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**WAI YUEN TONG MEDICINE  
HOLDINGS LIMITED**

**(位元堂藥業控股有限公司\*)**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 897)**

- (1) TOP-UP PLACING;  
AND  
(2) PLACING OF NEW WYT SHARES  
UNDER GENERAL MANDATE**



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

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1222)**

- DISCLOSEABLE TRANSACTIONS  
IN RELATION TO THE TOP-UP PLACING  
AND  
TOP-UP SUBSCRIPTION OF WYT SHARES**

**Placing Agent**



**KINGSTON SECURITIES LTD.**

**THE TOP-UP PLACING AND THE TOP-UP SUBSCRIPTION**

On 30 November 2012 (after trading hours), the Vendor (being an indirect wholly-owned subsidiary of Wang On), WYT and the Placing Agent entered into the Top-up Placing and Subscription Agreement pursuant to which (i) the Vendor has agreed to place, through the Placing Agent, 250,000,000 Top-up Placing Shares to not fewer than six Placees who and whose ultimate beneficial owners will not be connected persons of WYT and its connected persons at the Top-up Placing Price of HK\$0.125 per Top-up Placing Share; and (ii) the Vendor has conditionally agreed to subscribe for 250,000,000 Top-up Subscription Shares at the Top-up Subscription Price of HK\$0.125 per Top-up Subscription Share.

\* *For identification purpose only*

The Top-up Subscription Shares represent (i) approximately 12.28% of the existing issued share capital of WYT as at the date of this joint announcement; (ii) approximately 10.94% of the issued share capital of WYT as enlarged by the Top-up Subscription; and (iii) approximately 10.23% of the issued share capital of WYT as enlarged by the Top-up Subscription and the New Issue Placing. The maximum aggregate nominal value of the Top-up Subscription Shares will be HK\$2,500,000.

### **THE NEW ISSUE PLACING**

On 30 November 2012 (after trading hours), WYT entered into the New Issue Placing Agreement with the Placing Agent. Pursuant to the New Issue Placing Agreement, WYT has conditionally agreed to allot and issue, and the Placing Agent has conditionally agreed to place, 157,000,000 New Issue Placing Shares to not fewer than six Placees who and whose ultimate beneficial owners will not be connected persons of WYT and its connected persons at the New Issue Placing Price of HK\$0.125 per New Issue Placing Share.

The New Issue Placing Shares represents (i) approximately 7.71% of the existing issued share capital of WYT as at the date of this joint announcement; (ii) approximately 7.16% of the issued share capital of WYT as enlarged by the New Issue Placing; and (iii) approximately 6.43% of the issued share capital of WYT as enlarged by the Top-up Subscription and the New Issue Placing. The maximum aggregate nominal value of the New Issue Placing Shares will be HK\$1,570,000.

The Top-up Placing Price, the Top-up Subscription Price and the New Issue Placing Price are the same at HK\$0.125 per WYT Share, which represents (i) a discount of approximately 7.41% to the closing price of HK\$0.135 per WYT Share as quoted on the Stock Exchange on the date of the Top-up Placing and Subscription Agreement and the New Issue Placing Agreement; and (ii) a discount of approximately 8.09% to the closing price of HK\$0.136 per WYT Share as quoted on the Stock Exchange for the last five consecutive trading days prior to the date of the Top-up Placing and Subscription Agreement and the New Issue Placing Agreement.

The aggregate gross and net proceeds from the Top-up Subscription and the New Issue Placing will be approximately HK\$50.9 million and approximately HK\$49.0 million, respectively. WYT intends to utilise as to approximately HK\$25.0 million of the net proceeds from the Top-up Subscription and the New Issue Placing for the expansion of its production facilities and the remaining balance of approximately HK\$24.0 million as general working capital of the WYT Group.

## **LISTING RULES IMPLICATIONS ON WANG ON**

Pursuant to the Top-up Placing and Subscription Agreement, Wang On (through the Vendor) will temporarily dispose of part of its shareholding interest in WYT. Each of the Top-up Placing and the Top-up Subscription constitutes a discloseable transaction for Wang On under the Listing Rules, which is subject to the reporting and announcement requirements and exempt from the shareholders' approval requirement under the Listing Rules.

### **GENERAL**

The Top-up Subscription Shares and the New Issue Placing Shares will be issued pursuant to the WYT General Mandate.

Application will be made by WYT to the Listing Committee of the Stock Exchange for the grant of the listing of, and permission to deal in, the Top-up Subscription Shares and the New Issue Placing Shares.

## **THE TOP-UP PLACING AND SUBSCRIPTION AGREEMENT**

### **Date:**

30 November 2012 (after trading hours)

### **Parties:**

- (i) The Vendor, as vendor of the Top-up Placing Shares
- (ii) WYT, as the issuer of the Top-up Subscription Shares
- (iii) Kingston Securities Limited, as the Placing Agent for the placing of the Top-up Placing Shares

### **The Top-up Placing:**

The Placing Agent has conditionally agreed to place 250,000,000 Top-up Placing Shares to the Placees and will receive a placing commission of 2.5% on the gross proceeds of the Top-up Placing Shares being placed. Each of the directors of Wang On and WYT (including the independent non-executive directors of Wang On and WYT) are of the view that the placing commission of 2.5% is fair and reasonable, taking into account the current market condition.

To the best of the knowledge of each of the directors of Wang On and WYT, the Placing Agent and its ultimate beneficial owners are third parties independent of the Vendor, Wang On, WYT and their respective connected persons.

***Number of the Top-up Placing Shares:***

250,000,000 existing WYT Shares held by the Vendor, representing approximately 12.28% of the existing issued share capital of WYT as at the date of this joint announcement.

***Placees:***

The Placing Agent agreed to place the Top-up Placing Shares to not fewer than six Placees who and whose ultimate beneficial owners will not be connected persons of WYT and its connected persons.

It is not expected that any individual Placee will become a substantial shareholder (as defined under the Listing Rules) of WYT immediately after the Top-up Placing. If any of the Placees becomes a substantial Shareholder (as defined in the Listing Rules) after completion of the Top-up Placing, further announcement will be made by WYT.

***Top-up Placing Price:***

The Top-up Placing Price of HK\$0.125:

- (i) represents a discount of approximately 7.41% to the closing price of HK\$0.135 per WYT Share as quoted on the Stock Exchange on the date of the Top-up Placing and Subscription Agreement;
- (ii) represents a discount of approximately 8.09% to the closing price of HK\$0.136 per WYT Share as quoted on the Stock Exchange for the last five consecutive trading days prior to the date of the Top-up Placing and Subscription Agreement; and
- (iii) equals to both the Top-up Subscription Price and the New Issue Placing Price.

The Top-up Placing Price was determined with reference to the prevailing market price of the WYT Share and was negotiated on an arm's length basis between the Vendor, WYT and the Placing Agent on the date of the Top-up Placing and Subscription Agreement.

### ***Completion of the Top-up Placing:***

The Top-up Placing is unconditional and shall be completed on or before the fourth Business Day following the date of this joint announcement or such other date as the Vendor and the Placing Agent shall agree.

### ***Termination***

The Placing Agent reserves its right to terminate the arrangements set out in the Top-up Placing and Subscription Agreement by notice in writing prior to 9:00 a.m. on the completion date of the Top-up Placing, if in the absolute opinion of the Placing Agent, the success of the Top-up Placing would be materially and adversely affected by any force majeure events (as defined below).

For this purpose, a “force majeure event” refers to

- (a) the introduction of any new laws or regulations or any change in existing laws or regulations (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may, in the absolute opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the WYT Group; or
- (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before and/or after the date of the Top-up Placing and Subscription Agreement) of a political, military, financial, economic, currency (including a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America) or other nature (whether or not sui generis with any of the foregoing), or in the nature of any local, national, international outbreak or escalation of hostilities or armed conflict, or affecting local securities market or the occurrence of any combination of circumstances which may, in the absolute opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the WYT Group as a whole or adversely prejudices the success of the placing of the Top-up Placing Shares by potential investor(s) or otherwise makes it inexpedient or inadvisable for the Vendor or the Placing Agent to proceed with the Top-up Placing; or
- (c) any change in market conditions or combination of circumstances in Hong Kong (including without limitation suspension or material restriction or trading in securities) occurs which affect the success of the Top-up Placing (such success being the placing of the Top-up Placing Shares to potential investor(s)) or otherwise in the absolute opinion of the Placing Agent makes it inexpedient or inadvisable or inappropriate for the Vendor or the Placing Agent to proceed with the Top-up Placing.

## **The Top-up Subscription**

WYT has conditionally agreed to allot and issue and the Vendor has conditionally agreed to subscribe for 250,000,000 Top-up Subscription Shares.

### ***Number of the Top-up Subscription Shares:***

250,000,000 new WYT Shares, representing (i) approximately 12.28% of the existing issued share capital of WYT as at the date of this joint announcement; (ii) approximately 10.94% of the issued share capital of WYT as enlarged by the Top-up Subscription; and (iii) approximately 10.23% of the issued share capital of WYT as enlarged by the Top-up Subscription and the New Issue Placing. The maximum aggregate nominal value of the Top-up Subscription Shares will be HK\$2,500,000.

### ***Top-up Subscription Price:***

The Top-up Subscription Price of HK\$0.125 equals to both the Top-up Placing Price and the New Issue Placing Price.

The Top-up Subscription Price was determined with reference to the Top-up Placing Price and was negotiated on an arm's length basis between the Vendor, WYT and the Placing Agent on the date of the Top-up Placing and Subscription Agreement.

### ***Conditions of the Top-up Subscription:***

Completion of the Top-up Subscription is conditional upon:

- (a) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, all of the Top-up Subscription Shares; and
- (b) completion of the Top-up Placing.

### ***Completion of the Top-up Subscription:***

Pursuant to Rule 14A.31(3)(d) of the Listing Rules, the Top-up Subscription must be completed within 14 days from the date of the Top-up Placing and Subscription Agreement, that is, on or before 14 December 2012.

Completion of the Top-up Subscription will take place on or before the second Business Day after the date upon the fulfilment of all the conditions as set out above. In the event that the conditions to the Top-up Subscription are not fulfilled on or before 14 December 2012, WYT and the Vendor may elect, subject to compliance with all requirements in relation to connected transactions under the Listing Rules, to postpone completion of the Top-up Subscription to a later date to be agreed between WYT and the Vendor.

***Mandate to issue the Top-up Subscription Shares:***

The Top-up Subscription Shares will be issued pursuant to the WYT General Mandate, which WYT is authorised to issue up to 407,228,593 WYT Shares. Up to the date of this joint announcement, no WYT Share has been issued under the WYT General Mandate.

***Ranking of the Top-up Subscription Shares:***

The Top-up Subscription Shares will rank *pari passu* in all respects among themselves and with the existing WYT Shares in issue as at the date of such allotment and issue of the Top-up Subscription Shares.

**THE NEW ISSUE PLACING AGREEMENT**

**Date:**

30 November 2012 (after trading hours)

**Placing Agent:**

Kingston Securities Limited

The Placing Agent has conditionally agreed to place 157,000,000 New Issue Placing Shares to the Placees and will receive a placing commission of 2.5% on the gross proceeds of the actual number of New Issue Placing Shares being placed. The directors of WYT (including the independent non-executive directors of WYT) are of the view that the placing commission of 2.5% is fair and reasonable, taking into account the current market conditions.

To the best of the knowledge of the directors of WYT, the Placing Agent and its ultimate beneficial owners are third parties independent of WYT and its connected persons.

**Number of New Issue Placing Shares:**

157,000,000 new WYT Shares, representing (i) approximately 7.71% of the existing issued share capital of WYT as at the date of this joint announcement; (ii) approximately 7.16% of the issued share capital of WYT as enlarged by the New Issue Placing; and (iii) approximately 6.43% of the issued share capital of WYT as enlarged by the Top-up Subscription and the New Issue Placing. The maximum aggregate nominal value of the New Issue Placing Shares will be HK\$1,570,000.

**Placees:**

The Placing Agent agreed to place the New Issue Placing Shares to not fewer than six Placees who and whose ultimate beneficial owners will not be connected persons of WYT and its connected persons.

It is not expected that any individual Placee will become a substantial shareholder (as defined under the Listing Rules) of WYT immediately after the New Issue Placing. If any of the Placees becomes a substantial Shareholder (as defined in the Listing Rules) after completion of the New Issue Placing, further announcement will be made by WYT.

**New Issue Placing Price:**

The New Issue Placing Price of HK\$0.125 equals to both the Top-up Placing Price and the Top-up Subscription Price.

The New Issue Placing Price was determined with reference to the prevailing market price of the WYT Share and was negotiated on an arm's length basis between WYT and the Placing Agent on the date of the New Issue Placing Agreement. The directors of WYT consider that the terms of the New Issue Placing Agreement are fair and reasonable based on the current market conditions and in the interests of WYT and the WYT Shareholders as a whole.

**Conditions of the New Issue Placing:**

Completion of the New Issue Placing is conditional upon:

- (a) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, the New Issue Placing Shares; and
- (b) the obligations of the Placing Agent under the New Issue Placing Agreement not being terminated in accordance with the terms thereof, including provisions regarding force majeure event.



Completion of the New Issue Placing, in any event, will take place within four Business Days after the fulfilment of the conditions above or such later date to be agreed between WYT and the Placing Agent. If the above conditions are not satisfied and/or waived (other than (a) above, which cannot be waived) in whole or in part by the Placing Agent prior to 5:00 p.m. on 28 February 2013 or such later date to be agreed between the Company and the Placing Agent, the New Issue Placing will be terminated and the New Issue Placing will not proceed and all obligations and liabilities of the parties hereunder will forthwith cease and determine and no party will have any claim against the others (save for any antecedent breaches hereof).

### **Termination**

The Placing Agent reserves its right to terminate the arrangements set out in the New Issue Placing Agreement by notice in writing prior to 9:00 a.m. on the completion date of the New Issue Placing, if in the absolute opinion of the Placing Agent, the success of the New Issue Placing would be materially and adversely affected by any force majeure events (as defined below).

For this purpose, a “force majeure event” refers to

- (a) the introduction of any new laws or regulations or any change in existing laws or regulations (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may, in the absolute opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the WYT Group; or
- (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before and/or after the date of the New Issue Placing Agreement) of a political, military, financial, economic, currency (including a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America) or other nature (whether or not sui generis with any of the foregoing), or in the nature of any local, national, international outbreak or escalation of hostilities or armed conflict, or affecting local securities market or the occurrence of any combination of circumstances which may, in the absolute opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the WYT Group as a whole or adversely prejudices the success of the placing of the New Issue Placing Shares by potential investor(s) or otherwise makes it inexpedient or inadvisable for WYT or the Placing Agent to proceed with the New Issue Placing ; or

- (c) any change in market conditions or combination of circumstances in Hong Kong (including without limitation suspension or material restriction or trading in securities) occurs which affect the success of the New Issue Placing (such success being the placing of the New Issue Placing Shares to potential investor(s)) or otherwise in the absolute opinion of the Placing Agent makes it inexpedient or inadvisable or inappropriate for WYT or the Placing Agent to proceed with the New Issue Placing.

**Mandate to issue the New Issue Placing Shares:**

The New Issue Placing Shares will be issued pursuant to the WYT General Mandate.

**Ranking of the New Issue Placing Shares:**

The New Issue Placing Shares will rank *pari passu* in all respects among themselves and with the existing WYT Shares in issue as at the date of such allotment and issue of the New Issue Placing Shares.

**PREVIOUS ACQUISITION OF WYT SHARES ON THE OPEN MARKET BY THE VENDOR**

During the period from 1 December 2011 to 19 December 2011, the Vendor has acquired an aggregate of 72,740,000 WYT Shares on the open market at a total consideration of approximately HK\$9.5 million (the “**Previous Acquisitions**”).

Save as disclosed herein, Wang On has not conducted any other acquisition/disposal of WYT Shares in the past twelve months before the date of this joint announcement.

The applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) of each of the Previous Acquisitions are less than 5%, and therefore the Previous Acquisitions did not constitute any notifiable transactions for Wang On.

**REASONS FOR THE TOP-UP SUBSCRIPTION AND THE NEW ISSUE PLACING FOR WYT AND USE OF PROCEEDS BY WYT**

The directors of WYT consider the Top-up Subscription and the New Issue Placing represents an opportunity for WYT to raise capital while broadening its shareholder base as well as its capital base.

The aggregate gross and net proceeds from the Top-up Subscription and the New Issue Placing will be approximately HK\$50.9 million and approximately HK\$49.0 million, respectively. The net proceeds raised per WYT Share upon completion of the Top-up Subscription and the New Issue Placing will be approximately HK\$0.12 per WYT Share. WYT intends to utilise as to approximately HK\$25.0 million of the net proceeds from the Top-up Subscription and the New Issue Placing for the expansion of its production facilities and the remaining balance of approximately HK\$24.0 million as general working capital of the WYT Group.

### **REASONS FOR THE TOP-UP PLACING AND THE TOP-UP SUBSCRIPTION FOR THE WANG ON GROUP**

The directors of Wang On consider that the Top-up Placing will facilitate the raising of funds by WYT of which Wang On (through the Vendor) is a substantial shareholder (as defined in the Listing Rules) whereas the Top-up Subscription will enable Wang On to restore its investment in WYT in terms of the number of WYT Shares held to the same level immediately prior to the Top-up Placing. The directors of Wang On (including the independent non-executive directors of Wang On) are of the view that the terms of the Top-up Placing and Subscription Agreement are fair and reasonable and the Top-up Placing and the Top-up Subscription are in the interests of Wang On and its shareholders as a whole.

### **FUND RAISING ACTIVITIES BY WYT IN THE PAST TWELVE MONTHS**

WYT has not conducted any fund raising activities in the past twelve months before the date of this joint announcement.

## EFFECS ON SHAREHOLDING STRUCTURE

The table below set out the changes to the shareholding structure of WYT as a result of the completion of the Top-up Placing, the Top-up Subscription and the New Issue Placing under different scenarios:

	Existing shareholding as at the date of this joint announcement		Immediately after completion of the Top-up Placing but before the Top-up Subscription		Immediately after completion of the Top-up Placing and the Top-up Subscription		Immediately after completion of the Top-up Placing, the Top-up Subscription and the New Issue Placing	
	Number of WYT Shares	Approximate % of shareholding	Number of WYT Shares	Approximate % of shareholding	Number of WYT Shares	Approximate % of shareholding	Number of WYT Shares	Approximate % of shareholding
The Vendor (Note 1)	509,042,034	25.00%	259,042,034	12.72%	509,042,034	22.26%	509,042,034	20.84%
Placees under the Top-up Placing (Note 2)	-	0.00%	250,000,000	12.28%	250,000,000	10.94%	250,000,000	10.23%
Placees under the New Issue Placing (Note 3)	-	0.00%	-	0.00%	-	0.00%	157,000,000	6.43%
Other public Shareholders	1,527,100,935	75.00%	1,527,100,935	75.00%	1,527,100,935	66.80%	1,527,100,935	62.50%
<b>Total</b>	<b>2,036,142,969</b>	<b>100.00%</b>	<b>2,036,142,969</b>	<b>100.00%</b>	<b>2,286,142,969</b>	<b>100.00%</b>	<b>2,443,142,969</b>	<b>100.00%</b>

Notes:

1. The Vendor is wholly owned by Wang On Enterprises (BVI) Limited, which is a wholly-owned subsidiary of Wang On.
2. Such WYT Shares would be allotted and issued upon completion of the Top-up Placing.
3. Such WYT Shares would be allotted and issued upon completion of the New Issue Placing.

## FINANCIAL EFFECTS OF THE TOP-UP PLACING AND THE TOP-UP SUBSCRIPTION ON THE WANG ON GROUP

Based on the unaudited net asset value of WYT as at 30 September 2012, upon completion of the Top-up Placing and the Top-up Subscription, Wang On is expected to incur a deemed loss of approximately HK\$51.7 million. It should be noted that the actual deemed loss in relation thereto to be recorded by Wang On will depend on the net asset value of WYT as at the date of completion of the Top-up Placing and the Top-up Subscription.

### GENERAL

The WYT Group is principally engaged in (i) the manufacturing, processing and retailing of traditional Chinese medicine which includes Chinese medicinal products sold under the brand name of “Wai Yuen Tong” and a range of products manufactured by selected medicinal materials with traditional prescription, mainly in the PRC and Hong Kong; (ii) the processing and retailing of western pharmaceutical products, health food and personal care products under the brand names of “Madame Pearl’s” and “Pearl’s”; and (iii) property investment.

The Wang On Group is principally engaged in property investment and development, management and sub-licensing of Chinese wet markets in the PRC and Hong Kong. It also has interests in the pharmaceutical business through its investments in WYT.

Based on the 2012 interim results of WYT as at 30 September 2012, WYT had unaudited consolidated net asset value of approximately HK\$1,420.9 million, unaudited consolidated total assets of approximately HK\$1,680.8 million and unaudited consolidated total liabilities of approximately HK\$259.9 million. The following information is extracted respectively from the interim results announcement of WYT for the six months ended 30 September 2012 and the financial statements for the two financial years ended 31 March 2012 of WYT:

	<b>For the six months ended 30 September 2012</b>	<b>For the year ended 31 March</b>	
	<i>HK\$' million</i> (unaudited)	<b>2012</b> <i>HK\$' million</i> (audited)	<b>2011</b> <i>HK\$' million</i> (audited)
Revenue	365.7	752.1	639.5
Profit/(loss) before taxation	38.1	(213.9)	125.6
Net Profit/(loss) after taxation attributable to equity holders of WYT	33.7	(226.9)	99.1

Application will be made by WYT to the Listing Committee of the Stock Exchange for the grant of the listing of, and permission to deal in, the Top-up Subscription Shares and the New Issue Placing Shares.

Further announcement will be made by WYT upon completion of the Top-up Placing, the Top-up Subscription and the New Issue Placing.

## **DEFINITIONS**

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

“associate(s)”	has the same meaning ascribed to it under the Listing Rules
“Business Day(s)”	any day (excluding a Saturday and Sunday) on which banks generally are open for business in Hong Kong
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Issue Placing”	placing of the New Issue Placing Shares pursuant to the New Issue Placing Agreement
“New Issue Placing Agreement”	the placing agreement dated 30 November 2012 entered into between WYT and the Placing Agent in relation to the New Issue Placing
“New Issue Placing Price”	HK\$0.125 per New Issue Placing Share
“New Issue Placing Shares”	157,000,000 new WYT Shares to be placed pursuant to the New Issue Placing Agreement
“Placee(s)”	any individual(s), institutional or other professional investor(s) or any of their respective subsidiaries or associates (including the Placing Agent itself) procured by the Placing Agent to purchase any of the Top-up Placing Shares or the New Issue Placing Shares pursuant to the Placing Agent’s obligations under the Top-up Placing and Subscription Agreement and the New Issue Placing Agreement
“Placing Agent”	Kingston Securities Limited, a licensed corporation to carry on business in type 1 regulated activities (dealing in securities) under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

“PRC”	The People’s Republic of China, which for the purpose of this joint announcement shall exclude Hong Kong, Taiwan and the Macau Special Administrative Region of the People’s Republic of China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Top-up Placing”	the placing of 250,000,000 existing WYT Shares held by the Vendor pursuant to the terms of the Top-up Placing and Subscription Agreement
“Top-up Placing and Subscription Agreement”	the agreement dated 30 November 2012 entered into between the Vendor, WYT and the Placing Agent in relation to the Top-up Placing and the Top-up Subscription
“Top-up Placing Price”	the price of HK\$0.125 per Top-up Placing Share
“Top-up Placing Share(s)”	250,000,000 WYT Shares held by the Vendor and to be placed pursuant to the Top-up Placing and Subscription Agreement
“Top-up Subscription”	the subscription of 250,000,000 Top-up Subscription Shares by the Vendor pursuant to the terms of the Top-up Placing and Subscription Agreement
“Top-up Subscription Price”	the price of HK\$0.125 per Top-up Subscription Share
“Top-up Subscription Share(s)”	250,000,000 new WYT Shares to be subscribed for by the Vendor pursuant to the Top-up Placing and Subscription Agreement
“Vendor”	Rich Time Strategy Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of Wang On
“Wang On”	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)
“Wang On Group”	Wang On and its subsidiaries

\* *For identification purpose only*

“WYT”	Wai Yuen Tong Medicine Holdings Limited (位元堂藥業控股有限公司*), an exempted company incorporated in Bermuda with limited liability and the Shares are listed and traded on the main board of the Stock Exchange (Stock Code: 897)
“WYT General Mandate”	the mandate granted to the directors of WYT by the WYT Shareholders at the annual general meeting of WYT held on 21 August 2012 to allot, issue and deal with up to 20% of the then issued share capital of WYT as at the date of such annual general meeting
“WYT Group”	WYT and its subsidiaries
“WYT Shareholder(s)”	the holder(s) of the WYT Shares
“WYT Share(s)”	the ordinary share(s) of HK\$0.01 in the share capital of WYT
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“%”	per cent.

By Order of the board of directors of WYT  
**Wai Yuen Tong Medicine Holdings Limited**  
(位元堂藥業控股有限公司\*)  
**Chan Chun Hong, Thomas**  
*Managing Director*

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

Hong Kong, 30 November 2012

*As at the date of this joint announcement, the executive directors of WYT are Mr. Tang Ching Ho, Mr. Chan Chun Hong, Thomas and Ms. Tang Mui Fun, and the independent non-executive directors of WYT are Mr. Leung Wai Ho, Mr. Yuen Chi Choi, Mr. Siu Man Ho, Simon and Mr. Cho Wing Mou.*

*As at the date of this joint announcement, the executive directors of Wang On are Mr. Tang Ching Ho, Ms. Yau Yuk Yin and Mr. Chan Chun Hong, Thomas, and the independent non-executive directors of Wang On are Dr. Lee Peng Fei, Allen, Mr. Wong Chun, Justein, Mr. Siu Yim Kwan, Sidney and Mr. Siu Kam Chau.*

\* For identification purpose only