WANG ON GROUP LIMITED
（宏安集團有限公司）*

(Incorporated in Bermuda with limited liability)
(Stock Code: 1222)

DISCLOSEABLE TRANSACTION

On 7 September 2004, the Company acquired four residential units of Parc Palais, a residential property project newly constructed and located at 18 Wylie Road, King's Park, Kowloon, Hong Kong through four wholly-owned subsidiaries of the Company, which as purchasers entered into the Agreements with the Vendor.

The transactions contemplated under the Agreements in aggregate constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules. A circular in connection with the purchase of the Properties will be despatched to the shareholders of the Company as soon as practicable.

On 7 September 2004, Wang On Group Limited (the "Company") acquired four residential units of Parc Palais (the "Properties"), a residential property project newly constructed and located at 18 Wylie Road, King's Park, Kowloon, Hong Kong through four wholly-owned subsidiaries of the Company (namely Easy Kingdom Limited, Parking Lot Investments Limited, Wang To Investments Limited and Full Gainer Investment Limited), which as purchasers entered into respective provisional sale and purchase agreements (the "Agreements") with Grace Sign Limited as vendor (the "Vendor").

The Vendor is the developer of Parc Palais. To the best knowledge of the Company, the Vendor and its ultimate beneficial owners are independent third parties not connected with the Company as defined under the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

The Properties comprises (a) Unit B, 21st Floor, Block 7 (with gross floor area of approximately 1,223 square feet), (b) Unit A, 27th Floor, Block 9 (with gross floor area of approximately 1,731 square feet), (c) Unit D, 28th Floor, Block 6 (with gross floor area of approximately 1,062 square feet) and (d) Unit D, 29th Floor, Block 6 (with gross floor area of approximately 1,062 square feet) of Parc Palais.

The aggregate consideration for the purchase of the Properties amounts to approximately HK$30.9 million, of which approximately HK$1.5 million was paid as deposits upon signing of the Agreements, approximately HK$1.5 million shall be payable on or before 11 November 2004, approximately HK$1.5 million shall be payable on or before 10 January 2005 and approximately HK$26.4 million shall be payable upon completion on or before 10 March 2005.

The consideration has been determined with reference to the market value of Parc Palais and after arm's length negotiations between the Vendor and the Company. The consideration is financed by internal resources of the Group and possible bank borrowings. The directors of the Company (the "Directors") confirm that taking into account payment of the consideration, the Group will have sufficient working capital for the operation of its business. The formal sale and purchase agreements shall be signed between the relevant parties on 10 September 2004.

REASONS FOR AND BENEFITS OF THE PURCHASE OF THE PROPERTIES

The Company and its subsidiaries (the "Group") are principally engaged in the management and sub-licensing of Chinese wet markets, shopping centres and car parks, retail business, property development and property investment. It also has interests in the pharmaceutical business through its investments in Wai Yuen Tong Medicine Holdings Limited, a company listed on the Stock Exchange.

The purchase of the Properties is in line with the principal business of property development and property investment of the Group. The Properties will be held as investment property.

The board of Directors, including the independent non-executive directors of the Company, (the "Board") is of the view that the purchase of the Properties will enhance property portfolios of the Company. The Directors are optimistic about the property market in Hong Kong and thus consider that the purchase of the Properties is in the interest of the Company and the terms of the Agreements are on normal commercial terms, which are fair and reasonable as far as the shareholders of the Company are concerned.

GENERAL

The transactions contemplated under the Agreements in aggregate constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules. A circular in connection with the purchase of the Properties will be despatched to the shareholders of the Company as soon as practicable.

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

By Order of the Board
Tang Ching Ho
Chairman and Managing Director

* *For identification purpose only*

Hong Kong, 8 September 2004

Please also refer to the published version of this announcement in The Standard dated 9 September 2004.