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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

If you have sold or transferred all your shares in **Shihua Development Company Limited (實華發展有限公司)**, you should at once hand this circular to the purchaser(s) or the transferee(s), or to the bank, licensed securities dealer or other agent through whom the sale or the transfer was effected for transmission to the purchaser(s) or the transferee(s).

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**Shihua Development Company Limited**  
**實華發展有限公司**

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 485)

**MAJOR TRANSACTION**  
**ACQUISITION OF PROPERTY**

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A letter from the Board is set out on pages 3 to 8 of this circular.

31 March 2015

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions shall have the meanings set out below:*

“Acquisition”	the proposed acquisition of the Property pursuant to the Sale & Purchase Agreement
“Announcements”	the announcements dated 19 January 2015 and 10 February 2015 made by the Company in relation to the Acquisition
“Board”	the board of Directors
“Company”	Shihua Development Company Limited (實華發展有限公司), a company incorporated in Bermuda whose shares are listed on the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Consideration Shares”	400,000,000 new Shares to be allotted and issued by the Company to the Vendor (or its nominee(s)) to satisfy part of the consideration for the Acquisition
“Director(s)”	the director(s) of the Company
“General Mandate”	the general mandate granted to the Board by the Shareholders at the annual general meeting of the Company held on 5 September 2014
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Latest Practicable Date”	27 March 2015, 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
“PRC”	the People’s Republic of China
“Property”	the property located in the intersection of Digong Road (地工路) and Shengli Road (勝利路), Mingshan District, Benxi, Liaoning Province, the PRC, owned by the Vendor

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## DEFINITIONS

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“Purchaser”	Benxi Xinhua Property Management Company Limited* (本溪信華物業管理有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“RMB”	Reminbi, the lawful currency of the PRC
“Sale & Purchase Agreement”	the sale and purchase agreement dated 16 January 2015 entered into between the Vendor and the Purchaser
“Share(s)”	ordinary share(s) of the HK\$0.10 each in the issued share capital of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Benxi Xincheng Property Development Company Limited* (本溪鑫城房地產開發有限公司), a company incorporated in the PRC with limited liability
“sq.m.”	square metre
“%”	per cent.

\* For identification purpose only.

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## LETTER FROM THE BOARD

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### Shihua Development Company Limited 實華發展有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 485)

*Executive Directors:*

Mr. Wang Jing  
Mr. Wang Xing Qiao  
Mr. Chen Wan Jin  
Mr. Zhao Shuang

*Registered office:*

Canon's Court  
22 Victoria Street  
Hamilton HM12  
Bermuda

*Non-executive Director:*

Mr. Li Jun

*Head office and principal place  
of business in Hong Kong:*

Rooms 05-15, 13A Floor,  
South Tower, World Finance Centre,  
Harbour City, 17 Canton Road,  
Tsim Sha Tsui,  
Kowloon, Hong Kong

*Independent non-executive Directors:*

Mr. Yang Xin Hua  
Mr. Wang Ping  
Mr. Cheng Tai Kwan Sunny

31 March 2015

*To the Shareholders*

Dear Sir or Madam,

### MAJOR TRANSACTION ACQUISITION OF PROPERTY

#### INTRODUCTION

In the Announcements, the Board announced that the Vendor has agreed to sell and the Purchaser has agreed to acquire the Property.

The purpose of this circular is to give you further details of the Acquisition, including the financial and general information of the Group, the unaudited pro forma financial information of the Group and the valuation report of the Property.

#### THE SALE & PURCHASE AGREEMENT

Date: 16 January 2015 (after trading hours)

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## LETTER FROM THE BOARD

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- Parties:
- (i) Benxi Xincheng Property Development Company Limited\* (本溪鑫城房地產開發有限公司) (as Vendor)
  - (ii) Benxi Xinhua Property Management Company Limited\* (本溪信華物業管理有限公司), an indirect wholly-owned subsidiary of the Company (as Purchaser)

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Vendor and its ultimate beneficial owner are third parties independent of the Company and its connected persons and are not connected persons of the Company.

### ASSET TO BE ACQUIRED

Pursuant to the terms and conditions of the Sale & Purchase Agreement, the Vendor has agreed to sell and the Purchaser has agreed to acquire the Property.

The Property is located in the intersection of Digong Road (地工路) and Shengli Road (勝利路), Mingshan District, Benxi, Liaoning Province, the PRC, which is the core commercial district of Benxi. The Property, being one of the buildings located at the property development project of the Vendor, namely Xincheng Plaza (鑫城廣場), is a 17-storey building with two basement floors. The site area and the preliminary gross floor area of the Property are 3,335.00 sq.m. and 17,788.58 sq.m. (including all the above-ground and under-ground areas) respectively. It consists retail shops of approximately 3,000.00 sq.m. on the ground floor of the Property. The Vendor has warranted that the final gross floor area of the Property would not be less than 17,500.00 sq.m. It was intended that the Property would be used as hotel and office. The main construction of the Property has been completed and it can be used after decoration.

The Property has not yet generated any income as at the Latest Practicable Date.

### CONSIDERATION

RMB105,000,000 (representing approximately RMB5,903.00 per sq.m.), which shall be settled in the following manner:

- (a) as to RMB50,000,000 payable by the allotment and issue of 400,000,000 Shares to the Vendor (or its nominee(s)) upon completion;
- (b) as to RMB10,000,000 payable by the Purchaser to the Vendor on 10 February 2015; and
- (c) as to RMB45,000,000 payable by the Purchaser to the Vendor on or before 31 October 2015 for repayment of a loan owed by the Vendor which is currently secured by a mortgage of the Property and such mortgage will be released and discharged upon repayment of the loan.

The consideration is determined based on arm's length negotiation between the Purchaser and the Vendor after taking into account factors including market value of the comparable properties and location of the Property.

\* For identification purpose only

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## LETTER FROM THE BOARD

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According to the valuation conducted by International Valuation Limited engaged by the Company in respect of the Acquisition, the value of the Property is RMB120,000,000 as at 31 December 2014. The valuation was prepared according to the direct comparison method based on comparable sales evidence. The valuation report prepared by International Valuation Limited is set out in Appendix III of this circular.

### CONDITIONS PRECEDENT

Completion of the Sale & Purchase Agreement shall be subject to and conditional upon the fulfilment of the following conditions precedent:

- (i) the obtain of the necessary approval of the Shareholders for the Acquisition in accordance with the Listing Rules; and
- (ii) the listing committee of the Stock Exchange granting the listing of, and permission to deal in, the Consideration Shares.

As at the Latest Practicable Date, conditions (i) and (ii) above have been fulfilled.

### COMPLETION

The completion of the Sale & Purchase Agreement took place on 10 February 2015 following the satisfaction of all of the conditions precedent.

### THE CONSIDERATION SHARES

The Consideration Shares were allotted and issued at HK\$0.1600 per Share. Such issue price was determined by the Board having taken into consideration of the prevailing Share prices and represents (i) a discount of approximately 14.44% to the closing price of HK\$0.1870 per Share as quoted on the Stock Exchange on the date of the Sale & Purchase Agreement; (ii) a discount of approximately 17.27% to the average closing price of HK\$0.1934 per Share as quoted on the Stock Exchange for the five trading days immediately prior to the date of the Sale & Purchase Agreement; and (iii) a premium of 300% over the unaudited consolidated net asset value attributable to the Shareholders as at 30 September 2014 of approximately HK\$0.0400 per Share. The Directors consider that the issue price of the Consideration Shares is fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

The Consideration Shares (being 400,000,000 Shares) represent approximately 19.67% of the existing issued share capital of the Company and approximately 16.44% of the issued share capital of the Company as enlarged by the allotment and issue of the Consideration Shares. The Consideration Shares, when allotted and issued, shall rank *pari passu* in all respects with the Shares in issue on the date of allotment and issue. The Consideration Shares were allotted and issued pursuant to the General Mandate, under which the Directors are allowed to issue and allot up to 406,761,697 Shares. As at the date of this circular, the Consideration Shares have been issued and allotted under the General Mandate. The issue of the Consideration Shares had not resulted in a change of control of the Company.

Application has been made by the Company to the listing committee of the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares.

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## **LETTER FROM THE BOARD**

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### **INFORMATION ABOUT THE PURCHASER AND THE GROUP**

The Purchaser is an indirect wholly-owned subsidiary of the Company established for carrying out the business of investment in and management of properties. The Group is engaged in the business of design, manufacture and sale of a wide range of electronic products, investment in properties and securities trading.

### **INFORMATION ABOUT THE VENDOR**

The Vendor is a company incorporated in the PRC and is engaged in the business of property development.

### **REASONS FOR THE ACQUISITION**

As stated in the interim report of the Company for the six months ended 30 September 2014, while the Group has been endeavoring to pursue the existing business, it has been formulating a business strategy with a view to diversifying its business and further enhancing the Shareholders' value. The Board considers that the Acquisition will enable the Group to diversify its business and broaden its source of revenue. Having considered the economic conditions of the PRC, the Property is located at a core location of Benxi and the market price of properties with proximity, the Directors consider that the consideration payable by the Purchaser under the Sale & Purchase Agreement is fair and reasonable. The Acquisition offers a valuable opportunity to enhance the long-term growth potential of the Group which is in line with the Company's business plan. The Board will continue to, leveraging on experience and network of the controlling Shareholders and the Directors, explore other business opportunities.

The Group currently intends that, after carrying out the necessary decoration work, (i) the office space of the Property will be used partly as an office of the Group with a view to lowering its operation costs and partly for leasing to generate stable income; and (ii) the retail shops of approximately 3,000.00 sq.m. on the ground floor will be held for sale in the future.

Having considered that (i) the consideration payable under the Sale & Purchase Agreement is much lower than the market price of properties with proximity; (ii) the Property is located at the core commercial district of Benxi; and (iii) the intended usage of the Property by the Group as stated above, the Board is of the view that the Acquisition is in the interest of the Company and the Shareholders as a whole.

### **FINANCIAL EFFECT OF THE ACQUISITION**

It is intended that, after carrying out the necessary decoration work, part of the Property would be held for leasing to generate stable income and the retail shops on the ground floor would be held for sale in the future, the Acquisition will have positive effects on the Group's earnings in future years.

As a result of the Acquisition, non-current assets have been increased by HK\$132,369,000 and bank balance and cash have been decreased by HK\$12,607,000 in the balance sheet.



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## LETTER FROM THE BOARD

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### EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

Details of the shareholding structure of the Company (i) on the date of the Sale & Purchase Agreement and before completion of the Sale & Purchase Agreement; and (ii) immediately after the allotment and issue of the Consideration Shares are set out below (assuming there is no other change in the issued share capital of the Company from the Latest Practicable Date):

	On the date of the Sale & Purchase Agreement and before completion of the Sale and Purchase Agreement		Immediately after the allotment and issue of the Consideration Shares	
	Shares	Approximate %	Shares	Approximate %
Achieve Prosper Capital Limited ( <i>Note</i> )	1,085,755,571	53.39	1,085,755,571	44.61
Vendor (or its nominee(s))	–	–	400,000,000	16.44
Public Shareholders	<u>948,052,914</u>	<u>46.61</u>	<u>948,052,914</u>	<u>38.95</u>
Total	<u>2,033,808,485</u>	<u>100</u>	<u>2,433,808,485</u>	<u>100</u>

*Note:* Achieve Prosper Capital Limited is wholly and beneficially owned by Hong Kong Shihua Holdings Limited, which is in turn wholly and beneficially owned by 遼寧實華(集團)房地產開發有限公司 (Liaoning Shihua (Group) Property Development Company Limited\*) (“Liaoning Shihua Property”). Liaoning Shihua Property is owned as 82.8% by Mr. Wang Jing, the Chairman of the Board and the executive Director.

### GENERAL

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition exceed 25% but below 100%, the Acquisition constitutes a major transaction for the Company under Rule 14.06 of the Listing Rules and is subject to the reporting, announcement and Shareholders’ approval requirements under the Listing Rules.

Pursuant to Rule 14.44 of the Listing Rules, Shareholders’ approval for the Acquisition may be obtained by way of written Shareholders’ approval in lieu of holding a general meeting if (i) no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Acquisition; and (ii) written approval has been obtained from a Shareholder or a closely allied group of the Shareholders who together hold more than 50% in nominal value of the issued share capital of the Company giving the right to attend and vote at that general meeting to approve the Acquisition.

The Directors confirm that, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the Vendor and the ultimate beneficial owner(s) of the Vendor are third parties independent of the Company and any connected persons of the Company, and no Shareholder is required to abstain from voting on the resolution(s) approving the Sale & Purchase Agreement and the transactions contemplated thereunder if the Company were to convene a general meeting for the approval of

\* For identification purpose only

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## LETTER FROM THE BOARD

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the Acquisition. The Company has obtained an approval in writing from Achieve Prosper Capital Limited, which holds 1,085,755,571 Shares, representing 53.39% of the entire issued share capital of the Company as at the date of this circular. As Achieve Prosper Capital Limited holds more than 50% of the issued shares of the Company and no Shareholder is required to abstain from voting, no general meeting for the Shareholders' approval of the Acquisition is required to be held.

### **FURTHER INFORMATION**

Your attention is also drawn to the financial information of the Group, the unaudited pro forma financial information, the valuation report and the additional information set out in the appendices to this circular.

By Order of the Board  
**Shihua Development Company Limited**  
**WANG Jing**  
*Chairman*

**FINANCIAL INFORMATION OF THE GROUP**

Financial information of the Group for the years ended 31 March 2014 and the six months ended 30 September 2014, is disclosed on pages 53 to 175 of the annual report of the Company for the year ended 31 March 2014 dated 30 June 2014 and pages 3 to 18 of the interim report of the Company for the six months ended 30 September 2014 dated 28 November 2014 respectively, which are available on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of the Company ([www.00485.hk](http://www.00485.hk)).

**1. FINANCIAL AND TRADING PROSPECT OF THE GROUP**

The Group is engaged in the business of design, manufacture and sale of a wide range of electronic products, investment in properties and securities trading.

As stated in the interim report of the Company for the six months ended 30 September 2014, while the Group has been endeavoring to pursue the existing business, it has been formulating a business strategy with a view to diversifying its business and further enhancing the Shareholders' value.

Having considered the economic conditions of the PRC, the Property is located at a core location of Benxi and the market price of property with proximity, the Directors that the Acquisition offers a valuable opportunity to enhance the long-term growth potential of the Group which is in line with the Company's business plan. The Board will continue to, leveraging on experience and network of the controlling Shareholders and the Directors, explore other business opportunities.

**2. INDEBTEDNESS**

At the close of business on 28 February 2015, being the Latest Practicable Date for the purpose of preparing this indebtedness statement and prior to the printing of this circular, the Group does not have any bank loans and overdrafts, debt securities and other borrowings and mortgages and charges.

At the close of business on 28 February 2015 the Group had an amount due to an affiliated company of HK\$2,370,000, an amount due to a shareholder of HK\$11,000,000 and the outstanding amount of convertible note of HK\$56,102,259. The amount due to an affiliated company and a shareholder are unsecured and interest-free and the convertible note is interest bearing at a rate equal to three per cent per annum on the outstanding principal amount.

**3. CONTINGENT LIABILITIES**

There were no material contingent liabilities as at 28 February 2015.

**4. DISCLAIMER**

Save as aforesaid and apart from intra-group liabilities and normal trade payables, the Group did not have any loan capital issued or agreed to be issued, bank overdrafts, loans, debt securities issued and outstanding, and authorized or otherwise created but unissued and term loans or other borrowings, indebtedness in the nature of borrowings, liabilities under acceptance (other than normal trade bills) or

acceptance credits, debentures, mortgages, charges, finance lease 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 28 February 2015.

Save as disclosed above, the Directors have confirmed that there have been no material changes in the indebtedness of the Group since 28 February 2015, up to and including the Latest Practicable Date.

#### **5. WORKING CAPITAL**

The Directors are of the opinion that, following completion of the Acquisition, after taking into account the financial resources available to the Group, including internally generated fund and banking facilities, the Group has sufficient working capital for its present requirements for at least the next twelve months from the date of this circular, in the absence of unforeseeable circumstances.

#### **6. MATERIAL ADVERSE CHANGE**

As at the Latest Practicable Date, the Directors confirmed that there was no material adverse change in the financial or trading position or prospects of the Group since 31 March 2014, being the date to which the latest published audited financial statements of the Group were made.

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**APPENDIX II                      UNAUDITED PRO FORMA STATEMENT OF ASSETS  
AND LIABILITIES OF THE GROUP**

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**A.      UNAUDITED PRO FORMA STATEMENT OF ASSETS AND LIABILITIES OF THE GROUP  
AS AT 30 SEPTEMBER 2014**

	<b>The Group as at 30 September 2014 HK\$'000</b>		<b>Unaudited pro forma adjustments HK\$'000</b>	<b>The Group after the Acquisition HK\$'000</b>
<b>Non-current assets</b>				
Investment properties	27,229	<i>Note 1</i>	132,369	159,598
Property, plant and equipment	62,224			62,224
Prepaid lease payments	3,230			3,230
Goodwill	17,665			17,665
Interest in an associate	6,439			6,439
Available-for-sale investments	9,400			9,400
Deferred tax assets	20,178			20,178
	<u>146,365</u>			<u>278,734</u>
<b>Current assets</b>				
Inventories	145,079			145,079
Debtors, deposits and prepayments	114,267			114,267
Prepaid lease payments	121			121
Investments held for trading	413			413
Pledged bank deposits	1,077			1,077
Bank balances and cash	60,349	<i>Note 2(b)</i>	(12,607)	47,742
	<u>321,306</u>			<u>308,699</u>
<b>Current liabilities</b>				
Creditors and accrued charges	(273,732)			(273,732)
Amount due to a shareholder	(11,000)			(11,000)
Taxation payable	(1,046)			(1,046)
Borrowings	(41,737)			(41,737)
Other payables	–	<i>Note 2(c)</i>	(56,730)	(56,730)
Bank overdrafts	(1,353)			(1,353)
	<u>(328,868)</u>			<u>(385,598)</u>
<b>Net current liabilities</b>	<u>(7,562)</u>			<u>(76,899)</u>
<b>Total assets less current liabilities</b>	<u>138,803</u>			<u>201,835</u>
<b>Non-current liabilities</b>				
Deferred tax liabilities	(4,514)			(4,514)
Convertible bonds	(53,399)			(53,399)
	<u>(57,913)</u>			<u>(57,913)</u>
<b>Net assets</b>	<u>80,890</u>			<u>143,922</u>

	<b>The Group as at 30 September 2014 HK\$'000</b>		<b>Unaudited pro forma adjustments HK\$'000</b>	<b>The Group after the Acquisition HK\$'000</b>
<b>CAPITAL AND RESERVES</b>				
Share capital	203,381	<i>Note 2(a)</i>	40,000	243,381
Reserves	<u>(136,244)</u>	<i>Note 2(a)</i>	23,032	<u>(113,212)</u>
<b>Equity attributable to owners of the Company</b>	67,137			130,169
<b>Non-controlling interests</b>	<u>13,753</u>			<u>13,753</u>
<b>Total equity</b>	<u><u>80,890</u></u>			<u><u>143,922</u></u>

*Note 1* According to HKAS 16, an item of property, plant and equipment that qualifies for recognition as an asset shall be measured at its cost. The costs of an item is its purchase price and its related expenses incurred during the acquisition.

Based on the sales contract of property, the settlement of consideration is RMB105,000,000 equivalent to HK\$132,369,000. Therefore, the property is measured at its purchase price at HK\$132,369,000.

*Note 2* The adjustment represents settlement of the consideration of RMB105,000,000 (equivalent to approximately HK\$132,369,000) which shall be settled in the following manner:

- (a) RMB50,000,000 out of RMB105,000,000 payable by allotment and issuance of 400,000,000 shares to the Seller;

The surplus of RMB50,000,000 (equivalent to HK\$63,032,000) and the par value of the shares (totaling HK\$40,000,000) is recorded to the reserve of the financial statements.

- (b) RMB10,000,000 (equivalent to HK\$12,607,000) out of RMB105,000,000 payable by cash to the Seller; and

- (c) The remaining of RMB45,000,000 (equivalent to HK\$56,730,000) payable on behalf of the Seller for repayment of a bank loan owed by the Seller.

*Note 3* The assets and liabilities of the Group as at 30 September 2014 are extracted from the interim report of the Company for the six months ended 30 September 2014 dated 28 November 2014.

*Note 4* No adjustment has been made to the Unaudited Pro Forma Financial Information for acquisition-related costs (including fees to legal advisers, reporting accountants, value, printer, taxes and levies and other expenses) as the Directors consider that such costs are insignificant.

*Note 5* Apart from the adjustments as stated above, no adjustments have been made to reflect any trading results or other transactions of the Group and the Property entered into subsequent to 30 September 2014.

**Investment properties**

Investment properties are interests in land and buildings held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at historical cost less accumulated depreciation and provision for any impairment in value. Depreciation is calculated on the straight-line basis over the expected useful life of 40 years to 70 years.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in the statement of profit or loss during the financial period in which they are incurred.

Any gains or losses on the retirement or disposal of an investment property are recognized in the statement for profit or loss in the year/period of the retirement or disposal.

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## APPENDIX II                      UNAUDITED PRO FORMA STATEMENT OF ASSETS AND LIABILITIES OF THE GROUP

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### B. ACCOUNTANT'S REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

*The following is the text of a report received from the reporting accountants, Conpak CPA Limited, Certified Public Accountants, Hong Kong, in respect of the Group's unaudited pro forma financial information for the purpose in this circular.*



CONPAK CPA LIMITED | 康栢會計師事務所有限公司

The Board of Directors  
Shihua Development Company Limited  
Rooms 05-15, 13A Floor,  
South Tower, World Finance Centre,  
Harbour City, 17 Canton Road,  
Tsim Sha Tsui, Kowloon, Hong Kong.

Date: 31 March 2015

### INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION INCLUDED IN AN OFFERING CIRCULAR

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Shihua Development Company Limited (the "Company") and its controlled entity (hereinafter collectively referred to as the "Group") by the directors of the Company (the "Directors") for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of financial position of the Company as at 30 September 2014 and related notes (the "Unaudited Pro Forma Financial Information") as set out on pages 1 to 6 of Appendix II to the circular issued by the Company dated 31 March 2015 (the "Circular"). The applicable criteria on the basis of which the Directors have compiled the unaudited pro forma financial information are described on pages 1 to 6 of Appendix II to the Circular.

The unaudited pro forma financial information has been compiled by the Directors to illustrate the impact of the acquisition of Property (the "Acquisition") on the Group's financial position as at 30 September 2014. As part of this process, information about the Group's financial position has been extracted by the Directors from the unaudited condensed consolidated interim results of the Group.

#### **Directors' Responsibilities for the Unaudited Pro Forma Financial Information**

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



**Reporting Accountant's Responsibilities**

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the unaudited pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements (“HKSAE”) 3420 Assurance Engagements to Report on the Compilation of Unaudited Pro Forma Financial Information Included in a Prospectus issued by the HKICPA. This standard requires that the reporting accountant comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the unaudited pro forma financial information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

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

The purpose of unaudited pro forma financial information included in an investment circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 30 September 2014 would have been as presented.

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

- The related unaudited pro forma adjustments give appropriate effect to those criteria; and
- The unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the Group, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

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

**Opinion**

In our opinion:

- (a) the unaudited pro forma financial information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the unaudited pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

**Conpak CPA Limited**

*Certified Public Accountants*

Hong Kong,

31 March 2015

*The following is the text of a letter and a valuation certificate, prepared for the purpose of incorporation in this circular received from International Valuation Limited, an independent valuer, in connection with its valuation as at 31 December 2014 of the property interests to be acquired of the Group.*



Room 1203A, 12/F.  
Kai Tak Commercial Building,  
317-319 Des Voeux Road Central  
Hong Kong  
Tel: (852) 2348 1777 Email: team@ivl.hk

Date: 31 March 2015

The Board of Directors  
Shihua Development Company Limited  
Rooms 05-15, 13A Floor  
South Tower, World Finance Centre  
Harbour City, 17 Canton Road  
Tsim Sha Tsui, Kowloon, Hong Kong

Dear Sirs,

### **INSTRUCTIONS**

In accordance with your instructions for us to value property interests which Shihua Development Company Limited (the “**Company**”) and its subsidiaries (hereinafter together referred to as the “**Group**”) to acquire in the People’s Republic of China (the “**PRC**”), 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 December 2014 (referred to as the “Valuation Date”).

This letter which forms part of our valuation report explains the basis and methodologies of valuation, clarifying assumptions, valuation considerations, title investigation and limiting conditions of this valuation.

### **BASIS OF VALUATION**

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

**VALUATION METHODOLOGY**

We have valued the property interests on market basis and the direct comparison method is adopted where comparison based on comparable sales evidence 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 CONSIDERATIONS**

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

**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.

In undertaking our valuation, we have assumed that, unless otherwise stated, transferable land use rights in respect of the property interests for specific terms at nominal annual land use fees have been granted and that any premium payable has already been fully paid. We have also assumed that the owners of the properties have enforceable titles to the properties and have free and uninterrupted rights to use, occupy or assign the properties for the whole of the respective unexpired terms as granted.

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

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

**TITLE INVESTIGATION**

We have been, in some instances, shown copies of various title documents and other documents relating to the property interests and have made relevant enquiries. We have not examined the original documents to verify the existing title to the property interests and any material encumbrances that might be attached to the property interests or any lease amendments. However, we have relied considerably on the information given by the Company's PRC legal adviser, Liaoning Yandong Law Office (遼寧燕東律師事務所), concerning the validity of the title to the property interests located in the PRC.

All legal documents provided by the Group have been used for reference only. No responsibility regarding legal title to the property interests is assumed in this valuation report.

**LIMITING CONDITIONS**

We have inspected the exterior, and wherever possible, the interior of the properties 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 properties are 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 properties and we have assumed that the areas shown on the copies of documents handed to us are correct.

The site inspection of the property was carried out on 22 January 2015 by Mr. Joseph Fung, who has over 5 years' experience in valuation of properties in the PRC.

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.

Liability in connection with this valuation report is limited to the client to whom this report is addressed and for the purpose for which it is carried out only. We will accept no liability to any other parties or any other purposes.

This report is to be used only for the purpose stated herein, any use or reliance for any other purpose, by you or third parties, is invalid. No reference to our name or our report in whole or in part, in any document you prepare and/or distribute to third parties may be made without written consent.

**EXCHANGE RATE**

Unless otherwise stated, all monetary amounts stated in this report are in Renminbi (RMB). Our valuation certificate is herewith attached.

Yours faithfully,  
For and on behalf of  
**International Valuation Limited**  
**Ian K. F. Ng**  
*MHKIS RPS(GP)*  
*General Manager – Real Estate*

*Mr. Ian K. F. Ng is a Registered Professional Surveyor with over 10 years' experience in valuation of properties in HKSAR, Macau SAR and mainland China. Mr. Ng is a Professional Member of The Hong Kong Institute of Surveyors.*

## VALUATION CERTIFICATE

## Property interests to be acquired by the Group in the PRC

Property	Description and Tenure	Particular of Occupancy	Market Value in Existing State as at 31 December 2014
A parcel of land (Lot No. 210504005003G B00072) and building located at Digong Road, Mingshan District, Benxi City, Liaoning Province, the PRC	<p>The property comprises a parcel of land with a site area of approximately 3,335 sq.m. together with a 17-storey commercial building plus two basement floors with a total gross floor area of approximately 17,788.58 sq.m. erected upon.</p> <p>As advised by the Group, the building will be renovated and scheduled to be completed in the third quarter of 2015.</p> <p>The land use rights of the property were granted for terms expiring on 21 July 2051 and 21 July 2081 for commercial and residential uses respectively.</p>	The property is currently vacant.	RMB120,000,000  (Renminbi One Hundred Twenty Million)

*Notes:*

- (1) Pursuant to a State-owned Land Use Rights Grant Contract dated 22 July 2011 entered into between Benxi City Bureau of Land and Resources (本溪市國土資源局) and Benxi Xincheng Property Development Company Limited (本溪鑫城房地產開發有限公司), an independent third party, the land use rights of a parcel of land with a site area of approximately 108,200 sq.m., which the property forms part, were contracted to be transferred to Benxi Xincheng Property Development Company Limited for terms of 40 years and 70 years for commercial and residential uses respectively at a land premium of RMB609,000,000.
- (2) Pursuant to a State-owned Land Use Rights Certificate – Ben Guo Yong (2013) Di No. 073 (本國用(2013)第073號) issued by Benxi City Bureau of Land and Resources dated 24 December 2013, the land use rights of a parcel of land with a site area of approximately 3,335 sq.m. were granted to Benxi Xincheng Property Development Company Limited for terms expiring on 21 July 2051 and 21 July 2081 for commercial and residential uses respectively.
- (3) Pursuant to a Construction Land Use Planning Permit – Di Zi Di No. 210504201400002 (地字第 210504201400002號) issued by Benxi City Urban-Rural Planning and Construction Committee (本溪市城鄉規劃建設委員會) dated 8 January 2014, Benxi Xincheng Property Development Company Limited was approved to develop a parcel of land with an area of approximately 3,335 sq.m. for commercial and residential uses.

- (4) Pursuant to a Construction Project Planning Permit – Jian Zi Di No. 210504201400005 (建字第 210504201400005號) issued by Benxi City Urban-Rural Planning and Construction Committee dated 8 January 2014, Benxi Xincheng Property Development Company Limited was approved the construction works of a commercial and office project with a total gross floor area of approximately 17,788.58 sq.m.
- (5) Pursuant to a Construction Works Commencement Permit –No.210504201305160301 issued by Benxi City Urban-Rural Planning and Construction Committee dated 16 May 2013, Benxi Xincheng Property Development Company Limited was approved to commence construction works of commercial projects, which the property forms part, with a total gross floor area of approximately 76,671.61 sq.m.
- (6) Due to the value of the property, we consider that it is a material property. Details of the material property are as follows:
- (i) General description of location of the property : The property is situated on Digong Road in Mingshan District of Benxi City. Developments in the vicinity are mainly private residential and commercial developments. The average unit price of neighbouring office space, after taking other factors into the accounts such as physical condition, size, building age and location, as at the Valuation Date, was in the range between RMB5,800/sq.m. and RMB7,100/sq.m. The unit rate adopted to arrive at the value of the property is RMB6,750/sq.m., which was in line with the comparables collected.
- (ii) Details of encumbrances, liens, pledges, mortgages against the property : Please see Note (9)(iii) below
- (iii) Environmental Issue : No environmental impact assessment has been carried out.
- (iv) Details of investigations, notices, pending litigation, breaches of law or title defects : Nil
- (v) Future plans for construction, renovation, improvement or development of the property and estimated associated costs : As advised by the Group, the cost of renovation to be expended on the property is approximately RMB27,000,000.
- (7) For reference purpose, the market value of the property as if the renovation works completed, as at the Valuation Date, was RMB147,000,000.
- (8) The major certificates and permits of the property are summarized as follows:
- |       |  |     |
|-------|--|-----|
| (i)   | State-owned Land Use Rights Grant Contract | Yes |
| (ii)  | State-owned Land Use Rights Certificate    | Yes |
| (iii) | Construction Land Use Planning Permit      | Yes |
| (iv)  | Construction Project Planning Permit       | Yes |
| (v)   | Construction Works Commencement Permit     | Yes |

- (9) We have been provided with a legal opinion regarding the property interests by the Company's PRC legal adviser, which contains, inter alia, the following:
- (i) Benxi Xincheng Property Development Company Limited legally owns the property and is entitled to freely lease, use, transfer, mortgage and dispose of the property subject to the prior consent from the mortgagee;
  - (ii) The land premium has been paid in full;
  - (iii) The property is subject to a mortgage in favour of Bank of China – Benxi Branch (中國銀行股份有限公司本溪分行); and
  - (iv) Benxi Xincheng Property Development Company Limited has obtained approvals from the relevant government authorities for the construction of the property, which is legal and valid.



**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. SHARE CAPITAL**

Assuming there is no change to the number of Shares in issue from the date of the Sale & Purchase Agreement to the completion date of the Sale & Purchase Agreement, the authorised and issued Share capital of the Company (a) on the date of the Sale & Purchase Agreement and before completion of the Sale & Purchase Agreement; and (b) after completion date of the Sale & Purchase Agreement and upon the allotment and issue of the Consideration Shares are as follows:

**(a) On the date of the Sale & Purchase Agreement and before completion of the Sale and Purchase Agreement**

<i>Authorised:</i>		<i>HK\$</i>
<u>5,000,000,000</u>	Shares	<u>500,000,000.00</u>
<i>Issued and fully paid:</i>		
<u>2,033,808,485</u>	Shares	<u>203,380,848.50</u>

**(b) After completion date of the Sale & Purchase Agreement and upon the allotment and issue of the Consideration Shares**

<i>Authorised:</i>		<i>HK\$</i>
<u>5,000,000,000</u>	Shares	<u>500,000,000.00</u>
<i>Issued and fully paid:</i>		
2,033,808,485	existing Shares	203,380,848.50
<u>400,000,000</u>	Consideration Shares	<u>40,000,000.00</u>
<u>2,433,808,485</u>		<u>243,380,848.50</u>

### 3. DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS

As at the Latest Practicable Date, the interests and short positions of the Directors or chief executive of the Company in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) which are required (a) 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 are taken or deemed to have under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) in the Listing Rules to be notified to the Company and the Stock Exchange were as follows:

#### (i) Long position in the Shares

Name of Directors	Long/Short position	Capacity	No. of Shares held	Approximate percentage of the issued share capital in the Company
Wang Jing	Long position	Interest of controlled corporation	1,085,755,571 (Note)	53.39%

*Note:* These 1,085,755,571 shares are held by Achieve Prosper Capital Limited (“Achieve Prosper”), which is a company incorporated in Samoa and wholly and beneficially owned by Hong Kong Shihua Holdings Limited (a company incorporated in Hong Kong), which is in turn wholly and beneficially owned by 遼寧實華(集團)房地產開發有限公司 (Liaoning Shihua (Group) Property Development Company Limited\*) (“Liaoning Shihua Property”). Mr. Wang Jing is the sole director of and the beneficial owner of 82.8% of the equity interest in Liaoning Shihua Property. By virtue of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), Mr. Wang Jing is deemed to be interested in these 1,085,755,571 shares.

#### (ii) Long position in the underlying Shares

Name of Directors	Number of underlying Shares held	Position	Approximate percentage of the shareholding as at the Latest Practicable Date
Wang Jing	436,046,511	Executive Director	21.44%

*Note:* These underlying Shares represent the conversion Shares which are issuable upon the exercise of the convertible bonds in the principal amount of HK\$75,000,000 granted to Achieve Prosper on 30 July 2014. By virtue of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), Mr. Wang Jing is deemed to be interested in such underlying shares.

\* For identification purpose only

## (iii) Directors' interests in the shares of associated corporations

Name of associated corporation	Name of Director	Capacity	Long/short position	Number of ordinary shares in Achieve Prosper Capital Limited	Approximately percentage of the issued share capital in Achieve Prosper Capital Limited
Achieve Prosper Capital Limited	Wang Jing	Interest of controlled corporation	Long position	1,000,000	100%

Save as disclosed above and other than certain nominee Shares in subsidiaries held by Directors in trust for the Company or its subsidiaries, as at the Latest Practicable Date, none of the Company's directors, chief executive nor their associates had any interests or short positions in any Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of the SFO) as notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of the SFO), or as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

## 4. SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS

Save as disclosed in the section headed "Directors', Supervisors' and Chief Executives' Interests and Short Positions", as at the Latest Practicable Date, so far as is known to any Director or chief executive of the Company, the following persons, had an interest or short position in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or were, directly or indirectly, interested in ten per cent. or more of the nominal value of any class of Share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

Names	Nature of interest	Number of Shares and underlying Shares	Approximate percentage of shareholding as at the Latest Practicable Date
Achieve Prosper	Beneficial owner	1,521,802,082	74.83%
Hong Kong Shihua Holdings Limited	Interest of controlled corporation	1,521,802,082	74.83%
Liaoning Shihua Property	Interest of controlled corporation	1,521,802,082	74.83%
Hu Bao Qin	Spouse interest	1,521,802,082	74.83%

As at 30 September 2014, Achieve Prosper is wholly and beneficially owned by Hong Kong Shihua Holdings Limited, which was in turn wholly and beneficially owned by Liaoning Shihua Property. Mr. Wang Jing is the sole director of and the beneficial owner of 82.8% of the equity interest in Liaoning Shihua Property. Ms. Hu Bao Qin was the spouse of Mr. Wang Jing. By virtue of the SFO, Hong Kong Shihua Holdings Limited, Liaoning Shihua Property, Mr. Wang Jing and Ms. Hu Bao Qin were deemed to be interested in the said 1,085,755,571 Shares and 436,046,511 underlying shares held by Achieve Prosper.

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any persons (who were not Directors or chief executives of the Company) who had an interest or short position in the Share or underlying Shares of the Company which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO, or 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 the Company or any of its subsidiaries or held any option in respect of such capital.

#### **5. COMPETING INTERESTS**

As at the Latest Practicable Date, none of the Directors or any of their respective associates has engaged in any business that competes or may compete with the business of the Group or has any other conflict of interests with the Group.

#### **6. DIRECTORS' SERVICE CONTRACTS**

As at the Latest Practicable Date, there was no existing or proposed service agreement between any Director and any member of the Group (excluding agreements expiring or determinable by the employer within one year without payment of compensation other than statutory compensation).

#### **7. DIRECTORS' INTERESTS CONTRACTS OF SIGNIFICANCE AND ASSETS**

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which have been, since 31 March 2014, being the date to which the latest published audited accounts of the Company were made up, acquired or disposed of, by or leased to any member of the Company or are proposed to be acquired or disposed of, by or leased to any member of the Company.

No contracts of significance to which the Company or its subsidiaries was a party and in which a Director had a material interest, either directly or indirectly, subsisted as at the Latest Practicable Date.

#### **8. LITIGATION**

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

**9. MATERIAL CONTRACTS**

The following contracts (not being contracts in the ordinary course of business) had been entered into by the Company or any of its subsidiaries within two years preceding the date of this circular and are or may be material:

- (a) the Sale & Purchase Agreement; and
- (b) the subscription agreement dated 30 January 2014 (as supplemented by the supplemental agreement dated 29 May 2014) entered into between the Company Achieve Prosper Capital Limited in relation to the subscription of convertible bonds in the principal amount of HK\$75,000,000.

**10. EXPERTS AND CONSENTS**

The following are the qualification of the experts who had given opinion contained in this circular:

<b>Name</b>	<b>Qualifications</b>
Conpak CPA Limited	Certified public accountants
International Valuation Limited	Property valuer

As at the Latest Practicable Date, none of the experts above had any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group, or had any interest, either direct or indirect, in any assets which had been since 31 March 2014 (being the date to which the latest published audited accounts of the Company were made up) acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

The property valuation in Appendix III prepared by International Valuation Limited was given on 31 March 2015 and the accountant's report on unaudited pro forma financial information of the Group in Appendix II prepared by Conpak CPA Limited was given on 31 March 2015 for incorporation in this circular.

Each of the experts above has given and has not withdrawn its written consent to the issue of this circular with the respective reports, letters and references to their names in the form and context in which they are included.

**11. GENERAL**

- (a) The registered office of the Company is located at Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda.

- (b) The principal place of business of the Company in Hong Kong is located at Rooms 05-15, 13A Floor, South Tower, World Finance Centre, Harbour City, 17 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong.
- (c) The Hong Kong branch share registrar and transfer office of the Company is Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (d) The company secretary of the Company is Mr. Lam Wai Kei, a practicing member of the Hong Kong Institute of Certified Public Accountants.
- (e) In the event of any inconsistency, the English text of this circular shall prevail over the Chinese text.

## **12. DOCUMENTS FOR INSPECTION**

Copies of the following documents are available for inspection during normal office hours at Rooms 05-15, 13A Floor, South Tower, World Finance Centre, Harbour City, 17 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong on the date of this circular and up to and including 24 April 2015:

- (a) the Memorandum and Articles of Association of the Company;
- (b) the accountant's report on unaudited pro forma financial information of the Group as set out in Appendix II to this circular;
- (c) the valuation report prepared by International Valuation Limited, the text of which is set out in Appendix III to this circular;
- (d) the material contracts referred to in the paragraph headed "Material Contracts" of this appendix;
- (e) the letters of consents referred to under the section headed "Experts and Consents" in this appendix;
- (f) the annual reports of the Company for two years ended 31 March 2013 and 2014; and
- (g) this circular.