



WANG ON GROUP LIMITED

(宏安集團有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1222)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2008

INTERIM RESULTS

The board of directors (the “Board”) of Wang On Group Limited (the “Company”) is pleased to announce the unaudited condensed consolidated results of the Company, its subsidiaries and its jointly-controlled entities (collectively referred to as the “Group”) for the six months ended 30 September 2008, together with the comparative figures for the corresponding period in 2007. These interim condensed consolidated financial statements were not audited, but have been reviewed by the Company’s audit committee.

CONSOLIDATED INCOME STATEMENT

For the six months ended 30 September 2008

		For the six months ended	
		30 September	
		2008	2007
		(Unaudited)	(Unaudited)
	<i>Notes</i>	HK\$'000	HK\$'000
REVENUE	3	181,789	296,413
Cost of sales		(131,028)	(232,362)
Gross profit		50,761	64,051
Other income and gains	4	22,405	17,323
Selling and distribution costs		(1,348)	(3,854)
Administrative expenses		(41,619)	(43,400)
Other expenses		(36,521)	(1,702)
Fair value gains/(losses) on financial assets at fair value through profit and loss		(23,640)	15,511
Fair value gains on revaluation of investment properties, net		15,767	2,382
Finance costs	5	(4,098)	(6,285)
Share of profits and losses of associates		(42,026)	6,266
PROFIT/(LOSS) BEFORE TAX	6	(60,319)	50,292
Tax	7	(10,398)	(12,547)
PROFIT/(LOSS) FOR THE PERIOD		(70,717)	37,745
ATTRIBUTABLE TO:			
Equity holders of the parent		(82,917)	37,757
Minority interests		12,200	(12)
		(70,717)	37,745
EARNINGS/(LOSS) PER SHARE	8		
Basic		(HK1.06) cents	HK0.63 cents
Diluted		N/A	HK0.56 cents
DIVIDEND PER SHARE	9	NIL	HK0.16 cents

* For identification purpose only

CONSOLIDATED BALANCE SHEET

30 September 2008

	30 September 2008 (Unaudited) HK\$'000	31 March 2008 (Audited) HK\$'000
	<i>Notes</i>	
NON-CURRENT ASSETS		
Property, plant and equipment	204,449	160,884
Prepaid land lease payments	3,337	177,902
Investment properties	612,545	555,199
Goodwill	7,820	7,820
Interests in associates	255,881	305,825
Held-to-maturity financial asset	6,094	1,943
Other intangible assets	21,210	24,240
Loans receivable	12,739	12,989
Rental deposits paid	10,423	4,595
Deposits for the acquisition of investment properties and associates	–	35,674
Deferred tax assets	4,342	4,342
Total non-current assets	<u>1,138,840</u>	<u>1,291,413</u>
CURRENT ASSETS		
Properties held for sale	14,361	27,885
Properties under development	313,052	288,405
Inventories	4,305	–
Trade receivables	2,523	4,101
Prepayments, deposits and other receivables	40,594	43,190
Financial assets at fair value through profit or loss	23,648	45,278
Tax recoverable	883	883
Cash and cash equivalents	443,208	330,819
Total current assets	<u>842,574</u>	<u>740,561</u>
CURRENT LIABILITIES		
Trade payables	8,729	24,624
Other payables and accruals	82,799	128,423
Deposits received and receipts in advance	45,270	50,038
Derivative financial instruments	718	2,338
Interest-bearing bank loans	127,742	347,115
Provisions for onerous contracts	1,090	1,690
Tax payable	29,489	27,827
Total current liabilities	<u>295,837</u>	<u>582,055</u>
NET CURRENT ASSETS	<u>546,737</u>	<u>158,506</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>1,685,577</u>	<u>1,449,919</u>

	30 September 2008 (Unaudited) HK\$'000	31 March 2008 (Audited) HK\$'000
NON-CURRENT LIABILITIES		
Interest-bearing bank loans	401,672	199,118
Provisions for onerous contracts	1,960	1,960
Deferred tax liabilities	15,104	8,626
	<hr/>	<hr/>
Total non-current liabilities	418,736	209,704
	<hr/>	<hr/>
Net assets	1,266,841	1,240,215
	<hr/> <hr/>	<hr/> <hr/>
EQUITY		
Equity attributable to equity holders of the parent		
Issued capital	39,339	32,051
Reserves	1,151,531	1,142,650
Proposed dividends	–	7,868
	<hr/>	<hr/>
Minority interests	1,190,870	1,182,569
	<hr/>	<hr/>
Total equity	1,266,841	1,240,215
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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2008

1. Basis of preparation

The unaudited interim condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and Hong Kong Accounting Standards (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

2. Principal accounting policies

The unaudited interim condensed consolidated financial statements have been prepared under the historical cost convention, except for investment properties, certain derivative financial instruments and equity investments, which have been measured at fair values.

The accounting policies used in the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual financial statements for the year ended 31 March 2008 and in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, HKASs and Interpretations) issued by HKICPA, except that the Group has in the current period applied, for the first time, the following new HKFRSs, which are effective for the Group’s financial year beginning on 1 April 2008.

HKAS 39 and HKFRS 7 Amendments	Reclassification of Financial Assets
HK(IFRIC) – INT 12	Service Concession Arrangements
HK(IFRIC) – INT 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction

The adoption of these new HKFRSs had no significant impact on the Group’s unaudited interim condensed consolidated financial statements.

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective, in the unaudited interim condensed consolidated financial statements.

HKAS 1 (Revised)	Presentation of Financial Statements ¹
HKAS 23 (Revised)	Borrowing Costs ¹
HKAS 27 (Revised)	Consolidated and Separate Financial Statements ³
HKAS 32 and HKAS 1	Puttable Financial Instruments and Obligations Arising on Liquidation ¹
HKAS 39 Amendments	Cash Flow Hedge Accounting of Forecast Intergroup Transactions ³
HKAS 39 Amendments	The Fair Value Option ³
HKFRS 2 Amendments	Share-based Payment – Vesting Conditions and Cancellations ¹
HKFRS 3 (Revised)	Business Combinations ³
HKFRS 8	Operating Segments ¹
HK(IFRIC) – Int 13	Customer Loyalty Programmes ²
HK(IFRIC) – Int 15	Agreements for the Construction of Real Estate ¹
HK(IFRIC) – Int 16	Hedges of a Net Investment in a Foreign Operation ⁴

¹ Effective for annual periods beginning on or after 1 January 2009

² Effective for annual periods beginning on or after 1 July 2008

³ Effective for annual periods beginning on or after 1 July 2009

⁴ Effective for annual periods beginning on or after 1 October 2008

The Group expects that while the adoption of the HKAS 1 and HKFRS 8 may result in new or amended disclosures, these new and revised HKFRSs will not have any significant impact on the Group’s financial statements in the period of initial applications.

3. Segment information

The Company is an investment holding company and the Group principally operates business segments as described below.

(a) Business segments

The following table presents revenue and result information for the Group's business segments for the six months ended 30 September.

2008

Group	Property	Property	Chinese wet	Shopping	Agricultural	Trading of	Unallocated	Eliminations	Consolidated
	development	investment	markets	centres	by-products	agricultural	corporate		
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenue:									
Sales to external customers	19,246	6,972	79,303	6,158	23,993	45,612	505	-	181,789
Intersegment sales	-	-	-	-	-	-	1,122	(1,122)	-
Other revenue	-	130	1,591	87	360	-	18,310	(270)	20,208
Total	19,246	7,102	80,894	6,245	24,353	45,612	19,937	(1,392)	201,997
Segment results	1,260	(16,071)	9,625	1,287	32,507	72	(44,892)	(180)	(16,392)
Interest income									2,197
Finance costs									(4,098)
Share of profits and losses of associates									(42,026)
Loss before tax									(60,319)
Tax									(10,398)
Profit for the period									(70,717)

2007

Group	Property development	Property investment	Chinese wet market	Shopping centres	Agricultural by-products wholesale markets	Trading of agricultural by-products	Unallocated corporate and others	Eliminations	Consolidated
	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000
Segment revenue:									
Sales to external customers	199,466	5,363	70,817	5,652	12,564	–	2,551	–	296,413
Intersegment sales	–	–	–	340	–	–	933	(1,273)	–
Other revenue	<u>3</u>	<u>2,381</u>	<u>1,330</u>	<u>101</u>	<u>329</u>	<u>–</u>	<u>24,636</u>	<u>(1,046)</u>	<u>27,734</u>
Total	<u>199,469</u>	<u>7,744</u>	<u>72,147</u>	<u>6,093</u>	<u>12,893</u>	<u>–</u>	<u>28,120</u>	<u>(2,319)</u>	<u>324,147</u>
Segment results	<u>29,474</u>	<u>4,725</u>	<u>6,191</u>	<u>1,929</u>	<u>(7,501)</u>	<u>–</u>	<u>1,364</u>	<u>7,116</u>	43,298
Unallocated expenses									(469)
Interest income									7,482
Finance costs									(6,285)
Share of profits of associates									<u>6,266</u>
Profit before tax									50,292
Tax									<u>(12,547)</u>
Profit for the period									<u><u>37,745</u></u>

(b) Geographical segments

The following table presents revenue information for the Group's geographical segment for the six months ended 30 September.

	Hong Kong		Mainland China		Consolidated	
	2008 (Unaudited) HK\$'000	2007 (Unaudited) HK\$'000	2008 (Unaudited) HK\$'000	2007 (Unaudited) HK\$'000	2008 (Unaudited) HK\$'000	2007 (Unaudited) HK\$'000
Segment revenue:						
Sales to external customers	<u>161,399</u>	<u>287,193</u>	<u>20,390</u>	<u>9,220</u>	<u>181,789</u>	<u>296,413</u>

4. Other income and gains

	For the six months ended 30 September	
	2008	2007
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Bank interest income	1,682	6,054
Other interest income	515	1,428
Gain on disposal of financial assets at fair value through profit or loss	396	3,129
Gain on disposal of a subsidiary	11,470	–
Dividend income from listed securities	951	57
Recognition of a deferred gain	902	986
Others	6,489	5,669
	<u>22,405</u>	<u>17,323</u>

5. Finance costs

	For the six months ended 30 September	
	2008	2007
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Interest on convertible notes	–	1,143
Interest on bank loans and overdrafts	4,098	5,142
	<u>4,098</u>	<u>6,285</u>

6. Profit/(loss) before tax

The Group's profit/(loss) before tax is arrived at after charging/(crediting):

	For the six months ended 30 September	
	2008	2007
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Cost of inventories sold	42,914	1,763
Cost of services provided	74,380	77,751
Cost of properties sold	13,734	152,848
Depreciation	3,008	3,925
Amortization of prepaid land lease payments	1,878	–
Amortization of other intangible assets	3,030	–
Amount released from onerous contracts, net	(600)	(377)
	<u>140,344</u>	<u>236,557</u>

7. Tax

Hong Kong profits tax has been provided at the rate of 16.5% (2007: 17.5%) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable elsewhere has been calculated at the rate of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

	For the six months ended	
	30 September	
	2008	2007
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Group:		
Current tax charge for the period		
Hong Kong	3,636	9,941
Mainland China	284	595
Deferred	6,478	2,011
	<u>10,398</u>	<u>12,547</u>
Tax charge for the period	<u>10,398</u>	<u>12,547</u>

Share of tax attributable to associates amounting to HK\$284,000 (2007: HK\$611,000) is included in "Share of profits and losses of associates" on the face of the unaudited condensed consolidated income statement.

8. Earnings/(Loss) per share

The calculation of basic and diluted earnings/(loss) per share attributable to the equity holders of the Company is based on the following data:

	For the six months ended	
	30 September	
	2008	2007
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Earnings/(loss)		
Earnings/(loss) for the purpose of basic earnings per share	(82,917)	37,757
Effect of dilutive potential ordinary shares	<u>–</u>	<u>1,143</u>
Earnings/(loss) for the purpose of diluted earnings per share	<u>(82,917)</u>	<u>38,900</u>
	Number of Shares for the six months ended 30 September	
	2008	2007
	(Unaudited)	(Unaudited)
Shares		
Weighted average number of ordinary shares for the purpose of basic earnings/(loss) per share	7,807,846,387	6,007,677,837
Effect of dilutive potential ordinary shares	<u>–</u>	<u>913,140,647</u>
Weighted average number of ordinary shares for the purpose of diluted earnings/(loss) per share	<u>7,807,846,387</u>	<u>6,920,818,484</u>

A diluted loss per share amount for the period ended 30 September 2008 has not been disclosed as no diluting event existed during that period.

9. Dividends paid and declared

	For the six months ended 30 September	
	2008	2007
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Dividend declared and paid during the six month period:		
Final dividend for 2007 of HK0.1 cents per share (2006: HK0.33 cents per share)	<u>7,868</u>	<u>19,540</u>
Dividend proposed for approval:		
No interim dividend for 2008 (2007: HK0.16 cents per share)	<u>-</u>	<u>10,319</u>

The directors do not recommend the payment of any interim dividend for the six months ended 30 September 2008 (2007: HK0.16 cents per share).

10. Trade receivables

An aged analysis of the trade receivables as at the balance sheet date, based on invoice date, is as follows:

	30 September 2008 (Unaudited) HK\$'000	31 March 2008 (Audited) HK\$'000
Within 90 days	1,989	3,948
91 days to 180 days	560	165
Over 180 days	<u>54</u>	<u>76</u>
	2,603	4,189
Less: Provision for impairment	<u>(80)</u>	<u>(88)</u>
	<u>2,523</u>	<u>4,101</u>

The Group generally grants 14 to 45 days credit period to customers for its sub-leasing business. The Group generally does not grant any credit to customers of other businesses.

11. Trade payables

An aged analysis of the trade payables as at the balance sheet date, based on invoice date, is as follows:

	30 September 2008 (Unaudited) HK\$'000	31 March 2008 (Audited) HK\$'000
Within 90 days	<u>8,729</u>	<u>24,624</u>

The trade payables are non-interest bearing and have an average terms of 30 days. The carrying amount of the trade payables approximate to their fair values.

INTERIM DIVIDEND

The Board does not recommend the payment of any interim dividend for the six months ended 30 September 2008 (For the six months ended 30 September 2007: HK0.16 cents per share).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

For the six months ended 30 September 2008, the Group recorded turnover of approximately HK\$181.8 million (2007: approximately HK\$296.4 million), representing a decrease of approximately 38.7% as compared with the corresponding period last year. The Group recorded a loss attributable to equity holders of approximately HK\$82.9 million (2007: profit attributable to equity holders of HK\$37.8 million). The loss was mainly attributable to the loss on the deemed disposal of the equity interest in Wai Yuen Tong Medicine Holdings Limited (“WYTH”) as a result of a top-up placing exercised by WYTH in May 2008, share of loss of an associate, WYTH, and change in fair value of financial assets due to the recent troubled investment environment.

Property Development

In the first half of the current financial year, the overall residential market in Hong Kong remained stagnant and price and activity levels both declined. During the period, the Group recorded a turnover of approximately HK\$19.2 million (2007: approximately HK\$199.5 million) representing a 90.4% decrease as compared to the same period last year.

Our luxurious “Godi” residential project at Shatin Heights has been completed and is now ready for sale. Show flats and a sales office are in place and our sales efforts will commence when we see signs of improvement in the Hong Kong economy, particularly in the property market.

During the period under review, the Group disposed of its 50% interest in a land site of approximately 2.4 million square feet in Fuzhou, Jiangxi Province, the People’s Republic of China (the “PRC”), through the disposal of a subsidiary, for a consideration of HK\$197.8 million. Following the disposal, the Group will focus on the Hong Kong property market and will continue to look for potential sites and projects for development.

Property Investment

As at 30 September 2008, the Group maintained an investment property portfolio comprising retail shops and residential premises in Hong Kong with a net book value of approximately HK\$388.1 million (31 March 2008: approximately HK\$379.3 million). During the period, the Group invested approximately HK\$57.7 million in residential premises. The Group believes that this division will continue to generate steady rental income and benefit from capital appreciation.

Management and Sub-licensing of Chinese Wet Markets

The Group continues to derive stable income from its Chinese wet markets management business. In October, the Group was awarded a contract to manage the Choi Ming Chinese wet market located at Tseung Kwan O. Currently, the Group is the single largest operator of Chinese wet markets in Hong Kong managing a portfolio of approximately 1,000 stalls with an area of over 330,000 square feet in 14 Chinese wet markets.

The Group also currently manages a total of more than 1,100 stalls occupying a total gross floor area of over 270,000 square feet in 16 “Huimin” brand Chinese wet markets in various districts in Shenzhen, the PRC. During the period under review, turnover derived from this business segment was approximately HK\$79.3 million (2007: approximately HK\$70.8 million), representing an increase of approximately 12.0% as compared to the same period last year.

Capitalising on the Group’s abundant resources and expertise in the management of Chinese wet markets, the Group continues to seek more business opportunities in the management of Chinese wet markets in both the PRC and Hong Kong.

Agricultural By-products Wholesale Markets

During the period under review, the turnover of this division amounted to approximately HK\$24.0 million (2007: approximately HK\$12.6 million), representing an increase of 90.5% over the same period last year. Its operating results shown a profit of HK\$32.5 million against a loss of HK\$7.5 million in the same period last year, which was mainly attributable to the fair value gain on investment properties of Xuzhou market.

As at 30 September 2008, the Group had interest in three agricultural by-products wholesale markets or related ancillary facilities in the PRC, details of which are as follows:

Location	Approximate Site Area (million sq. ft.)	Percentage of Ownership Interest	Status	Anticipated Completion
Xuzhou	2.1	51%	In operation	N/A
Yulin	2.9	65%	Construction work for phase 1 commenced in December 2007	Expected to complete and commence trial operations in the second quarter of 2009
Changzhou	0.6	40%	Construction work will commence in the last quarter of 2008	Expected to complete by the third quarter of 2009
Total	<u>5.6</u>			

The level of business of our agricultural by-products market in Xuzhou has been picking up since our acquisition last year and its revenue grew as compared to the same period last year. It is expected that further growth will be recorded in the second half of the 2008/2009 financial year.

Site investigation and planning were completed in Changzhou and approval for construction has been applied for and it is anticipated that construction work will commence shortly.

In Hong Kong, our agricultural products wholesale market in Fanling had a satisfactory performance during the half year ended 30 September 2008 and provided stable revenue to the Group. The Group is currently implementing steps to improve the efficiency and utilisation of the market which hopefully will enhance its cashflow in the years to come.

Investment in Pharmaceutical and Health Products Related Business

The pharmaceutical and health products related business operated by the Group's 23.59% owned associate WYTH continued to improve during the period under review with a total turnover of approximately HK\$230.7 million, representing a 7.9% increase over the same period last year.

As a result of the revaluation of the embedded value of a convertible bond held by WYTH and the share of loss from WYTH's associate, LeRoi Holdings Limited, coupled with the sluggish economic conditions, WYT suffered from a loss of approximately HK\$174.8 million which resulted in a share of loss by the Group of approximately HK\$41.2 million.

FINANCIAL REVIEW

Liquidity and Financial Resources

As at 30 September 2008, the Group had cash resources and short term investments of approximately HK\$466.9 million (31 March 2008: approximately HK\$376.1 million). The aggregate borrowings as at 30 September 2008 amounted to approximately HK\$529.4 million (31 March 2008: approximately HK\$546.2 million).

During the period under review, the Group's gearing ratio was approximately 7.2% (31 March 2008: approximately 18.2%), calculated with reference to the Group's total borrowing's net of cash and cash equivalents and equity attributable to equity holders of the Company of approximately HK\$86.2 million and approximately HK\$1.2 billion, respectively.

As at 30 September 2008, the Group's investment properties with an aggregate carrying value of approximately HK\$388.1 million (31 March 2008: approximately HK\$348.9 million) were pledged to secure the Group's general banking facilities totalling approximately HK\$268.4 million (31 March 2008: approximately HK\$201.5 million).

The Group's capital commitment as at 30 September 2008 amounted to HK\$40.6 million (31 March 2008: approximately HK\$197.4 million). The Group had no significant contingent liabilities as at the balance sheet date.

Management is of the opinion that existing financial resources will be sufficient for the Group's needs in the foreseeable future.

Fund Raising

The Company entered into agreements in March 2008 to place a total of 1,360 million new shares at a price of HK\$0.075 per share. The net proceeds of approximately HK\$98.9 million raised upon completion in April 2008 have been earmarked for financing the development and management of agricultural by-products wholesale markets in the PRC, the expansion and development of property investment and development business, the repayment of bank loans and other potential investment opportunities.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2008, the Group had 291 full time employees, around 69.8% of whom were located in Hong Kong.

The Group remunerates its employees mainly based on industry practices and individual performance and experience. On top of the regular remuneration, discretionary bonus and share options may be granted to selected staff by reference to the Group's performance as well as the individual's performance. Other benefits, such as medical and retirement benefits and structured training programs, are also provided.

PROSPECTS

Despite the sluggish economic outlook, our Group remains strong on liquidity and will continue to search for attractive investment opportunities to ensure our Group's further long-term earnings.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the six months ended 30 September 2008.

CORPORATE GOVERNANCE PRACTICES

In the opinion of the Board, the Company has complied with the code provisions in the Code on Corporate Governance Practices set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the period for the six months ended 30 September 2008.

The Group will continue to seek to improve its management and raise its control level to enhance the Company's competitiveness and operating efficiency, to ensure its sustainable development and to generate greater returns for the shareholders of the Company.

AUDIT COMMITTEE

The Company has an audit committee which was established in compliance with Rule 3.21 of the Listing Rules for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls. The audit committee has reviewed the unaudited condensed consolidated financial statements for the six months ended 30 September 2008 of the Group. The audit committee comprises three independent non-executive directors of the Company, namely Messrs. Siu Yim Kwan, Sidney, Wong Chun, Justein and Siu Kam Chau, and is chaired by Mr. Siu Yim Kwan, Sidney.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by directors of the Company. Having made specific enquiry of all directors of the Company, all directors confirmed that they had complied with the required standard set out in the Model Code adopted by the Company throughout the period under review.

PUBLICATION OF RESULTS ANNOUNCEMENT AND INTERIM REPORT

The interim results announcement is available for viewing on the website of The Stock Exchange of Hong Kong Limited at (www.hkex.com.hk) and on the website of the Company at (www.wangon.com). The 2008 interim report will be despatched to the shareholders of the Company and made available on the above websites in due course.

By Order of the Board
WANG ON GROUP LIMITED
(宏安集團有限公司)*
Tang Ching Ho
Chairman

Hong Kong, 26 November 2008

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

* *For identification purpose only*