

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



WANG ON GROUP LIMITED

(宏安集團有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1222)

ANNOUNCEMENT

DISCLOSEABLE TRANSACTION

IN RELATION TO

ADVANCE TO WAI YUEN TONG MEDICINE HOLDINGS LIMITED

The Board would like to announce that on 3 November 2008, the Lender, an indirect wholly-owned subsidiary of the Company, entered into the Agreement with the Borrower pursuant to which the Lender agreed to grant to the Borrower the Loan Facility. The full principal amount of the Loan Facility may be drawn down by the Borrower during the Availability Period.

The transaction(s) contemplated under the Agreement when aggregated with the Previous Loans advanced by the Lender to the Borrower pursuant to the Previous Agreements constitutes a discloseable transaction of the Company pursuant to Rule 14.06(2) of the Listing Rules. A circular containing further information in relation thereto will be despatched to the Shareholders as soon as practicable pursuant to Rule 14.38 of the Listing Rules.

THE AGREEMENT

Date	: 3 November 2008
Lender	: Rich Time, an indirect wholly-owned subsidiary of the Company
Borrower	: WYT
Loan Facility	: maximum of HK\$30 million limit
Availability Period	: 3 November 2008 to 2 November 2009

The Loan Facility granted to WYT was funded by internal resources of the Group.

* *For identification purpose only*

The Agreement was entered into between the Lender and the Borrower on 3 November 2008, pursuant to which the Lender agreed to grant the Loan Facility to the Borrower. The Loan Facility is unsecured and carries an interest at the Hong Kong prime rate as quoted by The Hongkong and Shanghai Banking Corporation Limited, which was determined with reference to the existing banking facilities of WYT. The principal amount of each drawdown and all outstanding interest thereon (if any) will be repayable by the Borrower no later than the Repayment Date. The full principal amount of the Loan Facility may be drawn down by the Borrower during the Availability Period, HK\$5 million of which was drawn down on 3 November 2008.

Rich Time is principally engaged in investment holding. As at the date of this announcement, Rich Time was indirectly wholly owned by the Company, which was a substantial shareholder of WYT, holding 23.59% of its equity interest. While the Company is a substantial shareholder of WYT, WYT is not a connected person (as defined in the Listing Rules) of the Company pursuant to Chapter 14A of the Listing Rules.

REASONS FOR AND BENEFITS OF THE LOAN FACILITY FOR THE COMPANY

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

The Borrower together with its subsidiaries are principally engaged in production and sale of Chinese and western pharmaceutical and health food products, bottled birds nest drinks and herbal essence products and property holding.

The Directors believe that the Loan Facility can generate a higher return to the Shareholders comparing with the interest earned by making a Hong Kong dollar time deposit with financial institutions in Hong Kong, and are of the view that the terms of the Agreement are on normal commercial terms and fair and reasonable as far as the Shareholders are concerned and thus the entering into of the Agreement is in the interests of the Group and the Shareholders as a whole.

GENERAL

The transaction(s) contemplated under the Agreement when aggregated with the Previous Loans advanced by the Lender to the Borrower pursuant to the Previous Agreements constitutes a discloseable transaction of the Company pursuant to Rule 14.06(2) of the Listing Rules. A circular containing further information in relation thereto will be despatched to the Shareholders as soon as practicable pursuant to Rule 14.38 of the Listing Rules.

DEFINITIONS

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

“Agreement”	the loan agreement dated 3 November 2008 entered into between the Lender and the Borrower pursuant to which the Lender agreed to grant to the Borrower the Loan Facility
“Availability Period”	one year period commencing from 3 November 2008 and expiring on 2 November 2009
“Board”	the board of the Directors
“Company”	Wang On Group Limited (宏安集團有限公司)*, an exempted company incorporated in Bermuda with limited liability and the shares of which are listed on the main board of the Stock Exchange (stock code: 1222)
“Directors”	the directors of the Company
“Group”	the Company together with its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Facility”	a loan facility of not exceeding a sum of HK\$30 million granted by the Lender to the Borrower pursuant to the Agreement
“PRC”	the People’s Republic of China, which for the purpose of this announcement shall exclude Hong Kong, Taiwan and the Macau Special Administrative Region of the PRC
“Previous Agreements”	the loan agreements dated 5 September 2008 and 2 October 2008, respectively, entered into between the Lender and the Borrower pursuant to which the Lender agreed to advance the Previous Loans to the Borrower
“Previous Loans”	two loans in the sum of HK\$10 million advanced by the Lender to the Borrower pursuant to the Previous Agreements

* For identification purpose only

“Repayment Date”	one year period from the date of each drawdown
“Rich Time” or “Lender”	Rich Time Strategy Limited, an investment holding company incorporated in the British Virgin Islands with limited liability and was indirectly wholly owned by the Company as at the date of this announcement
“Shareholder(s)”	the holder(s) of the ordinary share(s) of HK\$0.005 each in the issued share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the meaning ascribed thereto in the Listing Rules
“substantial shareholder”	has the meaning ascribed thereto in the Listing Rules
“WYT” or “Borrower”	Wai Yuen Tong Medicine Holdings Limited (位元堂藥業控股有限公司*), an exempted company incorporated in Bermuda with limited liability and the shares of which are listed on the main board of the Stock Exchange (stock code: 897)

By Order of the Board
Wang On Group Limited
(宏安集團有限公司)*
Chan Chun Hong, Thomas
Managing Director

Hong Kong, 3 November 2008

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Tang Ching Ho, Ms. Yau Yuk Yin and Mr. Chan Chun Hong, Thomas, and four independent non-executive Directors, namely Dr. Lee Peng Fei, Allen, Mr. Wong Chun, Justein, Mr. Siu Yim Kwan, Sidney and Mr. Siu Kam Chau.

* *For identification purpose only*