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If you have sold or transferred all your shares in Winfull Group Holdings Limited (the “Company”), you should at once hand this circular to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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WINFULL GROUP HOLDINGS LIMITED
宏輝集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 183)

**MAJOR TRANSACTION:
DISPOSAL OF 51% EQUITY INTEREST IN
PLAN LINK LIMITED**

28 September 2017

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DEFINITIONS

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

“Board”	the board of Directors
“BVI”	the British Virgin Islands
“Company”	Winfull Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on Stock Exchange under stock code: 183
“Completion”	completion of the Disposal
“Completion Date”	21 September 2017, or such other date as the Vendors and the Purchaser may mutually agree in writing on which Completion shall take place
“Consideration”	HK\$610,000,000, being the consideration for the Disposal
“Deposits”	the Initial Deposit and the Further Deposit
“Director(s)”	the director(s) of the Company
“Disposal”	the sale of (i) the Sale Shares and (ii) the Sale Debt by the Vendors pursuant to the Formal Sale and Purchase Agreement
“Formal Sale and Purchase Agreement”	the formal sale and purchase agreement dated 21 September 2017 and entered into among the Vendors, the Purchaser, the Vendors’ Guarantors and the Purchaser’s Guarantor in relation to the Disposal
“Further Deposit”	the further deposit of HK\$61,000,000 out of the Consideration payable by the Purchaser pursuant to the Provisional Agreement for Sale and Purchase and the Formal Sale and Purchase Agreement
“Group”	the Company and its subsidiaries
“High Bond”	High Bond Limited, a company incorporated in the BVI with limited liability, a wholly-owned subsidiary of Plan Link and the sole legal and beneficial owner of the Property

DEFINITIONS

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	party(ies) who, together with his/her ultimate beneficial owner(s), is/are persons independent of the Company and its connected persons (within the meaning of the Listing Rules)
“Initial Deposit”	the initial deposit of HK\$61,000,000 out of the Consideration payable by the Purchaser pursuant to the Provisional Agreement for Sale and Purchase and the Formal Sale and Purchase Agreement
“Latest Practicable Date”	25 September 2017, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macro Win”	Macro Win Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of Plan Link
“Material Adverse Effect”	any material adverse impact on the business, operation or financial position of any company in the Target Group which leads to or will lead to such company in the Target Group suffering losses or incurring expenses (other than the demolition costs professional fees and consultancy fees payable and those incurred/to be incurred in the ordinary course of business of the Target Group) in aggregate equal to or greater than HK\$5,000,000
“Mr. Pong”	Pong Wilson Wai San, an executive Director and Chairman of the Company and one of the controlling Shareholders (as defined in the Listing Rules)
“Plan Link”	Plan Link Limited, a company incorporated in the BVI and owned as to 51% by World Fair and 49% by Profit Vision

DEFINITIONS

“Profit Vision”	Profit Vision Investments Limited, a company incorporated in Hong Kong with limited liability
“Property”	New Kowloon Inland Lot No.3715, Section A of New Kowloon Inland Lot No.3715, Section E of New Kowloon Inland Lot No.3715, Section F of New Kowloon Inland Lot No.3715, New Kowloon Inland Lot No.3956, New Kowloon Inland Lot No.3957 and New Kowloon Inland Lot No.3958
“Provisional Sale and Purchase Agreement”	the provisional sale and purchase agreement dated 1 June 2017 and entered into among the Vendors, the Purchaser, the Vendors’ Guarantors and the Purchaser’s Guarantor in relation to the Disposal
“Purchaser”	Joint Victory Holdings Limited, a company incorporated in the BVI and owned as to 80% by Smart World Development and 20% by an Independent Third Party, being the purchaser under the Formal Sale and Purchase Agreement, the nominee of Smart World Development and an indirect non-wholly owned subsidiary of the Purchaser’s Guarantor
“Purchaser’s Guarantor”	Country Garden Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 2007), and being the holding company of the Purchaser
“Sale Debt”	all amounts, including principal and interest, owing by Plan Link to the Vendors as at the Completion Date
“Sale Shares”	all shares to be sold to the Purchaser by the Vendors pursuant to the Formal Sale and Purchase Agreement, representing the entire issued share capital of Plan Link
“Shareholder(s)”	holder(s) of issued Share(s)
“Shares”	ordinary shares of HK\$0.01 each in the share capital of the Company
“Smart World Development	Smart World Development Holdings Limited, a company incorporated in the BVI and a wholly-owned subsidiary of the Purchaser’s Guarantor

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Group”	Plan Link and its subsidiaries, including High Bond, Marcro Win and Wofeng Holdings
“Vendors”	World Fair and Profit Vision
“Vendors’ Guarantors”	the Company and one of the directors of Profit Vision
“Vendors’ Solicitors”	a firm of solicitors in Hong Kong
“Virtue Partner”	Virtue Partner Group Limited, a company incorporated in the BVI whose entire issued share capital is beneficially owned by Mr. Pong
“Wofeng Holdings”	Wofeng Holdings Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of Plan Link
“World Fair”	World Fair Global Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of the Company
“%”	per cent.

LETTER FROM THE BOARD



WINFULL GROUP HOLDINGS LIMITED
宏輝集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 183)

Executive Directors:

Mr. Pong Wilson Wai San (*Chairman*)
Mr. Lee Wing Yin
Mr. Ngan Man Ho

Non-executive Director:

Mr. Lai Hin Wing Henry

Independent non-executive Directors:

Mr. Koo Fook Sun Louis
Ms. Yeung Wing Yan Wendy
Mr. Lung Hung Cheuk

Registered Office:

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Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

*Principal Place of Business
in Hong Kong:*

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9 Queen's Road Central
Hong Kong

28 September 2017

To the Shareholders

Dear Sir or Madam,

MAJOR TRANSACTION: DISPOSAL OF 51% EQUITY INTEREST IN PLAN LINK LIMITED

INTRODUCTION

The Board announced that on 1 June 2017, the Vendors, the Purchaser, the Vendors' Guarantors and the Purchaser's Guarantor entered into the Provisional Sale and Purchase Agreement, pursuant to which the Vendors have agreed to sell and the Purchaser has agreed to purchase the entire issued share capital and all outstanding shareholders' loan of Plan Link for a Consideration of HK\$610,000,000. The parties to the Provisional Sale and Purchase Agreement entered into the Formal Sale and Purchase Agreement on 21 September 2017. The Disposal is subject to the satisfaction of the conditions as set out in the paragraph headed "Conditions precedent" below.

LETTER FROM THE BOARD

As all the relevant percentages exceed 25% but below 75%, the Disposal constitutes a major transaction on the part of the Company under Chapter 14 of the Listing Rules and is subject to, among others, the approval of the Shareholders at a general meeting of the Company.

Pursuant to Rule 14.44 of the Listing Rules, Shareholders' approval of the Disposal may be given by way of written Shareholders' approval in lieu of holding a general meeting if (1) no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Disposal; and (2) the written Shareholders' approval has been obtained from a Shareholder or a closely allied group of Shareholders who together hold more than 50% of the voting rights at that general meeting to approve the Disposal.

Written approval for the Disposal has been obtained from Mr. Pong and Virtue Partner and as such, no general meeting will be convened for the purpose of approving the Disposal.

The purposes of this circular are to provide you with, among other things, further details of the Disposal and the independent valuation report on the Property.

THE DISPOSAL

The Board announced that on 1 June 2017, the Vendors, the Purchaser, the Vendors' Guarantors and the Purchaser's Guarantor entered into the Provisional Sale and Purchase Agreement, pursuant to which the Vendors have agreed to sell and the Purchaser has agreed to purchase the Sale Shares and the Sale Debt for a Consideration of HK\$610,000,000. The parties to the Provisional Sale and Purchase Agreement entered into the Formal Sale and Purchase Agreement on 21 September 2017.

FORMAL SALE AND PURCHASE AGREEMENT

The salient terms of the Formal Sale and Purchase Agreement are as follows:

Date

21 September 2017

Parties

Vendors: (i) World Fair
(ii) Profit Vision

LETTER FROM THE BOARD

Purchaser: Joint Victory Holdings Limited

Vendors' Guarantors: (i) the Company
(ii) one of the directors of Profit Vision

Purchaser's Guarantor: Country Garden Holdings Company Limited

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, (i) the Purchaser is an investment holding company incorporated in the BVI with limited liabilities and is an indirect non-wholly owned subsidiary of the Purchaser's Guarantor and the nominee of Smart World Development, and (ii) the Purchaser's Guarantor is an investment holding company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange, and whose major subsidiaries primarily engaged in property development in the People's Republic of China.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, as confirmed by the Purchaser, the Purchaser's Guarantor and their respective connected persons (as defined under the Listing Rules) are Independent Third Parties.

Profit Vision is a company incorporated in Hong Kong with limited liability and holds 49% shareholding interest in Plan Link prior to the Disposal. The principal business activity of Profit Vision is investment holding. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, Profit Vision, its ultimate beneficial owner and its directors are Independent Third Parties.

Subject matter

Subject to the terms of the Formal Sale and Purchase Agreement, the Vendors have agreed to sell and the Purchaser has agreed to purchase the Sale Shares and the Sale Debt for a Consideration of HK\$610,000,000 with HK\$311,100,000 attributable to World Fair and HK\$298,900,000 attributable to Profit Vision.

LETTER FROM THE BOARD

Consideration

The Consideration of HK\$610,000,000 shall be payable in the following manner:

- (a) an initial deposit of HK\$61,000,000 (of which HK\$31,110,000 is payable to World Fair) has been paid by the Purchaser and is held by the Vendors' Solicitors as stakeholders as at the date of this circular;
- (b) a further deposit of HK\$61,000,000 (of which HK\$31,110,000 is payable to World Fair) has been paid by the Purchaser and is held by the Vendors' Solicitors as stakeholders as at the date of this circular; and
- (c) the balance of the Consideration of HK\$488,000,000 (of which HK\$248,880,000 is payable to World Fair) is payable upon Completion.

The Consideration was determined after arm's length negotiations between the Vendors and the Purchaser through an estate agent taking into account, among other things, the recent market conditions of the property market in Hong Kong, the market value of the Property, the net asset value of the Target Group and the gain from the Disposal.

Having considered the above and the factors described under the section headed "Reasons for and the benefits of the Disposal" below, the Directors consider that the Consideration is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Conditions precedent

Completion is conditional on:

- (a) the Vendors having proved and shown, in accordance with Section 13 of the Conveyancing and Property Ordinance (Cap.219), that High Bond possesses good title to the Property free from encumbrances; and
- (b) the absence of any breach of any warranties or the terms and conditions of the Formal Sale and Purchase Agreement which results in any Material Adverse Effect.

Completion

Subject to the fulfilment of the conditions precedent above, Completion shall take place on the Completion Date.

LETTER FROM THE BOARD

Guarantee and Warranties

Pursuant to the terms of the Formal Sale and Purchase Agreement for a period of twenty-four (24) months after Completion, (i) the Company irrevocably and unconditionally guarantees, as primary obligor and not merely as surety, the performance of the obligations of World Fair as contained in the Formal Sale and Purchase Agreement, (ii) one of the directors of Profit Vision irrevocably and unconditionally guarantees, as primary obligor and not merely as surety, the performance of the obligations of Profit Vision as contained in the Formal Sale and Purchase Agreement and (iii) the Purchaser's Guarantor irrevocably and unconditionally guarantees, as primary obligor and not merely as surety, the performance of the agreements, obligations, commitments and undertakings of the Purchaser as contained in the Formal Sale and Purchase Agreement.

The obligations of World Fair and Profit Vision under the Formal Sale and Purchase Agreement include, among others, selling the relevant shares in Plan Link to the Purchaser and refunding the Deposits paid by the Purchaser to the Vendors, in the event that the Formal Sale and Purchase Agreement is terminated as a result of the non-fulfilment of the conditions precedent of the Formal Sale and Purchase Agreement by the Completion Date.

The Company, as one of the Vendors' Guarantors, may be liable for monetary compensation if the guarantee is breached. The maximum liability of the Vendors and the Vendors' Guarantors under the Formal Sale and Purchase Agreement is HK\$610,000,000, being the amount of the Consideration. The maximum liability of World Fair and the Company under the Formal Sale and Purchase Agreement is HK\$311,100,000, being 51% of the Consideration.

The period of the guarantees was arrived at after negotiation between the parties at Purchaser's request such that the guarantee period would cover for at least one full financial year after Completion. It was a commercial decision made by the parties during negotiation of the Provisional Sales and Purchase Agreement that the relevant time limit is to be two years from Completion. The Directors consider that the time limit of two years from Completion is in line with market practice.

The same warranties are provided by each of the Vendors, including representations and undertakings made or given by the Vendors to the Purchaser in relation to, among others, the status of the Sale Shares and Sale Debt, the Property and the legal compliance, financial matters and assets of the companies in the Target Group.

INFORMATION OF THE TARGET GROUP

Plan Link is a company incorporated in the British Virgin Islands with limited liability. The principal business activity of Plan Link is investment holding. The Target Group comprises Plan Link and its subsidiaries, including High Bond, Macro Win and Wofeng Holdings. The sole business of the Target Group is the re-development of the Property through High Bond. Macro Win and Wofeng Holdings are dormant companies as at the date of this circular.

LETTER FROM THE BOARD

The Group has been evaluating the redevelopment of the Property since the landmark judgment delivered by the Court of Final Appeal of Hong Kong in May 2013 for the definition of “House” and the release in June 2014 of the new practice note for the “House” restrictions under government leases as circulated by the Lands Administration Office of the Lands Department in respect of the said landmark judgment. An application for land exchange was submitted to the District Lands Officer in relation to the redevelopment of the Property in 2015. As advised by the surveyor who has been engaged for handling the Company’s application for land exchange, the Provisional Basic Terms Offer dated 23 October 2015 offered by the District Lands Office (Kowloon East) was accepted by the Company on 5 November 2015. The Company completed the demolition of the existing buildings on 8 June 2017 which in turn fulfilled the requirement of the Building Department for discharging the outstanding building orders. However, it is impossible to estimate the timing for the review and internal discussion between various government departments in order to issue the Binding Basic Terms Offer to complete the land exchange application and to discharge the building orders.

According to the basic terms in the response from the District Lands Officer to the Company’s land exchange application, the said application and the response from the District Lands Officer do not constitute any agreement that is legally binding on the Company or the government. On this basis, the Directors consider that the land exchange application has no legal impact on the Company and the Company bears no liability for the Application. Further, in both the Provisional Sale and Purchase Agreement and the Formal Sale and Purchase Agreement, it is provided that the Vendors shall have no further responsibility in relation to the land exchange application upon execution of the said agreements and that any obligations and liabilities arising from and in connection with the land exchange application shall be the sole responsibility of the Purchaser upon Completion.

Set out below is the unaudited financial information of the Target Group as extracted from the annual reports of the Company for the years ended 30 June 2016 and 2017 respectively:

	For the year ended 30 June 2017	For the year ended 30 June 2016
	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>
Revenue	–	–
Loss before taxation	(486)	(598)
Loss after taxation	(486)	(598)
Net liabilities	(2,330)	(1,844)

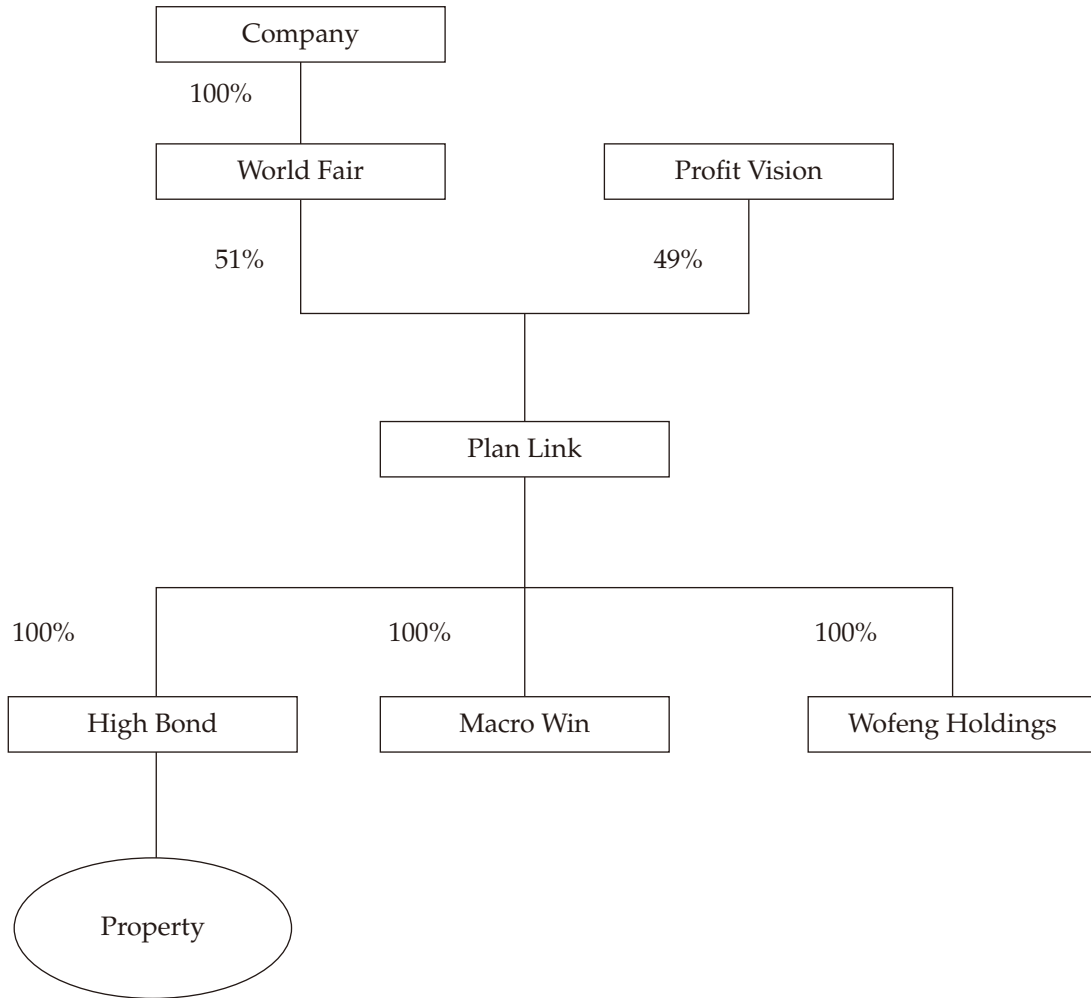
The unaudited total asset value of the Target Group for the year ended 30 June 2017 is approximately HK\$454,079,000.

LETTER FROM THE BOARD

SHAREHOLDING STRUCTURE OF THE TARGET GROUP

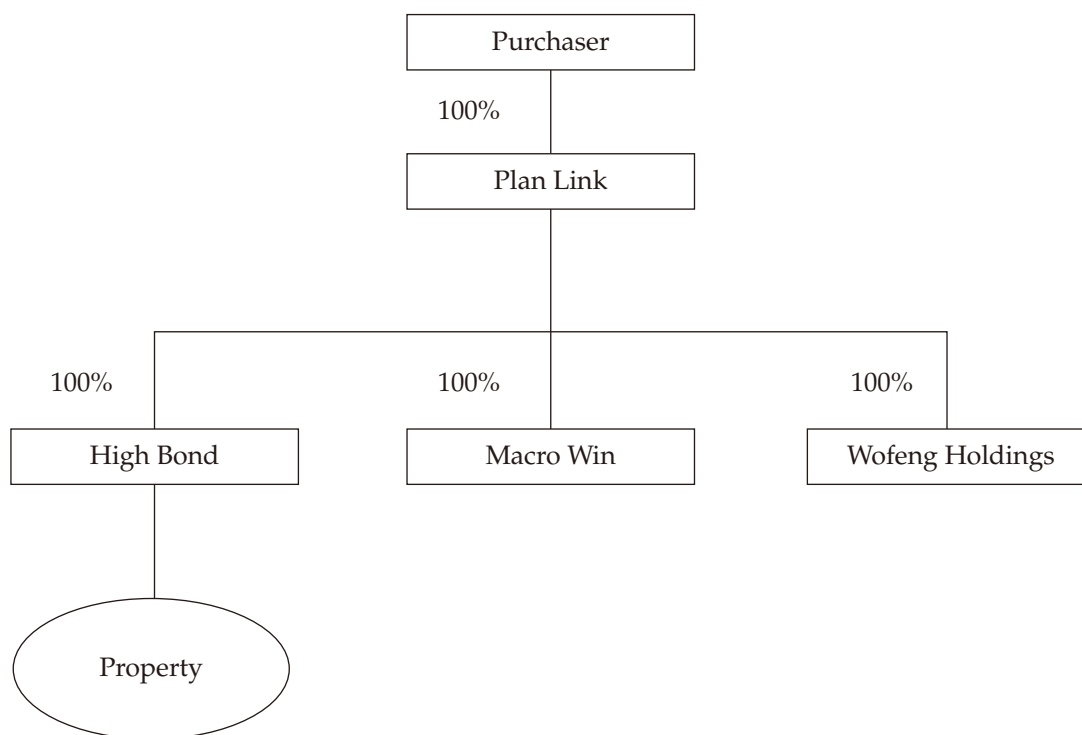
The following is the shareholding structure of the Target Group as at the Latest Practicable Date and immediately after Completion:

As at the Latest Practicable Date



LETTER FROM THE BOARD

Immediately after Completion



REASONS FOR AND BENEFITS OF THE DISPOSAL

The Group is principally engaged in property investment and trading, property development and provision of renovation services.

The Company acquired 100% equity interest in Plan Link and all the Property in the year ended 30 June 2012. On 17 March 2014, the Company transferred 49% equity interest in Plan Link at a consideration of HK\$225,400,000 to Profit Vision. The original investment costs as at 30 June 2017 amounted to HK\$450,250,000, which (i) included the acquisition of the land and Property and development expenditure and other expenses and capitalised borrowing costs incurred after the acquisition and (ii) excluded the shareholders' loan of Plan Link in the amount of HK\$452,580,000.

The Board did not take into account the market value of the Property as if completed when it considered the Disposal because (i) the redevelopment of the Property was subject to the completion of the Company's land exchange application, the timing of which is impossible to estimate; (ii) it is a condition of the Provisional Sale and Purchase Agreement and the Formal Sale and Purchase Agreement that the Purchaser is to acquire the Property on a bare-site condition; and (iii) according to the Provisional Sale and Purchase Agreement and the Formal Sale and Purchase Agreement, no warranty is given by the Vendors as to the redevelopment potential of the Property and the implementation of the Company's land exchange application.

LETTER FROM THE BOARD

In light of the gain from the Disposal, as it is impossible to estimate (i) the timing for the review of the Company's land exchange application and relevant internal discussions among various government departments in order that the Binding Basic Terms Offer could be issued for completion of the land exchange application and the building orders could be discharged and (ii) the amount of land premium to be charged for completion of the Company's land exchange application, the Board considers that the Disposal represents a good opportunity for realisation of the Group's properties under development. Further, the proceeds from the Disposal can further strengthen the cash position of the Group and will allow the Group to reallocate its resources for its principal activities.

Taking into account the abovementioned factors, the Directors consider that the terms and conditions of the Disposal are fair and reasonable and on normal commercial terms and are in the interests of the Company and Shareholders as a whole.

After the completion of the Disposal, there will not be any development project being undertaken by the Group. However, the Group will continue with its property development business and is actively looking for suitable project for development. The Group believed that the business of property developments and property investment and trading both locally and internationally can broaden the revenue base and benefit the Company and the Shareholders as a whole in the long run.

FINANCIAL EFFECT OF THE DISPOSAL

Following Completion, Plan Link will cease to be a subsidiary of the Company and the financial results of Plan Link will cease to be consolidated into those of the Company.

The profit on the Disposal of approximately HK\$65,600,000 will be recognised upon Completion. The net asset of the Group will also be increased by approximately HK\$65,600,000 immediately after Completion. The cash/working capital of the Group will be increased by approximately HK\$295,200,000 upon Completion. As such, the Board considers that the Disposal will have a positive impact on the net asset value and cash/working capital of the Group.

GAIN OR LOSS ATTRIBUTABLE TO THE DISPOSAL

The Disposal is expected to recognise a gain before tax of approximately HK\$65,600,000 to the Group, which is calculated based on the Consideration of HK\$610,000,000 less (i) net liabilities position of the Target Group as at 30 June 2017 being HK\$2,330,000 and (ii) all the outstanding shareholders' loan of Plan Link, taking into account the Company's 51% shareholding interests in Plan Link of approximately HK\$452,580,000, and then less other related costs and expenses of the Group of approximately HK\$15,900,000. Subject to audit, the actual amount of the gain on the Disposal to be recognised by the Group will depend on the net asset value of the Target Group as at Completion and therefore may be different from the amount mentioned above.

LETTER FROM THE BOARD

USE OF PROCEEDS

The net proceeds from the Disposal shared by the Group which will be used for its principal activities for acquisition of properties for investment, trading and development will be approximately HK\$295,200,000 is calculated based on the Consideration, taking into account the Company's 51% equity interest in Plan Link, less the related costs and expenses payable by the Group of approximately HK\$15,900,000. As at the Latest Practicable Date, the Group has not identified any specific properties for acquisition.

IMPLICATIONS UNDER THE LISTING RULES

As all the relevant percentages exceed 25% but below 75%, the Disposal constitutes a major transaction on the part of the Company under Chapter 14 of the Listing Rules.

As disclosed in the announcement of the Company dated 1 June 2017, Mr. Pong, an executive Director and Chairman of the Company and Virtue Partner are beneficially interested in approximately 60.45% of the issue share capital of the Company.

Pursuant to Rule 14.44 of the Listing Rules, Shareholders' approval of the Disposal may be given by way of written Shareholders' approval in lieu of holding a general meeting if (1) no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Disposal; and (2) the written Shareholders' approval has been obtained from a Shareholder or a closely allied group of Shareholders who together hold more than 50% of the voting rights at that general meeting to approve the Disposal.

Pursuant to Rule 14.41(a) of the Listing Rules, the Company is required to despatch a circular containing, among other things, details of the Disposal within fifteen (15) business days after the publication of the announcement, which shall be on or before 22 June 2017. The Company applied to the Stock Exchange for waiver from strict compliance with Rule 14.41(a) of the Listing Rules for the despatch of this circular, as it was intended that this circular was to provide details in relation to the Formal Sale and Purchase Agreement which would not be entered into until 21 September 2017. The Company has received the approval from the Stock Exchange to the waiver applications.

LETTER FROM THE BOARD

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Disposal. Written approval of the Disposal has been obtained from the following Shareholders:

Shareholders

	<i>Number of issued Shares</i>	<i>Approximate Percentage</i>
Mr. Pong	7,328,000	0.13%
Virtue Partner (<i>Note</i>)	<u>3,346,419,668</u>	<u>60.32%</u>
Total	<u><u>3,353,747,668</u></u>	<u><u>60.45%</u></u>

Note: The entire issued share capital of Virtue Partner is beneficially owned by Mr. Pong.

As such, no general meeting will be convened for the purpose of approving the Disposal.

RECOMMENDATION

The Board considers that the terms of the Disposal and the transactions contemplated thereunder are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

ADDITIONAL INFORMATION

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

By Order of the Board
Winfull Group Holdings Limited
Pong Wilson Wai San
Chairman and Executive Director

SUMMARY OF FINANCIAL INFORMATION OF THE GROUP

Financial information of the Group for (i) the three years ended 30 June 2014, 2015 & 2016 respectively and (ii) the six months ended 31 December 2016 are disclosed in the following documents which are published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.winfullgroup.com.hk.

Annual report of the Company for the year ended 30 June 2014

Annual report of the Company for the year ended 30 June 2015

Annual report of the Company for the year ended 30 June 2016

Interim report of the Company for the six months ended 31 December 2016

WORKING CAPITAL

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

INDEBTEDNESS

As at the close of business on 31 July 2017, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular, the Group has outstanding indebtedness as summarised below:

Borrowings

The Group had total outstanding borrowings of approximately HK\$342 million, further details of which are set out below:

- (a) The Group had outstanding interest-bearing bank borrowings of HK\$25 million repayable by instalments up to April 2026, HK\$55 million repayable by instalments up to March 2047 and HK\$24 million repayable in 2017. The aforesaid bank borrowings are secured by guarantees by the Company and the pledges of certain Group's leasehold properties and investment properties and the bank fixed deposits; and
- (b) The Group had amount due to non-controlling shareholders of HK\$238 million which are unsecured, interest-free and repayable on demand.

Contingent liabilities

As at 31 July 2017, the Company has executed guarantees amounting to HK\$210 million in respect of bank loans to its associates, which are also secured against properties under development held by those associates. Under the guarantees, the Company would be liable to pay the bank if the bank is unable to recover the loans.

Save as aforesaid and apart from intra-group liabilities, the Group did not have any outstanding mortgages, charges, debentures, loan capital, debt securities, loans, bank overdraft or other similar indebtedness, financial leases or hire purchase commitments, liabilities under acceptances or acceptance credits or guarantees or other material contingent liabilities as at 31 July 2017.

Disclaimers

Saved as aforesaid, and apart from intra-group liabilities, and normal accounts payable, the Group did not have any loan capital issued or agreed to be issued, bank overdrafts, loans, debt securities issued and outstanding, any authorized or otherwise created but unissued term loans or other borrowings, indebtedness in nature of borrowings, liabilities under acceptances (other than trade bills) or acceptance credits, debentures, mortgages, charges, finance leases or hire purchase commitments, which are either guaranteed, unguaranteed, secured, or unsecured, guarantees or other material contingent liabilities outstanding at the close of business on 31 July 2017. The Directors confirm that there is no material change in the indebtedness and contingent liability of the Group from the close of business on 31 July 2017 to the Latest Practicable Date.

MATERIAL ADVERSE CHANGE

The Directors confirm that there was no material adverse change in the financial or trading position or outlook of the Group since 30 June 2017, being the date to which the latest published audited consolidated financial statements of the Group were made up, and up to the Latest Practicable Date.

FINANCIAL AND TRADING PROSPECT OF THE GROUP

The growth of Hong Kong economy remained moderate for the nine months ended 31 March 2017 and the property market showed a brisk performance in late 2016 and the first half year of 2017. The Hong Kong Government (the “**Government**”) continued to put in significant effort to manage demand and reduce the possible risks to financial stability arising from an exuberant property market. The Government also sustained its effort of raising flat supply through land sale program and other terms of land supply sources. Looking forward, market sentiment in the near future may still be influenced by the US Federal Reserve’s recent repeated hesitations in lifting interest rates, which implied an interest rate uptrend that would be more gradual than earlier expected.

With the purpose of offering better returns to the Shareholders, the Group decided to concentrate on property investment and trading, and development businesses whilst continuing the property renovation business of the Group. As disclosed in the announcement of the Company dated 1 June 2017, the Group has disposed of its 51% interests in Plan Link Limited which in turn is engaged in the re-development of certain property in Kowloon, Hong Kong. After the completion of the Disposal, there will not be any development project being undertaken by the Group. However, the Group will continue with its property development business and is actively looking for suitable project for development. The Group believed that the business of property developments and property investment and trading both locally and internationally can broaden the revenue base and benefit the Company and the Shareholders as a whole in the long run.

Despite the uncertainty in Hong Kong and global economy, we are confident that Hong Kong will remain relevant and vital in its own right and as part of China. The Group will continue to explore potential property investment and trading opportunities with a view to have a diversified and balanced portfolio and to provide steady income source to the Group. The Group is conscious to monitor and analyze the impact of the local and global economy so as to make cautious business decisions and to adjust our development plan if necessary so as to maximize the return to the Shareholders.

The following is the text of a letter and valuation certificate prepared for the purpose of incorporation in this circular received from Ascent Partners Valuation Service Limited, an independent valuer, in connection with its valuation as at 31 July 2017 of the property interests to be disposed of by the Group.



Suite 2102, Hong Kong Trade Centre
161-167 Des Voeux Road Central
Hong Kong
Tel: 3679-3890
Fax: 3579-0884

Date: 28 September 2017

The Board of Directors
Winfull Group Holdings Limited
Unit A, 6/F
9 Queen's Road Central
Hong Kong

Dear Sirs,

RE: Valuation of Nos. 142, 144, 146, 148, 150, 152 and 154 Carpenter Road, Kowloon, Hong Kong (the "Property")

In accordance with the instructions received from Winfull Group Holdings Limited (the "**Company**") and its subsidiaries (hereinafter together referred to as the "**Group**") for us to carry out a valuation of the Property to be disposed of, we confirm that we have carried out property inspections, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the property interests as at 31 July 2017 (referred to as the "**Valuation Date**") for the purpose of incorporation in the circular of the Group.

BASIS OF VALUATION

Our valuation of the property interests represents the market value which is defined by The Hong Kong Institute of Surveyors ("**HKIS**") Valuation Standards 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".

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.

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

VALUATION METHODOLOGY

We have valued the property interests of property on market basis and the direct comparison method is adopted where comparison based on prices realised on actual sales price of comparable property is made. Comparable properties of similar size, character, and location are analysed and carefully weighted against all the respective advantages and disadvantages of each property in order to arrive at a fair comparison of values.

VALUATION ASSUMPTIONS

Our valuations have been made on the assumption that the seller sells the property interests on the open market in their existing states without the benefit of a deferred term contracts, leasebacks, joint ventures, management agreements or any similar arrangements, which could serve to affect the values of the property interests.

No allowance has been made in our valuation for any charges, mortgages or amount owing on any property interests nor for any expense or taxation which may be incurred in effecting a sale. Unless otherwise stated, we have assumed that the properties are free from encumbrances, restrictions and outgoings of an onerous nature which could affect their value.

Unless stated as otherwise, we have assumed that the Property has been constructed, occupied and used in full compliance with, and without contravention of all laws, except only where otherwise stated. We have further assumed that, for any use of the Property upon which this report is based, all required licenses, permit, certificate and authorizations have been obtained.

Other special assumptions of the property interests, if any, have been stated out in the footnotes of the valuation certificate attached herewith.

TITLE INVESTIGATION

We have carried out title searches at the Land Registry for the property interests located in Hong Kong. We have been, in some instances, provided with the extracts of the documents relating to the Property. However, we have not verified ownership of the Property to verify the existence of any amendments which do not appear on the copies handed to us. All documents have been used for reference only.

VALUATION CONSIDERATIONS

We have relied to a considerable extent on information provided by the Group and have accepted advice given to us on such matters, in particular, but not limited to, the sales records, tenure, planning approvals, statutory notices, easements, particulars of occupancy, site and floor areas and all other relevant matters in the identification of the property interests. We have had no reason to doubt the truth and accuracy of the information provided to us by the Group. We have also been advised by the Group that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to reach an informed view, and we have no reason to suspect that any material information has been withheld.

We have inspected the exterior and, wherever possible, the interior of the property but no structural survey had been made. In the course of our inspection, we did not note any serious defects. We are not, however, able to report that the property is free from rot, infestation or any other structural defects. Further, no test has been carried out on any of the building services. All dimensions, measurements and areas are only approximates. We have not been able to carry out detailed on-site measurements to verify the site and floor areas of the property and we have assumed that the areas shown on the copies of documents handed to us are correct.

REMARKS

Unless otherwise stated, all monetary amounts stated in this report are in Hong Kong Dollars (HKD).

Our valuation certificate in respect of the property interests is herewith attached.

Yours faithfully,
For and on behalf of
Ascent Partners Valuation Service Limited
Stephen Y. W. Yeung
MFin BSc(Hons) Land Adm. MHKIS MCIREA RPS(GP)
Principal

Mr. Stephen Y. W. Yeung is a Registered Professional Surveyor (General Practice Division) and a Professional Member of The Hong Kong Institute of Surveyors with over 10 years' experience in valuation of properties in HKSAR and mainland China. Mr. Yeung is also a valuer on the List of Property Valuers for Undertaking Valuations for Incorporation or Reference in Listing Particulars and Circulars and Valuations in Connection with Takeovers and Mergers published by HKIS.

VALUATION CERTIFICATE

Property interests under development and to be disposed of by the Group in Hong Kong

Property	Description and tenure	Particular of Occupancy	Market value in existing state as at 31 July 2017
Nos. 142, 144, 146, 148, 150, 152 and 154 Carpenter Road, Kowloon City, Kowloon	The property is a corner site in rectangular shape lying along the northern side of Carpenter Road abutting to Junction Road in Kowloon City with a site area of about 847.51 sq.m..	As at the Valuation Date, the property is a vacant site pending for development.	HKD545,000,000 (51% attributable interest to the Group: HKD277,950,000)
New Kowloon Inland Lot No. 3715;	As stated in Note 4, the total gross floor area of the redevelopment shall not less than 4,577 sq.m. and not exceeding 7,627 sq.m.		(Please refer to Note 6)
Sections A, E and F of New Kowloon Inland Lot No. 3715;	New Kowloon Inland Lot Nos. 3715, 3956, 3957 and 3958 are held under various Government Leases all for term of 75 years, each renewable for 24 years commencing on 1 July 1898 and statutorily extended to 30 June 2047.		
New Kowloon Inland Lot No. 3956;	Sections A, E and F of New Kowloon Inland Lot No. 3715 are held under Conditions of Exchange No. UB4754 for a term of 75 years renewable for 24 years commencing on 1 July 1898 and statutorily extended to 30 June 2047.		
New Kowloon Inland Lot No. 3957; and	Sections A, E and F of New Kowloon Inland Lot No. 3715 are held under Conditions of Exchange No. UB4754 for a term of 75 years renewable for 24 years commencing on 1 July 1898 and statutorily extended to 30 June 2047.		
New Kowloon Inland Lot No. 3958	Sections A, E and F of New Kowloon Inland Lot No. 3715 are held under Conditions of Exchange No. UB4754 for a term of 75 years renewable for 24 years commencing on 1 July 1898 and statutorily extended to 30 June 2047.		
(New Lot to be known as New Kowloon Inland Lot No. 6561 after the land exchange)	The New Lot will be granted after the land exchange for a term of 50 years from the date of Conditions of Exchange. The Government rent payable will be three percent of the rateable value per annum.		

Notes:

- (1) The registered owner of the property is High Bond Limited.
- (2) Pursuant to the Special Conditions of Conditions of Exchange No. UB4754 in respect of the property, it contains, *inter alia*, the following development covenants:

“The lots shall not be used for industrial purposes and no factory building shall be erected thereon.”

“Not more than seven houses shall be erected on N.K.I.L. 3715;”

APPENDIX II INDEPENDENT VALUATION REPORT ON THE TARGET COMPANY

- (3) Pursuant to New Kowloon Inland Lot Nos. 3715, 3956, 3957 and 3958 in respect of the property, the Government Lease contains, *inter alia*, the following development covenants:

“...the said Lessees will not use or allow to be used the said piece or parcel of ground or any part thereof or any building erected thereon or any part of such building for industrial purposes and will not erect or allow to be erected any factory building on the said piece or parcel of ground. AND will not erect or allow to be erected on the said piece or parcel of ground more than one house...”

- (4) Pursuant to a document dated 23 October 2015 from the Lands Department, the details of the proposed Land Exchange are as follow:

Area to be surrendered	:	847.51 square metres (about)
Area to be re-granted	:	847.51 square metres (about) (subject to survey)
Lease Term	:	50 years from the date of Conditions of Exchange
Premium	:	To be determined
Total Administrative Fee	:	To be determined
Total Legal Advisory and Conveyancing Office (“LACO”) Fee	:	To be determined
Government Rent	:	3% of the rateable value from time to time of the new lot
User	:	Non-industrial (excluding godown, hotel and petrol filling station) purposes
Building Covenant	:	54 months from the date of the Conditions of Exchange
Total Gross Floor Area	:	Not less than 4,577 square metres and not exceeding 7,627 square metres; of which the total GFA for private residential purposes shall not exceed 6,356 square metres
Height	:	No building or buildings erected or to be erected on the lot shall, except with prior written consent of the Director of Lands, exceed 100 metres above HKPD

- (5) The Property lies within an area zoned “Residential (Group A)” under the approved Ma Tau Kok Outline Zoning Plan No. S/K10/22 exhibited on 15 April 2016.

- (6) The actual premium payable to complete the land exchange application is subject to the final assessment by the Lands Department (the “**Department**”) regarding the enhancement in value of the Property which is the difference of the “before value” (the value of the property under the original lease conditions) and the “after value” following the land exchange (the value of the property in cleared site basis under the new lease conditions) as at the date of application. It should be noted that the actual workout and calculation adopted by the Department is on a case by case basis and restricted solely for its internal circulation and not disclosed to outsider parties.

The market value of the property in existing state as at the Valuation Date at HKD545,000,000 was arrived by taking into account of the premium to be paid which was assessed by us at HKD132,000,000 in accordance with the general principle which may not be the same with the final assessment result by the Department.

- (7) The market value of the property as if completed as at the Valuation Date in accordance to the development potential as stated in Note 4, would be HKD1,379,000,000.

APPENDIX II INDEPENDENT VALUATION REPORT ON THE TARGET COMPANY

- (8) As confirmed by the Group, the land acquisition cost and demolition cost incurred as at the Valuation Date is about HKD454,070,000. The estimation of construction cost is yet to be finalized.
- (9) The property is located along Carpenter Road in the Kowloon City District which is primarily a mass residential area. The vicinity mainly comprises with low to medium rise old tenement or composite buildings and dispersed with some newly completed residential redevelopments. The Kowloon City Plaza is located in adjacent to the property whereas the rest of the retail is primarily on-street shops of neighbourhood nature scattered around. It is accessible via franchised bus, light bus and taxi.
- (10) The inspection was performed by Mr. Charles Choi (BSc (Hons) Estate Management) on 16 August 2017.
- (11) The Group has confirmed as follows:
 - (i) No options or rights of pre-emption concerning or affecting the Property;
 - (ii) No environmental issues such as breach of environmental regulations; and
 - (iii) No notices, pending litigation, breach of law or title defects affecting the Property.

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 Company. 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. DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES AND UNDERLYING SHARES

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of the Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code"), were as follows:

Long positions in the Shares and underlying shares of the Company

Name of Director	Number of issued Shares and underlying shares held	Position	Percentage of the issued share capital of the Company
Mr. Pong	60,000,000 (<i>Note 1</i>)	Long	1.08%
	7,328,000	Long	0.13%
	3,346,419,668 (<i>Note 3</i>)	Long	60.32%
Lee Wing Yin	29,180,000 (<i>Note 1</i>)	Long	0.53%
Ngan Man Ho	248,000	Long	0.01%
	5,180,000 (<i>Note 1</i>)	Long	0.09%
Koo Fook Sun Louis	1,000,000 (<i>Note 2</i>)	Long	0.02%
Lai Hin Wing Henry	1,000,000 (<i>Note 2</i>)	Long	0.02%
Lung Hung Cheuk	1,000,000 (<i>Note 2</i>)	Long	0.02%
Yeung Wing Yan Wendy	1,000,000 (<i>Note 2</i>)	Long	0.02%

Notes:

1. These Shares represent the share options granted by the Company on 26 October 2012, 3 June 2014 and 17 May 2016 under the new share option scheme of the Company adopted on 1 November 2011.
2. These Shares represent the share options granted by the Company on 26 October 2012 under the new share option scheme of the Company adopted on 1 November 2011.
3. These Shares are beneficially owned by Virtue Partner, a company wholly owned by Mr. Pong and therefore Mr. Pong is deemed to be interested in these Shares under the SFO.

Long positions in the shares and underlying shares of the associated corporation

Save as disclosed herein, as at the Latest Practicable Date, none of the Directors nor the chief executive of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) where were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

3. SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

So far as is known to the Directors and the chief executive of the Company, as at the Latest Practicable Date, the following person (not being Directors or chief executive of the Company) had, or was deemed to have, interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly interested in 10% or more of the nominal value of any class of share

capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

Long positions in the Shares and underlying shares of the Company

Name of Shareholder	Capacity	Number of issued Shares held	Position	Percentage of the issued share capital of the Company
Mr. Pong	Beneficial Owner	60,000,000 (Note 1)	Long	1.08%
	Beneficial Owner	7,328,000	Long	0.13%
	Interest in controlled corporation	3,346,419,668 (Note 2)	Long	60.32%
Tung Ching Yee Helena (Note 3)	Family Interest	3,413,747,668	Long	61.53%
Virtue Partner	Beneficial Owner	3,346,419,668	Long	60.32%

Notes:

1. These Shares represent the share options granted by the Company on 26 October 2012, 3 June 2014 and 17 May 2016 under the new share option scheme of the Company adopted on 1 November 2011.
2. These Shares are beneficially owned by Virtue Partner and therefore Mr. Pong is deemed to be interested in these Shares under the SFO.
3. Ms. Tung Ching Yee Helena is the wife of Mr. Pong and is accordingly deemed to be interested in the Shares beneficially owned by Mr. Pong in his own capacity and through his controlled corporation.

Save as disclosed above, as at the Latest Practicable Date, the Directors and the chief executive of the Company were not aware of any other person (other than the Directors and the chief executive of the Company) who had, or was deemed to have, interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, save as disclosed below, none of the Directors had any existing or proposed service contract with the Group or associated companies which is not determinable by the employer within one year without payment of compensation (other than statutory compensation):

Mr. Pong has entered into a service agreement with the Company for an initial term of 36 months commencing from 17 May 2016 with a monthly emolument of HK\$480,000 plus discretionary bonus to be decided by the Board; Mr. Lee Wing Yin has entered into a

service agreement with the Company for a term of 36 months commencing from 1 June 2016 with a monthly emolument of HK\$90,000 plus discretionary bonus to be decided by the Board; and Mr. Ngan Man Ho has entered into a service agreement with the Company for an initial term of 36 months commencing from 12 December 2014, with a monthly emolument of HK\$70,000 plus discretionary bonus to be decided by the Board.

5. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or their respective associates had any interest in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

6. INTERESTS IN THE GROUP'S ASSETS OR CONTRACTS OR ARRANGEMENTS SIGNIFICANT TO THE GROUP

Save for the sale and purchase agreement listed under (a) in the section headed Material Contracts below and the transactions contemplated thereunder:

- a. none of the Directors has any direct or indirect interests in any assets which have been acquired or disposed of by or leased to, or which are proposed to be acquired or disposed of by or leased to, the Group since 30 June 2016, the date to which the latest published audited consolidated financial statements of the Group were made up; and
- b. there is no contract or arrangement entered into by any member of the Group subsisting at the Latest Practicable Date in which any Director is materially interested and which is significant to the business of the Group.

7. LITIGATION

As at the Latest Practicable Date, no 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 by or against any member of the Group.

8. MATERIAL CONTRACTS

The following material contracts (not being contracts in the ordinary course of business) have been entered into by the members of the Group within the two years immediately preceding the date of this circular:

- (a) the sale and purchase agreement dated 14 March 2017 and entered into among the Mr. Pong, the Company and Alpha Easy Limited in relation to the acquisition of the entire issued share capital of Flexwood Limited and all obligations, liabilities and debts owing or incurred by Flexwood Limited to Mr. Pong for an aggregate consideration of HK\$450,600,000;
- (b) the provisional sale and purchase agreement dated 18 April 2017 and entered into between Monilea Limited, a wholly-owned subsidiary of the Company

and Winkit Development Limited in relation to the sale and purchase of 15th Floor, Far East Consortium Building, No. 121 Des Voeux Road Central, Hong Kong for a consideration of HK\$108,000,000;

- (c) the formal sale and purchase agreement dated 6 April 2017 and entered into between Sonic Returns Limited, a wholly-owned subsidiary of the Company and Mr. Cheung Siu Wing in relation to the sale and purchase of Office 1 on 29th Floor, Universal Trade Centre, No. 3 Arbuthnot Road, Hong Kong for a consideration of HK\$23,176,800;
- (d) the formal sale and purchase agreement dated 6 April 2017 and entered into between Enviro Global Limited, a wholly-owned subsidiary of the Company and Best Tact Development Limited in relation to the sale and purchase of Office 2 on 29th Floor, Universal Trade Centre, No. 3 Arbuthnot Road, Hong Kong for a consideration of HK\$13,127,600;
- (e) the formal sale and purchase agreement dated 6 April 2017 and entered into between Double Achiever Limited, a wholly-owned subsidiary of the Company and Mr. Cheung Siu Wing in relation to the sale and purchase of Carpark 6 on 2nd Floor, Universal Trade Centre, No. 3 Arbuthnot Road, Hong Kong for a consideration of HK\$3,800,000;
- (f) the formal sale and purchase agreement dated 26 May 2017 and entered into among Joy Shing Development Limited, a wholly-owned subsidiary of the Company, and Apex Step Holdings Limited, as the vendors, Multi Fun Limited as the purchaser, the Company and Pena Investments Limited as the vendors' guarantors and the sole shareholder and directors of Multi Fun Limited as the purchaser's guarantors in relation to the sale and purchase of the entire issued share capital and all the outstanding shareholders' loan of Apex Plan Limited for a consideration of HK\$1,300,000,000;
- (g) the formal sale and purchase agreement dated 30 March 2017 and entered into between Celestial Tower Limited, a wholly-owned subsidiary of the Company and Lerado H.K. Limited in relation to the sale and purchase of Office 1 on 30th Floor, Universal Trade Centre, No. 3 Arbuthnot Road, Hong Kong for a consideration of HK\$23,176,800;
- (h) the formal sale and purchase agreement dated 30 March 2017 and entered into between Just Central Limited, a wholly-owned subsidiary of the Company and Lerado H.K. Limited in relation to the sale and purchase of Office 2 on 30th Floor, Universal Trade Centre, No. 3 Arbuthnot Road, Hong Kong for a consideration of HK\$13,127,600;
- (i) the formal sale and purchase agreement dated 30 March 2017 and entered into between Coastal Talent Limited, a wholly-owned subsidiary of the Company and Lerado H.K. Limited in relation to the sale and purchase of Office 3 on 30th Floor, Universal Trade Centre, No. 3 Arbuthnot Road, Hong Kong for a consideration of HK\$24,716,000;

- (j) placing agreement dated 13 May 2016 and entered into by the Company in relation to the placing of up to 420,000,000 new Shares at the price of HK\$0.15 per Share as disclosed in the announcement of the Company dated 15 May 2016;
- (k) the provisional sale and purchase agreement dated 15 September 2015 and entered into between Formal Focus Limited, a wholly-owned subsidiary of the Company and Waylon Limited in relation to the sale and purchase of 4th Floor, Kenning Industrial Building, 19 Wang Hoi Road, Kowloon Bay, Kowloon for a consideration of HK\$76,000,000;
- (l) the sale and purchase agreement dated 28 July 2015 and entered into between Achiever Connect Limited, a wholly-owned subsidiary of the Company and Well Master Development Limited in relation to the sale and purchase of Shop No. 2 on Ground Floor and Shop No. 3 on Lower Ground 1st Floor of Grand Scholar, No. 419K Queen's Road West, Hong Kong for a consideration of HK\$105,000,000;
- (m) placing agreement dated 21 July 2015 and entered into by the Company as disclosed in the announcement of the Company dated 21 July 2015 in relation to the placing of up to 271,848,000 existing Shares at the price of HK\$0.46 per Share;
- (n) the Formal Sale and Purchase Agreement; and
- (o) the formal sale and purchase agreement dated 17 July 2017 and entered into among Alpha Easy Limited, a wholly-owned subsidiary of the Company, as the vendor, an individual as the purchaser and the Company as the vendor's guarantor in relation to the sale and purchase of the entire issued share capital and all outstanding shareholders' loan of Central Fly Limited for a consideration of HK\$206,000,000.

9. EXPERTS AND CONSENTS

The following is the name and qualification of the expert who have given its opinions and advice which are included in this circular:

Name	Qualification
Ascent Partners Valuation Service Limited	Independent Valuer

Ascent Partners Valuation Service Limited does not have any shareholding, directly or indirectly, in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

Ascent Partners Valuation Service Limited has given and has not withdrawn its written consent to the issue of this circular, with the inclusion of the references to its name and/or its opinion in the form and context in which they are included.

Ascent Partners Valuation Service Limited does not have any direct or indirect interest in any asset which had been acquired, or disposed of by, or leased to any member of the Group, or was proposed to be acquired, or disposed of by, or leased to any member of the Group since 30 June 2016, the date to which the latest published audited financial statements of the Group were made up.

10. MISCELLANEOUS

The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business of the Company in Hong Kong is located at Unit A, 6/F., 9 Queen's Road Central, Hong Kong.

The secretary of the Company is Mr. Lee Wing Yin, is an associate member of the Hong Kong Institute of Certified Public Accountants and a fellow member of The Association of Chartered Certified Accountants.

The share registrar and transfer office of the Company is Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

In the event of inconsistency, the English text of this circular shall prevail over the Chinese text.

11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours (Saturdays and public holidays excepted) from 10:00 a.m. to 12:30 p.m. and from 2:30 p.m. to 5:00 p.m. at (i) the head office of the Company at Unit A, 6/F., 9 Queen's Road Central, Hong Kong; and (ii) on the website of the Company for a period of 14 days from date of this circular:

- (a) the memorandum and articles of association of the Company;
- (b) the annual reports of the Company for each of the two years ended 30 June 2015 and 2016;
- (c) the service contracts of the Directors referred to in the paragraph headed "Directors' Service Contracts" above;
- (d) the independent valuation report from Ascent Partners Valuation Service Limited in relation to the valuation of the Target Group, the text of which is set out in Appendix II to this circular;
- (e) the material contracts referred to in the paragraph headed "Material Contracts" in this appendix;

- (f) a circular of the Company dated 28 April 2017 in relation to the major and connected transaction for the acquisition of the entire equity interests in Flexwood Limited, application for whitewash waiver and notice of extraordinary general meeting;
- (g) a circular of the company dated 9 June 2017 in relation to the major transaction for the disposal of 30% equity interests in Apex Plan Limited; and
- (h) this circular.