

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this joint announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this joint announcement.



WANG ON GROUP LIMITED
(宏 安 集 團 有 限 公 司) *
(Incorporated in Bermuda with limited liability)
(Stock Code: 1222)



宏 安 地 產
WANG ON PROPERTIES
WANG ON PROPERTIES LIMITED
宏 安 地 產 有 限 公 司
(Incorporated in Bermuda with limited liability)
(Stock Code: 1243)

JOINT ANNOUNCEMENT

MAJOR TRANSACTION DISCLOSEABLE TRANSACTION IN RELATION TO THE DISPOSAL OF 20% INTERESTS OF THE JOINT VENTURE COMPANIES

MAJOR TRANSACTION IN RELATION TO THE BUSINESS COLLABORATION THROUGH FORMATION OF NEW JOINT VENTURES

I. THE DISPOSAL

The WOG Board and the WOP Board jointly announce that on 12 June 2025 (after trading hours):

- (a) Wickert Investments has conditionally agreed to sell and ADPF Holding has conditionally agreed to acquire (i) the Fortune Harbour Sale Shares (representing 20% of the issued shares of Fortune Harbour); and (ii) the Fortune Harbour Sale Loan (representing 20/35 of the loan owed by Fortune Harbour to Wickert Investments), at a consideration of approximately HK\$86.44 million subject to the terms and conditions of the Fortune Harbour SPA; and WOP has agreed to guarantee the due, proper and punctual performance and compliance by Wickert Investments of its obligations under the Fortune Harbour SPA; and

- (b) Ever Sonic Enterprises has conditionally agreed to sell and ADPF Investment has conditionally agreed to acquire (i) the Mega Hope Sale Shares (representing 20% of the issued shares of Mega Hope); and (ii) the Mega Hope Sale Loan (representing 20/35 of the loan owed by Mega Hope to Ever Sonic Enterprises), at a consideration of approximately HK\$0.80 million subject to the terms and conditions of the Mega Hope SPA; and WOP has agreed to guarantee the due, proper and punctual performance and compliance by Ever Sonic Enterprises of its obligations under the Mega Hope SPA.

The Consideration payable under the Agreements is HK\$87.24 million.

As at the date of this joint announcement, Fortune Harbour is a joint venture directly-owned as to 35% by Wickert Investments, which is an indirect wholly-owned subsidiary of WOP. Mega Hope is a joint venture directly-owned as to 35% by Ever Sonic Enterprises, which is an indirect wholly-owned subsidiary of WOP. Upon Completion, the issued shares of Fortune Harbour and Mega Hope will be directly owned as to 15% by Wickert Investments and Ever Sonic Enterprises, respectively.

II. BUSINESS COLLABORATION THROUGH FORMATION OF NEW JOINT VENTURES

In light of the successful collaboration on the Property between the AG JV Partners and WOP, and to further collaborate in potential projects, the WOG Board and the WOP Board are also pleased to announce that on 12 June 2025 (after trading hours), ADPF Member, Prime Resonance and WOP (as guarantor) entered into the Framework Agreement pursuant to which ADPF Member and Prime Resonance have agreed to establish new joint ventures to collaborate on the Targeted Business.

LISTING RULES IMPLICATIONS

WOP

As the highest applicable percentage ratio as defined under the Listing Rules in respect of the Disposal exceeds 5% but is less than 25% for WOP, the Disposal constitutes a discloseable transaction for WOP; and is therefore subject to the reporting and announcement requirements, but is exempted from the shareholders' approval under Chapter 14 of the Listing Rules.

As the highest applicable percentage ratio as defined under the Listing Rules in respect of the Business Collaboration exceeds 25% but is less than 75% for WOP, the Business Collaboration constitutes a major transaction for WOP and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the knowledge, information and belief of the WOP Board, having made all reasonable enquiries, no shareholders of WOP or any of their respective associates have any material interest in the Business Collaboration, thus no shareholder of WOP is required to abstain from voting if WOP were to convene a special general meeting for the approval of the Business Collaboration. WOP has obtained a written shareholders' approval from Earnest Spot Limited, the controlling shareholder holding 11,400,000,000 shares of WOP, representing 75% of the total issued share capital of WOP, as at the date of this joint announcement, in lieu of holding a special general meeting to approve the Business Collaboration in accordance with Rule 14.44 of the Listing Rules. WOP has also obtained a written shareholders' approval from Earnest Spot Limited in respect of the Disposal.

Pursuant to Rule 14.41(a) of the Listing Rules, WOP is required to despatch a circular containing, among other information, further details of the Business Collaboration to its shareholders within 15 Business Days after the publication of this joint announcement, which is on or before 4 July 2025. As it is expected that additional time is required for WOP to prepare and finalise certain information to be included in its circular, WOP will apply to the Stock Exchange for a waiver from strict compliance with Rule 14.41(a) of the Listing Rules for the circular to be despatched on or before 25 July 2025.

WOG

As the highest applicable percentage ratio as defined under the Listing Rules in respect of (i) the Disposal and (ii) the Business Collaboration exceeds 25% but is less than 75% for WOG, each of (i) the Disposal and (ii) the Business Collaboration constitutes a major transaction for WOG. Therefore both (i) the Disposal and (ii) the Business Collaboration are subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

A special general meeting will be convened by WOG to consider and, if thought fit, approve (i) the Disposal and (ii) the Business Collaboration. A circular containing, among other things, details of (i) the Disposal and (ii) the Business Collaboration, and a notice of the special general meeting of WOG is expected to be despatched to its shareholders on or before 25 July 2025, as additional time is required for WOG to prepare and finalise certain information to be included in its circular.

VOTING UNDERTAKINGS OBTAINED

Each of Accord Power, Billion Trader and Caister, holding an aggregate of 6,007,844,133 shares of WOG (representing approximately 42.41% of the issued share capital of WOG), has irrevocably undertaken to WOG to vote all the shares in WOG directly or indirectly held by them in favour of the resolutions to be proposed at WOG's special general meeting.

WARNING

Shareholders and potential investors of both WOG and WOP should be aware that completion of (i) the Disposal and (ii) the Business Collaboration are subject to the fulfilment of certain conditions precedent being satisfied as set out in this joint announcement, and therefore, may or may not take place. Investors are advised to exercise caution when dealing in the securities of both WOG and WOP and if they are in any doubt about their positions, they should consult their professional advisers.

I. THE DISPOSAL

BACKGROUND

The WOG Board and the WOP Board jointly announce that on 12 June 2025 (after trading hours), two indirect wholly-owned subsidiaries of WOP, namely Wickert Investments and Ever Sonic Enterprises, entered into the Agreements with ADPF Holding and ADPF Investment, respectively, in relation to the disposal of the Fortune Harbour Sale Shares and the Mega Hope Sale Shares, and the assignment of the Fortune Harbour Sale Loan and the Mega Hope Sale Loan.

THE FORTUNE HARBOUR SPA AND THE MEGA HOPE SPA

Principal Terms

Date

12 June 2025 (after trading hours)

Parties

Fortune Harbour SPA:

- (a) Wickert Investments, as seller;
- (b) ADPF Holding, as purchaser; and
- (c) WOP, as guarantor.

Mega Hope SPA:

- (a) Ever Sonic Enterprises, as seller;
- (b) ADPF Investment, as purchaser; and
- (c) WOP, as guarantor.

To the best of the knowledge, information and belief of the WOG Board and the WOP Board, having made all reasonable enquiries, each of the Purchasers and their ultimate beneficial owner(s) is a third party independent of WOG, WOP and their respective connected persons.

Subject Matter

Pursuant to the Fortune Harbour SPA, (a) Wickert Investments has conditionally agreed to sell the Fortune Harbour Sale Shares (representing 20% of the issued shares of Fortune Harbour) and assign the Fortune Harbour Sale Loan (representing 20/35 of all loans and other amounts owed by Fortune Harbour to Wickert Investments); and (b) WOP has agreed to guarantee the due, proper and punctual performance and compliance by Wickert Investments of its obligations under the Fortune Harbour SPA.

Pursuant to the Mega Hope SPA, (a) Ever Sonic Enterprises has conditionally agreed to sell the Mega Hope Sale Shares (representing 20% of the issued shares of Mega Hope) and assign the Mega Hope Sale Loan (representing 20/35 of all loans and other amounts owed by Mega Hope to Ever Sonic Enterprises); and (b) WOP has agreed to guarantee the due, proper and punctual performance and compliance by Ever Sonic Enterprises of its obligations under the Mega Hope SPA.

Consideration

Fortune Harbour Consideration

The initial Fortune Harbour Consideration for the Fortune Harbour Sale Shares and the Fortune Harbour Sale Loan is approximately HK\$86.44 million (the “**Fortune Harbour Pre-Adjustment Consideration**”) and is subject to further adjustments.

The Fortune Harbour Consideration shall be paid as follows:

- (a) Approximately HK\$4.32 million (representing 5% of the Fortune Harbour Pre-Adjustment Consideration) (the “**Fortune Harbour Deposit and Part Payment**”) shall be paid by ADPF Holding upon execution of the Fortune Harbour SPA; and
- (b) the remaining balance of the Fortune Harbour Pre-Adjustment Consideration after deduction of the Fortune Harbour Deposit and Part Payment shall be paid by ADPF Holding on Completion.

Mega Hope Consideration

The initial Mega Hope Consideration for the Mega Hope Sale Shares and the Mega Hope Sale Loan is approximately HK\$0.80 million (the “**Mega Hope Pre-Adjustment Consideration**”, together with the Fortune Harbour Pre-Adjustment Consideration, the “**Pre-Adjustment Consideration**”) and is subject to further adjustments.

The Mega Hope Consideration shall be paid as follows:

- (a) Approximately HK\$0.04 million (representing 5% of the Mega Hope Pre-Adjustment Consideration) (the “**Mega Hope Deposit and Part Payment**”) shall be paid by ADPF Investment upon execution of the Mega Hope SPA; and
- (b) the remaining balance of the Mega Hope Pre-Adjustment Consideration after deduction of the Mega Hope Deposit and Part Payment shall be paid by ADPF Investment on Completion.

On Completion, the Sellers shall deliver the Draft Completion Statements to the Purchasers for the purpose of adjusting the Consideration. The Consideration will be adjusted based on the differences between (i) the contributions made by the Sellers to the Joint Venture Companies; and (ii) the returns made by the Joint Venture Companies to the Sellers from the date of the Agreements up to immediately before Completion. The amount of shortfall or surplus on the Consideration shall be paid by the Purchasers to the Sellers or paid by the Sellers to the Purchasers on or before the tenth (10th) Business Day after the parties have agreed or determined on the Draft Completion Statements.

Conditions Precedent

Completion is conditional upon the following conditions (the “**Conditions**”) being satisfied and/or waived by the respective Purchasers on or before the Completion Date:

Fortune Harbour SPA:

- (a) the approval by the shareholders of WOG at a general meeting as required under the Listing Rules having been obtained for (i) Wickert Investments to enter into the Fortune Harbour SPA and complete the disposal of the Fortune Harbour Sale Shares and the assignment of the Fortune Harbour Sale Loan; and (ii) Prime Resonance to enter into the Framework Agreement and conduct the transactions contemplated thereunder;
- (b) Head Step being able to show a good title to the Property in accordance with sections 13 and 13A of the CPO, and the Property being free from all encumbrances of whatever nature as at Completion;
- (c) there being no breach of the Fundamental Warranties given by Wickert Investments as set out in the Fortune Harbour SPA;
- (d) Head Step having maintained the Hotel Licence, which is valid, binding and in full force and effect;
- (e) there being no material property damage to the Property;
- (f) the lending bank having provided a written confirmation in the form reasonably satisfactory to ADPF Holding confirming that the disposal of the Fortune Harbour Sale Shares does not constitute a change of control;

(g) the lending bank having provided:

- (1) a written approval to Head Step in the form reasonably satisfactory to ADPF Holding approving the Asset Management Agreement Supplemental Agreement; and
- (2) a written approval to Ever Infinity in the form reasonably satisfactory to ADPF Holding approving the Asset Management Agreement Supplemental Agreement; and

(h) all the conditions precedent under the Mega Hope SPA having been satisfied and/or waived on or before the Completion Date.

ADPF Holding may at any time on or before the Completion Date waive in writing any of the Fortune Harbour Conditions (b) to (g) set out above. Fortune Harbour Conditions (a) and (h) (insofar as it relates to Mega Hope Condition (a)) set out above cannot be waived. If any of the Fortune Harbour Conditions has not been satisfied on or before the Completion Date, ADPF Holding may elect to (i) waive the Fortune Harbour Condition(s) (except for Fortune Harbour Conditions (a) and (h) (insofar as it relates to Mega Hope Condition (a)) which has/have not been satisfied; (ii) postpone the Completion Date to a date (being a Business Day) within one (1) month from the Completion Date as designated by ADPF Holding by a notice in writing to Wickert Investments; or (iii) terminate the Fortune Harbour SPA.

In the event the Fortune Harbour SPA is terminated due to the unfulfillment of Fortune Harbour Conditions (a) and/or (h) (insofar as it relates to Mega Hope Condition(a)), Wickert Investments shall refund ADPF Holding the Fortune Harbour Deposit and Part Payment in full and pay ADPF Holding a compensation in the amount of HK\$3.00 million.

Mega Hope SPA:

- (a) the approval by the shareholders of WOG at a general meeting as required by the Listing Rules having been obtained for (i) Ever Sonic Enterprises to enter into the Mega Hope SPA and complete the disposal of the Mega Hope Sale Shares and the assignment of the Mega Hope Sale Loan; and (ii) Prime Resonance to enter into the Framework Agreement and conduct the transactions contemplated thereunder;

- (b) Head Step being able to show a good title to the Property in accordance with sections 13 and 13A of the CPO, and the Property being free from all encumbrances of whatever nature as at Completion;
- (c) there being no breach of the Fundamental Warranties given by Ever Sonic Enterprises as set out in the Mega Hope SPA;
- (d) Head Step having maintained the Hotel Licence, which is valid, binding and in full force and effect;
- (e) there being no material property damage to the Property;
- (f) the lending bank having provided a written confirmation in the form reasonably satisfactory to ADPF Investment confirming that the disposal of the Mega Hope Sale Shares does not constitute a change of control;
- (g) the lending bank having provided:
 - (i) a written approval to Head Step in the form reasonably satisfactory to ADPF Investment approving the Asset Management Agreement Supplemental Agreement; and
 - (ii) a written approval to Ever Infinity in the form reasonably satisfactory to ADPF Investment approving the Asset Management Agreement Supplemental Agreement; and
- (h) all the conditions precedent under the Fortune Harbour SPA having been satisfied and/or waived on or before the Completion Date.

ADPF Investment may at any time on or before the Completion Date waive in writing any of the Mega Hope Conditions (b) to (g) set out above. Mega Hope Conditions (a) and (h) (insofar as it relates to Fortune Harbour Condition (a)) set out above cannot be waived. If any of the Mega Hope Conditions has not been satisfied on or before the Completion Date, ADPF Investment may elect to (i) waive the Mega Hope Condition(s) (except for Mega Hope Conditions (a) and (h) (insofar as it relates to Fortune Harbour Condition (a)) which has/have not been satisfied; (ii) postpone the Completion Date to a date (being a Business Day) within one (1) month from the Completion Date as designated by ADPF Investment by a notice in writing to Ever Sonic Enterprises; or (iii) terminate the Mega Hope SPA.

In the event the Mega Hope SPA is terminated due to the unfulfillment of Mega Hope Conditions (a) and/or (h) (insofar as it relates to Fortune Harbour Condition (a)), Ever Sonic Enterprises shall refund ADPF Investment the Mega Hope Deposit and Part Payment in full and pay ADPF Investment a compensation in the amount of HK\$3.00 million.

Wickert Investments' Post-signing Obligations

Wickert Investments shall procure Head Step to comply with certain post-signing obligations within one year from the Completion Date, failing which ADPF Holding shall have the right to terminate the Fortune Harbour SPA and in such event, the Mega Hope SPA will also be terminated.

Completion

Subject to the satisfaction or waiver of all the Fortune Harbour Conditions and the Mega Hope Conditions, Completion shall take place on the earlier to occur of (i) 29 August 2025 or (ii) the date that is the tenth (10th) Business Day after (and exclusive of) the satisfaction of the Fortune Harbour Condition (a) and the Mega Hope Condition (a) (or such other date as may be mutually agreed in writing by the Sellers and the Purchasers).

Assignment of Sale Loans

Upon Completion, the Fortune Harbour Sale Loan Assignment will be entered into amongst Wickert Investments, ADPF Holding and Fortune Harbour for the assignment of the Fortune Harbour Sale Loan to ADPF Holding. Simultaneously, the Mega Hope Sale Loan Assignment will also be entered into amongst Ever Sonic Enterprises, ADPF Investment and Mega Hope for the assignment of the Mega Hope Sale Loan to ADPF Investment.

Amended and Restated Shareholders' Agreement

Upon Completion, the Amended and Restated Shareholders' Agreement will be entered into amongst Penta Holding, Penta Investment, Fortune Harbour, Mega Hope, Wickert Investments, Ever Sonic Enterprises, ADPF Holding and ADPF Investment to record the revised terms and conditions of the investment and business arrangements amongst Penta Holding, Wickert Investments and ADPF Holding in Fortune Harbour, as well as the investment and business arrangements amongst Penta Investment, Ever Sonic Enterprises and ADPF Investment in Mega Hope.

INFORMATION OF THE JOINT VENTURE COMPANIES

Fortune Harbour was incorporated in November 2022 under the laws of the BVI with limited liability and indirectly owns 100% interest in the registered owner of the Property. As at the date of this joint announcement, the issued shares of Fortune Harbour are owned as to 65% by Penta Holding and 35% by Wickert Investments, respectively, and is solely engaged in holding, leasing out the Property for rental income for business use approved by its board of directors and selling the Property and/or its holding company for capital gain.

Mega Hope was incorporated in November 2022 under the laws of the BVI with limited liability. As at the date of this joint announcement, the issued shares of Mega Hope are owned as to 65% by Penta Investment and 35% by Ever Sonic Enterprises, respectively, and is solely engaged in renovating, branding, marketing, managing and operating the Property (including the Hotel erected thereon) for business use approved by its board of directors for revenue.

Certain unaudited financial information of Fortune Harbour and Mega Hope for the two years ended 31 December 2023 and 2024 is set out below.

Fortune Harbour

| | For the year ended 31 December | |
|---------------------------|---------------------------------------|-----------------|
| | 2023 | 2024 |
| | <i>HK\$'000</i> | <i>HK\$'000</i> |
| Net loss before taxation* | 16,405 | 31,185 |
| Net loss after taxation* | 13,728 | 22,216 |

* The net loss before and after taxation of Fortune Harbour excludes the fair value gain on investment properties.

Mega Hope

| | For the year ended 31 December | |
|--------------------------|---------------------------------------|-----------------|
| | 2023 | 2024 |
| | <i>HK\$'000</i> | <i>HK\$'000</i> |
| Net loss before taxation | 23,860 | 18,582 |
| Net loss after taxation | 23,860 | 18,582 |

The aggregate unaudited total assets of Fortune Harbour and Mega Hope were approximately HK\$3,363.00 million as at 30 September 2024.

INFORMATION OF THE SELLERS

Wickert Investments and Ever Sonic Enterprises are companies incorporated under the laws of the BVI with limited liability and indirect wholly-owned subsidiaries of WOP. They are principally engaged in investment holding.

INFORMATION OF THE WOG GROUP AND THE WOP GROUP

The WOG Group is principally engaged in (i) management and sub-licensing of fresh markets and treasury management in Hong Kong and the PRC; (ii) property investment, property development and trading, and asset management in Hong Kong through WOP, a 75.00%-owned listed subsidiary of WOG; (iii) manufacturing and/or retailing of pharmaceutical and health food products through Wai Yuen Tong Medicine Holdings Limited (Stock Code: 0897), an approximately 72.02%-owned listed subsidiary of WOG; and (iv) management and sale of properties in agricultural produce exchange markets in the PRC through China Agri-Products Exchange Limited (Stock Code: 0149), an approximately 57.09%-owned listed subsidiary of WOG.

The WOP Group is principally engaged in the businesses of developing residential and commercial properties for sale and investing in commercial and industrial properties for investment return and capital appreciation and asset management. WOP is a 75.00%-owned listed subsidiary of WOG.

INFORMATION OF THE AG JV PARTNERS

Penta Holding and Penta Investment, each a limited partnership organised under the laws of the BVI, and acting through its general partner, AGR XI Asia Member GP L.L.C., together with ADPF Holding and ADPF Investment, each a limited partnership organised under the laws of the BVI and acting through its respective general partner, ADPF Holding Member GP, L.L.C. and ADPF Investment Member GP, L.L.C., are indirectly managed by Angelo, Gordon & Co., L.P., a well-known U.S. licensed investment manager. The limited partner(s) of each AG JV Partner is an investment fund managed by Angelo, Gordon & Co., L.P. To the knowledge of the AG JV Partners, all eligible investors in such funds qualify as “qualified purchasers” within the meaning of the U.S. Investment Company Act of 1940. Each of Penta Holding, Penta Investment, ADPF Holding and ADPF Investment is principally engaged in the business of real-estate asset management.

Other Arrangements

Upon Completion, the Asset Management Agreement Supplemental Agreement will be entered into amongst Head Step, Ever Infinity, Penta Holding, Wickert Investments and Wang On Hospitality Asset Management Limited in relation to the rebranding, remarketing, renovation, daily operations and general asset management of the Property.

FINANCIAL EFFECT OF THE DISPOSAL

As at the date of this joint announcement, Wickert Investments holds 35% equity interest in Fortune Harbour, whereas Ever Sonic Enterprises holds 35% equity interest in Mega Hope, respectively. Upon Completion, Wickert Investments and Ever Sonic Enterprises will each hold a 15% equity interest in Fortune Harbour and Mega Hope, respectively.

It is estimated that the WOG Group and the WOP Group will record a loss of approximately HK\$202.89 million from the Disposal, which is calculated based on the gross proceeds from the Disposal less the carrying amount of the respective net assets of 20% equity interest in Fortune Harbour and Mega Hope, which amounts to approximately HK\$288.38 million as at 30 September 2024 and estimated expenses of approximately HK\$1.75 million. WOP's interests in the Joint Venture Companies were recorded at approximately HK\$504.66 million as at 30 September 2024 in WOP's unaudited financial statements, of which approximately HK\$115.17 million represents WOP's investment costs and approximately HK\$389.49 million represents the fair value revaluation of the Property attributable to WOP. The actual gain or loss resulting from the Disposal will be further adjusted subject to the review by the respective auditors of WOG and WOP.

USE OF PROCEEDS

The net proceeds in the amount of approximately HK\$85.49 million (being the differences between the Pre-Adjustment Consideration and the sum of the above expenses) will be used as the general working capital of the WOG Group and the WOP Group.

REASONS FOR AND BENEFITS OF THE DISPOSAL

In December 2022, the WOG Group co-operated with the AG JV Partners through the formation of the Joint Venture Companies for the acquisition and operation of the Property, formerly known as “Pentahotel Hong Kong, Kowloon”, and was subsequently rebranded as “Sunny House” and redeveloped as student accommodation with renovation completed in the third quarter of 2024. There were a total of 720 rooms offering 1,424 beds to the market as at 31 March 2025, the Property is operational with an occupancy rate exceeding 97%. The majority of tenants of “Sunny House” are students from Mainland China and the Asia-Pacific region, enrolled in over than 20 colleges across Hong Kong. The “Sunny House” project has proven to be a success and presented a valuable opportunity for the WOP Group to leverage its knowledge and expertise in property investment and asset management and to partner with an experienced investor to enhance and expand the investment property portfolios of both the WOG Group and the WOP Group, while generating additional asset management fees and a share of operating profits from the Joint Venture Companies to the WOG Group and the WOP Group. In light of this success, the WOG Board and the WOP Board consider that it is time to pursue further investment opportunities and expand into other high-potential projects. The Disposal will therefore allow the WOG Group and the WOP Group to reallocate their resources to achieve such business objective by improving cashflow liquidity.

The Consideration was determined after arm's length negotiations and by reference to the investment costs of WOP in the Joint Venture Companies, taking into account the Joint Venture Companies' financial performance, including key indicators such as revenue growth, profitability margins and cash flow projection. The fair value revaluation of the Property attributable to WOP did not form the basis for determining the Consideration, as such fair value revaluation is accounting and non-cash in nature. In determining the Consideration, the WOP Board also took into account that there is no open market for a minority interest in the Joint Venture Companies and future potential business collaboration with the AG Partners which will enable the WOP Group to grow and further expand its property portfolio, particularly in student accommodation. In light of the above, the WOG Board and the WOP Board consider that the Agreements are on normal commercial terms, fair and reasonable, and in the best interests of WOG and WOP and their respective shareholders as a whole.

II. BUSINESS COLLABORATION THROUGH FORMATION OF NEW JOINT VENTURES

BACKGROUND

In light of the successful collaboration on the Property between the AG JV Partners and WOP, and to further collaborate in potential projects, the WOG Board and the WOP Board are also pleased to announce that on 12 June 2025 (after trading hours), ADPF Member, Prime Resonance and WOP (as guarantor) entered into the Framework Agreement pursuant to which ADPF Member and Prime Resonance agreed to form new joint ventures to collaborate on the Targeted Business. WOP, as the ultimate holding company of Prime Resonance, agreed to guarantee its obligations under the Framework Agreement.

THE FRAMEWORK AGREEMENT FOR THE BUSINESS COLLABORATION

Principal Terms

Date

12 June 2025 (after trading hours)

Parties

- (1) ADPF Member;
- (2) Prime Resonance; and
- (3) WOP, as guarantor.

To the best of the knowledge, information and belief of the WOG Board and the WOP Board, having made all reasonable enquiries, ADPF Member and its ultimate beneficial owner(s) are third parties independent of each of WOG, WOP and their respective connected persons.

Business Collaboration

The Business Collaboration relates to the Targeted Business which involves activities or the business operations including acquiring, holding, financing, developing, redeveloping, re-positioning, renovating, leasing, selling or branding in respect of any property located in Hong Kong, primarily for use as student accommodation.

Equity Commitment

With respect to a Business Opportunity that the parties decide to jointly participate in, ADPF Member or its designated Affiliates (“**ADPF Member Co-Investment Party**”) and Prime Resonance or its designated Affiliates (“**Prime Resonance Co-Investment Party**”) shall make equity commitments in a jointly established vehicle amongst the parties to jointly participate in the Business Opportunities (“**Co-Investment Vehicle(s)**”) in the ratio of 85:15, unless otherwise agreed in writing amongst the parties.

Total Investment Commitment

The total investment commitment of ADPF Member Co-Investment Party in all the Co-Investment Vehicles and the Joint Venture Companies shall be in an aggregate amount of up to US\$100.00 million.

The total investment commitment of Prime Resonance Co-Investment Party in all the Co-Investment Vehicles shall be in an aggregate amount of up to US\$18.00 million. The investment commitment of Prime Resonance Co-Investment Party will be funded by the internal resources of the WOG Group and/or the WOP Group.

The total investment commitment may be increased subject to the agreement in writing of ADPF Member and Prime Resonance.

Conditions Precedent

The Framework Agreement is conditional upon the following conditions:

- (i) the approval by the shareholders of WOG at a general meeting as required by the Listing Rules having been obtained for Prime Resonance to enter into the Framework Agreement and conduct the transactions contemplated thereunder; and
- (ii) Completion having taken place under both the Fortune Harbour SPA and the Mega Hope SPA.

Proposed Shareholders' Agreement under the Framework Agreement

Pursuant to the Framework Agreement and to facilitate collaboration and implementation of any solid Business Opportunity, ADPF Member Co-Investment Party and Prime Resonance Co-Investment Party will establish a Co-Investment Vehicle and enter into a shareholders' agreement in respect thereof (the “**Proposed Shareholders' Agreement**”), the form and terms of which have been mutually agreed by ADPF Member and WOP.

ADPF Member and Prime Resonance

Consistent with the structure adopted for the Property, ADPF Member Co-Investment Party and Prime Resonance Co-Investment Party will establish at least two new joint venture entities (“**New Joint Venture One**” and “**New Joint Venture Two**”) for each Business Opportunity under the Proposed Shareholders' Agreement. The principal terms of the Proposed Shareholders' Agreement are set out below.

Businesses of the New Joint Venture Entities

The sole business of New Joint Venture One shall be to purchase, hold, lease out the New Property for rental income approved by its board of directors and/or sell the New Property and/or its holding company for capital gain.

The sole business of New Joint Venture Two shall be to renovate, brand, rebrand, market, remarket, manage and operate the New Property for business use approved by its board of directors for revenue.

Equity Ratio of the New Joint Venture Entities

The respective issued shares of each of New Joint Venture One and New Joint Venture Two shall be owned as to 85% by ADPF Member Co-Investment Party and 15% by Prime Resonance Co-Investment Party unless otherwise agreed by the parties.

Capital Commitment to the New Joint Venture Entities

Each shareholder of the new joint venture entities shall contribute their respective capital commitments by way of unsecured and interest-free shareholder loans.

Future Funding for the New Joint Venture Entities

All further capital requirements of the new joint venture entities exceeding their own resources from time to time shall first be satisfied through external borrowings or financing sought from banks or financial institutions and, failing which by way of further shareholder loans in proportion to the respective funding ratios agreed by the shareholders of the new joint venture entities. However, any additional funding by way of further shareholder loans shall not exceed 20% of the respective total funding commitment of ADPF Member Co-Investment Party shareholder(s) and Prime Resonance Co-Investment Party shareholder under the Proposed Shareholders' Agreement.

Board Composition

Depending on the number of ADPF Member Co-Investment Party shareholders in the new joint venture entities, the respective board of directors of New Joint Venture One and New Joint Venture Two shall comprise a maximum of five (5) directors if there are two ADPF Member Co-Investment Party shareholders in the respective new joint venture entities, or shall comprise a maximum of three (3) directors if there is only one ADPF Member Co-Investment Party shareholder in the respective new joint venture entities. ADPF Member Co-Investment Party shareholder(s) shall be entitled to appoint four (4) or two (2) directors to the respective board of directors of the new joint venture entities based on the number of shareholders in the respective new joint venture entities, and Prime Resonance Co-Investment Party shareholder shall be entitled to appoint one (1) director to the respective board of directors of the new joint venture entities.

Distribution

All profits of the new joint venture entities shall be distributed to ADPF Member Co-Investment Party shareholder(s) and Prime Resonance Co-Investment Party shareholder by way of repayment of shareholder loans or dividend where permitted.

Transfer of Equity

The respective ADPF Member Co-Investment Party shareholder(s) and Prime Resonance Co-Investment Party shareholder shall be subject to certain transfer restrictions in a proposed transfer of equity interests in New Joint Venture One or New Joint Venture Two on the terms set out in the Proposed Shareholders' Agreement. In the event of certain default events, such as a material breach by a shareholder as specified in the Proposed Shareholders' Agreement, the non-defaulting shareholder shall have the right to require the defaulting shareholder to either sell its shareholding interests in the relevant joint venture entities or purchase the non-defaulting shareholder's interests in the relevant joint venture entities. In all cases, completion of any transfer of the shareholding interests in the new joint venture entities shall be subject to compliance with the applicable requirements under the Listing Rules.

Proposed Asset Management Agreement under the Framework Agreement

In addition to the Proposed Shareholders' Agreement, a proposed asset management agreement shall also be entered into to engage Wang On Hospitality Asset Management Limited as an asset manager for the renovation, daily operations and general asset management of the New Property. The terms and form of the proposed asset management agreement have been mutually agreed by the AG Partners and WOP.

INFORMATION OF ADPF MEMBER

ADPF Member is a limited partnership organised under the laws of the BVI and acting through its general partner, ADPF Member GP, L.L.C., is indirectly managed by Angelo, Gordon & Co., L.P., a well-known U.S. licensed investment manager. The limited partner of ADPF Member is an investment fund managed by Angelo, Gordon & Co., L.P. To the knowledge of ADPF Member, all eligible investors in such fund qualify as "qualified purchasers" within the meaning of the U.S. Investment Company Act of 1940. ADPF Member is principally engaged in the business of real-estate asset management.

INFORMATION OF PRIME RESONANCE

Prime Resonance is incorporated under the laws of the BVI with limited liability and is an indirect wholly-owned subsidiary of WOP. It is principally engaged in investment holding.

REASONS FOR AND BENEFITS OF THE BUSINESS COLLABORATION THROUGH FORMATION OF NEW JOINT VENTURES

Following the successful collaboration on the "Sunny House" project, the WOG Group, the WOP Group and the AG Partners have agreed to explore further co-investment opportunities in student accommodation projects. The collaboration enables the parties to leverage WOP's expertise in property investment and management as well as the AG Partners' experience as an investment property investor, thereby facilitating the expansion of the business portfolios of both WOG and WOP. Accordingly, the parties have agreed to pursue the Business Collaboration through the formation of new joint ventures pursuant to the Framework Agreement.

The WOG Board and the WOP Board consider that the terms of the Business Collaboration as set out in the Framework Agreement are on normal commercial terms, fair and reasonable and in the best interests of WOG, WOP and their respective shareholders as a whole.

LISTING RULES IMPLICATIONS

WOP

As the highest applicable percentage ratio as defined under the Listing Rules in respect of the Disposal exceeds 5% but is less than 25% for WOP, the Disposal constitutes a discloseable transaction for WOP, and is therefore subject to the reporting and announcement requirements, but is exempted from the shareholders' approval under Chapter 14 of the Listing Rules.

As the highest applicable percentage ratio as defined under the Listing Rules in respect of the Business Collaboration exceeds 25% but is less than 75% for WOP, the Business Collaboration constitutes a major transaction for WOP and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the knowledge, information and belief of the WOP Board, having made all reasonable enquiries, no shareholders of WOP or any of their respective associates have any material interest in the Business Collaboration, thus no shareholder of WOP is required to abstain from voting if WOP were to convene a special general meeting for the approval of the Business Collaboration. WOP has obtained a written shareholders' approval from Earnest Spot Limited, the controlling shareholder holding 11,400,000,000 shares of WOP, representing 75% of the total issued share capital of WOP, as at the date of this joint announcement, in lieu of holding a special general meeting to approve the Business Collaboration in accordance with Rule 14.44 of the Listing Rules. WOP has also obtained a written shareholders' approval from Earnest Spot Limited in respect of the Disposal.

Pursuant to Rule 14.41(a) of the Listing Rules, WOP is required to despatch a circular containing, among other information, further details of the Business Collaboration, to its shareholders within 15 Business Days after the publication of this joint announcement, which is on or before 4 July 2025. As it is expected that additional time is required for WOP to prepare and finalise certain information to be included in its circular, WOP will apply to the Stock Exchange for a waiver from strict compliance with Rule 14.41(a) of the Listing Rules for the circular to be despatched on or before 25 July 2025.

WOG

As the highest applicable percentage ratio as defined under the Listing Rules in respect of (i) the Disposal and (ii) the Business Collaboration exceeds 25% but is less than 75% for WOG, each of (i) the Disposal and (ii) the Business Collaboration constitutes a major transaction for WOG. Therefore both (i) the Disposal and (ii) the Business Collaboration are subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

A special general meeting will be convened by WOG to consider and, if thought fit, approve (i) the Disposal and (ii) the Business Collaboration. A circular containing, among other things, details of (i) the Disposal and (ii) the Business Collaboration, and a notice of the special general meeting of WOG is expected to be despatched to its shareholders on or before 25 July 2025, as additional time is required for WOG to prepare and finalise certain information to be included in its circular.

VOTING UNDERTAKINGS OBTAINED

Each of Accord Power, Billion Trader and Caister, holding an aggregate of 6,007,844,133 shares of WOG (representing approximately 42.41% of the issued share capital of WOG), has irrevocably undertaken to WOG to vote all the shares in WOG directly or indirectly held by them in favour of the resolutions to be proposed at WOG's special general meeting.

DEFINITIONS

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

| | |
|----------------|---|
| “Accord Power” | Accord Power Limited, a company incorporated under the laws of the BVI with limited liability, and a substantial shareholder of WOG |
| “ADPF Holding” | ADPF Holding (BVI) L.P., a limited partnership organised under the laws of the BVI acting through its general partner, ADPF Holding Member GP, L.L.C. |

| | |
|---|--|
| “ADPF Investment” | ADPF Investment (BVI) L.P., a limited partnership organised under the laws of the BVI, acting through its general partner, ADPF Investment Member GP, L.L.C. |
| “ADPF Member” | ADPF Member (BVI) L.P., a limited partnership organised under the laws of the BVI, acting through its general partner, ADPF Member GP, L.L.C. |
| “Affiliate(s)” | with respect to any legal entity, another entity that, directly or indirectly through one or more intermediaries, controls, is controlled by or is under common control with such entity, and in the case of Prime Resonance under the Framework Agreement, excludes any entity which is not controlled by WOP |
| “AG Partners” | Angelo, Gordon & Co., L.P., and its Affiliates being the business partners to the WOG Group/the WOP Group in real estate and property development |
| “AG JV Partners” | Penta Holding, Penta Investment, ADPF Holding and ADPF Investment |
| “Agreements” | the Fortune Harbour SPA and the Mega Hope SPA |
| “Amended and Restated Shareholders’ Agreement” | the amended and restated shareholders’ agreement to be entered into amongst the AG JV Partners, the Sellers, Fortune Harbour and Mega Hope upon completion of the Fortune Harbour SPA and the Mega Hope SPA |
| “Asset Management Agreement Supplemental Agreement” | the supplemental agreement to the asset management agreement to be entered into amongst Wang On Hospitality Asset Management Limited, Head Step, Ever Infinity, Penta Holding and Wickert Investments in relation to the asset management of the Property upon Completion |

| | |
|-----------------------------|---|
| “Billion Trader” | Billion Trader Investments Limited, a company incorporated under the laws of the BVI with limited liability, and a substantial shareholder of WOG |
| “Business Day(s)” | a day, other than a Saturday or Sunday, on which banks are generally open in Hong Kong, Singapore, the BVI and New York, the U.S. to the general public for business |
| “Business Collaboration” | the business collaboration in respect of the Targeted Business between ADPF Member and Prime Resonance through formation of new joint ventures pursuant to the Framework Agreement, whereby a proposed shareholders’ agreement and a proposed asset management agreement will be entered into to facilitate the implementation of such business collaboration |
| “Business Opportunity(ies)” | the business opportunity(ies) in connection with the Targeted Business |
| “BVI” | the British Virgin Islands |
| “Caister” | Caister Limited, a company incorporated under the laws of the BVI with limited liability, and a substantial shareholder of WOG |
| “Completion” | completion of (i) the sale and purchase of the Fortune Harbour Sale Shares and the assignment of the Fortune Harbour Sale Loan under the Fortune Harbour SPA; and (ii) the sale and purchase of the Mega Hope Sale Shares and the assignment of the Mega Hope Sale Loan under the Mega Hope SPA |
| “Completion Date” | the earlier to occur of (i) 29 August 2025 or (ii) the date that is the tenth (10th) Business Day after (and exclusive of) the satisfaction of the Fortune Harbour Condition (a) and the Mega Hope Condition (a) (or such other date as may be mutually agreed in writing by the Sellers and the Purchasers) |

| | |
|--------------------------------|---|
| “Consideration” | the Fortune Harbour Consideration and the Mega Hope Consideration |
| “CPO” | Conveyancing and Property Ordinance (Chapter 219 of the Laws of Hong Kong) |
| “Disposal” | <p>(i) the disposal of the Fortune Harbour Sale Shares and the assignment of the Fortune Harbour Sale Loan by Wickert Investments to ADPF Holding pursuant to the Fortune Harbour SPA; and</p> <p>(ii) the disposal of the Mega Hope Sale Shares and the assignment of the Mega Hope Sale Loan by Ever Sonic Enterprises to ADPF Investment pursuant to the Mega Hope SPA</p> |
| “Draft Completion Statements” | the draft completion statement of Fortune Harbour and the draft completion statement of Mega Hope to be delivered to the Purchasers upon Completion |
| “Ever Infinity” | Ever Infinity Limited, a company incorporated in Hong Kong with limited liability, an indirect wholly-owned subsidiary of Ever Sonic Enterprises |
| “Ever Sonic Enterprises” | Ever Sonic Enterprises Limited, a company incorporated under the laws of the BVI with limited liability, and an indirect wholly-owned subsidiary of WOP |
| “Fortune Harbour” | Fortune Harbour Investments Limited, a company incorporated under the laws of the BVI with limited liability |
| “Fortune Harbour Condition(s)” | the conditions precedent in the Fortune Harbour SPA to be fulfilled by Fortune Harbour and/or waived by ADPF Holding on or before the completion of the Fortune Harbour SPA |

| | |
|--|---|
| “Fortune Harbour Consideration” | the consideration payable by ADPF Holding to Wickert Investments for the Fortune Harbour Sale Shares and the Fortune Harbour Sale Loan under the Fortune Harbour SPA, subject to adjustments |
| “Fortune Harbour Sale Loan” | 20/35 of the loan owed by Fortune Harbour to Wickert Investments (including all the principal and interests accrued thereon, if any), amounting to HK\$86,439,844 as at the date of this joint announcement |
| “Fortune Harbour Sale Shares” | 20 shares, representing 20% of the issued shares of Fortune Harbour |
| “Fortune Harbour Sale Loan Assignment” | the assignment of the Fortune Harbour Sale Loan to be entered into amongst Wickert Investments, ADPF Holding and Fortune Harbour upon completion of the Fortune Harbour SPA |
| “Fortune Harbour SPA” | the sale and purchase agreement dated 12 June 2025 entered into amongst Wickert Investments, ADPF Holding and WOP in relation to the disposal of the Fortune Harbour Sale Shares and the assignment of the Fortune Harbour Sale Loan |
| “Framework Agreement” | the framework agreement dated 12 June 2025 entered into amongst ADPF Member, Prime Resonance and WOP (as guarantor) in relation to the business collaboration through formation of new joint ventures |
| “Fundamental Warranties” | the various warranties in the Fortune Harbour SPA and the Mega Hope SPA relating to capacity and power to enter into the Fortune Harbour SPA or the Mega Hope SPA, ownership of and encumbrance over the Fortune Harbour Sale Shares or the Mega Hope Sale Shares, title to the Property and other matters as stated under the Fortune Harbour SPA and/or the Mega Hope SPA |

| | |
|---------------------------|---|
| “Head Step” | Head Step Limited, a company incorporated in Hong Kong with limited liability, an indirect wholly-owned subsidiary of Fortune Harbour and the registered owner of the Property |
| “HK\$” | Hong Kong dollar(s), the lawful currency of Hong Kong |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Hotel” | the hotel currently named “Sunny House” and operated as a student accommodation facility and erected on the Property |
| “Hotel Licence” | the hotel licence granted by the Licensing Authority of Hong Kong to Head Step in respect of the Hotel |
| “Joint Venture Companies” | Fortune Harbour and Mega Hope, each a “Joint Venture Company” |
| “Listing Rules” | Rules Governing the Listing of Securities on the Stock Exchange |
| “Mega Hope” | Mega Hope Global Limited, a company incorporated under the laws of the BVI with limited liability |
| “Mega Hope Condition(s)” | the conditions precedent in the Mega Hope SPA to be fulfilled by Mega Hope and/or waived by ADPF Investment on or before the completion of the Mega Hope SPA |
| “Mega Hope Consideration” | the consideration payable by ADPF Investment to Ever Sonic Enterprises for the Mega Hope Sale Shares and the Mega Hope Sale Loan under the Mega Hope SPA, subject to adjustments |
| “Mega Hope Sale Loan” | 20/35 of the loan owed by Mega Hope to Ever Sonic Enterprises (including all the principal and interests accrued thereon, if any), amounting to HK\$799,844 as at the date of this joint announcement |

| | |
|----------------------------------|---|
| “Mega Hope Sale Shares” | 20 shares, representing 20% of the issued shares of Mega Hope |
| “Mega Hope Sale Loan Assignment” | the assignment of the Mega Hope Sale Loan to be entered into amongst Ever Sonic Enterprises, ADPF Investment and Mega Hope upon completion of the Mega Hope SPA |
| “Mega Hope SPA” | the sale and purchase agreement dated 12 June 2025 entered into amongst Ever Sonic Enterprises, ADPF Investment and WOP in relation to the disposal of the Mega Hope Sale Shares and the assignment of the Mega Hope Sale Loan |
| “New Property” | the property to be acquired and developed under a proposed shareholders’ agreement to be entered into amongst ADPF Member Co-Investment Party shareholder(s), Prime Resonance Co-Investment Party shareholder and the relevant new joint venture entities pursuant to the Framework Agreement |
| “Penta Holding” | Penta Holding (BVI) L.P., a limited partnership organised under the laws of the BVI, acting by its general partner, AGR XI Asia Member GP, L.L.C. |
| “Penta Investment” | Penta Investment (BVI) L.P., a limited partnership organised under the laws of the BVI, acting by its general partner, AGR XI Asia Member GP, L.L.C. |
| “PRC” | the People’s Republic of China, for the purpose of this joint announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan |
| “Prime Resonance” | Prime Resonance Limited, a company incorporated under the laws of the BVI with limited liability and an indirect wholly-owned subsidiary of WOP |

| | |
|-----------------------|---|
| “Property” | the piece or parcel of ground registered in the Land Registry of Hong Kong as NEW KOWLOON INLAND LOT NO. 6473 TOGETHER WITH the messuages erections and buildings thereon now known as No. 19 Luk Hop Street, Kowloon, Hong Kong, which is currently operated as a student accommodation facility named “Sunny House” |
| “Purchasers” | ADPF Holding and ADPF Investment |
| “Sellers” | Wickert Investments and Ever Sonic Enterprises |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Targeted Business” | any activities or business of acquiring, holding, financing, developing, redeveloping, re-positioning, renovating, leasing, selling or branding in respect of any property located in Hong Kong which is being primarily for use as student housing and exclude any activities or business of any Affiliate of ADPF Member or Prime Resonance in connection with (i) the Property; (ii) property projects in which any Affiliate of ADPF Member or Prime Resonance already has an interest; and (iii) property projects which are held, owned or occupied by educational or vocational training institute |
| “U.S.” | the United States of America |
| “US\$” | the United States dollars, the lawful currency of the U.S. |
| “Wickert Investments” | Wickert Investments Limited, a company incorporated under the laws of the BVI with limited liability, and an indirect wholly-owned subsidiary of WOP |
| “WOG” | 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) |

| | |
|-------------|---|
| “WOG Board” | the board of directors of WOG |
| “WOG Group” | WOG and its subsidiaries |
| “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) and a 75.00%-owned listed subsidiary of WOG |
| “WOP Board” | the board of directors of WOP |
| “WOP Group” | WOP and its subsidiaries |
| “%” | per cent |

By order of the board of directors of
WANG ON GROUP LIMITED

(宏安集團有限公司)*

Tang Ching Ho

Chairman and Executive Director

By order of the board of directors of
WANG ON PROPERTIES LIMITED

宏安地產有限公司

Tang Ho Hong

Executive Director and Chief Executive Officer

Hong Kong, 12 June 2025

As at the date of this joint announcement, the WOG Board comprises Mr. Tang Ching Ho, Ms. Yau Yuk Yin and Ms. Stephanie as executive directors, and Mr. Wong Chun, Justein, Mr. Siu Kam Chau and Mr. Chan Yung as independent non-executive directors.

As at the date of this joint announcement, the WOP Board comprises Mr. Tang Ho Hong, Ms. Ching Tak Won Teresa and Mr. Yiu Chi Man as executive directors; and Mr. Li Wing Sum Steven, Mr. Sung Tze Wah and Dr. Chan Ho Wah Terence as independent non-executive directors.

* For identification purpose only.