

---

## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

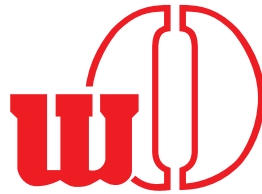
---

**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 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.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, 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 circular.

---



**WANG ON GROUP LIMITED**

**(宏安集團有限公司)\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1222)**

**(1) MAJOR TRANSACTION  
IN RELATION TO FORMATION OF A JOINT VENTURE  
AND  
(2) NOTICE OF SPECIAL GENERAL MEETING**

---

A letter from the Board is set out on pages 4 to 11 of this circular.

A notice convening the hybrid SGM to be held on Monday, 6 March 2023 at 11:00 a.m. (or any adjournment thereof) with the combination of a physical meeting at 2102, 21/F., World-Wide House, 19 Des Voeux Road Central, Central, Hong Kong and a virtual meeting online via Tricor e-Meeting System is set out on pages SGM-1 to SGM-3 of this circular. A proxy form for use at the SGM is enclosed.

Whether or not you intend to attend the SGM in person or online, you are requested to (i) complete the enclosed proxy form and return the same to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, or (ii) submitting the proxy form electronically at <https://spot-e-meeting.tricor.hk/#/288>, in accordance with the instructions on the accompanying notification letter, in each case as soon as practicable but in any event not later than 11:00 a.m. (Hong Kong Time) on Saturday, 4 March 2023, or 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 proxy form shall not preclude you from attending and voting in person or online via Tricor e-Meeting System at the SGM or any adjournment thereof should you so wish, and in such event, the instrument appointing a proxy shall be deemed to be revoked.

As the COVID-19 situation continues to evolve, the Company will closely monitor and ascertain the regulations and measures introduced or to be introduced by the Hong Kong government. The Company may be required to change the meeting arrangements for the SGM at short notice. Shareholders should check the Company's website at [www.wangon.com](http://www.wangon.com) or the Stock Exchange's website at [www.hkexnews.hk](http://www.hkexnews.hk) for any further announcement that may be issued by the Company in respect of such arrangements and/or any precautionary measures to be taken.

\* For identification purpose only

17 February 2023

---

# CONTENTS

---

	<i>Page</i>
<b>Definitions</b> .....	1
<b>Letter from the Board</b> .....	4
<b>Appendix I – Financial Information of the Group</b> .....	I-1
<b>Appendix II – General Information</b> .....	II-1
<b>Notice of the SGM</b> .....	SGM-1

---

## DEFINITIONS

---

*In this circular, unless the context otherwise specifies, the following expressions shall have the meanings set out below:*

“AG JV Partners”	Penta Holding (BVI) L.P. and Penta Investment (BVI) L.P., both are limited partnerships established in the BVI, acting by their general partner, AGR XI Asia Member GP, L.L.C., and “AG JV Partner” shall mean any or each of them, as the context requires
“associates”, “connected persons” and “percentage ratio”	each has the meaning as ascribed to it under the Listing Rules
“Board”	the board of the Directors
“BVI”	the British Virgin Islands
“CAP”	China Agri-Products Exchange Limited, an exempted company incorporated in Bermuda with limited liability, the ordinary shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 0149), a 53.37%-owned listed subsidiary of WYT
“CAP Group”	CAP and its subsidiaries
“Company”	Wang On Group Limited (宏安集團有限公司)*, an exempted company incorporated in Bermuda with limited liability whose shares are listed and traded on the Main Board of the Stock Exchange (Stock Code: 1222)
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“JV Companies”	Fortune Harbour Investments Limited and Mega Hope Global Limited, both are companies incorporated in the BVI with limited liability and are owned as to 65% by the AG JV Partners and 35% by the WOP JV Partners, and “JV Company” shall mean any or each of them, as the context requires
“JV Formation”	the formation of joint venture contemplated under the Shareholders’ Agreement
“JV Group”	the JV Companies and their subsidiaries from time to time

---

## DEFINITIONS

---

“JV Partners”	collectively, AG JV Partners and WOP JV Partners, and “JV Partner” shall mean any or each of them, as the context requires
“Latest Practicable Date”	13 February 2023, 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
“Model Code”	Model Code for Securities Transactions by Directors of Listed Issuers
“PRC”	the People’s Republic of China, for the purpose of this circular, excludes Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan
“Property”	ALL THAT piece or parcel of ground registered in the Land Registry 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, including the hotel building currently erected thereon and known as “Pentahotel Hong Kong, Kowloon”
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company to be convened and held to consider and, if thought fit, approve the Shareholders’ Agreement and the JV Formation and the transactions contemplated thereunder
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Shareholders’ Agreement”	the shareholders’ agreement dated 28 December 2022 and entered into among the WOP JV Partners, the AG JV Partners and the JV Companies to govern the rights and obligations of the shareholders of the JV Companies
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

---

## DEFINITIONS

---

“subsidiary(ies)”	has the meaning as ascribed thereto under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“U.S.”	The United States of America
“US\$”	U.S. dollar(s), the lawful currency of U.S.
“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%-owned listed subsidiary of the Company
“WOP Group”	WOP and its subsidiaries
“WOP JV Partners”	Wickert Investments Limited and Ever Sonic Enterprises Limited, both are companies incorporated in the BVI with limited liability, and are indirect wholly-owned subsidiaries of WOP
“WYT”	Wai Yuen Tong Medicine Holdings Limited (位元堂藥業控股有限公司*), an exempted company incorporated in Bermuda with limited liability whose shares are listed and traded on the Main Board of the Stock Exchange (Stock Code: 897), a 67.26%-owned listed subsidiary of the Company
“WYT Group”	WYT and its subsidiaries
“%”	per cent

---

## LETTER FROM THE BOARD

---



### 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, *GBS, JP (Chairman)*

Ms. Yau Yuk Yin (*Deputy Chairman*)

Ms. Stephanie

*Independent non-executive Directors:*

Mr. Wong Chun, *Justein, BBS, MBE, JP*

Mr. Siu Kam Chau

Mr. Chan Yung, *BBS, JP*

*Registered office:*

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*Head office and principal place  
of business in Hong Kong:*

Suite 3202, 32/F., Skyline Tower

39 Wang Kwong Road

Kowloon Bay

Kowloon

Hong Kong

17 February 2023

*To the Shareholders*

Dear Sir or Madam,

**(1) MAJOR TRANSACTION  
IN RELATION TO FORMATION OF A JOINT VENTURE  
AND  
(2) NOTICE OF SPECIAL GENERAL MEETING**

#### **INTRODUCTION**

Reference is made to the announcement dated 28 December 2022 jointly issued by the Company and WOP in relation to the JV Formation.

The purpose of this circular is to provide you with, among other things, the details of the Shareholders' Agreement and the JV Formation as required under the Listing Rules.

---

# LETTER FROM THE BOARD

---

## **BACKGROUND**

On 28 December 2022, two indirect wholly-owned subsidiaries of WOP entered into the Shareholders' Agreement in respect of the JV Formation for the acquisition and operation of the Property.

## **THE SHAREHOLDERS' AGREEMENT**

### **Date**

28 December 2022

### **Parties**

- (i) the WOP JV Partners (both indirect wholly-owned subsidiaries of WOP)
- (ii) the AG JV Partners (two limited partnerships, both acting by their general partners, AGR XI Asia Member GP, L.L.C.)
- (iii) the JV Companies

The JV Companies are indirectly owned as to 35% by WOP and are not subsidiaries of the Company or WOP.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the AG JV Partners and their respective investment manager and general partner is a third party independent of, and is not connected with the Company and its connected persons.

### **Business of the JV Companies**

The sole business of Fortune Harbour Investments Limited shall be to purchase, hold, lease out the Property for business use approved by its board of directors and sell the Property and/or its holding company for capital appreciation and capital gain; while the sole business of Mega Hope Global Limited shall be to renovate, rebrand, remarket, manage and operate the Property (including the hotel building erected thereon) for business use approved by its board of directors for revenue.

### **Capital commitment**

The total capital commitment in respect of the JV Group is HK\$1,440.0 million, to be borne as to 65% by the AG JV Partners, and as to 35% by the WOP JV Partners.

As at the Latest Practicable Date, the WOP JV Partners and the AG JV Partners have advanced shareholder's loans in the aggregate amount of approximately HK\$143.6 million and HK\$266.6 million, respectively, to the JV Companies as contribution for the payment of deposit required for the acquisition of the Property.

---

## LETTER FROM THE BOARD

---

Subject to fulfillment of the conditions set out in the section headed “Conditions precedent” in the Letter from the Board, the JV Partners may be required to further inject capital or guarantee for external financing from time to time up to the aggregate total commitment on pro-rata basis, based on their equity ratio in the JV Companies of 65:35 according to the JV Companies’ capital requirements.

The total capital commitment contributed and to be contributed by the WOP JV Partners (including the shareholder’s loans provided by the WOP JV Partners as set out above) in the aggregate amount of HK\$504.0 million has been or will be settled by cash and funded by internal resources of the WOP Group and/or external financing.

The respective contribution to the total capital commitment to the JV Companies by the WOP JV Partners and the AG JV Partners is determined after arm’s length negotiations among the parties with reference to the proposed capital requirements of the JV Companies (in particular, the capital required for the completion of the acquisition, the renovation and the operation of the Property and the initial working capital of the JV Companies) and the parties’ prorated interests in the JV Companies.

### **Future funding for the JV Companies**

All further capital requirements of any member of the JV Group exceeding its own resources from time to time shall be met first by way of external borrowings or financing to be sought from banks or financial institutions and, failing which, by way of further shareholder’s loans as agreed by the relevant JV Partners and as provided under the Shareholders’ Agreement.

### **Board composition**

The board of directors of each JV Company shall comprise a maximum of three directors, two of which shall be appointed by the relevant AG JV Partner, and one of which shall be appointed by the relevant WOP JV Partner. The chairman of the board of each JV Company shall be elected among its directors and shall not be entitled to a second or casting vote in meetings.

### **Distribution**

Unless otherwise required or restricted by bank(s) or financial institution(s) in connection with the JV Group’s external financing, all profits of the JV Group shall be distributed to its shareholders in accordance with applicable BVI laws.

### **Transfer of shareholding interest**

The JV Partners may not dispose of, assign and/or otherwise transfer any of their equity interests in any JV Company except with the prior written consent of the other JV Partners or as otherwise provided in the Shareholders’ Agreement, subject to the right of first offer and tag-along right of the WOP JV Partners and the drag-along right of the AG JV Partners. In the event of the occurrence of certain events of default as set out in the Shareholders’ Agreement, including a material breach by a shareholder, the non-defaulting shareholder may sell or require the defaulting party to buy its shareholder’s interests in the relevant JV Company on certain terms agreed therein. In all cases, completion of any transfer of shareholding interest in the JV Companies shall be subject to compliance with the relevant applicable requirements under Chapter 14 of the Listing Rules, including but not limited to, any approval(s) required to be obtained by WOP and its controlling shareholder(s).



---

## LETTER FROM THE BOARD

---

### Conditions precedent

A member of the JV Group had entered into a sale and purchase agreement on 28 December 2022 in relation to the acquisition of the Property at a consideration of HK\$2,000 million, subject to adjustment, the completion of which is expected to take place on or around 3 April 2023, subject to customary conditions. The consideration for the acquisition of the Property was determined after arm's length negotiations between the seller and the purchaser on normal commercial terms with reference to, among other things, the available prevailing market prices of properties of similar nature located in neighbouring areas to the Property, the current property market sentiment and the outlook of the hotel business generally. The JV Group had obtained from open sources several property transactions completed during the period from October 2019 to April 2022 as referenced transactions, based on factors including but not limited to location, number of rooms, quality, facilities and infrastructure. The aggregate consideration of the referenced hotel property transactions in the districts including Jordan, Mong Kok, Hung Hom, Tai Kwok Tsui and To Kwa Wan, involving hotel properties with an aggregate of 1,241 rooms was approximately HK\$4,566 million, with the price per room ranging from HK\$2.31 million to HK\$5.20 million. The Company considers that the consideration of HK\$2,000 million for the acquisition of the Property which involves a hotel building with 695 rooms is in line with and within the range of the market prices in the referenced transactions.

The consideration for the acquisition of the Property will be settled by the JV Group with the capital contributed by the JV Partners in proportion to their equity interests in the JV Companies and bank loans.

As at the Latest Practicable Date, the WOP JV Partners have advanced shareholder's loans in the aggregate amount of HK\$143.6 million to the JV Companies, which will be repaid to the WOP JV Partners upon termination of the Shareholders' Agreement. Further capital commitment contemplated under the JV Formation is conditional upon each of the Company and WOP having obtained the approval of their respective shareholders in respect of the Shareholders' Agreement and the JV Formation, and the acquisition of the Property becoming unconditional in all respects.

Any JV Partner will have the right to terminate the Shareholders' Agreement if the condition precedent in relation to the acquisition of Property is not satisfied by 3 April 2023. If the condition precedent set out above in relation to shareholders' approval of the Company and WOP is not fulfilled on or before 30 April 2023, the Shareholders' Agreement shall terminate automatically.

### Other arrangements

It is expected that the JV Group will engage a member of the WOP Group as its asset manager in respect of the Property.

### INFORMATION ON THE JV COMPANIES AND THE PROPERTY

Fortune Harbour Investments Limited was incorporated in November 2022 and, on completion of the acquisition of the Property, will indirectly own 100% interest in the registered owner of the Property. It is owned as to 65% by Penta Holding (BVI) L.P. and 35% by Wickert Investments Limited, and is solely engaged in purchasing, holding, leasing out the Property for business use approved by its board of directors and selling the Property and/or its holding company for capital gain.

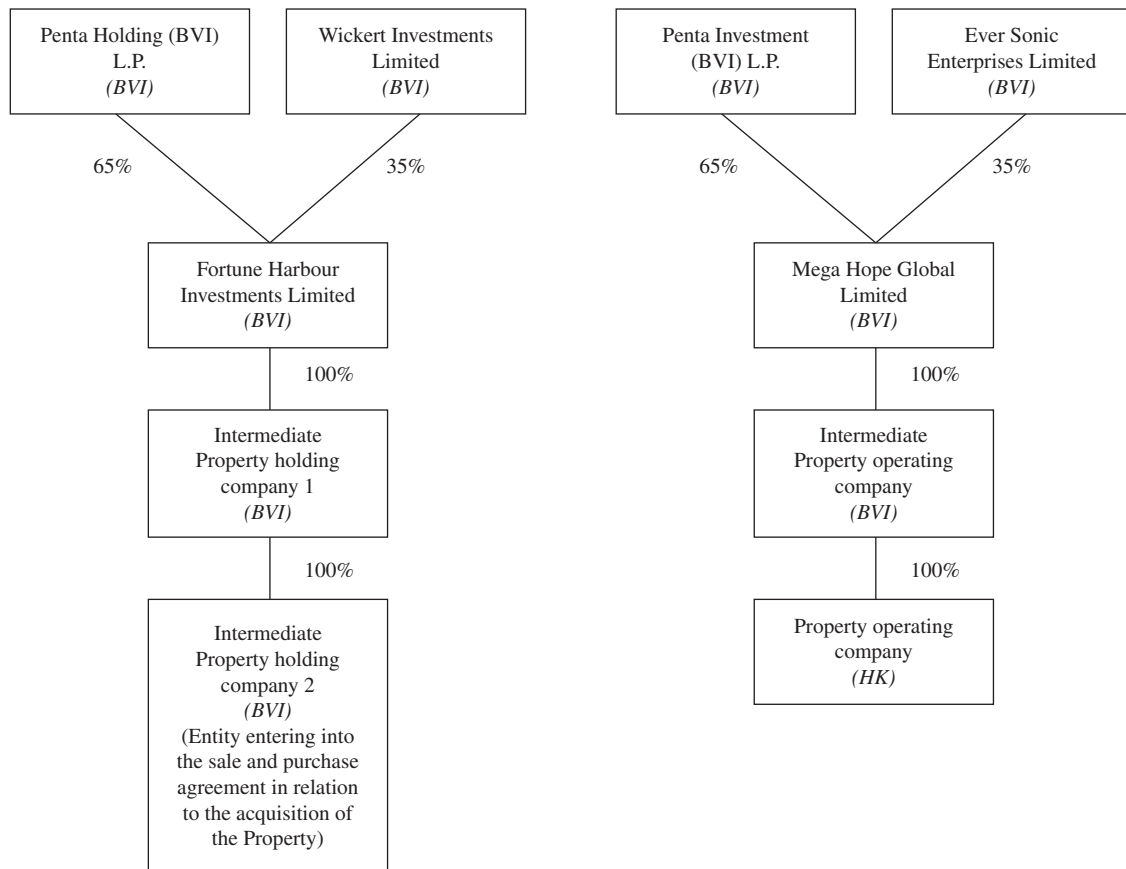
## LETTER FROM THE BOARD

Mega Hope Global Limited was incorporated in November 2022 and is solely engaged in renovating, rebranding, remarketing, managing and operating the Property for business use approved by its board of directors. It is owned as to 65% by Penta Investment (BVI) L.P. and 35% by Ever Sonic Enterprises Limited.

The WOP JV Partners (i.e. Wickert Investments Limited and Ever Sonic Enterprises Limited) are wholly-owned subsidiaries of WOP. For further information regarding the AG JV Partners (i.e. Penta Holding (BVI) L.P. and Penta Investment (BVI) L.P.), please refer to the section headed “Information on the AG JV Partners” in the Letter from the Board.

The JV Companies and their respective subsidiaries are newly incorporated companies and have not commenced any operation apart from the entering into of the sale and purchase agreement in relation to the acquisition of the Property. The aggregate unaudited total assets and the aggregate unaudited net liabilities of the JV Group as at 28 December 2022 were approximately HK\$410.2 million and HK\$0.1 million, respectively.

The corporate shareholding structure of the JV Group as at the Latest Practicable Date can be diagrammatically presented as follows:



---

## LETTER FROM THE BOARD

---

The Property is situated at No. 19 Luk Hop Street, Kowloon, Hong Kong, together with the hotel erected thereon currently known as “Pentahotel Hong Kong, Kowloon” (as may be rebranded and remarketed from time to time). The hotel building on the Property has 695 rooms with a total gross floor area of approximately 285,000 square feet. Situated between San Po Kong and Kai Tak in East Kowloon, the Property is positioned at a convenient location where both Diamond Hill MTR station and Kai Tak MTR station are within walking distance.

### INFORMATION ON THE GROUP

The 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 asset management in Hong Kong through WOP; (iii) manufacturing and/or retailing of pharmaceutical and health food products through WYT; and (iv) management and sale of properties in agricultural produce exchange markets in the PRC through CAP.

### INFORMATION ON THE AG JV PARTNERS

Each of the AG JV Partners is a limited partnership established in the BVI, acting by its general partner, AGR XI Asia Member GP, L.L.C., being managed by Angelo, Gordon & Co, L.P., a well-known U.S. licensed investment manager. The limited partners of each AG JV Partner are investment funds managed by Angelo, Gordon & Co, L.P. with wide investor bases, and all eligible investors are “qualified purchasers” under the U.S. Investment Company Act of 1940. Such investment funds are not single purpose funds. Each AG JV Partner is principally engaged in real estate management business.

### FINANCIAL IMPACT OF THE JV FORMATION

The JV Formation and the provision of capital commitment as contemplated under the Shareholders’ Agreement by the WOP Group will not have any material impact on the Group’s consolidated profit and loss, and assets and liabilities.

### REASONS FOR AND BENEFITS OF THE JV FORMATION

The Board considers that the co-operation with the AG JV Partners under the Shareholders’ Agreement presents a good opportunity to capitalize on the WOP Group’s knowledge and expertise in property investment and asset management and to partner with an experienced investor to enhance and enlarge the investment property portfolio of, while bringing additional asset management fee and share of operating profit of the JV Group to the Group.

The Directors consider that the terms of the Shareholders’ Agreement and the transactions contemplated thereunder (including the JV Formation) are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

---

## LETTER FROM THE BOARD

---

### LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the JV Formation exceeds 25% but is less than 100% for the Company, the JV Formation constitutes a major transaction for the Company and is therefore subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

### THE SGM

The hybrid SGM will be convened and held on Monday, 6 March 2023 at 11:00 a.m. with the combination of a physical meeting at 2102, 21/F., World-Wide House, 19 Des Voeux Road Central, Central, Hong Kong and a virtual meeting online via Tricor e-Meeting System with the personalised login and access code provided by the Company by post to consider and, if thought fit, approve the Shareholders' Agreement and the JV Formation. In compliance with the Listing Rules, the resolution will be voted on by way of poll at the SGM.

A notice convening the SGM is set out on pages SGM-1 to SGM-3 of this circular. Whether or not you intend to attend the SGM in person or online, you are requested to (i) complete the enclosed proxy form and return the same to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, or (ii) submitting the proxy form electronically at <https://spot-emeeting.tricor.hk/#/288>, in accordance with the instructions on the accompanying notification letter, in each case as soon as practicable but in any event not later than 11:00 a.m. (Hong Kong Time) on Saturday, 4 March 2023, or 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 proxy form shall not preclude you from attending and voting in person or online via Tricor e-Meeting System at the SGM or any adjournment thereof should you so wish, and in such event, the instrument appointing a proxy shall be deemed to be revoked.

The record date for the determination of the entitlement to attend and vote at the SGM will be on Monday, 6 March 2023. In order to qualify for attending the SGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than Tuesday, 28 February 2023 at 4:30 p.m.

To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, no Shareholders or any of their respective associates has any material interest in the Shareholders' Agreement and the JV Formation, thus no Shareholder is required to abstain from voting at the SGM.

### RECOMMENDATION

For the reasons set out above, the Directors consider that the JV Formation and the terms of the Shareholders' Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors would recommend the Shareholders to vote in favour of the resolutions at the SGM for the approval of the Shareholders' Agreement and the JV Formation.

---

## LETTER FROM THE BOARD

---

### 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 and Executive Director*

\* *For identification purpose only*

**1. FINANCIAL INFORMATION OF THE GROUP**

Financial information of the Group for each of the three financial years ended 31 March 2020, 2021 and 2022, and for the six months ended 30 September 2022 are disclosed in the annual reports of the Company for the years ended 31 March 2020 (pages 149 to 416), 2021 (pages 129 to 392) and 2022 (pages 137 to 392), and the interim report of the Company for the six months ended 30 September 2022 (pages 52 to 108), respectively, which are published on both the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.wangon.com](http://www.wangon.com)) and which can be accessed by the direct hyperlinks below:

- (1) annual report of the Company for the year ended 31 March 2020 dated 30 June 2020 (pages 149 to 416)

<https://www1.hkexnews.hk/listedco/listconews/sehk/2020/0722/2020072200434.pdf>

- (2) annual report of the Company for the year ended 31 March 2021 dated 29 June 2021 (pages 129 to 392)

<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0726/2021072601318.pdf>

- (3) annual report of the Company for the year ended 31 March 2022 dated 28 June 2022 (pages 137 to 392)

<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0722/2022072200803.pdf>

- (4) interim report of the Company for the six months ended 30 September 2022 dated 25 November 2022 (pages 52 to 108)

<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/1221/2022122100349.pdf>

**2. INDEBTEDNESS STATEMENT**

As at the close of business on 31 December 2022, being the latest practicable date for the purpose of ascertaining information contained in this indebtedness statement set out in this circular, the Group had outstanding bank and other loans and unsecured notes of approximately HK\$6,270.2 million, of which bank loans with an aggregate amount of approximately HK\$3,433.2 million were secured by the Group's property, plant and equipment, investment properties and certain rental income generated therefrom, properties held for sale, properties under development, pledged deposit, financial assets at fair value through other comprehensive income, financial assets at fair value through profit or loss and share charges in respect of the entire interests of certain subsidiaries of the Group, which are engaged in property investment and development. As at 31 December 2022, the Group also provided guarantees to banks in respect of banking facilities extended to joint ventures in an amount not exceeding HK\$450.8 million and customers in favour of certain banks for loans provided by these banks of HK\$40.3 million. Moreover, the Group's lease liabilities amounted to approximately HK\$772.7 million as at 31 December 2022.

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 31 December 2022, 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 WOP Group's capital commitment contemplated under the JV Formation and 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.

### **4. FINANCIAL AND TRADING PROSPECTS OF THE GROUP**

The Group is engaged in the businesses of the management of fresh market and treasury management. Meanwhile, it is also engaged in operation of developing residential and commercial properties for sale, investing in commercial and industrial properties for investment return and capital appreciation and asset management in Hong Kong through its subsidiary, WOP, as well as the manufacturing and retailing of Chinese and western pharmaceutical through its subsidiary, WYT, and management and sales of properties in agricultural produce exchange markets in the PRC through its subsidiary, CAP. There is no change in the Group's principal activities since 31 March 2022, being the date on which the latest published audited consolidated financial statements of the Group were made up, and there is not expected to be any change to the Group's principal business as a result of the JV Formation.

The environment for fresh market operations will become more competitive as the number of fresh markets and operators have increased and also as a result of the gradual acceptance of online shopping and delivery services. The unprecedented scale of COVID-19 pandemic affects the fresh market operation as citizens tended to hide from outdoors activities. While the Government continue to roll out easing measures to the tenants, it has reduced some pressure for these tenants. On the other hand, when the pandemic situation will become over sooner or later, the Group will continue to expand its fresh market portfolio by collaborating with landlords and identifying opportunities to acquire additional fresh markets in both public and private sectors in Hong Kong to strengthen its recurring income. Regarding the Group's butchery business, global inflation has begun to impact on the pork supplies and its pricing. The profitability of the Group's butchery business will be affected if such cost increment cannot be passed on. The Group will closely observe the cost and adjust retail prices to an acceptable level to the consumers, with an aim to maintain competitiveness and to preserve profitability.

Following the sales launch of the "Larchwood" in August 2022, the WOP Group plans to launch a new project located in Ap Lei Chau in the first quarter of 2023. The WOP Group will continue to seek to replenish its land bank by participating in public tender, old building acquisition and land use conversion. In the property investment sector, the WOP Group will keep seeking new opportunities to broaden its portfolio for a stable recurring income base and input more environmentally sustainable and socially responsible elements into its assets.

The WOP Group continues to pursue its light asset management strategy to expand asset management business with a more profitable, faster and more sustainable operating model. By utilising of expertise in asset enhancements and property developments and keep looking for collaboration with strategic partners and strengthen asset management segments.

The pandemic has hit the tourism market which has led to a decrease in mainland China tourist visits, which may continue to curtail and negatively impact retail performance. Subsequent to the outbreak of COVID-19, the Group believes that Traditional Chinese medicine (“TCM”) plays an increasingly significant role in the fight against this global epidemic. Prevention comes before cure and consumer health awareness will be increased. Moreover, the passage of the fifth wave and the approach of the sixth wave of the COVID-19 have made Hong Kong citizens much more concerned about the pandemic situation and it is expected that general increase in spending on Chinese medication and nutritional supplements to help fighting against the pandemic. Moreover, the Hong Kong government has announced the launch of consumption voucher scheme with increased amount which will mitigate the unfavorable economic situation of Hong Kong and benefit the WYT Group as a retailer and a Chinese medicine practitioner in Hong Kong.

The contribution of CAP Group after its acquisition in prior years has significantly expanded the Group’s presence in the fresh food market, agricultural produce exchange markets and the property development segment in mainland China. Looking ahead, the CAP Group will continue to build a nationwide agricultural produce exchange network by leveraging its leading position in the industry, replicable business model, advanced management system and IT infrastructure and quality customer service.

## 5. MATERIAL ADVERSE CHANGE

Reference is made to the profit warning announcement of the Company dated 11 November 2022 (the “**Profit Warning Announcement**”) and the interim report of the Company dated 25 November 2022 (the “**2022 Interim Report**”), in which it was disclosed that the Group recorded a loss attributable to owners of the parent of approximately HK\$23.6 million for the six months ended 30 September 2022 as compared to the profit attributable to owners of the parent for the same corresponding period in 2021 of approximately HK\$46.5 million. Such loss was mainly attributable to, among other things, (i) decrease in delivery of completed residential projects from joint ventures, (ii) decrease in net fair value gains on investment properties, (iii) impairment losses on property, plant and equipment recorded for the six months ended 30 September 2022, against the reversal of impairment losses on property, plant and equipment recorded for the same corresponding period in 2021, and (iv) decrease in revenue from property sales in agricultural produce exchange markets in the PRC (through CAP) during the six months ended 30 September 2022 as compared to that for the same corresponding period in 2021, as partially offset by increase in gross profit resulting from delivery of property projects as owned by the Group as well as decrease in loss on disposal of financial assets during the six months ended 30 September 2022 as compared to that for the same corresponding period in 2021.

Save as disclosed in the Profit Warning Announcement and the 2022 Interim Report, as of the Latest Practicable Date, there was no material adverse change in the financial position or trading position of the Group since 31 March 2022, being the date to which the latest published audited financial statements of the Group was made up.



## 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

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company and/or any of their respective associates 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), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or the Model Code under the Listing Rules, were as follows:

#### *Long positions in the Shares*

Name of Director	Number of Shares held, capacity and nature of interest				Total	Approximate percentage of the Company's total issued share capital (Note f) %
	Personal interest	Family interest	Corporate interest	Other interest		
Mr. Tang Ching Ho ("Mr. Tang")	28,026,339	28,026,300 (Note a)	2,734,664,306 (Note b)	4,989,928,827 (Note c)	7,780,645,772	48.69
Ms. Yau Yuk Yin ("Ms. Yau")	28,026,300	2,762,690,645 (Note d)	–	4,989,928,827 (Note e)	7,780,645,772	48.69

Notes:

- (a) Mr. Tang was taken to be interested in those Shares in which his spouse, Ms. Yau, was interested.
- (b) 486,915,306 Shares were held by Caister Limited (a company wholly-owned by Mr. Tang), 531,000,000 Shares were held by Billion Trader Limited (a direct wholly-owned subsidiary of Loyal Fame International Limited ("Loyal Fame"), which is a direct wholly-owned subsidiary of Easy One Financial Group Limited ("Easy One"), which is in turn wholly-owned by Mr. Tang), and 432,475,200 and 1,284,273,800 Shares were held by Suntech Investments Limited ("Suntech Investments") and Hearty Limited respectively (both direct wholly-owned subsidiaries of Total Smart Investments Limited ("Total Smart"), which is directly wholly-owned by WYT, which is owned as to approximately 67.26% by Rich Time Strategy Limited ("Rich Time"), which is in turn wholly-owned by Wang On Enterprises (BVI) Limited ("WOE"), a wholly-owned subsidiary of the Company).

- (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) The percentages were disclosed pursuant to the relevant disclosure forms filed under the SFO as at the Latest Practicable Date.

*Interest in the shares and underlying shares of associated corporations of the Company*

Name of Director	Name of associated corporation	Nature of interest	Total number of shares involved	Approximate percentage of associated corporation's total issued share capital (Note a) %
Mr. Tang	CAP	Interest of controlled corporation	7,320,095,747 (Note b)	73.54
Ms. Yau	WYT	Interest of controlled corporation	810,322,940 (Note c)	67.26
	WOP	Interest of controlled corporation	11,400,000,000 (Note d)	75.00

*Notes:*

- (a) The percentages were disclosed pursuant to the relevant disclosure forms filed under the SFO as at the Latest Practicable Date.
- (b) Pursuant to the disclosure of interests form published on the website of the Stock Exchange, among of the 7,320,095,747 shares of CAP, 2,007,700,062 shares were held by Onger Investments Limited ("**Onger Investments**") and 5,312,395,685 shares of CAP were held by Goal Success Investments Limited ("**Goal Success**"). Onger Investments is directly wholly-owned by Loyal Fame, a direct wholly-owned subsidiary of Easy One, which is in turn wholly-owned by Mr. Tang. Goal Success is directly wholly-owned by Biomore Investments Limited, a direct wholly-owned subsidiary of Total Smart, which is directly wholly-owned by WYT. WYT is owned as to approximately 67.26% by Rich Time which is wholly-owned by WOE, a wholly-owned subsidiary of the Company which is owned as to approximately 48.69% by Mr. Tang, together with his associates.
- (c) 810,322,940 shares of WYT were held by Rich Time, which is wholly-owned by WOE, a wholly-owned subsidiary of the Company.
- (d) 11,400,000,000 shares of WOP were held by Earnest Spot Limited, a direct wholly-owned subsidiary of WOE.

**(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 in this Appendix, 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:

*Long positions in the Shares*

Name of Shareholders (Note a)	Capacity	Number of Shares	Approximate percentage of the Company's total issued share capital (Note d) %
Accord Power Limited ("Accord Power") (Note b)	Beneficial owner – Tang's Family Trust	4,989,928,827	31.23
Alpadis Group Holding AG (Note c)	Interest of controlled corporation	4,989,928,827	31.23
Alpadis Trust (HK) Limited (Note d)	Interest of controlled corporation – Trustee	4,989,928,827	31.23
ESSEIVA, Alain (Note c)	Interest of controlled corporation	4,989,928,827	31.23
TEO, Wei Lee (Note c)	Family Interest	4,989,928,827	31.23
HEER, Dominik Philipp (Note c)	Interest of controlled corporation	4,989,928,827	31.23
HEER, Krinya (Note c)	Family Interest	4,989,928,827	31.23
WYT (Note e)	Interest of controlled corporation	1,716,749,000	10.74

*Notes:*

- (a) For details of Mr. Tang and Ms. Yau's interests, please refer to the section headed "Disclosure of Interests – Interests of Directors" in Appendix II to this circular.
- (b) Accord Power is wholly-owned by Alpadis Trust (HK) Limited in its capacity as trustee of Tang's Family Trust. Accordingly, Alpadis Trust (HK) Limited was taken to be interested in those Shares held by Accord Power.

- (c) Alpadis Group Holding AG is held by ESSEIVA, Alain as to 53.34% and HEER, Dominik Philipp as to 40.60%. Accordingly, ESSEIVA, Alain and HEER, Dominik Philipp were taken to be interested in those Shares in which Alpadis Group Holding AG was interested. TEO, Wei Lee is the spouse of ESSEIVA, Alain and was therefore taken to be interested in those Shares in which ESSEIVA, Alain was interested. HEER, Krinya is the spouse of HEER, Dominik Philipp and was therefore taken to be interested in those Shares in which HEER, Dominik Philipp was interested.
- (d) Alpadis Trust (HK) Limited is the trustee of Tang's Family Trust. Alpadis Trust (HK) Limited is owned as to 20% by each of Eastwest Trading Ltd., Raysor Limited, AGH Invest Ltd., AGH Capital Ltd. and Alpadis Group Holding AG.
- (e) WYT is an indirect non wholly-owned listed subsidiary of the Company.
- (f) The percentages were disclosed pursuant to the relevant disclosure forms filed under the SFO as at the Latest Practicable Date.

### **3. COMPETING INTERESTS OF DIRECTORS AND CLOSE ASSOCIATES**

Mr. Tang, the Chairman and an executive Director, is the sole ultimate beneficial owner of Easy One, which has been principally engaged in, among others, financing business since 2015, was considered to have an interest in business which competes or is likely to compete, either directly or indirectly, with the business of the Group. Ms. Stephanie, an executive Director, is a director of Easy One and the daughter-in-law of Mr. Tang. Ms. Yau, the deputy Chairman and an executive Director, is the spouse of Mr. Tang.

Save as disclosed above, 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 close associates were considered to have any interests in businesses which competed or were likely to compete, either directly or indirectly, with the businesses of the Group that need to be disclosed pursuant to Rule 8.10 of the Listing Rules.

### **4. DIRECTORS' INTERESTS IN THE GROUP'S ASSETS AND CONTRACTS**

As at the Latest Practicable Date, none of the Directors or their respective associates had any interest, direct or indirect, in any assets which have been, since 31 March 2022, being the date on which 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.

As at the Latest Practicable Date, none of the Directors was materially interested in any subsisting contract or arrangement which is significant in relation to the business of the Group.

## 5. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors has a service contract with any member of the Group which was not determinable by the Group within one year without payment of compensation (other than statutory compensation).

## 6. LITIGATION

- (i) In 2007, the CAP Group acquired Wuhan Baisazhou Agricultural By-Product Grand Market Company Limited ("**Baisazhou Agricultural**") from independent third parties, Ms. Wang Xiu Qun ("**Ms. Wang**") and Wuhan Tian Jiu Industrial and Commercial Development Co., Ltd ("**Tian Jiu**") for their respective 70% and 20% interest in Baisazhou Agricultural (the "**Baisazhou Acquisition**"). Since 2011, the CAP Group has been involved in a number of civil proceedings in Mainland China and Hong Kong. The key civil proceedings in Mainland China and Hong Kong in respect of the Baisazhou Acquisition are set out below:

In May 2015, Ms. Wang and Tian Jiu commenced proceedings against the PRC Ministry of Commerce ("**MOFCOM**") in the Beijing Second Intermediate People's Court, seeking, inter alia, a direction that MOFCOM revoke its approval in respect of the Baisazhou Acquisition. It is alleged by Ms. Wang and Tian Jiu that (a) Baisazhou Agricultural forged share transfer agreements (the "**Contended Agreements**") in relation to the Baisazhou Acquisition wherein the related consideration was understated and the manner of settlement of the consideration was inaccurately described; (b) Baisazhou Agricultural forged the related documentation for filing with MOFCOM and the Hubei Administration For Industry and Commerce (the "**Hubei AIC**"), and that such documentation and the Contended Agreements involved forged signatures; and (c) MOFCOM and the Hubei AIC approved the Baisazhou Acquisition and processed the related filings on the basis of the above documents that are allegedly forged. In December 2015, the Beijing Second Intermediate People's Court directed MOFCOM to reconsider its approval decision. In May 2016, MOFCOM decided that its approval issued in relation to the Contended Agreements shall not be revoked and shall remain to be in force (the "**Reconsidered Decision**").

In August 2016, Ms. Wang and Tian Jiu commenced administrative proceedings against MOFCOM in the Beijing Second Intermediate People’s Court seeking to set aside the Reconsidered Decision. In March 2017, the Beijing Second Intermediate People’s Court dismissed the application of Ms. Wang and Tian Jiu (the “**31 March Judgment**”). On 20 December 2018, the Beijing Higher People’s Court upheld the 31 March Judgment (the “**20 December Judgment**”) and Ms. Wang and Tian Jiu applied to the Supreme People’s Court for a retrial and for dismissal of (i) the 31 March Judgment, and (ii) the 20 December Judgment, but this application was dismissed by the Supreme People’s Court on 29 December 2020. As advised by CAP’s PRC legal advisor, the approval issued by MOFCOM in 2007 in relation to the Contended Agreements shall not be revoked and remain to be in force, and the CAP Group continues to be the legal and beneficial owner of Baisazhou Agricultural. In May 2015, the CAP Group commenced legal proceedings against Ms. Wang and Tian Jiu in the Higher People’s Court of Hubei Province (“**Hubei Court**”) seeking, inter alia, declarations and orders that the sale and purchase agreements for the Baisazhou Acquisition (the “**SPA**”) have been legally made, and that Ms. Wang and Tian Jiu shall assist Baisazhou Agricultural to discharge its contractual duties under the SPA to make the necessary filing with MOFCOM (which were subsequently withdrawn in April 2019 in light of the decisions in respect of MOFCOM’s approvals). Ms. Wang and Tian Jiu filed their counterclaim for, inter alia, the return of CAP’s 90% interest in Baisazhou Agricultural, which was dismissed by the Hubei Court in December 2019 (the “**23 December Judgment**”). In January 2020, Ms. Wang and Tian Jiu appealed against the 23 December Judgment. On 29 March 2021, the CAP Group received the judgment of the Supreme Court dated 29 December 2020 (the “**29 December Judgment**”) which upheld the 23 December Judgment and dismissed the appeal of Ms. Wang and Tian Jiu. As advised by the PRC legal advisors of the CAP Group, according to the 23 December Judgment and the 29 December Judgment, the CAP Group continues to be the legal and beneficial owner of Baisazhou Agricultural.

- (ii) In 2011, CAP issued a Writ of Summons in the Court of First Instance of the High Court of Hong Kong (“**CFI**”) against Ms. Wang and Tian Jiu. CAP (as purchaser) sought damages from Ms. Wang and Tian Jiu (as vendors) for their breach of various provisions of the SPA. Ms. Wang and Tian Jiu counterclaimed for, amongst others, an order that CAP do cause and/or procure the shares in Baisazhou Agricultural to be transferred back to Ms. Wang and Tian Jiu. In 2012, CAP obtained a court order from the CFI to the effect that undertakings (the “**Undertakings**”) were given by Ms. Wang and Tian Jiu not to (i) endorse, assign, transfer or negotiate the two instruments (purportedly described as promissory notes in the SPA) (the “**Instruments**”); and (ii) enforce payment in relation to the SPA by presentation of the Instruments until the final determination of these proceedings or further court order. Pursuant to the Undertakings, the Instruments will no longer fall due for payment by CAP on 5 December 2012.

The CFI handed down its judgment on 18 January 2021 awarding damages in favour of CAP for sum exceeding the sum owed under the Instruments. The CFI also ordered that the damages awarded to CAP be set-off by the sum owed under the Instruments, and that Ms. Wang and Tian Jiu not be allowed to enforce the Instruments against CAP. In effect, CAP is not required to make any payment under the Instruments to Ms. Wang or Tian Jiu. CAP is seeking legal advice for the recovery of the balance of the damages awarded to it. Further, as the counterclaim of Ms. Wang and Tian Jiu was dismissed, CAP continues to be the legal and beneficial owner of Baisazhou Agricultural. Further details regarding the civil proceedings which the CAP Group has been involved in can be found in the interim/annual reports and announcements issued by CAP.

Save as disclosed above, 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 CONTRACTS

### The Group

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

- (a) a provisional agreement dated 6 February 2023 (the “**Well Town Agreement**”) entered into between Wai Yuen Tong Medicine Company Limited (a subsidiary of WYT) and Wang On (Nominees) Limited (a subsidiary of the Company) (both as vendors), Lei Wa as purchaser and Kin Fu Realty (ICS) Limited as property agent, pursuant to which the purchaser conditionally agreed to acquire, and the vendors conditionally agreed to sell the shares, and assign the benefit of the shareholders’ loan, of Billion Good Investment Limited (a company holding a property located at the 11th Floor of Well Town Industrial Building (together with the related roof portion and a carparking space), of No. 13 Ko Fai Road, Kowloon, Hong Kong) to the purchaser for a consideration of HK\$71 million. Details of the disposal were disclosed in the joint announcement of the Company and WYT dated 6 February 2023;
- (b) a conditional provisional agreement dated 6 January 2023 entered into between, amongst others, Guidepost Investments Limited (a wholly-owned subsidiary of WYT) as vendor and Cosmic Charm International Limited as purchaser in relation to the disposal of a company holding the property located at the Ground Floor of Bowring Building, No. 14 Bowring Street, Kowloon, Hong Kong at the consideration of HK\$48.8 million (subject to adjustment). Details of the disposal were disclosed in the announcement of the Company dated 6 January 2023 (the “**Disposal Agreement**”);
- (c) the Shareholders’ Agreement;

- (d) a loan facility agreement dated 1 July 2022 entered into between CAP and Ping An Bank Co., Ltd. in relation to a RMB300 million (in its HKD equivalent) loan facility provided to CAP by Ping An Bank Co., Ltd., details of which were set out in the announcement of the Company dated 3 May 2022 and the circular of the Company dated 7 June 2022 (the “**Loan Facility Agreement**”);
- (e) a guarantee agreement dated 4 July 2022 entered into between WYT and Ping An Bank Co., Ltd., pursuant to which WYT agreed to guarantee all liabilities of CAP to be owed to Ping An Bank Co., Ltd. under the Loan Facility Agreement (the “**WYT Guarantee**”), details of which were set out in the announcement of the Company dated 3 May 2022 and the circular of the Company dated 7 June 2022;
- (f) the revolving loan facility agreement dated 3 May 2022 entered into between CAP, Double Leads Investments Limited, a wholly-owned subsidiary of the Company, and Winning Rich Investments Limited, a wholly-owned subsidiary of WYT (as supplemented by 2 forms of transfer certificates, pursuant to which Winning Rich Investments Limited transferring rights and obligations under the revolving loan facility agreement of not exceeding HK\$306 million and of not exceeding HK\$200 million to Luxembourg Medicine Company Limited and Wai Yuen Tong Medicine Company Limited, both subsidiaries of WYT), pursuant to which each of Double Leads Investments Limited and Winning Rich Investments Limited agreed to grant a revolving loan facility in an aggregate principal amount of HK\$576 million to CAP for a term of five years ending 2 May 2027 details of which were set out in the announcement of the Company dated 3 May 2022 and the circular of the Company dated 7 June 2022 (the “**2022 Loan Agreement**”);
- (g) an acquisition by Mailful Investments Limited (“**Mailful Investments**”) of 6.5% or 7.5% (payment in kind) senior notes due in 2027 and 2028 issued by Easy Tactic Limited pursuant to notes exchange of 8.125% senior notes due in 2023 and 2024 issued by the same issuer respectively held by the Mailful Investments, details of which were set out in the announcement of the Company dated 13 July 2022;
- (h) a tenancy agreement dated 1 April 2022 entered into between Wang On Majorluck Limited, as tenant, and Link Properties Limited, as landlord, in respect of the leasing of the market situated at the First Floor of the Choi Ming Shopping Centre, Choi Ming Court, 1 Choi Ming Street, Tseung Kwan O, Sai Kung, New Territories, Hong Kong with a floor area to be used by the tenant as market stalls not exceeding 11,816 square feet for a term of three years, details of which were set out in the announcement of the Company dated 14 April 2022;
- (i) a subscription and shareholders’ agreement (the “**SSHA**”) dated 8 November 2021 entered into among WOP, Lucky Dynasty International Limited (“**Lucky Dynasty**”), an indirect wholly-owned subsidiary of WOP, Stichting Depositary APG Strategic Real Estate Pool (“**Stichting Depositary**”) and Giant Harmony Limited (“**Giant Harmony**”), as amended and supplemented by a side letter dated 23 December 2021 entered into among WOP, Lucky Dynasty, Stichting Depositary and Giant Harmony, in relation to (i) the subscription of one new share in Giant Harmony by Stichting Depositary at a subscription price of HK\$1.00; (ii) the formation of a joint venture



between Lucky Dynasty and Stichting Depository in relation to Giant Harmony; and (iii) the rights and obligations of Lucky Dynasty and Stichting Depository as shareholders of Giant Harmony, details of which were set out in the joint announcement of the Company and WOP dated 8 November 2021 and the circular of the Company dated 8 December 2021;

- (j) a sale and purchase agreement (“**SPA 1**”) dated 28 December 2021 entered into between Oasis Billion Limited (“**Oasis Billion**”), an indirect wholly-owned subsidiary of WOP, as vendor, and Giant Harmony, as purchaser, in relation to the disposal of the entire issued share capital in Spectrum Delight Limited (“**Spectrum Delight**”) and the assignment of the shareholder’s loan owing by Spectrum Delight to Oasis Billion for a consideration of HK\$558,824,000 (subject to adjustment in accordance with the SPA 1), details of which were set out in the announcement of the Company dated 8 November 2021 and the circular of the Company dated 8 December 2021;
- (k) a sale and purchase agreement (“**SPA 2**”) dated 28 December 2021 entered into between More Action Investments Limited (“**More Action**”), an indirect wholly-owned subsidiary of WOP, as vendor, and Giant Harmony, as purchaser, in relation to the disposal of the entire issued share capital in Pop Prestige Limited (“**Pop Prestige**”) and the assignment of the shareholder’s loan owing by Pop Prestige to More Action for a consideration of HK\$1,066,415,000 (subject to adjustment in accordance with the SPA 2), details of which were set out in the announcement of the Company dated 8 November 2021 and the circular of the Company dated 8 December 2021;
- (l) a sale and purchase agreement (“**SPA 3**”) dated 28 December 2021 entered into between Treasure South Limited (“**Treasure South**”), an indirect wholly-owned subsidiary of WOP, as vendor, and Giant Harmony, as purchaser, in relation to the disposal of the entire issued share capital in Surplus Hunter Limited (“**Surplus Hunter**”) and the assignment of the shareholder’s loan owing by Surplus Hunter to Treasure South for a consideration of HK\$451,278,000 (subject to adjustment in accordance with the SPA 3), details of which were set out in the announcement of the Company dated 8 November 2021 and the circular of the Company dated 8 December 2021;
- (m) a sale and purchase agreement (“**SPA 4**”) dated 28 December 2021 entered into between Vivid Gemini Limited (“**Vivid Gemini**”), an indirect wholly-owned subsidiary of WOP as vendor, and Giant Harmony, as purchaser, in relation to the disposal of the entire issued share capital in Sole Champion Limited (“**Sole Champion**”) and the assignment of the shareholder’s loan owing by Sole Champion to Vivid Gemini for a consideration of HK\$924,940,000 (subject to adjustment in accordance with the SPA 4), details of which were set out in the announcement of the Company dated 8 November 2021 and the circular of the Company dated 8 December 2021;
- (n) a sale and purchase agreement (“**SPA 5**”) dated 18 February 2022 entered into between City Arise Limited (“**City Arise**”), an indirect wholly-owned subsidiary of WOP, as vendor, and Giant Harmony, as purchaser, as amended and supplemented by a supplemental agreement dated 11 April 2022 entered into among City Arise, Giant Harmony and Delight Venture Limited, a direct wholly-owned subsidiary of Giant

Harmony, in relation to the disposal of the entire issued share capital in True Promise Limited (“**True Promise**”) and the assignment of the shareholder’s loan owing by True Promise to City Arise for a consideration of HK\$490,732,000 (subject to adjustment in accordance with the SPA 5), details of which were set out in the announcement of the Company dated 18 February 2022 and the circular of the Company dated 20 April 2022;

- (o) a sale and purchase agreement (“**SPA 6**”, together with the SPA 1, SPA 2, SPA 3, SPA 4 and SPA 5, “**SPAs**”) dated 1 September 2022 entered into between Sky Admiral Limited (“**Sky Admiral**”), an indirect wholly-owned subsidiary of WOP, as vendor, and Sky Plaza Limited, a wholly-owned subsidiary of Giant Harmony, as purchaser, in relation to the disposal of the entire issued share capital in Star Moral Limited (“**Star Moral**”) and the assignment of the shareholder’s loan owing by Star Moral to Sky Admiral for a consideration of HK\$554,817,000 (subject to adjustment in accordance with SPA 6), details of which were set out in the announcement of the Company dated 1 September 2022 and the circular of the Company dated 23 September 2022;
- (p) a subscription agreement dated 23 September 2021 (the “**Jumbo Subscription Agreement**”), entered into among Treasure Fountain International Limited (“**Treasure Fountain**”), an indirect wholly-owned subsidiary of WOP, Jumbo Holding (BVI) L.P. (“**Jumbo Holding**”), Crystal Castle Ventures Limited (“**Crystal Castle**”), an indirect wholly-owned subsidiary of WOP prior to completion, and WOP, as guarantor for Treasure Fountain and Crystal Castle, in relation to (i) the subscription of one new share in Crystal Castle by Jumbo Holding at a subscription price of US\$1.00; and (ii) the formation of a joint venture between Treasure Fountain and Jumbo Holding in relation to Crystal Castle; and a shareholders’ agreement dated 23 September 2021 (the “**Jumbo Shareholders’ Agreement**”) entered into among Treasure Fountain, Jumbo Holding and Crystal Castle to govern their rights and obligations as shareholders of Crystal Castle, the details of which were set out in the joint announcement of the Company and WOP dated 23 September 2021;
- (q) on 21 September 2021, Twist Pioneer Limited (“**Twist Pioneer**”), an indirect wholly-owned subsidiary of WOP, placed an order to acquire in aggregate US\$3.88 million 11.75% senior notes due 2022 issued by Fantasia Holding Group Co., Limited (Stock Code: 1777) (“**Fantasia**”) from the secondary market for a total consideration of approximately US\$2.12 million, the details of which were set out in the announcement of the Company dated 21 September 2021;
- (r) on 13 August 2021, Spring Avenue Limited, an indirect wholly-owned subsidiary of WOP, as vendor, Jibsen Capital (Holdings) Limited, as purchaser and WOP as vendor’s guarantor, entered into a conditional agreement for sale and purchase, pursuant to which the purchaser has agreed to acquire, and the vendor has agreed to sell the entire issued share capital and the shareholder’s loan of Full Loyal Limited for an initial consideration of HK\$72 million (subject to adjustments pursuant to the sale and purchase agreement), the details of which were set out in the announcement of the Company dated 13 August 2021;

- (s) a provisional agreement dated 30 July 2021 (the “**Stadium Holdings Provisional Agreement**”) entered into among Fession Group Limited (“**Fession**”), an indirect wholly-owned subsidiary of WOP, as vendor, O.M. Management Limited (“**O.M. Management**”) as purchaser, and WOP, as Fession’s guarantor, in relation to the disposal of the entire issued share capital in Stadium Holdings Limited (“**Stadium Holdings**”) and the assignment of the shareholder’s loan(s) owing by Stadium Holdings to Fession for a consideration of HK\$515 million (the “**Stadium Holdings Disposal**”) and a formal agreement dated 16 September 2021 (the “**Stadium Holdings Formal Agreement**”) in relation to the Stadium Holdings Disposal, details of which were set out in the announcement of the Company dated 30 July 2021 and the circular of the Company dated 23 September 2021;
- (t) on 19 July 2021, Mailful Investments and Suntech Investments received confirmation in relation to their respective subscription of shares in Blackstone Real Estate Income Trust iCapital Offshore Access Fund SPC and CS Blackstone REIT Access Fund SPC (the “**Access Funds**”) for an aggregate subscription amount of US\$15.5 million, before fees and expenses. On 31 August 2022, the shares of the Access Funds held by Mailful Investments and Suntech Investments were repurchased by the Access Funds at the total consideration of approximately US\$18.05 million (the “**Access Fund Subscription and Repurchase**”), the details of which were set out in the announcements of the Company dated 19 July 2021 and 19 September 2022 (the “**July Joint Announcement**”);
- (u) on 16 July 2021, Mailful Investments acquired in aggregate US\$10 million 9.75% senior notes in due 2023 issued by Kaisa Group Holdings Ltd. (Stock Code: 1638) from the secondary market for a total consideration of approximately US\$10.3 million, the details of which were set out in the announcement of the Company dated 16 July 2021;
- (v) a capital reorganisation agreement (the “**Capital Reorganisation Agreement**”) dated 18 June 2021 entered into between Century Choice Limited (“**Century Choice**”), a wholly-owned subsidiary of CAP, and 玉林市市場開發服務中心 (Yulin Market Development Service Centre\*) in respect of the reduction of registered capital contribution by Century Choice in 玉林宏進農副產品批發市場有限公司 (Yulin Hongjin Agricultural Byproducts Wholesale Marketplace Limited\*) (“**Yulin Hongjin**”) by an aggregate amount of approximately RMB41.9 million, which amount will be paid by Yulin Hongjin to Century Choice in cash, the details of which were set out in the joint announcement of the Company dated 18 June 2021;
- (w) a subscription agreement dated 23 April 2021 entered into among Mailful Investments, as subscriber, ZWC Fund II General Partners Limited, as the general partner, and ZWC Fund II L.P. (the “**Fund**”), in relation to the subscription and purchase of a limited partnership interest in the Fund at the total capital contribution of US\$10 million, the details of which were set out in the announcement of the Company dated 23 April 2021;

- (x) a binding term sheet dated 30 March 2021 entered into between WOP and Turbo Holdings Ltd (“**Turbo Holdings**”) in relation to (i) the subscription of one new share in Merry Cottage Ltd (“**Merry Cottage**”) by Turbo Holdings at a subscription price of US\$1.00; and (ii) the formation of a joint venture between WOP and Turbo Holdings in relation to Merry Cottage; a sale and purchase agreement dated 30 March 2021 entered into between Star Loyal Limited, an indirect wholly-owned subsidiary of Merry Cottage, and Million World Development Limited in relation to the acquisition of 11 shop units and certain lift, lift lobby(ies) and staircase(s) on the ground floor and first floor of THE PARKVILLE (天生樓), which is located at No. 88, Tuen Mun Heung Sze Wui Road, Tuen Mun, New Territories, Hong Kong, the details of such binding term sheet and sale and purchase agreement which were set out in the announcement of the Company dated 30 March 2021; and a supplemental binding term sheet dated 21 June 2021 (together with the binding term sheet dated 30 March 2021, “**Term Sheets**”) entered into between WOP, Turbo Holdings, Able Sentry Limited (“**Able Sentry**”) and Stealth Eagle Holdings Limited (“**Stealth Eagle**”), pursuant to which, Solar Ranger Limited, an indirect wholly-owned subsidiary of WOP, Turbo Maltese Investment Limited, Able Sentry and Stealth Eagle shall subscribe for 6,399, 2,999, 335 and 265 shares in Merry Cottage for the considerations of US\$6,399, US\$2,999, US\$335 and US\$265, respectively, the details of which were set out in the announcement of the Company dated 21 June 2021; and
- (y) on 26 March 2021, the Company and Twist Pioneer placed orders to acquire in aggregate US\$9.0 million 8.5% senior notes due 2023 issued by Yuzhou Group Holdings Company Limited (Stock Code: 1628) from the secondary market for a total consideration of approximately US\$8.1 million, the details of which were set out in the announcement of the Company dated 26 March 2021.

### **The WOP Group**

Within the two years immediately preceding the Latest Practicable Date, the following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the members of the WOP Group which are or may be material:

- (a) Shareholders’ Agreement;
- (b) the SSHA;
- (c) the SPAs;
- (d) the Jumbo Subscription Agreement and the Jumbo Shareholders’ Agreement;
- (e) the Stadium Holdings Provisional Agreement and the Stadium Holdings Formal Agreement;

- (f) the Term Sheets; and
- (g) on 3 March 2021, Twist Pioneer received a confirmation of acceptance of its subscription for the 11.95% senior notes due 2023 issued by China South City Holdings Limited (Stock Code: 1668) in the principal amount of US\$5.0 million for a total consideration of approximately US\$4.8 million, the details of which were set out in the announcement of WOP dated 3 March 2021. As disclosed in WOP's announcement dated 28 July 2022, the maturity date of such senior notes has been extended to 9 October 2024.

### The WYT Group

Within the two years immediately preceding the Latest Practicable Date, the following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the members of the WYT Group which are or may be material:

- (a) the Well Town Agreement;
- (b) the Disposal Agreement;
- (c) the Loan Facility Agreement;
- (d) the WYT Guarantee;
- (e) the 2022 Loan Agreement;
- (f) the Access Fund Subscription and Repurchase, the details of which were set out in the July Joint Announcement;
- (g) a provisional sale and purchase agreement dated 1 July 2021 (together with a formal agreement dated 1 September 2021) entered into between, among others, City Brighter Limited (“**City Brighter**”), an indirect wholly-owned subsidiary of WYT, and Mighty Famous Limited, in relation to the disposal of Shop No. D on Ground Floor of Block D, Wing Lung Building, Nos. 220-240 & 240A Castle Peak Road, Nos. 20 & 22 Wing Lung Street, Kowloon at the consideration of HK\$28.4 million, the details of which were set out in the announcement of WYT dated 1 July 2021;
- (h) the Capital Reorganisation Agreement; and
- (i) on 8 June 2021, Upper Speed Investments Limited, an indirect non-wholly subsidiary of WYT, acquired in aggregate US\$5.0 million 7.375% senior notes in due 2021 issued by Fantasia from the secondary market for a total consideration of approximately US\$5.06 million, the details of which were set out in the announcement of WYT dated 8 June 2021.

**The CAP Group**

Within the two years immediately preceding the Latest Practicable Date, the following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the members of the CAP Group which are or may be material:

- (a) the 2022 Loan Agreement;
- (b) the Loan Facility Agreement; and
- (c) the Capital Reorganisation Agreement.

**8. 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 Suite 3202, 32/F., Skyline Tower, 39 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong.
- (b) The company secretary of the Company is Mr. Cheung Chin Wa Angus. He is a fellow member of both The Chartered Governance Institute and The Hong Kong Chartered Governance Institute.
- (c) The share registrar and transfer office of the Company in Hong Kong is Tricor Tengis Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, 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.

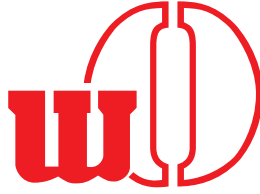
**9. DOCUMENTS ON DISPLAY**

A copy of the Shareholders' Agreement is available on display on the Stock Exchange's website at [www.hkexnews.hk](http://www.hkexnews.hk) and on the Company's website at [www.wangon.com](http://www.wangon.com) from the date of this circular up to and including 3 March 2023.

---

# NOTICE OF THE SGM

---



## WANG ON GROUP LIMITED

(宏安集團有限公司)\*

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 1222)

### NOTICE OF SPECIAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that a hybrid special general meeting (the “SGM”) of Wang On Group Limited (the “**Company**”) will be held as a combination of a physical meeting at 2102, 21/F., World-Wide House, 19 Des Voeux Road Central, Central, Hong Kong and an online virtual meeting via Tricor e-Meeting System on Monday, 6 March 2023 at 11:00 a.m. for the purpose of considering and, if thought fit, passing the following resolution as an ordinary resolution of the Company:

#### ORDINARY RESOLUTION

(1) “**THAT:**

- (a) the Shareholders’ Agreement and the JV Formation (both as defined in the circular of the Company dated 17 February 2023 of which this notice forms part (the “**Circular**”)) (a copy of which has been produced in this meeting and marked “A” and initialled by the chairman of the meeting for identification purpose) and the transactions contemplated thereunder and the implementation thereof be and are hereby approved, confirmed and ratified; and
- (b) any one director of the Company (the “**Director**”) be and is hereby authorised to do all such acts and things as the Director in his/her sole and absolute discretion deems necessary, desirable or expedient to implement, give effect to and/or complete the Shareholders’ Agreement and the JV Formation (both as defined in the Circular) and the transactions contemplated thereunder.”

By Order of the Board  
**WANG ON GROUP LIMITED**  
(宏安集團有限公司)\*  
**Cheung Chin Wa Angus**  
*Company Secretary*

Hong Kong, 17 February 2023

\* *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:*

*in Hong Kong:*  
Suite 3202, 32/F., Skyline Tower  
39 Wang Kwong Road  
Kowloon Bay  
Kowloon  
Hong Kong

*Notes:*

1. A form of proxy for use at the SGM is enclosed.
2. The register of members of the Company will be closed from Wednesday, 1 March 2023 to Monday, 6 March 2023 (both days inclusive) during which period no transfer of share(s) will be effected. In order to determine the eligibility to attend and vote at the SGM or any adjourned meeting thereof (as the case may be), all transfer of share(s), accompanied by the relevant share certificate(s) with the properly completed transfer form(s) either overleaf or separately, must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m., on Tuesday, 28 February 2023.
3. A member entitled to attend and vote at the SGM convened by the above notice is entitled to appoint one proxy or, if such member is a holder of more than one share of the Company, more than one proxy to attend and to vote in his stead. A proxy need not be a member of the Company. However, the Company strongly encourages members to exercise their rights to attend and vote at the Meeting via Tricor e-Meeting System, if a member wishes to vote on any resolution at the SGM by proxy, he/she/it should complete the proxy form and is strongly encouraged to appoint the chairman of the SGM as his proxy to exercise his/her/its right to vote at the SGM in accordance with his/her/its instructions.
4. 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, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, or submitting the proxy form electronically at <https://spot-meeting.tricor.hk/#/288> in accordance with the instructions printed on the accompanying notification letter, in each case, as soon as practicable and in any event no later than 11:00 a.m. (Hong Kong time) on Saturday, 4 March 2023, or not later than 48 hours before the time appointed for holding the SGM or any adjournment thereof (as the case may be).
5. Completion and delivery of the form of proxy will not preclude members from attending and voting in person or online via Tricor e-Meeting System at the SGM or any adjournment thereof (as the case may be) should they so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. Where there are joint holders of any shares of the Company, any one of such holders may vote at the SGM either personally or by proxy in respect of such shares as if he/she/it was solely entitled thereto provided that if more than one of such joint holders be present at the SGM 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 holder.
7. The above resolutions will be voted by way of a poll at the SGM.
8. The Company will conduct a hybrid SGM using Tricor e-Meeting System, which allows its shareholders to participate the SGM online in a convenient and efficient way from anywhere with an internet connection. Shareholders will be able to view the live video broadcast and participate in voting and submit questions in written form to the SGM via their smartphones, tablet, or computers. The live broadcast option can also broaden the reach of the SGM to the shareholders who do not wish to attend physically, or for other overseas Shareholders who are unable to attend in person.



---

## NOTICE OF THE SGM

---

9. For online voting at the SGM, Shareholders can refer to the letter regarding the Tricor e-Meeting System which will be despatched later and the Online Meeting User Guide (by visiting the hyperlink or scanning the QR code as printed therein) for details. If you have any queries, please contact the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, via their hotline at (852) 2975 0928 from 9:00 a.m. to 5:00 p.m. (Monday to Friday, excluding Hong Kong public holidays).
10. Shareholders who wish to attend the SGM and exercise their voting rights can do so in one of the following ways:
  - (1) attending the SGM in person; or
  - (2) attending the SGM via Tricor e-Meeting System which enables live streaming and interactive platform for Q&A and submit their voting online; or
  - (3) appointing chairman of the SGM or other persons as your proxy to vote on your behalf. Your proxy's authority and instruction will be revoked if you attend and vote in person at the SGM or via Tricor e-Meeting system; or
  - (4) for corporate shareholders who wish to attend the SGM and to vote online, please contact the Company's Hong Kong branch share registrar at (852) 2975 0928 or email to [emeeting@hk.tricorglobal.com](mailto:emeeting@hk.tricorglobal.com) on or before Wednesday, 1 March 2023 for arrangement; or
  - (5) non-registered holders whose Shares are held in the Central Clearing and Settlement System through banks, brokers, custodians or Hong Kong Securities Clearing Company Limited may also be able to attend the SGM, vote and submit questions online. In this regard, they should consult directly with their banks, brokers or custodians (as the case may be) (collectively the "**Intermediary**") and instruct the intermediary to appoint you as proxy or corporate representative to attend and vote via Tricor e-Meeting System at the SGM and in doing so, you will be asked to provide your email address. Details regarding the Tricor e-Meeting System including the login details will be emailed to you by the Company's branch share registrar in Hong Kong, Tricor Tengis Limited.
11. Due to the constantly evolving COVID-19 pandemic situation in Hong Kong, the Company may be required to change the SGM arrangements at short notice. Members should check the Company's website ([www.wangon.com](http://www.wangon.com)) or the website of The Stock Exchange of Hong Kong Limited ([www.hkex.com.hk](http://www.hkex.com.hk)) for future announcements and update on the SGM arrangement.