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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 A DISPOSAL OF PROPERTY**

THE DISPOSAL

The Board announces that on 20 July 2012, 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\$50.3 million.

The Property is located in Shatin, Hong Kong, which is currently leased to a third party independent of and not connected with the Company and its connected persons for commercial purpose. Upon Completion, the Property will be delivered to the Purchaser subject to the lease.

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

20 July 2012

2. Parties

- i. Vendor: Win Regent Limited, an indirect wholly-owned subsidiary of the Company, which is principally engaged in property holding; and
- ii. Purchaser: an individual person.

* For identification purpose only

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Purchaser is an individual person which is a third party 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 the Shop 23, G/F., No. 16 Mei Tin Road and Nos. 15 & 35 Tsuen Nam Road, Grandway Garden, Shatin, New Territories, Hong Kong, with a saleable floor area of approximately 237 square feet, subject to a lease for a term of two years expiring on 8 February 2013 at a monthly rent of HK\$123,000 exclusive of rates, government rent and management fee.

Upon Completion, the Property will be delivered to the Purchaser subject to the lease.

4. Consideration

The Consideration is HK\$50.3 million, among which, HK\$1.5 million was paid by the Purchaser to the Vendor upon signing of the Provisional Agreement as an initial deposit, HK\$3.53 million shall be paid upon entering into of the formal agreement on or before 3 August 2012 as a further deposit, and the balance of HK\$45.27 million shall be paid upon Completion on or before 30 November 2012.

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

5. Completion

Pursuant to the Provisional Agreement, Completion will take place on or before 30 November 2012.

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. It also has interests in the pharmaceutical business through its investments in Wai Yuen Tong Medicine Holdings Limited.

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\$38.0 million as at 31 March 2012, the Consideration of HK\$50.3 million, and other expenses in relation thereto, the Company expects to record an unaudited gain from the Disposal of approximately HK\$11.7 million upon Completion.

The net proceeds (after repayment of an existing bank loan of approximately HK\$10.6 million and deducting other expenses in relation thereto) arising from the Disposal of approximately HK\$39.1 million, which will be used for general working capital of the Group.

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 the Disposal is 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 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\$50.3 million
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Property by the Vendor to the Purchaser 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 the Shop 23, G/F., No. 16 Mei Tin Road and Nos. 15 & 35 Tsuen Nam Road, Grandway Garden, Shatin, New Territories, Hong Kong with a saleable floor area of approximately 237 square feet
“Provisional Agreement”	the provisional sale and purchase agreement dated 20 July 2012 entered into between the Purchaser and the Vendor in relation to the Disposal
“Purchaser”	an individual person, which is a third party independent of and not connected with the Company and its connected persons
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company

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“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”	Win Regent Limited, a property investment 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)*
Chan Chun Hong, Thomas
Managing Director

Hong Kong, 23 July 2012

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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