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WANG ON GROUP LIMITED

(宏 安 集 團 有 限 公 司) *

(Incorporated in Bermuda with limited liability)

(Stock Code: 1222)

DISCLOSEABLE TRANSACTION IN RELATION TO THE ACQUISITION OF CHINA AGRI-PRODUCTS SHARES

On the nine trading days during the period from 7 October 2009 to 20 October 2009 (except 16 October 2009), the Company, through an indirect wholly-owned subsidiary, acquired an aggregate of 110,000,000 China Agri-Products Shares on the open market for a total consideration of approximately HK\$19 million (excluding stamp duty and related expenses).

The Acquisition constitutes a discloseable transaction for the Company pursuant to Rule 14.06(2) of the Listing Rules.

Reference is made to the joint announcement issued by the Company and China Agri-Products dated 5 October 2009 in respect of the Company's consideration to acquire the China Agri-Products Shares on the open market.

THE ACQUISITION

On the nine trading days during the period from 7 October 2009 to 20 October 2009 (except 16 October 2009), the Company, through an indirect wholly-owned subsidiary, which is principally engaged in securities trading, acquired an aggregate of 110,000,000 China Agri-Products Shares on the open market for a total consideration of approximately HK\$19 million (excluding stamp duty and related expenses).

Asset Acquired

Asset : 110,000,000 China Agri-Products Shares, representing approximately 3.77% of the entire issued share capital of China Agri-Products as at the date of this announcement

Purchase Price : an aggregate amount of approximately HK\$19 million, equivalent to an average price of approximately HK\$0.173 per China Agri-Products Share

* *For identification purpose only*

As the Acquisition was conducted on the open market, the identity of the counterparty of the Acquisition cannot be ascertained and there shall be no restriction for any subsequent sale of the China Agri-Products Shares acquired by the Group.

Consideration

The total consideration of the Acquisition is approximately HK\$19 million (excluding stamp duty and related expenses), among which, the consideration for the 64,000,000 China Agri-Products Shares, representing approximately 2.19% of the entire issued share capital of China Agri-Products as at the date of this announcement, acquired on or before 15 October 2009 had been settled on the second business day immediately after the corresponding dates of acquisitions, and the consideration for the 18,000,000 China Agri-Products Shares acquired on 19 October 2009 and the 28,000,000 China Agri-Products Shares acquired on 20 October 2009 will be settled on 21 October 2009 (being the second business day immediately after 19 October 2009) and 22 October 2009 (being the second business day immediately after 20 October 2009), respectively.

The consideration was/will be fully satisfied in cash by the Group's internal resources.

INFORMATION ON CHINA AGRIPRODUCTS

China Agri-Products, together with its subsidiaries, is principally engaged in businesses of the property rental in respect of agricultural produce exchanges and food and beverage in the PRC.

As stated in the interim report of China Agri-Products for the six months ended 30 June 2009, as at 30 June 2009, China Agri-Products had unaudited consolidated net asset value of approximately HK\$631.7 million, unaudited consolidated total assets of approximately HK\$2,044.1 million and unaudited consolidated total liabilities of approximately HK\$1,412.3 million. The following information is extracted respectively from the unaudited interim report of China Agri-Products for the six months ended 30 June 2009 and the audited financial statements of China Agri-Products for the financial year ended 31 December 2008:

	For the six months ended 30 June 2009 <i>HK\$' million</i> (unaudited)	For the year ended 31 December 2008 <i>HK\$' million</i> (audited)	2007 <i>HK\$' million</i> (restated)
Revenue	49.7	168.1	45.9
Loss before taxation	(215.4)	(894.9)	(9.1)
Loss after taxation attributable to equity holders of China Agri-Products	(158.2)	(613.4)	(15.1)

ACQUISITIONS AND/OR DISPOSALS OF THE CHINA AGRI-PRODUCTS SHARES CONDUCTED BY THE GROUP IN THE PAST 12 MONTHS IMMEDIATELY PRECEDING THE DATE OF THIS ANNOUNCEMENT

Save as disclosed in this announcement, the Group has not conducted any other acquisitions and/or disposals of the China Agri-Products Shares on the Stock Exchange in the past 12 months immediately preceding the date of this announcement.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is principally engaged in development and management of agricultural by-products wholesaling business in Hong Kong, management and sub-licensing of wet markets in the PRC and Hong Kong, property development, property investment, management and sub-licensing shopping centres in Hong Kong. It also has interests in the pharmaceutical business through its investment in Wai Yuen Tong Medicine Holdings Limited, a company listed on the main board of the Stock Exchange.

Although China Agri-Products, together with its subsidiaries, recorded a loss attributable to equity holders of China Agri-Products for the six months ended 30 June 2009 of approximately HK\$158.2 million, which was mainly attributable to (i) the significantly reduced profitability of the agricultural produce exchange operated by 武漢白沙州農副產品大市場有限公司 (Wuhan Baisazhou Agricultural By-product Grand Market Company Limited) (“**Baisazhou**”), a subsidiary of China Agri-Products; and (ii) an impairment of intangible assets arising from the acquisition of Baisazhou by China Agri-Products, the Directors expect that there is a potential up-side in the investment in China Agri-Products in consideration of the promising prospects in the agricultural wholesale market in the PRC given the favorable policies on agricultural issued by the PRC government, and consider that the Acquisition would enable the Group to generate a satisfactory return by investing in the China Agri-Products Shares.

Having considered the above and the fact that the Acquisition was conducted on the open market, the Directors, including the independent non-executive Directors, consider that the terms of the Acquisition are fair and reasonable and are in the interests of the Group and the Shareholders as a whole.

FINANCIAL EFFECTS OF THE ACQUISITION

Immediately before the Acquisition, the Company did not directly hold any China Agri-Products Shares. Upon completion of the Acquisition, the Group will beneficially hold approximately 3.77% of the entire equity interest of China Agri-Products and the Group’s investment in China Agri-Products will be accounted for as “financial assets at fair value through profit and loss” in the financial statements of the Group in accordance with Hong Kong Financial Reporting Standards.

GENERAL

The Acquisition constitutes a discloseable transaction for the Company pursuant to Rule 14.06(2) of the Listing Rules.

DEFINITIONS

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

“Acquisition”	the acquisitions of the China Agri-Products Shares by the Group on the nine trading days during the period from 7 October 2009 to 20 October 2009 (except 16 October 2009)
“Board”	the board of the Directors
“China Agri-Products”	China Agri-Products Exchange Limited 中國農產品交易有限公司, a company incorporated in Bermuda with limited liability and whose shares are listed on the main board of the Stock Exchange (Stock Code: 149)
“China Agri-Products Share(s)”	the ordinary share(s) of HK\$0.01 each in the issued share capital of China Agri-Products
“Company”	Wang On Group Limited (宏安集團有限公司)*, an exempted company incorporated in Bermuda with limited liability and whose shares are listed 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
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which for the purpose of this announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“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)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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“subsidiary(ies)” has the meaning as ascribed thereto under the Listing Rules

“%” per cent.

By Order of the Board
WANG ON GROUP LIMITED
(宏安集團有限公司)*
Chan Chun Hong, Thomas
Managing Director

Hong Kong, 20 October 2009

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.

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