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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)**

### **DISCLOSEABLE TRANSACTION IN RELATION TO PROVISION OF FINANCIAL ASSISTANCE**

#### **PROVISION OF FINANCIAL ASSISTANCE**

On 12 April 2017, the Lender, an indirectly wholly-owned subsidiary of the Company, entered into the Loan Agreement to grant the Loan Facility to the Borrower of not exceeding a sum of HK\$200.0 million for a term of 36 months at an interest rate of 6.5% per annum.

#### **IMPLICATIONS UNDER THE LISTING RULES**

The transaction contemplated under the Loan Agreement constitutes a discloseable transaction for the Company pursuant to Rule 14.06(2) of the Listing Rules on the basis that: (i) one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Loan Agreement exceeds 5% and is below 25%; and (ii) the transactions contemplated under the Loan Agreement, when aggregated with the WYT Previous Loan Agreement, would not result in a higher transaction classification under Chapter 14 of the Listing Rules. The transactions contemplated under the Loan Agreement, as aggregated with the WYT Previous Loan Agreement, are therefore only subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

#### **PROVISION OF FINANCIAL ASSISTANCE**

On 12 April 2017, the Lender, an indirectly wholly-owned subsidiary of the Company, entered into the Loan Agreement to grant the Loan Facility to the Borrower of not exceeding a sum of HK\$200.0 million for a term of 36 months at an interest rate of 6.5% per annum which was determined with reference to the prevailing market situation.

\* *For identification purpose only*

## THE LOAN AGREEMENT

Summarised below are the principal terms of the Loan Agreement:

- Date** : 12 April 2017
- Lender** : Emperor Smart, a company incorporated in the British Virgin Islands with limited liability and is indirectly wholly owned by the Company as at the date of this announcement. The Lender is principally engaged in investment holding
- Borrower** : Easy One, a company incorporated under the laws of the Cayman Islands and continued in Bermuda. Easy One and its subsidiaries are principally engaged in the businesses of property development in the PRC, provision of finance and securities brokerage services
- Loan Facility** : an unsecured revolving loan facility of not exceeding a sum of HK\$200.0 million
- Interest rate** : 6.5% per annum
- Loan Period** : 36 months commencing from 12 April 2017, being the date of the Loan Agreement, and expiring on 11 April 2020

The Loan Facility granted to the Borrower will be funded by the internal resources of the Group. The Loan Facility may be drawn down by the Borrower during the Availability Period. The interests accrued on each drawdown shall be payable on an annual basis commencing from the date of each drawdown or on such other date as agreed between the Lender and the Borrower, and the outstanding principal amount of the Loan Facility and all outstanding interest thereon (if any) will, in any event, be repayable by the Borrower no later than the end of the Loan Period.

As at the date of this announcement, the Company is currently holding approximately 51.32% equity interest in WYT, which in turn is an indirect substantial shareholder of Easy One holding approximately 28.51% equity interest in Easy One. As at the date hereof, Mr. Chan Chun Hong, Thomas, an executive Director, is also an executive director of WYT and Easy One. Save for the foregoing, to the best of the knowledge, information and belief of the Directors after making all reasonable enquiries, Easy One and its associates are third parties independent of and not connected with the Company and its connected person(s).

As at the date of this announcement, the Borrower is indebted to the WYT Group in an aggregate amount of HK\$100.0 million (excluding interest incurred thereon) under the WYT Previous Loan Agreement, details of which were set out in the announcement of WYT dated 5 October 2016.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE LOAN AGREEMENT**

The Group is principally engaged in (i) management and sub-licensing of Chinese wet markets and provision of finance in Hong Kong and the PRC; (ii) property investment and property development in Hong Kong through WOP; and (iii) manufacturing and/or retailing of pharmaceutical and health food products through WYT. The Lender is principally engaged in investment holding.

The Directors believe that the Loan Agreement can generate a stable and higher return to the Shareholders comparing with the interests earned by making a Hong Kong dollar time deposit with financial institutions in Hong Kong. In addition, WYT is the single largest shareholder of the Borrower. In view of the development prospects of the Borrower, the Directors consider that it is in the interest of the Shareholders to continue to support the development of the Borrower by way of loan financing with an aim to generate return to the Shareholders in long run. The Directors are also of the view that the terms of the Agreement are on normal commercial terms and fair and reasonable so far as the Company and the Shareholders are concerned and thus the entering into of the Agreement is in the interests of the Group and the Shareholders as a whole.

## **IMPLICATIONS UNDER THE LISTING RULES**

The transaction contemplated under the Loan Agreement constitutes a discloseable transaction for the Company pursuant to Rule 14.06(2) of the Listing Rules on the basis that: (i) one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Loan Agreement exceeds 5% and is below 25%; and (ii) the transactions contemplated under the Loan Agreement, when aggregated with the WYT Previous Loan Agreement, would not result in a higher transaction classification under Chapter 14 of the Listing Rules. The transactions contemplated under the Loan Agreement, as aggregated with the WYT Previous Loan Agreement, are therefore only subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## DEFINITIONS

In this announcement, unless the context otherwise requires, capitalised terms used herein have the following meanings:

“associate(s)”	has the meaning as ascribed thereto under the Listing Rules
“Availability Period”	the period commencing upon the date of the Loan Agreement and ending on the earlier of (a) the date falling one month prior to the expiry date of the Loan Period; and (b) the date on which the Loan Facility is cancelled or terminated under the provision of the Loan 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)
“connected person(s)”	has the meaning as ascribed thereto under the Listing Rules
“Director(s)”	the directors of the Company
“Easy One” or “Borrower”	Easy One Financial Group Limited 易易壹金融集團有限公司, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability whose shares are listed and traded on the Main Board of the Stock Exchange (Stock Code: 221), being the borrower of the Loan Facility
“Emperor Smart” or “Lender”	Emperor Smart Investments Limited, a company incorporated in the British Virgin Islands with limited liability and is indirectly wholly owned by the Company, being the lender of the Loan Facility
“Group”	the Company and its subsidiaries

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“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
“Loan Agreement”	the loan agreement dated 12 April 2017 entered into between the Lender and the Borrower pursuant to which the Lender agreed to grant the Loan Facility to the Borrower
“Loan Facility”	an unsecured revolving loan facility of not exceeding a sum of HK\$200.0 million to be granted by the Lender to the Borrower pursuant to the Loan Agreement
“Loan Period”	a period commencing from 12 April 2017 and expiring on 11 April 2020
“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
“Repayment Date”	11 April 2020, being the date falling on the expiry of 36 months from the date of the Loan Agreement
“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 ascribed thereto under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)

“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), in which the Company is currently holding an indirect equity interest of 75.0%
“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 whose shares are listed and traded on the Main Board of the Stock Exchange (Stock Code: 897), in which the Company is currently holding an indirect equity interest of approximately 51.32%
“WYT Group”	WHT and its subsidiaries
“WYT Previous Loan Agreement”	the loan agreement dated 5 October 2016 entered into between Able Trend Limited (an indirectly wholly-owned subsidiary of WYT) and the Borrower pursuant to which Able Trend Limited agreed to grant an unsecured revolving loan facility of not exceeding a sum of HK\$100.0 million for a term of 24 months at an interest rate of 6.5% per annum, details of which were disclosed in WYT’s announcement issued on 5 October 2016
“%”	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, 12 April 2017

*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.*

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