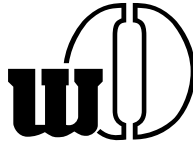


## IMPORTANT

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 stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant, or other professional adviser.

If you have sold or transferred all your shares in Wang On Group Limited, you should at once hand this circular to the purchaser or transferee, or to the bank, licensed dealer or other agent through whom the sale or the transfer was effected for transmission to the purchaser or transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, 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 circular.



**WANG ON GROUP LIMITED**

**( 宏 安 集 團 有 限 公 司 )\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1222)**

## DISCLOSEABLE TRANSACTION

### INJECTION OF CAPITAL IN XUZHOU YUAN YANG TRADING DEVELOPMENT COMPANY LIMITED<sup>#</sup>

<sup>#</sup> Denotes English translation of a Chinese company or entity or address and is provided for identification purposes only.

\* For identification purpose only

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## DEFINITIONS

*In this circular, unless the context otherwise requires, the following terms shall have the following meanings:*

“associate”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of directors of the Company
“Capital Injection”	the capital injection of RMB35,700,000 of which RMB31,220,000 will be contributed to the registered capital and RMB4,480,000 will be contributed to the capital reserves of Yuan Yang
“Chinese Mu”	approximately 666.67 square metres per one Chinese Mu
“Company”	Wang On Group Limited, a company incorporated in Bermuda and the shares of which are listed on the Stock Exchange
“connected person”	has the meaning ascribed thereto in the Listing Rules
“Directors”	the directors of the Company
“Existing Shareholders”	Xuzhou Cooperative, Shanghai Logistic and Mr. Li
“Fully Wealth”	Fully Wealth Investment Limited (卓利投資有限公司), a company incorporated in Hong Kong with limited liability and is an indirect wholly-owned subsidiary of the Company
“Group”	the Company together with its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“km”	kilometer(s)
“Latest Practicable Date”	13 February, 2007, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

## DEFINITIONS

“Mr. Li”	李文舉, a shareholder interested in 16.67% of the registered capital of Yuan Yang as at the Latest Practicable Date
“PRC”	the People’s Republic of China, which for the purposes of this circular only, excludes Hong Kong, Macau and Taiwan
“RMB”	Renminbi yuan, the lawful currency of the PRC
“Shanghai Logistic”	上海艾涕西國際物流有限公司, (Shanghai Ai Ti Xi International Logistic Company Limited) <sup>#</sup> , a limited liability company incorporated in the PRC which is principally engaged in the provision of logistic services and a shareholder interested in 40% of the registered capital of Yuan Yang as at the Latest Practicable Date
“Shareholder Agreement”	a shareholder agreement (in Chinese) dated 26 January, 2007 in relation to the Capital Injection entered into between Fully Wealth, Xuzhou Cooperative, Shanghai Logistic, Mr. Li and Xuzhou Agricultural
“Shareholders”	holders of the Shares
“Shares”	shares of nominal value HK\$0.10 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Working Days”	a day (other than Saturday) on which banks are open for business in Hong Kong
“Xuzhou Agricultural”	徐州黃淮農副產品有限責任公司 (Xuzhou Huang Huai Agricultural By-Products Company Limited) <sup>#</sup> , a limited liability company incorporated in the PRC and the former operator of 徐州農副產品中心批發市場 (Centre for Xuzhou Agricultural By-Products Wholesaling Market) <sup>#</sup> , principally engaged in the management of agricultural by-products wholesale market
“Xuzhou Cooperative”	徐州市供銷合作總社 (Xuzhou Supply & Sale Cooperative) <sup>#</sup> , an entity established in the PRC which is principally engaged in the provision of integrated services for agricultural development and a shareholder interested in 43.33% of the registered capital of Yuan Yang as at the Latest Practicable Date

## DEFINITIONS

“Yuan Yang”

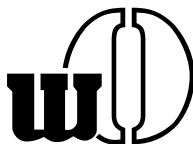
徐州源洋商貿發展有限公司 (Xuzhou Yuan Yang Trading Development Company Limited)<sup>#</sup>, a limited liability company incorporated in the PRC and its registered share capital is owned as to 43.33% by Xuzhou Cooperative, 40% by Shanghai Logistic and 16.67% by Mr. Li as at the Latest Practicable Date

“%”

per cent

*In this circular, RMB are converted into HK\$ on the basis of HK\$1 = RMB1.0067 for illustrative purpose.*

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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)**

*Executive Directors:*

Mr. Tang Ching Ho (*Chairman*)

Ms. Yau Yuk Yin (*Deputy Chairman*)

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

*Independent Non-executive Directors:*

Dr. Lee Peng Fei, Allen, CBE, JP

Mr. Wong Chun, Justein, MBE, JP

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

Mr. Siu Kam Chau

*Registered Office:*

Clarendon House

2 Church Street

41 Cedar Avenue

Hamilton HM 11

Bermuda

*Head office and principal*

*place of business:*

5th Floor

Wai Yuen Tong Medicine Building

9 Wang Kwong Road

Kowloon Bay

Kowloon

Hong Kong

15 February, 2007

*To the Shareholders*

Dear Sir or Madam,

**DISCLOSEABLE TRANSACTION**

**INJECTION OF CAPITAL IN XUZHOU YUAN YANG  
TRADING DEVELOPMENT COMPANY LIMITED#**

**INTRODUCTION**

The Board announced on 29 January, 2007 that, Fully Wealth, an indirect wholly-owned subsidiary of the Company, entered into the Shareholder Agreement on 26 January, 2007 with Xuzhou Cooperative, Shanghai Logistic, Mr. Li, Yuan Yang and Xuzhou Agricultural pursuant to which Fully Wealth conditionally agreed to inject capital in an aggregate of RMB35,700,000 (equivalent to approximately HK\$35,462,000) in cash to Yuan Yang as to RMB31,220,000 (equivalent to approximately HK\$31,012,000) as registered capital of Yuan Yang and RMB4,480,000 (equivalent to approximately HK\$4,450,000) as contribution to the capital reserves of Yuan Yang.

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## LETTER FROM THE BOARD

Upon completion of the Capital Injection, each of Fully Wealth, Xuzhou Cooperative, Shanghai Logistic and Mr. Li will be interested in 51%, 21.23%, 19.6% and 8.17% of the enlarged registered capital of Yuan Yang respectively and Yuan Yang will be converted from a PRC domestic company into a Sino-foreign equity joint venture and will become an indirect non-wholly-owned subsidiary of the Company. The Board considered that the Shareholder Agreement was entered into on the normal commercial terms and in the interests of the Company and the Shareholders as a whole.

The Capital Injection constitutes a discloseable transaction for the Company under Rule 14.06(2) of the Listing Rules.

The purpose of this circular is to provide you with further information in relation to the Shareholder Agreement. The details of the Shareholder Agreement are set out below.

### THE SHAREHOLDER AGREEMENT

#### Date

26 January, 2007

#### Parties involved

- (a) Fully Wealth
- (b) Xuzhou Cooperative
- (c) Shanghai Logistic
- (d) Mr. Li
- (e) Yuan Yang
- (f) Xuzhou Agricultural

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, each of Xuzhou Cooperative, Shanghai Logistic, Mr. Li and Xuzhou Agricultural and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined under the Listing Rules).

#### Capital Injection

Pursuant to the Shareholder Agreement, each of Xuzhou Cooperative, Shanghai Logistic and Mr. Li agreed that the registered capital of Yuan Yang be increased from RMB30,000,000 (equivalent to approximately HK\$29,800,000) to RMB61,220,000 (equivalent to approximately HK\$60,812,000) by the injection of RMB31,220,000 (equivalent to approximately HK\$31,012,000) in cash to its registered capital by Fully Wealth. Fully Wealth will contribute a further RMB4,480,000 (equivalent to approximately HK\$4,450,000) in cash to the capital reserves of Yuan Yang.

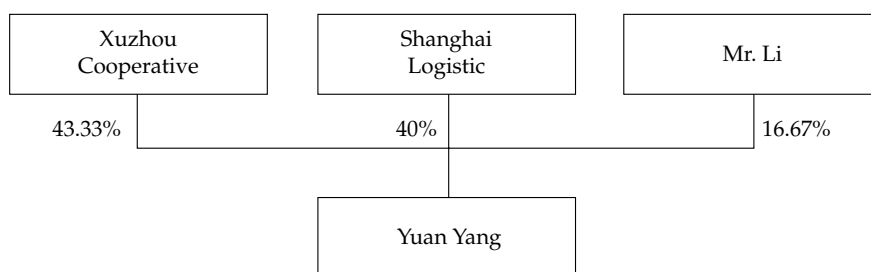
## LETTER FROM THE BOARD

Pursuant to the Shareholder Agreement, Fully Wealth has agreed to procure Yuan Yang to issue cash dividend of RMB1,000,000 (equivalent to approximately HK\$993,300) to Xuzhou Cooperative for Yuan Yang's financial year of 2007, and cash dividend of RMB1,500,000 (equivalent to approximately HK\$1,490,000) to Xuzhou Cooperative for each of Yuan Yang's financial years of 2008 and 2009. Yuan Yang shall provide a loan in the amount of the shortfall to Xuzhou Cooperative in the event that the dividend attributable to Xuzhou Cooperative is less than the cash dividend of RMB1,000,000 (equivalent to approximately HK\$993,300) to Xuzhou Cooperative for Yuan Yang's financial year of 2007, and cash dividend of RMB1,500,000 (equivalent to approximately HK\$1,490,000) to Xuzhou Cooperative for each of Yuan Yang's financial years of 2008 and 2009 and Xuzhou Cooperative is allowed to offset such loan by the future dividend portion after deduction of RMB1,500,000 (equivalent to approximately HK\$1,490,000) issued by Yuan Yang to Xuzhou Cooperative.

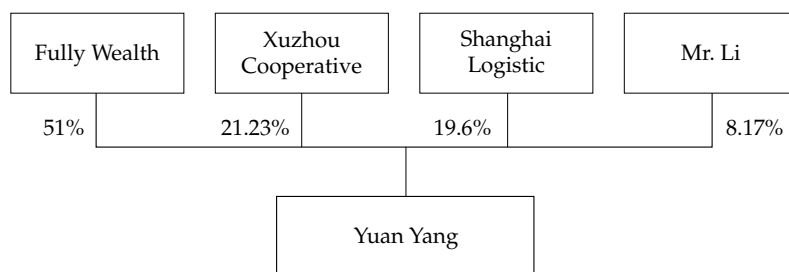
### Shareholdings of Yuan Yang

The following corporate charts illustrate the respective shareholdings of Yuan Yang before and immediately after completion of the Capital Injection:

Before completion of the Capital Injection:



Immediately after completion of the Capital Injection:



Upon completion of the Capital Injection, Yuan Yang will be converted from a PRC domestic company into a Sino-foreign equity joint venture.

### Consideration for the Capital Injection

The total amount of the Capital Injection is RMB35,700,000 (equivalent to approximately HK\$35,462,000) of which RMB31,220,000 (equivalent to approximately HK\$31,012,000) will be contributed to the registered capital of Yuan Yang and RMB4,480,000

## LETTER FROM THE BOARD

(equivalent to approximately HK\$4,450,000) will be contributed to the capital reserves of Yuan Yang. The amount of the Capital Injection was determined after arm's length negotiations between the parties involved with reference to the enlarged registered capital of Yuan Yang under the Capital Injection. The Board considered that the Shareholder Agreement was entered into on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

### **Payment terms**

Pursuant to the Shareholder Agreement, the total amount of the Capital Injection of RMB35,700,000 (equivalent to approximately HK\$35,462,000) will be paid in cash in the following manner:

- (a) a sum of RMB20,000,000 (equivalent to approximately HK\$19,867,000) will be paid as first instalment within fourteen Working Days upon fulfillment of the conditions precedent of the Shareholder Agreement contained therein; and
- (b) the remaining balance of RMB15,700,000 (equivalent to approximately HK\$15,595,000) will be paid within six months upon fulfillment of the conditions precedent of the Shareholder Agreement contained therein.

The Board intends to finance the Capital Injection by the Group's internal resources.

### **Conditions precedent**

The Shareholder Agreement is conditional upon, among other things, all of the conditions precedent contained therein being fulfilled on or before 30 June, 2007 (or such later date as Fully Wealth may agree for extension), or unless otherwise waived by Fully Wealth. The following is a summary of the conditions precedent contained in the Shareholder Agreement:

- (a) written resolutions being passed by the board of directors and the shareholders' meeting of Yuan Yang for the approval of the Shareholder Agreement, the conversion of Yuan Yang from a PRC domestic company into a Sino-foreign equity joint venture, the Sino-foreign equity joint venture agreement and articles of association of Yuan Yang, the appointment of certain individuals nominated by Fully Wealth to be the directors and legal representative of Yuan Yang;
- (b) the delivery of all necessary certified permissions and approvals in respect of the registration of the change of shareholding structure of Yuan Yang, the conversion of Yuan Yang from a PRC domestic company into a Sino-foreign equity joint venture, and the Sino-foreign equity joint venture agreement and articles of association of Yuan Yang being obtained from the Ministry of Commerce of the PRC and the relevant PRC governmental authorities to Fully Wealth;

## LETTER FROM THE BOARD

- (c) evidence being provided by Yuan Yang that an application regarding the transfer of the land use right of a parcel of land with an area of approximately 28.9 Chinese Mu which currently owned by Xuzhou Agricultural ("Land A") has been filed to the relevant PRC land resources administration authorities;
- (d) evidence being provided by the Existing Shareholders and Yuan Yang that all necessary consents and approvals being obtained from Xuzhou City Government and the relevant land resources administration authorities in Xuzhou regarding the transfer of the land use right of a parcel of land with an area of approximately 236 Chinese Mu ("Land B") to Yuan Yang;
- (e) a confirmation being provided by Xuzhou Agricultural that Yuan Yang will be able to continue to use Land B until the obtaining of the respective land use rights from the relevant PRC land resources administration authorities; and
- (f) evidence being provided by Yuan Yang that there has a total of 249 tenants in the agricultural by-products wholesaling market that Yuan Yang has been operating (namely 徐州農副產品中心批發市場 (Centre for Xuzhou Agricultural By-Products Wholesaling Market)<sup>#</sup>) which located in Xuzhou, the PRC as at 31 December, 2006.

### **Termination and refund of payment**

Fully Wealth is entitled to terminate the Shareholder Agreement and refund of payment upon occurrence of, among other things, the following events:

- in the event that Xuzhou Agricultural and Yuan Yang fail to obtain the ownership of the land use right for Land A in accordance with the terms of the Shareholder Agreement from the relevant PRC land resources administration authorities on or before 31 October, 2007 (or unless otherwise waived by Fully Wealth), Fully Wealth shall be entitled to terminate the Shareholder Agreement and Yuan Yang shall unconditionally refund all monies paid by Fully Wealth together with the interest calculated at the prevail People's Bank of China lending rate plus 2% per annum within twelve months from the date of termination of the Shareholder Agreement; or
- in the event that Yuan Yang fails to enter into an agreement with the relevant land resources administration authorities in Xuzhou regarding the transfer of the land use right of Land B on or before 31 October, 2007, Fully Wealth shall be entitled to terminate the Shareholder Agreement on or before 31 December, 2007. Yuan Yang will be required to apply with the relevant PRC authorities for the reduction of its registered capital within one month after the date of termination of the Shareholder Agreement as notified by Fully Wealth and Yuan Yang shall unconditionally refund all monies paid by Fully Wealth within twelve months from the date of termination of the Shareholder Agreement.

## LETTER FROM THE BOARD

### INFORMATION ON YUAN YANG

Yuan Yang is a company incorporated in the PRC with limited liability on 21 July, 2006 with fully paid-up registered capital of RMB30,000,000 (equivalent to approximately HK\$29,800,000). Yuan Yang is principally engaged in the operation and management of agricultural by-products wholesaling marketplace and related facilities, and rental of properties. Upon completion of the Shareholder Agreement, the registered capital of Yuan Yang will be RMB61,220,000 (equivalent to approximately HK\$60,812,000).

As at 31 October, 2006, based on Yuan Yang's unaudited management accounts, Yuan Yang recorded a net asset value of approximately RMB29,970,000 (equivalent to approximately HK\$29,770,000). Based on Yuan Yang's unaudited management accounts for the period commencing from 21 July, 2006 to 31 October, 2006, Yuan Yang recorded (i) a turnover of approximately RMB4,250,000 (equivalent to approximately HK\$4,220,000); and (ii) an unaudited net loss of approximately RMB58,000 (equivalent to approximately HK\$57,600). Pursuant to the Shareholder Agreement, the board of directors of Yuan Yang will comprise nine directors, five of whom will be appointed by Fully Wealth and the remaining directors will be appointed by the Existing Shareholders. The chairman and the legal representative will be appointed by Fully Wealth.

Upon completion of the Shareholder Agreement, Yuan Yang will become an indirect non-wholly-owned subsidiary of the Company.

### REASONS FOR AND THE BENEFITS OF THE CAPITAL INJECTION

The Group is principally engaged in property development, property investment, management and sublicensing of wet markets, shopping centres, car parks and retail business 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 Stock Exchange.

The Group is one of the leading wet markets operators in Hong Kong. Reference is made to the Company's circular dated 29 December, 2006 in relation to the formation of a joint venture company in the PRC, the Group has started to expand its business scope to the development and management of agricultural by-products wholesaling marketplace in the PRC. The Board considered that investment in Yuan Yang is the first entry point in the northern part of Eastern China. Besides, there is no similar scale market place in nearby regions (200 km from the existing site). There is also much room of improvement and expansion for the operation of the existing marketplace. By leveraging the knowledge and experience gained from managing wet markets in Hong Kong, the Group can benefit from gaining more experience in managing the operation of the market place in the PRC and get prepared for the future expansion in the PRC market.

The Directors (including the independent non-executive Directors) consider that the terms and conditions of the Shareholder Agreement are fair and reasonable and in the interest of the Company and its shareholders as a whole.

## LETTER FROM THE BOARD

### FINANCIAL EFFECT ON THE CAPITAL INJECTION

Pursuant to the Shareholder Agreement, the Group is required to contribute cash of RMB35,700,000 (equivalent to approximately HK\$35,462,000) to Yuan Yang.

Save for the cash payment of RMB35,700,000 (equivalent to approximately HK\$35,462,000) within six months upon fulfillment of the conditions precedent of the Shareholder Agreement contained therein, there will be no material effect of the Capital Injection on the assets and liabilities of the Group. Although Yuan Yang has incurred a slightly unaudited net loss approximately to RMB58,000 (equivalent to approximately HK\$57,600) from 21 July, 2006 (date of commencement) to 31 October, 2006, the Directors are of the view that through the improvement of the management in Yuan Yang and expansion of market shares in agricultural by-products wholesaling market place in the PRC, the earning capability of Yuan Yang and the Company will be further strengthened in the future.

Upon completion of the Shareholder Agreement, Yuan Yang will become an indirect non-wholly-owned subsidiary of the Group and the results of Yuan Yang will be consolidated into the Group's financial statements.

### General

Your attention is also drawn to the additional information set out in the appendix to this circular.

Yours faithfully,  
For and on behalf of  
**Wang On Group Limited**  
**Chan Chun Hong, Thomas**  
*Managing Director*

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## 1. RESPONSIBILITY STATEMENT

This circular includes particulars given in the 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 herein misleading.

## 2. DISCLOSURE OF INTERESTS

### (a) Interests of Directors

As at the Latest Practicable Date, the interests and short positions of each Director or chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporation(s) (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, to be notified to the Company and the Stock Exchange, were as follows:

#### *Long position in Shares*

Name of Director	Number of shares held, capacity and nature of interest				Total	Percentage of the Company's issued share capital*
	Personal interest	Family interest	Corporate interest	Other interest		
Mr. Tang Ching Ho	810,948	810,946 <i>(Note (a))</i>	2,966,339 <i>(Note (b))</i>	53,126,970 <i>(Note (c))</i>	57,715,203	25.13%
Ms. Yau Yuk Yin	810,946	3,777,287 <i>(Note (d))</i>	–	53,126,970 <i>(Note (e))</i>	57,715,203	25.13%

\* To the best of the knowledge of the Directors, the issued share capital of the Company as at the Latest Practicable Date was 229,678,882.

#### *Notes:*

- (a) Mr. Tang Ching Ho was taken to be interested in those shares in which his spouse, Ms. Yau Yuk Yin, was interested.
- (b) Mr. Tang Ching Ho was taken to be interested in those shares in which Caister Limited, a company which is wholly and beneficially owned by him, was interested.
- (c) Mr. Tang Ching Ho 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 Yuk Yin was taken to be interested in those shares in which her spouse, Mr. Tang Ching Ho, was interested.
- (e) Ms. Yau Yuk Yin was taken to be interested in those shares by virtue of being a beneficiary of Tang's Family Trust.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporation(s) (within the meaning of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interests and short positions which he was taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, to be notified to the Company and the Stock Exchange.

**(b) Persons who have an interest or short position in the shares or underlying shares of the Company which is discloseable under Divisions 2 and 3 of Part XV of the SFO and substantial shareholders**

As at the Latest Practicable Date, so far as is known to the Directors, the following persons (not being a Director or chief executive of the Company) had, or were deemed or taken to have interests or short positions in the shares or underlying shares of the Company 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 or, who were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or had any option in respect of such capital:

Name	Number of shares	Percentage of the Company's issued share capital*
Accord Power Limited	53,126,970 (L)	23.13%
Trustcorp Limited ( <i>Note (a)</i> )	53,126,970 (L)	23.13%
Newcorp Ltd. ( <i>Note (b)</i> )	53,126,970 (L)	23.13%
Newcorp Holdings Ltd. ( <i>Note (c)</i> )	53,126,970 (L)	23.13%
Mr. David Henry Christopher Hill ( <i>Note (d)</i> )	53,126,970 (L)	23.13%
Ms. Rebecca Ann Hill ( <i>Note (e)</i> )	53,126,970 (L)	23.13%
Mr. David William Roberts ( <i>Note (f)</i> )	53,126,970 (L)	23.13%

*L: Long position*

\* To the best of the knowledge of the Directors, the issued share capital of the Company as at the Latest Practicable Date was 229,678,882.

*Notes:*

- (a) Accord Power Limited is wholly-owned by Trustcorp Limited in its capacity as the trustee of Tang's Family Trust; accordingly, Trustcorp Limited was taken to be interested in those shares held by Accord Power Limited.
- (b) Trustcorp Limited is a wholly-owned subsidiary of Newcorp Ltd.; accordingly, Newcorp Ltd. was taken to be interested in those shares in which Trustcorp Limited was interested.
- (c) Newcorp Ltd. is a wholly-owned subsidiary of Newcorp Holdings Ltd.; accordingly, Newcorp Holdings Ltd. was taken to be interested in those shares in which Newcorp Ltd. was interested.
- (d) Mr. David Henry Christopher Hill owned 35% interest in the issued shares capital of Newcorp Holdings Ltd. and was therefore taken to be interested in the shares in which Newcorp Holdings Ltd. was interested.
- (e) Ms. Rebecca Ann Hill is the spouse of Mr. David Henry Christopher Hill and was therefore taken to be interested in the shares in which Mr. David Henry Christopher Hill was interested.
- (f) Mr. David William Roberts owned 35% interest in the issued share capital of Newcorp Holdings Ltd. and was therefore taken to be interested in the shares in which Newcorp Holdings Ltd. was interested.

Save as disclosed above, according to the register of interests kept by the Company under section 336 of the SFO and so far as is known to the Directors, as at the Latest Practicable Date, no other person (not being a Director or chief executive of the Company) had any interest or short position in shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or held any option in respect of such capital.

### 3. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened by or against any member of the Group.

### 4. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with the Company or any other member of the Group (excluding contracts expiring or determinable by the Company within one year without payment of compensation other than statutory compensation).

**5. COMPETING INTERESTS**

As at the Latest Practicable Date, so far as the Directors are aware, none of the Directors or their respective associates had any interest in a business which competes or may compete with the business of the Group, or have or may have any other conflicts of interest with the Group pursuant to Rule 8.10 of the Listing Rules.

**6. GENERAL**

- (a) The qualified accountant of the Company is Mr. Leong Weng Kin, CPA.
- (b) The company secretary of the Company is Mr. Chan Chun Hong, Thomas. He is a fellow member of The Association of Chartered Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants.
- (c) The branch share registrar of the company in Hong Kong is Tengis Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.
- (d) The English text of this circular shall prevail over the Chinese text in the case of inconsistency.