voting in person at the AGM or any adjournment thereof (as the case may be) should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

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## LETTER FROM THE BOARD

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### RECOMMENDATION

The Board considers that the proposals for (a) the grant of the New Issue Mandate and the New Repurchase Mandate; (b) the extension of the New Issue Mandate by the addition of the number of Shares repurchased pursuant to the New Repurchase Mandate; (c) the re-election of the retiring Directors; (d) the refreshment of the Scheme Mandate Limit; and (e) the increase in authorised share capital of the Company, are in the best interests of the Company and the Shareholders as a whole and, accordingly, the Board recommends all Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM in respect thereof.

Yours faithfully,  
For and on behalf of the Board  
**Wang On Group Limited**  
(宏安集團有限公司)\*  
**Tang Ching Ho**  
*Chairman*

\* *For identification purpose only*

*This appendix serves as an explanatory statement as required by the Listing Rules to provide the requisite information to you for your consideration in respect of the New Repurchase Mandate. For the purpose of this appendix, the term "Shares" (unless otherwise stated) shall be as defined in the Code on the Share Repurchases which means shares of all classes and securities which carry a right to subscribe for or purchase shares.*

## **1. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company was HK\$163,123,377.00 comprising 3,262,467,540 Shares with a nominal value of HK\$0.05 each and 50,175,267 outstanding Share Options. If such outstanding Share Options were exercised in full on or prior to the date of the AGM, a further 50,175,267 Shares would be in issue.

Subject to the passing of the relevant ordinary resolutions as set out in the notice of the AGM, assuming no further Shares were/will be issued and/or repurchased by the Company between the Latest Practicable Date and the date of the AGM, the Directors will be authorised to repurchase Shares with an aggregate nominal amount up to HK\$16,312,337.70 (representing 326,246,754 Shares with a nominal value of HK\$0.05 each) pursuant to the New Repurchase Mandate. Assuming that (i) all outstanding Share Options are exercised in full on or before the date of the AGM; and (ii) no further Shares were/will be issued and/or repurchased by the Company, the total number of Shares in issue will be 3,312,642,807 Shares and the Directors will be authorised to repurchase Shares with an aggregate nominal amount up to HK\$16,563,214 (representing 331,264,280 Shares with a nominal value of HK\$0.05 each).

## **2. REASONS FOR REPURCHASES**

The Directors believe that it is in the best interests of the Company and the Shareholders to have a general authority from the Shareholders to enable the Directors to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and/or its assets or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

## **3. FUNDING OF REPURCHASES**

The Company must fund the repurchase entirely from the Company's available cash flow or working capital facilities legally available for such purpose in accordance with its memorandum of association, the Bye-laws, the laws of Bermuda and other applicable laws.

There is no adverse impact on the working capital or gearing position of the Company as compared with the positions disclosed in the Company's annual report for the year ended 31 March 2010 in the event that the New Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period.

The Directors do not propose to exercise of the New Repurchase Mandate to such extent as could, in the circumstances, have a material adverse effect on the working capital or the gearing level of the Company which in the opinion of the Directors is from time to time appropriate for the Company.

**4. DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS**

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, have any present intention, in the event that the New Repurchase Mandate is approved by the Shareholders at the AGM, to sell any Shares to the Company under the New Repurchase Mandate.

No connected persons has notified the Company that he has a present intention to sell any Shares to the Company, or that he has undertaken not to sell any Shares held by him to the Company, in the event that the New Repurchase Mandate is granted by the Shareholders at the AGM.

**5. DIRECTORS' UNDERTAKING**

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchases pursuant to the New Repurchase Mandate in accordance with the Listing Rules, the memorandum of association of the Company, the Bye-laws and the applicable laws of Bermuda so far as the same may be applicable.

**6. EFFECT OF THE CODE**

If, on the exercise of the power to repurchase Shares pursuant to the New Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of Rule 32 of the Code. As a result, a Shareholder or a group of Shareholders acting in concert (as defined in the Code), depending on the level of such increase, could obtain or consolidate control of the Company and may become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Code.

As at the Latest Practicable Date and to the best knowledge and belief of the Directors, Mr. Tang Ching Ho, the chairman of the Company, and parties acting in concert with him were interested or deemed to be interested in approximately 21.69% of the existing issued share capital of the Company. In the event that the Directors should exercise the power to repurchase Shares under the New Repurchase Mandate in full, the shareholding of Mr. Tang Ching Ho and parties acting in concert with him will be increased to approximately 24.10% of the issued share capital of the Company.

The Directors are not aware of any consequence which may arise under the Code as a result of any repurchases made under the New Repurchase Mandate.

The Directors have no present intention to exercise the power to repurchase Shares to the extent that the aggregate amount of the share capital of the Company in public hands would be reduced to less than 25%.

**7. SHARE PURCHASE MADE BY THE COMPANY**

The Company had not purchased any of the Old Shares and/or Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

**8. SHARE PRICES**

The highest and lowest prices at which the Old Shares and/or Shares have traded on the Stock Exchange in each of the last twelve months are as follows:

<b>Month</b>	<b>Per Old Share/Share</b>	
	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
<b>2009</b>		
July	0.245A	0.210A
August	0.250A	0.225A
September	0.240A	0.225A
October	0.320A	0.225A
November	0.315A	0.255A
December	0.270A	0.245A
<b>2010</b>		
January	0.270A	0.205A
February	0.370A	0.196
March	0.230	0.160
April	0.204	0.177
May	0.180	0.130
June	0.177	0.140
July (up to the Latest Practicable Date)	0.190	0.157

A: Adjusted for the Capital Reorganisation involving the share consolidation and the effect of the rights issue (as detailed in the Company's announcement dated 14 January 2010 and the circular dated 4 February 2010).



The biographical details of Ms. Yau Yuk Yin, Mr. Wong Chun, Justein and Mr. Siu Yim Kwan, Sidney, who are eligible for re-election at the AGM, are set out follows:

**Ms. Yau Yuk Yin**, aged 48, is a co-founder of the Group and the Deputy Chairman of the Company since November 1993. She is also a member of remuneration committee and nomination committee of the Company. Ms. Yau is responsible for the overall human resources and administration of the Group. She has over 12 years of experience in human resources and administration management. She is the wife of Mr. Tang Ching Ho, the Chairman of the Company. Save as disclosed above, as at the Latest Practicable Date, Ms. Yau did not hold any other directorship in listed public companies during the past three years.

Pursuant to the service contract entered into between the Company and Ms. Yau, she is entitled to an annual remuneration of approximately HK\$3.3 million. Such fee is determined with reference to her duties as an executive Director. The terms of Ms. Yau's appointment is subject to retirement by rotation and re-election at any subsequent annual general meeting of the Company in accordance with the Bye-laws.

Save as disclosed above, Ms. Yau did not have any relationship with any other Directors, senior management, substantial or controlling Shareholders (as defined in the Listing Rules).

As at the Latest Practicable Date, Ms. Yau held 707,501,966 Shares, representing 21.69% of the issued share capital of the Company, within the meaning of Part XV of the SFO which includes personal interest of 4,671,050 Shares, 4,671,057 Shares held by her spouse, Mr. Tang Ching Ho, the Chairman of the Company, 17,086,110 Shares held by a corporation wholly and beneficially owned by her spouse and 681,073,749 Shares held by the Tang's Family Trust of which Ms. Yau is the beneficiary.

There is no information which is discloseable nor is/was Ms. Yau involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and the Directors are not aware of any other matters regarding the re-election of Ms. Yau that needs to be brought to the attention of the Shareholders.

**Mr. Wong Chun, Justein**, *MBE, JP*, aged 56, joined the Group in November 1993 as an independent non-executive Director. He is a member of audit committee and nomination committee of the Company and the chairman of the remuneration committee of the Company. Mr. Wong holds a bachelor's degree in Commerce and Computing Science from Simon Fraser University, Canada. He is a fellow of Institute of Canadian Bankers. He was a member of the Fight Crime Committee, the Independent Police Complaints Council, the Legal Aid Services Council, chairman of Quality Education Fund Assessment and Monitoring Committee and is currently a member of Joint Committee of Student Finance and other government advisory bodies. Save as disclosed above, as at the Latest Practicable Date, Mr. Wong did not hold any other directorship in listed public companies during the past three years.

As at the Latest Practicable Date, Mr. Wong did not have any relationship with any other Directors, senior management, substantial or controlling Shareholders (as defined in the Listing Rules) nor have interests in the Shares within the meaning of Part XV of the SFO. Also, as at the Latest Practicable Date, he did not hold any other positions with the Company or any member of the Group.

Pursuant to the service contract and supplemental agreements entered into between the Company and Mr. Wong, Mr. Wong's appointment is subject to the provisions of the Bye-laws and will be subject to the retirement by rotation and re-election at any subsequent annual general meeting of the Company. Mr. Wong is entitled to a Director's fee of HK\$217,000 per annum. Such fee is determined with reference to his duties as an independent non-executive Director.

There is no information which is discloseable nor is/was Mr. Wong involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and the Directors are not aware of any other matters regarding the re-election of Mr. Wong that needs to be brought to the attention of the Shareholders.

**Mr. Siu Yim Kwan, Sidney**, *S.B.St.J.*, aged 63, joined the Group in November 1993 as an independent non-executive Director. He is the chairman of audit committee of the Company and a member of nomination committee and remuneration committee of the Company. Mr. Siu is also an executive member of a number of charitable organisations and sports associations and an independent non-executive director of B.A.L. Holdings Limited, a listed company in Hong Kong. Save as disclosed above, as at the Latest Practicable Date, Mr. Siu did not hold any other directorship in listed public companies during the past three years.

As at the Latest Practicable Date, Mr. Siu did not have any relationship with any other Directors, senior management, substantial or controlling Shareholders (as defined in the Listing Rules) nor have interests in the Shares within the meaning of Part XV of the SFO. Also, as at the Latest Practicable Date, he did not hold any other positions with the Company or any member of the Group.

Pursuant to the service contract and supplemental agreement entered into between the Company and Mr. Siu, Mr. Siu's appointment is subject to the provisions of the Bye-laws and will be subject to the retirement by rotation and re-election at any subsequent annual general meeting of the Company. Mr. Siu is entitled to a Director's fee of HK\$117,000 per annum. Such fee is determined with reference to his duties as an independent non-executive Director.

There is no information which is discloseable nor is/was Mr. Siu involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and the Directors are not aware of any other matters regarding the re-election of Mr. Siu that needs to be brought to the attention of the Shareholders.

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## NOTICE OF THE AGM

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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)

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting of Wang On Group Limited (宏安集團有限公司)\* (the “**Company**”) will be held at Garden Rooms A & B, 2/F., Hotel Nikko Hongkong, 72 Mody Road, Tsimshatsui, Kowloon, Hong Kong on Wednesday, 18 August 2010 at 11:30 a.m. for the following purposes:

#### AS ORDINARY BUSINESS

1. To receive, consider and adopt the audited consolidated financial statements and the reports of the directors and auditors for the year ended 31 March 2010.
2. To consider, approve and declare a final dividend of HK0.6 cents per share for the financial year ended 31 March 2010.
3. To re-elect the following retiring directors and to authorise the board of directors (the “**Board**” or “**Directors**”) to fix the remuneration of the Directors:
  - (i) Ms. Yau Yuk Yin as an executive Director;
  - (ii) Mr. Wong Chun, Justein as an independent non-executive Director; and
  - (iii) Mr. Siu Yim Kwan, Sidney as an independent non-executive Director.
4. To re-appoint Ernst & Young as auditors of the Company and to authorise the Board to fix their remuneration.

\* *For identification purpose only*

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**AS SPECIAL BUSINESS**, to consider and, if thought fit, pass with or without amendments the following resolutions as ordinary resolutions of the Company:

5. (A) **“THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares in the capital of the Company (the **“Shares”**) be and is hereby general and unconditionally approved;
- (b) the aggregate nominal amount of the Shares which may be repurchased or agreed to be repurchased by the Company pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution, and the said approval shall be limited accordingly; and
- (c) for the purpose of this resolution:

**“Relevant Period”** means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the laws of Bermuda or the Company’s bye-laws to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

(B) **“THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional Shares, and to make or grant offers, agreements and options which would or might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall be in addition to any other authorisations given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;

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## NOTICE OF THE AGM

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- (c) the aggregate nominal amount of the share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
- (i) a Right Issue (as hereinafter defined);
  - (ii) the exercise of rights subscription or conversion under terms of any warrants issued by the Company or any securities which are convertible into Shares;
  - (iii) the exercise of any option under the share option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of Shares or rights to acquire Shares; and
  - (iv) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on the Shares in accordance with the bye-laws of the Company in force from time to time,

shall not exceed the aggregate of (aa) 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution; and (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the aggregate nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution), the said approval shall be limited accordingly; and

- (d) for the purpose of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by Bermuda law or the Company’s bye-laws to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

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## NOTICE OF THE AGM

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“**Rights Issue**” means the allotment, issue or grant of Shares pursuant to an offer of Shares open for a period fixed by the Directors to holders of Shares or any class thereof on the register of members on a fixed record date in proportion to their then holdings of such Shares or class thereof (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, any recognised regulatory body or stock exchange in any territory outside Hong Kong).”

- (C) “**THAT** conditional upon the passing of the resolutions numbered 5(A) and 5(B) above, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with additional Shares of the Company pursuant to the resolution numbered 5(B) above be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to such general mandate an amount representing the aggregate nominal amount of the share capital of the Company repurchased or agreed to be repurchased by the Company since the granting of the general mandate pursuant to resolution numbered 5(A) above, provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution.”
6. “**THAT** conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting the listing of, and permission to deal in, Shares to be issued pursuant to the exercise of options which may be granted under the New Scheme Limit (as defined below), the refreshment of the scheme mandate limit of the Company’s share option scheme adopted on 3 May 2002 and all other share option scheme(s) of the Company, up to 10% of the number of shares in issue as at the date of passing this resolution (the “**New Scheme Limit**”) be and is hereby approved and any director of the Company be and is hereby authorised to do such act and execute such documents to effect the New Scheme Limit and to exercise all powers of the Company to allot, issue and deal with the Shares to be issued pursuant to the exercise of such options.”
7. “**THAT** the authorised share capital of the Company be increased from HK\$200,000,000 divided into 4,000,000,000 shares of HK\$0.05 each to HK\$400,000,000 divided into 8,000,000,000 shares of HK\$0.05 each by creating an additional 4,000,000,000 shares of HK\$0.05 each.”

By Order of the Board  
**Wang On Group Limited**  
(宏安集團有限公司)\*  
**Mak Yuen Ming, Anita**  
*Company Secretary*

Hong Kong, 16 July 2010

\* *For identification purpose only*

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## NOTICE OF THE AGM

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*Notes:*

- (1) A member entitled to attend and vote at the annual general meeting convened by the above notice is entitled to appoint one or more than one proxy to attend and to vote in his stead. A proxy need not be a member of the Company.
- (2) In order to be valid, a form of proxy, together with any power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority, must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, as soon as practicable and in any event not later than 48 hours before the time appointed for holding the annual general meeting or any adjournment thereof (as the case may be).
- (3) Completion and delivery of the form of proxy will not preclude members from attending and voting at the annual general meeting or any adjournment thereof (as the case may be) if they so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (4) Where there are joint holders of any shares, any one of such holders may vote at the annual general meeting either personally or by proxy in respect of such shares as if he/she was solely entitled thereto provided that if more than one of such joint holders be present at the annual general meeting whether personally or by proxy, the person whose name stands first on the register of members of the Company in respect of such shares shall be accepted to the exclusion of the votes of the other joint holders.
- (5) All of the above resolutions numbered (1) to (7) will be voted by way of a poll at the annual general meeting.