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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 stockbroker or other licensed dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **Hanison Construction Holdings Limited**, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**興勝創建控股有限公司**

**HANISON CONSTRUCTION HOLDINGS LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 00896)

**MAJOR TRANSACTION  
IN RELATION TO THE DISPOSAL OF THE ENTIRE INTEREST IN  
WISDOM CONCEPT DEVELOPMENT LIMITED**

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25 September 2015

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## CONTENTS

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	<i>Page</i>
<b>DEFINITIONS</b> .....	1
<b>LETTER FROM THE BOARD</b> .....	5
<b>APPENDIX I – FINANCIAL INFORMATION OF THE GROUP</b> .....	12
<b>APPENDIX II – PROPERTY VALUATION REPORT</b> .....	14
<b>APPENDIX III – GENERAL INFORMATION</b> .....	20

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## DEFINITIONS

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*In this circular and the appendices to it, unless the context otherwise requires, the following terms and expressions have the following meanings:*

“Board”	the board of Directors
“Business Day(s)”	a day or days on which banks are open for general business in Hong Kong other than (a) a general holiday as defined in the General Holidays Ordinance (Cap 149); (b) a Saturday; and (c) any day on which a tropical cyclone signal No. 8 or above is hoisted or a “black rainstorm” warning signal is issued during the period from 9:00 a.m. to 5:00 p.m.
“CCM Trust”	CCM Trust (Cayman) Limited, a company incorporated in the Cayman Islands with limited liability and the corporate trustee of certain but not identical discretionary trusts of which members of the Cha Family are among the discretionary objects
“Cha Family”	a group of persons, comprising, <i>inter alia</i> , Mr. Cha Mou Sing, Payson and Mr. Cha Mou Daid, Johnson, both being Directors
“close associates”	has the meaning as ascribed to it under the Listing Rules
“Company”	Hanison Construction Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the securities of which are listed on the main board of the Stock Exchange (stock code: 00896)
“Completion”	completion of the Disposal in accordance with the terms and conditions of the Sale and Purchase Agreement
“Completion Date”	the date of Completion, being the date which is 14 days after the day on which the last of the Conditions Precedent has been satisfied or waived (provided that if such date is not a Business Day, the Business Day immediately thereafter) or on such other date which may be agreed by the Vendor and the Purchaser in writing
“Conditions Precedent”	the conditions precedent to Completion
“connected person(s)”	has the meaning as ascribed to it under the Listing Rules

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## DEFINITIONS

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“Deed of Assignment”	the deed of assignment in respect of the Sale Loans to be entered into among the Vendor, the Purchaser and the Target Company upon Completion
“Deed of Tax Indemnity”	the deed of tax indemnity to be entered into among the Vendor, the Purchaser and the Target Company upon Completion
“Deposit”	the sum of HK\$71,000,000 paid by the Purchaser to the Vendor’s solicitors as stakeholders
“Director(s)”	director(s) of the Company
“Disposal”	the sale of the Sale Shares and the assignment of the Sale Loans pursuant to the Sale and Purchase Agreement
“Government”	the Government of Hong Kong
“Group”	the Company and its subsidiaries
“Guarantor”	Sanney Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly owned subsidiary of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HKRI”	HKR International Limited, a company incorporated in the Cayman Islands with limited liability, the securities of which are listed on the main board of the Stock Exchange (stock code: 00480)
“Latest Practicable Date”	21 September 2015, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Longstop Date”	30 June 2016, or if any of the Conditions Precedent are not fulfilled by such date, the Purchaser may elect to defer the date to 30 September 2016, or on such date which may be agreed by the Vendor and the Purchaser in writing
“PRC”	the People’s Republic of China, for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan

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## DEFINITIONS

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“Properties”	<p>(a) Lots Nos. 736, 737RP, 741B, 742RP, 745, 747, 750RP, 751RP, 752, 754, 755, 756RP, 777, 778, 779, 780, 781, 783, 785, 786, 787, 788, 789, 790, 791, 792, 793A, 793RP, 794, 795, 799, 800, 801, 802, 803, 804, 806, 807, 810, 811, 812, 813, 814, 815A, 815RP, 816, 817, 818, 819, 820, 821, 822A, 822RP, 825, 826, 827, 828, 831, 832, 833, 834, 835, 837, 838, 839, 840, 841, 842, 843, 845RP, 848RP, 851RP, 852A, 913RP, 914, 915RP, 916RP, 917, 918, 919, 920, 921, 925, 927, 928, 929, 931, 932A, 932B, 932RP, 933, 934, 936RP, 939RP, 940RP, 941RP, 948RP, 949RP, 950ARP, 950RP, 951, 952, 953, 954, 955, 956RP, 1571RP, 1578RP, 1579 in Demarcation District No. 129, Lau Fau Shan, Yuen Long, New Territories, Hong Kong; and</p> <p>(b)(i) Lots Nos. 852BRP, 854A&amp;B, 856, 858RP, 1518, 1553A, 1553B, 1553RP, 1554B, 1554C, 1554D, 1554E, 1588, 1589 in Demarcation District No.129, Lau Fau Shan, Yuen Long, New Territories, Hong Kong; and (ii) Lots Nos. 947RP, 1538, 1554RP in Demarcation District No.129, Lau Fau Shan, Yuen Long, New Territories, Hong Kong,</p> <p>(a) and (b) having in aggregate a total area of approximately 75,809 sq. m. (816,000 sq. ft.)</p>
“Provisional Basic Terms Offer”	<p>a provisional basic terms offer (including plans and the special conditions) in relation to the surrender to the Government of the lots of land set out in item (a) of Properties above, having in aggregate a total area of 67,045 sq. m (721,670 sq. ft.) and a regrant of land by the Government to the Target Company comprising such surrendered lots and together with additional regranted land in their vicinity, which collectively are to be known as Lot No.3575 in Demarcation District No.129, which is expected to have in aggregate a total area of approximately 82,409 sq. m. (887,043 sq. ft.) but which is subject to further land survey by the Government</p>
“Purchaser”	<p>Jianmai Limited, a company incorporated in the British Virgin Islands with limited liability and a subsidiary of the Purchaser’s Parent Company</p>

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## DEFINITIONS

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“Purchaser’s Parent Company”	LVGEM (China) Real Estate Investment Company Limited, a company incorporated in the Cayman Islands and the securities of which are listed on the main board of the Stock Exchange (stock code: 00095)
“Sale and Purchase Agreement”	the sale and purchase agreement dated 30 July 2015 entered into among the Vendor, the Guarantor and the Purchaser in respect of the Disposal
“Sale Loans”	loans owed by the Target Company to the Vendor, which at Completion shall in aggregate not exceed HK\$237,000,000
“Sale Shares”	two ordinary shares in the Target Company, representing the entire issued and paid up share capital of the Target Company
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning as ascribed to it under the Listing Rules
“Target Company”	Wisdom Concept Development Limited, a company incorporated in Hong Kong with limited liability and the sole legal and beneficial owner of the Properties
“Vendor”	Hanison Construction Holdings (BVI) Limited, a company incorporated in the British Virgin Islands with limited liability and a direct wholly owned subsidiary of the Company
“%”	per cent
“sq. ft.”	square feet
“sq. m.”	square metres

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LETTER FROM THE BOARD

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**興勝創建控股有限公司**  
**HANISON CONSTRUCTION HOLDINGS LIMITED**  
*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 00896)

*Directors:*

Mr. Cha Mou Sing, Payson (*Chairman*)\*  
Mr. Wong Sue Toa, Stewart (*Managing Director*)  
Mr. Tai Sai Ho (*General Manager*)  
Mr. Cha Mou Daid, Johnson\*  
Mr. Chan Pak Joe\*\*  
Dr. Lam Chat Yu\*  
Dr. Lau Tze Yiu, Peter\*\*  
Dr. Sun Tai Lun\*\*

\* *Non-executive Directors*

\*\* *Independent Non-executive Directors*

*Registered Office:*

P.O. Box 309, Ugland House  
Grand Cayman, KY1-1104  
Cayman Islands

*Principal Place of*

*Business in Hong Kong:*  
Unit 1, 4/F., Block B  
Shatin Industrial Centre  
5-7 Yuen Shun Circuit  
Shatin, New Territories  
Hong Kong

25 September 2015

*To the Shareholders*

Dear Sir or Madam,

**MAJOR TRANSACTION**  
**IN RELATION TO THE DISPOSAL OF THE ENTIRE INTEREST IN**  
**WISDOM CONCEPT DEVELOPMENT LIMITED**

**INTRODUCTION**

Reference is made to the joint announcement of the Company and HKRI dated 30 July 2015 in relation to the Disposal.

On 30 July 2015 (after the trading hours of the Stock Exchange), the Company, through its direct wholly owned subsidiary, agreed to dispose of its 100% equity interest in the Target Company which is the legal and beneficial owner of the Properties and to assign the Sale Loans at a total consideration of HK\$710,000,000 (subject to adjustment, if any).

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## LETTER FROM THE BOARD

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As the highest applicable percentage ratio (as defined in the Listing Rules) for the Disposal exceeds 25% but is less than 75% for the Company, the Disposal constitutes a major transaction of the Company and is subject to the announcement, reporting and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Pursuant to Rule 14.44 of the Listing Rules, in lieu of a resolution to be passed at a general meeting of the Company, written approval for the Disposal has been obtained from a closely allied group of Shareholders comprising Great Wisdom Holdings Limited, HKRI and CCM Trust, which together are beneficially interested in an aggregate of 457,846,998 Shares, representing approximately 67.56% of the entire issued share capital of the Company as at the Latest Practicable Date giving the right to attend and vote at general meetings of the Company. Accordingly, no general meeting of the Company will therefore be convened to approve the Disposal. The purpose of this circular is to provide you with further information on the Disposal.

### THE SALE AND PURCHASE AGREEMENT

The principal terms of the Sale and Purchase Agreement are summarised as follows:

#### Parties

- (1) Vendor: Hanison Construction Holdings (BVI) Limited
- (2) Purchaser: Jianmai Limited
- (3) Guarantor: Sanney Limited

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

#### Subject of the Disposal

Pursuant to the Sale and Purchase Agreement, (i) the Vendor conditionally agreed to sell the Sale Shares representing the entire issued share capital of the Target Company and to assign the Sale Loans; (ii) the Guarantor agreed to guarantee the performance of the Vendor under the Sale and Purchase Agreement; and (iii) the Purchaser conditionally agreed to purchase the Sale Shares and to accept the assignment of the Sale Loans.

#### Consideration

The total cash consideration for the Disposal is HK\$710,000,000 (subject to adjustment, if any), of which an amount equal to the amount of the Sale Loans outstanding at the Completion Date shall be the consideration for the Sale Loans, and the balance shall be the consideration for the Sale Shares.



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## LETTER FROM THE BOARD

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The Purchaser paid the Deposit (equivalent to 10% of the total consideration) to the Vendor's solicitors as stakeholders on signing the Sale and Purchase Agreement, with the balance of the total consideration to be paid by the Purchaser to the Vendor on Completion.

The consideration was determined based on arm's length negotiations between the Vendor and the Purchaser, and is subject to downward adjustment by reference to the difference between the Target Company's estimated net asset value as of the Completion Date, based on pro-forma completion accounts of the Target Company, and the final net asset value based on an audit of such completion accounts. Such downward adjustment will be made on a dollar-for-dollar basis if the final net asset value is less than the lower of HK\$55,000,000 or the estimated net asset value.

### **Conditions Precedent**

Completion is conditional upon certain customary Conditions Precedent being satisfied (or waived by the Purchaser in its discretion, where applicable) on or before the Longstop Date, including but not limited to:

- (1) the Target Company obtaining the Provisional Basic Terms Offer;
- (2) the Company and HKRI having complied with all applicable requirements under the Listing Rules for implementing all the transactions contemplated under the Sale and Purchase Agreement; and
- (3) the Purchaser's Parent Company having complied with all applicable requirements under the Listing Rules for implementing all the transactions contemplated under the Sale and Purchase Agreement.

The Vendor and the Purchaser shall use their best endeavours to procure that the Conditions Precedent for which they are responsible are fulfilled.

If the Conditions Precedent are not fulfilled or waived (as applicable) on or before the Longstop Date, the obligations of the parties under the Sale and Purchase Agreement shall forthwith cease and terminate and neither party shall have any claim against the other party, save as to any antecedent breach.

### **Guarantee**

The Guarantor has agreed to guarantee as primary obligor the performance by the Vendor of its obligations under the Sale and Purchase Agreement.

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## LETTER FROM THE BOARD

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### **Completion**

Completion shall take place on the Completion Date, which shall not be earlier than 30 October 2015, or on such date which may be agreed by the Vendor and the Purchaser in writing.

### **DEED OF ASSIGNMENT**

The Deed of Assignment will be entered into on or about the Completion Date.

#### **Parties**

- (a) Vendor (as assignor)
- (b) Purchaser (as assignee)
- (c) Target Company (as debtor)

#### **Principal terms of the Deed of Assignment**

Pursuant to the Deed of Assignment, the Vendor as the assignor and the beneficial owner will agree to assign to the Purchaser as the assignee all its benefits of and interests in the Sale Loans owed by the Target Company as debtor as at Completion.

### **DEED OF TAX INDEMNITY**

The Deed of Tax Indemnity will be entered into on or about the Completion Date.

#### **Parties**

- (a) Vendor (as covenantor to the Purchaser and the Target Company)
- (b) Purchaser (as covenantee)
- (c) Target Company (as covenantee)

#### **Principal terms of the Deed of Tax Indemnity**

Pursuant to the Deed of Tax Indemnity and the Sale and Purchase Agreement, the Vendor as the covenantor will agree and undertake to indemnify the Purchaser and the Target Company as the covenantees in respect of any liabilities arising from taxation made against the Target Company up to the date of the Deed of Tax Indemnity for an amount not in excess of HK\$30,000,000.

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## LETTER FROM THE BOARD

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### INFORMATION OF THE TARGET COMPANY

The Target Company is the sole legal and beneficial owner of the Properties. The Properties are all located in Demarcation District No. 129, Lau Fau Shan, Yuen Long, New Territories, Hong Kong, having in aggregate a total area of approximately 75,809 sq. m. (816,000 sq. ft.).

The Provisional Basic Terms Offer, once issued, is expected to cover the Government's agreement that those lots of land set out in item (a) of the definition to Properties in this circular, having in aggregate a total area of approximately 67,045 sq. m. (721,670 sq. ft.), will be surrendered upon the land exchange. It is expected the terms of the Provisional Basic Terms Offer will primarily agree that the regranted lot may be used and developed for private residential purposes, with the total permissible gross floor area of the buildings to be erected thereon to not exceed approximately 23,880 sq. m.

As at the Latest Practicable Date, the land exchange application process is still awaiting the Government's issuance of the Provisional Basic Terms Offer. Once issued and accepted, the Government will proceed to premium estimation and a binding basic terms offer together with the premium amount will be issued thereafter. The land exchange application process will complete once the land grant documents have been executed.

Set out below is the audited financial information of the Target Company for the two years ended 31 March 2014 and 2015:

	<b>For the year ended 31 March</b>	
	<b>2014</b>	<b>2015</b>
	<i>HK\$</i>	<i>HK\$</i>
	<i>(approximately)</i>	<i>(approximately)</i>
Net (loss) before taxation and extraordinary items	(8,000)	(12,000)
Net (loss) after taxation and extraordinary items	(8,000)	(12,000)

The audited net asset value of the Target Company as at 31 March 2015 was approximately HK\$55,500,000.

Upon Completion, the Target Company will cease to be a subsidiary of the Company. Accordingly, its financial results will cease to be consolidated in the accounts of the Company.

### INFORMATION OF THE COMPANY

The Company is an investment holding company incorporated in the Cayman Islands, the securities of which are listed on the Stock Exchange. The Group is principally engaged in construction, interior and renovation works, supply and installation of building materials, property investment, property development, provision of property agency and management services and sale of health products.

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## LETTER FROM THE BOARD

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### INFORMATION OF THE VENDOR

The Vendor is an investment holding company incorporated in the British Virgin Islands with limited liability and a direct wholly owned subsidiary of the Company.

### INFORMATION OF THE GUARANTOR

The Guarantor is a company incorporated in Hong Kong with limited liability and principally engaged in property development business. It is an indirect wholly owned subsidiary of the Company.

### INFORMATION OF THE PURCHASER

The Purchaser is an investment holding company incorporated in the British Virgin Islands with limited liability and a subsidiary of the Purchaser's Parent Company. The Purchaser's Parent Company's principal activities are property development and property investment in the PRC.

### REASONS FOR AND BENEFITS DERIVED FROM THE DISPOSAL

The Directors undertake strategic reviews of its assets from time to time with a view to maximising returns to the shareholders of the Company. The Directors consider that the current market presents a good opportunity for the Company to unlock the value of the Target Company. Accordingly, the Directors believe that the Disposal will enable the Company to reallocate capital into future investment opportunities and pursue other growth opportunities.

The Company intends to apply the net proceeds from the Disposal to repay bank loans, as general working capital and/or financing any possible property or other business investments.

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

### FINANCIAL EFFECTS OF THE DISPOSAL

Upon Completion, it is estimated that the Company would realise a gain on the Disposal before taxation attributable to the owners of the Company of approximately HK\$379,400,000, taking into account its 100% equity interest in the Target Company (the "Interest"), which is calculated on the basis of the difference between the consideration of the Disposal and the Group's total cost of investment in the Interest and relevant expenses. The actual gain on the Disposal to be recorded is subject to audit and may be different from the estimated amount as the actual gain or loss will depend on, amongst other factors, the actual net asset value of the Target Company as at the Completion Date.

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## LETTER FROM THE BOARD

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### LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined in the Listing Rules) for the Disposal exceeds 25% but is less than 75% for the Company, the Disposal constitutes a major transaction of the Company and is subject to the announcement, reporting and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The Company has obtained written approval for the Disposal in accordance with Rule 14.44 of the Listing Rules from a closely allied group of the Shareholders comprising Great Wisdom Holdings Limited, HKRI and CCM Trust, which together are beneficially interested in an aggregate of 457,846,998 Shares, representing approximately 67.56% of the entire issued capital of the Company as at the Latest Practicable Date. Great Wisdom Holdings Limited is a wholly owned subsidiary of HKRI and HKRI is owned as to approximately 41.48% by CCM Trust. Accordingly, Great Wisdom Holdings Limited, HKRI and CCM Trust are a closely allied group of the Shareholders.

To the best knowledge, information and belief of the Directors, after having made all reasonable enquiries, no Shareholder has any material interest in the Disposal thereby requiring them (together with their close associates) to abstain from voting if the Company were to convene an extraordinary general meeting for the approval of the Disposal. As such, no extraordinary general meeting will be convened by the Company for the purpose of approving the Disposal as permitted under Rule 14.44 of the Listing Rules.

**Completion is subject to the fulfillment of the Conditions Precedent and therefore the Disposal may or may not proceed. As such, shareholders and potential investors of the Company are advised to exercise caution when dealing in Shares.**

### ADDITIONAL INFORMATION

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

Yours faithfully,  
By Order of the Board  
**Wong Sue Toa, Stewart**  
*Managing Director*

The audited consolidated financial statements of the Group for the three years ended 31 March 2013, 2014 and 2015 are disclosed in the annual reports of the Company in respect of the same year dated 25 June 2013 (pages 102-230), 24 June 2014 (pages 104-241) and 23 June 2015 (pages 108-241), respectively, which can be accessed on the website of the Company ([www.hanison.com.hk](http://www.hanison.com.hk)) and the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)).

## **1. WORKING CAPITAL**

After taking into account the available credit facilities, our internally generated funds and cash flows impact of the potential acquisition of a subsidiary and of the Disposal, in the absence of unforeseeable circumstance, the Directors are of the opinion that the Group has sufficient working capital for its present requirements for at least the next twelve months from the date of this circular.

## **2. STATEMENT OF INDEBTEDNESS**

At the close of business on 31 July 2015, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this circular, the Group had (i) bank loans of approximately HK\$384,500,000 of which (a) bank loans of HK\$94,500,000 were secured by certain leasehold land and buildings and investment properties and guaranteed by the Company's subsidiaries; and (b) bank loans of HK\$290,000,000 were unsecured and guaranteed by the Company's subsidiaries; and (ii) other long-term payable of approximately HK\$14,253,000 was unsecured and unguaranteed.

As at 31 July 2015, the Group had pledged (i) investment properties with a total carrying amount of HK\$339,824,000; and (ii) certain leasehold land and buildings with a total carrying amount of HK\$22,975,000 to secure banking facilities granted to the Group. In addition, the Group had pledged bank deposits of HK\$83,789,000 to secure the bank loan borrowed by a joint venture as at 31 July 2015.

As at 31 July 2015, the Group has provided a corporate guarantee to a bank to secure banking facilities granted to a joint venture of approximately HK\$29,601,000, which represents the Group's proportionate share of the banking facilities utilised by the joint venture as at 31 July 2015.

As at 31 July 2015, the Group is the defendant of the following legal cases, in which the Directors are of the opinion that the estimated contingent liabilities arising from the litigations cannot be reasonably ascertained.

During the year ended 31 March 2004, legal actions in respect of allegations of copyright infringement and defamation were taken against certain subsidiaries of the Company carrying on its health products business. No further steps have been taken against the Group in respect of such actions after the court hearing for directions to appoint experts and exchange witness statements took place in 2004. As at 31 July 2015, the litigation is still ongoing and there is no further update to the case.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities, the Group did not have outstanding at the close of business on 31 July 2015 any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgages, charges, hire purchases commitments, guarantees or other contingent liabilities.

### **3. MATERIAL ADVERSE CHANGE**

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 March 2015, being the date to which the latest published audited financial statements of the Group were made up.

### **4. FINANCIAL AND TRADING PROSPECTS**

The Group has been pursuing business opportunities to diversify into construction, interior and renovation works, supply and installation of building materials, property investment, property development, provision of property agency and management services and sales of health products over the years. The Group is continuously exploring investment opportunities to broaden the Group's revenue stream and enhance its profitability. The Company will, from time to time, assess the performance and prospects of each of its existing business and may consider adjusting its business portfolio including but not limited to further investment and/or realisations, when opportunity arises to strive for the best interest of the Group and the Shareholders.

According to the property valuation report appended to this circular in Appendix II, the fair value of the Properties as at 31 July 2015 was HK\$710,000,000. Upon Completion, the Group is expected to recognise a gain on the Disposal before taxation attributable to the owners of the Company of approximately HK\$379,400,000, which is calculated on the basis of the difference between the consideration of the Disposal and the Group's total cost of investment in the Interest and relevant expenses. The gain or loss to be recorded in the Group's consolidated financial statements is subject to audit. Save for the gain on Disposal mentioned above and tax liabilities of the Group arising from the Disposal, the Disposal does not have any material effect on the earnings, assets and liabilities of the Group.

The following is the text of a letter and valuation certificate prepared for the purpose of incorporation in this circular received from Crowe Horwath (HK) Consulting & Valuation Limited, an independent valuer, in connection with the valuation of the Properties as at 31 July 2015:



國富浩華（香港）諮詢評估有限公司  
Crowe Horwath (HK) Consulting & Valuation Limited  
Member Crowe Horwath International

香港 銅鑼灣 禮頓道77號 禮頓中心9樓  
9/F Leighton Centre,  
77 Leighton Road,  
Causeway Bay, Hong Kong  
電話Main +852 2894 6888  
傳真Fax +852 2895 3752  
www.crowehorwath.hk

25 September 2015

The Board of Directors  
Hanison Construction Holdings Limited  
Unit 1, 4/F, Block B  
Shatin Industrial Centre  
5-7 Yuen Shun Circuit, Shatin  
New Territories, Hong Kong

Dear Sirs,

**RE: Valuation of 126 Lots in Demarcation District No. 129, Lau Fau Shan, Yuen Long, New Territories, Hong Kong**

In accordance with your instruction for us to value the captioned lots held by **Wisdom Concept Development Limited** (the “Company”), a subsidiary of Hanison Construction Holdings Limited (hereinafter together known as the “Group”) with details stated in the valuation certificate attached, we confirm that we have carried out inspection, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the capital value of such property interests as at **31 July 2015** (the “Date of Valuation”) for the purpose of public circular in respect a proposed disposal of the subject.

**Valuation Basis**

Our valuation is carried out on a Market Value basis, which is defined as “the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion.”



This valuation is complied with the HKIS Valuation Standards published by the Hong Kong Institute of Surveyors (“HKIS”), the RICS Valuation – Professional Standards published by the Royal Institution of Chartered Surveyors (“RICS”) and International Valuation Standards published by the International Valuation Standards Council. We have also complied with all the requirements set out in Chapter 5 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

### **Valuation Assumptions**

Our valuation has been made on the assumption that the owner sells the property on the open market without the benefit or burden of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which would serve to affect the value of the property interests.

No allowance has been made in our valuation neither for any charges, mortgages or amounts owing on the property interests 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 of encumbrances, restrictions and outgoings of onerous nature which could affect its value.

### **Valuation Methodology**

We have valued the property interests by the comparison approach. The property interests valued by the comparison approach consist of comparison based on prices realized of comparable properties. Comparable properties of lands in Yuen Long with similar development potential, location, accessibility, environment and size are selected and then analyzed and carefully weighed against all the respective advantages and disadvantages of each property in order to arrive at a fair comparison of capital value.

### **Source of Information**

We have relied to a considerable extent on information given by the Group, in particular, but not limited to, the planning approvals, statutory notices, easements, occupancy, site areas, etc.. We have taken every reasonable care both during inspecting the information provided to us and in making relevant enquiries.

We have caused searches at the Land Registry and inspected the public records of the Town Planning Board via its website, namely, Statutory Planning Portal 2. We have not made any written enquiries to the Planning Department but made reference to records of the Statutory Planning Portal 2 as well as the relevant submissions as provided by the Company.

We have been provided with certain title documents and planning application relating to the property interests. We have adopted the areas as appeared in the copies of the documents as provided. We have not, however, searched all of the original documents to verify ownership or any amendment which did not appear on the copies handed to us.

Site inspection of the lots was carried by Mr. Alex PW Leung, our Director, on 12 August 2015. We have not carried out detailed measurements to verify the correctness of the areas and the boundaries in respect of the lots but have assumed that the areas and locations shown on the title documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations.

We have not carried out investigations on the site to determine the suitability of the ground conditions, the services, etc. for any future development. We have not carried out any investigation into past or present uses, either of the lots or of any neighboring land, to establish whether there is any contamination or potential for contamination to the lots from these uses or sites, and have therefore assumed that none exists.

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

#### **Limitation of Liabilities**

Our findings or conclusion of value of the property interests in this report are valid only for the stated purpose and at the Date of Valuation, and for the sole use of the Company. We or our personnel shall not be required to give testimony or attendance in court or to any government agency by reason of this report, and the valuer accepts no responsibility whatsoever to any other person.

Our liability for loss or damage shall be limited to such sum as we ought reasonably to pay having regard to our responsibility for the same on the basis that all other consultants and specialists, where appointed, shall be deemed to have provided to the Company contractual undertakings in respect of their services and shall be deemed to have paid to the Company such contribution as may be appropriate having regard to the extent of their responsibility for such loss or damage.

Our liability for any loss or damage arising out of the action or proceedings aforesaid shall, notwithstanding the preceding provisions, in any event be limited to a sum not exceeding HK\$500,000. In no event shall we be liable for consequential, special, incidental or punitive loss, damage or expense (including without limitation, loss of profits, opportunity cost, etc.), even if it has been advised of their possible existence. For the avoidance of doubt our liability shall never exceed the lower of the sum calculated in accordance with the preceding provisions and the sum provided for in this clause.

The Group is required to indemnify and hold us and our personnel harmless from any claims, liabilities, costs and expenses (including, without limitation, attorney's fees and the time of our personnel involved) brought against, paid or incurred by us at a time and in any way based on the information made available in connection with our engagement except to the extent that any such losses, expenses, damages or liabilities are ultimately determined to be the result of gross negligence, misconduct, willful default or fraud of our engagement team in conducting its work. This provision shall survive even after the termination of this engagement for any reason.

We enclose herewith our valuation certificate.

Yours faithfully,

For and on behalf of

**Crowe Horwath (HK) Consulting & Valuation Limited**

**Alex PW Leung**

*MRICS, MHKIS, RPS(GP)*

*Director*

**Leo MY Lo**

*MRICS, MHKIS*

*Director*

*Both Mr. Leung and Mr. Lo are members of the Hong Kong Institute of Surveyors and the Royal Institution of Chartered Surveyors. They have over 20 and 10 years' experience in valuing properties in Hong Kong respectively.*

## VALUATION CERTIFICATE

Property	Description and tenure	Occupancy details	Market value in existing state as at 31 July 2015
126 Lots in Demarcation District No. 129, Deep Bay Road, Lau Fau Shan, Yuen Long, New Territories, Hong Kong	The property comprises various agricultural lots with a total registered site area of approximately 75,809 sq. m. (or 816,000 sq. ft.).	The property was vacant as at the date of valuation.	HK\$710,000,000 (HONG KONG DOLLARS SEVEN HUNDRED TEN MILLION)
	Some 88% of the subject lots, with a total area of approximately 67,045 sq. m., was under processing a land exchange application for a low-density residential development land. The remaining lots are either located adjacent to the application site or scattered on the opposite side of an access road.		
	The lots are held under Government Leases for the same term of 99 years commencing from 1 July 1898 and the lease has been extended to 30 June 2047. The Government Rent payable is 3% rateable value of the property.		

## Notes:

- i) The subject lots comprise Lots 736, 737RP, 741B, 742RP, 745, 747, 750RP, 751RP, 752, 754, 755, 756RP, 777, 778, 779, 780, 781, 783, 785, 786, 787, 788, 789, 790, 791, 792, 793A, 793RP, 794, 795, 799, 800, 801, 802, 803, 804, 806, 807, 810, 811, 812, 813, 814, 815A, 815RP, 816, 817, 818, 819, 820, 821, 822A, 822RP, 825, 826, 827, 828, 831, 832, 833, 834, 835, 837, 838, 839, 840, 841, 842, 843, 845RP, 848RP, 851RP, 852A, 852BRP, 854A&B, 856, 858RP, 913RP, 914, 915RP, 916RP, 917, 918, 919, 920, 921, 925, 927, 928, 929, 931, 932A, 932B, 932RP, 933, 934, 936RP, 939RP, 940RP, 941RP, 947RP, 948RP, 949RP, 950ARP, 950RP, 951, 952, 953, 954, 955, 956RP, 1518, 1538, 1553A, 1553B, 1553RP, 1554B, 1554C, 1554D, 1554E, 1554RP, 1571RP, 1578RP, 1579, 1588 and 1589 all in D.D. 129.
- ii) The registered owner of the property is Wisdom Concept Development Limited.

- iii) Most of the lots lie within area zoned as Green Belt under the Approval Lau Fau Shan and Tsim Bei Tsui Outline Zoning Plan No. S/YL-LFS/7, with the exception of few lots, namely Lot 1818, portions of Lots 1538, 1553B, 1553RP, 1554B and 1554D seem to be lie within an area zoned for Village Type Development.
- iv) According to Statutory Planning Portal 2, the website of Town Planning Board, majority of the subject site (“Lots to be Surrendered”) is covered by an application for planning permission (Application Case No. A/YL-LFS/80-4) for Proposed Class B Amendment to the Approved Residential Development under Application No. A/YL-LFS/80.
- v) Lots to be Surrendered comprise Lots 736, 737RP, 741B, 742RP, 745, 747, 750RP, 751RP, 752, 754, 755, 756RP, 777, 778, 779, 780, 781, 783, 785, 786, 787, 788, 789, 790, 791, 792, 793A, 793RP, 794, 795, 799, 800, 801, 802, 803, 804, 806, 807, 810, 811, 812, 813, 814, 815A, 815RP, 816, 817, 818, 819, 820, 821, 822A, 822RP, 825, 826, 827, 828, 831, 832, 833, 834, 835, 837, 838, 839, 840, 841, 842, 843, 845RP, 848RP, 851RP, 852A, 913RP, 914, 915RP, 916RP, 917, 918, 919, 920, 921, 925, 927, 928, 929, 931, 932A, 932B, 932RP, 933, 934, 936RP, 939RP, 940RP, 950ARP, 950RP, 951, 952, 953, 954, 955, 956RP, 1571RP, 1578RP and 1579 all in D.D. 129.
- vi) According to a planning application dated 3 May 2007, some of the key parameters are as follows:
  - a) A low density residential development with ancillary facilities to be built on the Lots to be Surrendered and certain adjoining government lands with a total gross site area of 82,409 sq. m.;
  - b) 128 houses with maximum of 3-storey including carport to be built;
  - c) Total gross floor area to be 23,880 sq. m. plus a clubhouse of 1,194 sq. m.;
  - d) Public open space with area not less than 19,040 sq. m. to be provided;
  - e) An external access road from the site to Tin Ying Road/Tin Wah Road Roundabout to be constructed (or upgraded); and
  - f) Some 171 trees to be retained or transplanted whilst over 1,100 new trees to be planted within the site.
- vii) The application was approved with conditions upon a meeting dated 7 March 2008.
- viii) Whilst the relevant planning permission was valid until 26 April 2010, we were informed by the Group that the permission remains effective, and the Company is awaiting the Provisional Basic Terms Offer of a land exchange application for the low-density residential development land. Land premium for the land exchange will be subject to offer by the Government. The regranted land is expected to have in aggregate a total area of approximately 82,409 sq. m. (887,043 sq. ft.), but this remains subject to further land survey by the Government.

## 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. DISCLOSURE OF INTERESTS

### (a) Directors' Interests

As at the Latest Practicable Date, the interests and short positions, if any, of the Directors or the chief executive of the Company in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules (the "Model Code"), to be notified to the Company and the Stock Exchange were as follows:

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

Name of Director	Capacity	Number of ordinary shares			Total	Approximately percentage of issued share capital
		Personal interests	Corporate interests	Other interests		
Cha Mou Sing, Payson	(1) Beneficial owner; (2) Interest of controlled corporation; and (3) Beneficiary of discretionary trusts	919,639	4,467,840 (Note 1)	144,582,585 (Note 2)	149,970,064	22.12%
Cha Mou Daid, Johnson	Beneficiary of discretionary trusts	-	-	147,331,523 (Note 2)	147,331,523	21.74%
Wong Sue Toa, Stewart	(1) Beneficial owner; and (2) Interest of controlled corporation	5,624,105	4,270,975 (Note 3)	-	9,895,080	1.46%
Tai Sai Ho	Beneficial owner	570,022	-	-	570,022	0.08%

*Notes:*

- (1) The shares are held by Accomplished Investments Ltd., in which the relevant director is deemed to be interested by virtue of Part XV of the SFO.
- (2) These shares are held under certain but not identical discretionary trusts, of which Mr. Cha Mou Sing, Payson and Mr. Cha Mou Daid, Johnson are among the members of the class of discretionary beneficiaries.
- (3) Mr. Wong Sue Toa, Stewart's corporate interests in the Company arise from the fact that he owns 50% of the share capital of Executive Plaza Limited, which holds 4,270,975 Shares.

***(ii) Share options granted to the Directors pursuant to the share option scheme adopted by the Company on 21 September 2011***

Name of Director	Number of share options outstanding as at the Latest Practicable Date	Approximately percentage of issued share capital	Date of grant	Exercisable period	Exercise Price (HK\$)
Cha Mou Sing, Payson	6,700,000	0.98%	26 November 2014	26 November 2014 to 25 November 2019	1.08
Cha Mou Daid, Johnson	3,350,000	0.49%	26 November 2014	26 November 2014 to 25 November 2019	1.08
Wong Sue Toa, Stewart	6,700,000	0.98%	26 November 2014	26 November 2014 to 25 November 2019	1.08
Tai Sai Ho	3,350,000	0.49%	26 November 2014	26 November 2014 to 25 November 2019	1.08
Chan Pak Joe	670,000	0.09%	26 November 2014	26 November 2014 to 25 November 2019	1.08
Lam Chat Yu	670,000	0.09%	26 November 2014	26 November 2014 to 25 November 2019	1.08
Lau Tze Yiu, Peter	515,000	0.07%	26 November 2014	26 November 2014 to 25 November 2019	1.08
Sun Tai Lun	670,000	0.09%	26 November 2014	26 November 2014 to 25 November 2019	1.08

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company or their respective associates held any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

**(b) Substantial Shareholders' Interests**

So far as is known to each Director or the chief executive of the Company, as at the Latest Practicable Date, the following persons or entities, other than a Director or the chief executive of the Company, 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 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 other member of the Group:

***Long position in the Shares***

Name of shareholder	Capacity	Number of ordinary shares	Approximate percentage of issued share capital
Great Wisdom Holdings Limited ("Great Wisdom") (Note a)	Beneficial owner	159,709,037	23.56%
HKR International Limited ("HKRI") (Note a)	(1) Beneficial owner; and (2) Interest of controlled corporation	328,493,757	48.47%
CCM Trust (Note b)	(1) Trustee; and (2) Interest of controlled corporation	457,846,998	67.55%

*Notes:*

- (a) Great Wisdom is a wholly owned subsidiary of HKRI and therefore HKRI is deemed to be interested in the 159,709,037 shares held by Great Wisdom in accordance with the SFO. Mr. Cha Mou Sing, Payson and Mr. Cha Mou Daid, Johnson, all being the Directors, are also directors of HKRI.
- (b) These share interests comprise 129,353,241 shares directly held by CCM Trust, 328,493,757 shares indirectly held through HKRI. As CCM Trust controls more than one-third of the share capital of HKRI (held as to approximately 41.48% by CCM Trust), it is deemed to be interested in the respective share interests of this company. CCM Trust is holding these shares as the trustee of certain but not identical discretionary trusts of which members of the Cha Family (comprising, *inter alia*, Mr. Cha Mou Sing, Payson and Mr. Cha Mou Daid, Johnson, all being the Directors) are among the discretionary objects. Mr. Cha Mou Sing, Payson is also a director of CCM Trust.



Save as disclosed above, as at the Latest Practicable Date, none of the Directors or the chief executive of the Company was aware of any other person, other than a Director or the chief executive of the Company, who had an interest or short position in the shares or 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 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 other member of the Group.

### **3. DIRECTORS' SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with the Company or any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation, other than statutory compensation).

### **4. DIRECTORS' INTERESTS IN THE ASSETS, CONTRACTS OR ARRANGEMENT SIGNIFICANT TO THE GROUP**

As at the Latest Practicable Date, none of the Directors had any interest, directly or indirectly, in any assets which have, since 31 March 2015 (being the date to which the latest published audited consolidated financial statements of the Group were made up), been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by, or leased to, any member of the Group.

Save as disclosed in this circular in respect of the Disposal (including the terms of the Sale and Purchase Agreement, the Deed of Assignment, the Tax Deed and the transactions contemplated thereunder), none of the Directors was materially interested in any contract or arrangement subsisting at the Latest Practicable Date and which is significant in relation to the business of the Group.

## 5. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, the interests of the Directors in businesses (apart from businesses of the Group) which compete or were likely to compete, either directly or indirectly, with the principal businesses of the Group as required to be disclosed pursuant to the Listing Rules were as follows:

Name of director (Note i)	Name of company	Nature of interest	Competing business (Note ii)
Cha Mou Sing, Payson	HKRI	Director of HKRI and a member of the class of discretionary beneficiaries of certain but not identical discretionary trusts of which the trustees are deemed substantial shareholders of HKRI under Part XV of the SFO	(a) Property development and investment (b) Property management, leasing and marketing services
	New World Development Company Limited ("NWDCL")	Independent non-executive director of NWDCL	(a) Property development and investment (b) Property management, leasing and marketing services
	Champion Real Estate Investment Trust ("CREIT")	Independent non-executive director of Eagle Asset Management (CP) Limited, the manager of CREIT	(a) Property investment (b) Property management, leasing and marketing services
Cha Mou Daid, Johnson	HKRI	Director of HKRI and a member of the class of discretionary beneficiaries of certain but not identical discretionary trusts of which the trustees are deemed substantial shareholders of HKRI under Part XV of the SFO	(a) Property development and investment (b) Property management, leasing and marketing services
Chan Pak Joe	The Luk Hoi Tong Company Limited ("LHT")	Executive director of LHT	(a) Property development and investment (b) Property management, leasing and marketing services

*Notes:*

- (i) Mr. Cha Mou Sing, Payson and Mr. Cha Mou Daid, Johnson, being the non-executive directors of the Company, and Mr. Chan Pak Joe, being an independent non-executive director of the Company, are not involved in the daily management of the Group. Accordingly, the Company is capable of carrying its business independently of, and at arm's length from the above mentioned competing business.
- (ii) Such businesses may be made through subsidiaries, affiliated companies or by way of other forms of investments.

Saved as disclosed above, as at the Latest Practicable Date, none of the Directors and their respective associates was interested in any business apart from the Group's businesses, which competes or is likely to compete, either directly or indirectly, with the businesses of the Group.

## **6. LITIGATION**

As at the Latest Practicable Date, none of the members of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened against any member of the Group, except the legal actions in respect of allegations of copyright infringement and defamation were taken during the financial year ended 31 March 2004 against certain subsidiaries of the Company carrying on its health products business. No further steps have been taken against the Group in respect of such actions after the court hearing for directions to appoint experts and exchange witness statements took place in 2004. The Directors are of the opinion that in view of the uncertainty it is not practicable to assess the financial effect.

## **7. QUALIFICATION AND CONSENT OF EXPERT AND EXPERT'S INTERESTS**

The following is the qualification of the expert who has given opinion or advice which is contained in this circular:

<b>Name</b>	<b>Qualification</b>
Crowe Horwath (HK) Consulting & Valuation Limited	An independent professional property valuer

As at the Latest Practicable Date, the expert has:

- (a) no shareholding 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; and
- (b) no interest, direct or indirect, in any assets which have been, since 31 March 2015 (being the date to which the latest published audited consolidated financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

The above expert has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name included herein in the form and context in which they appear.

## 8. MATERIAL CONTRACTS

As at the Latest Practicable Date, the following contracts (not being contracts entered into in the ordinary course of business) were entered into by members of the Group within two years immediately preceding the date of this circular and are, or may be, material:

- (a) a sale and purchase agreement dated 10 February 2014 entered into between Exceed Advance Limited (a wholly owned subsidiary of the Company) (“**Exceed Advance**”) as purchaser, and AG Acquisition G (BVI) L.P. (“**AG LP**”) as vendor, regarding the acquisition of 25% interest in a piece of land located at Sha Tin Town Lot No. 603, Lok Lam Road, Fo Tan, New Territories (the “**Lok Lam Road Property**”) (which is in turn held by AG Acquisition M (BVI) Limited (“**AG BVI**”) through its wholly owned subsidiary) at a consideration of HK\$5,019,584.50. Further details of the sale and purchase agreement are set out in the announcement of the Company dated 10 February 2014;
- (b) a loan assignment dated 10 February 2014 entered into among Exceed Advance as assignee, AG LP as assignor, and AG BVI as debtor, regarding the assignment of a shareholder’s loan in the sum of HK\$5,019,389.50 (representing 25% of the outstanding shareholder’s loan owed by AG BVI to AG LP) to Exceed Advance. Further details of the loan assignment are set out in the announcement of the Company dated 10 February 2014;
- (c) a shareholders deed dated 10 February 2014 entered into among Exceed Advance as shareholder, AG LP as shareholder, and AG BVI as subject company, regarding the management of AG BVI and the construction, development, management and marketing and sale of the Lok Lam Road Property referred to in (a) above (the “**Lok Lam Project**”). Further details of the shareholders deed are set out in the announcement of the Company dated 10 February 2014;
- (d) a shareholder loan agreement dated 10 February 2014 entered into Exceed Advance as lender, AG LP as lender, and AG BVI as borrower, pursuant to which each of Exceed Advance and AG LP agreed to advance unsecured and interest free shareholder loans of HK\$5,019,389.50 and HK\$15,058,168.50 respectively and further advance shareholder loans (if needed) on a pro rata basis according to their then shareholdings in AG BVI. Further details of the shareholder loan agreement are set out in the announcement of the Company dated 10 February 2014;

- (e) a project management deed dated 10 February 2014 entered into among Hanison Project Management Limited (a wholly owned subsidiary of the Company) (“**Hanison PM**”) as project manager, AG LP as the shareholder of Eltara Limited and Eltara Limited as the beneficial owner of the Lok Lam Road Property and the Lok Lam Project at a project management fee of 1% on construction cost incurred on the Lok Lam Project and a marketing fee of 0.5% of the gross sale proceeds of the Lok Lam Project, regarding the appointment of Hanison PM as an independent contractor to manage, supervise and control the Lok Lam Project. Further details of the project management deed are set out in the announcement of the Company dated 10 February 2014;
- (f) a provisional agreement for sale and purchase dated 17 November 2014 entered into between Emwell Limited (a wholly owned subsidiary of the Company) (“**Emwell**”) as vendor and Fondation Investment Limited (“**Fondation**”) as purchaser, regarding the disposal of the Group’s entire interest in a property which is located at Workshops 1-15 (inclusive) on the 6th Floor of Block A of Shatin Industrial Centre, Nos. 5-7 Yuen Shun Circuit, Shatin, New Territories, Hong Kong (the “**SIC Property**”) at a consideration of HK\$108,380,000. Further details of the provisional sale and purchase agreement are set out in the announcement of the Company dated 17 November 2014;
- (g) a formal agreement for sale and purchase dated 15 December 2014 entered into between Enwell as vendor and Fondation as purchaser, regarding the disposal of the SIC Property referred to in (f) above;
- (h) a sale and purchase agreement dated 19 March 2015 entered into between Hanison Construction Holdings (BVI) Limited and Sky Champion International Limited as vendors, Mingly Corporation as guarantor and Jinshang International Investment Company Limited as purchaser, regarding the disposal of the Group’s entire interest in a property situated at No. 151 Hollywood Road, Hong Kong at a consideration of HK\$550,000,000. Further details of the disposal are set out in the joint announcements of the Company and HKRI dated 19 March 2015 and 2 April 2015 and the circular of the Company dated 24 April 2015, respectively;
- (i) a sale and purchase agreement dated 19 May 2015 entered into between S. Sundar and Sons Limited as vendor, Shangzhi Limited as purchaser and Hing Hotels and Properties Ltd as guarantor, regarding the acquisition of the entire equity interest in a property which is located at No.111 High Street, Hong Kong by Shangzhi Limited, an indirect wholly owned subsidiary of the Company, at a consideration of HK\$253,300,000. Further details of the acquisition are set out in the announcement of the Company dated 19 May 2015;

- (j) a sale and purchase agreement (“SPA A”) and a sale and purchase agreement (“SPA B”) dated 16 July 2015, respectively, were entered into between Emwell as vendor and Polytime International Limited as purchaser, regarding the disposal of the Group’s entire equity interest in the properties located at Workshop 17 on the Fifth Floor of Block B, Shatin Industrial Centre, Nos. 5-7 Yuen Shun Circuit, Shatin, New Territories, Hong Kong, and Workshop 18 on the Fifth Floor of Block B, Shatin Industrial Centre, Nos. 5-7 Yuen Shun Circuit, Shatin, New Territories, Hong Kong at a consideration of HK\$5,468,000 and HK\$5,490,000 respectively. Further details of the SPA A and SPA B are set out in the joint announcement of the Company and HKRI dated 16 July 2015;
- (k) a memorandum of understanding dated 24 July 2015 entered into between Mr. Kong Tak Ho (“Mr. Kong”) and Lai Tak Holdings Limited (“Lai Tak”) as vendors and Nimble Run Limited (“Nimble”) as purchaser, regarding the possible acquisition of the entire equity interest in Billion Mart Development Limited as the target company at a consideration of HK\$998,000,000. Further details of the memorandum of understanding are set out in the joint announcement of the Company and HKRI dated 27 July 2015;
- (l) a sale and purchase agreement dated 8 September 2015 entered into between Mr. Kong and Lai Tak as the vendors and Nimble as the purchaser, regarding the acquisition of the entire equity interest in the target company referred to in (k) above. Further details of the acquisition are set out in the joint announcement of the Company and HKRI dated 8 September 2015; and
- (m) the Sale and Purchase Agreement.

## 9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours on any weekdays (except for Saturday and public holidays) at the Company’s principal place of business in Hong Kong for a period of 14 days from the date of this circular:

- (a) the Sale and Purchase Agreement;
- (b) the memorandum and articles of association of the Company;
- (c) the property valuation report, the text of which is set out in Appendix II to this circular;
- (d) the written consent referred to in the paragraph headed “Qualification and Consent of Expert” in this Appendix;

- (e) the annual reports of the Company for the two financial years ended 31 March 2014 and 2015;
- (f) the material contracts referred to in the section headed “Material Contracts” in this Appendix;
- (g) a copy of each of the circulars issued by the Company pursuant to the requirements set out in Chapter 14 and/or Chapter 14A of the Listing Rules since 31 March 2015 (being the date to which the latest published audited consolidated financial statements of the Group were made up), excluding this circular; and
- (h) this circular.

**10. MISCELLANEOUS**

- (a) the registered office of the Company is located at P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands;
- (b) the head office and principal place of business of the Company is located at Unit 1, 4/F., Block B, Shatin Industrial Centre, 5-7 Yuen Shun Circuit, Shatin, New Territories, Hong Kong;
- (c) the Company’s Hong Kong branch share registrar is Computershare Hong Kong Investor Services Limited of 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong;
- (d) the company secretary of the Company is Mr. Lo Kai Cheong, who is a member of CPA Australia (CPA (Aust.)) and a fellowship member of Hong Kong Institute of Certified Public Accountants (FCPA) and Association of International Accountants (FAIA); and
- (e) the English text of this circular prevails over the Chinese text in case of inconsistency.