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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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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 Group Limited (宏安集團有限公司)\*, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer, or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or the transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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**WANG ON GROUP LIMITED**

**(宏安集團有限公司)\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1222)**

**PROPOSALS ON  
GRANT OF NEW ISSUE MANDATE AND NEW REPURCHASE MANDATE,  
RE-ELECTION OF RETIRING DIRECTORS,  
ADOPTION OF THE NEW WYT SHARE OPTION SCHEME  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the AGM to be held at Garden Room A-D, 2/F., New World Millennium Hong Kong Hotel, 72 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Tuesday, 22 August 2023 at 12:15 noon is set out on pages AGM-1 to AGM-5 of this circular.

Whether or not you intend to attend and vote in person at the AGM, 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 Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as practicable but in any event not later than 48 hours before the time appointed for holding the AGM 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 AGM 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.

No provision of gifts, food or beverages would be served in the AGM.

\* *For identification purposes only*

28 July 2023

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## DEFINITIONS

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

|                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|--------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “2022 WOG Share Option Scheme” | the existing share option scheme adopted by the Company pursuant to a resolution passed by the Shareholders at the annual general meeting held on 26 August 2022                                                                                                                                                                                                                                                                                                                                          |
| “AGM”                          | the annual general meeting of the Company to be convened and held at Garden Room A-D, 2/F., New World Millennium Hong Kong Hotel, 72 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Tuesday, 22 August 2023 at 12:15 noon or at any adjournment thereof (as the case may be) to consider and, if thought fit, approve, inter alia, (i) the grant of the New Issue Mandate and the New Repurchase Mandate; (ii) the re-election of the retiring Directors; and (iii) the New WYT Share Option Scheme |
| “associate(s)”                 | has the meaning ascribed thereto under the Listing Rules                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| “associated company”           | means, in relation to a company, any body corporate or other entity whose results are recorded in that company’s financial statements using the equity method of accounting                                                                                                                                                                                                                                                                                                                               |
| “Board”                        | the board of the Directors                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| “business day”                 | any day (excluding a Saturday, Sunday and public holiday) on which the Stock Exchange is open for the business of dealing in securities                                                                                                                                                                                                                                                                                                                                                                   |
| “Bye-law(s)”                   | the bye-laws of the Company from time to time                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| “CAP”                          | China Agri-Products Exchange Limited 中國農產品交易有限公司, 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: 0149), a 53.37%-owned listed subsidiary of WYT                                                                                                                                                                                                                                               |
| “close associate(s)”           | has the meaning ascribed thereto under the Listing Rules                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| “Company”                      | Wang On Group Limited (宏安集團有限公司)*, 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: 1222)                                                                                                                                                                                                                                                                                                       |
| “controlling shareholder(s)”   | has the meaning ascribed thereto under the Listing Rules                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| “core connected person(s)”     | has the meaning ascribed thereto under the Listing Rules                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

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## DEFINITIONS

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|------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Director(s)”                      | the director(s) of the Company                                                                                                                                                                                                                                                                                                                                                                                                              |
| “Employee Participants”            | any director or employee of any member of the WYT Group (including persons who are granted Option(s) under the New WYT Share Option Scheme as an inducement to enter into employment contracts with any member of the WYT Group) and, for the avoidance of doubt, excludes any former employee unless such person qualifies as a Participant in some other capacity                                                                         |
| “Existing WYT Share Option Scheme” | the existing share option scheme of WYT adopted pursuant a shareholders’ resolution passed at WYT’s annual general meeting held on 22 August 2013, which will expire on 21 August 2023                                                                                                                                                                                                                                                      |
| “Grantee”                          | generally, a Participant who accepts an Offer in accordance with the terms of the New WYT Share Option Scheme                                                                                                                                                                                                                                                                                                                               |
| “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 People’s Republic of China                                                                                                                                                                                                                                                                                                                                                               |
| “Latest Practicable Date”          | 24 July 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular                                                                                                                                                                                                                                                                                  |
| “Listing Rules”                    | the Rules Governing the Listing of Securities on the Stock Exchange                                                                                                                                                                                                                                                                                                                                                                         |
| “New Issue Mandate”                | a general and unconditional mandate proposed to be granted to the Directors at the AGM to allot, issue and deal with additional Shares and other securities up to a maximum of 20% of the total number of Shares in issue as at the date of passing of the relevant resolution(s) granting such mandate (such mandate to be extended and added by the number of Shares, if any, repurchased by the Company since the grant of such mandate) |
| “New Repurchase Mandate”           | a general and unconditional mandate proposed to be granted to the Directors at the AGM to exercise the powers of the Company to repurchase Shares during the prescribed period on the Stock Exchange up to a maximum of 10% of the total number of Shares in issue as at the date of passing of the relevant resolution granting such mandate                                                                                               |

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## DEFINITIONS

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| “New WYT Share Option Scheme” | the share option scheme of WYT proposed to be adopted by WYT and, for the purpose of the Listing Rules, subject to the approval by the Shareholders at the AGM, the principal terms of which are summarized in Appendix III to this circular                                                                                                        |
| “Offer”                       | the offer of the grant of an Option to be made in accordance with the New WYT Share Option Scheme                                                                                                                                                                                                                                                   |
| “Option”                      | an option to subscribe for WYT Shares granted pursuant to the New WYT Share Option Scheme that is subsisting                                                                                                                                                                                                                                        |
| “Option Period”               | in respect of any particular Option, the period during which the Grantee may exercise the Option subject to the terms of the New WYT Share Option Scheme, which is determined and notified by the WYT Board to the Grantee at the time of making an Offer and must not be more than 10 years from the date on which an Offer is made to the Grantee |
| “Participant”                 | means an Employee Participant or Related Entity Participant who is eligible to be granted Option(s) under the New WYT Share Option Scheme                                                                                                                                                                                                           |
| “Related Entity Participants” | any director or employee of the holding companies, fellow subsidiaries or associated companies of WYT                                                                                                                                                                                                                                               |
| “Scheme Mandate Limit”        | the maximum number of WYT Shares which may be issued upon exercise of all options and awards (including the Options) granted under the share schemes of WYT                                                                                                                                                                                         |
| “SFO”                         | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)                                                                                                                                                                                                                                                                         |
| “Share(s)”                    | the ordinary share(s) of HK\$0.01 each in the issued share capital of the Company                                                                                                                                                                                                                                                                   |
| “Shareholder(s)”              | the holder(s) of the Share(s)                                                                                                                                                                                                                                                                                                                       |
| “Stock Exchange”              | The Stock Exchange of Hong Kong Limited                                                                                                                                                                                                                                                                                                             |
| “subsidiary(ies)”             | a subsidiary(ies) for the time being of the Company within the meaning as ascribed thereto under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)                                                                                                                                                                                     |
| “substantial shareholder(s)”  | has the meaning ascribed thereto under the Listing Rules                                                                                                                                                                                                                                                                                            |
| “Takeovers Code”              | the Hong Kong Code on Takeovers and Mergers                                                                                                                                                                                                                                                                                                         |

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## DEFINITIONS

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|--------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “WOP”              | 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), a 75%-owned listed subsidiary of the Company                      |
| “WYT”              | Wai Yuen Tong Medicine Holdings Limited (位元堂藥業控股有限公司*), 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: 897), a 67.26%-owned listed subsidiary of the Company |
| “WYT Board”        | the board of directors of WYT                                                                                                                                                                                                                                            |
| “WYT Group”        | WYT and its subsidiaries                                                                                                                                                                                                                                                 |
| “WYT Shareholders” | holders of WYT Shares                                                                                                                                                                                                                                                    |
| “WYT Shares”       | ordinary shares of HK\$0.01 each in the share capital of WYT                                                                                                                                                                                                             |
| “%”                | per cent.                                                                                                                                                                                                                                                                |

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## LETTER FROM THE BOARD

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### WANG ON GROUP LIMITED

(宏安集團有限公司)\*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1222)

*Executive Directors:*

Mr. Tang Ching Ho, *GBS, JP (Chairman)*

Ms. Yau Yuk Yin (*Deputy Chairman*)

Ms. Stephanie

*Independent non-executive Directors:*

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

Mr. Siu Kam Chau

Mr. Chan Yung, *BBS, JP*

*Registered office:*

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*Head office and principal place  
of business in Hong Kong:*

Suite 3202, 32/F., Skyline Tower

39 Wang Kwong Road

Kowloon Bay

Kowloon

Hong Kong

28 July 2023

*To the Shareholders*

Dear Sir or Madam,

**PROPOSALS ON  
GRANT OF NEW ISSUE MANDATE AND NEW REPURCHASE MANDATE,  
RE-ELECTION OF RETIRING DIRECTORS,  
ADOPTION OF THE NEW WYT SHARE OPTION SCHEME  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

#### **INTRODUCTION**

The purpose of this circular is to provide you with information and to seek your approval, inter alia, on (i) the grant of the New Issue Mandate and the New Repurchase Mandate; (ii) the re-election of the retiring Directors; and (iii) the adoption of the New WYT Share Option Scheme. A notice of the AGM containing the relevant resolutions to be proposed at the AGM is set out on pages AGM-1 to AGM-5 of this circular.

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## LETTER FROM THE BOARD

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### GRANT OF THE NEW ISSUE MANDATE AND THE NEW REPURCHASE MANDATE

At the Company's last annual general meeting held on 26 August 2022, the Directors were granted (i) a general mandate to allot, issue and deal with Shares up to an aggregate number of not exceeding 20% of the total number of Shares in issue as at 26 August 2022 (equivalent to an aggregate of 3,195,504,009 Shares) (the "**2022 General Mandate**"); and (ii) a general mandate to repurchase Shares up to a maximum of 10% of the total number of Shares in issue as at 26 August 2022 (equivalent to an aggregate of 1,597,752,004 Shares) (the "**2022 Repurchase Mandate**").

As at the Latest Practicable Date, save as disclosed in the section headed "7. Share Repurchases made by the Company" as set out in Appendix I to this circular, the 2022 General Mandate and the 2022 Repurchase Mandate had not been utilised or refreshed and they will expire upon the conclusion of the AGM.

To facilitate future allotment, issue and repurchase of Shares by the Directors on behalf of the Company, the Directors will seek the approval of the Shareholders for the grant of:

- (a) the New Issue Mandate;
- (b) the New Repurchase Mandate; and
- (c) if the New Issue Mandate is granted, a general mandate to add the aggregate number of Shares repurchased by the Company under the New Repurchase Mandate to the New Issue Mandate, subject to a maximum of 10% of the total number of Shares in issue as at the date of passing of the relevant resolution.

As at the Latest Practicable Date, the total number of Shares in issue was 15,353,820,047. Upon passing of the relevant resolutions at the AGM and assuming no further Shares are issued and/or repurchased by the Company between the Latest Practicable Date and the date of the AGM, the Company would be allowed (i) pursuant to the New Issue Mandate to allot, issue and deal with 3,070,764,009 Shares, representing 20% of the total number of Shares in issue as at the date of passing of the relevant resolution; and (ii) pursuant to the New Repurchase Mandate to repurchase 1,535,382,004 Shares, representing 10% of the total number of Shares in issue as at the date of passing of the relevant resolution. The Directors have no immediate plans to allot and issue any Shares under the New Issue Mandate.

An explanatory statement giving certain information in respect of the New Repurchase Mandate as required under the Listing Rules to be included in this circular is set out in Appendix I to this circular.

### RE-ELECTION OF THE RETIRING DIRECTORS

As at the Latest Practicable Date, the Board consists of six Directors, namely Mr. Tang Ching Ho, Ms. Yau Yuk Yin and Ms. Stephanie, as the executive Directors, Mr. Wong Chun, Justein, Mr. Siu Kam Chau and Mr. Chan Yung, as the independent non-executive Directors.

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## LETTER FROM THE BOARD

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Pursuant to Bye-law 84(1) of the Bye-laws, Mr. Tang Ching Ho (“**Mr. Tang**”) and Mr. Wong Chun, Justein (“**Mr. Wong**”) will retire as Directors by rotation at the AGM and, being eligible, offer themselves for re-election. Mr. Wong Chun, Justein had served the Company as an independent non-executive Director for more than nine years and pursuant to Corporate Governance Code under Appendix 14 to the Listing Rules, his further appointment as an independent non-executive Director should be subject to a separate resolution to be approved by the Shareholders. Nonetheless, the Company believes that Mr. Wong Chun, Justein can independently express opinions on the affairs and contribute to the growth of the Group for the reason that Mr. Wong continuously meeting the independence guidelines set out in Rule 3.13 of the Listing Rules and has not involved in any daily operation and management of the Group. In addition, Mr. Wong always makes objective and constructive advice to the development of the Group and has given independent yet informed guidance to the Company leveraging on his expertise, experience and skills from his diversified background and professional experience in the aspect of financial management and corporate management through his active participation in discussion at board and various committee meetings. The demonstration of his firm commitment to his independent role is highly recognized by the nomination committee of the Company and the Board and it is believed that the long service of Mr. Wong will not affect the exercise of his independent judgement. Biographical details of each of Mr. Tang and Mr. Wong required to be disclosed under the Listing Rules are set out in Appendix II to this circular.

The Nomination Committee, having reviewed the Board’s composition, nominated Mr. Tang and Mr. Wong to the Board for it to recommend to the Shareholders for re-election at the AGM. The Nomination Committee has also reviewed and considered each retiring Director’s respective experience, skills and knowledge. Given their different backgrounds and expertise, the Nomination Committee has assessed and is satisfied with the performance of the retiring Directors and considered that each of them contributes to the diversity of the Board in terms of business experience.

Each of Mr. Tang and Mr. Wong abstained from voting at the Board meeting and the Nomination Committee meeting (as applicable) regarding the resolution(s) of their own nominations.

If a valid notice from a Shareholder to propose a person to stand for election as a Director at the AGM is received in accordance with the Bye-laws after the printing of this circular, the Company will issue a supplementary circular to inform Shareholders of the details of such additional candidate(s) proposed.

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## LETTER FROM THE BOARD

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### ADOPTION OF THE NEW WYT SHARE OPTION SCHEME

The Existing WYT Share Option Scheme was adopted by the shareholders of WYT on 22 August 2013 for a period of 10 years from the date of its adoption and is due to expire on 21 August 2023. In view of the expiry of the Existing WYT Share Option Scheme, WYT proposes to adopt the New WYT Share Option Scheme, so as to enable it to grant options to Participants as incentives or rewards for their contribution or potential contribution to the success of the operations of the WYT Group. As WYT constitutes a principal subsidiary of the Company for the purpose of Rule 17.14 of the Listing Rules, the New WYT Share Option Scheme is also subject to the approval of the Shareholders pursuant to Chapter 17 of the Listing Rules.

The New WYT Share Option Scheme takes effect subject to the satisfaction of the following:

- (i) the passing of a resolution by the Shareholders to approve the New WYT Share Option Scheme; and
- (ii) the passing of a resolution by the WYT Shareholders to approve and adopt the New WYT Share Option Scheme and to authorise the WYT Board to grant option under the New WYT Share Option Scheme and to allot, issue and deal in the WYT Shares pursuant to the exercise of any options granted under the New WYT Share Option Scheme.

A summary of the principal terms of the New WYT Share Option Scheme is set out in Appendix III to this circular. A copy of the New WYT Share Option Scheme will be published on, amongst others, the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.wangon.com](http://www.wangon.com)) up to and including the date of the AGM, and will be available for inspection at the AGM.

### **Purpose**

The purpose of the New WYT Share Option Scheme is to reward Participants who have contributed or may contribute to the WYT Group and to encourage Participants to work towards enhancing the value of WYT and its WYT Shares for the benefit of WYT and the WYT Shareholders as a whole.

### **Participants**

On and subject to the terms of the New WYT Share Option Scheme and the requirements of the Listing Rules, the WYT Board may offer to grant an option to any Participants as the WYT Board may in its absolute discretion select.

The eligibility of any of the Participants for grant(s) of Option(s) shall be determined by the WYT Board from time to time on the basis of the WYT Board's opinion as to the Participant's contribution to the success of the WYT Group's operations. In assessing whether Options are to be granted to any Participant, the WYT Board shall take into account various factors, including but not limited to, the nature and extent of contributions provided by such Participant to the WYT Group, the special skills or technical knowledge possessed by them which is beneficial to the continuing development of the WYT Group, the positive impact which such Participant has brought to the WYT Group's operations and whether granting the Options to such Participant is an appropriate incentive to such Participant to continue to contribute towards the WYT Group's operations.

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## LETTER FROM THE BOARD

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The scope of Participants under the New WYT Share Option Scheme includes Employee Participants and Related Entity Participants. The Directors (including the independent non-executive Directors) are of the view that apart from the contributions from employees and directors of members of the WYT Group, the success of the WYT Group might also be attributed to the efforts and contributions/potential contributions from non-employees including the Related Entity Participants (including, for example, directors and employees of associated companies of WYT). The eligibility of Related Entity Participants to participate is consistent with the purpose of the New WYT Share Option Scheme, namely to encourage Participants to work towards enhancing the value of WYT and its WYT Shares for the benefit of WYT and the WYT Shareholders as a whole, which is achieved by the Participants holding on to equity incentives with aligned interest as the WYT Shareholders.

### **Scheme Mandate Limit**

The Scheme Mandate Limit, i.e. the maximum number of WYT Shares which may be issued upon exercise of all options and awards to be granted under the New WYT Share Option Scheme and any other share schemes of WYT must not, in the absence of WYT Shareholders' approval, in aggregate exceed 10% of the WYT Shares in issue as at the date of adoption of the New WYT Share Option Scheme. The Scheme Mandate Limit may be refreshed in accordance with the provisions set out in the New WYT Share Option Scheme.

As at the Latest Practicable Date, there are a total of 1,204,642,888 WYT Shares in issue (in which a total of 24,540,000 WYT Shares represent WYT Shares that have been repurchased by WYT which are pending cancellation). Assuming there is no change in the number of WYT Shares in issue during the period between the Latest Practicable Date and the date of adoption of the New WYT Share Option Scheme (save for the cancellation of the above-mentioned 24,540,000 WYT Shares), the maximum number of WYT Shares which may be issued upon exercise of all options to be granted under the New WYT Share Option Scheme and (if any) other share scheme(s) (as such term is defined under the Listing Rules) of WYT is 118,010,288 WYT Shares.

### **Vesting Period**

The minimum period for which an Option must be held before it can be exercised is determined by the WYT Board, which shall generally not be less than 12 months. To ensure the practicability in fully attaining the purpose of the New WYT Share Option Scheme, the WYT Board is of the view that (a) there are certain instances where a strict twelve (12)-month vesting requirement would not work or would not be fair to the grantees, such as those set out in paragraphs 5(i) of Appendix III to this circular; (b) there is a need for WYT to retain flexibility to reward exceptional performers with accelerated vesting or in exceptional circumstances where justified; and (c) WYT should be allowed discretion to formulate its own talent recruitment and retention strategies in response to changing market conditions and industry competition, and thus should have flexibility to impose vesting conditions such as performance-based vesting conditions instead of time-based vesting criteria depending on individual circumstances. The vesting period of 12 months which may be shortened under certain circumstances aligns with the purpose of the New WYT Share Option Scheme by encouraging the Participants to perform exceptionally for accelerated vesting.

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## LETTER FROM THE BOARD

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### **Subscription Price**

The basis for determining the subscription price for the Option is set out in the rules of the New WYT Share Option Scheme (see paragraph 6 of Appendix III to this circular). Such basis will serve to preserve the value of WYT and encourage the Participants to acquire proprietary interests in WYT. The basis of the subscription price complies with the requirements of the Listing Rules and is consistent with the purpose of the New WYT Share Option Scheme as it encourages the Participants to contribute to the WYT Group and benefit from an increase in market price of the WYT Shares.

### **Performance targets and clawback mechanism**

If and to the extent that any performance target is required to be achieved by any grantee before an Option is capable of being exercised, particulars of such targets shall be specified in the offer of an Option. The WYT Board may determine such performance target at its sole and absolute discretion, which may include, without limitation, (i) business performance and financial performance of the WYT Group or specific business unit(s); (ii) attaining of corporate goals and/or (iii) individual performance appraisal. Save as stated in the New WYT Share Option Scheme (see paragraphs 5 and 11 of Appendix III to this circular) or unless otherwise as may be provided by the WYT Board in the relevant letter of offer of an Option, there is no performance target attached to the Options, or any clawback mechanism for WYT to recover or withhold Options granted to any Participant that have vested.

### **General**

As at the Latest Practicable Date, WYT has not engaged any trustee for the administration of the New WYT Share Option Scheme.

Application(s) will be made, as and when appropriate, by WYT to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the new WYT Shares which may be issued pursuant to the exercise of options granted pursuant to the New WYT Share Option Scheme.

### **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.

### **THE AGM**

A notice of the AGM, which is convened for the purpose of considering and, if thought fit, approving, among other things, (i) the grant of the New Issue Mandate and the New Repurchase Mandate; (ii) the re-election of the retiring Directors; and (iii) the adoption of the New WYT Share Option Scheme, is set out on pages AGM-1 to AGM-5 of this circular.

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## LETTER FROM THE BOARD

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The Directors are not aware of any Shareholder who is required to abstain from voting at the AGM. Pursuant to Rule 13.39(4) of the Listing Rules and/or the Bye-laws, the voting on all proposed resolutions set out in the notice of the AGM will be taken by way of a poll and an announcement on the poll results will be published by the Company on the websites of the Stock Exchange and the Company in the manner prescribed under Rule 13.39(5) of the Listing Rules after the AGM.

A form of proxy for use by the Shareholders at the AGM is enclosed with this circular. Whether or not you intend to attend and vote in person at the AGM, 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 Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as practicable but in any event not later than 48 hours before the time appointed for holding the AGM 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 AGM 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

The Directors are of the opinion that (i) the grant of the New Issue Mandate and the New Repurchase Mandate; (ii) the re-election of the retiring Directors; and (iii) the adoption of the New WYT Share Option Scheme are in the interests of the Company and the Shareholders as a whole and, accordingly, the Directors recommend all Shareholders to vote in favour of the resolutions set out in the notice of the AGM contained herein.

### SPECIAL NEEDS

If you have any particular access request or special needs for participating in the AGM, please do not hesitate to contact the Company via email at [pr@wangan.com](mailto:pr@wangan.com) or by telephone at (852) 2312 8288 on or before 15 August 2023.

Yours faithfully,  
For and on behalf of the Board  
**WANG ON GROUP LIMITED**  
(宏安集團有限公司)\*  
**Tang Ching Ho**  
*Chairman and Executive Director*

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

## **1. SHARE CAPITAL**

As at the Latest Practicable Date, the total number of Shares in issue was 15,353,820,047 and there was no outstanding share options granted under the 2022 WOG Share Option Scheme or any outstanding convertible notes or options carrying the rights to subscribe for any Share.

Subject to the passing of the relevant ordinary resolution(s) as set out in the notice of the AGM, assuming no further Shares are or will be issued and/or repurchased by the Company between the Latest Practicable Date and the date of the AGM, the Directors will be authorised to repurchase up to 1,535,382,004 Shares pursuant to the New Repurchase Mandate.

## **2. REASONS FOR REPURCHASES**

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

## **3. FUNDING OF REPURCHASES**

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

There will not be any material adverse impact on the working capital requirement or gearing level of the Company as compared with the positions disclosed in the audited consolidated financial statements set out in the Company's annual report for the year ended 31 March 2023 in the event that the New Repurchase Mandate is to be exercised in full at any time during the proposed repurchase period.

The Directors do not propose to exercise the New Repurchase Mandate to such extent as could, in the circumstances, have a material adverse effect on the working capital requirement or the gearing level of the Company.

## **4. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS**

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

No core connected person of the Company has notified the Company that he/she has a present intention to sell any Shares to the Company, or that he/she has undertaken not to sell any Shares held by him/her to the Company, in the event that the grant of the New Repurchase Mandate is approved by the Shareholders at the AGM.

#### **5. DIRECTORS' UNDERTAKING**

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

#### **6. EFFECT OF THE TAKEOVERS CODE**

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

To the best knowledge and belief of the Directors, Mr. Tang Ching Ho ("**Mr. Tang**"), the chairman and the controlling Shareholder of the Company, together with his associates, was interested or deemed to be interested in approximately 48.69% (as at 16 May 2023) and 50.67% (as at the Latest Practicable Date) of the total number of Shares in issue respectively. In the event that the Directors exercise the power to repurchase Shares under the New Repurchase Mandate so that Mr. Tang's interests or deemed interests in Shares increase by more than 2% from 48.69% on or before 16 May 2024 and assuming there is no other change in the issued share capital of the Company, Mr. Tang (and parties acting in concert with him) will be obliged to make a mandatory offer pursuant to Note 17 to Rule 26 of the Takeovers Code.

Save as disclosed above, the Directors are not aware of any consequence which may arise under the Takeovers Code as a result of any repurchases made under the New Repurchase Mandate. The Directors have no present intention to exercise the power to repurchase Shares to the extent that the aggregate amount of the share capital of the Company in public hands would be reduced to less than 25% or trigger the obligations under the Takeovers Code to make a mandatory offer.

**7. SHARE REPURCHASES MADE BY THE COMPANY**

In the six months preceding the Latest Practicable Date, the Company repurchased a total of 623.7 million shares of HK\$0.01 each of the Company on the Stock Exchange.

Details of the share repurchases during the six months preceding the Latest Practicable Date are as follows:

| Month of repurchases | Number of repurchased share<br>(in million) | Purchase price per share |                | Aggregate amount<br>HK\$ (in million) |
|----------------------|---------------------------------------------|--------------------------|----------------|---------------------------------------|
|                      |                                             | Highest<br>HK\$          | Lowest<br>HK\$ |                                       |
| March 2023           | 485                                         | 0.053                    | 0.049          | 24.925                                |
| April 2023           | 138.7                                       | 0.053                    | 0.053          | 7.3511                                |

Save as disclosed above, the Company had not purchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

**8. SHARE PRICES**

The highest and lowest prices at which the Shares had been traded on the Stock Exchange during each of the last 12 months and up to the Latest Practicable Date were as follows:

| Month                                                  | Price per Share |                |
|--------------------------------------------------------|-----------------|----------------|
|                                                        | Highest<br>HK\$ | Lowest<br>HK\$ |
| <b>2022</b>                                            |                 |                |
| July                                                   | 0.071           | 0.061          |
| August                                                 | 0.069           | 0.062          |
| September                                              | 0.067           | 0.058          |
| October                                                | 0.063           | 0.043          |
| November                                               | 0.052           | 0.041          |
| December                                               | 0.046           | 0.040          |
| <b>2023</b>                                            |                 |                |
| January                                                | 0.047           | 0.041          |
| February                                               | 0.054           | 0.043          |
| March                                                  | 0.054           | 0.047          |
| April                                                  | 0.064           | 0.048          |
| May                                                    | 0.050           | 0.039          |
| June                                                   | 0.045           | 0.038          |
| July (up to and including the Latest Practicable Date) | 0.040           | 0.038          |

The biographical details of Mr. Tang Ching Ho and Mr. Wong Chun, Justein, who are proposed, and being eligible, to be re-elected at the AGM are set out as follows:

#### EXECUTIVE DIRECTOR

**Mr. Tang Ching Ho** (“**Mr. Tang**”), *GBS, JP*, aged 61, is a co-founder of the Group, which was established in 1987, and the Chairman of the Company since November 1993. He is also an authorised representative and a member of the remuneration committee, and the chairperson of the executive committee, the nomination committee and the investment committee of the Company. He is responsible for the strategic planning, policy making and business development of the Group. He has extensive experience in corporate management. He is also the chairman and managing director of WYT and the chairman and an executive director of CAP. Mr. Tang is a deputy director of the Committee on Education, Science, Health and Sports of the National Committee of the Chinese People’s Political Consultative Conference (“**CPPCC**”), a committee member of the 12th to 14th National Committee of the CPPCC and also a standing committee member and convener of the 10th to 13th Guangxi Zhuang Autonomous Region Committee of the CPPCC. Mr. Tang is also appointed as the first executive chairman of the Federation of Hong Kong Guangdong Community Organisations and the chairman of Federation of Hong Kong Shenzhen Associations. Mr. Tang is a controlling Shareholder. He is the husband of Ms. Yau Yuk Yin, the Deputy Chairman of the Company and the father of both Mr. Tang Ho Hong (i.e. the spouse of Ms. Stephanie, an executive Director) and Ms. Tang Wai Man, both the senior management of the Company.

Save as disclosed herein, Mr. Tang did not have any relationship with any other Directors, senior management, substantial or controlling Shareholders. Save as disclosed herein, Mr. Tang did not hold any other directorship in listed public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the past three years preceding the Latest Practicable Date or hold any other positions with the Company or any member of the Group as at the Latest Practicable Date.

Pursuant to the service contracts entered into between the Group and Mr. Tang, he is entitled to an annual remuneration of approximately HK\$36.9 million together with an annual bonus on the basis of 3% of the audited consolidated net profit after taxation of the Group and performance bonus at discretion of the Board and the remuneration committee of the Group with reference to the Group’s performance and the prevailing practice in the industry. Such fee is determined with reference to his duties as an executive Director. Mr. Tang is a director of several subsidiaries of the Group. The term of Mr. Tang’s appointment is subject to retirement by rotation and re-election at any subsequent annual general meeting of the Company in accordance with the Bye-laws.

As at the Latest Practicable Date, Mr. Tang, together with his associates, were interested in an aggregate of 7,780,645,772 Shares, representing approximately 50.67% of the issued share capital of the Company, within the meaning of Part XV of the SFO which includes personal interest of 28,026,339 Shares, 28,026,300 Shares held by his spouse, 2,734,664,306 Shares held by corporation(s) controlled by Mr. Tang and 4,989,928,827 Shares held by Tang’s Family Trust of which Mr. Tang is the founder. Save as disclosed above, as at the Latest Practicable Date, he did not have any interest in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, there is no information which is discloseable nor is/was Mr. Tang involved in any of the matters required to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and the Directors are not aware of any other matters regarding the re-election of Mr. Tang that needs to be brought to the attention of the Shareholders.

**INDEPENDENT NON-EXECUTIVE DIRECTOR**

**Mr. Wong Chun, Justein** (“**Mr. Wong**”), *BBS, MBE, JP*, aged 69, joined the Group in November 1993 as an independent non-executive Director. He is a member of the audit committee and the nomination committee of the Company and the chairman of the remuneration committee of the Company. Mr. Wong holds a bachelor’s degree in Commerce and Computing Science from Simon Fraser University, Canada. He is a Fellow of Institute of Canadian Bankers. He was a member of the Fight Crime Committee, the Independent Police Complaints Council, the Legal Aid Services Council, chairman of Quality Education Fund Assessment and Monitoring Committee, a member of Solicitors Disciplinary Tribunal Panel, a member of Council on Professional Conduct in Education. He is ex-official member of New Territories Heung Yee Kuk and is currently a member of other government advisory bodies. Save as disclosed above, Mr. Wong did not hold any other directorship or take any major appointment in any listed company in the past three years preceding the Latest Practicable Date.

As at the Latest Practicable Date, Mr. Wong did not have any relationship with any other Directors, senior management, substantial or controlling Shareholders nor have interests in the Shares within the meaning of Part XV of the SFO. As at the Latest Practicable Date and save as disclosed above, he also did not hold any other positions with the Company or any member of the Group.

Pursuant to the letter of appointment entered into between the Company and Mr. Wong, his appointment is subject to the provisions of the Bye-laws and will also be subject to the retirement by rotation and re-election at any subsequent annual general meeting of the Company. Mr. Wong is entitled to a director’s fee of HK\$197,000 per annum and will also be entitled to a fee of HK\$20,000 per annum determined with reference to his duties as a member of the audit committee of the Company. Such fee is determined with reference to his duties as an independent non-executive Director.

Save as disclosed above, there is no information which is discloseable nor is/was Mr. Wong involved in any of the matters required to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and the Directors are not aware of any other matters regarding the re-election of Mr. Wong that needs to be brought to the attention of the Shareholders.

The following is a summary of the principal terms of the New WYT Share Option Scheme proposed to be approved by the Shareholders at the AGM but such summary does not form part of, nor was it intended to be, part of the New WYT Share Option Scheme. For details of the New WYT Share Option Scheme, please refer to the copy of the New WYT Share Option Scheme which is published on, among others, the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.wangon.com](http://www.wangon.com)) for display from the date of this circular up to and including the date of the AGM:

### **1. PURPOSE**

The purpose of the New WYT Share Option Scheme is to reward Participants who have contributed or may contribute to the WYT Group and to encourage Participants to work towards enhancing the value of WYT and its WYT Shares for the benefit of WYT and the WYT Shareholders as a whole.

### **2. WHO MAY JOIN**

On and subject to the terms of the New WYT Share Option Scheme and the requirements of the Listing Rules, the WYT Board may offer to grant an option to any Participants as the WYT Board may in its absolute discretion select.

The eligibility of any of the Participants for grant(s) of Option(s) shall be determined by the WYT Board from time to time on the basis of the WYT Board's opinion as to the Participant's contribution to the success of the WYT Group's operations. In assessing whether Options are to be granted to any Participant, the WYT Board shall take into account various factors, including but not limited to, the nature and extent of contributions provided by such Participant to the WYT Group, the special skills or technical knowledge possessed by them which is beneficial to the continuing development of the WYT Group, the positive impact which such Participant has brought to the WYT Group's operations and whether granting the Options to such Participant is an appropriate incentive to such Participant to continue to contribute towards the WYT Group's operations.

### **3. ADMINISTRATION**

The New WYT Share Option Scheme shall be subject to the administration of the WYT Board whose decision as to all matters arising in relation to the New WYT Share Option Scheme or its interpretation or effect shall (save as otherwise provided therein) be final and binding on all parties. The WYT Board shall have the right to:

- (a) interpret and construe the provisions of the New WYT Share Option Scheme;
- (b) determine the persons (if any) who shall be offered Options under the New WYT Share Option Scheme, and the number of WYT Shares and subscription price, subject to the terms of the New WYT Share Option Scheme;

- (c) subject to approval by the WYT Shareholders to alter the New WYT Share Option Scheme, make such adjustments to the terms of the options granted under the New WYT Share Option Scheme to the relevant Participant(s) who accept an Offer in accordance with the New WYT Share Option Scheme as the WYT Board deems necessary, and whereupon the WYT Board shall notify the relevant Grantee of such adjustment by written notice; and
- (d) make such other decisions or determinations as it shall deem appropriate in relation to the offers and/or the administration of the New WYT Share Option Scheme provided that the same are not inconsistent with the provisions of the New WYT Share Option Scheme and the Listing Rules.

#### **4. PAYMENT ON ACCEPTANCE**

An Offer is deemed to be accepted when WYT receives from the Grantee the offer letter signed by the Grantee specifying the number of WYT Shares in respect of which the Offer is accepted and a remittance to WYT of HK\$1.00 as consideration for the grant of Option(s). Such remittance is not refundable under any circumstances.

#### **5. GRANT OF OPTION AND LIFE OF NEW SHARE OPTION SCHEME**

On and subject to the terms of the New WYT Share Option Scheme and the Listing Rules, the WYT Board shall be entitled at any time within 10 years after the date of adoption of the New WYT Share Option Scheme to make an Offer to any Participant as the WYT Board may in its absolute discretion select to take up option(s) pursuant to which such Participant may, upon acceptance of such Offer, subscribe for such number of WYT Shares at such subscription price as the WYT Board may determine during the Option Period.

The Offer shall specify the terms on which the Option is to be granted and shall include:

- (i) the minimum period as determined by the WYT Board for which an Option must be held before it can be exercised, which shall generally not be less than 12 months unless the following applies in relation to grants to Employee Participants:
  - (a) grants of “make whole” Options to new Employee Participants to replace share options such Employee Participants forfeited when leaving their previous employers;
  - (b) grants to an Employee Participant whose employment is terminated due to death or disability or event of force majeure;
  - (c) grants of Options which are subject to the fulfilment of performance targets;
  - (d) grants of Options with a mixed vesting schedule such that the Share Options vest evenly over a period of 12 months; or
  - (e) grants of Options with a total vesting and holding period of more than 12 months;

- (ii) any performance target which the WYT Board considers to be appropriate in relation to any specific grant of Option(s) and may include, without limitation, business performance and financial performance of the WYT Group or specific business unit(s), attaining of corporate goals, and/or individual performance appraisal, that must be achieved before the Option(s) can be exercised in whole or in part; and
- (iii) any other terms, all of which may be imposed (or not imposed) either on a case-by-case basis or generally.

The Company may not grant any Options after inside information has come to its knowledge until (and including) the trading day after it has announced the information. In particular, it may not grant any Option during the period commencing one month immediately before the earlier of:

- (a) the date of the meeting of the WYT Board (as such date is first notified to the Stock Exchange under the Listing Rules) for approving WYT's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
- (b) the deadline for WYT to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcement. No Option may be granted during any period of delay in publishing the results announcement.

Subject to the other provisions therein, the New WYT Share Option Scheme shall be valid and effective for a period of 10 years commencing on the date of adoption of the New WYT Share Option Scheme, after which period no further options shall be offered or granted under the New WYT Share Option Scheme but the provisions of the New WYT Share Option Scheme shall remain in full force and effect in all other respects. Options granted during the life of the New WYT Share Option Scheme shall continue to be exercisable in accordance with their terms of grant after the end of the 10-year period.

## **6. SUBSCRIPTION PRICE**

The subscription price shall be determined by the WYT Board in its absolute discretion but in any event must not be less than the highest of:

- (a) the closing price of the WYT Shares as stated in the daily quotations sheets issued by the Stock Exchange on the date of grant of the Options, which must be a business day;
- (b) the average closing price of the WYT Shares as stated in the daily quotations sheets issued by the Stock Exchange for the 5 business days immediately preceding the date of grant of the Options; and
- (c) the nominal value of the WYT Shares.

**7. EXERCISE OF OPTION**

The Option Period, i.e. the period during which an Option shall be exercised, is determined and notified by the WYT Board in its absolute discretion at the time of grant, but such period must not be more than 10 years from the date of grant of the relevant Option.

**8. TRANSFERABILITY**

An Option shall be personal to the Grantee and shall not be assignable or transferable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to any Option. Any breach of the foregoing by the Grantee shall entitle WYT to cancel any outstanding Option or any part thereof granted to such Grantee to the extent not already exercised without incurring any liability on the part of WYT.

**9. RIGHTS ON DEATH**

In the event of the Grantee ceasing to be a Participant by reason of his death before exercising his option in full, his legal personal representative(s) may exercise the option up to the Grantee's entitlement as at the date of death (to the extent not already exercised) within the period of 12 months following his death.

**10. RIGHTS ON CEASING TO BE A PARTICIPANT FOR REASONS OTHER THAN DEATH OR DISMISSAL**

In the event of a Grantee who is an employee or a director of WYT or another member of the WYT Group ceasing to be a Participant for any reason other than his death or the termination of his employment or directorship on one or more of the grounds specified in sub-paragraph (17)(vi), the Option (to the extent not already exercised) shall lapse after the expiry of 14 days from the date of cessation or termination of such employment (which date shall be the Grantee's last actual working day with WYT or the relevant subsidiary whether salary is paid in lieu of notice or not) and shall on that day cease to be exercisable.

In the event of a Grantee who is not an employee or a director of WYT or another member of the WYT Group ceasing to be a Participant as and when determined by the WYT Board by resolution for any reason other than his death, the WYT Board may by written notice to such Grantee within one month from the date of such cessation determine the period within which the Option (or such remaining part thereof) shall be exercisable following the date of such cessation.

**11. RIGHTS ON DISMISSAL**

In the event of the Grantee ceasing to be a Participant by reason of the termination of his employment or directorship on one or more of the grounds specified in sub-paragraph (17)(vi), his Option shall lapse automatically (to the extent not already exercised) and shall not be exercisable on or after the date of termination of his employment and to the extent the Grantee has exercised the Option in whole or in part, but WYT Shares have not been allotted to him, the Grantee shall be deemed not to have so exercised such Option and WYT shall return to the Grantee the amount of the subscription price for the WYT Shares received by WYT in respect of the purported exercise of such Option.

**12. RIGHTS ON TAKEOVER**

If a general offer by way of takeover or otherwise (other than by way of scheme of arrangement) is made to all the holders of WYT Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting association or concert with the offeror) and such offer becomes or is declared unconditional prior to the expiry date of the relevant option, WYT shall forthwith give notice thereof to the Grantee and the Grantee (or his legal personal representative) shall be entitled to exercise the Option in full (to the extent not already exercised) or to the extent as notified by WYT at any time within such period as shall be notified by WYT.

**13. RIGHTS ON SCHEME OF ARRANGEMENT**

If a general offer for WYT Shares by way of scheme of arrangement is made to all the holders of WYT Shares and has been approved by the necessary number of holders of WYT Shares at the requisite meetings, WYT shall forthwith give notice thereof to the Grantee and the Grantee (or his legal personal representative) may at any time thereafter (but before such time as shall be notified by WYT) exercise the Option to its full extent or to the extent specified in such notice.

**14. RIGHTS ON WINDING-UP**

In the event a notice is given by WYT to the WYT Shareholders to convene a general meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind-up WYT, WYT shall forthwith give notice thereof to the Grantee and the Grantee (or his legal personal representative) may at any time thereafter (but before such time as shall be notified by WYT) exercise the Option to its full extent or to the extent specified in such notice, and WYT shall as soon as possible and in any event no later than 3 days prior to the date of the proposed general meeting, allot, issue and register in the name of the Grantee such number of fully paid WYT Shares which fall to be issued on exercise of such Option.

**15. RIGHTS ON COMPROMISE OR ARRANGEMENT**

In the event of a compromise or arrangement, other than a scheme of arrangement, between WYT and its members or creditors is proposed in connection with a scheme for the reconstruction or amalgamation of WYT, WYT shall give notice thereof to all Grantees on the same day as it gives notice of the meeting to its members or creditors to consider such compromise or arrangement and the Grantee (or his legal personal representative) may at any time thereafter but before such time as shall be notified by WYT exercise the option either to its full extent or to the extent notified by WYT, and WYT shall as soon as possible and in any event no later than 3 days prior to the date of the proposed meeting, allot, issue and register in the name of the Grantee such number of fully paid WYT Shares which fall to be issued on exercise of such Option.

**16. RANKING**

The WYT Shares to be allotted upon the exercise of an Option shall be subject to all the provisions of the memorandum of association and bye-laws of WYT for the time being in force and shall rank *pari passu* in all respects with the existing fully paid WYT Shares in issue on the date on which those WYT Shares are allotted on exercise of the option and accordingly shall entitle the holders to participate in all dividends or other distributions paid or made after the date on which WYT Shares are allotted other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date thereof shall be on or before the date on which the WYT Shares are allotted.

The Options do not carry any right to vote in general meeting of WYT, or any right, dividend, transfer or any other rights, including those arising on the liquidation of WYT.

**17. LAPSE OF OPTION**

An Option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:

- (i) the expiry of the Option Period (subject to the provisions of the New WYT Share Option Scheme);
- (ii) the expiry of the periods referred to in paragraphs (9), (10), (11), (14) and (15);
- (iii) the expiry of the period referred to in paragraph (12) provided that if any court of competent jurisdiction makes an order the effect of which is to prohibit the offeror from acquiring the remaining WYT Shares in the offer, the relevant period within which options may be exercised shall not begin to run until the discharge of the order in question or unless the offer lapses or is withdrawn before that date;
- (iv) subject to the scheme of arrangement referred to in paragraph (13) becoming effective, the expiry of the period for exercising the option as referred to in paragraph (13);
- (v) the date of the commencement of the winding-up of WYT;
- (vi) the date on which the Grantee (if an employee or director of WYT or another member of the WYT Group) ceases to be a Participant by reason of the termination of his employment or directorship on the grounds that he has been guilty of serious misconduct, or appears either to be unable to pay or to have no reasonable prospect of being able to pay his debts or has committed any act of bankruptcy or has become insolvent or has made any arrangements or compromise with his creditors generally, or has been convicted of any criminal offence involving his integrity or honesty or on any other grounds on which an employer would be entitled to terminate his employment summarily. A resolution of the WYT Board or the board of directors of the relevant subsidiary to the effect that the employment of a Grantee has or has not been terminated on one or more of the grounds specified in this sub-paragraph (17)(vi) shall be conclusive and binding on the Grantee, and where appropriate, his legal representative(s);

(vii) the date on which the Grantee commits a breach of paragraph (8); and

(viii) subject to paragraph (10), the date the Grantee ceases to be a Participant for any other reason.

## 18. MAXIMUM NUMBER OF SHARES

### (a) Scheme Mandate Limit

The Scheme Mandate Limit, i.e. the maximum number of WYT Shares which may be issued upon exercise of all options and awards to be granted under the New WYT Share Option Scheme and any other share schemes of WYT must not, in the absence of WYT Shareholders' approval, in aggregate exceed 10% of the WYT Shares in issue as at the date of adoption of the New WYT Share Option Scheme. Options lapsed in accordance with the terms of the New WYT Share Option Scheme and (as the case may be) such other share schemes of WYT will not be counted for the purpose of calculating the Scheme Mandate Limit. Options granted under the Scheme which have been cancelled shall be regarded as having utilised the Scheme Mandate Limit or the relevant part thereof. For the avoidance of doubt, where WYT cancels Options granted under this Scheme to a Participant, and makes a new grant to the same Participant, such new grant may only be made with available Scheme Mandate Limit.

### (b) Refreshment of Scheme Mandate Limit

The Scheme Mandate Limit referred to in sub-paragraph (18)(a) above may be refreshed at any time by obtaining approval of the WYT Shareholders in general meeting after 3 years from the adoption date of the New WYT Share Option Scheme (or, as the case maybe, the last refreshment of such limit) provided that the new Scheme Mandate Limit as refreshed (the "**New Scheme Mandate Limit**") must not exceed 10% of the WYT Shares in issue at the date of the WYT Shareholders' approval of such New Scheme Mandate Limit.

Options previously granted under the New WYT Share Option Scheme or any other share schemes of WYT (including those outstanding, cancelled, lapsed in accordance with the New WYT Share Option Scheme or exercised options) will not be counted for the purpose of calculating the total number of WYT Shares underlying the New Scheme Mandate Limit. All other provisions under the New WYT Share Option Scheme applicable to the Scheme Mandate Limit shall also apply to any New Scheme Mandate Limit.

The Scheme Mandate Limit may also be refreshed within any 3-year period from the adoption date of the New WYT Share Option Scheme (or, as the case maybe, the last refreshment of such limit) provided that in such case, any controlling shareholders and their associates (or if there is no controlling shareholder, directors (excluding independent non-executive directors) and the chief executive of WYT and their respective associates) must abstain from voting in favour of the relevant resolution at such general meeting and subject to compliance with other applicable requirements under the Listing Rules.

If WYT conducts a share consolidation or subdivision after the Scheme Mandate Limit has been approved in general meeting, the maximum number of WYT Shares that may be issued upon exercise of all options and awards to be granted under this Scheme and any other share schemes of WYT under the Scheme Mandate Limit as a percentage of the total number of issued WYT Shares at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest whole WYT Share.

**(c) Grant to Specified Grantees**

Notwithstanding the foregoing, WYT may grant Options beyond the Scheme Mandate Limit to Participants if:

- (i) separate WYT Shareholders' approval has been obtained for granting options beyond the Scheme Mandate Limit to Participants specifically identified by WYT before such WYT Shareholders' approval is sought; and
- (ii) WYT, in connection with the seeking of such separate WYT Shareholders' approval, has first sent a circular to the WYT Shareholders containing the name of each specified Participants who may be granted such Options, the number and terms (which must be fixed before WYT Shareholders' approval) of the Options to be granted, the purpose of granting Options to the specified Participants with an explanation as to how the terms of the Options serve such purpose and such other information required by the Listing Rules.

In respect of any grant of Options subject to this paragraph, the date of the WYT Board meeting for proposing such grant should be taken as the date of grant for the purpose of determining the subscription price.

**(d) Individual Limit**

Where any grant of Options to a Participant would result in the WYT Shares issued and to be issued in respect of all options (including the Options) or awards granted to such Participant (excluding any options or awards lapsed in accordance with the terms of the share schemes of WYT) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the WYT Shares in issue (the "**Individual Limit**"), such grant must be separately approved by the WYT Shareholders in general meeting with such Participant and his/her close associates (or associates if the Participant is a connected person) abstaining from voting. The identity of the Participant, number and terms of the Options to be granted shall be fixed before the WYT Shareholders' approval and WYT shall send a circular to the WYT Shareholders which shall contain the information required by the Listing Rules. In respect of any grant of Options subject to this paragraph, the date of the WYT Board meeting for proposing such grant should be taken as the date of grant for the purpose of determining the subscription price.

Each grant of Option(s) to a director, chief executive or substantial shareholder of WYT (or any of their respective associates) must be approved by WYT's independent non-executive directors (excluding any independent non-executive director who is the grantee of such Option(s)).

If a grant of Options to a substantial shareholder of WYT or its independent non-executive director (or any of their respective associates) would result in the WYT Shares issued and to be issued in respect of all options and awards granted (excluding any options and awards lapsed in accordance with the terms of the Scheme or other share schemes of WYT) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the WYT Shares in issue, such further grant of Options is required to be approved by the WYT Shareholders at a general meeting of WYT, with voting to be taken by way of a poll. The grantee, his/her associates and all core connected persons of WYT shall abstain from voting in favour at such general meeting. The number and terms of the Options to be granted (including the Subscription Price) shall be fixed before WYT Shareholders' approval and WYT shall send a circular to the WYT Shareholders which shall contain the information and WYT's independent non-executive directors' views required by the Listing Rules.

#### **19. EFFECTS OF REORGANISATION OF CAPITAL STRUCTURE**

In the event of any alteration to the capital structure of WYT whilst any option remains exercisable, arising from capitalisation issue, rights issue, subdivision or consolidation of shares, or reduction of the share capital of WYT in accordance with legal requirements and requirements of the Stock Exchange, other than any alteration in the capital structure of WYT as a result of an issue of the WYT Shares as consideration in a transaction to which WYT is a party, such corresponding alterations (if any) shall be made in (i) the number or nominal amount of the WYT Shares subject to the Option granted under the New WYT Share Option Scheme; and/or (ii) the subscription price for the WYT Shares subject to the Option so far as unexercised, provided that:

- (a) any such adjustments give a Grantee the same proportion of the equity capital, rounded to the nearest whole Share, of WYT as that to which that Grantee was previously entitled; and
- (b) notwithstanding the above, any adjustments as a result of an issue of securities with a price-dilutive element, such as a rights issue, open offer or capitalisation issue, should be based on a scrip factor that is calculated taking into account guidance/interpretation of the Hong Kong Listing Rules as may be issued by the Stock Exchange from time to time,

but no such adjustments shall be made to the extent that a Share would be issued at less than its nominal value.

**20. ALTERATION OF THE NEW SHARE OPTION SCHEME**

This Scheme may be altered in any respect by a resolution of the WYT Board provided that any alterations to the terms and conditions of this Scheme which are of a material nature or any alterations to the provisions of this Scheme relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the Participants must be approved by the WYT Shareholders in general meeting. Any change to the terms of any Options granted to a Participant shall be approved by the WYT Board, the remuneration committee of the WYT Board, the independent non-executive directors of WYT and/or the WYT Shareholders (as the case maybe) if the initial grant of Options was approved by the WYT Board, the remuneration committee of the WYT Board, the independent non-executive directors of WYT and/or the WYT Shareholders (as the case maybe), except where the alterations take effect automatically under the existing terms of the Scheme. The Scheme so altered must still comply with Chapter 17 of the Listing Rules. Any change to the authority of the WYT Board to alter the terms of the Scheme must be approved by WYT Shareholders in general meeting.

**21. CANCELLATION OF OPTION**

Any options granted but not exercised may be cancelled if the Grantee so agrees. Where WYT cancels Options and issues new Options to the same Grantee, the issue of such new Options may only be made under the New WYT Share Option Scheme or any other share scheme of WYT (excluding the cancelled Options) within the Scheme Mandate Limit. For the avoidance of doubt, Options granted under the New WYT Share Option Scheme which have been cancelled shall be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

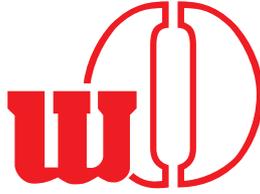
**22. TERMINATION OF THE NEW SHARE OPTION SCHEME**

WYT by ordinary resolution in general meeting or the WYT Board may at any time terminate the operation of the New WYT Share Option Scheme and in such event no further Options will be offered or granted but in all other respects the provisions of the New WYT Share Option Scheme shall remain in full force and effect in respect of Options which are granted during the life of the New WYT Share Option Scheme and which remain unexpired immediately prior to the termination of the operation of the New WYT Share Option Scheme.

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# NOTICE OF THE AGM

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## WANG ON GROUP LIMITED

(宏安集團有限公司)\*

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 1222)

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting (the “**AGM**”) of Wang On Group Limited (宏安集團有限公司)\* (the “**Company**”) will be held at Garden Room A-D, 2/F., New World Millennium Hong Kong Hotel, 72 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Tuesday, 22 August 2023 at 12:15 noon for the purpose of transacting the following businesses:

#### ORDINARY BUSINESSES

1. To receive, consider and adopt the audited consolidated financial statements and the reports of the directors and the auditor for the year ended 31 March 2023.
2. To consider, approve and declare a final dividend of HK0.04 cent per share of the Company (the “**Share(s)**”) for the financial year ended 31 March 2023.
3. (i) To re-elect Mr. Tang Ching Ho as a director of the Company (the “**Director(s)**”);  
(ii) To re-elect Mr. Wong Chun, Justein as a Director; and  
(iii) To authorise the board of Directors (the “**Board**”) to fix the remuneration of the Directors.
4. To re-appoint Ernst & Young as auditor of the Company and to authorise the Board to fix their remuneration.

**AS SPECIAL BUSINESSES**, to consider and, if thought fit, pass with or without amendments the following resolutions as ordinary resolutions of the Company:

5. (A) “**THAT**:
  - (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase Shares be and is hereby generally and unconditionally approved;

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## NOTICE OF THE AGM

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(b) the aggregate Shares which may be repurchased or agreed to be repurchased by the Company pursuant to the approval in paragraph (a) above shall not exceed 10% of the total number of Shares in issue at the date of the passing of this resolution, and the said approval shall be limited accordingly; and

(c) for the purpose of this resolution:

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

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

(B). “**THAT**:

(a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue, grant, distribute and otherwise deal with additional Shares, and to make, issue or grant offers, agreements and options (including bonds, warrants and securities or debentures convertible into Shares or options) and rights of exchange or conversion which would or might require the exercise of such powers either during or after the Relevant Period, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;

(b) the approval in paragraph (a) above shall be in addition to any other authorisations given to the Directors and shall authorise the Directors during the Relevant Period (as hereinafter defined) to make, issue or grant offers, agreements and options (including bonds, warrants and securities or debentures convertible into Shares or options) and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period (as herein after defined);

(c) the aggregate share capital allotted, issued, granted, distributed or otherwise dealt with or agreed conditionally or unconditionally to be allotted, issued, granted, distributed or otherwise dealt with (whether pursuant to an option, a conversion or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:

- (i) a Rights Issue (as hereinafter defined);

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## NOTICE OF THE AGM

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- (ii) the exercise of the rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into Shares;
- (iii) the exercise of any share option under the share option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of Shares or rights to acquire Shares; and
- (iv) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on the Shares in accordance with the Bye-laws in force from time to time,

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

- (d) for the purpose of this resolution:

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

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

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

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## NOTICE OF THE AGM

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- (C). “**THAT** conditional upon the passing of the resolutions numbered 5(A) and 5(B) above, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with additional Shares pursuant to the resolution numbered 5(B) above be and is hereby extended by the addition to the aggregate number of Shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to such general mandate an amount representing the aggregate share capital of the Company repurchased or agreed to be repurchased by the Company since the granting of the general mandate pursuant to resolution numbered 5(A) above, provided that such amount shall not exceed 10% of the total number of Shares in issue at the date of passing of this resolution.”
6. “**THAT** the adoption of a share option scheme of Wai Yuen Tong Medicine Holdings Limited, the terms of which are set out in the document marked “A” produced to the meeting and for the purpose of identification signed by the Chairman hereof, be and is hereby approved.”

By Order of the Board  
**WANG ON GROUP LIMITED**  
(宏安集團有限公司)\*  
**Cheung Chin Wa Angus**  
*Company Secretary*

Hong Kong, 28 July 2023

\* *For identification purpose only*

*Registered office:*  
Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Head office and principal place of  
business in Hong Kong:*  
Suite 3202, 32/F., Skyline Tower  
39 Wang Kwong Road  
Kowloon Bay  
Kowloon  
Hong Kong

*Notes:*

1. A form of proxy for use at the AGM is enclosed.
2. The register of members of the Company will be closed from Thursday, 17 August 2023 to Tuesday, 22 August 2023 (both days inclusive), during which period no transfer of share(s) will be effected. In order to determine the eligibility to attend and vote at the AGM or any adjourned meeting thereof (as the case may be), all transfer of share(s), accompanied by the relevant share certificate(s) with the properly completed transfer form(s) either overleaf or separately, must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m., on Wednesday, 16 August 2023.
3. The register of members of the Company will be closed from Tuesday, 29 August 2023 to Thursday, 31 August 2023 (both days inclusive) during which period no transfer of share(s) will be effected. In order to qualify for the proposed final dividend, all transfer of share(s), accompanied by the relevant share certificate(s) with the properly completed transfer form(s) either overleaf or separately, must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m., on Monday, 28 August 2023.

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## NOTICE OF THE AGM

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4. A member entitled to attend and vote at the AGM convened by the above notice is entitled to appoint one proxy or, if such member is a holder of more than one share of the Company, more than one proxy to attend and to vote in his stead. A proxy need not be a member of the Company.
5. 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 Tengis Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as practicable and in any event not later than 48 hours before the time appointed for holding the AGM or any adjournment thereof (as the case may be).
6. Completion and delivery of the form of proxy will not preclude members from attending and voting at the AGM 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.
7. Where there are joint holders of any shares of the Company, any one of such holders may vote at the AGM 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 AGM 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.
8. All of the above resolutions will be voted by way of a poll at the AGM.