

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this joint announcement, 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 joint announcement.

This joint announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of the Company nor is it a solicitation of any vote or approval in any jurisdiction.



HOPEVISION GROUP LTD.

*(Incorporated in Republic of Seychelles
with limited liability)*

GREAT CHINA HOLDINGS LIMITED

*(Incorporated in Hong Kong
with limited liability)*
(Stock Code: 141)

JOINT ANNOUNCEMENT

**(1) AGREEMENT IN RELATION TO THE SALE AND PURCHASE OF
SALE SHARES OF GREAT CHINA HOLDINGS LIMITED**

(2) PROPOSED FIRST SPECIAL DIVIDEND

**(3) VERY SUBSTANTIAL DISPOSAL, CONNECTED TRANSACTION
AND SPECIAL DEAL FOR GREAT CHINA HOLDINGS LIMITED
IN RELATION TO THE DISPOSAL OF
DATONG GLOBAL HOLDINGS LIMITED AND XINGAO LIMITED
AND PROPOSED SECOND SPECIAL DIVIDEND**

**(4) LEASE EXTENSION SPECIAL DEAL AND
CONTINUING CONNECTED TRANSACTION**

**(5) POSSIBLE UNCONDITIONAL MANDATORY CASH GENERAL OFFER BY
CCB INTERNATIONAL CAPITAL LIMITED
FOR AND ON BEHALF OF HOPEVISION GROUP LTD.
TO ACQUIRE ALL THE ISSUED SHARES (OTHER THAN THOSE ALREADY
OWNED OR AGREED TO BE ACQUIRED BY HOPEVISION GROUP LTD. AND
PARTIES ACTING IN CONCERT WITH IT)**

AND

(6) RESUMPTION OF TRADING

**Financial Adviser to
Hopevision Group Ltd.**



**Financial Adviser to
Great China Holdings Limited**



SALE AND PURCHASE AGREEMENT

The Board has been informed by the Selling Shareholder that the Selling Shareholder and the Offeror have entered into the Sale and Purchase Agreement on 21 January 2016, pursuant to which the Selling Shareholder conditionally agreed to sell, and the Offeror conditionally agreed to acquire, the Sale Shares for a consideration of approximately HK\$552,998,120 (equivalent to approximately HK\$3.998 per Sale Share) free from all encumbrances and with all rights attached to the Sale Shares (save for the First Special Dividend and Second Special Dividend, which will be declared and paid to Shareholders whose names appear on the register of members of the Company on the First Record Date and Second Record Date respectively falling before the Sale and Purchase Completion). The Sale Shares represent approximately 52.87% of the existing issued share capital of the Company as at the date of this joint announcement. The Sale and Purchase Completion is conditional in all respects upon fulfilment (or, as appropriate, waived by the Offeror as described below) of the Sale and Purchase Conditions as set out under the section headed “A. Sale and Purchase Agreement — Conditions precedent to the Sale and Purchase Agreement” of this joint announcement.

DISPOSAL AGREEMENT

On 21 January 2016, the Company and the Disposal Purchaser entered into the Disposal Agreement, pursuant to which the Company conditionally agreed to sell, and the Disposal Purchaser conditionally agreed to purchase the Disposal Shares and the Disposal Loan for a consideration of HK\$942,247,000 (subject to adjustment).

The Disposal Completion is conditional in all respects upon fulfilment of the Disposal Conditions as set out under the section headed “B. Disposal Agreement, Disposal Special Deal, Second Special Dividend and Setting-off Arrangement — Conditions precedent to the Disposal Agreement” of this joint announcement.

FIRST AND SECOND SPECIAL DIVIDEND

The Board proposes a First Special Dividend of not less than HK\$1.147 per Share, to be distributed and paid in cash to the Shareholders whose names are registered on the register of members of the Company on the First Record Date, which is conditional on Independent Shareholders’ approval at the EGM. Based on 261,684,910 Shares in issue as at the date of this joint announcement, the First Special Dividend payable to the Shareholders whose names appear on the register of members of the Company on the First Record Date shall amount to not less than approximately HK\$300.0 million.

Conditional on the Disposal Completion, the Board proposes a Second Special Dividend of not less than HK\$2.293 per Share to be distributed and settled (i) in cash to the Shareholders (other than the Disposal Purchaser) whose names are registered on the register of members of the Company on the Second Record Date; and (ii) partly by way of set off against the amount due to the Company by the Disposal Purchaser as a result of the acquisition of the Disposal Loan pursuant to the Disposal Agreement and the remaining balance in cash for the Disposal Purchaser (i.e. the Setting-off Arrangement), subject to the approval of the Independent Shareholders having been obtained and the Disposal Completion having taken place. The Setting-off Arrangement constitutes a special deal under Rule 25 of the Takeovers Code and requires the consent of the Executive. Such consent, if granted, will be subject to (i) the Independent Financial Adviser publicly states that in its opinion the terms of the Setting-off Arrangement are fair and reasonable; and (ii) the Setting-off Arrangement is approved at the EGM by the Independent Shareholders by way of poll. Shareholders including (i) the Selling Shareholder, its associates and parties acting in concert with it, (ii) the Offeror, its ultimate beneficial owner, its associates and parties acting in concert with it, and (iii) any Shareholders who are involved in or interested in the Disposal Agreement, the Group Reorganisation, the Sale and Purchase Agreement, the Second Special Dividend, the Lease Agreement, and any transactions contemplated thereunder will abstain from voting on the relevant proposed resolutions in respect of the Setting-off Arrangement at the EGM.

Such Second Record Date shall in any event precede the date of the Sale and Purchase Completion.

Based on 261,684,910 Shares in issue as at the date of this joint announcement, the Second Special Dividend payable to the Shareholders on the Second Record Date shall amount to not less than approximately HK\$600.0 million, out of which, the Selling Shareholder, being the beneficial owner of approximately 52.87% of the issued share capital of the Company as at the date of this joint announcement and assuming no change to its shareholding from the date of this joint announcement to the Second Record Date, are entitled to receive a special dividend in the total sum of not less than approximately HK\$317.2 million.

Further announcement(s) will be made by the Company in respect of details of the First Record Date, the First Special Dividend payout date, the Second Record Date, the Second Special Dividend payout date and closure of register of members of the Company for determining the Shareholder's entitlement to the proposed First Special Dividend and Second Special Dividend in accordance with Rule 13.66 of the Listing Rules. **Registered Shareholders as at (i) the First Record Date will be entitled to the First Special Dividend; and (ii) the Second Record Date will be entitled to the Second Special Dividend, even though such Shareholders may subsequently accept the Share Offer. On this basis, the aggregate of the First Special Dividend and Second Special Dividend will be not less than HK\$900.0 million, which is equivalent to approximately HK\$3.440 per Share.**

IMPLICATION OF THE DISPOSAL AND THE SETTING-OFF ARRANGEMENT UNDER THE LISTING RULES AND THE TAKEOVERS CODE

As at the date of this joint announcement, the Disposal Companies are wholly-owned subsidiaries of the Company. Disposal Purchaser is the controlling shareholder of the Company. As such, the Disposal Purchaser is a connected person of the Company and the Disposal constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. As one of the applicable percentage ratios in respect of the Disposal is more than 75%, the Disposal also constitutes a very substantial disposal for the Company pursuant to the Listing Rules, and is subject to reporting, announcement, circular and independent shareholders' approval requirements under the Listing Rules.

The Disposal and the Setting-off Arrangement constitute a special deal under Note 4 to Rule 25 of the Takeovers Code and Rule 25 of the Takeovers Code, respectively, and require the consent of the Executive. Such consent, if granted, will be subject to (i) the Independent Financial Adviser publicly states that in its opinion the terms of the Disposal Special Deal and the Setting-off Arrangement are fair and reasonable; and (ii) the Disposal Special Deal and the Setting-off Arrangement are approved at the EGM by the Independent Shareholders by way of poll. Shareholders including (i) the Selling Shareholder, its associates and parties acting in concert with it; (ii) the Offeror, its ultimate beneficial owner, its associates and parties acting in concert with it; and (iii) any Shareholders who are involved in or interested in the Disposal Agreement, the Group Reorganisation, the Sale and Purchase Agreement, the Second Special Dividend, the Setting-off Arrangement, the Lease Agreement, and any transactions contemplated thereunder will abstain from voting on the relevant proposed resolutions in respect of the Disposal Special Deal and the Setting-off Arrangement at the EGM.

The Company will make an application to the Executive for his consent under Note 4 to Rule 25 of the Takeovers Code and Rule 25 of the Takeovers Code in relation to the Disposal Special Deal and the Setting-off Arrangement, respectively.

LEASE EXTENSION SPECIAL DEAL AND CONTINUING CONNECTED TRANSACTION

On 21 January 2016, Shanghai Zenith, a wholly-owned subsidiary of the Disposal Group, entered into the Lease Agreement with a member of the Remaining Group for the lease of Shanghai Property for a period of six months commencing from the Disposal Completion Date.

Shanghai Zenith shall be beneficially owned by the Disposal Purchaser immediately upon Disposal Completion. As the Disposal Purchaser is a connected person of the Company and will continue to be a connected person of the Company by way of its capacity as an associate of a Director upon the Disposal Completion pursuant to the Listing Rules, the transaction contemplated under the Lease Agreement constitutes continuing connected transaction for the Company under Chapter 14A of the Listing Rules. As the applicable percentage ratios (other than the profits ratio) in respect of the annual cap for the Lease Agreement, are less than 0.1%, such transaction is exempt from the reporting, announcement requirements and the independent shareholders' approval requirements under the Listing Rules.

The transaction contemplated under the Lease Agreement also constitutes special deal under Rule 25 of the Takeovers Code and requires the consent of the Executive. Such consent, if granted, will be subject to (i) the Independent Financial Adviser publicly states that in its opinion the terms of the Lease Extension Special Deal are fair and reasonable; and (ii) the Lease Extension Special Deal is approved at the EGM by the Independent Shareholders by way of poll. Shareholders including (i) the Selling Shareholder, its associates and parties acting in concert with it, and (ii) any Shareholders who are involved in or interested in the Lease Agreement, the Sale and Purchase Agreement, the Disposal Agreement, the Group Reorganisation, the Second Special Dividend, the Setting-off Arrangement and any transactions contemplated thereunder will abstain from voting on the proposed resolutions in respect of the Lease Extension Special Deal at the EGM.

The Company will make an application to the Executive for his consent under Rule 25 of the Takeovers Code in relation to the Lease Extension Special Deal.

POSSIBLE UNCONDITIONAL MANDATORY CASH GENERAL OFFER FOR SHARES

As at the date of this joint announcement, the Offeror and parties acting in concert with it do not hold, own or have control over any Shares or voting rights of the Company. Assuming no other changes to the issued share capital of the Company from the date of this joint announcement, the Offeror and parties acting in concert with it will be interested in a total of 138,347,288 Shares, representing approximately 52.87% of the issued share capital of the Company immediately after the Sale and Purchase Completion.

As such, the Offeror will be required to make an unconditional mandatory cash general offer for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it) pursuant to Rule 26.1 of the Takeovers Code.

As at the date of this joint announcement, the Company has 261,684,910 Shares in issue and has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) as at the date of this joint announcement.

Subject to and upon the Sale and Purchase Completion, CCBI, on behalf of the Offeror and in compliance with the Takeovers Code, will make the Share Offer to acquire all the Offer Shares on the terms to be set out in the Offer Document to be issued in accordance with the Takeovers Code on the following basis:

The Share Offer

For every Offer Share held HK\$3.998 in cash

The Share Offer Price is not less than the Consideration per Sale Share under the Sale and Purchase Agreement which was arrived at after arm's length negotiations between the Offeror and the Selling Shareholder.

On the basis that the Offeror and parties acting in concert with it will own approximately 138,347,288 Shares immediately after the Sale and Purchase Completion, the total consideration of the Share Offer would be HK\$493,103,813 based on the Share Offer Price and 123,337,622 Shares under the Share Offer, which will be the maximum amount payable by the Offeror under the Share Offer in the event that the Share Offer is accepted in full.

The principal terms of the Share Offer are summarised in the section headed “D. Possible unconditional mandatory cash general offer for Shares” of this joint announcement.

It is intended that following the closing of the Share Offer, the Company will maintain its listing on the Main Board of the Stock Exchange.

The Offeror intends to finance the cash consideration payable under the Share Offer from internal resources. CCBI, as the financial adviser to the Offeror, is satisfied that sufficient resources are available to the Offeror to satisfy the amount of funds required for full acceptance of the Share Offer.

WARNING: THE SHARE OFFER IS A POSSIBILITY ONLY. AS THE SHARE OFFER WILL ONLY BE MADE, AMONG OTHERS, AFTER THE SALE AND PURCHASE COMPLETION AND THE DISPOSAL COMPLETION, BOTH OF WHICH ARE SUBJECT TO A NUMBER OF CONDITIONS, THE SHARE OFFER MAY OR MAY NOT PROCEED. SHAREHOLDERS AND POTENTIAL INVESTORS ARE THEREFORE ADVISED TO EXERCISE CAUTION WHEN DEALING IN THE SHARES OF THE COMPANY, AND IF THEY ARE IN DOUBT ABOUT THEIR POSITION, THEY SHOULD CONSULT THEIR PROFESSIONAL ADVISERS.

GENERAL

The EGM will be held for the purpose of considering and, if thought fit, approving the Resolutions by way of poll at the EGM. The Selling Shareholder, the Offeror and its ultimate beneficial owner, their respective associates and parties acting in concert with any of them and those who are involved in or interested in the Disposal Agreement, the Group Reorganisation, the Sale and Purchase Agreement, the Second Special Dividend, the Setting-off Arrangement and the Lease Agreement will abstain from voting on the relevant Resolutions at the EGM.

A circular, which will contain, among other things, details of the Disposal Agreement, the Group Reorganisation, the First Special Dividend, the Second Special Dividend, the Setting-off Arrangement, the Lease Agreement, the financial information on the Group and the Disposal Group, pro forma financial information of the Remaining Group, the letter of recommendation from the Independent Board Committee and the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders regarding the Disposal Agreement, the Group Reorganisation, the First Special Dividend, the Second Special Dividend, the Setting-off Arrangement and the Lease Agreement and a notice convening the EGM to be despatched to the Shareholders.

As additional time is required to prepare the information to be contained in the Circular, the Circular is expected to be despatched to the Shareholders on or before 31 May 2016.

The Independent Board Committee, comprising all three independent non-executive Directors, has been formed to make a recommendation to (i) the Independent Shareholders in respect of the Disposal Agreement, the First Special Dividend, the Second Special Dividend, the Setting-off Arrangement, the Lease Agreement, and the transactions contemplated thereunder; and (ii) the Share Offer Shareholders as to whether the Share Offer, is, or is not, fair and reasonable and as to (where applicable) acceptance or voting. The Independent Board Committee has not included the non-executive Director, Ms. Ho, as Ms. Ho is the daughter of Mr. Ho Ming Yu, being a director of Selling Shareholder.

The Independent Financial Adviser will be approved and appointed by the Independent Board Committee to advise the Independent Board Committee to make recommendation to (i) the Independent Shareholders as to whether the terms of each of the Disposal Agreement, the First Special Dividend, the Second Special Dividend, the Setting-off Arrangement, the Lease Agreement, and the transactions contemplated thereunder are fair and reasonable and as to voting; and (ii) the Share Offer Shareholders in respect of whether the Share Offer is fair and reasonable for acceptance or not. The advice of the Independent Financial Adviser and the recommendation of the Independent Board Committee in respect of the Disposal Agreement, the First Special Dividend, the Second Special Dividend, the Setting-off Arrangement, the Lease Agreement, and the transactions contemplated thereunder will be included in the Circular. The advice of the Independent Financial Adviser and the recommendation of the Independent Board Committee in respect of the Share Offer, in particular, as to whether the Share Offer is, or is not, fair and reasonable and as to its acceptance, will be included in the Offer Document.

In accordance with Rule 8.2 of the Takeovers Code, the Offer Document is required to be posted by or on behalf of the Offeror within 21 days of the date of this joint announcement or such other date as the Executive may approve. Furthermore, Note 2 to Rule 8.2 of the Takeovers Code provides that the Executive's consent is required if the making of an offer is subject to the prior fulfillment of a pre-condition and the pre-condition cannot be fulfilled within the time period as contemplated by Rule 8.2 of the Takeovers Code. Since there are pre-conditions, i.e. the Sale and Purchase Completion and the Disposal Completion to the making of the Share Offer and it is expected that such pre-conditions may not be fulfilled, hence the Share Offer may not be made, within 21 days after the date of this joint announcement, an application will be made by the Offeror for the Executive's consent under Note 2 to Rule 8.2 of the Takeovers Code to extend the deadline for the despatch of the Offer Document within seven (7) days of the fulfillment of such pre-conditions.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on 22 January 2016 pending the publication of this joint announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 5 February 2016.

On 21 January 2016, the Selling Shareholder and the Offeror entered into the Sale and Purchase Agreement, pursuant to which the Selling Shareholder conditionally agreed to sell and the Offeror conditionally agreed to acquire the Sale Shares, representing approximately 52.87% of the existing issued share capital of the Company as at the date of this joint announcement.

On 21 January 2016, the Company and the Disposal Purchaser entered into the Disposal Agreement, pursuant to which the Company conditionally agreed to sell and the Disposal Purchaser conditionally agreed to purchase the Disposal Shares and the Disposal Loan for a consideration of HK\$942,247,000 (subject to adjustment).

A. SALE AND PURCHASE AGREEMENT

Date: 21 January 2016

Parties:

Vendor: the Selling Shareholder, namely, Fulcrest, holding in aggregate 138,347,288 Shares (representing approximately 52.87% of the existing issued capital of the Company) as at the date of this joint announcement

Purchaser: Hopevision Group Ltd. For further information, please refer to the section headed “F. Information on the Offeror”

Guarantor: Mr. Ho

Subject of the Sale and Purchase Agreement

Pursuant to the Sale and Purchase Agreement, the Selling Shareholder conditionally agreed to sell the Sale Shares and the Offeror conditionally agreed to acquire the Sale Shares, representing approximately 52.87% of the existing issued share capital of the Company, for a consideration of HK\$552,998,120 (equivalent to approximately HK\$3.998 per Sale Share), free from all encumbrances and with all rights attached to the Sale Shares (save for the First Special Dividend and Second Special Dividend, which will be declared and paid to Shareholders whose names appear on the register of members of the Company on the First Record Date and Second Record Date falling before the Sale and Purchase Completion, respectively).

The Offeror has confirmed that immediately before entering into of the Sale and Purchase Agreement, it and its beneficial owners are third parties independent of the Company and its connected persons. To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, each of the Offeror, its ultimate beneficial owners and parties acting in concert with any of them is a third party independent of and not connected with the Company and the Company’s connected persons.

Consideration for the Sale Shares under Sale and Purchase Agreement

The consideration for the Sale Shares is HK\$552,998,120, equivalent to approximately HK\$3.998 per Sale Share (the “**Consideration per Sale Share**”), which was determined after arm’s length negotiations between the Purchaser and the Selling Shareholder.

The consideration shall be satisfied by the Purchaser in the following manners:

- (i) upon signing of the Sale and Purchase Agreement, the Purchaser paid to the Selling Shareholder a deposit of HK\$30,000,000 (the “**Deposit**”); and
- (ii) on Sale and Purchase Completion, simultaneously upon the performance of its obligations in respect of the Sale and Purchase Completion by the Selling Shareholder, the Purchaser shall pay the remaining balance of HK\$522,998,120 by way of telegraphic transfer.

Conditions precedent to the Sale and Purchase Agreement

The Sale and Purchase Completion is conditional upon of the following conditions being satisfied (or, where applicable, waived by the Purchaser) on or before 5:00 p.m. on the Sale and Purchase Long Stop Date:

- (i) the passing of the requisite resolution(s) by the Independent Shareholders at a general meeting approving the transactions contemplated under the Sale and Purchase Agreement and, where applicable, the Disposal Agreement, the Setting-off Arrangement, the Lease Agreement, the First Special Dividend and the Second Special Dividend in accordance with the requirements under the constitutional documents of the Company, the Listing Rules and the Takeovers Code;
- (ii) the consent of the Executive in relation to the Disposal Agreement, the Setting-off Arrangement, the Lease Agreement, and the transactions contemplated thereunder as a special deal under Rule 25 of the Takeovers Code having been obtained, and any condition for the giving of such consent having been fulfilled, and such consent not having been revoked prior to completion of the Disposal Agreement, the Setting-off Arrangement and the commencement of the Lease Agreement (i.e. the Disposal Completion Date);
- (iii) the conditions precedent under the Disposal Agreement and the Lease Agreement having been fulfilled or waived (save for the condition requiring the Sale and Purchase Agreement to become unconditional) and the completion of the Disposal Agreement and the commencement of the Lease Agreement (i.e. the Disposal Completion Date) taking place in accordance with its terms simultaneously with the Sale and Purchase Completion;
- (iv) the listing status of the Company on the Stock Exchange not having been revoked or withdrawn at any time prior to Completion, the Shares continuing to be traded on the Stock Exchange at any time prior to the Completion (save for (i) any temporary suspension for no longer than 10 consecutive trading days or such other period as the Purchaser may agree in writing or the temporary suspension in connection with transactions contemplated under the Sale and Purchase Agreement including, without limitation, the Disposal Agreement and the Lease Agreement; and (ii) any temporary suspension for no longer than 4 consecutive trading days not in connection with transactions contemplated under the Sale and Purchase Agreement, such contemplated transactions shall include, without limitation to, the Disposal Agreement and the Lease Agreement) and there being no indication from the Stock Exchange or the Executive that the listing status of the Company will be suspended,

cancelled, revoked or withdrawn at any time after the Completion as a result of the transactions contemplated under the Sale and Purchase Agreement, the Disposal Agreement and the Lease Agreement;

- (v) no obligation (including but not limited to trading halt and/or suspension of trading of the Shares) on the Company concerning sufficiency of operations or assets and/or cash company issue under all relevant Listing Rules (including but not limited to Rules 13.24 and 14.82 of the Listing Rules) having been triggered or decided by the Stock Exchange or the SFC which is unable to be resolved by the Company absolutely to the satisfaction of the Stock Exchange or the SFC prior to the Sale and Purchase Long Stop Date, and neither the Stock Exchange nor the SFC having indicated that either one of them will object to, suspend, cancel, revoke, withdraw or otherwise have any concerns about the continued listing of the Shares for reasons relating to or arising from the transaction contemplated under the Sale and Purchase Agreement, the Disposal Agreement and the Lease Agreement including but not limited to Rules 13.24 and 14.82 of the Listing Rules;
- (vi) the waiver of the Executive to waive the requirement of the Company to obtain shareholders' approval in the general meeting in relation to the First Special Dividend as a frustrating action under Rule 4 of the Takeovers Code having been granted, and any condition for the giving of such waiver having been fulfilled, and such waiver not having been revoked prior to completion of the Sale and Purchase Agreement;
- (vii) the waiver of the Executive to waive the requirement of the Company to obtain shareholders' approval in the general meeting in relation to the Second Special Dividend as a frustrating action under Rule 4 of the Takeovers Code having been granted, and any condition for the giving of such waiver having been fulfilled, and such waiver not having been revoked prior to completion of the Sale and Purchase Agreement;
- (viii) all approvals, authorisations, consents, licences, certificates, permits, concessions, agreements or other permissions of any kind of, from or by any governmental authority, regulatory body or other third party necessary for the consummation of the transactions contemplated in the Sale and Purchase Agreement having been obtained on terms reasonably acceptable to the Purchaser by the Selling Shareholder and the Company and remaining in full force and effect;
- (ix) all relevant consents and approvals from third parties as may be necessary in conjunction with the proposed change in shareholding of the Company having been obtained and remaining in full force and effect so as to ensure that the Remaining Group maintains all its existing contractual and other rights in their current state following Sale and Purchase Completion;
- (x) the Stock Exchange and the Executive advising that they have no further comment on this joint announcement to be released in connection with the transactions contemplated under the Sale and Purchase Agreement and the publication of this joint announcement on the Stock Exchange's website;
- (xi) the warranties, representations and/or undertakings given by the Selling Shareholder and the Purchaser in the Sale and Purchase Agreement remaining true and accurate in any material respect and not misleading as given as at the date of the Sale and Purchase Agreement and as at Sale and Purchase Completion;

- (xii) no matter, event, circumstance or change having occurred which has caused, causes or is likely to cause any material adverse effect on the business, operations, prospects or financial condition, or a material portion of the properties or assets, of the Remaining Group Companies as a whole;
- (xiii) there being no applicable law which prohibits, restricts or imposes conditions or limitations on, or is reasonably expected to operate to prohibit, restrict or impose conditions or limitations on, the consummation of any of the transactions contemplated under the Sale and Purchase Agreement; and
- (xiv) all indebtedness owned by the Disposal Companies to the Remaining Group (and vice versa) having been repaid (save for those indebtedness owed to the Remaining Group by the Disposal Companies to be novated to the Selling Shareholder at or before Sale and Purchase Completion) and all guarantees, pledges, indemnities and other securities provided by the Remaining Group to secure any indebtedness or liabilities of the Disposal Companies (and vice versa) and all facilities where borrowers comprise both the Disposal Company(ies) and member(s) of the Remaining Group having been fully, absolutely and unconditionally discharged, released or terminated.

The Purchaser will use all reasonable endeavours (so far as it lies within its powers) to procure the satisfaction of the Sale and Purchase Condition (x) and (xi) and the Selling Shareholder will use all reasonable endeavours (so far as it lies within its powers) to procure the satisfaction of the above conditions (i) to (xiv), as soon as reasonably practicable and in any event before the Sale and Purchase Long Stop Date and the Purchaser or the Selling Shareholder will promptly notify the Selling Shareholder or the Purchaser (as the case may be) when the relevant condition(s) has/have been satisfied.

If the Purchaser fails to use all reasonable endeavours (so far as it lies within its powers) to procure the satisfaction of the Sale and Purchase Condition (x) and (xi), the Selling Shareholder shall be entitled to, as liquidated damages but not as penalty, forfeit the Deposit, whereupon the Purchaser shall not have any obligations nor liabilities to the Selling Shareholder.

If the Selling Shareholder fails to use all reasonable endeavours (so far as it lies within its powers) to procure the satisfaction of the Sale and Purchase Conditions (i) to (xiv), the Selling Shareholder shall return the Deposit to the Purchaser and further pay a sum of HK\$30,000,000 to the Purchaser as liquidated damages but not as penalty, whereupon the Selling Shareholder shall not have any obligations nor liabilities to the Purchaser.

In addition, the Selling Shareholder acknowledges and agrees that the Remaining Group shall be able to settle any money payable by the Remaining Group to the Selling Shareholder (i.e. the Second Special Dividend) by way of setting-off all indebtedness (i.e. the Disposal Loan) owed to the Remaining Group by the Selling Shareholder upon Disposal Completion (i.e. the Setting-off Arrangement). For further details including relevant Takeovers Code implications, please refer to paragraph headed "Second Special Dividend" in this joint announcement below.

The Purchaser may, to such extent as it thinks fit and is legally entitled to do so, at any time waive in writing any of the Sale and Purchase Conditions (iv), (viii) to (ix), (xi) to (xii) and (xiv) on such terms as it may decide.

If any of the Sale and Purchase Conditions (which have not previously been waived by the Purchaser) have not been satisfied on or before the Sale and Purchase Long Stop Date, the Purchaser may on that date, at its option (but without prejudice to any other right or remedy it may have), by notice to the Selling Shareholder:

- (a) waive the Sale and Purchase Conditions (other than the Sale and Purchase Condition (i) to (iii), (v) to (vii), (x) and (xiii)) which have not been satisfied; or
- (b) terminate the Sale and Purchase Agreement.

Sale and Purchase Completion

The Sale and Purchase Completion shall take place on the fifth Business Day following satisfaction or (where applicable) waiver of the Sale and Purchase Conditions, or such other date as the Selling Shareholder and the Purchaser may agree in writing. It shall take place simultaneously with the Disposal Completion and the Lease Agreement on or before the Sale and Purchase Long Stop Date. Further announcement will be made as soon as practicable in relation to the Sale and Purchase Completion.

Guarantee

Pursuant to the Sale and Purchase Agreement, Mr. Ho as the Selling Shareholder's guarantor has unconditionally and irrevocably guaranteed to the Purchaser (subject to limitations as set out in the Sale and Purchase Agreement):

- (i) the performance of the Selling Shareholder's obligations in accordance with the Sale and Purchase Agreement; and
- (ii) that he shall pay, on demand, a sum not exceeding HK\$300,000,000 in accordance with the Sale and Purchase Agreement.

Selling Shareholder's undertaking

The Selling Shareholder undertakes to procure KFH, KFI, spouse of Mr. Ho and daughter of Mr. Ho to accept the Share Offer.

B. DISPOSAL AGREEMENT, DISPOSAL SPECIAL DEAL, SECOND SPECIAL DIVIDEND AND SETTING-OFF ARRANGEMENT

THE DISPOSAL AGREEMENT

Date: 21 January 2016

Parties:

Vendor: the Company, being the ultimate beneficial owner of the Disposal Companies

Purchaser: Fulcrest, a company incorporated in Hong Kong with limited liability

As at the date of this joint announcement, the Disposal Companies are wholly-owned subsidiaries of the Company. The Disposal Purchaser is owned as to (i) approximately 50.91% by Asian Pacific (Panama), being a wholly-owned subsidiary of Asian Pacific,

which is beneficially owned as to approximately 66.62% and 33.38% by Mr. Ho and Mr. Ho Ming Yu, respectively; and (ii) approximately 49.09% by KFH, being a wholly-owned subsidiary of KFI, which is a company incorporated in Taiwan with its shares listed on the Taiwan Stock Exchange Corporation, as at the date of this joint announcement. Mr. Ho together with other members of Mr. Ho's family, being Mr. Ho Ming Yu (elder brother of Mr. Ho), Mr. Ho Ming King (elder brother of Mr. Ho) and Mr. Ho Ming Hong (younger brother of Mr. Ho) are the single largest group of shareholders of KFI, beneficially interested in aggregate of approximately 34% of the issued share capital of KFI as at the date of this joint announcement.

Disposal Purchaser is the controlling shareholder of the Company. As such, the Disposal Purchaser is a connected person of the Company under Chapter 14A of the Listing Rules.

The Disposal also constitutes a special deal under Note 4 to Rule 25 of the Takeovers Code.

Subject of the Disposal Agreement

Pursuant to the Disposal Agreement, the Company conditionally agreed to sell and the Disposal Purchaser conditionally agreed to purchase the Disposal Shares and the Disposal Loan for a consideration of HK\$942,247,000 (subject to adjustment).

As at the date of this joint announcement, the principal assets of the Disposal Group include (i) certain shop units located in Causeway Bay, Mongkok and Tsim Sha Tsui, certain residential property units in Tsim Sha Tsui and Wai Chai, an office property unit in Admiralty, as well as car parking space in Sheung Wan (together the “**Hong Kong Properties**”); (ii) inventories such as fishmeal; and (iii) certain financial assets. Further details of which will be provided in the Circular.

Upon the Disposal Completion, the Disposal Group will be wholly owned by the Disposal Purchaser and cease to be subsidiaries of the Company.

Consideration for the Disposal under the Disposal Agreement

The Disposal Consideration of HK\$942,247,000, which is subject to the adjustments pursuant to (i) the fair value adjustment of the Hong Kong Office, and the investment of the Group in Bali as at the date of the Disposal Completion Accounts; and (ii) the Disposal Group NAV as shown in the Disposal Completion Accounts, and was determined with reference to, among others, the unaudited carrying amount of the Disposal Loan as at 30 June 2015, the unaudited net asset value of the Disposal Group as at 30 June 2015 and the draft valuation of the Hong Kong Office by an independent valuer.

The Final Disposal Consideration shall be satisfied in the following manner:

- (i) the Disposal Group NAV as shown in the Disposal Completion Accounts and the fair value adjustment of the Hong Kong Office, and the investment of the Group in Bali being the final consideration amount for the Disposal Shares shall be settled by way of cheque/cashier order payable to and drawn in favour of the Company/telegraphic transfer to the Company's designated account; and

- (ii) the distribution amount of Second Special Dividend as entitled by the Disposal Purchaser as dividend receivable shall be applied to set-off the Disposal Loan on a dollar-for-dollar basis. Alternatively, the Disposal Loan shall be settled by cheque drawn in favour of the Company/telegraphic transfer to the Company's designated account.

For the avoidance of doubt, in the event that Independent Shareholders do not approve the resolution for the Second Special Dividend, the Disposal Agreement will lapse.

Based on the Second Special Dividend receivable by the Disposal Purchaser of approximately HK\$317.2 million (based on a Second Special Dividend of not less than HK\$2.293 per Share) and the Disposal Loan of approximately HK\$260.0 million, the amount of Second Special Dividend receivable by the Disposal Purchaser is sufficient to set-off the Disposal Loan.

For the avoidance of doubt, in the event that the Final Disposal Consideration is different from the Disposal Consideration of HK\$942,247,000 as stipulated in the Disposal Agreement, the Disposal Purchaser's final and binding obligation to pay to the Company for the Disposal shall be the Disposal Group NAV as stated in the Disposal Completion Accounts, the fair value adjustment of the Hong Kong Office and the investment of the Group in Bali based on their respective valuation and the Disposal Loan on a dollar-for-dollar basis as Final Disposal Consideration but not the Disposal Consideration of HK\$942,247,000.

Conditions precedent to the Disposal Agreement

The Disposal Completion is conditional upon the following conditions being satisfied on (or, where applicable, waived by the Disposal Purchaser) on or before 5:00 p.m. on the Disposal Long Stop Date:

- (i) the consent of the Executive having been obtained to proceed with the Disposal in accordance with Note 4 to Rule 25 of the Takeovers Code and the Lease Agreement and the Setting-off Arrangement in accordance with Rule 25 of the Takeovers Code and as required under the Listing Rules and such consent has not been revoked prior to Disposal Completion;
- (ii) the waiver of the Executive to waive the requirement of the Company to obtain shareholders' approval in the general meeting in relation to the First Special Dividend as a frustrating action under Rule 4 of the Takeovers Code having been granted, and any condition for the giving of such waiver having been fulfilled, and such waiver not having been revoked prior to Disposal Completion;
- (iii) the waiver of the Executive to waive the requirement of the Company to obtain shareholders' approval in the general meeting in relation to the Second Special Dividend as a frustrating action under Rule 4 of the Takeovers Code having been granted, and any condition for the giving of such waiver having been fulfilled, and such waiver not having been revoked prior to Disposal Completion;
- (iv) the completion of Group Reorganisation;
- (v) the passing of the necessary resolutions by the Independent Shareholders at the EGM approving (a) the execution, the delivery and performance of the Disposal Agreement; (b) the Setting-off Arrangement; (c) the Lease Agreement; and (d) the

proposed distribution of First Special Dividend and Second Special Dividend in accordance with the constitutional documents of the Company and the requirements of the Listing Rules and the Takeovers Code;

- (vi) no indication being given by the Stock Exchange or the SFC prior to the Disposal Completion that the listing of the Shares may be revoked or withdrawn;
- (vii) no notice, government action, court order or legal proceedings of any court arbitrator, authority, statutory or regulatory body having been taken making the Disposal unlawful;
- (viii) the conditions precedent under the Sale and Purchase Agreement and the Lease Agreement having been fulfilled or waived (save for the condition requiring the Disposal Agreement to become unconditional) and the completion of the Sale and Purchase Agreement and commencement of the Lease Agreement taking place in accordance with its terms simultaneously with the Disposal Completion;
- (ix) the Stock Exchange and the Executive advising that they have no further comment on the joint announcement to be released in connection with the transactions contemplated under the Disposal Agreement and the publication of the said joint announcement on the Stock Exchange's website;
- (x) all necessary consents in relation to the transfer of the Disposal Shares and the Disposal Loan having been granted or obtained by third parties (including financial institutions which provide loan facilities to the Disposal Group), if any;
- (xi) the Disposal Purchaser's warranties remaining true and accurate in all material respects and not misleading in any material respects as of Disposal Completion; and
- (xii) the repayment in full of the Amount Due to Remaining Group less the Disposal Loan to the Remaining Group.

The Disposal Purchaser may, to the extent as it thinks fit and is legally entitled to do so, at any time in writing waive any of the Disposal Condition (iv), (xi) and (xii) on such terms as it may decide.

If any of the Disposal Conditions have not been fulfilled or waived in accordance with the Disposal Agreement on or before the Disposal Long Stop Date, then the Disposal Agreement shall be terminated and neither party to the Disposal Agreement shall have any claim against or liability or obligation (including professional fees) to the other under the Disposal Agreement save for antecedent breaches.

Disposal Completion

Upon fulfilment (or as appropriate, waiver) of all the Disposal Conditions, the Disposal Completion shall take place on the Disposal Completion Date. The parties agree that the Disposal Completion and the Sale and Purchase Completion shall take place contemporaneously.

Information on the Disposal Group and the Disposal Business

The Disposal Companies, namely Datong Global Holdings Limited and Xingao Limited, are direct wholly-owned subsidiaries of the Company prior to the Disposal Completion. Upon the Disposal Completion, the Disposal Group will continue operating the Disposal Business which primarily involves (i) leasing of properties in Hong Kong; (ii) provision of agency services; and (iii) trading of fishmeal products.

The unaudited combined net book value of the Disposal Group as at 30 June 2015 was approximately HK\$633.0 million. The unaudited combined net profit (both before and after taxation) attributable to the Group's interest in the Disposal Group for the financial years ended 31 December 2013 and 2014 are as follows:

	Year ended 31 December 2014	Year ended 31 December 2013
	<i>Approximately, HK\$ million (unaudited)</i>	<i>Approximately, HK\$ million (unaudited)</i>
Profit before taxation	78.1	42.0
Net profit after taxation	75.1	41.6

Basis of preparation and accounting policies

The above unaudited combined net book value of the Disposal Group as at 30 June 2015, the unaudited combined profit before taxation, and net profit after taxation of the Disposal Group for the financial years ended 31 December 2013 and 2014 together with the estimated gain on the Disposal as set out under paragraph headed "Financial impact of the Disposal" (the "Unaudited Financial Information") were not audited but prepared based on combined management financial statements of the Disposal Group in accordance with the Hong Kong Financial Reporting Standards. The accounting policies used in the preparation of the Unaudited Financial Information is consistent with those used in (i) the annual consolidated financial statements of the Group for the year ended 31 December 2013 and 2014; and (ii) the interim consolidated financial statements of the Group for the six months ended 30 June 2015.

Pursuant to Rule 10 of the Takeovers Code, the Unaudited Financial Information relating to the Disposal Group constitutes a profit forecast and must be reported on by the Company's financial advisers and its auditors or reporting accountants in accordance with the Takeovers Code and such report must be lodged with the Executive in accordance with Rule 10.4 of the Takeovers Code.

The Unaudited Financial Information has been reported on by BDO Limited ("BDO"), the independent reporting accountant of the Company, and Investec, the financial adviser to the Company. BDO have reported that, so far as the accounting policies and calculations are concerned, the Unaudited Financial Information has been properly compiled in accordance with the bases adopted by the Directors as set out in this joint announcement under this sub-section headed "Basis of preparation and accounting policies" above and is prepared on a basis consistent with the accounting policies

normally adopted by the Group as set out in its consolidated financial statements for the year ended 31 December 2013 and 2014 and the interim consolidated financial statements of the Group for the six months ended 30 June 2015.

Investec has discussed with the Directors the basis adopted for the preparation of the Unaudited Financial Information and, where appropriate, the basis of assumptions made upon which the gain on Disposal calculation was prepared, and is satisfied that the Unaudited Financial Information, for which the Directors are solely responsible, has been made by the Directors with due care and consideration.

The letter and report issued by BDO and the comfort letter issued by Investec have been lodged with the Executive and the text of which are set out in the appendices to this joint announcement. Each of BDO and Investec has given and has not withdrawn its consent to the issue of this joint announcement with the inclusion of its reports or letters and references to use its name in the form and context in which they appear in this joint announcement.

Shareholders and potential investors should, however, exercise caution in placing reliance on the Unaudited Financial Information in assessing the merits and demerits of the Disposal, the Setting-off Arrangement, the First Special Dividend, the Second Special Dividend and the Share Offer.

Information on the Remaining Group and the Remaining Business

Following the Disposal Completion, the Remaining Group will continue operating the Remaining Business which principally involves property investment business in Shanghai and sales of properties business in Shanghai and Hainan Province of the PRC.

Assets of the Remaining Group

The Remaining Group has residential and retail property units, car parking spaces located in Shanghai, the PRC and a residential property unit in Hainan, the PRC (together the “**PRC Properties**”). As at 30 June 2015, the PRC Properties has a gross floor area of not less than 16,000 sq.m. and the PRC Properties contributed a monthly rental income of not less than RMB1.5 million during the six months ended 30 June 2015.

Notwithstanding that the last property sale conducted by the Group was in 2008, the Group has a number of properties designated as “held for sale” on its financial statements. Furthermore, the Group has received enquiries in relation to possible sale of a number of these “held for sale” properties from time to time. Further information on the PRC Properties, including the classification of nature and purpose of the PRC Properties, are set out below:

Property (including description)	Classification	Lease information as at 30 June 2015 (from/to) (Note 1)
Apartment Nos. 404, 504, 604, 704 and 804 of Block No.2 Kingswell Garden, Lane 3887 Hong Mei Road, Changning District, Shanghai, the PRC. The property comprises five residential units in Block No. 2 of Kingswell Garden with a total gross floor area of approximately 1,013 sq.m..	Unit 404	Investment property May 2015/May 2017
	Unit 504	Investment property September 2014/ September 2016
	Unit 604	Investment property September 2013/ September 2015 (Note 2)
	Unit 704	Investment property March 2014/March 2016
	Unit 804	Investment property August 2014/July 2016
Shopping Arcade on 1st Level (ground floor) of Block No. 1 Kingswell Garden, Lane 3887 Hong Mei Road, Changning District, Shanghai, the PRC. The property comprises the entire retail area on 1st Level of Block No. 1 of Kingswell Garden with a total gross floor area of approximately 1,550 sq.m..	Investment property	May 2010/May 2019 (under three lease terms)
Commercial floor on Level 2 and Level 3 and Club House on 4th Level and Car Parking Space Nos. 38, 39, 40, 41 and 60 on Basement of Block No. 1, Kingswell Garden, Lane 3887 Hong Mei Road, Changning District, Shanghai, the PRC. The property comprises 2-Level of commercial podium in Block No. 1 of Kingswell Garden with a total gross floor area of approximately 3,784 sq.m..	Level 2	Investment property May 2007/May 2017
	Level 3	May 2007/May 2017
	Level 4	May 2007/May 2017
	CPS	May 2007/May 2017
The club house comprises the entire floor on 4th Level of Block No. 1 of Kingswell Garden with a total gross floor area of approximately 1,018 sq.m. and comprises five car parking spaces on Basement 1.		
Apartment G on 12th Floor of Block 5, Silver Valley Garden, HaiKou, Hainan, the PRC. The property comprises one residential unit in Block 5 of Silver Valley Garden with a total gross floor area of approximately 108 sq.m.. The saleable area of approximately 90 sq.m..	Property held for sale	Vacant since 2000

Property (including description)	Classification	Lease information as at 30 June 2015 (from/to) (Note 1)
Units 6D, 6E, 14C, 17A, 17D, 23D, 23E, 27C, 27D, and 27E, 1 or 2 units on 16–28th Floors, Merry Tower No. 396 Yanan Road West and No. 168 Zhenning Road, Jingan District, Shanghai, the PRC	Unit 6D and 6E on 6/F	Property, plant and equipment Owner-occupied
The property has a total gross floor area of approximately 1,819 sq.m.. (Note 3)	14C, 17A, 17D, 23D, 23E, 27C, 27D, and 27E	Property held for sale Unit 14C — Vacant since 2002
		Unit 17A — August 2013/August 2015 (Note 4)
		Unit 17D — Vacant (Note 5)
		Unit 23D — Vacant since 2014
		Unit 23E and 27C — Vacant since 2005
		Unit 27D — October 2013/October 2015 (Note 6)
		Unit 27E — May 2014/May 2016 (Note 7)
Western Portion of Level 1, Merry Tower, No. 396 Yanan Road West and No. 168 Zhenning Road, Jingan District, Shanghai, the PRC.		Investment property March 2014/February 2019
Western Portion of Level 2, Merry Tower, No. 396 Yanan Road West and, No. 168 Zhenning Road, Jingan District, Shanghai, the PRC.		Investment property July 2006/June 2015 (Note 8)
Western Portion of Level 3, Merry Tower, No. 396 Yanan Road West and, No. 168 Zhenning Road, Jingan District, Shanghai, the PRC.		Investment property September 2013/September 2023
Western Portion of Basement Level 1–3, Merry Tower, No. 396 Yanan Road West and No. 168 Zhenning Road, Jingan District, Shanghai, the PRC.		Investment property Carpark lease period — 1 year

Notes:

- (1) *Based on information available as at 30 June 2015 for the purpose of consistency with date of market valuation of the PRC Properties.*
- (2) *A supplemental rental agreement in respect of the subject property was entered into in September 2015 with a lease period from September 2015 to September 2017.*

- (3) Pursuant to the judgment of People's Court of Shanghai Jing'an District* (上海市靜安區人民法院) in 2006, it was ordered that the defendant Shanghai Yin Pu Property Development Limited* (上海銀浦房地產開發有限公司) is liable to pay a compensation in the sum of approximately RMB3.5 million plus interest to Poppins Development (Shanghai) Limited* (博平置業(上海)有限公司) being the difference in property capacity of 220.83 sq.m. in the subject property (the "Compensation"). The market value set out in the above table has included the Compensation.
- (4) A supplemental rental agreement in respect of the subject property was entered into in August 2015 with a lease period from August 2015 to August 2017.
- (5) Subsequent to 30 June 2015, the Company entered into a lease agreement with a lessee which commenced in September 2015 and ending in August 2017.
- (6) Subsequent to 30 June 2015, the Company entered into a lease agreement with a lessee which commenced in October 2015 and ending in October 2017.
- (7) The lease agreement in respect of the subject property was terminated in September 2015, the property is vacant as at the date of this joint announcement.
- (8) Subsequent to 30 June 2015, the Company entered into a lease agreement with a lessee which commenced in December 2015 and ending in September 2024.

Based on the aforesaid information of the PRC Properties and the Remaining Group, the Board is of the view that the Remaining Group would have sufficient level of operations or assets of sufficient value to warrant the continued listing of its securities, with due compliance with Rule 13.24 of the Listing Rules.

The financial information on the Remaining Group, including the pro forma financial information of the Remaining Group, will be set out in the Circular to be despatched to the Shareholders.

Information on the Disposal Purchaser

Disposal Purchaser is a company incorporated in Hong Kong with limited liability, principally engaged in investment holding. The issued share capital of the Disposal Purchaser is owned as to approximately 50.91% by Asian Pacific (Panama) and as to approximately 49.09% by KFH.

The respective principal activity of Asian Pacific (Panama) and KFH is investment holding.

Reason for and benefits of the Disposal

Pursuant to the Sale and Purchase Agreement, it is conditionally agreed between the Selling Shareholder and the Offeror that the Disposal Group shall be disposed of by the Company to the Disposal Purchaser so that it will no longer be part of the Remaining Group after the Disposal Completion and the Sale and Purchase Completion.

The Disposal Completion shall take place contemporaneously with the Sale and Purchase Completion. The main reason for separating the Disposal Business and the Remaining Business through the Group Reorganisation is that, during the negotiations between the parties to the Sale and Purchase Agreement, the Offeror has expressed its intention to retain the Remaining Business and to dispose of the Disposal Business while Fulcrest has expressed his intention to retain the Disposal Business. Through the Group Reorganisation, certain new companies have been established and a series of share

transfers have been/will be effected to ensure that on or before the Disposal Completion and the Sale and Purchase Completion (i) the Group will hold the Remaining Business; and (ii) the Disposal Group will hold the Disposal Business through Datong Global Holdings Limited and Xingao Limited (i.e. the Disposal Companies).

The Group Reorganisation and the Second Special Dividend are pre-conditions for the Disposal Completion. As at the date of this joint announcement, outstanding procedures for the Group Reorganisation largely relate to (i) the determination of stamp duties by the Hong Kong Government, which the Company has no control or active role over the timing of the completion of such procedures; and (ii) the resulting settlement of the stamp duties by the Company.

Having considered the above, the Board (excluding the Independent Board Committee which will provide its recommendations after considering the advice of the Independent Financial Adviser) considers that the Disposal will facilitate the Sale and Purchase Completion and, accordingly, the possible Share Offer to be made the Share Offer Shareholders.

The First Special Dividend, the Second Special Dividend and the Share Offer will provide an opportunity for the other Shareholders to realise their investment in the Company at a combined price of not less than HK\$7.438 per Share (being the sum of the First Special Dividend per Share of not less than HK\$1.147, Second Special Dividend per Share of not less than HK\$2.293 and the Share Offer Price of HK\$3.998 per Offer Share), which represents a premium of approximately 30.95% over the last closing price of HK\$5.680 per Share on the Last Trading Date.

The Disposal Agreement was negotiated between the Board (excluding the interested Directors and the independent non-executive Directors) and the Disposal Purchaser on an arm's length basis and based on normal commercial terms.

Having considered the reasons for and the benefits of the Disposal set out above and the future prospects of the Disposal Business, the Board (excluding the Independent Board Committee which will provide its recommendations after considering the advice of the Independent Financial Adviser) considers the Disposal, including the Disposal Consideration, to be fair and reasonable and in the interest of the Shareholders as a whole.

Use of proceeds from the Disposal

The gross proceeds from the Disposal of HK\$942,247,000 (subject to adjustment) will largely be utilised by the Company for the payout of the Second Special Dividend. Details of the Second Special Dividend are set out in the following section.

Based on information available and taking into account the First Special Dividend and Second Special Dividend, the Board is of the view that the Remaining Group will have sufficient working capital upon the Disposal Completion.

Second Special Dividend

Conditional on the Disposal Completion, the Board proposes a Second Special Dividend of not less than HK\$2.293 per Share to be distributed and settled (i) in cash to the Shareholders (other than the Disposal Purchaser) whose names are registered on the register of members of the Company on the Second Record Date; and (ii) partly by way of

set off against the amount due to the Company by the Disposal Purchaser as a result of the acquisition of the Disposal Loan pursuant to the Disposal Agreement and the remaining balance in cash for the Disposal Purchaser (i.e. the Setting-off Arrangement), subject to the approval of the Independent Shareholders having been obtained and the Disposal Completion having taken place. Such Second Record Date shall in any event precede the date of the Sale and Purchase Completion.

The Selling Shareholder, the Offeror and its ultimate beneficial owner, their respective associates and parties acting in concert with any of them and those who are involved in or interested in any of the Disposal Agreement, the Group Reorganisation, the Sale and Purchase Agreement, the Second Special Dividend, the Setting-off Arrangement and the Lease Agreement will abstain from voting on the relevant Resolutions including but not limited to the Second Special Dividend at the EGM.

Implication of the Setting-off Arrangement under Takeovers Code

The Setting-off Arrangement constitutes a special deal under Rule 25 of the Takeovers Code and requires the consent of the Executive. Such consent, if granted, will be subject to (i) the Independent Financial Adviser publicly states that in its opinion the terms of the Setting-off Arrangement are fair and reasonable; and (ii) the Setting-off Arrangement is approved at the EGM by the Independent Shareholders by way of poll. Shareholders including (i) the Selling Shareholder, its associates and parties acting in concert with it; (ii) the Offeror, its ultimate beneficial owner, its associates and parties acting in concert with it; and (iii) any Shareholders who are involved in or interested in the Disposal Agreement, the Group Reorganisation, the Sale and Purchase Agreement, the Second Special Dividend, the Lease Agreement, and any transactions contemplated thereunder will abstain from voting on the relevant proposed resolutions in respect of the Setting-off Arrangement at the EGM. The Company will make an application to the Executive for his consent under Rule 25 of the Takeovers Code in relation to the Setting-off Arrangement.

As set out in the section headed “B. Disposal Agreement, Disposal Special Deal, Second Special Dividend and Setting-off Arrangement — Conditions precedent to the Disposal Agreement” above, the Disposal Completion is conditional upon, among other things, the Company having obtained the Independent Shareholders’ approval of the proposed Second Special Dividend.

Based on 261,684,910 Shares in issue as at the date of this joint announcement, the Second Special Dividend payable to the Shareholders on the Second Record Date shall amount to not less than approximately HK\$600.0 million, out of which, the Selling Shareholder, being the beneficial owners of approximately 52.87% of the issued share capital of the Company as at the date of this joint announcement and assuming no change to their shareholding from the date of this joint announcement to the Second Record Date, are entitled to receive a Second Special Dividend in the total sum of not less than approximately HK\$317.2 million. The Second Special Dividend will provide a substantial and immediate cash realisation to Shareholders from the outcome of the Disposal.

In determining the amount of the Second Special Dividend, the Board, having considered the financial resources available to the Group and the Remaining Group and the future working capital needs of the Remaining Group, considers that the amount of the Second Special Dividend is appropriate.

Further announcement(s) will be made by the Company in respect of details of the exact amount of the Second Special Dividend, the Second Record Date, the Second Special Dividend payout date and closure of register of members of the Company for determining the Shareholder's entitlement to the proposed Second Special Dividend in accordance with Rule 13.66 of the Listing Rules. **Registered Shareholders as at the Second Record Date will be entitled to the Second Special Dividend, even though such Shareholders may subsequently accept the Share Offer.**

Financial impact of the Disposal

Pursuant to the Disposal Agreement, the Disposal Consideration of HK\$942,247,000 (subject to adjustments) is attributable to (i) the Disposal Shares of approximately HK\$682,247,000; and (ii) the Disposal Loan of approximately HK\$260,000,000.

It is estimated that the Company will recognise a gain from the Disposal of approximately HK\$58.8 million excluding any related professional fees, which is calculated with reference to the Disposal Shares of approximately HK\$682.2 million (i) less approximately HK\$633.0 million, being the unaudited net asset value of the Disposal Group as at 30 June 2015; (ii) add approximately HK\$15.5 million, being the relevant revaluation and exchange reserves as at 30 June 2015; and (iii) the estimated professional fees and other expenses of approximately HK\$5.9 million directly attributable to the Disposal. **Shareholders should note that the actual gain on the Disposal to be recognised upon the completion of the Disposal, which is dependent on the Final Disposal Consideration and the net asset value of the Disposal Group as at completion and subject to audit may therefore be different from the amount mentioned above.**

Save for the Disposal Agreement, as at the date of this joint announcement, the Company has not entered into any other agreements, arrangements, understandings, intention or negotiations about any acquisition and/or disposal of assets or businesses, or termination and/or downsizing of any business of the Group, other than in its ordinary course of business.

Implications of the Disposal under the Listing Rules and the Takeovers Code

The Disposal Companies are wholly-owned subsidiaries of the Company. The Disposal Purchaser is owned as to approximately 50.91% by Asian Pacific (Panama), and as to approximately 49.09% by KFH. As such, the Disposal Purchaser is a connected person of the Company and the Disposal constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. As one of the applicable percentage ratios in respect of the Disposal is more than 75%, the Disposal constitutes a very substantial disposal for the Company pursuant to the Listing Rules, and is subject to reporting, announcement, circular and independent shareholders' approval requirements under the Listing Rules.

Rules 14.58(6) and 14.58(7) of the Listing Rules require disclosure of the combined net book value of the Disposal Group which is the subject of the transaction, and the combined net profits (both before and after taxation) attributable to Company for the last two financial years (collectively the "**Unaudited Required Financial Information**") in this joint announcement.

Rule 14.60(3) (a) of the Listing Rules requires disclosure of details of the gain or loss expected to accrue to the Company (the “**Financial Effect**”) and the basis for calculating such gain or loss as a result of the Disposal in this joint announcement.

The Unaudited Required Financial Information and the Financial Effect disclosed in this joint announcement are unaudited figures and would constitute profit forecasts within the meaning of Rule 10 of the Takeovers Code, which would need to be reported on by the auditors and financial adviser of the Company prior to its release and have been reported on in accordance with the Takeovers Code. The letter and report issued by BDO and comfort letter issued by Investec have been lodged with the Executive and the text of which are set out in the appendices to this joint announcement. Each of BDO and Investec has given and has not withdrawn its consent to the issue of this joint announcement with the inclusion of its report or letter and references to use its name in the form and context in which they appear in this joint announcement. **Shareholders and potential investors should, however, exercise caution in placing reliance on the Unaudited Required Financial Information and Financial Effect in assessing the merits and demerits of the Disposal, the Setting-off Arrangement, the First Special Dividend, the Second Special Dividend and the Share Offer. The Unaudited Required Financial Information and the Financial Effect will be repeated in full together with the report and letters (where required) in the next document sent to the Shareholders (i.e. the Circular) and the report and letters will be accompanied by a statement that those making them have given and not withdrawn their consent to publication.**

The Disposal also constitutes a special deal under Note 4 to Rule 25 of the Takeovers Code and requires the consent of the Executive. Such consent, if granted, will be subject to (i) the Independent Financial Adviser publicly states that in its opinion the terms of the Disposal Special Deal is fair and reasonable; and (ii) the Disposal Special Deal is approved at the EGM by the Independent Shareholders by way of poll. Shareholders including (i) the Selling Shareholder; (ii) the Offeror, its associates and parties acting in concert with it; and (iii) any Shareholders who are involved in or interested in the Disposal Agreement, the Group Reorganisation, the Sale and Purchase Agreement the Second Special Dividend, the Setting-off Arrangement, the Lease Agreement and any transactions contemplated thereunder will abstain from voting on the proposed resolutions in respect of the Disposal Special Deal at the EGM.

The Company will make an application to the Executive for his consent under Note 4 to Rule 25 of the Takeovers Code in relation to the Disposal Special Deal.

Shareholding structure of the Company

The following table sets out the shareholding structure of the Company (assuming no other changes to the issued share capital of the Company from the date of this joint announcement) (i) as at the date of this joint announcement; and (ii) immediately upon the Sale and Purchase Completion:

	(i) As at the date of this joint announcement		(ii) Immediately upon Sale and Purchase Completion	
	<i>Approximate</i>		<i>Approximate</i>	
	<i>Number of Shares held</i>	<i>% of Shares in issue</i>	<i>Number of Shares held</i>	<i>% of Shares in issue</i>
The Selling Shareholder (<i>Note 1</i>)	138,347,288	52.87	—	—
KFH (<i>Note 2</i>)	710,000	0.27	710,000	0.27
KFI (<i>Note 3</i>)	8,680,000	3.32	8,680,000	3.32
Spouse of Mr. Ho (<i>Note 4</i>)	1,076,000	0.41	1,076,000	0.41
Daughter of Mr. Ho (<i>Note 4</i>)	<u>20,000</u>	<u>0.01</u>	<u>20,000</u>	<u>0.01</u>
Sub-total of Selling Shareholder and parties acting in concert with it	148,833,288	56.88	10,486,000	4.01
Offeror and parties acting in concert with it	—	—	138,347,288	52.87
Other Shareholders	<u>112,851,622</u>	<u>43.12</u>	<u>112,851,622</u>	<u>43.12</u>
Total	<u>261,684,910</u>	<u>100.00</u>	<u>261,684,910</u>	<u>100.00</u>

Notes:

- (1) The Selling Shareholder is owned as to (i) approximately 50.91% by Asian Pacific (Panama), being a wholly owned subsidiary of Asian Pacific, which is beneficially owned as to approximately 66.62% and 33.38% by Mr. Ho and Mr. Ho Ming Yu, respectively; and (ii) approximately 49.09% by KFH, being a wholly owned subsidiary of KFI, which is a company incorporated in Taiwan with its shares listed on the Taiwan Stock Exchange Corporation.
- (2) KFH is a wholly owned subsidiary of KFI as at the date of this joint announcement. This shareholding position represents KFH's direct shareholding in the Company only and excludes the Share held by the Selling Shareholder.
- (3) KFI holds the entire issued share capital of KFH as at the date of this joint announcement. This shareholding position represents KFI's direct shareholding in the Company only and excludes the Share held by KFH and the Selling Shareholder.
- (4) Such shareholding represents her direct shareholding as at the date of this joint announcement.

C. LEASE AGREEMENT, LEASE EXTENSION SPECIAL DEAL AND CONTINUING CONNECTED TRANSACTION AND OTHER MATTERS

Lease Agreement, Lease Extension Special Deal and Continuing Connected Transaction

On 21 January 2016, Shanghai Zenith, a wholly-owned subsidiary of the Disposal Group as at the date of this joint announcement, entered into the Lease Agreement with a member of the Remaining Group for the lease of Shanghai Property for a period of six months commencing from the Disposal Completion Date for a monthly rent of RMB27,400.

The annual cap for the Lease Agreement is HK\$220,000 for the year ending 31 December 2016, being the aggregate rent payable by Shanghai Zenith under the Lease Agreement.

Shanghai Zenith shall be beneficially owned by the Disposal Purchaser immediately upon Disposal Completion. As the Disposal Purchaser is a connected person of the Company and will continue to be a connected person of the Company by way of its capacity as an associate of a Director upon the Disposal Completion pursuant to the Listing Rules, the transaction contemplated under the Lease Agreement constitutes a continuing connected transaction for the Company under Chapter 14A of the Listing Rules. As the applicable percentage ratios (other than the profits ratio) in respect of the annual cap for the Lease Agreement, are less than 0.1%, such transaction is exempt from the reporting, announcement requirements and the independent shareholders' approval requirements under the Listing Rules.

The transaction contemplated under the Lease Agreement also constitutes special deal under Note 4 to Rule 25 of the Takeovers Code and requires the consent of the Executive. Such consent, if granted, will be subject to (i) the Independent Financial Adviser publicly states that in its opinion the terms of the Lease Extension Special Deal are fair and reasonable; and (ii) the Lease Extension Special Deal is approved at the EGM by the Independent Shareholders by way of poll. Shareholders including (i) the Selling Shareholder; and (ii) any Shareholders who are involved in or interested in the Lease Agreement, the Sale and Purchase Agreement, the Disposal Agreement, the Group Reorganisation, the Second Special Dividend, the Setting-off Arrangement, and any transactions contemplated thereunder will abstain from voting on the proposed resolutions in respect of the Lease Extension Special Deal at the EGM.

The Company will make an application to the Executive for his consent under Rule 25 of the Takeovers Code in relation to the Lease Extension Special Deal.

Other matters

In light of the Sale and Purchase Agreement and Disposal Agreement, subject to the compliance with the Takeovers Code and the Listing Rules, the Company may terminate the employment contracts of certain existing employees (including Directors) of the Group effective on or after the Sale and Purchase Completion and the Disposal Completion, and severance and long service payments are required by law to be paid to such employees for such termination of employment. In line with the Company's remuneration policies and practice, and as set out in the respective employment contracts, the Company shall pay annual discretionary bonus to its employees (including Directors). For information purposes only, the Company has paid annual discretionary bonus to its employees (including Directors) for each of the five past financial years. Subject to the compliance of the relevant rules under the Takeovers Code, the annual discretionary bonus for the year ended 31 December 2015 for (i) the Directors, namely, Mr. Ho Ming Yu, Mr. Ho, Mr. Poon Kwok Wai, Patrick and Mr. Myint Maung Tun; and (ii) employee who is also a Shareholder, namely, Ms. Ho Chee Yan, Cynthia, may or may not proceed. If the Company proceeds with the payment of the annual discretionary bonus to the Directors and the employee who is a Shareholder, the Company will comply with the relevant rules under the Takeovers Code and such annual discretionary bonus shall be paid prior to the Sale and Purchase Completion and the Disposal Completion. Details of historical annual discretionary bonus for the Directors have been disclosed in the annual reports published by the Company.

D. POSSIBLE UNCONDITIONAL MANDATORY CASH GENERAL OFFER FOR SHARES

As at the date of this joint announcement, the Offeror and parties acting in concert with it do not hold, own or control any Shares in the share capital or voting rights of the Company. Assuming no other changes to the issued share capital of the Company from the date of this joint announcement, the Offeror and parties acting in concert with it will be interested in a total of 138,347,288 Shares immediately after the Sale and Purchase Completion, representing approximately 52.87% of the issued share capital of the Company.

On this basis, the Offeror will be required to make an unconditional mandatory cash general offer for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it) pursuant to Rule 26.1 of the Takeovers Code.

As at the date of this joint announcement, the Company has 261,684,910 Shares in issue. Save for the aforesaid, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) as at the date of this joint announcement.

The Share Offer will only be made if the Sale and Purchase Completion takes place. The Sale and Purchase Completion is conditional upon the fulfillment or waiver (where applicable) of certain conditions under the Sale and Purchase Agreement. Accordingly, the Sale and Purchase Agreement may or may not be completed and the Share Offer may or may not proceed. The Shareholders and potential investors are therefore urged to exercise caution when dealing in the Shares.

Subject to and upon the Sale and Purchase Completion, CCBI, on behalf of the Offeror and in compliance with the Takeovers Code, will make the Share Offer to acquire all the Offer Shares on the terms to be set out in the Offer Document to be issued in accordance with the Takeovers Code on the following basis:

The Share Offer

For every Offer Share held HK\$3.998 in cash

The Share Offer Price is not less than the Consideration per Sale Share under the Sale and Purchase Agreement which was arrived at after arm's length negotiations between the Offeror and the Selling Shareholder.

In the event that the Share Offer is accepted in full, the maximum amount payable by the Offeror under the Share Offer will be approximately HK\$493.1 million based on the Share Offer Price and 123,337,622 Shares under the Share Offer.

Based on the Share Offer Price of HK\$3.998 per Offer Share and 261,684,910 Shares in issue as at the date of this joint announcement, the entire issued share capital of the Company is valued at approximately HK\$1,046.2 million.

The Share Offer will extend to all Shares in issue other than those Shares held by the Offeror and persons acting in concert with it on the date on which the Share Offer is made, being the date of despatch of the Offer Document.

The Share Offer, subject to the Sale and Purchase Completion, will be unconditional in all respects and will not be conditional upon acceptances being received in respect of a minimum number of Shares or any other conditions.

Save for the Sale and Purchase Agreement, the Offeror and parties acting in concert with it have not dealt in nor does any of them have any shareholding interest in or control over any Shares, convertible securities, warrants or options in the Company during the six months immediately prior to 1 September 2015 and up to the date of this joint announcement.

Total benefit receivable by Shareholders under the Share Offer, the First Special Dividend and Second Special Dividend

The First Special Dividend, which is conditional on Independent Shareholders' approval at the EGM, will be not less than HK\$1.147 per Share. The Second Special Dividend, which is conditional on the Disposal Completion, will be not less than HK\$2.293 per Share.

Shareholders may be entitled to the First Special Dividend and the Second Special Dividend (conditional on the Disposal Completion) whether they accept the Share Offer or not during the Offer Period. If the Sale and Purchase Completion takes place, the Selling Shareholder will receive an aggregate of approximately HK\$7.438 per Share from the sale proceeds of the Sale Shares, the First Special Dividend and the Second Special Dividend (conditional on the Disposal Completion). Similarly, the other Shareholders will receive a total benefit of approximately HK\$7.438 per Share from the First Special Dividend and the Second Special Dividend (conditional on the Disposal Completion) and the Share Offer if they accept the Share Offer.

Comparisons of value

The Share Offer Price of HK\$3.998 represents:

- a discount of approximately 29.61% to the closing price of the Shares of HK\$5.680 per Share as quoted on the Stock Exchange on the Last Trading Day;
- a premium of approximately 78.48% to the ex-dividend closing price of the Shares of HK\$2.240 per Share as quoted on the Stock Exchange on the Last Trading Day after taking into account the aggregate of the First Special Dividend and Second Special Dividend of HK\$3.440 per Share declared⁽¹⁾;
- a discount of approximately 29.01% to the average closing price of the Shares of approximately HK\$5.632 per Share for the five consecutive Trading Days immediately prior to and including the Last Trading Day;
- a premium of approximately 82.39% to the ex-dividend closing price of the Shares of HK\$2.192 per Share for the last five consecutive Trading Days up to and including Last Trading Day after taking into account the aggregate of the First Special Dividend and Second Special Dividend of HK\$3.440 per Share declared⁽¹⁾;
- a discount of approximately 29.90% to the average closing price of the Shares of approximately HK\$5.703 per Share for the 10 consecutive Trading Days immediately prior to and including the Last Trading Day;

- a premium of approximately 76.67% to the ex-dividend closing price of the Shares of HK\$2.263 per Share for the last 10 consecutive Trading Days up to and including the Last Trading Day after taking into account the aggregate of the First Special Dividend and Second Special Dividend of HK\$3.440 per Share declared⁽¹⁾;
- a discount of approximately 31.06% to the average closing price of the Shares of approximately HK\$5.799 per Share for the 30 consecutive Trading Days immediately prior to and including the Last Trading Day;
- a premium of approximately 69.48% to the ex-dividend closing price of the Shares of HK\$2.359 per Share for the last 30 consecutive Trading Days up to and including the Last Trading Day after taking into account the aggregate of the First Special Dividend and Second Special Dividend of HK\$3.440 per Share declared⁽¹⁾;
- a discount of approximately 34.16% over the unaudited net asset value attributable to equity holders as at 30 June 2015 of approximately HK\$6.072 per Share (based on the unaudited net asset value attributable to equity holders of approximately HK\$1,588.9 million as at 30 June 2015 and 261,684,910 Shares in issue as at the date of this joint announcement); and
- a premium of approximately 51.90% over the ex-dividend unaudited net asset value attributable to equity holders as at 30 June 2015 of approximately HK\$2.632 per Share (based on the unaudited net asset value attributable to equity holders of approximately HK\$1,588.9 million as at 30 June 2015 and 261,684,910 Shares in issue as at the date of this joint announcement) after taking into account the aggregate of the First Special Dividend and Second Special Dividend of HK\$3.440 per Share declared⁽¹⁾.

Note (1):

For the calculation purpose, it is assumed that the First Special Dividend of HK\$1.147 per Share and Second Special Dividend of HK\$2.293 per Share would be declared.

Highest and lowest Share price

During the six-month period preceding the Last Trading Day:

- (i) the highest closing price of the Shares as quoted on the Stock Exchange was HK\$6.300 on 18 December 2015 and 21 December 2015, respectively; and
- (ii) the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$3.570 on 26 August 2015.

Financial resources available to the Offeror

The Offeror intends to finance the cash consideration payable under the Share Offer by its internal resources. CCBI, as the financial adviser to the Offeror, is satisfied that sufficient resources are available to the Offeror to satisfy the amount of funds required for full acceptance of the Share Offer.

Effect of accepting the Share Offer

By accepting the Share Offer, the Shareholders will sell their Shares free from all encumbrances and together with all rights attaching to them including the right to all dividends and distributions which may be declared, paid or made at any time on or after the date on which the Share Offer are made, being the date of despatch of the Offer Document.

Acceptance of the Share Offer by any Shareholder will be deemed to constitute a warranty by such person that all Shares sold by such person under the Share Offer are free from all encumbrances whatsoever and together with all rights accruing or attaching thereto, including, without limitation, the right to receive dividends and distributions recommended, declared, made or paid, if any, on or after the date on which the Share Offer is made. Acceptances of the Share Offer shall be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

Hong Kong stamp duty

The seller's Hong Kong ad valorem stamp duty on acceptances of the Share Offer at a rate of 0.1% (or part thereof) of the consideration payable in respect of the relevant acceptance by the Shareholders or if higher, the market value of the Shares, will be deducted from the amount payable to Shareholders who accept the Share Offer. The Offeror will arrange for payment of the seller's ad valorem stamp duty on behalf of the relevant Shareholders accepting the Share Offer and pay the buyer's Hong Kong ad valorem stamp duty in connection with the acceptance of the Share Offer and the transfer of the Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

Payment

Payment in cash in respect of acceptances of the Share Offer will be made as soon as possible but in any event within seven (7) business days (as defined under the Takeovers Code) of the date on which the duly completed acceptances of the Share Offer and the relevant documents of title in respect of such acceptances are received by the Offeror (or its agent) to render each such acceptance complete and valid.

Taxation advice

Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Share Offer. None of the Offeror, parties acting in concert with the Offeror, the Company, and their respective ultimate beneficial owners, directors, officers, agents or associates or any other person involved in the Share Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Share Offer.

Dealing and interests in the Company's securities

For the six months immediately prior to 1 September 2015 (being the date of commencement of the Offer Period), save for the Sale and Purchase Agreement, the Offeror and parties acting in concert with it had not dealt in nor did they have any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

Overseas Shareholders

The Overseas Shareholders should observe any applicable legal or regulatory requirements and, where necessary, seek legal advice. It is the responsibilities of the Overseas Shareholders who wish to accept the Share Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant overseas jurisdictions in connection with the acceptance of the Share Offer (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due by such Overseas Shareholders in respect of such overseas jurisdictions).

Other arrangements

The Offeror confirms that, save as disclosed in this joint announcement, as at the date of this joint announcement:

- (i) the Offeror, its ultimate beneficial owners, and/or parties acting in concert with any of them have not received any irrevocable commitment to vote for/against the Special Deals or accept the Share Offer;
- (ii) there is no outstanding derivative in respect of securities in the Company which has been entered into by the Offeror, its ultimate beneficial owners and/or any person acting in concert with any of them;
- (iii) there is no arrangement (whether by way of option, indemnity or otherwise) in relation to the shares of the Offeror or the Company and which may be material to the Sale and Purchase Agreement, the Disposal Agreement, the Group Reorganisation, the Second Special Dividend, the Setting-off Arrangement, the Lease Agreement and the Share Offer;
- (iv) none of the Offeror, its ultimate beneficial owners and/or parties acting in concert with any of them owns or has control or direction over any voting rights or rights over the Shares or convertible securities, options, warrants or derivatives of the Company;
- (v) there is no agreement or arrangement to which the Offeror, its ultimate beneficial owners and/or parties acting in concert with any of them is a party which relates to circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Sale and Purchase Agreement, the Disposal Agreement, the Group Reorganisation, the Second Special Dividend, the Setting-off Arrangement, the Lease Agreement and the Share Offer; and
- (vi) there is no relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Offeror and/or any person acting in concert with any of them has borrowed or lent.

Shareholders are reminded to read the recommendations of the Independent Board Committee and the advice of the Independent Financial Adviser in respect of the Share Offer that will be included in the Offer Document before deciding whether or not to accept the Share Offer.

Intentions of the Offeror for the Remaining Group

Upon the Disposal Completion and Sale and Purchase Completion, the Offeror intends to continue the existing operations of property investment of the Remaining Group and to focus on investment of commercial properties in cities of the PRC and acquire good quality properties in such cities as and when opportunities arise. Currently there is no intention to scale down or dispose of any business of the Remaining Group. The Offeror will also conduct a detailed review on the financial condition and the operations of the Remaining Group and formulate long-term business plans and strategy for the future business development of the Remaining Group. Subject to the results of the review, the Offeror may explore other business opportunities particularly in the property sector with a view to enhance the growth and future development of the Remaining Group.

As at the date of this joint announcement, the Offeror has no plans to acquire any assets or businesses into the Remaining Group, or for the Remaining Group to engage in development of property projects. Neither has the Offeror identified any potential business opportunities to be taken up by the Remaining Group. The Offeror intends to maintain not less than the current number of staff in the Remaining Group for the operations of the Remaining Group. Going forward, as the business of the Remaining Group may grow upon acquisition of investment properties and exploration of new business opportunities, additional staff may be recruited to manage and operate the business. Based on information available to the Offeror and taking into account the First Special Dividend and Second Special Dividend, the Offeror is of the view that the Remaining Group will have sufficient working capital upon the Disposal Completion.

Proposed change of Board composition

The Board is currently made up of eight Directors, comprising four executive Directors, one non-executive Director and three independent non-executive Directors.

It is expected that all the executive Directors will resign after the Offer Period. The Offeror intends to nominate new Directors to the Board at the earliest time as allowed under the Takeovers Code and any such appointment will be made in compliance with the Takeovers Code and the Listing Rules.

Such proposed nomination of new Directors have not yet been finalised as at the date of this joint announcement. Further announcement(s) will be made upon any changes to the composition of the Board in accordance with the requirements of the Listing Rules and the Takeovers Code as appropriate.

Maintaining the listing status of the Company

The Offeror intends to maintain the listing of the Shares on the Main Board of the Stock Exchange after the close of the Share Offer.

In the event that after the Share Offer Completion, the public float of the Company falls below 25%, the new Director(s) (if any) to be nominated by the Offeror as Director(s) and the then Director(s) will jointly and severally undertake to the Stock Exchange to take appropriate steps to restore the minimum public float as required under the Listing Rules following the close of the Share Offer to ensure that sufficient public float exists for the Shares.

E. INFORMATION ON THE GROUP

The Company is a company incorporated in Hong Kong with limited liability and its Shares are listed on the Main Board of the Stock Exchange. The Group is principally engaged in the Disposal Business and the Remaining Business, which primarily involves (i) leasing of properties in Hong Kong; (ii) leasing of properties in the PRC; (iii) provision of agency services; (iv) trading of properties; and (v) trading of fishmeal products.

The following table is a summary of certain financial information of the Group extracted from the respective published interim and annual report of the Company for the six months ended 30 June 2015 and the two financial years ended 31 December 2013 and 31 December 2014.

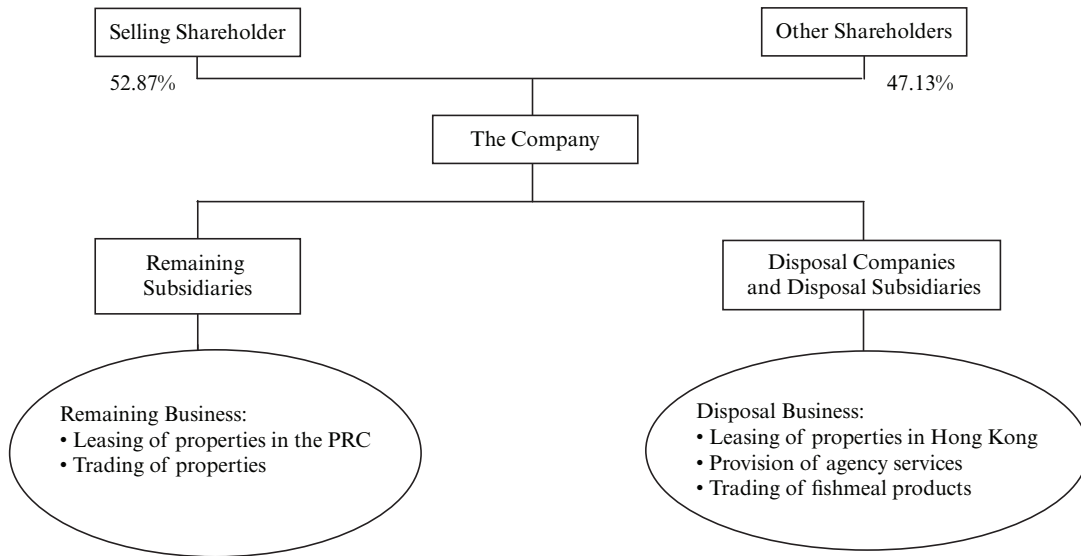
	Year ended 31 December		Six months ended
	2013	2014	30 June
	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>
	(audited)	(audited)	(unaudited)
Revenue	1,523.8	1,336.5	454.5
Gross profit	89.9	119.2	36.8
Profit before tax	58.6	186.4	30.4
Profit for the year attributable to equity holders of the Company	<u>55.7</u>	<u>173.4</u>	<u>27.1</u>
Total equity	<u>1,461.1</u>	<u>1,594.5</u>	<u>1,588.9</u>

F. INFORMATION ON THE OFFEROR

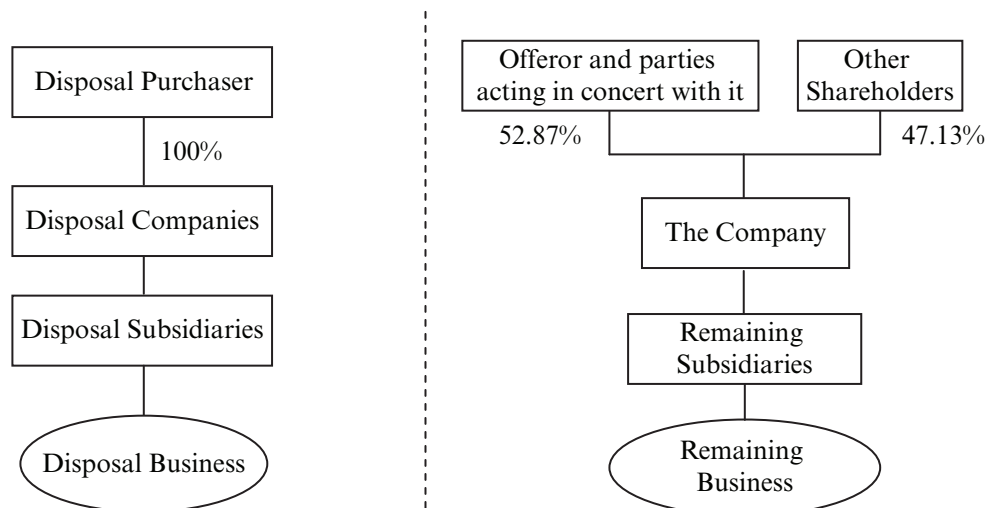
The Offeror is an investment holding company incorporated in the Republic of Seychelles. As at the date of this joint announcement, the Offeror is an indirect wholly-owned subsidiary of Shanghai Chongsheng Investment Management Co. Ltd., which is owned as to 99% by Mr. Jiang Tian (“**Mr. Jiang**”) and 1% by Mr. Gong Biao. Mr. Jiang together with companies controlled by him are principally engaged in property investment, hotel management and property management in the PRC.

G. GROUP STRUCTURE

The Group structure immediately prior to the Disposal Completion, the Sale and Purchase Completion, and the Share Offer Completion is as follows:



The group structure of the Disposal Group and the Remaining Group immediately after the Disposal Completion and the Sale and Purchase Completion, but prior to the Share Offer Completion are as follows:



H. GENERAL

First Special Dividend

The Board proposes a First Special Dividend of not less than HK\$1.147 per Share, to be distributed and paid in cash to the Shareholders whose names are registered on the register of members of the Company on the First Record Date, which is conditional on the Disposal Agreement, the Second Special Dividend and the Lease Agreement being approved by the Independent Shareholders at the EGM. Based on 261,684,910 Shares in issue as at the date of this joint announcement, the First Special Dividend payable to the Shareholders on the First Record Date shall amount to not less than approximately

HK\$300.0 million. The First Special Dividend was determined on the basis of estimated cash balance available for distribution to the Shareholders after deducting the estimated cash requirement for the operation of the Group in its ordinary course of business prior to the Sale and Purchase Completion.

On this basis, the aggregate of the First Special Dividend and Second Special Dividend is not less than HK\$900.0 million, which is equivalent to approximately HK\$3.440 per Share.

EGM

The EGM will be held for the purpose of considering and, if thought fit, approving the Resolutions by way of poll at the EGM. The Selling Shareholder, the Offeror, their respective associates and parties acting in concert with them and those who are involved in or interested in the Disposal Agreement, the Group Reorganisation, the Sale and Purchase Agreement, the Second Special Dividend, the Setting-off Arrangement, and the Lease Agreement will abstain from voting on the relevant Resolutions at the EGM.

As at the date of this joint announcement, the Selling Shareholder holds an aggregate of 138,347,288 Shares, representing approximately 52.87% of the existing issued Shares.

Save for the interests in the Sale and Purchase Agreement, none of the Offeror and parties acting in concert with it holds any Shares as at the date of this joint announcement.

Independent Board Committee and Independent Financial Adviser

The Independent Board Committee comprising all the independent non-executive Directors has been formed to make a recommendation to (i) the Independent Shareholders in respect of the Disposal Agreement, the First Special Dividend, the Second Special Dividend, the Setting-off Arrangement, the Lease Agreement, and the transactions contemplated thereunder; and (ii) the Share Offer Shareholders as to whether the Share Offer, is, or is not fair and reasonable and as to (where applicable) acceptance or voting. The Independent Board Committee has not included the non-executive Director, Ms. Ho, as Ms. Ho is the daughter of Mr. Ho Ming Yu, being a director of Fulcrest.

Independent Financial Adviser will be approved and appointed by the Independent Board Committee to advise the Independent Board Committee to make recommendation to (i) the Independent Shareholders as to whether the terms of each of the Disposal Agreement, the First Special Dividend, the Second Special Dividend, the Setting-off Arrangement, the Lease Agreement, and the transactions contemplated thereunder are fair and reasonable and as to voting; and (ii) the Share Offer Shareholders in respect of the Share Offer pursuant to Rule 2.1 of the Takeovers Code. The advice of the Independent Financial Adviser and the recommendation of the Independent Board Committee in respect of the Disposal Agreement, the First Special Dividend, the Second Special Dividend, the Setting-off Arrangement, the Lease Agreement, and the transactions contemplated thereunder will be included in the Circular. The advice of the Independent Financial Adviser and the recommendation of the Independent Board Committee in respect of the Share Offer, in particular, as to whether the Share Offer is, or is not, fair and reasonable and as to its acceptance, will be included in the Offer Document.

The Circular

A circular, which will contain, among other things, details of the Disposal Agreement, the Group Reorganisation, the First Special Dividend, the Second Special Dividend, the Setting-off Arrangement, the Lease Agreement, and the transactions contemplated thereunder, the financial information on the Group and the Disposal Group, the pro forma financial information of Remaining Group, the letter of recommendation from the Independent Board Committee and the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders regarding the Disposal Agreement, the First Special Dividend, the Second Special Dividend, the Setting-off Arrangement and the Lease Agreement and a notice convening the EGM to be despatched to the Shareholders.

As additional time is required to prepare the information to be contained in the Circular, the Circular is expected to be despatched to the Shareholders on or before 31 May 2016.

Waiver of Rule 8.2 of the Takeovers Code

In accordance with Rule 8.2 of the Takeovers Code, the Offer Document is required to be posted by or on behalf of the Offeror within 21 days of the date of this joint announcement or such other date as the Executive may approve. Furthermore, Note 2 to Rule 8.2 of the Takeovers Code provides that the Executive's consent is required if the making of an offer is subject to the prior fulfillment of a pre-condition and the pre-condition cannot be fulfilled within the time period as contemplated by Rule 8.2 of the Takeovers Code. Since there are pre-conditions, i.e. the Sale and Purchase Completion and the Disposal Completion to the making of the Share Offer and it is expected that such pre-conditions may not be fulfilled, hence the Share Offer may not be made, within 21 days after the date of this joint announcement, an application will be made by the Offeror for the Executive's consent under Note 2 to Rule 8.2 of the Takeovers Code to extend the deadline for the despatch of the Offer Document within seven (7) days of the fulfillment of such pre-conditions.

Dealing disclosure

In accordance with Rule 3.8 of the Takeovers Code, respective associates of the Company (as defined in the Takeovers Code, including among others, shareholders of the Company having interests of 5% or more in the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company) and of the Offeror are hereby reminded to disclose their dealings in the securities of the Company pursuant to the requirements of the Takeovers Code. As at the date of this joint announcement, the Company has 261,684,910 ordinary Shares in issue. Save for the aforesaid, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) as at the date of this joint announcement.

In accordance with Rule 3.8 of the Takeovers Code, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 of the Takeovers Code and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant rules of the Takeovers Code. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7-day period is less than HK\$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

I. RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on 22 January 2016 pending the publication of this joint announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 5 February 2016.

WARNING: THE SHARE OFFER IS A POSSIBILITY ONLY. AS THE SHARE OFFER WILL ONLY BE MADE, AMONG OTHERS, AFTER THE SALE AND PURCHASE COMPLETION AND THE DISPOSAL COMPLETION, WHICH ARE SUBJECT TO A NUMBER OF CONDITIONS, THE SHARE OFFER MAY OR MAY NOT PROCEED. SHAREHOLDERS AND POTENTIAL INVESTORS ARE THEREFORE ADVISED TO EXERCISE CAUTION WHEN DEALING IN THE SHARES OF THE COMPANY, AND IF THEY ARE IN DOUBT ABOUT THEIR POSITION, THEY SHOULD CONSULT THEIR PROFESSIONAL ADVISERS.

DEFINITIONS

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

- | | |
|---------------------------------|--|
| “acting in concert” | has the same meaning ascribed to it under the Takeovers Code |
| “Amount Due to Remaining Group” | the amount of which the Disposal Group is indebted to the Remaining Group |
| “Asian Pacific” | Asian Pacific Investment Corporation, a company incorporation in the BVI with limited liability, a controlling shareholder of Fulcrest, is beneficially owned as to approximately 66.62% and 33.38% by Mr. Ho and Mr. Ho Ming Yu, respectively |

“Asian Pacific (Panama)”	Asian Pacific Investment Corporation, a company incorporated in Panama with limited liability, is a wholly owned subsidiary of Asian Pacific and owns 50.91% share capital of Fulcrest
“associate”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day (other than a Saturday or Sunday, public holiday and days on which a tropical cyclone warning No. 8 or above or a “black” rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. or 5:00 p.m.) on which banks are open in Hong Kong and the PRC to the general public for normal banking business
“BVI”	the British Virgin Islands
“CCBI”	CCB International Capital Limited, a licensed corporation under the SFO permitted to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO and the financial adviser to the Offeror in respect of the Share Offer
“Circular”	a circular of the Company, which will contain, among other things, details of the Disposal Agreement, the Group Reorganisation, the First Special Dividend, the Second Special Dividend, the Setting-off Arrangement, the Lease Agreement and financial information on each of the Group, the Remaining Group and Disposal Group (including the pro forma financial information of the Remaining Group), the letter of recommendation from the Independent Board Committee and the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders regarding the Disposal Agreement, the First Special Dividend, the Second Special Dividend, the Setting-off Arrangement, the Lease Agreement, and the transactions contemplated thereunder and a notice convening the EGM to be despatched to the Shareholders
“Company”	Great China Holdings Limited, a company incorporated in Hong Kong with limited liability, the Shares are listed on the Main Board of the Stock Exchange with the stock code 141
“connected person”	has the meaning ascribed to it in the Listing Rules
“controlling shareholder”	has the meaning ascribed to it in the Listing Rules
“Directors”	the director(s) of the Company, from time to time
“Disposal”	the disposal of the Disposal Shares and the Disposal Loan by the Company to Disposal Purchaser pursuant to the Disposal Agreement
“Disposal Agreement”	the conditional sale and purchase agreement dated 21 January 2016 entered into between the Company as vendor and the Disposal Purchaser as purchaser in respect of the Disposal

“Disposal Business”	the business carried out by the Disposal Group which principally involves leasing of properties in Hong Kong, provision of agency services and trading of fishmeal products
“Disposal Companies”	Datong Global Holdings Limited, a company incorporated in the BVI with limited liability and Xingao Limited, a company incorporated in the BVI with limited liability, each of which is a wholly owned subsidiary of the Company as at the date of this joint announcement
“Disposal Completion”	the completion of the sale and purchase of the Disposal Shares and the Disposal Loan pursuant to the Disposal Agreement
“Disposal Completion Accounts”	the unaudited combined management accounts of the Disposal Group made up to a date either (i) on 31 March 2016; or (ii) the last date of the second last calendar month immediately preceding the Circular’s latest practicable date if the Circular’s latest practicable date falls on a day within the first 28 days of a calendar month; or (iii) the last date of the calendar month immediately preceding the Circular’s latest practicable date if the Circular’s latest practicable date falls on a day after the first 28 days of a calendar month, whichever is later
“Disposal Completion Date”	the date on which the Disposal Completion shall take place, which shall be the same date as the Sale and Purchase Completion Date
“Disposal Condition(s)”	the condition(s) precedent to the Disposal Completion, further details of which are set out in the section headed “B. Disposal Agreement, Disposal Special Deal, Second Special Dividend and Setting-off Arrangement — Conditions precedent to the Disposal Agreement” of this joint announcement
“Disposal Consideration”	the aggregate consideration of HK\$942,247,000 (subject to adjustment) for the Disposal Shares and the Disposal Loan pursuant to the Disposal Agreement
“Disposal Group”	the Disposal Companies and its subsidiaries
“Disposal Group NAV”	the total value of the assets of the Disposal Group (on a combined basis) after netting off the total amount of liabilities of the Disposal Group (on a combined basis)
“Disposal Loan”	approximately HK\$260,000,000 being part of the amount due by the Disposal Group to the Remaining Group as at the date of the Disposal Agreement
“Disposal Long Stop Date”	18 August 2016, being the date falling on 210 days after the date of the Disposal Agreement (or such later date as the Company and Disposal Purchaser may agree in writing)
“Disposal Purchaser”	Fulcrest

“Disposal Shares”	one share in each of the Disposal Companies, representing the issued share capital of the Disposal Companies, legally and beneficially owned by the Company as at the date of this joint announcement, and agreed to be sold under the Disposal Agreement
“Disposal Special Deal”	the Disposal contemplated under the Disposal Agreement which constitutes a special deal under Note 4 of Rule 25 of the Takeovers Code
“Disposal Subsidiaries”	the subsidiaries of the Disposal Companies which operate the Disposal Business
“EGM”	an extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving, among other things, the First Special Dividend, the Second Special Dividend and the Special Deals
“Executive”	Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“Final Disposal Consideration”	the aggregate of (i) the Disposal Group NAV as shown in the Disposal Completion Accounts for the Disposal Shares; (ii) the fair value adjustment of the Hong Kong Office and the investment of the Group in Bali as at date of Disposal Completion Accounts; and (iii) the Disposal Loan
“First Record Date”	the date for determining the entitlements of the Shareholders to the proposed First Special Dividend which is to be fixed at a date prior to the Sale and Purchase Completion and the Disposal Completion
“First Special Dividend”	the proposed cash dividend of not less than HK\$1.147 per Share, payable to the qualifying Shareholders
“Fulcrest”	Fulcrest Limited, a company incorporated in Hong Kong with limited liability, which is owned as to approximately 50.91% by Asian Pacific (Panama), and as to approximately 49.09% by KFH, and holds 138,347,288 Shares, representing approximately 52.87% of the issued share capital of the Company as at the date of this joint announcement
“Group”	the Company and its subsidiaries
“Group Reorganisation”	the group reorganisation of the Group to facilitate the Disposal
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Office”	the property situated at Unit D, 26/F, United Centre, No. 95 Queensway, Hong Kong

“Independent Board Committee”	the independent committee of the Board comprising all three independent non-executive Directors, namely Mr. Yu Kam Kee Lawrence, Mr. Yu Hon To, David and Mr. Wu Hsu Chou, which will be/has been established by the Company to make recommendations to (i) the Independent Shareholders as to whether each of the Disposal Agreement, the First Special Dividend, the Second Special Dividend, the Setting-off Arrangement and the Lease Agreement is fair and reasonable and as to voting; and (ii) the Share Offer Shareholders in respect of whether the Share Offer, is, or is not, fair and reasonable and as to acceptance
“Independent Financial Adviser”	an independent financial adviser, to be appointed by the Independent Board Committee to advise the Independent Board Committee to make recommendation to (i) the Independent Shareholders as to whether the Disposal Agreement, the First Special Dividend, the Second Special Dividend, the Setting-off Arrangement and the Leasing Agreement are fair and reasonable and as to voting; and (ii) the Share Offer Shareholders in respect of whether the Share Offer, is, or is not, fair and reasonable and as to acceptance
“Independent Shareholders”	<ul style="list-style-type: none"> <li data-bbox="464 896 1489 963">(i) for the purpose of accepting the Share Offer, the Shareholders other than the Offeror and parties acting in concert with it; <li data-bbox="464 1008 1489 1556">(ii) for the purpose of approving the Special Deals under Rule 25 of the Takeovers Code, the First Special Dividend and the Second Special Dividend, the Sale and Purchase Agreement and as connected transaction, continuing connected transaction under the Listing Rules, Shareholders other than (a) the Selling Shareholder and its concert parties, its connected persons and its respective associates within the meaning of the Listing Rules; (b) the Offeror and its associates, if the Offeror and/or its associates shall have any shareholding interest in the Company and their respective concert parties; and (c) Shareholders who are interested in or involved in the Disposal Agreement, the Sale and Purchase Agreement, the Second Special Dividend, the Setting-off Arrangement and the Lease Agreement and Group Reorganisation
“Investec”	Investec Capital Asia Limited, a licensed corporation to carry out type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (assets management) regulated activities under the SFO, being the financial adviser to the Company
“KFH”	Kwong Fong Holdings Limited, a limited liability company incorporated in BVI, which is a wholly owned subsidiary of KFI and owns 49.09% issued share capital of Fulcrest

“KFI”	Kwong Fong Industries Corporation, a limited liability company incorporated in Taiwan with its shares listed on the Taiwan Stock Exchange Corporation, the principal activities of which include manufacturing and sale of textile products as well as real estate development. Based on information available, Mr. Ho together with other members of Mr. Ho’s family are the single largest group of shareholders of KFI as at the date of this joint announcement
“Last Trading Day”	21 January 2016, being the last trading day for the Shares immediately prior to the suspension in the trading of the Shares on the Stock Exchange pending the publication of this joint announcement
“Lease Agreement”	the Lease Agreement dated 21 January 2016 entered into between a wholly-owned subsidiary the Company as lessor and a wholly-owned subsidiary of the Disposal Group as lessee in respect of the Lease Extension
“Lease Extension”	the lease of the Shanghai Property contemplated under the Lease Agreement for a period of six months commencing from the Disposal Completion Date
“Lease Extension Special Deal”	the Lease Extension contemplated under the Lease Agreement which constitutes a special deal for the Company under Rule 25 of the Takeovers Code
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Ho”	Mr. Ho, John Ming Tak, the Managing Director and an executive Director of the Company. Mr. Ho is a director of Fulcrest and Asian Pacific, and the younger brother of Mr. Ho Ming Yu
“Mr. Ho Ming Yu”	Mr. Ho Ming Yu Rustom, being the Chairman and an executive Director of the Company, is the Chairman of KFI and a director of Fulcrest, the elder brother of Mr. Ho
“Ms. Ho”	Ms. Ho Yu Gia, being the non-executive Director of the Company, is the daughter of Mr. Ho Ming Yu and a niece of Mr. Ho
“Offer Document”	the offer and response document (in either composite or separate form) together with the form of acceptance and transfer to be despatched to the Shareholders pursuant to the Share Offer
“Offer Period”	has the meaning given to it in the Takeovers Code
“Offer Share(s)”	all the Share(s) in issue, other than those Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it
“Offeror” or “Purchaser”	Hopevision Group Ltd., an investment holding company incorporated in the Republic of Seychelles
“Overseas Shareholders”	Shareholder(s) whose addresses, as shown on the register of members of the Company, are outside Hong Kong

“PRC”	the People’s Republic of China, for the purpose of this joint announcement, excluding Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“PRC Properties”	the properties owned by the Group in the PRC
“Remaining Business”	the business to be carried on by the Remaining Group after the Disposal Completion, which principally involves (i) the leasing of properties in the PRC; and (ii) the trading of properties
“Remaining Group”	the Group (excluding the Disposal Group) immediately after the Disposal Completion
“Remaining Subsidiaries”	the remaining subsidiaries of the Company which include all existing subsidiaries of the Company other than the Disposal Group as at the date of this joint announcement
“Resolutions”	all resolutions required under the relevant laws and regulations to effect the Sale and Purchase Agreement, the First Special Dividend, the Second Special Dividend and the Special Deals to be voted by the Independent Shareholders at the EGM
“Sale and Purchase Agreement”	the conditional sale and purchase agreement dated 21 January 2016 entered into between the Selling Shareholder and the Purchaser in respect of the Sale Shares
“Sale and Purchase Completion”	the completion of the sale and purchase of the Sale Shares pursuant to the Sale and Purchase Agreement
“Sale and Purchase Completion Date”	the date on which the Sale and Purchase Completion shall take place, which shall be on the fifth Business Day following satisfaction or, where appropriate, waiver of the Sale and Purchase Conditions, or such other date as the Selling Shareholder and the Purchaser may agree in writing
“Sale and Purchase Condition(s)”	the condition(s) precedent to the Sale and Purchase Completion, further details of which are set out in the section headed “A. Sale and Purchase Agreement — Conditions precedent to the Sale and Purchase Agreement” of this joint announcement
“Sale and Purchase Long Stop Date”	18 August 2016
“Sale Shares”	an aggregate of 138,347,288 Shares, legally and beneficially owned by the Selling Shareholder and agreed to be sold under the Sale and Purchase Agreement
“Second Record Date”	the date for determining the entitlements of the Shareholders to the proposed Second Special Dividend which is to be fixed at a date prior to the Sale and Purchase Completion and the Disposal Completion

“Second Special Dividend”	the proposed dividend in the amount of not less than HK\$2.293 per Share to be declared and distributed to the Shareholders on the Second Record Date as a Disposal Condition precedent to the Disposal Completion
“Selling Shareholder”	Fulcrest, holding in aggregate 138,347,288 Shares (representing approximately 52.87% of the existing issued capital of the Company) as at the date of this joint announcement
“Setting-off Arrangement”	the settlement of any money payable by the Remaining Group to the Disposal Purchaser (i.e. Second Special Dividend) by way of setting-off all indebtedness owed to the Remaining Group by the Disposal Purchaser (i.e. the Disposal Loan) upon Disposal Completion
“SFC”	the Securities and Futures Commission
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time
“Shanghai Property”	Units 6D and 6E, Merry Tower, No. 168 Zhenning Road, Jingan District, Shanghai, the PRC
“Shanghai Zenith”	Shanghai Zenith Trading Company Limited* (上海澤尼貿易有限公司), a wholly-owned subsidiary of the Disposal Group as at the date of this joint announcement
“Shareholder(s)”	holder(s) of Shares
“Share Offer”	the possible unconditional mandatory cash general offer to be made by CCBI on behalf of the Offeror for all the Offer Shares pursuant to Rule 26.1 of the Takeovers Code
“Share Offer Completion”	the completion of the Share Offer
“Share Offer Price”	the price at which the Share Offer will be made, being HK\$3.998 per Share
“Share Offer Shareholders”	Shareholders other than the Offeror and parties acting in concert with it
“Shares”	the ordinary shares of no par value in the issued share capital of the Company
“Special Deals”	the Disposal Special Deal, the Setting-off Arrangement and the Lease Extension Special Deal
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Trading Day”	a day when the Stock Exchange is open for trading in Hong Kong

“HK\$” Hong Kong dollars, the lawful currency of Hong Kong

“%” per cent.

By Order of the board of director of
HOPEVISION GROUP LTD.

Mr. Jiang Tian
Director

By Order of the Board
GREAT CHINA HOLDINGS LIMITED

Mr. Ho Ming Tak John
Managing Director

Hong Kong, 4 February 2016

As at the date of this joint announcement, the Board comprises four executive directors, namely Mr. Rustom Ming Yu HO (Chairman of the Board), Mr. John Ming Tak HO, (Managing Director), Mr. Patrick Kwok Wai POON, and Mr. Maung Tun MYINT; one non-executive Director, namely Ms. Yu Gia HO and three independent non-executive Directors, namely, Mr. Lawrence Kam Kee YU BBS, MBE, JP, Mr. David Hon To YU, and Mr. Hsu Chou WU.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Offeror) and confirm having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, Mr. Jiang Tian is the sole director of the Offeror.

The sole director of the Offeror, namely Mr. Jiang Tian, and sole director of Shanghai Chongsheng Investment Management Co. Ltd jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Group, the Selling Shareholder, the Disposal Purchaser, their respective associates and parties acting in concert with them), and confirms, having made all reasonable enquires, that to the best of his and their knowledge, opinions expressed in this joint announcement respectively (other than the opinions expressed by the Group, the Selling Shareholder, the Disposal Purchaser, their respective associates and parties acting in concert with them) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement contained in this joint announcement misleading.

The English text of this joint announcement shall prevail over its Chinese text.

* For identification purposes only

APPENDIX I — LETTER FROM BDO LIMITED ON THE UNAUDITED REQUIRED FINANCIAL INFORMATION OF THE DISPOSAL GROUP

The following is the text of a letter from reporting accountant of the Company, BDO Limited, addressed to the Directors and for the purpose of inclusion in this joint announcement.



Tel : +852 2218 8288
Fax: +852 2815 2239
www.bdo.com.hk

25th Floor Wing On Centre
111 Connaught Road Central
Hong Kong

電話 : +852 2218 8288
傳真 : +852 2815 2239
www.bdo.com.hk

香港干諾道中111號
永安中心25樓

The Board of Directors
Great China Holdings Limited
Unit D, 26/F, United Centre
No. 95 Queensway
Hong Kong

4 February 2016

Dear Sirs

GREAT CHINA HOLDINGS LIMITED (THE “COMPANY”) AND ITS SUBSIDIARIES (COLLECTIVELY REFERRED TO AS THE “GROUP”)

Unaudited Required Financial Information

We have performed our work on the principal accounting policies adopted and the calculations used in the preparation of the unaudited combined net book value of Datong Global Holdings Limited and Xingao Limited and their subsidiaries (collectively referred to as the “Disposal Group”) as at 30 June 2015, the unaudited combined profit before taxation and net profit after taxation of the Disposal Group for the years ended 31 December 2013 and 2014 as set out under paragraph headed “Information on the Disposal Group and the Disposal Business” (the “Unaudited Required Financial Information”), in the announcement in connection with the proposed disposal of the entire equity interests in Disposal Group to Fulcrest Limited by the Group (hereinafter referred to as the “Disposal”) dated 4 February 2016 (the “Announcement”) of the Company, for which the directors of the Company are solely responsible. We understand the Unaudited Required Financial Information is required to be reported on under Rule 10 of the Code on Takeovers and Mergers. Unless otherwise defined, terms used herein shall have the same meanings as those defined in the Announcement.

Respective responsibilities of directors and ourselves

The directors of the Company are solely responsible for preparing the Unaudited Required Financial Information on a basis consistent with the accounting policies adopted by the Group as set out in the audited consolidated financial statements of the Group for the years ended 31 December 2013 and 2014 and the unaudited interim financial statements of the Group for the six months ended 30 June 2015. This responsibility includes designing, implementing and maintaining internal controls relevant to the selection and application of appropriate accounting policies and the accurate calculations in the preparation of the Unaudited Required Financial Information that is free from material misstatement; applying appropriate accounting policies adopted by the Group, as set out in the audited consolidated financial

statements of the Group for the years ended 31 December 2013 and 2014 and the unaudited interim financial statements of the Group for the six months ended 30 June 2015; and making estimates that are reasonable in the circumstances.

It is our responsibility to report, as required by Rule 10 of the Code on Takeovers and Mergers, on whether, so far as the accounting policies and calculations are concerned, the Unaudited Required Financial Information has been properly compiled based on the combined management financial statements of the Disposal Group prepared by the Directors and on a basis consistent, in all material respects, with the accounting policies adopted by the Group, as set out in the audited consolidated financial statements of the Group for the years ended 31 December 2013 and 2014 and the unaudited interim financial statements of the Group for the six months ended 30 June 2015.

Our independence and quality control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Hong Kong Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Basis of conclusion

We conducted our work in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” (“HKSAE 3000 (Revised)”) issued by the HKICPA.

Our work consisted primarily of procedures such as a) obtaining an understanding of the basis of preparation and the principal accounting policies adopted for compiling the Unaudited Required Financial Information through inquires primarily of persons responsible for financial and accounting matters, b) obtaining an understanding of the internal controls relevant to the selection and application of appropriate accounting policies and the accurate calculations in the preparation of the Unaudited Required Financial Information, c) comparing the principal accounting policies adopted in the preparation of the Unaudited Required Financial Information with those set out in the audited consolidated financial statements of the Group for the years ended 31 December 2013 and 2014 and the unaudited consolidated interim financial statements of the Group for the six months ended 30 June 2015, d) checking solely the arithmetical calculations and the compilation of the Unaudited Required Financial Information, and such other procedures that we considered necessary in the circumstances in accordance with HKSAE 3000 (Revised). Our work would not enable us to, and we do not, provide any assurance on the design or operational effectiveness of internal control relating to preparation of the Unaudited Required Financial Information.

Our reasonable assurance engagement does not constitute an audit or review conducted in accordance with Hong Kong Standards on Auditing or Hong Kong Standards on Review Engagements issued by the HKICPA. Accordingly, we do not express an audit or review opinion on the Unaudited Required Financial Information.

Conclusion

In our opinion, based on the foregoing, so far as the accounting policies and calculations are concerned, the Unaudited Required Financial Information has been properly compiled based on the combined management financial statements of the Disposal Group prepared by the Directors and on a basis consistent with the accounting policies adopted by the Group, as set out in the audited consolidated financial statements of the Group for the years ended 31 December 2013 and 2014 and the unaudited consolidated interim financial statements of the Group for the six months ended 30 June 2015.

Yours faithfully

BDO Limited

Certified Public Accountants

Hong Kong

APPENDIX II — UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP

UNAUDITED PRO FORMA STATEMENT OF NET ASSETS OF THE REMAINING GROUP

As a result of the Disposal, the Company will effectively dispose of all the equity interests in the Disposal Group. The following unaudited pro forma statement of net assets of the Remaining Group (the “Unaudited Pro Forma Financial Information”) has been prepared, on the basis of the notes set forth below, for the purpose of illustrating the effect of the Disposal and the special dividends proposed by the Directors as if the Disposal and the special dividends proposed by the Directors had been taken place on 30 June 2015. It has been prepared for illustrative purpose only and, because of its hypothetical nature, it does not purport to represent the Group’s actual financial position had the Disposal been completed as at 30 June 2015, or at any future date.

	<i>Notes</i>	<i>HK\$’000</i> (Unaudited)
Unaudited net assets of the Group	(a)	1,588,941
Pro forma adjustments:		
Unaudited estimated gain on the Disposal	(b)	58,837
Release of revaluation and exchange reserves attributable to the Disposal Group reclassified from equity to profit or loss as at 30 June 2015	(e)	(15,422)
First Special Dividend and Second Special Dividend	(h)	<u>(900,196)</u>
Unaudited pro forma net assets of the Remaining Group after the Disposal		<u><u>732,160</u></u>

Notes:

- (a) The unaudited net assets of the Group as at 30 June 2015 is extracted from the unaudited interim financial information as set out in the published interim report of the Group for the six months ended 30 June 2015.
- (b) The adjustment represents the unaudited estimated gain on the Disposal as if the Disposal had been completed as at 30 June 2015 and is calculated as follows:

	<i>Notes</i>	<i>HK\$’000</i> (Unaudited)
Consideration for the Disposal Shares as per the Disposal Agreement	(c)	682,247
Unaudited carrying amount of the net asset of the Disposal Group as at 30 June 2015	(d)	(632,952)
Release of revaluation and exchange reserves as at 30 June 2015 attributable to the Disposal Group	(e)	15,422
Estimated professional fees and other expenses directly attributable to the Disposal	(f)	<u>(5,880)</u>
Unaudited estimated gain on the Disposal as if the Disposal had been completed as at 30 June 2015	(g)	<u><u>58,837</u></u>

- (c) In accordance with the Disposal Agreement entered into between Fulcrest Limited and the Group, the Group agreed to dispose of its entire issued share capital of Datong Global Holdings Limited and Xingao Limited; and the Disposal Loan owed by the Disposal Group to the Remaining Group at an aggregate cash considerations of approximately HK\$942,247,000 (which subject to adjustments to be made to the consideration under Disposal Agreement). As at 30 June 2015, the carrying amount of the Disposal Loan owed by the Disposal Group to the Remaining Group is approximately HK\$260,000,000 and the consideration attributable to the Disposal Shares is approximately HK\$682,247,000.
- (d) The unaudited net asset of the Disposal Group as at 30 June 2015 are extracted from the Unaudited Required Financial Information as set out under paragraph headed “Information on the Disposal Group and the Disposal Business” included in this joint announcement.
- (e) The revaluation and exchange reserves attributable to the Disposal Group reclassified from equity to profit or loss as at 30 June 2015 is based on the aggregate of properties revaluation reserve, investment revaluation reserve and exchange reserve attributable to the Disposal Group as at 30 June 2015 of approximately HK\$495,000, HK\$1,090,000 and HK\$13,837,000 respectively.
- (f) For the preparation of the Unaudited Pro Forma Financial Information, the adjustment represents the estimated professional fees and other expenses of approximately HK\$5,880,000 directly attributable to the Disposal, as if the Disposal had been taken place on 30 June 2015.
- (g) For the preparation of the Unaudited Pro Forma Financial Information, the Directors estimate that no material tax expenses are directly attributable to the Disposal.
- (h) For the preparation of the Unaudited Pro Forma Financial Information, the First Special Dividend and the Second Special Dividend to be distributed to the Company’s shareholders will be not less than HK\$300,153,000 and HK\$600,043,000 respectively. The passing of the requisite resolution(s) by the Independent Shareholders at a general meeting approving the First Special Dividend and the Second Special Dividend is one of the conditions precedent to the Sale and Purchase Agreement and the Disposal Agreement. Accordingly, the adjustment for special cash dividends to be distributed and settled is estimated at HK\$900,196,000. The exact amount of special cash dividends to be distributed to the Company’s shareholders is yet to be determined.

The unaudited pro forma net assets of the Group after the Disposal and the unaudited estimated gain on Disposal calculated above is prepared by the Directors of the Company for illustrative purposes only. Shareholders should note that the actual result on the Disposal is to be determined based on the Final Disposal Consideration, the actual carrying amount of net assets of the Disposal Group and the relevant reserves attributable to the Disposal Group as at the actual disposal completion date, the actual transaction costs relating to the Disposal, the amount of actual special cash dividends to be distributed, and may be different from the unaudited pro forma net assets of the Group after the Disposal and the unaudited estimated gain on Disposal as calculated above.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a report on the unaudited pro forma statement of net assets of the Remaining Group from BDO Limited for the purpose of incorporation in this joint announcement.



Tel : +852 2218 8288
Fax: +852 2815 2239
www.bdo.com.hk

25th Floor Wing On Centre
111 Connaught Road Central
Hong Kong

電話：+852 2218 8288
傳真：+852 2815 2239
www.bdo.com.hk

香港干諾道中111號
永安中心25樓

4 February 2016

To the Board of Directors of Great China Holdings Limited

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Great China Holdings Limited (the “Company”) and its subsidiaries (collectively the “Group”) excluding Datong Global Holdings Limited and Xingao Limited and their subsidiaries (the “Disposal Group”) (collectively the “Remaining Group”) by the directors for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of net assets of the Remaining Group as at 30 June 2015 and related notes which contains the calculation of the estimated gain on the Disposal (the “Unaudited Pro Forma Financial Information”) as set out on pages 49 to 50 of the Company’s announcement dated 4 February 2016 in connection with the proposed disposal of the entire equity interests in the Disposal Group by the Group (hereinafter referred to as the “Disposal”). The applicable criteria on the basis of which the directors have compiled the Unaudited Pro Forma Financial Information are described on pages 49 to 50 to this joint announcement.

The Unaudited Pro Forma Financial Information has been compiled by the directors to illustrate the impact of the Disposal and the special dividends proposed by the Directors on 30 June 2015 as if the Disposal and the special dividends proposed by the Directors had taken place at 30 June 2015. As part of this process, information about the Group’s financial position as at 30 June 2015 has been extracted by the directors from the Group’s financial statements for the six months ended 30 June 2015.

Directors’ responsibility for the Unaudited Pro Forma Financial Information

The directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) with reference to and Accounting Guideline (“AG”) 7 Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

Our independence and quality control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Hong Kong Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting accountant's responsibilities

Our responsibility is to express an opinion, as required by Rule 10 of the Takeovers Code, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420, Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus, issued by the HKICPA. This standard requires that the reporting accountant plan and perform procedures to obtain reasonable assurance about whether the directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29(1) of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the unaudited pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of unaudited pro forma financial information is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 30 June 2015 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the Group, the event or transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group;
- (c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules; and
- (d) so far as the accounting policies and calculations are concerned, we are satisfied that the Unaudited Pro Forma Financial Information of the Remaining Group as at 30 June 2015 has been properly compiled on the basis of the assumptions set out on pages 49 to 50 of this joint announcement, and is presented on a basis consistent with the accounting policies adopted by the Group in preparing the audited consolidated financial statements of the Group for the years ended 31 December 2013 and 2014 and the unaudited consolidated interim financial statements of the Group for the six months ended 30 June 2015.

BDO Limited

Certified Public Accountants

Hong Kong

APPENDIX III — COMFORT LETTER ISSUED BY INVESTEC CAPITAL ASIA LIMITED

4 February 2016

The Board of Directors
Great China Holdings Limited
Unit D, 26/F, United Centre
No 95 Queensway
Hong Kong

Dear Sirs,

Great China Holdings Limited (the “Company”)

We refer to (i) the unaudited combined net book value of Datong Global Holdings Limited and Xingao Limited and their subsidiaries (collectively referred to as the “**Disposal Group**”) as at 30 June 2015; (ii) and the unaudited combined profit before taxation and net profit after taxation of the Disposal Group for the years ended 31 December 2013 and 2014 ((i) and (ii) together, the “**Unaudited Required Financial Information**”); and (iii) the unaudited estimated gain from the disposal of approximately HK\$58.8 million (as calculated based on, among others, the aggregate properties revaluation reserve, investment revaluation reserve and exchange reserve attributable to the Disposal Group as at 30 June 2015 of approximately HK\$15.5 million and the estimated professional fees and other direct expenses directly attributable to the Disposal of approximately HK\$5.9 million) and the First Special Dividend and the Second Special Dividend of approximately HK\$900.2 million as set out in the unaudited pro forma statement of net assets of the Remaining Group reported on by BDO Limited (the “**Financial Effect**”) set forth in the joint announcement (including the appendices) of the Company and Hopevision Group Ltd. dated 4 February 2016 (the “**Joint Announcement**”) in relation to, among others, (i) conditional agreement in relation to the sale and purchase of shares of Great China Holdings Limited; (ii) proposed first special dividend; (iii) very substantial disposal, connected transaction and special deal for Great China Holdings Limited in relation to the Disposal and proposed second special dividend; (iv) lease extension special deal and continuing connected transaction; and (v) possible unconditional mandatory cash general offer. The Unaudited Required Financial Information and the Financial Effect are regarded as a profit forecast under the Hong Kong Code on Takeovers and Mergers (the “**Takeovers Code**”) and therefore, is required to be reported on pursuant to Rule 10 of the Takeovers Code. Capitalised terms used herein have the same meanings as defined in the Joint Announcement unless otherwise stated.

The Unaudited Required Financial Information has been prepared by the Directors based on (i) the unaudited management combined statement of financial position of the Disposal Group as at 30 June 2015; and (ii) the unaudited management combined income statement of the Disposal Group for the years ended 31 December 2013 and 2014. The Financial Effect has been prepared by the Directors based on information including (i) the consideration for the Disposal Group set out in the Disposal Agreement; and (ii) the unaudited management combined statement of financial position of the Disposal Group as at 30 June 2015.

We have discussed with you the bases upon which the Unaudited Required Financial Information and the Financial Effect were prepared. We have also considered the letter and report dated 4 February 2016 issued by BDO Limited, the independent reporting accountant of the Company, to you, the text of which is set out in the Appendix I and Appendix II to the Joint Announcement, which stated that, so far as the accounting policies and calculations are concerned, the Unaudited Required Financial Information and the unaudited pro forma financial information, which the Financial Effect is based on, have been properly complied in accordance with the bases adopted by the Directors as set out in the section “Basis of Preparation and Accounting Policies” in the Joint Announcement and is presented on a basis consistent with the accounting policies normally adopted by the Group as set out in the consolidated financial statements of the Group for the years ended 31 December 2013 and 2014 and the interim consolidated financial statements of the Group for the six months ended 30 June 2015. The preparation of the Unaudited Required Financial Information and the Financial Effect is the sole responsibility of, and has been approved by, the Directors.

Based on the above, we are satisfied that the Unaudited Required Financial Information and the Financial Effect have been prepared by the Directors with due care and consideration.

This letter is provided to the Company solely for the purpose of complying with Note 1(c) to Rules 10.1 and 10.2 and Rule 10.4 of the Takeovers Code and not for any other purpose. We do not accept any responsibility to any person(s), other than the Company, in respect of, arising out of, or in connection with this letter.

Yours faithfully,
For and on behalf of
Investec Capital Asia Limited

Alexander Tai
Managing Director
Head of Corporate Finance