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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 licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your securities in Wang On Properties Limited 宏安地產有限公司, you should at once hand this circular and 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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**MAJOR TRANSACTIONS
IN RELATION TO
THE DISPOSAL OF 60% SHAREHOLDINGS
IN A SUBSIDIARY HOLDING THE PROJECT
IN MA ON SHAN, NEW TERRITORIES
AND
THE POSSIBLE PROVISION OF FINANCIAL ASSISTANCE
AND
NOTICE OF SPECIAL GENERAL MEETING**

A letter from the Board is set out on pages 5 to 16 of this circular.

A notice convening the SGM to be held at 27/F, Neich Tower, 128 Gloucester Road, Wan Chai, Hong Kong on Monday, 6 November 2017 at 4:15 p.m. is set out on pages SGM-1 to SGM-3 of this circular.

Whether or not you are able to attend in person and vote at the SGM, please complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, 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 or any adjournment thereof (as the case may be) should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

12 October 2017

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DEFINITIONS

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

“Agreement”	the conditional sale and purchase agreement dated 8 September 2017 entered into between the Vendor, Sparkle Hope, the Purchaser and Angel View in relation to the Disposal
“Angel View”	Angel View International Limited (恒宙國際有限公司), a company incorporated in the British Virgin Islands with limited liability, being the Purchaser’s guarantor under the Agreement
“associate(s)”	has the meaning as ascribed thereto under the Listing Rules
“Board”	the board of the Directors
“Business Day(s)”	a day (except Saturdays, Sundays, public holidays and when Typhoon Signal No. 8 or above or Black Rainstorm Warning Signal is hoisted) on which the Bank is open for business in Hong Kong
“Bye-laws”	the bye-laws of the Company
“Company”	Wang On Properties Limited 宏安地產有限公司, an exempted company incorporated in Bermuda with limited liability whose Shares are listed and traded on the Main Board of the Stock Exchange (Stock Code: 1243)
“Completion”	completion of the Disposal under the Agreement
“connected person(s)”	has the meaning as ascribed thereto under the Listing Rules
“Consideration”	the consideration for the Disposal, being HK\$2,441,250,000 (subject to adjustment)
“Construction Payments”	the amount of HK\$250,000,000 to be advanced prior to the date of Completion by the Vendor to the Target which is unsecured and interest-free for the repayment of the existing syndicated loan withdrawn for the purpose of payment of initial construction fees for the Project. Such amount will not form part of the Shareholder Loan to be assigned to the Purchaser

DEFINITIONS

“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Sale Shares and the assignment of the Shareholder Loan by the Vendor to the Purchaser pursuant to the Agreement
“Facility Agreement”	the conditional facility agreement dated 8 September 2017 entered into between the Vendor, the Purchaser and Angel View as the Purchaser’s guarantor in relation to the Vendor Loan
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	9 October 2017, 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
“Net Current Asset Value”	the total current assets (excluding, for the avoidance of doubt, the value of the Property) minus the total current liabilities of the Target Group (excluding the Shareholder Loan, the existing syndicated loan, the Construction Payments and deferred tax liabilities)
“Possible Financial Assistance”	(i) any financial assistance, up to a total amount of HK\$1.5 billion (including the Construction Payments), that might be provided by the Group to the Target Group for the purpose of the Project, on terms described in this circular together with (ii) the Vendor Loan
“PRC”	the People’s Republic of China, for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Project”	the residential development project situated on the Property

DEFINITIONS

“Project Company”	Loyal Pioneer Limited (鋒尚有限公司), a company incorporated in Hong Kong with limited liability and a directly wholly-owned subsidiary of the Target, which directly holds the Property and the rights to carry out the Project
“Property”	being the site at Yiu Sha Road, Whitehead, Ma On Shan (Sha Tin Town Lot No. 601) with site area of about 253,000 square feet and estimated gross floor area of about 387,500 square feet
“Purchaser” or “Clear Idea”	Clear Idea International Limited (顯意國際有限公司), an investment holding company incorporated in the British Virgin Islands with limited liability and a fellow subsidiary of Angel View indirectly wholly owned by Angel View’s parent company, being the purchaser under the Agreement
“Sale Shares”	six issued ordinary shares of the Target, representing 60% of the entire issued share capital of the Target legally and beneficially held by the Vendor prior to Completion
“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 27/F, Neich Tower, 128 Gloucester Road, Wan Chai, Hong Kong on Monday, 6 November 2017 at 4:15 p.m.
“Share(s)”	the ordinary share(s) of HK\$0.001 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Shareholder Agreement”	the shareholders’ agreement to be entered into between the Vendor, Sparkle Hope, the Purchaser, Angel View and the Target upon Completion to govern the management and operation of the Target Group

DEFINITIONS

“Shareholder Loan”	60% of the loan owing by the Target to the Vendor (excluding the Construction Payments) at the date of Completion, being an interest free shareholder loan and repayable on demand, which, subject to and on the terms and conditions of the Agreement, shall be assigned by the Vendor to the Purchaser on Completion
“Sparkle Hope”	Sparkle Hope Limited, an investment holding company incorporated in the British Virgin Islands with limited liability and an indirectly wholly-owned subsidiary of the Company, being the Vendor’s guarantor under the Agreement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning as ascribed thereto under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Target”	Ease Mind Investments Limited, a company incorporated in the British Virgin Islands with limited liability and is directly wholly owned by the Vendor prior to Completion
“Target Group”	the Target and the Project Company
“Vendor” or “More Action”	More Action Investments Limited, an investment holding company incorporated in the British Virgin Islands with limited liability and an indirectly wholly-owned subsidiary of the Company, being the vendor under the Agreement
“Vendor Loan”	the secured term loan facility in the principal amount of HK\$600,000,000 to be advanced by the Vendor to the Purchaser for a term of 24 months from the date of Completion
“WOG”	Wang On Group Limited (宏安集團有限公司)*, an exempted company incorporated in Bermuda with limited liability and the shares are listed and traded on the Main Board of the Stock Exchange (Stock Code: 1222)
“%”	per cent.

* For identification purpose only

LETTER FROM THE BOARD



WANG ON PROPERTIES LIMITED

宏安地產有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1243)

Executive Directors:

Mr. Wong Yiu Hung Gary (*Chief Executive Officer*)

Mr. Tang Ho Hong

Non-executive Director:

Mr. Chan Chun Hong (*Chairman*)

Independent non-executive Directors:

Mr. Li Wing Sum Steven

Mr. Sung Tze Wah

Sr Dr. Leung Tony Ka Tung

Registered office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Head office and

principal place of business:

Suite 3201, 32/F., Skyline Tower

39 Wang Kwong Road

Kowloon Bay

Kowloon

Hong Kong

12 October 2017

To the Shareholders

Dear Sir or Madam,

**MAJOR TRANSACTIONS
IN RELATION TO
THE DISPOSAL OF 60% SHAREHOLDINGS
IN A SUBSIDIARY HOLDING THE PROJECT
IN MA ON SHAN, NEW TERRITORIES
AND
THE POSSIBLE PROVISION OF FINANCIAL ASSISTANCE
AND
NOTICE OF SPECIAL GENERAL MEETING**

INTRODUCTION

Reference is made to the announcement dated 11 September 2017 jointly issued by the Company and WOG in relation to, *inter alia*, the Disposal and the Possible Financial Assistance.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with, among others, the details of the Disposal and the Possible Financial Assistance as required under the Listing Rules and the notice of the SGM.

AGREEMENT

Date

8 September 2017

Parties

- (i) More Action, a company incorporated in the British Virgin Islands with limited liability and an indirectly wholly-owned subsidiary of the Company (a listed 75%-owned subsidiary of WOG) and is principally engaged in investment holding, as the Vendor;
- (ii) Sparkle Hope, a company incorporated in the British Virgin Islands with limited liability and an indirectly wholly-owned subsidiary of the Company and is principally engaged in investment holding, as the Vendor's guarantor;
- (iii) Clear Idea, a company incorporated in the British Virgin Islands with limited liability and a fellow subsidiary of Angel View indirectly wholly owned by Angel View's parent company and is principally engaged in investment holding, as the Purchaser; and
- (iv) Angel View, a company incorporated in the British Virgin Islands with limited liability and is principally engaged in investment holding, as the Purchaser's guarantor.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the Purchaser, Angel View and their respective ultimate beneficial owner(s) is a third party independent of and not connected with the Company and its respective connected persons. There was no previous transaction entered into between the Company and the Purchaser, Angel View and their respective ultimate beneficial owner(s) which shall be aggregated with the Disposal and/or the Possible Financial Assistance.

Assets to be disposed of

Pursuant to the Agreement, the Purchaser has agreed to acquire, and the Vendor has agreed to sell, the Sale Shares (representing 60% of the entire issued share capital of the Target as at the Latest Practicable Date) and assign the benefit of the Shareholder Loan.

Consideration and payment

The Consideration for the purchase of the Sale Shares and the assignment of the Shareholder Loan shall be HK\$2,441,250,000 (subject to adjustment below), which was determined, after arm's length negotiations between the Purchaser and the Vendor with reference

LETTER FROM THE BOARD

to, *inter alia*, the market value of the Property, the estimated gross floor area of approximately 387,500 square feet to be developed under the Project, the amount required for development of the Project, the development potential of the Project, the existing status of the Property and unpaid commitments of the Project, and calculated as follows:

$$60\% \times (\text{HK}\$10,500 \text{ per square feet} \times 387,500 \text{ square feet}) = \text{HK}\$2,441,250,000$$

The unit price of HK\$10,500 per square feet was determined by the parties with reference to the recent market transaction for properties located in the vicinity, and not based on the valuation as included in Appendix II.

The Consideration which had been/shall be paid by the Purchaser to the Vendor in the following manner:

- (a) a sum of HK\$244,125,000 had been paid and applied as deposit (the “**Deposit**”) as at the date of the Agreement;
- (b) a sum of HK\$244,125,000 had been paid towards part-payment of the Consideration (the “**Partial Consideration**”); and
- (c) the balance of the Consideration (after deducting the Vendor Loan) shall be paid on the date of Completion.

The Consideration shall be adjusted by adding thereto the amount equivalent to 60% of the Net Current Asset Value (if it is a positive amount) or subtracting therefrom the absolute value of the amount of equivalent to 60% of such Net Current Asset Value (if it is a negative amount). According to the previous experience of the Group for entering into similar transactions, such kind of adjustment will not be substantial and usually within a range of 5% to 10%.

Conditions

Completion is conditional upon the satisfaction (or waiver, if applicable) of the following conditions:

- (i) the Partial Consideration shall be paid on or before 28 September 2017;
- (ii) the obtaining of the approvals from the shareholders of each of the Company and WOG at the special general meetings for the Disposal, the Agreement and the Possible Financial Assistance;
- (iii) the obtaining of new syndicated loan of not less than HK\$1.17 billion by the Project Company in replacement of the existing syndicated loan owed by the Project Company and the release of existing encumbrances over assets of the Project Company arising from such existing loan upon Completion; and

LETTER FROM THE BOARD

- (iv) the fundamental warranties given by the Vendor remaining true and accurate in all respects and not misleading on and as at the date of Completion.

The above condition (i) had been fulfilled on or before 28 September 2017 as scheduled.

If any of the above conditions (ii), (iii) or (iv) is not fulfilled or waived by the Purchaser (as the case may be, save for conditions (ii) and (iii) above) at or before 1:00 p.m. on 31 October 2017, such long stop date shall be automatically extended for another 30 days. If they are still not fulfilled or waived by the Purchaser (as the case may be, save for conditions (ii) and (iii) above) on or before such extended long stop date, either parties can serve a termination notice within seven Business Days after the extended long stop date on the other parties.

If the Agreement is terminated due to:

- (i) the non-fulfilment of condition (iii) above and in the absence of any default of the Vendor and the Purchaser, the whole of the Deposit together with the Partial Consideration having been paid by the Purchaser shall forthwith be returned to the Purchaser without any interest within three Business Days of the termination of the Agreement after which no party to the Agreement shall have any claims or obligations towards the other (save for any antecedent breaches of the Agreement);
- (ii) (A) the non-fulfilment of condition (iii) above as the Purchaser has failed to use its best endeavours; or (B) the failure of the Purchaser to comply fully with any of its obligations for Completion, the Purchaser shall be deemed to be in breach of the Agreement and the Vendor shall be entitled to forfeit the Deposit in its entirety in addition to any other remedies and/or compensation that may be available to the Vendor; and
- (iii) (A) the non-fulfilment of condition (ii); and/or (B) the non-fulfilment of condition (iii) and/or (iv) above as the Vendor has failed to use its best endeavours; or (C) the failure of the Vendor to comply fully with any of its obligations for Completion, the Vendor shall be deemed to be in breach of the Agreement and in addition to any other remedies and/or compensation that may be available to the Purchaser, the whole of the Deposit together with the Partial Consideration (if having been paid by the Purchaser) shall forthwith be returned to the Purchaser without any interest within three Business Days of the termination of the Agreement.

Completion

Completion shall take place on the third Business Day after conditions (i) and (ii) above have been fulfilled, or such other date as may be agreed by the parties thereto.

Upon Completion, the Target will cease to be a subsidiary of the Group and will become a company owned as to 40% by the Group and 60% by the Purchaser.

LETTER FROM THE BOARD

Other terms

Repayment of the Construction Payments

The parties further agreed to use their reasonable commercial endeavours to procure the Project Company to drawdown not less than HK\$250,000,000 from the new syndicated loan to be obtained by the Project Company, so that the Construction Payments can be repaid. If the amount of the drawdown on Completion is greater than the amounts of those existing syndicated loan and interests accrued thereon, the same shall be applied to repay the shareholder loan of the Target on a pro rata basis. For the avoidance of doubt, if the Project Company fails to drawdown the relevant loan or such drawdown is not allowed under the terms of the new syndicated loan obtained by the Project Company, the timing of repayment shall be correspondingly postponed until it is permitted by the terms of the new syndicated loan obtained by the Project Company or when the Target Group has surplus. Save as disclosed above, there is no any specific repayment deadline in relation to the Construction Payments, which will form part of the shareholder loan advanced by the WOP Group to the Target Group.

Partial refund of the Consideration

In view of the tax implications on the Purchaser due to the fact that the Consideration is higher than the carrying value of the Project and such excess may not be tax deductible, pursuant to the Agreement, the Vendor undertakes to downward adjust the Consideration by refunding a sum of HK\$164,958,750 (which was calculated with reference to the difference between the unit price of HK\$10,500 per square feet and the carrying value of the land of the Project, the gross floor area of the Project, the interests to be held by the Purchaser in the Target and the applicable tax rate) upon the second anniversary date of Completion to the Purchaser (i) by cash upon receipt of the written request from the Purchaser, or (ii) (if there is outstanding Vendor Loan) by off-setting the outstanding amount of the Vendor Loan to be repaid by the Purchaser at its maturity. If the Vendor Loan is not duly settled by the Purchaser upon maturity, the obligation of the Vendor to pay the said refund shall be postponed until the date the Vendor Loan is fully settled by the Purchaser. Such refund will be made to the Purchaser no matter whether the relevant government authorities determine that such amount is tax deductible or not.

INFORMATION OF THE TARGET GROUP

The Target is an investment holding company incorporated in the British Virgin Islands and its sole business is the holding of the entire issued share capital of the Project Company, which is the registered owner of the Property – being the site at Yiu Sha Road, Whitehead, Ma On Shan (Sha Tin Town Lot No. 601), which has been acquired by the Target on 19 May 2017. The site will be developed as a residential project with site area of approximately 253,000 square feet and estimated gross floor area of approximately 387,500 square feet.

It is expected that the foundation work of the Project will be commenced in the fourth quarter of 2017 and completion of the Project will take place in 2020.

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Set out below is the unaudited financial information of the Target Group for the two financial years ended 31 December 2016 extracted from the unaudited management accounts of the Target Group which are prepared under the generally accepted accounting principles in Hong Kong:

	For the year ended 31 December	
	2016	2015
	HK\$ million	HK\$ million
	(unaudited)	(unaudited)
Revenue	–	–
Net loss before taxation	(0.2)	(0.1)
Net loss after taxation	(0.2)	(0.1)

The unaudited net liability value of the Target Group as at 31 August 2017 was approximately HK\$5.1 million.

POSSIBLE FINANCIAL EFFECT OF THE DISPOSAL

Based on, *inter alia*, the Consideration, the partial refund of the Consideration, the Shareholder Loan, 60% of the existing syndicated bank loan, the Construction Payments and the unaudited net liabilities as at 31 August 2017 and the related expenses for the Disposal, the Group currently expects to record a gain arising from the Disposal of approximately HK\$796.2 million upon Completion subject to review by the auditors of the Company. **Shareholders should note that the above figures are for illustrative purpose only. The actual gain on the Disposal may be different from the above and will be determined based on the financial position of the Target Group on the date of Completion and the review by auditors.**

Upon Completion, the Target Group will cease to be subsidiaries of the Group. The Disposal upon Completion will therefore result in the deconsolidation of the assets and liabilities of the Target Group from the Group's consolidated accounts. The Disposal will not bring any material impact on the earnings of the Group, except that a gain is expected to be recorded upon Completion as mentioned above. It is expected that the net asset value of the Group will be increased by such gain following the Completion.

USE OF PROCEEDS FROM THE DISPOSAL

The net proceeds (after considering the repayment of the principal of the existing syndicated bank loan, together with its interest incurred, the partial refund of the Consideration, deducting other expenses in relation thereto and receipt of the new syndicated bank loan and the Construction Payments of a total of approximately HK\$913.5 million) of approximately HK\$1,527.8 million arising from the Disposal will be used as to HK\$600.0 million for the Vendor Loan, as to approximately HK\$860.0 million for potential projects in property development and/or property investment and as to the balance of approximately HK\$67.8 million for general working capital of the Group.

LETTER FROM THE BOARD

SHAREHOLDER AGREEMENT

The parties will enter into the Shareholder Agreement to govern their relationship as shareholders of the Target and the management and operation of the Target Group after Completion with details as follows:

Date

Date of Completion

Parties

- (i) More Action (the Vendor);
- (ii) Sparkle Hope, as More Action's guarantor;
- (iii) Clear Idea (the Purchaser);
- (iv) Angel View, as Clear Idea's guarantor; and
- (v) the Target.

Board and Management

The board of directors of the Target shall consist of five directors, three of which shall be appointed by the Purchaser and two of which shall be appointed by the Vendor. The chairman of the board of directors of the Target shall be nominated by the Purchaser. The quorum for the board meeting shall be four directors.

Capital Commitment

Pursuant to the Shareholder Agreement, all funding requirements of the Target Group shall be (i) first met by existing capital of the Target Group; (ii) by raising funds by way of external bank borrowings; and (iii) if the external bank borrowings are not able to cover all funding requirements, such funding requirements shall be met by unsecured interest-bearing shareholder's loans (at an interest rate of 9.5% per annum with reference to the prevailing market interest rates in Hong Kong and the PRC) advanced by the shareholders of the Target in proportion to their respective shareholdings in the Target.

Voting

Except for certain matters of the Target Group which are subject to the unanimous approval of all the shareholders, all resolutions of the directors and/or shareholders (as the case may be) of the Target shall be passed by a simple majority vote.

LETTER FROM THE BOARD

Restriction on transfer

None of the shareholder of the Target shall sell or transfer or dispose of their direct or indirect interests in the shares and the shareholder loan in the Target, other than to their respective affiliates. For the purpose of such restriction, during the term of the cooperation, the Vendor shall be directly or indirectly wholly owned by the Company and the Purchaser shall be beneficially owned as to not less than 70%, and ultimately controlled by, Angel View's parent company.

Subject to the consent of the lenders of the Target Group, the shareholder of the Purchaser may indirectly dispose of their interests in the Target Group by transferring not more than 30% of its shareholding in the Purchaser within six months from the date of the Shareholder Agreement. Further, subject to lenders' consent and without prejudice to the main commercial terms of new loans to be obtained by the Target Group at Completion, Angel View's parent company shall be entitled to transfer (directly or indirectly) not more than 30% of its shareholding in the entity holding the Purchaser for the purpose of the employee incentive schemes of Angel View's parent company.

Dividend policy and Shareholder Loan repayment

In the event that the pre-sale and sale revenues of the Project, in accordance with the Target's monthly financial report, have covered the Target's financing costs, unpaid expenses incurred in the Project approved by the Purchaser and the Vendor, expected taxes and the operating expenses of the Target Group for the following three months, the Target shall pay to the shareholders dividend in proportion to their shareholdings or to settle existing shareholder loan(s) of the Target subject to provisions of relevant external borrowing(s) or loan agreement(s) and government policies (including but not limited to land transfer regulations and relevant pre-sale regulations).

Deadlock

A deadlock shall occur where a matter ("**Deadlock Matter(s)**") cannot be resolved at the board meeting or shareholders' meeting within 14 Business Days of the date on which the resolution was first proposed or adopted for the meeting, and that such resolution is fundamental to the operation of the Target Group and the failure to pass such resolution will have a material adverse effect on the business of the Group.

In the event that any deadlock occurs the shareholders shall refer the Deadlock Matter(s) to the chairman of the shareholders or the representatives appointed by the shareholders in order to obtain a consensus to resolve the dispute. If there is no consensus reached within 30 Business Days from the date of referral to the Chairman or representative, the Deadlock Matter(s) shall be referred to and finally settled by arbitration in which each of the Purchaser and the Vendor shall each appoint one arbitrator and shall jointly appoint the third arbitrator.

LETTER FROM THE BOARD

Event of default

A party (the “**Non-defaulting Party**”) may give notice to the other party upon the occurrence of certain events as set out in the Shareholder Agreement (including, without limitation, a material breach of any of its obligations under the Shareholder Agreement by the other party or the entering into liquidation by the other party (in each case, the “**Defaulting Party**”). After giving such notice, the Defaulting Party shall remedy such breach or default as soon as possible within three months after the service of such default notice, failing which the Non-defaulting Party is entitled to require the Defaulting Party to sell to the Non-defaulting Party all of the shares and shareholder loan owned by the Defaulting Party at 70% of the value of the Target as agreed by the parties or determined by auditors based on the certificate of an independent valuation surveyor mutually appointed by the shareholders as an expert (and not an arbitrator) in accordance with the Shareholder Agreement.

POSSIBLE PROVISION OF FINANCIAL ASSISTANCE TO THE PURCHASER AND THE TARGET

Vendor Loan

On 8 September 2017, the Vendor also entered into the Facility Agreement with the Purchaser and Angel View as the Purchaser’s guarantor pursuant to which the Vendor has conditionally agreed to advance the Vendor Loan of the principal amount of HK\$600,000,000 to the Purchaser at an interest rate of 0.7% per annum over 12-month HIBOR (Hong Kong Interbank Offered Rate) for a term of 24 months from the date of Completion for the sole purpose of the Disposal.

Date	8 September 2017
Lender	More Action
Borrowers	Clear Idea
Loan amount	HK\$600,000,000
Interest rate	0.7% per annum over 12-month HIBOR (Hong Kong Interbank Offered Rate)
Term	24 months from the date of Completion
Repayment	Interests shall be accrued and be paid by Clear Idea to More Action on each anniversary of the date of the Facility Agreement and the principal shall be repaid in one lump sum, together with all accrued interests and all other monies payable thereon in full, on the day falling on the expiry of 24 months from the date of Completion.

LETTER FROM THE BOARD

Securities	The Vendor Loan is secured by (i) a first-ranking share charge over the 60% shareholdings in the Target beneficially owned by Clear Idea (in the event that such shares are not securities for the new loans to be obtained by the Target Group at Completion) or a second-ranking share charge over the 60% shareholdings in the Target beneficially owned by Clear Idea (in the event that such shares are securities for the new loans to be obtained by the Target Group at Completion); and (ii) a corporate guarantee from Angel View.
Condition	The obtaining of the approvals from the shareholders of each of WOG and the Company at their respective special general meetings for the Facility Agreement.
Other term	The Purchaser shall be wholly beneficially owned and ultimately controlled by Angel View's parent company as at the date of drawdown under the Facility Agreement and thereafter shall remain to be beneficially owned as to not less than 70%, and ultimately controlled by, Angel View's parent company during the term of the Vendor Loan.

Possible Financial Assistance to the Target Group

To cater for any funding requirements of the Target Group for the development of the Project in the future, including the expected commitments of the development including but not limited to construction and other project development costs, interest and selling expenses, financial assistance of not more than HK\$1.5 billion will be required to be provided by the Group to the Target Group (mainly in the form of provision of corporate guarantee for external bank borrowings and/or unsecured interest-bearing shareholder loan (at an interest rate of 9.5% per annum)), but on the basis that it can only be given by the Group severally, in proportion to its shareholding interests in the Target and on normal commercial term after Completion. It is expected that the amount of the shareholder loan (including the Construction Payments, if not repaid) to be provided by the Group will be not more than approximately HK\$450 million. Such financial assistance is subject to the approvals from the Shareholders and shareholders of WOG at their respective special general meetings.

Construction Payments

The Construction Payments of HK\$250,000,000 shall be advanced prior to the date of Completion by the Vendor to the Target which is unsecured and interest-free for the repayment of the part of existing syndicated loan withdrawn for the purpose of payment of initial construction fees for the Project.

REASONS FOR AND BENEFITS OF THE DISPOSAL AND THE POSSIBLE FINANCIAL ASSISTANCE

WOG is principally engaged in (i) management and sub-licensing of Chinese wet markets and treasury management in Hong Kong and the PRC; (ii) property investment and property development in Hong Kong through the Company, a listed 75%-owned subsidiary of WOG; and

LETTER FROM THE BOARD

(iii) manufacturing and/or retailing of pharmaceutical and health food products through Wai Yuen Tong Medicine Holdings Limited, a listed 56.54%-owned subsidiary of WOG. The Group is principally engaged in the businesses of developing residential and commercial properties for sale and investing in commercial and industrial properties for capital appreciation.

The Disposal will result in the Vendor and the Purchaser sharing the development cost of the Project, thereby sharing both the risks and financing of the Project. The Group's cash flow position will benefit from a lower capital requirement to develop the Project. Furthermore, the Group will also benefit from the Consideration received from the Purchaser, allowing the Group to recover the acquisition expenses and obtain a one-off respectable financial reward within a short period of time.

The terms of the Facility Agreement were negotiated on an arm's length basis between the Vendor and the Purchaser. The Purchaser requested for Vendor Loan as a kind of bridging loan to facilitate the acquisition of controlling interests in the Target. Taking into account that the Vendor Loan is solely for the purpose of the Disposal and is interest-bearing and secured, the satisfactory financial background of the Purchaser and its ultimate controlling shareholder and the corporate guarantee provided by Angel View, the Directors consider that the terms of the Facility Agreement are fair and reasonable. Given that the provision of financial assistance to the Target Group would also be provided pro-rata to the Group's shareholding in the Target after Completion and only on normal commercial terms, the Directors (including independent non-executive Directors) consider that the terms of the Agreement are on normal commercial terms, fair and reasonable and each of the Disposal, the Agreement and the provision of the Possible Financial Assistance is in the interests of the Company and the Shareholders as a whole.

GENERAL

Each of the Disposal and the Possible Financial Assistance constitutes a major transaction for the Company and is therefore subject to the reporting, announcement and shareholders' approval requirements under the Listing Rules as some of the applicable percentage ratios as defined in Rule 14.07 of the Listing Rules in respect of (a) the Disposal exceed 25% but are less than 75%; and (b) the Possible Financial Assistance exceed 25%.

To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, no Shareholders or any of their respective associates has any material interest in the Agreement, the Disposal, the Possible Financial Assistance and the transactions contemplated thereunder, thus no Shareholder is required to abstain from voting at the SGM.

SGM

A notice convening the SGM of the Company to be held at 27/F, Neich Tower, 128 Gloucester Road, Wan Chai, Hong Kong on Monday, 6 November 2017 at 4:15 p.m. is set out on pages SGM-1 to SGM-3 of this circular.

LETTER FROM THE BOARD

A form of proxy for use at the SGM is enclosed with this circular. Whether or not you are able to attend and vote in person at 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 and transfer office in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, 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 or any adjournment thereof (as the case may be) should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

RECOMMENDATION

For the reasons set out above, the Directors consider that the terms of the Disposal and the Possible Financial Assistance are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors would recommend the Shareholders to vote in favour of the resolutions to be proposed at the SGM.

ADDITIONAL INFORMATION

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

Yours faithfully,
For and on behalf of the Board
WANG ON PROPERTIES LIMITED
宏安地產有限公司
Wong Yiu Hung, Gary
Chief Executive Officer

1. FINANCIAL INFORMATION

Financial information of the Group for each of the three years ended 31 March 2015, 2016 and 2017 are disclosed in the prospectus (pages 192 to 253) and annual reports of the Company for the years ended 31 March 2016 (pages 35 to 91) and 31 March 2017 (pages 49 to 117). The auditors of the Company have not issued any qualified opinion on the Group's financial statements for the financial years ended 31 March 2015, 2016 and 2017.

Quick links

Prospectus/annual reports of the Company containing financial information for the financial years ended 31 March 2015, 2016 and 2017 are available at the following internet links:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2016/0330/LTN20160330023.pdf>

<http://www.hkexnews.hk/listedco/listconews/SEHK/2016/0706/LTN20160706869.pdf>

<http://www.hkexnews.hk/listedco/listconews/SEHK/2017/0727/LTN20170727682.pdf>

Save as disclosed above, the Board is not aware of any material change in the Company's operation and financial position since 31 March 2017 (being the date on which the latest published audited consolidated financial statements of the Group were made up).

2. STATEMENT OF INDEBTEDNESS

As at the close of business on 31 August 2017, being the latest practicable date for the purpose of ascertaining information contained in this indebtedness statement set out in this circular, the Group had outstanding bank and other loans of approximately HK\$4,399.2 million, of which bank loans with an aggregate amount of approximately HK\$2,924.6 million were secured by the Group's investment properties and certain rental income generated therefrom, properties under development, share charges in respect of the entire interests of three subsidiaries of the Group, which are engaged in property development. The carrying values of the Group's investment properties and properties under development as at 31 August 2017, which were pledged to secure the Group's bank loans, amounted to approximately HK\$1,494.8 million and HK\$4,072.0 million, respectively. In addition, the Group's unsecured bank loans with an aggregate amount of approximately HK\$1,468.4 million were guaranteed by corporate guarantees provided by the Company and unsecured other loans of approximately HK\$6.2 million as at 31 August 2017. The Group's secured bank loans bear contractual interest rate ranging from Prime Rate minus 2.75% or HIBOR plus 1.1% to 2.0%, whilst the Group's unsecured bank and other loans bear contractual interest rate at HIBOR plus 2.05% and 6.0%, respectively. The Group provided guarantee(s) to banks in respect of banking facilities extended to a joint venture in an aggregate amount of approximately HK\$480.5 million.

Save as otherwise disclosed above, and apart from intra-group liabilities and normal trade payables, the Group did not have, at the close of business on 31 August 2017, any other debt securities issued and outstanding, or authorised or otherwise created but unissued, any other term loans, any other borrowings or indebtedness in the nature of borrowings including bank overdrafts and liabilities under acceptance (other than normal trade bills) or acceptance credits or hire purchase commitments, any other mortgages and charges or any guarantees or material contingent liabilities.

3. WORKING CAPITAL STATEMENT

Taking into account the financial resources available to the Group, including internally generated funds and available banking facilities of the Group, the Directors, after due and careful enquiry, are of the opinion that the Group has sufficient working capital for its present requirements, that is for at least the next 12 months from the date of publication of this circular, in the absence of unforeseeable circumstances (any event of force majeure occurs including without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out).

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 March 2017, being the date on which the latest published audited consolidated financial statements of the Group were made up.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

2017 will be a year of challenges and uncertainties. The change of political and economic environment in U.S., Europe and China is varying the consumer sentiment. The hiking of U.S. interest rate also makes relatively great impact on the confidence and forecast of the property market development. In Hong Kong, the continuous release of the cooling measures also affect the transaction volume of the residential properties, especially in the second-hand market. However, the concrete demand for the new home buyers and relatively low-interest environment have stabilised the transaction price and volume in short run. The Group has made a great success in the pre-sales of two Ma On Shan projects, namely The Met. Bliss and The Met. Blossom, for contracted pre-sales amounting to approximately HK\$4.0 billion in a three-month period. The Group is confident in the Hong Kong property market and is currently preparing for the launch of the Shatin project, the Met. Acappella. To replenish the land bank, the Group has newly acquired the new site in Yiu Sha Road, Whitehead, Ma On Shan, in May 2017.

The Group will keep looking for opportunities in property acquisition and further enhance its operational efficiency and effectiveness to strengthen the real estate business. The Group continues to capture every opportunity for its development and aims to achieve solid returns to the Shareholders.

The following is the text of a letter and valuation certificate, prepared for the purpose of incorporation in this circular received from Asset Appraisal Limited, an independent valuer, in connection with its valuation as at 31 August 2017 of the property.



Asset Appraisal Limited
中誠達資產評值顧問有限公司

Rm 901 9/F On Hong Commercial Building
No.145 Hennessy Road Wanchai HK
香港灣仔軒尼詩道145號安康商業大廈9樓901室
Tel: (852) 2529 9448 Fax: (852) 3521 9591

12 October 2017

The Board of Directors
Wang On Properties Limited
Suite 3201, 32/F
Skyline Tower
39 Wang Kwong Road
Kowloon Bay
Kowloon, Hong Kong

Dear Sirs,

Re: Valuation of the Property on Yiu Sha Road Whitehead Ma On Shan Sha Tin New Territories

In accordance with the instructions from Wang On Properties Limited (the “**Company**”) to value the property interests (the “**Property**”) disposed by the Company or its subsidiaries (altogether referred to as the “**Group**”) situated in Hong Kong, we confirm that we have carried out inspections of the Property, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market values of the Property as at 31 August 2017 (the “**date of valuation**”).

BASIS OF VALUATION

Our valuation of the Properties represents the market value which we would define as intended to mean “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

TITLESHIP

We have caused searches to be made at the appropriate Land Registry for the Property. However, we have not verified ownership of the Property or to verify the existence of any amendments which do not appear on the copies handed to us. All documents have been used for reference only.

VALUATION METHODOLOGY

In valuing the Property, which is held by the Group for future development, we have used the Direct Comparison Approach assuming sale of the Property in its existing state by making reference to comparable land sales transactions as available in the relevant market.

ASSUMPTIONS

Our valuation has been made on the assumption that the Group sell the Property on the market in their existing states without the benefit of deferred terms contracts, leaseback, joint ventures, management agreements or any similar arrangement which would serve to affect the value of the Property.

As the Property is held by the owner by means of long term Government lease, we have assumed that the owner has a free and uninterrupted right to use the Property for the whole of the unexpired term of its Government Lease.

Other special assumptions for our valuation (if any) would be stated out in the footnotes of the valuation certificate attached herewith.

LIMITING CONDITIONS

No allowance has been made in our report for any charges, mortgages or amounts owing on the Property nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the Property is free from encumbrances, restrictions and outgoings of an onerous nature, which could affect their values.

We have relied to a very considerable extent on the information given by the Company and have accepted advice given to us on such matters as tenure, planning approvals, statutory notices, easements, particulars of occupancy, lettings, and all other relevant matters.

We have not carried out detailed site measurements to verify the correctness of the floor areas in respect of the Property but have assumed that the areas shown on the documents and official plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations.

The Property was inspected on 15 September 2017 by Wan Lee Yung, who is an employee of Asset Appraisal Limited. However, no structural survey has been made for them. In the course of our inspection, we did not note any apparent defects. We are not, however, able to report whether the buildings and structures inspected by us are free of rot, infestation or any structural defect. No test was carried out on any of the building services and equipment.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Company. We have also sought confirmation from the Company that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to reach an informed view, and we have no reason to suspect that any material information has been withheld.

In valuing the properties, we have complied with all the requirements contained in Chapter 5 and Practice Note 12 to the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited and The HKIS Valuation Standards (2012 Edition) published by The Hong Kong Institute of Surveyors

We enclose herewith our valuation certificate.

Yours faithfully,
for and on behalf of
Asset Appraisal Limited

Sandra Lau
MHKIS AAPI RPS(GP)
Director

Sandra Lau is a member of the Hong Kong Institute of Surveyors, an Associate of the Australian Property Institute and a Registered Professional Surveyor in General Practice. She is on the list of Property Valuers for Undertaking Valuations for Incorporation or Reference in Listing Particulars and Circulars and Valuations in Connection with Takeovers and Mergers of the Hong Kong Institute of Surveyors, Registered Business Valuer under the Hong Kong Business Valuation Forum and has over 10 years' experience in valuation of properties in Hong Kong, in Macau and in the PRC.

VALUATION CERTIFICATE

Property held by the Group for Future Development

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 August 2017 HK\$
Yiu Sha Road Whitehead Ma On Shan Sha Tin New Territories	The Property comprises a parcels of land with a total site area of approximately 252,954 square feet (23,500.00 square metres) or thereabouts.	As at the valuation date, the Property was a development site.	4,070,000,000
Sha Tin Town Lot No. 601	<p>Pursuant the development schedule provided by the Company, the Property is planned to be developed into a residential building with a total gross floor area of approximately 387,504 square feet (36,000 square meter).</p> <p>The Property is held under New Grant No. 22025 for the term of 50 years commencing from 9 January 2015. The annual rent is 3% of the rateable value of the lot.</p>		

Notes:

1. The registered owner of the Property is Loyal Pioneer Limited, a wholly-owned subsidiary of the Target. Pursuant the Sale and Purchase Agreement between China City Construction Property Company Limited and Success Will Development Limited and Ease Mind Investments Limited, a wholly-owned subsidiary of the Company dated 31 March 2017, Ease Mind Investments Limited acquired the 100% shareholder equity of Loyal Pioneer Limited in consideration of HK\$1,469,895,000.
2. The Property is subject to a Debenture and Mortgage in favour of the Hong Kong and Shanghai Banking Corporation Limited vide memorial No. 17061602540089 dated 31 May 2017.
3. The Property falls within an area zoned “Comprehensive Development Area (3)” under Ma On Shan Outline Zoning Plan No. S/MOS/22 dated 15 January 2016.
4. The development condition is based on the latest approved scheme as follows:
 - i. Total Gross Floor Area 36,000 square meter or thereabouts.
 - ii. Plot Ratio
 - Domestic 5.9
 - Non-Domestic 11
 - iii. Maximum Height 48.35m
 - iv. Site Class A
 - v. Building Covert buildings to be completed on or before 31 March 2021

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS**(a) Directors' and chief executives' interests and short position in Shares, underlying Shares and debentures of the Company**

As at the Latest Practicable Date, none of the Directors or chief executive of the Company and/or any of their respective associates had any interest or short position in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (a) 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 or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules, to be notified to the Company and the Stock Exchange.

(b) Persons who have interests or short positions in the Shares or underlying Shares which are discloseable under Divisions 2 and 3 of Part XV of the SFO

Save as disclosed below, as at the Latest Practicable Date, no person had, or were deemed or taken to have interests or short positions in the Shares or underlying Shares 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:

Long positions in the Shares

Name of Shareholders	Capacity	Number of Shares	Percentage of the Company's total issued share capital (Note 3)
WOG (Note 1)	Interest of controlled corporation	11,400,000,000	75.0
Mr. Tang Ching Ho (Note 2)	Other Interest	11,400,000,000	75.0
Ms. Yau Yuk Yin (Note 2)	Other Interest	11,400,000,000	75.0

Notes:

- (1) WOG held the entire issued share capital of Wang On Enterprises (BVI) Limited (“WOG”) which in turn held the entire issued share capital of Earnest Spot Limited (“**Earnest Spot**”). Earnest Spot directly held 11,400,000,000 Shares. Under the SFO, each of WOG and Earnest Spot was deemed to be interested in all the aforesaid Shares held by Earnest Spot for the sole purpose of Part XV of the SFO.
- (2) Under the SFO, Mr. Tang Ching Ho was deemed to be interested in approximately 51.76% of the total issued share capital of WOG through (i) his personal interest; (ii) his spouse’s interest in WOG; (iii) his corporate interest via Caister Limited, a corporation controlled by him; and (iv) his interest being an appointer of a discretionary trust, namely Tang’s Family Trust. Ms. Yau Yuk Yin, the spouse of Mr. Tang Ching Ho, was also deemed to be interested in approximately 51.76% of the total issued share capital of WOG through (i) her personal interest; (ii) Mr. Tang Ching Ho’s interest in WOG; and (iii) being a beneficiary of the Tang’s Family Trust. Therefore, each of Mr. Tang Ching Ho and Ms. Yau Yuk Yin were deemed to be interested in all 11,400,000,000 Shares held by WOG for the sole purpose of Part XV of the SFO.
- (3) The percentage represented the number of Shares over the total number of Shares as at the Latest Practicable Date of 15,200,000,000 Shares.

3. DIRECTORS’ INTERESTS IN ASSETS/CONTRACTS AND OTHER INTERESTS

- (i) There is no contract or arrangement entered into by any member of the Group, subsisting as at the Latest Practicable Date in which any of the Directors is materially interested and which is significant in relation to the business of the Group as a whole.
- (ii) As at the Latest Practicable Date, none of the Directors or their respective associates had any interest, direct or indirect, in any assets which had been, since 31 March 2017 being the latest published audited financial statements of the Company were made up, acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

4. DIRECTORS’ INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, to the best knowledge and belief of the Directors after having made all reasonable enquiries, none of the Directors and their respective close associates were considered to have any interests in businesses which competed or were likely to compete, either directly or indirectly, with the businesses of the Group that need to be disclosed pursuant to Rule 8.10 of the Listing Rules.

5. DIRECTORS’ SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into, or proposed to enter into, any service contract with the Company or any other member(s) of the Group (excluding contracts expiring or which may be terminated by the Company within a year without payment of any compensation (other than statutory compensation)).

6. LITIGATION

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

7. MATERIAL CONTRACTS

Within the two years immediately preceding the Latest Practicable Date, the following contracts (not being contracts entered into in the ordinary course of business) have been entered into by members of the Group which are or may be material:

- (a) the Agreement;
- (b) the Facility Agreement;
- (c) a sale and purchase agreement dated 7 June 2017 entered into between Swift Prosper Limited (an indirectly wholly-owned subsidiary of the Company), as the vendor and Xu Qi Co. Limited, as the purchaser, pursuant to which the vendor agreed to sell one issued ordinary share (representing 50% of the entire issued share capital) of Wonder Sign Limited and assign a shareholder loan at a consideration of HK\$664,485,000, the details are set out in the announcement jointly issued by the Company and WOG dated 7 June 2017;
- (d) a sale and purchase agreement dated 20 February 2017 entered into between Joyful Lake Limited, an indirectly wholly-owned subsidiary of the Company, as the purchaser, and independent third party individuals, as the vendors, in relation to the sale of the entire issued share capital of PT Harvest Holdings Limited beneficially held by the vendors and the assignment of the benefit of the loan owed by PT Harvest Holdings Limited to the vendors for a total consideration of HK\$274,549,000;
- (e) a sale and purchase agreement dated 7 November 2016 entered into between Delight Keen Limited, an indirectly wholly-owned subsidiary of the Company, as the purchaser and Thing On Group Limited as the vendor and Mr. Wong Fung Hing as the guarantor in relation to the acquisition of Fession Group Limited and its subsidiary for a consideration of HK\$512,225,000;
- (f) a provisional sale and purchase agreement dated 4 November 2016 entered into between Precious Investments Limited, an indirectly wholly-owned subsidiary of the Company, as the purchaser and World Success Limited as the vendor in relation to the acquisition of a property located at G/F. & M/F., No. 166 Sai Yeung Choi Street South, Kowloon for a consideration of HK\$83.3 million;

- (g) an underwriting agreement dated 6 April 2016 entered into by WOG, the Company, Wong Yiu Hung Gary, Tang Ho Hong, Earnest Spot, WOE, CLC International Limited, Kingston Corporate Finance Limited (“KCF”), Kingston Securities Limited (“KSL”), VMS Securities Limited, Get Nice Securities Limited and CLC Securities Limited, relating to the placing of 342 million Shares;
- (h) a deed of non-competition dated 29 March 2016 entered into by WOG in favour of the Company (for itself and for each of its subsidiaries), pursuant to which WOG agreed not to, among other things, engage or participate in any business which is in competition with the Company’s business;
- (i) an underwriting agreement dated 29 March 2016 entered into by WOG, the Company, Wong Yiu Hung Gary, Tang Ho Hong, Earnest Spot, WOE, CLC International Limited, KCF, KSL, VMS Securities Limited, Get Nice Securities Limited and CLC Securities Limited, relating to the issue and offer of 38 million new Shares by the Company for subscription in Hong Kong;
- (j) a sale and purchase agreement dated 16 March 2016 entered into between Sparkle Hope and WOE in respect of the acquisition by Sparkle Hope of the entire issued share capital of, and shareholders’ loans owed by, East Run Investments Limited (“East Run”) and More Action at a consideration of HK\$2,047,989,378;
- (k) a deed of assignment of loan dated 16 March 2016 entered into between WOE, Earnest Spot and Sparkle Hope under which WOE assigned the full benefits and advantages of, and all rights, interests, benefits, entitlements and title in the sum owed by Sparkle Hope to WOE in the amount of HK\$2,047,989,378 to Earnest Spot absolutely, in consideration of which Earnest Spot issued to WOE one share, credited as fully paid, in its issued share capital;
- (l) a deed of assignment of loan dated 16 March 2016 entered into between Earnest Spot, the Company and Sparkle Hope under which Earnest Spot assigned the full benefits and advantages of, and all rights, interests, benefits, entitlements and title in the sum owed by Sparkle Hope to Earnest Spot in the amount of HK\$2,047,989,378 to WOG absolutely, for a consideration of HK\$1.00;
- (m) a sale and purchase agreement dated 1 December 2015 entered into between East Run as the vendor, the Company as the guarantor and Super Eagle Limited, an independent third party, as the purchaser, in relation to the disposal of Level Success Limited which held properties known as “Riviera Gardens” located at Tsuen Wan, New Territories together with the right to use and occupy a commercial building known as “Riviera Plaza” of Riviera Gardens and all those car parking spaces of Riviera Plaza of Riviera Gardens for a total consideration of HK\$823.0 million (subject to adjustment as stipulated in the agreement); and

- (n) a conditional sale and purchase agreement dated 13 November 2015 entered into between East Run as the vendor and Guidepost Investments Limited (“**Guidepost**”), as the purchaser, a wholly-owned subsidiary of Wai Yuen Tong Medicine Holdings Limited, in relation to the disposal of Sunbo Investment Limited and Good Excellent Limited, which held properties located at Shop B on Ground Floor, including the Cockloft, Yan Oi House, No. 237 Sha Tsui Road, Nos. 87 & 89 Chuen Lung Street, Tsuen Wan, New Territories and all that Shop on Ground Floor, with the Cockloft, 60A Yen Chow Street, Kowloon, respectively, for an aggregate consideration of HK\$70.0 million (subject to adjustment as stipulated in the agreement).

8. EXPERT AND CONSENT

The following is the qualification of the expert whose statements have been included in this circular:

Name	Qualification
Asset Appraisal Limited	Independent professional valuer

The expert has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter or opinion or report or references to its name in the form and context in which it appears.

As at the Latest Practicable Date, the expert had not had any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, the expert had not had any direct or indirect interests in any assets which have been, since 31 March 2017 (being the date to which the latest published audited accounts of the Company were made up), acquired or disposed of by or leased to any member of the Group, or which are proposed to be acquired or disposed of by or leased to any member of the Group.

9. GENERAL

- (a) The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The head office and principal place of business of the Company in Hong Kong is at Suite 3201, 32/F., Skyline Tower, 39 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong.
- (b) The company secretary of the Company is Ms. Wong Chin Han. She is a member of the American Institute of Certified Public Accountants.
- (c) The branch share registrar and transfer office of the Company in Hong Kong is Tricor Investor Services Limited, Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong.

- (d) The English texts of this circular and the accompanying form of proxy shall prevail over their Chinese texts in case of inconsistencies.

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the principal place of business of the Company in Hong Kong at Suite 3201, 32/F., Skyline Tower, 39 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong on any Business Day from the date of this circular up to and including the date of SGM:

- (a) the memorandum of association and the Bye-laws;
- (b) the material contracts disclosed in the paragraph under the heading “Material Contracts” in this Appendix;
- (c) the valuation report on the Property prepared by Asset Appraisal Limited as set out in Appendix II to this circular;
- (d) the annual reports of the Company for the two financial years ended 31 March 2016 and 2017;
- (e) the written consent referred to in the paragraph headed “Expert and Consent” in this Appendix; and
- (f) this circular.

NOTICE OF THE SGM



WANG ON PROPERTIES LIMITED

宏安地產有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1243)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (the “**SGM**”) of Wang On Properties Limited 宏安地產有限公司 (the “**Company**”) will be held at 27/F, Neich Tower, 128 Gloucester Road, Wan Chai, Hong Kong on Monday, 6 November 2017 at 4:15 p.m. for the purpose of considering and, if thought fit, passing the following resolution as ordinary resolution of the Company:

ORDINARY RESOLUTION

“THAT:

- (a) the entering into the conditional sale and purchase agreement dated 8 September 2017 (the “**Agreement**”) between (i) More Action Investments Limited, as the vendor (the “**Vendor**”), (ii) Sparkle Hope Limited, as the Vendor’s guarantor, (iii) Clear Idea International Limited, as the purchaser (the “**Purchaser**”) and (iv) Angel View International Limited (“**Angel View**”), as the Purchaser’s guarantor (a copy of which has been produced to this meeting marked “A” and initialled by the chairman of the meeting for identification purpose) in relation to the sale and purchase of six ordinary shares of Ease Mind Investments Limited (the “**Target**”), representing 60% of the entire issue share capital of the Target, and the assignment of 60% of the shareholder loan owed by the Target to the Vendor for a total consideration of HK\$2,441,250,000 (subject to adjustment) and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified;
- (b) the (i) entering into the conditional facility agreement dated 8 September 2017 (the “**Facility Agreement**”) between the Vendor, the Purchaser and Angel View (a copy of which has been produced to this meeting marked “B” and initialled by the chairman of the meeting for identification purpose) in relation to the advance of a secured interest-bearing term loan facility of HK\$600,000,000 to the Purchaser and (ii) authorisation of the directors of the Company (the “**Directors**”) to commit the Vendor to providing additional loans, guarantee(s) and/or other financial assistance of up to HK\$1.5 billion to or for the benefit of the Target in relation to any agreed funding requirements for a development project carried out by the Target and its subsidiary, on the basis that the same shall be so provided in proportion to the Purchaser’s shareholding interest in the Target from time to time and otherwise on normal

NOTICE OF THE SGM

commercial terms (together with the Facility Agreement, collectively the “**Possible Financial Assistance**”) and all the transactions contemplated thereunder be and are hereby approved, confirmed and ratified; and

- (c) any one Director be and is hereby authorised to do all such acts and things as the Director in his sole and absolute discretion deems necessary, desirable or expedient to implement, give effect to and/or complete the Agreement, the Facility Agreement, the Possible Financial Assistance and the transactions contemplated thereunder, where required, any amendment of the terms of the Agreement, the Facility Agreement and the Possible Financial Assistance as required by, or for the purposes of obtaining the approval of, relevant authorities or to comply with all applicable laws, rules and regulations.”

By Order of the board of
WANG ON PROPERTIES LIMITED
宏安地產有限公司
Wong Chin Han
Company Secretary

Hong Kong, 12 October 2017

Registered Office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Principal Office:
Suite 3201, 32/F., Skyline Tower
39 Wang Kwong Road
Kowloon Bay
Kowloon
Hong Kong

Notes:

1. The register of members of the Company will be closed from Wednesday, 1 November 2017 to Monday, 6 November 2017, both dates inclusive, during which period no transfer of shares of the Company (“**Shares**”) will be registered. In order to be entitled to attend and vote at the SGM, all transfers of Shares accompanied by the relevant share certificates and properly completed and signed transfer forms must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration no later than 4:30 p.m. on Tuesday, 31 October 2017.
2. Any member of the Company (“**Member**”) entitled to attend and vote at the SGM is entitled to appoint another person as his proxy to attend and vote instead of him. A Member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the SGM. A proxy need not be a Member.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same.
4. In order 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 certified copy of such power or authority, must be deposited at the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, as soon as practicable and in any event not later than 48 hours before the time

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appointed for holding the SGM or any adjournment thereof (as the case may be). Completion and delivery of the form of proxy will not preclude Members from attending and voting at the SGM or any adjournment thereof (as the case may be) should they so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

5. Where there are joint holders of any shares, any one of such holders may vote at the SGM either personally or by proxy in respect of such shares as if he/she was solely entitled thereto provided that if more than one of such joint holders be present at the SGM whether personally or by proxy, the person whose name stands first on the register of members of the Company in respect of such shares shall be accepted to the exclusion of the votes of the other joint holders.
6. The above resolution will be voted by way of a poll at the SGM.