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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other licensed securities dealer, a bank manager, solicitor, professional accountant or other independent advisers.

If you have sold or transferred all your Shares in **Great Wall Pan Asia Holdings Limited**, you should at once hand this circular together with the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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長城環亞控股有限公司*
GREAT WALL PAN ASIA HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 583)

**VERY SUBSTANTIAL ACQUISITION
IN RELATION TO
A JOINT VENTURE INVESTMENT AND
PROVISION OF AN ADVANCE
AND
NOTICE OF SPECIAL GENERAL MEETING**

All capitalised terms used in this circular shall have the meanings set out in the section headed “Definitions” on pages 1 to 5 of this circular.

A letter from the Board is set out on pages 6 to 17 of this circular. A notice convening the SGM to be held at United Conference Centre, 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on Monday, 22 January 2018 at 3:30 p.m. is set out on pages N-1 to N-2 of this circular. A form of proxy for use in connection with the SGM is also enclosed herewith. Such form of proxy is also published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.gwpaholdings.com>).

Whether or not you are able to attend the SGM, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and deliver, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority to the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 3:30 p.m. on Saturday, 20 January 2018 (or if the SGM is adjourned, not less than 48 hours before the time appointed for the holding of the adjourned SGM). Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish.

In case of any inconsistency between the English version and the Chinese version of this circular, the English version shall prevail.

* For identification purpose only

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DEFINITIONS

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

“Advance”	the sum agreed to be advanced by GWPA Property to the JVCo, as disclosed in paragraph 1.7 of the Letter from the Board in this circular;
“Announcement”	the announcement of the Company dated 1 December 2017 in respect of the JV Investment (including the provision of the Advance) and the relevant transactions under the Shareholders Agreement;
“associate”	has the meaning as ascribed to it under the Listing Rules;
“Bid”	the bid submitted by the JVCo in respect of the acquisition of the Portfolio;
“Board”	the board of Directors;
“Bye-Laws”	the Bye-Laws of the Company, as amended from time to time;
“Call Option”	the option right (and not obligation) granted to GWPA Property to purchase the Option PropCo pursuant to the Shareholders Agreement;
“Company”	Great Wall Pan Asia Holdings Limited (長城環亞控股有限公司)*, an exempted company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the Main Board (Stock Code: 583);
“connected person”	has the meaning as ascribed to it under the Listing Rules;
“Contribution”	in respect of each JV Investor, the aggregate of all amounts funded or paid by such JV Investor to the JVCo in the form of shareholder loans and share subscription pursuant to the Shareholders Agreement (other than the Advance by GWPA Property);
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	(a) director(s) of the Company;

DEFINITIONS

“Exercise Price”	the purchase price payable for the Option PropCo calculated in accordance with the Shareholders Agreement;
“Great Wall Commitment”	as defined in paragraph 1.3 of the Letter from the Board in this circular;
“Great Wall Total Capital Commitment”	the aggregate of the Great Wall Commitment and the Advance;
“Group”	the Company and its subsidiaries from time to time;
“GW Holding”	China Great Wall AMC (International) Holdings Company Limited (中國長城資產(國際)控股有限公司), a company incorporated under the laws of Hong Kong with limited liability and the controlling shareholder of the Company;
“GW Holding Shareholder’s Loan”	the unsecured shareholder’s loan of HK\$4,130,000,000 (or in equivalent United States dollars) granted by GW Holding to the Group, which bears interest at Hong Kong Interbank Offer Rate plus 1.9% per annum and shall be repayable 60 months after the first drawdown;
“GWPA Property”	GWPA Property I Holding Limited, a limited liability company incorporated in the British Virgin Islands and a wholly-owned subsidiary of the Company;
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“JVCo”	a limited liability company incorporated in the British Virgin Islands;
“JVCo Class A Shareholder”	a holder of any JVCo Class A Shares;
“JVCo Class A Shares”	class A ordinary shares of the JVCo;
“JVCo Class B Shareholder”	a holder of any JVCo Class B Share;
“JVCo Class B Share”	non-voting class B ordinary share of the JVCo;

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“JV Group”	the JVCo and its subsidiaries from time to time and the expression “JV Group Company” shall be construed accordingly;
“JV Investment”	the possible acquisition of investment interests in the JVCo by GWPA Property, including subscription of equity capital of the JVCo, the provision of the Contribution and the provision of the Advance, under the Shareholders Agreement as disclosed in this circular;
“JV Investors”	the investors of the JVCo, of which GWPA Property is one of them;
“Latest Practicable Date”	29 December 2017, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Main Board”	the Main Board of the Stock Exchange;
“Manager”	an affiliate of the lead JV Investor;
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules;
“Option Period” and “Option PropCo”	both as defined in paragraph 1.7 of the Letter from the Board in this circular;
“Other JV Investors”	the JV Investors other than GWPA Property, being Broad Street Investments Holding (Singapore) Pte. Ltd. and Garden Cruz Limited, the equity interests of which shall be 18.3% and 51.8% respectively upon completion of the JV Investment and the expression “Other JV Investor” refers to any one of the Other JV Investors;
“Parties”	the JV Investors, the JVCo and the Manager, being the parties to the Shareholders Agreement and the expression “Party” refers to any one of the Parties;

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“percentage ratios”	has the meaning ascribed to it in Rule 14.07 of the Listing Rules;
“Portfolio”	a portfolio of 17 Hong Kong commercial properties and shopping centres, plazas and carparks offered for sale by the Seller, as mentioned in paragraph 4 of the Letter from the Board in this circular;
“Portfolio Assets”	the relevant assets in the Portfolio which the JVCo has contracted to purchase from the Seller pursuant to the relevant sale and purchase agreements with the Seller, as disclosed in paragraph 4 of the Letter from the Board in this circular;
“Selected Asset”	as defined in paragraph 1.7 of the Letter from the Board in this circular;
“Seller”	the seller of the Portfolio Assets which is a real estate investment trust listed on the Main Board;
“Seller Announcement”	as defined in paragraph 1.3 of the Letter from the Board in this circular;
“SFC”	the Securities and Futures Commission of Hong Kong;
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (as amended, supplemented or otherwise modified from time to time);
“SGM”	the special general meeting of the Company to be convened and held at United Conference Centre, 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on Monday, 22 January 2018 at 3:30 p.m. (the notice of which is set out at pages N-1 to N-2 of this circular), at which the Shareholders will consider and, if thought fit, approve, inter alia, the Shareholders Agreement and the transactions contemplated thereunder (including the JV Investment and provision of the Advance), or any adjournment thereof;
“Share(s)”	ordinary share(s) of HK\$0.10 each in the capital of the Company;
“Shareholder(s)”	holder(s) of Share(s) from time to time;

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“Shareholders Agreement”	the Shareholders Agreement dated 28 November 2017 entered into between GWPA Property, the Other JV Investors, the JVCo and the Manager in connection with the JVCo;
“Shareholders’ Approval”	the approval to be sought from the Shareholders in respect of the JV Investment (including the provision of the Advance) and the relevant transactions under the Shareholders Agreement;
“sq ft”	square foot or square feet;
“sq m”	square metres;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Undertaking”	as defined in paragraph 2.2 of the Letter from the Board in this circular; and
“%”	per cent.

LETTER FROM THE BOARD



長城環亞控股有限公司*
GREAT WALL PAN ASIA HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 583)

Executive Directors

Mr. Ou Peng (*Chairman and Chief Executive Officer*)

Mr. Meng Xuefeng (*Deputy Chief Executive Officer*)

Non-executive Directors

Mr. Huang Hu

Ms. Lv Jia

Independent Non-executive Directors

Dr. Song Ming

Dr. Sun Mingchun

Mr. Woo Chin Wan

Registered Office

Canon's Court

22 Victoria Street

Hamilton HM12

Bermuda

*Head Office and Principal Place
of Business in Hong Kong*

Units 6507-6510, 65/F.

The Center

99 Queen's Road Central

Hong Kong

30 December 2017

To the Shareholders

Dear Sir/Madam,

**VERY SUBSTANTIAL ACQUISITION
IN RELATION TO
A JOINT VENTURE INVESTMENT AND
PROVISION OF AN ADVANCE
AND
NOTICE OF SPECIAL GENERAL MEETING**

INTRODUCTION

Reference is made to the Announcement, in which the Company announced that on 28 November 2017 (after trading hours), GWPA Property (a wholly-owned subsidiary of the Company) entered into the Shareholders Agreement with the Other JV Investors, the JVCo and the Manager in relation to the JVCo.

GWPA Property has agreed to subscribe for 29.9% of JVCo Class A Shares. The total Contribution agreed to be contributed by GWPA Property under the JV Investment (other than the Advance) will be up to HK\$3,192,000,000. In connection with the grant of the Call Option, GWPA Property has agreed to provide the interest-free Advance of not more than HK\$743,000,000 to the JVCo.

* *For identification purpose only*

LETTER FROM THE BOARD

The JVCo is the holding company in the JV Group which carries on the business of acquiring, holding, managing, developing or disposing of the Portfolio Assets comprising certain commercial properties and shopping centres, plazas and carpark in Hong Kong. The JV Group has contracted to purchase the Portfolio Assets following acceptance of the Bid by the Seller on 28 November 2017.

The JV Investment (including the provision of the Advance) constitutes a very substantial acquisition for the Company and hence is subject to reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The purposes of this circular are to provide the Shareholders with, among other things, the requisite information in relation to the Shareholders Agreement and the relevant transactions contemplated thereunder (including the JV Investment and provision of the Advance) and to give Shareholders a notice of the SGM in compliance with the Listing Rules.

1. SHAREHOLDERS AGREEMENT

On 28 November 2017 (after trading hours), GWPA Property (a wholly-owned subsidiary of the Company) entered into the Shareholders Agreement with the Other JV Investors, the JVCo and the Manager in relation to the JVCo.

1.1 Parties

The Shareholders Agreement is made between (1) three JV Investors; (2) the JVCo; and (3) the Manager.

GWPA Property is one of the JV Investors. The lead JV Investor and the Manager are investment holding companies associated with a global real estate private equity firm. The Other JV Investor is a wholly-owned subsidiary of a leading global investment banking, securities and investment management firm. The JVCo is the holding company in the JV Group, which carries on the business of acquiring, holding, managing, developing or disposing of the Portfolio Assets in accordance with the Shareholders Agreement.

To the best of the knowledge, information and belief of the Directors after having made all reasonable enquiry, the above counterparties and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

1.2 Condition

The obligations of the Parties under the Shareholders Agreement are conditional upon the Bid being accepted by the Seller, either in whole or in part, on or before 30 November 2017 (or such other date as may be agreed in writing by the JV Investors). Following the Seller's acceptance of the Bid in respect of the entire Portfolio Assets on 28 November 2017, this condition has been satisfied.

LETTER FROM THE BOARD

1.3 Shares in the JVCo and Contributions

The JVCo will issue JVCo Class A Shares carrying voting rights to the JV Investors in accordance with the Shareholders Agreement. GWPA Property has agreed to subscribe for 29.9% of JVCo Class A Shares, with the remaining JVCo Class A Shares to be held by the Other JV Investors. All of the JVCo Class A Shares to be issued to the JV Investors under the Shareholders Agreement will be issued at the same price of HK\$1.00 per share.

The JVCo will also issue one non-voting JVCo Class B Share to the Manager, an affiliate of the lead JV Investor. The Manager will be entitled to receive fees and incentive fees under the Shareholders Agreement.

In addition to the subscription of JVCo Class A Shares, the JV Investors, including GWPA Property, have agreed to make contributions to the JVCo pro rata in accordance with their equity interests in the JVCo by way of shareholder loans. As at the Latest Practicable Date, a total amount of HK\$850,800,000 has been advanced by the JV Investors by way of shareholder loans to the JVCo.

The total Contribution agreed to be contributed by GWPA Property under the JV Investment (other than the Advance by GWPA Property as mentioned below) will be up to HK\$3,192,000,000 (the “**Great Wall Commitment**”). As at the Latest Practicable Date, GWPA Property has contributed a total amount of approximately HK\$1,161,000,000 to the JVCo. The remaining balance of the Great Wall Commitment shall be made within ten business days of written receipt of request for such payment from the JVCo and in any event in sufficient time to enable the JVCo to complete the acquisition of the Portfolio Assets, which is currently expected to take place by the end of February 2018. The Great Wall Commitment was determined with reference to, among others, the acquisition price of the Portfolio Assets and the amount of financing intended to be obtained by the JV Group to fund the acquisition. As at the Latest Practicable Date, the Directors do not expect there will be any material adjustment to the Great Wall Commitment before completion of the acquisition of the Portfolio Assets. In the event that additional commitment (other than the Advance) is required to be contributed by GWPA Property to fund the acquisition of the Portfolio Assets under the JV Investment, the Company will comply with the relevant requirements under the Listing Rules. In assessing the fairness and reasonableness of the terms of the Great Wall Commitment and other terms of the Shareholders Agreement, the Company has made reference to the valuations of the Portfolio Assets performed by Savills Valuation and Professional Services Limited as at 3 November 2017. The Company has noted the differences between the values of the Portfolio Assets as appraised by Savills Valuation and Professional Services Limited as at 3 November 2017 and those as appraised by the valuer engaged by the Seller (the “**Seller’s Valuer**”) as at 31 March 2017 and 30 September 2017 according to the announcement of the Seller dated 28 November 2017 (the “**Seller Announcement**”). Save for the information disclosed in the Seller Announcement, the Company has no further information on the valuations performed by the Seller’s Valuer and therefore is not in an appropriate position to assess the aforesaid difference in the appraised values. Nevertheless, Shareholders are strongly advised to refer to Appendix III to this circular for further information on the valuations on the Portfolio Assets as performed by Savills Valuation and Professional Services Limited. The Directors considered that the determination of the Great Wall Commitment is fair and reasonable.

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The Contribution received from the JV Investors will be used primarily to fund the equity portion of the purchase price for the Portfolio Assets.

The Contribution by GWPA Property will be funded out of the internal resources of the Group and the GW Holding Shareholder's Loan.

1.4 Board of directors of the JVCo

Pursuant to the Shareholders Agreement, the board of directors of the JVCo shall initially have not more than seven directors. GWPA Property has the right to designate two of those directors provided that it and its affiliate (if any) together hold not less than 25% of the outstanding JVCo Class A Shares.

The board of directors of the JVCo shall be responsible for the overall strategic direction, supervision and management of the JVCo and its business, save in respect of certain reserved matters, further details of which are set out in paragraph 1.5 below; whereas the Manager shall be responsible for all aspects of the daily operations of the JV Group and the Portfolio Assets including issues related to, among others, rent collections, repair and maintenance and lease renewals.

1.5 Reserved matters

Approval of all JV Investors is required for certain matters under the Shareholders Agreement, including but not limited to:

- (a) any change to the scope or nature of the business of any JV Group Company;
- (b) any amendment to the constitutional documents of any JV Group Company;
- (c) any alteration to the rights attaching to the shares of the JVCo;
- (d) any non-pro rata declaration, making or payment of any dividends or other distributions to the shareholders of the JVCo;
- (e) any re-organisation, merger, recapitalisation, amalgamation, spin-off, consolidation or similar transactions of any JV Group Company;
- (f) acquisition or disposal of any asset, undertaking or business by any JV Group Company other than transaction in the ordinary course of business; and
- (g) disposal or acquisition of any immovable asset (including all or any part of the Portfolio Assets) by any JV Group Company.

1.6 Right of first offer and pre-emptive right

Each JV Investor will have a right of first offer to acquire the investment interest to be sold by another JV Investor if it wishes to sell its interests in the JVCo in accordance with the Shareholders Agreement.

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If the JVCo proposes to issue any equity securities as defined in the Shareholders Agreement, it must first offer to each JVCo Class A Shareholder a percentage of such securities equal to its pro rata ownership of JVCo Class A Shares in accordance with the Shareholders Agreement.

1.7 Call Option and Advance by GWPA Property

Under the Shareholders Agreement, GWPA Property shall have the Call Option which entitles GWPA Property to purchase from the JV Group the relevant intermediate holding company in the JV Group (the “**Option PropCo**”) holding interests in one of the assets in the Portfolio (the “**Selected Asset**”) at the Exercise Price. The Selected Asset comprises a shopping centre and a car park.

The amount of the Exercise Price will be based on the acquisition price of the Selected Asset and the related costs and expenses incurred for its acquisition and the exercise of the Call Option minus (provided that the relevant lenders financing the acquisition of the Portfolio Assets agree to continue with the financing of the Selected Asset without recourse to the remaining Portfolio Assets to be acquired by the JV Group, to any share of any JV Group Companies holding interest in such remaining Portfolio Assets, or to any other parties to the Shareholders Agreement (other than GWPA Property) on and after acquisition thereof by GWPA Property pursuant to the exercise of the Option) the relevant bank borrowings attributable to the acquisition of the Selected Asset.

The Call Option is exercisable at the discretion of GWPA Property at any time within 18 months after the closing date of the purchase of the Portfolio Assets by the JV Group (the “**Option Period**”), failing which it will lapse. If and when the Call Option is exercised, the Company will comply with the relevant requirements of the Listing Rules, including those in Chapter 14 of the Listing Rules in relation to the Call Option.

In connection with the grant of the Call Option, GWPA Property has agreed to provide the interest-free Advance to the JVCo. The Advance will not exceed HK\$743,000,000. It is determined with reference to the expected maximum amount of the Exercise Price. The Directors considered that the determination of the Advance is fair and reasonable. The Advance will be funded out of the internal resources of the Group and the GW Holding Shareholder’s Loan.

2. SHAREHOLDERS’ APPROVAL AND TERMINATION OF THE JV INVESTMENT

- 2.1 In accordance with the Listing Rules, the Company will seek Shareholders’ Approval for the JV Investment (including the provision of the Advance) at the SGM as mentioned below.
- 2.2 If the Shareholders’ Approval is not obtained by 20 February 2018, GW Holding shall, pursuant to a separate undertaking (the “**Undertaking**”) dated 28 November 2017 given to the Other JV Investors, assume to perform and discharge all

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obligations, rights and liabilities of GWPA Property and advance interest-free and unsecured loans to the JVCo in the same amount as the loan advanced by GWPA Property initially and execute the relevant deed of adherence to become a Party to the Shareholders Agreement in place of GWPA Property. Upon GW Holding and GWPA Property complying with, performing and discharging their obligations as mentioned above under the Shareholders Agreement, GWPA Property shall be released from all obligations and cease to have any rights under the Shareholders Agreement, and the JVCo will return to GWPA Property its loan advanced as mentioned above. The terms and provision of the Undertaking and the GW Holding Shareholders' Loan are not inter-conditional on any transactions under the Shareholders Agreement.

3. BACKGROUND INFORMATION ON THE SHAREHOLDERS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED THEREUNDER

3.1 In early September 2017, the Company first became aware that the Seller proposed to sell the Portfolio through a bidding process, and then initiated contact with one of the independent agents (the “Agent”) appointed by the Seller for the proposed sale. After having considered the size of the subject matter of the Portfolio and the required requisite experience in large scale commercial properties management, the Company decided to partner with others to participate in the bidding. Through introduction by the Agent, in September 2017, the Company approached one of the Other JV Investors to explore the opportunity to form a joint venture, who has then invited the remaining Other JV Investor to participate in the formation of a joint venture.

3.2 Throughout the negotiation process, the Company negotiated the terms of the Shareholders Agreement with the Other JV Investors independently without any participation by GW Holding. The Other JV Investors had concerns in the event that the Shareholders' Approval is not obtained, and expressed they were not satisfied with a mere voting undertaking from GW Holding and requested for a complete assurance from GW Holding. At the request of the Other JV Investors to address their concerns and after negotiations amongst the JV Investors, the Company agreed to approach GW Holding with a proposal of GW Holding giving the Undertaking as an assurance to the Other JV Investors. Following careful consideration, the directors of GW Holding approved the proposal and granted the Undertaking to the Other JV Investors.

4. REASONS FOR THE ENTERING INTO OF THE SHAREHOLDERS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED THEREUNDER

4.1 The JVCo is the corporate vehicle of the joint venture established under the Shareholders Agreement. The JVCo has contracted to purchase the Portfolio Assets following acceptance of the Bid by the Seller on 28 November 2017. The Portfolio Assets comprise 17 diversified commercial properties and shopping centres, plazas

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and carpark across Hong Kong at (i) Cheung Hang Shopping Centre, Kai Yip Commercial Centre, Kam Tai Shopping Centre, Lei Cheng Uk Shopping Centre, On Ting Commercial Complex, Shek Lei Shopping Centre I & II, Tai Wo Hau Commercial Centre, Tsz Ching Shopping Centre, Yau Oi Commercial Centre and Yung Shing Shopping Centre; and (ii) Kwai Fong Plaza, Kwai Shing East Shopping Centre, Lai Kok Shopping Centre, Lee On Shopping Centre, Retail and Car Park within Shun Tin Estate, Tsing Yi Commercial Complex and Lions Rise Mall (in the form of acquiring the entire issued share capital of Metro Pilot Limited).

- 4.2 The Portfolio Assets are currently owned by the Seller which is an independent real estate investment trust listed on the Main Board.
- 4.3 Following the Seller's acceptance of the JVCo's Bid for the purchase of the Portfolio Assets, completion of the acquisition of the Portfolio Assets are currently expected to take place by the end of February 2018.
- 4.4 The JV Group intends to finance a portion of the purchase price of the Portfolio Assets out of the Contribution received from the JV Investors, with the remaining portion by borrowings from third party financial institutions to be arranged by the JV Group on its own.
- 4.5 The considerations taken into account by the management of the Group to invest in the equity capital of the JVCo include the following:
 - (1) In order to generate favourable investment returns to the Shareholders, the Group continues to enhance its potential long-term growth by, among others, proactively seeking different investment opportunities in the property segment. With the considerable size and the diversified nature and geographical locations of the properties under the Portfolio Assets, the Board considers that the indirect investment in the Portfolio Assets through the JV Group allows the Group to gain an immediate and sizeable retail presence as well as to improve its existing position within the property industry in Hong Kong.
 - (2) the Group's investment interests in the JVCo will be accounted for as an associate. The results and assets and liabilities of the JV Group will be accounted for in the Company's consolidated financial statements using the equity method upon completion of the JV Investment. The Board considers that the JV Investment will optimise the balance of the Group's investment portfolio and its efforts to diversify its risks. This will generate potential to enhance the Group's profitability through a potential sharing of returns of the JVCo, and ultimately benefits to the future development of the Group.
 - (3) With the international reputations and experience in fund management within the global real estate sectors of the Other JV Investors, the Group sees the JV Investment as a business partnership to enable the Group to leverage on their advanced expertise and well-established strengths in the development of the JV Group and operation of the Portfolio Assets in the long run.

LETTER FROM THE BOARD

- 4.6 The Group agrees to grant the Advance in consideration of the Call Option. Through funding the acquisition of the Selected Asset by means of the Advance, the Group has secured an exclusive right to participate in a direct, sizeable investment opportunity in the Selected Asset. The opportunity enables the Group to expand its own property portfolio at an appropriate stage to consolidate with developments of principal business activities in properties sector in the future.
- 4.7 The Directors (including the independent non-executive Directors) are of the view that the terms of the Shareholders Agreement and the transactions under it including the JV Investment (including the provision of the Advance), and the total capital commitments of GWPA Property in the amount of HK\$3,935,000,000, which have been reached after arm's length negotiations among the Parties, are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

5. FINANCIAL EFFECT

If the Shareholders' Approval is obtained at the SGM, the JV Investors will complete their subscription of shares in the JVCo by the end of February 2018 and GWPA Property will own 29.9% of the JVCo Class A Shares. Accordingly, the results and assets and liabilities of the JV Group will be accounted for as an associate in the Company's consolidated financial statements using the equity method of accounting. Under the equity method of accounting, investment in an associate is initially recognised at cost and adjusted thereafter for the change in the Group's share of net assets of the JV Group. Distributions received from the JVCo will reduce the carrying value of the Group's investment in an associate. The earnings of the Group will include share of the profit and loss of the JV Group, which will depend on the actual financial performance of the JV Group.

As at 30 June 2017, the total cash and bank balance of the Group stood at approximately HK\$99.7 million, and there was no bank borrowings. Accordingly, it is the current intention of the Group to utilise proceeds drawn from the GW Holding Shareholder's Loan (of up to HK\$4,130,000,000) to meet the Great Wall Total Capital Commitment in the amount of HK\$3,935,000,000 (representing the aggregate amount of the Great Wall Commitment and the maximum amount of the Advance) where required or appropriate to do so. Since GW Holding already committed to providing the GW Holding Shareholder's Loan to the Group, the Company does not foresee material difficulties to meet the Great Wall Total Capital Commitment. On such basis, the JV Investment (including provision of the Advance) is not expected to have any material impact on the net assets of the Group because the Group utilises its internal cash resources and/or the proceeds from the drawing of the GW Holding Shareholder's Loan to meet Great Wall Total Capital Commitment as it falls due, and the Group's investment in an associate will increase to the like extent.

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6. LISTING RULES IMPLICATIONS

- 6.1 As the relevant applicable percentage ratios based on the Great Wall Total Capital Commitment (being HK\$3,935,000,000, representing the aggregate amount of the Great Wall Commitment and the maximum amount of the Advance) exceeds 100%, the JV Investment constitutes a very substantial acquisition for the Company which is subject to reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.
- 6.2 As the JVCo will be owned as to 29.9% by GWPA Property, the members of JV Group are not consolidated subsidiaries of the Group. The Company is expected to recognise its investment in the JVCo using the equity method. In so far as the Company is concerned, the acquisition of the Portfolio Assets by the JV Group does not constitute an acquisition of assets or a transaction for the Group under Chapter 14 of the Listing Rules.
- 6.3 The GW Holding Shareholder's Loan to the Group is unsecured and obtained on normal commercial terms or better. Therefore, it is fully exempt from shareholder's approval, annual review and all disclosure requirements under Chapter 14A of the Listing Rules.

7. WAIVER FROM STRICT COMPLIANCE WITH RULE 14.67(7) AND RULE 14.69(4) OF THE LISTING RULES

- 7.1 The Company has applied to the Stock Exchange for waiver from strict compliance with Rule 14.67(7) and Rule 14.69(4) of the Listing Rules regarding the disclosures of certain information of the Portfolio Assets to be acquired by the JVCo principally on the following grounds:
- (i) The Company has encountered the practical difficulties in obtaining sufficient access to the underlying books and records of the Portfolio Assets, which is essential for the Company's auditor to conduct an audit or a review on the relevant financial information and analysis of other information of the Portfolio Assets for the purpose of complying with Rule 14.67(7) and Rule 14.69(4) of the Listing Rules;
 - (ii) In light of paragraph 7.1(i) above, the Company anticipates that it will not have full access to the underlying books and records of the Portfolio Assets prior to the despatch of this circular. In the event of the Shareholders' Approval is not obtained by 20 February 2018, GW Holding shall, among others, become a Party to the Shareholders Agreement in place of GWPA Property, meaning that the Company and the Shareholders will have to forfeit the potential benefits associated with the Shareholders Agreements and the transactions contemplated thereunder, further details of which are set out in paragraph 4 of the Letter from the Board in this circular, which may not be in the best interest

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of the minority Shareholders. Accordingly, a waiver from strict compliance with Rule 14.67(7) and Rule 14.69(4) of the Listing Rules shall facilitate the participation of the Company in the transactions contemplated under the Shareholders Agreement, which are in the interest of the Company and the Shareholders as a whole;

- (iii) The Company's interest in the JVCo will be treated as an investment in an associate and accounted for by the Company using equity method upon completion of the JV Investment. The JVCo will not be regarded as a consolidated subsidiary of the Company and the financial results of the JVCo will not be consolidated into the financial statement of the Company; and
- (iv) In order to provide the Shareholders with additional information for making a properly informed assessment of the Portfolio Assets to be acquired by the JVCo, the Company has put in great efforts and time in acquiring relevant information and included in this circular as follows:
 - (a) Key information on the Portfolio Assets based on the existing lease agreements provided to the Company, further details of which are set out in Appendix II to this circular;
 - (b) As the case may be, the turnover and net property income of the Portfolio Assets for the year ended 31 March 2017 and the six months ended 30 September 2017 and/or the financial information of Metro Pilot Limited and its subsidiary for each of the two years ended 31 March 2016 and 2017, as extracted from the Seller Announcement, further details of which are set out in Appendix II to this circular; and
 - (c) The valuation reports on each of the Portfolio Assets issued by Savills Valuation and Professional Services Limited, an experienced independent property valuer, further details of which are set out in Appendix III to this circular.

7.2 The Company is of the view that with the waiver from strict compliance with Rule 14.67(7) and Rule 14.69(4) of the Listing Rules, information included in this circular shall remain in compliance with the requirements under Rule 2.13 of the Listing Rules, and that the basis of the waiver application is in the interest of the Company and the Shareholders as a whole.

7.3 As at the Latest Practicable Date, waiver from strict compliance with Rule 14.67(7) and Rule 14.69(4) of the Listing Rules has been granted by the Stock Exchange.

8. GENERAL

8.1 The Group is principally engaged in (i) property investment business (and currently owns four investment properties) and (ii) provision of financial services.

8.2 GW Holding is the controlling shareholder of the Company. As at the Latest Practicable Date, GW Holding was holding approximately 74.89% of the total issued share capital of the Company.

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8.3 **Shareholders and potential investors of the Company should note that the JV Investment (including the provision of the Advance) is still subject to the Shareholders' Approval and may or may not materialise. Shareholders and potential investors of the Company are therefore advised to exercise caution when dealing or contemplating in dealing in the Shares.**

9. **The SGM, PROXY ARRANGEMENT AND CLOSURE OF REGISTER OF MEMBERS**

9.1 A notice of the SGM is set out on pages N-1 to N-2 of this circular. A form of proxy for use in connection with the SGM is enclosed with this circular.

9.2 The Shareholders will be asked to consider and, if thought fit, to grant the Shareholders' Approval in respect of the JV Investment (including the provision of the Advance) and the relevant transactions under the Shareholders Agreement at the SGM.

9.3 To the best of the knowledge, information and belief of the Directors, no Shareholder has a material interest in the transactions under the Shareholders Agreement. Accordingly, no Shareholder is required to abstain from voting on the proposed ordinary resolution regarding the Shareholders Agreement and the transactions contemplated thereunder (including the JV Investment and provision of the Advance), as set out in the notice of the SGM.

9.4 GW Holding has undertaken that it will, under all circumstances, vote in favour of all and any resolution(s) at the SGM to approve the transactions under the Shareholders Agreement.

9.5 In compliance with Rule 13.39(4) of the Listing Rules, all the resolution(s) to be proposed at the SGM will be voted by poll. The voting results of the SGM will be announced in the manner prescribed under Rule 13.39(5) of the Listing Rules.

9.6 Whether or not you are able to attend and vote at the SGM, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and deliver, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 3:30 p.m. on Saturday, 20 January 2018 (or if the SGM is adjourned, not less than 48 hours before the time appointed for the holding of the adjourned SGM). Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish.

9.7 For determining the entitlement to attend and vote at the SGM, the register of members of the Company will be closed from Tuesday, 16 January 2018 to Monday, 22 January 2018, both dates inclusive, during which period no transfer of Shares

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will be effected. In order to be eligible to attend and vote at the SGM, all duly completed and signed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 15 January 2018.

10. RECOMMENDATIONS

10.1 The Directors (including the independent non-executive Directors) are of the view that the Shareholders Agreement was entered into on normal commercial terms and the terms of the Shareholders Agreement and the transactions contemplated thereunder (including the JV Investment and provision of the Advance), are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

10.2 Accordingly, the Board recommends the Shareholders to vote in favour of the proposed ordinary resolution regarding the Shareholders Agreement and the transactions contemplated thereunder (including the JV Investment and provision of the Advance), as set out in the notice of the SGM.

11. ADDITIONAL INFORMATION

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

Yours faithfully,
For and on behalf of the Board of
Great Wall Pan Asia Holdings Limited
Ou Peng
Chairman

1. AUDITED CONSOLIDATED FINANCIAL INFORMATION OF THE GROUP

The Company is required to set out in this circular the information for the last three financial years with respect to the profits and losses, financial record and position, set out as a comparative table and the latest published audited statement of financial position together with the notes on the annual accounts for the last financial year for the Group.

The audited consolidated financial statements of the Group for the year ended 31 December 2016 have been set out in the 2016 Annual Report of the Company which was posted on 26 April 2017 on the Stock Exchange's website (<http://www.hkexnews.hk>), from pages 99 to 180. Please also see below quick link to the 2016 Annual Report:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2017/0426/LTN20170426355.pdf>

The audited consolidated financial statements of the Group for the year ended 31 December 2015 have been set out in the 2015 Annual Report of the Company which was posted on 25 April 2016 on the Stock Exchange's website (<http://www.hkexnews.hk>), from pages 90 to 169. Please also see below quick link to the 2015 Annual Report:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2016/0425/LTN20160425275.pdf>

The audited consolidated financial statements of the Group for the year ended 31 December 2014 have been set out in the 2014 Annual Report of the Company which was posted on 22 April 2015 on the Stock Exchange's website (<http://www.hkexnews.hk>), from pages 103 to 183. Please also see below quick link to the 2014 Annual Report:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2015/0422/LTN20150422415.pdf>

2. UNAUDITED CONSOLIDATED FINANCIAL INFORMATION OF THE GROUP FOR THE SIX MONTHS ENDED 30 JUNE 2017

The unaudited consolidated financial statements of the Group for the six months ended 30 June 2017 have been set out in the 2017 Interim Report of the Company which was posted on 12 September 2017 on the Stock Exchange's website (<http://www.hkexnews.hk>), from pages 25 to 52. Please also see below quick link to the 2017 Interim Report:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2017/0912/LTN20170912245.pdf>

3. STATEMENT OF INDEBTEDNESS

As at 31 October 2017, being the latest practicable date for the purpose of this statement of indebtedness prior to printing of this circular, apart from intra-group liabilities and normal trade payables in the ordinary course of the business, the Group did not have any other outstanding borrowings, mortgages, charges, debentures, loan capital and overdraft, debt securities or other similar indebtedness, finance leases or hire purchase commitment, liabilities under acceptances or acceptance credits or any guarantees or other material contingent liabilities.

4. WORKING CAPITAL

The Directors are of the opinion that, after taking into account the financial resources available to the Group, including the internally generated funds, cash flows from operation, and GW Holding Shareholder's Loan, and in the absence of unforeseeable circumstances, the Group has sufficient working capital to satisfy its requirements for at least 12 months from the date of this circular.

5. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Board was not aware of any material adverse change in the financial or trading position or outlook of the Group since 31 December 2016, the date to which the latest published audited consolidated financial statements of the Group were made up.

6. FINANCIAL AND BUSINESS PROSPECTS AND OTHER INFORMATION FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2017

The Group is principally engaged in (i) property investment business and (ii) provision of financial services.

Considering that Hong Kong is a well-established international financial centre, the Group is of the view that the commercial property market will continue to grow in the future. According to the interim report of the Company for the six months ended 30 June 2017, both of the revenue and profit attributable to Shareholders of the property investment segment demonstrated an increase as compared to the figures for the corresponding period in 2016. As at the Latest Practicable Date, the Group's investment property portfolio in Hong Kong comprises certain floors of the Bank of America Tower, Yue King Building, Ko Fai Industrial Building and Seaview Estate. By maintaining satisfactory occupancy rates of and income from the investment properties, the property investment segment is expected to continue to generate stable rental income and profit for the Group. When suitable opportunities arise, the Group will expand its property investment business and will take into account various factors including, among others, the site locations and the market prospects. In light of the considerable size and the diversified nature and geographical locations of the properties under the Portfolio Assets, the Board considers that the JV Investment is in line with the development plans and strategies of the Group and will optimise the investment portfolio and diversify the risks of the Group. The JV investment will be a critical step for the Group to gain an immediate and sizeable retail presence as well as to improve its existing position within the property industry in Hong Kong, thereby increasing the Shareholders' value in the long run.

The Board has also been formulating development plans and strategies to accomplish the strategic objective of transforming the Group into a conglomerate with business in property investment and integrated financial services. During the current financial year, the Group has, among others, obtained a money lenders licence and completed the acquisition of SFC licensed corporations, namely, (i) Great Wall Pan Asia Asset Management Limited (長城環亞資產管理

有限公司) (whose principal businesses are investment advisory, asset management and private equity investment activities) for a cash consideration of HK\$38,701,969 and (ii) Great Wall Pan Asia Corporate Finance Limited (長城環亞融資有限公司) (whose principal business is advising on corporate finance) for a cash consideration of HK\$868,834. These two corporations have licences to carry out Type 1 (dealing in securities) (restricted by certain conditions), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO in Hong Kong with well-established platform of Qualified Foreign Limited Partners under the Shen Zhen Qian Hai's pilot scheme in the People's Republic of China. Further details of the above acquisitions are set out in the circular of the Company dated 30 June 2017 and posted on the Stock Exchange's website (<http://www.hkexnews.hk>) which contains, amongst other things, the relevant financial information on the above subject companies from pages IIA-3 to IIA-26 and IIB-3 to IIB-20. To further cope with the development strategies of stepping into the financial services in Hong Kong, an indirect wholly-owned subsidiary of the Company has submitted an application to the SFC for a licence to carry out Type 1 (dealing in securities) regulated activity, which will be principally engaged in brokerage and margin finance businesses.

Looking forward, the Group will continue to identify suitable investment opportunities to enhance its potential long-term growth, thereby generating favourable investment returns to the Shareholders.

7. MANAGEMENT DISCUSSION AND ANALYSIS OF THE GROUP

Set out below is the discussion and analysis of the Group's results of operation for each of the three years ended 31 December 2014, 2015 and 2016 and for the six months ended 30 June 2017. The information set out below is principally extracted from the Company's annual reports for the three years ended 31 December 2014, 2015 and 2016 and interim report for the six months ended 30 June 2017 (the "**Interim Report 2017**"), respectively, as the case may be, and as modified as appropriate, in order to provide further information relating to the financial condition and results of operations of the Group during the periods stated. Unless the context otherwise requires, capitalised terms used herein shall have the same meanings as those ascribed in these annual reports and interim report.

I. For the Six Months Ended 30 June 2017*Financial Review by Business**Property*

<i>(HK\$ millions, except percentage)</i>	For the six months ended 30 June		
	2017	2016	% Change
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	
Revenue	30.8	27.5	12%
Adjusted operating profit	25.5	17.9	42%
Fair value gain on investment properties	153.5	114.1	35%
Income tax (expense)/credit	(4.2)	3.5	**
Profit attributable to shareholders	174.8	135.5	29%

** Represents a change in excess of 100%

As mentioned in the Company's 2016 Annual Report, the operating results of the property segment have now included the contribution from the outdoor billboards on the exterior walls of Yue King Building, which was reported under other segment in the past.

Revenue from property segment for the first half of 2017 was HK\$30.8 million, compared with HK\$27.5 million in the first half of 2016, as higher income from rental was derived from an investment property at the Bank of America Tower due to the increase in monthly rental income upon renewal of tenancy agreement with the existing tenant.

The increase in profit attributable to shareholders was mainly due to the increase of fair value gain on investment properties. Excluding the fair value gain on investment properties and the tax impact, the adjusted operating profit increased by HK\$7.6 million, which was mainly attributable to the increase in revenue and the decrease in operating expenses including rental expenses and depreciation expenses.

The Group's investment property portfolio in Hong Kong comprises certain floors of the Bank of America Tower, Yue King Building, Ko Fai Industrial Building and Seaview Estate. Yue King Building was reclassified as investment property upon completion of the disposal of media business.

The Group's investment properties were revalued as at 30 June 2017 by independent professionally qualified valuers, DTZ Cushman & Wakefield Limited, who hold a recognised relevant professional qualification and have recent experience in the locations and segments of the investment properties being valued. For all investment properties, their current use equates to the highest and best use. The revaluation gains or losses are shown as "Fair value gain or loss on investment properties" in the income statement. Fair values of the office buildings, retail shops and industrial properties are derived using the income capitalisation approach. Fair value of the vacant property, which was disposed in 2016, was derived using the residual method. There were no changes to the valuation techniques during the period.

Liquidity and Capital Resources

The Group's main source of liquidity is recurring cash flows from the property business. The Group's financial position as at 30 June 2017 and 31 December 2016 were as follows:

<i>(HK\$ millions, except percentage)</i>	30 June 2017	31 December 2016	% Change
	(Unaudited)		
Cash and bank balances	99.7	88.4	13%
Shareholders' funds	1,804.3	1,639.4	10%
Current ratio	4.0	4.0	–

The Group's cash and bank balances are held predominantly in Hong Kong dollars. The Group has no significant exposure to foreign exchange fluctuations. There was no borrowing as at 30 June 2017.

The Group has maintained a strong cash position and expects its cash and cash equivalents and cash generated from operations to be adequate to meet its working capital requirements and to pay dividends.

Operating Activities

Net cash generated from operating activities for the six months ended 30 June 2017 was HK\$15.6 million, compared with net cash used of HK\$15.6 million for the six months ended 30 June 2016. The increase in operating cash flows was mainly due to lower revenues in discontinued operations during the prior period.

Investing Activities

Net cash used in investing activities for the period was HK\$4.3 million, compared with net cash generated of HK\$2,214.8 million in 2016. The cash flow in current period was mainly used for purchasing property, plant and equipment. The cash flow in prior period was resulted mainly from the cash flow of HK\$2,038 million in relation to the disposal of the media business and sales proceeds of the Group's available-for-sale investments of HK\$132.7 million.

Employees and Remuneration Policy

As at 30 June 2017, the Group had 5 employees compared with 4 employees as at 30 June 2016. The principal business of the Group mainly consists of the property business which is not complicated and is comparatively less labour-intensive. Taking the cost and benefit into account, the Group has streamlined its labour resources for the time being by way of outsourcing the property management function to professional third parties whilst the Chief Executive Officer oversees the whole operation of the Group.

As the Company's business continues to grow, its remuneration philosophy is designed to provide its employees with the opportunity to excel and grow, while aligning with our business strategies and values. The Group's remuneration policy aims to recognise employees with outstanding performance, retain and attract key talents and ensure alignment with the interests of our businesses, and thereby enhancing shareholder value.

Interim Dividend

The Board has resolved not to declare any payment of interim dividend for the six months ended 30 June 2017 (2016: Nil).

Material Events

Acquisitions and Transaction

On 19 May 2017, Great Wall Pan Asia III Holding Limited (the "**First Purchaser**"), a wholly-owned subsidiary of the Company, and China Great Wall AMC (International) Holdings Company Limited (the "**Vendor**") entered into the sale and purchase agreement (the "**First Sale and Purchase Agreement**"), pursuant to which the Vendor conditionally agreed to sell, and the First Purchaser conditionally agreed to purchase, the entire issued share capital in Great Wall Pan Asia Asset Management Limited (長城環亞資產管理有限公司) (the "**First Target Company**") for a cash consideration of HK\$38,701,969.

On the same date, Great Wall Pan Asia II Holding Limited (the "**Second Purchaser**"), a wholly-owned subsidiary of the Company, and the Vendor entered into the sale and purchase agreement (the "**Second Sale and Purchase Agreement**"), pursuant to which the Vendor conditionally agreed to sell, and the Second Purchaser conditionally agreed to purchase, the entire issued share capital in Great Wall Pan Asia Corporate Finance Limited (長城環亞融資有限公司) (the "**Second Target Company**") for a cash consideration of HK\$868,834.

On 29 June 2017, the First Target Company and the Vendor entered into an amended and restated asset management agreement (the "**Restated Asset Management Agreement**"), pursuant to which the parties thereto agreed to amend and restate certain terms of the asset management agreement dated 19 May 2017 previously entered between the aforesaid parties. Pursuant to the Restated Asset Management Agreement, the First Target Company conditionally agreed to provide discretionary asset management services to the Vendor for a term commencing from the commencement date and ending on the third anniversary of the commencement date at a management fee equal to 1.5% per annum of the assets as consideration for performing discretionary asset management services with annual caps not exceeding HK\$40,500,000 per annum.

Great Wall Pan Asia (BVI) Holding Limited, which holds approximately 74.89% of the total issued share capital of the Company, is the controlling shareholder of the Company and is wholly-owned by the Vendor. Therefore, the Vendor is a connected person of the Company under Chapter 14A of the Listing Rules.

Hence, the acquisitions contemplated under the First Sale and Purchase Agreement (the “**First Acquisition**”) and the Second Sale and Purchase Agreement (the “**Second Acquisition**”, collectively the “**Acquisitions**”) collectively constitute a non-exempt connected transaction of the Company under Chapter 14A of the Listing Rules and a discloseable transaction under Chapter 14 of the Listing Rules for the Company and are subject to reporting, announcement and independent shareholders’ approval requirements under the Listing Rules. Meanwhile, the transaction contemplated under the Restated Asset Management Agreement (the “**Transaction**”) constitutes a non-exempt continuing connected transaction under Chapter 14A of the Listing Rules upon the completion of the First Acquisition and therefore is subject to reporting, announcement and independent shareholders’ approval requirements under the Listing Rules. Further details are set out in the Company’s announcements dated 19 May, 29 June and 21 July 2017 and the Company’s circular dated 30 June 2017 (the “**Circular**”).

All the above Acquisitions and Transaction have been approved by the Company’s independent shareholders at the Company’s special general meeting held on 21 July 2017. Completion of the Acquisitions and Transaction is still conditional upon the satisfaction of the respective remaining conditions precedent as set out in the Circular. As at the date of the Interim Report 2017, parties thereto are in the process of fulfilling such remaining conditions precedent of the Acquisitions and Transaction. Further announcement(s) will be made by the Company as and when appropriate in accordance with the Listing Rules.

Save as disclosed above, there was no other material acquisition or disposal by the Group during the reporting period and up to the date of the Interim Report 2017.

Money Lending Business

On 22 June 2017, Great Wall Pan Asia Finance Limited, a wholly-owned subsidiary of the Company, has been granted a money lenders licence under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong). For details, please refer to the Company’s announcement dated 23 June 2017. As at the date of the Interim Report 2017, the Group has not commenced any money lending business.

II. For the Year Ended 31 December 2016

Revenue

The consolidated revenue for the years ended 31 December 2016 and 2015 by business segment and for the Group were as follows:

<i>(HK\$ millions, except percentage)</i>	For the year ended 31 December		
	2016	2015	% Change
Continuing operations			
Property	57.8	55.6	4
Inter-segment revenue	(0.6)	(2.8)	(79)
Total revenue	57.2	52.8	8

Operating Costs and Expenses

Operating costs and expenses for the years ended 31 December 2016 and 2015 were as follows:

<i>(HK\$ millions, except percentage)</i>	For the year ended 31 December		
	2016	2015	% Change
Continuing operations			
Production costs	5.0	4.9	2
Rental and utilities	3.1	4.1	(24)
Other operating expenses	32.3	3.9	*
Depreciation and amortisation	1.6	5.2	(69)
Total operating costs and expenses	42	18.1	*

* Represents a change in excess of 100%

Adjusted EBITDA and Operating Profit

Adjusted EBITDA is defined as earnings before interest, tax, depreciation and amortisation, other income, fair value gain on investment properties, gain on disposal of available-for-sale financial assets, gain on disposal of asset held for sale, gain on disposal of a subsidiary and gain on disposal of an associate. Adjusted EBITDA and adjusted operating profit for the years ended 31 December 2016 and 2015 by business segment and for the Group were as follows:

<i>(HK\$ millions, except percentage)</i>	Adjusted EBITDA			Adjusted Operating Profit		
	2016	2015	% Change	2016	2015	% Change
Continuing operations						
Property	16.8	39.9	(58)	15.2	34.7	(56)

Financial review by business

The Group completed the disposal of its media business to Alibaba Investment Limited on 5 April 2016. Consequently, this financial review will only cover the property business.

Property

<i>(HK\$ millions, except percentage)</i>	For the year ended 31 December		
	2016	2015	% Change
Revenue (including inter-segment revenue)	57.8	55.6	4
Adjusted EBITDA	16.8	39.9	(58)
Adjusted operating profit	15.2	34.7	(56)
Net profit attributable to shareholders [#]	133.3	220.0	(39)

Includes revaluation gain of HK\$118.1 million for 2016 and HK\$191.4 million for 2015

Rental income remained relatively flat as compared with last year with a modest increase of 4% to HK\$57.8 million due to the higher reversion upon lease renewal during the year.

The Group's investment property portfolio comprises certain floors of the Bank of America Tower, Yue King Building, Ko Fai Industrial Building and Seaview Estate. Yue King Building was reclassified as investment property upon completion of the disposal of media business.

On 28 September 2016, the Group has completed the disposal of the entire interest in Coastline, a wholly-owned subsidiary of the Company, to an independent third party. Coastline is principally engaged in property investment. Its assets mainly comprise of the TV City Property (as defined in the circular dated 26 September 2016). The TV City Property was indirectly acquired by the Company in 1996 and has been held for long-term investment purposes. Following the completion of the disposal of Coastline, the results of Coastline are no longer consolidated into the consolidated financial statements of the Group, and the TV City Property is no longer the investment property of the Group.

Revaluation gain on investment properties for 2016 was HK\$118.1 million, compared with HK\$191.4 million for 2015. The revaluation gain was mainly due to contribution from Bank of America Tower for around HK\$77 million and Yue King Building for around HK\$31 million.

The Group's investment properties were revalued at 31 December 2016 by independent professionally qualified valuers, DTZ Cushman & Wakefield Limited, who hold a recognized relevant professional qualification and have recent experience in the locations and segments of the investment properties valued. For all investment properties, their current use equates to the highest and best use. The revaluation gains or losses are shown as "Fair value gain or loss on investment properties" in the income statement. Fair values of the office buildings and industrial properties are derived using the income capitalization approach. There were no changes to the valuation techniques during the year.

Investment in Associates

The Group had classified the remaining portion of the investment in The Post Publishing Public Company Limited, an associate of the Group, as asset held for sale as at 31 December 2015. During the year, the Group disposed the entire remaining investment and recognized a gain on disposal of HK\$30.1 million. As the investment is not a core business of the Group, such disposal allows the Group to focus on its property business. The terms and conditions of the disposal were determined after arms' length negotiations between the Group and the independent third party purchasers.

Liquidity and Capital Resources

<i>(HK\$ millions, except percentage)</i>	For the year ended 31 December		
	2016	2015	% Change
Cash and bank balances [^]	88.4	607.6	(85)
Shareholders' funds	1,639.4	3,318.0	(51)
Current ratio	4.0	4.7	(15)

[^] The figures at 2015 included HK\$568.1 million cash and bank balances held by disposal group held for sale

The Group's cash and bank balances are held predominantly in Hong Kong dollars. The Group has no significant exposure to foreign exchange fluctuations. There was no borrowing as at 31 December 2016.

The Group has maintained a strong cash position and expects its cash and cash equivalents, cash generated from operations to be adequate to meet its working capital requirements.

Operating Activities

Net cash used in operating activities for the year ended 31 December 2016 was HK\$26.6 million, compared with net cash generated from operating activities of HK\$180.8 million for the previous year. The decrease in operating cash flows was due to lower revenue in the discontinued operations and incremental transaction expenses incurred during the year.

Investing Activities

Net cash inflow from investing activities for the year was HK\$3,213 million, compared with the inflow of HK\$63.3 million in 2015. The increase resulted mainly from the cash flow of HK\$2,038 million in relation to the disposal of media business and HK\$975 million in relation to the disposal of Coastline, and sales proceeds of the Group's available-for-sale investments of HK\$156 million.

Capital expenditure for the year was HK\$11.0 million, compared with HK\$45.0 million last year. Substantially, all of the capital expenditure was incurred in the first three months of 2016 in connection with the disposal of media business.

Financing Activities

Net cash used in financing activities was HK\$3,706 million. During the year, HK\$3,694 million dividends were paid to the shareholders of the Company and HK\$22 million was paid to a non-controlling shareholder of the Group's subsidiaries. The cash inflow of HK\$9.9 million was the proceeds from the exercise of share options.

Employees and Remuneration Policy

The Group has disposed its media business during the year, which had hired a major portion of employees in the Group in prior year. The remaining business of the Group mainly consists of the property business which is not complicated and is comparatively less labour-intensive. Taking the cost and benefit into account, the Group has decided to streamline its labour resources for the time being by way of outsourcing the property management function to professional third parties whilst Chief Executive Officer is appointed in November 2016 to oversee the whole operation of the Group without hiring additional full-time employee as at the year end.

Notwithstanding that the current number of full-time employee is limited, the Company's business continues to grow, its remuneration philosophy is designed to provide employees with the opportunity to excel and grow, while aligning with our business strategies and values. The Group's remuneration policy aims to recognize employees with outstanding performance, retain and attract key talents and ensure alignment with the interests of our businesses, and thereby enhancing shareholder value.

III. For the Year Ended 31 December 2015*Revenue*

The consolidated revenue for the years ended 31 December 2015 and 2014 by business segment and for the Group were as follows:

<i>(HK\$ millions)</i>	2015	2014 (Restated)	% Change
Continuing operations			
Property	55.6	49.6	12
Discontinued operations			
Newspaper publishing	746.7	841.5	(11)
Magazine publishing	297.3	325.8	(9)
Others	33.3	34.4	(3)
Inter-segment eliminations	(11.2)	(10.1)	11
Total revenue	1,121.7	1,241.2	(10)

Operating Costs and Expenses

Operating costs and expenses for the years ended 31 December 2015 and 2014 were as follows:

<i>(HK\$ millions)</i>	2015	2014 (Restated)	% Change
Continuing operations			
Production costs	4.9	4.7	4
Rental and utilities	4.1	3.2	28
Other operating expenses	3.9	2.8	39
Depreciation and amortisation	5.2	5.2	–
Discontinued operations			
Staff costs	514.2	528.6	(3)
Production costs	186.5	211.3	(12)
Rental and utilities	28.7	27.6	4
Advertising and promotions	33.2	45.6	(27)
Other operating expenses	184.9	182.1	2
Depreciation and amortisation	57.9	62.4	(7)
Total operating costs and expenses	1,023.5	1,073.5	(5)

Total operating costs and expenses decreased 5% to HK\$1,023.5 million.

Staff costs decreased 3% or HK\$14.4 million due to our headcount freeze policy and lower provision for bonus. Production costs for the media business decreased 12% or HK\$24.8 million, mainly due to lower production costs for our magazine titles as well as lower newsprint costs for the newspaper business. Apart from the legal and professional fees in relation to the proposed disposal of the media business amounting to HK\$19.8 million, operating expenses have generally been lower than 2014 thanks to our cost containment plan.

Adjusted EBITDA and Operating profit

Adjusted EBITDA is defined as earnings before interest, tax, depreciation and amortisation, other income, fair value gain on investment properties and gain on disposal of an associate. Adjusted EBITDA and adjusted operating profit for the years ended 31 December 2015 and 2014 by business segment and for the Group were as follows:

<i>(HK\$ millions)</i>	Adjusted EBITDA			Adjusted Operating Profit		
	2015	2014 (Restated)	% Change	2015	2014 (Restated)	% Change
Continuing operations						
Property	39.5	36.3	9	34.3	31.1	10
Discontinued operations						
Newspaper publishing	55.5	103.5	(46)	8.1	51.6	(84)
Magazine publishing	83.6	95.6	(13)	75.1	86.7	(13)
Others	(17.4)	(0.1)	*	(19.3)	(1.7)	*
Total	161.2	235.3	(31)	98.2	167.7	(41)

* Represents a change in excess of 100%

*Financial review by business**Continuing operations:*

Property

(HK\$ millions)	For the year ended 31 December		
	2015	2014 (Restated)	% Change
Revenue	55.6	49.6	12
Adjusted EBITDA	39.5	36.3	9
Adjusted operating profit	34.3	31.1	10
Net profit attributable to shareholders [#]	220.5	36.8	*

Includes revaluation gain of HK\$191.4 million for 2015 and HK\$11.4 million for 2014

* Represents a change in excess of 100%

The operating results of the Property segment have been restated to include contribution from the advertising boards of Yue King Building, which was part of our outdoor advertising business reported under Others segment in the past. The billboards will form part of the Property assets upon the disposal of the media business.

Rental income increased 12% to HK\$55.6 million. The growth was due to rental reversion for the Bank of America property and Yau Tong property upon lease renewal, as well as higher revenue from the advertising boards.

Revaluation gain on investment properties for 2015 was HK\$191.4 million, compared with HK\$11.4 million for 2014. The increase was mainly due to contribution from TV City and Bank of America Tower properties. Such increase was in line with the overall market trend.

The Group's investment property portfolio comprises of a vacant property in TV City, certain floors of the Bank of America Tower, Ko Fai Industrial Building and Seaview Estate. The original cost of the portfolio was HK\$913 million and the carrying value as of 31 December 2015 was HK\$1,923 million. The Group's office at Yue King Building in Causeway Bay, which has been accounted for as an owner-occupied property for the year ended 31 December 2015, has been reclassified as investment property upon completion of the disposal of the media business.

The Group's investment properties were revalued at 31 December 2015 by independent professionally qualified valuers, DTZ Debenham Tie Leung Limited, who hold a recognised relevant professional qualification and have recent experience in the locations and segments of the investment properties valued. For all investment properties, their current use equates to the highest and best use. The revaluation gains or losses are shown as "Fair value gain or loss on investment properties" in the income statement. Fair values of the office buildings and industrial properties are derived using the income capitalisation approach and fair value of the vacant property is derived using the residual method. There were no changes to the valuation techniques during the year.

TV City

SCMP acquired TV City in 1996 and continues to hold this piece of property for long-term investment. We have explored different options to enhance value of this property. As one of the options, the company is looking into the feasibility of developing the property into a residential project. However, the development process is complex, in view of the size of the development and the adjacent parcel of different ownership. The Government authorities are processing our application alongside with the adjacent plot owners' application. On 14 November 2014, a revised Master Layout Plan was approved with conditions by the Town Planning Board of the Hong Kong SAR Government. Since then, SCMP and the owners of the adjacent site have been working with the Government on heritage issues which could lead to a further revision of the Master Layout Plan. As a result, we still have not been notified by the Hong Kong SAR Government of the amount of land premium payable.

Investment in associates

The Group disposed 12.8% of investment in The Post Publishing Public Company Limited, an associate of the Group, and recognised a gain of HK\$65.1 million for the year. As the investment is not a core business of the Group, the disposal allows the Group to focus on its property business.

Discontinued operations:

Newspaper Publishing

<i>(HK\$ millions)</i>	For the year ended 31 December		
	2015	2014	% Change
Revenue	746.7	841.5	(11)
Adjusted EBITDA	55.5	103.5	(46)
Adjusted operating profit	8.1	51.6	(84)
Net profit attributable to shareholders	7.9	59.7	(87)
Adjusted EBITDA margin	7%	12%	
Adjusted operating margin	1%	6%	

Revenue from the newspaper division decreased 11% or HK\$94.8 million to HK\$746.7 million. Revenue of all major business units in the Newspaper division dropped during this difficult year as the slowdown in the retail market has affected ad spending from most of our customers.

Magazine Publishing

<i>(HK\$ millions)</i>	For the year ended 31 December		
	2015	2014	% Change
Revenue	297.3	325.8	(9)
Adjusted EBITDA	83.6	95.6	(13)
Adjusted operating profit	75.1	86.7	(13)
Net profit attributable to shareholders	43.3	50.1	(14)

Magazine business recorded HK\$297.3 million revenue in 2015. Many of advertisers of our women's titles have trimmed down their ad spending on print. *Cosmopolitan* has maintained its number one position in female monthly magazines in terms of market share.

Liquidity and capital resources

In 2015, the Group's main source of liquidity was recurring cash flows from the publishing and property businesses. The Group's financial position as at 31 December 2015 and 2014 were as follows:

<i>(HK\$ millions)</i>	31 December	31 December	% Change
	2015	2014	
Cash and bank balances [^]	607.6	464.1	31
Shareholders' funds	3,318.0	3,116.5	6
Current ratio	4.7	2.9	

[^] Includes HK\$568.1 million cash and bank balances held by disposal group held for sale

The Group's cash and bank balances are held predominantly in Hong Kong dollars other than HK\$58.9 million of short-term bank deposits in Renminbi. Apart from the deposits in Renminbi, the Group has no significant exposure to foreign exchange fluctuations.

As at 31 December 2015, the Group had total borrowing of HK\$2.2 million, which was an unsecured short-term loan from a non-controlling shareholder. The loan is repayable within one year. The Group had no gearing (after deducting cash and cash equivalents). The ratio of current assets to current liabilities was 4.7 times.

The Group managed to maintain a very strong cash position and expects its cash and cash equivalents, cash generated from operations and funds available from external sources to be adequate to meet its working capital requirements, to finance planned capital expenditures and to pay dividends.

Operating Activities

Net cash generated from operating activities for the year ended 31 December 2015 was HK\$180.8 million, compared with HK\$217.6 million for previous year due to the drop in revenue.

Investment Activities

Net cash inflow from investing activities for the year was HK\$63.3 million, compared with an outflow of HK\$36.9 million in 2014. During the year, the Group has disposed part of its holdings in an associate for HK\$100.8 million. Capital expenditure for the year was HK\$45.0 million, which included an investment on a cross media publishing platform of approximately HK\$20 million.

Financing Activities

Net cash used in financing activities was HK\$100.6 million. During the year, HK\$79.6 million dividend was paid to the shareholders of the Company and HK\$16.2 million was paid to a non-controlling shareholder of the Group's subsidiaries. The Group also repaid HK\$4.8 million to a non-controlling shareholder to settle a short-term loan to one of the Group's subsidiaries.

Employees and Remuneration Policy

Staff costs for the year ended 31 December 2015 decreased 3% or HK\$14.4 million due to our headcount freeze policy and lower provision for bonus. The number of full time employees for the year 2015 was 1,033.

The success of the Company hinges on the performance and commitment of our employees. As the Company continues to grow, the Company's compensation philosophy is designed to provide employees with the opportunity to excel and grow, while aligning with our business strategies and values. The Group's remuneration policy aims to recognize outstanding performance, retain and attract key talents and ensure alignment with the interests of our businesses, and thereby enhancing shareholder value.

The Company has a share option scheme which is designed to motivate the eligible persons, whose contributions are or will be beneficial to the performance, growth and success of the Group, to optimize their future contributions to the Group and reward them for their past contributions and enable the Group to attract and retain individuals with experience and ability. The Remuneration Committee approves the granting of share options and reports such grants to the Board of Directors. The grant is made based on individual's performance and contributions.

IV. For the Year Ended 31 December 2014

Revenue

During the year, our advertising board business has been transferred from the Property segment to a new business unit set up to develop the outdoor media market. Accordingly, the revenue by business segment for 2013 has been restated. The consolidated revenue for the years ended 31 December 2014 and 2013 by business segment and for the Group were as follows:

<i>(HK\$ millions)</i>	2014	2013 (Restated)	% Change
Newspaper publishing	841.5	814.1	3
Magazine publishing	325.8	278.7	17
Property	31.4	30.6	3
Others [#]	52.6	31.3	68
Inter-segment eliminations	(10.1)	(8.1)	25
Total revenue	1,241.2	1,146.6	8

Includes the outdoor media business

Operating Costs and Expenses

Operating costs and expenses for the years ended 31 December 2014 and 2013 were as follows:

<i>(HK\$ millions)</i>	2014	2013	% Change
Staff costs	528.6	504.9	5
Production costs	216.0	182.6	18
Rental and utilities	30.8	31.3	(2)
Advertising and promotions	45.6	42.8	7
Other operating expenses	184.9	162.8	14
Depreciation and amortisation	67.6	60.8	11
Total operating costs and expenses	1,073.5	985.2	9

Total operating costs and expenses increased 9% to HK\$1,073.5 million.

Staff costs increased 5% or HK\$23.7 million. It was due to higher headcount for new magazine titles. Average headcount for the year was 1,103, up from 1,000 in the previous year.

Production costs increased 18% or HK\$33.4 million, mainly due to higher costs from new magazine titles and our new outdoor media business.

Rental and utilities was stable at HK\$30.8 million. Advertising and promotion expenses went up 7% or HK\$2.8 million, due to the inclusion of *Esquire* and *The PEAK*'s expenses, as well as the costs incurred for *Cosmopolitan*'s 30th anniversary celebration events. Other operating expenses increased 14% or HK\$22.1 million, mainly because of increase in sales commission in line with revenue growth, and higher maintenance costs on the printing presses.

Adjusted EBITDA and Operating profit

Adjusted EBITDA is defined as earnings before interest, tax, depreciation and amortisation, other income and fair value gain on investment properties. Adjusted EBITDA and adjusted operating profit for the years ended 31 December 2014 and 2013 by business segment and for the Group were as follows:

<i>(HK\$ millions)</i>	Adjusted EBITDA			Adjusted Operating Profit		
	2014	2013 (Restated)	% Change	2014	2013 (Restated)	% Change
Newspaper publishing	103.5	93.5	11	51.6	46.1	12
Magazine publishing	95.6	90.2	6	86.7	82.9	5
Property	26.1	26.0	–	20.9	20.6	1
Others	10.1	12.5	(19)	8.5	11.8	(28)
Total	235.3	222.2	6	167.7	161.4	4

Financial review by business

Newspaper Publishing

<i>(HK\$ millions)</i>	For the year ended 31 December		
	2014	2013	% Change
Revenue	841.5	814.1	3
Adjusted EBITDA	103.5	93.5	11
Adjusted operating profit	51.6	46.1	12
Net profit attributable to shareholders	59.7	48.4	23
Adjusted EBITDA margin	12%	11%	
Adjusted operating margin	6%	6%	

Revenue from the newspaper division rose 3% or HK\$27.4 million to HK\$841.5 million. The revenue growth was contributed by Advertising and Marketing Solutions (“AMS”), Circulation and Syndication Business (“CSB”) and contract printing, partly offset by a decline in Recruitment and Education Business (“REB”). Despite the pressure of cost increase, we were able to maintain our operating margin leading to a 23% increase in net profit from HK\$48.4 million to HK\$59.7 million.

Revenue from AMS was 2% higher than the previous year. While print ad revenue decreased slightly, it was compensated by our strong growth in Marketing Solutions and digital sales. Both *SCMP.com* and its mobile and tablet editions saw significant growth during the year. We have acquired more than 100 new advertisers for our digital business in 2014.

REB revenue declined 2% from last year. *Classified Post* print revenue continued to be affected by keen competitions, inactive hiring of senior positions as well as the shift of recruitment ads to online platforms. However, our online recruitment sites, namely *ClassifiedPost.com* and *Jiujik.com*, continued to make progress, with the combined revenue of the two sites increased 15% over last year.

Revenue from CSB increased 5% in 2014. The increase in revenue was largely contributed by a strong growth in digital subscriptions. The number of new subscriptions to *SCMP.com* and the renewal rate of the monthly subscribers have both recorded strong growth in 2014.

Magazine Publishing

(HK\$ millions)	For the year ended 31 December		
	2014	2013	% Change
Revenue	325.8	278.7	17
Adjusted EBITDA	95.6	90.2	6
Adjusted operating profit	86.7	82.9	5
Net profit attributable to shareholders	50.1	48.9	2

Magazine business recorded HK\$325.8 million revenue in 2014. Despite a slow and shrinking magazine market, our titles enjoyed a good year of financial performance. With the introduction of *Esquire* and *The PEAK* into our portfolio of magazine titles and display revenue for all existing brands continued to grow, revenue for the year rose HK\$47.1 million or 17% year-on-year. Digital advertising revenue also leaped 41% year-on-year. Net profit attributable to shareholders increased 2% to HK\$50.1 million.

Property

(HK\$ millions)	For the year ended 31 December		
	2014	2013 (Restated)	% Change
Revenue	31.4	30.6	3
Adjusted EBITDA	26.1	26.0	–
Adjusted operating profit	20.9	20.6	1
Net profit attributable to shareholders [#]	28.4	105.2	(73)

Includes revaluation gain of HK\$11.4 million for 2014 and HK\$87.2 million for 2013

Rental income increased 3% to HK\$31.4 million. The growth was due to rental reversion for the Bank of America property and Seaview Estate upon lease renewal.

The Group's investment property portfolio comprises of a vacant property in TV City, certain floors of the Bank of America Tower, Ko Fai Industrial Building and Seaview Estate. The original cost of the portfolio was \$913 million and the carrying value as of 31 December 2014 was HK\$1,732 million.

The Group's investment properties were revalued at 31 December 2014 by independent professionally qualified valuers, DTZ Debenham Tie Leung Limited, who hold a recognised relevant professional qualification and have recent experience in the locations and segments of the investment properties valued. For all investment properties, their current use equates to the highest and best use. The revaluation gains or losses are shown as "Fair value gain or loss on investment properties" in the income statement. Fair values of the office buildings and industrial properties are derived using the income capitalisation approach and fair value of the vacant property is derived using the residual method. There were no changes to the valuation techniques during the year.

TV City

SCMP acquired TV City in 1996 and continues to hold this piece of property for long-term investment. We have explored different options to enhance value of this property. As one of the options, the company is looking into the feasibility of developing the property into a residential project. However, the development process is complex, in view of the size of the development and the adjacent parcel of different ownership. In November 2014, we obtained conditional approval of our revised Master Layout Plan from the Town Planning Board of the Hong Kong SAR Government. As of the latest practicable date, we still have not been notified by the Hong Kong SAR Government of the amount of land premium payable.

Liquidity and capital resources

The Group's main source of liquidity is recurring cash flows from the publishing business. The Group's financial position as at 31 December 2014 and 2013 were as follows:

<i>(HK\$ millions)</i>	31 December 2014	31 December 2013	% Change
Cash and bank balances	464.1	395.5	17
Shareholders' funds	3,116.5	3,104.3	–
Current ratio	2.9	2.6	

The Group's cash and bank balances are held predominantly in Hong Kong dollars except that we have held HK\$87.6 million of short-term bank deposits in Renminbi. Apart from the deposits in Renminbi, the Group has no significant exposure to foreign exchange fluctuations.

As at 31 December 2014, the Group had total borrowing of HK\$7.0 million, which included unsecured short-term loans from a non-controlling shareholder. The loans are repayable within one year. The Group had no gearing (after deducting cash and cash equivalents). The ratio of current assets to current liabilities was 2.9 times.

The Group managed to maintain a very strong cash position and expects its cash and cash equivalents, cash generated from operations and funds available from external sources to be adequate to meet its working capital requirements, to finance planned capital expenditures and to pay dividends.

Operating Activities

Net cash generated from operating activities for the year ended 31 December 2014 was HK\$217.6 million, compared with HK\$233.1 million for previous year due to increase in tax payment.

Investment Activities

Net cash outflow from investing activities for the year was HK\$36.9 million. It includes capital expenditure of HK\$24.5 million, investment in the shares of Shangri-La Asia Limited through a rights issue and acquisition of Destination Macau Limited. It was offset by dividend income and interest income.

Financing Activities

Net cash used in financing activities was HK\$112.1 million. During the year, HK\$99.9 million dividend was paid to the shareholders of the Company and HK\$19.2 million was paid to a non-controlling shareholder of the Group's subsidiaries. However, the Group also received shareholder loans of HK\$7 million from a non-controlling shareholder to support the operation of a new subsidiary.

Employees and Remuneration Policy

Staff costs for the year ended 31 December 2014 increased 5% or HK\$23.7 million. It was due to higher headcount for new magazine titles. The number of full time employees for the year 2014 was 1,094.

The success of the Company hinges on the performance and commitment of our employees. As the Company continues to grow, the Company's compensation philosophy is designed to provide employees with the opportunity to excel and grow, while aligning with our business strategies and values. The Group's remuneration policy aims to recognize outstanding performance, retain and attract key talents and ensure alignment with the interests of our businesses, and thereby enhancing shareholder value.

The Company has a share option scheme which is designed to motivate the eligible persons, whose contributions are or will be beneficial to the performance, growth and success of the Group, to optimize their future contributions to the Group and reward them for their past contributions and enable the Group to attract and retain individuals with experience and ability. The Remuneration Committee approves the granting of share options and reports such grants to the Board of Directors. The grant is made based on individual's performance and contributions.

Set out below is the information on the Portfolio Assets made available to the Company based on the relevant existing lease agreements provided to the Company and the Seller Announcement. Such information represents all material financial information on the Portfolio Assets available to the Company as at the Latest Practicable Date. Shareholders should note that information derived from the Seller Announcement is for Shareholders' information purpose only, and the Company has not performed any audit and/or independent verification of such information.

1. INFORMATION ON H.A.N.D.S (YAU OI COMMERCIAL CENTRE) (“ASSET 1”)

Asset 1 comprises various commercial, car parking, recreational and associated areas within Yau Oi Estate at 2 Oi Yung Street, Tuen Mun, New Territories, Hong Kong. The total internal floor area of Asset 1 is approximately 7,894 sq m comprising the retail portion, a fresh market, several cooked food stalls and the ancillary.

Based on the relevant existing lease agreements provided to the Company, the retail portion is let under various tenancies, yielding a total basic monthly income of approximately HK\$3,400,000 mostly exclusive of rates, air-conditioning charges and management fees. The fresh market is let under various tenancies, yielding a total basic monthly income of approximately HK\$1,360,000 exclusive of rates, air-conditioning charges and management fees. The cooked food stalls are let under two tenancies, yielding a total basic monthly income of approximately HK\$322,000 exclusive of rates and management fees. Miscellaneous items including, among others, automatic teller machines and vending machines, are let under various tenancies, yielding a total monthly income of approximately HK\$118,000. The average monthly turnover rent, mall merchandising income and air-conditioning charges and other income receivables during the period from October 2016 to September 2017 were approximately HK\$136,000, HK\$181,000 and HK\$478,000, respectively. The average monthly car park income receivable during the period from October 2016 to September 2017 was approximately HK\$1,280,000.

According to the Seller Announcement, the audited turnover and net property income of Asset 1 for the year ended 31 March 2017 were HK\$87,655,000 and HK\$63,660,000, respectively, and the unaudited turnover and net property income of Asset 1 for the six months ended 30 September 2017 were HK\$45,709,000 and HK\$34,423,000, respectively.

2. INFORMATION ON H.A.N.D.S (ON TING COMMERCIAL COMPLEX) (“ASSET 2”)

Asset 2 comprises various commercial, car parking and associated areas within On Ting Estate at 2A Tuen Mun Heung Sze Wui Road, Tuen Mun, New Territories, Hong Kong. The total internal floor area of Asset 2 is approximately 10,017.47 sq m.

Based on the relevant existing lease agreements provided to the Company, the retail portion is let under various tenancies, yielding a total basic monthly income of approximately HK\$6,280,000 mostly exclusive of rates, air-conditioning charges and management fees. The

miscellaneous items including, among others, automatic teller machines and vending machines, are let under various tenancies, yielding a total monthly income of approximately HK\$50,000. The average monthly turnover rent, mall merchandising income and air-conditioning charges and other income receivables during the period from October 2016 to September 2017 were approximately HK\$265,000, HK\$55,000 and HK\$642,000, respectively. The average monthly car park income receivable during the period from October 2016 to September 2017 was approximately HK\$1,100,000.

According to the Seller Announcement, the audited turnover and net property income of Asset 2 for the year ended 31 March 2017 were HK\$100,559,000 and HK\$78,899,000, respectively, and the unaudited turnover and net property income of Asset 2 for the six months ended 30 September 2017 were HK\$51,516,000 and HK\$37,382,000, respectively.

3. INFORMATION ON SHEK LEI SHOPPING CENTRE PHASE I & II (“ASSET 3”)

Asset 3 comprises various commercial, car parking, recreational and associated areas within Shek Lei Estate at 6 Wai Kek Street, Kwai Chung, New Territories, Hong Kong. The total internal floor area of Asset 3 is approximately 10,966.74 sq m comprising principally the retail portion, a fresh market, the welfare facilities, and the ancillary.

Based on the relevant existing lease agreements provided to the Company, the retail portion is let under various tenancies, yielding a total basic monthly income of approximately HK\$3,950,000 exclusive of rates, air-conditioning charges and management fees. The fresh market is let under various tenancies, yielding a total basic monthly income of approximately HK\$960,000 exclusive of rates and management fees. The welfare facilities are let under two tenancies, yielding a total basic monthly income of approximately HK\$45,000 exclusive of rates but inclusive of air-conditioning charges and management fees. The miscellaneous items including, among others, automatic teller machines and vending machines, are let under various tenancies, yielding a total monthly income of approximately HK\$182,000. The average monthly turnover rent, mall merchandising income and air-conditioning charges and other income receivables during the period from October 2016 to September 2017 were approximately HK\$94,000, HK\$381,000 and HK\$348,000, respectively. The average monthly car park income receivable during the period from October 2016 to September 2017 was approximately HK\$1,648,000.

According to the Seller Announcement, the audited turnover and net property income of Asset 3 for the year ended 31 March 2017 were HK\$94,997,000 and HK\$65,775,000, respectively, and the unaudited turnover and net property income of Asset 3 for the six months ended 30 September 2017 were HK\$49,381,000 and HK\$34,711,000, respectively.

4. INFORMATION ON TAI WO HAU COMMERCIAL CENTRE (“ASSET 4”)

Asset 4 comprises various commercial, car parking and associated areas within Tai Wo Hau Estate at 15 Tai Wo Hau Road, Kwai Chung, New Territories, Hong Kong. The total internal floor area of Asset 4 is approximately 7,036.89 sq m comprising principally the retail portion, a fresh market and the ancillary.

Based on the relevant existing lease agreements provided to the Company, the retail portion is let under various tenancies, yielding a total basic monthly income of approximately HK\$2,200,000 exclusive of rates and management fees. The fresh market is let under a tenancy for a term of six years commenced on 1 April 2017 at a basic monthly rent of HK\$640,000 from the first year to the third year and HK\$768,000 from the fourth year to the sixth year, exclusive of rates and air-conditioning charges. The miscellaneous items including, among others, automatic teller machines and storerooms, are let under various tenancies, yielding a total monthly income of approximately HK\$83,000. The average monthly turnover rent, mall merchandising income, and air-conditioning charges and other income receivables during the period from October 2016 to September 2017 were approximately HK\$36,000, HK\$29,000 and HK\$10,000, respectively. The average monthly car park income receivable during the period from October 2016 to September 2017 was approximately HK\$1,600,000.

According to the Seller Announcement, the audited turnover and net property income of Asset 4 for the year ended 31 March 2017 were HK\$55,132,000 and HK\$40,465,000, respectively, and the unaudited turnover and net property income of Asset 4 for the six months ended 30 September 2017 were HK\$29,206,000 and HK\$21,847,000, respectively.

5. INFORMATION ON KAM TAI SHOPPING CENTRE (“ASSET 5”)

Asset 5 comprises various commercial, car parking and recreational areas within Kam Tai Court at 31 Ning Tai Road, Ma On Shan, Sha Tin, New Territories, Hong Kong. The total internal floor area of Asset 5 is approximately 4,246.47 sq m comprising principally the retail portion, the welfare facilities and the ancillary.

Based on the relevant existing lease agreements provided to the Company, the retail portion is let under various tenancies, yielding a total basic monthly income of approximately HK\$1,820,000 exclusive of rates, air-conditioning charges and management fees. The welfare areas are let under various tenancies, yielding a total basic monthly income of approximately HK\$130,000 exclusive of rates but inclusive of air-conditioning charges and management fees. The miscellaneous items including, among others, telecommunication base station and automatic teller machines are let under various tenancies, yielding a total monthly income of approximately HK\$50,000. The average monthly turnover rent, mall merchandising income, and air-conditioning charges and other income receivables during the period from October 2016 to September 2017 were approximately HK\$9,000, HK\$126,000 and HK\$199,000, respectively. The average monthly car park income receivable during the period from October 2016 to September 2017 was approximately HK\$1,910,000.

According to the Seller Announcement, the audited turnover and net property income of Asset 5 for the year ended 31 March 2017 were HK\$49,859,000 and HK\$38,592,000, respectively, and the unaudited turnover and net property income of Asset 5 for the six months ended 30 September 2017 were HK\$24,961,000 and HK\$19,110,000, respectively.

6. INFORMATION ON TSZ CHING SHOPPING CENTRE (“ASSET 6”)

Asset 6 comprises various commercial, car parking, recreational and associated areas within Tsz Ching Estate at 80 Tsz Wan Shan Road, Tsz Wan Shan, Kowloon, Hong Kong. The total internal floor area of Asset 6 is approximately 1,683.85 sq m comprising principally the retail portion and the ancillary.

Based on the relevant existing lease agreements provided to the Company, the retail portion is let under various tenancies, yielding a total basic monthly income of approximately HK\$1,100,000 exclusive of rates and management fees. The miscellaneous items including, among others, automatic teller machines are let under various tenancies, yielding a total monthly income of approximately HK\$18,000. The average monthly turnover rent, and air-conditioning charges and other income receivables during the period from October 2016 to September 2017 were approximately HK\$26,000 and HK\$2,500, respectively. The average monthly car park income receivable during the period from October 2016 to September 2017 was approximately HK\$2,450,000.

According to the Seller Announcement, the audited turnover and net property income of Asset 6 for the year ended 31 March 2017 were HK\$40,460,000 and HK\$31,893,000, respectively, and the unaudited turnover and net property income of Asset 6 for the six months ended 30 September 2017 were HK\$22,226,000 and HK\$17,650,000, respectively.

7. INFORMATION ON YUNG SHING SHOPPING CENTRE (“ASSET 7”)

Asset 7 comprises various commercial and car parking areas within Yung Shing Court at 8 Fai Ming Road, Fanling, New Territories, Hong Kong. The total internal floor area of Asset 7 is approximately 5,409.70 sq m comprising principally the retail portion, a fresh market, the welfare facilities and the ancillary.

Based on the relevant existing lease agreements provided to the Company, the retail portion is let under various tenancies, yielding a total basic monthly income of approximately HK\$1,000,000 exclusive of rates, air-conditioning charges and management fees. The fresh market is let under a tenancy commenced on 16 September 2015 at a basic monthly income of HK\$396,000 for the first year, HK\$435,600 for the second year and HK\$479,160 for the third year exclusive of rates and air-conditioning charges. The welfare areas are let under two tenancies, yielding a total basic monthly income of approximately HK\$109,000 exclusive of rates and management fees. The miscellaneous items including, among others, automatic teller machines and vending machines are let under various tenancies, yielding a total monthly income of approximately HK\$122,000. The average monthly turnover rent, mall merchandising income, and air-conditioning charges and other income receivables during the period from October 2016 to September 2017 were approximately HK\$64,000, HK\$83,000 and HK\$278,000, respectively. The average monthly car park income receivable during the period from October 2016 to September 2017 was approximately HK\$860,000.

According to the Seller Announcement, the audited turnover and net property income of Asset 7 for the year ended 31 March 2017 were HK\$39,099,000 and HK\$28,158,000, respectively, and the unaudited turnover and net property income of Asset 7 for the six months ended 30 September 2017 were HK\$19,345,000 and HK\$13,545,000, respectively.

8. INFORMATION ON KAI YIP COMMERCIAL CENTRE (“ASSET 8”)

Asset 8 comprises various commercial, car parking, recreational and associated areas within Kai Yip Estate at 18 Kai Yip Road, Kowloon Bay, Kowloon, Hong Kong. The total internal floor area of Asset 8 is approximately 7,085.19 sq m comprising principally the retail portion, a fresh market, several cooked food stalls and the ancillary.

Based on the relevant existing lease agreements provided to the Company, the retail portion is let under various tenancies, yielding a total basic monthly income of approximately HK\$1,640,000 exclusive of rates and management fees. The fresh market is let under a tenancy for a term of four years commenced on 16 July 2015 at a basic monthly rent of HK\$270,000 exclusive of rates and air-conditioning charges. The cooked food stalls are let under various tenancies, yielding a total basic monthly income of approximately HK\$180,000 exclusive of rates and management fees. The miscellaneous items including, among others, automatic teller machines are let under various tenancies, yielding a total monthly income of approximately HK\$40,000. The average monthly turnover rent, mall merchandising income, and air-conditioning charges and other income receivables during the period from October 2016 to September 2017 were approximately HK\$25,000, HK\$42,000 and HK\$7,000, respectively. The average monthly car park income receivable during the period from October 2016 to September 2017 was approximately HK\$640,000.

According to the Seller Announcement, the audited turnover and net property income of Asset 8 for the year ended 31 March 2017 were HK\$35,755,000 and HK\$25,936,000, respectively, and the unaudited turnover and net property income of Asset 8 for the six months ended 30 September 2017 were HK\$17,737,000 and HK\$11,714,000, respectively.

9. INFORMATION ON CHEUNG HANG SHOPPING CENTRE (“ASSET 9”)

Asset 9 comprises various commercial, car parking and associated areas within Cheung Hang Estate at 6 Liu To Road, Tsing Yi, New Territories, Hong Kong. The total internal floor area of Asset 9 is approximately 5,624.58 sq m comprising principally the retail portion, a fresh market, the welfare facility and the ancillary.

Based on the relevant existing lease agreements provided to the Company, the retail portion is let under various tenancies, yielding a total basic monthly income of approximately HK\$1,400,000 exclusive of rates and management fees. The fresh market is let under a tenancy for a term of six years commenced on 1 April 2017 at a basic monthly income of HK\$420,000 from the first year to the third year, and HK\$504,000 from the fourth year to the sixth year exclusive of rates and air-conditioning charges. The welfare facility is let under a tenancy for a term of three years commenced on 1 April 2016 at a monthly income of HK\$8,745 exclusive of rates but inclusive of management fees. The miscellaneous items including, among others, automatic teller machines and vending machine are let under various tenancies, yielding a total

monthly income of approximately HK\$87,000. The average monthly turnover rent, mall merchandising income, and air-conditioning charges and other income receivables during the period from October 2016 to September 2017 were approximately HK\$40,000, HK\$830 and HK\$5,800, respectively. The average monthly car park income receivable during the period from October 2016 to September 2017 was approximately HK\$807,000.

According to the Seller Announcement, the audited turnover and net property income of Asset 9 for the year ended 31 March 2017 were HK\$34,236,000 and HK\$23,817,000, respectively, and the unaudited turnover and net property income of Asset 9 for the six months ended 30 September 2017 were HK\$17,875,000 and HK\$12,597,000, respectively.

10. INFORMATION ON LEI CHENG UK SHOPPING CENTRE (“ASSET 10”)

Asset 10 comprises various commercial, car parking and associated areas within Lei Cheng Uk Estate at 10 Fat Tseung Street, Cheung Sha Wan, Kowloon, Hong Kong. The total internal floor area of Asset 10 is approximately 6,867.24 sq m comprising principally the retail portion, the welfare facilities and the ancillary.

Based on the relevant existing lease agreements provided to the Company, the retail portion is let under various tenancies, yielding a total basic monthly income of approximately HK\$1,170,000 exclusive of rates and management fees. The welfare facilities are let under various tenancies mostly for terms of three years commenced on 1 August 2015 and 1 April 2016 at a monthly rent of HK\$150,000 exclusive of rates but inclusive of management fees. The miscellaneous items including, among others, automatic teller machine and vending machines are let under various tenancies, yielding a total monthly income of approximately HK\$24,000. The average monthly turnover rent, merchandising income, and air-conditioning charges and other income receivables during the period from October 2016 to September 2017 were approximately HK\$4,200, HK\$13,000 and HK\$830, respectively. The average monthly car park income receivable during the period from October 2016 to September 2017 was approximately HK\$1,140,000.

According to the Seller Announcement, the audited turnover and net property income of Asset 10 for the year ended 31 March 2017 were HK\$31,938,000 and HK\$23,000,000, respectively, and the unaudited turnover and net property income of Asset 10 for the six months ended 30 September 2017 were HK\$16,378,000 and HK\$11,509,000, respectively.

11. INFORMATION ON LIONS RISE MALL (“ASSET 11”)

Asset 11 comprises various commercial, car parking and associated areas within the commercial/car parking podium of a development named Lions Rise at 8 Muk Lun Street, Wong Tai Sin, Kowloon, Hong Kong. The total internal floor area of Asset 11 is approximately 6,179.02 sq m. As at the Latest Practicable Date, the sole registered owner of Asset 11 is Link (LRM) Limited which is directly held by Metro Pilot Limited. According to the Seller Announcement, Metro Pilot Limited has no other business other than holding the entire issued share capital of Link (LRM) Limited, the principal activities of which are investment holding and leasing with respect to Asset 11.

Based on the relevant existing lease agreements provided to the Company, the retail portion is let under various tenancies, yielding a total basic monthly income of approximately HK\$2,950,000 exclusive of rates, air-conditioning charges and management fees. The miscellaneous items including, among others, showcases are let under various tenancies, yielding a total monthly income of approximately HK\$62,000. The average monthly turnover rent, mall merchandising income, and air-conditioning charges and other income receivables during the period from October 2016 to September 2017 were approximately HK\$78,000, HK\$15,000 and HK\$350,000, respectively. The average monthly car park income receivable during the period from October 2016 to September 2017 was approximately HK\$240,000.

Set out below is the financial information of Metro Pilot Limited and Link (LRM) Limited as extracted from the Seller Announcement for the two years ended 31 March 2016 and 2017:

	Metro Pilot Limited		Link (LRM) Limited	
	For the year ended		For the year ended	
	31 March		31 March	
	2017	2016	2017	2016
	(audited)	(audited)	(audited)	(audited)
	(HK\$)	(HK\$)	(HK\$)	(HK\$)
Revenue	0	0	51,070,385	50,634,958
Net property income	0	0	37,831,570	36,760,548
Net (loss)/profit before tax	(26,035)	(39,630)	(44,081,901)	21,197,924
Net (loss)/profit after tax	(26,035)	(39,630)	(44,221,502)	21,207,543
Net liabilities (as at 31 March 2017 or 31 March 2016)	(88,211)	(62,176)	(132,194,086)	(87,972,584)

According to the information available to the Company, over 90% of the total liabilities of Link (LRM) Limited as at 31 March 2017 represented the amounts due by Link (LRM) Limited to the Seller, which will be assigned to the JV Group on completion of the acquisition of the Portfolio Assets. Accordingly, on completion of the acquisition of the Portfolio Assets, Metro Pilot Limited will be substantially holding the entire issued share capital of Link (LRM) Limited, which in turn will be substantially holding Asset 11.

12. INFORMATION ON KWAI FONG PLAZA (“ASSET 12”)

Asset 12 comprises various commercial, car parking and associated areas within Kwai Fong Estate at 177 Hing Fong Road, Kwai Chung, New Territories, Hong Kong. The total internal floor area of Asset 12 is approximately 5,323.67 sq m comprising principally the retail portion, a fresh market and the ancillary.

Based on the relevant existing lease agreements provided to the Company, the retail shops are let under various tenancies, yielding a total basic monthly income of approximately HK\$2,550,000 exclusive of rates, air-conditioning charges and management fees. The fresh market is let under various tenancies, yielding a total basic monthly income of approximately HK\$140,000 exclusive of rates and management fees. The miscellaneous items including, among others, showcases and vending machines are let under various tenancies, yielding a total monthly income of approximately HK\$62,000. The average monthly turnover rent, and air-conditioning charges and other income receivables during the period from October 2016 to

September 2017 were approximately HK\$92,000 and HK\$291,000, respectively. The average monthly car park income receivable during the period from October 2016 to September 2017 was approximately HK\$1,418,000.

According to the Seller Announcement, the audited turnover and net property income of Asset 12 for the year ended 31 March 2017 were HK\$57,047,000 and HK\$40,541,000, respectively, and the unaudited turnover and net property income of Asset 12 for the six months ended 30 September 2017 were HK\$29,313,000 and HK\$20,751,000, respectively.

13. INFORMATION ON KWAI SHING EAST SHOPPING CENTRE (“ASSET 13”)

Asset 13 comprises various commercial, car parking and associated areas within Kwai Shing East Estate at 63 Kwai Shing Circuit, Kwai Chung, New Territories, Hong Kong. The total internal floor area of Asset 13 is approximately 9,759.1 sq m comprising principally the retail portion, a fresh market and the ancillary.

Based on the relevant existing lease agreements provided to the Company, the retail portion is let under various tenancies, yielding a total basic monthly income of approximately HK\$2,440,000 exclusive of rates, air-conditioning charges and management fees. The fresh market is let under a tenancy for a term of six years commenced on 1 November 2015 at a basic monthly rent of HK\$380,000 from the first year to the third year and HK\$399,000 from the fourth year to the sixth year, exclusive of rates and air-conditioning charges. The miscellaneous items including, among others, showcases and vending machines are let under various tenancies, yielding a total monthly income of approximately HK\$65,000. The average monthly turnover rent, mall merchandising income, and air-conditioning charges and other income receivables during the period from October 2016 to September 2017 were approximately HK\$36,000, HK\$112,000 and HK\$482,000, respectively. The average monthly car park income receivable during the period from October 2016 to September 2017 was approximately HK\$1,308,000.

According to the Seller Announcement, the audited turnover and net property income of Asset 13 for the year ended 31 March 2017 were HK\$57,138,000 and HK\$36,529,000, respectively, and the unaudited turnover and net property income of Asset 13 for the six months ended 30 September 2017 were HK\$30,815,000 and HK\$19,814,000, respectively.

14. INFORMATION ON LEE ON SHOPPING CENTRE (“ASSET 14”)

Asset 14 comprises various commercial, car parking, recreational and associated areas within Lee On Estate at 23 Sha On Street, Ma On Shan, Sha Tin, New Territories, Hong Kong. The total internal floor area of Asset 14 is approximately 4,432.27 sq m comprising principally the retail portion, a fresh market and the ancillary.

Based on the relevant existing lease agreements provided to the Company, the retail portion is let under various tenancies, yielding a total basic monthly income of approximately HK\$2,010,000 exclusive of rates and management fees. The fresh market is let under a tenancy

for a term of seven years commenced on 1 March 2016 at a basic monthly rent of HK\$530,000 exclusive of rates for the first three years. The miscellaneous items including, among others, showcases and storerooms are let under various tenancies, yielding a total monthly income of approximately HK\$65,000. The average monthly turnover rent, mall merchandising income, and air-conditioning charges and other income receivables during the period from October 2016 to September 2017 were approximately HK\$56,000, HK\$36,000 and HK\$12,000, respectively. The average monthly car park income receivable during the period from October 2016 to September 2017 was approximately HK\$1,220,000.

According to the Seller Announcement, the audited turnover and net property income of Asset 14 for the year ended 31 March 2017 were HK\$47,067,000 and HK\$36,548,000, respectively, and the unaudited turnover and net property income of Asset 14 for the six months ended 30 September 2017 were HK\$24,022,000 and HK\$19,423,000, respectively.

15. INFORMATION ON RETAIL AND CAR PARK WITHIN SHUN TIN ESTATE (“ASSET 15”)

Asset 15 comprises various commercial, car parking, recreational and associated areas within Shun Tin Estate at 9 Shun On Road, Kwun Tong, Kowloon, Hong Kong. The total internal floor area of Asset 15 is approximately 6,362.88 sq m comprising principally the retail portion, a fresh market, several cooked food stalls and the welfare facilities.

Based on the relevant existing lease agreements provided to the Company, the retail portion is let under various tenancies, yielding a total basic monthly income of approximately HK\$170,000 mostly exclusive of rates and management fees. The fresh market is let under a tenancy for a term of six years commenced on 1 May 2015 at a basic monthly income of HK\$90,000 from the first year to the third year and HK\$103,500 from the fourth year to the sixth year, exclusive of rates and air-conditioning charges. The cooked food stalls are let under various tenancies, yielding a total basic monthly income of approximately HK\$200,000 exclusive of rates and management fees. The welfare facilities are let under various tenancies, yielding a total basic monthly income of approximately HK\$34,000 exclusive of rates but inclusive of management fees. The miscellaneous items including, among others, showcase are let under various tenancies, yielding a total monthly income of approximately HK\$28,000. The average monthly turnover rent, and air-conditioning charges and other income receivables during the period from October 2016 to September 2017 were approximately HK\$38,000 and HK\$23,000, respectively. The average monthly car park income receivable during the period from October 2016 to September 2017 was approximately HK\$950,000.

According to the Seller Announcement, the audited turnover and net property income of Asset 15 for the year ended 31 March 2017 were HK\$34,693,000 and HK\$26,794,000, respectively, and the unaudited turnover and net property income of Asset 15 for the six months ended 30 September 2017 were HK\$18,663,000 and HK\$13,213,000, respectively.

16. INFORMATION ON TSING YI COMMERCIAL COMPLEX (“ASSET 16”)

Asset 16 comprises various commercial, car parking and associated areas within Tsing Yi Estate at 10 Fung Shue Wo Road, Tsing Yi, New Territories, Hong Kong. The total internal floor area of Asset 16 is approximately 5,146.79 sq m comprising principally the retail portion and the ancillary.

Based on the relevant existing lease agreements provided to the Company, the retail portion is let under various tenancies, yielding a total basic monthly income of approximately HK\$1,600,000 exclusive of rates and management fees. The miscellaneous items including, among others, showcase are let under various tenancies, yielding a total monthly income of approximately HK\$35,000. The average monthly turnover rent, and air-conditioning charges and other income receivables during the period from October 2016 to September 2017 were approximately HK\$33,000 and HK\$4,200, respectively. The average monthly car park income receivable during the period from October 2016 to September 2017 was approximately HK\$1,030,000.

According to the Seller Announcement, the audited turnover and net property income of Asset 16 for the year ended 31 March 2017 were HK\$36,241,000 and HK\$27,010,000, respectively, and the unaudited turnover and net property income of Asset 16 for the six months ended 30 September 2017 were HK\$18,513,000 and HK\$13,486,000, respectively.

17. INFORMATION ON LAI KOK SHOPPING CENTRE (“ASSET 17”)

Asset 17 comprises various commercial, car parking and associated areas within Lai Kok Estate at 12 Tonkin Street, Cheung Sha Wan, Kowloon, Hong Kong. The total internal floor area of Asset 17 is approximately 7,549.51 sq m comprising principally the retail portion, a fresh market and the ancillary.

Based on the relevant existing lease agreements provided to the Company, the retail portion is let under various tenancies, yielding a total basic monthly income of approximately HK\$1,200,000 mostly exclusive of rates, air-conditioning charges and management fees. The fresh market is let under various tenancies, yielding a total basic monthly income of approximately HK\$87,000 exclusive of rates and management fees. The miscellaneous items including, among others, showcases are let under various tenancies, yielding a total monthly income of approximately HK\$19,000. The average monthly turnover rent, merchandising income, and air-conditioning charges and other income receivables during the period from October 2016 to September 2017 were approximately HK\$3,000, HK\$1,700 and HK\$128,000, respectively. The average monthly car park income receivable during the period from October 2016 to September 2017 was approximately HK\$339,000.

According to the Seller Announcement, the audited turnover and net property income of Asset 17 for the year ended 31 March 2017 were HK\$23,989,000 and HK\$14,578,000, respectively, and the unaudited turnover and net property income of Asset 17 for the six months ended 30 September 2017 were HK\$12,675,000 and HK\$7,376,000, respectively.

The following is the text of a letter and valuation reports prepared for the purpose of incorporation in this circular received from Savills Valuation and Professional Services Limited, an independent property valuer, in connection with its valuation of the Portfolio Assets as at 3 November 2017.

Great Wall Pan Asia Holdings Limited
Units 6507-6510, 65th Floor
The Center
99 Queen's Road Central
Hong Kong

30 December 2017



Savills Valuation and
Professional Services Limited
23/F Two Exchange Square
Central, Hong Kong

T: (852) 2801 6100

F: (852) 2530 0756

EA LICENCE: C-023750

savills.com

Dear Sirs

- Re: 1. H.A.N.D.S (Yau Oi Commercial Centre), 2 Oi Yung Street, Tuen Mun, New Territories, Hong Kong**
- 2. H.A.N.D.S (On Ting Commercial Complex), 2A Tuen Mun Heung Sze Wui Road, Tuen Mun, New Territories, Hong Kong**
- 3. Shek Lei Shopping Centre Phase I & II, 6 Wai Kek Street, Kwai Chung, New Territories, Hong Kong**
- 4. Tai Wo Hau Commercial Centre, 15 Tai Wo Hau Road, Kwai Chung, New Territories, Hong Kong**
- 5. Kam Tai Shopping Centre, 31 Ning Tai Road, Ma On Shan, Sha Tin, New Territories, Hong Kong**
- 6. Tsz Ching Shopping Centre, 80 Tsz Wan Shan Road, Tsz Wan Shan, Kowloon, Hong Kong**
- 7. Yung Shing Shopping Centre, 8 Fai Ming Road, Fanling, New Territories, Hong Kong**
- 8. Kai Yip Commercial Centre, 18 Kai Yip Road, Kowloon Bay, Kowloon, Hong Kong**

9. **Cheung Hang Shopping Centre, 6 Liu To Road, Tsing Yi, New Territories, Hong Kong**
10. **Lei Cheng Uk Shopping Centre, 10 Fat Tseung Street, Cheung Sha Wan, Kowloon, Hong Kong**
11. **Lions Rise Mall, 8 Muk Lun Street, Wong Tai Sin, Kowloon, Hong Kong**
12. **Kwai Fong Plaza, 177 Hing Fong Road, Kwai Chung, New Territories, Hong Kong**
13. **Kwai Shing East Shopping Centre, 63 Kwai Shing Circuit, Kwai Chung, New Territories, Hong Kong**
14. **Lee On Shopping Centre, 23 Sha On Street, Ma On Shan, Sha Tin, New Territories, Hong Kong**
15. **Retail and Car Park within Shun Tin Estate, 9 Shun On Road, Kwun Tong, Kowloon, Hong Kong**
16. **Tsing Yi Commercial Complex, 10 Fung Shue Wo Road, Tsing Yi, New Territories, Hong Kong**
17. **Lai Kok Shopping Centre, 12 Tonkin Street, Cheung Sha Wan, Kowloon, Hong Kong**

(Collectively “The Properties”)

In accordance with your instructions for us to value the Properties to be acquired by a joint venture, in which Great Wall Pan Asia Holdings Limited (“the Company”) and its subsidiaries (collectively “the Group”) shall have 29.9% equity interests, for investment purposes, we confirm that we have carried out inspections, made relevant enquiries and searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the respective Market Values of the Properties as at 3 November 2017 (“Valuation Date”) for the purposes of inclusion in a public circular to be issued by the Company on 30 December 2017.

BASIS OF VALUATION

Our valuation of each of the Properties is our opinion of its Market Value on a 100% interest basis which we would define as intended to mean “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

Moreover, Market Value is understood as the value of an asset or liability estimated without regard to costs of sale or purchase (or transaction) and without offset for any associated taxes or potential taxes.

Our valuation has been undertaken in accordance with the HKIS Valuation Standards of The Hong Kong Institute of Surveyors (“HKIS”), which incorporates the International Valuation Standards (“IVS”), and (where applicable) the relevant HKIS or jurisdictional supplement. We have also complied with Chapter 5 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”).

IDENTIFICATION AND STATUS OF THE VALUER

The subject valuation exercise is in charge by Mr. Charles Chan, who is the Managing Director of Savills Valuation and Professional Services Limited (“SVPSL”) and a Fellow of HKIS with over 33 years’ experience in valuation of properties in Hong Kong and has sufficient knowledge of the relevant market, skills and understanding to handle the subject valuation exercise competently.

Prior to your instructions for us to provide this valuation services in respect of the Properties, SVPSL and Mr. Charles Chan had been involved in valuation of the Properties for the Group’s internal reference purposes in November 2017.

We are independent of the Group. We are not aware of any instances which would give rise to potential conflict of interest from SVPSL or Mr. Charles Chan in the subject exercise. We confirm SVPSL and Mr. Charles Chan are in the position to provide objective and unbiased valuation for the Properties.

VALUATION METHODOLOGY

The Properties, which are to be held by the aforesaid joint venture for investment in Hong Kong, have been valued by the Income Capitalization Approach. We have valued each of the Properties by capitalizing the rental incomes derived from the existing tenancies with due provision for the reversionary income potential of the Properties. We have also made reference to the recent lettings of the Properties and other similar properties to determine the market rentals of the Properties. We have taken into account and made adjustments for the differences in key factors such as floor levels, sizes, frontages and time of letting. Capitalization rates are estimated with reference to the yields achieved in the sales of similar properties in the market

which are generally within the range of 3% to 4%, and with due consideration of the nature and quality of the Properties including its location, accessibility, age, condition, the expectation of the potential future rental growth, capital appreciation and relevant risk factors. The capitalization rates adopted in our valuations of each of the Properties are set out in our valuation report respectively which is considered reasonable having regard to the above-mentioned market yields.

TITLE INVESTIGATIONS

We have been provided with copies of title documents relating to the Properties and we have caused searches of the Properties at the Land Registry. We have not, however, searched the original documents to verify ownership or to ascertain the existence of any amendment which does not appear on the copies handed to us. As advised by the Company and to the best of its knowledge, there are no significant investigations, notices, pending litigation, breaches of law or title defects against the Properties. In the course of our valuation, we have assumed that the Properties have good legal titles and are freely transferable in the market. We do not accept a liability for any interpretation which we have placed on such information which is more properly the sphere of your legal advisers.

VALUATION CONSIDERATION AND ASSUMPTIONS

In the course of our valuation, we have relied to a very considerable extent on information given by the instructing party and have accepted information given to us on such matters as planning approvals or statutory notices, easements, tenure, lettings, incomes, floor plans, floor areas and all other relevant matters. We have no reason to doubt the truth and accuracy of the information provided to us by the instructing party, and have been advised by the instructing party that no material facts have been omitted from the information provided.

We have not carried out on-site measurements to verify the correctness of the floor areas in respect of the Properties but have assumed that the floor areas shown on the documents handed to us are correct. Dimensions, measurements and areas included in this letter are based on information contained in the documents provided to us and are therefore only approximations.

We have inspected the exterior of the Properties valued and, where possible, we have also inspected the interior of the Properties. Our inspections were carried out by Mr. Charles Chan, FHKIS, FRICS, Mr. Freddie Ling, MHKIS, MRICS, and Mr. Martin Wong, MHKIS, MRICS in November 2017. However, no structural survey has been made, but in the course of our inspection, we did not note any serious defect. We are not, however, able to report that the Properties are free of rot, infestation or any other structural defect. No tests were carried out to any of the services. No environmental study for the Properties have been made. In undertaking our valuation, we have assumed that the interior of the Properties are finished and maintained in reasonable conditions commensurate with their ages and uses and the Properties are in their original/approved layouts without any unauthorized structures, extensions and alterations. We have also assumed in our valuation that the Properties are provided with normal and satisfactory building services for their existing uses as at the Valuation Date.

As advised by the Company and to the best of its knowledge, there are no present and on-going plans for substantial construction, renovation, improvement, development or change of uses of the Properties.

No allowance has been made in our valuation for any charge, mortgage or amount owing on the Properties. Unless otherwise stated, it is assumed that the Properties are free from encumbrances, restrictions and outgoings of an onerous nature which could affect their values.

Except for the purpose of disclosure in the public circular to be issued by the Company in connection with the acquisition of the Properties, neither the whole nor any part of the valuation report nor any reference thereto may be included in any document, circular or statement without our written approval of the form and context in which it may appear.

We enclose herewith a summary of values and our valuation report.

Yours faithfully,
For and on behalf of

Savills Valuation and Professional Services Limited

Charles C K Chan

MSc FRICS FHKIS MCI Arb RPS(GP)

Managing Director

Freddie Ling

MRICS MHKIS RPS(GP)

Senior Director

Note: Mr. Charles C K Chan is a professional surveyor who has over 33 years' experience in valuation of properties in Hong Kong.

Mr. Freddie Ling is a professional surveyor who has over 32 years' experience in valuation of properties in Hong Kong.

SUMMARY OF VALUES

Property	Market Value in existing state as at 3 November 2017
1. H.A.N.D.S (Yau Oi Commercial Centre), 2 Oi Yung Street, Tuen Mun, New Territories, Hong Kong	HK\$2,464,200,000
2. H.A.N.D.S (On Ting Commercial Complex), 2A Tuen Mun Heung Sze Wui Road, Tuen Mun, New Territories, Hong Kong	HK\$2,826,100,000
3. Shek Lei Shopping Centre Phase I & II, 6 Wai Kek Street, Kwai Chung, New Territories, Hong Kong	HK\$2,545,700,000
4. Tai Wo Hau Commercial Centre, 15 Tai Wo Hau Road, Kwai Chung, New Territories, Hong Kong	HK\$1,531,500,000
5. Kam Tai Shopping Centre, 31 Ning Tai Road, Ma On Shan, Sha Tin, New Territories, Hong Kong	HK\$1,410,000,000
6. Tsz Ching Shopping Centre, 80 Tsz Wan Shan Road, Tsz Wan Shan, Kowloon, Hong Kong	HK\$1,196,000,000

Property	Market Value in existing state as at 3 November 2017
7. Yung Shing Shopping Centre, 8 Fai Ming Road, Fanling, New Territories, Hong Kong	HK\$896,000,000
8. Kai Yip Commercial Centre, 18 Kai Yip Road, Kowloon Bay, Kowloon, Hong Kong	HK\$1,054,000,000
9. Cheung Hang Shopping Centre, 6 Liu To Road, Tsing Yi, New Territories, Hong Kong	HK\$958,000,000
10. Lei Cheng Uk Shopping Centre, 10 Fat Tseung Street, Cheung Sha Wan, Kowloon, Hong Kong	HK\$858,000,000
11. Lions Rise Mall, 8 Muk Lun Street, Wong Tai Sin, Kowloon, Hong Kong	HK\$1,326,000,000
12. Kwai Fong Plaza, 177 Hing Fong Road, Kwai Chung, New Territories, Hong Kong	HK\$1,545,800,000

Property	Market Value in existing state as at 3 November 2017
13. Kwai Shing East Shopping Centre, 63 Kwai Shing Circuit, Kwai Chung, New Territories, Hong Kong	HK\$1,413,300,000
14. Lee On Shopping Centre, 23 Sha On Street, Ma On Shan, Sha Tin, New Territories, Hong Kong	HK\$1,324,000,000
15. Retail and Car Park within Shun Tin Estate, 9 Shun On Road, Kwun Tong, Kowloon, Hong Kong	HK\$1,015,000,000
16. Tsing Yi Commercial Complex, 10 Fung Shue Wo Road, Tsing Yi, New Territories, Hong Kong	HK\$1,004,000,000
17. Lai Kok Shopping Centre, 12 Tonkin Street, Cheung Sha Wan, Kowloon, Hong Kong	HK\$634,000,000
	<hr/>
	Total: <u>HK\$24,001,600,000</u>

VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 3 November 2017										
1. H.A.N.D.S (Yau Oi Commercial Centre), 2 Oi Yung Street, Tuen Mun, New Territories, Hong Kong. 41,037/551,040th parts or shares of and in Tuen Mun Town Lot No. 479.	<p>H.A.N.D.S (Yau Oi Commercial Centre), completed in 1980, comprises various commercial, car parking, recreational and associated areas within Yau Oi Estate in an area known as Tuen Mun.</p> <p>The immediate area of the property is a well-established residential area comprising several public housing estates and private residential developments of various ages.</p> <p>Descriptions of the said commercial, car parking, recreational and associated areas of the property are set out below:–</p> <p>(i) three stand-alone single storey cooked-food stalls;</p> <p>(ii) a 3-storey commercial block comprising shop units on Ground Floor, Levels 2 and 3 and the roof;</p> <p>(iii) a 6-storey (including Mezzanine Floor) commercial/car park block comprising a fresh market on Ground Floor, shop units on Mezzanine Floor and car parking spaces on the Levels 1 to 4;</p> <p>(iv) a single storey podium commercial centre comprising various shop units on Level 1 and a recreational area on roof which connects a commercial centre and commercial/car park block of Yau Oi Estate and H.A.N.D.S (On Ting Commercial Complex) of On Ting Estate;</p> <p>(v) portion of Ground Floor, Level 2 to Level 18 and roof of a residential block (i.e. Oi Yung House) of Yau Oi Estate;</p> <p>(vi) a stand-alone 7-storey car parking building; and</p> <p>(vii) various open car parking spaces and associated areas scattered over Yau Oi Estate.</p> <p>The total internal floor area of the property is approximately 7,894 sq m (84,971 sq ft). The breakdown of the internal floor area is set out below:–</p>	<p>The retail portion is let under various tenancies mostly for terms of two to six years with the latest expiring in June 2021 yielding a total basic monthly income of approximately HK\$3,400,000 mostly exclusive of rates, air-conditioning charges and management fees.</p> <p>The fresh market is let under various tenancies mostly for terms of one to five years with the latest expiring in February 2021 yielding a total basic monthly income of approximately HK\$1,360,000 exclusive of rates, air-conditioning charges and management fees.</p> <p>The cooked food stalls are let under two tenancies for terms of three years with the latest expiring in September 2018 yielding a total basic monthly income of approximately HK\$322,000 exclusive of rates and management fees.</p> <p>Miscellaneous items such as automatic teller machines, base stations, vending machines, showcases and storerooms etc. are let under various tenancies mostly for terms of two to three years with the latest expiring in April 2021 yielding a total monthly income of about HK\$118,000.</p> <p>The average monthly turnover rent, mall merchandising income and air-conditioning charges and other income receivable during the period from October 2016 to September 2017 are about HK\$136,000, HK\$181,000 and HK\$478,000 respectively.</p> <p>The average monthly car park income receivable during the period from October 2016 to September 2017 is about HK\$1,280,000.</p>	HK\$2,464,200,000 (Hong Kong Dollars Two Billion Four Hundred and Sixty Four Million Two Hundred Thousand)										
	<table border="1"> <thead> <tr> <th></th> <th data-bbox="762 1385 847 1423">Internal Floor Area</th> </tr> </thead> <tbody> <tr> <td data-bbox="512 1455 624 1472">Retail Portion</td> <td data-bbox="743 1455 847 1493">6,070.33 sq m (65,341 sq ft)</td> </tr> <tr> <td data-bbox="512 1502 624 1519">Fresh Market</td> <td data-bbox="743 1502 847 1540">1,280.94 sq m (13,788 sq ft)</td> </tr> <tr> <td data-bbox="512 1549 671 1566">Cooked Food Stalls</td> <td data-bbox="743 1549 847 1587">540.69 sq m (5,820 sq ft)</td> </tr> <tr> <td data-bbox="512 1596 587 1613">Ancillary</td> <td data-bbox="775 1596 847 1634">2.04 sq m (22 sq ft)</td> </tr> </tbody> </table>		Internal Floor Area	Retail Portion	6,070.33 sq m (65,341 sq ft)	Fresh Market	1,280.94 sq m (13,788 sq ft)	Cooked Food Stalls	540.69 sq m (5,820 sq ft)	Ancillary	2.04 sq m (22 sq ft)		
	Internal Floor Area												
Retail Portion	6,070.33 sq m (65,341 sq ft)												
Fresh Market	1,280.94 sq m (13,788 sq ft)												
Cooked Food Stalls	540.69 sq m (5,820 sq ft)												
Ancillary	2.04 sq m (22 sq ft)												
	<p>The property comprises a total of 780 parking spaces including 1 covered good vehicle parking space, 61 open good vehicle parking spaces, 686 covered private car parking spaces and 32 covered motorcycle parking spaces. The property also comprises 3 covered loading and unloading spaces for motor vehicles.</p>												
	<p>Tuen Mun Town Lot No. 479 is held under a Government Lease of Tuen Mun Town Lot No. 479 for a term of 50 years commencing on 14 July 2010 at an annual Government rent of 3% of the rateable value for the time being of the lot.</p>												

APPENDIX III VALUATION REPORTS ON THE PORTFOLIO ASSETS

Notes:

- (1) The current registered owner of the property is Link Properties Limited via an Assignment dated 17 August 2010 vide memorial no. 10083100750109 (the “Assignment”) and a Certified True Copy of Certificate of Change of Name dated 14 August 2015 vide memorial no. 15120400990014.
- (2) Pursuant to the land register records obtained from the Land Registry, the property is, inter alia, subject to the following encumbrances:–
 - (i) Deed of Mutual Grant of Rights and Easements dated 14 July 2010 vide memorial no. 10072900840044;
 - (ii) Footbridge A Maintenance Agreement dated 5 August 2010 vide memorial no. 10081200760013;
 - (iii) Footbridge B Maintenance Agreement dated 5 August 2010 vide memorial no. 10081200760024;
 - (iv) Deed of Mutual Covenant dated 17 August 2010 vide memorial no. 10082700980012; and
 - (v) Temporary Waiver Letter from District Lands Officer, Tuen Mun dated 14 September 2017 vide memorial no. 17102700630069.
- (3) The Assignment contains certain restrictions on alienation of the property which are summarized below:–
 - (i) The property other than the areas comprising the facilities for the parking and/or loading and unloading of motor vehicles shall not be assigned, mortgaged or charged except as a whole.
 - (ii) The facilities for the parking and/or loading and unloading of motor vehicles of the property shall not be assigned, mortgaged or charged except as a whole. Such restriction shall cease to have effect upon The Hong Kong Housing Authority disposing of any residential unit in the remaining parts of Yau Oi Estate.
- (4) The property lies within an area zoned “Residential (Group A)” under Tuen Mun Outline Zoning Plan No. S/TM/34 gazetted on 3 November 2017.
- (5) The key parameters of our valuation are set out below:–

The property	Capitalization Rate	Market Rent per month
Retail portion	Approximately 3.50%	HK\$57 per sq ft
Fresh market	Approximately 3.65%	HK\$119 per sq ft
Cooked food stall	Approximately 3.65%	HK\$58 per sq ft
Car park portion	Approximately 3.75%	HK\$1,960 per space

- (6) We have issued a valuation report dated 24 November 2017 for valuation of the Market Value of the property as at 3 November 2017 for the Group’s internal reference purposes. The valuation amount as disclosed in the valuation report is HK\$2,464,200,000.

VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 3 November 2017
<p>2. H.A.N.D.S (On Ting Commercial Complex), 2A Tuen Mun Heung Sze Wui Road, Tuen Mun, New Territories, Hong Kong.</p> <p>41,242/323,574th parts or shares of and in Tuen Mun Town Lot No. 476.</p>	<p>H.A.N.D.S (On Ting Commercial Complex), completed in 1980, comprises various commercial, car parking and associated areas within On Ting Estate in an area known as Tuen Mun.</p>	<p>The retail portion is let under various tenancies mostly for terms of two to six years with the latest expiring in May 2022 yielding a total basic monthly income of approximately HK\$6,280,000 mostly exclusive of rates, air-conditioning charges and management fees.</p>	<p>HK\$2,826,100,000 (Hong Kong Dollars Two Billion Eight Hundred and Twenty Six Million One Hundred Thousand)</p>
	<p>The immediate area of the property is a well-established residential area comprising several public housing estates and private residential developments of various ages.</p>	<p>Miscellaneous items such as automatic teller machines, showcases/advertising panels and vending machines etc. are let under various tenancies mostly for terms of six months to six years with the latest expiring in May 2021 yielding a total monthly income of about HK\$50,000.</p>	
	<p>Descriptions of the said commercial, car parking and associated areas of the property are set out below:–</p>	<p>The average monthly turnover rent, mall merchandising income and air-conditioning charges and other income receivable during the period from October 2016 to September 2017 are about HK\$265,000, HK\$55,000 and HK\$642,000 respectively.</p>	
	<p>(i) a 5-storey commercial/car park block comprising various shop units on Ground Floor and car parking spaces on 1st to 4th Floor, loading and unloading spaces and a footbridge linking the commercial/car park block and a residential block (i.e. Ting Cheung House) of On Ting Estate;</p>	<p>The average monthly car park income receivable during the period from October 2016 to September 2017 is about HK\$1,100,000.</p>	
	<p>(ii) a 3-storey commercial block comprising various shop units on Ground Floor, Levels 2 and 3 including a footbridge linking the commercial block and the commercial/car park block;</p>		
	<p>(iii) a further 3-storey commercial block comprising shop units on Ground Floor, the 1st to 2nd Floors including portion of footbridges linking up the said commercial block and the commercial podium of Yau Oi Commercial Centre in Yau Oi Estate and a residential block (i.e. Ting On House) of On Ting Estate respectively;</p>		
	<p>(iv) portion of Ground Floor, 2nd to 5th Floors, the typical floors, the roof and upper roof of a residential block (i.e. Ting Cheung House) of On Ting Estate including the footbridge linking up Ting Cheung House and the community centre of On Ting Estate; and</p>		
	<p>(v) various open car parking spaces and associated areas scattered over On Ting Estate.</p>		
	<p>The total internal floor area of the property is approximately 10,017.47 sq m (107,828 sq ft).</p>		
	<p>The property comprises a total of 546 parking spaces including 34 open good vehicle parking spaces, 39 open motor vehicle parking spaces, 15 open motor cycle parking spaces, 446 covered private car parking spaces and 12 covered motor cycle parking spaces. The property also comprises 6 open loading and unloading spaces.</p>		
	<p>Tuen Mun Town Lot No. 476 is held under a Government Lease of Tuen Mun Town Lot No. 476 for a term of 50 years commencing on 29 September 2009 at an annual Government rent of 3% of the rateable value for the time being of the lot.</p>		

Notes:

- (1) The current registered owner of the property is Link Properties Limited via an Assignment dated 18 March 2010 vide memorial no. 10040100830150 (the “Assignment”) and a Certified True Copy of Certificate of Change of Name dated 14 August 2015 vide memorial no. 15120400990014.
- (2) Pursuant to the land register records obtained from the Land Registry, the property is, inter alia, subject to the following encumbrances:–
 - (i) Deed of Mutual Covenant dated 18 March 2010 vide memorial no. 10040100830149;
 - (ii) Footbridge A Maintenance Agreement dated 5 August 2010 vide memorial no. 10081200760013; and
 - (iii) Footbridge B Maintenance Agreement dated 5 August 2010 vide memorial no. 10081200760024.
- (3) The Assignment contains certain restrictions on alienation of the property which are summarized below:–
 - (i) The property other than the areas comprising the facilities for the parking and/or loading and unloading of motor vehicles shall not be assigned, mortgaged or charged except as a whole.
 - (ii) The facilities for the parking and/or loading and unloading of motor vehicles of the property shall not be assigned, mortgaged or charged except as a whole. Such restriction shall cease to have effect upon The Hong Kong Housing Authority disposing of any residential unit in the remaining parts of On Ting Estate.
- (4) The property lies within an area zoned “Residential (Group A)” under Tuen Mun Outline Zoning Plan No. S/TM/34 gazetted on 3 November 2017.
- (5) The key parameters of our valuation are set out below:–

The property	Capitalization Rate	Market Rent per month
Retail portion	Approximately 3.50%	HK\$65 per sq ft
Car park portion	Approximately 3.75%	HK\$2,060 per space
- (6) We have issued a valuation report dated 24 November 2017 for valuation of the Market Value of the property as at 3 November 2017 for the Group’s internal reference purposes. The valuation amount as disclosed in the valuation report is HK\$2,826,100,000.

VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 3 November 2017										
<p>3. Shek Lei Shopping Centre Phase I & II, 6 Wai Kek Street, Kwai Chung, New Territories, Hong Kong.</p> <p>52,075/655,826th parts or shares of and in The Remaining Portion of Kwai Chung Town Lot No. 505.</p>	<p>Shek Lei Shopping Centre Phase I & II, completed in 1993 and 1999 respectively, comprises various commercial, car parking, recreational and associated areas within Shek Lei Estate in an area known as Kwai Chung.</p> <p>The immediate area of the property is a well-established residential area comprising several estate-type private and public residential developments of various ages.</p>	<p>The retail portion is let under various tenancies mostly for terms of two to three years with the latest expiring in October 2020 yielding a total basic monthly income of approximately HK\$3,950,000 exclusive of rates, air-conditioning charges and management fees.</p>	<p>HK\$2,545,700,000</p> <p>(Hong Kong Dollars Two Billion Five Hundred and Forty Five Million Seven Hundred Thousand)</p>										
	<p>Descriptions of the said commercial, car parking, recreational and associated areas of the property are set out below:—</p>	<p>The fresh market is let under various tenancies mostly for terms of two to three years with the latest expiring in March 2020 yielding a total basic monthly income of approximately HK\$960,000 exclusive of rates and management fees.</p>											
	<p>(i) a 4-storey commercial/car park building mainly consisting of a shopping arcade on portion of the 1st Floor (known as Shek Lei Shopping Centre Phase I); a fresh market on the Ground and another portion of the 1st Floors; welfare facilities on the 2nd Floor; a car park on the 1st to 3rd Floors; and recreational area on the Roof Level;</p>	<p>The welfare facilities are let under two tenancies both of a term of 3 years expiring in March 2019 yielding a total basic monthly income of approximately HK\$45,000 exclusive of rates but inclusive of air-conditioning charges and management fees.</p>											
	<p>(ii) a 6-storey commercial/car park building mainly consisting of a shopping arcade on the Ground to 3rd Floors (known as Shek Lei Shopping Centre Phase II); a car park on the 1st and 3rd to 5th Floors; and recreational area on the Roof Level;</p>	<p>Miscellaneous items such as automatic teller machines, showcases, base stations, vending machines and promotion venue are let under various tenancies mostly for a term of 1 to 3 years with the latest expiring in March 2020 yielding a total monthly income of approximately HK\$182,000.</p>											
	<p>(iii) a 2-storey commercial/car park building consists of a shop unit on the Ground Floor and a car park on the Ground and 1st Floors and recreational area on the Roof Level;</p>	<p>The average monthly turnover rent, mall merchandising income and air-conditioning charges and other income receivable during the period from October 2016 to September 2017 are about HK\$94,000, HK\$381,000 and HK\$348,000 respectively.</p>											
	<p>(iv) various shop units on the Ground Floors of two residential blocks (i.e. Shek Sau House and Shek Ning House); and</p>												
	<p>(v) various open parking spaces and associated areas scattered over Shek Lei Estate.</p>	<p>The average monthly car park income receivable during the period from October 2016 to September 2017 is about HK\$1,648,000.</p>											
	<p>The total internal floor area of the property is approximately 10,966.74 sq m (118,046 sq ft). The breakdown of the internal floor area is set out below:—</p>												
	<table border="1"> <thead> <tr> <th colspan="2" data-bbox="762 1364 847 1400">Internal Floor Area</th> </tr> </thead> <tbody> <tr> <td data-bbox="512 1432 624 1453">Retail Portion</td> <td data-bbox="743 1432 847 1470">8,831.10 sq m (95,058 sq ft)</td> </tr> <tr> <td data-bbox="512 1481 624 1502">Fresh Market</td> <td data-bbox="743 1481 847 1519">1,309.65 sq m (14,097 sq ft)</td> </tr> <tr> <td data-bbox="512 1530 576 1551">Welfare</td> <td data-bbox="756 1530 847 1568">821.07 sq m (8,838 sq ft)</td> </tr> <tr> <td data-bbox="512 1578 584 1600">Ancillary</td> <td data-bbox="769 1578 847 1617">4.92 sq m (53 sq ft)</td> </tr> </tbody> </table>	Internal Floor Area		Retail Portion	8,831.10 sq m (95,058 sq ft)	Fresh Market	1,309.65 sq m (14,097 sq ft)	Welfare	821.07 sq m (8,838 sq ft)	Ancillary	4.92 sq m (53 sq ft)		
Internal Floor Area													
Retail Portion	8,831.10 sq m (95,058 sq ft)												
Fresh Market	1,309.65 sq m (14,097 sq ft)												
Welfare	821.07 sq m (8,838 sq ft)												
Ancillary	4.92 sq m (53 sq ft)												
	<p>The property comprises a total of 638 parking spaces including 537 covered private car parking spaces, 17 covered goods vehicle parking spaces, 29 open goods vehicle parking spaces, 45 covered motor cycle parking spaces and 10 open motor cycle parking spaces. It also comprises 14 covered loading and unloading spaces for motor vehicles and a covered loading and unloading space for refuse collection vehicle.</p>												
	<p>Kwai Chung Town Lot No. 505 is held from the Government under a Government Lease for a term of 50 years commencing on 31 March 2010 at an annual Government rent of 3% of the rateable value for the time being of the lot.</p>												

APPENDIX III VALUATION REPORTS ON THE PORTFOLIO ASSETS

Notes:

- (1) The current registered owner of the property is Link Properties Limited by an Assignment dated 9 August 2010 vide memorial no. 10081801770037 (the "Assignment") and a Certified True Copy of Certificate on Change of Name dated 14 August 2015 vide memorial no. 15120400990014.
- (2) Pursuant to the land register records obtained from the Land Registry, except for various tenancy agreements, the property is, inter alia, subject to the following encumbrances:–
 - (i) Letter of Approval dated 14 July 2010 vide memorial no. 10072001060028;
 - (ii) Deed of Mutual Grant dated 9 August 2010 vide memorial no. 10081801770011;
 - (iii) Deed of Mutual Covenant dated 9 August 2010 vide memorial no. 10081801770020;
 - (iv) Certificated Copy of Memo with Car Park Layout Plans dated 23 June 2010 vide memorial no. 11032502820012;
 - (v) Letters with Car Park Layout Plans dated 23 December 2010 vide memorial no. 11032502820028;
 - (vi) Modification Letter dated 29 June 2012 vide memorial no. 12072000520037; and
 - (vii) Waiver Letter dated 13 September 2017 vide memorial no. 17101901080072 (Re: Shek Lei Shopping Centre and Market only).
- (3) The Assignment contains certain restrictions on alienation of the property which are summarized below:–
 - (i) The property other than the areas comprising the facilities for the parking and/or loading and unloading of motor vehicles shall not be assigned, mortgaged or charged except as a whole.
 - (ii) The facilities for the parking and/or loading and unloading of motor vehicles of the property shall not be assigned, mortgaged or charged except as a whole. Such restriction shall cease to have effect upon The Hong Kong Housing Authority disposing of any residential unit in the remaining parts of Shek Lei Estate.
 - (iii) The welfare facilities of the property shall only be let to tenants nominated by the Social Welfare Department and the Education Bureau of the Government at specified rent levels which are determined by The Hong Kong Housing Authority.
- (4) The property lies within an area zoned "Residential (Group A)" under Kwai Chung Outline Zoning Plan No. S/KC/28 gazetted on 13 June 2014.
- (5) The key parameters of our valuation are set out below:–

The property	Capitalization Rate	Market Rent per month
Retail portion	Approximately 3.50%	HK\$42 per sq ft
Welfare facilities	Approximately 3.50%	HK\$5 per sq ft
Fresh market	Approximately 3.65%	HK\$89 per sq ft
Car park portion	Approximately 3.75%	HK\$2,630 per space

- (6) We have issued a valuation report dated 24 November 2017 for valuation of the Market Value of the property as at 3 November 2017 for the Group's internal reference purposes. The valuation amount as disclosed in the valuation report is HK\$2,545,700,000.

VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 3 November 2017						
<p>4. Tai Wo Hau Commercial Centre, 15 Tai Wo Hau Road, Kwai Chung, New Territories.</p> <p>32,793/475,099th parts or shares of and in The Remaining Portion of Kwai Chung Town Lot No. 503.</p>	<p>Tai Wo Hau Commercial Centre, completed in phases from 1984 to 1993, comprises various commercial, car parking and associated areas within Tai Wo Hau Estate in an area known as Tai Wo Hau.</p> <p>The immediate area of the property is a well-established residential area comprising a mixture of private residential developments, Home Ownership Scheme development and public rental housing estates of various ages.</p> <p>Descriptions of the said commercial, car parking and associated areas of the property are set out below:–</p> <p>(i) a 4-storey commercial and car park block (known as Tai Wo Hau Shopping Centre 1) consisting of a shopping arcade on the Ground Floor to 3rd Floors; a fresh market on the 1st Floor; and a car park on the Ground Floor;</p> <p>(ii) a single-storey retail building (known as Tai Wo Hau Shopping Centre 2);</p> <p>(iii) various shop units on the Ground Floor to 3rd Floor of five residential blocks (i.e. Fu Tak House, Fu Pik House, Fu On House, Fu Man House and Fu Pong House);</p> <p>(iv) a 4-storey car park (known as Tai Wo Hau Fu Kwok House Car Park);</p> <p>(v) a multi-storey car park on the Level 1 and Level 2 underneath the Tai Wo Hau Community Centre;</p> <p>(vi) a car park on the Lower Ground Floor of Tai Wo Hau Sports Centre; and</p> <p>(vii) various open parking spaces and associated areas scattered over Tai Wo Hau Estate.</p> <p>The total internal floor area of the property is approximately 7,036.89 sq m (75,745 sq ft). The breakdown of the internal floor area is set out below:–</p>	<p>The retail portion is let under various tenancies mostly for terms of two to three years with the latest expiring in December 2020 yielding a total basic monthly income of approximately HK\$2,200,000 exclusive of rates and management fees.</p> <p>The fresh market is let under a tenancy for a term of six years commencing on 1 April 2017 at a basic monthly rent of HK\$640,000 from year 1 to year 3 and HK\$768,000 from year 4 to year 6 exclusive of rates and air-conditioning charges.</p> <p>Miscellaneous items such as automatic teller machines, showcases and storerooms are let under various tenancies mostly for a term of 2 to 3 years with the latest expiring in March 2023 yielding a total monthly income of approximately HK\$83,000.</p> <p>The average monthly turnover rent, mall merchandising income and air-conditioning charges and other income receivable during the period from October 2016 to September 2017 are about HK\$36,000, HK\$29,000 and HK\$10,000 respectively.</p> <p>The average monthly car park income receivable during the period from October 2016 to September 2017 is about HK\$1,600,000.</p>	<p>HK\$1,531,500,000</p> <p>(Hong Kong Dollars One Billion Five Hundred and Thirty One Million Five Hundred Thousand)</p>						
	<p>Internal Floor Area</p>								
	<table border="0"> <tr> <td>Retail Portion</td> <td>5,918.99 sq m (63,712 sq ft)</td> </tr> <tr> <td>Fresh Market</td> <td>1,116.13 sq m (12,014 sq ft)</td> </tr> <tr> <td>Ancillary</td> <td>1.77 sq m (19 sq ft)</td> </tr> </table>	Retail Portion	5,918.99 sq m (63,712 sq ft)	Fresh Market	1,116.13 sq m (12,014 sq ft)	Ancillary	1.77 sq m (19 sq ft)		
Retail Portion	5,918.99 sq m (63,712 sq ft)								
Fresh Market	1,116.13 sq m (12,014 sq ft)								
Ancillary	1.77 sq m (19 sq ft)								
	<p>The property comprises a total of 609 parking spaces including 512 covered private car parking spaces, 7 covered goods vehicle parking spaces, 33 open goods vehicle parking spaces, 43 covered motor cycle parking spaces and 14 open motor cycle parking spaces. It also comprises 3 covered loading and unloading spaces.</p> <p>Kwai Chung Town Lot No. 503 is held under a Government Lease for a term of 50 years commencing on 29 December 2008 at an annual Government rent of 3% of the rateable value for the time being of the lot.</p>								

APPENDIX III VALUATION REPORTS ON THE PORTFOLIO ASSETS

Notes:

- (1) The current registered owner of the property is Link Properties Limited via an Assignment dated 24 March 2009 vide memorial no. 09040801500038 (the “Assignment”) and a Certified True Copy of Certificate of Incorporation on Change of Name dated 14 August 2015 vide memorial no. 15120400990014.
- (2) Pursuant to the land register records obtained from the Land Registry, the property is, inter alia, subject to the following encumbrances:–
- (i) Approval Letter dated 19 February 2009 vide memorial no. 09031201600043;
 - (ii) Deed Poll dated 24 February 2009 vide memorial no. 09031201600055;
 - (iii) Deed of Mutual Grant dated 24 March 2009 vide memorial no. 09040801500014;
 - (iv) Deed of Mutual Covenant dated 24 March 2009 vide memorial no. 09040801500029; and
 - (v) Waiver Letter dated 13 September 2017 vide memorial no. 17100902070033 (re: open car park and multi-storey car park).
- (3) The Assignment contains certain restrictions on alienation of the property which are summarized below:–
- (i) The property other than the areas comprising the facilities for the parking and/or loading and unloading of motor vehicles shall not be assigned, mortgaged or charged except as a whole.
 - (ii) The facilities for the parking and/or loading and unloading of motor vehicles of the property shall not be assigned, mortgaged or charged except as a whole. Such restriction shall cease to have effect upon The Hong Kong Housing Authority disposing of any residential unit in the remaining parts of Tai Wo Hau Estate.
- (4) The property lies within areas zoned “Residential (Group A)” and “Government, Institution or Community” under Kwai Chung Outline Zoning Plan No. S/KC/28 gazetted on 13 June 2014.
- (5) The key parameters of our valuation are set out below:–
- | The property | Capitalization Rate | Market Rent per month |
|---------------------|----------------------------|------------------------------|
| Retail portion | Approximately 3.75% | HK\$38 per sq ft |
| Fresh market | Approximately 3.90% | HK\$53 per sq ft |
| Car park portion | Approximately 3.75% | HK\$2,660 per space |
- (6) We have issued a valuation report dated 24 November 2017 for valuation of the Market Value of the property as at 3 November 2017 for the Group’s internal reference purposes. The valuation amount as disclosed in the valuation report is HK\$1,531,500,000.

VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 3 November 2017								
5. Kam Tai Shopping Centre, 31 Ning Tai Road, Ma On Shan, Sha Tin, New Territories, Hong Kong. 31,347/32,708th parts or shares of and in Section A of Sha Tin Town Lot No. 447.	<p>Kam Tai Shopping Centre, completed in 2000, comprises various commercial, car parking and recreational areas within Kam Tai Court in an area known as Ma On Shan.</p> <p>The immediate area of the property is a well-established residential area comprising several estate-type private developments of various ages.</p> <p>Descriptions of the said commercial, car parking and recreational areas of the property are set out below:–</p> <p>(i) a 7-storey free standing building comprising retail shops on the Ground and 1st Floors, the welfare premises on the 1st Floor; and a car park on the 2nd Floor to 6th Floor; and</p> <p>(ii) recreational facilities on the Roof Level of the said building.</p> <p>The total internal floor area of the property is approximately 4,246.47 sq m (45,709 sq ft). The breakdown of the internal floor area is set out below:–</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="text-align: center;">Internal Floor Area</th> </tr> </thead> <tbody> <tr> <td>Retail Portion</td> <td style="text-align: center;">2,416.30 sq m (26,009 sq ft)</td> </tr> <tr> <td>Welfare Facilities</td> <td style="text-align: center;">1,828.13 sq m (19,678 sq ft)</td> </tr> <tr> <td>Ancillary</td> <td style="text-align: center;">2.04 sq m (22 sq ft)</td> </tr> </tbody> </table> <p>The property comprises a total of 758 parking spaces including 718 covered private car parking spaces and 40 covered motor cycle parking spaces. It also comprises 4 covered loading and unloading spaces.</p> <p>Sha Tin Town Lot No. 447 is held under a Government lease for a term of 50 years commencing on 29 June 1998 at an annual Government rent of 3% of the rateable value for the time being of the lot.</p>		Internal Floor Area	Retail Portion	2,416.30 sq m (26,009 sq ft)	Welfare Facilities	1,828.13 sq m (19,678 sq ft)	Ancillary	2.04 sq m (22 sq ft)	<p>The retail portion is let under various tenancies mostly for terms of two to three years with the latest expiring in October 2020 yielding a total basic monthly income of approximately HK\$1,820,000 exclusive of rates, air-conditioning charges and management fees.</p> <p>The welfare areas are let under three tenancies for terms of two to three years with the latest expiring in March 2019 yielding a total basic monthly income of approximately HK\$130,000 exclusive of rates but inclusive of air-conditioning charges and management fees.</p> <p>Miscellaneous items such as telecommunication base station, showcases, advertising panels and automatic teller machines are let under various tenancies mostly for a term of 2 to 3 years with the latest expiring in October 2020 yielding a total monthly income of approximately HK\$50,000.</p> <p>The average monthly turnover rent, mall merchandising income and air-conditioning charges and other income receivable during the period from October 2016 to September 2017 are about HK\$9,000, HK\$126,000 and HK\$199,000 respectively.</p> <p>The average monthly car park income receivable during the period from October 2016 to September 2017 is about HK\$1,910,000.</p>	<p>HK\$1,410,000,000</p> <p>(Hong Kong Dollars One Billion Four Hundred and Ten Million)</p>
	Internal Floor Area										
Retail Portion	2,416.30 sq m (26,009 sq ft)										
Welfare Facilities	1,828.13 sq m (19,678 sq ft)										
Ancillary	2.04 sq m (22 sq ft)										

APPENDIX III VALUATION REPORTS ON THE PORTFOLIO ASSETS

Notes:

- (1) The current registered owner of the property is Link Properties Limited via an Assignment dated 16 February 2006 vide memorial no. 06030302110026 (the “Assignment”) and a Certified True Copy of Certificate of Incorporation on Change of Name dated 14 August 2015 vide memorial no. 15120400990014.
- (2) Pursuant to the land register records obtained from the Land Registry, the property is subject to a Deed of Mutual Covenant dated 16 February 2006 vide memorial no. 06030302110035.
- (3) The Assignment contains certain restrictions on alienation of the property which are summarized below:–
 - (i) The property other than the areas comprising the facilities for the parking and/or loading and unloading of motor vehicles shall not be assigned, mortgaged or charged except as a whole.
 - (ii) The welfare facilities of the property shall only be let to tenants nominated by the Social Welfare Department and the Education Bureau of the Government at specified rent levels which are determined by The Hong Kong Housing Authority.
- (4) The property lies within an area zoned “Residential (Group A)” under Ma On Shan Outline Zoning Plan No. S/MOS/22 gazetted on 15 January 2016.
- (5) The key parameters of our valuation are set out below:–

The property	Capitalization Rate	Market Rent per month
Retail portion	Approximately 3.50%	HK\$74 per sq ft
Welfare Facilities	Approximately 3.50%	HK\$7 per sq ft
Car park portion	Approximately 3.75%	HK\$2,740 per space

- (6) We have issued a valuation report dated 24 November 2017 for valuation of the Market Value of the Property as at 3 November 2017 for the Group’s internal reference purposes. The valuation amount as disclosed in the valuation report is HK\$1,410,000,000.

VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 3 November 2017
<p>6. Tsz Ching Shopping Centre, 80 Tsz Wan Shan Road, Tsz Wan Shan, Kowloon, Hong Kong.</p> <p>32,549/507,335th parts or shares of and in New Kowloon Inland Lot No. 6444.</p>	<p>Tsz Ching Shopping Centre, completed by phases from 1996 to 2001, comprises various commercial, car parking, recreational and associated areas within Tsz Ching Estate in an area known as Tsz Wan Shan.</p> <p>The immediate area of the property is a well-established residential area comprising several public rental housing estates and Home Ownership Scheme developments of various ages.</p> <p>Descriptions of the said commercial, car parking, recreational and associated areas of the property are set out below:–</p> <p>(i) a 3-storey commercial and car parking building (known as Tsz Ching Shopping Centre I) consisting of a car park on the Ground and 1st Floors and various shop units on the 2nd Floor;</p> <p>(ii) various shop units on the Ground Floor of a residential block (i.e. Ching Wo House) of Tsz Ching Estate;</p> <p>(iii) a 4-storey commercial and car parking building (known as Tsz Ching Shopping Centre II) consisting of a car park on the Basement, Ground to 2nd Floors, various shop units on the Ground Floor and recreational areas on the Roof;</p> <p>(iv) a stand-alone 6-storey (including a Mezzanine Floor) car parking building with recreational areas on the Roof; and</p> <p>(v) an open loading/unloading space and associated areas scattered over Tsz Ching Estate.</p> <p>The total internal floor area of the property is approximately 1,683.85 sq m (18,125 sq ft). The breakdown of the internal floor area is set out below:–</p>	<p>The retail portion is let under various tenancies mostly for terms of 2 to 3 years with the latest expiring in October 2020 yielding a total basic monthly income of approximately HK\$1,100,000 exclusive of rates and management fees.</p> <p>Miscellaneous items such as automatic teller machines are let under various tenancies mostly for a term of 3 years with the latest expiring in November 2018 yielding a total monthly income of approximately HK\$18,000.</p> <p>The average monthly turnover rent and air-conditioning charges and other income receivable during the period from October 2016 to September 2017 are about HK\$26,000 and HK\$2,500 respectively.</p> <p>The average monthly car park income receivable during the period from October 2016 to September 2017 is about HK\$2,450,000.</p>	<p>HK\$1,196,000,000</p> <p>(Hong Kong Dollars One Billion One Hundred and Ninety Six Million)</p>
	<p>Internal Floor Area</p>		
	<p>Retail Portion 1,679.77 sq m (18,081 sq ft)</p> <p>Ancillary 4.09 sq m (44 sq ft)</p>		
	<p>The property comprises a total of 882 parking spaces including 694 covered private car parking spaces, 44 covered goods vehicle parking spaces and 144 covered motor cycle parking spaces. It also comprises an open loading and unloading space.</p> <p>New Kowloon Inland Lot No. 6444 is held under a Government Lease of New Kowloon Inland Lot No. 6444 for a term of 50 years commencing on 28 February 2007 at an annual Government rent of 3% of the rateable value for the time being of the lot.</p>		

APPENDIX III VALUATION REPORTS ON THE PORTFOLIO ASSETS

Notes:

- (1) The current registered owner of the property is Link Properties Limited via an Assignment dated 30 March 2007 vide memorial no. 07041600770020 (the “Assignment”) and via a Certified True Copy of Certificate of Incorporation on Change of Name dated 14 August 2015 vide memorial no. 15120400990014.
- (2) Pursuant to the land register records obtained from the Land Registry, the property is, inter alia, subject to the following encumbrances:–
 - (i) Deed of Mutual Covenant dated 30 March 2007 vide memorial no. 07041600770016; and
 - (ii) Footbridge Maintenance Agreement dated 28 May 2008 vide memorial no. 08060201520036.
- (3) The Assignment contains certain restrictions on alienation of the property which are summarized below:–
 - (i) The property other than the areas comprising the facilities for the parking and/or loading and unloading of motor vehicles shall not be assigned, mortgaged or charged except as a whole.
 - (ii) The facilities for the parking and/or loading and unloading of motor vehicles of the property shall not be assigned, mortgaged or charged except as a whole. Such restriction shall cease to have effect upon The Hong Kong Housing Authority disposing of any residential unit in the remaining parts of Tsz Ching Estate.
- (4) The property lies within an area zoned “Residential (Group A)” under Tsz Wan Shan, Diamond Hill and San Po Kong Outline Zoning Plan No. S/K11/29 gazetted on 16 December 2016.
- (5) The key parameters of our valuation are set out below:–

The property	Capitalization Rate	Market Rent per month
Retail portion	Approximately 3.60%	HK\$62 per sq ft
Car park portion	Approximately 3.75%	HK\$2,900 per space
- (6) We have issued a valuation report dated 24 November 2017 for valuation of the Market Value of the property as at 3 November 2017 for the Group’s internal reference purposes. The valuation amount as disclosed in the valuation report is HK\$1,196,000,000.

VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 3 November 2017										
7. Yung Shing Shopping Centre, 8 Fai Ming Road, Fanling, New Territories, Hong Kong. 12,641/161,475th parts or shares of and in Fanling Sheung Shui Town Lot No. 207.	<p>Yung Shing Shopping Centre, completed in 2000, comprises various commercial and car parking areas within Yung Shing Court in an area known as Fanling.</p> <p>The immediate area of the property is a well-established residential area comprising several public housing estates and Home Ownership Scheme developments of various ages.</p> <p>Descriptions of the commercial and car parking areas of the property are set out below:–</p> <p>(i) a 3-storey commercial complex accommodating a fresh market on the Ground Floor, various shop units and ancillary areas on the Ground and 1st Floors and welfare facilities on the 1st and 2nd Floors but excluding recreational areas and facilities on the 2nd Floor; and</p> <p>(ii) a car park on the Ground to 3rd Floors of a 7-storey ancillary facilities block.</p> <p>The total internal floor area of the property is approximately 5,409.70 sq m (58,230 sq ft). The breakdown of the internal floor area is set out below:–</p> <table border="1"> <thead> <tr> <th></th> <th>Internal Floor Area</th> </tr> </thead> <tbody> <tr> <td>Retail Portion</td> <td>3,294.41 sq m (35,461 sq ft)</td> </tr> <tr> <td>Fresh Market</td> <td>489.22 sq m (5,266 sq ft)</td> </tr> <tr> <td>Welfare Facilities</td> <td>1,621.05 sq m (17,449 sq ft)</td> </tr> <tr> <td>Ancillary</td> <td>5.02 sq m (54 sq ft)</td> </tr> </tbody> </table> <p>The property comprises a total of 283 parking spaces including 241 covered private car parking spaces, 30 covered light goods vehicles parking spaces and 12 covered motor cycle parking spaces.</p> <p>The property also comprises 4 open loading and unloading bays and 1 open parking space for refuse collection vehicle on the Ground Floor of the development.</p> <p>Fanling Sheung Shui Town Lot No. 207 is held from the Government under a Government Lease for a term of 50 years commencing on 16 July 1999 at an annual Government rent of 3% of the rateable value for the time being of the lot.</p>		Internal Floor Area	Retail Portion	3,294.41 sq m (35,461 sq ft)	Fresh Market	489.22 sq m (5,266 sq ft)	Welfare Facilities	1,621.05 sq m (17,449 sq ft)	Ancillary	5.02 sq m (54 sq ft)	<p>The retail portion is let under various tenancies mostly for terms of two to three years with the latest expiring in October 2023 yielding a total basic monthly income of approximately HK\$1,000,000 exclusive of rates, air-conditioning charges and management fees.</p> <p>Fresh market is let under a tenancy for a term of three years commencing on 16 September 2015 at a basic monthly income of HK\$396,000 for year 1, HK\$435,600 for year 2 and HK\$479,160 for year 3 exclusive of rates and air-conditioning charges.</p> <p>The welfare areas are let under two tenancies both for three-year term with the latest expiring in March 2019 yielding a total basic monthly income of approximately HK\$109,000 exclusive of rates and management fees.</p> <p>Miscellaneous items such as automatic teller machines, showcases, advertising panels, vending machines, base stations and storerooms etc. are let under various tenancies mostly for a term of two to three years with the latest expiring in April 2020 yielding a total monthly income of approximately HK\$122,000.</p> <p>The average monthly turnover rent, mall merchandising income and air-conditioning charges and other income receivable during the period from October 2016 to September 2017 are about HK\$64,000, HK\$83,000 and HK\$278,000 respectively.</p> <p>The average monthly car park income receivable during the period from October 2016 to September 2017 is about HK\$860,000.</p>	<p>HK\$896,000,000 (Hong Kong Dollars Eight Hundred and Ninety Six Million)</p>
	Internal Floor Area												
Retail Portion	3,294.41 sq m (35,461 sq ft)												
Fresh Market	489.22 sq m (5,266 sq ft)												
Welfare Facilities	1,621.05 sq m (17,449 sq ft)												
Ancillary	5.02 sq m (54 sq ft)												

APPENDIX III VALUATION REPORTS ON THE PORTFOLIO ASSETS

Notes:

- (1) The current registered owner of the property is Link Properties Limited via an Assignment dated 25 November 2005 vide memorial no. 05121301540156 (the “Assignment”) and a Certified True Copy of Certificate of Incorporation on Change of Name dated 14 August 2015 vide memorial no. 15120400990014.
- (2) Pursuant to the land register records obtained from the Land Registry, the property is, inter alia, subject to the following encumbrances:–
 - (i) Re-Registration of Deed of Mutual Covenant dated 4 April 2000 vide memorial no. N487458;
 - (ii) Deed Poll dated 20 October 2005 vide memorial no. 05120201680105;
 - (iii) Temporary Waiver from District Lands Officer, North dated 5 February 2013 regarding the installation of radio base stations and antennae for 2G/3G mobile phone services vide memorial no. 13022101200049; and
 - (iv) Temporary Waiver from District Lands Officer, North dated 5 February 2013 regarding the installation of radio base stations and antennae for 2G/3G mobile phone services vide memorial no. 13022101200055.
- (3) The Assignment contains certain restrictions on alienation of the property which are summarized below:–
 - (i) The property other than the areas comprising the facilities for the parking and/or loading and unloading of motor vehicles shall not be assigned, mortgaged or charged except as a whole.
 - (ii) The welfare facilities of the property shall only be let to tenants nominated by the Social Welfare Department and the Education Bureau of the Government at specified rent levels which are determined by The Hong Kong Housing Authority.
- (4) The property lies within an area zoned “Residential (Group A)” on Fanling Sheung Shui Outline Zoning Plan No. S/FSS/22 gazetted on 13 January 2017.
- (5) The key parameters of our valuation are set out below:–

The property	Capitalization Rate	Market Rent per month
Retail portion	Approximately 3.70%	HK\$37 per sq ft
Welfare facilities	Approximately 3.70%	HK\$7 per sq ft
Fresh market	Approximately 3.90%	HK\$86 per sq ft
Car park portion	Approximately 3.75%	HK\$2,890 per space

- (6) We have issued a valuation report dated 24 November 2017 for valuation of the Market Value of the property as at 3 November 2017 for the Group’s internal reference purposes. The valuation amount as disclosed in the valuation report is HK\$896,000,000.

VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 3 November 2017										
8. Kai Yip Commercial Centre, 18 Kai Yip Road, Kowloon Bay, Kowloon, Hong Kong. 26,955/211,867th parts or shares of and in New Kowloon Inland Lot No. 6466.	<p>Kai Yip Commercial Centre, completed in 1981, comprises various commercial, car parking, recreational and associated areas within Kai Yip Estate in an area known as Kowloon Bay.</p> <p>The immediate area of the property is a well-established residential area comprising several estate-type private and public residential developments of various ages.</p> <p>Descriptions of the said commercial, car parking, recreational and associated areas of the property are set out below:–</p> <p>(i) a 6-storey free standing building mainly consisting of a shopping arcade on the Ground, Mezzanine and 1st Floors; a fresh market on the Ground Floor; a car park on the 1st to 3rd Floors; and recreational areas on the 2nd Floor and Roof Level;</p> <p>(ii) various shop units on the Ground Floor of two residential blocks (i.e. Kai Yin House, Kai Lok House) and the community hall of Kai Yip Estate;</p> <p>(iii) two stand-alone single storey cooked-food stalls; and</p> <p>(iv) various open parking spaces, refuse collection point and associated areas scattered over Kai Yip Estate.</p> <p>The total internal floor area of the property is approximately 7,085.19 sq m (76,265 sq ft). The breakdown of the internal floor area is set out below:–</p> <table border="1"> <thead> <tr> <th></th> <th>Internal Floor Area</th> </tr> </thead> <tbody> <tr> <td>Retail Portion</td> <td>6,168.43 sq m (66,397 sq ft)</td> </tr> <tr> <td>Fresh Market</td> <td>560.39 sq m (6,032 sq ft)</td> </tr> <tr> <td>Cooked Food Stalls</td> <td>352.29 sq m (3,792 sq ft)</td> </tr> <tr> <td>Ancillary</td> <td>4.09 sq m (44 sq ft)</td> </tr> </tbody> </table> <p>The property comprises a total of 383 parking spaces including 316 covered private car parking spaces, 12 open private car parking spaces, 4 open goods vehicle parking spaces and 51 covered motor cycle parking spaces. It also comprises 6 covered loading and unloading spaces and 2 open loading and unloading spaces.</p> <p>New Kowloon Inland Lot No. 6466 is held under a Government lease for a term of 50 years commencing on 3 July 2008 at an annual Government rent of 3% of the rateable value for the time being of the lot.</p>		Internal Floor Area	Retail Portion	6,168.43 sq m (66,397 sq ft)	Fresh Market	560.39 sq m (6,032 sq ft)	Cooked Food Stalls	352.29 sq m (3,792 sq ft)	Ancillary	4.09 sq m (44 sq ft)	<p>The retail portion is let under various tenancies mostly for terms of two to three years with the latest expiring in October 2020 yielding a total basic monthly income of approximately HK\$1,640,000 exclusive of rates and management fees.</p> <p>The fresh market is let under a tenancy for a term of four years commencing on 16 July 2015 at a basic monthly rent of HK\$270,000 exclusive of rates and air-conditioning charges.</p> <p>The cooked-food stalls are let under various tenancies mostly for a term of six months with the latest expiring in March 2018 yielding a total basic monthly income of approximately HK\$180,000 exclusive of rates and management fees.</p> <p>Miscellaneous items such as telecommunication base stations and automatic teller machines are let under various tenancies mostly for a term of 2 to 3 years with the latest expiring in September 2020 yielding a total monthly income of approximately HK\$40,000.</p> <p>The average monthly turnover rent, mall merchandising income and air-conditioning charges and other income receivable during the period from October 2016 to September 2017 are about HK\$25,000, HK\$42,000 and HK\$7,000 respectively.</p> <p>The average monthly car park income receivable during the period from October 2016 to September 2017 is about HK\$640,000.</p>	<p>HK\$1,054,000,000 (Hong Kong Dollars One Billion Fifty Four Million)</p>
	Internal Floor Area												
Retail Portion	6,168.43 sq m (66,397 sq ft)												
Fresh Market	560.39 sq m (6,032 sq ft)												
Cooked Food Stalls	352.29 sq m (3,792 sq ft)												
Ancillary	4.09 sq m (44 sq ft)												

APPENDIX III VALUATION REPORTS ON THE PORTFOLIO ASSETS

Notes:

- (1) The current registered owner of the property is Link Properties Limited via an Assignment dated 16 January 2009 vide memorial no. 09020301970014 (the “Assignment”) and a Certified True Copy of Certificate of Incorporation on Change of Name dated 14 August 2015 vide memorial no. 15120400990014.
- (2) Pursuant to the land register records obtained from the Land Registry, the property is subject to a Deed of Mutual Covenant dated 16 January 2009 in favour of The Hong Kong Housing Authority vide memorial no. 09020301970025.
- (3) The Assignment contains certain restrictions on alienation of the property which are summarized below:–
 - (i) The property other than the areas comprising the facilities for the parking and/or loading and unloading of motor vehicles shall not be assigned, mortgaged or charged except as a whole.
 - (ii) The facilities for the parking and/or loading and unloading of motor vehicles of the property shall not be assigned, mortgaged or charged except as a whole. Such restriction shall cease to have effect upon The Hong Kong Housing Authority disposing of any residential unit in the remaining parts of Kai Yip Estate.
- (4) The property lies within an area zoned “Residential (Group A)” under Ngau Tau Kok and Kowloon Bay Outline Zoning Plan No. S/K13/29 gazetted on 13 April 2017.
- (5) The key parameters of our valuation are set out below:–

The property	Capitalization Rate	Market Rent per month
Retail portion	Approximately 3.50%	HK\$28 per sq ft
Fresh market	Approximately 3.65%	HK\$50 per sq ft
Cooked-food stalls	Approximately 3.65%	HK\$49 per sq ft
Car park portion	Approximately 3.75%	HK\$1,850 per space

- (6) We have issued a valuation report dated 24 November 2017 for valuation of the Market Value of the property as at 3 November 2017 for the Group’s internal reference purposes. The valuation amount as disclosed in the valuation report is HK\$1,054,000,000.

VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 3 November 2017										
9. Cheung Hang Shopping Centre, 6 Liu To Road, Tsing Yi, New Territories, Hong Kong. 26,593/289,056th parts or shares of and in Tsing Yi Town Lot No. 177.	<p>Cheung Hang Shopping Centre, completed in 1990, comprises various commercial, car parking, and associated areas within Cheung Hang Estate in an area known as Tsing Yi.</p> <p>The immediate area of the property is residential in nature, comprising several public rental housing estates and a private residential development of various ages.</p> <p>Descriptions of the said commercial, car parking, and associated areas of the property are set out below:–</p> <p>(i) a 5-storey commercial and car park block with roof and upper roof (known as Cheung Hang Shopping Centre) consisting of various shop units on the Ground Floor, Lower Ground Floor 1 and portion of Lower Ground Floor 2; a car park on portions of the Lower Ground Floors 2 to 4; a welfare facility on portion of the Lower Ground Floor 3 and a fresh market on portion of the Lower Ground Floor 4;</p> <p>(ii) a 5-storey carpark block with a podium roof; and</p> <p>(iii) two open loading/unloading spaces and associated areas scattered over Cheung Hang Estate.</p> <p>The total internal floor area of the property is approximately 5,624.58 sq m (60,543 sq ft). The breakdown of the internal floor area is set out below:–</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="text-align: center;">Internal Floor Area</th> </tr> </thead> <tbody> <tr> <td>Retail Portion</td> <td style="text-align: center;">4,791.06 sq m (51,571 sq ft)</td> </tr> <tr> <td>Fresh Market</td> <td style="text-align: center;">661.37 sq m (7,119 sq ft)</td> </tr> <tr> <td>Welfare Facility</td> <td style="text-align: center;">159.05 sq m (1,712 sq ft)</td> </tr> <tr> <td>Ancillary</td> <td style="text-align: center;">13.10 sq m (141 sq ft)</td> </tr> </tbody> </table> <p>The property comprises a total of 327 parking spaces including 277 covered private car parking spaces, 12 covered goods vehicle parking spaces and 38 covered motor cycle parking spaces. It also comprises 3 covered loading and unloading spaces and 2 open loading and unloading spaces.</p> <p>Tsing Yi Town Lot No. 177 is held under a Government Lease for a term of 50 years commencing on 29 December 2008 at an annual Government rent of 3% of the rateable value for the time being of the lot.</p>		Internal Floor Area	Retail Portion	4,791.06 sq m (51,571 sq ft)	Fresh Market	661.37 sq m (7,119 sq ft)	Welfare Facility	159.05 sq m (1,712 sq ft)	Ancillary	13.10 sq m (141 sq ft)	<p>The retail portion is let under various tenancies mostly for terms of two to three years with the latest expiring in November 2021 yielding a total basic monthly income of approximately \$1,400,000 exclusive of rates and management fees.</p> <p>The fresh market is let under a tenancy for a term for a term of six years commencing on 1 April 2017 at a basic monthly income of HK\$420,000 from year 1 to year 3 and HK\$504,000 from year 4 to year 6 exclusive of rates and air-conditioning charges.</p> <p>The welfare facility is let under a tenancy for a term of three years commencing on 1 April 2016 at a monthly income of HK\$8,745 exclusive of rates but inclusive of management fees.</p> <p>Miscellaneous items such as automatic teller machines, advertising panels, vending machine, showcases and storerooms are let under various tenancies mostly for terms of one to three years with the latest expiring in August 2020 yielding a total monthly income of about HK\$87,000.</p> <p>The average monthly turnover rent, mall merchandising income and air-conditioning charges and other income receivable during the period from October 2016 to September 2017 are about HK\$40,000, HK\$830 and HK\$5,800 respectively.</p> <p>The average monthly car park income receivable during the period from October 2016 to September 2017 is about HK\$807,000.</p>	<p>HK\$958,000,000 (Hong Kong Dollars Nine Hundred and Fifty Eight Million)</p>
	Internal Floor Area												
Retail Portion	4,791.06 sq m (51,571 sq ft)												
Fresh Market	661.37 sq m (7,119 sq ft)												
Welfare Facility	159.05 sq m (1,712 sq ft)												
Ancillary	13.10 sq m (141 sq ft)												

APPENDIX III VALUATION REPORTS ON THE PORTFOLIO ASSETS

Notes:

- (1) The current registered owner of the property is Link Properties Limited via an Assignment dated 16 November 2009 vide memorial no. 09113002220021 (the "Assignment") and Certified True Copy of Certificate of Incorporation on Change of Name dated 14 August 2015 vide memorial no. 15120400990014.
- (2) Pursuant to the land register records obtained from the Land Registry, the property is, inter alia, subject to the following encumbrances:–
 - (i) Deed of Mutual Covenant dated 16 November 2009 vide memorial no. 09113002220012; and
 - (ii) Footbridge Maintenance Agreement dated 30 December 2009 vide memorial no. 10010801120022.
- (3) The Assignment contains certain restrictions on alienation of the property which are summarized below:–
 - (i) The property other than the areas comprising the facilities for the parking and/or loading and unloading of motor vehicles shall not be assigned, mortgaged or charged except as a whole.
 - (ii) The facilities for the parking and/or loading and unloading of motor vehicles of the property shall not be assigned, mortgaged or charged except as a whole. Such restriction shall cease to have effect upon The Hong Kong Housing Authority disposing of any residential unit in the remaining parts of Cheung Hang Estate.
 - (iii) The welfare facilities of the property shall only be let to tenants nominated by the Social Welfare Department and the Education Bureau of the Government at specified rent levels which are determined by The Hong Kong Housing Authority.
- (4) The property lies within an area zoned "Residential (Group A)" under Tsing Yi Outline Zoning Plan No. S/TY/28 gazetted on 17 February 2017.
- (5) The key parameters of our valuation are set out below:–

The property	Capitalization Rate	Market Rent per month
Retail portion	Approximately 3.75%	HK\$29 per sq ft
Welfare facilities	Approximately 3.75%	HK\$6 per sq ft
Fresh market	Approximately 3.90%	HK\$67 per sq ft
Car park portion	Approximately 3.75%	HK\$2,500 per space

- (6) We have issued a valuation report dated 24 November 2017 for valuation of the Market Value of the property as at 3 November 2017 for the Group's internal reference purposes. The valuation amount as disclosed in the valuation report is HK\$958,000,000.

VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 3 November 2017								
10. Lei Cheng Uk Shopping Centre, 10 Fat Tseung Street, Cheung Sha Wan, Kowloon, Hong Kong. 21,862/264,258th parts or shares of and in New Kowloon Inland Lot No. 6416.	<p>Lei Cheng Uk Shopping Centre, completed in 1984, comprises various commercial, car parking and associated areas within Lei Cheng Uk Estate in an area known as Cheung Sha Wan.</p> <p>The immediate area of the property is a well-established residential area comprising several public rental housing estates, Tenants Purchase Scheme housing estate and Home Ownership Scheme housing developments of various ages.</p> <p>Descriptions of the said commercial, car parking and associated areas of the property are set out below:–</p> <p>(i) a 4-storey commercial and car parking composite building mainly consisting of a shopping arcade on the Ground and 3rd Floors, a car park on the 2nd Floor; and a Chinese restaurant on the 3rd and 4th Floors;</p> <p>(ii) various shop units and welfare facilities on the Ground, 1st and 3rd Floors of four residential blocks (i.e. Wo Ping House, Shun Yee House, Yan Oi House and Chung Hou House) of Lei Cheng Uk Estate;</p> <p>(iii) a single storey car park building; and</p> <p>(iv) various open parking spaces located at the northeastern part of Lei Cheng Uk Estate.</p> <p>The total internal floor area of the property is approximately 6,867.24 sq m (73,919 sq ft). The breakdown of the internal floor area is set out below:–</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="text-align: center;">Internal Floor Area</th> </tr> </thead> <tbody> <tr> <td>Retail Portion</td> <td style="text-align: center;">4,353.68 sq m (46,863 sq ft)</td> </tr> <tr> <td>Ancillary</td> <td style="text-align: center;">2.04 sq m (22 sq ft)</td> </tr> <tr> <td>Welfare</td> <td style="text-align: center;">2,511.52 sq m (27,034 sq ft)</td> </tr> </tbody> </table> <p>The property comprises a total of 461 parking spaces including 433 covered private car parking spaces, 3 covered goods vehicle parking spaces, 9 covered motor cycle parking spaces and 16 open goods vehicle parking spaces.</p> <p>New Kowloon Inland Lot No. 6416 is held under a Government Lease of New Kowloon Inland Lot No. 6416 for a term of 50 years commencing on 24 January 2002 at an annual Government rent of 3% of the rateable value for the time being of the lot.</p>		Internal Floor Area	Retail Portion	4,353.68 sq m (46,863 sq ft)	Ancillary	2.04 sq m (22 sq ft)	Welfare	2,511.52 sq m (27,034 sq ft)	<p>The retail portion is let under various tenancies mostly for terms of two to three years with the latest expiring in May 2020 yielding a total basic monthly income of approximately HK\$1,170,000 exclusive of rates and management fees.</p> <p>The welfare facilities are let under various tenancies mostly for terms of three years commencing on 1 August 2015 and 1 April 2016 at a total basic monthly rent of approximately HK\$150,000 exclusive of rates but inclusive of management fees.</p> <p>Miscellaneous items such as automatic teller machine, showcases, advertising panels, vending machines and storerooms etc. are let under various tenancies mostly for a term of two to three years with the latest expiring in September 2022 yielding a total monthly income of approximately HK\$24,000.</p> <p>The average monthly turnover rent, merchandising income and air-conditioning charges and other income receivable during the period from October 2016 to September 2017 are about HK\$4,200, HK\$13,000 and HK\$830 respectively.</p> <p>The average monthly car park income receivable during the period from October 2016 to September 2017 is about HK\$1,140,000.</p>	<p>HK\$858,000,000</p> <p>(Hong Kong Dollars Eight Hundred and Fifty Eight Million)</p>
	Internal Floor Area										
Retail Portion	4,353.68 sq m (46,863 sq ft)										
Ancillary	2.04 sq m (22 sq ft)										
Welfare	2,511.52 sq m (27,034 sq ft)										

APPENDIX III VALUATION REPORTS ON THE PORTFOLIO ASSETS

Notes:

- (1) The current registered owner of the property is Link Properties Limited via an Assignment dated 25 November 2005 vide memorial no. 05121301540174 (the “Assignment”) and via a Certified True Copy of Certificate of Incorporation on Change of Name dated 14 August 2015 vide memorial no. 15120400990014.
- (2) Pursuant to the land register records obtained from the Land Registry, the property is, inter alia, subject to the following encumbrances:–
 - (i) Deed of Cost Sharing Re Footbridge dated 24 January 2002 vide memorial no. UB8613238; and
 - (ii) Deed of Mutual Covenant dated 21 March 2002 vide memorial no. UB8649658.
- (3) The Assignment contains certain restrictions on alienation of the property which are summarized below:–
 - (i) The property other than the areas comprising the facilities for the parking and/or loading and unloading of motor vehicles shall not be assigned, mortgaged or charged except as a whole.
 - (ii) The welfare facilities of the property shall only be let to tenants nominated by the Social Welfare Department and the Education Bureau of the Government at specified rent levels which are determined by The Hong Kong Housing Authority.
- (4) The property lies within an area zoned “Residential (Group A)” on Cheung Sha Wan Outline Zoning Plan No. S/K5/37 gazetted on 16 December 2016.
- (5) The key parameters of our valuation are set out below:–

The property	Capitalization Rate	Market Rent per month
Retail portion	Approximately 3.75%	HK\$27 per sq ft
Welfare facilities	Approximately 3.75%	HK\$6 per sq ft
Car park portion	Approximately 3.75%	HK\$2,500 per space

- (6) We have issued a valuation report dated 24 November 2017 for valuation of the Market Value of the property as at 3 November 2017 for the Group’s internal reference purposes. The valuation amount as disclosed in the valuation report is HK\$858,000,000.

VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 3 November 2017
11. Lions Rise Mall, 8 Muk Lun Street, Wong Tai Sin, Kowloon, Hong Kong. 12,551/81,133rd parts or shares of and in New Kowloon Inland Lot No. 6309.	<p>Lions Rise Mall, completed in 2012, comprises various commercial, car parking and associated areas within the commercial/car parking podium of a development named Lions Rise in the district of Wong Tai Sin.</p> <p>The immediate area of the property is a well-established residential area comprising several public rental housing estates, Home Ownership Scheme housing developments of various ages.</p> <p>Descriptions of the said commercial, car parking and associated areas of the property are set out below:–</p> <p>(i) a 3-storey shopping arcade consisting of various shop units on the Ground, 1st and 2nd Floors of the podium;</p> <p>(ii) a car park on the Basement of the podium; and</p> <p>(iii) various signage areas, plant rooms and associated areas.</p> <p>The total internal floor area of the property is approximately 6,179.02 sq m (66,511 sq ft).</p> <p>The property comprises a total of 61 parking spaces including 55 covered private car parking spaces and 6 covered motor cycle parking spaces. It also comprises 19 loading and unloading spaces.</p> <p>New Kowloon Inland Lot No. 6309 is held from the Government under Conditions of Sale No. 20045 for a term of 50 years commencing on 31 July 2007 at an annual Government rent of 3% of the rateable value for the time being of the lot.</p>	<p>The retail portion is let under various tenancies mostly for terms of two to three years with the latest expiring in May 2022 yielding a total basic monthly income of approximately HK\$2,950,000 exclusive of rates, air-conditioning charges and management fees.</p> <p>Miscellaneous items such as telecommunication base stations, showcases and advertising panels are let under various tenancies mostly for a term of 2 to 3 years with the latest expiring in May 2022 yielding a total monthly income of approximately HK\$62,000.</p> <p>The average monthly turnover rent, mall merchandising income and air-conditioning charges and other income receivable during the period from October 2016 to September 2017 are about HK\$78,000, HK\$15,000 and HK\$350,000 respectively.</p> <p>The average monthly car park income receivable during the period from October 2016 to September 2017 is about HK\$240,000.</p>	<p>HK\$1,326,000,000 (Hong Kong Dollars One Billion Three Hundred and Twenty Six Million)</p>

APPENDIX III VALUATION REPORTS ON THE PORTFOLIO ASSETS

Notes:

- (1) The current registered owner of the property is Link (LRM) Limited via an Assignment dated 18 September 2014 vide memorial no. 14093001550019.
- (2) Pursuant to the land register records obtained from the Land Registry, the property is subject to a Deed of Mutual Covenant and Management Agreement dated 5 September 2012 in favour of Kerry Property Management Services Limited vide memorial nos. 12092002400020 and 14052202350018.
- (3) The property lies within an area zoned “Residential (Group A)” under Tsz Wan Shan, Diamond Hill & San Po Kong Outline Zoning Plan No. S/K11/29 gazetted on 16 December 2016.
- (4) The key parameters of our valuation are set out below:–

The property	Capitalization Rate	Market Rent per month
Retail portion	Approximately 3.60%	HK\$51 per sq ft
Car park portion	Approximately 3.75%	HK\$4,350 per space

- (5) We have issued a valuation report dated 24 November 2017 for valuation of the Market Value of the property as at 3 November 2017 for the Group’s internal reference purposes. The valuation amount as disclosed in the valuation report is HK\$1,326,000,000.

VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 3 November 2017								
12. Kwai Fong Plaza, 177 Hing Fong Road, Kwai Chung, New Territories, Hong Kong. 24,107/408,730th parts or shares of and in Kwai Chung Town Lot No. 500.	<p>Kwai Fong Plaza, completed in phases from 1995 to 2000, comprises various commercial, car parking and associated areas within Kwai Fong Estate in an area known as Kwai Chung.</p> <p>The locality of the property is a mixed residential and industrial area, comprising private and public residential developments and a cluster of industrial buildings.</p> <p>Descriptions of the said commercial, car parking, and associated areas of the property are set out below:–</p> <p>(i) a 2-storey commercial and car park complex (known as Kwai Fong Plaza) consisting of various shop units on portion of the Ground Floor and 1st Floor; a car park on portions of the Ground Floor and a fresh market on portion of the Ground Floor;</p> <p>(ii) various shop units on the Ground Floor of Kwai Kin House and an enclosed area on the 1st Floor of Kwai Oi House;</p> <p>(iii) a stand-alone 6-storey car parking building;</p> <p>(iv) a stand-alone 8-storey car parking building with a management office on portion of the Ground Floor and recreational area on the Roof; and</p> <p>(v) various open car parks, loading/unloading spaces and associated areas scattered over Kwai Fong Estate.</p> <p>The total internal floor area of the property is approximately 5,323.67 sq m (57,304 sq ft). The breakdown of the internal floor area is set out below:–</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="text-align: center;">Internal Floor Area</th> </tr> </thead> <tbody> <tr> <td>Retail Portion</td> <td style="text-align: center;">4,641.95 sq m (49,966 sq ft)</td> </tr> <tr> <td>Fresh Market</td> <td style="text-align: center;">677.91 sq m (7,297 sq ft)</td> </tr> <tr> <td>Ancillary</td> <td style="text-align: center;">3.81 sq m (41 sq ft)</td> </tr> </tbody> </table> <p>The property comprises a total of 483 parking spaces including 387 covered private car parking spaces, 27 covered goods vehicle parking spaces, 25 open goods vehicle parking spaces and 44 covered motor cycle parking spaces. It also comprises a covered loading and unloading space and 10 open loading and unloading spaces.</p> <p>Kwai Chung Town Lot No. 500 is held from the Government under a Government Lease for a term of 50 years commencing on 27 March 2009 at an annual Government rent of 3% of the rateable value for the time being of the lot.</p>		Internal Floor Area	Retail Portion	4,641.95 sq m (49,966 sq ft)	Fresh Market	677.91 sq m (7,297 sq ft)	Ancillary	3.81 sq m (41 sq ft)	<p>The retail shops is let under various tenancies mostly for terms of two to three years with the latest expiring in October 2020 yielding a total basic monthly income of approximately HK\$2,550,000 exclusive of rates, air-conditioning charges and management fees.</p> <p>The fresh market is let under various tenancies mostly for terms of two to three years with the latest expiring in July 2019 yielding a total basic monthly income of approximately HK\$140,000 exclusive of rates and management fees.</p> <p>Miscellaneous items such as automatic teller machines, showcases, base stations, vending machines and storerooms are let under various tenancies mostly for terms of one to three years with the latest expiring in July 2019 yielding a total monthly income of about HK\$62,000.</p> <p>The average monthly turnover rent and air-conditioning charges and other income receivable during the period from October 2016 to September 2017 are about HK\$92,000 and HK\$291,000 respectively.</p> <p>The average monthly car park income receivable during the period from October 2016 to September 2017 is about HK\$1,418,000.</p>	<p>HK\$1,545,800,000</p> <p>(Hong Kong Dollars One Billion Five Hundred and Forty Five Million Eight Hundred Thousand)</p>
	Internal Floor Area										
Retail Portion	4,641.95 sq m (49,966 sq ft)										
Fresh Market	677.91 sq m (7,297 sq ft)										
Ancillary	3.81 sq m (41 sq ft)										

APPENDIX III VALUATION REPORTS ON THE PORTFOLIO ASSETS

Notes:

- (1) The current registered owner of the property is Link Properties Limited by an Assignment dated 10 November 2009 vide memorial no. 09111902670021 (the “Assignment”) and a Certified True Copy of Certificate on Change of Name dated 14 August 2015 vide memorial no. 15120400990014.
- (2) Pursuant to the land register records obtained from the Land Registry, except for various tenancy agreements, the property is, inter alia, subject to the following encumbrances:–
 - (i) Deed of Mutual Covenant dated 10 November 2009 vide memorial no. 09111902670011; and
 - (ii) Waiver Letter from District Lands Officer, Tsuen Wan and Kwai Tsing dated 24 October 2017 vide memorial no. 17111001600012.
- (3) The Assignment contains certain restrictions on alienation of the property which are summarized below:–
 - (i) The property other than the areas comprising the facilities for the parking and/or loading and unloading of motor vehicles shall not be assigned, mortgaged or charged except as a whole.
 - (ii) The facilities for the parking and/or loading and unloading of motor vehicles of the property shall not be assigned, mortgaged or charged except as a whole. Such restriction shall cease to have effect upon The Hong Kong Housing Authority disposing of any residential unit in the remaining parts of Kwai Fong Estate.
- (4) The property lies within an area zoned “Residential (Group A)” under Kwai Chung Outline Zoning Plan No. S/KC/28 gazetted on 13 June 2014.
- (5) The key parameters of our valuation are set out below:–

The property	Capitalization Rate	Market Rent per month
Retail portion	Approximately 3.50%	HK\$52 per sq ft
Fresh market	Approximately 3.65%	HK\$40 per sq ft
Car park portion	Approximately 3.75%	HK\$3,030 per space

- (6) We have issued a valuation report dated 24 November 2017 for valuation of the Market Value of the property as at 3 November 2017 for the Group’s internal reference purposes. The valuation amount as disclosed in the valuation report is HK\$1,545,800,000.

VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 3 November 2017								
13. Kwai Shing East Shopping Centre, 63 Kwai Shing Circuit, Kwai Chung, New Territories, Hong Kong. 50,672/426,967th parts or shares of and in Kwai Chung Town Lot No. 498.	<p>Kwai Shing East Shopping Centre completed in 1999, comprises various commercial, car parking and associated areas within Kwai Shing East Estate in an area known as Kwai Chung.</p> <p>The immediate area of the property is a well-established residential area comprising several estate-type private and public residential developments of various ages.</p> <p>Descriptions of the said commercial, car parking and associated areas of the property are set out below:–</p> <p>(i) a 5-storey commercial block (known as Kwai Shing East Shopping Centre) consisting of a shopping arcade on the Ground Floor to Level 1 Floor; a fresh market on the Ground Floor; and a 4-storey car park on the Ground Floor, Level 2 Floor, Level 3 Floor and Level 4 Floor;</p> <p>(ii) another 5-storey commercial and car park block accommodates a commercial premises extending from the Ground to Roof Levels and a car park on the 4th Floor;</p> <p>(iii) a standalone single-storey retail block;</p> <p>(iv) a single-storey car park podium under Shing Ka House; and</p> <p>(v) various open parking spaces, and associated areas scattered over Kwai Shing East Estate.</p> <p>The total internal floor area of the property is approximately 9,759.1 sq m (105,047 sq ft). The breakdown of the internal floor area is set out below:–</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th>Internal Floor Area</th> </tr> </thead> <tbody> <tr> <td>Retail Portion</td> <td>8,991.17 sq m (96,781 sq ft)</td> </tr> <tr> <td>Fresh Market</td> <td>763.66 sq m (8,220 sq ft)</td> </tr> <tr> <td>Ancillary</td> <td>4.27 sq m (46 sq ft)</td> </tr> </tbody> </table> <p>The property comprises a total of 583 parking spaces including 462 covered private car parking spaces, 7 open private car parking spaces, 52 covered goods vehicle parking spaces, 3 open goods vehicle parking spaces and 59 covered motor cycle parking spaces. It also comprises 7 covered loading and unloading spaces and an open loading and unloading spaces.</p> <p>Kwai Chung Town Lot No. 498 is held under a Government lease for a term of 50 years commencing on 13 October 2009 at an annual Government rent of 3% of the rateable value for the time being of the lot.</p>		Internal Floor Area	Retail Portion	8,991.17 sq m (96,781 sq ft)	Fresh Market	763.66 sq m (8,220 sq ft)	Ancillary	4.27 sq m (46 sq ft)	<p>The retail portion is let under various tenancies mostly for terms of two to three years with the latest expiring in February 2021 yielding a total basic monthly income of approximately HK\$2,440,000 exclusive of rates, air-conditioning charges and management fees.</p> <p>The fresh market is let under a tenancy for a term of six years commencing on 1 November 2015 at a basic monthly rent of HK\$380,000 from year 1 to year 3 and HK\$399,000 from year 4 to year 6 exclusive of rates and air-conditioning charges.</p> <p>Miscellaneous items such as automatic teller machines, showcases, base stations, vending machines, advertising panels and storerooms are let under various tenancies mostly for a term of 2 to 3 years with the latest expiring in October 2021 yielding a total monthly income of approximately HK\$65,000.</p> <p>The average monthly turnover rent, mall merchandising income and air-conditioning charges and other income receivable during the period from October 2016 to September 2017 are about HK\$36,000, HK\$112,000 and HK\$482,000 respectively.</p> <p>The average monthly car park income receivable during the period from October 2016 to September 2017 is about HK\$1,308,000.</p>	<p>HK\$1,413,300,000</p> <p>(Hong Kong Dollars One Billion Four Hundred and Thirteen Million Three Hundred Thousand)</p>
	Internal Floor Area										
Retail Portion	8,991.17 sq m (96,781 sq ft)										
Fresh Market	763.66 sq m (8,220 sq ft)										
Ancillary	4.27 sq m (46 sq ft)										

APPENDIX III VALUATION REPORTS ON THE PORTFOLIO ASSETS

Notes:

- (1) The current registered owner of the property is Link Properties Limited via an Assignment dated 11 June 2010 vide memorial no. 10062100710017 (the "Assignment") and a Certified True Copy of Certificate of Incorporation on Change of Name dated 14 August 2015 vide memorial no. 15120400990014.
- (2) Pursuant to the land register records obtained from the Land Registry, the property is, inter alia, subject to the following encumbrances:–
 - (i) Deed of Mutual Covenant dated 11 June 2010 vide memorial no. 10062100710027; and
 - (ii) Waiver Letter dated 13 April 2017 vide memorial no. 17071701450269.
- (3) The Assignment contains certain restrictions on alienation of the property which are summarized below:–
 - (i) The property other than the areas comprising the facilities for the parking and/or loading and unloading of motor vehicles shall not be assigned, mortgaged or charged except as a whole.
 - (ii) The facilities for the parking and/or loading and unloading of motor vehicles of the property shall not be assigned, mortgaged or charged except as a whole. Such restriction shall cease to have effect upon The Hong Kong Housing Authority disposing of any residential unit in the remaining parts of Kwai Shing East Estate.
- (4) The property lies within an area zoned "Residential (Group A)" under Kwai Chung Outline Zoning Plan No. S/KC/28 gazetted on 13 June 2014.
- (5) The key parameters of our valuation are set out below:–

The property	Capitalization Rate	Market Rent per month
Retail portion	Approximately 3.75%	HK\$23 per sq ft
Fresh market	Approximately 3.90%	HK\$43 per sq ft
Car park portion	Approximately 3.75%	HK\$2,310 per space

- (6) We have issued a valuation report dated 24 November 2017 for valuation of the Market Value of the property as at 3 November 2017 for the Group's internal reference purposes. The valuation amount as disclosed in the valuation report is HK\$1,413,300,000.

VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 3 November 2017								
14. Lee On Shopping Centre, 23 Sha On Street, Ma On Shan, Sha Tin, New Territories, Hong Kong. 21,025/258,612th parts or shares of and in Sha Tin Town Lot No. 553.	<p>Lee On Shopping Centre, completed in 1993, comprises various commercial, car parking, recreational and associated areas within Lee On Estate in an area known as Ma On Shan.</p> <p>The immediate area of the property is a well-established residential area comprising several estate-type residential developments of various ages.</p> <p>Descriptions of the said commercial, car parking, recreational and associated areas of the property are set out below:–</p> <p>(i) a 4-storey free standing building comprising of retail shops on the Lower Ground 3 Floor, Lower Ground 2 Floor, Lower Ground 1 Floor and Ground Floor; a fresh market on the Lower Ground 1 Floor; and a car park on the Lower Ground 2 Floor to Lower Ground 3 Floor; and</p> <p>(ii) various open parking spaces and associated areas scattered over Lee On Estate.</p> <p>The total internal floor area of the property is approximately 4,432.27 sq m (47,709 sq ft). The breakdown of the internal floor area is set out below:–</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="text-align: center;">Internal Floor Area</th> </tr> </thead> <tbody> <tr> <td>Retail Portion</td> <td style="text-align: center;">3,750.09 sq m (40,366 sq ft)</td> </tr> <tr> <td>Fresh Market</td> <td style="text-align: center;">677.81 sq m (7,296 sq ft)</td> </tr> <tr> <td>Ancillary</td> <td style="text-align: center;">4.37 sq m (47 sq ft)</td> </tr> </tbody> </table> <p>The property comprises a total of 390 parking spaces including 305 covered private car parking spaces, 24 open private car parking spaces, 25 open goods vehicle parking spaces and 36 motor cycle parking spaces.</p> <p>Sha Tin Town Lot No. 553 is held under a Government lease for a term of 50 years commencing on 26 February 2008 at an annual Government rent of 3% of the rateable value for the time being of the lot.</p>		Internal Floor Area	Retail Portion	3,750.09 sq m (40,366 sq ft)	Fresh Market	677.81 sq m (7,296 sq ft)	Ancillary	4.37 sq m (47 sq ft)	<p>The retail portion is let under various tenancies mostly for terms of three years with the latest expiring in July 2022 yielding a total basic monthly income of approximately HK\$2,010,000 exclusive of rates and management fees.</p> <p>The fresh market is let under a tenancy for a term of seven years commencing on 1 March 2016 at a basic monthly rent of HK\$530,000 exclusive of rates for the first three years.</p> <p>Miscellaneous items such as showcases, storerooms and automatic teller machines are let under various tenancies mostly for a term of 3 years with the latest expiring in February 2023 yielding a total monthly income of approximately HK\$65,000.</p> <p>The average monthly turnover rent, mall merchandising income and air-conditioning charges and other income receivable during the period from October 2016 to September 2017 are about HK\$56,000, HK\$36,000 and HK\$12,000 respectively.</p> <p>The average monthly car park income receivable during the period from October 2016 to September 2017 is about HK\$1,220,000.</p>	<p>HK\$1,324,000,000</p> <p>(Hong Kong Dollars One Billion Three Hundred and Twenty Four Million)</p>
	Internal Floor Area										
Retail Portion	3,750.09 sq m (40,366 sq ft)										
Fresh Market	677.81 sq m (7,296 sq ft)										
Ancillary	4.37 sq m (47 sq ft)										

APPENDIX III VALUATION REPORTS ON THE PORTFOLIO ASSETS

Notes:

- (1) The current registered owner of the property is Link Properties Limited via an Assignment dated 19 September 2008 vide memorial no. 08100201340046 (the “Assignment”) and a Certified True Copy of Certificate of Incorporation on Change of Name dated 14 August 2015 vide memorial no. 15120400990014.
- (2) Pursuant to the land register records obtained from the Land Registry, the property is subject to a Deed of Mutual Covenant dated 19 September 2008 vide memorial no. 08100201340032.
- (3) The Assignment contains certain restrictions on alienation of the property which are summarized below:–
 - (i) The property other than the areas comprising the facilities for the parking and/or loading and unloading of motor vehicles shall not be assigned, mortgaged or charged except as a whole.
 - (ii) The facilities for the parking and/or loading and unloading of motor vehicles of the property shall not be assigned, mortgaged or charged except as a whole. Such restriction shall cease to have effect upon The Hong Kong Housing Authority disposing of any residential unit in the remaining parts of Lee On Estate.
- (4) The property lies within an area zoned “Residential (Group A)” under Ma On Shan Outline Zoning Plan No. S/MOS/22 gazetted on 15 January 2016.
- (5) The key parameters of our valuation are set out below:–

The property	Capitalization Rate	Market Rent per month
Retail portion	Approximately 3.75%	HK\$55 per sq ft
Fresh market	Approximately 3.90%	HK\$73 per sq ft
Car park portion	Approximately 3.75%	HK\$3,273 per space

- (6) We have issued a valuation report dated 24 November 2017 for valuation of the Market Value of the Property as at 3 November 2017 for the Group’s internal reference purposes. The valuation amount as disclosed in the valuation report is HK\$1,324,000,000.

VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 3 November 2017										
15. Retail and Car Park within Shun Tin Estate, 9 Shun On Road, Kwun Tong, Kowloon, Hong Kong. 24,566/378,187th part or shares of and in The Remaining Portion of New Kowloon Inland Lot No. 6474.	<p>Retail and Car Park within Shun Tin Estate, completed in 1981, comprises various commercial, car parking, recreational and associated areas within Shun Tin Estate in an area known as Sau Mau Ping.</p> <p>The immediate area of the property is a well-established residential area comprising several public housing estates of various ages.</p> <p>Descriptions of the said commercial, car parking, recreational and associated areas of the property are set out below:–</p> <p>(i) a commercial block (known as Commercial Block A) accommodating a fresh market and an elderly care centre on the Ground Floor and recreational areas on the Roof;</p> <p>(ii) two 1-storey stand-alone cooked-food stalls (known as Commercial Blocks B and C);</p> <p>(iii) various shop units and welfare facilities on the Ground and 2nd Floors of four residential blocks (i.e. Tin Wing House, Tin Kuen House, Tin Kei House and Tin Yiu House) of Shun Tin Estate;</p> <p>(iv) a 4-storey car park building (known as Car Park A) with recreational areas on the Roof;</p> <p>(v) another 3-storey car park building (known as Car Park B) with recreational areas on the Roof; and</p> <p>(vi) various open parking spaces and associated areas scattered over Shun Tin Estate.</p> <p>The total internal floor area of the property is approximately 6,362.88 sq m (68,490 sq ft). The breakdown of the internal floor area is set out below:–</p> <table border="1"> <thead> <tr> <th></th> <th>Internal Floor Area</th> </tr> </thead> <tbody> <tr> <td>Retail Portion</td> <td>5,135.82 sq m (55,282 sq ft)</td> </tr> <tr> <td>Fresh Market</td> <td>234.86 sq m (2,528 sq ft)</td> </tr> <tr> <td>Cooked Food Stalls</td> <td>376.07 sq m (4,048 sq ft)</td> </tr> <tr> <td>Welfare Facilities</td> <td>616.13 sq m (6,632 sq ft)</td> </tr> </tbody> </table> <p>The property comprises a total of 581 parking spaces including 439 covered private car parking spaces, 20 open goods vehicle parking spaces and 122 covered motor cycle parking spaces. It also comprises 2 open loading and unloading spaces.</p> <p>New Kowloon Inland Lot No. 6474 is held under a Government Lease for a term of 50 years commencing on 9 February 2009 at an annual Government rent of 3% of the rateable value for the time being of the lot.</p>		Internal Floor Area	Retail Portion	5,135.82 sq m (55,282 sq ft)	Fresh Market	234.86 sq m (2,528 sq ft)	Cooked Food Stalls	376.07 sq m (4,048 sq ft)	Welfare Facilities	616.13 sq m (6,632 sq ft)	<p>The retail portion is let under various tenancies mostly for terms of two or three years with the latest expiring in November 2022 yielding a total basic monthly income of approximately HK\$170,000 mostly exclusive of rates and management fees.</p> <p>The fresh market is let under a tenancy for a term of six years commencing on 1 May 2015 at a basic monthly income of HK\$90,000 from the first year to the third year and HK\$103,500 from the fourth year to the sixth year exclusive of rates and air-conditioning charges.</p> <p>The cooked-food stalls are let under various tenancies for terms of three years with the latest expiring in October 2020 yielding a total basic monthly income of approximately HK\$200,000 exclusive of rates and management fees.</p> <p>The welfare facilities are let under various tenancies for terms of three years commencing on 1 April 2016 with the latest expiring in March 2019 yielding a total basic monthly income of approximately HK\$34,000 exclusive of rates but inclusive of management fees.</p> <p>Miscellaneous items such as showcase are let under various tenancies mostly for a term of 2 to 3 years with the latest expiring in September 2020 yielding a total monthly income of approximately HK\$28,000.</p> <p>The average monthly turnover rent and air-conditioning charges and other income receivable during the period from October 2016 to September 2017 are about HK\$38,000, and HK\$23,000 respectively.</p> <p>The average monthly car park income receivable during the period from October 2016 to September 2017 is about HK\$950,000.</p>	<p>HK\$1,015,000,000 (Hong Kong Dollars One Billion Fifteen Million)</p>
	Internal Floor Area												
Retail Portion	5,135.82 sq m (55,282 sq ft)												
Fresh Market	234.86 sq m (2,528 sq ft)												
Cooked Food Stalls	376.07 sq m (4,048 sq ft)												
Welfare Facilities	616.13 sq m (6,632 sq ft)												

APPENDIX III VALUATION REPORTS ON THE PORTFOLIO ASSETS

Notes:

- (1) The current registered owner of the property is Link Properties Limited via an Assignment dated 10 June 2009 vide memorial no. 09061801400036 (the "Assignment") and a Certified True Copy of Certificate of Incorporation on Change of Name dated 14 August 2015 vide memorial no. 15120400990014.
- (2) Pursuant to the land register records obtained from the Land Registry, the property is subject to Deed of Mutual Covenant dated 10 June 2009 vide memorial no. 09061801400022.
- (3) The Assignment contains certain restrictions on alienation of the property which are summarized below:–
 - (i) The property other than the areas comprising the facilities for the parking and/or loading and unloading of motor vehicles shall not be assigned, mortgaged or charged except as a whole.
 - (ii) The facilities for the parking and/or loading and unloading of motor vehicles of the property shall not be assigned, mortgaged or charged except as a whole. Such restriction shall cease to have effect upon The Hong Kong Housing Authority disposing of any residential unit in the remaining parts of Shun Tin Estate.
 - (iii) The welfare facilities of the property shall only be let to tenants nominated by the Social Welfare Department and the Education Bureau of the Government at specified rent levels which are determined by The Hong Kong Housing Authority.
- (4) The property lies within an area zoned "Residential (Group A)" under Ngau Tau Kok and Kowloon Bay Outline Zoning Plan No. S/K13/29 gazetted on 13 April 2017.
- (5) The key parameters of our valuation are set out below:–

The property	Capitalization Rate	Market Rent per month
Retail portion	Approximately 3.75%	HK\$33 per sq ft
Welfare facilities	Approximately 3.75%	HK\$5 per sq ft
Fresh market	Approximately 3.90%	HK\$85 per sq ft
Cooked-food stalls	Approximately 3.90%	HK\$17 per sq ft
Car park portion	Approximately 3.75%	HK\$1,700 per space

- (6) We have issued a valuation report dated 24 November 2017 for valuation of the Market Value of the property as at 3 November 2017 for the Group's internal reference purposes. The valuation amount as disclosed in the valuation report is HK\$1,015,000,000.

VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 3 November 2017				
16. Tsing Yi Commercial Complex, 10 Fung Shue Wo Road, Tsing Yi, New Territories, Hong Kong. 20,014/222,251st parts or shares of and in Tsing Yi Town Lot No. 167.	<p>Tsing Yi Commercial Complex, completed in 1986, comprises various commercial, car parking and associated areas within Tsing Yi Estate in an area known as Tsing Yi.</p> <p>The immediate area of the property is residential in nature, comprising several public rental housing estates and private residential developments of various ages.</p> <p>Descriptions of the said commercial, car parking, and associated areas of the property are set out below:–</p> <p>(i) a 4-storey commercial complex (known as Tsing Yi Commercial Complex) consisting of various shop units on Ground, 1st to 3rd Floors;</p> <p>(ii) a 4-storey car park block (car park block 1);</p> <p>(iii) a 3-storey car park block (car park block 2);</p> <p>(iv) several car parking spaces in Fung Shue Wo Indoor Recreation Centre and six open loading/unloading spaces near the commercial complex; and</p> <p>(v) several open car parks, transformer room, ATM (Automatic Teller Machine) House and associated areas scattered over Tsing Yi Estate.</p> <p>The total internal floor area of the property is approximately 5,146.79 sq m (55,400 sq ft). The breakdown of the internal floor area is set out below:–</p>	<p>The retail portion is let under various tenancies mostly for terms of two to three years with the latest expiring in March 2021 yielding a total basic monthly income of approximately HK\$1,600,000 exclusive of rates and management fees.</p> <p>Miscellaneous items such as showcase, retail storeroom and automatic teller machine are let under various tenancies mostly for terms of 1 to 3 years with the latest expiring in March 2021 yielding a total monthly income of approximately HK\$35,000.</p> <p>The average monthly turnover rent and air-conditioning charges and other income receivable during the period from October 2016 to September 2017 are about HK\$33,000 and HK\$4,200 respectively.</p> <p>The average monthly car park income receivable during the period from October 2016 to September 2017 is about HK\$1,030,000.</p>	HK\$1,004,000,000 (Hong Kong Dollars One Billion Four Million)				
	Internal Floor Area						
	<table border="0"> <tr> <td>Retail Portion</td> <td>5,137.77 sq m (55,303 sq ft)</td> </tr> <tr> <td>Ancillary</td> <td>9.01 sq m (97 sq ft)</td> </tr> </table>	Retail Portion	5,137.77 sq m (55,303 sq ft)	Ancillary	9.01 sq m (97 sq ft)		
Retail Portion	5,137.77 sq m (55,303 sq ft)						
Ancillary	9.01 sq m (97 sq ft)						
	<p>The property comprises a total of 344 parking spaces including 276 motor vehicle parking spaces, 32 good vehicle parking spaces, 36 motor cycle parking spaces. It also comprises 6 open loading and unloading spaces.</p>						
	<p>Tsing Yi Town Lot No. 167 is held under a Government lease for a term of 50 years commencing on 8 February 2001 at an annual Government rent of 3% of the rateable value for the time being of the lot.</p>						

APPENDIX III VALUATION REPORTS ON THE PORTFOLIO ASSETS

Notes:

- (1) The current registered owner of the property is Link Properties Limited via an Assignment dated 25 November 2005 vide memorial no. 05121500680017 (the “Assignment”) and a Certified True Copy of Certificate of Incorporation on Change of Name dated 14 August 2015 vide memorial no. 15120400990014.
- (2) Pursuant to the land register records obtained from the Land Registry, the property is, inter alia, subject to the following encumbrances:–
 - (i) Deed of Mutual Covenant dated 4 April 2001 vide memorial no. TW1400073; and
 - (ii) Temporary Waiver Letter from District Lands Officer, Tsuen Wan and Kwai Tsing dated 12 September 2017 vide memorial no. 17100902070027.
- (3) The Assignment contains certain restrictions on alienation of the property which are summarized below:–
 - (i) The property other than the areas comprising the facilities for the parking and/or loading and unloading of motor vehicles shall not be assigned, mortgaged or charged except as a whole.
- (4) The property lies within an area zoned “Residential (Group A)” under Tsing Yi Outline Zoning Plan No. S/TY/28 gazetted on 17 February 2017.
- (5) The key parameters of our valuation are set out below:–

The property	Capitalization Rate	Market Rent per month
Retail portion	Approximately 3.60%	HK\$35 per sq ft
Car park portion	Approximately 3.75%	HK\$3,050 per space

- (6) We have issued a valuation report dated 24 November 2017 for valuation of the Market Value of the property as at 3 November 2017 for the Group’s internal reference purposes. The valuation amount as disclosed in the valuation report is HK\$1,004,000,000.

VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 3 November 2017								
17. Lai Kok Shopping Centre, 12 Tonkin Street, Cheung Sha Wan, Kowloon, Hong Kong. 17,339/164,134th parts or shares of and in New Kowloon Inland Lot No. 6475.	<p>Lai Kok Shopping Centre, completed in 1981, comprises various commercial, car parking and associated areas within Lai Kok Estate in an area known as Cheung Sha Wan.</p> <p>The immediate area of the property is a well-established residential area comprising several public rental housing estates and private housing developments of various ages.</p> <p>Descriptions of the said commercial, car parking and associated areas of the property are set out below:-</p> <p>(i) a 3-storey commercial building mainly consisting of a shopping arcade on the Ground to 2nd Floors and a fresh market on the Ground Floor;</p> <p>(ii) various shop units on the Ground Floors of three residential blocks (i.e. Lai Huen House, Lai Lan House and Lai Mei House) of Lai Kok Estate;</p> <p>(iii) a 3-storey car park block;</p> <p>(iv) a generator room; and</p> <p>(v) various open parking spaces and associated areas scattered over Lai Kok Estate.</p> <p>The total internal floor area of the property is approximately 7,549.51 sq m (81,263 sq ft). The breakdown of the internal floor area is set out below:-</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="text-align: center;">Internal Floor Area</th> </tr> </thead> <tbody> <tr> <td>Retail Portion</td> <td style="text-align: center;">6,669.45 sq m (71,790 sq ft)</td> </tr> <tr> <td>Fresh Market</td> <td style="text-align: center;">871.98 sq m (9,386 sq ft)</td> </tr> <tr> <td>Ancillary</td> <td style="text-align: center;">8.08 sq m (87 sq ft)</td> </tr> </tbody> </table> <p>The property comprises a total of 140 parking spaces including 94 covered private car parking spaces, 10 covered goods vehicle parking spaces, 20 covered motor cycle parking spaces and 16 open goods vehicle parking spaces.</p> <p>New Kowloon Inland Lot No. 6475 is held under a Government Lease of New Kowloon Inland Lot No. 6475 for a term of 50 years commencing on 30 October 2009 at an annual Government rent of 3% of the rateable value for the time being of the lot.</p>		Internal Floor Area	Retail Portion	6,669.45 sq m (71,790 sq ft)	Fresh Market	871.98 sq m (9,386 sq ft)	Ancillary	8.08 sq m (87 sq ft)	<p>The retail portion is let under various tenancies mostly for terms of two to three years with the latest expiring in March 2020 yielding a total basic monthly income of approximately HK\$1,200,000 mostly exclusive of rates, air-conditioning charges and management fees.</p> <p>The fresh market is let under various tenancies mostly for terms of two to three years with the latest expiring in July 2019 yielding a total basic monthly income of approximately HK\$87,000 exclusive of rates and management fees.</p> <p>Miscellaneous items such as automatic teller machine, base station, showcases, advertising panels, vending machines and storerooms etc. are let under various tenancies mostly for a term of two to three years with the latest expiring in February 2019 yielding a total monthly income of approximately HK\$19,000.</p> <p>The average monthly turnover rent, merchandising income and air-conditioning charges and other income receivable during the period from October 2016 to September 2017 are about HK\$3,000, HK\$1,700 and HK\$128,000 respectively.</p> <p>The average monthly car park income receivable during the period from October 2016 to September 2017 is about HK\$339,000.</p>	<p>HK\$634,000,000</p> <p>(Hong Kong Dollars Six Hundred and Thirty Four Million)</p>
	Internal Floor Area										
Retail Portion	6,669.45 sq m (71,790 sq ft)										
Fresh Market	871.98 sq m (9,386 sq ft)										
Ancillary	8.08 sq m (87 sq ft)										

APPENDIX III VALUATION REPORTS ON THE PORTFOLIO ASSETS

Notes:

- (1) The current registered owner of the property is Link Properties Limited via an Assignment dated 10 June 2010 vide memorial no. 10062202200029 (the “Assignment”) and via a Certified True Copy of Certificate of Incorporation on Change of Name dated 14 August 2015 vide memorial no. 15120400990014.
- (2) Pursuant to the land register records obtained from the Land Registry, the property is, inter alia, subject to Deed of Mutual Covenant dated 10 June 2010 in favour of The Hong Kong Housing Authority and The Link Properties Limited vide memorial no. 10062202200012.
- (3) The Assignment contains certain restrictions on alienation of the property which are summarized below:–
 - (i) The property other than the areas comprising the facilities for the parking and/or loading and unloading of motor vehicles shall not be assigned, mortgaged or charged except as a whole.
 - (ii) The facilities for the parking and/or loading and unloading of motor vehicles of the property shall not be assigned, mortgaged or charged except as a whole. Such restriction shall cease to have effect upon The Hong Kong Housing Authority disposing of any residential unit in the remaining parts of Lai Kok Estate.
- (4) The property lies within an area zoned “Residential (Group A)” on Cheung Sha Wan Outline Zoning Plan No. S/K5/37 gazetted on 16 December 2016.
- (5) The key parameters of our valuation are set out below:–

The property	Capitalization Rate	Market Rent per month
Retail portion	Approximately 3.75%	HK\$20 per sq ft
Fresh Market	Approximately 3.75%	HK\$12 per sq ft
Car park portion	Approximately 3.75%	HK\$2,230 per space

- (6) We have issued a valuation report dated 24 November 2017 for valuation of the Market Value of the property as at 3 November 2017 for the Group’s internal reference purposes. The valuation amount as disclosed in the valuation report is HK\$634,000,000.

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTERESTS

Directors' and chief executive's interests

As at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interests or short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

As at the Latest Practicable Date, none of the Directors is a director or employee of a company which has an interest or short position in the Shares or underlying Shares of the Company which should fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Substantial Shareholders' Interests

Save as disclosed below, as at the Latest Practicable Date, the Directors and chief executive of the Company were not aware of any other persons (other than Directors or chief executive of the Company) who had interests or short positions in the Shares or underlying Shares as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO or which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Name	Capacity	Number of Shares held	Approximate percentage of shareholding ⁽³⁾
China Great Wall Asset Management Co., Ltd.	Interest in a controlled corporation	1,174,018,094 (L)	74.89%
Great Wall Pan Asia (BVI) Holding Limited ^(1,4)	Beneficial owner	1,174,018,094 (L)	74.89%

Name	Capacity	Number of Shares held	Approximate percentage of shareholding ⁽³⁾
Central Huijin Investment Ltd. ⁽²⁾	Interest in a controlled corporation	155,000,000 (L)	9.89%
China Construction Bank Corporation ⁽²⁾	Interest in a controlled corporation	155,000,000 (L)	9.89%
Wan Tai Investments Limited ⁽²⁾	Beneficial owner	155,000,000 (L)	9.89%

The letter “L” denotes the entity’s long position in such Shares.

Notes:

- (1) Great Wall Pan Asia (BVI) Holding Limited is a wholly-owned subsidiary of China Great Wall Asset Management Co., Ltd.. Under the SFO, China Great Wall Asset Management Co., Ltd. is deemed to be interested in all the Shares owned by Great Wall Pan Asia (BVI) Holding Limited.
- (2) Central Huijin Investment Ltd. directly holds 57.31% of China Construction Bank Corporation which, in turn, indirectly owns 100% of Wan Tai Investments Limited. Wan Tai Investments Limited is therefore a controlled corporation of China Construction Bank Corporation and Central Huijin Investment Ltd. pursuant to Section 316 of the SFO.
- (3) Approximate percentage was calculated based on the 1,567,745,596 ordinary Shares in issue as at the Latest Practicable Date.
- (4) Mr. Ou Peng, the Chairman and an executive Director of the Company, is a director of Great Wall Pan Asia (BVI) Holding Limited.

3. OTHER INTERESTS

As at the Latest Practicable Date:–

- (1) none of the Directors had any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2016, being the date to which the latest published audited consolidated financial statements of the Group were made up;
- (2) no contract or arrangement in which any of the Directors was materially interested and which was significant in relation to the business of the Group subsisted;
- (3) none of the Directors had any existing or proposed service contracts with any member of the Group other than contracts expiring or determinable by the employer within one (1) year without payment of compensation (other than statutory compensation); and
- (4) none of the Directors or their respective close associate(s) was interested in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

4. LITIGATION

As at the Latest Practicable Date, neither the Company nor any member of the Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

5. EXPERT AND CONSENT

The following are the qualifications of any expert (“**Expert**”) whose advice and/or report(s) are contained in this circular:

Name	Qualification
Savills Valuation and Professional Services Limited	An independent property valuer

The Expert has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of the text of its letter dated the date of this circular and/or the references to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, the Expert:

- (a) did not have any shareholding interest, directly or indirectly, in any member of the Group and did not have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and
- (b) did not have any direct or indirect interest in any assets which had been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2016, the date to which the latest published audited consolidated financial statements of the Group were made up.

6. MATERIAL CONTRACTS

Save as disclosed below, none of the members of the Group has entered into any contracts (not being contracts entered into in the ordinary course of business carried on by the Group) within the two years preceding the date of this circular that are, or may be material:

- (a) the deed of adherence dated 5 April 2016 executed by the Company, pursuant to which the Company agreed to be bound by and comply with the shareholders agreement dated 1 November 1997 between Dymocks Franchise Systems (NSW) Pty Limited, South China Morning Post Finance (Cayman) Limited, New Trend International Limited and Dymocks Franchise Systems (China) Limited with respect to New Trend International Limited;

- (b) the novation agreement dated 11 April 2016 between SCMP Retailing Limited (as the retiring party), Dymocks Franchise Systems (China) Limited (as the continuing party) and the Company (as the new party), pursuant to which the parties agreed to transfer by novation from SCMP Retailing Limited to the Company the rights and obligations under a loan agreement dated 24 February 2009;
- (c) the sale and purchase agreement relating to the entire issued share capital of Coastline International Limited (“**Coastline**”) dated 12 August 2016 between Armada Property Investment Limited (“**Armada Property**”) and Wealth Luck Holdings Limited for a total consideration of HK\$930,000,000, which was terminated on 2 September 2016;
- (d) the deed of indemnity dated 12 August 2016 executed by Kerry Media Limited and the Company under which Kerry Media Limited granted an indemnity in favour of the Company in connection with the sale of the entire issued share capital of Coastline;
- (e) the sale and purchase agreement relating to the entire issued share capital of Coastline dated 2 September 2016 between Armada Property and Paulton Global Limited for a total consideration of HK\$990,000,000;
- (f) the sale and purchase agreement dated 19 May 2017 entered into between Great Wall Pan Asia III Holding Limited, a wholly-owned subsidiary of the Group, as purchaser and China Great Wall AMC (International) Holdings Company Limited (中國長城資產(國際)控股有限公司) as vendor in relation to the acquisition of the entire issued share capital in Great Wall Pan Asia Asset Management Limited (長城環亞資產管理有限公司) (“**GW Asset Management**”) for a cash consideration of HK\$38,701,969, further details of which including financial information on GW Asset Management are set out in the circular of the Company dated 30 June 2017;
- (g) the sale and purchase agreement dated 19 May 2017 entered into between Great Wall Pan Asia II Holding Limited, a wholly-owned subsidiary of the Group, as purchaser and China Great Wall AMC (International) Holdings Company Limited (中國長城資產(國際)控股有限公司) as vendor in relation to the acquisition of the entire issued share capital in Great Wall Pan Asia Corporate Finance Limited (長城環亞融資有限公司) (“**GW Corporate Finance**”) for a cash consideration of HK\$868,834, further details of which including financial information on GW Corporate Finance are set out in the circular of the Company dated 30 June 2017; and
- (h) the Shareholders Agreement, further details of which are set out in this circular.

7. GENERAL

- (a) The company secretary of the Company is Ms. Zheng Yuanyuan. She passed the National Judicial Examination of the People’s Republic of China and obtained the Legal Profession Qualification Certificate in 2002. She acquired bar qualification in

the New York State of the United States in 2008 and qualified as a practicing solicitor in Hong Kong in 2015.

- (b) The principal share registrar and transfer office of the Company in Bermuda is MUFG Fund Services (Bermuda) Limited, The Belvedere Building, 69 Pitts Bay Road Pembroke HM08, Bermuda.
- (c) The branch share registrar and transfer office of the Company in Hong Kong is Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.
- (d) The registered office of the Company is situated at Canon's Court, 22 Victoria Street Hamilton HM12, Bermuda. The head office and principal place of business of the Company in Hong Kong is situated at Units 6507-6510, 65/F., The Center, 99 Queen's Road Central, Hong Kong.
- (e) The English text of this circular and the accompanying form of proxy shall prevail over its Chinese text.

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the principal place of business of the Company in Hong Kong at Units 6507-6510 on the 65th Floor, The Center, 99 Queen's Road Central, Hong Kong during normal business hours from the date of this circular up to and including the date of the SGM and at the SGM:

- The memorandum of association and bye-laws of the Company;
- The annual reports of the Company for the financial years ended 31 December 2015 and 31 December 2016;
- The interim report of the Company for the six months ended 30 June 2017;
- Copies of the material contracts as referred to in paragraph 6 of this Appendix;
- The letter from the Board, the text of which is set out in the section headed "Letter from the Board" of this circular;
- The valuation reports of the Portfolio Assets prepared by Savills Valuation and Professional Services Limited, the text of which is set out in Appendix III to this circular;
- Written consent of the Expert as referred to in paragraph 5 of this Appendix; and
- The circulars of the Company dated 16 May 2017 and 30 June 2017 and this circular.

NOTICE OF SGM



長城環亞控股有限公司*
GREAT WALL PAN ASIA HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 583)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Special General Meeting of Great Wall Pan Asia Holdings Limited (the “**Company**”) will be held at United Conference Centre, 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on Monday, 22 January 2018 at 3:30 p.m. for the purposes of considering and, if thought fit, passing, with or without amendments, the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“THAT:

- (a) approval be and is hereby granted to GWPA Property I Holding Limited (a wholly-owned subsidiary of the Company) entering into the Shareholders Agreement (as defined and disclosed in the circular of the Company dated 30 December 2017 (“**Circular**”)), a copy of which has been produced to the meeting marked “A” and initialled by the chairman of the meeting for the purpose of identification, and all transactions contemplated under the Shareholders Agreement including but not limited to the JV Investment (including the provision of the Advance) (both terms as defined in the Circular) as described in the Circular; and
- (b) any one of the directors of the Company (the “**Directors**”) be and is hereby authorised to do all such acts and things, and to sign and execute all such further documents and to take all such steps for and on behalf of the Company as the Directors may in their absolute discretion consider necessary, appropriate, desirable or expedient to carry out, perform, implement and/or give full effect to the Shareholders Agreement and all relevant transactions contemplated thereunder as the Directors may consider necessary or appropriate in the interests of the Company.”

By Order of the Board
Great Wall Pan Asia Holdings Limited
Ou Peng
Chairman

Hong Kong, 30 December 2017

* *For identification purpose only*

NOTICE OF SGM

Notes:

1. Votes on the ordinary resolution will be taken by poll pursuant to the Company's Bye-Laws and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") (except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands) and the results of the poll will be published on the websites of The Stock Exchange of Hong Kong Limited and the Company in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint not more than two persons (who must be individuals) as his/her proxies to attend and vote on his/her behalf. A proxy need not be a shareholder of the Company.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorised in writing, or if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney so authorised.
4. Where there are joint registered holders of any share, any one of such persons may vote at the above meeting, either personally or by proxy, in respect of such share(s) as if he/she were solely entitled thereto; but if more than one of such joint holders be present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share(s) shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands will for this purpose be deemed joint holders thereof.
5. A form of proxy for the above meeting is enclosed. In order to be valid, the completed and signed form of proxy together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority, must be delivered to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 3:30 p.m. on Saturday, 20 January 2018 (or if the SGM is adjourned, not less than 48 hours before the time appointed for the holding of the adjourned SGM). Completion and delivery of the form of proxy will not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. For the determining the entitlement to attend and vote at the meeting, the register of members of the Company will be closed from Tuesday, 16 January 2018 to Monday, 22 January 2018, both dates inclusive, during which period no transfer of shares shall be effected. In order to be eligible to attend and vote at the meeting, all duly completed and signed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 15 January 2018.
7. Unless otherwise defined in this notice of SGM, capitalised terms used herein shall have the same meanings ascribed to them in the circular of the Company dated 30 December 2017.
8. Shareholders of the Company are advised to read the circular to the shareholders of the Company dated 30 December 2017 which contains further information in respect of the resolution as set out in this notice.