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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**

The Group acquired on-market the Acquired Shares in a series of transactions conducted between 29 July 2013 and 4 September 2013 for an aggregate consideration of approximately HK\$44.07 million (exclusive of transaction costs).

The Acquisitions, together with the 2012 Acquisition, constitute a discloseable transaction for the Company pursuant to Rule 14.06(2) and Rule 14.22 of the Listing Rules and are subject to reporting and announcement requirements only.

### **THE ACQUISITIONS**

The Board is pleased to announce that the Company, through its wholly-owned subsidiary, namely Ever Task Limited, acquired on-market the Acquired Shares (i.e. an aggregate of 225,184,000 PNG Shares, representing approximately 2.93% of the entire issued share capital of PNG as at the date of this announcement) in a series of transactions conducted between 29 July 2013 and 4 September 2013 at the price between HK\$0.180 per PNG Share and HK\$0.213 per PNG Share (exclusive of transaction costs). The average price (exclusive of transaction costs) for the Acquisitions was approximately HK\$0.196 per PNG Share and the aggregate consideration (exclusive of transaction costs) is approximately HK\$44.07 million, which was paid or payable by the Company in cash. The consideration for the Acquired Shares represented the then market price of the PNG Shares and was financed from the Group's internal resources.

As the Acquisition was conducted on open market, to the best knowledge and belief of the Directors after having made all reasonable enquires, the counterparties are not connected persons (as defined under the Listing Rules) of the Company.

\* *For identification purpose only*

## ACQUISITIONS AND DISPOSALS OF PNG SHARES IN THE PAST 12 MONTHS IMMEDIATELY PRECEDING THE DATE OF THIS ANNOUNCEMENT

Apart from the Acquisitions, the Group had acquired 1,150,000,000 PNG Shares pursuant to sale and purchase agreement entered into between Gain Better Investments Limited and Ever Task Limited on 22 November 2012, details of which were disclosed in the announcement of the Company dated 22 November 2012.

Save as aforesaid, the Group did not acquire or dispose of any PNG Shares within the period of 12 months immediately preceding the date of this announcement.

### INFORMATION ON PNG

PNG is a company incorporated in the Cayman Islands with limited liability and the PNG Shares are listed and traded on the main board of the Stock Exchange (Stock Code: 221). The PNG Group is principally engaged in the businesses of property development in the PRC, forestry and logging operations in Papua New Guinea and retailing of the fresh pork meat and related produce in Hong Kong.

Based on the annual results of PNG as announced on 21 June 2013, as at 31 March 2013, PNG had audited consolidated net asset value of approximately HK\$0.8 billion, audited consolidated total assets of approximately HK\$1.98 billion and audited consolidated total liabilities of approximately HK\$1.18 billion.

The following information is extracted respectively from the audited financial statements for two financial years ended 31 March 2013 of PNG:

	<b>For the year ended</b>	
	<b>31 March</b>	
	<b>2013</b>	<b>2012</b>
	<i>HK\$' million</i>	<i>HK\$' million</i>
	(Audited)	(Audited)
Revenue	953.5	273.5
Profit before taxation	32.4	26.7
Net profit after taxation attributable to owners of PNG	42.3	3.8
Dividends	7.7	—

### REASONS OF THE ACQUISITIONS

The Group is principally engaged in property investment and development in Hong Kong, management and sub-licensing of Chinese wet markets in Hong Kong and the PRC.

Upon completion of the acquisition of 1,150,000,000 PNG Shares on 27 December 2012, the Group's interest in PNG was increased from 0.52% to 15.47%. Given that the rapid ongoing urbanisation and industrialisation will continue to drive the property market in the PRC, the Directors (including the independent non-executive Directors) are of the view that PNG has good investment potentials, particularly its property development projects in the PRC would generate good return to the Shareholders. Accordingly, depending on the market circumstance, the Company will continue to acquire further interest in PNG on the open market as and when appropriate.

Since the Acquisitions were conducted on the open market, the Directors believe that the terms of the Acquisitions are fair and reasonable and are in the interests of the Group and the Shareholders as a whole.

## **FINANCIAL EFFECTS OF THE ACQUISITIONS**

Prior to the Acquisitions, the Group held an aggregate of 1,190,000,000 PNG Shares, representing approximately 15.47% of the entire issued share capital of PNG as at the date of this announcement. Upon completion of the Acquisitions and as at the date of this announcement, the Group holds 1,415,184,000 PNG Shares, representing approximately 18.4% of the entire issued share capital of PNG as at the date of this announcement.

Upon completion of the Acquisitions, the Group's investment in PNG will continue to be accounted for as an available-for-sale investment which will be measured at fair value at each period end date with unrealised gains or losses recognised as other comprehensive income in the available-for-sale investment valuation reserve until the investment is derecognised or impaired.

## **GENERAL**

Based on the "five-tests" calculations set out in Rule 14.07 of the Listing Rules, the applicable ratios of the Acquisitions, together with the 2012 Acquisition, exceed 5% but do not exceed 25%, when aggregated. When aggregated together, the Acquisitions, together with the 2012 Acquisition, constitute a discloseable transaction for the Company under Rule 14.06(2) and Rule 14.22 of the Listing Rules and are subject to reporting and announcement requirements only.

## **DEFINITIONS**

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

“2012 Acquisition”	the acquisition of 1,150,000,000 PNG Shares by Ever Task Limited pursuant to a sale and purchase agreement dated 22 November 2012 entered into between Ever Task Limited and Gain Better Investments Limited, the details of which were set out in the announcement dated 22 November 2012 issued by the Company
“Acquired Shares”	an aggregate of 225,184,000 PNG Shares
“Acquisitions”	the acquisition of the Acquired Shares by the Group
“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 issued shares of which are listed and traded on the main board of the Stock Exchange (Stock Code: 1222)

“Director(s)”	the director(s) of the Company
“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
“PNG”	PNG Resources Holdings Limited (PNG資源控股有限公司), a company incorporated in the Cayman Islands with limited liability and the issued PNG Shares are listed and traded on the main board of the Stock Exchange (Stock Code: 221)
“PNG Group”	PNG and its subsidiaries
“PNG Shares”	the ordinary share(s) of HK\$0.01 each in the capital of PNG
“PRC”	the People’s Republic of China, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the 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)
“%”	per cent.

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, 4 September 2013

*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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