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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)

ANNOUNCEMENT DISCLOSEABLE TRANSACTION IN RELATION TO DISPOSAL OF PROPERTY

THE DISPOSAL

The Board announces that on 25 March 2011, the Vendor, an indirect wholly-owned subsidiary of the Company, entered into the Provisional Agreement with the Purchaser for the disposal of the Property at the Consideration of HK\$53.80 million.

The Property is located in Tsuen Wan, Hong Kong, which will be delivered to the Purchaser on vacant possession upon Completion.

GENERAL

The transaction contemplated under the Provisional Agreement constitutes a discloseable transaction for the Company pursuant to Rule 14.06(2) of the Listing Rules.

THE PROVISIONAL AGREEMENT

1. Date

25 March 2011

2. Parties

- i. WEH Investments Limited, an indirect wholly-owned subsidiary of the Company, as the vendor; and

* *For identification purpose only*

- ii. On Kee Dry Seafood Co. Limited, as the purchaser

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner are third parties independent of the Company and its connected persons and there was no previous transaction entered into between the Company and the Purchaser before the date of this announcement.

3. Assets to be disposed of

The Property, being Shop C on Ground Floor (together with all those external walls attached therein), Tsuen Fung Building, Nos. 39–43A, Tsuen Wan Market Street, Tsuen Wan, New Territories, Hong Kong, with a saleable gross floor area of approximately 960 square feet.

The Property has been leased to a third party independent of the Company and its connected persons with a monthly rental of HK\$0.11 million, pursuant to the tenancy agreement dated 31 December 2007 and the supplemental tenancy agreement dated 27 January 2011. As the aforementioned tenancy agreements will expire on 31 March 2011, the Property will be delivered to the Purchaser on vacant possession upon Completion.

4. Consideration

The Consideration is HK\$53.80 million, among which, HK\$2.00 million was paid by the Purchaser to the Vendor upon signing of the Provisional Agreement as initial deposit, HK\$3.38 million will be paid upon entering into of the formal agreement on or before 8 April 2011 as further deposit, and the balance of HK\$48.42 million will be paid upon Completion on or before 7 June 2011.

The Consideration was determined after arm's length negotiations between the Purchaser and the Vendor with reference to the prevailing market price.

5. Completion

Pursuant to the Provisional Agreement, Completion will take place on or before 7 June 2011.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Group is principally engaged in property investment and development in Hong Kong, management and sub-licensing of wet markets in Hong Kong and the PRC, management and sub-licensing shopping centres and management of agricultural by-products wholesaling business in Hong Kong.

The Property is located in Tsuen Wan, Hong Kong, and has a saleable floor area of approximately 960 square feet. The Directors are of the view the Disposal would benefit the Group by realising its investment in the Property and also improve the liquidity and overall financial position of the Group.

Based on the net book value of the Property of approximately HK\$37.00 million as at 30 September 2010, the Consideration of HK\$53.80 million, and other expenses in relation thereto, the Company expects to record an unaudited gain from the Disposal of approximately HK\$16.20 million upon Completion.

The net proceeds (after deducting other expenses in relation thereto) arising from the Disposal of approximately HK\$11.00 million will be used for repayment of interest-bearing debts and the remaining of approximately HK\$42.20 million will be used for the Group's property development business.

The Directors, including the independent non-executive Directors, consider that the terms of the Provisional Agreement are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

GENERAL

The transaction contemplated under the Provisional Agreement constitutes a discloseable transaction for the Company pursuant to Rule 14.06(2) of 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 and the shares of which are listed and traded on the main board of the Stock Exchange (Stock Code: 1222)
“Completion”	completion of the Disposal
“connected person(s)”	has the meaning as ascribed thereto under the Listing Rules
“Consideration”	the total cash consideration for the Disposal, being HK\$53.80 million
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Property by the Vendor pursuant to the Provisional Agreement
“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
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People's Republic of China, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Property”	being Shop C on Ground Floor (together with all those external walls attached therein), Tsuen Fung Building, Nos. 39–43A, Tsuen Wan Market Street, Tsuen Wan, New Territories, Hong Kong, with a saleable floor area of approximately 960 square feet

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“Provisional Agreement”	the provisional sale and purchase agreement dated 25 March 2011 entered into between the Purchaser and the Vendor in relation to the Disposal
“Purchaser”	On Kee Dry Seafood Co. Limited, which is a third party independent of and not connected with the Company and its connected persons and a company incorporated in Hong Kong and is principally engaged in retailing and wholesaling of dry seafood
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning as ascribed thereto under the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)
“Vendor”	WEH Investments Limited, an investment holding company and an indirect company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company as at the date of this announcement

By Order of the Board
Wang On Group Limited
(宏安集團有限公司)*
Tang Ching Ho
Chairman

Hong Kong, 28 March 2011

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Tang Ching Ho, Ms. Yau Yuk Yin and Mr. Chan Chun Hong, Thomas, and four independent non-executive Directors, namely Dr. Lee Peng Fei, Allen, Mr. Wong Chun, Justein, Mr. Siu Yim Kwan, Sidney and Mr. Siu Kam Chau.

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