
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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 securities in Wang On Group Limited (宏安集團有限公司)*, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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WANG ON GROUP LIMITED
(宏安集團有限公司)*
(Incorporated in Bermuda with limited liability)
(Stock Code: 1222)

**(1) POSSIBLE DISCLOSEABLE AND CONNECTED TRANSACTIONS
IN RELATION TO THE EFFECTIVE DISPOSAL BY WAI YUEN TONG
MEDICINE HOLDINGS LIMITED OF ITS ENTIRE SHAREHOLDING IN
EASY ONE FINANCIAL GROUP LIMITED;
AND
(2) NOTICE OF SPECIAL GENERAL MEETING**

**Independent Financial Adviser to
the Independent Board Committee and Independent Shareholders**



A letter from the Board is set out on pages 8 to 22 of this circular.

A notice convening the SGM to be held at Grand Ballroom, Lower Ground Level, Hong Kong Gold Coast Hotel, 1 Castle Peak Road, Gold Coast, Hong Kong on Wednesday, 26 August 2020 at 12:30 p.m. is set out on pages SGM-1 to SGM-2 of this circular.

Whether or not you are able to attend and vote in person at the SGM, please complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as practicable but in any event not later than 48 hours before the time appointed for holding the SGM or any adjournment thereof (as the case maybe). Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof (as the case may be) should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

Taking into account the recent development of the epidemic caused by the coronavirus disease (COVID-19), the Company will implement the following prevention and control measures at the SGM to protect attendants from the risk of infection:

- (i) **compulsory body temperature checks will be conducted for every attending Shareholder or proxy at the entrance of the venue. Any person with a body temperature of over 37.3 degrees Celsius will not be admitted to the venue, but will be able to vote by submitting a voting slip to the scrutineer at the entrance of the venue;**
- (ii) **every attending Shareholder or proxy is required to wear a surgical mask throughout the SGM; and**
- (iii) **no food or drink will be served at the SGM and there will be measures in place (including any necessary partitioning arrangements) for the purposes of complying with the relevant provisions under the Prevention and Control of Disease (Prohibition on Group Gathering) Regulation (Chapter 599G of the Laws of Hong Kong).**

Furthermore, the Company wishes to advise all of the Shareholders, particularly any Shareholders who are subject to quarantine in relation to COVID-19, that they may appoint any person or the chairman of the SGM as a proxy to attend and vote on the resolution, instead of attending the SGM in person. Physical attendance by a Shareholder is not necessary for the purpose of exercising voting rights.

The Company will closely monitor and ascertain the regulations and measures introduced or to be introduced by the Hong Kong government, and if necessary, will make further announcements in case of any update regarding the precautionary measures to be carried out at the SGM.

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DEFINITIONS

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

“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“Announcement”	the announcement dated 4 May 2020 issued jointly by Caister, EOG, WYT and the Company in relation to, among other things, the Proposal, the Scheme and the possible discloseable and connected transaction for the Company in relation to the WYT Disposal
“associate(s)”	has the meaning ascribed to it under the Takeovers Code
“Authorisations”	all the necessary authorisations, registrations, filings, rulings, consents, permissions and approvals in connection with the Proposal
“Bermuda Companies Act”	the Companies Act 1981 of Bermuda
“Bermuda Court”	the Supreme Court of Bermuda
“Bermuda Court Rules”	the Rules of the Supreme Court 1985 of Bermuda Court
“Board”	the board of directors of the Company
“Caister”	Caister Limited, a company incorporated in the British Virgin Islands with limited liability, the entire issued share capital of which was beneficially owned by Mr. Tang as of the Latest Practicable Date
“Cancellation Consideration”	in respect of one Scheme Share, an amount equal to the aggregate of (i) the closing price of eight (8) Consideration Shares as at the relevant day; and (ii) the Scheme Cash Consideration
“CAP”	China Agri-Products Exchange Limited, an exempted company incorporated in Bermuda with limited liability, the ordinary shares of which are listed and traded on the Main Board of the Stock Exchange (stock code: 0149), a 53.37%-owned listed subsidiary of WYT
“CAP Group”	CAP and its subsidiaries

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“Company”	Wang On Group Limited, an exempted company incorporated in Bermuda with limited liability, the ordinary shares of which are listed and traded on the Main Board of the Stock Exchange (stock code: 1222)
“Condition(s)”	the condition(s) to the implementation of the Proposal and the Scheme as described in the section headed “C. The Proposal and the Option Offer – Conditions to the Proposal and the Scheme” of this circular
“Consideration Shares”	Shares held by Caister which will be transferred to the Scheme Shareholders as part of the Cancellation Consideration upon the Scheme becoming effective on the basis of eight (8) Shares per Scheme Share
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Court Meeting”	a meeting of the Scheme Shareholders to be convened at the direction of the Bermuda Court at which the Scheme (with or without modification) will be voted upon, or at any adjournment thereof
“Director(s)”	the director(s) of the Company
“Disinterested Scheme Shareholder(s)”	Scheme Shareholder(s) other than Caister and the Offeror Concert Parties
“Dividend Adjustment”	the amount of any dividend or other distributions (other than any dividend that EOG may declare for the financial year ended 31 March 2020) made or paid in respect of the Scheme Shares, which Caister reserves the right to deduct from the Scheme Cash Consideration after consultation with the Executive
“Effective Date”	the date on which the Scheme becomes effective in accordance with the Bermuda Companies Act
“EOG”	Easy One Financial Group Limited, an exempted company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the ordinary shares of which are listed and traded on the Main Board of the Stock Exchange (stock code: 221)
“EOG Board”	the board of directors of EOG

DEFINITIONS

“EOG Group”	EOG and its subsidiaries
“EOG Option(s)”	share option(s) granted under the EOG Share Option Scheme from time to time. As at the Latest Practicable Date, there were outstanding EOG Options exercisable into 17,800,000 EOG Shares
“EOG Optionholder(s)”	the holder(s) of the EOG Option(s)
“EOG SGM”	a special general meeting of EOG Shareholders (including any adjournment thereof) to be convened for the purpose of considering, and if thought fit, approving, among other things, (i) the allotment and issue of one EOG Share to Caister or its designated wholly-owned subsidiary; (ii) the reduction of the issued share capital of EOG by cancelling and extinguishing the Scheme Shares; and (iii) the allotment and issue of an equivalent number of EOG Shares immediately thereafter to Caister and/or its designated wholly-owned subsidiary(ies)
“EOG Share(s)”	the ordinary share(s) of HK\$0.01 each in the issued share capital of EOG
“EOG Share Option Scheme”	the share option scheme of EOG adopted on 21 August 2012
“EOG Shareholder(s)”	the holder(s) of EOG Share(s)
“Executive”	the Executive Director of the Corporate Finance Division of the Securities and Futures Commission of Hong Kong or any delegate thereof
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent board committee of the Company established pursuant to Chapter 14A of the Listing Rules to advise the Independent Shareholders in respect of the WYT Disposal

DEFINITIONS

“Independent Financial Adviser”	Merdeka Corporate Finance Limited, a corporation licensed by the SFC to carry on business in Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser appointed to provide recommendations to the Independent Board Committee and the Independent Shareholders in relation to the terms of the WYT Disposal
“Independent Shareholder(s)”	Shareholder(s) other than Mr. Tang, Ms. Yau, Caister, Accord Power Limited, Suntech Investments Limited (an indirect wholly-owned subsidiary of WYT), Billion Trader Investments Limited (an indirect wholly-owned subsidiary of EOG) and Kingston Securities Limited (a fellow subsidiary of Kingston) which respectively held approximately 0.16%, 0.16%, 28.39%, 28.68%, 2.43%, 3.05% and 0.00% of the issued share capital in the Company as of the Latest Practicable Date
“Independent WYT Shareholder(s)”	WYT Shareholder(s) other than Rich Time Strategy Limited, an indirect wholly-owned subsidiary of the Company which beneficially and directly held approximately 58.08% of the issued share capital in WYT as of the Latest Practicable Date
“Kingston”	Kingston Corporate Finance Limited, a corporation licensed by the SFC to carry on business in Type 6 (advising on corporate finance) regulated activity under the SFO, being the financial adviser to Caister in respect of the Proposal
“Last Trading Day”	4 May 2020, being the last trading day prior to the publication of the Announcement
“Latest Practicable Date”	22 July 2020, being the latest date by which certain information in this circular is ascertained prior to publication
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Tang”	Mr. Tang Ching Ho, the sole director and the sole shareholder of Caister as at the Latest Practicable Date and an executive director of the Company and WYT

DEFINITIONS

“Ms. Yau”	Ms. Yau Yuk Yin, an executive Director and the spouse of Mr. Tang
“Offeror Concert Party(ies)”	parties acting in concert or presumed to be acting in concert with Caister, including Mr. Tang, Ms. Yau, Accord Power Limited, the Group, the WYT Group (including Hearty Limited and Suntech Investments Limited), the EOG Group (including Billion Trader Investments Limited) and Kingston (including Kingston Securities Limited)
“Option Offer”	the offer to be made by or on behalf of Caister to the EOG Optionholders
“PRC”	the People’s Republic of China, which, for the purposes of this circular, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Proposal”	the proposal for the privatisation of EOG by Caister by way of the Scheme
“Record Date”	the record date for determining entitlements under the Proposal
“Relevant Authorities”	competent governments and/or governmental bodies, regulatory bodies, courts or institutions
“Scheme”	a scheme of arrangement under Section 99 of the Bermuda Companies Act involving the cancellation of all the Scheme Shares and the simultaneous issuance of an equivalent number of new EOG Shares to Caister and/or its designated wholly-owned subsidiary(ies)
“Scheme Cash Consideration”	the cash amount of HK\$0.3 per Scheme Share, less the Dividend Adjustment (if any), which Scheme Shareholders will receive, as part of the Cancellation Consideration, for the cancellation of their Scheme Shares under the Scheme

DEFINITIONS

“Scheme Share(s)”	EOG Share(s) other than those held by Caister directly and/or indirectly through its wholly-owned subsidiary(ies). As at the Latest Practicable Date, Caister did not hold any EOG Shares directly and/or indirectly through its wholly-owned subsidiary(ies). As referred to in Condition (c) in the section headed “C. The Proposal and the Option Offer – Conditions to the Proposal and the Scheme” of this circular, it is expected that as part of the implementation of the Proposal, one EOG Share will be allotted and issued to Caister or its designated wholly-owned subsidiary, and immediately after cancellation of 556,432,500 EOG Shares, the same number of new EOG Shares will be allotted and issued to Caister and/or its designated wholly-owned subsidiary(ies). These 556,432,501 EOG Shares expected to be issued will not form part of the Scheme Shares
“Scheme Shareholder(s)”	the holder(s) of Scheme Share(s) as at the Record Date
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	a special general meeting (including any adjournment thereof) of the Shareholders to be convened and held for the purpose of considering, and if thought fit, approving, among other things, the WYT Disposal and the transactions contemplated thereunder, the notice of which meeting is set out in this circular
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“WOG Group”	the Group (other than the WYT Group, the WOP Group and the CAP Group)

DEFINITIONS

“WOP”	Wang On Properties Limited, an exempted company incorporated in Bermuda with limited liability, the ordinary shares of which are listed and traded on the Main Board of the Stock Exchange (stock code: 1243), a 75%-owned listed non wholly-owned subsidiary of the Company
“WOP Group”	WOP and its subsidiaries
“WYT”	Wai Yuen Tong Medicine Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the ordinary shares of which are listed and traded on the Main Board of the Stock Exchange (stock code: 897), a 58.08%-owned listed subsidiary of the Company
“WYT Disposal”	the possible effective disposal by WYT of all EOG Shares held by it or its subsidiaries to Caister at the Cancellation Consideration through the cancellation of all such EOG Shares in exchange for Caister paying to WYT the Cancellation Consideration comprising the Scheme Cash Consideration of HK\$48,515,587.50 and 1,293,749,000 Consideration Shares, and the acquisition of the said 1,293,749,000 Consideration Shares as a result
“WYT Group”	WYT and its subsidiaries
“WYT IBC”	the independent board committee of WYT established pursuant to Chapter 14A of the Listing Rules to advise the Independent WYT Shareholders in respect of the WYT Disposal
“WYT SGM”	a special general meeting (including any adjournment thereof) of the WYT Shareholders to be convened and held for the purpose of considering, and if thought fit, approving, among other things, the WYT Disposal and the transactions contemplated thereunder
“WYT Share(s)”	the ordinary share(s) of HK\$0.01 each in the issued share capital of WYT
“WYT Shareholder(s)”	the holder(s) of the WYT Share(s)
“%”	per cent.

LETTER FROM THE BOARD



WANG ON GROUP LIMITED
(宏安集團有限公司)*
(Incorporated in Bermuda with limited liability)
(Stock Code: 1222)

Executive Directors:

Mr. Tang Ching Ho, SBS, JP (Chairman)
Ms. Yau Yuk Yin (Deputy Chairman)
Mr. Chan Chun Hong, Thomas (Managing Director)

Independent non-executive Directors:

Mr. Wong Chun, Justein, BBS, MBE, JP
Mr. Siu Kam Chau

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head office and principal place of
business:*

Suite 3202, 32/F., Skyline Tower
39 Wang Kwong Road
Kowloon Bay
Kowloon
Hong Kong

24 July 2020

To Independent Shareholders

Dear Sir or Madam,

**(1) POSSIBLE DISCLOSEABLE AND CONNECTED TRANSACTIONS
IN RELATION TO THE EFFECTIVE DISPOSAL BY WAI YUEN TONG
MEDICINE HOLDINGS LIMITED OF ITS ENTIRE SHAREHOLDING IN
EASY ONE FINANCIAL GROUP LIMITED;
AND
(2) NOTICE OF SPECIAL GENERAL MEETING**

A. INTRODUCTION

Reference is made to the Announcement. The purpose of this circular is to provide you with further information on the WYT Disposal and notice of the SGM.

* For identification purpose only

LETTER FROM THE BOARD

B. WYT DISPOSAL

On 4 May 2020, Caister requested the EOG Board to put forward the Proposal to the Scheme Shareholders for the privatisation of EOG by way of a scheme of arrangement under Section 99 of the Bermuda Companies Act. Subject to the fulfilment or waiver (as applicable) of the Conditions, which includes, among others, the passing of an ordinary resolution by the Independent Shareholders at the SGM to approve the WYT Disposal, the Proposal and the Scheme will become effective and binding on EOG and all EOG Shareholders, including WYT, on the Effective Date. Accordingly, the Proposal, as and when it is implemented, will involve WYT effectively disposing of 161,718,625 EOG Shares, representing its entire shareholding in EOG and approximately 29.06% of the total issued share capital of EOG, to Caister at the Cancellation Consideration through the cancellation of all such EOG Shares in exchange for Caister paying to WYT the Cancellation Consideration comprising the Scheme Cash Consideration of HK\$48,515,587.50 and 1,293,749,000 Consideration Shares. The original acquisition cost to Caister in respect of the aforesaid 1,293,749,000 Consideration Shares was approximately HK\$297.6 million. The Announcement states that the Cancellation Consideration has been determined on a commercial basis after taking into account the historical prices of the EOG Shares and Shares as quoted on the Stock Exchange, and premium adopted in other privatisation transactions in Hong Kong in recent years.

C. THE PROPOSAL AND THE OPTION OFFER

Conditions to the Proposal and the Scheme

The Proposal is, and the Scheme will become effective and binding on EOG and all EOG Shareholders, subject to the fulfilment or waiver (as applicable) of the following Conditions on or before 31 December 2020 (or such later date as Caister and EOG may agree or, to the extent applicable, as the Bermuda Court may direct), failing which the Proposal and the Scheme will lapse:

- (a) the approval of the Scheme (by way of poll) by a majority in number of Scheme Shareholders representing not less than three-fourths in value of the EOG Shares held by the Scheme Shareholders present and voting either in person or by proxy at the Court Meeting;
- (b) the approval of the Scheme (by way of poll) by at least 75% of the votes attaching to the EOG Shares held by the Disinterested Scheme Shareholders that are voted either in person or by proxy at the Court Meeting, provided that the number of votes cast (by way of poll) against the resolution to approve the Scheme is not more than 10% of the votes attaching to all the EOG Shares held by all the Disinterested Scheme Shareholders;
- (c) the passing of a special resolution by a majority of not less than three-fourths of the votes cast by the EOG Shareholders present and voting in person or by proxy at the EOG SGM to approve, among other things, (i) the allotment and issue of

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- one EOG Share to Caister or its designated wholly-owned subsidiary; (ii) the reduction of the issued share capital of EOG by cancelling and extinguishing the Scheme Shares; and (iii) the allotment and issue of an equivalent number of EOG Shares immediately thereafter to Caister and/or its designated wholly-owned subsidiary(ies);
- (d) the sanction of the Scheme (with or without modifications) by the Bermuda Court and the delivery to the Registrar of Companies in Bermuda of a copy of the order of the Bermuda Court for registration;
 - (e) the necessary compliance with the procedural requirements and conditions (if any) of Section 46(2) of the Bermuda Companies Act in relation to the reduction of the issued share capital of EOG referred to in Condition (c) above;
 - (f) the passing of an ordinary resolution by the Independent Shareholders at the SGM to approve the WYT Disposal;
 - (g) the passing of an ordinary resolution by the Independent WYT Shareholders at the WYT SGM to approve the WYT Disposal;
 - (h) all Authorisations having been obtained or made from, with or by (as the case may be) the Relevant Authorities in Bermuda, Hong Kong and any other relevant jurisdictions;
 - (i) all Authorisations remaining in full force and effect without variation, and all necessary statutory or regulatory obligations in all relevant jurisdictions having been complied with and no requirement having been imposed by any Relevant Authorities which is not expressly provided for, or is in addition to requirements expressly provided for, in relevant laws, rules, regulations or codes in connection with the Proposal or any matters, documents (including circulars) or things relating thereto, in each aforesaid case up to and at the time when the Scheme becomes effective;
 - (j) if required, the obtaining by Caister of such other necessary consent, approval, authorisation, permission, waiver or exemption which may be required from any Relevant Authorities or other third parties which are necessary for the performance of the Scheme under applicable laws and regulations;
 - (k) no government, governmental, quasi-governmental, statutory or regulatory body, court or agency in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry (or enacted, made or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order) that would make the Proposal or the Scheme or its implementation in accordance with its terms void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations with respect to the

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Proposal or the Scheme or its implementation in accordance with its terms), other than such actions, proceedings, suits, investigations or enquiries as would not have a material adverse effect on the legal ability of Caister to proceed with the Proposal or the Scheme; and

- (l) since the date of the Announcement, there having been no material adverse change in the business, assets, financial or trading positions, profits or prospects of any member of the EOG Group to an extent which is material in the context of the EOG Group taken as a whole or in the context of the Proposal.

Withdrawal of listing of the EOG Shares

If the Proposal is approved and implemented:

- (a) all Scheme Shares held by the Scheme Shareholders on the Effective Date will be cancelled in exchange for the payment of the Cancellation Consideration (comprising the Scheme Cash Consideration and the Consideration Shares);
- (b) on the Effective Date, EOG will issue one EOG Share at par to Caister or its designated wholly-owned subsidiary, and the issued share capital of EOG will be reduced by cancelling and extinguishing all the Scheme Shares. Immediately after such reduction, the issued share capital of EOG will be restored to its former amount by the issuance at par to Caister and/or its designated wholly-owned subsidiary(ies), credited as fully paid, of the same number of EOG Shares as the number of Scheme Shares cancelled. The reserve created in the books of account of EOG as a result of the cancellation of the Scheme Shares will be applied in paying up in full at par the new EOG Shares so issued, credited as fully paid, to Caister and/or its designated wholly-owned subsidiary(ies);
- (c) EOG will become a direct or indirect wholly-owned subsidiary of Caister; and
- (d) EOG will apply to the Stock Exchange for the withdrawal of listing of the EOG Shares on the Stock Exchange pursuant to Rule 6.15 of the Listing Rules so that such withdrawal is to take place immediately following the Effective Date.

The listing of the EOG Shares on the Stock Exchange will not be withdrawn if the Scheme is not approved or if the Proposal otherwise lapses.

Cancellation Consideration

Subject to the Scheme becoming effective, all the Scheme Shares will be cancelled in exchange for the Cancellation Consideration comprising the Scheme Cash Consideration of HK\$0.3 per Scheme Share and the Consideration Shares on the basis of eight (8) Consideration Shares (as held by Caister) for each Scheme Share. On the Effective Date

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and immediately prior to the cancellation of the Scheme Shares, EOG will issue one EOG Share at par to Caister or its designated wholly-owned subsidiary.

If, after the Latest Practicable Date and prior to the Effective Date, any dividend or other distributions (other than any dividend that EOG may declare for the financial year ended 31 March 2020) is made or paid in respect of the Scheme Shares, Caister reserves the right to reduce the Scheme Cash Consideration and the price for the Option Offer by an amount equal to the amount of such dividend or other distributions after consultation with the Executive. Apart from any dividend that EOG may or may not declare for the financial year ended 31 March 2020, the EOG Board does not intend to declare or pay any interim dividend or other distribution prior to the close of the offer period (within the meaning of the Takeovers Code) in relation to the Proposal.

The Cancellation Consideration (taking into account the closing price of the Consideration Shares as at the Last Trading Day) of HK\$0.924 per Scheme Share represents:

- (a) a premium of approximately 44.4% over the closing price of HK\$0.640 per EOG Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a premium of approximately 94.5% over the average closing price of HK\$0.475 per EOG Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day;
- (c) a premium of approximately 90.1% over the average closing price of approximately HK\$0.486 per EOG Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;
- (d) a premium of approximately 98.3% over the average closing price of HK\$0.466 per EOG Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Day;
- (e) a premium of approximately 106.3% over the average closing price of approximately HK\$0.448 per EOG Share based on the daily closing prices as quoted on the Stock Exchange for the 120 trading days up to and including the Last Trading Day;
- (f) a premium of 23.2% over the closing price of HK\$0.750 per EOG Share as quoted on the Stock Exchange on the Latest Practicable Date; and
- (g) a discount of approximately 52.8% to the audited consolidated net asset value of approximately HK\$1.956 per EOG Share as at 31 March 2020, calculated based on the audited consolidated net asset value of the EOG Group attributable to the

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EOG Shareholders of approximately HK\$1,088,305,000 as at 31 March 2020 divided by the total number of 556,432,500 EOG Shares in issue as at the Latest Practicable Date.

No increase in the Cancellation Consideration

The Cancellation Consideration, including the Scheme Cash Consideration and the number of Consideration Shares to be transferred per Scheme Share under the Scheme, will not be increased, and Caister does not reserve the right to do so.

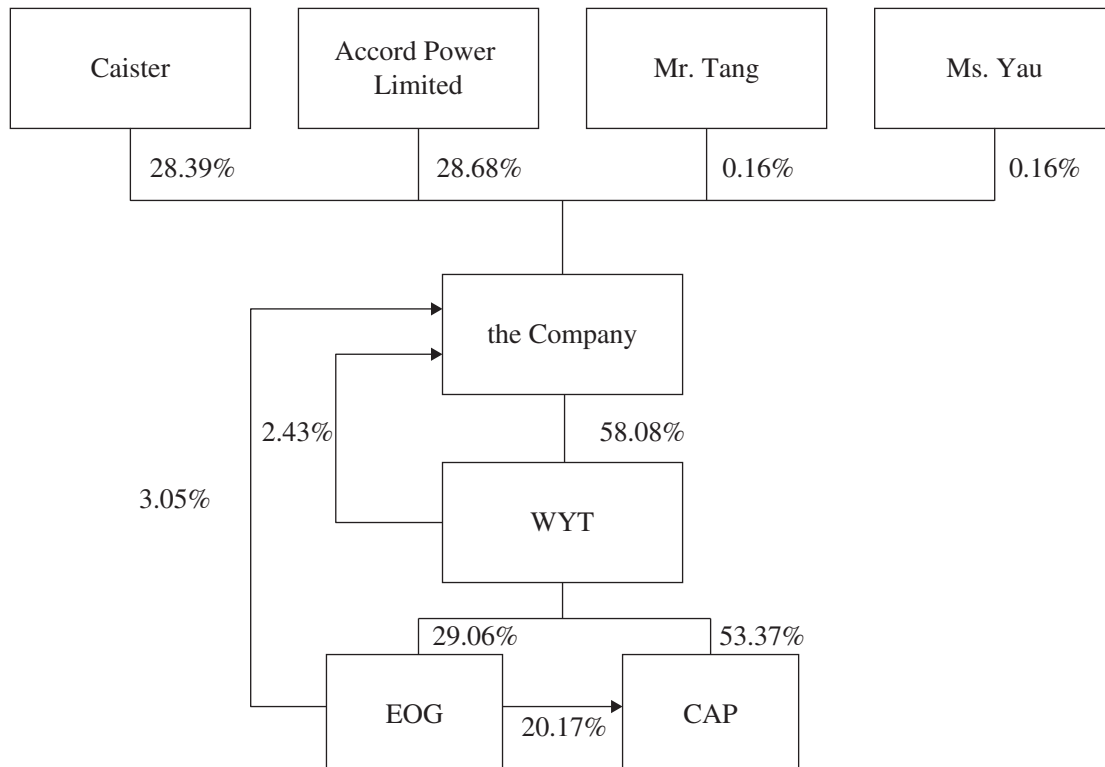
The Option Offer

Caister has confirmed that it will make (or procure to be made on its behalf) an appropriate offer to the EOG Optionholders in accordance with Rule 13 of the Takeovers Code. The Option Offer will be conditional upon the Scheme becoming effective.

Shareholding structure of EOG, WYT, the Company and CAP

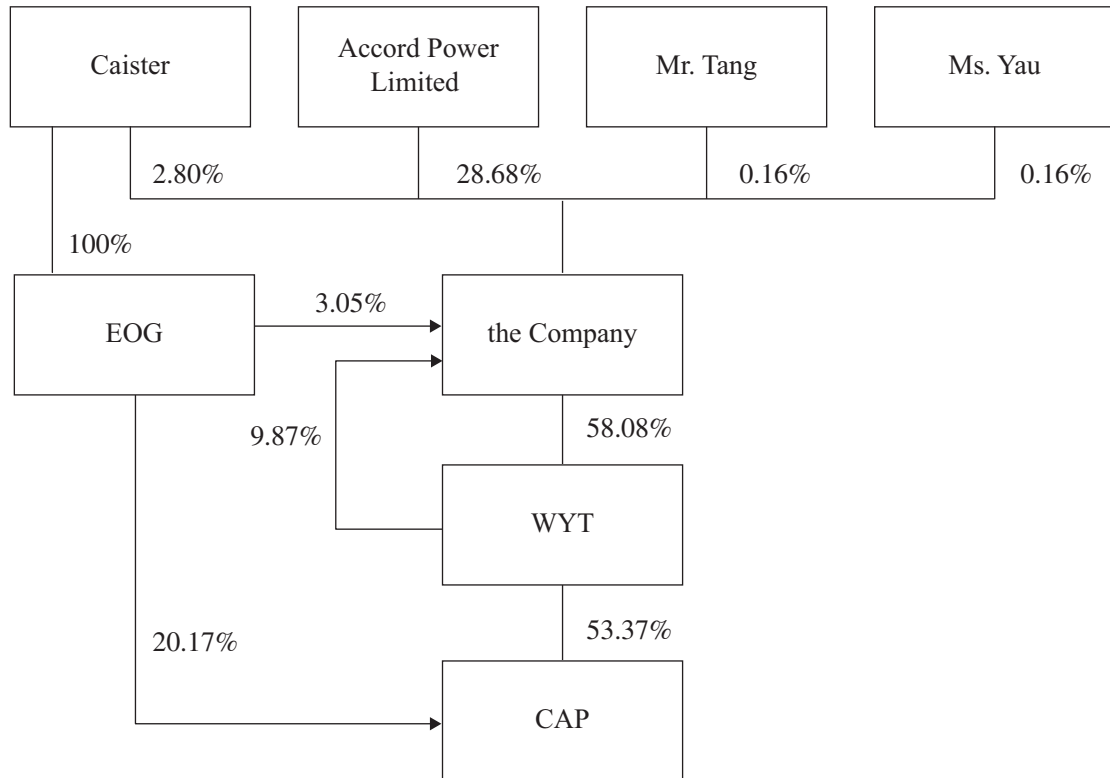
The diagrams below illustrate the simplified shareholding structure of EOG, WYT, the Company and CAP as at the Latest Practicable Date and immediately upon completion of the Scheme, assuming there are no changes in the shareholding of the Company, WYT, EOG and CAP between the Latest Practicable Date and the Record Date:

As at the Latest Practicable Date:



LETTER FROM THE BOARD

Immediately upon completion of the Scheme:



LETTER FROM THE BOARD

Notes:

- (i) A summary of the Shares directly held by Caister and the Offeror Concert Parties (i) as at the Latest Practicable Date; and (ii) immediately upon completion of the Proposal (assuming no other changes to the issued share capital of the Company between the Latest Practicable Date and the Effective Date), is set out as follows:

Name	No. of Shares directly held as at the Latest Practicable Date	Approximate percentage in the issued share capital of the Company as at the Latest Practicable Date	No. of Shares directly held immediately upon completion of the Proposal	Approximate percentage in the issued share capital of the Company immediately upon completion of the Proposal
Caister	4,938,375,306	28.39%	486,915,306	2.80%
Accord Power Limited*	4,989,928,827	28.68%	4,989,928,827	28.68%
Mr. Tang	28,026,339	0.16%	28,026,339	0.16%
Ms. Yau	28,026,300	0.16%	28,026,300	0.16%
Suntech Investments Limited (an indirect wholly-owned subsidiary of WYT, which was indirectly held by the Company as to approximately 58.08% as of the Latest Practicable Date)	423,000,000	2.43%	432,475,200	2.49%
Hearty Limited (an indirect wholly-owned subsidiary of WYT, which was indirectly held by the Company as to approximately 58.08% as of the Latest Practicable Date)	–	–	1,284,273,800	7.38%
Billion Trader Investments Limited (an indirect wholly-owned subsidiary of EOG)	531,000,000	3.05%	531,000,000	3.05%
Kingston Securities Limited (a fellow subsidiary of Kingston, which is the financial adviser to Caister)	540	0.00%	1,116	0.00%
Total	10,938,357,312	62.87%	7,780,646,888	44.72%

* As at the Latest Practicable Date, the entire issued share capital of Accord Power Limited was owned by Fiducia Suisse SA in its capacity as the trustee of the Tang's Family Trust, of which Mr. Tang is the founder.

LETTER FROM THE BOARD

- (ii) Immediately upon completion of the Proposal and assuming there being no changes to the Company's issued share capital since the Latest Practicable Date, the Company will be held by Caister, Accord Power Limited, Mr. Tang, Ms. Yau, WYT, EOG and Kingston Securities Limited as to approximately 2.80%, 28.68%, 0.16%, 0.16%, 9.87%, 3.05% and 0.00% respectively, or 44.72% in the aggregate.
- (iii) The shareholding percentages in the above diagrams have been rounded to two decimal places for ease of illustration only. Also, certain wholly-owned intermediate holding companies are not shown in the above diagrams.

D. USE OF PROCEEDS FROM AND POSSIBLE FINANCIAL EFFECTS OF THE WYT DISPOSAL

If and when the WYT Disposal is proceeded with, the aggregate net proceeds expected to be received by WYT will be approximately HK\$46.0 million based on the latest shareholding of WYT in EOG and the Scheme Cash Consideration with professional fees deducted. WYT intends to utilise the net proceeds to fund its general working capital requirements. In respect of the 1,293,749,000 Consideration Shares expected to be acquired by WYT, WYT intends to hold the Consideration Shares as a long term stable source of dividend income, which is consistent with its investment strategy for the Shares currently held by it.

If the disposal by WYT of the EOG Shares held by it (via its subsidiaries) is proceeded with pursuant to the Scheme, WYT is expected to, subject to audit, recognise a loss of approximately HK\$160.9 million, after estimated transaction costs, which loss will be calculated by reference to the difference between (i) the total proceeds from the aforesaid disposal of EOG Shares and with reference to the Cancellation Consideration; and (ii) the audited carrying value of WYT's investment in EOG, taking into account the audited accumulated other comprehensive income attributable to EOG, as at 31 March 2020.

E. REASONS FOR AND BENEFITS OF THE WYT DISPOSAL

As disclosed in the Announcement, the EOG Group has experienced unprecedented and significant challenges in the finance and brokerage services industries over the past year due to the social protest movements and COVID-19 pandemic and its listing status no longer offers a viable source of funding to develop its business. The WYT Disposal will provide WYT an opportunity to realise its investment in the EOG Group without having to suffer any illiquidity discount. Notwithstanding that WYT is expected to (subject to audit) recognise a loss of approximately HK\$160.9 million calculated with reference to the audited carrying value of WYT's investment in EOG, the estimated transaction costs and the Cancellation Consideration of HK\$0.924 (calculated based on the closing price of the Consideration Shares as at the Last Trading Day) represents significant premium over the average closing prices per EOG Share as quoted on the Stock Exchange for various periods for the 120 trading days up to and including the Last Trading Day ranging from approximately 90.1% to 106.3%. In addition, WYT may benefit from potentially higher dividend income under the Proposal. Based on the actual cash dividend track record of the Company since 2003, WYT would have received a substantially higher dividend income by holding eight (8) Shares compared to holding one Scheme Share. From the Company's perspective, the Consideration Shares would be accounted for as treasury Shares in the Company's financial statements. From an accounting perspective, these treasury Shares would be deducted from total Shareholder's equity of the Company and would not be accounted for as the Company's assets. No gain or loss would be recognised in profit or loss statement as a result of the acquisition by the Company of these treasury Shares.

LETTER FROM THE BOARD

As a result, the resultant acquisition of the Consideration Shares by WYT from Caister would improve (i) the earnings per Share, calculated based on the earnings over the weighted average number of Shares (as stated in the notes to financial statements set out in the annual report of the Company for the year ended 31 March 2020 of 17,127,904 Shares), as adjusted by deduction of the increase in the number of treasury Shares; and (ii) the net book value per Share, calculated based on the net assets attributable to owners of the parent over the total issued Shares, as adjusted by deduction of all treasury Shares.

The resultant acquisition of the Consideration Shares by WYT from Caister would also channel dividend payment by the Company back into the Group, which may be utilised by the Group for the benefit of the Company and the Shareholders.

In light of the above, and having regard to the advice of the Independent Financial Adviser and, in particular, the factors, reasons and recommendations as set out in the letter from the Independent Financial Adviser on pages 25 to 49 of this circular, the Directors (including the independent non-executive Directors) are of the view that the terms of the WYT Disposal are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Each of Mr. Tang (an executive Director, a director of WYT and the sole shareholder and director of Caister), Ms. Yau (an executive Director and the spouse of Mr. Tang) and Mr. Chan Chun Hong, Thomas (an executive Director, a director of WYT and EOG respectively and an EOG Optionholder) are considered to have a material interest in the WYT Disposal and the transactions contemplated thereunder and therefore had abstained from voting on the Board resolutions approving the WYT Disposal and the transactions contemplated thereunder.

F. INFORMATION ON CAISTER, THE COMPANY, WYT AND EOG

Information on Caister

Caister is a company incorporated in the British Virgin Islands with limited liability and was beneficially wholly-owned by Mr. Tang as at the Latest Practicable Date. It is principally engaged in the investment holding of the Shares owned by it.

Information on the Company

The Company is incorporated in Bermuda with limited liability, the ordinary shares of which are listed on the Main Board of the Stock Exchange (stock code: 1222). The Group is principally engaged in (i) management and sub-licensing of fresh markets and treasury management in Hong Kong and the PRC; (ii) property investment and property development in Hong Kong through its 75%-owned listed non wholly-owned subsidiary, Wang On Properties Limited (stock code: 1243); (iii) manufacturing and/or retailing of pharmaceutical and health food products through the WYT Group; and (iv) management and sales of properties in agricultural produce exchange markets in the PRC through CAP, a 53.37%-owned listed non wholly-owned subsidiary of WYT.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the Company had 17,397,520,047 Shares in issue. The shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) immediately upon completion of the Proposal (assuming no other changes to the issued share capital of the Company between the Latest Practicable Date and the Effective Date) is set out as follows:

Name	No. of Shares directly held as at the Latest Practicable Date	Approximate percentage in the issued share capital of the Company as at the Latest Practicable Date	No. of Shares directly held immediately upon completion of the Proposal	Approximate percentage in the issued share capital of the Company immediately upon completion of the Proposal
Caister and the Offeror Concert Parties				
Caister	4,938,375,306	28.39%	486,915,306	2.80%
Accord Power Limited*	4,989,928,827	28.68%	4,989,928,827	28.68%
Mr. Tang	28,026,339	0.16%	28,026,339	0.16%
Ms. Yau	28,026,300	0.16%	28,026,300	0.16%
Suntech Investments Limited (an indirect wholly-owned subsidiary of WYT, which was indirectly held by the Company as to approximately 58.08% as of the Latest Practicable Date)	423,000,000	2.43%	432,475,200	2.49%
Hearty Limited (an indirect wholly-owned subsidiary of WYT, which was indirectly held by the Company as to approximately 58.08% as of the Latest Practicable Date)	–	–	1,284,273,800	7.38%
Billion Trader Investments Limited (an indirect wholly-owned subsidiary of EOG)	531,000,000	3.05%	531,000,000	3.05%
Kingston Securities Limited (a fellow subsidiary of Kingston, which is the financial adviser to Caister)	540	0.00%	1,116	0.00%
<i>Sub-total</i>	10,938,357,312	62.87%	7,780,646,888	44.72%
Independent Shareholders	6,459,162,735	37.13%	9,616,873,159	55.28%
Total	<u>17,397,520,047</u>	<u>100%</u>	<u>17,397,520,047</u>	<u>100%</u>

LETTER FROM THE BOARD

* *As at the Latest Practicable Date, the entire issued share capital of Accord Power Limited was owned by Fiducia Suisse SA in its capacity as the trustee of the Tang's Family Trust, of which Mr. Tang is the founder.*

Other than the Shares stated above, there are no options, derivatives, warrants or other securities issued by the Company that are convertible or exchangeable into the Shares.

Immediately upon completion of the Proposal and assuming there being no other changes to the Company's issued share capital since the Latest Practicable Date, the shareholding of the Company will be held by Caister, Accord Power Limited, Mr. Tang, Ms. Yau, WYT, EOG and Kingston Securities Limited as to approximately 2.80%, 28.68%, 0.16%, 0.16%, 9.87%, 3.05% and 0.00% respectively, or 44.72% in the aggregate.

Based on the published audited consolidated financial information of the Company for the year ended 31 March 2020, the audited total asset value and equity attributable to owners of the Company as at 31 March 2020 were approximately HK\$19,088.8 million and HK\$5,862.8 million, respectively. Based on the published audited consolidated financial statements of the Company for the two years ended 31 March 2019 and 2020, the audited consolidated net profits of the Group before and after taxation were as follows:

	For the years ended	
	31 March	
	2020	2019
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(audited)	(audited)
Net profit before taxation	585,819	1,065,191
Net profit after taxation	439,702	893,391

Information on WYT

WYT is a company incorporated in Bermuda with limited liability, the ordinary shares of which are listed on the Main Board of the Stock Exchange (stock code: 897). As at the Latest Practicable Date, the shareholding of WYT was indirectly held as to approximately 58.08% by the Company. The WYT Group is principally engaged in (i) the manufacturing and retailing of traditional Chinese pharmaceutical and health food products, including Chinese medicinal products sold under the brand name of "Wai Yuen Tong", mainly in the PRC and Hong Kong; (ii) the manufacturing and retailing of Western pharmaceutical and health food and personal care products under the brand names of "Madame Pearls" and "Pearls"; (iii) property investment; and (iv) management and sales of properties in agricultural produce exchange markets in the PRC through CAP, a 53.37%-owned listed non wholly-owned subsidiary of WYT.

LETTER FROM THE BOARD

Information on EOG

EOG is a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the ordinary shares of which are listed on the Main Board of the Stock Exchange (stock code: 221). As at the Latest Practicable Date, the shareholding of EOG was indirectly held as to approximately 29.06% by WYT. The EOG Group is principally engaged in the businesses of provision of finance and securities brokerage services in Hong Kong and property development in the PRC.

Based on the published audited consolidated financial information of EOG for the year ended 31 March 2020, the audited total asset value and net asset value of EOG as at 31 March 2020 were approximately HK\$1,480.3 million and HK\$1,088.3 million, respectively. Based on the published audited consolidated financial statements of EOG for the two years ended 31 March 2019 and 2020, the audited consolidated net profits of the EOG Group before and after taxation were as follows:

	For the years ended	
	31 March	
	2020	2019
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(audited)	(audited)
Net profit before taxation	45,987	75,007
Net profit after taxation	41,461	70,379

G. LISTING RULES IMPLICATIONS

As the entire issued share capital of Caister is beneficially owned by Mr. Tang, the controlling shareholder of the Company and a Director, who is a connected person of the Company, the WYT Disposal (i.e. the disposal by WYT of EOG Shares held by its subsidiaries pursuant to the Scheme and the resultant acquisition by WYT through its subsidiaries of the aforesaid 1,293,749,000 Consideration Shares), if proceeded with, will constitute a connected transaction for the Company under Chapter 14A of the Listing Rules. Based on the applicable size tests results, the WYT Disposal, if proceeded with, will also constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules. In accordance with the requirements of the Listing Rules, the WYT Disposal will therefore be subject to approval from the Independent Shareholders at the SGM.

H. THE SGM AND REGISTER OF MEMBERS

The SGM will be held on Wednesday, 26 August 2020 for the purposes of providing the Independent Shareholders with an opportunity to consider and, if thought fit, approve, among other things, the WYT Disposal and the transactions contemplated thereunder. As required under the Listing Rules, votes at the SGM will be taken by way of a poll.

LETTER FROM THE BOARD

The register of members of the Company will be closed from Tuesday, 18 August 2020 to Monday, 24 August 2020, both dates inclusive, during which period no transfer of Shares will be registered. The record date for the determination of the entitlement to attend and vote at the SGM will be the close of business on Thursday, 20 August 2020. In order to qualify for attending the SGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than Monday, 17 August 2020 at 4:30 p.m.

A form of proxy for use at the SGM is enclosed. Whether or not you are able to attend and vote at the SGM in person, please complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding of the SGM or any adjournment thereof (as the case may be). Completion and return of a form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof (as the case may be) should you so wish and in such case, the form of proxy shall be deemed to be revoked.

The notice of the SGM is set out on pages SGM-1 to SGM-2 of this circular. Caister and the Offeror Concert Parties held, and controlled the voting right in respect of, an aggregate of approximately 62.87% of the total issued share capital of the Company as at the Latest Practicable Date and are considered to have a material interest in the WYT Disposal. Accordingly, Caister and the Offeror Concert Parties will abstain from voting at the SGM on the resolution to approve, among other things, the WYT Disposal and the transactions contemplated thereunder.

I. INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee, comprising all the independent non-executive Directors, namely, Mr. Wong Chun, Justein and Mr. Siu Kam Chau, has been established by the Board to consider the WYT Disposal and to provide advice to the Independent Shareholders on whether the terms of the WYT Disposal are fair and reasonable and in the interests of the Company and the Shareholders as a whole and to advise the Independent Shareholders on how to vote at the SGM. Merdeka Corporate Finance Limited has been appointed as the independent financial adviser of the Company to advise the Independent Board Committee and the Independent Shareholders in this regard.

J. RECOMMENDATION

Having considered the reasons set out herein and after taking into account the view of the Independent Board Committee as set out in the Letter from the Independent Board Committee set out on pages 23 to 24 of this circular, the Directors (including all the independent non-executive Directors) are of the view that the terms of the WYT Disposal are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

K. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the Letter from the Independent Board Committee set out on pages 23 to 24, the Letter from the Independent Financial Adviser set out on pages 25 to 49, and the appendices to this circular.

Yours faithfully,
For and on behalf of the Board
WANG ON GROUP LIMITED
(宏安集團有限公司)*
Tang Ching Ho
Chairman

* *For identification purpose only*

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

The following is the text of a letter from the Independent Board Committee, which has been prepared for the purpose of incorporation into this circular, setting out its recommendation to the Independent Shareholders in respect of the WYT Disposal and the transactions contemplated thereunder.



WANG ON GROUP LIMITED
(宏安集團有限公司)*
(Incorporated in Bermuda with limited liability)
(Stock Code: 1222)

24 July 2020

To the Independent Shareholders

Dear Sir or Madam,

**POSSIBLE DISCLOSEABLE AND CONNECTED TRANSACTIONS
IN RELATION TO THE EFFECTIVE DISPOSAL BY WAI YUEN TONG
MEDICINE HOLDINGS LIMITED OF ITS ENTIRE SHAREHOLDING IN
EASY ONE FINANCIAL GROUP LIMITED**

We refer to the circular issued by the Company to the Shareholders dated 24 July 2020 (the “**Circular**”) of which this letter forms part. Unless the context otherwise requires, terms defined in the Circular shall have the same meanings when used in this letter.

We have been appointed by the Board as members of the Independent Board Committee to consider the WYT Disposal, details of which are set out in the Circular. Merdeka Corporate Finance Limited has been appointed as the Independent Financial Adviser to advise us and the Independent Shareholders in this regard. Details of the independent advice of the Independent Financial Adviser, together with the principal factors and reasons the Independent Financial Adviser has taken into consideration, are set out in the “Letter from the Independent Financial Adviser” set out on pages 25 to 49 of the Circular. Your attention is also drawn to the “Letter from the Board” in the Circular and the additional information set out in the appendices to the Circular.

* *For identification purpose only*

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

RECOMMENDATION

Having taken into account the advice of, and the principal factors and reasons considered by the Independent Financial Adviser in relation thereto as stated in its letter, we consider that the WYT Disposal, while not in the ordinary and usual course of business of the Group, is on normal commercial terms and in the interests of the Company and the Shareholders as a whole. We also consider the terms of the WYT Disposal to be fair and reasonable to the Independent Shareholders. Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution to be proposed at the SGM in respect of the WYT Disposal and the transactions contemplated thereunder.

Yours faithfully,
For and on behalf of the
Independent Board Committee
Mr. Wong Chun, Justin
and Mr. Siu Kam Chau
Independent Non-executive Directors of
Wang On Group Limited
(宏安集團有限公司)*

* *For identification purpose only*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the full text of the letter from Merdeka Corporate Finance Limited setting out the advice to the Independent Board Committee and the Independent Shareholders in respect of the WYT Disposal and the transactions contemplated thereunder, which is prepared for the purpose of inclusion in this circular.



Room 1108–1110, 11/F.
Wing On Centre
111 Connaught Road Central
Hong Kong

24 July 2020

*To: Independent Board Committee and Independent Shareholders
of Wang On Group Limited*

Dear Sirs/Madams,

**POSSIBLE DISCLOSEABLE AND CONNECTED TRANSACTION
IN RELATION TO THE EFFECTIVE DISPOSAL BY
WAI YUEN TONG MEDICINE HOLDINGS LIMITED
OF ITS ENTIRE SHAREHOLDING IN
EASY ONE FINANCIAL GROUP LIMITED**

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the WYT Disposal and the transaction contemplated thereunder, details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in the circular of Wang On Group Limited (the “**Company**”) dated 24 July 2020 issued to the Shareholders (the “**Circular**”), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as those defined in the Circular unless otherwise specified.

As at the Latest Practicable Date, WYT is a non-wholly owned subsidiary of the Company, which the Company held approximately 58.08% of the total issued share capital of WYT, and WYT held approximately 29.06% of the total issued share capital of EOG.

On 4 May 2020, Caister requested the EOG Board to put forward the Proposal to the Scheme Shareholders for the privatisation of EOG by way of a scheme of arrangement under Section 99 of the Bermuda Companies Act. Subject to the fulfilment or waiver (as applicable) of the Conditions, which includes, among others, the passing of an ordinary resolution by the Independent Shareholders at the SGM to approve the WYT Disposal, the Proposal and the Scheme will become effective and binding on EOG and all EOG Shareholders, including WYT, on the Effective Date. Accordingly, the Proposal, as and when it is implemented, will involve WYT effectively disposing of 161,718,625 EOG Shares, representing its entire shareholding in EOG and approximately 29.06% of the total issued share capital of EOG, to Caister at the

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Cancellation Consideration through the cancellation of all such EOG Shares in exchange for Caister paying to WYT the Cancellation Consideration comprising the Scheme Cash Consideration of HK\$48,515,587.50 and 1,293,749,000 Consideration Shares. The original acquisition cost to Caister in respect of the aforesaid 1,293,749,000 Consideration Shares was approximately HK\$297.6 million. The Announcement states that the Cancellation Consideration has been determined on a commercial basis after taking into account the historical prices of the EOG Shares and Shares as quoted on the Stock Exchange, and premium adopted in other privatisation transactions in Hong Kong in recent years.

As the entire issued share capital of Caister is beneficially owned by Mr. Tang, the controlling shareholder of the Company and a Director, who is a connected person of the Company, the WYT Disposal, if proceeded with, will constitute a connected transaction for the Company under Chapter 14A of the Listing Rules. Based on the applicable size tests results, the WYT Disposal, if proceeded with, will also constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules. In accordance with the requirements of the Listing Rules, the WYT Disposal will therefore be subject to approval from the Independent Shareholders at the SGM.

The Independent Board Committee, comprising Mr. Wong Chun, Justein and Mr. Siu Kam Chau, all being independent non-executive Directors, has been formed to advise the Independent Shareholders in relation to the WYT Disposal and the transactions contemplated thereunder, and we, Merdeka Corporate Finance Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to (i) whether the WYT Disposal is entered in the ordinary and usual course of business of the Group, the terms of the WYT Disposal are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned and the WYT Disposal is in the interests of the Company and the Shareholders as a whole; and (ii) how the Independent Shareholders should vote in respect of the relevant resolution to approve the WYT Disposal and the transactions contemplated thereunder. Our appointment has been approved by the Independent Board Committee.

OUR INDEPENDENCE

As at the Latest Practicable Date, we did not have any relationship with, or interest in, or other services provided to, the Company or any other parties that could reasonably be regarded as relevant to our independence in the past two years. Given our independent role and normal professional fees received from the Company under this engagement, we consider it would not affect our independence to form our opinion in this letter.

Apart from normal professional fees payable to us in connection with this appointment as the Independent Financial Adviser in relation to the WYT Disposal and the transaction contemplated thereunder, no arrangements existed whereby we had received or would receive any fees or benefits from the Company or any other parties that could reasonably be regarded as relevant to our independence. Accordingly, we consider that we are independent pursuant to Rule 13.84 of the Listing Rules.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

BASIS AND ASSUMPTIONS OF OUR OPINION

In formulating our advice and recommendations to the Independent Board Committee and the Independent Shareholders, we have relied on the accuracy of the statements, information, opinions and representations contained or referred to in the Circular and the information and representations made to us by the Company and the Directors. We have assumed that all information and representations contained or referred to in the Circular and provided to us by the Company and the Directors, for which they are solely and wholly responsible, are true, accurate and complete in all respects and not misleading or deceptive at the time when they were provided or made and will continue to be so up to the Latest Practicable Date. The Shareholders will be notified of material changes as soon as possible, if any, to the information and representations provided and made to us after the Latest Practicable Date and up to and including the date of the SGM.

We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiries and careful consideration and there are no other facts not contained in the Circular, the omission of which make any such statement contained in the Circular misleading. We have no reason to suspect that any relevant information has been withheld, or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Directors, which have been provided to us.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. However, we have not, carried out any independent verification of the information provided by the Directors, nor have conducted any independent investigation into the business, financial conditions and affairs of the Company or its future prospects. The Directors have collectively and individually accepted full responsibility, including particulars given in compliance with the Listing Rules, for the accuracy of the information contained in the Circular and have confirmed, after having made all reasonable enquires, which to the best of their knowledge and belief, that the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, opinions expressed in the Circular have been arrived at after due and careful consideration and there are no other matters of facts the omission of which would make any statement herein or the Circular misleading.

This letter is issued to provide the information for the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the WYT Disposal and the transactions contemplated thereunder. Except for the inclusion in the Circular, this letter is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purpose without our prior written consent.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the WYT Disposal and the transactions contemplated thereunder, we have taken into consideration the following principal factors and reasons:

I. Background of and reasons for the WYT Disposal

Information on the Group

The Company is incorporated in Bermuda with limited liability, the ordinary shares of which are listed on the Main Board of the Stock Exchange (stock code: 1222). The Group is principally engaged in (i) management and sub-licensing of fresh markets and treasury management in Hong Kong and the PRC; (ii) property investment and property development in Hong Kong through its 75%-owned listed non-wholly-owned subsidiary, Wang On Properties Limited (stock code: 1243); (iii) manufacturing and/or retailing of pharmaceutical and health food products through the WYT Group; and (iv) management and sales of properties in agricultural produce exchange markets in the PRC through CAP, a 53.37%-owned listed non wholly-owned subsidiary of WYT.

Historical financial performance of the Group

We have set out the key financial information of the Group for the year ended 31 March 2019 and 31 March 2020 as extracted from the annual report of the Company for the year ended 31 March 2020 (the “WOG Annual Report”).

Consolidated statement of profit or loss

	For the year ended	
	31 March	
	2020	2019
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(audited)	(audited)
Revenue	3,440,723	4,009,075
Gross Profit	1,610,988	1,718,114
Profit for the year of the Company	439,702	893,391

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Consolidated statement of financial position

	As at 31 March	
	2020	2019
	HK\$'000	HK\$'000
	(audited)	(audited)
Non-current assets	11,204,983	7,000,686
Current asset	7,883,861	9,417,168
Non-current liabilities	4,925,461	3,501,835
Current liabilities	5,121,716	4,910,493
Net assets	9,041,667	8,005,526
Equity attributable to owners of the Company	5,862,807	5,891,046

As illustrated above, the Group's revenue decreased from approximately HK\$4,009.08 million for the year ended 31 March 2019 to approximately HK\$3,440.72 million for the year ended 31 March 2020, representing an decrease of approximately 14.18%. We noted that such decrease in revenue was mainly attributable to the decrease in sale of properties. We also noted that the Group recorded a profit for the year of approximately HK\$439.70 million for the year ended 31 March 2020, which was reduced from that in the corresponding period in the previous year (i.e. a profit for the year of approximately HK\$893.39 million for the year ended 31 March 2019). As disclosed in the WOG Annual Report, the decrease in profit was mainly due to, among other things, the increase of other expenses and finance cost, the fair value losses on the financial instruments and owned investment properties.

Information on the WYT Group

WYT is a company incorporated in Bermuda with limited liability, the ordinary shares of which are listed on the Main Board of the Stock Exchange (stock code: 897). As at the Latest Practicable Date, the shareholding of WYT was indirectly held as to approximately 58.08% by the Company. The WYT Group is principally engaged in (i) the manufacturing and retailing of traditional Chinese pharmaceutical and health food products, including Chinese medicinal products sold under the brand name of "Wai Yuen Tong", mainly in the PRC and Hong Kong; (ii) the manufacturing and retailing of Western pharmaceutical and health food and personal care products under the brand names of "Madame Pearls" and "Pearls"; (iii) property investment; and (iv) management and sales of properties in agricultural produce exchange markets in the PRC through CAP, a 53.37%-owned listed non-wholly-owned subsidiary of WYT.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Historical financial performance of the WYT Group

We have set out the key financial information of the WYT Group for the year ended 31 March 2019 and 31 March 2020 as extracted from the annual report of WYT for the year ended 31 March 2020 (the “**WYT Annual Report**”).

Consolidated statement of profit or loss

	For the year ended	
	31 March	
	2020	2019
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(audited)	(audited)
Revenue	620,741	751,443
Gross Profit	281,576	301,528
Profit for the year of WYT	93,417	74,246

Consolidated statement of financial position

	As at 31 March	
	2020	2019
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(audited)	(audited)
Non-current assets	4,634,436	2,105,354
Current asset	3,095,747	1,349,316
Non-current liabilities	1,863,134	625,236
Current liabilities	2,515,775	381,345
Net assets	3,351,274	2,448,089
Equity attributable to owners of WYT	2,300,061	2,444,118

As illustrated above, the WYT Group’s revenue decreased from approximately HK\$751.44 million for the year ended 31 March 2019 to approximately HK\$620.74 million for the year ended 31 March 2020, representing a decrease of approximately 17.39%. We noted that such decrease in revenue was mainly attributable to the decrease in income from the Chinese and Western pharmaceutical and health food products. We also noted from the WYT Annual Report that the WYT Group recorded a profit for the year of approximately HK\$93.42 million for the year ended 31 March 2020, which was increased from that in the corresponding period in the previous year (i.e. a profit for the year of approximately HK\$74.25 million for the year ended 31 March 2019), which was mainly due to, among other things, the increase in other income and gain in relation to provisional gain on bargain purchase, gain on disposal of property, plant and equipment and gain on disposal/redemption of financial assets at fair value.

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Information on the EOG Group

EOG is a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the ordinary shares of which are listed on the Main Board of the Stock Exchange (stock code: 221). As at the Latest Practicable Date, the shareholding of EOG was indirectly held as to approximately 29.06% by WYT. The EOG Group is principally engaged in the businesses of provision of finance and securities brokerage services in Hong Kong and property development in the PRC.

Historical financial performance of the EOG Group

We have set out the key financial information of the EOG Group for the year ended 31 March 2019 and 31 March 2020 as extracted from the annual report of EOG for the year ended 31 March 2020 (the “**EOG Annual Report**”).

Consolidated statement of profit or loss

	For the year ended 31 March	
	2020	2019
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(audited)	(audited)
Revenue	113,393	130,761
Gross Profit	113,222	130,135
Profit for the year for EOG	41,461	70,379

Consolidated statement of financial position

	As at 31 March	
	2020	2019
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(audited)	(audited)
Non-current assets	408,460	496,524
Current asset	1,071,837	1,161,301
Non-current liabilities	2,043	70,000
Current liabilities	389,949	473,671
Net assets	1,088,305	1,114,154

As illustrated above, the EOG Group's revenue decreased from approximately HK\$130.76 million for the year ended 31 March 2019 to approximately HK\$113.39 million for the year ended 31 March 2020, representing a decrease of approximately 13.28%. The EOG Group's gross profit decreased approximately 13.00% from approximately HK\$130.14 million for the year ended 31 March 2019 to approximately

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HK\$113.22 million for the year ended 31 March 2020. As set out in the EOG Annual Report, such decrease in revenue was mainly attributable to the decrease in the sales of stock of properties. We also noted that the EOG Group recorded a profit for the year attributable to owners of EOG of approximately HK\$41.46 million for the year ended 31 March 2020, representing a decrease of 41.10% as compared to a profit for the year attributable to owners of EOG of approximately HK\$70.38 million for the year ended 31 March 2019, which were mainly contributed by, among other things, the one-off gain on disposal of subsidiaries recorded by EOG for the financial year ended 31 March 2019 and the slight decrease in revenue of the EOG Group for the year ended 31 March 2020.

Information on Caister

Caister is a company incorporated in the British Virgin Islands with limited liability and was beneficially wholly-owned by Mr. Tang as at the Latest Practicable Date. It is principally engaged in the investment holding of the Shares owned by it.

As at the Latest Practicable Date, Caister is interested in 4,938,375,306 Shares, representing approximately 28.39% in the issued share capital of the Company.

Reasons for and benefits of the WYT Disposal and the use of proceeds from the WYT Disposal

As set out in the Letter from the Board, the EOG Group has experienced unprecedented and significant challenges in the finance and brokerage services industries over the past year due to the social protest movements and COVID-19 pandemic and its listing status no longer offers a viable source of funding to develop its business. The WYT Disposal will provide WYT an opportunity to realise its investment in the EOG Group without having to suffer any illiquidity discount. Notwithstanding that WYT is expected to, subject to audit, recognise a loss of approximately HK\$160.9 million calculated with reference to the audited carrying value of WYT's investment in EOG, the estimated transaction costs and the Cancellation Consideration of HK\$0.924 (calculated based on the closing price of the Consideration Shares as at the Last Trading Day) represents significant premium over the average closing prices per EOG Share as quoted on the Stock Exchange for various periods for the 120 trading days up to and including the Last Trading Day ranging from approximately 90.1% to 106.3%. In addition, WYT may benefit from potentially higher dividend income under the Proposal. Based on the actual cash dividend track record of the Company and EOG since 2003, WYT would have received a substantially higher dividend income by holding eight (8) Shares compared to holding one Scheme Share.

As further noted from the Letter from the Board, from the Company's perspective, the Consideration Shares would be accounted for as treasury Shares in the Company's financial statement. From an accounting perspective, the treasury Shares

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would be deducted from the total Shareholders' equity of the Company and would not be accounted for as the Company's assets. No gain or loss would be recognised in profit or loss statement as a result of the acquisition by the Company of these treasury Shares.

Based on the above accounting treatment for the treasury Shares, we have made reference to the Hong Kong Accounting Standard 32 in relation to "Financial Instruments: Presentation", and it is understood that "If an entity reacquires its own equity instruments, those instruments shall be deducted from equity. No gain or loss shall be recognised in profit or loss on the purchase, sale, issue or cancellation of an entity's own equity instruments". Therefore, we concur with the above-mentioned accounting treatment on the treasury Shares.

As a result, the resultant acquisition of the Consideration Shares by WYT from Caister would improve the earnings per Share ("**EPS**") and the net book value per Share ("**NBV per Share**"), and also channel dividend payment by the Company back into the Group, which may be utilised by the Group for the benefit of the Company and the Shareholders.

As at the Latest Practicable Date, WYT Group held 161,718,625 EOG Shares, representing approximately 29.06% of the total issued share capital of EOG. Upon completion of the WYT Disposal, WYT would receive, among other things, 1,293,749,000 Consideration Shares and, together with the existing 423,000,000 Shares currently held by the WYT Group as at the Latest Practicable Date, WYT would hold an aggregate of 1,716,749,000 Shares, representing approximately 9.87% of the total issued share capital of the Company. Such 1,716,749,000 Shares would be treated as treasury shares in the financial statement of the Company (the "**Adjusted Treasury Shares**").

According to the Hong Kong Accounting Standard 33 in relation to "Earnings per Share", it states that "Basic earnings per share shall be calculated by dividing profit or loss attributable to ordinary equity holders of the parent entity (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the period". With reference to the WOG Annual Report, the weighted average number of Shares in issue was 17,550,904,000 Shares and, after taking into account the weighted average number of treasury shares of 423,000,000 Shares (the "**Existing Treasury Shares**"), the weighted average number of Shares used in the basic and diluted earnings per Share calculation was 17,127,904,000 Shares. Hence, prior to the completion of the WYT Disposal, WOG recorded an EPS of HK\$1.61 cents for the year ended 31 March 2020 (based on the net profit attributable to Shareholders of approximately HK\$275.81 million).

Upon completion of the WYT Disposal and taking into account of the number of the Adjusted Treasury Shares, the weighted average number of Shares would be decreased to 15,834,154,609 Shares and hence, the EPS for the year ended 31 March

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2020 would be increased by approximately 8.07% from HK\$1.61 cents to HK\$1.74 cents (based on the net profit attributable to the Shareholders of approximately HK\$275.81 million).

On the other hand, immediately before the completion of the WYT Disposal and after taking into account the Existing Treasury Shares of 423,000,000 Shares, the Company would record a NBV per Share of approximately HK\$0.35 per Share based on the audited equity attributable to owners of the Company of approximately HK\$5,862.81 million as at 31 March 2020 and 16,974,520,047 Shares (i.e. the 17,397,520,047 total issued Shares – Existing Treasury Shares). Upon the completion of the WYT Disposal and after taking into account the Adjusted Treasury Shares, the NBV per Share as at 31 March 2020 would be increased approximately 5.71% from approximately HK\$0.35 to approximately HK\$0.37, based on the audited equity attributable to owners of the Company of approximately HK\$5,862.81 million as at 31 March 2020 and 15,680,771,047 Shares (i.e. the 17,397,520,047 total issued Shares – Adjusted Treasury Shares).

Having considered the accounting treatment and the financial impact of the treasury Shares, although the treasury Shares would be deducted from the total Shareholders' equity of the Company and would not be accounted for as the Company's assets, the EPS and the NBV per Share, as calculated above, would be improved by approximately 8.07% and 5.71% respectively upon the completion of the WYT Disposal through receiving 8 Consideration Share per Scheme Share by WYT Group as part of the Cancellation Consideration. As such, we are of the view that the Cancellation Consideration is in the interests of the Company and the Shareholders as a whole.

Analysis for EOG

The EOG Group is principally engaged in the businesses of provision of finance and securities brokerage services in Hong Kong and property development in the PRC.

As noted from the past annual reports of EOG, EOG recorded substantial loss for the year of approximately HK\$164.61 million and HK\$175.30 million for the financial years ended 31 March 2017 and 31 March 2018, respectively. As set out in the paragraph headed "Historical financial performance of the EOG Group" above, EOG Group recorded profit for the year attributable to owners of EOG of approximately HK\$70.38 million for the financial years ended 31 March 2019. However, as noted from the annual report of EOG for the financial year ended 31 March 2019, EOG would record a loss position if excluded the gain on disposal of subsidiaries of approximately HK\$72.69 million, which is considered to be an one-off transaction to EOG. Hence, taking into account of the above, save for the financial year ended 31 March 2020, the EOG Group has been encountering loss making position for the past three consecutive financial years. Despite that EOG recorded a profit for the financial year ended 31 March 2020 of approximately HK\$41.46 million, it is uncertain that

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EOG is able to sustain its profitability in the future given the high competitive environment in Hong Kong.

The below table set out the revenue contribution of each business segments of EOG for the financial year ended 31 March 2020.

Segment	Revenue <i>HK\$'000</i>	Contribution to the EOG Group %
Provision of finance business operation	94,926	83.71
Provision of brokerage services operation	14,872	13.12
Property development operation	3,595	3.17
Total	113,393	100.00

As understood from the EOG Annual Report, the revenue of EOG Group derived from its property development business has decreased significantly due to the disposal of its property development project located in Fuzhou, Jiangxi Province in the PRC during the financial year ended 31 March 2019. With the significant decrease in revenue in its property development business, the EOG Group's largest revenue source is now from its provision of finance business operation which contributes approximately HK\$94.93 million for the financial year ended 31 March 2020, representing approximately 83.71% of the EOG Group's revenue. As advised by the Company, the EOG Group has no new property development project on hand at current.

As further understood from the EOG Annual Report, EOG's provision of finance business operation includes providing property mortgage loans, personal loans and corporate loans in Hong Kong. Despite the outbreak of COVID-19, the continuous social instability in Hong Kong and the market instability as a result of the on-going U.S.-China trade war, the money lending business of EOG only recorded a slight drop in revenue for the financial year 2020 as compared to 2019.

Despite that, a series of challenges including keen market competition, intense price war on interest margin and the on-going U.S.-China trade war continue to create uncertainties to the loan financing business. According to a study performed by the Consumer Council of Hong Kong on Money Lending – Reforming Law and Trade Practices for Consumer Protection published 26 September 2019, there has been a significant increase in the number of non-bank money lenders in Hong Kong from 779 in 2009 to 2,153 in 2018, representing a compound annual growth rate of 10.7% from 2009 to 2018. As of January 2020, there are 2,324 number of non-bank money lenders

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in Hong Kong, showing that the money lending business in Hong Kong is at a very competitive environment and it is highly uncertain that EOG can stand out from the underlying market.

In particular, it is expected that the social protest movements in Hong Kong and the outbreak of the COVID-19 pandemic in recent months will further exert unprecedented and significant challenges to the businesses of EOG.

Analysis for WYT

WYT principally engaged in the production and sales of Chinese and Western pharmaceutical products (the “**WYT Pharmaceutical Business**”) and also engaged in property investment. As noted from the WYT Annual Report, the majority of WYT Group’s revenue was contributed by (i) the manufacturing and retailing of traditional Chinese pharmaceutical and health food products, including Chinese medicinal products sold under the brand name of “Wai Yuen Tong”, mainly in the PRC and Hong Kong; and (ii) the manufacturing and retailing of Western pharmaceutical and health food and personal care products under the brand names of “Madame Pearls” and “Pearls”.

As set out in the WYT Annual Report, the revenue of (i) production and sale of Chinese pharmaceutical and health food products for the year ended 31 March 2020 is approximately HK\$467.38 million whilst the segment made a loss of approximately HK\$180.13 million; and (ii) production and sale of Western pharmaceutical and health food products for the year ended 31 March 2020 is approximately HK\$100.31 million whilst the segment made a loss of approximately HK\$34.60 million.

As advised by the Directors, the sales channel of WYT in connection with its Chinese and Western pharmaceutical and health food products are mainly via WYT’s own retail shops in Hong Kong, Macau and the PRC, independent retail stores and e-commerce channel, etc. For the financial year ended 31 March 2020, approximately 73.37% of the revenue of WYT Pharmaceutical Business was derived from Hong Kong, approximately 5.12% of the revenue of WYT Pharmaceutical Business was derived from Macau, approximately 18.06% of the revenue of WYT Pharmaceutical Business was derived from the PRC and approximately 0.43% of the revenue of WYT Pharmaceutical Business was derived from other regions.

Since the commencement of the social protest movements in Hong Kong in June 2019, the number of tourist visiting Hong Kong has plummeted which have seriously hurt the retail sector in Hong Kong. Alongside the outbreak of the COVID-19 pandemic in about January 2020, Hong Kong’s Department of Health has introduced (i) the compulsory quarantine arrangement to persons arriving at Hong Kong from foreign places; and (ii) the prohibition against group gatherings under the Prevention and Control of Disease (Prohibition on Group Gathering) Regulation (Chapter 599G of the Laws of Hong Kong). At the same time, Hong Kong has also restricted travel from

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the PRC by suspending train services and closing certain borders with the PRC. The number of flights from the PRC has been reduced significantly and person travel permits for people from the PRC have also been suspended.

The abovementioned incidents adversely affected the retail businesses in Hong Kong. According to the “Report on Monthly Survey of Retail Sales (March 2020)” issued by the Government of Hong Kong on 1 June 2020, for the first quarter of 2020, it was provisionally estimated that the value of total retail sales decreased by 35.0% compared with the same period in 2019 and the total retail sales decreased by 36.9% in volume compared with the same period in 2019. Comparing (i) March 2020 and March 2019; and (ii) the first quarter of 2020 and the first quarter of 2019, the sales of Chinese drugs and herbs provisionally dropped 51.7% and 33.5% respectively.

In addition, according to the “First Quarter Economic Report 2020” issued by the Government of Hong Kong on 15 May 2020, the threat of COVID-19 seriously disrupted a wide range of local economic activities and supply chains in the region, the economic recession deepened in Hong Kong in the first quarter of 2020. With the disease evolving into a pandemic in March 2020, the economic fallout became even more severe. Real gross domestic product (GDP) contracted sharply by 8.9% from a year earliest and represented the steepest for a single quarter on record, even worse than that experienced in the aftermath of the Asian Financial Crisis of 1997–98.

In order to face the upcoming potential challenges in the uncertain economic environment in Hong Kong and the PRC, it is crucial for WYT to maintain a sufficient cash level and working capital. As set out in the Letter from the Board, if and when the WYT Disposal is proceeded with, the aggregate net proceeds from the Scheme Cash Consideration expected to be received by WYT will be approximately HK\$46.0 million based on the latest shareholding of WYT in EOG and the Scheme Cash Consideration with professional fees deducted. WYT intends to utilise the net proceeds to fund its general working capital requirements, and thus the liquidity and the working capital of WYT will be strengthened. In respect of the 1,293,749,000 Consideration Shares expected to be acquired by WYT, WYT intends to hold the Consideration Shares as a long term stable source of dividend income, which is consistent with its investment strategy for the Shares currently held by it.

The resultant acquisition of the Consideration Shares by WYT

As set out in the Letter from the Board, subject to the Scheme becoming effective, all the Scheme Shares will be cancelled in exchange for the Cancellation Consideration comprising the Scheme Cash Consideration of HK\$0.30 per Scheme Share and the Consideration Shares on the basis of eight (8) Consideration Shares (as held by Caister) for each Scheme Share.

As noted from the public record, the Company has a prolonged history for distributing dividends to Shareholders since 2003 while according to the public record,

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EOG has only distributed dividend to its shareholders for four times since 2003. The table below summaries the dividend payment yields of the Company for the last five years.

Financial Year	Dividend per Share	Dividend yield (note)
2020	HK\$0.0060	8.70%
2019	HK\$0.0094	13.62%
2018	HK\$0.0060	8.70%
2017	HK\$0.0060	8.70%
2016	HK\$0.0060	8.70%

Note: Dividend yield is calculated as the dividend per Share divided by the closing price of the Share as at the Latest Practicable Date.

The stable track record and promising dividend distribution by the Company as set above means that, subject to the Scheme becoming effective, WYT may benefit from receiving additional dividend income as compared to holding one Scheme Share. Based on the above table, we understand that during the past five years, the Company had at least distribute a dividend per Share of HK\$0.0060 per year and despite an unfavourable business environment in Hong Kong since second half of 2019, the Company is still able to distribute dividend for the financial year ended 31 March 2020. Assuming the Scheme becoming effective, WYT will hold 1,293,749,000 Consideration Shares and such number of Shares would benefit WYT from receiving a cash dividend of approximately HK\$7.76 million per year (based on the dividend rate of HK\$0.0060 per Share), which can definitely strengthen the cash flow of the WYT Group given the ambiguous prospects of the retail industry in Hong Kong.

In addition, according to the EOG Annual Report and WOG Annual Report, EOG has net assets value per EOG Share of approximately HK\$1.96 as at 31 March 2020 and the Company has a net assets value attributable to owners per Share of approximately HK\$0.34 as at 31 March 2020. Under the Proposal, other than the Scheme Cash Consideration of approximately HK\$48,515,587.50, WTY will receive eight (8) Share in the Company which represents a total net assets value of approximately HK\$2.72 per eight (8) Share in the Company, as comparing to the net assets value per Scheme Share of approximately HK\$1.96.

As further advised by the Directors, the Board also considered that the WYT Disposal will provide WYT an opportunity to realise its investment in the EOG Group without having to suffer any illiquidity discount. As illustrated in the below paragraph headed “Trading liquidity of the EOG Shares”, the relatively low liquidity of the EOG Shares, may imply lack of interest from potential investors to invest in the EOG Shares during the Review Period and it is difficult to dispose of a large volume of the EOG Shares in the open market in a short period of time without exerting downward

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pressure on the price of the EOG Shares or identify an investor or a group of investors to acquire the EOG Shares.

Having considered the above, in particular, among other things, the facts that (i) the social protest movements in Hong Kong and the ongoing COVID-19 pandemic in recent months will further exert unprecedented and significant challenges to the businesses of both EOG and WYT; (ii) WYT may benefit from receiving additional dividend income as compared to holding Scheme Share under the Proposal given that the Company has a stable track record in dividend distribution; (iii) the financial position and cash flow of WYT will be strengthened upon the WYT Disposal; and (iv) the WYT Disposal will provide WYT an opportunity to realise its investment in the EOG Group without having to suffer any illiquidity discount, we are of the view that the WYT Disposal is in the interests of the Company and the Shareholders as a whole.

II. Principal terms of the Proposal

On 4 May 2020, Caister requested the EOG Board to put forward the Proposal to the Scheme Shareholders for the privatisation of EOG by way of a scheme of arrangement under Section 99 of the Bermuda Companies Act. Subject to the Scheme becoming effective, all the Scheme Shares will be cancelled in exchange for the Cancellation Consideration comprising the Scheme Cash Consideration of HK\$0.30 per Scheme Share and the Consideration Shares on the basis of eight (8) Consideration Shares (as held by Caister) for each Scheme Share.

For further details of the principal terms of the Proposal, please refer to the section headed “THE PROPOSAL AND THE OPTION OFFER” in the Letter from the Board.

The Cancellation Consideration (taking into account the closing price of the Shares as at the Last Trading Day) of HK\$0.924 per Scheme Share (i.e. Scheme Cash Consideration of HK\$0.30 + the total price of eight (8) Consideration Shares (8 x HK\$0.078 per Share)) represents:

- (a) a premium of approximately 44.38% over the closing price of HK\$0.640 per EOG Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a premium of approximately 94.53% over the average closing price of HK\$0.475 per EOG Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day;
- (c) a premium of approximately 90.19% over the average closing price of approximately HK\$0.486 per EOG Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;

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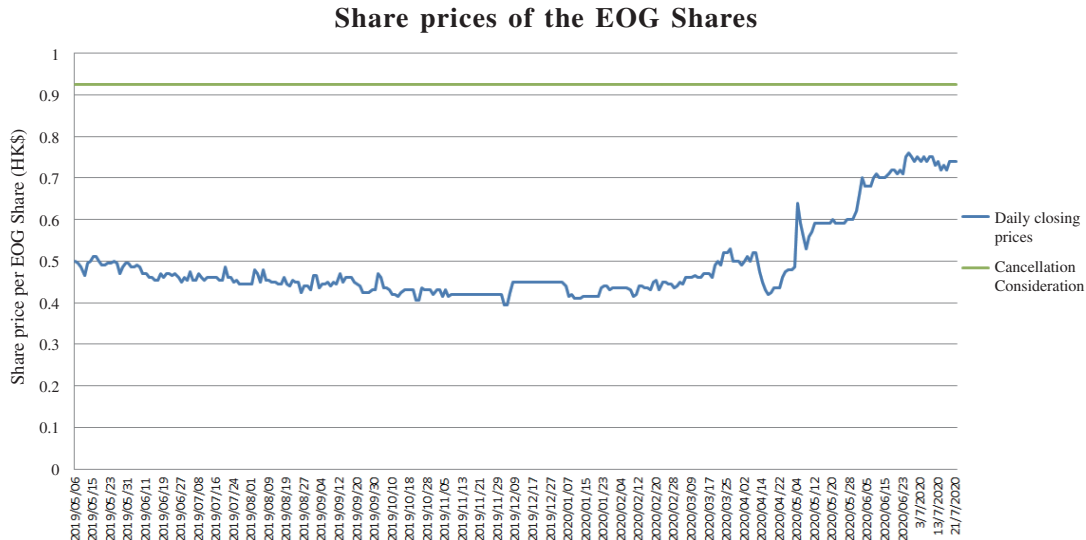
- (d) a premium of approximately 98.28% over the average closing price of HK\$0.466 per EOG Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Day;
- (e) a premium of approximately 106.37% over the average closing price of approximately HK\$0.448 per EOG Share based on the daily closing prices as quoted on the Stock Exchange for the 120 trading days up to and including the Last Trading Day;
- (f) a premium of approximately 23.20% over the closing price of HK\$0.75 per EOG Share as quoted on the Stock Exchange on the Latest Practicable Date; and
- (g) a discount of approximately 52.86% to the audited consolidated net assets value of approximately HK\$1.96 per EOG Share as at 31 March 2020, calculated based on the audited consolidated net assets value of the EOG Group of approximately HK\$1,088.31 million as at 31 March 2020 divided by the total number of 556,432,500 EOG Shares in issue as at the Latest Practicable Date.

In order to assess the fairness and reasonableness of the Cancellation Consideration of HK\$0.924 per Scheme Share, we have taken into account (i) the historical price performance of the EOG Shares; and (ii) trading liquidity of the EOG Shares.

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Historical price performance of the EOG Shares

Set out below is a chart showing the movement of the daily closing price of the Shares as quoted on the Stock Exchange from 6 May 2019 (being one year prior to the date of the Announcement) up to and including the date of the Latest Practicable Date (both dates inclusive) (the “**Review Period**”). We consider the sampling period is adequate as it represents a reasonable period to provide a general overview of the recent price performance of the EOG Shares when conducting an analysis among the historical closing prices of the EOG Shares.



Source: Website of the Stock Exchange

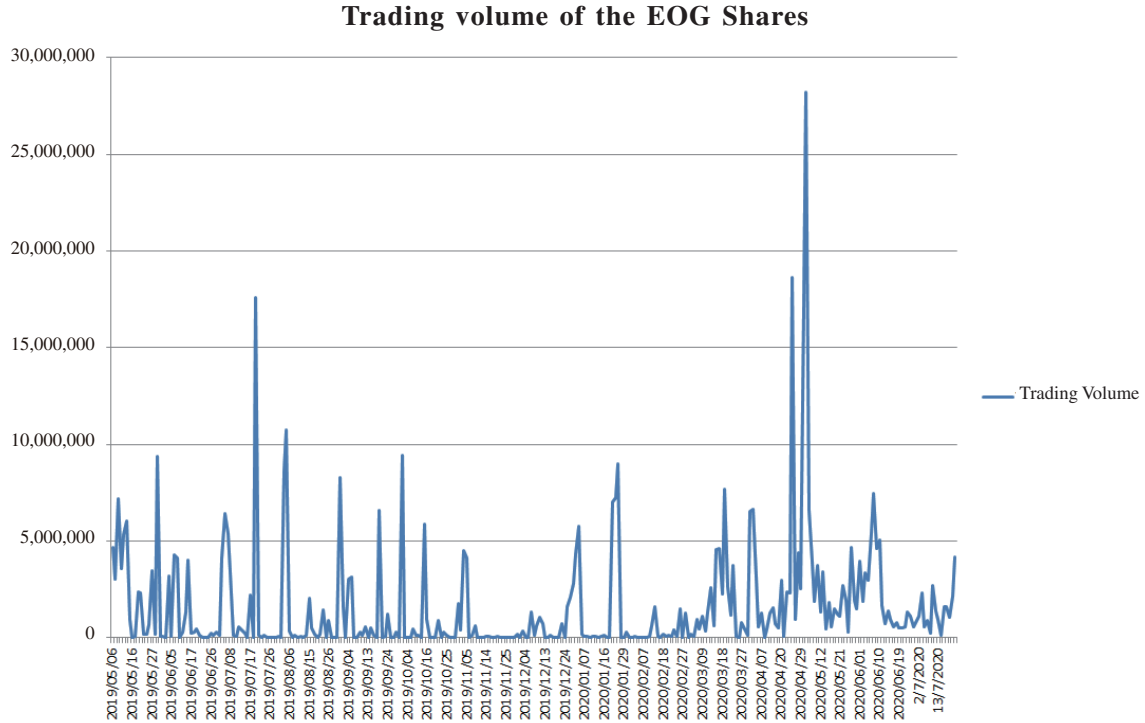
As illustrated in the chart above, we noted that the daily closing price of the EOG Shares ranged from HK\$0.395 per EOG Share to HK\$0.76 per Share, with the average daily closing price of approximately HK\$0.492 per Share during the Review Period. During the Review Period, EOG recorded its highest price of HK\$0.760 on 26 June 2020 and its lowest price of HK\$0.395 on 3 December 2019 and 4 December 2019.

We also noted from the chart above that the Cancellation Consideration of HK\$0.924 per Scheme Share is above the closing prices of the EOG Shares throughout the entire Review Period. The Cancellation Consideration of HK\$0.924 per Scheme Share represents premium of approximately 133.92%, 21.58% and 87.74% over the lowest price of HK\$0.395, highest price of HK\$0.760 and the average price of approximately HK\$0.492, respectively.

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Trading liquidity of the EOG Shares

The following chart sets out the daily trading volume of the EOG Shares during the Review Period:



Source: Website of the Stock Exchange

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The following table sets out the monthly trading volume of the EOG Shares and the percentages of such monthly trading volume to the issued EOG Shares during the Review Period:

Month/Period	Total trading volume for month/period (number of EOG Shares)	Number of trading days during the month (days)	Average daily trading volume for month/period (number of EOG Shares) <i>(Note 1)</i>	Percentage of average daily trading volume to total number of the EOG Shares in issue as at the Latest Practicable Date (%) <i>(Note 2)</i>
2019				
May (from 6 May 2019)	49,816,541	19	2,621,923	0.471%
June	19,203,258	19	1,010,698	0.182%
July	41,092,317	22	1,867,833	0.336%
August	33,666,953	22	1,530,316	0.275%
September	17,806,977	21	847,951	0.152%
October	20,256,714	21	964,605	0.173%
November	10,404,542	21	495,454	0.089%
December	11,855,270	20	592,764	0.107%
2020				
January	34,333,895	20	1,716,695	0.309%
February	6,272,986	20	313,649	0.056%
March	35,833,561	22	1,628,798	0.293%
April	56,994,791	19	2,999,726	0.539%
May	85,865,566	20	4,293,278	0.772%
June	46,382,025	21	2,208,668	0.397%
July (up to the Latest Practicable Date)	23,037,651	15	1,535,843	0.276%
			Max	0.772%
			Min	0.056%
			Average	0.293%

Source: Website of the Stock Exchange

Notes:

1. Average daily trading volume is calculated by dividing the total trading volume for the month/period by the number of trading days during the month/period.

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2. Based on 556,432,500 EOG Shares, being the total number of issued shares of EOG as at the Latest Practicable Date.

The average daily trading volume of the EOG Shares on the Stock Exchange during the Review Period ranged between approximately 313,649 EOG Shares and 4,293,278 EOG Shares, representing approximately from 0.056% to 0.772% of the total issued share capital of EOG as at the Latest Practicable Date respectively. We noted that the trading volume of the EOG Shares was relatively thin during the Review Period, with the average daily trading volume being approximately 1,631,864 EOG Shares, representing approximately 0.293% of total issued share capital of EOG as at the Latest Practicable Date.

Having considered the above analysis as illustrated in the above paragraph headed “Trading liquidity of the EOG Shares”, we are of the view that the relatively low liquidity of the EOG Shares, may imply lack of interest from potential investors to invest in the EOG Shares during the Review Period and it is difficult to dispose of a large volume of the EOG Shares in the open market in a short period of time without exerting downward pressure on the price of the EOG Shares or identify an investor or a group of investors to acquire the EOG Shares.

Comparable analysis

In order to further assess the fairness and reasonableness of the Cancellation Consideration of HK\$0.924 per Scheme Share, we have considered the price-to-book ratio (the “**P/B Ratio(s)**”), the price-to-earnings ratio (the “**P/E Ratio(s)**”) and dividend yield, which are commonly adopted for analysis of companies. Given that there was no dividend being distributed for the year ended 31 March 2020 by EOG, thus dividend yield analysis to value EOG is not applicable.

Based on the Cancellation Consideration of HK\$0.924 per Scheme Share and the total number of issued Shares of 556,432,500 as at the Latest Practicable Date, EOG is valued at approximately HK\$514.14 million. Hence, the P/B Ratio of EOG implied by the Cancellation Consideration is approximately 0.47 (the “**Implied P/B Ratio**”) based on the net assets value of EOG of approximately HK\$1,088.31 million as at 31 March 2020. Whereas, the P/E Ratio of the Company is approximately 12.40 (the “**Implied P/E Ratio**”) based on the profit of EOG for the year ended 31 March 2020 of approximately HK\$41.46 million.

We have attempted to identify the comparable companies which are (i) listed and currently trading on the Stock Exchange; and (ii) principally engaged in the same or similar major business as the EOG Group in Hong Kong (i.e. over 50% of their revenue in their respective latest financial year was contributed by the provision of finance/money lending business) but excluding the licensed bank. In this regard, 6 comparable companies (the “**Comparable(s)**”) are identified, based on our research on the website of the Stock Exchange in accordance with the above criteria. Having

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considered that the Comparables are principally engaged in the same or similar business as the EOG Group and are exhaustive list under our selection criteria, we consider the Comparables are fair and representative samples which are relevant in assessing the fairness and reasonableness of the Cancellation Consideration. Details of our analysis are listed below:

Company name (stock code)	Business	Market capitalisation (HK\$ million) (approximately)	Net Assets Value (HK\$ million) (approximately)	P/B Ratios (Note 1) (HK\$ million) (approximately)	Profit for the year (HK\$ million) (approximately)	P/E Ratios (Notes 1 & 2) (HK\$ million) (approximately)
China Industrial Securities International Financial Group Limited (6058)	Principally engaged in the provision of financial services including, but not limited to, engaged in the provision of margin financing and secured or unsecured loans to customers.	1,220.00	3,839.64	0.32	-	-
Global International Credit Group Limited (1669)	Principally engaged in money lending business of providing property mortgage loans and personal loans in Hong Kong.	236.00	786.38	0.30	62.50	3.78
Good Resources Holdings Limited (109)	Principally engaged in financial businesses including the trading of securities, investment holding and the provision of financial services.	602.50	2,763.57	0.22	54.12	11.13
Hao Wen Holdings Limited (8019)	Principally engaged in the manufacture and trading of biomass fuel in the PRC. It is also engaged in the money lending business and the sale of biodegradable food containers and disposable industrial packaging for consumer products in Hong Kong.	30.05	348.75	0.09	-	-
Hong Kong Finance Group Limited (1273)	Principally engaged in the money lending business of providing property mortgage loans. The products and services mainly include first mortgage, second mortgage, mortgage loan transfer, pre-approved loan value, property purchase loan, pre-transaction loan and second mortgage loan for properties under home ownership scheme.	157.70	614.43	0.26	55.50	2.84

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Company name (stock code)	Business	Market capitalisation (HK\$ million) (approximately)	Net Assets Value (HK\$ million) (approximately)	P/B Ratios (Note 1) (HK\$ million) (approximately)	Profit for the year (HK\$ million) (approximately)	P/E Ratios (Notes 1 & 2) (HK\$ million) (approximately)
Oi Wah Pawnshop Credit Holdings Limited (1319)	Principally engaged in secured financing business. Its business mainly includes the granting of pawn loans and mortgage loans. It is also involved in the money lending business through its subsidiaries.	599.04	895.32	0.67	107.38	5.58
				Minimum	0.67	11.13
				Maximum	0.09	2.84
				Average	0.31	5.83
EOG (221)		HK\$514.14 million (based on the Cancellation Consideration)	HK\$1,088.31	0.47	HK\$ 41.46	12.40

Source: Website of the Stock Exchange

Notes:

- The P/B Ratios and the P/E Ratios of the Comparables are calculated based on the market capitalisation of the respective Comparables as at the Latest Practicable Date divided by the net assets value and the net profit of the respective Comparables as extracted from their respective latest published financial statement.
- As 2 of the Comparables (China Industrial Securities International Financial Group Limited (6058) and Hao Wen Holdings Limited (8019)) recorded loss for their respective year, thus no P/E Ratio is determined for these 2 Comparables. The P/E Ratio analysis only takes into account the Comparables which recorded profit for their respective year.

As illustrated in the table above, the P/B Ratios of the Comparables ranged from approximately 0.09 to approximately 0.67, with an average of approximately 0.31. The Implied P/B Ratio of approximately 0.47 is higher than the average of the P/B Ratios of the Comparables and within the P/B Ratios range of the Comparables.

In respect of the P/E Ratios, the P/E Ratios of the Comparables ranged from approximately 2.84 to approximately 11.13, with an average of approximately 5.83. The Implied P/E Ratio of approximately 12.40 is higher than all the P/E Ratios of the Comparables, which represents that the Cancellation Consideration is premium over the market comparable.

Having considered that (i) the Implied P/B Ratio is higher than the average of the Comparables; (ii) the Implied P/B Ratio lies within the range of the P/B Ratios of the

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Comparables; and (iii) the Implied P/E Ratio represents a premium over all the Comparables, we are of the view that the Cancellation Consideration is fair and reasonable.

III. Possible financial effects of the WYT Disposal

If the disposal by WYT of the EOG Shares held by it (via its subsidiaries) is proceeded with pursuant to the Scheme, WYT is expected to, subject to audit, recognise a loss of approximately HK\$160.9 million, after estimated transaction costs, which loss will be calculated by reference to the difference between (i) the total proceeds from the aforesaid disposal of EOG Shares and with reference to the Cancellation Consideration; and (ii) the audited carrying value of WYT's investment in EOG, taking into account the audited accumulated other comprehensive income attributable to EOG, as at 31 March 2020.

Upon completion of the WYT Disposal, WYT would receive, among other things, 1,293,749,000 Consideration Shares. From the Company's perspective, the Consideration Shares would be accounted for as treasury Shares in the Company's financial statement. These treasury Shares would be deducted from the total Shareholders' equity of the Company and would not be accounted for as the Company's assets.

Having considered the historical price performance and trading liquidity of the EOG Shares (as set out in the paragraph headed "Historical price performance of the EOG Shares" and "Trading liquidity of the EOG Shares" above), the Cancellation Consideration of HK\$0.924 per Scheme Share represents premium over the historical price of the EOG Shares throughout the whole Review Period and it is difficult to dispose of a large volume of the EOG Shares in the open market in a short period of time without exerting downward pressure on the price of the EOG Shares or identify an investor or a group of investors to acquire the EOG Shares.

Although the WYT Disposal would recognise a loss of approximately HK\$160.9 million and result in a reduction in the total Shareholders' equity of the Company, subject to audit, the WYT Disposal provides a viable exit for the Group to realise the EOG Shares.

RECOMMENDATION

Having considered the abovementioned principal factors and reasons including but not limited to:

- (a) the EPS and the NBV per Share would be improved upon the completion of the WYT Disposal through receiving 8 Consideration Share per Scheme Share by WYT Group as part of the Cancellation Consideration;

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- (b) the Cancellation Consideration of HK\$0.924 per Scheme Share represents a premium of approximately 44.38% over the closing price of HK\$0.640 per EOG Share as quoted on the Stock Exchange on the Last Trading Day;
- (c) the Cancellation Consideration of HK\$0.924 per Scheme Share is above the closing prices of the EOG Shares throughout the entire Review Period;
- (d) the competitive business environment of the underlying business of EOG, alongside the recent social protest movements in Hong Kong and the outbreak of COVID-19 pandemic, may continue exert uncertainty on the prospects of the EOG Group;
- (e) the relatively low liquidity of the EOG Shares, may imply lack of interest from potential investors to invest in the EOG Shares during the Review Period and it is difficult to dispose of a large volume of the EOG Shares in the open market in a short period of time without exerting downward pressure on the price of the EOG Shares or identify an investor or a group of investors to acquire the EOG Shares;
- (f) the Implied P/B Ratio is higher than the average of the Comparables and lies within the range of the P/B Ratios of the Comparables;
- (g) the Implied P/E Ratio represents a premium over all of the Comparables;
- (h) other than the Scheme Cash Consideration of approximately HK\$48,515,587.50, WTY will receive eight (8) Share in the Company which represents a total net assets value attributable to the owners of the Company of approximately HK\$2.72 per eight (8) Share in the Company, as comparing to the net assets value per Scheme Share of approximately HK\$1.96;
- (i) the retail business of WYT has been adversely affected by the social protest movements in Hong Kong and the outbreak of COVID-19 pandemic and WYT may benefit from potentially higher dividend income under the Proposal. WYT would have received a substantially higher dividend income by holding eight (8) Shares compared to holding one Scheme Share as the Company has a long stable track record in distributing dividend to the Shareholders; and
- (j) despite the WYT Disposal would recognise a loss of approximately HK\$160.9 million and result in a deduction from the total Shareholders' equity of the Company, subject to audit, the WYT Disposal provides a viable exit for WYT Group to realise the EOG Shares,

although the WYT Disposal and the transaction contemplated thereunder is not entered in the ordinary and usual course of business of the Group, it is on normal commercial terms and we are of the view that (i) the terms of the WYT Disposal and the transaction contemplated thereunder are fair and reasonable so far as the Independent Shareholders are concerned; and (ii) the WYT Disposal and the transaction contemplated thereunder are in the interests of the Company and

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the Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the SGM to approve the WYT Disposal and the transactions contemplated thereunder.

Yours Faithfully,
For and on behalf of
Merdeka Corporate Finance Limited

Jeannie Chan
Director

Wallace So
Director

Ms. Jeannie Chan is a Responsible Officer under the SFO to engage in Type 6 (advising on corporate finance) regulated activity and has over 11 years of experience in corporate finance.

Mr. Wallace So is a Responsible Officer under the SFO to engage in Type 6 (advising on corporate finance) regulated activity and has over 9 years of experience in corporate finance.

The following is the valuation report prepared for the purpose of incorporation in this document received from LCH (Asia-Pacific) Surveyors Limited, an independent property valuer, in connection with its valuation as at 31 May 2020 of the designated property interests of the WOG Group.



利駿行測量師有限公司
LCH (Asia-Pacific) Surveyors Limited
PROFESSIONAL SURVEYOR
PLANT AND MACHINERY VALUER
BUSINESS & FINANCIAL SERVICES VALUER

The readers are reminded that the report which follows has been prepared in accordance with the reporting guidelines set by the International Valuation Standards (“IVS”) and published by the International Valuation Standards Council and HKIS Valuation Standards 2017 Edition (the “HKIS Standards”) published by The Hong Kong Institute of Surveyors (the “HKIS”). The standards entitle the valuer to make assumptions which may on further investigation, for instance by the readers’ legal representative, prove to be inaccurate. Any exception is clearly stated below. Headings are inserted for convenient reference only and have no effect in limiting or extending the language of the paragraphs to which they refer. Translations of terms in English or in Chinese are for reader’s identification purpose only and have no legal status or implication in this report. This report was prepared and signed off in English format, translation of this report in language other than English shall only be used as a reference and should not be regarded as a substitute for this report. Piecemeal reference to this report is considered to be inappropriate and no responsibility is assumed from our part for such piecemeal reference. It is emphasised that the findings and conclusion presented below are based on the documents and facts known to us at the Latest Practicable Date of this document. If additional documents and facts are made available, we reserve the right to amend this report and its conclusions.

17th Floor
Champion Building
287–291 Des Voeux Road Central
Hong Kong

24 July 2020

The Board of Directors
Wang On Group Limited
Suite 3202, 32/F., Skyline Tower,
39 Wang Kwong Road,
Kowloon Bay,
Kowloon, Hong Kong

Dear Sirs/Madams,

In accordance with the instructions given to us by the present management of Wang On Group Limited (hereinafter referred to as the “**Instructing Party**”) to conduct an agreed-upon

procedures valuations of various designated real properties (same as the word “properties” in this report) held by Wang On Group Limited (hereinafter referred to as “WOG”) and its subsidiaries (collectively, together with WOG hereinafter referred to as the “WOG Group”) in Hong Kong and in the mainland of the People’s Republic of China (hereinafter referred to as the “PRC” or “China”), we confirm that we have followed the agreed upon procedures to make relevant enquiries and investigation as we consider necessary to support our working, and to perform independent valuations of the properties as at 31 May 2020 (the “Valuation Date”) for the Instructing Party’s internal management reference purpose. We understand that this report will be included in a WOG’s circular i.e. this document for its shareholders’ reference.

We understand that the use of our work product (regardless of form of presentation) will form part of the Instructing Party’s due diligence but we have not been engaged to make specific sales or purchase recommendations, or to give opinion for any financing arrangement. We further understand that the use of our work product will not supplant other due diligence which the Instructing Party should conduct in reaching its business decision regarding the properties valued. Our work is designed solely to provide information that will give the Instructing Party a reference in its due diligence process, and our work should not be the only factor to be referenced by the Instructing Party. Our findings and conclusion of values of the properties are documented in this valuation report and submitted to the Instructing Party at today’s date.

VALUATION OF THE PROPERTIES UNDER MARKET VALUE BASIS

Basis of Value and Assumptions

According to the IVS which the HKIS Standards follows, there are two valuation bases, namely market value basis and valuation bases other than market value. In this engagement, having considered the inherent characteristic of each property, that is, whether the property can be freely transferred in the market, we have provided our value of each of the properties on the market value basis.

The term “Market Value” is defined by the IVS as “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”.

Unless otherwise stated, our valuations of the properties have been made on the assumptions, that, as at the Valuation Date:

- the legally interested party in each of the properties has absolute title to its relevant property interests;
- the legally interested party in each of the properties has free and uninterrupted rights to assign its relevant property interest for the whole of the unexpired term as granted, and any premiums payable have already been fully paid; and

- the legally interested party in each of the properties sells its relevant property interest in the market in its existing state without the benefit of a deferred terms contract, leaseback, joint venture, management agreement or any other similar arrangement which would serve to increase the value of the property interest.

In addition, unless otherwise stated, our valuations to the properties in Group II have been made on further assumptions that, as at the Valuation Date,

- the properties have obtained relevant government's approval for the sale of the properties and are able to be disposed of and transferred it free of all encumbrances (including but not limited to the cost of transaction) in the market; and
- the properties can be freely disposed and transferred free of all encumbrances at the Valuation Date for its existing use in the market to both local and overseas purchasers without payment of any premium to the government.

Should any of the above not be the case, it will have adverse impact to the values as reported.

Approaches to Value

There are three generally accepted approaches to value in arriving at the market value of a property on an absolute title basis, namely the Market Approach, the Cost Approach and the Income Approach.

For the sake of presentation, the properties are divided into 2 groups, Group I is properties held by the WOG Group for investment in Hong Kong, and Group II is properties held by the WOG Group for investment in the PRC. In valuing the vacant portion of properties in Group I, we have adopted the Sales Comparison Approach. The Sale Comparison Approach considers the sales, listing or offerings of similar or substitute properties and related market data to establish a value estimate by processes involving comparison. The underlying assumption of this approach is that an investor will pay no more for a property than he or she would have to pay for a similar property of comparable utility.

In valuing the tenanted portion of properties in Group I and the Property Nos. 11 to 18 and 20 to 21 in Group II, we have adopted the investment method of the Income Approach (or sometimes referred to as a method of the Market Approach for the reversionary interests and the rate of return are market-derived) by taking into account the current rents receivable from the existing tenancy agreements and the reversionary potential of the properties interests. Our conclusions of values of such properties were subject to tenancy agreements. We have also considered the estimated renovation cost for upgrading of the properties, if any. The underlying assumption of this approach is that an investor will pay no more for the property than he or she would have to be paid for another property with an income stream of comparable amount, duration, and certainty.

Having considered the general and inherent characteristics of the Property No. 19, we have adopted the depreciated replacement cost (“**DRC**”) approach. The DRC approach is a procedural valuation approach and an application of the Cost Approach in valuing specialised property like this property that is impracticable to ascertain the value on market basis.

Specialised property is certain types of property which is rarely, if ever, sold in the open market, except by way of a sale of the business of which they are a part (called the business in occupation), due to their uniqueness arising from their specialised nature and design of the buildings, their configuration, size, location or otherwise. Examples are: standard property located in particular geographical areas and remote from main business centres for operational or business reasons; that are of such an abnormal size for that district; that there would be no market for such buildings there; buildings and site engineering works related directly to the business of the owner; as it is highly unlikely that they would have a value to anyone other than a company acquiring the undertaking; and property of such construction, arrangement, size or specification that there would be no market (for a sale to a single owner occupier for the continuation of existing use) for those buildings. Having considered the inherent and general characteristics of the property, we take the view that the property is a specialised property for private sector.

For specialised property where it is impracticable to identify the market value by Sales Comparison Approach, the DRC approach is considered as the most appropriate approach. The underlying theory is that the value of the property should, at least, be equivalent to the replacement cost of the remaining service potential of the property valued i.e. the DRC of the property valued. In our opinion, the DRC generally furnishes the most reliable indication of value for property where it is not practicable to ascertain its value on market basis.

The use of this approach requires an estimate of the market value of the land use rights for its existing use, and an estimate of the new replacement cost of the buildings and other site works from which deductions are then made to allow for age, condition, and functional obsolescence taken into account the site formation cost and those public utilities connection charges to the property. The land use right of this property has been determined from market-based evidences by analysing similar sales or offerings of comparable property.

Our valuation of the property is subject to the assumption that adequate potential profitability of the business (of which the property forms part) having due regard to the value of the total assets employed and the nature of the operation.

We need to state that our opinion of value of the property is not necessarily intended to represent the amount that might be realised from disposition of its land use rights or various buildings on piecemeal basis in the open market.

In valuing the Property Nos. 1, 2, 4, 5 and 8 in Group I which are located in the New Territories of Hong Kong in which the Government Leases had already expired before 30 June 1997, we have taken into account the provisions of Annex III of the Joint Declaration of the Government of the United Kingdom of Great Britain and Northern Ireland and the Government

of the PRC on the question of Hong Kong and the New Territories Leases (Extension) Ordinance (Chapter 150 of the Laws of Hong Kong). According to the above document and ordinance, such leases had already been extended without premium until 30 June 2047, and that an annual rent at three per cent. of the ratable value of the property has been charged from the date of extension.

Unless otherwise stated, we have not carried out valuation on possible alternative development basis and the study of possible alternative development options and the related economics do not come within the scope of our work.

MATTERS THAT MIGHT AFFECT THE VALUES REPORTED

For the sake of valuation, we have adopted the areas as appeared in the copies of the documents as provided to us or obtained from the relevant authorities or from public domains, and no further verification work has been conducted. Should it be established subsequently that the adopted areas were not the latest approved, we reserve the right to revise our report and the valuations accordingly.

Unless otherwise stated, no allowance has been made in our valuations for any charges, mortgages, outstanding premium, idle land penalties or amounts owing on the properties valued nor any expenses or taxation which may be incurred in affecting a sale of each of the properties. It is further assumed that the properties are free from all encumbrances, restrictions, and outgoings of an onerous nature which could affect their values.

Unless otherwise stated, in our valuations, we have assumed that each of the properties is able to be sold and purchased in the market without any legal impediment (especially from the regulators). Should this not be the case, it will affect the reported values significantly. The readers are reminded to have their own legal due diligence work on such issues. No responsibility or liability is assumed.

For the properties in Group II which are located in the PRC, we are advised by the WOG Group that they are subject to potential liabilities include Land Appreciation Tax at progressive tax rate from 30% to 60% on appreciation amount less 5% to 35% on deductible amount, value-added tax at 5%, urban maintenance and construction tax and education fee surcharge total 12% on value-added tax, stamp duty at 0.05% and Income Tax at 25% on profit before tax. The exact amount of tax payable upon realisation of the relevant properties in Group II in the PRC will be subject to the formal tax advice issued by the relevant tax authorities at the time of disposal of relevant properties upon presentation of the relevant transaction documents. There are potential tax liabilities which might arise on the disposal of the properties in Group II.

With the outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a ‘Global Pandemic’ on the 11 March 2020, we observe that the local real estate market is generally affected leading to comparatively lower levels of transactional activity and liquidity. There has been a shortage of market evidence for comparison purposes to make a well informed opinion of value as at the Valuation Date. Our valuations of these properties are therefore reported as being subject to valuation uncertainty at times of market unrest as set out

in IVS. As a consequence, less certainty – and a higher degree of caution – should be accorded to our valuations than would normally be the case. For the avoidance of doubt, this valuation uncertainty clause does not mean that the valuations cannot be relied upon. Rather, this is to ensure transparency of the fact that – under the current extraordinary circumstances – less certainty can be accorded to the valuation than would otherwise be the case. This clause serves as a precaution and it does not invalidate the valuation. With the unknown future impact that COVID-19 might have on the local real estate market and the difficulty in differentiating between short term impacts and long-term structural changes, we recommend that the valuations contained within this report should be under frequent review.

We note that there are certain building orders registered in the Land Registry of Hong Kong against the common parts of or directly to certain properties in Group I, and these have been reported as footnote in each of the properties affected. From the information made available to us, as at the Valuation Date, it appeared that the impact of such building orders to the value of the properties being reported were immaterial. Should this not to be the case, it will affect the reported values significantly. The interested parties in the properties are reminded to have the due diligence works on such orders, no responsibility or liability is assumed from our part.

Unless otherwise stated, as at the Latest Practicable Date of this document, we are unable to identify any adverse news against the properties which may affect the reported findings or values in our work product. Thus, we are not in the position to report and comment on its impact (if any) on the properties. However, should it be established subsequently that such news did exist at the Valuation Date, we reserve the right to adjust the findings or values reported herein.

ESTABLISHMENT OF TITLES

Due to the purpose of this engagement, the Instructing Party or the appointed personnel of the WOG Group provided us the necessary documents to support that the legally interested parties in the properties have free and uninterrupted rights to assign, to transfer, to mortgage, to let or to use the properties at their existing use (in this instance, an absolute title), for the whole of the unexpired terms as granted, free of all encumbrances or any premiums payable have already been paid in full or outstanding procedures have been completed, and that the WOG Group has the rights to occupy or to use the properties. Our agreed procedures to value, as agreed with the Instructing Party, did not require us to conduct legal due diligence on the legality and formality on the way that the legally interested parties obtained each of the properties from the relevant authorities. We agreed with the Instructing Party that this should be the responsibility of the legal adviser to the Instructing Party. Thus, no responsibility or liability is assumed from our part to the origin and continuity of the titles to the properties.

We have conducted title searches on the properties in Group I in the Land Registry of Hong Kong. However, we have not inspected the original documents to verify ownership or to verify any amendment which may not appear on the copies handed to us. We are not legal professional and we are unable to ascertain the titles and to report any encumbrances (if any) that are registered against the properties. No responsibility and liability is assumed.

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

We have been provided with copies of the title documents of the properties in Group II. However, we have not examined the original documents to verify the ownership and encumbrances or to ascertain the existence of any amendments, which may not appear on the copies handed to us. All documents disclosed (if any) are for reference only and no responsibility is assumed for any legal matters concerning the legal titles and the rights (if any) to the properties valued. Any responsibility for our misinterpretation of the documents cannot be accepted.

The land registration system of China forbids us to search the original documents of the properties in Group II that are filed in the relevant authorities, and to verify legal titles or to verify any material encumbrances or amendment which may not appear on the copies handed to us. We need to state that we are not legal professionals and are not qualified to ascertain the titles and to report any encumbrances that may be registered against the properties in China. However, we have complied with the requirements as stated in the Listing Rules (as defined in this document) and relied solely on the copies of documents and the copy of the PRC legal opinions provided by the Instructing Party with regards to the legal titles of the properties. We are given to understand that the PRC legal opinions were prepared by the Group's PRC legal adviser, GFE Law Office in July 2020. All documents are for reference only. No responsibility or liability from our part is assumed.

In our report, we have assumed that the legally interested parties in the properties have obtained all the approvals and/or endorsements from the relevant authorities, and that there would have no legal impediment (especially from the regulators) for the legally interested parties to continue their titles in the properties. Should this not be the case, it will affect our findings and conclusions in this report significantly. The readers are reminded to have their own legal due diligence work on such issues. No responsibility or liability from our part is assumed.

INSPECTIONS AND INVESTIGATIONS OF THE PROPERTIES

As agreed prior to the commencement of our valuation, we did not conduct any on-site inspection to the properties due to the prevailing Novel Coronavirus (COVID-19) outbreak in China and Hong Kong, and the travel and health advices by the Hong Kong SAR Government. However, we have, to the best of our effort, conducted external inspections to the properties in Group I at when and where appropriate bases. The inspection have been conducted by Sr Elsa Ng, Ms. Krystal Tian (a graduate surveyor) and Mr. Edward Ye (a graduate surveyor) in June 2020. We have inspected the exterior, and where possible, in respect of which we have been provided with such information as we have requested for the purpose of our valuations. We have not inspected those parts of the properties which were covered, unexposed or inaccessible and such parts have been assumed to be in reasonable condition. We have only relied on the documents provided by the WOG Group in respect of which we have been provided with such information as we have requested for the purpose of our valuations. We cannot express an opinion about or advice upon the condition of uninspected parts and our work should not be taken as making any implied representation or statement about such parts. No building survey, structural survey, investigation or examination has been made, but in the course of our inspections we did not note any serious defects in the properties valued. We are not, however,

able to report that the properties are free from rot, infestation or any other structural defects. No tests were carried out to the services (if any) and we are unable to identify those services either covered, unexposed or inaccessible.

Our valuations have been made on the assumption that no unauthorised alteration, extension or addition has been made in the properties, and that the use of this report should not be used as the building surveys of the properties. If the Instructing Party or any party interested in the properties wants to satisfy themselves for the condition of the properties, they should obtain a surveyor's detailed inspection and report at their own.

We have not carried out on-site measurements to verify the correctness of the areas of the properties, but have assumed that the areas shown on the documents and official plans shown on the documents available to us and the information provided by the Instructing Party and the WOG Group are correct. All dimensions, measurements and areas are approximations.

Our engagement and the agreed procedures to value the properties did not include an independent land survey to verify the legal boundaries of the properties. We need to state that we are not in the land survey profession, therefore, we are not in the position to verify or ascertain the correctness of the legal boundaries of the properties that appeared on the documents handed to us. No responsibility from our part is assumed. The Instructing Party or interested parties in the properties should conduct their own legal boundaries due diligence work.

We have not arranged for any investigation to be carried out to determine whether or not any deleterious or hazardous materials have been used in the construction of the properties, or have since been incorporated into the properties, and we are therefore unable to report that the properties are free from risk in this respect. For the purpose of these valuations, we have assumed that such investigations would not disclose the presence of any such materials to any significant extent.

We are not aware of the content of any environmental audit or other environmental investigation or soil survey which may have been carried out on the properties and which may draw attention to any contamination or the possibility of any such contamination. In undertaking our work, we have assumed that no contaminative or potentially contaminative uses have ever been carried out in the properties. We have not carried out any investigation into past or present uses, either of the properties or of any neighbouring land, to establish whether there is any contamination or potential for contamination to the properties from these uses or sites, and have therefore assumed that none exists. However, should it be established subsequently that contamination, seepage or pollution exists at the properties or on any neighbouring land, or that the premises have been or are being put to a contaminative use, this might reduce the values now reported.

SOURCES OF INFORMATION AND ITS VERIFICATION

In the course of our work, we have been provided with copies of the documents regarding the properties, and these copies have been referenced without further verifying with the relevant bodies and/or authorities. Our agreed procedures to value did not require us to conduct any searches or inspect the original documents to verify ownership or to verify any amendment which may not appear on the copies handed to us. We need to state that we are not legal professionals, therefore, we are not in the position to advise and comment on the legality and effectiveness of the documents provided by the Instructing Party or the appointed personnel of the WOG Group.

We have relied solely on the information provided by the appointed personnel of the WOG Group or the Instructing Party without further verification, and have fully accepted advice given to us on such matters as planning approvals or statutory notices, locations, titles, easements, tenure, occupation, development schedule, site and floor areas, costs to be paid, tenancy schedules, resettlement notices and all other relevant matters.

Information furnished by others, upon which all or portions of our work product are based, is believed to be reliable but has not been verified in all cases. Our agreed procedures to value or work do not constitute an audit, review, or compilation of the information provided. Thus, no warranty is made nor liability assumed for the accuracy of any data, advice, opinions, or estimates identified as being furnished by others which have been used in formulating our work product.

Our valuations have been made only based on the advice and information made available to us. While a limited scope of general inquiries have been made to the local property market practitioners, we are not in a position to verify and ascertain the correctness of the advice given by the relevant personnel. No responsibility or liability is assumed.

When we adopted the work products from other professions, external data providers and the appointed personnel of the WOG Group or the Instructing Party in our valuations, the assumptions and caveats that adopted by them in arriving at their figures also applied in our valuations. The procedures we have taken as agreed do not provide all the evidence that would be required in an audit and, as we have not performed an audit, accordingly, we do not express an audit opinion.

The scope of our work has been determined by reference to the property list provided by the Instructing Party. All properties on the list have been included in our report. The Instructing Party has confirmed to us that the WOG Group has no property interests other than those specified on the list supplied to us.

We are unable to accept any responsibility for the information that has not been supplied to us by the appointed personnel of the WOG Group or the Instructing Party. Also, we have sought and received confirmation from the appointed personnel of the WOG Group or the Instructing Party that no material factors have been omitted from the information supplied. Our analysis

and valuations are based upon full disclosure between us and the WOG Group or the Instructing Party of material and latent facts that may affect our work.

We have had no reason to doubt the truth and accuracy of the information provided to us by the appointed personnel of the WOG Group or the Instructing Party. We consider that we have been provided with sufficient information to reach an informed view, and have had no reason to suspect that any material information has been withheld.

Unless otherwise stated, the monetary amounts are in Hong Kong Dollars (“**HK\$**”). In valuing the properties in the PRC, the adopted exchange rate was the prevailing rate as at the Valuation Date, being HK\$1.0862 per Renminbi Yuan (“**RMB**”) 1.00, and no significant fluctuation in exchange rate has been found between the Valuation Date and the Latest Practicable Date.

OPINION OF VALUE

Based on the above information and assumptions, we are of the opinion that the Market Value of the properties held by the WOG Group for internal management reference purpose as at the Valuation Date in their existing states and attribute to the WOG Group, and assuming free of all encumbrances, was in the order of **HONG KONG DOLLARS ONE HUNDRED FORTY FOUR MILLION NINE HUNDRED AND TEN THOUSAND ONLY (HK\$144,910,000)**.

LIMITING CONDITIONS

Our findings and values of the properties in this report are valid only for the stated purpose and only for the Valuation Date, and for the sole use of the Instructing Party. 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 we accept no responsibility whatsoever to any other person. Our valuations have been made on the assumption that no unauthorised alteration, extension or addition has been made in the properties, and that the use of this report do not purport to be a building survey of the properties.

No responsibility is taken for changes in market conditions and local government policy, and no obligation is assumed to revise this report to reflect events or conditions, which occur or make known to us subsequent to the date hereof. Neither the whole nor any part of this report or any reference made hereto may be included in any published documents, circular or statement, or published in any way, without our written approval of the form and context in which it may appear. Nonetheless, we consent to the publication of this report in this document to WOG’s shareholders’ reference.

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 Instructing Party contractual undertakings in respect of their services and shall be deemed to have paid to the

Instructing Party 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 the charges paid to us for the portion of services or work products giving rise to liability. 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.

It is agreed that the Instructing Party and WOG are 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, wilful 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.

STATEMENTS

Our report is prepared in line with the requirements contained in Chapter 5 of the Listing Rules as well as the reporting guidelines contained in the IVS and HKIS Standards. The valuations have been undertaken by valuer (see End Notes), acting as external valuer, qualified for the purpose of these valuations.

We retain a copy of this report together with the data and documents provided by the Instructing Party for the purpose of this assignment, and these data and documents will, according to the Laws of Hong Kong, be kept for a period of 6 years from the date it provided to us and to be destroyed thereafter. We considered these records confidential, and we do not permit access to them by anyone, with the exception for law enforcement authorities or court order, without the Instructing Party's authorisation and prior arrangement made with us in writing. Moreover, we will add WOG's information into our client list for our future reference.

The analysis and valuations of the properties depend solely on the assumptions made in this report and not all of which can be easily quantified or ascertained exactly. Should some or all of the assumptions prove to be inaccurate at a later date, it will affect the reported findings or values significantly.

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

We hereby certify that the fee for this service is not contingent upon our opinions of value and we have no significant interests in the properties, the WOG Group or the values reported.

Yours faithfully,
For and on behalf of
LCH (Asia-Pacific) Surveyors Limited

Elsa Ng Hung Mui *B.Sc. M.Sc. RPS (GP)*
Executive Director

J. Junior Ho *B.Sc. M.Sc. RPS (GP)*
Director

Contributing Valuers:

Krystal Tian Qi *B.Sc. M.Sc.*

Edward Ye Junhong *B.Sc. M.Sc.*

Note:

Sr Elsa Ng Hung Mui has been conducting valuation of real properties in Hong Kong, Macau, Taiwan, mainland China, the United Kingdom, France, Thailand, Vietnam, Singapore, Malaysia, Madagascar, Guyana, Samoa and Guam since 1994. She is a Fellow of The HKIS and a valuer on the List of Property Valuers for Undertaking Valuation for Incorporation or Reference in Listing Particulars and Circulars and Valuation in Connection with Takeovers and Mergers published by The HKIS.

Sr J. Junior Ho is a member of The HKIS and has been conducting valuation of real properties in Hong Kong, Macau, Taiwan, mainland China, Canada, the United Kingdom, France, Singapore, Guyana, Samoa, Argentina and Vietnam since 2010.

SUMMARY OF VALUES

Group I – Properties held for investment by the WOG Group in Hong Kong

No. Property	Amount of valuations in its existing state as at 31 May 2020 HK\$	Interest attributable to the WOG Group	Amount of valuations in its existing state attributable to the WOG Group as at 31 May 2020 HK\$
1. 7th Floor, No. 33 Wong Chuk Street, Sham Shui Po, Kowloon, Hong Kong	4,000,000	100 per cent.	4,000,000
2. 8th Floor, No. 253 Tai Nan Street, Sham Shui Po, Kowloon, Hong Kong	3,700,000	100 per cent.	3,700,000
3. 5th Floor, No. 524 Jaffe Road, Causeway Bay, Hong Kong	11,000,000	100 per cent.	11,000,000
4. 5th Floor of Block F, No. 89 Chung On Street, Tsuen Wan, New Territories, Hong Kong	4,900,000	100 per cent.	4,900,000
5. Flat I on 1st Floor together with Portion of the Flat Roof (also known as Flat A on 1st Floor) No. 174 Jockey Club Road, North, New Territories, Hong Kong	4,900,000	100 per cent.	4,900,000

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

No. Property	Amount of valuations in its existing state as at 31 May 2020 HK\$	Interest attributable to the WOG Group	Amount of valuations in its existing state attributable to the WOG Group as at 31 May 2020 HK\$
6. 2nd Floor, Golden Jubilee House, No. 399 Lockhart Road, Wanchai, Hong Kong	8,200,000	100 per cent.	8,200,000
7. Flat A on 6th Floor, 240 Lockhart Road, Wanchai, Hong Kong	7,400,000	100 per cent.	7,400,000
8. 1st Floor of Rear Portion, No. 1 San Lok Street, Shek Wu Hui, Sheung Shui, New Territories, Hong Kong	5,600,000	100 per cent.	5,600,000
9. 6th Floor and its Interior Wall, No. 463 Hennessy Road, Causeway Bay, Hong Kong	6,200,000	100 per cent.	6,200,000
10. 3rd Floor, Vico Mansion, No. 3 Nanking Street, Yau Ma Tai, Kowloon, Hong Kong	5,300,000	100 per cent.	5,300,000
Sub-total for Group I:	<u>HK\$61,200,000</u>		<u>HK\$61,200,000</u>

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

Group II – Properties held for investment by the WOG Group under long-term title certificates in the PRC

No. Property	Amount of valuations in its existing state as at 31 May 2020 HK\$	Interest attributable to the WOG Group	Amount of valuations in its existing state attributable to the WOG Group as at 31 May 2020 HK\$
11. Huangbeiling Market Unit 03 Level 1 of Fenghuang Complex Building Fenghuang Road, Huangbeiling Luohu District, Shenzhen City, Guangdong Province, The PRC 518000	17,100,000	50 per cent.	8,550,000
12. Hehua Market 101 of Block 49 in Jing Bei South, Huangbei Road, Luohu District, Shenzhen City, Guangdong Province, The PRC 518000	37,400,000	50 per cent.	18,700,000
13. Wenjin Market Unit 01 of Beidou Wet Market, Beidou Road, Luohu District, Shenzhen City, Guangdong Province, The PRC 518000	10,800,000	50 per cent.	5,400,000
14. Bibo Market Level 2 of Bibo Wet Market, Huangbei Road, Luohu District, Shenzhen City, Guangdong Province, The PRC 518000	14,600,000	50 per cent.	7,300,000

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

No. Property	Amount of valuations in its existing state as at 31 May 2020 HK\$	Interest attributable to the WOG Group	Amount of valuations in its existing state attributable to the WOG Group as at 31 May 2020 HK\$
15. Honghu Market Level 1 of Honghu Wet Market Complex, Honghu Second Road, Luohu District, Shenzhen City, Guangdong Province, The PRC 518000	9,700,000	50 per cent.	4,850,000
16. Yuanling Market Unit 101 of Yuanling Wet Market, Yuanling 5th Street Futian District Shenzhen City Guangdong Province The PRC 518000	6,100,000	50 per cent.	3,050,000
17. Xinsha Market Level 1 of Shatao Wet Market Complex, Fuhua Road, Futian District Shenzhen City Guangdong Province The PRC 518000	16,200,000	50 per cent.	8,100,000
18. Tiandong Market Level 1 of Shajingtou Market Complex, Jingtou Street East Shatoujiao, Yantian District Shenzhen City Guangdong Province The PRC 518000	25,100,000	50 per cent.	12,550,000

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

No. Property	Amount of valuations in its existing state as at 31 May 2020 HK\$	Interest attributable to the WOG Group	Amount of valuations in its existing state attributable to the WOG Group as at 31 May 2020 HK\$
19. Yantian Market Units 101, 105 and 202 of Yantian Market Complex, South of Beishan Road, Yantian District Shenzhen City Guangdong Province The PRC 518000	720,000	50 per cent.	360,000
20. Tianxin Market Level 1 of Gong Shang Huan Wei Composite Building, 2nd of No. 7 Shayan Road, Shatoujiao, Yantian District, Shenzhen City, Guangdong Province, The PRC 518000	11,200,000	50 per cent.	5,600,000
21. Xili Market Level 1 of Xili Market Complex, Shahe Road West, Nanshan District, Shenzhen City, Guangdong Province, The PRC 518000	18,500,000	50 per cent.	9,250,000
Sub-total for Group II:	<u>HK\$167,420,000</u>		<u>HK\$83,710,000</u>
Grand Total:	<u><u>HK\$228,620,000</u></u>		<u><u>HK\$144,910,000</u></u>

PROPERTY PARTICULARS WITH VALUES

Group I – Properties held by the WOG Group for Investment in Hong Kong

No.	Property	Description and tenure	Particulars of occupancy	Amount of valuation in existing state as at 31 May 2020
1.	7th Floor, No. 33 Wong Chuk Street, Sham Shui Po, Kowloon, Hong Kong	The property comprises a residential unit on the Seventh Floor of an 8-storey tenement building which was completed in 1959.	As confirmed by the Instructing Party and the appointed personnel of WOG, the property was subject to various tenancies as at the Valuation Date.	HK\$4,000,000 (100 per cent. interest)
	1/8th shares of and in the Remaining Portion of New Kowloon Inland Lot No. 2309 (the “Lot”)	According to the information available to us, the property has a saleable area of approximately 631 square feet (“sq.ft.”) (58.6 square meters) (“sq.m.”). The Lot is subject to a Government Lease for a term of 75 years renewable for 24 years commencing from 1 July 1898 (as extended until 30 June 2047 under Section 6 of the New Territories Leases (Extension) Ordinance 1988). The property is located in a residential area with tenement buildings and ground floor shops. The current annual Government Rent payable for the Lot is equal to 3 per cent. of the ratable value.	(see Note 5)	

Notes:

- The registered owner of the property is Allied Victory Investment Limited, an indirect wholly owned subsidiary of WOG, vide an assignment dated 6 November 2006 at a consideration of HK\$690,000.00 and registered in the Land Registry by Memorial No. 06120700490139 on 7 December 2006.
- The property is subject to a Deed of Mutual Covenant dated 21 October 1959 and registered in the Urban Land Registry by Memorial No. 304686 on 14 November 1959.
- The property is subject to a Mortgage in favour of China Construction Bank Corporation dated 2 May 2008 in the consideration to secure all sums of moneys including general banking facilities (part) and registered in the Land Registry by Memorial No. 08052901680011 on 29 May 2008.

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

4. The property is subject to a Mortgage Assignment in favour of China Construction Bank (Asia) Corporation Limited by China Construction Bank Corporation dated 23 December 2013 and registered in Land Registry by Memorial No. 14010602240011 on 6 January 2014.
5. According to the information provided, the property was subject to 4 various tenancies with a total monthly rental of HK\$15,900 on inclusive basis.
6. For information purpose, the amount of valuation as at 31 March 2020 for accounts reporting purpose was HK\$3,800,000.

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

No.	Property	Description and tenure	Particulars of occupancy	Amount of valuation in existing state as at 31 May 2020
2.	8th Floor, No. 253 Tai Nan Street, Sham Shui Po, Kowloon, Hong Kong	The property comprises a residential unit on the Eighth Floor of a 9-storey tenement building which was completed in 1960.	As confirmed by the Instructing Party and the appointed personnel of WOG, the property was subject to various tenancies as at the Valuation Date.	HK\$3,700,000 (100 per cent. interest)
	1/9th shares of and in the Remaining Portion of New Kowloon Inland Lot No. 19 (the “Lot”)	According to the information available to us, the property has a saleable area of approximately 593 sq.ft. (55.1 sq.m.). The Lot is subject to a Government Lease for a term of 75 years renewable for 24 years commencing from 1 July 1898 (as extended until 30 June 2047 under Section 6 of the New Territories Leases (Extension) Ordinance 1988). The property is located in a residential area with tenement buildings and ground floor shops. The current annual Government Rent payable for the Lot is equal to 3 per cent. of the ratable value for the time being of the Lot.	<i>(see Note 10)</i>	

Notes:

1. The registered owner of the property is Allied Victory Investment Limited, an indirect wholly owned subsidiary of WOG, vide an assignment dated 12 January 2007 at a consideration of HK\$830,000.00 and registered in the Land Registry by Memorial No. 07020900380260 on 9 February 2007.
2. The property is subject to a Deed of Mutual Covenant dated 17 February 1961 and registered in Urban Land Registry by Memorial No. 334512 on 23 February 1961.
3. The property is subject to a Mortgage in favour of China Construction Bank Corporation dated 2 May 2008 in the consideration to secure all sums of moneys including general banking facilities (part) and registered in Land Registry by Memorial No. 08052901680011 on 29 May 2008.
4. The property is subject to an Order No. D00307/K/09 by the Building Authority under Section 26 of the Buildings Ordinance re for common area and exterior of the Building dated 23 October 2009 and registered in the Land Registry by Memorial No. 09112700760138 on 27 November 2009.
5. The property is subject to an Order No. DR00442/K/10 by the Building Authority under Section 28(3) of the Buildings Ordinance dated 27 August 2010 and registered in the Land Registry by Memorial No. 10102600650179 on 26 October 2010 superseded see Memorial Nos. 11020700520095 and 11042101400263.

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

6. The property is subject to a Superseding Order No. DR00616/K/10 by the Building Authority under Section 28(3) of the Buildings Ordinance dated 17 December 2010 and registered in the Land Registry by Memorial No. 11042101400263 on 21 April 2011.
7. The property is subject to a Notification Letter of Completion of Works Relating to Order No. D00307/K/09 and Order No. DR00616/K/10/TD by the Building Authority dated 20 March 2013 and registered in the Land Registry by Memorial No. 13041901240039 on 19 April 2013.
8. The property is subject to two various Notice No. “UMB/BAMB01/1801-041/0001” by the Building Authority under Section 30B(3) and under Section 30C(3) of the Buildings Ordinance dated 5 July 2019 and registered in the Land Registry by Memorial No. 20010201150013 and 20010201150020 on 2 January 2020.
9. The property is subject to a Mortgage Assignment in favour of China Construction Bank (Asia) Corporation Limited by China Construction Bank Corporation dated 23 December 2013 and registered in the Land Registry by Memorial No. 14010602240011 on 6 January 2014.
10. According to the information provided, the property was subject to 3 various tenancies with a monthly rental of HK\$11,200 on inclusive basis.
11. For information purpose, the amount of valuation as at 31 March 2020 for accounts reporting purpose was HK\$3,800,000.

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

No.	Property	Description and tenure	Particulars of occupancy	Amount of valuation in existing state as at 31 May 2020
3.	5th Floor, No. 524 Jaffe Road, Causeway Bay, Hong Kong 1/18th shares of and in the Sub-section 3 of Section F of Marine Lot No. 52 and the extension thereto (the "Lot")	The property comprises a residential unit on the Fifth Floor of a 9-storey tenement building which was completed in 1961. According to the information available to us, the property has a saleable area of approximately 725. sq.ft. (67.4 sq.m.). The property is located in a mixed residential and commercial area. The Lot is subject to a Government Lease for a term of 999 years commencing from 25 June 1843.	As confirmed by the Instructing Party and the appointed personnel of WOG, the property was subject to various tenancies as at the Valuation Date. (see Note 7)	HK\$11,000,000 (100 per cent. interest)

Notes:

1. The registered owner of the property is Goldbo Investment Limited, an indirect wholly owned subsidiary of WOG, vide an assignment dated 30 July 2007 at a consideration of HK\$1,950,000.00 and registered in the Land Registry by Memorial No. 07082801280200 on 28 August 2007.
2. The property is subject to a Deed of Mutual Covenant with Plan dated 16 September 1963 and registered in Urban Land Registry by Memorial No. 412190 on 7 October 1963.
3. The property is subject to a Mortgage in favour of China Construction Bank Corporation dated 2 May 2008 in the consideration to secure all sums of moneys including general banking facilities (part) and registered in the Land Registry by Memorial No. 08052901680011 on 29 May 2008.
4. The property is subject to a Mortgage Assignment in favour of China Construction Bank (Asia) Corporation Limited by China Construction Bank Corporation dated 23 December 2013 and registered in the Land Registry by Memorial No. 14010602240011 on 6 January 2014.
5. The property is subject to a Notice No. "UMB/BAMB01/1801-265/0001" by the Building Authority under Section 30B(3) of the Buildings Ordinance re common part(s) only dated 26 September 2019 and registered in the Land Registry by Memorial No. 19112002220239 on 20 November 2019.
6. The property is subject to a Notice No. "UMB/BAMB01/1801-265/0001" by the Building Authority under Section 30C(3) of the Buildings Ordinance re common part(s) only dated 26 September 2019 and registered in the Land Registry by Memorial No. 19112002220249 on 20 November 2019.
7. According to the information provided, the property was subject to 3 various tenancies with a monthly rental of HK\$18,800 on inclusive basis.
8. For information purpose, the amount of valuation as at 31 March 2020 for accounts reporting purpose was HK\$10,700,000.

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

No.	Property	Description and tenure	Particulars of occupancy	Amount of valuation in existing state as at 31 May 2020
4.	5th Floor of Block F, No. 89 Chung On Street, Tsuen Wan, New Territories, Hong Kong	The property comprises a residential unit on the Fifth Floor of a 6-storey tenement building which was completed in 1958.	As confirmed by the Instructing Party and the appointed personnel of WOG, the property was subject to various tenancies as at the Valuation Date.	HK\$4,900,000 (100 per cent. interest)
	1/66th shares of and in the Remaining Portion of Lot No. 2013 in D.D. 449 (the "Lot")	According to the information available to us, the property has a saleable area of approximately 647 sq.ft. (60.1 sq.m.). The property is located in a residential area with tenement buildings and ground floor shops. The Lot is subject to a New Grant No. 3504 for a term of 75 years renewable for 24 years commencing from 1 July 1898 (as extended until 30 June 2047 under Section 6 of the New Territories Leases (Extension) Ordinance 1988) at a Government Rent of 3 per cents of the ratable value.	<i>(see Note 4)</i>	

Notes:

1. The registered owner of the property is Goldbo Investment Limited, an indirect wholly owned subsidiary of WOG, vide an assignment dated 10 September 2007 at a consideration of HK\$1,250,000.00 and registered in the Land Registry by Memorial No. 07100400560076 on 4 October 2007.
2. The property is subject to a Deed of Covenant dated 14 July 1959 and registered in Tsuen Wan Land Registry by Memorial No. 68754 on 10 July 1959.
3. The property is subject to an Order No. CRT/RT/001468/10/NT under Section 24(1) of the Buildings Ordinance with Plan by the Building Authority re common part(s) only dated 30 June 2010 and registered in the Land Registry by Memorial No. 10080901360098 on 9 August 2010, and is subject to a Notification Letter of Completion of Works (Order No. "CRT/RT/001468/10/NT") dated 4 April 2018 and registered in the Land Registry by Memorial No. 18043000670236 on 30 April 2018.
4. According to the information provided, the property was subject to 4 various tenancies with a monthly rental of HK\$18,500 on inclusive basis.
5. For information purpose, the amount of valuation as at 31 March 2020 for accounts reporting purpose was HK\$4,800,000.

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

No.	Property	Description and tenure	Particulars of occupancy	Amount of valuation in existing state as at 31 May 2020
5.	Flat 1 on 1st Floor together with Portion of the Flat Roof (also known as Flat A on 1st Floor) No. 174 Jockey Club Road, North, New Territories, Hong Kong 1/70th shares of and in the Lot No. 3831 in D.D. 91 (the "Lot")	<p>The property comprises a residential unit on the First Floor of a 3-storey tenement building which was completed in 1973.</p> <p>The property has a saleable area of approximately 593.10 sq.ft. (55.1 sq.m.) with a flat roof of 74.11 sq.ft. (6.89 sq.m.).</p> <p>The property is located in a residential area with tenement buildings and ground floor shops.</p> <p>The Lot is subject to a New Grant No. 9166 for a term of 99 years commencing from 1 July 1898 (as extended until 30 June 2047 under Section 6 of the New Territories Leases (Extension) Ordinance 1988) at a Government Rent of 3 per cent. of the rateable value.</p>	<p>As confirmed by the Instructing Party and the appointed personnel of WOG, major portion of the property was subject to various tenancies while the remaining portion of the property was vacant as at the Valuation Date.</p> <p><i>(see Note 5)</i></p>	<p>HK\$4,900,000</p> <p>(100 per cent. interest)</p>

Notes:

1. The registered owner of the property is New Sino Investment Limited, an indirect wholly owned subsidiary of WOG, vide an assignment dated 2 June 2008 at a consideration of HK\$1,420,000.00 and registered in the Land Registry by Memorial No. 08063000570087 on 30 June 2008.
2. The property is subject to an Undertaking dated 25 July 1972 and registered in North Land Registry by Memorial No. 171561 on 5 August 1972.
3. The property is subject to a Deed of Mutual Covenant dated 1 June 1973 and registered in North Land Registry by Memorial No. 175124 on 25 June 1973.
4. The property is subject to a Deed of Rectification dated 24 August 1977 and registered in North Land Registry by Memorial No. 187126 on 8 September 1977.
5. According to the information provided, portion of the property was subject to 2 various tenancies with a monthly rental of HK\$11,600 on inclusive basis.
6. For information purpose, the amount of valuation as at 31 March 2020 for accounts reporting purpose was HK\$4,800,000.

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

No.	Property	Description and tenure	Particulars of occupancy	Amount of valuation in existing state as at 31 May 2020
6.	2nd Floor, Golden Jubilee House, No. 399 Lockhart Road, Wanchai, Hong Kong	The property comprises a residential unit on the Second Floor of a 15-storey (including mezzanine floor) building which was completed in 1964.	As confirmed by the Instructing Party and the appointed personnel of WOG, the property was subject to various tenancies as at the Valuation Date.	HK\$8,200,000 (100 per cent. interest)
	1/117th shares of and in the Section B, Section C and Section D of Marine Lot No. 435 (the "Lots")	The property has a saleable area of approximately 653.37 sq.ft. (60.7 sq.m). The property is located in a mixed residential and commercial area. The Lots are subject to a Government Lease for a term of 99 years renewable for 99 years commencing from 1 July 1927.	(see Note 3)	

Notes:

1. The registered owner of the property is Lanbo Investment Limited, an indirect wholly owned subsidiary of WOG, vide an assignment dated 10 June 2008 at a consideration of HK\$2,880,000.00 and registered in the Land Registry by Memorial No. 08070400520135 on 4 July 2008.
2. The property is subject to a Deed of Mutual Covenant dated 16 July 1965 and registered in Urban Land Registry by Memorial No. 498672 on 18 August 1965.
3. According to the information provided, the property was subject to 4 various tenancies with a monthly rental of HK\$28,000 on inclusive basis.
4. For information purpose, the amount of valuation as at 31 March 2020 for accounts reporting purpose was HK\$8,000,000.

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

No.	Property	Description and tenure	Particulars of occupancy	Amount of valuation in existing state as at 31 May 2020
7.	Flat A on 6th Floor, 240 Lockhart Road, Wanchai, Hong Kong 1/24th shares of and in the Remaining Portion of Inland Lot No. 5224 and the Remaining Portion of Inland Lot No. 5225 (the "Lots")	The property comprises a residential unit on the Sixth Floor of a 12-storey building which was completed in 1967. The property has a saleable area of approximately 588.79 sq.ft. (54.7 sq.m.). The property is located in a mixed residential and commercial area. The Lots are subject to Government Leases for a term of 99 years renewable for 99 years commencing 25 May 1929.	As confirmed by the Instructing Party and the appointed personnel of WOG, major portion of the property was subject to tenancies while the remaining portion of the property was vacant as at the Valuation Date. <i>(see Note 5)</i>	HK\$7,400,000 (100 per cent. interest)

Notes:

1. The registered owner of the property is Lanbo Investment Limited, an indirect wholly owned subsidiary of WOG, vide an assignment dated 20 October 2008 at a consideration of HK\$2,501,099.00 and registered in the Land Registry by Memorial No. 08111101230291 on 11 November 2008.
2. The property is subject to an Exclusion order No. 7 of 1967 (Remarks: Landlord & Tenant (Amendment Order) Amending Order Memorial No. 422163 dated 31 January 1967 and registered in Urban Land Registry by Memorial No. 570319 on 18 February 1967.
3. The property is subject to a Deed of Mutual Covenants dated 25 September 1967 and registered in Urban Land Registry by Memorial No. 603925 on 23 November 1967.
4. The property is subject to two various Fire Safety Compliance Order under Section 6(1) of Fire Safety (Buildings) Ordinance (Chapter 572) by the Magistrate i.e. Common Area dated 11 August 2016 and registered in Land Registry by Memorial Nos. 16091500790036 and 16091500790042 on 15 September 2016.
5. According to the information provided, portion of the property was subject to 2 various tenancies with a monthly rental of HK\$12,600 on inclusive basis.
6. For information purpose, the amount of valuation as at 31 March 2020 for accounts reporting purpose was HK\$7,200,000.

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

No.	Property	Description and tenure	Particulars of occupancy	Amount of valuation in existing state as at 31 May 2020
8.	1st Floor of Rear Portion, No. 1 San Lok Street, Shek Wu Hui, Sheung Shui, New Territories, Hong Kong 1/12th shares of and in the Lot 3813 in D.D. 91 (the "Lot")	The property comprises a residential unit on the First Floor of a 4-storey (including Cockloft) tenement building which was completed in 1965. The property has a saleable area of approximately 699.66 sq.ft. (65.0 sq.m.). The property is located in a residential area. The Lot is subject to a New Grant No. 9098 for a term of 99 years commencing from 1 July 1898 (as extended until 30 June 2047 under Section 6 of the New Territories Leases (Extension) Ordinance 1988) at a Government Rent of 3 per cent. of rateable value.	As confirmed by the Instructing Party and the appointed personnel of WOG, portion of the property was subject to tenancies while the remaining portion of the property was vacant as at the Valuation Date. (see Note 5)	HK\$5,600,000 (100 per cent. interest)

Notes:

1. The registered owner of the property is Newbo Investment Limited, an indirect wholly owned subsidiary of WOG, vide an assignment dated 29 August 2008 at a consideration of HK\$1,980,000.00 and registered in the Land Registry by Memorial No. 08091100630055 on 11 September 2008.
2. The property is subject to a Deed of Mutual Covenants dated 29 December 1966 and registered in North Land Registry by Memorial No. 159686 on 27 January 1967.
3. The property is subject to a Statutory Declaration of Ip Man Wah Kiu also known as Yip Man Wah Kiu and a Statutory Declaration of Yap Lewin Theodore Prickerly also known as Lewin T. P. Yap both dated 5 April 2000 and registered in North Land Registry by Memorial Nos. 478431 and 478432 respectively on 12 May 2000.
4. The property is subject to an Order No. "UBCSN/06-07/0001/13" under Section 24(1) of the Buildings Ordinance with Plan by Building Authority re Common Parts only dated 13 December 2017 and registered in the Land Registry by Memorial No. 19061900910386 on 19 June 2019.
5. According to the information provided, portion of the property was subject to 2 various tenancies with a monthly rental of HK\$10,000 on inclusive basis.
6. For information purpose, the amount of valuation as at 31 March 2020 for accounts reporting purpose was HK\$5,500,000.

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

No.	Property	Description and tenure	Particulars of occupancy	Amount of valuation in existing state as at 31 May 2020
9.	6th Floor and its Interior Wall, No. 463 Hennessy Road, Causeway Bay, Hong Kong	The property comprises a residential unit on the Sixth Floor of a 15-storey industrial building which was completed in 1966.	As confirmed by the Instructing Party and the appointed personnel of WOG, the property was subject to various tenancies as at the Valuation Date.	HK\$6,200,000 (100 per cent. interest)
	1/42th shares of and in the Remaining Portion of Inland Lot No. 7152 (the "Lot")	The property has a total gross floor area and a saleable area of approximately 527.44 sq.ft (49 sq.m.). The property is located in a mixed residential and commercial area. The Lot is subject to a Government Lease for a term of 99 years renewable for 99 years commencing from 15 April 1929.	(see Note 5)	

Notes:

1. The registered owner of the property is Newbo Investment Limited, an indirect wholly owned subsidiary of WOG, vide an assignment dated 30 September 2008 at a consideration of HK\$2,350,000.00 and registered in the Land Registry by Memorial No. 0002300540126 on 23 October 2008.
2. The property is subject to a Deed of Mutual Grant of Right of Way with Plan in favour of Wu Hon Kuen, Wu Kwong Kui, Wu Hong Wing and Wong Liu Chi Kwan dated 30 October 1967 and registered in Urban Land Registry by Memorial No. 606404 on 15 December 1967.
3. The property is subject to a Declaration of Walter. S. W. Hon dated 14 May 1987 and registered in Urban Land Registry by Memorial No. 3626452 on 23 February 1988.
4. The property is subject to a Deed of Mutual Covenant dated 4 June 1988 and registered in Urban Land Registry by Memorial No. 3751412 on 5 July 1988.
5. According to the information provided, the property was subject to 4 various tenancies with a monthly rental of HK\$25,400 on inclusive basis.
6. For information purpose, the amount of valuation as at 31 March 2020 for accounts reporting purpose was HK\$6,100,000.

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

No.	Property	Description and tenure	Particulars of occupancy	Amount of valuation in existing state as at 31 May 2020
10.	3rd Floor, Vico Mansion, No. 3 Nanking Street, Yau Ma Tei, Kowloon, Hong Kong 1/20th shares of and in the Remaining Portion of Sub-sections 3 and 4 of Section A of Kowloon Inland Lot No. 1301 (the "Lots")	The property comprises a residential unit on the Third Floor of a 10-storey building which was completed in 1970. The property has a saleable area of approximately 557.58 sq.ft. (51.8 sq.m.). The property is located in a mixed residential and commercial area. The Lots are subject to a Government Lease for a term of 75 years renewable for 75 years commencing from 10 July 1916. The New Government Rent under Government Leases Ordinance from 10 July 1991 is \$1,674 per annum.	As confirmed by the Instructing Party and the appointed personnel of WOG, major portion of the property was subject to tenancies while the remaining portion of the property was vacant as at the Valuation Date. <i>(see Note 5)</i>	HK\$5,300,000 (100 per cent. interest) <i>(see Note 5)</i>

Notes:

1. The registered owner of the property is Winhero Investment Limited, an indirect wholly owned subsidiary of WOG, vide an assignment dated 6 July 2009 at a consideration of HK\$1,580,000.00 and registered in the Land Registry by Memorial No. 09080500530029 on 5 August 2009.
2. The property is subject to a Deed of Mutual Covenants dated 17 June 1970 and registered in Urban Land Registry by Memorial No. 745915 on 3 July 1970.
3. The property is subject to an Order No. INVO00059/K/11/S2 under Section 26A(1) of the Buildings Ordinance with Plan by the Building Authority (for the cantilevered slab canopy (CSC) facing Nanking Street at 2/F) dated 17 February 2012 and registered in the Land Registry by Memorial No. 12032201690010 on 22 March 2012.
4. The property is subject to an Order No. UBCSN/14-09/0001/11 by the Building Authority under Section 24(1) of the Buildings Ordinance for common part(s) only dated 24 March 2015 and registered in the Land Registry by Memorial No. 15051801750016 on 18 May 2015.
5. The property is subject to a Provisional Agreement for Sale and Purchase and an Agreement for Sale and Purchase in favour of Ng Kai Shing at a consideration of HK\$5,200,000.00 dated 20 March 2020 and 7 April 2020, respectively, and registered in the Land Registry by Memorial No. 20042000160015 and 20042100340012 on 20 April 2020 and 21 April 2020, respectively. As at the Latest Practicable Date (as defined in this circular), no relevant Assignment was registered in the Land Registry yet.
6. According to the information provided, portion of the property was subject to 3 various tenancies with a monthly rental of HK\$15,000 on inclusive basis.
7. For information purpose, the amount of valuation as at 31 March 2020 for accounts reporting purpose was HK\$5,200,000.

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

Group II – Properties held for investment by the WOG Group under long-term title certificates in the PRC

No.	Property	Description	Particulars of occupancy	Amount of valuation in its existing state attributable to the WOG Group as at 31 May 2020
11.	Huangbeiling Market Unit 03 on Level 1 of Fenghuang Complex Building, Fenghuang Road, Huangbeiling, Luohu District, Shenzhen City, Guangdong Province, The PRC 518000	<p>The property comprises a wet market known as Huangbeiling Market (黃貝嶺市場) with a total gross floor area of 461.17 square meters (“sq.m.”) in Unit 03 on Level 1 of a 5-storey commercial building, which was completed in around 1986.</p> <p>The property is located in Luohu District. The locality of the property is a mixed residential-cum-commercial area.</p> <p>The property is subject to a right to use the land for a term of 50 years till 15 January 2035 for Huangbeiling wet market use and the property is designated for commercial use.</p> <p><i>(see Note 1 below)</i></p>	<p>As advised by the appointed personnel of the WOG Group, as at the Valuation Date, the property was subject to various tenancy agreements for wet market.</p> <p><i>(see Note 3 below)</i></p>	<p>HK\$8,550,000</p> <p>(50 per cent. interest)</p>

Notes:

1. Pursuant to a copy of Realty Title Certificates (不動產權證) Shen Fang Di Zi Di No. 2000321048 Hao (深房地字第200321048號) dated 21 July 2006 and issued by State-owned Land Resources and Housing Management Bureau of Shenzhen City (深圳市國土資源及房產管理局), the legally interested party in the property having a total gross floor area of 461.17 sq.m. is Shenzhen Jimao Market Co., Limited (深圳市集貿市場有限公司 and referred to as “**Shenzhen Jimao**”), a joint venture indirectly held by WOG with 50 percent ownership interest.
2. Pursuant to a copy of an Enterprise Legal Person Business Licence dated 15 November 2016 and issued by Market Supervision and Administration Bureau of Shenzhen City (深圳市市場監督管理局), Shenzhen Jimao Huimin Market Huangbei Branch (深圳市集貿市場有限公司惠民街市黃貝分店) is a joint venture (Hong Kong invested) established on 1 November 2005.
3. According to the information provided by WOG, the property was subject to 26 various tenancy agreements with a total monthly rental of about RMB159,424 exclusive of water, electricity and sanitation costs.
4. We have been provided with a copy of legal opinion prepared by the WOG Group’s PRC legal advisor regarding the property, which contains, *inter alia*, the following:
 - (i) Shenzhen Jimao is the only legally interested party under the aforesaid Realty Title Certificate;
 - (ii) Shenzhen Jimao has a right to possess, transfer, lease or mortgage the property in compliance with the relevant laws and regulations within the terms and usage under the aforesaid Realty Title Certificate, and the actual usage of the property complied with the statutory usage as stated in the aforesaid Realty Title Certificate; and
 - (iii) As confirmed by Shenzhen Jimao, apart from disclosure in the legal opinion, the property is not subject to any litigation, non-litigation penalty, compulsory requisition, seized, sale, transfer or other dispute, of which there is no harsh or abnormal promise, conditions or restrictions.
5. For information purpose, the 50 percent interest of the property as at 31 March 2020 for accounts reporting purpose was Renminbi Yuan (“RMB”) 7,900,000 (rounded).

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

No.	Property	Description	Particulars of occupancy	Amount of valuation in its existing state attributable to the WOG Group as at 31 May 2020
12.	Hehua Market 101 of Block 49 in Jing Bei South, Huangbei Road, Luohu District, Shenzhen City, Guangdong Province, The PRC 518000	<p>The property comprises a wet market known as Hehua Market (荷花市場) with a total gross floor area of 2,097.94 sq.m. on Unit 101 of Level 1 of a 2-storey commercial building, which was completed in around 1989.</p> <p>The property is located in Luohu District. The locality of the property is a mixed residential-cum-commercial area.</p> <p>The property is subject to a right to use the land for a term of 50 years till 17 June 2034 for commercial and residential uses and the property is designated for commercial use.</p> <p style="text-align: center;"><i>(see Note 1 below)</i></p>	<p>As advised by the appointed personnel of the WOG Group, as at the Valuation Date, the property was subject to various tenancy agreements for wet market.</p> <p style="text-align: center;"><i>(see Note 3 below)</i></p>	<p>HK\$18,700,000</p> <p>(50 per cent. interest)</p>

Notes:

1. Pursuant to a copy of Realty Title Certificates (不動產權證) Shen Fang Di Zi Di No. 2000321046 Hao (深房地字第2000321046號) dated 21 July 2006 and issued by State-own Land Resources and Housing Management Bureau of Shenzhen City (深圳市國土資源及房產管理局), the legally interested party in the property having a total gross floor area of 2,097.94 sq.m. is Shenzhen Jimao, a joint venture indirectly held by WOG with 50 percent ownership interest.
2. Pursuant to a copy of an Enterprise Legal Person Business Licence dated 10 September 2019 and issued by Market Supervision and Administration Bureau of Shenzhen City (深圳市市場監督管理局), Shenzhen Jimao Huimin Market Hehua Branch (深圳市集貿市場有限公司惠民街市荷花分店) is a joint venture (Hong Kong invested) established on 1 November 2005.
3. According to the information provided by WOG, the property was subject to 78 various tenancy agreements with a total monthly rental of RMB354,841 exclusive of water, electricity and sanitation costs.
4. We have been provided with a copy of legal opinion prepared by the WOG Group's PRC legal advisor regarding the property, which contains, *inter alia*, the following:
 - (i) Shenzhen Jimao is the only legally interested party under the aforesaid Realty Title Certificate;
 - (ii) Shenzhen Jimao has a right to possess, transfer, lease or mortgage the property in compliance with the relevant laws and regulations within the terms and usage under the aforesaid Realty Title Certificate, and the actual usage of the property complied with the statutory usage as stated in the aforesaid Realty Title Certificate; and
 - (iii) As confirmed by Shenzhen Jimao, apart from disclosure in the legal opinion, the property is not subject to any litigation, non-litigation penalty, compulsory requisition, seized, sale, transfer or other dispute, of which there is no harsh or abnormal promise, conditions or restrictions.
5. For information purpose, the 50 percent interest of the property as at 31 March 2020 for accounts reporting purpose was RMB17,250,000 (rounded).

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

No.	Property	Description	Particulars of occupancy	Amount of valuation in its existing state attributable to the WOG Group as at 31 May 2020
13.	Wenjin Market Unit 01 of Beidou Wet Market, Beidou Road, Luohu District, Shenzhen City, Guangdong Province, The PRC 518000	<p>The property comprises a wet market known as Wenjin Market (文錦市場) with a total gross floor area of 899.74 sq.m. on Unit 01 of Level 1 of a 7-storey building, which was completed in around 1990.</p> <p>The property is located in Luohu District. The locality of the property is a mixed residential-cum-commercial area.</p> <p>The property is subject to a right to use the land for a term of 40 years till 15 October 2028 for market/wet market use and the property is designated for wet market use.</p> <p><i>(see Note 1 below)</i></p>	<p>As advised by the appointed personnel of the WOG Group, as at the Valuation Date, the major portion of the property was subject to various tenancy agreements for wet market and small portion of the property was vacant.</p> <p><i>(see Note 3 below)</i></p>	<p>HK\$5,400,000 (50 per cent. interest)</p>

Notes:

1. Pursuant to a copy of a Realty Title Certificates (不動產權證) Yue (2018) Shen Zhen Shi Bu Dong Chan Quan Di No. 0088571 Hao (粵(2018)深圳市不動產權第0088571號) dated 26 May 2018 and issued by Shenzhen Real Estate Registration Centre (深圳市不動產登記中心), the legally interested party in the property having a total gross floor area of 899.74 sq.m. is Shenzhen Jimao, a joint venture indirectly held by WOG with 50 percent ownership interest.
2. Pursuant to a copy of an Enterprise Legal Person Business Licence dated 6 September 2019 and issued by Market Supervision and Administration Bureau of Shenzhen City (深圳市市場監督管理局), Shenzhen Jimao Huimin Market Wenjin Branch (深圳市集貿市場有限公司惠民街市文錦分店) is a joint venture (Hong Kong invested) established on 25 November 2005.
3. According to the information provided by WOG, the property was subject to 36 various tenancy agreements with a total monthly rental of RMB136,363 exclusive of water, electricity and sanitation costs.
4. We have been provided with a copy of legal opinion prepared by the WOG Group's PRC legal advisor regarding the property, which contains, *inter alia*, the following:
 - (i) Shenzhen Jimao is the only legally interested party under the aforesaid Realty Title Certificate;
 - (ii) Shenzhen Jimao has a right to possess, transfer, lease or mortgage the properties in compliance with the relevant laws and regulations within the terms and usage under the aforesaid Realty Title Certificate, and the actual usage of the property complied with the statutory usage as stated in the aforesaid Realty Title Certificate; and
 - (iii) As confirmed by Shenzhen Jimao, apart from disclosure in the legal opinion, the property is not subject to any litigation, non-litigation penalty, compulsory requisition, seized, sale, transfer or other dispute, of which there is no harsh or abnormal promise, conditions or restrictions.
5. For information purpose, the 50 percent interest of the property as at 31 March 2020 for accounts reporting purpose was RMB5,000,000 (rounded).

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

No.	Property	Description	Particulars of occupancy	Amount of valuation in its existing state attributable to the WOG Group as at 31 May 2020
14.	Bibo Market Level 2 of Bibo Wet Market, Huangbei Road, Luohu District, Shenzhen City Guangdong Province The PRC 518000	<p>The property comprises a wet market known as Bibo Market (碧波市場) with a total gross floor area of 1,718.63 sq.m. on Level 2 of a 6-storey composite building, which was completed in around 1992.</p> <p>The property is located in Luohu District. The locality of the property is a mixed residential-cum-commercial area.</p> <p>The property is subject to a right to use the land for a term of 50 years till 27 October 2035 for residential and market uses and the property is designated for market use.</p> <p style="text-align: center;"><i>(see Note 1 below)</i></p>	<p>As advised by the appointed personnel of the WOG Group, as at the Valuation Date, the property was subject to various tenancy agreements for wet market.</p> <p style="text-align: center;"><i>(see Note 3 below)</i></p>	<p>HK\$7,300,000</p> <p>(50 per cent. interest)</p>

Notes:

1. Pursuant to a copy of a Realty Title Certificate (不動產權證) Shen Fang Di Zi Di No. 2000321049 Hao (深房地字第200321049號) dated 21 July 2006 and issued by State-own Land Resources and Housing Management Bureau of Shenzhen City (深圳市國土資源及房產管理局), the legally interested party in the property having a total gross floor area of 1,718.63 sq.m. is Shenzhen Jimao, a joint venture indirectly held by WOG with 50 percent ownership interest.
2. Pursuant to a copy of an Enterprise Legal Person Business Licence dated 9 September 2019 and issued by Market Supervision and Administration Bureau of Shenzhen City (深圳市市場監督管理局), Shenzhen Jimao Huimin Market Bibo Branch (深圳市集貿市場有限公司惠民街市碧波分店) is a joint venture (Hong Kong invested) established on 30 November 2005.
3. According to the information provided by WOG, the property was subject to 17 various tenancy agreements with a total monthly rental of RMB132,217.10 exclusive of water, electricity and sanitation costs.
4. We have been provided with a copy of legal opinion prepared by the WOG Group's PRC legal advisor regarding the property, which contains, *inter alia*, the following:
 - (i) Shenzhen Jimao is the only legally interested party under the aforesaid Realty Title Certificate;
 - (ii) Shenzhen Jimao has a right to possess, transfer, lease or mortgage the property in compliance with the relevant laws and regulations within the terms and usage under the aforesaid Realty Title Certificate, and the actual usage of the property complied with the statutory usage as stated in the aforesaid Realty Title Certificate; and
 - (iii) As confirmed by Shenzhen Jimao, apart from disclosure in the legal opinion, the property is not subject to any litigation, non-litigation penalty, compulsory requisition, seized, sale, transfer or other dispute, of which there is no harsh or abnormal promise, conditions or restrictions.
5. For information purpose, the 50 percent interest of the property as at 31 March 2020 for accounts reporting purpose was RMB6,750,000 (rounded).

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

No.	Property	Description	Particulars of occupancy	Amount of valuation in its existing state attributable to the WOG Group as at 31 May 2020
15.	Honghu Market Level 1 of Honghu Wet Market Complex, Honghu Second Road, Luohu District, Shenzhen City Guangdong Province The PRC 518000	<p>The property comprises a wet market known as Honghu Market (洪湖市場) with a total gross floor area of 1,133.20 sq.m. on Level 1 of a 5-storey composite building, which was completed in around 1997.</p> <p>The property is located in Luohu District. The locality of the property is a mixed residential-cum-commercial area.</p> <p>The property is subject to a right to use the land for a term of 50 years till 14 July 2044 for wet market and residential/wet market uses and the property is designated for wet market use.</p> <p style="text-align: center;"><i>(see Note 1 below)</i></p>	<p>As advised by the appointed personnel of the WOG Group, as at the Valuation Date, the property was subject to various tenancy agreements for wet market.</p> <p style="text-align: center;"><i>(see Note 3 below)</i></p>	<p>HK\$4,850,000</p> <p>(50 per cent. interest)</p>

Notes:

1. Pursuant to a copy of a Realty Title Certificates (不動產權證) known as Yue (2018) Shen Zhen Shi Bu Dong Chan Quan Di No. 0088975 Hao (粵(2018)深圳市不動產權第0088975號) dated 22 April 2018 and issued by Shenzhen Real Estate Registration Centre (深圳市不動產登記中心), the legally interested party in the property having a total gross floor area of 1,133.20 sq.m. is Shenzhen Jimao, a joint venture indirectly held by WOG with 50 percent ownership interest.
2. Pursuant to a copy of an Enterprise Legal Person Business Licence dated 27 June 2017 and issued by Market Supervision and Administration Bureau of Shenzhen City (深圳市市場監督管理局), Shenzhen Jimao Huimin Market Honghu Branch (深圳市集貿市場有限公司惠民街市洪湖分店) is a joint venture (Hong Kong invested) established on 29 November 2005.
3. According to the information provided by WOG, the property was subject to 3 various tenancy agreements with a total monthly rental of RMB73,443 exclusive of water, electricity and sanitation costs.
4. We have been provided with a copy of legal opinion prepared by the WOG Group's PRC legal advisor regarding the property, which contains, *inter alia*, the following:
 - (i) Shenzhen Jimao is the only legally interested party under the aforesaid Realty Title Certificate;
 - (ii) Shenzhen Jimao has a right to possess, transfer, lease or mortgage the property in compliance with the relevant laws and regulations within the terms and usage under the aforesaid Realty Title Certificate, and the actual usage of the property complied with the statutory usage as stated in the aforesaid Realty Title Certificate; and
 - (iii) As confirmed by Shenzhen Jimao, apart from disclosure in the legal opinion, the property is not subject to any litigation, non-litigation penalty, compulsory requisition, seized, sale, transfer or other dispute, of which there is no harsh or abnormal promise, conditions or restrictions.
5. For information purpose, the 50 percent interest of the property as at 31 March 2020 for accounts reporting purpose was RMB4,450,000 (rounded).

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

No.	Property	Description	Particulars of occupancy	Amount of valuation in its existing state attributable to the WOG Group as at 31 May 2020
16.	Yuanling Market Unit 101 of Yuanling Wet Market, Yuanling 5th Street, Futian District, Shenzhen City, Guangdong Province The PRC 518000	<p>The property comprises a wet market known as Yuanling Market (圓嶺市場) with a total gross floor area of 1,998.33 sq.m. on Level 1 of a 4-storey composite building completed in about 1987.</p> <p>The property is located in a residential area.</p> <p>The property is subject to a right to use the lands for a term of 40 years till 17 June 2024 for wet market use and the property is designated for wet market use.</p> <p style="text-align: center;"><i>(see Note 1 below)</i></p>	<p>As confirmed by the appointed personnel of the WOG Group, the property was vacant for renovation as at the Valuation Date.</p> <p style="text-align: center;"><i>(see Notes 3 and 4 below)</i></p>	<p>HK\$3,050,000</p> <p>(50 per cent. interest)</p>

Notes:

1. Pursuant to a copy of Realty Certificate known as Shen Fang Di Zi Di No. 3000667349 Hao (深房地字第3000667349號) dated 8 September 2011 and issued by Shenzhen Real Estate Registration Centre (深圳市房地產權登記中心), the legally interested party in the property having a total gross floor area of 1,998.33 sq.m. is Shenzhen Jimao, a joint venture indirectly held by WOG with 50 percent ownership interest.
2. Pursuant to a copy of an Enterprise Legal Person Business Licence dated 18 May 2017 and issued by Market Supervision and Administration Bureau of Shenzhen City (深圳市市場監督管理局), Shenzhen Jimao Huimin Market Yuanling Branch (深圳市集貿市場有限公司惠民街市圓嶺分店) is a joint venture (Hong Kong invested) established on 22 December 2005.
3. As advised and confirmed by WOG, the property would be renovated from April 2020 to July 2020 with an estimated renovation cost of RMB1.87 million, which was taken into account in the valuation. The estimated time of reopening is 18 August 2020.
4. As advised and confirmed by the appointed personnel of WOG Group, as at the Valuation Date, Yuanling Market has been relocated to a temporary location for operation, and the temporary location of Yuanling Market was subject to 42 various tenancy agreements with a total monthly rental of RMB205,021 exclusive of water, electricity and sanitation costs.
5. We have been provided with a copy of legal opinion prepared by the WOG Group's PRC legal advisor regarding the property, which contains, *inter alia*, the following:
 - (i) Shenzhen Jimao is the only legally interested party under the aforesaid Realty Title Certificate;
 - (ii) Shenzhen Jimao has a right to possess, transfer, lease or mortgage the property in compliance with the relevant laws and regulations within the terms and usage under the aforesaid Realty Title Certificate, and the actual usage of the property complied with the statutory usage as stated in the aforesaid Realty Title Certificate; and
 - (iii) As confirmed by Shenzhen Jimao, apart from disclosure in the legal opinion, the property is not subject to any litigation, non-litigation penalty, compulsory requisition, seized, sale, transfer or other dispute, of which there is no harsh or abnormal promise, conditions or restrictions.
6. For information purpose, the 50 percent interest of the property as at 31 March 2020 for accounts reporting purpose was RMB2,750,000 (rounded).

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

No.	Property	Description	Particulars of occupancy	Amount of valuation in its existing state attributable to the WOG Group as at 31 May 2020
17.	Xinsha Market Level 1 of Shatau Wet Market Complex, Fuhua Road, Futian District, Shenzhen City, Guangdong Province, The PRC 518000	<p>The property comprises a wet market known as Xinsha Market (新沙市場) with a total gross floor area of 1,387.40 sq.m. on Level 1 of a 7-storey composite building completed in about 1995.</p> <p>The property is located in a residential area.</p> <p>The property is subject to a right to use the lands for a term of 50 years till 28 October 2043 for wet market and residential uses and the property is designated for wet market use.</p> <p>(see Note 1 below)</p>	<p>As confirmed by the appointed personnel of the WOG Group, major portion of the property was subject to various tenancy agreements for wet market and small portion of the property was vacant as at the Valuation Date.</p> <p>(see Notes 3 and 4 below)</p>	<p>HK\$8,100,000</p> <p>(50 per cent. interest)</p>

Notes:

1. Pursuant to a copy of Realty Certificate known as Shen Fang Di Zi Di No. 3000442244 Hao (深房地字第3000442244號) dated 14 December 2006 and issued by State-own Land Resources and Housing Management Bureau of Shenzhen City (深圳市國土資源及房產管理局), the legally interested party in the property having a total gross floor area of 1,387.40 sq.m. is Shenzhen Jimao, a joint venture indirectly held by WOG with 50 percent ownership interest.
2. Pursuant to a copy of Enterprise Legal Person Business Licence dated 16 May 2017 and issued by Shenzhen Market Supervision and Administration Bureau (深圳市市場監督管理局), Shenzhen Jimao Huimin Market Xinsha Branch (深圳市集貿市場有限公司惠民街市新沙分店) is a joint venture (Hong Kong invested) established on 17 April 2006.
3. According to the information provided by WOG, the property was subject to 36 various tenancy agreements with a total monthly rental of RMB114,380 exclusive of water, electricity and sanitation costs.
4. As advised and confirmed by WOG, the property will be renovated from June 2020 to August 2020 with an estimated renovation cost of RMB0.46 million, which was taken into account in the valuation, and the estimated time of reopening in the property is August 2020.
5. We have been provided with a copy of legal opinion prepared by the WOG Group's PRC legal advisor regarding the property, which contains, *inter alia*, the following:
 - (i) Shenzhen Jimao is the only legally interested party under the aforesaid Realty Title Certificate;
 - (ii) Shenzhen Jimao has a right to possess, transfer, lease or mortgage the property in compliance with the relevant laws and regulations within the terms and usage under the aforesaid Realty Title Certificate, and the actual usage of the property complied with the statutory usage as stated in the aforesaid Realty Title Certificate; and
 - (iii) As confirmed by Shenzhen Jimao, apart from disclosure in the legal opinion, the property is not subject to any litigation, non-litigation penalty, compulsory requisition, seized, sale, transfer or other dispute, of which there is no harsh or abnormal promise, conditions or restrictions.
6. For information purpose, the 50 percent interest of the property as at 31 March 2020 for accounts reporting purpose was RMB7,450,000 (rounded).

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

No.	Property	Description	Particulars of occupancy	Amount of valuation in its existing state attributable to the WOG Group as at 31 May 2020
18.	Tiandong Market Level 1 of Shajingtou Market Complex, Jingtou Street East, Shatoujiao, Yantian District, Shenzhen City, Guangdong Province The PRC 518000	<p>The property comprises a wet market known as Tiandong Market (田東市場) with a total gross floor area of 1,721.03 sq.m. on Level 1 of a 7-storey composite building completed in about 1993.</p> <p>The property is located in a residential area.</p> <p>The property is subject to a right to use the lands for a term of 50 years from 22 March 1990 to 21 March 2040 for agri-product market use and the property is designated for agri-product market use.</p> <p style="text-align: center;"><i>(see Note 1 below)</i></p>	<p>As confirmed by the appointed personnel of the WOG Group, the property was vacant for urban renewal as at the Valuation Date.</p> <p style="text-align: center;"><i>(see Notes 3 & 4 below)</i></p>	<p>HK\$12,550,000</p> <p>(50 per cent. interest)</p>

Notes:

1. Pursuant to a copy of Realty Certificate known as Shen Fang Di Zi Di No. 7000038374 Hao (深房地字第7000038374號) dated 20 July 2006 and issued by State-own Land Resources and Housing Management Bureau of Shenzhen City (深圳市國土資源及房產管理局), the legally interested party in the property having a total gross floor area of 1,721.03 sq.m. is Shenzhen Jimao, a joint venture indirectly held by WOG with 50 percent ownership interest.
2. Pursuant to a copy of Enterprise Legal Person Business Licence dated 5 March 2020 and issued by Market Supervision and Administration Bureau of Shenzhen City (深圳市市場監督管理局), Shenzhen Jimao Huimin Market Tiandong Branch (深圳市集貿市場有限公司惠民街市田東分店) is a joint venture (Hong Kong invested) established on 4 November 2005.
3. As advised and confirmed by WOG, the property falls within the boundary of relevant Shenzhen City Urban Renewal Scheme, and as at the Latest Practicable Date, Shenzhen Jimao and 深圳市易達成投資有限公司 (translated as Shenzhen Yidacheng Investment Limited and refer to as “**Shenzhen Yidacheng**”) entered into various resettlement compensation agreements. We are advised that Shenzhen Jimao shall be compensated with a property at the entire Level 1 for the operation of wet market upon completion of the relevant urban renewal scheme and be provided with a temporary location at Levels 1 and 2 of the commercial podium of Shenyang Road Shaxin Building for the resettlement of the existing tenants of the property during the urban renewal period. Shenzhen Yidacheng shall be responsible for the rent and renovation cost of the temporary location. Moreover, Shenzhen Yidacheng shall pay Shenzhen Jimao a resettlement compensatory fee of RMB8,573,052. As the above is a post valuation date event, we have not considered the effect of the resettlement compensation agreement in our valuation.

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

4. As advised and confirmed by WOG, as at the Valuation Date, the tenants in the Tiandong Market have been relocated to a temporary location for continued operation. The temporary location for the Tiandong Market was subject to 63 various tenancy agreements with a total monthly rental of RMB219,605 exclusive of water, electricity and sanitation costs.
5. We have been provided with a copy of legal opinion prepared by the WOG Group's PRC legal advisor regarding the property, which contains, *inter alia*, the following:
 - (i) Shenzhen Jimao is the only legally interested party under the aforesaid Realty Title Certificate;
 - (ii) Shenzhen Jimao has a right to possess, transfer, lease or mortgage the property in compliance with the relevant laws and regulations within the terms and usage under the aforesaid Realty Title Certificate, and the actual usage of the property complied with the statutory usage as stated in the aforesaid Realty Title Certificate;
 - (iii) As confirmed by Shenzhen Jimao, apart from disclosure in the legal opinion, the property is not subject to any litigation, non-litigation penalty, compulsory requisition, seized, sale, transfer or other dispute, of which there is no harsh or abnormal promise, conditions or restrictions; and
 - (iv) As confirmed by Shenzhen Jimao, the property falls within the boundary of relevant Shenzhen City Urban Renewal Scheme. Shenzhen Jimao entered into various resettlement compensation agreements with Shenzhen Yidacheng, and Shenzhen Jimao has voluntarily chosen property title swap as the resettlement compensation measure. According to the various resettlement compensation agreements, Shenzhen Jimao shall be compensated with a property at the entire Level 1 for the operation of wet market upon completion of the relevant urban renewal scheme and be provided with a temporary location at Levels 1 and 2 of the commercial podium of Shenyang Road Shaxin Building for the resettlement of the existing tenants of the property during the urban renewal period. Shenzhen Yidacheng shall be responsible for the rent and renovation cost of the temporary location. Moreover, Shenzhen Yidacheng shall pay Shenzhen Jimao a resettlement compensatory fee of RMB8,573,052.
6. For information purpose, the 50 percent interest of the property as at 31 March 2020 for accounts reporting purpose was RMB11,600,000 (rounded).

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

No.	Property	Description	Particulars of occupancy	Amount of valuation in its existing state attributable to the WOG Group as at 31 May 2020
19.	Yantian Market Units 101, 105 and 202 of Yantian Market Complex, South of Beishan Road, Yantian District, Shenzhen City, Guangdong Province The PRC 518000	<p>The property comprises a wet market known as Yantian Market (鹽田市場) with a total gross floor area of 1,360.22 sq.m. in three various units of a 7-storey composite building completed in about 1985.</p> <p>The property is located in a residential area.</p> <p>The property is subject to a right to use the lands for a term of 40 years from 10 August 1983 to 9 August 2023 for commercial, office and dormitory uses and the property is designated for commercial use.</p> <p><i>(see Note 1 below)</i></p>	<p>As confirmed by the appointed personnel of the WOG Group, the property was vacant for demolition and urban renewal as at the Valuation Date.</p> <p><i>(see Notes 3 & 4 below)</i></p>	<p>HK\$360,000 (50 per cent. interest)</p>

Notes:

1. Pursuant to three various copies of Realty Certificates known as Shen Fang Di Zi Di Nos. 7000038137, 7000038136 and 7000038138 Hao (深房地字第7000038137, 7000038136及7000038138號) all dated 6 July 2006 and issued by State-own Land Resources and Housing Management Bureau of Shenzhen City (深圳市國土資源及房產管理局), the legally interested party in the property having a total gross floor area of 1,360.22 sq.m. is Shenzhen Jimao, a joint venture indirectly held by WOG with 50 percent ownership interest.
2. Pursuant to a copy of Enterprise Legal Person Business Licence dated 29 September 2019 and issued by Market Supervision and Administration Bureau of Shenzhen City (深圳市市場監督管理局), Shenzhen Jimao Huimin Market Yantian Branch (深圳市集貿市場有限公司惠民街市鹽田分店) is a joint venture (Hong Kong invested) established on 9 December 2005.
3. According to a copy of 檢測鑒定報告 provided by WOG Group and issued by the 深圳市建築科學研究院, the property was recommended to be demolished due to structural issues. As advised and confirmed by the appointed personnel of the WOG Group, as at the Valuation Date, the tenants in the Yantian Market have been relocated to a temporary location for continued operation.
4. As advised and confirmed by the appointed personnel of WOG Group, the property falls within the boundary of relevant Shenzhen City Urban Renewal Scheme, Shenzhen Jimao is negotiating with the developer on the resettlement compensation agreement and no agreement has been entered.
5. We have been provided with a copy of legal opinion prepared by the WOG Group's PRC legal advisor regarding the property, which contains, *inter alia*, the following:
 - (i) Shenzhen Jimao is the only legally interested party under the aforesaid Realty Title Certificate;
 - (ii) Shenzhen Jimao has an right to possess, transfer, lease or mortgage the property in compliance with the relevant laws and regulations within the terms and usage under the aforesaid Realty Title Certificate, and the actual usage of the property complied with the statutory usage as stated in the aforesaid Realty Title Certificate;

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

- (iii) As confirmed by Shenzhen Jimao, apart from disclosure in the legal opinion, the property is not subject to any litigation, non-litigation penalty, compulsory requisition, seized, sale, transfer or other dispute, of which there is no harsh or abnormal promise, conditions or restrictions;
 - (iv) According to a 檢測鑒定報告 issued by the 深圳市建築科學研究院, the property was recommended to be demolished. As confirmed by Shenzhen Jimao, the property has not been used since January 2016; and
 - (v) As confirmed by Shenzhen Jimao, the property falls within the boundary of relevant Shenzhen City Urban Renewal Scheme, and the relevant resettlement compensation agreement is under negotiation with the relevant urban renewal responsible party. No resettlement compensation agreement has been entered, and the relevant government authority has not decided on the compensation and not announced on the resettlement date. Base on these confirmation, it is opined that Shenzhen Jimao can continue to use the property before entering the resettlement compensation agreement or making decision on compensation.
6. For information purpose, the 50 percent interest of the property as at 31 March 2020 for accounts reporting purpose was RMB330,000 (rounded).

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

No.	Property	Description	Particulars of occupancy	Amount of valuation in its existing state attributable to the WOG Group as at 31 May 2020
20.	Tianxin Market Level 1 of Gong Shang Huan Wei Composite Building, 2nd of No. 7 Shayan Road, Shatoujiao, Yantian District, Shenzhen City, Guangdong Province, The PRC 518000	<p>The property comprises a wet market known as Tianxin Market (田心市場) with a total gross floor area of 671.50 sq.m. on Level 1 of a 2-storey composite building completed in about 1990.</p> <p>The property is located in a residential area.</p> <p>The property is subject to a right to use the lands for a term of 50 years from 19 April 1988 to 18 April 2038 for residential use and the property is designated for market use.</p> <p style="text-align: center;"><i>(see Note 1 below)</i></p>	<p>As confirmed by the appointed personnel of the WOG Group, the property was vacant for renovation as at the Valuation Date.</p> <p style="text-align: center;"><i>(see Notes 3 to 5 below)</i></p>	<p>HK\$5,600,000</p> <p style="text-align: right;">(50 per cent. interest)</p>

Notes:

1. Pursuant to a copy of Realty Certificate known as Shen Fang Di Zi Di No. 7000038375 Hao (深房地字第7000038375號) dated 20 July 2006 and issued by State-own Land Resources and Housing Management Bureau of Shenzhen City (深圳市國土資源及房產管理局), the legally interested party in the property having a total gross floor area of 671.50 sq.m. is Shenzhen Jimao, a joint venture indirectly held by WOG with 50 percent ownership interest.
2. Pursuant to a copy of an Enterprise Legal Person Business Licence dated 16 May 2017 and issued by Market Supervision and Administration Bureau of Shenzhen City (深圳市市場監督管理局), Shenzhen Jimao Huimin Market Tianxin 9th Branch (深圳市集貿市場有限公司惠民街市田心9號店) is a joint venture (Hong Kong invested) established on 18 April 2006.
3. As advised and confirmed by WOG, the property will be renovated from July 2020 to September 2020 with an estimated renovation cost of RMB1.06 million, which was taken into account in the valuation, and the estimated time of reopening is October 2020.
4. As advised and confirmed by WOG, Tianxin Market has been relocated to a temporary location for operation, and the Tianxin Market in the temporary location was subject to 26 various tenancy agreements with a total monthly rental of RMB98,080 exclusive of water, electricity and sanitation costs.
5. As advised and confirmed by the appointed personnel of WOG Group, the property falls within the boundary of relevant Shenzhen City Urban Renewal Scheme, Shenzhen Jimao is negotiating with the developer on the resettlement compensation agreement and no agreement has been entered.
6. We have been provided with a copy of legal opinion prepared by the WOG Group's PRC legal advisor regarding the property, which contains, *inter alia*, the following:
 - (i) Shenzhen Jimao is the only legally interested party under the aforesaid Realty Title Certificate;

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

- (ii) Shenzhen Jimao has a right to possess, transfer, lease or mortgage the property in compliance with the relevant laws and regulations within the terms and usage under the aforesaid Realty Title Certificate, and the actual usage of the property complied with the statutory usage as stated in the aforesaid Realty Title Certificate;
 - (iii) As confirmed by Shenzhen Jimao, apart from disclosure in the legal opinion, the property is not subject to any litigation, non-litigation penalty, compulsory requisition, seized, sale, transfer or other dispute, of which there is no harsh or abnormal promise, conditions or restrictions; and
 - (iv) As confirmed by Shenzhen Jimao, the property falls within the boundary of relevant Shenzhen City Urban Renewal Scheme, and the relevant resettlement compensation agreement is under negotiation with the relevant urban renewal responsible party. No resettlement compensation agreement has been entered, and the relevant government authority has not decided on the compensation and not announced on the resettlement date. Based on these confirmation, it is opined that Shenzhen Jimao can continue to use the property before entering the resettlement compensation agreement or making decision on compensation.
7. For information purpose, the 50 percent interest of the property as at 31 March 2020 for accounts reporting purpose was RMB5,050,000 (rounded).

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

No.	Property	Description	Particulars of occupancy	Amount of valuation in its existing state attributable to the WOG Group as at 31 May 2020
21.	Xili Market Level 1 of Xili Market Complex, Shahe Road West, Nanshan District, Shenzhen City, Guangdong Province, The PRC 518000	<p>The property comprises a wet market known as Xili Market (西麗市場) with a total gross floor area of 2,013.51 sq.m. on Level 1 of a 7-storey composite building completed in about 1995.</p> <p>The property is located in a residential area.</p> <p>The property is subject to a right to use the lands for a term of 50 years from 15 June 1993 to 14 June 2043 for commercial use and the property is designated for commercial use.</p> <p style="text-align: center;"><i>(see Note 1 below)</i></p>	<p>As confirmed by the appointed personnel of the WOG Group, as at the Valuation Date, the portion of the property was subject to various tenancy agreements for wet market and portion of the property was vacant.</p> <p style="text-align: center;"><i>(see Notes 3 to 5 below)</i></p>	<p>HK\$9,250,000</p> <p>(50 per cent. interest)</p>

Notes:

1. Pursuant to a copy of Realty Certificate known as Shen Fang Di Zi Di No. 4000276613 Hao (深房地字第4000276613號) dated 24 July 2006 and issued by State-own Land Resources and Housing Management Bureau of Shenzhen City (深圳市國土資源及房產管理局), the legally interested party in the property having a total gross floor area of 1,387.40 sq.m. is Shenzhen Jimao, a joint venture indirectly held by WOG with 50 percent ownership interest.
2. Pursuant to a copy of an Enterprise Legal Person Business Licence dated 15 May 2017 and issued by Market Supervision and Administration Bureau of Shenzhen City (深圳市市場監督管理局), Shenzhen Jimao Huimin Market Xili Branch (深圳市集貿市場有限公司惠民街市西麗分店) is a joint venture (Hong Kong invested) established on 22 December 2005.
3. According to the information provided by WOG, the property was subject to 32 various tenancy agreements with a total monthly rental of RMB96,248 exclusive of water, electricity and sanitation costs and 775.51 sq.m. of the property was vacant.
4. As advised and confirmed by WOG, the property will be renovated from August 2020 to October 2020 with an estimated renovation cost of RMB0.68 million, which was taken into account in the valuation.
5. As advised and confirmed by WOG, the property falls within the boundary of relevant Shenzhen City Urban Renewal Scheme, Shenzhen Jimao is negotiating with the developer on the resettlement compensation agreement and no agreement has been entered.
6. We have been provided with a copy of legal opinion prepared by the WOG Group's PRC legal advisor regarding the property, which contains, *inter alia*, the following:
 - (i) Shenzhen Jimao is the only legally interested party under the aforesaid Realty Title Certificate;
 - (ii) Shenzhen Jimao has a right to possess, transfer, lease or mortgage the property in compliance with the relevant laws and regulations within the terms and usage under the aforesaid Realty Title Certificate, and the actual usage of the property complied with the statutory usage as stated in the aforesaid Realty Title Certificate;
 - (iii) As confirmed by Shenzhen Jimao, apart from disclosure in the legal opinion, the property is not subject to any litigation, non-litigation penalty, compulsory requisition, seized, sale, transfer or other dispute, of which there is no harsh or abnormal promise, conditions or restrictions; and

APPENDIX IA VALUATION REPORTS OF THE PROPERTIES OF THE WOG GROUP

- (iv) As confirmed by Shenzhen Jimao, the property falls within the boundary of relevant Shenzhen City Urban Renewal Scheme, and the relevant resettlement compensation agreement is under negotiation with the relevant urban renewal responsible party. No resettlement compensation agreement has been entered, and the relevant government authority has not decided on the compensation and not announced on the resettlement date. Base on these confirmation, it is opined that Shenzhen Jimao can continue to use the property before entering the resettlement compensation agreement or making decision on compensation.
- 7. For information purpose, the 50 percent interest of the property as at 31 March 2020 for accounts reporting purpose was RMB8,500,000 (rounded).

The following is the text of a letter, summary of valuation and valuation certificate, prepared for the purpose of incorporation in this circular received from Asset Appraisal Limited, an independent valuer, in connection with its valuation of the properties held by the WOG Group as at 31 May 2020.



Asset Appraisal Limited
中誠達資產評估顧問有限公司

Rm 901 9/F On Hong Commercial Building
No.145 Hennessy Road Wanchai HK
香港灣仔軒尼詩道145號安康商業大廈9樓901室
Tel: (852) 2529 9448 Fax: (852) 3521 9591

24 July 2020

The Board of Directors
Wang On Group Limited
Suite 3202, 32/F.,
Skyline Tower,
39 Wang Kwong Road,
Kowloon Bay,
Kowloon, Hong Kong

Dear Sirs,

Re: Valuation of Properties situated in Hong Kong

In accordance with the instructions from **Wang On Group Limited** (the “**WOG**”) to value the property interests (the “**Properties**”) held by the WOG or its subsidiaries (altogether referred to as the “**WOG Group**”), we confirm that we have carried out inspection of the Properties, 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 Properties as at 31 May 2020 (the “**Valuation Date**”).

BASIS OF VALUATION

Our valuation of the Properties represents its 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 wherein the parties had each acted knowledgeably, prudently, and without compulsion”.

TITLESHIP

We have caused searches to be made at the appropriate Land Registry for the Properties. However, we have not verified ownerships of the Properties or to verify the existence of any amendments which do not appear on the copies handed to us. All documents have been used for reference only.

VALUATION METHODOLOGY

In valuing the property interests in WOG Group I which are held by the WOG Group for investment purpose, both the comparison method and investment method are adopted. Comparable properties of similar size, character and location are analysed and carefully weighed against all the respective advantages and disadvantages of each property in order to arrive at a fair comparison of capital values and investment method is by capitalizing the net rental incomes of the property derived from the existing tenancies with due allowance for the reversionary income potential of the tenancies adopt in order to arrive at a fair value of the capital values.

ASSUMPTIONS

Our valuation has been made on the assumption that the owner sells the Properties on the market in their existing states without the benefit of deferred terms contracts, leaseback, joint ventures, management agreements or any similar arrangement which would serve to affect the value of the Properties.

Other special assumptions for our valuation (if any) would be stated out in the footnotes of the valuation certificate attached herewith.

LIMITING CONDITIONS

No allowance has been made in our report for any charges, mortgages or amounts owing on the Properties nor for any expenses or taxation which may be incurred in holding them. It is assumed that the Properties are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect their values.

We have relied to a very considerable extent on the information given by the WOG and have accepted advice given to us on such matters as tenure, planning approvals, statutory notices, easements, particulars of occupancy, lettings and all other relevant matters.

We have not carried out detailed site measurements to verify the correctness of the site and floor areas in respect of the Properties but have assumed that the site areas and the floor areas shown on the documents and official plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations.

The Properties were last inspected on between 1 June to 15 July by Sandra Lau and Tse Wai Leung. We have inspected the exterior and, where possible, the interior of the buildings and structures of the Properties. However, no structural survey has been made for them. In the course of our inspection, we did not note any apparent defects. We are not, however, able to report whether the buildings and structures inspected by us are free of rot, infestation or any structural defect. No test was carried out on any of the building services and equipment.

The market value estimate contained within this report specifically excludes the impact of environmental contamination resulting from earthquakes or other causes. It is recommended that the reader of this report consult a qualified environmental auditor for the evaluation of possible environmental defects, the existence of which could have a material impact on market value.

No soil analysis or geological studies were ordered or made in conjunction with this report, nor were any water, oil, gas, or other subsurface minerals use rights or conditions investigated.

We have had no reason to doubt the truth and accuracy of the information provided to us by the WOG. We have also sought confirmation from the WOG 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.

In valuing the property interest, we have complied with all the requirements contained in Rule 11 of the Code on Takeovers and Mergers of the Securities and Futures Commission 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 2017 Edition.

As advised by the WOG Group, disposal of properties situated in Hong Kong (particularly for those properties held for sale) will be subject to stamp duty and profit tax of 16.5% on net profit, save for deduction of any profit arising from capital gain in nature. For properties held for investment or self use, the WOG Group has no intention to dispose of these properties at present. Therefore the likelihood of such tax liability is remote.

Our summary of valuation and valuation certificate are attached herewith.

Yours faithfully,
for and on behalf of
Asset Appraisal Limited

Sandra S.W. Lau *MHKISA API RPS(GP)*
Director

Sandra Lau is a member of the Hong Kong Institute of Surveyors, an Associate of the Australian Property Institute and a Registered Professional Surveyor in General Practice. She is on the list of Property Valuers for Undertaking Valuations for Incorporation or Reference in Listing Particulars and Circulars and Valuations in Connection with Takeovers and Mergers of the Hong Kong Institute of Surveyors, Registered Business Valuer under the Hong Kong Business Valuation Forum and has over 10 years' experience in valuation of properties in Hong Kong, in Macau and in the PRC.

SUMMARY OF VALUATION

Property	Market value in existing state as at 31 May 2020 <i>HK\$</i>	Interest attributable to the WOG Group as at 31 May 2020 <i>%</i>	Value of property interest attributable to the WOG Group as at 31 May 2020 <i>HK\$</i>
Group I: Property interests held by the WOG Group for investment purpose			
1. House 2 and Car Parking Spaces 3 and 4, Winners Lodge, Nos. 9, 11, 13, 15 Ma Yeung Path, Shatin, New Territories.	98,000,000	100%	98,000,000

VALUATION CERTIFICATE

Property interests held by the WOG Group for investment purpose

Property No. 1	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
House 2 and Car Parking Spaces 3 and 4, Winners Lodge, Nos. 9, 11, 13, 15 Ma Yeung Path, Shatin, New Territories.	<p>The subject property is a 2-storey detached house of reinforced concrete construction completed in about 1983.</p> <p>The house has a gross floor area of approximately 3,663 square feet. The house boundary area is approximately 6,931 square feet.</p>	<p>The property was subject to a tenancy for a term of 3 years commencing from 15 November 2019 and expiring on 14 November 2022 at a monthly rent of HK\$100,000 exclusive of rates and management fees.</p>	98,000,000
27/112th shares of and in Sha Tin Town Lot Nos. 102 and 103.	<p>The subject property is held under New Grant Nos. 11474 and 11475 respectively for a term of 99 years commencing from 1 July 1898. In our valuation, we take into account that such leases are extended without premium until 30 June 2047 and that a rent of three percent of the rateable value of the property is charged from the date of extension.</p>		

Notes:

1. The registered owner of the property is Richly Gold Limited, a wholly-owned subsidiary of the WOG Group vide memorial no. ST1353241 dated 5 January 2004.
2. The following encumbrances were registered against the property as at valuation date:
 - a. The property is subject to mortgage in favour of The Hong Kong and Shanghai Banking Corporation Limited for the consideration of all moneys vide memorial no. 07101000710128 dated 24 September 2007.
3. The property falls within an area zoned "Residential (Group B)" under Sha Tin Outline Zoning Plan No. S/ST/34.
4. Developments in the vicinity comprise mainly private residential buildings and houses of various ages. This locality is an established low density residential area with majority of the buildings built between 1980s and 1990s.
5. The valuation as at 31 March 2020 for account purpose was HK\$98,000,000.

The following is the text of a letter, summary of valuation and valuation certificate, prepared for the purpose of incorporation in this circular received from Asset Appraisal Limited, an independent valuer, in connection with its valuation as at 31 May 2020 of the properties held by the WOP Group.



Asset Appraisal Limited
中誠達資產評估顧問有限公司

Rm 901 9/F On Hong Commercial Building
No.145 Hennessy Road Wanchai HK
香港灣仔軒尼詩道145號安康商業大廈9樓901室
Tel: (852) 2529 9448 Fax: (852) 3521 9591

24 July 2020

The Board of Directors

Wang On Group Limited

Suite 3202, 32/F

Skyline Tower

No. 39 Wang Kwong Road

Kowloon Bay

Kowloon

Dear Sirs,

Re: Valuation of Properties situated in Hong Kong

In accordance with the instructions from Wang On Properties Limited (the “**WOP**”) to value the property interests (the “**Properties**”) held by the WOP or its subsidiaries (altogether referred to as the “**WOP Group**”), we confirm that we have carried out inspection of the Properties, 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 Properties as at 31 May 2020 (the “**Valuation Date**”).

BASIS OF VALUATION

Our valuation of the Properties represents its 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 wherein the parties had each acted knowledgeably, prudently, and without compulsion”.

TITLESHIP

We have caused searches to be made at the appropriate Land Registry for the Properties. However, we have not verified ownerships of the Properties or to verify the existence of any amendments which do not appear on the copies handed to us. All documents have been used for reference only.

VALUATION METHODOLOGY

In valuing the property interests in group I which are held by the WOP Group for investment purpose, both the comparison method and investment method are adopted. Comparable properties of similar size, character and location are analysed and carefully weighed against all the respective advantages and disadvantages of each property in order to arrive at a fair comparison of capital values and investment method is by capitalizing the net rental incomes of the property derived from the existing tenancies with due allowance for the reversionary income potential of the tenancies adopt in order to arrive at a fair value of the capital values.

In valuing the property interests in group II which are held by the WOP Group under development for sale, we have valued it by the comparison method where comparison based on prices realised or market prices of comparable properties is made. Comparable properties of similar size, character and location are analysed and carefully weighed against all the respective advantages and disadvantages of each property in order to arrive at a fair comparison of capital values.

In valuing the property interests in group III and IV which are held by the WOP Group for Self-Occupation and Properties held for Sales purpose, the comparison method is adopted. Comparable properties of similar size, character and location are analysed and carefully weighed against all the respective advantages and disadvantages of each property in order to arrive at a fair comparison of capital values.

ASSUMPTIONS

Our valuation has been made on the assumption that the owner sells the Properties on the market in their existing states without the benefit of deferred terms contracts, leaseback, joint ventures, management agreements or any similar arrangement which would serve to affect the value of the Properties.

Other special assumptions for our valuation (if any) would be stated out in the footnotes of the valuation certificate attached herewith.

LIMITING CONDITIONS

No allowance has been made in our report for any charges, mortgages or amounts owing on the Properties nor for any expenses or taxation which may be incurred in holding them. It is assumed that the Properties are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect their values.

We have relied to a very considerable extent on the information given by the WOP and have accepted advice given to us on such matters as tenure, planning approvals, statutory notices, easements, particulars of occupancy, lettings and all other relevant matters.

We have not carried out detailed site measurements to verify the correctness of the site and floor areas in respect of the Properties but have assumed that the site areas and the floor areas shown on the documents and official plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations.

The Properties were last inspected on between 1 June to 15 July, who is Sandra Lau and Tse Wai Leung. We have inspected the exterior and, where possible, the interior of the buildings and structures of the Properties. However, no structural survey has been made for them. In the course of our inspection, we did not note any apparent defects. We are not, however, able to report whether the buildings and structures inspected by us are free of rot, infestation or any structural defect. No test was carried out on any of the building services and equipment.

The market value estimate contained within this report specifically excludes the impact of environmental contamination resulting from earthquakes or other causes. It is recommended that the reader of this report consult a qualified environmental auditor for the evaluation of possible environmental defects, the existence of which could have a material impact on market value.

No soil analysis or geological studies were ordered or made in conjunction with this report, nor were any water, oil, gas, or other subsurface minerals use rights or conditions investigated.

We have had no reason to doubt the truth and accuracy of the information provided to us by the WOP. We have also sought confirmation from the WOP 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.

In valuing the property interest, we have complied with all the requirements contained in Rule 11 of the Code on Takeovers and Mergers of the Securities and Futures Commission 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 2017 Edition.

As advised by the WOP Group, disposal of properties situated in Hong Kong (particularly for those properties held for sale) will be subject to stamp duty and profit tax of 16.5% on net profit, save for deduction of any profit arising from capital gain in nature. For properties held for self occupation, the WOP Group has no intention to dispose of these properties at present, therefore the likelihood of such tax liability is remote.

Our summary of valuation and valuation certificate are attached herewith.

Yours faithfully,
For and on behalf of
Asset Appraisal Limited
Sandra S.W. Lau *MHKISA API RPS(GP)*
Director

Sandra Lau is a member of the Hong Kong Institute of Surveyors, an Associate of the Australian Property Institute and a Registered Professional Surveyor in General Practice. She is on the list of Property Valuers for Undertaking Valuations for Incorporation or Reference in Listing Particulars and Circulars and Valuations in Connection with Takeovers and Mergers of the Hong Kong Institute of Surveyors, Registered Business Valuer under the Hong Kong Business Valuation Forum and has over 10 years' experience in valuation of properties in Hong Kong, in Macau and in the PRC.

SUMMARY OF VALUATION

Property	Market value in existing state as at 31 May 2020 HK\$	Interest attributable to the WOP Group as at 31 May 2020 %	Value of property interest attributable to the WOP Group as at 31 May 2020 HK\$
Group I: Property interests held by the WOP Group for investment purpose			
1. Shop 6 on Ground Floor, Grandeur Garden, Nos. 14–18 Chik Fai Street, Nos. 55–65 Tai Wai Road, Sha Tin, New Territories	66,800,000	100%	66,800,000
2. 8th Floor, Kingsun Computer Industrial Building, No. 40 Shek Pai Wan Road, Hong Kong	21,000,000	100%	21,000,000
3. Office on 30th Floor, United Centre, No. 95 Queensway, Hong Kong	530,000,000	100%	530,000,000
4. Rear Portion of 5th Floor, Granville Building, No. 12 Granville Road, Kowloon	9,000,000	100%	9,000,000
5. Front Portion of 6th Floor, Granville Building, No. 12 Granville Road, Kowloon	11,000,000	100%	11,000,000
6. Flat No. B on 3rd Floor, No. 14, Granville Road, Kowloon	9,000,000	100%	9,000,000

APPENDIX IB VALUATION REPORT OF THE PROPERTIES OF THE WOP GROUP

Property	Market value	Interest	Value of
	in existing state	attributable to	property
	as at 31 May	the WOP Group	interest
	2020	as at 31 May	attributable to
	HK\$	2020	the WOP Group
		%	as at 31 May
			2020
			HK\$
7. Flat A & B on 3/F; Flat A & B at 4/F; Portion A&B of Roof, Car Parking space Nos. L2, L3, L6 on G/F of Mai Tong Industrial Building, No. 22 Sze Shan Street, Kowloon, Hong Kong	126,000,000	100%	126,000,000
8. Shop D on Ground Floor, On Ning Building, Nos. 47, 51, 53 & 55 Ma Tau Kok Road, Kowloon	62,100,000	100%	62,100,000
9. The Commercial Areas (including the Commercial Parking Areas) the Commercial Common, Areas and Facilities and the Kindergarten, Lake Silver No. 599 Sai Sha Road, Ma On Shan, Sha Tin, New Territories	740,000,000	50%	370,000,000
10. The Commercial Accommodation and 54 Car Parking Spaces of The Parkside, No. 18 Tong Chun Street, Tseung Kwan O, New Territories	862,000,000	50%	431,000,000
11. Various Units (refer to note 3) of EW International Tower No. 120 Texaco Road Tsuen Wan New Territories	172,500,000	40%	69,000,000

APPENDIX IB VALUATION REPORT OF THE PROPERTIES OF THE WOP GROUP

Property	Market value	Interest	Value of
	in existing state as at 31 May 2020 HK\$	attributable to the WOP Group as at 31 May 2020 %	property interest attributable to the WOP Group as at 31 May 2020 HK\$
Group II: Property interests held by the WOP Group under development			
12. 76 residential units, G/F and 1/F commercial area on Ground and 1/F, 68 car parking spaces and 7 motor cycle parking spaces, Nos. 13 and 15 Sze Shan Street, Yau Tong, Kowloon	1,770,000,000	50%	885,000,000
13. 120 residential units, 177 car parking spaces and 6 motor cycle parking spaces, Yiu Sha Road, Whitehead, Ma On Shan, Sha Tin, New Territories	3,200,000,000	40%	1,280,000,000
14. Nos. 86A, 86B, 86C and 86D Pok Fu Lam Road, Hong Kong	1,070,000,000	70%	749,000,000
15. Junction of Liu To Road and Hang Mei Street, Tsing Yi, New Territories	968,000,000	100%	968,000,000
16. Nos. 50, 52, 54, 56, 60 & 62 Larch Street & Nos. 6 & 8 Lime Street Kowloon	637,000,000	100%	637,000,000
17. Nos. 26, 26A, 28, 30, 32 & 32A, Nos. 34 & 36, No. 38, No. 40, No. 42, No. 44, No. 46, No. 48, Ming Fung Street, Kowloon	670,000,000	100%	670,000,000

APPENDIX IB VALUATION REPORT OF THE PROPERTIES OF THE WOP GROUP

Property	Market value	Interest	Value of
	in existing state as at 31 May 2020 HK\$	attributable to the WOP Group as at 31 May 2020 %	property interest attributable to the WOP Group as at 31 May 2020 HK\$
Group III: Property interests held by the WOP Group for Self Occupation purpose			
18. House C Greenland Villas, Nos. 8/12 Ma Yeung Path, Sha Tin, New Territories	67,000,000	100%	67,000,000
Group IV: Property interests held by the WOP Group for Sales purpose			
19. Nos. 575 and 575A Nathan Road, Kowloon	660,000,000	100%	660,000,000
20. 12 Residential Car Parking Space and 3 Motor Cycle Parking Space, The Met. Acappella, No. 7838 Tai Po Road Tai Wai, Sha Tin, New Territories	26,000,000	100%	26,000,000
21. 3 Residential Car Parking Space and 5 Residential Motor Cycle Parking Space The Met. Blossom, Ma On Shan, Sha Tin, New Territories	5,650,000	60%	3,390,000
22. 20 Residential Car Parking Space and 4 Residential Motor Cycle Parking Space, The Met. Bliss, Hang Kwong Street, Ma On Shan, Sha Tin, New Territories	32,680,000	60%	19,608,000
	Grand Total: 11,715,730,000		7,669,898,000

VALUATION CERTIFICATE

Property interests held by the WOP Group for investment purpose

Property No. 1	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
Shop 6 on Ground Floor, Grandeur Garden, Nos. 14-18 Chik Fai Street, Nos. 55-65 Tai Wai Road, Shatin, New Territories	The property comprises a shop unit on Ground Floor of a 2-storey commercial podium of Grandeur Garden completed in about 1985. The gross floor area of the property is approximately 62.6 sq.m. (674 sq.ft).	The property was subject to a tenancy for a term of 3 years commencing from 2 October 2017 and expiring on 1 October 2020 at a monthly rent of HK\$149,500 exclusive of rates and management fees.	66,800,000
15/12000th share of and in Sha Tin Town Lot No. 199	The property is held under New Grant No. 11871 for a term of 99 years commencing on 1 July 1898. It was statutorily extended to 30 June 2047 with a condition of annual rent payment assessed by 3% of the rateable value.		

Notes:

1. The registered owner of the property is Longable Limited, a wholly-owned subsidiary of the WOP Group vide memorial no. 05031801360116 dated 1 March 2005.
2. The following encumbrances were registered against the property as at valuation date:
 - a. The property is subject to mortgage to secure all moneys in respect of general banking facilities and interest thereon in favour of Hang Seng Bank Limited vide memorial no. 16061502290034 dated 10 June 2016.
 - b. The property is subject to rental assignment in favour of Hang Seng Bank Limited vide memorial no. 16061502290049 dated 10 June 2016.
3. The property falls within an area zoned "Residential (A)" under Shatin Outline Zoning Plan No. S/ST/34.
4. The locality is an established residential area. Developments in the vicinity comprise mainly tenement and residential estate. The property is located on the main road of Tai Wai with heavy pedestrian flow.
5. The valuation as at 31 March 2020 for account purpose was \$41,000,000.

VALUATION CERTIFICATE

Property No. 2	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
8th Floor, Kingsun Computer Industrial Building, No. 40 Shek Pai Wan Road, Hong Kong	The property comprises an industrial space on the whole 8th floor of a 17-storey industrial building completed in about 1981.	The property was subject to a tenancy for a term of 2 years commencing from 16 May 2019 and expiring on 15 May 2021 at a monthly rent of HK\$46,760 exclusive of rates and management fees.	21,000,000
2/42nd shares of and in Aberdeen Inland Lot No. 395	The saleable area of the property is approximately 274.6 sq.m. (2,956 sq. ft). The property is held under Conditions of Sale No. 11161 for a term of 75 years renewable for 75 years commencing on 17 January 1978.		

Notes:

1. The registered owner of the property is City Global Limited, a wholly-owned subsidiary of the WOP Group vide memorial no. 09110402090020 dated 8 October 2009.
2. The property falls within an area zoned “Residential (A)” under Aberdeen & Ap Lei Chau Outline Zoning Plan No. S/H15/33.
3. The locality is an established residential/industrial area. Developments in the vicinity comprise mainly industrial building and residential estate.
4. The valuation as at 31 March 2020 for account purpose was \$21,000,000.

VALUATION CERTIFICATE

Property No. 3	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
Office on 30th Floor, United Centre, No. 95 Queensway, Hong Kong	The property comprises the office space on 30th floor within a 35-storey office building of reinforced concrete construction completed in about 1980.	The property was subject to a tenancy agreement for a term of 3 years expiring on 31 March 2023 with a rent of HK\$1,147,384 exclusive of rates and management fees.	530,000,000
1742/74554th shares of and in Inland Lot No. 8469	The property has a saleable area of approximately 17,754 square feet. The property is held under the Conditions of Sale No. UB11233 for a term of 75 years and renewable for another 75 years commencing on 4 August 1978 at a government rent of HK\$1,000 per annum for the whole lot.		

Notes:

1. The registered owner of the property is Stadium Holdings Limited, a wholly-owned subsidiary of the WOP Group vide memorial no. 09042900420057 dated 31 March 2009.
2. The following encumbrances were registered against the property as at valuation date:
 - a. The property is subject to mortgage in favour of The Hongkong and Shanghai Banking Corporation Limited registered vide memorial no. 17020902540425 1 dated 25 January 2017.
 - b. The property is subject to rental assignment in favour of The Hongkong and Shanghai Banking Corporation Limited registered vide memorial no. 17020902540430 dated 25 January 2017.
3. The property falls within an area zoned "Commercial" under Central District Outline Zoning Plan No. S/H4/17.
4. The locality is an established commercial business district. Developments in the vicinity are mainly grade A office building and MTR Admiralty station is situated in the vicinity.
5. The valuation as at 31 March 2020 for account purpose was \$530,000,000.

VALUATION CERTIFICATE

Property No. 4	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
Rear Portion of 5th Floor, Granville Building, No. 12 Granville Road, Kowloon	The property comprises an residential unit on 5th floor within a 10-storey residential building of reinforced concrete construction completed in about 1965.	The property was subject to a tenancy for a term of 2 years commencing from 17 October 2018 and expiring on 16 October 2020 at a monthly rent of HK\$32,000 exclusive of rates and management fees.	9,000,000
1/25th shares of and in Kowloon Inland Lot No. 8517	The property has a saleable area of approximately 662 square feet. The property is held under the Conditions of Regrant No. 7630 for a term of 150 years commencing on 24 June 1888.		

Notes:

1. The registered owner of the property is Star Bonus Limited, a wholly-owned subsidiary of the WOP Group vide memorial no. 16081700630062 dated 19 July 2016.
2. The following encumbrances were registered against the property as at valuation date:
 - a. The property is subject to an Order No. UBZ/U56/1050/01 under S.24(1) of the Buildings Ordinance registered vide memorial no. UB8951877 dated 17 December 2002. (As advised by the WOP the cost to remove the order is approximately \$51,500.)
3. The property falls within an area zoned "Commercial (6)" under Tsim Sha Tsui Outline Zoning Plan No. S/K1/28.
4. The locality is an established residential and commercial district. Developments in the vicinity comprise mainly composite building, office building and tenements. MTR Tsim Sha Tsui station is situated in the vicinity.
5. The valuation as at 31 March 2020 for account purpose was \$9,000,000.

VALUATION CERTIFICATE

Property No. 5	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
Front Portion of 6th Floor, Granville Building, No. 12 Granville Road, Kowloon	The property comprises an residential unit on 5th floor within a 10-storey residential building of reinforced concrete construction completed in about 1965.	The property was subject to a tenancy for a term of 3 years commencing from 10 October 2017 and expiring on 9 October 2020 at a monthly rent of HK\$28,800 exclusive of rates and management fees.	11,000,000
1/25th shares of and in Kowloon Inland Lot No. 8517	The property has a saleable area of approximately 662 square feet. The property is held under the Conditions of Regrant No. 7630 for a term of 150 years commencing on 24 June 1888.		

Notes:

1. The registered owner of the property is Star Bonus Limited, a wholly-owned subsidiary of the WOP Group vide memorial no. 17042400760149 dated 28 March 2017.
2. The property falls within an area zoned “Commercial (6)” under Tsim Sha Tsui Outline Zoning Plan No. S/K1/28.
3. The locality is an established residential and commercial district. Developments in the vicinity comprise mainly composite building, office building and tenements. MTR Tsim Sha Tsui station is situated in the vicinity.
4. The valuation as at 31 March 2020 for account purpose was \$11,000,000.

VALUATION CERTIFICATE

Property No. 6	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
Flat No. B on 3rd Floor, No. 14, Granville Road, Kowloon	The property comprises an residential unit on 3rd floor within a 9-storey residential building of reinforced concrete construction completed in about 1965.	The property was subject to a tenancy for a term of 2 years expiring on 22 March 2022 at a monthly rent of HK\$28,000 exclusive of rates and management fees.	9,000,000
1/20th shares of and in Kowloon Inland Lot No. 7284	The property has a saleable area of approximately 662 square feet. The property is held under the Conditions of Regrant No. 6021 for a term of 150 years commencing on 24 June 1888.		

Notes:

1. The registered owner of the property is Star Bonus Limited, a wholly-owned subsidiary of the WOP Group vide memorial no. 17091901210042 dated 24 August 2017.
2. The property falls within an area zoned “Commercial (6)” under Tsim Sha Tsui Outline Zoning Plan No. S/K1/28.
3. The locality is an established residential and commercial district. Developments in the vicinity comprise mainly composite building, office building and tenements. MTR Tsim Sha Tsui station is situated in the vicinity.
4. The valuation as at 31 March 2020 for account purpose was \$9,000,000.

VALUATION CERTIFICATE

Property No. 7	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
Flat A&B on 3/F; Flat A&B at 4/F; Portion A&B of Roof, Car Parking space Nos. L2, L3, L6 on G/F of Mai Tong Industrial Building, No. 22 Sze Shan Street, Kowloon, Hong Kong 235/770th shares of and in Yau Tong Inland Lot No. 25	<p>The property is a 7-storey industrial building of reinforced concrete construction completed in about 1977.</p> <p>The property has a total gross floor area of approximately 36,494 square feet.</p> <p>The property is held under New Grant No. 11475 for a term of 99 years commencing from 1 July 1898. In our valuation, we take into account that such leases are extended without premium until 30 June 2047 and that a rent of three percent of the rateable value of the property is charged from the date of extension.</p>	<p>The properties are subject to various tenancies with total monthly rental of HK\$271,500 exclusive of rates and management fees.</p>	126,000,000

Notes:

1. The registered owner of the property is Top Supreme Limited, a wholly-owned subsidiary of the WOP Group vide memorial no. 18020701620015 dated 9 January 2018.
2. The following encumbrances were registered against the property as at valuation date:
 - a. The property is subject to an Order No. UBCSI/03-48/0012/11 under S.24(1) of the Buildings Ordinance registered vide memorial no. 13082700620287 dated 25 March 2013.
 - b. Portion A of roof is subject to a Notice No. WNZ/U11-35/0001/06 under S.24C(1) of the Buildings Ordinance registered vide memorial no. 08080101260319 dated 3 March 2008.
 - c. Portion B of roof is subject to a Notice No. WNZ/U11-35/0002/06 under S.24C(1) of the Buildings Ordinance registered vide memorial no. 08080101260327 dated 3 March 2008.
 - d. The property is subject to mortgage in favour of The Hongkong and Shanghai Banking Corporation Limited registered vide memorial no. 18073102400118 dated 12 July 2018.
 - e. The property is subject to rent assignment in favour of The Hongkong and Shanghai Banking Corporation Limited registered vide memorial no. 18073102400128 dated 12 July 2018.

(As advised by the WOP the cost to remove the order is approximately \$18,000.)
3. The property falls within an area zoned “Residential (Group E)” under Cha Kwo Ling Yau Tong Lei Yue Mun Outline Zoning Plan No. S/K15/25.
4. The locality is a traditional industrial area and private housing estates have been built in the locality. Yau Tong MTR are situated within walking distance.
5. The valuation as at 31 March 2020 for account purpose was \$126,000,000.

VALUATION CERTIFICATE

Property No. 8	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
Shop D on Ground Floor, On Ning Building Nos. 47, 51, 53 & 55 Ma Tau Kok Road Kowloon	The property is a shop unit on the ground floor of a 14-storey composite building of reinforced concrete construction completed in about 1981.	The property is subject to a tenancy for a term of 2 years expired on 13 January 2022 at a monthly rent of \$70,000 exclusive of rates and management fees.	62,100,000
60/220th shares of and in the Remaining Portion of Kowloon Inland Lot No. 1465, the Remaining Portion of Section A-C of Kowloon Inland Lot No. 1465	The property has a saleable area of approximately 2,300 square feet. The property is held under Government Lease for a term of 75 years renewable for 75 years commencing from 20 March 1922.		

Notes:

1. The registered owner of the property is Full Loyal Limited, a wholly-owned subsidiary of the WOP Group vide memorial no. 19072301320031 dated 28 June 2019.
2. The following encumbrances were registered against the property as at valuation date:
 - a. The property is subject to mortgage in favour of Bank of China (Hong Kong) Limited vide memorial no. 20040800950089 dated 27 March 2020.
 - b. Assignment of Rentals vide memorial no. 20040901300058 dated 27 March 2020.
3. The property falls within an area zoned "Residential (Group A)" under Ma Tau Kok Outline Zoning Plan No. S/K10/25.
4. The locality is an established residential area. Developments in the vicinity comprise mainly composite building, tenement building and residential estate and the property is located on the road with moderate pedestrian flow.
5. The valuation as at 31 March 2020 for account purpose was HK\$62,100,000.

VALUATION CERTIFICATE

Property No. 9	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
<p>The Commercial Areas (including the Commercial Parking Areas), the Commercial Common Areas and Facilities and the Kindergarten, Lake Silver No. 599 Sai Sha Road, Ma On Shan, Sha Tin New Territories</p> <p>2,115/95,844th share of and in Sha Tin Town Lot No. 530</p>	<p>The Property comprises the commercial units on Level 1, a total of 20 bays of private car parking spaces on Level 2, the kindergarten on Level 2 and the commercial common areas and facilities within a 2-storey commercial podium surmounted by a total of 7 blocks of 38 to 46-storey residential towers. The Property was completed in 2009.</p> <p>The total saleable floor area of the commercial units and the kindergarten of the Property is approximately 2,914.53 sq.m. (31,372 square feet).</p> <p>The Property is held under New Grant No. 20139 for a term of 50 years commencing on 6 October 2005 at an annual Government rent charged at 3% of the rateable value of the Property.</p>	<p>The commercial units, the kindergarten and the parking spaces of the Property are subject to various tenancies with total monthly rent of HK\$3,097,768 exclusive of rates rent and management fee.</p>	<p>740,000,000</p> <p>50% value attributable to the WOP Group: \$370,000,000</p>

Notes:

1. The registered owner of the property is Wellion Limited, a company owned as to 50% by the WOP Group vide memorial no. 19061100640029 dated 16 May 2019.
2. The following encumbrances were registered against the property as at valuation date:
 - a. The property is subjected to a mortgage in favour of the Hongkong and Shanghai Banking Corporation Limited registered via memorial no. 19061100640033 dated 16 May 2019.
3. The property falls within an area zoned "Other Specified Uses" under Ma On Shan Outline Zoning Plan No. S/MOS/22.
4. The Property is situated at the southern side of Sai Sha Road, Ma On Shan and is standing opposite to the MTR (Wu Kai Sha) Station. The general locality is mainly residential area in which various private and public estates have been built.
5. The valuation as at 31 March 2020 for account purpose was HK\$740,000,000.

VALUATION CERTIFICATE

Property No. 10	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
The Commercial Accommodation and 54 Car Parking Spaces of The Parkside, No. 18 Tong Chun Street, Tseung Kwan O, New Territories 4,879/41,588th share of and in Tseung Kwan O Town Lot No. 119	<p>The Property comprises the commercial accommodation on Level 1 and Ground Floor, a total of 49 car parking spaces and 5 motor cycle parking spaces on the basement. The Property was completed in 2015.</p> <p>According to the approved building plans, the total gross floor area of the commercial accommodation of the Property is approximately 4,122.9 sq.m. (44,378.9 square feet).</p> <p>The Property is held under New Grant No. 21353 for a term of 50 years commencing on 2 February 2012 at an annual Government rent charged at 3% of the rateable value of the Property.</p>	<p>Portion of the commercial accommodation with a total lettable floor area of 2,338.07 sq.m. (25,167 sq.ft.) and all the car parking spaces of the Property are subject to various individual tenancies for terms expiring on between 31 July 2020 and 30 June 2030 at a total monthly base rent of HK\$2,418,808 exclusive of rates, rent and management fee.</p> <p>The remaining portion of the commercial accommodation with a total gross floor area of 736.6 sq.m. (7,929 sq.ft.) is vacant.</p>	<p>862,000,000</p> <p>50% value attributable to the WOP Group: \$431,000,000</p>

Notes:

1. The registered owner of the property is Hermitage Investments Limited, a company owned as to 50% by the WOP Group vide memorial no. 19061100640029 dated 16 May 2019.
2. The following encumbrances were registered against the property as at valuation date:
 - a. The property is subjected to a mortgage in favour of the Hongkong and Shanghai Banking Corporation Limited registered via memorial no. 19061100640033 dated 16 May 2019.
3. The property falls within an area zoned "Residential (Group A)" under Tseung Kwan O Outline Zoning Plan No. S/TKO/26.
4. The Property is situated at the western side of Tong Chun Street, Tseung Kwan O and is near to the MTR (Tseung Kwan O) Station. The general locality is mainly residential area in which various private housing estates have been built.
5. The valuation as at 31 March 2020 for account purpose was HK\$862,000,000.

VALUATION CERTIFICATE

Property No. 11	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
<p>Various Units of EW International Tower No. 120 Texaco Road Tsuen Wan New Territories <i>(note 3)</i></p> <p>3,001/13735th shares of and in Tsuen Wan Town Lot No. 124</p>	<p>The Property comprises 12 industrial units on various floor and 3 car parking spaces on the 1st floor. The Property was completed in 2015.</p> <p>The total gross floor area and saleable floor area of the Property is approximately 3,149.67 sq.ft. (33,903 sq.ft.) and 2,346.15 sq.ft. (25,254 sq.ft.).</p> <p>The Property is held under New Grant No. 21353 for a term of 50 years commencing on 2 February 2012 at an annual Government rent charged at 3% of the rateable value of the Property.</p>	<p>The property is subject to various tenancy the last expired on 31 January 2025 at a total monthly rent of \$192,200 exclusive of rates and management fees.</p>	<p>172,500,000</p> <p>40% value attributable to the WOP Group: \$69,000,000</p>

Notes:

1. The registered owner of the property is Cannex Limited, a company owned as to 40% by the WOP Group vide memorial no. 19101702380130 dated 25 September 2019.
2. The following encumbrances were registered against the property as at valuation date:
 - a. The property is subjected to a mortgage in favour of the Hang Seng Bank Limited registered via memorial no. 19101702380149 dated 25 September 2019.
3. Various units include Workshop No. 1 on Ground Floor, Workshop No. 1 on 20th Floor, Workshop No. 4 on 22nd Floor, Workshop 1-4 on 25th Floor, Workshop 1-4 on 27th Floor, Workshop 1-4 on 28th Floor, Workshop 1-4 on 29th Floor, Container Truck Car Park No. C1 on G/F, Lorry Car Park No. L1 to L8 on G/F, Van Car Park No. V1-V2, V4, V6-V8 on 1/F.
4. The property falls within an area zoned "Industrial" under Tsuen Wan Outline Zoning Plan No. S/TW/33.
5. The Property is situated at the western side of Texaco Road in Tsuen Wan. The general locality is mainly industrial area in which various private housing estates have been built.
6. The valuation as at 31 March 2020 for account purpose was HK\$249,600,000.

Property interests held by the Group under development

VALUATION CERTIFICATE

Property No. 12	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
76 residential units, G/F and 1/F commercial area on Ground and 1/F, 68 car parking spaces and 7 motor cycle parking spaces Nos. 13 and 15 Sze Shan Street, Yau Tong, Kowloon Section A of Yau Tong Inland Lot No. 41	<p>The property comprises a parcels of land with a total site area of approximately 41,080 sq.ft. (3,816.43 sq.m.) or thereabouts.</p> <p>Pursuant to the development schedule provided by the WOP, the property is planned to be developed into 2 blocks of 27 storey residential building with a total gross floor area of approximately 305,028.56 square feet. (28,337.84 sq.m.) It is completed on 2020.</p> <p>The unsold residential units has total saleable floor area of 5,432 sq.m. (58,470 sq.ft.) and the commercial area has saleable area of 3,807.6 sq.m. (40,985 sq.ft.).</p> <p>The property is held under Conditions of Exchange No. 20307 for a term of 50 years commencing on 16 August 2017.</p>	The property was under construction and available for sale.	<p>1,770,000,000</p> <p>50% value attributable to the WOP Group: \$885,000,000</p>

Notes:

1. The registered owner of the property is Double Bright Limited, a company owned as to 50% by the WOP Group vide memorial no. 05031801360116 dated 1 March 2005.
2. The following encumbrances were registered against the property as at valuation date:
 - a. The property is subject to debenture and mortgage in favour of The Hongkong and Shanghai Banking Corporation Limited registered vide memorial no. 17091102470219 dated 16 August 2017.
 - b. Occupation Permit No. KN14/2020 vide memorial no. 20052702280019 dated 19 May 2020.
3. The property falls within an area zoned "Residential (Group E)" under Cha Kwo Ling Yau tong & Lei Yue Mun OZP (S/K15/25).
4. According to the information provided by the WOP, as at the date of valuation, the total construction cost is approximately \$999,000,000 and the construction cost already expended on the property is \$811,000,000.
5. As at the valuation date, 248 residential units have been sold at a total sale proceeds of HK\$2,781,278,000 and 76 residential units have not been sold with total saleable area of approximately 58,470 sq.ft. (5,432 sq.m.)
6. The locality is a traditional industrial area and private housing estates have been built recently in the locality. Yau Tong MTR station are situated within walking distance.

VALUATION CERTIFICATE

Property No. 13	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
120 residential units, 177 car parking spaces and 6 motor cycle parking spaces Yiu Sha Road, Whitehead, Ma On Shan, Sha Tin, New Territories Sha Tin Town Lot No. 601	<p>The property comprises a parcel of land with a site area of approximately 70,504 square feet (6,550 square metres) or thereabouts.</p> <p>The property is planned to be developed into residential estate with a total saleable area of approximately 357,805.00 square feet. It is scheduled to be completed on 2020.</p> <p>The unsold residential units has total saleable floor area of 148,015 sq.ft. (13,750.93 sq.m.).</p> <p>The property is held under New Grant No. 22025 for a term of 50 years commencing from 9 January 2015.</p>	The property was under construction and available for sale.	<p>3,200,000,000</p> <p>40% value attributable to the WOP Group: \$1,280,000,000</p>

Notes:

1. The registered owner of the property is Loyal Pioneer Limited, a company owned as to 40% by the WOP Group.
2. The following encumbrances were registered against the property as at valuation date:
 - a. The property is subject to a debenture and mortgage in favour of The Hongkong and Shanghai Banking Corporation Limited vide memorial no. 17120402360229 dated 28 November 2017.
3. The property falls within an area zoned "Comprehensive Development Area" under Ma On Shan OZP (S/MOS/22).
4. According to the information provided by the WOP, as at the date of valuation, the total construction cost is \$999,300,000 and the construction costs already expended on the property is \$811,300,000.
5. As at the valuation date, 427 residential units have been sold at a total sale proceeds of HK\$3,686,443,000.
6. Developments in the vicinity comprise mainly private residential buildings of various ages. This locality is an established medium density residential area with majority of the buildings built between 1990s and 2000s.

VALUATION CERTIFICATE

Property No. 14	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
Nos. 86A, 86B, 86C and 86D Pok Fu Lam Road, Hong Kong	The property comprises a parcel of land with a site area of approximately 28,514 square feet (2,649 square metres) or thereabouts.	The property was under construction.	1,070,000,000
Inland Lot No. 8755	The property is planned to be developed into a 8 detached house with total gross floor area of 28,503 sq.ft. It is scheduled to be completed on 2021. The property is held under Government Lease commencing from 25 November 1991 to 7 May 2033.		70% value attributable to the WOP Group: \$749,000,000

Notes:

1. The registered owner of the property is Rich United Limited, a 70% – owned subsidiary of the Group.
2. The following encumbrances were registered against the property as at valuation date:
 - a. The property is subject to legal charge in favour of The Hongkong and Shanghai Banking Corporation Limited registered vide memorial no. 18072302230037 dated 17 July 2018.
3. The property falls within an area zoned “Residential (Group B)” under Mid-Levels West OZP (S/H11/15).
4. According to the information provided by the WOP, as at the date of valuation, the completed value is approximately \$1,740,000,000, the total construction cost is approximately \$330,000,000 and the construction costs already expended on the property is approximately \$14,000,000.
5. Developments in the vicinity comprise mainly private residential buildings and houses of various ages. This locality is an established low density residential area with majority of the buildings built between 1960s to 1990s.
6. The valuation as at 31 March 2020 for account purpose was HK\$1,060,000,000 (whole site basis).

VALUATION CERTIFICATE

Property No. 15	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
Junction of Liu To Road and Hang Mei Street Tsing Yi New Territories	The property comprises a parcel of land with a site area of approximately 14,376 square feet (1,335.6 square metres) or thereabouts.	The property was under construction.	968,000,000
Tsing Yi Town Lot No. 192	The property is planned to be developed into a composite building with a total gross floor area of approximately 89,881.00 square feet. It is scheduled to be completed on 2022. The property is held under New Grant No. 22619 for a term of 50 years commencing from 10 May 2018.		

Notes:

1. The registered owner of the property is Newex Limited, a wholly-owned subsidiary of the WOP Group.
2. The following encumbrances were registered against the property as at valuation date:
 - a. The property is subject to building mortgage and debenture in favour of Hang Seng Bank Limited registered vide memorial no. 19042902240185 dated 15 April 2019.
3. The property falls within an area zoned "Residential (Group A)" under Tsing Yi OZP (S/TY/30).
4. According to the information provided by the WOP, as at the date of valuation, the completed value is approximately HK\$1,600,000,000, the total construction cost is approximately HK\$365,000,000 and the construction costs already expended on the property is approximately HK\$53,000,000.
5. Developments in the vicinity comprise mainly private residential buildings and public housing of various ages. This locality is an established residential area with majority of the buildings built between 1980s and 1990s.
6. The valuation as at 31 March 2020 for account purpose was HK\$950,000,000.

VALUATION CERTIFICATE

Property No. 16	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
Various Units Nos. 50, 52, 54, 56, 58, 60 & 62 Larch Street & Nos. 6 & 8 Lime Street Kowloon (note 1)	The property comprises a parcel of land with a site area of approximately 635.29 sq.m. or thereabouts. The property is planned to be developed into a 23 storey commercial/residential building. The property is held under Government Lease for a term of 75 years renewable for 75 years commencing from 28 August 1929.	Portion of the property was subject to several tenancies and licences with total monthly rent of HK\$163,350 inclusive of rates and managements and the last expire on 30 September 2020. Portion of the property was vacant.	The site value attributable to the WOP Group is \$637,000,000.

Notes:

1. A. Ground floor to 4th floor No. 50 Larch Street (Section D of Kowloon Inland Lot No. 4303)

The registered owner of the property is Top Harmony Limited, a wholly-owned subsidiary of the WOP Group.

The following encumbrances were registered against the property as at valuation date:

 - a. The property is subject to building mortgage and debenture in favour of the Hong Kong and Shanghai Banking Corporation Limited
 - b. Superseding Notice No. "UMW/50F101/1701-337/1001" under s.30C(3) of the Building Ordinance

- B. Ground floor to 4th floor No. 52 Larch Street (The Remaining Portion of Kowloon Inland Lot No. 4303)

The registered owner of the property is Top Harmony Limited, a wholly-owned subsidiary of the WOP Group.

The following encumbrances were registered against the property as at valuation date:

 - a. The property is subject to mortgage and debenture in favour of the Hong Kong and Shanghai Banking Corporation Limited
 - b. Superseding Notice No. "UMW/50F101/1701-337/1010" under s.30C(3) of the Building Ordinance
 - c. Superseding Notice No. "UMW/50F101/1701-337/1002" under s.30C(3) of the Building Ordinance

- C. Ground floor (together with a Mezzanine) to 5th floor together with Front Portion of the Roof No. 54 Larch Street (The Remaining Portion of Section D of Kowloon Inland Lot No. 2241)

The registered owner of the property is Top Harmony Limited, a wholly-owned subsidiary of the WOP Group.

The following encumbrances were registered against the property as at valuation date:

- a. The property is subject to mortgage in favour of the Hong Kong and Shanghai Banking Corporation Limited
- b. Superseding Notice No. "UMB/MB121404-043/0001" under s.30B(3) of the Building Ordinance
- c. Superseding Notice No. "UMB/MB121404-043/0001" under s.30C(3) of the Building Ordinance

- D. Ground floor, 1st to 6th floor and 8th floor No. 56 Larch Street (The Remaining Portion of Section A, B, C and the Remaining Portion of Kowloon Inland Lot No. 2241)

The registered owner of the property is Top Harmony Limited, a wholly-owned subsidiary of the WOP Group.

The following encumbrances were registered against the property as at valuation date:

- a. The property is subject to Mortgage and Rental Assignment in favour of the Hong Kong and Shanghai Banking Corporation Limited (1st to 6th Floor and 8th Floor No. 56 Larch Street)
- b. Superseding Notice No. "UBCSN/14-20/0002/11" under s.24(1) of the Building Ordinance
- c. Superseding Notice No. "UBCSN/14-20/0001/11" under s.24(1) of the Building Ordinance
- d. Sealed Copy Notice of Application to Lands Tribunal for an Order for Sale vide memorial no. 18122000240020 dated 18 December 2018

- E. Ground floor, 1st to 5th floor, 7th and 8th floor No. 58 Larch Street (The Remaining Portion of Section A, B, C and the Remaining Portion of Kowloon Inland Lot No. 2241)

The registered owner of the property is Top Harmony Limited, a wholly-owned subsidiary of the WOP Group.

The following encumbrances were registered against the property as at valuation date:

- a. The property is subject to Mortgage and Rental Assignment in favour of the Hong Kong and Shanghai Banking Corporation Limited
- b. Superseding Notice No. "UBCSN/14-20/0001/11" under s.24(1) of the Building Ordinance
- c. Sealed Copy Notice of Application to Lands Tribunal for an Order for Sale vide memorial no. 18122000240020 dated 18 December 2018

- F. Ground floor to 8th floor No. 60 Larch Street (The Remaining Portion of Section A, B, C and the Remaining Portion of Kowloon Inland Lot No. 2241)

The registered owner of the property is Top Harmony Limited, a wholly-owned subsidiary of the WOP Group.

The following encumbrances were registered against the property as at valuation date:

- a. The property is subject to Mortgage and Rental Assignment in favour of the Hong Kong and Shanghai Banking Corporation Limited
 - b. Superseding Notice No. "UBCSN/14-20/0001/11" under s.24(1) of the Building Ordinance
 - c. Superseding Notice No. "CCSN/TF/001204/11/K" under s.24(1) of the Building Ordinance (7th floor only)
 - d. Sealed Copy Notice of Application to Lands Tribunal for an Order for Sale vide memorial no. 18122000240020 dated 18 December 2018
- G. Ground floor to 8th floor No. 62 Larch Street (The Remaining Portion of Section A, B, C and the Remaining Portion of Kowloon Inland Lot No. 2241)

The registered owner of the property is Top Harmony Limited, a wholly-owned subsidiary of the WOP Group.

The following encumbrances were registered against the property as at valuation date:

- a. The property is subject to Mortgage and Rental Assignment in favour of the Hong Kong and Shanghai Banking Corporation Limited (excl Ground Floor)
 - b. Superseding Notice No. "UBCSN/14-20/0001/11" under s.24(1) of the Building Ordinance
 - c. Superseding Notice No. "CCSN/TF/001204/11/K" under s.24(1) of the Building Ordinance (7th floor only)
 - d. Sealed Copy Notice of Application to Lands Tribunal for an Order for Sale vide memorial no. 18122000240020 dated 18 December 2018
- H. 1st floor to 8th floor No. 6 Lime Street (The Remaining Portion of Section A, B, C and the Remaining Portion of Kowloon Inland Lot No. 2241)

The registered owner of the property is Top Harmony Limited, a wholly-owned subsidiary of the WOP Group.

The following encumbrances were registered against the property as at valuation date:

- a. The property is subject to Mortgage and Rental Assignment in favour of the Hong Kong and Shanghai Banking Corporation Limited
 - b. Order No. "UBCSN/14-20/0001/11" under s.24(1) of the Building Ordinance
 - c. Sealed Copy Notice of Application to Lands Tribunal for an Order for Sale vide memorial no. 18122000240020 dated 18 December 2018
- I. 1st floor to 8th floor No. 8 Lime Street (The Remaining Portion of Section A, B, C and the Remaining Portion of Kowloon Inland Lot No. 2241)

The registered owner of the property is Top Harmony Limited, a wholly-owned subsidiary of the WOP Group.

The following encumbrances were registered against the property as at valuation date:

- a. The property is subject to Mortgage and Rental Assignment in favour of the Hong Kong and Shanghai Banking Corporation Limited
- b. Order No. "UBCSN/14-20/0001/11" under s.24(1) of the Building Ordinance
- c. Superseding Order No. "CCSN/TF/001203/11/K" under s.24(1) of the Building Ordinance (1st Floor only)
- d. Sealed Copy Notice of Application to Lands Tribunal for an Order for Sale vide memorial no. 18122000240020 dated 18 December 2018

2. The Property is proposed development scheme as follows:

Site Area	:	635.290 sq.m.
Class of Site	:	Class B
Permitted Plot Ratio	:	For Domestic 7.5 For Non-Domestic 1.5
Permitted Gross Floor area for Non-Domestic	:	952,935 sq.m.
Permitted Gross Floor area for Domestic	:	4,764.675 sq.m.

3. The property falls within an area zoned "Residential (Group A)" under Mong Kok OZP (S/K3/32).
4. In assessing the site value attributable to the Property, we have apportioned the 100% site value in accordance with the proportion of the existing use value of the Property to the total existing use value of all the units of the subject buildings provided by the WOP Group. No allowance has been given to the possible costs, which are required for the amalgamation of the 100% shares of the redevelopment site either by private negotiation or by the compulsory sale order under Land (Compulsory Sale For Redevelopment) Ordinance (Cap. 545).
5. The site value of the site assuming bare site status on redevelopment is HK\$680,000,000.
6. The valuation as at 31 March 2020 for account purpose was HK\$635,000,000. (on redevelopment basis and certain assumption)

VALUATION CERTIFICATE

Property No. 17	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
Various units Nos. 26, 26A, 28, 30, 32 & 32A, Nos. 34 & 36, No. 38, No. 40, No. 42, No. 44, No. 46, No. 48 Ming Fung Street Kowloon (<i>Note 1</i>)	The property comprises a parcel of land with a site area of approximately 894.579 sq.m. or thereabouts. The property is planned to be developed into a 25 storey commercial/residential building with. The property is held under Government Lease for a term of 99 years commencing on 1 July 1898. It was statutorily extended to 30 June 2047 with a condition of annual rent payment assessed by 3% of the rateable value.	Portion of the property was subject to several tenancies and licences with total monthly rent of HK\$331,500 inclusive of rates and managements and the last expire on 15 July 2021. Portion of the property was vacant.	The site value attributable to the WOP Group is \$670,000,000

Notes:

1. A. Shop A (No. 32 Ming Fung Street) on G/F, Flat A to C and F (including flat roof appertaining thereto) on 1st floor, Flat A to F on 2nd floor, Flat A to F on 3rd floor, Flat A to F on 4th floor, Flat A to F on 5th floor, Flat A to F on 6th floor and Flat A to F on 7th floor Kin Fung Mansion Fung Wong Village Nos. 26, 26A, 28, 30, 32 & 32A Ming Fung Street (New Kowloon Inland Lot no. 4556).

The registered owner of the property is Joint Hope Limited, a wholly-owned subsidiary of the WOP Group.

The following encumbrances were registered against the property as at valuation date:

- a. The property is subject to mortgage in favour of Hang Seng Bank Limited.
- b. Sealed Copy Notice of Application to Lands Tribunal for an order for Sale vide memorial no. 19070202020310, 19102202520013 and 20060302140029 dated 28 June 2019.

- B. Flat A and B on Ground Floor, Flat B on 1st floor, Flat A and B on 2nd floor, Flat A and B on 3rd floor, Flat A and B on 4th floor and Flat A and B on 5th floor Fung Wong Mansion Nos. 34 & 36 Ming Fung Street (New Kowloon Inland Lot no. 4556).

The registered owner of the property is Joint Hope Limited, a wholly-owned subsidiary of the WOP Group.

The following encumbrances were registered against the property as at valuation date:

- a. The property is subject to mortgage in favour of Hang Seng Bank Limited.
- b. Sealed Copy Notice of Application to Lands Tribunal for an order for Sale vide memorial no. 19070202020310, 19102202520013 and 20060302140029 dated 28 June 2019.

- C. 2nd floor to 5th floor including the Roof No. 38 Ming Fung Street, 1st floor to 5th floor and its roof No. 40 Ming Fung Street, Ground Floor including the space if any underneath the staircase to 5th floor and its roof No. 42 Ming Fung Street, 1st floor including the flat roof to 5th floor including the roof No. 44 Ming Fung Street, 1st floor including the flat roof to 5th floor & roof No. 46 Ming Fung Street, 1st floor to 5th floor and roof No. 48 Ming Fung Street Kowloon (New Kowloon Inland Lot No. 4470).

The registered owner of the property is Joint Hope Limited, a wholly-owned subsidiary of the WOP Group.

The following encumbrances were registered against the property as at valuation date:

- a. The property is subject to mortgage in favour of Hang Seng Bank Limited.
- b. Superseding Notice No. "UMB/MB051203-042/0032" under s.30B(3) of the Building Ordinance.
- c. Sealed Copy Notice of Application to Lands Tribunal for an order for Sale vide memorial no. 19070202020310, 19102202520013 and 20060302140029 dated 28 June 2019.

2. The Property is proposed development scheme as follows:

Site Area	:	894.579 sq.m.
Class of Site	:	Class A
Permitted Plot Ratio	:	For Domestic 7.5 For Non-Domestic 0.9375
Permitted Gross Floor area for Non-Domestic	:	838.679 sq.m.
Permitted Gross Floor area for Domestic	:	6,709.335 sq.m.

3. The property falls within an area zoned "Residential (Group A)" under Tsz Wan Shan Diamond Hill & San Po Kong OZP (S/K11/29).
4. In assessing the site value attributable to the Property, we have apportioned the 100% site value in accordance with the proportion of the existing use value of the Property to the total existing use value of all the units of the subject buildings provided by the WOP Group. No allowance has been given to the possible costs, which are required for the amalgamation of the 100% shares of the redevelopment site either by private negotiation or by the compulsory sale order under Land (Compulsory Sale For Redevelopment) Ordinance (Cap. 545).
5. The site value of the site assuming bare site status on redevelopment is HK\$860,000,000.
6. The valuation as at 31 March 2020 for account purpose was HK\$694,000,000. (on redevelopment basis and certain assumption)

Group III: Property interests held by the Group for Self Occupation purpose

VALUATION CERTIFICATE

Property No. 18	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
House C Greenland Villas, Nos. 8/12 Ma Yeung Path, Shatin, New Territories	The property is a 2-storey detached house of reinforced concrete construction completed in about 1985.	The property was subject to a tenancy for a term of 3 years expiring on 31 March 2022 at a monthly rent of HK\$80,000 exclusive of rates and management fees.	67,000,000
31/245th shares of and in Sha Tin Town Lot No. 195	The house has a saleable area of approximately 2,485 square feet. The property is held under New Grant No. 11475 for a term of 99 years commencing from 1 July 1898. In our valuation, we take into account that such leases are extended without premium until 30 June 2047 and that a rent of three percent of the rateable value of the property is charged from the date of extension.		

Notes:

1. The registered owner of the property is Wise Ocean International Limited, a wholly-owned subsidiary of the WOP Group vide memorial no. 11012700350069 dated 5 January 2011.
2. The following encumbrances were registered against the property as at valuation date:
 - a. The property is subject to mortgage in favour of CTBC Bank Co., Ltd. for the consideration of all moneys vide memorial no. 18041001700018 dated 29 March 2018.
3. The property falls within an area zoned “Residential (Group B)” under Sha Tin Outline Zoning Plan No. S/ST/34.
4. Developments in the vicinity comprise mainly private residential buildings and houses of various ages. This locality is an established low density residential area with majority of the buildings built between 1980s and 1990s.
5. The valuation as at 31 March 2020 for account purpose was HK\$67,000,000.

Group IV: Property interests held by the WOP Group for Sales purpose

VALUATION CERTIFICATE

Property No. 19	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
Nos. 575 and 575A Nathan Road, Kowloon Kowloon Inland Lot Nos. 9425 and 9443	The property is a 19 storey commercial building with total gross floor area of approximately 2,345.78 sq.m. (25,250 square feet). The property is held under Conditions of Re-grant Nos. 9020 and 9024 for a term of 150 years commencing on 25 December 1887.	Portion of the property was subject to several tenancies and licences with total monthly rent of HK\$163,350 inclusive of rates and managements and the last expire on 30 September 2020. Portion of the property was vacant.	660,000,000

Notes:

1. The registered owner of the property is Vincent Investment Limited, a wholly-owned subsidiary of the WOP Group vide memorial no. 05031801360116 dated 1 March 2005.
2. The following encumbrances were registered against the property as at valuation date:
 - a. The property is subject to a mortgage in favour of The Hongkong and Shanghai Banking Corporation Limited vide memorial no. 13041902790078 dated 22 March 2013.
 - b. Assignment of Receivables in favour of The Hongkong and Shanghai Banking Corporation Limited vide memorial no. 20040801710137 dated 27 March 2020.
 - c. Occupation Permit No. KN6/2018 (OP) vide memorial no. 18030202250067 dated 13 February 2018.
3. The property falls within an area zoned "Commercial" under Yau Ma Tei OZP (S/K2/22).
4. The locality is an established commercial area. Developments in the vicinity comprise mainly composite building and commercial building and the property is located on the main road of Mong Kok with heavy pedestrian flow.
5. The valuation as at 31 March 2020 for account purpose was HK\$660,000,000.

VALUATION CERTIFICATE

Property No. 20	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
12 Residential Car Parking Space and 3 Motor Cycle Parking Space The Met. Acappella No. 7838 Tai Po Road Tai Wai, Sha Tin New Territories (note 4) Sha Tin Town Lot No. 587	The property comprises 12 car parking spaces and 3 motor cycle parking spaces situated in a development known as The Met. Acappella completed in 2018. The property is held under New Grant No. 22040 for a term of 50 years commencing from 3 February 2015.	The property was available for sale.	26,000,000

Notes:

1. The registered owner of the property is Ever World Limited, a wholly-owned subsidiary of the WOP Group.
2. The property falls within an area zoned "Residential (Group B)" under Sha Tin OZP (S/ST/34).
3. The following encumbrances were registered against the property as at valuation date:
 - a. Occupation Permit No. NT94/2018 (OP) vide memorial no. 19011802020337 dated 31 December 2018.
4. The unsold carparks are R6, R7, R8, R9, R10, R12, R15, R19, R26, R27, R28, R29, M1, M2 and M3.
5. The locality is an established residential area. Developments in the vicinity comprise mainly private and public residential estate of various ages.

VALUATION CERTIFICATE

Property No. 21	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
3 Residential Car Parking Space and 5 Residential Motor Cycle Parking Space The Met. Blossom, Ma On Shan, Sha Tin, New Territories <i>(note 4)</i> Sha Tin Town Lot No. 599	The property comprises 3 car parking space and 5 motorcycle space situated on the Basement Floor and of a development known as The Met. Blossom completed in 2018. The property is held under New Grant No. 21863 for a term of 50 years commencing from 25 July 2014.	The property was available for sale.	5,650,000 60% value attributable to the WOP Group: \$3,390,000

Notes:

1. The registered owner of the property is Grandwall Investment Limited, a 60% – owned subsidiary of the Group.
2. The property falls within an area zoned “Residential (Group B)” under Ma On Shan OZP (S/MOS/22).
3. The following encumbrances were registered against the property as at valuation date:
 - a. Occupation Permit No. NT81/2017 (OP) vide memorial no. 1801022240067 dated 21 December 2017.
4. The unsold carpark are R11, R15, R25, M1, M2, M3, M6 and M7.
5. Developments in the vicinity comprise mainly private residential buildings and public housing of various ages. This locality is an established residential area with majority of the buildings built between 1980s and 1990s.
6. The valuation as at 31 March 2020 for account purpose was HK\$5,650,000 (on certain units only).

VALUATION CERTIFICATE

Property No. 22	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
20 Residential Car Parking Space and 4 Residential Motor Cycle Parking Space The Met. Bliss Hang Kwong Street, Ma On Shan, Sha Tin, New Territories (note 4)	The property comprises 20 car parking space and 4 motorcycle space situated on the Basement Floor and of a development known as The Met. Bliss completed in 2018.	The property was available for sale.	32,680,000
Sha Tin Town Lot No. 598	The property is held under New Grant No. 21890 for a term of 50 years commencing from 11 September 2014.		60% value attributable to the WOP Group: HK\$19,608,000

Notes:

1. The registered owner of the property is New Rich Investments Limited, a 60% – owned subsidiary of the WOP Group.
2. The property falls within an area zoned “Residential (Group B)” under Ma On Shan OZP (S/MOS/22).
3. The following encumbrances were registered against the property as at valuation date:
 - a. Occupation Permit No. NT75/2017 (OP) vide memorial no. 17121802180019 dated 16 November 2017.
4. The unsold carparks are R3, R5, R8, R9, R10, R11, R12, R15, R16, R17, R20, R21, R22, R23, R25, R26, R27, R28, R29, R30, M1, M2, M3 and M5.
5. Developments in the vicinity comprise mainly private residential buildings and public housing of various ages. This locality is an established residential area with majority of the buildings built between 1990s and 2000s.

The following is the text of a letter, summary of valuation and valuation certificate, prepared for the purpose of incorporation in this circular received from Asset Appraisal Limited, an independent valuer, in connection with its valuation as at 31 May 2020 of the properties held by the WYT Group (other than the CAP Group).



Asset Appraisal Limited
中誠達資產評值顧問有限公司

Rm 901 9/F On Hong Commercial Building
No.145 Hennessy Road Wanchai HK
香港灣仔軒尼詩道145號安康商業大廈9樓901室
Tel: (852) 2529 9448 Fax: (852) 3521 9591

24 July 2020

The Board of Directors

Wang On Group Limited

Suite 3202, 32/F

Skyline Tower

No. 39 Wang Kwong Road

Kowloon Bay Kowloon

Dear Sirs,

Re: Valuation of Properties situated in Hong Kong

In accordance with the instructions from Wai Yuen Tong Medicine Holdings Limited (the “WYT”) to value the property interests (the “**Properties**”) held by the WYT or its subsidiaries (altogether referred to as the “**WYT Group**”), we confirm that we have carried out inspection of the Properties, 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 Properties as at 31 May 2020 (the “**Valuation Date**”).

BASIS OF VALUATION

Our valuation of the Properties represents its 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 wherein the parties had each acted knowledgeably, prudently, and without compulsion”.

TITLESHP

For property situated in Hong Kong, we have caused searches to be made at the appropriate Land Registry for the Properties. However, we have not verified ownerships of the Properties or to verify the existence of any amendments which do not appear on the copies handed to us. All documents have been used for reference only.

For property situated in the PRC, we have been provided with copies of legal documents regarding title to the Properties. However, we have not verified ownership of the Properties and to ascertain any amendment which may not appear on the copies handed to us. We have also relied upon the legal opinion provided by the PRC legal advisers, namely (廣東卓盈律師事務所) (the “**PRC Legal Opinion**”), to the WYT on the relevant laws and regulations in the PRC.

VALUATION METHODOLOGY

In valuing the property interests in Group I property numbered 1–5, which are held by the WYT Group for investment purpose, both the comparison method and investment method are adopted. Comparable properties of similar size, character and location are analysed and carefully weighed against all the respective advantages and disadvantages of each property in order to arrive at a fair comparison of capital values and investment method is by capitalizing the net rental incomes of the property derived from the existing tenancies with due allowance for the reversionary income potential of the tenancies adopt in order to arrive at a fair value of the capital values.

In valuing the property interests in Group II property numbered 6–13, which are held by the WYT Group for self occupation purpose, the comparison method is adopted. Comparable properties of similar size, character and location are analysed and carefully weighed against all the respective advantages and disadvantages of each property in order to arrive at a fair comparison of capital values.

For property numbered 12, By virtue of the Agreement of Lease (referred to the “**Lease**”) entered into between The Hong Kong Science and Technology Parks Corporation (the “**Lessor**”) and Wai Yuen Tong Company Limited, the Lessor agreed to lease the subject land parcel of the Property namely Extension to Subsection 1 of Section M of Yuen Long town Lot No. 313 and Extensions Thereto (the “**Lot**”) to the Lessee for a lease term expiring on 27th June 2047. The lease agreement shall be executed by both parties upon the fulfillment of all positive covenants stated in the Lease by the Lessor within the prescribed period. During the said lease term, the Property is restricted for the use of Traditional Chinese Medicine (TCM) cum Western Medicine Production Centre meeting the Good Manufacturing Practices (GMP) and Pharmaceutical Inspection Convention/Inspection Cooperation Scheme (PIC/S) standards using processes.

As stipulated in the Lease, in the event that the Lessee is desirous to assign the premises during the lease term, the Lessee should first offer to the Lessor for the surrender of the Lease free from encumbrances and with vacant possession of the premises at one of the following two considerations payable by the Lessor whichever is lower:

- (i) 80% of the discounted land premium (the notional premium paid by the Lessee on the commencement of the lease term) for the unexpired term of the Lease plus the depreciated replacement costs of the buildings and structures erected thereon at the rate of depreciation of 5% per annum from the date of the occupation permit for the first building; the total of which reduced by ten percent (the “**Surrender Value A**”);
or

- (ii) The market value of the land and the buildings and structures erected thereon as at the date of the Lessor's acceptance of the surrender reduced by ten percent (the "**Surrender Value B**").

In concluding the market value of the Property, we have taken into account the aforesaid surrender conditions as attached to the WYT's leasehold interests in the Property.

In assessing the Surrender Value A of the Property, we have taken into account the nature and scale of the buildings and structures of the Property and have made reference to the tender construction price as prevailing on the valuation date. Depreciated replacement cost of the Property is then arrived at by deducting the accumulated depreciation over the period from the date of the first occupation permit of the Property to the valuation date at a depreciation rate of 5% per annum.

In assessing the market value of the Property for the determination of its Surrender Value B, the direct comparison has been employed in the valuation of the property interest by assuming sale of the property interest in its existing state with the benefit of immediate vacant possession and by making reference to comparable sale transactions as available in Hong Kong. This approach rests on the wide acceptance of market price as the best indicator of value and pre-supposes that evidence of recent transactions in the market place can be extrapolated to similar properties, subject to allowance for variable factors.

For property numbered 13, having considered the general and inherent characteristics of the buildings and structures, we have adopted the depreciated replacement cost (DRC) approach which is an application of the Cost Approach in valuing specialised properties like the properties under consideration. The use of this approach requires an estimate of the market value of the land use rights for its existing use, and an estimate of the new replacement cost of the buildings and other site works from which deductions are then made to allow for age, condition, and functional obsolescence taken into account of the site formation costs and those public utilities connection charges to the Properties. The market value of the land use rights of the Properties has been determined from market-based evidences by analysing similar sales or offerings of comparable land parcels. The underlying theory of this basis is the Market Value of the appraised property should, at least, be equivalent to the replacement cost of the remaining service potential of the appraised property. In our opinion, the DRC generally furnishes the most reliable indication of value for property where it is not practicable to ascertain its value on market bases. The valuation of these properties is on the assumption that they are subject to the test of adequate potential profitability of the business having due regard to the values of the total assets employed and the nature of the operations.

ASSUMPTIONS

Our valuation has been made on the assumption that the owner sells the Properties on the market in their existing states without the benefit of deferred terms contracts, leaseback, joint ventures, management agreements or any similar arrangement which would serve to affect the value of the Properties.

As the Properties are held by the WYT Group by means of long term Land Use Rights granted by the PRC Government, we have assumed that the WYT Group has free and uninterrupted rights to use the Properties for the whole of the unexpired term of land use rights.

Other special assumptions for our valuation (if any) would be stated out in the footnotes of the valuation certificate attached herewith.

LIMITING CONDITIONS

No allowance has been made in our report for any charges, mortgages or amounts owing on the Properties nor for any expenses or taxation which may be incurred in holding them. It is assumed that the Properties are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect their values.

We have relied to a very considerable extent on the information given by the WYT and have accepted advice given to us on such matters as tenure, planning approvals, statutory notices, easements, particulars of occupancy, lettings and all other relevant matters.

We have not carried out detailed site measurements to verify the correctness of the site and floor areas in respect of the Properties but have assumed that the site areas and the floor areas shown on the documents and official plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations.

The Properties were last inspected on between 1 June to 15 July, by Sandra Lau and Tse Wai Leung. We have inspected the exterior and, where possible, the interior of the buildings and structures of the Properties. However, no structural survey has been made for them. In the course of our inspection, we did not note any apparent defects. We are not, however, able to report whether the buildings and structures inspected by us are free of rot, infestation or any structural defect. No test was carried out on any of the building services and equipment.

The market value estimate contained within this report specifically excludes the impact of environmental contamination resulting from earthquakes or other causes. It is recommended that the reader of this report consult a qualified environmental auditor for the evaluation of possible environmental defects, the existence of which could have a material impact on market value.

No soil analysis or geological studies were ordered or made in conjunction with this report, nor were any water, oil, gas, or other subsurface minerals use rights or conditions investigated.

We have had no reason to doubt the truth and accuracy of the information provided to us by the WYT. We have also sought confirmation from the WYT 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.

In valuing the property interest, we have complied with all the requirements contained in Rule 11 of the Code on Takeovers and Mergers of the Securities and Futures Commission 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 2017 Edition.

As advised by the WYT Group, disposal of properties situated in Hong Kong (particularly for those properties held for sale) will be subject to stamp duty and profit tax of 16.5% on net profit, save for deduction of any profit arising from capital gain in nature. For properties held for self occupation, the WYT Group has no intention to dispose of these properties at present, therefore the likelihood of such tax liability is remote.

We have been advised by the WYT Group that its potential tax liabilities in relation to the property situated in the PRC include Land Appreciation Tax (LAT) at progressive tax rates from 9% to 30% and Corporate Profit Tax at 25% on profit before tax. The exact amount of tax payable upon realization of the Properties in the PRC will be subject to the formal tax advice issued by the relevant tax authorities at the time of their disposal upon presentation of the relevant transaction documents. As confirmed by the WYT Group, the likelihood of the relevant tax liability (arising from the disposal of the Properties at consideration equal to the valuation amounts) being crystallized is remote as the WYT Group has no plan and is not mulling any plan for the disposal of the property.

All market values of the Properties are denominated in Renminbi (RMB).

Our summary of valuation and valuation certificate are attached herewith.

Yours faithfully,
For and on behalf of
Asset Appraisal Limited
Sandra S.W. Lau *MHKISAAP I RPS(GP)*
Director

Sandra Lau is a member of the Hong Kong Institute of Surveyors, an Associate of the Australian Property Institute and a Registered Professional Surveyor in General Practice. She is on the list of Property Valuers for Undertaking Valuations for Incorporation or Reference in Listing Particulars and Circulars and Valuations in Connection with Takeovers and Mergers of the Hong Kong Institute of Surveyors, Registered Business Valuer under the Hong Kong Business Valuation Forum and has over 10 years' experience in valuation of properties in Hong Kong, in Macau and in the PRC.

**APPENDIX IC VALUATION REPORT OF THE PROPERTIES OF THE WYT GROUP
(OTHER THAN THE CAP GROUP)**

SUMMARY OF VALUATION

Property	Market value in existing state as at 31 May 2020 HK\$	Interest attributable to the WYT Group as at 31 May 2020 %	Value of property interest attributable to the WYT Group as at 31 May 2020 HK\$
Group I: Property interests held by the WYT Group for investment purpose			
1. Ground Floor & Cockloft, Nos. 581 and 581A Nathan Road, Kowloon	243,600,000	100%	243,600,000
2. Shop B on Ground Floor, Kwong Sen Mansion, Nos. 23–33 Shui Wo Street, Kowloon	32,700,000	100%	32,700,000
3. Ground Floor, Bowring Building, Nos. 14 Bowring Street, Kowloon	30,100,000	100%	30,100,000
4. Shop B on G/F including the Cockloft, Yan Oi House, No. 237 Sha Tsui Road, Nos. 87 & 89 Chuen Lung Street, Tsuen Wan, New Territories	45,300,000	100%	45,300,000
5. Factory on 11th Floor, portion of roof and Car Parking Space No. 7 on G/F, Well Town Industrial Building, (Formerly Yau Tong Industrial Building), No. 13 Ko Fai Road, Kowloon	85,800,000	100%	85,800,000

**APPENDIX IC VALUATION REPORT OF THE PROPERTIES OF THE WYT GROUP
(OTHER THAN THE CAP GROUP)**

Property	Market value in existing state as at 31 May 2020 HK\$	Interest attributable to the WYT Group as at 31 May 2020 %	Value of property interest attributable to the WYT Group as at 31 May 2020 HK\$
Group II: Property interests held by the WYT Group for self occupation			
6. Shop C on Ground Floor and Flat C on Mezzanine Floor, Lee Wah Building, Nos. 738–740A Nathan Road, Kowloon	60,500,000	100%	60,500,000
7. Shop A on Ground Floor, Onshine Commercial Building, No. 10 Tung Sing Road, Hong Kong	32,200,000	100%	32,200,000
8. Shop B on G/F & Portion of the Yard, Nos. 66, 68, 70 & 72 Tai Wai Road, Shatin, New Territories	60,400,000	100%	60,400,000
9. Ground Floor and Cockloft of Nos. 108 and 110 Lai Chi Kok Road, the External Wall including the Store Room, Wai Yuen Building, Nos. 108 and 110 Lai Chi Kok Road, Kowloon	43,100,000	100%	43,100,000
10. Ground Floor with the Cockloft, No. 60A Yen Chow Street, Kowloon	29,400,000	100%	29,400,000

**APPENDIX IC VALUATION REPORT OF THE PROPERTIES OF THE WYT GROUP
(OTHER THAN THE CAP GROUP)**

Property	Market value in existing state as at 31 May 2020 HK\$	Interest attributable to the WYT Group as at 31 May 2020 %	Value of property interest
			attributable to the WYT Group as at 31 May 2020 HK\$
11. Shop AB on Ground Floor, Po Wing Building, Nos. 61, 63, 65, 67, 71 & 73 Lee Garden Road, Nos. 108, 110, 112, 116, 118 & 120 Percival Street, Hong Kong	184,600,000	100%	184,600,000
12. No. 9 Wang Lee Street Yuen Long Industrial Estate Yuen Long New Territories	380,000,000	100%	380,000,000
13 Industrial factory, Dormitory 1# and Dormitory 2# of eastern side of Huabu Road and southern side of Qida Road, Shenzhen City, Guangdong Province, the PRC	104,000,000	100%	104,000,000
	Grand Total:		1,331,700,000
	1,331,700,000		1,331,700,000

VALUATION CERTIFICATE

Group I: Property interests held by the Group for investment purpose

Property No. 1	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
Ground Floor & Cockloft, Nos. 581 and 581A Nathan Road, Kowloon	The property comprises a shop unit on ground floor with cockloft of a 6-storey composite building completed in about 1970.	The property was tenanted for a term of 3 years expiring on 20 August 2021 at a monthly rent of HK\$380,000 exclusive of rates and management fees.	243,600,000
10/20th shares of the Remaining Portion of Kowloon Inland Lot No. 9099	The saleable area of the property is approximately 163.97 sq.m. (1,765 sq.ft.) plus a cockloft of approximately 111.76 sq.m. (1,203 sq.ft.) and yard of approximately 27.03 sq.m. (291 sq.ft.). The property is held under Conditions of Re-grant No. 8458 for a term of 150 years commencing on 25 December 1887.		

Notes:

1. The registered owner of the property is Asia Brighter Investment Limited, an indirect wholly-owned subsidiary of the WYT Group vide memorial no. 06022300790118 dated 26 January 2006.
2. The following encumbrances were registered against the property as at valuation date:
 - a. The property is subject to mortgage in favour of The Bank of East Asia Limited for the consideration of securing all moneys in respect of general banking facilities vide memorial no. 16071402330418 dated 27 June 2016.
3. The property falls within an area zoned "Commercial" under Mong Kok Outline Zoning Plan No. S/K3/32.
4. The locality is an established commercial area. Developments in the vicinity comprise mainly composite building and commercial building and the property is located on the main road of Mong Kok with heavy pedestrian flow.
5. The valuation as at 31 March 2020 for account purpose was HK\$243,600,000.

**APPENDIX IC VALUATION REPORT OF THE PROPERTIES OF THE WYT GROUP
(OTHER THAN THE CAP GROUP)**

VALUATION CERTIFICATE

Property No. 2	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
Shop B on Ground Floor, Kwong Sen Mansion, Nos. 23–33 Shui Wo Street, Kowloon	The property comprises a shop unit on Ground Floor of a 8-storey composite building completed in about 1965.	The property was tenanted for a term of 3 years expiring on 24 July 2020 at a monthly rent of HK\$80,000 exclusive of rates and management fees.	32,700,000
1/60 share of the Kwun Tong Inland Lot Nos. 457 and 458	The saleable area of the property is approximately 41.99 sq.m. (452 sq.ft.). The property is held under Conditions of Sales Nos. 8098 and 8099 for a term of 99 years commencing on 1 July 1898. It was statutorily extended to 30 June 2047 with a condition of annual rent payment assessed by 3% of the rateable value.		

Notes:

1. The registered owner of the property is Info World Investment Limited, an indirect wholly-owned subsidiary of the WYT Group vide memorial no. 05071500540022 dated 28 June 2005.
2. The following encumbrances were registered against the property as at valuation date:
 - a. The property is subject to mortgage in favour of The Bank of East Asia Limited for the consideration of securing all moneys in respect of general banking facilities vide memorial no. 16071402330418 dated 27 June 2016.
3. The property falls within an area zoned “Residential (A)” under Kwun Tong Outline Zoning Plan No. S/H15/33.
4. The locality is an established residential/commercial area. Developments in the vicinity comprise mainly composite building and residential building and the property is located on the road of with heavy pedestrian flow.
5. The valuation as at 31 March 2020 for account purpose was HK\$32,700,000.

**APPENDIX IC VALUATION REPORT OF THE PROPERTIES OF THE WYT GROUP
(OTHER THAN THE CAP GROUP)**

VALUATION CERTIFICATE

Property No. 3	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
Ground Floor Bowring Building Nos. 14 Bowring Street Kowloon	The property comprises a shop unit on ground floor of a 9-storey composite building completed in about 1966.	The property was tenanted for a term of 3 years expiring on 31 July 2020 at a monthly rent of HK\$110,000 exclusive of rates and management fees and renewed for a term of 3 years expiring on 31 July 2023 with monthly rent of HK\$116,800 exclusive of rates and management fees.	30,100,000
1/40th shares of the remaining portion of Kowloon Inland Lot No. 7933	The saleable area of the property is approximately 36.04 sq.m. (388 sq.ft) plus a yard of approximately 3.44 sq.m. (37 sq.ft.).		
	The property is held under Conditions of renewal no. 6524 of a term of 150 years commencing on 25 December 1887.		

Notes:

1. The registered owner of the property is Sino Fame Investments Limited, an indirect wholly-owned subsidiary of the WYT Group 13042900710229 dated 2 April 2013.
2. The following encumbrances were registered against the property as at valuation date:
 - a. The property is subject to mortgage in favour of The Bank of East Asia Limited for the consideration of securing all moneys in respect of general banking facilities vide memorial no. 16071402330418 dated 27 June 2016.
3. The property falls within an area zoned "Residential (Group A)" under Kwun Tong (South) District Outline Zoning Plan No. S/H4/17.
4. The locality is an established commercial/residential area. Developments in the vicinity comprise mainly composite building and commercial building. The property is located closed to the Jordan MTR exit with heavy pedestrian flow.
5. The valuation as at 31 March 2020 for account purpose was HK\$30,100,000.

**APPENDIX IC VALUATION REPORT OF THE PROPERTIES OF THE WYT GROUP
(OTHER THAN THE CAP GROUP)**

VALUATION CERTIFICATE

Property No. 4	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
Shop B on G/F including the Cockloft, Yan Oi House, No. 237 Sha Tsui Road, Nos. 87 & 89 Chuen Lung Street, Tsuen Wan, New Territories	The property comprises a shop unit on Ground Floor of a 6-storey tenement building completed in about 1967. The saleable area of the property is approximately 54.07 sq.m. (582 sq.ft.) plus a cockloft of approximately 32.89 sq.m. (354 sq.ft.).	The property was tenanted for a term of 3 years expiring on 31 May 2022 at a monthly rent of HK\$120,000 exclusive of rates and management fees.	45,300,000
2/21st shares of the Tsuen Wan Town Lot No. 54	The property is held under New Grant No. 4462 for a term of 99 years commencing on 1 July 1898. It was statutorily extended to 30 June 2047 with a condition of annual rent payment assessed by 3% of the rateable value.		

Notes:

1. The registered owner of the property is Sunbo Investment Limited, an indirect wholly-owned subsidiary of the WYT Group vide memorial no. 09071402150131 dated 6 July 2009.
2. The following encumbrances were registered against the property as at valuation date:
 - a. The property is subject to Notice No. WCBZ/S202667/01/NT-F02 by the Building Authority under S.24C(1) of the Building Ordinance vide memorial no. 08100201020105 dated 27 May 2008.
 - b. The property is subject to Order No. UBF/F02-291/0002/08 by the Building Authority under Section 24(1) of the Buildings Ordinance vide memorial no. 09111600850142 dated 29 September 2009.
 - c. The property is subject to Order No. DR00186/NT/14 by the Building Authority under S.28(3) of the Buildings Ordinance vide memorial no. 14082801010094 dated 12 August 2014.
 - d. The property is subject to Order No. D00071/NT/15 by the Building Authority under Section 26 of the Buildings Ordinance vide memorial no. 15052201130068 dated 6 May 2015 (Remarks: Re: For the approved canopy at 1/F).
 - e. The property is subject to mortgage in favour of The Bank of East Asia Limited for the consideration of securing all moneys in respect of general banking facilities vide memorial no. 16071402330418 dated 27 June 2016.
 - f. The property is subject to Order No. "UBSBTS3/SU/0120/16/NT" by the Building Authority under Section 26 of the Buildings Ordinance vide memorial no. 18061100470114 dated 29 September 2016.
 - g. (As advised by the WYT the cost to remove the order is approximately HK\$210,000.)
3. The property falls within an area zoned "Residential (A)" under Tsuen Wan Outline Zoning Plan No. S/TW/33.
4. The locality is an established residential area. Developments in the vicinity comprise mainly composite building, tenement building and residential estate and the property is located on the road with moderate pedestrian flow.
5. The valuation as at 31 March 2020 for account purpose was HK\$45,300,000.

**APPENDIX IC VALUATION REPORT OF THE PROPERTIES OF THE WYT GROUP
(OTHER THAN THE CAP GROUP)**

VALUATION CERTIFICATE

Property No. 5	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
Factory on 11th Floor, portion of roof and Car Parking Space No. 7 on G/F, Well Town Industrial Building, (Formerly Yau Tong Industrial Building), No. 13 Ko Fai Road Kowloon	The property comprises a industrial unit on 11th Floor plus a top roof and a car parking space on G/F of a 12-storey industrial building completed in about 1976.	Portion of the property was tenanted to a tenancy agreement and a license with the last expiring on 14 April 2023 at a monthly rent of HK\$80,000 inclusive of rates and management fees and portion of the property was vacant.	85,800,000
24/480th shares of and in Yau Tong Inland Lot No. 7	The saleable area of the property is approximately 1,820.88 sq.m. (19,600 sq.ft.) plus a top roof of approximately 1,806.95 sq.m. (19,450 sq.ft.). The property is held under Conditions of Sale No. 9525 for a term of 99 years commencing on 1 July 1898. It was statutorily extended to 30 June 2047 with a condition of annual rent payment assessed by 3% of the rateable value..		

Notes:

1. The registered owner of the property is Billion Good Investment Limited, an indirect wholly-owned subsidiary of the WYT Group vide memorial no. UB5543464 dated 18 December 1992.
2. The property falls within an area zoned "Commercial" under Cha Kwo Ling, Yau Tong, Lei Yue Mun Outline Zoning Plan No. S/K15/25.
3. The locality is a traditional industrial area and private housing estates have been built in the locality. Yau Tong MTR are situated within walking distance.
4. The valuation as at 31 March 2020 for account purpose was HK\$85,800,000.

VALUATION CERTIFICATE

Group II: Property interests held by the Group for self occupation

Property No. 6	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
Shop C on Ground Floor and Flat C on Mezzanine Floor, Lee Wah Building, Nos. 738–740A Nathan Road, Kowloon	The property comprises a shop unit on ground floor of a 14-storey composite building completed in about 1963.	The property was tenanted for a term of 3 years expiring on 27 January 2023 at a monthly rent of HK\$133,000 exclusive of rates and management fees.	60,500,000
2/54th shares of the Remaining Portion of Kowloon Inland Lot No. 2150 and the Remaining Portion of Section B of Kowloon Inland Lot No. 2157	The saleable area of the property is approximately 69.40 sq.m. (747 sq.ft.) plus Mezzanine Floor approximately 40.04 sq.m. (431 sq.ft.) and yard 7.15 sq.m. (77 sq.ft.).	The property is held under Government Lease for a term of 75 years renewable for further 75 years commencing on 15 October 1928 (Re: KIL 2150 RP) and 3 December 1928 (Re: KIL 2517sB RP).	

Notes:

1. The registered owner of the property is Grand Quality Development Limited, an indirect wholly-owned subsidiary of the WYT Group vide memorial no. 08021800680026 dated 28 January 2008.
2. The following encumbrances were registered against the property as at valuation date:
 - a. The property is subject to mortgage in favour of The Bank of East Asia Limited for the consideration of securing all moneys in respect of general banking facilities vide memorial no. 16071402330418 dated 27 June 2016.
3. The property falls within an area zoned “Commercial” under Mong Kok Outline Zoning Plan No. S/K3/32.
4. The locality is an established commercial area. Developments in the vicinity comprise mainly composite building and commercial building and the property is located on the main road of Mong Kok with heavy pedestrian flow.
5. The valuation as at 31 March 2020 for account purpose was HK\$60,500,000.

**APPENDIX IC VALUATION REPORT OF THE PROPERTIES OF THE WYT GROUP
(OTHER THAN THE CAP GROUP)**

VALUATION CERTIFICATE

Property No. 7	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
Shop A on Ground Floor, Onshine Commercial Building, No. 10 Tung Sing Road, Hong Kong	The property comprises a shop unit on ground floor of a 23-storey commercial building completed in about 1991.	The property was tenanted for a term of 3 years expiring on 31 March 2022 at a monthly rent of HK\$92,000 exclusive of rates and management fees.	32,200,000
28/914th shares of the Remaining Portion of Section D and the Remaining Portion of Aberdeen Inland Lot No. 86	The property is held under Government Lease for a term of 75 years renewable for 75 years commencing on 29 July 1918.		

Notes:

1. The registered owner of the property is Star Sense Limited, an indirect wholly-owned subsidiary of the WYT Group vide memorial no. 09071402150100 dated 2 July 2009.
2. The following encumbrances were registered against the property as at valuation date:
 - a. The property is subject to mortgage in favour of The Bank of East Asia Limited for the consideration of securing all moneys in respect of general banking facilities vide memorial no. 16071402330418 dated 27 June 2016.
3. The property falls within an area zoned "Residential (A)" under Aberdeen & Ap Lei Chau Outline Zoning Plan No. S/H15/33.
4. The locality is an established residential area. Developments in the vicinity comprise mainly composite building, residential and commercial building and the property is located on the road with moderate pedestrian flow.
5. The valuation as at 31 March 2020 for account purpose was HK\$32,200,000.

**APPENDIX IC VALUATION REPORT OF THE PROPERTIES OF THE WYT GROUP
(OTHER THAN THE CAP GROUP)**

VALUATION CERTIFICATE

Property No. 8	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
Shop B on G/F & Portion of the Yard, Nos. 66, 68, 70 & 72 Tai Wai Road, Shatin, New Territories 2/21th shares of and in Lot No. 951 in D.D. 180	The property comprises a shop unit on ground floor of a 5-storey tenement building completed in about 1974. The saleable area of the property is approximately 60.85 sq.m. (655 sq.ft.) plus a yard amended saleable area approximately 1.95 sq.m. (21 sq.ft.). The property is held under New Grant No. ST10665 for a term of 99 years commencing on 1 July 1898. It was statutorily extended to 30 June 2047 with a condition of annual rent payment assessed by 3% of the rateable value.	The property was tenanted for a term of 3 years expiring on 22 February 2022 at a monthly rent of HK\$186,500 exclusive of rates and management fees.	60,400,000

Notes:

1. The registered owner of the property is Full Gainer Investment Limited, an indirect wholly-owned subsidiary of the WYT Group vide memorial no. 09111701180061 dated 22 October 2009.
2. The following encumbrances were registered against the property as at valuation date:
 - a. The property is subject to mortgage in favour of The Bank of East Asia Limited registered vide memorial no. 16071402330418 dated 27 June 2016.
3. The property falls within an area zoned "Residential (Group A)" under Sha Tin Outline Zoning Plan No. S/ST/34.
4. The locality is an established residential area. Developments in the vicinity comprise mainly tenement and residential estate. The property is located on the main road of Tai Wai with heavy pedestrian flow.
5. The valuation as at 31 March 2020 for account purpose was HK\$60,400,000.

**APPENDIX IC VALUATION REPORT OF THE PROPERTIES OF THE WYT GROUP
(OTHER THAN THE CAP GROUP)**

VALUATION CERTIFICATE

Property No. 9	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
<p>Ground Floor and Cockloft of Nos. 108 and 110 Lai Chi Kok Road, the External Wall including the Store Room, Wai Yuen Building, Nos. 108 and 110 Lai Chi Kok Road, Kowloon</p> <p>5/5 of 20/121st shares of and in Kowloon Inland Lot No. 10607</p>	<p>The property comprises a shop unit on ground floor with cockloft and storeroom of an 11-storey composite building completed in about 1967.</p> <p>The saleable area of the property is approximately 130.71 sq.m. (1,407 sq.ft) plus a yard of approximately 8.45 sq.m. (91 sq.ft.), a cockloft of approximately 65.68 sq.m. (707 sq.ft) and a storeroom of approximately 8027 sq.m. (89 sq.ft.)</p> <p>The property is held under Conditions of Regrant No. 11422 for a term of 150 years commencing on 5 December 1905.</p>	<p>The property was tenanted for a term of 3 years expiring on 14 December 2022 at a monthly rent of HK\$75,833 exclusive of rates and management fees.</p>	<p>43,100,000</p>

Notes:

1. The registered owner of the property is Topmate Investment Limited, an indirect wholly-owned subsidiary of the WYT Group vide memorial no. 11090902110071 dated 15 August 2011.
2. The following encumbrances were registered against the property as at valuation date:
 - a. The property is subject to mortgage in favour of The Bank of East Asia Limited to secure all moneys in respect of general banking facilities granted vide memorial no. 16071402330418 dated 27 June 2016.
3. The property falls within an area zoned "Residential (Group A)" under Mong Kok Outline Zoning Plan No. S/K3/32.
4. The locality is an established commercial area. Developments in the vicinity comprise mainly composite building and residential building and the property is located on the road with moderate pedestrian flow.
5. The valuation as at 31 March 2020 for account purpose was HK\$43,100,000.

**APPENDIX IC VALUATION REPORT OF THE PROPERTIES OF THE WYT GROUP
(OTHER THAN THE CAP GROUP)**

VALUATION CERTIFICATE

Property No. 10	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
Ground Floor with the Cockloft, No. 60A Yen Chow Street, Kowloon	The property comprises a shop unit on ground floor and a cockloft of a 6-storey tenement building completed in about 1957.	The property was tenanted for a term of 3 years expiring on 3 October 2021 at a monthly rent of HK\$92,000 exclusive of rates and management fees.	29,400,000
1/6th shares of and in Section C of New Kowloon Inland Lot No. 1056	The saleable area of the property is approximately 55.37 sq.m. (596 sq.ft.) plus a cockloft of approximately 19.23 sq.m. (207 sq.ft.) and a yard of approximately 17.28 sq.m. (186 sq.ft.). The property is held under Government Lease for a term of 75 years renewable for 24 years. It was statutorily extended to 30 June 2047 with a condition of annual rent payment assessed by 3% of the rateable value.		

Notes:

1. The registered owner of the property is Good Excellent Limited, an indirect wholly-owned subsidiary of the WYT Group vide memorial no. 09121101880053 dated 30 November 2009.
2. The following encumbrances were registered against the property as at valuation date:
 - a. The property is subject to mortgage in favour of The Bank of East Asia Limited for consideration securing all moneys in respect of general banking facilities (PT.) vide memorial no. 16071402330418 dated 27 June 2016.
 - b. Notice No. "UMB/BAMB01/1801-188/0002" under section 30B(3) of the Building Ordinance vide memorial no. 19120501540052 dated 17 October 2019.
 - c. Notice No. "UMB/BAMB01/1801-188/0002" under section 30C(3) of the Building Ordinance vide memorial no. 19120501540063 dated 17 October 2019. (The reinstatement cost is approximately HK\$100,000).
3. The property falls within an area zoned "Residential (Group A)" under Cheung Sha Wan Outline Zoning Plan No. S/K5/37.
4. The locality is an established residential area. Developments in the vicinity comprise mainly composite building and tenement building and the property is located on the road with heavy pedestrian flow.
5. The valuation as at 31 March 2020 for account purpose was HK\$29,400,000.

**APPENDIX IC VALUATION REPORT OF THE PROPERTIES OF THE WYT GROUP
(OTHER THAN THE CAP GROUP)**

VALUATION CERTIFICATE

Property No. 11	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
Shop AB on Ground Floor, Po Wing Building, Nos. 61, 63, 65, 67, 71 & 73 Lee Garden Road, Nos. 108, 110, 112, 116, 118 & 120 Percival Street, Hong Kong	The property comprises a shop unit on Ground Floor of a 14-storey tenement building completed in about 1967. The total saleable area of the property is approximately 111.85 sq.m. (1,204 sq.ft.) The property is held under Government Lease for a term of 982 years commencing on 25 June 1860.	The property was tenanted for a term of 3 years expiring on 24 April 2021 at a monthly rent of HK\$500,000 exclusive of rates and management fees.	184,600,000
1187/1643 of 2/197th shares of and in the Section Z of Inland Lot No.29			

Notes:

1. The registered owner of the property is Oriental Sino Investments Limited, an indirect wholly-owned subsidiary of the WYT Group vide memorial no. 15030602650144 dated 16 February 2015.
2. The following encumbrances were registered against the property as at valuation date:
 - a. The property is subject to mortgage in favour of Industrial and Commercial Bank of China (Asia) Limited vide memorial no. 19012501890021 dated 8 January 2019.
 - b. The property is subject to rent assignment in favour of Industrial and Commercial Bank of China (Asia) Limited vide memorial no. 19012501890032 dated 8 January 2019.
3. The property falls within an area zoned "Commercial" under Cheung Causeway Bay Outline Zoning Plan No. S/H6/17.
4. The locality is an established commercial area. Developments in the vicinity comprise mainly composite building and commercial building and the property is located on the main road of Causeway Bay with heavy pedestrian flow.
5. The valuation as at 31 March 2020 for account purpose was HK\$184,600,000.

**APPENDIX IC VALUATION REPORT OF THE PROPERTIES OF THE WYT GROUP
(OTHER THAN THE CAP GROUP)**

VALUATION CERTIFICATE

Property No. 12	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
<p>No. 9 Wang Lee Street Yuen Long Industrial Estate Yuen Long New Territories</p> <p>Extension to Subsection 1 of Section M of Yuen Long Town Lot No. 313 and Extensions Thereto</p>	<p>The Property comprises a parcel of land with an area of 8,545.56 square metres (sq.m.) falling within the Yuen Long Industrial Estate. It has been developed with a 5-storey workshop/warehouse building (with ancillary offices) completed in 2015.</p> <p>The total gross floor area (GFA) of the Property is 21,274.662 sq.m. Floor heights and superimposed loading of each floor level are set out as follows:</p>	<p>The Property was being occupied by the owners.</p>	<p>380,000,000</p>
	<p>GFA (sq.m.)</p>		
	<p>G/F 4,397.320 1/F 4,114.364 2/F 4,098.603 3/F 4,091.432 4/F 4,111.710 Roof 461.233</p>		
	<p>Yuen Long Industrial Estate is an industrial estate in Yuen Long district. It is at the north of Yuen Long town and opposite to Nam Sang Wai.</p>		
	<p>The Property is held by Hong Kong Science and Technology Parks Corporation from the Government expiring on 27 June 2047 at an annual Government rent charged at 3% of the rateable value of the Property.</p>		

**APPENDIX IC VALUATION REPORT OF THE PROPERTIES OF THE WYT GROUP
(OTHER THAN THE CAP GROUP)**

Notes:

1. The registered owner of the property is Property is Hong Kong Science and Technology Parks Corporation (formerly known as The Hong Kong Industrial Estates Corporation, the “**Lessor**”) via New Grant No. 3102 of Yuen Long Town Lot No. 313.
2. The following encumbrances were registered against the property as at valuation date:
 - a. Lease vide memorial no. 20030301880020 dated 10 February 2020 between Wai Yuen Tong Company Limited, an indirect wholly-owned subsidiary of the WYT Group from 22 February 2013 to 27 June 2047.
3. The property falls within an area zoned “Other Specified Uses (Industrial Estate)” under Yuen Long Outline Zoning Plan No. S/YL/23.
4. As stipulated in the Lease, in the event that the Lessee is desirous to assign the premises during the lease term, the Lessee should first offer to the Lessor for the surrender of the Lease free from encumbrances and with vacant possession of the premises at one of the following two considerations payable by the Lessor whichever is lower:
 - (i) 80% of the discounted land premium (the notional premium paid by the Lessee on the commencement of the lease term) for the unexpired term of the Lease plus the depreciated replacement costs of the buildings and structures erected thereon at the rate of depreciation of 5% per annum from the date of the occupation permit for the first building; the total of which reduced by ten percent (the “**Surrender Value A**”); or
 - (ii) The market value of the land and the buildings and structures erected thereon as at the date of the Lessor’s acceptance of the surrender reduced by ten percent (the “**Surrender Value B**”).

Our opinion of market value of the Property represents the lower amount of the Surrender Value A and Surrender Value B.
5. The valuation as at 31 March 2020 for account purpose was HK\$389,000,000.

**APPENDIX IC VALUATION REPORT OF THE PROPERTIES OF THE WYT GROUP
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VALUATION CERTIFICATE

Property No. 13	Description and tenure	Particulars of occupancy	Market Value in Existing State as at 31 May 2020 HKD
<p>Industrial factory, Dormitory 1# and Dormitory 2# of eastern side of Huabu Road and southern side of Qida Road, Shenzhen City, Guangdong Province, the PRC</p> <p>Lot no. G12204-0252</p> <p>中國深圳市華布路 以東、啟達路以南 工業廠房，1#宿舍 及2#宿舍</p>	<p>The Properties occupy a total of a parcel of land with a total area of 11,026.83 square metres.</p> <p>The Properties are located in Pingshan district on the norther eastern side of Shenzhen. Immediate locality of the Properties is generally industrial in nature and is gradually, through various relocation and redevelopment of industrial developments, transformed into a commercial and residential area.</p> <p>The subject land parcel is accommodating a 6-storey industrial building and two 6-storey dormitories completed in 2004 with floor area as follows:</p>	<p>The property is owner occupied.</p>	<p>104,000,000</p>
Gross Floor Area			
	Industrial building:	12,817.85 sq.m.	
	Dormitory 1#:	1,533.12 sq.m.	
	Dormitory 2#:	5,124.04 sq.m.	
	The land use rights of the subject land have been granted for a term of years expiring on 19 September 2050 for industrial use.		

Notes:

1. As revealed by 3 set of Real Estate Ownership Certificate (不動產權證書, Ref No. 粵(2017)深圳市不動產權第0033102, 0033103 and 0033105號) dated 15 March 2017, the land use rights with an area of 11,026.83 square metres with a gross floor area of 12,817,85 square metres, 1,533.12 square metres and 5,124.04 square metres. They are held by Guan Zun (Shen Zhen) Business Development Company Limited (冠尊(深圳)商貿發展有限公司 (an indirect wholly-owned subsidiary of the WYT Group), 91440300341534561M) for a term expiring on 19 September 2050 for industrial use.
2. PRC Legal Opinion dated 24 July 2020 of the PRC Legal Adviser on the Properties is summarized as follows:
 - i. Guan Zun (Shen Zhen) Business Development Company Limited has legally acquired the land use rights and the building ownership rights in the Properties.
 - ii. The land use rights are in the nature of granted land with a land use right term expiring on 19 September 2050 for industrial uses.

**APPENDIX IC VALUATION REPORT OF THE PROPERTIES OF THE WYT GROUP
(OTHER THAN THE CAP GROUP)**

- iii. The Properties have not been pledged for mortgage or any encumbrances.
 - iv. Guan Zun (Shen Zhen) Business Development Company Limited has legal, valid and complete land use rights and building ownership rights in the Property and is allowed to possess, use, transfer, lease and mortgage the Property throughout its unexpired land use right term.
3. The valuation as at 31 March 2020 for account purpose was RMB95,500,000.

The following is the text of a letter and valuation certificates, prepared for the purpose of incorporation in the circular received from RHL Appraisal Limited., an independent valuer, in connection with its valuation as at 31 May 2020 of the properties held by the CAP Group.



永利行評值顧問有限公司
RHL Appraisal Limited
Corporate Valuation & Advisory

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Room 1010, 10/F, Star House,
Tsimshatsui, Hong Kong

24 July 2020

The Board of Directors
Wang On Group Limited
Suite 3202, 32/F.,
Skyline Tower,
39 Wang Kwong Road,
Kowloon Bay,
Kowloon,
Hong Kong

Dear Sirs/Madam,

INSTRUCTIONS

We refer to your instruction for us to value the properties interests (the “**Unsold Properties**”) held by China Agri-Products Exchange Limited (the “**Company**”) or its subsidiaries (together referred as the “**Group**”) located 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 market value of the such property interest as at 31 May 2020 (the “**Valuation Date**”).

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

BASIS OF VALUATION

The valuation is our opinion of the market value (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 wherein the parties had each acted knowledgeably prudently and without compulsion.

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

The Market Value is the best price reasonably obtainable in the market by the seller and the most advantageous price reasonably obtainable in the market by the buyer. This estimate specifically excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangements, joint ventures, management agreements, special considerations or concessions granted by anyone associated with the sale, or any element of special value.

VALUATION METHODOLOGY

For properties held for sale and Property No. 9, we have valued the properties by using direct comparison method, which is adopted based on the principle of substitution, where comparison is made based on prices realized on actual sales and/or asking prices of comparable properties. Comparable properties of similar size, scale, nature, character and location are analysed and carefully weighed against all the respective advantages and disadvantages of each property in order to arrive at a fair comparison of capital values.

For properties held for investment, we have valued the properties on the basis of capitalization of the net income shown on the documents handed to us. We have also allowed for outgoings and, in appropriate case, made provisions for reversionary income potential.

For properties under development, we have valued the market value of the land and the incurred cost of construction and also make reference to selling prices upon completion and have also allowed the outstanding construction costs and other allowance to arrive the market value.

VALUATION CONSIDERATIONS

In valuing the property interest, 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 International Valuation Standard 2020 Edition.

VALUATION ASSUMPTION

In our valuation, unless otherwise stated, we have assumed that:

- a. all necessary statutory approvals for the Properties or the subject building of which the Properties forms part of their use have been obtained;
- b. transferable land use rights in respect of the Properties for specific terms at nominal annual land use fees have been granted and that any premium payable has already been fully paid;
- c. 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;
- d. no deleterious or hazardous materials or techniques have been used in the construction of the Properties;
- e. the Properties are not subject to any unusual or especially onerous restrictions, encumbrances or outgoings and that good title can be shown; and
- f. the Properties are connected to main services and sewers which are available on normal terms.

TITLE INVESTIGATION

We have been shown copies of various documents relating to the property interest. However, we have not examined the original documents to verify the existing titles to the property interest or any amendment which does not appear on the copies handed to us. We have relied considerably on the information given by the Group's PRC legal advisers dated July 2020, Guangdong Top-Win Law Firm (廣東卓盈律師事務所), concerning the validity of the titles to the property interests.

LIMITING CONDITIONS

We have conducted on-site inspections to the Properties in November 2019 by our Mr. Chan Chi Ho (Bachelor in General Surveying) and Ms. Liu Jing (Master in Geographic Information System). During the course of our inspections, we did not note any serious defects. However, no structural survey has been made and we are therefore unable to report whether the Properties are free from rot infestation or any other defects. No tests were carried out on any of the services. Moreover, we have not carried out investigations on site to determine the suitability of the ground conditions and the services etc., for any future development. Our valuation is prepared on the assumption that these aspects are satisfactory and no extraordinary expenses or delay will be incurred during the development period.

We have not carried out detailed on-site measurement to verify the correctness of the areas in respect of the Properties but have assumed that the areas shown on the documents handed to us are correct. All dimensions, measurements and areas are approximate.

We have relied to a considerable extent on information provided by the Group and accepted advices given to us on such matters, in particular, but not limited to tenure, planning approvals, statutory notices, easements, particulars of occupancy, size and floor areas and all other relevant matters in the identification of the Properties.

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 fact has 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.

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

The reported Market Value only applies to the whole of the complex or development as a unique interest, and no piecemeal transaction of the complex or development is assumed.

DECLARATION

It is declared that we are the “External Valuer” for the subject property valuation assignment.

According to the HKIS Valuation Standards 2017, “an ‘External Valuer’ is a valuer who, together with any associates, has no material links with the client, an agent acting on behalf of the client or the subject of the assignment.”

REMARKS

For properties located at the PRC, we have been advised by the Group that the potential tax liabilities include land Appreciation Tax at progressive tax rates from 30% to 60% and Income Tax at 25% on profit before tax. The exact amount of tax payable upon realisation of the relevant properties in the PRC will be subject to the formal tax advice issued by the relevant tax authorities at the time of disposal of relevant properties upon presentation of the relevant transaction documents. There are potential tax liability which might arise on the disposal of the Properties.

The market that the property/asset is transacted and/or valued in is being impacted by the uncertainty that the COVID-19 outbreak has caused. Market conditions are changing daily at present. As at the date of valuation we consider that there is a market uncertainty resulting in significant valuation uncertainty. This valuation is current at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period of time (including as a result of factors that the valuer could not reasonably have been aware of as at the date of valuation). We do not accept responsibility or liability for any losses arising from such subsequent changes in value. Given the valuation uncertainty noted, we recommend that the user(s) of this report review this valuation periodically.

We have valued the property in Renminbi (RMB).

We enclose herewith the summary of values and the property particulars and opinion of value.

Yours faithfully,
For and on behalf of
RHL Appraisal Limited

Serena S. W. Lau

*CHKIS, AAPI, MRICS, RPS(GP), MBA(HKU)
Managing Director*

Jessie X. Chen

*MRICS, MSc (Real Estate), BEcon
Associate Director*

Ms. Serena S. W. Lau is a Registered Professional Surveyor (GP) with over 20 years' experience in valuation of properties in HKSAR, Macau SAR, mainland China and the Asia Pacific Region. Ms. Lau is a Professional Member of The Royal Institution of Chartered Surveyors, an Associate of Australian Property Institute, a Fellow of The Hong Kong Institute of Surveyors as well as a registered real estate appraiser in the PRC.

Ms. Jessie X. Chen is a Registered Professional Surveyor (GP) with over 10 years' experience in valuation of properties in HKSAR, Macau SAR, United Kingdom, Canada, mainland China and the Asia Pacific Region. Ms. Chen is a Professional Member of The Royal Institution of Chartered Surveyors.

SUMMARY OF VALUES

	Market value as at 31 May 2020 RMB	Interest attributed to the Group	Market value attributable to the Group as at 31 May 2020 RMB
<p>1. Xuzhou Agri-Products Centre Wholesale Market, east of Yingbin Avenue, Quanshan District, Xuzhou City, Jiangsu Province, the PRC</p> <p>(中華人民共和國江蘇省徐州市泉山區迎賓大道東側徐州農副產品中心批發市場)</p>	368,000,000	51%	187,680,000
<p>2. Phase I of Guangxi Yulin Hong-Jin Agri-Products Market, south of 2nd Ring North Road, Yuzhou District, Yulin City, Guangxi Zhuang Autonomous Region, the PRC</p> <p>(中華人民共和國廣西壯族自治區玉州區二環北路南側玉林宏進農副產品批發市場一期)</p>	428,000,000	65%	278,200,000
<p>3. Phase II of Guangxi Yulin Hong-Jin Agri-Products Market, south of 2nd Ring North Road and north west of Longbiao River, Yuzhou District, Yulin City, Guangxi Zhuang Autonomous Region, the PRC</p> <p>(中華人民共和國廣西壯族自治區玉州區二環北路南側龍表河西北側玉林宏進農副產品批發市場二期)</p>	162,000,000	100%	162,000,000

APPENDIX ID VALUATION REPORT OF THE PROPERTIES OF THE CAP GROUP

	Market value as at 31 May 2020 RMB	Interest attributed to the Group	Market value attributable to the Group as at 31 May 2020 RMB
<p>4. Wuhan Agri-Products Market, Special Nos. 1 Qingling Street, Qingling Country, Hongshan District, Wuhan City, Hubei Province, the PRC</p> <p>(中華人民共和國湖北省武漢市洪山區 青菱鄉青菱街特一號武漢白沙洲 農副產品大市場)</p>	1,428,000,000	100%	1,428,000,000
<p>5. Henan Luoyang Hong-Jin Agri-Products International Logistics Centre, west of Luoji Expressway, Old town district, Luoyang City, Henan Province, the PRC</p> <p>(中華人民共和國河南省洛陽市老城區 洛吉快速通道西側洛陽宏進農副產品 國際物流中心)</p>	874,000,000	100%	874,000,000
<p>6. Henan Kaifeng Hong-Jin Agri-Products International Logistics Centre, south of Kaiqi Highway and east of Xilin Public Cemetery, Kaifeng City, Henan Province, the PRC</p> <p>(中華人民共和國河南省開封市 開杞公路北側及西林公墓東側 河南宏進農副產品國際物流中心)</p>	263,000,000	100%	263,000,000

APPENDIX ID VALUATION REPORT OF THE PROPERTIES OF THE CAP GROUP

	Market value as at 31 May 2020 RMB	Interest attributed to the Group	Market value attributable to the Group as at 31 May 2020 RMB
<p>7. Panjin Hong-Jin Agri-Products International Trade City, Xihu Village, Hujia Town, Panshan County, Panjin City, Liaoning Province, the PRC</p> <p>(中華人民共和國遼寧省盤錦市盤山縣 胡家鎮西胡村盤錦宏進農副產品 國際商貿城)</p>	125,000,000	100%	125,000,000
<p>8. Henan Puyang Hong-Jin Agri-Products International Logistics Centre, Area No. 033, No. 112 Street, Puyang City, Henan Province, the PRC</p> <p>(中華人民共和國河南省濮陽市112街道 033街坊濮陽宏進農副產品國際物流中心)</p>	129,000,000	75%	96,750,000
<p>9. Huai'an Hong-Jin Agri-Products International Logistics Centre, north of Bei Huan Lu and east of Hai Nan Lu, Qing Pu District, Huai'an City, Jiangsu Province, the PRC</p> <p>(中華人民共和國江蘇省淮安市清浦區 北環路南側及海南路東側淮安宏進 農副產品國際物流中心)</p>	146,000,000	100%	146,000,000

APPENDIX ID VALUATION REPORT OF THE PROPERTIES OF THE CAP GROUP

	Market value as at 31 May 2020 RMB	Interest attributed to the Group	Market value attributable to the Group as at 31 May 2020 RMB
10. China-ASEAN (Qinzhou) Agri-Products Market, north of Jinhaiwan West Avenue (Entrance of North and South Highway), Qinzhou City, Guangxi Zhuang Autonomous Region, the PRC	485,000,000	100%	485,000,000
(中華人民共和國廣西壯族自治區欽州市 金海灣西大街北側（南北高速出入口） 中國－東盟（欽州）農產品大市場）			
Total:	<u>4,408,000,000</u>		<u>4,045,630,000</u>

PROPERTY PARTICULARS AND OPINION OF VALUE

Property	Description and tenure	Particulars of occupancy	Market value as at 31 May 2020 RMB
<p>1. Xuzhou Agri-Products Centre Wholesale Market, east of Yingbin Avenue, Quanshan District, Xuzhou City, Jiangsu Province, the PRC</p> <p>(中華人民共和國江蘇省 徐州市泉山區迎賓大道東側 徐州農副產品中心批發市場)</p>	<p>The property comprises a wholesale market mainly consisting of various one-storey to three-storey buildings and structures erected on a parcel of land with a site area of approximately 193,673.91 sq.m (2,084,689 sq.ft.).</p> <p>The property has various structures, canopies, warehouse and office with a total construction area of approximately 107,633.35 sq.m. (1,158,556 sq.ft.) completed in about 2011 for respective uses.</p> <p>The land use rights of the property have been granted for a term expiring on 27 November 2057 for warehouse and logistics uses.</p>	<p>As at valuation date, the property is mainly operated by the owner as an agricultural products and by-products wholesale market.</p> <p>Portion of the property with a total gross floor area of approximately 103,373.17 sq.m. is subject to various tenancy agreements (the “Tenancy Agreement”) with a total annual rental income of approximately RMB38,421,018 while the remaining portion is currently vacant or owner-occupied.</p>	<p>368,000,000 (RENMINBI THREE HUNDRED AND SIXTY EIGHT MILLION ONLY)</p> <p>51% interest attributed to the Group: RMB187,680,000</p>

Notes:

1. Pursuant to a State Land Use Rights Contract – Xu Tu Guo Rang (He) Zi (2007) No. 104 (徐土國讓(合)字(2007)104號), the land use rights of the property with a total site area of approximately 193,673.50 sq.m. have been granted to Xuzhou Yuanyang Trading Development Company Limited (徐州源洋商貿發展有限公司) (“**Xuzhou Yuanyang**”), a 51% owned subsidiary of the Company with details as follows:

Restricted items	Parameters
Plot Ratio	No more than 1.2
Site Coverage	No more than 50%
Building Height Restriction	Should fulfil the airport clearance height restriction
Ratio of Green Space	No less than 20%
Maximum Gross Floor Area	232,408.20 sq.m.

Pursuant to the State-owned Land Use Rights Certificate Xu Tu Guo Yong (2008) Di No. 12888 dated 26 May 2008 issued by the State Land Resources Bureau, the land use rights of the property with a site area of approximately 193,673.91 sq.m. have been granted to Xuzhou Yuanyang for a term of 50 years for warehouse and logistic uses.

2. Pursuant to a Building Ownership Certificate – Xu Fang Quan Zheng Yun Long Zi Di No. 56520, the building ownership of portion of the property with a gross floor area of approximately 6,746.94 sq.m. has been vested in Xuzhou Yuanyang.
3. Pursuant to an official announcement – Xu Fa Gai Wai Jing 2008 No. 26 (徐發改外經200826號) issued by Development and Reform Commission of Xuzhou City (徐州市發展和改革委員會), development proposal of the property has been approved by the local government. Xuzhou Yuanyang is permitted to construct the property with a total gross floor area of approximately 91,000.00 sq.m. erected on a parcel of land with a site area of approximately 193,673.91 sq.m. The approved construction period is 2 years commencing at January 2008 and ending at January 2010.
4. As advised, the property is held by the Company for investment purpose.
5. The property with a total gross floor area of approximately 6,746.94 sq.m. is subject to a mortgage. However, we have not taken into account such mortgage in our valuation.
6. We have been provided with a legal opinion by the Group’s PRC legal adviser, Guangdong Top-Win Law Firm (廣東卓盈律師事務所), regarding the legal title of the property, with contains, *inter alia*, the follows:
 - i. the property is legally held by Xuzhou Yuanyang;
 - ii. all land grant premium of the property has been fully settled;
 - iii. Xuzhou Yuanyang is entitled to freely transfer, lease, mortgage or dispose of the property as a whole in the market;

Xuzhou Yuanyang is entitled to freely transfer, lease, mortgage or dispose of portions with real estate title certificates separately in the market;

Xuzhou Yuanyang is entitled to occupy or lease the land portion with the temporary structures and canopies erected thereon freely in the market; and
 - iv. except for the mortgage as mentioned in Note 6, the property is free from any mortgage or third parties’ encumbrance.

PROPERTY PARTICULARS AND OPINION OF VALUE

Property	Description and tenure	Particulars of occupancy	Market value as at 31 May 2020 RMB
<p>2. Phase I of Guangxi Yulin Hong-Jin Agri-Products Market, south of 2nd Ring North Road, Yuzhou District, Yulin City, Guangxi Zhuang Autonomous Region, the PRC</p> <p>(中華人民共和國廣西壯族自治區玉州區二環北路南側玉林宏進農副產品批發市場一期)</p>	<p>The property comprises unsold portion of a wholesale market mainly consisting of various one-storey to three-storey buildings and structures erected on 5 parcels of contiguous land with a total site area of approximately 273,884.07 sq.m (2,948,063 sq.ft.).</p> <p>The property comprises various completed buildings and canopies with a total gross floor area of approximately 39,988.64 sq.m. (430,434 sq.ft.) completed in about 2013 for retail, wholesale, storage, office and facility uses. The property also comprises various construction-in-progress with a total planned gross floor area of approximately 50,289.24 sq.m. (541,309 sq.ft.) that expected to be completed by December 2020.</p> <p>The land use rights of the property have been granted for a term expiring on 18 July 2047 for commercial services uses.</p>	<p>As at valuation date, portions of the property is mainly operated by the owner as an agricultural products and by-products wholesale market while the remaining is under construction and pending for future development.</p>	<p>428,000,000 (RENMINBI FOUR HUNDRED AND TWENTY EIGHT MILLION ONLY)</p> <p>65% interest attributed to the Group: RMB278,200,000</p>

APPENDIX ID VALUATION REPORT OF THE PROPERTIES OF THE CAP GROUP

Notes:

1. Pursuant to a State Land Use Rights Contract – Yu Guo Rang Zi (2007) Di No. 7 (玉國讓字(2007)第7號, the land use rights of the property with a total site area of approximately 273,884.06 sq.m. have been granted to Yulin Hong-Jin Agriculture By-products Wholesale Market Company Limited (玉林宏進農副產品批發市場有限公司) (“**Yulin Hong-Jin**”), a 65% owned subsidiary of the Company with details as follows:

Restricted items	Parameters
Plot Ratio	No more than 1.5
Site Coverage	No more than 45%
Building Height Restriction	No higher than 6 Floors (24 m)
Ratio of Green Space	No less than 4.5%
Maximum Gross Floor Area	410,826.09 sq.m.

2. Pursuant to 5 State-owned Land Use Rights Certificates – Yu Guo Yong (2007) Di No. A807, A808, A809, A913 and A914 all issued by the People’s Government of Yulin in 2007, the land use rights of 5 parcels of land with a total site area of 273,884.07 sq.m. have been granted to Yulin Hong-Jin, a 65% owned subsidiary of the Company for a land use term expiring on 18 July 2047 for commercial services uses.
3. Pursuant to various Building Ownership Certificates, the building ownerships of portions of the property with a total gross floor area of approximately 21,512.23 sq.m. has been vested in Yulin Hong-Jin.
4. According to various cooperation agreements, the construction-in-progress with a total gross floor area of approximately 50,289.24 sq.m. is expected to be completed by December 2020. Upon completion, contracted selling price of such properties is RMB296,474,000.

As advised by the company, total development costs of such properties are about RMB139,643,186 and the incurred development costs as at the Valuation Date are about RMB65,000,000.

In the course of our valuation, we have taken into account such contracted selling price and developments costs.

5. As advised, the property is held by the Company for sale and development.
6. We have been provided with a legal opinion by the Group’s PRC legal adviser, Guangdong Top-Win Law Firm (廣東卓盈律師事務所), regarding the legal title of the property, with contains, *inter alia*, the follows:
 - i. the property is legally held by Yulin Hong-Jin;
 - ii. all land grant premium of the property has been fully settled;
 - iii. Yulin Hong-Jin is entitled to freely transfer, lease, mortgage or dispose of the property as a whole in the market;

Yulin Hong-Jin is entitled to freely transfer, lease, mortgage or dispose of portions with real estate title certificates separately in the market;

Yulin Hong-Jin is entitled to occupy or lease the land portion with temporary structures and canopies erected thereon freely in the market; and
 - iv. At least 500 shops must be leased or operated by Yulin Hong-Jin and are restricted to be sold or disposed of in the market; and
 - v. the property is free from any mortgages or third parties’ encumbrances.

PROPERTY PARTICULARS AND OPINION OF VALUE

Property	Description and tenure	Particulars of occupancy	Market value as at 31 May 2020 RMB
<p>3. Phase II of Guangxi Yulin Hong-Jin Agri-Products Market, south of 2nd Ring North Road and North West of Longbiao River, Yuzhou District, Yulin City, Guangxi Zhuang Autonomous Region, the PRC</p> <p>(中華人民共和國廣西壯族自治區玉州區二環北路南側龍表河西北側玉林宏進農副產品批發市場二期)</p>	<p>The property comprises unsold portion of a wholesale market mainly consisting of buildings and structures erected on a site area of approximately 141,529.79 sq.m. (1,523,414 sq.ft.).</p> <p>The property comprises various structures and canopies with a total gross floor area of approximately 21,049.60 sq.m. (226,576 sq.ft.) completed in about 2013 for retail, wholesale, storage, office and facility uses. The property also comprises various construction planned-in-progress with a total gross floor area of approximately 70,442.00 sq.m. (758,231 sq.ft.) that expected to be completed by December 2023.</p> <p>The land use rights of the property have been granted for a term expiring on 2 March 2061 for wholesale and retail uses.</p>	<p>As at valuation date, portions of the property is mainly operated by the owner as an agricultural products and by-products wholesale market while the remaining is under construction and pending for future development.</p>	<p>162,000,000 (RENMINBI ONE HUNDRED AND SIXTY TWO MILLION ONLY)</p> <p>100% interest attributed to the Group: RMB162,000,000</p>

Notes:

- Pursuant to a State Land Use Rights Contract – Yu Tu Chu (2011) No. 006 (玉土出(2011)第006號), the land use rights of the property with a total site area of approximately 141,607.27 sq.m. have been granted to Yulin Hongjin Logistics Development Company Limited (玉林宏進物流發展有限公司) (“**Yulin Hongjin Logistics**”), a wholly owned subsidiary of the Company with details as follows:

Restricted items	Parameters
Plot Ratio	No more than 2.5
Site Coverage	No more than 40%
Building Height Restriction	No higher than 120 m for the main building and 24 m for the other buildings
Ratio of Green Space	No less than 15%
Maximum Gross Floor Area	354,000.00 sq.m.

2. Pursuant to 2 State-owned Land Use Rights Certificates – Yu Guo Yong (2011) No. 01000449 and No. 01000452 dated 17 May 2011, the land use rights of the property with a total site area of approximately 141,529.79 sq.m. have been granted to Yulin Hongjin Logistics, a wholly owned subsidiary of the Company for a term expiring on 2 March 2061 for wholesale and retail uses.
3. According to various cooperation agreements, the construction-in-progress with a total gross floor area of approximately 70,442.00 sq.m. is expected to be completed by December 2023. Upon completion, contracted selling price of such properties is RMB276,248,000.

As advised by the company, total development costs of such properties are about RMB209,000,000.

In the course of our valuation, we have taken into account such contracted selling price and developments costs.

4. As advised, the property is held by the Company for sale and development.
5. We have been provided with a legal opinion by the Group's PRC legal adviser, Guangdong Top-Win Law Firm (廣東卓盈律師事務所), regarding the legal title of the property, with contains, *inter alia*, the follows:
 - i. the property is legally held by Yulin Hongjin Logistics;
 - ii. all land grant premium of the property has been fully settled;
 - iii. Yulin HongJin Logistics is entitled to freely transfer, lease, mortgage or dispose of the property as a whole in the market;

Yulin HongJin Logistics is entitled to occupy or lease the land portion with temporary structures and canopies erected thereon freely in the market; and
 - iv. the property is free from any mortgages or third parties' encumbrances.

PROPERTY PARTICULARS AND OPINION OF VALUE

Property	Description and tenure	Particulars of occupancy	Market value as at 31 May 2020 RMB
4. Wuhan Baishazhou Agri-Products Market, Special Nos. 1 Qingling Street, Qingling Country, Hongshan District, Wuhan City, Hubei Province, the PRC (中華人民共和國湖北省武漢市洪山區青菱鄉青菱街特一號武漢白沙洲農副產品大市場)	<p>The property comprises a wholesale market mainly consisting of various one-storey to two-storey buildings and structures erected on 2 parcels of adjoining land with a total site area of approximately 313,869.86 sq.m (3,378,467 sq.ft.).</p> <p>The property comprises various completed buildings and canopies with a total gross floor area of approximately 172,625.42 sq.m. (1,858,124 sq.ft.) completed in about 2011 for retail, wholesale, storage, office and facility uses.</p> <p>The land use rights of the property have been granted for terms expiring on 20 December 2046 and 6 July 2054 for commercial, wholesale and retail use.</p>	<p>As at valuation date, the property is mainly operated by the owner as an agricultural products and by-products wholesale market.</p> <p>Portion of the property with a total gross floor area of about 153,974.31 sq.m. is subject to various tenancy agreements (the “Tenancy Agreement”) with a total annual rental income of approximately RMB97,784.777 while the remaining portion is currently vacant or owner-occupied.</p>	<p>1,428,000,000 (RENMINBI ONE BILLION FOUR HUNDRED AND TWENTY EIGHT MILLION ONLY)</p> <p>100% interest attributed to the Group: RMB1,428,000,000</p>

Notes:

- Pursuant to a State Land Use Rights Contract No. WCG-2006-042, the land use rights of the property with a total site area of approximately 268,882.24 sq.m. have been granted to Wuhan Baishazhou Agricultural By-products Wholesale Market Company Limited (武漢白沙洲農副產品大市場有限公司) (“**Wuhan Baishazhou**”), a wholly owned subsidiary of the Company with details as follows:

Restricted items

Parameters

Plot Ratio
Site Coverage
Building Height Restriction
Ratio of Green Space

No more than 0.55
No more than 30%
Pursuant to specific plans
Pursuant to related ordinances

Maximum Gross Floor Area

147,885.23 sq.m.

2. Pursuant to a State Land Use Rights Contract No. WH-2014-B096, the land use rights of the property with a total site area of approximately 44,987.62 sq.m. have been granted to Wuhan Baishazhou with details as follows:

Restricted items	Parameters
Plot Ratio	No more than 0.24
Maximum Gross Floor Area	10,656.5 sq.m.

3. Pursuant to a State-owned Land Use Rights Certificate Hong Guo Yong (2011) Di No. 35 dated 14 December 2011, the land use rights of the property with a site area of approximately 268,882.24 sq.m. have been granted to Wuhan Baishazhou for a term expiring on 20 December 2046 for wholesale and retail uses.

Pursuant to a State-owned Land Use Rights Certificate Wu Guo Yong (2014) Di No. 225 dated 25 August 2014, the land use rights of the property with a site area of approximately 44,987.62 sq.m. have been granted to Wuhan Baishazhou for a term expiring on 6 July 2054 for commercial use.

4. Pursuant to 41 Real Estate Title Certificates, the building ownership of portions of the property with a total gross floor area of approximately 135,368.52 sq.m. has been vested in Wuhan Baishazhou.

5. As advised, the property is held by the Company for investment purpose.

6. The property with a total gross floor area of approximately 134,706.78 sq.m. is subject to mortgage. However, we have not taken into account such mortgage in our valuation.

7. We have been provided with a legal opinion by the Group's PRC legal adviser, Guangdong Top-Win Law Firm (廣東卓盈律師事務所), regarding the legal title of the property, with contains, *inter alia*, the follows:

- i. the property is legally held by Wuhan Baishazhou;
- ii. all land grant premium of the property has been fully settled;
- iii. Wuhan Baishazhou is entitled to freely transfer, lease, mortgage or dispose of the property as a whole in the market;

Wuhan Baishazhou is entitled to freely transfer, lease, mortgage or dispose of portions with real estate title certificates separately in the market;

Wuhan Baishazhou is entitled to occupy or lease the land portion the temporary structures and canopies erected thereon freely in the market; and

- iv. except for the aforesaid mortgage as stated in Note 7, the property is free from any mortgage or third parties' encumbrance.

PROPERTY PARTICULARS AND OPINION OF VALUE

Property	Description and tenure	Particulars of occupancy	Market value as at 31 May 2020 RMB
5. Henan Luoyang Hong-Jin Agri-Products International Logistics Centre, west of Luoji Expressway, Old town district, Luoyang City, Henan Province, the PRC (中華人民共和國河南省洛陽市老城區洛吉快速通道西側洛陽宏進農副產品國際物流中心)	<p>The property comprises unsold portion of a wholesale market mainly consisting of various one-storey to three-storey buildings and structures erected on a parcel of land with a total site area of approximately 255,655.60 sq.m. (2,751,854 sq.ft.).</p> <p>The property comprises various buildings and canopies with a total gross floor area of approximately 208,130.66 sq.m. (2,240,300 sq.ft.) completed in about 2015 for retail, wholesale, storage, office and facility uses.</p> <p>The land use rights of the property have been granted for terms expiring on 10 September 2052 for wholesale and retail uses.</p>	<p>As at valuation date, the property is mainly operated as an agricultural products and by-products wholesale market.</p> <p>Portion of the property is subject to various tenancy agreements while the remaining portion is currently vacant or owner-occupied.</p>	<p>874,000,000 (RENMINBI EIGHT HUNDRED AND SEVENTY FOUR MILLION ONLY)</p> <p>100% interest attributed to the Group: RMB874,000,000</p>

Notes:

- Pursuant to a State Land Use Rights Contract – Yu (Luo) Chu Rang (Year 2012) Di No. 042 (豫(洛)出讓(2012年)第042號), the land use rights of the property with a total site area of approximately 133,408.49 sq.m. have been granted to Luoyang Hong-Jin Agricultural By-products Wholesale Market Company Limited (洛陽宏進農副產品批發市場有限公司) (“**Luoyang Hong-Jin**”), a wholly owned subsidiary of the Company with details as follows:

Restricted items

Parameters

Plot Ratio

No more than 1.4

Site Coverage

No more than 40%

Building Height Restriction

No higher than 40 m

Ratio of Green Space

No more than 20%

Maximum Gross Floor Area

186,771.90 sq.m.

2. Pursuant to a State Land Use Rights Contract – Yu (Luo) Chu Rang (Year 2013) Di No. 080 (豫(洛)出讓(2013年)第080號), the land use rights of the property with a total site area of approximately 122,247.07 sq.m. have been granted to Luoyang Libao Property Co., Ltd. (洛陽利寶置業有限公司) (“**Luoyang Libao**”), a wholly owned subsidiary of the Company, with details as follows:

Restricted items	Parameters
Plot Ratio	No more than 1.4
Site Coverage	No more than 40%
Building Height Restriction	No higher than 40 m
Ratio of Green Space	No more than 20%
Maximum Gross Floor Area	171,145.90 sq.m.

3. Pursuant to State-owned Land Use Rights Certificates – Yu (2018) Luo Yang Shi Bu Dong Chan Quan Di No. 10658482 (豫(2018)洛陽市不動產權第10658482號), the land use rights of the property with a site area of approximately 255,655.60 sq.m. have been granted to Luoyang Hong-Jin for a term expiring on 10 September 2052 for wholesale and retail uses.
4. Pursuant to various Real Estate Title Certificates, the building ownership of portions of the property with a total gross floor area of approximately 136,850.02 sq.m. has been vested in Luoyang Hong-Jin.
5. As advised by the Company, portion of the property with a total gross floor area of approximately 87,183.57 sq.m. is held for sale while the remaining portion is held for investment.
6. The property with a total gross floor area of approximately 12,831.08 sq.m. is subject to a mortgage. However, we have not taken into account such mortgage in our valuation.
7. We have been provided with a legal opinion by the Group’s PRC legal adviser, Guangdong Top-Win Law Firm (廣東卓盈律師事務所), regarding the legal title of the property, with contains, *inter alia*, the follows:
- i. the property is legally held by Luoyang Hong-Jin and Luoyang Libao respectively;
 - ii. all land premium of the property has been fully settled;
 - iii. Luoyang HongJin is entitled to freely transfer, lease, mortgage or dispose of the property as a whole in the market;

 Luoyang HongJin is entitled to freely transfer, lease, mortgage or dispose of portions with real estate title certificates separately in the market;

 Luoyang HongJin is entitled to occupy or lease land portion with the temporary structures and canopies erected thereon freely in the market; and
 - iv. except for the mortgage mentioned in Note 6, the property is free from any mortgage or third parties’ encumbrance.

PROPERTY PARTICULARS AND OPINION OF VALUE

Property	Description and tenure	Particulars of occupancy	Market value as at 31 May 2020 RMB
6. Henan Kaifeng Hong-Jin Agri-Products International Logistics Centre, south of Kaiqi Highway and east of Xilin Public Cemetery, Kaifeng City, Henan Province, the PRC (中華人民共和國河南省開封市開杞公路南側及西林公墓東側河南宏進農副產品國際物流中心)	<p>The property comprises unsold portion of a wholesale market mainly consisting of various one-storey to three-storey buildings and structures erected on 5 parcels of contiguous land with a total site area of approximately 405,576.87 sq.m. (4,365,593 sq.ft.).</p> <p>The property comprises various buildings and canopies with a total gross floor area of approximately 107,354.48 sq.m. (1,155,554 sq.ft.) completed in about 2014 for retail, wholesale, storage, office and facility uses.</p> <p>The land use rights of the property have been granted for a term expiring on 14 May 2053 for wholesale market use.</p>	<p>The property is mainly operated by the owner as an agricultural products and by-products wholesale market.</p> <p>Portion of the property is subject to various tenancy agreements while the remaining portion is currently vacant or owner-occupied.</p>	<p>263,000,000 (RENMINBI TWO HUNDRED AND SIXTY THREE MILLION ONLY)</p> <p>100% interest attributed to the Group: RMB263,000,000</p>

Notes:

- Pursuant to five State Land Use Rights Contracts – Yu (Bian) Chu Rang (Year 2013) Nos. 0345 to 0349 (豫(汴)出讓(2013年)第0345至0349號), the land use rights of the property with a total site area of approximately 408,080.1 sq.m. is granted to Kaifeng Hong-Jin Agricultural By-Products Wholesale Marketplace Limited (開封宏進農副產品批發市場有限公司) (“**Kaifeng Hong-Jin**”), an indirect wholly-owned subsidiary of the Company with details as follows:

Restricted items

Parameters

Plot Ratio	No more than 1.2
Site Coverage	No more than 45%
Building Height Restriction	No more than 24 m and should fulfil the airport clearance height restriction
Ratio of Green Space	No less than 20%
Maximum Gross Floor Area	489,696.12 sq.m.

2. Pursuant to 4 State-owned Land Use Rights Certificates – Bian Fang Di Chan Quan Zheng Di Nos. 252098, 252099, 252100 and 252101 (汴房地產權証第252098、252099、252100、252101號), and a Real Estate Title Certificate – Yu (2019) Kai Feng Shi Bu Dong Chan Quan Zheng Di No. 0002374 (豫(2019)開封市不動產權第0002374號), the land use rights of the property with a total site area of approximately 405,576.87 sq.m. have been granted to Kaifeng Hong-Jin for a term expiring on 14 May 2053 for wholesale market use.

3. Pursuant to various Building Ownership Certificates, the building ownership of portions of the property with a total gross floor area of approximately 42,153.17 sq.m. has been vested in Kaifeng Hong-Jin.

As stated in the legal opinion by the Group’s PRC legal adviser, Guangdong Top-Win Law Firm (廣東卓盈律師事務所), the properties with a total gross floor area of approximately 61,770.62 sq.m. are in the process of applying for relevant title certificates, that there is no legal impediments for Kaifeng Hong-Jin obtain such title certificates and upon obtaining such relevant certificates, Kaifeng Hong-Jin is entitled to transfer, lease, mortgage or dispose of such portion of the property freely in the market respectively.

4. As advised by the Company, portion of the property with a total gross floor area of approximately 9,686.91 sq.m. is held for sale while the remaining portion is held for investment.

5. The subject land with a total site area of approximately 93,708.10 sq.m. is subject to mortgage. However, we have not taken into account such mortgage in our valuation.

6. We have been provided with a legal opinion by the Group’s PRC legal adviser, Guangdong Top-Win Law Firm (廣東卓盈律師事務所), regarding the legal title of the property, with contains, *inter alia*, the follows:

- i. the property is legally held by Kaifeng Hong-Jin;
- ii. all land premium of the property has been fully settled by Kaifeng Hong-Jin;
- iii. Kaifeng Hong-Jin is entitled to freely transfer, lease, mortgage or dispose of the property as a whole in the market;

Kaifeng Hong-Jin is entitled to freely transfer, lease, mortgage or dispose of portions with real estate title certificates separately in the market;

Kaifeng Hong-Jin is entitled to occupy or lease land portion with the temporary structures and canopies erected thereon freely in the market; and

- iv. except for the aforesaid mortgage as stated in Note 5, the property is free from any mortgage or third parties’ encumbrance.

PROPERTY PARTICULARS AND OPINION OF VALUE

Property	Description and tenure	Particulars of occupancy	Market value as at 31 May 2020 RMB
7. Panjin Hong-Jin Agri-Products International Trade City, Xihu Village, Hujia Town, Panshan County, Panjin City, Liaoning Province, the PRC (中華人民共和國遼寧省盤錦市盤山縣胡家鎮西胡村盤錦宏進農副產品國際商貿城)	<p>The property comprises unsold portion of a wholesale market mainly consisting of various one-storey to two-storey buildings and structures erected on 3 parcels of contiguous land with a total site area of approximately 159,774.00 sq.m. (1,719,793 sq.ft.).</p> <p>The property comprises various buildings and canopies with a total gross floor area of approximately 50,841.11 sq.m. (547,249 sq.ft.). completed in about 2016 for retail, wholesale, storage, office and facility uses.</p> <p>The land use rights of the property have been granted for terms expiring on 19 March 2054 for commercial use and 19 March 2084 for residential use.</p>	<p>The completed portion of the property is mainly operated by the owner as an agricultural products and by-products wholesale market.</p> <p>Portion of the property is subject to various tenancy agreements while the remaining portion is currently vacant or owner-occupied.</p>	<p>125,000,000 (RENMINBI ONE HUNDRED AND TWENTY FIVE MILLION ONLY)</p> <p>100% interest attributed to the Group: RMB125,000,000</p>

Notes:

- Pursuant to two State Land Use Rights Contracts – State-owned Land Use Rights Grant Contract No. 2111222014002 and No. 2111222014003 (國有建設用地使用權出讓合同編號2111222014002及2111222014003), the land use rights of the property with a total site area of approximately 120,061 sq.m. have been granted to Panjin Hong-Jin Agricultural By-Products Wholesale Marketplace Limited (盤錦宏進農副產品批發市場有限公司) (“**Panjin Hong-Jin**”), an indirect wholly-owned subsidiary of the Company with details as follows:

Restricted items

Parameters

Plot Ratio	No more than 1.5
Site Coverage	No more than 60%
Building Height Restriction	n/a
Ratio of Green Space	No less than 15%

Maximum Gross Floor Area	180,091.50 sq.m.
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APPENDIX ID VALUATION REPORT OF THE PROPERTIES OF THE CAP GROUP

2. Pursuant to a State Land Use Rights Contract – Stat-owned Land Use Rights Grant Contract No. 2111222014004 (國有建設用地使用權出讓合同編號2111222014004), the land use rights of the property with a total site area of approximately 39,713 sq.m. have been granted to Panjin Hong-Jin with details as follows:

Restricted items	Parameters
Plot Ratio	Between 1.0 and 2.0 (both inclusive)
Site Coverage	No more than 35%
Building Height Restriction	n/a
Ratio of Green Space	No less than 30%
<hr/>	
Maximum Gross Floor Area	79,426.00 sq.m.

3. Pursuant to three State-owned Land Use Rights Certificates, the land use rights of the property with a total site area of approximately 159,774.00 sq.m. have been granted to Panjin Hong-Jin with details as follows:

State-owned Land Use Rights Certificates – Pan Shan Guo Yong (2014) Di No. (盤山國用(2014)第號)	Land use rights expiring date	Permitted usage	Approximate land area (sq.m.)
000015	19 March 2054	Commercial Service	78,816.00
000016	19 March 2054	Commercial Service	41,245.00
000017	19 March 2084	Residential	31,770.00
	19 March 2054	Commercial	7,943.00
		Total:	159,774.00

4. Pursuant to various Building Ownership Certificates, the building ownership with a total gross floor area of approximately 48,050.05 sq.m. has been vested in Panjin Hong-Jin.

5. Pursuant to a Pre-sale Permits the property with a total gross floor area of 39,437.71 sq.m. has been permitted for pre-sale.

6. As advised by the Company, portion of the property with a total gross floor area of approximately 45,125.83 sq.m. is held for sale while the remaining portion is held for investment.

7. We have been provided with a legal opinion by the Group’s PRC legal adviser, Guangdong Top-Win Law Firm (廣東卓盈律師事務所), regarding the legal title of the property, with contains, *inter alia*, the follows:

- i. the property is legally held by Panjin Hong-Jin;
- ii. all land premium of the property has been fully settled by Panjin Hong-Jin;

Panjin Hong-Jin is entitled to freely transfer, lease, mortgage or dispose of the property as a whole in the market;

Panjin Hong-Jin is entitled to freely transfer, lease, mortgage or dispose of portions with real estate title certificates separately in the market;

Panjin Hong-Jin is entitled to occupy or lease the land portion with temporary structures and canopies erected thereon freely in the market; and

- iii. the property is free from any mortgage or third parties’ encumbrance.

PROPERTY PARTICULARS AND OPINION OF VALUE

Property	Description and tenure	Particulars of occupancy	Market value as at 31 May 2020 RMB
8. Henan Puyang Hong-Jin Agri-Products International Logistics Centre, Area No. 033, No. 112 Street, Puyang City, Henan Province, the PRC (中華人民共和國河南省濮陽市112街道033街坊濮陽宏進農副產品國際物流中心)	The property comprises unsold portion of an agricultural wholesale market erected on a parcel of land with a total site area of approximately 87,344.23 sq.m. (940,166 sq.ft.). The property comprises various buildings and canopies with a total gross floor area of approximately 23,651.19 sq.m. (254,579 sq.ft.) completed in about 2020 for retail, wholesale, storage, office and facility uses. The land use rights of the property have been granted for terms expiring on 7 March 2057 for commercial use.	The completed portion of the property is mainly operated by the owner as an agricultural products and by-products wholesale market while the remaining is still vacant and pending for future development.	129,000,000 (RENMINBI ONE HUNDRED AND TWENTY NINE MILLION ONLY) 75% interest attributed to the Group: RMB96,750,000

Notes:

- Pursuant to a State Land Use Rights Contracts – Stat-owned Land Use Rights Grant Contract GF-2008-2601 (國有建設用地使用權出讓合同編號GF-2008-2601), the land use rights of the property with a total site area of approximately 87,344.23 sq.m. have been granted to Puyang Hong-Jin Agricultural By-Products Wholesale Marketplace Limited (濮陽宏進農副產品批發市場有限公司) (“**Puyang Hong-Jin**”), a 75% owned subsidiary of the Company with details as follows:

Restricted items

Parameters

Plot Ratio	No more than 1.2
Site Coverage	No less than 30% and No more than 50%
Building Height Restriction	No more than 30 m
Ratio of Green Space	No less than 10%

Maximum Gross Floor Area

104,813.08 sq.m.

- Pursuant to a State-owned Land Use Rights Certificate – Pu Yang Shi Bu Dong Chan Quan Di No. 0003857 (濮陽市不動產權第0003857號), the land use rights of the property with a total site area of approximately 87,344.23 sq.m. have been granted to Puyang Hong-Jin for a term expiring on 7 March 2057 for commercial use. As advised by the Company, the subject land parcels were acquired on 3 November 2016 at a total land grant premium at RMB24,893,100.
- Pursuant to various Building Ownership Certificates, the building ownership with a total gross floor area of approximately 23,651.19 sq.m. has been vested in Panjin Hong-Jin.

4. As advised, the property is held by the Company for sale and development.
5. We have been provided with a legal opinion by the Group's PRC legal adviser, Guangdong Top-Win Law Firm (廣東卓盈律師事務所), regarding the legal title of the property, with contains, *inter alia*, the follows:
 - i. the property is legally held by Puyang Hong-Jin;
 - ii. Puyang HongJin is entitled to freely transfer, lease, mortgage or dispose of the property as a whole in the market;

Puyang HongJin is entitled to freely transfer, lease, mortgage or dispose of portions with real estate title certificates separately in the market;

Luoyang HongJin is entitled to occupy or lease the land portion with the temporary structures and canopies erected thereon freely in the market; and
 - iii. all land premium of the property has been fully settled by Puyang Hong-Jin; and
 - iv. the property is free from any mortgage or third parties' encumbrance.

PROPERTY PARTICULARS AND OPINION OF VALUE

Property	Description and tenure	Particulars of occupancy	Market value as at 31 May 2020 RMB
<p>9. The Huai'an Hong-Jin Agri-Products International Logistics Centre, north of Bei Huan Lu and east of Hai Nan Lu, Qing Pu District, Huai'an, Jiangsu Province, the PRC</p> <p>(中華人民共和國江蘇省淮安市清浦區北環路北側及海南路東側淮安宏進農副產品國際物流中心)</p>	<p>The property comprises unsold portion of a wholesale market mainly consisting of various one-storey to two-storey buildings and structures erected on 2 parcels of adjacent land with a total site area of approximately 101,630.60 sq.m. (1,093,943sq.ft.).</p> <p>The property comprises various buildings with a total gross floor area of approximately 16,417.58 sq.m. (176,717 sq.ft.) completed in about 2016 for retail, wholesale, storage, office and facility uses.</p> <p>The land use rights of the property have been granted for a term expiring latest on 23 October 2054 for wholesale and retail uses.</p>	<p>As advised by the Company, the completed portion of the property is operated as an agricultural products and by-products wholesale market while the remaining portion is still vacant and pending for future development.</p>	<p>146,000,000 (RENMINBI ONE HUNDRED AND FORTY SIX MILLION ONLY)</p> <p>100% interest attributed to the Group: RMB146,000,000</p>

Notes:

- Pursuant to a State Land Use Rights Contract – State-owned Land Use Rights Grant Contract No. 3208012013CR0045 (國有建設用地使用權出讓合同編號3208012013CR0045), the land use rights of the property with a total site area of approximately 53,178.00 sq.m. have been granted to Huai'an Hong-Jin Agricultural By-Products Wholesale Marketplace Limited (淮安宏進農副產品批發市場有限公司) (“**Huai'an Hong-Jin**”), an indirect wholly-owned subsidiary of the Company, with details as follows:

Restricted items

Parameters

Plot Ratio	No more than 1.2
Site Coverage	No more than 50%
Building Height Restriction	100 m
Ratio of Green Space	No less than 20%

Maximum Gross Floor Area	63,813.60 sq.m.
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2. Pursuant to a State Land Use Rights Contract – Stat-owned Land Use Rights Grant Contract No. 3208012014CR0447 (國有建設用地使用權出讓合同編號3208012013CR0447), the land use rights of the property with a total site area of approximately 48,452.60 sq.m. have been granted to Huai’an Hong-Jin with details as follows:

Restricted items	Parameters
Plot Ratio	No more than 1.2
Site Coverage	No more than 50%
Building Height Restriction	n/a
Ratio of Green Space	No less than 20%
Maximum Gross Floor Area	58,143.12 sq.m.

3. Pursuant to State-owned Land Use Rights Certificates – Huai Guo Yong (2014) Di No. 11012 (淮國用(2014)第11012號), the land use rights of the property with a total site area of approximately 53,178.00 sq.m. was granted to Huai’an Hong-Jin Agricultural By-Products Wholesale Marketplace Limited (淮安宏進農副產品批發市場有限公司) (“**Huai’an Hong-Jin**”), an indirect wholly-owned subsidiary of the Company for a term expiring on 20 June 2054 for wholesale and retail uses. As advised by the Company, the subject land parcels were acquired on 29 January 2013 at a total land grant premium at RMB42,000,000.
4. Pursuant to State-owned Land Use Rights Certificates – Huai Guo Yong (2014) Di No. 17295 (淮國用(2014)第17295號), the land use rights of the property with a total site area of approximately 48,452.60 sq.m. was granted to Huai’an Hong-Jin for a term expiring on 23 October 2054 for wholesale and retail uses. As advised by the Company, the subject land parcels were acquired on 4 September 2014 at a total land grant premium at RMB44,000,000.
5. Pursuant to various Pre-sale Permits, the property with a the total gross floor area of 18,046.86 sq.m. has been permitted for pre-sale.
6. Pursuant to various Building Ownership Certificates, the building ownership with a total gross floor area of approximately 112.18 sq.m., has been vested in Huai’an Hong-Jin.,

As stated in the legal opinion provided by the Group’s PRC legal adviser, Guangdong Top-Win Law Firm (廣東卓盈律師事務所), the properties with a total gross floor area of approximately 13,955.37 sq.m. are in the process of applying for relevant title certificates; and there is no legal impediments for Huai’an Hong-Jin to obtain such title certificates and upon obtaining such relevant certificates, Huai’an Hong-Jin is entitled to transfer, lease, mortgage or dispose of such portion of the property freely in the market respectively.

7. As advised by the Company, portion of the property with a total gross floor area of approximately 13,181.25 sq.m. is held for sale while the remaining portion is held for investment.
8. We have been provided with a legal opinion by the Group’s PRC legal adviser, Guangdong Top-Win Law Firm (廣東卓盈律師事務所), regarding the legal title of the property, with contains, *inter alia*, the follows:
- i. the property is legally held by Huai’an Hong-Jin;
 - ii. all land premium of the property has been fully settled by Huai’an Hong-Jin;
 - iii. Huai’an HongJin Logistics is entitled to freely transfer, lease, mortgage or dispose of the property as a whole in the market;

Huai’an HongJin Logistics is entitled to freely transfer, lease, mortgage or dispose of portions with real estate title certificates separately in the market;

Huai’an HongJin Logistics is entitled to occupy or lease the land portion with the temporary structures and canopies erected thereon freely in the market; and

- iv. the property is free from any mortgage or third parties’ encumbrance.

PROPERTY PARTICULARS AND OPINION OF VALUE

Property	Description and tenure	Particulars of occupancy	Market value as at 31 May 2020 RMB
10. China – ASEAN (Qinzhou) Agri-Products Market, north of Jinhaiwan West Avenue (Entrance of North and South Highway), Qinzhou City, Guangxi Zhuang Autonomous Region, the PRC (中華人民共和國廣西壯族自治區欽州市金海灣西大街北側(南北高速出入口)中國-東盟(欽州)農產品大市場)	The property comprises unsold portion of a wholesale market mainly consisting of various one-storey to two-storey buildings and structures erected on two parcels of adjoining land with a total site area of approximately 266,630.15 sq.m. (2,869,983 sq.ft.). The property comprises various buildings and canopies with a total gross floor area of approximately 152,497.29 sq.m. (1,641,467 sq.ft.) completed in about 2015 for retail, wholesale, storage, office and facility uses. The land use rights of the property have been granted for a term expiring on 13 November 2051 and 29 October 2052 for wholesale and retail uses (agri-products market).	As at valuation date, the property is mainly operated as an agricultural products and by-products wholesale market.	485,000,000 (RENMINBI FOUR HUNDRED AND EIGHTY FIVE MILLION ONLY) 100% interest attributed to the Group: RMB485,000,000

Notes:

- Pursuant to two State Land Use Rights Contract – Qin Shi Tu Chu Zi (2011) No. 47 (欽市土出字(2011)47號) and Qin Shi Tu Chu Zi (2012) No. 45 (欽市土出字(2012)45號), the land use rights of the property with a total site area of approximately 266,630.15 sq.m. have been granted to Qinzhou Hong-Jin Agricultural By-products Wholesale Market Company Limited (欽州宏進農副產品批發市場有限公司) (“**Qinzhou Hong-Jin**”), a wholly owned subsidiary of the Company, for wholesale and retail uses (Agri-products market) with details as follows:

Restricted items

Parameters

Plot Ratio	No more than 1.5
Site Coverage	No more than 50%
Building Height Restriction	No higher than 24 m
Ratio of Green Space	No less than 20%

Maximum Gross Floor Area

399,945.23 sq.m.

2. Pursuant to State-owned Land Use Rights Certificate – Qin Guo Yong (2011) Di No. A1932 (欽國用(2011)第A1932號), the land use rights of the property with a site area of approximately 149,814.97 sq.m. have been granted to Qinzhou Hong-Jin for a term expiring on 13 November 2051 for wholesale and retail uses (agri-products market).
3. Pursuant to State-owned Land Use Rights Certificate – Qin Guo Yong (2013) Di No. A1215 (欽國用(2013)第A1215號), the land use rights of the property with a site area of approximately 116,815.18 sq.m. have been granted to Qinzhou Hong-Jin, for a term expiring on 29 October 2052 for wholesale and retail uses (agri-products market). As advised by the Company, the subject land was acquired on 30 October 2012 at a land grant premium of RMB17,050,000.
4. Pursuant to State-owned Land Use Rights Certificate – Qin Guo Yong (2016) Di No. A0347 (欽國用(2016)第A0347號), the land use rights of the property with a site area of approximately 28,194.01 sq.m. have been granted to Qinzhou Hong-Jin, for a term expiring on 13 November 2051 for wholesale and retail uses (Agri-products market). As advised, site area registered in No. A0347 has been contained in No. A1932.
5. Pursuant to various Building Ownership Certificates, the building ownership of portions of the property with a total gross floor area of approximately 135,873.25 sq.m. has been vested in Qinzhou Hong-Jin.
6. As advised, the property is held by the Company for sale.
7. The property with a total area of approximately 129,160.53 sq.m. is subject to mortgage. However, we have not taken into account such mortgage in our valuation.
8. We have been provided with a legal opinion by the Group’s PRC legal adviser, Guangdong Top-Win Law Firm (廣東卓盈律師事務所), regarding the legal title of the property, with contains, *inter alia*, the follows:
 - i. the property is legally held by Qinzhou Hong-Jin;
 - ii. all land premium of the property has been fully settled by Qinzhou Hong-Jin;

Qinzhou Hong-Jin is entitled to freely transfer, lease, mortgage or dispose of the property as a whole in the market;

Qinzhou Hong-Jin is entitled to freely transfer, lease, mortgage or dispose of portions with real estate title certificates separately in the market;

Qinzhou Hong-Jin is entitled to occupy or lease the land portion with the temporary structures and canopies erected thereon freely in the market; and
 - iii. except for the aforesaid mortgage as stated in Note 7, the property is free from any mortgage or third parties’ encumbrance.

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTERESTS

(a) Directors' interests

Save as disclosed below, as at the Latest Practicable Date, none of the Directors or chief executive of the Company and/or any of their respective associates had any interest or short position 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) (a) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules, to be notified to the Company and the Stock Exchange:

Long positions in the Shares:

Name of Directors	Number of Shares held, capacity and nature of interest				Total	Approximate percentage of the Company's total issued share capital (Note f) %
	Personal interest	Family interest	Corporate interest	Other interest		
Mr. Tang	28,026,339	28,026,300 (Note a)	4,938,375,306 (Note b)	4,989,928,827 (Note c)	9,984,356,772	57.39
Ms. Yau	28,026,300	4,966,401,645 (Note d)	–	4,989,928,827 (Note e)	9,984,356,772	57.39

Notes:

(a) Mr. Tang was taken to be interested in those Shares in which his spouse, Ms. Yau, was interested.

- (b) Mr. Tang was taken to be interested in those Shares in which Caister was interested. Mr. Tang is the sole director and the sole shareholder of Caister.
- (c) Mr. Tang was taken to be interested in those Shares by virtue of being the founder of a discretionary trust, namely Tang's Family Trust.
- (d) Ms. Yau was taken to be interested in those Shares in which her spouse, Mr. Tang, was interested.
- (e) Ms. Yau was taken to be interested in those Shares by virtue of being a beneficiary of Tang's Family Trust.
- (f) The percentages represented the number of Shares over the total issued share capital of the Company as at the Latest Practicable Date of 17,397,520,047 Shares.

Long positions in the underlying shares of share options of EOG, an associated corporation of the Company:

Name of Director	Date of grant	Exercise price per share HK\$	Number of share options outstanding	Exercisable period	Number of underlying shares	Approximate percentage of EOG's total issued share capital
						(Note) %
Mr. Chan Chun Hong, Thomas	23.2.2018	0.48	4,600,000	23.2.2018 – 22.2.2025	4,600,000	0.83

Note: The percentage represented the number of shares over the total issued share capital of EOG as at the Latest Practicable Date of 556,432,500 Shares.

(b) Persons who have interests or short positions in the Shares or underlying Shares which is discloseable under Divisions 2 and 3 of Part XV of the SFO

Save as disclosed below, as at the Latest Practicable Date, no person had, or were deemed or taken to have interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Long Positions in the Shares:

Name of Shareholders	Nature of interests/ Capacity	Number of Shares	Approximate percentage of the Company's total issued share capital (Note 5) %
Caister (Note 1)	Beneficial owner	4,938,375,306	28.39
Accord Power Limited (Note 2)	Beneficial owner – Tang's Family Trust	4,989,928,827	28.68
Fiducia Suisse SA (Note 3)	Interest of controlled corporation – Trustee	4,989,928,827	28.68
Mr. David Henry Christopher Hill (Note 3)	Interest of controlled corporation	4,989,928,827	28.68
Ms. Rebecca Ann Hill (Note 4)	Family interest	4,989,928,827	28.68

Notes:

- (1) Caister is beneficially wholly owned by Mr. Tang, who is an executive Director and the sole director of Caister. Mr. Tang is also a director of Accord Power Limited.
- (2) Accord Power Limited is wholly owned by Fiducia Suisse SA in its capacity as the trustee of Tang's Family Trust. Accordingly, Fiducia Suisse SA was taken to be interested in those Shares held by Accord Power Limited.
- (3) Fiducia Suisse SA is the trustee of the Tang's Family Trust. Fiducia Suisse SA is wholly owned by Mr. David Henry Christopher Hill, and accordingly, Mr. David Henry Christopher Hill was taken to be interested in those Shares in which Fiducia Suisse SA was interested.

- (4) Ms. Rebecca Ann Hill is the spouse of Mr. David Henry Christopher Hill and was therefore taken to be interested in those Shares in which her spouse, Mr. David Henry Christopher Hill, was interested.
- (5) The percentage represented the number of Shares over the total issued share capital of the Company as at the Latest Practicable Date of 17,397,520,047 Shares.

3. DIRECTORS' INTERESTS IN ASSETS/CONTRACTS AND OTHER INTERESTS

- (a) There is no contract or arrangement entered into by any member of the Group subsisting as at the Latest Practicable Date in which any of the Directors is materially interested and which is significant in relation to the business of the Group as a whole.
- (b) As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any assets which had been, since 31 March 2020, being the date on which the latest published audited financial statements of the Company 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.

4. DIRECTORS' INTERESTS IN COMPETING BUSINESS

Mr. Chan Chun Hong, Thomas, the managing Director, is currently the chairman and managing director of EOG, which has been principally engaged in financing business since November 2015, which were overlapping with the financing business of the Group, and thus may compete, or is likely to compete, either directly or indirectly, with the financing business of the Group.

For safeguarding the interests of the Group, the independent non-executive Directors and the audit committee of the Company would on a regular basis review the business and operational results of the Group to ensure, *inter alia*, that the Group's financing business is and continues to be run on the basis that they are independent of, and at arm's length from, those operated by members of EOG.

Save as disclosed above, as at the Latest Practicable Date, to the best knowledge and belief of the Directors after having made all reasonable enquiries, none of the Directors and their respective close associates were considered to have any interests in businesses which competed or were likely to compete, either directly or indirectly, with the businesses of the Group that need to be disclosed pursuant to Rule 8.10 of the Listing Rules.

5. 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 2020, being the date on which the latest published audited consolidated financial statements of the Group were made up.

6. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into, or proposed to enter into, any service contract with the Company or any other member(s) of the Group (excluding contracts expiring or which may be terminated by the Company within a year without payment of any compensation (other than statutory compensation)).

7. EXPERTS AND CONSENTS

The following is the qualification of the experts whose statements have been included in this circular:

Name	Qualification
Merdeka Corporate Finance Limited	a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO
Asset Appraisal Limited	an independent professional valuer
LCH (Asia-Pacific) Surveyors Limited	an independent professional valuer
RHL Appraisal Limited	an independent professional valuer

Each of the above experts has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter or opinion or report or reference to its name in the form and context in which it appears.

As at the Latest Practicable Date, each of the above experts had not 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.

As at the Latest Practicable Date, each of the above experts had not had any direct or indirect interests in any assets which have been, since 31 March 2020 (being the date on 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 which are proposed to be acquired or disposed of by or leased to any member of the Group.

8. GENERAL

- (a) The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The head office and principal place of business of the Company in Hong Kong is at Suite 3202, 32/F., Skyline Tower, 39 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong.

- (b) The company secretary of the Company is Ms. Mak Yuen Ming, Anita. She is an associate member of both The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries.
- (c) The share registrar and transfer office of the Company in Hong Kong is Tricor Tengis Limited of Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (d) The English texts of this circular and the accompanying form of proxy shall prevail over their Chinese texts in case of inconsistencies.

NOTICE OF THE SGM



WANG ON GROUP LIMITED

(宏安集團有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1222)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (the “**SGM**”) of Wang On Group Limited (the “**Company**”) will be held at Grand Ballroom, Lower Ground Level, Hong Kong Gold Coast Hotel, 1 Castle Peak Road, Gold Coast, Hong Kong on Wednesday, 26 August 2020 at 12:30 p.m. for the purpose of considering and, if thought fit, passing, with or without amendment, the following resolution as ordinary resolution of the Company:

ORDINARY RESOLUTION

1. “**THAT:**

- (a) the effective disposal by Wai Yuen Tong Medicine Holdings Limited (“**WYT**”), a listed subsidiary of the Company, of 161,718,625 ordinary share(s) of HK\$0.01 each (“**EOG Share(s)**”) in the share capital of Easy One Financial Group Limited (“**EOG**”) held by WYT or its subsidiaries or any such number of EOG Shares representing WYT’s entire holding in EOG through the cancellation of all such EOG Shares in exchange for Caister Limited (i) transferring to WYT eight (8) ordinary shares of HK\$0.01 each (“**Shares**”) in the share capital of the Company; and (ii) paying to WYT HK\$0.3 per EOG Share (and the resultant acquisition by WYT of the Shares) (the “**WYT Disposal**”), and all the transactions contemplated thereunder, be and are hereby approved, confirmed and ratified; and

* For identification purpose only

NOTICE OF THE SGM

- (b) any one or more of the directors of the Company be and is/are hereby authorised to do all such acts and things and execute all such documents which he/she/they consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the WYT Disposal and the transactions contemplated thereunder.”

By Order of the board of
WANG ON GROUP LIMITED
(宏安集團有限公司)*
Mak Yuen Ming, Anita
Company Secretary

Hong Kong, 24 July 2020

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head office and principal place
of business in Hong Kong:*
Suite 3202, 32/F., Skyline Tower
39 Wang Kwong Road
Kowloon Bay
Kowloon
Hong Kong

Notes:

1. The register of members of the Company will be closed from Tuesday, 18 August 2020 to Monday, 24 August 2020, both dates inclusive, during which period no transfer of shares of the Company (“**Shares**”) will be registered. In order to be entitled to attend and vote at the SGM, all transfers of Shares accompanied by the relevant share certificates and properly completed and signed transfer forms must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration no later than 4:30 p.m. on Monday, 17 August 2020.
2. Any member of the Company (“**Member**”) entitled to attend and vote at the SGM is entitled to appoint another person as his proxy to attend and vote instead of him. A Member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the SGM. A proxy need not be a Member.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same.
4. In order to be valid, a form of proxy, together with any power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority, must be deposited at the Company’s branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong, as soon as practicable and in any event not later than 48 hours before the time appointed for holding the SGM or any adjournment thereof (as the case may be). Completion and delivery of the form of proxy will not preclude Members from attending and voting at the SGM or any adjournment thereof (as the case may be) should they so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked. The record date for the determination of the entitlement to attend and vote at the SGM will be the close of business on Thursday, 20 August 2020.
5. Where there are joint holders of any shares, any one of such holders may vote at the SGM either personally or by proxy in respect of such shares as if he/she was solely entitled thereto provided that if more than one of such joint holders be present at the SGM whether personally or by proxy, the person whose name stands first on the register of members of the Company in respect of such shares shall be accepted to the exclusion of the votes of the other joint holders.
6. The above resolutions will be voted by way of a poll at the SGM.

* *For identification purpose only*