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

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WANG ON GROUP LIMITED

(宏安集團有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1222)

**PROPOSALS FOR REFRESHMENT OF
GENERAL MANDATE AND REPURCHASE MANDATE
AND
NOTICE OF SPECIAL GENERAL MEETING**

**Independent financial adviser to the Independent Board Committee
and the Independent Shareholders**

Nuada Limited

Corporate Finance Advisory

A letter of recommendation from the Independent Board Committee to the Independent Shareholders is set out on page 10 of this circular and a letter of advice from Nuada to the Independent Board Committee and the Independent Shareholders on the grant of the New General Mandate is set out on pages 11 to 17 of this circular.

A notice convening the SGM to be held at 40/F., Bank of China Tower, 1 Garden Road, Central, Hong Kong on Wednesday, 24 June 2009 at 3:00 p.m. is set out on pages 21 to 24 of this circular. Whether or not you intend to attend the SGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as practicable but in any event not later than 48 hours before the time appointed for holding the SGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM should you so wish.

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DEFINITIONS

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

“associate”	has the meaning ascribed to it in the Listing Rules
“Board”	the board of Directors
“Bonus Shares”	755,241,090 bonus Shares issued and allotted to qualifying Shareholders on 7 May 2009 on the basis of two bonus Shares for every three Offer Shares taken up pursuant to the Open Offer
“Bye-laws”	the bye-laws of the Company
“Capital Reorganisation”	the reorganisation of the share capital of the Company which became effective on 31 March 2009, details of which are set out in the announcement and circular of the Company dated 13 February 2009 and 3 March 2009, respectively
“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
“Current General Mandate”	the general mandate approved and granted to the Directors to allot and issue Shares (as adjusted by the Capital Reorganisation) not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the resolution(s) at the special general meeting of the Company held on 5 January 2009
“Current Repurchase Mandate”	the general mandate approved and granted to the Directors to exercise the powers of the Company to repurchase the Shares (as adjusted by the Capital Reorganisation) up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the resolution at the Last Annual General Meeting
“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

* For identification purpose only

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent committee of the Board comprising all of the four independent non-executive Directors formed for the purpose of advising the Independent Shareholders on the grant of the New General Mandate
“Independent Shareholders”	the Shareholders other than Mr. Tang Ching Ho and his associates
“Last Annual General Meeting”	the annual general meeting of the Company held on 27 August 2008
“Latest Practicable Date”	4 June 2009, 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
“New General Mandate”	the refreshment of the general mandate proposed to be granted to the Directors at the SGM to allot and issue Shares and other securities representing not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the SGM (such mandate to be extended and added by the number of Shares, if any, repurchased by the Company since the grant of the New General Mandate)
“New Repurchase Mandate”	the refreshment of the general mandate proposed to be granted to the Directors at the SGM to exercise the powers of the Company to repurchase the Shares up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the SGM
“Nuada”	Nuada Limited, a licensed corporation under the SFO to conduct Type 6 regulated activity and the independent financial adviser to the Independent Board Committee and the Independent Shareholders on the grant of the New General Mandate
“Offer Shares”	1,132,861,635 offer Shares issued and allotted to qualifying Shareholders on 7 May 2009 on the basis of three offer Shares for one Share held on 7 April 2009, being the record date, pursuant to the Open Offer

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“Old Share(s)”	the ordinary share(s) with a nominal value of HK\$0.005 each in the share capital of the Company immediately before the Capital Reorganisation becoming effective on 31 March 2009
“Open Offer”	the issue of the Offer Shares (with the Bonus Shares) by way of an open offer to the qualifying Shareholders, as details in the announcement and prospectus of the Company dated 13 February 2009 and 9 April 2009, respectively
“Placing”	including top-up placing of 900,000,000 Old Shares and placing of 672,600,000 Old Shares under the Current General Mandate, details of which are set out in the announcement of the Company dated 27 November 2008
“PRC”	The People’s Republic of China and for the purpose of this circular shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company to be held at 40/F., Bank of China Tower, 1 Garden Road, Central, Hong Kong on Wednesday, 24 June 2009 at 3:00 p.m. for the purpose of considering and, if thought fit, approving, among others, the grant of the New General Mandate and the New Repurchase Mandate
“Shareholder(s)”	the holder(s) of the Old Share(s) and/or the Share(s)
“Share Options”	the options to subscribe for Old Shares and/or Shares granted under the Share Option Scheme
“Share Option Scheme”	the share option scheme adopted by the Shareholders at the special general meeting of the Company held on 3 May 2002
“Share(s)”	the ordinary share(s) with a nominal value of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers

DEFINITIONS

“2008 General Mandate”

the general mandate approved and granted to the Directors to allot and issue Old Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the resolution(s) at the Last Annual General Meeting

“%”

per cent.



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 (*Chairman*)

Ms. Yau Yuk Yin (*Deputy Chairman*)

Mr. Chan Chun Hong, Thomas (*Managing Director*)

Registered office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Independent non-executive Directors:

Dr. Lee Peng Fei, Allen, *CBE, BS, FHKIE, JP*

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

Mr. Siu Yim Kwan, Sidney, *S.B.St.J.*

Mr. Siu Kam Chau

Head office and principal

place of business:

5/F., Wai Yuen Tong Medicine Building

9 Wang Kwong Road

Kowloon Bay

Kowloon

Hong Kong

8 June 2009

*To the Shareholders and, for information only,
holders of the Share Options*

Dear Sir or Madam,

**PROPOSALS FOR REFRESHMENT OF
GENERAL MANDATE AND REPURCHASE MANDATE
AND
NOTICE OF SPECIAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with, among others, (i) the details of the New General Mandate and the New Repurchase Mandate; (ii) the recommendation from the Independent Board Committee to the Independent Shareholders in relation to the grant of the New General Mandate; (iii) the advice from Nuada to the Independent Board Committee and the Independent Shareholders in relation to the grant of the New General Mandate; and (iv) the notice of the SGM.

* *For identification purpose only*

LETTER FROM THE BOARD

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company conducted the following fund raising activities in the past twelve months prior to the Latest Practicable Date:

- (i) on 27 November 2008, the Company announced that it had entered into an agreement dated 26 November 2008 to issue and allot a total of 1,572,600,000 Old Shares to independent places pursuant to the Placing. The aggregate net proceeds raised from the Placing amounted to approximately HK\$33.24 million. As at the Latest Practicable, approximately HK\$18.81 million had been utilised for repayment of bank loans and approximately HK\$14.43 million had been utilised for general working capital for the Group; and
- (ii) on 13 February 2009, the Company announced that it had entered into an agreement dated 10 February 2009 to issue and allot the Offer Shares and the Bonus Shares pursuant to the Open Offer. The aggregate net proceeds raised from the Open Offer amounted to approximately HK\$108.2 million, of which approximately HK\$60 million is intended to be used for acquisition of potential investment and the remaining balance is intended to be used as the general working capital for the Group. As at the Latest Practicable, approximately HK\$3.38 million had been utilised for acquisition of investment properties and approximately HK\$12.27 million had been utilised for general working capital for the Group. The unutilised net proceeds raised from the Open Offer is currently deposited in the bank account(s) of the Company and will be applied according to the intended use as disclosed above.

PROPOSAL FOR GRANT OF THE NEW GENERAL MANDATE AND THE NEW REPURCHASE MANDATE

At the Last Annual General Meeting, the Shareholders approved, among others, ordinary resolutions to grant the 2008 General Mandate and the Current Repurchase Mandate which enable the Directors (i) to allot and issue Old Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company at the date of the Last Annual General Meeting (equivalent to the then aggregate nominal amount of HK\$7,867,913.64 divided into 1,573,582,728 Old Shares with nominal value of HK\$0.005 each); and (ii) to exercise the powers of the Company to repurchase Old Shares up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company at the date of the Last Annual General Meeting (equivalent to the aggregate nominal amount of HK\$3,933,956.82 divided into 786,791,364 Old Shares with nominal value of HK\$0.005 each or equivalent to the aggregate nominal amount of HK\$314,716.54 divided into 31,471,654 Shares with nominal value of HK\$0.01 each immediately following the Capital Reorganisation becoming effective on 31 March 2009).

On 27 November 2008, the Company announced that it had entered into an agreement dated 26 November 2008 to issue and allot 1,572,600,000 Old Shares under the 2008 General Mandate to independent places pursuant to the Placing. As detailed in the Company's announcements dated 9 December 2008 and 12 December 2008, the Placing completed on 12 December 2009.

LETTER FROM THE BOARD

As the 2008 General Mandate granted to the Directors had almost been fully utilised after completion of the Placing, the 2008 General Mandate was refreshed and the Current General Mandate was approved and granted by the Independent Shareholders at the special general meeting held on 5 January 2009 to the Directors which enable the Directors to allot and issue Old Shares or Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at 5 January 2009 (equivalent to the then aggregate nominal amount of HK\$9,440,513.64 divided into 1,888,102,728 Old Shares with nominal value of HK\$0.005 each or equivalent to the aggregate nominal amount of HK\$755,241.09 divided into 75,524,109 Shares with nominal value of HK\$0.01 each immediately following the Capital Reorganisation becoming effective on 31 March 2009).

Although the Current General Mandate and the Current Repurchase Mandate had not been utilised as at the Latest Practicable Date, the total number of the issued share capital of the Company had been substantially increased to 2,265,723,270 Shares, immediately after the Capital Reorganisation becoming effective and the completion of the Open Offer. The Directors therefore proposed to seek the approval of the Independent Shareholders or the Shareholders at the SGM for the granting of the New General Mandate and the New Repurchase Mandate to maintain the financial flexibility necessary for the Group's future business development.

The New General Mandate would provide financial flexibility for the Group to conduct any equity financing exercise for future development of the Group should that be required, though no concrete investment and/or development plan has been identified at present. Repurchases of Shares under the New Repurchase Mandate would, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earning per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

The Company proposes to put the following ordinary resolutions to be considered at the SGM so as to seek approval of the Independent Shareholders or the Shareholders that:

- (i) the Directors be granted the New General Mandate to allot and issue Shares and other securities representing not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the SGM;
- (ii) the Directors be granted the New Repurchase Mandate to exercise the powers of the Company to repurchase the Shares up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the SGM; and
- (iii) the New General Mandate be extended to the Shares and other securities that are allowed to be repurchased by the Company since the grant of the New General Mandate.

As at the Latest Practicable Date, the total number of Shares in issue was 2,265,723,270 Shares with a nominal value of HK\$0.01 each. Upon passing the relevant resolutions at the SGM and assuming no further Shares are/will be issued and/or repurchased by the Company between the Latest Practicable Date and the date of the SGM, the New General Mandate (before taking into account any extension thereof by any repurchased Shares) would enable the Board to issue and allot Shares with an aggregate nominal amount of HK\$4,531,446.54 (representing 453,144,654

LETTER FROM THE BOARD

Shares with a nominal amount of HK\$0.01 each) and the New Repurchase Mandate would enable the Board to repurchase Shares on the Stock Exchange with an aggregate nominal amount of HK\$2,265,723.27 (representing 226,572,327 Shares with a nominal amount of HK\$0.01 each).

Since the Last Annual General Meeting, the Current Repurchase Mandate has not been refreshed.

At the SGM, upon the ordinary resolutions relating to the New General Mandate (including a separate ordinary resolution for the New General Mandate to be extended and added by the number of Shares, if any, repurchased by the Company since the grant of the New General Mandate) and the New Repurchase Mandate being approved by the Independent Shareholders and the Shareholders respectively, the Current General Mandate and the Current Repurchase Mandate will be revoked.

Pursuant to Rule 13.36(4) of the Listing Rules, the grant of the New General Mandate is subject to the approval of the Independent Shareholders by way of a poll at the SGM with the controlling Shareholders and their associates or, where there are no controlling Shareholders, Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates abstain from voting in favour. In this regard, Mr. Tang Ching Ho, an executive Director, and his associates, who in aggregate owned 574,691,264 Shares, representing approximately 25.36% of the existing issued share capital of the Company as at the Latest Practicable Date, shall abstain from voting in favour of the relevant resolution(s) to be proposed at the SGM to approve the grant of the New General Mandate and the extension thereof, where voting shall be taken by way of a poll.

Please also refer to the appendix to this circular which sets out the information required under Rule 10.06(1) of the Listing Rules relating to the ordinary resolution to be considered at the SGM to grant the New Repurchase Mandate.

INDEPENDENT ADVICE

The Independent Board Committee comprising Dr. Lee Peng Fei, Allen, Mr. Wong Chun, Justein, Mr. Siu Yim Kwan, Sidney and Mr. Siu Kam Chau, all of them being the independent non-executive Directors, has been formed to advise the Independent Shareholders, and Nuada has been appointed by the Company to advise the Independent Board Committee and the Independent Shareholders on the grant of the New General Mandate.

RECOMMENDATION

The Directors are of the opinion that the grant of the New General Mandate and the New Repurchase Mandate is in the interests of the Company and the Shareholders as a whole and the terms of which are fair and reasonable so far as the Shareholders are concerned. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolutions set out in the notice of the SGM contained herein.

LETTER FROM THE BOARD

In addition, your attention is drawn to the letter from the Independent Board Committee as set out on page 10 of this circular which contains its recommendation to the Independent Shareholders in relation to the grant of the New General Mandate, which was given after the Independent Board Committee has considered the advice of Nuada thereon. The letter from Nuada is set out on pages 11 to 17 of this circular containing the principal factors and reasons it has taken into consideration and its recommendation to the Independent Board Committee and the Independent Shareholders in relation to the grant of the New General Mandate.

SGM

A notice of the SGM is set out on pages 21 to 24 of this circular for the purpose of considering and, if thought fit, approving, among others, the grant of the New General Mandate and the New Repurchase Mandate. A form of proxy for use at the SGM is accompanied with this circular.

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

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility, for the accuracy of the information contained in this circular and confirm having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement in this circular misleading.

CONSENT

Nuada has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter set out therein and reference to its name in the form and context in which they appear respectively.

Yours faithfully,
For and on behalf of the Board
Chan Chun Hong, Thomas
Managing Director

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

The following is the text of a letter of recommendation from the Independent Board Committee to the Independent Shareholders in relation to the grant of the New General Mandate for the purpose of incorporation in this circular.



WANG ON GROUP LIMITED

(宏安集團有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1222)

8 June 2009

To the Independent Shareholders

Dear Sir or Madam,

PROPOSAL FOR REFRESHMENT OF THE GENERAL MANDATE

We refer to the circular of the Company dated 8 June 2009 (the “**Circular**”) of which this letter forms part. Unless the context specifies otherwise, capitalised terms used herein have the same meanings as defined in the Circular.

We have been appointed by the Board to advise the Independent Shareholders as to whether the grant of the New General Mandate is in the interests of the Company and the Shareholders as a whole and the terms of which are fair and reasonable so far as the Company and the Independent Shareholders are concerned. Nuada has been appointed as the independent financial adviser to advise us and you in this respect.

Having taken into account the principal reasons and factors considered by and the advice of Nuada as set out in its letter of advice to us and you on pages 11 to 17 of the Circular, we are of the opinion that the grant of the New General Mandate is in the interests of the Company and the Shareholders as a whole and the terms of which are fair and reasonable so far as the Company and the Independent Shareholders are concerned. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the SGM to approve the grant of the New General Mandate and the extension thereof.

Yours faithfully,

For and on behalf of the

Independent Board Committee

Lee Peng Fei, Allen

Wong Chun, Justein

Siu Yim Kwan, Sidney

Siu Kam Chau

Independent non-executive Directors

* *For identification purpose only*

LETTER FROM NUADA

The following is the text of the letter of advice to the Independent Board Committee and the Independent Shareholders from Nuada Limited dated 8 June 2009 in relation to the grant of the New General Mandate for the purpose of this circular.

Nuada Limited

Corporate Finance Advisory

7th Floor, New York House
60 Connaught Road Central
Hong Kong

8 June 2009

*To the Independent Board Committee and
the Independent Shareholders of
Wang On Group Limited*

Dear Sirs,

PROPOSAL REFRESHMENT OF GENERAL MANDATE TO ISSUE NEW SHARES

INTRODUCTION

We refer to the circular to the Shareholders dated 8 June 2009 (the “**Circular**”) issued by the Company in which this letter forms part and our appointment as independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the proposed grant of New General Mandate, details of which are set out in the letter from the Board (the “**Board’s Letter**”) contained in the Circular. Capitalised terms used in this letter shall have the same meanings ascribed to them in the Circular unless the context otherwise requires.

Pursuant to Rules 13.36(4) of the Listing Rules, the grant of the New General Mandate of the Company is subject to the approval of the Independent Shareholders by way of a poll at the SGM with the controlling shareholders of the Company and their associates or, where there are no controlling Shareholders, Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates abstain from voting in favour. In this regard, Mr. Tang Ching Ho (“**Mr. Tang**”), an executive Director, and his associates, who in aggregate held approximately 25.36% of the existing issued share capital of the Company as at the Latest Practicable Date. As such, Mr. Tang and his respective associates shall abstain from voting in favour of the relevant resolutions at the SGM. Save as disclosed, to the best of the Directors’ knowledge, information and belief and having made all reasonable inquiry, no other Directors beneficially hold any Shares as at the Latest Practicable Date.

The Independent Board Committee has been formed to advise the Independent Shareholders on whether the proposed grant of the New General Mandate is fair and reasonable so far as the Independent Shareholders are concerned and whether it is in the interests of the Company and the Shareholders as a whole.

LETTER FROM NUADA

BASIS OF OUR OPINION

In formulating our opinion, we have relied on the information, statements, opinions and representations supplied to us by the Company and the Directors and we have assumed that all such information, statements, opinions and representations contained or referred to in the Circular were true, accurate and complete at the time they were made and continue to be true at the date of the Circular, and we have relied on the same. We have also assumed that all statements of belief, opinion and intention of the Directors as set out in the Board's Letter were reasonably made after due and careful inquiry. We have also sought and obtained confirmation from the Company that no material facts have been omitted from the information provided and referred to in the Circular. We consider that we have been provided sufficient information to enable us to reach an informed view regarding the proposed grant of the New General Mandate, and to justify reliance on the accuracy of the information contained in the Circular so as to provide a reasonable basis of our opinions. We have no reason to suspect that any material facts or information (which is known to the Company) have been omitted or withheld from the information supplied or opinions expressed in the Circular nor to doubt the truth and accuracy of the information and facts, or the reasonableness of the opinions expressed by the Company and the Directors which have been provided to us. We have not, however, carried out any independent verification on the information provided to us by the Directors, nor have we conducted an independent in-depth investigation into the business and affairs of the Group.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the proposed grant of the New General Mandate, we have taken the following principal factors and reasons into consideration:

Background

At the Last Annual General Meeting, the Directors were granted, among other things, the 2008 General Mandate to allot and issue up to 1,573,582,728 Old Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the Last Annual General Meeting. As noted from the circular dated 28 July 2008 of the Company, as the previous general mandate to issue Shares granted to the Directors at the special general meeting of the Company held on 15 May 2008 would expire at the conclusion of the Last Annual General Meeting, the Directors proposed to seek the approval of the Shareholders for the grant of the 2008 General Mandate to facilitate future allotment and issue of Shares by the Directors on behalf of the Company.

The 2008 General Mandate had almost been fully utilised after completion of the Placing and was refreshed, and the Current General Mandate was approved and granted by the Shareholders at the special general meeting held on 5 January 2009 to the Directors which enable the Directors to allot and issue up to 1,888,102,728 Old Shares or 75,524,109 Shares (immediately following the Capital Reorganisation becoming effective on 31 March 2009) not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at 5 January 2009. The Current General Mandate is yet to be utilised. For details regarding the intended and actual use of proceeds from the Placing, please refer to the section headed "Equity fund raising activities in the past twelve months" below. As stated in the announcement dated 27 November 2008 of the Company, the Directors consider that the terms of the Placing are fair and reasonable based on the then market conditions and is in the interests of the Company and the Shareholders as a whole.

LETTER FROM NUADA

In May 2009, the Company completed the Open Offer of 1,132,861,635 Offer Shares on the basis of three Offer Shares for one Share held on the relevant record date with bonus issue of 755,241,090 Bonus Shares on the basis of two Bonus Shares for every three Offer Shares taken up under the Open Offer, details of which was set out in the announcements dated 13 February 2009 and 5 May 2009, the circular dated 3 March 2009, and the prospectus dated 9 April 2009 issued by the Company. The Offer Shares and the Bonus Shares in aggregate represent 5 times of the issued share capital of the Company of 377,620,545 Shares immediately before completion of the Open Offer and approximately 83.3% of the issued share capital of the Company as enlarged by the Open Offer. Upon completion of the Open Offer and as at the Latest Practicable Date, the Company had an issued share capital of 2,265,723,270 Shares. Given the substantial increase in the issued share capital of the Company as a result of the Open Offer, the Directors therefore propose to seek the approval of the Independent Shareholders at the SGM for the granting of the New General Mandate to maintain the financial flexibility necessary for the Group's future business development.

Subject to the passing of the ordinary resolutions for the approval of the New General Mandate and assuming that no Shares are issued and/or repurchased by the Company between the Latest Practicable Date and the date of the SGM, the Company would be allowed to allot and issue up to 453,144,654 Shares under the New General Mandate.

Reasons for the grant of the New General Mandate

As advised by the Company, the Directors consider that equity financing to be an important avenue of resources to the Group since it does not create any interest paying obligations on the Group. Notwithstanding that there is no immediate funding need for the Group's current operations and that there is currently no concrete proposal presented by potential investors for investment in Shares, the Board consider that the refreshment of the Current General Mandate is necessary so that should future funding needs arise or attractive terms for investment in Shares become available from potential investors, the Board will be able to respond to the market and such investment opportunities promptly. Accordingly, the Directors consider that the approval of the grant of the New General Mandate is in the best interests of the Company and the Shareholders as a whole. The Board proposes to grant the New General Mandate to the Directors not exceeding 20% of the issued share capital of the Company at the SGM.

Business development of the Group

The Group is principally engaged in development and management of agricultural by-products wholesaling business in Hong Kong, property investment, property development, management and sub-licensing of wet markets in the PRC and Hong Kong, management and sub-licensing shopping centers in Hong Kong. It also has interests in the pharmaceutical business through its investments in Wai Yuen Tong Medicine Holdings Limited, a company listed on the main board of the Stock Exchange. As stated in the interim report 2008 of the Company for the six months ended 30 September 2008, the Group will continue to search for attractive investment opportunities to ensure our Group's further long-term earnings. Given that, should any investment opportunities arise that would require the issuance of new Shares and a specific mandate has to be sought, the Directors are uncertain as to whether the requisite approval from Shareholders or Independent

LETTER FROM NUADA

Shareholders, as the case may be, could be obtained in a timely manner. In addition, the New General Mandate offers an opportunity for the Directors to capture a favourable equity market condition to raise funds by issuing new Shares. Notwithstanding the fact that the Group had no immediate funding need for its current operations and there is currently no concrete proposal presented by potential investors for investment in Shares, the Directors believe that the New General Mandate would offer the Group greater flexibility to capture investment opportunities which may arise at any time and require prompt investment decision by the Group given the substantial increase in the issued share capital of the Company as a result of the Open Offer. The Directors also consider that the New General Mandate would provide the Company with the maximum flexibility to raise additional capital for any future investment or as working capital of the Group if necessary.

In light of the substantial increase in the issued share capital of the Company as a result of the Open Offer and the business development of the Group as mentioned above, we are of the opinion that the New General Mandate would provide the Company with the greater flexibility essential for fulfilling any possible funding needs for future investment and business development decisions in a timely manner. As such, we are of the view that the grant of the New General Mandate will be in the interests of the Company and the Shareholders as a whole.

Other financing alternative

The Board considers equity financing to be an important avenue of resources for the Group since it does not create any interest paying obligations on the Group. In appropriate circumstances, the Group will also consider other financing methods such as debt financing or internal cash resources to fund its future investment and/or business development. While sufficient for its present requirements, there is no certainty that such cash resources will be adequate or other financing alternatives will be available for appropriate investment that may be identified by the Company in the future. In addition, debt financing may incur interest burden on the Group and it may subject to lengthy due diligence and negotiations with the banks with reference to the Group's financial position, capital structure and the financial market condition at that time. The Directors consider that equity financing such as issuance of new Shares may be an appropriate means to fund such investments and/or acquisitions and provide additional working capital for future development and expansion of the Group.

We consider that the proposed grant of the New General Mandate will provide the Company with an additional alternative and it is reasonable for the Company to have the flexibility in deciding the financing methods for its future development, including equity financing. As such, we are of the view that the proposed grant of the New General Mandate will be in the interest of the Company and the Shareholders as a whole.

LETTER FROM NUADA

EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

Set out below are the fund raising activities conducted by the Company in the past twelve months prior to the Latest Practicable Date.

Date of initial announcement	Description	Net proceeds (approximately)	Intended use of proceeds	Actual use of proceeds as at the Latest Practicable Date
27 November 2008	The Placing	HK\$33.24 million	approximately HK\$18.81 million for repayment of bank loans	Has been fully utilised as intended
			approximately HK\$14.43 million for general working capital	Has been fully utilised as intended
13 February 2009	The Open Offer	HK\$108.2 million	approximately HK\$60 million for acquisition of potential investment	Has been utilised as to approximately HK\$3.38 million for acquisition of investment properties
			the remaining balance for general working capital	Has been utilised as to approximately HK\$12.27 million for general working capital

Save for disclosed herein, the Company has not conducted any other equity fund raising activities in the past twelve months immediately preceding the Latest Practicable Date.

As stated in the above table, we note that the net proceeds from the Placing have been fully utilised, while the net proceeds from the Open Offer has been partially utilised as at the Latest Practicable Date. We consider it is prudent and reasonable for the Group to maintain a strong capital base while additional funding may be needed for investment and business expansion purposes from time to time. We are of the view that the New General Mandate could provide the Company with flexible financing option to raise additional capital for any future needs or as working capital of the Group and therefore is fair and reasonable.

LETTER FROM NUADA

POTENTIAL DILUTION TO SHAREHOLDING OF THE PUBLIC SHAREHOLDERS

Set out below is a table showing the shareholding structure of the Company as at the Latest Practicable Date, and, for illustrative purpose, the potential dilution effect upon full utilisation of the New General Mandate, assuming no other Shares are issued and/or repurchased by the Company prior to the date of the SGM:

Shareholders	As at the Latest Practicable Date		Upon full utilisation of the New General Mandate (assuming no other Shares are issued and/or repurchased by the Company from the Latest Practicable Date and up to the date of the SGM)	
	<i>No. of Shares</i>	<i>Shareholding % (approximately)</i>	<i>No. of Shares</i>	<i>Shareholding % (approximately)</i>
Mr. Tang and his associates (<i>Note</i>)	574,691,264	25.36	574,691,264	21.14
Public Shareholders	1,691,032,006	74.64	1,691,032,006	62.19
Shares to be issued under the New General Mandate	–	–	453,144,654	16.67
Total	2,265,723,270	100.00	2,718,867,924	100.00

Note: The above 547,691,264 Shares include (a) 3,892,548 Shares held by Mr. Tang; (b) 3,892,542 Shares held by Ms. Yau Yuk Yin (“Ms. Yau”), an executive Director and the spouse of Mr. Tang; (c) 14,238,426 Shares held by Caister Limited, a company wholly and beneficially owned by Mr. Tang; and (d) 552,667,748 Shares held by Accord Power Limited, which is wholly owned by Trustcorp Limited in its capacity as the trustee of Tang’s Family Trust, a discretionary trust of which Mr. Tang was the founder and Ms. Yau is a beneficiary.

As illustrated in the table above, the aggregate shareholding of the existing public Shareholders will decrease from approximately 74.64% as at the Latest Practicable Date to approximately 62.19% upon full utilisation of the New General Mandate, assuming no other Shares are issued and/or repurchased by the Company prior to the date of the SGM.

Taking into account the benefits of the New General Mandate as discussed above and the fact that the shareholdings of all Shareholders will be diluted proportionately, we consider such dilution or potential dilution effect of shareholdings of the Shareholders to be acceptable.

LETTER FROM NUADA

RECOMMENDATIONS

Having considered the above principal factors and reasons, we are of the view that the proposed grant of the New General Mandate is fair and reasonable and in the interest of the Company and the Shareholders as a whole. Accordingly, we would recommend the Independent Shareholders and advise the Independent Board Committee to recommend to the Independent Shareholders to vote in favour of the relevant resolution to be proposed at the SGM.

For and on behalf of
Nuada Limited
Po Chan
Executive Director

This appendix serves as an explanatory statement as required by the Listing Rules to provide the requisite information to you for your consideration of the New Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company was HK\$22,657,232.70 comprising 2,265,723,270 Shares with a nominal value of HK\$0.01 each and 48,743,569 outstanding Share Options. If the outstanding Share Options were exercised in full on or prior to the date of the SGM, a further 48,743,569 Shares would be in issue.

Subject to the passing of the relevant ordinary resolutions as set out in the notice of the SGM, assuming no further Shares are/will be issued and/or repurchased by the Company between the Latest Practicable Date and the date of the SGM, the Directors will be authorised to repurchase Shares with an aggregate nominal amount up to HK\$2,265,723.27 (representing 226,572,327 Shares with a nominal value of HK\$0.01 each) pursuant to the New Repurchase Mandate. Assuming that (i) all outstanding Share Options are exercised in full on or before the date of the SGM; and (ii) no further Shares are/will be issued and/or repurchased by the Company, the total number of Shares in issue will be 2,314,466,839 Shares and the Directors will be authorised to repurchase Shares with an aggregate nominal amount up to HK\$2,314,466.83 (representing 231,446,683 Shares with a nominal value of HK\$0.01 each).

2. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders to have a general authority from the Shareholders to enable the Directors to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and/or its assets or its earnings per Share and will only be made when the Directors believe that such purchases will benefit the Company and the Shareholders as a whole.

3. FUNDING OF REPURCHASES

The Company must fund the repurchase entirely from the Company's available cash flow or working capital facilities legally available for such purpose in accordance with its memorandum of association, the Bye-laws and the laws of Bermuda.

It is not expected that the exercise of the New Repurchase Mandate would have a material adverse effect on the working capital or the gearing level of the Group.

4. DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, have any present intention, in the event that the New Repurchase Mandate is approved by the Shareholders at the SGM, to sell Shares to the Company under the New Repurchase Mandate.

No connected persons (as defined in the Listing Rules) has notified the Company that he has a present intention to sell any Shares to the Company, or that he has undertaken not to sell any Shares held by him to the Company, in the event that the New Repurchase Mandate is granted by the Shareholders at the SGM.

5. SHARE PURCHASE MADE BY THE COMPANY

The Company has not purchased any of the Old Shares and/or Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

6. DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that they will exercise the powers of the Company pursuant to the New Repurchase Mandate in accordance with the Listing Rules, the memorandum of association of the Company, the Bye-laws and the applicable laws of Bermuda so far as the same may be applicable.

7. EFFECT OF THE TAKEOVERS CODE

If, on the exercise of the power to repurchase Shares pursuant to the New Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert (as defined in the Takeovers Code), depending on the level of such increase, could obtain or consolidate control of the Company and may become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date and to the best knowledge and belief of the Directors, Mr. Tang Ching Ho, the chairman of the Company, and parties acting in concert with him were interested or deemed to be interested in approximately 25.36% of the existing issued share capital of the Company. In the event that the Directors should exercise the power to repurchase Shares under the New Repurchase Mandate in full, the shareholding of Mr. Tang Ching Ho and parties acting in concert with him would be increased to approximately 28.18% of the issued share capital of the Company.

The Directors are not aware of any consequence which may arise under the Takeovers Code as a result of any purchases to be made under the New Repurchase Mandate.

The Directors have no present intention to exercise the power to repurchase Shares to the extent that the aggregate amount of the share capital of the Company in public hands would be reduced to less than 25%.

8. SHARE PRICES

The highest and lowest prices at which the Old Shares and/or the Shares have traded on the Stock Exchange in each of the last twelve months are as follows:

Month	Per Old Shares/Shares	
	Highest HK\$	Lowest HK\$
2008		
June	0.3960A	0.2960A
July	0.3750A	0.2710A
August	0.3250A	0.2710A
September	0.2830A	0.1880A
October	0.2130A	0.1290A
November	0.1750A	0.1460A
December	0.2040A	0.1420A
2009		
January	0.1710A	0.1380A
February	0.1500A	0.1170A
March	0.1290A	0.1120A
April	0.2080	0.1150
May	0.1890	0.1320
June (up to the Latest Practicable Date)	0.2020	0.1640

A: *Adjusted for the Capital Reorganisation involving the share consolidation and the effect of the Open Offer.*



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 the special general meeting of Wang On Group Limited (宏安集團有限公司)* (the “**Company**”) will be held at 40/F., Bank of China Tower, 1 Garden Road, Central, Hong Kong on Wednesday, 24 June 2009 at 3:00 p.m. for the purpose of considering and, if thought fit, passing the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

(1) “**THAT:**

- (a) the general mandate granted to the directors of the Company (the “**Directors**”) to exercise the powers of the Company to allot, issue and otherwise deal with the shares in the capital of the Company (the “**Shares**”) and to make or grant offers, agreements and options, as approved by the shareholders of the Company at the special general meeting held on 5 January 2009, to the extent not already exercised be and is hereby revoked (but without prejudice to any valid exercise of such general mandate prior to the passing of this resolution);
- (b) subject to paragraph (d) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue, grant, distribute and deal with additional Shares, and to make, issue or grant offers, agreements and options (including bonds, warrants and debentures convertible into Shares) which would or might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (c) the approval in paragraph (b) above shall be in addition to any other authorisations given to the Directors and shall authorise the Directors during the Relevant Period to make, issue or grant offers, agreements and options (including bonds, warrants and debentures convertible into Shares) which might require the exercise of such powers after the end of the Relevant Period;

* *For identification purpose only*

NOTICE OF THE SGM

- (d) the aggregate nominal amount of the share capital allotted, issued, granted, distributed or otherwise dealt with or agreed conditionally or unconditionally to be allotted, granted, distributed or otherwise dealt with (whether pursuant to an option, a conversion or otherwise) by the Directors pursuant to the approval in paragraph (b) above, otherwise than pursuant to:
- (i) a Rights Issue (as hereinafter defined);
 - (ii) the exercise of rights subscription or conversion under terms of any warrants issued by the Company or any securities which are convertible into Shares;
 - (iii) the exercise of any option under the share option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of Shares or rights to acquire Shares; and
 - (iv) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on the Shares in accordance with the bye-laws of the Company in force from time to time,

shall not exceed the aggregate of (aa) 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution; and (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the aggregate nominal amount of the share capital of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of such resolution), the said approval shall be limited accordingly; and

- (e) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by Bermuda law or the Company’s bye-laws to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

NOTICE OF THE SGM

“Rights Issue” means the allotment, issue or grant of Shares pursuant to an offer of Shares open for a period fixed by the Directors to holders of Shares or any class thereof on the register of members on a fixed record date in proportion to their then holdings of such Shares or class thereof (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, any recognised regulatory body or stock exchange in any territory outside Hong Kong).”

(2) **“THAT:**

- (a) the general mandate granted to the Directors to exercise the powers of the Company to repurchase Shares as approved by the shareholders of the Company at the annual general meeting held on 27 August 2008, to the extent not already exercised be and is hereby revoked (but without prejudice to any valid exercise of such general mandate prior to the passing of this resolution);
- (b) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase Shares be and is hereby generally and unconditionally approved;
- (c) the aggregate nominal amount of the Shares which may be repurchased or agreed to be repurchased by the Company pursuant to the approval in paragraph (b) above shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution, and the said approval shall be limited accordingly; and
- (d) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the laws of Bermuda or the Company’s bye-laws to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

- (3) **“THAT** conditional upon the passing of the resolutions numbered (1) and (2) above, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue, grant, distribute and otherwise deal with additional Shares pursuant to the resolution numbered (1) above be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted,

NOTICE OF THE SGM

issued, granted, distributed and otherwise dealt with or agreed conditionally or unconditionally to be allotted, issued, granted and distributed by the Directors pursuant to such general mandate an amount representing the aggregate nominal amount of the share capital of the Company repurchased or agreed to be repurchased by the Company pursuant to resolution numbered (2) above since the granting of the general mandate pursuant to resolution numbered (1) above, provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution.”

By Order of the Board
Wang On Group Limited
(宏安集團有限公司)*
Mak Yuen Ming, Anita
Company Secretary

Hong Kong, 8 June 2009

Notes:

- (1) A member entitled to attend and vote at the special general meeting convened by the above notice is entitled to appoint one or more than one proxy to attend and to vote in his stead. A proxy need not be a member of the Company.
- (2) 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 notarially certified copy of such power or authority, must be deposited at the Company’s branch share registrar in Hong Kong, Tricor Tengis Limited, 26/F., Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong, as soon as possible and in any event not later than 48 hours before the time for holding of the special general meeting or any adjournment thereof (as the case may be).
- (3) Completion and delivery of the form of proxy will not preclude members from attending and voting at the special general meeting or any adjournment thereof (as the case may be) if they so wish.
- (4) All resolutions set out in this notice will be voted by way of a poll and resolutions numbered 1 and 3 will be voted by the independent shareholders of the Company.

* For identification purpose only