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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 ACQUISITION OF PROPERTY**  
**BY WANG ON PROPERTIES LIMITED**

**THE ACQUISITION**

The Board announces that on 4 November 2016, the Purchaser, an indirectly wholly-owned subsidiary of WOP (a listed 75%-subsidiary of the Company), entered into the Provisional Agreement with the Vendor for the purchase of the Property at a cash consideration of HK\$83.3 million, which will be satisfied by the WOP Group's banking facilities and/or internal resources.

The Property is located at Sai Yeung Choi Street, Kowloon, which will be sold with an existing lease with Circle K Convenience Stores Limited for a term of three years ending on 8 February 2018 with an option to renew for another three years.

**GENERAL**

As one of the relevant percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Acquisition exceeds 5% but is less than 25%, the Acquisition and the transaction contemplated under the Provisional Agreement constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules.

**THE PROVISIONAL AGREEMENT**

1. **Date:** 4 November 2016
2. **Parties:**
  - i. **Vendor:** World Success Corporation Limited, which is principally engaged in property holding; and
  - ii. **Purchaser:** Precious Investments Limited, an indirectly wholly-owned subsidiary of WOP (a listed 75%-subsidiary of the Company) and is principally engaged in property holding,

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the Vendor and its ultimate beneficial owner(s) is a third party independent of and not connected with the Company, WOP and their respective connected persons and there was no previous transaction entered into between the Group and the WOP Group with the Vendor prior to the date of the Provisional Agreement.

### **3. Assets to be acquired of**

The Property, being the premise located at G/F. & M/F., No. 166 Sai Yeung Choi Street South, Kowloon, is a commercial property with a saleable floor area of approximately 1,261 square feet. The Property is sold with existing tenancy, which is currently leased to Circle K Convenience Stores Limited, an independent third party not connected with the Company and its connected persons, at a monthly rental of HK\$163,000 for a term of three years ending on 8 February 2018 with an option to renew for another three years.

### **4. Consideration**

The Consideration is HK\$83.3 million, among which, HK\$5.0 million was paid by the Purchaser to the Vendor upon signing of the Provisional Agreement as an initial deposit, HK\$3.33 million will be paid upon entering into the formal agreement on or before 18 November 2016 as a further deposit and the balance of HK\$74.97 million shall be paid upon Completion on or before 30 December 2016.

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 at similar location and the prevailing rental yield. The Consideration will be financed by the WOP Group's banking facilities and/or its internal resources.

### **5. Completion**

Pursuant to the Provisional Agreement, Completion will take place on or before 30 December 2016.

## **REASONS FOR AND BENEFITS OF THE ACQUISITION**

The Group is principally engaged in management and sub-licensing of Chinese wet markets and provision of finance in Hong Kong and the PRC and property investment and property development in Hong Kong through its non wholly-owned listed subsidiary, WOP. The Purchaser is an indirectly wholly-owned subsidiary of WOP and a company incorporated in Hong Kong with limited liability which is principally engaged in the business of property holding.

The Property will be delivered by the Vendor with existing tenancy, which will generate stable rental income to the WOP Group after Completion. The directors of the Company and WOP believe in the long term prospect of commercial properties in Hong Kong and hence consider that the Acquisition will strengthen the WOP Group's property portfolio and/or income base.

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 Acquisition is in the interests of the Group and the Shareholders as a whole.

## GENERAL

As one of the relevant percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Acquisition exceed 5% but are less than 25%, the Acquisition and the transaction contemplated under the Provisional Agreement constitute a discloseable transaction for the Company pursuant to Rule 14.06(2) of the Listing Rules.

As the relevant percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Acquisition do not exceed 5%, the transaction contemplated under the Provisional Agreement does not constitute any notifiable transaction for WOP.

## DEFINITIONS

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

“Acquisition”	the acquisition of the Property by the Purchaser from the Vendor pursuant to the Provisional Agreement
“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 whose shares are listed and traded on the Main Board of the Stock Exchange (Stock Code: 1222)
“Completion”	completion of the Acquisition
“connected person(s)”	has the meaning as ascribed thereto under the Listing Rules
“Consideration”	the consideration for the Acquisition, being HK\$83.3 million
“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
“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
“Property”	being the premise located at G/F. & M/F., No. 166 Sai Yeung Choi Street South, Kowloon with a saleable floor area of approximately 1,261 square feet
“Provisional Agreement”	the provisional sale and purchase agreement dated 4 November 2016 entered into between the Purchaser and the Vendor in relation to the Acquisition

“Purchaser”	Precious Investments Limited, a company incorporated in Hong Kong with limited liability and an indirectly wholly-owned subsidiary of WOP (a listed 75%-subsidiary of the Company), which is principally engaged in property holding
“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 622 of the Laws of Hong Kong)
“Vendor”	World Success Corporation Limited, being the vendor under the Provisional Agreement and is a third party independent of and not connected with the Company and its connected persons
“WOP”	Wang On Properties Limited 宏安地產有限公司, an exempted company incorporated in Bermuda with limited liability whose shares are listed and traded on the Main Board of the Stock Exchange (Stock Code: 1243), being a listed 75%-subsidiary of the Company
“WOP Group”	WOP and its subsidiaries
“%”	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 November 2016

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

\* *For identification purpose only*