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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 to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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WANG ON GROUP LIMITED
(宏安集團有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1222)

MAJOR TRANSACTION
DISPOSAL OF A SUBSIDIARY

* For identification purpose only

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DEFINITIONS

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

“Agreement”	the sale and purchase agreement dated 1 December 2015 entered into between the Purchaser, the Company and the Vendor in relation to the Disposal
“associate(s)”	has the meaning as ascribed thereto under the Listing Rules
“August Disposal”	the disposal of a subsidiary of the Group (with principal asset being the premise at Shop No. 4 & 5 on Ground Floor, Mongkok Building, Nos. 93, 95 & 99 Mongkok Road, Nos. 135A & 135B Sai Yee Street, Kowloon with a saleable floor area of approximately 2,399 square feet), by the Group to Dragon Jet Limited (a company held by the ultimate beneficial owner of the Purchaser) at a consideration of HK\$158.0 million, which constitute a discloseable transaction of the Company, and the details of which were disclosed in the announcement of the Company dated 12 August 2015
“Board”	the board of the Directors
“Bye-laws”	the bye-laws of the Company
“Company”	Wang On Group Limited (宏安集團有限公司)*, an exempted company incorporated in Bermuda with limited liability and the Shares are listed and traded on the Main Board of the Stock Exchange (Stock Code: 1222)
“Completion”	completion of the Disposal
“connected person(s)”	has the meaning as ascribed thereto under the Listing Rules
“Consideration”	HK\$823.0 million, being the total consideration for the Disposal paid or payable by the Purchaser
“Director(s)”	the director(s) of the Company

* For identification purpose only

DEFINITIONS

“Disposal”	the sale and the assignment of the Sale Share and the Shareholder Loan by the Vendor to the Purchaser as contemplated under the Agreement
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	24 December 2015, 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
“PRC”	the People’s Republic of China, for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Property”	being ALL THOSE 19,520 equal undivided 430,000th parts or shares of and in ALL THAT piece or parcel of ground registered in the Land Registry as THE REMAINING PORTION OF TSUEN WAN TOWN LOT NO. 303 And of and in the messuages erections, buildings, constructions, facilities, Tower Blocks and Associated Podia thereon now known as “Riviera Gardens (海濱花園)” (the “Estate”) Together with the exclusive right and privilege to hold use occupy and enjoy (1) ALL THAT commercial unit of the separate commercial building now known as “Riviera Plaza (海濱廣場)” of the Estate and (2) ALL THOSE Car Parking Spaces (including Car Parking Space No. 1 on the 2nd Basement) of Riviera Plaza of the Estate
“Purchaser”	Super Eagle Limited, an investment holding company incorporated in the British Virgin Islands with limited liability
“Sale Share”	one issued share of the Target Company, representing the entire issued share capital of the Target Company

DEFINITIONS

“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 share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Shareholder Loan”	the benefit of the loan(s) (of approximately HK\$349.0 million as at the Latest Practicable Date) owing by the Target Company to the Vendor as at Completion, being an unsecured and interest free debt owed by the Target Company to the Vendor
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning as ascribed thereto under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Target Company”	Level Success Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company as at the Latest Practicable Date
“Target Group”	the Target Company and its subsidiary
“Vendor”	East Run Investments Limited, an investment holding company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company as at the Latest Practicable Date
“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 and the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 897)
“sq. ft.”	square feet
“%”	per cent.

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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, JP (Chairman)
Ms. Yau Yuk Yin (Deputy Chairman)
Mr. Chan Chun Hong, Thomas
(Managing Director)

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Independent non-executive Directors:

Dr. Lee Peng Fei, Allen, CBE, BS, FHKIE, JP
Mr. Wong Chun, Justein, BBS, MBE, JP
Mr. Siu Yim Kwan, Sidney, S.B.St.J.
Mr. Siu Kam Chau

Head office and principal

place of business in Hong Kong:
5/F., Wai Yuen Tong Medicine Building
9 Wang Kwong Road
Kowloon Bay
Kowloon
Hong Kong

29 December 2015

To the Shareholders

Dear Sir or Madam,

MAJOR TRANSACTION
DISPOSAL OF A SUBSIDIARY

INTRODUCTION

Reference is made to the announcement dated 1 December 2015 in relation to the Disposal.

The purpose of this circular is to provide you with, among others, the details of the major transaction relating to the Disposal as required under the Listing Rules.

** For identification purpose only*

LETTER FROM THE BOARD

THE AGREEMENT

Date

1 December 2015

Parties

Vendor: East Run Investments Limited, an investment holding company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company as at the Latest Practicable Date

Guarantor: the Company, as guarantor to the Vendor

Purchaser: Super Eagle Limited, an investment holding company incorporated in the British Virgin Islands with limited liability. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, (i) the Purchaser and its ultimate beneficial owner(s) are third parties independent of and not connected with the Company and its connected person(s); and (ii) the Group has entered into August Disposal with a company held by the ultimate beneficial owner of the Purchaser, details of which were set out in the discloseable transaction announcement of the Company dated 12 August 2015

Assets to be disposed of

The Sale Share and the Shareholder Loan.

Consideration and payment

The Consideration is HK\$823.0 million which shall be paid or payable by the Purchaser in accordance with the following schedule:

- (i) an amount of HK\$10.0 million has already paid prior to the execution of the Agreement and shall be applied as an initial deposit (the "Initial Deposit") and part payment towards settling part of the Consideration;
- (ii) a further deposit of HK\$72.3 million together with the Initial Deposit equivalent to 10% of the Consideration has been paid on the date of the Agreement and shall be applied as deposit and part payment towards settling part of the Consideration; and
- (iii) the balance of the Consideration of HK\$740.7 million shall be paid upon Completion.

LETTER FROM THE BOARD

The Consideration was determined after arm's length negotiations between the Purchaser and the Vendor with reference to the unaudited net liabilities position of HK\$61.3 million, the mortgage loan of HK\$232.0 million and the Shareholder Loan as at 30 September 2015 and the prevailing market price of similar properties in similar location.

Completion

Completion shall take place no later than 15 February 2016.

INFORMATION OF THE TARGET GROUP

The principal asset of the Target Group is the Property, which was built in the year 1990, is a 9-storey shopping mall with two basements known as "Riviera Plaza" and is located in Tsuen Wan, Hong Kong. The existing gross floor area and lettable area of Riviera Plaza is 242,689 sq. ft. and 168,463 sq. ft. with a Government lease term up to 30 June 2047. Apart from the car parking spaces located in the two basements and radio base stations which have been leased with an aggregate average monthly rental of approximately HK\$330,000, the spaces at ground floor and upper floors of the shopping mall are currently vacant as they are originally planned to be further refurbished and upgraded.

Set out below is the financial information of the Target Group for the two financial years ended 31 March 2015 prepared under Hong Kong Financial Reporting Standards:

	For the six months ended 30 September 2015	For the year ended 31 March	
	<i>unaudited</i> HK\$'000	<i>unaudited</i> HK\$'000	<i>unaudited</i> HK\$'000
Turnover	1,992	3,890	5,501
Loss before tax*	(7,234)	(612)	(49,584)
Loss after tax*	(8,448)	(2,992)	(49,584)
Rental Income for the Property	1,992	3,890	4,750

* *The loss for the year ended 31 March 2014 was due to the operating cost to maintain the mall and the loss on revaluation and for the year ended 31 March 2015 and the six months period ended 30 September 2015 was mainly due to the operating cost to maintain the mall.*

As at 30 September 2015, the unaudited net liabilities of the Target Group amounted to approximately HK\$61.3 million and the valuation of the Property as at 30 September 2015 amounted to HK\$520.0 million as detail in appendix II.

LETTER FROM THE BOARD

POSSIBLE FINANCIAL EFFECT OF THE DISPOSAL

Immediately after Completion, the Target Group will cease to be subsidiaries of the Company and the financial results of the Target Group will be deconsolidated from the Group's financial statements. The net proceeds (after repayment of an existing mortgage loan of approximately HK\$228.5 million and deducting other expenses in relation thereto) arising from the Disposal of approximately HK\$584.7 million, will be used for general working capital of the Group, which will be allocated for the potential investments (if any), capital expenditure for the wet markets and development of existing businesses of the Group.

Based on the unaudited financial information of the Target Group as at 30 September 2015, upon completion of the Disposal, the total assets of the Group would be increased by approximately HK\$57.3 million and total liabilities of the Group would be decreased by approximately HK\$236.3 million.

Based on, *inter alia*, the Consideration, the Shareholder Loan, the outstanding mortgage loan, the unaudited net liabilities as at 30 September 2015 and the related expenses for the Disposal, the Group currently expects to record a gain arising from the Disposal of approximately HK\$293.6 million upon Completion subject to review by the auditors of the Company.

Shareholders should note that the above figures are for illustrative purpose only. The actual gain on the Disposal may be different from the above and will be determined based on the financial position of the Target Group on the date of Completion and the review by the Company's auditors.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Group is principally engaged in property investment and property development in Hong Kong, provision of finance and management and sub-licensing of Chinese wet markets in Hong Kong and the PRC. It also has interests in the pharmaceutical business through its investments in WYT.

The Directors are of the view the Disposal would benefit the Group by indirectly realising its investment in the Property since July 2013 at a consideration of HK\$508 million (which has already been appreciated by more than 60%) and also improve the liquidity and overall financial position of the Group.

The Directors are of the view that the Disposal is in the interests of the Group and the Shareholders as a whole and the terms thereof are on normal commercial terms and are fair and reasonable.

LETTER FROM THE BOARD

GENERAL

As (i) one of the applicable percentage ratio is greater than 25% but less than 75% for the purpose of Rule 14.07 of the Listing Rules; and (ii) the Disposal, when aggregated with the August Disposal (a discloseable transaction), would not result in a higher transaction classification under Chapter 14 of the Listing Rules, the Disposal constitutes a major transaction for the Company pursuant to Rule 14.06(2) of the Listing Rules and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under the Listing Rules.

To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, no Shareholder or any of their respective associates have any material interest in the Agreement and the Disposal, thus no Shareholder is required to abstain from voting if the Company were to convene a special general meeting for the approval of the Agreement and the Disposal. The Company has obtained a written shareholders' approval from Mr. Tang Ching Ho and his associates, the controlling Shareholder group holding approximately 51.0% of the total issued Shares as at the Latest Practicable Date, in lieu of holding a special general meeting to approve the Agreement and the Disposal in accordance with Rule 14.44 of the Listing Rules.

RECOMMENDATION

For the reasons set out above, the Directors consider that the terms of the Disposal are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors would recommend the Shareholders to vote in favour of the resolution if the Company were to convene a special general meeting for the approval of the Agreement and the Disposal.

ADDITIONAL INFORMATION

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

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

* For identification purpose only

1. FINANCIAL INFORMATION

Financial information of the Group for (i) each of the three years ended 31 March 2013, 2014 and 2015 are disclosed in the annual reports of the Company for the years ended 31 March 2013 (pages 50 to 139), 2014 (pages 41 to 142) and 2015 (pages 50 to 150); and (ii) the six months ended 30 September 2015 is disclosed in the interim report of the Company for the six months ended 30 September 2015 (pages 20 to 44), respectively. The auditors of the Company have not issued any qualified opinion on the Group's financial statements for the financial years ended 31 March 2013, 2014 and 2015.

Quick links

Annual reports of the Company for the financial years ended 31 March 2013, 2014 and 2015 and the interim report for the six months ended 30 September 2015 are available at the following internet links:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2013/0722/LTN20130722443.pdf>

<http://www.hkexnews.hk/listedco/listconews/SEHK/2014/0612/LTN20140612358.pdf>

<http://www.hkexnews.hk/listedco/listconews/SEHK/2015/0721/LTN20150721674.pdf>

<http://www.hkexnews.hk/listedco/listconews/SEHK/2015/1209/LTN20151209278.pdf>

Save as disclosed above, the Board is not aware of any material change in the Company's operation and financial position since 31 March 2015.

2. INDEBTEDNESS OF THE GROUP

As at the close of business of 31 October 2015, being the latest practicable date for the purpose of ascertaining information contained in this indebtedness statement set out in this circular, the Group had outstanding bank and other loans of approximately HK\$2,522.8 million, of which bank loans with an aggregate amount of approximately HK\$2,106.6 million were secured by the Group's land and buildings, investment properties and certain rental income generated therefrom, properties under development, properties held for sale and share charges in respect of the entire interests of five subsidiaries of the Group, which are engaged in property development. The carrying values of the Group's land and buildings, investment properties, properties under development and properties held for sale as at 31 October 2015, which were pledged to secure the Group's bank loans, amounted to approximately HK\$61.1 million, HK\$1,431.9 million, HK\$2,763.9 million and HK\$24.8 million, respectively. In addition, the Group's unsecured bank loans with an aggregate amount of approximately HK\$38.3 million were guaranteed by corporate guarantees provided by group companies as at 31 October 2015. The Group's secured bank loans bear contractual interest rate ranging from HIBOR plus 1.00% to 2.35%, whilst the Group's unsecured bank loans bear contractual interest rate ranging from HIBOR plus 2.17% to 2.24%.

Save as otherwise disclosed above, and apart from intra-group liabilities and normal trade payables, the Group did not have, at the close of business on 31 October 2015, any other debt securities issued and outstanding, or authorised or otherwise created but unissued, any other term loans, any other borrowings or indebtedness in the nature of borrowings including bank overdrafts and liabilities under acceptance (other than normal trade bills) or acceptance credits or hire purchase commitments, any other mortgages and charges or any guarantees or any finance lease commitments or material contingent liabilities.

3. WORKING CAPITAL STATEMENT

Taking into account the financial resources available to the Group, including internally generated funds and available banking facilities of the Group, the Directors after due and careful enquiry are of the opinion that the Group has sufficient working capital for its present requirements, that is for at least the next 12 months from the date of publication of this circular, in the absence of unforeseeable circumstances.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Company since 31 March 2015, being the date of the latest published audited financial statements of the Company were made up, save as disclosed in the interim results announcement of the Company dated 19 November 2015 that the profit attributable to owners of the Company for the six months ended 30 September 2015 had decreased by over 40% as compared to the corresponding period in 2014. Such decrease is primarily attributable to, among other things, the decrease in gross profit contributed from property development projects as there were more properties for sale in the same period in 2014 and the decrease in fair value of financial assets at fair value through profit or loss, despite there has been a decrease in impairment of an available-for-sale investment and decrease in loss on deemed partial disposal of equity interest in an associate.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

After a prolonged period of upward movements, recently the property market in Hong Kong seems to show a sign of stagnancy or slight decline, in terms of both transaction numbers and prices. The second hand market had been very quiet during this year to date, even there were transactions, increasing number of which are sold for below the prevailing market prices, while previously flats in the secondary market kept setting high records. Sentiment in market was poor and buyers had been very cautious. Continuing implementation of cooling measures by the Hong Kong Government, general expectation of an interest rates hike, turbulences in the stock markets across the region, as well as the signs of slowdown of economies both in Hong Kong and Mainland China were presumed to be the contributing factors to the poor sentiment in the market.

Despite the various signaling factors, it would be premature to assume or conclude that the property market in Hong Kong has turned direction or a significant adjustment would be likely. There are always some owners and investors for individual reasons deciding to unload their flats at a particular time or at below market prices when in face uncertainties in the market. In fact, many of them still have strong holding power due to their low loan to value ratio and low interest cost. Whether the stagnancy will develop into a trend is yet to be seen. Unless there is a big change in economic fundamentals, the Federal Reserve's move on interest rates is expected to be gradual and should not exert significant impact on property prices in Hong Kong.

The ever increasing population of Hong Kong, coupled with a strong home starter demand, and the lack of a fast-track supply replenishment solutions should continue to generate certain support to the property market in Hong Kong and the demand-supply imbalance should continue in the foreseeable future. The Hong Kong Government has announced previously its plan to add 480,000 units of flats over the next 10 years and has been vigorously studying potential developments in various regions like Kowloon East, East Lantau and other outlying areas. This should imply favourable business opportunities for developers. At present, the imminent concern to developers is however the ever soaring construction cost, particularly the labour. Besides, many Mainland China based developers have become active and increasingly aggressive in tendering land sale in Hong Kong which had made competition of land acquisitions more fiercer. As a result of these, the Group will maintain its proactive attitude to search for business opportunities and secure sustainable land bank for long term development, and will keep close scrutiny on existing projects to ensure completion in efficient and quality manner, delivering the best possible products to purchasers.

The following is the text of a letter and valuation certificate, prepared for the purpose of incorporation in this circular received from Asset Appraisal Limited, an independent valuer, in connection with its valuation as at 30 September 2015 of the property interests to be disposed of by the Group.



Asset Appraisal Limited
中誠達資產評值顧問有限公司

Rm 901, 9/F., On Hong Commercial Building
145 Hennessy Road, Wanchai, Hong Kong
香港灣仔軒尼詩道145號安康商業大廈9字樓901室
Tel: (852) 2529 9448 Fax: (852) 3544 5854

29 December 2015

The Board of Directors

Wang On Group Limited

5/F Wai Yuen Tong Medicine Building
No. 9 Wang Kwong Road
Kowloon Bay Kowloon
Hong Kong.

Dear Sirs,

Re: Valuation of property interests situated in Hong Kong

In accordance with the instructions from Wang On Group Limited (the “**Company**”) to value the property interests (the “**Property**”) to be disposed of by the Company or its subsidiaries (altogether referred to as the “**Group**”) situated in Hong Kong, we confirm that we have carried out inspections of the Property, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market values of the Property as at 30 September 2015 (the “**date of valuation**”).

BASIS OF VALUATION

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

TITLESHIP

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

VALUATION METHODOLOGY

The Property is valued by the comparison method where comparison based on prices realised or market prices of comparable properties is made. Comparable properties of similar size, character and location are analysed and carefully weighed against all the respective advantages and disadvantages of each property in order to arrive at a fair comparison of capital values.

ASSUMPTIONS

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

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

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

LIMITING CONDITIONS

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

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

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

The Property was inspected on 12 November 2015 by Yang Jun Hao, who is a professional member of RICS and HKIS. However, no structural survey has been made for them. In the course of our inspection, we did not note any apparent defects. We are not, however, able to report whether the buildings and structures inspected by us are free of rot, infestation or any structural defect. No test was carried out on any of the building services and equipment.

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

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

We enclose herewith our valuation certificate.

Yours faithfully,
for and on behalf of
Asset Appraisal Limited

Sandra Lau
MHKIS AAPI RPS(GP)
Director

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

VALUATION CERTIFICATE

Property to be Disposed by the Group

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 30 September 2015 HK\$
Commercial Unit and Car Parking Space on 1 st and 2 nd Basement of Riviera Plaza, Riviera Gardens, Nos. 1-9, 2-12 Yi Lok Street, Nos. 1-7, 2-12 Yi Hong Street, Tsuen Wan, New Territories (<i>Note 1</i>) 19,520/430,000 th equal and undivided shares of and in the Remaining Portion of Tsuen Wan Town Lot No. 303	<p>The Property is a 9-storey shopping arcade plus two basement levels known as "Riviera Plaza" and it was completed in 1990.</p> <p>The total gross floor area of the property is approximately 242,689 square feet (22,546.57 square metres).</p> <p>The Property is held under New Grant No. TW6577 for a term of 99 years commencing from 1 July 1898 and the term has been statutorily extended to 30 June 2047. The current Government Rent payable for the Property is an amount equal to 3% of the rateable value for the time being of the Property per annum.</p>	As at the date of valuation, the Property is under renovation.	520,000,000

Notes:

1. The Property is all those 19,520 equal undivided 430,000th parts or shares of and in all that piece or parcel ground registered in the Land Registry as the Remaining Portion of Tsuen Wan Town Lot No. 303 and of and in the messuages erections and buildings thereon now known as "Riviera Gardens" (the "Development") together with the sole and exclusive rights and privilege to hold use occupy and enjoy of first all that Commercial Unit of the separate commercial building now known as "Riviera Plaza" of the Development and secondly all that Car Parking Space no. 1 on 2nd basement of Riviera Plaza of the Development and thirdly all those Car Parking Spaces (excluding car parking space no. 1 on 2nd basement) of Riviera Plaza of the Development.
2. The registered owner of the property is World Way Investments Limited, a wholly-owned subsidiary of the Company, vide memorial no. 13072402130119 dated 2 July 2013. The cost of acquisition of the property was HK\$508,000,000.
3. The following encumbrances are registered in the land registry against the property:
 - i. Deed of Mutual Covenant vide memorial no. TW530360 dated 30 August 1988;
 - ii. Management Agreement vide memorial no. TW530362 dated 30 August 1988;
 - iii. Occupation Permit No. NT108/90 vide memorial no. TW691377 dated 24 August 1990;

- iv. Certificate of Compliance vide memorial no. TW887572 dated 4 May 1993;
 - v. Sub-deed of Mutual Covenant vide memorial no. TW924125 dated 29 September 1993;
 - vi. Temporary waiver letter vide memorial no. TW1334395 dated 23 February 2000 (Remarks: Re Portion of G/F, 1/F, 2/F and 3/F) (Re: Commercial Unit of Riviera Plaza); and
 - vii. Mortgage and assignment of rental in favour of The Hongkong and Shanghai Banking Corporation Limited vide memorial nos. 13072402130120 and 13072402130136 both dated 2 July 2013.
4. The property falls within an area zoned as "Commercial (1)" under Tsuen Wan Outline Zoning Plan no. S/TW/31 dated 17 January 2014.
5. The locality is an established residential, commercial and industrial area. Developments in the vicinity comprise mainly residential estate and industrial/commercial building. Comprehensive shopping facilities are available within the nearby shopping arcades and Tsuen Wan Town Centre which is approximate 10 minute drive. Public transports serving the vicinity include franchised buses and taxi. MTR Tsuen Wan West station is situated within a short walking distance.

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTERESTS

(a) Interests of Directors

Save as disclosed below, as at the Latest Practicable Date, none of the Directors or chief executive of the Company and/or any of their respective associates had any interest or short position in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (a) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules, to be notified to the Company and the Stock Exchange:

Long positions in the Shares:

Name of Director	Number of Shares held, capacity and nature of interest				Total	Approximate percentage of the Company's total issued share capital (Note f) %
	Personal interest	Family interest	Corporate interest	Other interest		
Tang Ching Ho	28,026,339	28,026,300 (Note a)	4,938,375,306 (Note b)	4,989,928,827 (Note c)	9,984,356,772	51.00
Yau Yuk Yin	28,026,300	4,966,401,645 (Note d)		4,989,928,827 (Note e)	9,984,356,772	51.00

Notes:

- (a) Mr. Tang was taken to be interested in those Shares in which his spouse, Ms. Yau, was interested.
- (b) Mr. Tang was taken to be interested in those Shares in which Caister Limited, a company which is wholly and beneficially owned by him, was interested.

- (c) Mr. Tang was taken to be interested in those Shares by virtue of being the founder of a discretionary trust, namely Tang's Family Trust.
- (d) Ms. Yau was taken to be interested in those Shares in which her spouse, Mr. Tang, was interested.
- (e) Ms. Yau was taken to be interested in those Shares by virtue of being a beneficiary of Tang's Family Trust.
- (f) The percentage represented the number of Shares over the total issued share capital of the Company as at the Latest Practicable Date of 19,575,520,047 Shares.

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

Save as disclosed below, as at the Latest Practicable Date, no person had, or were deemed or taken to have interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or had any option in respect of such capital:

(i) Long positions in the Shares

Name of Shareholders	Capacity	Number of Shares	Approximate percentage of the Company's total issued share capital <i>(Note 4)</i>
Caister Limited	Beneficial owner	4,938,375,306	25.23
Accord Power Limited <i>(Note 1)</i>	Beneficial owner	4,989,928,827	25.49
Fiducia Suisse SA <i>(Note 1)</i>	Interest of controlled corporation	4,989,928,827	25.49
David Henry Christopher Hill <i>(Note 2)</i>	Interest of controlled corporation	4,989,928,827	25.49
Rebecca Ann Hill <i>(Note 3)</i>	Family interest	4,989,928,827	25.49

Notes:

- (1) Accord Power Limited is wholly owned by Fiducia Suisse SA in its capacity as the trustee of Tang's Family Trust. Accordingly, Fiducia Suisse SA was taken to be interested in those Shares held by Accord Power Limited.
- (2) Fiducia Suisse SA is wholly owned by Mr. David Henry Christopher Hill, and accordingly, Mr. David Henry Christopher Hill was taken to be interested in those Shares in which Fiducia Suisse SA was interested.
- (3) Ms. Rebecca Ann Hill was taken to be interested in those Shares in which her spouse, Mr. David Henry Christopher Hill was interested.
- (4) The percentage represented the number of Shares over the total issued share capital of the Company as at the Latest Practicable Date of 19,575,520,047 Shares.

(ii) *Interest in subsidiaries of the Company:*

Name of subsidiary	Name of shareholder	Capacity	Approximate shareholding percentage %
Grandwall Investment Limited	Beyond Dragon Investments Limited (<i>Note 3</i>)	Beneficial owner	60
	Kam Wah Successful Limited (<i>Note 4</i>)	Beneficial owner	40
New Rich Investments Limited	Synergy Best Limited (<i>Note 5</i>)	Beneficial owner	60
	Kam Wah Sure Win Limited (<i>Note 6</i>)	Beneficial owner	40

Notes:

- (1) Beyond Dragon Investments Limited is an indirect wholly-owned subsidiary of the Company.
- (2) Kam Wah Successful Limited is wholly owned by Mr. Yeung Fun Bun.
- (3) Synergy Best Limited is an indirect wholly-owned subsidiary of the Company.
- (4) Kam Wah Sure Win Limited is wholly owned by Mr. Yeung Fun Bun.

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

- (i) There is no contract or arrangement entered into by any member of the Group, subsisting as at the Latest Practicable Date in which any of the Directors is materially interested and which is significant in relation to the business of the Group as a whole.
- (ii) As at the Latest Practicable Date, none of the Directors or their respective associates had any interest, direct or indirect, in any assets which had been, since 31 March 2015 being the latest published audited financial statements of the Company were made up, acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

4. DIRECTORS' INTERESTS IN COMPETING BUSINESS

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

Mr. Chan Chun Hong, Thomas, the Managing Director of the Company, is currently the Chairman and managing director of Easy One Financial Group Limited, which has been principally engaged in financing business since November 2015, which were overlapping with the financing business of the Group (contributing approximately 2-3% of the total revenue for the year ended 31 March 2015 to the Group), and thus may compete, or is likely to compete, either directly or indirectly, with the financing business of the Group.

For safeguarding the interests of the Group, the independent non-executive Directors and the audit committee of the Company would on a regular basis review the business and operational results of the Group to ensure, inter alia, that the Group's financing business is and continues to be run on the basis that they are independent of, and at arm's length from, those operated by members of Easy One Financial Group Limited.

5. DIRECTORS' SERVICE CONTRACTS

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

6. LITIGATION

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

7. MATERIAL CONTRACTS

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

- (a) the Agreement;
- (b) a sale and purchase agreement dated 13 November 2015 entered into between the Vendor, as the vendor, and Guidepost Investments Limited, as the purchaser, a wholly-owned subsidiary of WYT, in relation to the disposal of subsidiaries, namely Sunbo Investment Limited and Good Excellent Limited which are holding properties located at Tsuen Wan, New Territories and Sham Shui Po, Kowloon for a total consideration of HK\$70.0 million (subject to adjustment of upwards or downwards within 20% with reference to the valuation of such properties as at the date of completion to be valued by an independent valuer jointly appointed by the vendor and the purchaser), the details of which were set out in the announcement of the Company dated 13 November 2015;

- (c) a loan agreement dated 17 August 2015 entered into between Double Leads Investments Limited (“**Double Leads**”), an indirectly wholly-owned subsidiary of the Company, as the lender, and China Agri-Products Exchange Limited (“**CAP**”), as the borrower, in relation to the grant of an unsecured revolving credit facility of not exceeding a sum of HK\$100.0 million at an interest rate of 12.0% per annum to CAP for a term of 36 months commencing from 17 August 2015 and expiring on 16 August 2018;
- (d) a sale and purchase agreement dated 12 August 2015 entered into between the Vendor, an indirect wholly-owned subsidiary of the Company, as vendor and Dragon Jet Limited, as purchaser, in relation to the sale of the entire issue share capital of Easy Kingdom Limited at a consideration of HK\$158 million, the details of which were set out in the announcement of the Company dated 12 August 2015;
- (e) a loan agreement dated 21 July 2015 entered into between Double Leads, as the lender, and CAP, as the borrower, in relation to the grant of an unsecured revolving credit facility of not exceeding a sum of HK\$30.0 million at an interest rate of 12.0% per annum to CAP for a term of 12 months commencing from 21 July 2015 and expiring on 20 July 2016;
- (f) an irrevocable undertaking dated 25 March 2015 granted by Rich Time Strategy Limited, an indirect wholly-owned subsidiary of the Company, in favour of WYT to accept and subscribe for 432,271,017 rights shares of its provisional entitlements and apply, by way of excess application, for 530,000,000 rights shares, under WYT’s rights issue at HK\$0.108 per right share of WYT, the details of which were set out in the joint announcement issued by the Company and WYT dated 26 March 2015;
- (g) a loan agreement dated 13 February 2015 entered into between Double Leads, as the lender, and CAP, as the borrower in relation to the grant of an unsecured revolving credit facility of not exceeding a sum of HK\$110.0 million at an interest rate of 12.0% per annum to CAP for a term of 12 months commencing from 13 February 2015 and expiring on 12 February 2016, the details of which were set out in the announcement of the Company dated 13 February 2015, such agreement was terminated on 17 August 2015;
- (h) a provisional sale and purchase agreement dated 7 November 2014 entered into between Oriental Sino Investments Limited, an indirect wholly-owned subsidiary of the Company, as the purchaser, and King Prosper Trading Limited, as the vendor, in relation to the acquisition of a property located at Percival Street, Hong Kong for a total consideration of HK\$210 million, the details of which were set out in the announcement of the Company dated 7 November 2014;
- (i) a subscription agreement dated 4 October 2014 entered into between CAP (being the issuer), Double Leads, Peony Finance Limited and Winning Rich

Investments Limited (collectively, the “**Subscribers**”) and a placing agent in relation to the placing of the two-year 8.5% coupon bonds and five-year 10.0% coupon bonds (collectively, the “**Bonds**”) and the subscription of the Bonds by the Subscribers, subject to the terms and conditions contained under the subscription agreement, the details of which were set out in the joint announcements of the Company and other listed issuers dated 5 October 2014 and 28 November 2014, respectively;

- (j) a supplemental agreement dated 30 September 2014 to the loan agreement dated 31 July 2012 (as amended by a supplemental agreement dated 31 July 2012 and further amended by an assignment dated 15 April 2014) entered into between Double Leads, as the lender, and CAP, as the borrower, for the extension of the repayment date from 30 September 2014 to 30 November 2014 in consideration that CAP will use the net proceed from the Bonds Issue to repay such secured credit facility of a sum of HK\$670.0 million, the details of which were set out in the announcement of the Company dated 4 October 2014;
- (k) a top-up placing and subscription agreement dated 12 September 2014 entered into between Ever Task Limited (an indirect wholly-owned subsidiary of the Company), as the vendor and the subscriber, Kingston Securities Limited, as the placing agent, and PNG Resources Holding Limited (“**PNG**”), in relation to the top-up placing and subscription of 150,000,000 shares of PNG at HK\$0.325 per PNG placing share, the details of which were set out in the joint announcements of the Company and PNG dated 12 and 29 September 2014, respectively; and
- (l) a top-up placing and subscription agreement dated 20 August 2014 entered into between Rich Time Strategy Limited (an indirect wholly-owned subsidiary of the Company), as the vendor and the subscriber, Kingston Securities Limited, as the placing agent, and WYT, in relation to the top-up placing and subscription of 586,000,000 shares of WYT at HK\$0.186 per WYT placing share, the details of which were set out in the joint announcement of the Company and WYT dated 20 August 2014.

9. EXPERT AND CONSENT

The following is the qualifications of the experts whose statements have been included in this circular:

Name	Qualification
Asset Appraisal Limited	Independent professional property valuer

The expert has given and has not withdrawn their written consent to the issue of this circular with the inclusion herein of its letters or opinions or reports or references to its name in the form and context in which it appear.

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

As at the Latest Practicable Date, the expert had not had any direct or indirect interests in any assets which have been, since 31 March 2015 (being the date to which the latest published audited accounts of the Company were made up), acquired or disposed of by or leased to any member of the Group, or which are proposed to be acquired or disposed of by or leased to any member of the Group.

10. GENERAL

- (a) The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The head office and principal place of business of the Company in Hong Kong is at 5/F., Wai Yuen Tong Medicine Building, 9 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong.
- (b) The company secretary of the Company is Ms. Mak Yuen Ming, Anita. She is an associate member of both The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries.
- (c) The share registrar and transfer office of the Company in Hong Kong is Tricor Tengis Limited, 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.
- (d) The English texts of this circular and the accompanying form of proxy shall prevail over their Chinese texts in case of inconsistencies.

11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the principal place of business of the Company in Hong Kong at 5/F., Wai Yuen Tong Medicine Building, 9 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong on any business day from the date of this circular up to and including 12 January 2016:

- (a) the memorandum of association and the Bye-laws;
- (b) the material contracts disclosed in the paragraph under the heading "Material Contracts" in this Appendix;
- (c) the valuation report on the Property prepared by Asset Appraisal Limited dated 29 December 2015 as set out in Appendix II to this circular;
- (d) the interim report of the Company for the six months ended 30 September 2015;
- (e) the annual reports of the Company for the three financial years ended 31 March 2013, 2014 and 2015; and
- (f) this circular.