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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 TRANSACTIONS
DISPOSAL OF LISTED SECURITIES**

THE DISPOSALS

The Board announces the following:

- (a) During the period from 9 July 2020 to 22 October 2020, the Company conducted a series of on-market transactions to dispose of an aggregate of 199,400 Alibaba Shares (representing approximately 0.0009% of the total issued Alibaba Shares as at the date of this announcement) at the selling price between HK\$249.0 to HK\$300.8 per Alibaba Share for an aggregate consideration of approximately HK\$53.6 million (exclusive of transaction costs).
- (b) During the period from 9 July 2020 to 22 October 2020, the Company conducted a series of on-market transactions to dispose of an aggregate of 3,186,000 Xiaomi Shares (representing approximately 0.013% of the total issued Xiaomi Shares as at the date of this announcement) at the selling price between HK\$16.68 to HK\$23.6 per Xiaomi Share for an aggregate consideration of approximately HK\$60.8 million (exclusive of transaction costs).
- (c) During the period from 26 June 2020 to 22 October 2020, the Company conducted a series of on-market transactions to dispose of an aggregate of 331,000 Meituan Shares (representing approximately 0.0056% of the total issued Meituan Shares as at the date of this announcement) at the selling price between HK\$175.2 to HK\$271.2 per Meituan Share for an aggregate consideration of approximately HK\$66.6 million (exclusive of transaction costs).

* *For identification purpose only*

LISTING RULES IMPLICATIONS

As each of (a) the Alibaba Share Disposals; (b) the Xiaomi Share Disposals; and (c) the Meituan Share Disposals, took place within 12-month period, each of (i) the Alibaba Share Disposals; (ii) the Xiaomi Share Disposals; and (iii) the Meituan Share Disposals, shall be aggregated as a single series of transactions under Rule 14.22 of the Listing Rules.

As one or more of the applicable percentage ratios calculated in accordance with Rule 14.07 of the Listing Rules in respect of each of (a) the Alibaba Share Disposals; (b) the Xiaomi Share Disposals; and (c) the Meituan Share Disposals, exceed 5% but all of them are less than 25%, each of (i) the Alibaba Share Disposals; (ii) the Xiaomi Share Disposals; and (iii) the Meituan Share Disposals, constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules.

THE DISPOSALS

The Board announces the following:

(1) the Alibaba Share Disposals

During the period from 9 July 2020 to 22 October 2020, the Company conducted a series of on-market transactions to dispose of an aggregate of 199,400 Alibaba Shares (representing approximately 0.0009% of the total issued Alibaba Shares as at the date of this announcement) at the price between HK\$249.0 to HK\$300.8 per Alibaba Share for an aggregate consideration of approximately HK\$53.6 million (exclusive of transaction costs).

As the Alibaba Share Disposals were conducted through the sales in open market, the Company is not aware of the identities of the purchasers. To the best of the knowledge, information and belief of the Directors after having made all reasonable enquiries, each of the purchasers and their ultimate beneficial owners are third parties independent of the Company and its connected persons.

Assets disposed of

The Company disposed of a total of 199,400 Alibaba Shares at a selling price between HK\$249.0 to HK\$300.8 per Alibaba Share. Before the Alibaba Share Disposals, the Company held a total of 276,400 Alibaba Shares, representing approximately 0.0013% of the total issued share capital of Alibaba as at the date of this announcement. After the Alibaba Share Disposals, the Company will hold 77,000 Alibaba Shares, representing approximately 0.0004% of the total issued share capital of Alibaba as at the date of this announcement.

Consideration

The aggregate gross sale proceeds of the Alibaba Share Disposals was HK\$53.6 million (exclusive of transaction costs), which was/is receivable in cash on settlement. The consideration for the Alibaba Share Disposals represented the market price of the Alibaba Shares at the time of the Alibaba Share Disposals.

Information of Alibaba

According to publicly available information, Alibaba is a company incorporated in the Cayman Islands and the shares of which are listed on the Stock Exchange (stock code: 9988). Alibaba provides the technology infrastructure and marketing reach to help merchants, brands and other businesses to leverage the power of new technology to engage with their users and customers and operate in a more efficient way. Alibaba operates four principal business segments, namely core commerce, cloud computing, digital media and entertainment, and innovation initiatives. The core commerce segment provides China retail, China wholesale, international retail, international wholesale, Cainiao logistics services and local consumer services through Taobao Marketplace and Tmall. The cloud computing segment provides complete suite of cloud services, including database, storage, network virtualization services, big data analytics and others. The digital media and entertainment segment provides consumer services beyond the core business operations. The innovation initiatives and others segment is to innovate and deliver new services and products.

Set out below is the financial information of Alibaba for the two financial years ended 31 March 2019 and 2020 extracted from the prospectus of Alibaba dated 15 November 2019 and the annual report of Alibaba for the year ended 31 March 2020:

	For the year ended 31 March 2020 (RMB'million) (audited)	For the year ended 31 March 2019 (RMB'million) (audited)
Revenue	509,711	376,844
Net income after tax	140,350	80,234
Net income attributable to ordinary shareholders	149,263	87,600
	As at 31 March 2020 (RMB'million) (audited)	As at 31 March 2019 (RMB'million) (audited)
Total equity	870,548	608,583

(2) the Xiaomi Share Disposals

During the period from 9 July 2020 to 22 October 2020, the Company conducted a series of on-market transactions to dispose of an aggregate of 3,186,000 Xiaomi Shares (representing approximately 0.013% of the total issued Xiaomi Shares as at the date of this announcement) at the price between HK\$16.68 to HK\$23.6 per Xiaomi Share for an aggregate consideration of approximately HK\$60.8 million (exclusive of transaction costs).

As the Xiaomi Share Disposals were conducted through the sales in open market, the Company is not aware of the identities of the purchasers. To the best of the knowledge, information and belief of the Directors after having made all reasonable enquiries, each of the purchasers and their ultimate beneficial owners are third parties independent of the Company and its connected persons.

Assets disposed of

The Company disposed of a total of 3,186,000 Xiaomi Shares at a selling price between HK\$16.68 to HK\$23.6 per Xiaomi Share. Before the Xiaomi Share Disposals, the Company held a total of 4,212,200 Xiaomi Shares, representing approximately 0.017% of the total issued share capital of Xiaomi as at the date of this announcement. After the Xiaomi Share Disposals, the Company will hold 1,026,200 Xiaomi Shares, representing approximately 0.004% of the total issued share capital of Xiaomi as at the date of this announcement.

Consideration

The aggregate gross sale proceeds of the Xiaomi Share Disposals was HK\$60.8 million (exclusive of transaction costs), which was/is receivable in cash on settlement. The consideration for the Xiaomi Share Disposals represented the market price of the Xiaomi Shares at the time of the Xiaomi Share Disposals.

Information of Xiaomi

According to publicly available information, Xiaomi is a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange (stock code: 1810). Xiaomi and its subsidiaries are principally engaged in development and sales of smartphones, internet of things and lifestyle products, provision of internet services and investment holding in the PRC and other countries or regions.

Set out below is the financial information of Xiaomi for the two financial years ended 31 December 2018 and 2019 and six months ended 30 June 2020 extracted from the annual report of Xiaomi for the year ended 31 December 2019 and the interim report for the six months ended 30 June 2020:

	For the year ended 31 December 2019	For the year ended 31 December 2018
	<i>(RMB'million)</i>	<i>(RMB'million)</i>
	(audited)	(audited)
Revenue	205,839	174,915
Profit before income tax	12,163	13,927
Profit for the year	10,103	13,478
	As at 30 June 2020	As at 31 December 2019
	<i>(RMB'million)</i>	<i>(RMB'million)</i>
	(unaudited)	(audited)
Total equity	90,162	81,658
		As at 31 December 2018
		<i>(RMB'million)</i>
		(audited)
		71,250

(3) the Meituan Share Disposals

During the period from 26 June 2020 to 22 October 2020, the Company conducted a series of on-market transactions to dispose of an aggregate of 331,000 Meituan Shares (representing approximately 0.0056% of the total issued Meituan Shares as at the date of this announcement) at the price between HK\$175.2 to HK\$271.2 per Meituan Share for an aggregate consideration of approximately HK\$66.6 million (exclusive of transaction costs).

As the Meituan Share Disposals were conducted through the sales in open market, the Company is not aware of the identities of the purchasers. To the best of the knowledge, information and belief of the Directors after having made all reasonable enquiries, each of the purchasers and their ultimate beneficial owners are third parties independent of the Company and its connected persons.

Assets disposed of

The Company disposed of a total of 331,000 Meituan Shares at a selling price between HK\$175.2 to HK\$271.2 per Meituan Share. Before the Meituan Share Disposals, the Company held a total of 399,800 Meituan Shares, representing approximately 0.0068% of the total issued share capital of Meituan as at the date of this announcement. After the Meituan Share Disposals, the Company will hold 68,800 Meituan Shares, representing approximately 0.0012% of the total issued share capital of Meituan as at the date of this announcement.

Consideration

The aggregate gross sale proceeds of the Meituan Share Disposals was/is HK\$66.6 million (exclusive of transaction costs), which was receivable in cash on settlement. The consideration for the Meituan Share Disposals represented the market price of the Meituan Shares at the time of the Meituan Share Disposals.

Information of Meituan

According to publicly available information, Meituan is a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange (stock code: 3690). Meituan is China's leading e-commerce platform for services. It provides a platform using technology to connect consumers and merchants and offering diversified daily services, including food delivery, in-store dining, hotel and travel booking and other services.

Set out below is the financial information of Meituan for the two financial years ended 31 December 2018 and 2019 and six months ended 30 June 2020 extracted from the annual report of Meituan for the year ended 31 December 2019 and the interim report for the six months ended 30 June 2020:

	For the year ended 31 December 2019 <i>(RMB'million)</i> (audited)	For the year ended 31 December 2018 <i>(RMB'million)</i> (audited)
Revenue	65,526	47,012
Profit/(loss) before income tax	2,762	(115,491)
Profit/(loss) after taxation	2,236	(115,493)

	As at 30 June 2020 <i>(RMB'million)</i> (unaudited)	As at 31 December 2019 <i>(RMB'million)</i> (audited)	As at 31 December 2018 <i>(RMB'million)</i> (audited)
Total equity	95,003	92,054	86,510

USE OF PROCEEDS OF THE DISPOSALS

The Company intends to use the net proceeds of approximately HK\$180.7 million from the Disposals for general working capital of the Group.

“Alibaba Share(s)”	ordinary share(s) with a par value US\$0.000003125 (each) in the capital of Alibaba
“Alibaba Share Disposals”	the disposal by the Company of an aggregate of 199,400 Alibaba Shares through a series of transactions in the open market during the period from 9 July 2020 to 22 October 2020 for an aggregate consideration of approximately HK\$53.6 million (exclusive of transaction costs)
“Board”	the board of Directors
“Company”	Wang On Group Limited, 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)
“connected person”	has the meaning ascribed thereto under the Listing Rules
“Disposals”	collectively, the Alibaba Share Disposals, the Meituan Share Disposals and the Xiaomi Share Disposals
“Disposed Shares”	collectively, the Alibaba Shares, the Meituan Shares and the Xiaomi Shares under the Disposals
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Meituan”	Meituan, a company incorporated in the Cayman Islands and the shares of which are listed on the Stock Exchange (stock code: 3690)
“Meituan Share(s)”	ordinary share(s) of US\$0.00001 (each) in the share capital of Meituan
“Meituan Share Disposals”	the disposal by the Company of an aggregate of 331,000 Meituan Shares through a series of transactions in the open market during the period from 26 June 2020 to 22 October 2020 for an aggregate consideration of approximately HK\$66.6 million (exclusive of transaction costs)

“PRC”	the People’s Republic of China, which for the purpose of this announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the People’s Republic of China
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholders”	the holders of Shares
“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)
“US\$”	United States dollars, the lawful currency of the United States of America
“Xiaomi”	Xiaomi Corporation, a company incorporated in the Cayman Islands and the shares of which are listed on the Stock Exchange (stock code: 1810)
“Xiaomi Share(s)”	ordinary share(s) with a par value of US\$0.0000025 (each) in the share capital of Xiaomi
“Xiaomi Share Disposals”	the disposal by the Company of an aggregate of 3,186,000 Xiaomi Shares through a series of transactions in the open market during the period from 9 July 2020 to 22 October 2020 for an aggregate consideration of approximately HK\$60.8 million (exclusive of transaction costs)
“WYT”	Wai Yuen Tong Medicine Holdings Limited, 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: 897)
“%”	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, 22 October 2020

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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 three independent non-executive Directors, namely Mr. Wong Chun, Justein, Mr. Siu Kam Chau and Mr. Chan Yung.