WANG ON GROUP LIMITED
（宏安集團有限公司）*
(Incorporated in Bermuda with limited liability)
(Stock Code: 1222)

WAI YUEN TONG MEDICINE HOLDINGS LIMITED
（位元堂藥業控股有限公司*）
(Incorporated in Bermuda with limited liability)
(Stock Code: 897)

JOINT ANNOUNCEMENT

MAJOR TRANSACTION
IN RELATION TO THE DISPOSAL OF THE TARGET COMPANY

THE DISPOSAL

Each of the WOG Board and the WYT Board announces that on 16 July 2026, the Vendor (being an indirect wholly-owned subsidiary of WYT) and the Purchaser entered into the Sale and Purchase Agreement, pursuant to which the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase the entire issued share capital of the Target Company, which holds the Property. The consideration for the Disposal of the Target Company is RMB99.8 million (equivalent to approximately HK$115.44 million). Upon completion of the Disposal, the WOG Group and the WYT Group will cease to hold any shares in the Target Company.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder exceeds 25% but is less than 75% for each of WOG and WYT, the entering into of the Sale and Purchase Agreement constitutes a major transaction for each of WOG and WYT and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

*　*For identification purpose only*

A special general meeting will be convened by WOG to consider and, if thought fit, to approve the Sale and Purchase Agreement and the transactions contemplated thereunder. A circular containing, among other things, details of the Sale and Purchase Agreement and the transactions contemplated thereunder and a notice of special general meeting of WOG is expected to be despatched to its shareholders on or before 24 August 2026.

To the best of the knowledge, information and belief of the WYT Directors, having made all reasonable enquiries, no shareholder of WYT is required to abstain from voting if WYT were to convene a special general meeting for the approval of the Sale and Purchase Agreement and the transactions contemplated thereunder. On 16 July 2026, WYT received a written approval from Rich Time Strategy Limited, an indirect wholly-owned subsidiary of WOG, holding 810,322,940 shares of WYT, representing approximately 72.71% of the total issued share capital of WYT, carrying rights to attend and vote at a general meeting of WYT, approving the Sale and Purchase Agreement and the transactions contemplated thereunder pursuant to Rule 14.44 of the Listing Rules in lieu of a resolution to be passed at a general meeting of WYT.

Pursuant to Rule 14.41(a) of the Listing Rules, a circular containing, among other things, further information of the Sale and Purchase Agreement and the transactions contemplated thereunder is required to be despatched to the shareholders of WYT within 15 business days after the issue of this joint announcement. As additional time is required to prepare and incorporate certain information in the circular including a property valuation report and statement of indebtedness, WYT will apply for a waiver from strict compliance with the requirements of Rule 14.41(a) of the Listing Rules so that it may despatch the circular on or before 24 August 2026.

WARNING

Shareholders and potential investors of both WOG and WYT should be aware that the Completion is subject to certain pre-completion obligations and conditions under the Sale and Purchase Agreement, and therefore may or may not take place. Shareholders and potential investors of both WOG and WYT are advised to exercise caution when dealing in the securities of both WOG and WYT and if they are in any doubt about their position, they should consult their professional advisers.

INTRODUCTION

Each of the WOG Board and the WYT Board announces that on 16 July 2026, the Vendor (being an indirect wholly-owned subsidiary of WYT) and the Purchaser entered into the Sale and Purchase Agreement, pursuant to which the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase from the Vendor, the Sale Shares at the Consideration.

THE SALE AND PURCHASE AGREEMENT

The principal terms of the Sale and Purchase Agreement are summarized below.

DATE

16 July 2026

Parties

(i) the Vendor, being an indirect wholly-owned subsidiary of WYT (as vendor); and

(ii) the Purchaser (as purchaser).

SUBJECT MATTER

The subject matter of the Sale and Purchase Agreement is the sale and purchase of the Sale Shares. The Sale Shares represent the entire issued share capital of the Target Company as at the date of this joint announcement. The Target Company is the registered, legal and beneficial owner of the Property.

CONSIDERATION

The consideration for the Disposal is RMB99.8 million (equivalent to approximately HK$115.44 million), which shall be paid in two stages by the Purchaser in the following manner:

(i) a total sum of RMB10 million (equivalent to approximately HK$11.56 million) shall be paid by the Purchaser into the Notary Public Supervision Account within 5 business days upon signing of the Sale and Purchase Agreement; and

(ii) the remaining balance of the Consideration in the amount of RMB89.8 million (equivalent to approximately HK$103.88 million) shall be paid by the Purchaser into the Notary Public Supervision Account within 10 business days upon obtaining the approval of the respective shareholders of WOG and WYT of the Sale and Purchase Agreement and the transactions contemplated thereunder (if such approval is obtained within 3 months upon signing of the Sale and Purchase Agreement) or in any event no later than 3 months from the date of signing of the Sales and Purchase Agreement, subject to and conditional upon the Vendor having fulfilled the Pre-Completion Obligations (as defined below) under the Sale and Purchase Agreement.

Upon completion of the share transfer registration, the parties shall jointly apply for RMB3 million (equivalent to approximately HK$3.47 million) of the Consideration to be retained in the Notary Public Supervision Account for 2 years from the Completion Date as the Retention Amount.

Upon satisfaction of the payment conditions as set out in the Sale and Purchase Agreement, the Vendor and the Purchaser shall jointly apply to the Notary Office for the transfer of the Consideration (after deducting the Retention Amount) into the Bank Supervision Account.

Within 3 business days after the completion of tax payment and the registration of the change of shareholders of the Target Company, the Vendor and the Purchaser shall jointly apply to the Supervising Bank for the transfer of the Consideration (after deducting the Retention Amount) from the Bank Supervision Account to the Vendor's designated bank account in Hong Kong.

The Consideration was determined after arm's length negotiations between the Vendor and the Purchaser with reference to: (i) the unaudited net asset value of the Target Company of approximately RMB46.3 million (equivalent to approximately HK$53.56 million) as at 30 June 2026, as set out in its latest unaudited management accounts, which included the carrying value of the Property of approximately RMB46.6 million (equivalent to approximately HK$53.9 million); (ii) the market value of the Property owned by the Target Company of approximately RMB99.3 million (equivalent to approximately HK$114.86 million) as at 31 May 2026, as a preliminary indicative valuation provided by an independent valuer; and (iii) the adjusted unaudited net asset value of the Target Company as at 30 June 2026 of approximately RMB99.0 million (equivalent to approximately HK$114.52 million), after taking into account and adjusted for the market value of the Property as referred to in (ii) above.

PRE-COMPLETION OBLIGATIONS

The Vendor shall fulfil certain obligations within the timeframe as set out in the Sale and Purchase Agreement before the Completion, in respect of matters relating to registered capital contribution, mortgage over immovable property, property leasing, internal corporate decisions and management, employees and debts of the Target Company (collectively, the "**Pre-Completion Obligations**").

If the Vendor fails to complete the Pre-Completion Obligations to the satisfaction of the Purchaser within the prescribed timeframe, the Purchaser shall have the right to unilaterally terminate the Sale and Purchase Agreement with immediate effect.

COMPLETION

The Vendor shall, on the date of or within 3 business days following the date on which the Purchaser has paid the full remaining balance of the Consideration of RMB89.8 million (equivalent to approximately HK$103.88 million) into the Notary Public Supervision Account, apply to the relevant State Administration for Market Regulation for registration of the change of shareholders of the Target Company.

Within 3 business days after the registration of the change of shareholders of the Target Company, the Vendor and the Purchaser shall jointly apply to the Supervising Bank for the release of the Consideration (after deducting the Retention Amount) from the Bank Supervision Account to the bank account designated by the Vendor in Hong Kong. The date on which the Vendor's designated receiving bank account receives the full amount of the Consideration (net of the Retention Amount) shall be the Completion Date.

TERMINATION

The Sale and Purchase Agreement shall terminate upon the occurrence of any of the following events: (i) failure to obtain the approval of the respective shareholders of WOG and WYT within 3 months after the signing of the Sale and Purchase Agreement or other timeline as agreed by the Purchaser; or (ii) the Vendor being unable to receive the Consideration or the Purchaser being unable to be registered as the shareholder of the Target Company due to legal or regulatory reasons. In any case, the parties shall jointly apply to the Notary Office within 3 business days for a full refund of the Consideration to the Purchaser's designated account. If the registered shareholder of the Target Company has already been changed to the Purchaser, it shall be reverted to the Vendor. No party shall be liable to the other, and any non-refundable taxes paid shall be borne by the respective parties.

In addition, the non-defaulting party shall have the right to unilaterally terminate the Sale and Purchase Agreement by written notice upon the occurrence of any of the following events, without prejudice to its right to claim damages from the defaulting party: (i) either party materially breaches the Sale and Purchase Agreement; or (ii) either party is declared bankrupt, has its business license revoked, is ordered to cease operations or is dissolved, or otherwise becomes unable to perform its obligations.

LIABILITY FOR THE BREACH OF THE SALE AND PURCHASE AGREEMENT

If the Vendor commits a breach of the Sale and Purchase Agreement by failing to perform its obligations, it shall procure a refund of the Consideration that was paid into the Notary Public Supervision Account and pay liquidated damages equal to twice the amount of the deposit. If the Purchaser commits a breach, there will not be a refund of the amount of the Consideration paid. Within 3 days of the Vendor's termination notice, both parties must jointly instruct the Notary Office or Supervising Bank to release the Consideration to the Vendor's designated account. Failure to complete such instructions as agreed shall require payment of interest losses at the one-year Loan Prime Rate (LPR) on the expiry date.

If the Purchaser fails to pay any amount to the Notary Public Supervision Account when due, it shall pay liquidated damages at 0.03% per day on the overdue amount. If payment remains outstanding for 7 business days after a written demand, the Vendor may terminate the Agreement. Upon termination in such circumstances, the amount of the Consideration paid will not be refunded, and the Purchaser must instruct the Notary Office to release the amount of the Consideration to the Vendor. If the Purchaser fails to perform such obligation, it shall compensate the Vendor for interest losses at the one-year LPR. If the Vendor causes a delay in the change of shareholder of the Target Company, it shall pay an amount calculated at the same daily rate on the amount of the Consideration paid by the Purchaser.

The defaulting party shall also reimburse all costs incurred by the non-defaulting party in connection with the Sale and Purchase Agreement, including legal, compliance, due diligence, and advisory costs, as well as all litigation-related expenses incurred in enforcing rights through legal proceedings.

The Target Company shall bear joint and several liability for the Purchaser's obligations and liabilities under the Sale and Purchase Agreement.

GUARANTEE

WYT has agreed under a guarantee agreement to guarantee the obligations of the Vendor under the Sale and Purchase Agreement, in favour of the Purchaser, subject to a maximum amount of RMB100 million (equivalent to approximately HK$115.68 million).

INFORMATION ON THE PROPERTY

The Target Company is the registered, legal and beneficial owner of the Property. The Property comprises (i) a single parcel of land with a site area of approximately 11,026.83 sq.m. (118,691 sq.ft.), designated under Parcel No. G12204-0252; and (ii) one factory and two dormitory buildings. The Property is located at No. 6, Road 1, Da Gongye District, Pingshan Subdistrict, Pingshan District, Shenzhen（深圳市坪山區坪山街道大工業區1號路6號）. The preliminary indicative valuation of the Property by an independent valuer was approximately RMB99.3 million (equivalent to approximately HK$114.86 million) as at 31 May 2026.

FINANCIAL INFORMATION OF THE TARGET COMPANY

Set out below is a summary of the unaudited consolidated financial information of the Target Company for the two financial years ended 31 March 2026 and 2025:

	For the year ended 31 March	
	2026	2025
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Net profit before tax	**1,085.53**	1,493.67
Net profit after tax	**1,085.53**	1,493.67

The unaudited net asset value of the Target Company as at 30 June 2026 was approximately HK$53.56 million.

FINANCIAL EFFECT AND INTENDED USE OF PROCEEDS

Subject to review and confirmation by the respective auditors of the WOG Group and the WYT Group, it is expected that upon Completion, both the WOG Group and the WYT Group will record a gain (after deducting the relevant expenses and charges) of approximately HK$46.54 million, which is calculated with reference to the net proceeds (the Consideration after deducting the relevant expenses and charges) from the Disposal of approximately HK$100.1 million and the unaudited net asset value of the Target Company as at 30 June 2026 of approximately HK$53.56 million.

The WYT Group plans to utilise the net proceeds from the Disposal for general working capital and operational purposes.

Upon Completion, the Target Company will cease to be a subsidiary of each of the WOG Group and the WYT Group, and the financial results of the Target Company will no longer be consolidated into the financial statements of the WOG Group and the WYT Group.

INFORMATION ON THE PURCHASER

Based on publicly available information, the Purchaser is a company established in the PRC with a business licence to conduct investment activities and corporate headquarter management. Its two shareholders are 深圳市鴻瑜企業諮詢有限公司 (Shenzhen Hongyu Corporate Consultancy Co., Ltd.*) and 深圳市鴻德實業發展有限公司 (Shenzhen Hongde Industrial Development Co., Ltd.*) which hold 70% and 30% of its registered capital respectively. The registered capital of 深圳市鴻瑜企業諮詢有限公司 is ultimately owned as to 51% by 蔡春瑜 (Cai Chunyu*) and 49% by 吳偉欽 (Wu Weixin*), through an intermediate company. The registered capital of 深圳市鴻德實業發展有限公司 (Shenzhen Hongde Industrial Development Co., Ltd.*) is held as to (i) 70% by 深圳市鴻寶珠寶實業有限公司 (Shenzhen Hongbao Jewelry Industry Co., Ltd.*) which registered capital is held as to 60% by 蔡春瑜 (Cai Chunyu*) and 40% by 吳偉欽 (Wu Weixin*) respectively; and (ii) 30% by 深圳市薈藝珠寶實業有限公司 (Shenzhen Huiyi Jewelry Industry Co., Ltd.*) which registered capital is held ultimately as to 65% and 35% by 馬振邦 (Ma Zhunbang*) and 周洪鐘 (Zhou Hongchong*) respectively.

To the best of the knowledge, information and belief of the WOG Directors and the WYT Directors, having made all reasonable enquiries, each of the Purchaser and its ultimate beneficial owner(s) is a third party independent of each of WOG, WYT and their respective connected persons.

INFORMATION ON THE WOG GROUP, THE WYT GROUP AND THE VENDOR

The WOG Group is principally engaged in (i) the management and sub-licensing of fresh markets and treasury management in Hong Kong and the PRC; (ii) property investment, property development and asset management in Hong Kong through Wang On Properties Limited (Stock Code: 1243), a 75.00%-owned listed subsidiary of WOG; (iii) the manufacturing and retailing of pharmaceutical and health food products through WYT, a 72.71%-owned listed subsidiary of WOG; and (iv) the management and sale of properties in agricultural produce exchange markets in the PRC through China Agri-Products Exchange Limited (Stock Code: 149), a 57.09%-owned listed subsidiary of WOG. WOG is ultimately owned by Mr. Tang Ching Ho (the chairman, an executive director and controlling shareholder of WOG) (together with his associates) as to approximately 42.80%.

The WYT Group is principally engaged in (i) the manufacturing and retailing of traditional Chinese pharmaceutical and health food products and relevant services, including Chinese medicinal products sold under the brand name of "Wai Yuen Tong", mainly in the PRC and Hong Kong; (ii) the manufacturing and sale of Western pharmaceutical and health food and personal care products under the brand names of "Madame Pearl's" and "Pearl's"; and (iii) property investment.

The Vendor is a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of WYT, which is principally engaged in investment activities.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Property comprises of property, plant and equipment of the WYT Group and the WOG Group. The WOG Board and the WYT Board consider that the Disposal will allow for a better and more efficient use of the resources within the WYT Group and the WOG Group. After considering the current financial position and business operation of the WYT Group and the WOG Group, the WOG Board and the WYT Board believe that the Disposal represents a good opportunity for the Company to realize the value of the Property at a reasonable price. The proceeds from the Disposal will improve the financial position and increase the general working capital of the WYT Group and the WOG Group.

Having taken into account the above reasons and benefits, the WOG Directors are of the view that the terms of the Sale and Purchase Agreement and the transactions contemplated thereunder, which have been determined on an arm's length basis, are fair and reasonable and in the interests of WOG and its shareholders as a whole.

Having taken into account the above reasons and benefits, the WYT Directors are of the view that the terms of the Sale and Purchase Agreement and the transactions contemplated thereunder, which have been determined on an arm's length basis, are fair and reasonable and in the interests of WYT and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder exceeds 25% but is less than 75% for each of WOG and WYT, the entering into of the Sale and Purchase Agreement constitutes a major transaction for each of WOG and WYT and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

A special general meeting will be convened by WOG to consider and, if thought fit, to approve the Sale and Purchase Agreement and the transactions contemplated thereunder. A circular containing, among other things, details of the Sale and Purchase Agreement and the transactions contemplated thereunder and a notice of special general meeting of WOG is expected to be despatched to its shareholders on or before 24 August 2026.

To the best of the knowledge, information and belief of the WYT Directors, having made all reasonable enquiries, no shareholder of WYT is required to abstain from voting if WYT were to convene a special general meeting for the approval of the Sale and Purchase Agreement and the transactions contemplated thereunder. On 16 July 2026, WYT received a written approval from Rich Time Strategy Limited, an indirect wholly-owned subsidiary of WOG, holding 810,322,940 shares of WYT, representing approximately 72.71% of the total issued share capital of WYT, carrying rights to attend and vote at a general meeting of WYT, approving the Sale and Purchase Agreement and the transactions contemplated thereunder pursuant to Rule 14.44 of the Listing Rules in lieu of a resolution to be passed at a general meeting of WYT.

Pursuant to Rule 14.41(a) of the Listing Rules, a circular containing, among other things, further information of the Sale and Purchase Agreement and the transactions contemplated thereunder is required to be despatched to the shareholders of WYT within 15 business days after the issue of this joint announcement. As additional time is required to prepare and incorporate certain information in the circular including a property valuation report and statement of indebtedness, WYT will apply for a waiver from strict compliance with the requirements of Rule 14.41(a) of the Listing Rules so that it may despatch the circular on or before 24 August 2026.

Shareholders and potential investors of both WOG and WYT should be aware that the Completion is subject to certain pre-completion obligations and conditions under the Sale and Purchase Agreement, and therefore may or may not take place. Shareholders and potential investors of both WOG and WYT are advised to exercise caution when dealing in the securities of both WOG and WYT and if they are in any doubt about their position, they should consult their professional advisers.

DEFINITIONS

In this joint announcement, the following expressions have the meanings set out below unless the context otherwise requires:

"Bank Supervision Account"	the bank supervision account at the Supervising Bank
"Completion"	the completion of the Disposal
"Completion Date"	the date of Completion
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Consideration"	the consideration for the Disposal which is RMB99.8 million (equivalent to approximately HK$115.44 million)
"Disposal"	the disposal of the Sale Shares by the Vendor to the Purchaser pursuant to the terms and conditions of the Sale and Purchase Agreement
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC

"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Notary Office"	the Yantian Notary Public Office of Shenzhen, Guangdong Province
"Notary Public Supervision Account"	the account opened and maintained at the Yantian Notary Public Office of Shenzhen, Guangdong Province
"PRC"	the People's Republic of China, for the purpose of this joint announcement, excludes Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan
"Property"	the property situated at No. 6, Road 1, Da Gongye District, Pingshan Subdistrict, Pingshan District, Shenzhen (深圳市坪山區坪山街道大工業區1號路6號), consisting of (i) a single parcel of land with a site area of approximately 11,026.83 sq.m. (118,691 sq.ft.), designated under Parcel No. G12204-0252; and (ii) one factory and two dormitory buildings, which are exclusively owned and legally held by the Target Company as the registered, legal and beneficial owner of the property as at the date of this joint announcement
"Purchaser"	深圳市鴻慶實業發展有限公司 (Shenzhen Hongxin Industrial Development Co., Ltd.*), a company established in the PRC with limited liability
"Retention Amount"	RMB3 million (equivalent to approximately HK$3.47 million) of the Consideration, being retained in the Notary Public Supervision Account for 2 years from the Completion Date
"RMB"	Renminbi, the lawful currency of the PRC

"Sale and Purchase Agreement"	the sale and purchase agreement dated 16 July 2026 entered into among the Vendor and the Purchaser in relation to, among other matters, the Disposal
"Sale Shares"	100% of the issued share capital of the Target Company held by the Vendor
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Supervising Bank"	the Industrial and Commercial Bank of China Limited, Shenzhen Yantian Sub-branch
"Target Company"	冠尊(深圳)商貿發展有限公司 (Guanzun (Shenzhen) Trade Development Co., Ltd.*), a company established in the PRC with limited liability which is an indirect wholly-owned subsidiary of WYT as at the date of this joint announcement
"Vendor"	New Grade Limited (萊匯有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of WYT as at the date of this joint announcement
"WOG"	Wang On Group Limited (宏安集團有限公司)*, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 1222)
"WOG Board"	the board of the WOG Directors
"WOG Directors"	the directors of WOG
"WOG Group"	WOG and its subsidiaries
"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, the shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 897)

"WYT Board"	the board of the WYT Directors
"WYT Directors"	the directors of WYT
"WYT Group"	WYT and its subsidiaries
"sq.ft."	square feet
"sq.m."	square meter
"%"	per cent

By order of the board of directors of
WANG ON GROUP LIMITED
(宏安集團有限公司)*
Tang Ching Ho
Chairman and Executive Director

By order of the board of directors of
WAI YUEN TONG MEDICINE HOLDINGS LIMITED
(位元堂藥業控股有限公司*)
Tang Ching Ho
Chairman and Executive Director

Hong Kong, 16 July 2026

As at the date of this joint announcement, the WOG Board comprises three executive Directors, namely Mr. Tang Ching Ho, Ms. Yau Yuk Yin and Ms. Stephanie, and three independent non-executive Directors, namely Mr. Wong Chun, Justein, Mr. Siu Kam Chau and Mr. Chan Yung.

As at the date of this joint announcement, the WYT Board comprises three executive Directors, namely Mr. Tang Ching Ho, Ms. Tang Wai Man and Ms. Law Man Yee, Anita, and three independent non-executive Directors, namely Mr. Li Ka Fai, David, Professor Sit Wing Hang and Professor Chan Wing Kwong.

For the purpose of this joint announcement, unless otherwise specified, the conversion of HK$ into RMB is based on the approximate exchange rate from HK$1 to RMB0.86449. The exchange rate is adopted for illustration purpose only and does not constitute a representation that any amounts have been, could have been, or may be, exchanged at this rate or any other rate at all.

* *For identification purpose only*