
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your securities in Wang On Group Limited (宏安集團有限公司)*, you should at once hand this circular with the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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)

**MAJOR TRANSACTION
REGARDING
THE PROVISION OF THE NEW LOAN FACILITY
TO CHINA AGRI-PRODUCTS EXCHANGE LIMITED
AND
NOTICE OF SPECIAL GENERAL MEETING**

A notice convening the SGM (as defined in this circular) to be held 17/F., Edinburgh Tower, The Landmark, 15 Queen's Road Central, Hong Kong on Monday, 20 August 2012 at 10:00 a.m. is set out on pages 23 to 24 of this circular.

Whether or not you intend to attend and vote at the SGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as practicable but in any event not later than 48 hours before the time appointed for holding the SGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof (as the case may be) should you so wish and in such event, the proxy form shall be deemed to be revoked.

* *For identification purpose only*

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DEFINITIONS

In this circular, unless the context otherwise specifies, the following expressions have the following meanings:

| | |
|------------------------|---|
| “Assignment” | the deed of assignment of all present and future loans owed or to be owed by Shiney Day, Lanston Investment and Crown Fortress to CAG by way of charge to be executed by CAG in favour of True Noble to secure the Indebtedness |
| “associate(s)” | has the meaning ascribed thereto in the Listing Rules |
| “Availability Period” | during the period commencing upon the fulfillment or waiver (as the case may be) of all the conditions to the New Loan Agreement set out in the section headed “Conditions of the New Loan Agreement” in this circular, and expiring on 30 September 2014 |
| “Board” | the board of the Directors |
| “Business Day” | any day (excluding a Saturday, Sunday and public holiday) on which banks both in Hong Kong and the PRC are generally open for business throughout their normal business hours |
| “Bye-laws” | the bye-laws of the Company |
| “CAG” | China Agri-Products Exchange Limited 中國農產品交易所有限公司, an exempted company incorporated in Bermuda with limited liability and the CAG Shares are listed and traded on the main board of the Stock Exchange (Stock Code: 0149) |
| “CAG Group” | CAG and its subsidiaries |
| “CAG Share(s)” | the ordinary share(s) of HK\$0.01 each in the share capital of CAG |
| “Company” | Wang On Group Limited (宏安集團有限公司)*, 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: 1222) |
| “Crown Fortress” | Crown Fortress Limited, an investment holding company incorporated in Hong Kong with limited liability and is directly wholly owned by Super Treasure, a wholly-owned subsidiary of CAG |
| “Crown Fortress Group” | Crown Fortress and its subsidiary(ies) |

* For identification purpose only

DEFINITIONS

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|----------------------------|--|
| “Director(s)” | the director(s) of the Company |
| “Existing Loan Agreements” | three loan agreements dated 25 March 2009 (which was amended by the amendment deed dated 14 September 2010), 10 March 2011 and 28 March 2011, respectively, or any of them (as the case may be), entered into between True Noble and the CAG Group pursuant to which True Noble agreed to advance the Existing Loan Facilities to the CAG Group |
| “Existing Loan Facilities” | three outstanding loan facilities in the aggregate sum of HK\$320 million granted by True Noble to the CAG Group pursuant to the Existing Loan Agreements |
| “Floating Charges” | the deeds of floating charge to be executed by each of Shiney Day, Lanston Investment and Crown Fortress, over all their respective assets, rights and/or undertaking in favour of True Noble to secure the Indebtedness |
| “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 |
| “Indebtedness” | any and all present and future sums, liabilities and obligations (actual or contingent and whether incurred solely or jointly with any other person and whether as principal or surety) at any time due, owing or payable by CAG to True Noble in any currency under the New Loan Agreement, the Security Documents and any other document designated as such by CAG and True Noble together with all related associated liabilities |
| “Lanston Investment” | Lanston Investment Limited, an investment holding company incorporated in Hong Kong with limited liability and is directly wholly owned by Super Treasure, a wholly-owned subsidiary of CAG |
| “Lanston Investment Group” | Lanston Investment and its subsidiary(ies) |
| “Latest Practicable Date” | 2 August 2012, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |

DEFINITIONS

| | |
|------------------------|--|
| “New Loan Agreement” | the conditional loan agreement entered into between True Noble and CAG on 16 July 2012 in relation to the provision of the New Loan Facility |
| “New Loan Facility” | a proposed loan facility of not exceeding the sum of HK\$670 million to be granted by True Noble to CAG pursuant to the New Loan Agreement |
| “Permitted Securities” | any mortgage, charge, pledge, lien, assignment or other security or any other agreement, trust or arrangement (including a right of set-off or combination) or having a similar effect created, inter alia, (1) by operation of law; (2) in favour of True Noble; and (3) which are otherwise approved in writing by True Noble in its sole discretion from time to time |
| “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 shares of which are listed and traded on the main board of the Stock Exchange (Stock Code: 221) |
| “PRC” | the People’s Republic of China, for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan |
| “Security Documents” | collectively, the Assignment, the Share Charges, the Floating Charges and any other documents designated as such by CAG and True Noble |
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “Share(s)” | the ordinary share(s) of HK\$0.01 each in the share capital of the Company |
| “Share Charges” | the deeds of share charge over the respective legal and beneficial interest in all of the shares of Shiney Day, Lanston Investment and Crown Fortress to be executed by Super Treasure in favour of True Noble to secure the Indebtedness |
| “Shareholder(s)” | the holder(s) of the Share(s) |
| “Shiney Day” | Shiney Day Investments Limited, an investment holding company incorporated in the British Virgin Islands with limited liability and is directly wholly owned by Super Treasure, a wholly-owned subsidiary of CAG |
| “Shiney Day Group” | Shiney Day and its subsidiary(ies) |

DEFINITIONS

| | |
|--------------------------|--|
| “SGM” | the special general meeting of the Company to be convened and held for the purpose of considering, and if thought fit, approving, among others, the New Loan Agreement and the transaction(s) contemplated thereunder |
| “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) |
| “Super Treasure” | Super Treasure Holdings Limited, an investment holding company incorporated in the British Virgin Islands with limited liability and is indirectly wholly owned by CAG |
| “Supplemental Agreement” | the agreement supplemental to the New Loan Agreement entered into between True Noble and CAG on 31 July 2012 |
| “True Noble” | True Noble Limited, an investment holding company incorporated in the British Virgin Islands with limited liability and was indirectly wholly owned by the Company as at the Latest Practicable Date |
| “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 of which are listed and traded on the main board of the Stock Exchange (Stock Code: 897) |
| “%” | per cent. |

* *For identification purpose only*



WANG ON GROUP LIMITED

(宏 安 集 團 有 限 公 司)^{*}

(Incorporated in Bermuda with limited liability)

(Stock Code: 1222)

Executive Directors:

Mr. Tang Ching Ho, *JP (Chairman)*
Ms. Yau Yuk Yin *(Deputy Chairman)*
Mr. Chan Chun Hong, Thomas
(Managing Director)

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Independent non-executive Directors:

Dr. Lee Peng Fei, Allen, *CBE, BS, FHKIE, JP*
Mr. Wong Chun, Justein, *BBS, MBE, JP*
Mr. Siu Yim Kwan, Sidney, *S.B.St.J*
Mr. Siu Kam Chau

Head office and

principal place of business:
5/F., Wai Yuen Tong Medicine Building
9 Wang Kwong Road
Kowloon Bay
Kowloon
Hong Kong

3 August 2012

To the Shareholders

Dear Sir or Madam,

**MAJOR TRANSACTION
REGARDING
THE PROVISION OF THE NEW LOAN FACILITY
TO CHINA AGRI-PRODUCTS EXCHANGE LIMITED
AND
NOTICE OF SPECIAL GENERAL MEETING**

INTRODUCTION

Reference is made to the announcements dated 16 July 2012 and 31 July 2012 in respect of, among others, the New Loan Facility to be advanced by True Noble to CAG pursuant to the New Loan Agreement.

^{*} *For identification purpose only*

LETTER FROM THE BOARD

The purpose of this circular is to provide you with, among others, the details of the major transaction relating to the New Loan Agreement and the notice of the SGM to be convened and held for the purpose of considering and, if though fit, among others, approving the resolution in relation to the New Loan Agreement and the transactions contemplated thereunder.

Reference is also made to the announcements of the Company dated 14 September 2010 and 28 March 2011 and the circular of the Company dated 18 April 2011 in relation to the Existing Loan Facilities.

Between March 2009 and March 2011, True Noble (a wholly-owned subsidiary of the Company) and the CAG Group entered into the Existing Loan Agreements in relation to the provision of the Existing Loan Facilities. The Existing Loan Facilities of an aggregate of HK\$120 million and HK\$200 million will soon expire on 13 September 2012 and 30 September 2012, respectively. Accordingly, on 16 July 2012, True Noble entered into the New Loan Agreement with CAG in relation to the provision of the New Loan Facility at the interest rate of 8.0% per annum, which was revised to 10.0% per annum pursuant to the Supplemental Agreement, during the Availability Period (i.e. up to 30 September 2014) to, inter alia, repay the full amount of the Existing Loan Facilities.

NEW LOAN AGREEMENT AND THE SUPPLEMENTAL AGREEMENT

| | |
|---------------------------------|--|
| Date: | 16 July 2012 (New Loan Agreement) and 31 July 2012 (Supplemental Agreement) |
| Lender: | True Noble, an investment holding company incorporated in the British Virgin Islands with limited liability and is indirectly wholly owned by the Company as at the Latest Practicable Date |
| Borrower: | CAG |
| Loan facility: | Maximum of HK\$670 million |
| Interest rate per annum: | 8% and revised to 10% pursuant to the Supplemental Agreement |
| Drawdown: | <p>The New Loan Facility can be drawn down during the period commencing upon the fulfillment or waiver (as the case may be) of all the conditions to the New Loan Agreement set out in the section headed “Conditions of the New Loan Agreement” in this circular, and expiring on 30 September 2014.</p> <p>CAG shall apply not less than HK\$320 million to be drawn under the New Loan Facility to repay the full amount of the Existing Loan Facilities (including accrued interests, if any) on each of their repayment dates (i.e. on 13 September 2012 (HK\$120 million in total) and 30 September 2012 (HK\$200 million)).</p> |

LETTER FROM THE BOARD

Securities: The New Loan Facility shall be secured by the following:

1. the Share Charges;
2. the Floating Charges; and
3. the Assignment.

Pursuant to the New Loan Agreement and the Supplemental Agreement, True Noble conditionally agreed to grant the secured New Loan Facility to CAG at the interest rate of 10.0% per annum which was determined with reference to factors including, among others, (i) the prevailing Hong Kong best lending rate as quoted by The Hongkong and Shanghai Banking Corporation Limited, being 5.0% per annum; (ii) the provision of securities to True Noble in respect of the New Loan Facility as contemplated under the Security Documents; (iii) the financial position of the CAG Group; and (iv) the possible appreciation of Renminbi and properties held by the CAG Group in the PRC. The full principal amount of each drawdown and all outstanding interest thereon (if any) will be repayable by CAG no later than 30 September 2014. The New Loan Facility will be financed by the Group from its internal resources.

LETTER FROM THE BOARD

Existing Loan Agreements

As at the Latest Practicable Date, the CAG Group was indebted to True Noble in an aggregate of HK\$320 million under the Existing Loan Facilities as set out in the table below:

| | | | |
|--|--|--------------------------------|------------------------------|
| Date: | 25 March 2009 <i>(as amended by an amendment deed dated 14 September 2010)</i> | 10 March 2011 | 28 March 2011 |
| Lender: | True Noble | True Noble | True Noble |
| Borrower: | Shiney Day, an investment holding company incorporated in the British Virgin Islands with limited liability and was indirectly wholly owned by CAG as of the Latest Practicable Date | CAG | CAG |
| Outstanding principal amount of the Existing Loan Facilities as at the Latest Practicable Date: | HK\$90 million | HK\$30 million | HK\$200 million |
| Repayment date: | 13 September 2012 | 13 September 2012 | 30 September 2012 |
| Interest rate per annum: | 6.0% | 6.0% | 8.0% |
| Drawdown Date: | Full drawdown on 25 March 2009 | Full drawdown on 14 March 2011 | Full drawdown on 8 June 2011 |
| Securities: | 1. Corporate guarantee by CAG and Super Treasure 2. Share charge on Shiney Day | Unsecured | Unsecured |

LETTER FROM THE BOARD

Conditions of the New Loan Agreement

Completion of the New Loan Agreement is conditional upon the fulfillment, or waiver (except (a) below) of the following conditions:

- (a) the passing of the resolution by the Shareholders at the SGM approving the New Loan Facility pursuant to the New Loan Agreement and any other transactions contemplated thereunder;
- (b) provision by CAG of the duly executed Security Documents; and
- (c) the representations and warranties made by CAG set out in the New Loan Agreement remaining valid and in full force on the date of each drawdown.

Both of True Noble and CAG undertake to use all reasonable endeavours (so long as it is within their respective power to do so) to ensure that the above conditions are fulfilled as soon as reasonably practicable and in any event no later than 30 September 2012 (or such later date as True Noble and CAG may mutually agree in writing), otherwise, the New Loan Agreement shall be null and void and of no further effect and no party to the New Loan Agreement shall have any further liability to any other parties under or in connection with the New Loan Agreement without prejudice to the rights of any such parties in respect of any antecedent breaches.

Principal terms of the Security Documents

The New Loan Facility will be secured by:

- 1. share charges to be executed by Super Treasure in favour of True Noble over the respective legal and beneficial interests in all of the shares of Shiney Day, Lanston Investment and Crown Fortress, owned by Super Treasure by way of first fixed charge;
- 2. floating charges to be executed by each of Shiney Day, Lanston Investment and Crown Fortress in favour of True Noble, over all of its respective rights, title and interests in and to all its respective present and future assets; and
- 3. a loan assignment by way of charge to be executed by CAG in favour of True Noble over all its title, rights, interests and benefits in all present and future loans owed or to be owed by Shiney Day, Lanston Investment and Crown Fortress to CAG.

Each of the Security Documents will become enforceable in the event of default by CAG under the New Loan Agreement. The Security Documents cover all the obligations of CAG under the New Loan Agreement, including but not limited to the payment of principal, interest, penalty, fees and expenses incurred by True Noble for any enforcement of the New Loan Agreement.

LETTER FROM THE BOARD

REASONS FOR AND BENEFITS OF ENTERING INTO THE NEW LOAN AGREEMENT

As at 31 March 2012, the Group had consolidated cash and cash equivalents of approximately HK\$602.1 million. As the Existing Loan Facilities will soon fall due on 13 September 2012 and 30 September 2012, respectively, the New Loan Agreement was entered into so that the CAG Group could repay the full amount outstanding under the Existing Loan Facilities. Given that not less than HK\$320 million to be drawn under the New Loan Facility shall only be used to repay the Existing Loan Facilities, the additional amount to be actually advanced by the Group under the New Loan Agreement shall be not more than HK\$350 million.

The Directors believe that the provision of the New Loan Facility can generate higher interest income to the Group comparing with the interest earned by making a Hong Kong dollar time deposit with financial institutions in Hong Kong.

The Directors consider the New Loan Facility is well secured because:

- (i) Shiney Day, Lanston Investment and Crown Fortress, as chargors, have undertaken to the Group that they shall not, at any time during the subsistence of the Floating Charges, create or permit to subsist any security over all or any part of the charged properties, other than Permitted Securities;
- (ii) it is expected that the charged properties under the Security Documents will be more than sufficient to repay the Indebtedness by taking into consideration of the market value of the following properties with a site area of approximately of 758,900 square metres with an aggregate amount of approximately HK\$1.3 billion as at 31 December 2011, which represents the independent professional valuation prepared by an independent professional valuer, provided under the Security Documents:

(a) principal properties held by the Shiney Day Group:

Shiney Day is an investment holding company which, through its PRC subsidiaries, is holding its following principal assets including: (a) the 51% interest in Xuzhou Agricultural By-products Wholesale Market erected on a parcel of land located at 中國江蘇省徐州市泉山區迎賓大道東 (Yingbin Main Road East, Quanshan District, Xuzhou City, Jiangsu Province, the PRC[#]); (b) the 65% interest in Yulin Agricultural By-products Wholesale Market erected on five contiguous parcels of land located at 中國廣西壯族自治區玉林市玉林郊區二環北路南側 (South of Er'huan North Road, Yulin Urban District, Yulin City, Guangxi Zhuang Autonomous Region, the PRC[#]); and (c) the 100% interest in a parcel of land located at 中國廣西壯族自治區玉林市玉林郊區二環北路南側、龍表河西北側 (South of Er'huan North Road and North-west of Longbiao River, Yulin Urban District, Yulin City, Guangxi Zhuang Autonomous Region, the PRC[#]);

[#] Denotes English translation of Chinese addresses and is provided for identification purpose only

LETTER FROM THE BOARD

(b) principal properties held by the Lanston Investment Group:

Lanston Investment is an investment holding company which, through its PRC subsidiary, is holding its principal assets including a parcel of land located at 中國廣西壯族自治區欽州市金海灣西大街北面、西環路與南環路交匯處西南面 (Southwest of Junction of Xihuan Road and Nanhuan Road, North of Jinhaiwan West Street, Qinzhou City, Guangxi Zhuang Autonomous Region, the PRC[#]); and

(c) principal assets held by the Crown Fortress Group:

Crown Fortress is an investment holding company, which through its PRC subsidiary, had made a prepayment to the Luoyang Laocheng Government for the land use rights of the relevant land(s) at 中國河南省洛陽市老城區 (Laocheng District, Luoyang City, Henan Province, the PRC[#]). Such prepayment will be used to set off the required land premium if the CAG Group obtains the relevant land use rights of the relevant lands in the public tender. Such details were set out in the announcement published by CAG on 23 April 2012.

The Board also considered the unaudited total equity of the Shiny Day Group, the Lanston Investment Group and the Crown Fortress Group attributable to CAG of an aggregate amount of approximately HK\$813.0 million which included audited net asset value attributable to them of approximately HK\$318.2 million as at 31 December 2011 and the unaudited shareholder loans advanced by CAG as at 30 June 2012 of approximately HK\$494.8 million.

The Directors are of the view that the terms of the New Loan Agreement and the Supplemental Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

GENERAL INFORMATION

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

The CAG Group is principally engaged in property rental and property sale in respect of agricultural produce exchange business in the PRC.

As at the Latest Practicable Date, the Company held an equity interest of approximately 25.00% interest in WYT, which was a substantial shareholder of PNG, holding its approximately 49.59% interest, which in turn is the substantial shareholder of CAG, holding approximately 28.22% of its entire issued share capital. Furthermore, as at the Latest Practicable Date, the Company held approximately 0.04% interest, through its indirect wholly-owned subsidiary, in CAG. As at the Latest Practicable Date, Mr. Tang

[#] Denotes English translation of Chinese addresses and is provided for identification purpose only

LETTER FROM THE BOARD

Ching Ho, an executive director of the Company, was also an executive director of WYT; and Mr. Chan Chun Hong, Thomas, an executive director of the Company, was also an executive director of WYT, PNG and CAG.

Save for the foregoing, to the best of the knowledge, information and belief of the Directors after making all reasonable enquiries, CAG and its ultimate beneficial owner are third parties independent of and not connected with the Group.

IMPLICATIONS UNDER THE LISTING RULES

As one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the New Loan Agreement exceeds 25%, the transactions contemplated thereunder constitute a major transaction of the Company under Chapter 14 of the Listing Rules and are therefore subject to the reporting, announcement, circular and shareholders' approval requirements under the Listing Rules. The transactions contemplated under the New Loan Agreement also constitute an advance to an entity which exceeds 8% under the assets ratio as defined under the Listing Rules, which shall be subject to the disclosure requirements under Rules 13.13 and 13.20 of the Listing Rules.

The SGM will be held to consider and, if thought fit, pass the ordinary resolution(s) to approve, among other things, the New Loan Agreement and the transactions contemplated thereunder. As no Shareholder has a material interest in the New Loan Agreement, no Shareholder is required to abstain from voting at the SGM in respect of the New Loan Agreement and the transactions contemplated thereunder.

FINANCIAL EFFECT ON THE GROUP

As part of the New Loan Facility shall be applied to repay the Existing Loan Facilities, the actual amount required to be advanced to CAG under the New Loan Facility will not exceed HK\$350 million. Apart from the interest income of HK\$67.0 million per annum, the Directors consider that there will be no significant impact on the assets, liabilities and earnings of the Group as a result of the New Loan Facility.

THE SGM

A notice of the SGM is set out on pages 23 to 24 of this circular for the purpose of considering and, if thought fit, among others, approving the resolution to the New Loan Agreement and the transactions contemplated thereunder. A form of proxy for use at the SGM is accompanied with this circular.

Pursuant to Rules 13.39(4) and 13.39(5) of the Listing Rules and the Bye-laws, the voting on all proposed resolution at the SGM will be taken by way of a poll and an announcement on the poll results will be made by the Company after the SGM.

Whether or not you intend to attend and vote at the SGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong

LETTER FROM THE BOARD

Kong as soon as practicable but in any event not later than 48 hours before the time appointed for holding the SGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof (as the case may be) should you so wish and in such event, the proxy form shall be deemed to be revoked.

RECOMMENDATION

For the reasons set out above, the Directors consider that the terms of the New Loan Agreement and the Supplemental Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolution to be proposed at the SGM to approve the New Loan Agreement and the Supplemental Agreement.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this circular.

Yours faithfully,
For and on behalf of the Board
WANG ON GROUP LIMITED
(宏安集團有限公司)*
Tang Ching Ho
Chairman

* For identification purpose only

1. THREE-YEAR FINANCIAL INFORMATION

Financial information of the Group for each of the three years ended 31 March 2010, 2011 and 2012 are disclosed in the annual reports of the Company for the years ended 31 March 2010 (pages 32 to 123), 2011 (pages 34 to 110) and 2012 (pages 44 to 130) respectively, which are published on both the websites of the Stock Exchange (www.hkex.com.hk) and the Company (<http://www.wangon.com>). The auditors of the Company have not issued any qualified opinion on the Group's financial statements for the financial years ended 31 March 2010, 2011 and 2012.

2. INDEBTEDNESS OF THE GROUP

As at the close of business on 30 June 2012, being the latest practicable date for the purpose of ascertaining information contained in this indebtedness statement prior to the printing of this circular, the Group had outstanding bank loans of approximately HK\$1,019.9 million, of which bank loans with an aggregate amount of approximately HK\$995.9 million were secured by the Group's investment properties and certain rental income generated therefrom, properties under development and properties held for sale. The carrying values of the Group's investment properties, properties under development and properties held for sale as at 30 June 2012, which were pledged to secure the Group's bank loans, amounted to approximately HK\$687.4 million, HK\$1,281.7 million and HK\$354.7 million, respectively.

Save as otherwise disclosed above, and apart from intra-group liabilities and normal trade payables, the Group did not have, at the close of business on 30 June 2012, any other debt securities issued and outstanding, or authorised or otherwise created but unissued, any other term loans, any other borrowings or indebtedness in the nature of borrowings including bank overdrafts and liabilities under acceptance (other than normal trade bills) or acceptance credits or hire purchase commitments, any other mortgages and charges or any guarantees or material contingent liabilities.

3. WORKING CAPITAL STATEMENT

Taking into account the financial resources available to the Group, including internally generated funds and available banking facilities of the Group, the Directors after due and careful enquiry are of the opinion that the Group has sufficient working capital for its present requirements, that is for at least the next 12 months from the date of publication of this circular, in the absence of unforeseeable circumstances.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 March 2012, being the date on which the latest published audited consolidated financial statements of the Group were made up.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

There is no change in the Group's principal activities since 31 March 2012 (being the date on which the latest published audited consolidated financial statements of the Group were made up).

Following the trend in the second half of 2011/12, the global market was still volatile under the influence of deteriorating European sovereign debt crisis, particularly in Greece. Since the beginning of 2012, the residential property market in Hong Kong has seen some reactivation and transaction volume has rebounded quite quickly. The Hong Kong economy is likely to be stable under the environment of relatively low level mortgage interest rate, strong demand from Chinese nationals in residential properties and continued income growth. It is also anticipated that the land supply will be moderately increased in the coming five years. The recent introduction of regulatory measures on the primary and secondary residential property transactions will make the market more transparent and systematic and will be beneficial to the public in the long run.

As a leading operator of Chinese wet markets in Hong Kong, the Group will continue to look for improvement in managing the day-to-day operation of the markets. The Group will continue to channel more resources on securing more management contracts both in Hong Kong and PRC.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Interests of Directors

Save as disclosed below, as at the Latest Practicable Date, none of the Directors or chief executive of the Company and/or any of their respective associates had any interest or short position in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (a) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules, to be notified to the Company and the Stock Exchange:

(i) Long positions in the Shares

| Name of Director | Number of Shares held, capacity and nature of interest | | | | | Approximate percentage of the Company's total issued share capital (Note g) % |
|------------------|--|------------------------|------------------------|---------------------------|---------------|---|
| | Personal interest | Family interest | Corporate interest | Other interest | Total | |
| Tang Ching Ho | 9,342,113 | 9,342,100 (Note a) | 34,172,220 (Note b) | 1,663,309,609 (Note c) | 1,716,166,042 | 26.30 |
| Yau Yuk Yin | 9,342,100 | 43,514,333 (Note d) | | 1,663,309,609 (Note e) | 1,716,166,042 | 26.30 |

(ii) Long positions in underlying Shares of share options of the Company

| Name of Director | Date of grant | Exercise price per Share <i>HK\$</i> | Number of share options outstanding | Exercisable period <i>(Note f)</i> | Number of underlying Shares | Number of total underlying Shares | Approximate percentage of the Company's total issued share capital <i>(Note g)</i> % |
|------------------------|---------------|---|-------------------------------------|---------------------------------------|-----------------------------|-----------------------------------|--|
| Chan Chun Hong, Thomas | 2.1.2008 | 2.4082 | 90,146 | 2.1.2009 to 1.1.2013 | 90,146 | | |
| | 8.1.2009 | 0.3893 | 180,295 | 8.1.2010 to 7.1.2019 | 180,295 | 270,441 | 0.01 |

Notes:

- (a) Mr. Tang was taken to be interested in those Shares in which his spouse, Ms. Yau, was interested.
- (b) Mr. Tang was taken to be interested in those Shares in which Caister Limited, a company which is wholly and beneficially owned by him, was interested.
- (c) Mr. Tang was taken to be interested in those Shares by virtue of being the founder of a discretionary trust, namely Tang's Family Trust.
- (d) Ms. Yau was taken to be interested in those Shares in which her spouse, Mr. Tang, was interested.
- (e) Ms. Yau was taken to be interested in those Shares by virtue of being a beneficiary of Tang's Family Trust.
- (f) These Shares represent such Shares which may fall to be issued upon the exercise of the share options by Mr. Chan Chun Hong, Thomas during the period from 2 January 2009 to 7 January 2019, which number and exercise prices thereof are subject to adjustment in accordance with the share option scheme adopted by the Company on 3 May 2002:

The exercisable period of the above share options beneficially held by Mr. Chan Chun Hong, Thomas was vested as follows:

| | |
|---|--------------------|
| On 1st anniversary of the date of grant | 30% vest |
| On 2nd anniversary of the date of grant | Further 30% vest |
| On 3rd anniversary of the date of grant | Remaining 40% vest |

- (g) The percentage represented the number of Shares over the total issued share capital of the Company as at the Latest Practicable Date of 6,524,935,021 Shares.

(b) Persons who have interests or short positions in the Shares or underlying Shares which is discloseable under Divisions 2 and 3 of Part XV of the SFO

Save as disclosed below, as at the Latest Practicable Date, no person had, or were deemed or taken to have interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or had any option in respect of such capital:

Long positions in the Shares

| Name of Shareholders | Capacity | Number of Shares | Approximate percentage of the Company's total issued share capital (Note 4) |
|---|---------------------------------------|---------------------|--|
| Accord Power Limited (Note 1) | Beneficial owner | 1,663,309,609 | 25.49 |
| Fiducia Suisse SA (Note 1) | Interest of controlled corporation | 1,663,309,609 | 25.49 |
| David Henry Christopher Hill (Note 2) | Interest of controlled corporation | 1,663,309,609 | 25.49 |
| Rebecca Ann Hill (Note 3) | Family interest | 1,663,309,609 | 25.49 |

Notes:

- (1) Accord Power Limited is wholly owned by Fiducia Suisse SA in its capacity as the trustee of Tang's Family Trust. Accordingly, Fiducia Suisse SA was taken to be interested in those Shares held by Accord Power Limited.
- (2) Fiducia Suisse SA is wholly owned by Mr. David Henry Christopher Hill, and accordingly, Mr. David Henry Christopher Hill was taken to be interested in those Shares in which Fiducia Suisse SA was interested.
- (3) Ms. Rebecca Ann Hill was taken to be interested in those Shares in which her spouse, Mr. David Henry Christopher Hill was interested.
- (4) The percentage represented the number of Shares over the total issued share capital of the Company as at the Latest Practicable Date of 6,524,935,021 Shares.

3. DIRECTORS' INTERESTS IN ASSETS/CONTRACTS AND OTHER INTERESTS

- (i) There is no contract or arrangement entered into by any member of the Group, subsisting as at the Latest Practicable Date in which any of the Directors is materially interested and which is significant in relation to the business of the Group as a whole.
- (ii) As at the Latest Practicable Date, none of the Directors or their respective associates had any interest, direct or indirect, in any assets which had been, since 31 March 2012, being the latest published audited financial statements of the Company were made up, acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

4. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, to the best knowledge and belief of the Directors after having made all reasonable enquiries, none of the Directors and their respective associates were considered to have any interests in businesses which competed or were likely, either directly or indirectly, with the businesses of the Group that need to be disclosed pursuant to Rule 8.10 of the Listing Rules.

5. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into, or proposed to enter into, any service contract with the Company or any other member(s) of the Group (excluding contracts expiring or which may be terminated by the Company within a year without payment of any compensation (other than statutory compensation)).

6. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation, claim or arbitration of material importance and there was no litigation, claim or arbitration of material importance known to the Directors to be pending or threatened against any member of the Group.

7. MATERIAL ADVERSE CHANGE

The Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 March 2012, being the date of which the latest published audited financial statements of the Group were made up.

8. MATERIAL CONTRACTS

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by members of the Group within the two years immediately preceding the Latest Practicable Date and are or may be material:

- (a) the Supplemental Agreement;

- (b) the New Loan Agreement;
- (c) the Existing Loan Agreements;
- (d) a provisional sale and purchase agreement dated 20 July 2012 entered into between Win Regent Limited, a wholly-owned subsidiary of the Company, as the vendor, and an independent third party, as the purchaser, in relation to the disposal of a property located at Shop 23, G/F., No. 16 Mei Tin Road and Nos. 15 & 35 Tsuen Nam Road, Grandway Garden, Shatin, New Territories, Hong Kong for a total consideration of HK\$50.3 million;
- (e) a licence agreement dated 30 June 2012 entered into between WYT, as the licensor, and Wang On Management Limited, a wholly-owned subsidiary of the Company, as the licensee, in respect of the sub-lease of certain portions of the UG/F, G/F, 1st Floor and 5th Floor of Wai Yuen Tong Medicine Building, 9 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong for a monthly rental of HK\$154,000 for a term of three years commencing from 1 July 2012;
- (f) a provisional sale and purchase agreement dated 14 June 2012 entered into between Champford Investment Limited, a wholly-owned subsidiary of the Company, as the vendor, and Mega Elegant Limited, as the purchaser, in relation to the disposal of a property located at the ground floor of No. 170 Castle Peak Road, Section A of Lot No. 3705 in DD120, Yuen Long, New Territories, Hong Kong for a total consideration of HK\$82.8 million;
- (g) a supplemental agreement to the loan agreement and share charge dated 16 June 2011 entered into between Ready Leader Limited (“**Ready Leader**”), an indirect wholly-owned subsidiary of the Company, as the lender, and Cheng Yu, as the borrower, pursuant to which Ready Leader agreed to extend the repayment date of the loan facility of HK\$10 million under the loan agreement dated 30 April 2010 to 30 September 2011;
- (h) a supplemental agreement to the loan agreement and share charge dated 16 June 2011 entered into between Ready Leader, as the lender, and Liang Yun, as the borrower, pursuant to which Ready Leader agreed to extend the repayment date of the loan facility of HK\$10 million under the loan agreement dated 30 April 2010 to 30 September 2011;
- (i) a loan agreement dated 7 June 2011 entered into between Fully Finance Limited (“**Fully Finance**”), an indirect wholly-owned subsidiary of the Company, as the lender, and PNG, as the borrower, in relation to a loan facility of a maximum of HK\$135 million granted to PNG, the details of which are set out in the announcement of the Company dated 9 June 2011;
- (j) a provisional sale and purchase agreement dated 25 March 2011, entered into between WEH Investments Limited, an indirect wholly-owned subsidiary of the Company, as the vendor, and On Kee Dry Seafood Co., Limited, as the purchaser, in relation to the disposal of a property located at Shop C on Ground Floor,

Tsuen Fung Building, Nos. 39–43A, Tsuen Wan Market Street, Tsuen Wan, New Territories, Hong Kong for a total consideration of HK\$53.8 million, the details of which were set out in the announcement of the Company dated 28 March 2011;

- (k) a loan agreement dated 11 March 2011 entered into between Fully Finance as the lender, and PNG as the borrower, in relation to an additional loan facility of not exceeding a sum of HK\$35 million granted to PNG, the details of which were set out in the announcement of the Company dated 11 March 2011;
- (l) three sets of supplemental agreements, each dated 11 March 2011, entered into between Fully Finance and PNG in relation to an extension of repayment dates under each of the respective loan agreements dated 21 November 2008 (as amended by a supplemental agreement dated 14 January 2011), 16 June 2009 and 4 November 2009 and the amendment of the interest rate payable by PNG under each of the loan agreements, the details of which were set out in the announcement of the Company dated 11 March 2011;
- (m) a supplemental agreement dated 14 January 2011 entered into between Fully Finance and PNG in relation to an extension of repayment date, from 28 January 2011 to 15 March 2011, the details of which were set out in the announcement of the Company dated 14 January 2011;
- (n) an underwriting agreement dated 10 December 2010 entered into between the Company and Kingston Securities Limited (“**Kingston**”), as an underwriter, in relation to the rights issue of not less than 5,219,948,064 rights Shares and not more than 5,292,644,208 rights Shares on the basis of eight rights Shares for every one Share at the subscription price of HK\$0.10 per rights Share with bonus Shares in the proportion of one bonus Share for every eight rights Shares taken up under the rights issue, the details of which were set out in the announcement of the Company dated 13 December 2010;
- (o) a deed of guarantee dated 9 August 2010 executed between the Company, East Run Investments Limited (“**East Run**”), an indirect wholly-owned subsidiary of the Company, and Guidepost Investments Limited (“**Guidepost**”) under which the Company provided a corporate guarantee in favour of Guidepost for the obligations of East Run under a sale and purchase agreement dated 6 August 2010 (the “**August S&P Agreement**”) entered into between East Run, as the vendor, and Guidepost, as the purchaser, for the sale and purchase of the five Hong Kong companies, each of which held a property in Hong Kong (the “**Disposal of Five Target Companies**”), the details of which were set out in the joint announcement of the Company and WYT dated 9 August 2010;
- (p) the August S&P Agreement dated 6 August 2010 entered into between East Run and Guidepost in respect of the Disposal of Five Target Companies for an initial consideration of HK\$114.3 million, the details of which were set out in the joint announcement of the Company and WYT dated 9 August 2010; and

- (q) an irrevocable undertaking executed by Rich Time Strategy Limited (“**Rich Time**”), an indirect wholly-owned subsidiary of the Company, on 5 August 2010 under which Rich Time irrevocably undertook to WYT and Kingston, the underwriter to WYT, to subscribe for its entitlement of certain number of rights Shares (with bonus shares) pursuant to the terms of the rights issue offered by WYT (the “**WYT Rights Issue**”) and apply for excess application of rights shares under the WYT Rights Issue, the details of which were set out in the announcement of the Company dated 9 August 2010.

9. GENERAL

- (a) The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The head office and principal place of business of the Company in Hong Kong is at 5/F., Wai Yuen Tong Medicine Building, 9 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong.
- (b) The company secretary of the Company is Ms. Mak Yuen Ming, Anita. She is an associate member of both The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries.
- (c) The share registrar and transfer office of the Company in Hong Kong is Tricor Tengis Limited, 26/F., Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong.
- (d) The English texts of this circular and the accompanying form of proxy shall prevail over their Chinese texts in case of inconsistencies.

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the principal place of business of the Company in Hong Kong at 5/F., Wai Yuen Tong Medicine Building, 9 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong on any Business Day from the date of this circular up to and including the date of the SGM:

- (a) the memorandum of association and the Bye-laws;
- (b) the material contracts disclosed in the paragraph under the heading “Material Contracts” in this Appendix;
- (c) the annual reports of the Company for the three financial years ended 31 March 2010, 2011 and 2012; and
- (d) this circular.



WANG ON GROUP LIMITED

(宏 安 集 團 有 限 公 司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1222)

NOTICE IS HEREBY GIVEN that the special general meeting of Wang On Group Limited (宏安集團有限公司)* (the “**Company**”) will be held at 17/F., Edinburgh Tower, The Landmark, 15 Queen’s Road Central, Hong Kong on Monday, 20 August 2012, at 10:00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions, with or without amendments, as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“THAT

- (a) the loan agreement dated 16 July 2012 (the “**New Loan Agreement**”) and the agreement supplemental to the New Loan Agreement dated 31 July 2012 (the “**Supplemental Agreement**”) entered into between True Noble Limited (“**True Noble**”) (as the lender) and China Agri-Products Exchange Limited (“**CAG**”) (as the borrower) in relation to the advance of the loan facility of up to HK\$670 million (copies of which have been marked “A” and produced to the meeting and initialled by the chairman of the meeting for the purpose of identification) and all transactions contemplated thereby be and are hereby approved, ratified and confirmed; and
- (b) the directors of the Company be and are authorised, for and on behalf of the Company, to take all steps necessary or expedient in their opinion to implement and/or give effect to the terms of the New Loan Agreement and the Supplemental Agreement.”

By Order of the Board
WANG ON GROUP LIMITED
(宏安集團有限公司)*
Mak Yuen Ming, Anita
Company Secretary

Hong Kong, 3 August 2012

* *For identification purpose only*

NOTICE OF THE SGM

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Head office and principal place of business:
5/F., Wai Yuen Tong Medicine Building
9 Wang Kwong Road
Kowloon Bay
Kowloon
Hong Kong

Notes:

- (1) A member entitled to attend and vote at the special general meeting convened by the above notice is entitled to appoint one or, if he is holder of more than one share, more than one proxy to attend and to vote in his stead. A proxy need not be a member of the Company.
- (2) In order to be valid, a form of proxy, together with any power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority, must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, as soon as practicable but in any event not later than 48 hours before the time for holding of the special general meeting or any adjournment thereof (as the case may be).
- (3) Completion and delivery of the form of proxy will not preclude members from attending and voting at the special general meeting or any adjournment thereof (as the case may be) should they so wish and in such event, the form of proxy will be deemed to be revoked.
- (4) Where there are joint holders of any shares, any one of such holders may vote at the special general meeting either personally or by proxy in respect of such shares as if he/she was solely entitled thereto provided that if more than one of such joint holders be present at the special general meeting whether personally or by proxy, the person whose name stands first on the register of members of the Company in respect of such shares shall be accepted to the exclusion of the votes of the other joint holders.
- (5) The resolution proposed at the special general meeting will be voted by way of a poll by the shareholders of the Company.