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

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

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長城環亞控股有限公司*
GREAT WALL PAN ASIA HOLDINGS LIMITED
(Incorporated in Bermuda with limited liability)
(Stock Code: 583)

**(1) CONTINUING CONNECTED TRANSACTIONS
IN RELATION TO THE PROPOSED TENANCIES
AND
(2) RE-ELECTION OF DIRECTORS
AND
(3) NOTICE OF SPECIAL GENERAL MEETING**

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



All capitalised terms used in this circular shall have the meanings set out in the section headed “Definitions” on pages 1 to 4 of this circular.

The circular contains, among other things, a letter from the Board, a letter from the Independent Board Committee and a letter from Lego Corporate Finance Limited (as the Independent Financial Adviser) containing its advice to the Independent Board Committee and the Independent Shareholders, all as referred to in the contents page of this circular.

A notice convening the Special General Meeting of Great Wall Pan Asia Holdings Limited at Room 2, United Conference Centre, 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong on Tuesday, 30 April 2019 at 3:00 p.m. is set out at the end of this circular. A form of proxy for use in connection with the Special General Meeting is also enclosed herewith. The form of proxy is also published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.gwpaholdings.com>).

Whether or not you intend to attend and vote at the Special General Meeting in person, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and deliver, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority, to the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 3:00 p.m. on Sunday, 28 April 2019 (of if the Special General Meeting is adjourned, not less than 48 hours before the time appointed for holding the adjourned Special General Meeting). Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the Special General Meeting or any adjournment thereof should you so wish.

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

* For identification purpose only

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DEFINITIONS

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

“Announcement”	the announcement of the Company dated 8 March 2019 in respect of the Proposed Tenancies;
“Annual Cap(s)”	the estimated maximum amount of the Monthly Rents and Service Charges payable by the Tenant to the Landlords in each of the three financial years ending 31 December 2019, 2020 and 2021 during the term of the Proposed Tenancies;
“associate(s)”	has the meaning as ascribed to it under the Listing Rules;
“BoA Premises”	the office units and car parking spaces at the Bank of America Tower owned by the Group, comprising of the 20th Floor and 21st Floor of the Bank of America Tower, and Carpark BA21, BA22 and BA23 on the 4th Floor of the Bank of America Tower;
“Board”	the board of Directors;
“Bye-Laws”	the Bye-Laws of the Company, as amended from time to time;
“close associate”	has the meaning ascribed thereto in the Listing Rules;
“Commencement Date”	subject to the approval of the Independent Shareholders at the Special General Meeting, the date on which the Proposed Tenancies will commence, being 1 May 2019;
“Company”	Great Wall Pan Asia Holdings Limited (長城環亞控股有限公司)*, an exempted company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the Main Board (Stock Code: 583);
“connected person”	has the meaning ascribed to it under the Listing Rules;
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	(a) director(s) of the Company;
“Group”	the Company and its subsidiaries from time to time;

DEFINITIONS

“GW Holding (BVI)”	Great Wall Pan Asia (BVI) Holding Limited, a company incorporated under the laws of the British Virgin Islands with limited liability and a direct wholly-owned subsidiary of Great Wall International;
“HK\$”	Hong Kong dollar, 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 committee of the Board, comprising all the independent non-executive Directors, namely, Dr. Song Ming, Dr. Sun Mingchun and Ms. Liu Yan, formed for the purpose of advising the Independent Shareholders in respect of, among other things, the Proposed Tenancies;
“Independent Financial Adviser”	Lego Corporate Finance Limited, a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, and the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to, among other matters, the fairness and reasonableness of the Proposed Tenancies and the Annual Caps;
“Independent Shareholders”	Shareholders who are not interested in the Proposed Tenancies and other than those who are required to abstain from voting at the Special General Meeting in accordance with the Listing Rules and the applicable law;
“Landlord 1”	Sunny Bright Development Limited 新利輝發展有限公司, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company. Its principal business activity is holding of investment properties for rental;
“Landlord 2”	Sunny Success Development Limited 新利成發展有限公司, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company. Its principal business activity is holding of investment properties for rental;
“Landlords”	Landlord 1 and Landlord 2;

DEFINITIONS

“Latest Practicable Date”	2 April 2019, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular;
“Letter(s) of Offer”	the irrevocable letter(s) of offer from the Tenant to each of Landlord 1 and Landlord 2 offering to rent Premises 1A and Premises 1B from Landlord 1 and Premises 2A and Premises 2B from Landlord 2 respectively (as the case may be);
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Main Board”	the Main Board of the Stock Exchange;
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules;
“Monthly Rent(s)”	(i) in respect of Premises 1A and 1B, HK\$662,580.00 per calendar month, exclusive of rates, Government Rent and Service Charges; and (ii) in respect of Premises 2A and 2B, HK\$664,580.00 per calendar month, exclusive of rates, Government Rent and Service Charges;
“Premises”	Premises 1A, Premises 1B, Premises 2A and Premises 2B collectively;
“Premises 1A”	Portion of the 20th Floor of the Bank of America Tower with saleable area of approximately 6,028 sq. ft.;
“Premises 1B”	Carpark BA21 on the 4th Floor of the Bank of America Tower;
“Premises 2A”	Portion of the 21st Floor of the Bank of America Tower with saleable area of approximately 6,028 sq. ft.;
“Premises 2B”	Carpark BA22 on the 4th Floor of the Bank of America Tower;
“Proposed Tenancies”	the proposed grant of tenancies of the Premises to the Tenant by the Landlords upon the principal terms set out in the Letters of Offer, subject to the approval of the Independent Shareholders at the Special General Meeting;

DEFINITIONS

“Services Charges”	(i) in respect of Premises 1A and 1B, air-conditioning and management charges of HK\$35,327.50 per calendar month, which will be adjusted proportionately according to the actual amount of service charges chargeable to the relevant premises by the building manager; and (ii) in respect of Premises 2A and 2B, air-conditioning and management charges of HK\$35,327.50 per calendar month, which will be adjusted proportionately according to the actual amount of service charges chargeable to the relevant premises by the building manager;
“SFC”	the Securities and Futures Commission of Hong Kong;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (as amended, supplemented or otherwise modified from time to time);
“Share(s)”	ordinary share(s) of HK\$0.10 each in the capital of the Company;
“Shareholder(s)”	holder(s) of Share(s) from time to time;
“Special General Meeting”	the special general meeting of the Company to be held at Room 2, United Conference Centre, 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong on Tuesday, 30 April 2019 at 3:00 p.m., the notice of which is set out at the end of this circular;
“sq. ft.”	square foot or square feet;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Tenant” or “Great Wall International”	China Great Wall AMC (International) Holdings Company Limited 中國長城資產(國際)控股有限公司, a company incorporated in Hong Kong with limited liability and a controlling Shareholder of the Company. The principal business activities of the Tenant are money lending, property investment and financial assets investment; and
“%”	per cent.

LETTER FROM THE BOARD



長城環亞控股有限公司*

GREAT WALL PAN ASIA HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 583)

Executive Directors

Mr. Huang Hu (*Chief Executive Officer*)

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

Non-executive Directors

Mr. Chen Zenan (*Chairman*)

Ms. Lv Jia

Independent Non-executive Directors

Dr. Song Ming

Dr. Sun Mingchun

Ms. Liu Yan

Registered Office

Canon's Court

22 Victoria Street

Hamilton HM12

Bermuda

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

Units 6507-6510, 65/F.

The Center

99 Queen's Road Central

Hong Kong

4 April 2019

To the Shareholders

Dear Sir/Madam,

**(1) CONTINUING CONNECTED TRANSACTIONS
IN RELATION TO THE PROPOSED TENANCIES
AND
(2) RE-ELECTION OF DIRECTORS
AND
(3) NOTICE OF SPECIAL GENERAL MEETING**

INTRODUCTION

Proposed Tenancies

Reference is made to the Announcement in relation to the Proposed Tenancies.

It was announced that, on 8 March 2019, each of Landlord 1 and Landlord 2, being wholly-owned subsidiaries of the Company, received an irrevocable Letter of Offer from the Tenant, being China Great Wall AMC (International) Holdings Company Limited 中國長城資產(國際)控股有限公司 (a controlling Shareholder of the Company), offering to rent Premises 1A and Premises 1B from Landlord 1 and Premises 2A and Premises 2B from Landlord 2, respectively.

LETTER FROM THE BOARD

The Tenant is a controlling Shareholder of the Company by virtue of the Tenant's approximately 74.89% shareholding held in the Company. The Tenant is accordingly a connected person of the Company. Hence, the Proposed Tenancies constitute continuing connected transactions under Chapter 14A of the Listing Rules. The Proposed Tenancies are subject to the announcement, circular, independent shareholders' approval, annual review and reporting requirements in Chapter 14A of the Listing Rules.

The Company will convene the Special General Meeting, at which, among other things, an ordinary resolution will be proposed for the Independent Shareholders to consider and, if thought fit, approve the Proposed Tenancies (including the proposed Annual Caps).

The Independent Board Committee has been established to advise the Independent Shareholders of the Company in respect of, and to make recommendations to the Independent Shareholders on how to vote on the resolution approving the Proposed Tenancies (including the proposed Annual Caps) at the Special General Meeting. Lego Corporate Finance Limited has also been appointed as the Independent Financial Adviser to give its opinion and recommendations to the Independent Board Committee and the Independent Shareholders on the matters in Rules 14A.45(1) to (4) of the Listing Rules, including its opinion as to whether the terms of the Proposed Tenancies are fair and reasonable and whether they are in the interests of the Company and the Shareholders as a whole.

Re-election of Directors

Reference is also made to the announcements of the Company dated 26 November 2018 and 15 March 2019 which announced, among other things, the appointment of Ms. Liu Yan as an independent non-executive Director and Mr. Chen Zenan as the Chairman of the Board and a non-executive Director. Pursuant to Bye-Law 102(B) of the Company's Bye-Laws, Mr. Chen and Ms. Liu who were appointed by the Board to fill casual vacancies shall hold office until the next following general meeting of the Company after their appointments and be subject to re-election at such meeting. Mr. Chen and Ms. Liu will retire and, being eligible, offer themselves for re-election at the Special General Meeting.

Ordinary resolutions will be proposed at the Special General Meeting for the Shareholders to consider, and if thought fit, to approve the re-election of Mr. Chen as a non-executive Director and Ms. Liu as an independent non-executive Director.

Purpose of Circular

The purpose of this circular is (a) to provide the Shareholders with, among other things, the requisite information in relation to (i) the Proposed Tenancies and the proposed Annual Caps; and (ii) the re-election of the retiring Directors; (b) to seek the Independent Shareholders' approval of the Proposed Tenancies and the proposed Annual Caps; (c) to seek the Shareholders' approval of the re-election of the retiring Directors; and (d) to give Shareholders a notice of the Special General Meeting in compliance with the Listing Rules.

LETTER FROM THE BOARD

PRINCIPAL TERMS OF THE PROPOSED TENANCIES

The principal terms of the Proposed Tenancies of the Premises as set out in each Letter of Offer dated 8 March 2019 are similar to each other, and are summarized below:

- Landlords : Landlord 1 – Sunny Bright Development Limited 新利輝發展有限公司, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company. Its principal business activity is holding of investment properties for rental.
- Landlord 2 – Sunny Success Development Limited 新利成發展有限公司, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company. Its principal business activity is holding of investment properties for rental.
- Tenant : China Great Wall AMC (International) Holdings Company Limited 中國長城資產(國際)控股有限公司, a company incorporated in Hong Kong with limited liability and a controlling Shareholder of the Company. The principal business activities of the Tenant are money lending, property investment and financial assets investment.
- Premises : Premises 1A – Portion of the 20th Floor of the Bank of America Tower with saleable area of approximately 6,028 sq. ft..
- Premises 1B – Carpark BA21 on the 4th Floor of the Bank of America Tower.
- Premises 2A – Portion of the 21st Floor of the Bank of America Tower with saleable area of approximately 6,028 sq. ft..
- Premises 2B – Carpark BA22 on the 4th Floor of the Bank of America Tower.
- Premises 1A and Premises 2A are proposed to be used for office use and Premises 1B and 2B are proposed to be used for car parking use.
- Monthly Rent : In respect of Premises 1A and 1B, HK\$662,580.00 per calendar month, exclusive of rates, Government Rent and Service Charges.

LETTER FROM THE BOARD

In respect of Premises 2A and 2B, HK\$664,580.00 per calendar month, exclusive of rates, Government Rent and Service Charges.

Service Charges : In respect of Premises 1A and 1B, air-conditioning and management charges of HK\$35,327.50 per calendar month, which will be adjusted proportionately according to the actual amount of service charges chargeable to the relevant premises by the building manager.

In respect of Premises 2A and 2B, air-conditioning and management charges of HK\$35,327.50 per calendar month, which will be adjusted proportionately according to the actual amount of service charges chargeable to the relevant premises by the building manager.

Commencement : The Proposed Tenancies will commence on the Commencement Date, being 1 May 2019, following the Landlords' acceptance of the Tenant's offers of the Proposed Tenancies.

In compliance with Chapter 14A of the Listing Rules, the Landlords will accept the Tenant's offers only if the Independent Shareholders approve the Proposed Tenancies at the Special General Meeting. If the approval is not granted on or before 30 April 2019 (or such later date as may be set by mutual agreement between the Landlords and the Tenant in writing prior to that date), the Tenant's offers will lapse automatically.

Term of Proposed Tenancies : Commencing on the Commencement Date and expiring on 31 December 2021, both dates inclusive.

Rent-free Period : The Tenant shall not be entitled to any rent-free period.

Deposit payable by the Tenant : in respect of Premises 1A and 1B, HK\$2,093,722.50.
in respect of Premises 2A and 2B, HK\$2,099,722.50.

The terms of the Proposed Tenancies (including, in particular, the Monthly Rent and Service Charges) as set out in the Letters of Offer were negotiated between the Landlords and the Tenant after arm's length negotiations with reference to, among other things, the prevailing monthly rent chargeable for other comparable office units/car parking spaces.

LETTER FROM THE BOARD

Subject to the approval of the Proposed Tenancies by the Independent Shareholders at the Special General Meeting, the Landlords and the Tenant will negotiate in good faith and use their reasonable endeavours to enter into a formal tenancy agreement which shall contain the principal terms in the Letters of Offer and other customary terms, conditions, representations and warranties which are generally common to transactions of similar nature as mutually agreed between the parties. If a formal tenancy agreement is not executed by the Tenant for any reason, the terms of the tenancy agreement between the Landlords and the immediately preceding tenant of the Premises, to the extent not inconsistent with the principal terms in the Letters of Offer, shall be deemed to be applied to and incorporated in the tenancy agreement *mutatis mutandis*.

ANNUAL CAPS

The following table sets out the Annual Caps in respect of the Proposed Tenancies for each of the three financial years ending 31 December 2019, 2020 and 2021. The amount of each Annual Cap is calculated by aggregating the Monthly Rent and Service Charges (under the assumption that there will be a 10% increment in the service charges in each of the years starting from 1 January 2020 and 1 January 2021) payable by the Tenant in each financial year.

Annual Cap for the financial year ending 31 December 2019	Annual Cap for the financial year ending 31 December 2020	Annual Cap for the financial year ending 31 December 2021
HK\$11,182,520.00 [#]	HK\$16,858,566.00	HK\$16,951,831.00

[#] the proposed Annual Cap for the financial year ending 31 December 2019 is estimated on the assumption that the Proposed Tenancies will commence on 1 May 2019.

REASONS FOR AND BENEFITS OF THE PROPOSED TENANCIES

The Group's current head office is located at several office units in Central leased from third party landlord. The Group has decided to relocate its head office to its self-owned premises on the 20th and 21st Floors of the Bank of America Tower as soon as the current tenancy agreements with the third party tenant at the BOA Premises expire. The Board believes that the relocation proposal will (a) provide sufficient office space to cater for the future development and/or expansion of the Group; (b) reduce the exposure of the Group to future rental expenditure increment; and (c) ensure the continuity of its operation.

The manner of allocation of use of the office space in the BOA Premises is set pursuant to the Group's specific requirements which require (a) the 21st Floor of the BOA Premises to be allocated to the Group's core business departments with conference rooms built in on that floor to facilitate client meetings in day-to-day business; and (b) the 20th Floor of the BOA Premises to be assigned to the Group's administration and supporting departments and data storage. One of the main purposes of this set-up is to enable the Group to establish Chinese-wall arrangements to better protect and manage the flow of confidential information

LETTER FROM THE BOARD

and data belonged to the Group and its clients, including those customers of the asset management teams of the Group. The Group's back office functions will be located on a different floor separated from the Group's business units, including the asset management teams, which handle commercial sensitive and personal information on a day-to-day basis. The internal office of the Group on the 21st Floor of the BOA Premises will also be sufficiently shielded by the physical barriers around the built-in conference room areas for daily meetings with external visitors and customers.

The controlling Shareholder of the Company, Great Wall International, approached the Company in or around August 2018 and expressed interest in renting the office units and the car parking spaces at the Bank of America Tower currently owned by the Group. After balancing the space needs of the Group's existing business scale and future expansion and development and the size of the Group's crew in Hong Kong, the Group determined that only half of each of the 20th Floor and 21st Floor of the BOA Premises will be available for leasing out. Great Wall International, which shared the same idea to separate its business functions and back office functions, then engaged in negotiations with the Group on the lease terms, which are set out in the Letters of Offer and are summarized in the part headed "PRINCIPAL TERMS OF THE PROPOSED TENANCIES" of this section. The Board believes that the rents earned from leasing out its surplus office capacity will benefit the Group by making full use of its resources for the benefits of the Company and its Shareholders.

The terms of the Proposed Tenancies (including, in particular, the Monthly Rent and Service Charges) as set out in the Letters of Offer were negotiated between the Landlords and the Tenant after arm's length negotiations with reference to, among other things, the prevailing monthly rent chargeable for other comparable office units/car parking spaces. The Group has engaged an independent property valuer to assess the fair market rent of the Premises. The Monthly Rents of the Proposed Tenancies are in line with the indicative open market rent appraised by the independent property valuer, which are estimated to be approximately HK\$109.00 per sq. ft. for Premises 1A and HK\$109.30 per sq. ft. for Premises 2A and HK\$5,580.00 for each of Premises 1B and 2B. The Service Charges are to reimburse the Landlords for the outgoings payable to the management company/building manager for management services rendered in respect of the Premises and air-conditioning charges during the term of the Proposed Tenancies.

The Directors consider that the terms of the Proposed Tenancies were arrived at after arm's length negotiations and are on normal commercial terms. The BOA Premises (including the Premises) are currently held as investment properties by the Group for rental income purpose. They will be idle after the expiration of the current tenancy agreements with the third party tenant on 30 April 2019. The Proposed Tenancies will bring a stable stream of income to the Company by charging the Tenant monthly rents which are in line with the indicative open market rents. Moreover, since half of each of the 20th Floor and 21st Floor of the Bank of America Tower will be used as the head office of the Group, the Group will benefit from the Proposed Tenancies by leasing out its unused office capacity to the Tenant and receiving rental income in return.

LETTER FROM THE BOARD

The Directors (excluding the independent non-executive Directors who have formed the Independent Board Committee whose views are set out in the Letter from the Independent Board Committee in this circular) consider that the terms of the Proposed Tenancies (i) have been reached after arm's length negotiations among the parties, (ii) are fair and reasonable, (iii) are on normal commercial terms or better and in the ordinary and usual course of business of the Group, and (iv) are in the interests of the Company and its Shareholders as a whole.

As disclosed above, the Group currently rents some office units in Central from third party landlord as its head office. The current tenancy agreement of the Group with the third party landlord will expire on 31 December 2019. As renovation work will be done to the BOA Premises for use as the head office of the Group after the existing third party tenant at the BOA Premises moves out upon the expiration of the current tenancy agreements at the BOA Premises on 30 April 2019, the Group plans to relocate its head office to the BOA Premises in or around October 2019. After the relocation of its head office to the BOA Premises, the Group will commence cleaning and varnishing work of the said office units in Central in accordance with the provisions of the tenancy agreement with the third party landlord before delivering the same in bare shell to the third party landlord upon the expiration of the current tenancy agreement on 31 December 2019.

ASSUMPTIONS AND APPROACH ADOPTED BY THE INDEPENDENT VALUER

Assumptions adopted by the Independent Valuer

The independent valuer in its valuation report in relation to the BOA Premises adopted the following major assumptions:

- (a) it is assumed that the BOA Premises will be leased for a fixed term of three years without rent-free period at a monthly rent exclusive of rates, government rent and management charges; and
- (b) it is assumed that the BOA Premises will be delivered on vacant possession and bare shell basis.

The valuation report is also subject to certain other assumptions and limitations as stated therein, including, among others:

1. the valuation is based on available information as at the date of valuation and no warranty is given as to the maintenance of the value into the future;
2. it is assumed that there are no easements or encumbrances not disclosed in the title search from the Land Registry which may affect the market rent;

LETTER FROM THE BOARD

3. it is assumed that the floor areas have been measured in accordance with HKIS' Code of Measuring Practice or as specifically instructed by the instructing party;
4. the valuation contains information which is derived from other sources and such information has not been independently verified by the independent valuer unless otherwise stated.

The Board considered that the major assumptions are reasonable in that they concur with the principal terms of the Proposed Tenancies subject to which the Proposed Tenancies may be granted. The Board also reviewed the other assumptions and limitations of the valuation report and considered that they are reasonable.

Approach adopted by the Independent Valuer – Direct Comparison Approach

In obtaining the appraised monthly market rents of Premises 1A and Premises 2A, the independent valuer has adopted the direct comparison approach by making reference to the monthly rents of the existing tenancies of the BOA Premises leased to third parties and the monthly rents of other comparable premises (“**Office Premises Comparables**”) registered in the Land Registry which include premises on other floors of the Bank of America Tower and premises at Far East Financial Center. The independent valuer has identified the Office Premises Comparables principally based on the criteria that (a) such premises are (i) located in the same district as Premises 1A and Premises 2A; and (ii) of similar nature, grading and age as Premises 1A and Premises 2A; and (b) the relevant tenancies were agreed within approximately two years preceding the date of valuation.

In obtaining the appraised monthly market rents of Premises 1B and Premises 2B, the independent valuer has adopted the direct comparison approach by making reference to the monthly rents of comparable car parking spaces (the “**Car Parking Space Comparables**”) available for lease in the market which include car parking spaces at the Bank of America Tower, Town Hall and Star Ferry Pier. The independent valuer has identified the Car Parking Space Comparables based on the criteria that (a) such car parking spaces are located in the same district as Premises 1B and Premises 2B; and (b) the offers of leases for such car parking spaces were available as at the date of valuation.

The Board considered that the direct comparison approach was the most appropriate approach in conducting the valuation on the monthly market rents of the Premises on the ground that (i) the market information on the Office Premises Comparables and the Car Parking Space Comparables is readily available; and (ii) it is a common market practice to value the market rentals of office premises and car parking spaces in Hong Kong using the direct comparison approach.

LETTER FROM THE BOARD

LISTING RULES IMPLICATIONS

Each of the Landlords is wholly-owned by the Company. As at Latest Practicable Date, the Tenant is a controlling Shareholder of the Company by virtue of the Tenant's approximately 74.89% shareholding held in the Company. The Tenant is accordingly a connected person of the Company. Hence, the Proposed Tenancies constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

Based on the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) (other than profits ratio) calculated by using the highest Annual Cap under the Proposed Tenancies, the Proposed Tenancies do not qualify for the de minimis transactions set out in Rule 14A.76(1) or Rule 14A.76(2) of the Listing Rules. Hence, the Proposed Tenancies are subject to the announcement, circular, independent shareholders' approval, annual review and reporting requirements under Chapter 14A of the Listing Rules. The Company will convene the Special General Meeting, at which an ordinary resolution will be proposed for the Independent Shareholders to consider and, if thought fit, approve the Proposed Tenancies (including the proposed Annual Caps).

Mr. Huang Hu, who is also a director of the Tenant, had abstained from voting on the resolution of the Board in respect of the Proposed Tenancies and the proposed Annual Caps. Mr. Chen Zenan, who is also a director of the Tenant, has not been appointed as a Director when the resolution of the Board was passed in respect of the Proposed Tenancies and the proposed Annual Caps. Save as disclosed, none of the Directors has any material interest in the Proposed Tenancies and the proposed Annual Caps.

INFORMATION ON THE GROUP, THE LANDLORDS AND THE TENANT

The Company was incorporated in Bermuda on 30 April 1990 as an exempted company with limited liability and is listed on the Main Board. The Group is principally engaged in (i) property investment business and (ii) provision of financial services.

Landlord 1 (Sunny Bright Development Limited 新利輝發展有限公司) is a company incorporated in Hong Kong with limited liability and its principal business activity is holding of investment property for rental.

Landlord 2 (Sunny Success Development Limited 新利成發展有限公司) is a company incorporated in Hong Kong with limited liability and its principal business activity is holding of investment property for rental.

The Tenant (China Great Wall AMC (International) Holdings Company Limited 中國長城資產(國際)控股有限公司) is a company incorporated in Hong Kong with limited liability and its principal business activities are money lending, property investment and financial assets investment.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

It was announced on 26 November 2018 and 15 March 2019 that (i) Ms. Liu Yan was appointed as an independent non-executive Director; and (ii) Mr. Chen Zenan was appointed as a non-executive Director and the Chairman of the Board, respectively.

Mr. Chen Zenan and Ms. Liu Yan who were appointed by the Board to fill the casual vacancies shall hold office until the next following general meeting of the Company after their appointments and be subject to re-election at such meeting pursuant to Bye-Law 102(B) of the Company's Bye-Laws. Both retiring Directors will retire and, being eligible, offer themselves for re-election at the Special General Meeting.

Ordinary resolutions will be proposed at the Special General Meeting for the shareholders to consider, and if thought fit, to approve the re-election of Mr. Chen as a non-executive Director and Ms. Liu as an independent non-executive Director. The following are details of each of Mr. Chen and Ms. Liu.

(1) Mr. Chen Zenan

Non-executive Director

Mr. Chen Zenan, aged 56, was born in Chaozhou City, Guangdong Province. Mr. Chen holds a postgraduate degree in economics and holds the title of senior economist. Mr. Chen has been a non-executive Director, the Chairman of the Board, the Chairman of the Nomination Committee and a member of the Audit Committee of the Company since 15 March 2019. He has engaged in finance-related work since 1979 and has 40 years of experience in finance field. He served as the vice president and deputy secretary of the Party affairs committee of the Chaozhou Branch of Agricultural Bank of China; the director of the finance department, Party member, deputy general manager, secretary of the Commission for discipline inspection, deputy Party secretary, Party secretary and general manager of the Guangzhou office of China Great Wall Asset Management Co., Ltd. ("GWAMCC"); the director and chairman of the board of directors of Guangzhou Zhongchangxin Investment Management Co., Ltd. (廣州中長信投資管理有限公司). He has served as the chief operating officer of GWAMCC since February 2015 and he has served as a director and chairman of the board of directors of Great Wall International since January 2018.

Mr. Chen has entered into a letter of appointment with the Company pursuant to which he was appointed as a non-executive Director for an initial term of three years commencing from 15 March 2019, unless terminated in accordance with the said letter of appointment. He is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Bye-Laws.

LETTER FROM THE BOARD

As at the Latest Practicable Date, Mr. Chen did not have any interest or short positions in any Shares or underlying Shares in or any debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO as recorded in the register required to be kept under section 352 of Part XV of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Mr. Chen does not receive any director's fees/emoluments from the Group for services provided to the Company in his capacity as a non-executive Director, the Chairman of the Board, the Chairman of the Nomination Committee and a member of the Audit Committee.

Save as disclosed above, as at the Latest Practicable Date, Mr. Chen (i) did not hold any directorship in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas; (ii) did not hold any other position with the Company or its subsidiaries; (iii) did not have any relationship with any other Directors, senior management, or substantial or controlling Shareholders; and (iv) did not have other major appointments and professional qualifications.

Save for the information disclosed above, as at the Latest Practicable Date, there was no other information of Mr. Chen that was discloseable pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, nor were there any other matters that need to be brought to the attention of the Shareholders.

(2) Ms. Liu Yan

Independent non-executive Director

Ms. Liu, aged 48, obtained a bachelor's degree in economics from Central University of Finance and Economics in 1992 and obtained a master's degree in Business Administration from University of Rochester in 2005. She is a member of Chinese Institute of Certified Public Accountants (CICPA) and has passed all three levels for Chartered Financial Analyst (CFA) Program. Ms. Liu has been an independent non-executive Director and the Chairlady of the Audit Committee of the Company since 26 November 2018. Ms. Liu has over 20 years of experience in auditing, financial management, taxation and fund management. From 1992 to 1994, Ms. Liu worked at Brilliance Group Holdings Limited in Shanghai. From 1994 to 2001, she worked at PricewaterhouseCoopers in Guangzhou. From 2005 to 2007, she worked at the Global Financial Risk Management Department at Barclays Capital in New York City. From 2007 to 2010, Ms. Liu served as the vice president at Angelo Gordon Asia Limited. From 2010 to 2015, she served as the managing director of Investment Management Department and Fund Management Department at China Everbright Limited (Hong Kong). From November 2016 to September 2018, Ms. Liu served as an independent non-executive director of U Banquet Group Holding Limited (stock code: 1483), a company listed on the Main Board. She is currently an independent non-executive director of Tai United Holdings Limited (stock code: 718) and Haitong International Securities Group Limited (stock code: 665), both of which are listed on the Main Board.

LETTER FROM THE BOARD

Ms. Liu has entered into a letter of appointment with the Company pursuant to which she was appointed as an independent non-executive Director for an initial term of three years commencing from 26 November 2018, unless terminated in accordance with the said letter of appointment. She is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Bye-Laws.

As at the Latest Practicable Date, Ms. Liu did not have any interest or short positions in any Shares or underlying Shares in or any debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO as recorded in the register required to be kept under section 352 of Part XV of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Ms. Liu is entitled to receive director's fees of HK\$180,000 per annum from the Group for services provided to the Company in her capacity as an independent non-executive Director. She does not receive any director's fees as the Chairlady of the Audit Committee of the Company. The emoluments of Ms. Liu are determined by the Board with reference to her duties and responsibilities with the Company and the Company's remuneration policy and are subject to review by the Remuneration Committee from time to time. Her emoluments are covered by the letter of appointment issued by the Company and any subsequent revision approved by the Board.

Save as disclosed above, as at the Latest Practicable Date, Ms. Liu (i) did not hold any directorship in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas; (ii) did not hold any other position with the Company or its subsidiaries; (iii) did not have any relationship with any other Directors, senior management, or substantial or controlling Shareholders; and (iv) did not have other major appointments and professional qualifications.

Save for the information disclosed above, as at the Latest Practicable Date, there was no information of Ms. Liu that was discloseable pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, nor were there any other matters that need to be brought to the attention of the Shareholders.

Nomination Procedures

The Nomination Committee is primarily responsible for identifying and nominating, for approval by the Board, suitably qualified candidates to become members of the Board as additional directors or to fill casual vacancies. The Nomination Committee identifies candidates for directorship from various channels, including but not limited to internal promotion and referral by management. The Nomination Committee may also receive nomination of candidates for election as Director(s) from Shareholder(s). After the candidates are identified, the Nomination Committee will consider the biographical information of the candidates and evaluate the candidates based on certain criteria and make recommendation to the Board accordingly.

LETTER FROM THE BOARD

A range of factors are taken into consideration to identify a suitably qualified candidate. These include:

- character and integrity of the candidate
- educational background, qualifications (including professional qualifications), knowledge and professional and industry experience of the candidate which are relevant to the business and operation of the Group
- time commitment of the candidate to the Group, taking into consideration the other duties of the candidates
- the board diversity policy of the Company

Further information in relation to the re-election of Ms. Liu Yan as an independent non-executive Director

Ms. Liu Yan was nominated by the Nomination Committee of the Company and approved by the Board as an independent non-executive Director on 26 November 2018 to fill the causal vacancy caused by the resignation of an ex-director of the Company, after taking into consideration of (i) her educational background, expertise, knowledge and work experience having regard to the board diversity policy adopted by the Board; and (ii) the independence confirmation of Ms. Liu pursuant to Rule 3.13 of the Listing Rules.

The board diversity policy sets out that the selection of candidate to become Board member shall be based on a range of diversified perspectives with reference to the Company's business model and specific needs from time to time, including but not limited to gender, age, cultural and educational background, professional and industry experience, knowledge and time commitments. The Nomination Committee and the Board noted that Ms. Liu has extensive experience in different fields and professions, including auditing, financial management, taxation and fund management and she is also a member of CICPA and passed all three levels of CFA Program, which bring the appropriate professional qualifications and accounting and related financial management expertise to the Company. In addition, her educational background, experience and practice allow her to provide valuable and relevant insights and contribute to the diversity of the Board. Ms. Liu is a director for two other listed companies and the Board is of the view that she can give sufficient time and attention to the Company's affairs. The Board has greatly benefited from her contribution since her appointment as an independent non-executive Director and the Chairlady of the Audit Committee of the Company. The Nomination Committee of the Company has also assessed the independence of Ms. Liu and considers that she has satisfied the criteria as set out in Rule 3.13 of the Listing Rules. To the best knowledge of the Directors, as at the Latest Practicable Date, the Company is not aware of any matters or events that may occur and affect the independence of Ms. Liu as an independent non-executive Director.

In view of the above, the Board believes that Ms. Liu is independent and should be elected.

LETTER FROM THE BOARD

SPECIAL GENERAL MEETING, PROXY ARRANGEMENT AND CLOSURE OF REGISTER OF MEMBERS

Set out at the end of this circular is a notice convening the Special General Meeting to be held at Room 2, United Conference Centre, 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong on Tuesday, 30 April 2019 at 3:00 p.m.. A form of proxy for use in connection with the Special General Meeting is enclosed with this circular.

At the Special General Meeting, the Shareholders or the Independent Shareholders (as the case may be) will be asked to consider and, if thought fit, pass the ordinary resolutions in the terms set out in the notice of Special General Meeting to approve (i) the Proposed Tenancies and the proposed Annual Caps, (ii) the re-election of Mr. Chen as a non-executive Director and (iii) the re-election of Ms. Liu as an independent non-executive Director. In compliance with Rule 13.39(4) of the Listing Rules, all resolutions to be proposed at the Special General Meeting will be voted by poll. The voting results of the Special General Meeting will be announced in the manner prescribed under Rule 13.39(5) of the Listing Rules.

In accordance with the Listing Rules, Shareholder with material interests and its associates must abstain from voting on the resolutions approving such matter at the Special General Meeting.

Since GW Holding (BVI) is a subsidiary of the Tenant, GW Holding (BVI) is regarded to have a material interest in the Proposed Tenancies and is required to abstain from voting on the resolution approving the Proposed Tenancies and the proposed Annual Caps at the Special General Meeting in accordance with Chapter 14A of the Listing Rules. As at the Latest Practicable Date, Great Wall (International) was holding indirectly, through GW Holding (BVI), a total of 1,174,018,094 Shares (representing approximately 74.89% of the issued share capital of the Company).

The Tenant and its wholly-owned subsidiary(ies) holding shares in the Company are required to abstain from voting on such resolution at the Special General Meeting.

Whether or not you intend to attend and vote at the Special General Meeting in person, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and deliver, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 3:00 p.m. on Sunday, 28 April 2019 (or if the Special General Meeting is adjourned, not less than 48 hours before the time appointed for holding the adjourned Special General Meeting). Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the Special General Meeting or any adjournment thereof should you so wish.

LETTER FROM THE BOARD

For determining the entitlement to attend and vote at the Special General Meeting, the register of members of the Company will be closed from Wednesday, 24 April 2019 to Tuesday, 30 April 2019, both dates inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the Special General Meeting, all duly completed and signed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 23 April 2019.

RECOMMENDATIONS

Dr. Song Ming, Dr. Sun Mingchun and Ms. Liu Yan are independent non-executive Directors. None of them have any interests in the Proposed Tenancies. They have been appointed to establish the Independent Board Committee to advise the Independent Shareholders of the Company in respect of the Proposed Tenancies and the proposed Annual Caps. The advice and recommendations of the Independent Board Committee to the Independent Shareholders on how to vote on the resolution approving the Proposed Tenancies (including the proposed Annual Caps) at the Special General Meeting are set out in the Letter of Independent Board Committee in this circular.

Lego Corporate Finance Limited has been appointed as the Independent Financial Adviser, whose opinion and recommendations to the Independent Board Committee and the Independent Shareholders on the matters in Rules 14A.45(1) to (4) of the Listing Rules, including its opinion as to whether the terms of the Proposed Tenancies are fair and reasonable and whether they are in the interests of the Company and the Shareholders as a whole, are set out in the letter from Independent Financial Adviser in this circular.

The Directors (excluding the independent non-executive Directors who have formed the Independent Board Committee whose views are set out in the Letter from the Independent Board Committee in this circular) are of the view that the terms of the Proposed Tenancies (including the proposed Annual Caps) (i) have been reached after arm's length negotiations among the parties, (ii) are fair and reasonable, (iii) are on normal commercial terms or better and in the ordinary and usual course of business of the Group, and (iv) are in the interests of the Company and its Shareholders as a whole.

Consistent with the recommendations of the Independent Board Committee and the Independent Financial Adviser, the Board recommends the Independent Shareholders to vote in favour of the proposed ordinary resolution regarding the Proposed Tenancies (including the proposed Annual Caps) as set out in the notice of the Special General Meeting.

The Board believes that the re-election of the retiring Directors is in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the relevant resolutions to be proposed at the Special General Meeting in relation to the re-election of Mr. Chen and Ms. Liu as Director.

LETTER FROM THE BOARD

ADDITIONAL INFORMATION

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

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

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

The following is the text of the letter of recommendation from the Independent Board Committee to the Independent Shareholders prepared for the purpose of incorporation in this circular.



長城環亞控股有限公司*

GREAT WALL PAN ASIA HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 583)

4 April 2019

To the Independent Shareholders

Dear Sir/Madam,

CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE PROPOSED TENANCIES

We refer to the circular issued by the Company to the Shareholders dated 4 April 2019 of which this letter forms part (the “**Circular**”) which contains notice of Special General Meeting. Capitalised terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

We have been appointed by the Board as members to form the Independent Board Committee and to advise you in respect of the Proposed Tenancies and the proposed Annual Caps. Lego Corporate Finance Limited has been appointed as the Independent Financial Adviser to advise us and the Independent Shareholders on the matters in Rules 14A.45(1) to (4) of the Listing Rules, including its opinion as to whether the terms of the Proposed Tenancies are fair and reasonable and whether they are in the interests of the Company and the Shareholders as a whole. None of the members of the Independent Board Committee has any direct or indirect interest in the Proposed Tenancies.

We wish to draw your attention to the Letter from the Board which forms part of the Circular.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

We have considered the principal factors and reasons considered by Lego Corporate Finance Limited and its advice as set out in its letter which forms part of the Circular. On such basis, it is our advice to you as the Independent Shareholders that the Proposed Tenancies are on normal commercial terms and in the ordinary and usual course of business of the Group. We also consider that (a) the terms of the Proposed Tenancies and the transactions thereunder, and (b) the Annual Caps, are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the Special General Meeting to approve the Proposed Tenancies (including the proposed Annual Caps).

Yours faithfully,
For and on behalf of
Independent Board Committee of
Great Wall Pan Asia Holdings Limited

Dr. Song Ming

Dr. Sun Mingchun
Independent non-executive Directors

Ms. Liu Yan

* *For identification purpose only*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the full text of the letter from the Independent Financial Adviser setting out its advice to the Independent Board Committee and the Independent Shareholders in respect of the Proposed Tenancies (including the proposed Annual Caps), which has been prepared for the purpose of inclusion in this Circular.



4 April 2019

*To: The Independent Board Committee and the Independent Shareholders of
Great Wall Pan Asia Holdings Limited*

Dear Sir/Madam,

CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE PROPOSED TENANCIES

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Proposed Tenancies (including the proposed Annual Caps), details of which are set out in the announcement of the Company dated 8 March 2019 and the letter from the Board (the “**Letter from the Board**”) contained in the circular of the Company dated 4 April 2019 (the “**Circular**”), of which this letter forms part. Unless otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the Circular.

On 8 March 2019, each of Landlord 1 and Landlord 2, being wholly-owned subsidiaries of the Company, received the irrevocable Letter of Offer from the Tenant, being a controlling shareholder of the Company, offering to rent Premises 1A and Premises 1B from Landlord 1 and Premises 2A and Premises 2B from Landlord 2, respectively.

Each of the Landlords is wholly-owned by the Company. As at the Latest Practicable Date, the Tenant is a controlling shareholder of the Company by virtue of the Tenant’s approximately 74.89% shareholding held in the Company. The Tenant is accordingly a connected person of the Company and the Proposed Tenancies constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

Based on the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) (other than profits ratio) calculated by using the highest Annual Cap for the Proposed Tenancies, the Proposed Tenancies do not qualify for the de minimis transactions set out in

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Rule 14A.76(1) or Rule 14A.76(2) of the Listing Rules. Hence, the Proposed Tenancies are subject to the announcement, circular, independent shareholders' approval, annual review and reporting requirements under Chapter 14A of the Listing Rules.

The Special General Meeting will be held to consider and, if thought fit, pass the ordinary resolution to approve, among other things, the Proposed Tenancies (including the proposed Annual Caps). The Tenant and its wholly-owned subsidiary(ies) holding shares in the Company are required to abstain from voting on such resolution to be proposed at the Special General Meeting.

THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprising all the independent non-executive Directors, namely Dr. Song Ming, Dr. Sun Mingchun and Ms. Liu Yan, has been established by the Company to advise the Independent Shareholders as to whether the terms of the Proposed Tenancies (including the proposed Annual Caps) are fair and reasonable, are in the interests of the Company and the Independent Shareholders as a whole, and how to vote on the relevant resolution at the Special General Meeting.

We, Lego Corporate Finance Limited, have been appointed by the Company as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of Proposed Tenancies (including the proposed Annual Caps) are on normal commercial terms or better, fair and reasonable as far as the Independent Shareholders are concerned, and in the interests of the Company and the Independent Shareholders as a whole, and advise the Independent Shareholders on how to vote at the Special General Meeting. Our appointment as the Independent Financial Adviser has been approved by the Independent Board Committee.

During the past two years immediately preceding and up to the date of our appointment as the Independent Financial Adviser, save for the engagement in connection with the Proposed Tenancies (including the proposed Annual Caps), we had not been engaged by the Company for the provision of other services that would affect our independence. Apart from the normal professional fees for our services to the Company in connection with the engagement to act as the Independent Financial Adviser in respect of the Proposed Tenancies, no other arrangement exists whereby we shall receive any fees and/or benefits from the Group. As at the Latest Practicable Date, we were not aware of any other relationships or interests between us and the Group, or any of its respective substantial shareholders, directors or chief executives, or of its respective associates that could reasonably be regarded as relevant to our independence. We are independent under Rule 13.84 of the Listing Rules to act as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in connection with the Proposed Tenancies (including the proposed Annual Caps).

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

BASIS OF OUR ADVICE

In formulating our opinion and recommendations, we have reviewed, inter alia, the announcement of the Company dated 8 March 2019, an appraisal report (the “**Valuation Report**”) on the appraised market rents of the Premises as prepared by an independent professional valuer, CBRE Limited (the “**Independent Valuer**”), the announcement of the Company dated 15 March 2019 in relation to the annual results of the Group for the year ended 31 December 2018 (the “**2018 Annual Results Announcement**”). We have also reviewed certain information provided by the management of the Company (the “**Management**”) relating to the operations, financial condition and prospects of the Group. We have also (i) considered such other information, analyses and market data which we deemed relevant; and (ii) conducted discussions with the Management regarding, among others, the terms of the Proposed Tenancies (including the proposed Annual Caps) and the businesses and future outlook of the Group. We have assumed that such information and statements, and any representation made to us, which we have relied upon them in formulating our opinion, are true, accurate and complete in all material respects as of the Latest Practicable Date and the Shareholders will be notified of any material changes after the despatch of this Circular, if any, as soon as possible.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Circular and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in the Circular have been arrived at after due and careful consideration and there are no other facts not contained in the Circular, the omission of which would make any statement herein or in the Circular misleading. We consider that we have been provided with, and we have reviewed, all currently available information and documents which are available under present circumstances to enable us to reach an informed view regarding the terms of the Proposed Tenancies (including the proposed Annual Caps) to justify reliance on the accuracy of the information contained in the Circular so as to provide a reasonable basis of our opinion. We have no reasons to suspect that any material information has been withheld by the Directors or the Management, or is misleading, untrue or inaccurate. We have not, however, for the purpose of this exercise, conducted any independent detailed investigation or audit into the business or affairs or future prospects of the Group. Our opinion is necessarily based on financial, economic, market and other conditions in effect and the information made available to us at the Latest Practicable Date.

This letter is issued for the information for the Independent Board Committee and the Independent Shareholders solely for their consideration of the Proposed Tenancies (including the proposed Annual Caps). Except for its inclusion in the Circular, this letter shall not be quoted or referred to, in whole or in part, nor be used for any other purposes 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 Proposed Tenancies (including the proposed Annual Caps), we have taken into consideration the following principal factors and reasons:

1. Information on the Group, the Landlords and the Tenant

The Company was incorporated in Bermuda on 30 April 1990 as an exempted company with limited liability and is listed on the Main Board. The Group is principally engaged in (i) property investment business; and (ii) provision of financial services.

Landlord 1 is a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company. Its principal business activity is holding of investment properties for rental.

Landlord 2 is a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company. Its principal business activity is holding of investment properties for rental.

The Tenant is a company incorporated in Hong Kong with limited liability and a controlling shareholder of the Company. Its principal business activities are money lending, property investment and financial assets investment.

2. Reasons for and benefits of entering into the Proposed Tenancies (including the proposed Annual Caps)

As noted from the 2018 Annual Results Announcement, the property investment segment, being one of the reportable and operating segments of the Group, comprises the investment in retail shops, fresh market, commercial and industrial premises and car parking spaces for rental income. According to the 2018 Annual Results Announcement, the property investment segment consecutively accounted for a significant portion of the annual revenue of the Group for each of the two years ended 31 December 2018, respectively. During the year ended 31 December 2018, the property investment segment of the Group generated revenue in the amount of approximately HK\$92.41 million and profit in the amount of approximately HK\$422.87 million, respectively representing a growth of approximately 50.69% and approximately 61.89% as compared to the corresponding figures for the preceding year.

The entire 20th Floor and 21st Floor of the Bank of America Tower as well as Premises 1B and 2B are currently held as investment properties by the Group for rental income purpose. As advised by the Management, it has been the Group's intention to relocate its head office to its self-owned premises on the 20th Floor and the 21st Floor of the Bank of America Tower as soon as the current tenancies with third party tenant expires on 30 April 2019, and the Group has not proactively approached any other parties in respect of the potential tenancies of the Premises. We have, in this regard, enquired with the Management about the background on the initiation of, as well as the rationales for the Proposed Tenancies. Based on the discussions with the Management, the Group current head office is located at certain office units in Central leased from third party landlord, and initially intended to assign the 20th Floor and the 21st Floor of the Bank of America Tower for its back-office functions and core business functions,

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

respectively. Yet, after balancing the space needs for the Group's existing business scale and future expansion and development and the size of the Group's crew in Hong Kong, the Group cannot fully utilise the entire office space of the 20th Floor and the 21st Floor of the Bank of America Tower. Upon the initial approach by the Tenant, a controlling shareholder of the Company, in or around August 2018 about its willingness to rent the office units and the car parking spaces at the Bank of America Tower owned by the Group, the Group considered the above reasons and determined that only half of each of the 20th Floor and 21st Floor of the Bank of America Tower would be available to lease out. Great Wall International then engaged in negotiation with the Group about the Proposed Tenancies by offering to rent the surplus office capacity, among others, Premises 1A and Premises 2A, being half of each of the 20th Floor and the 21st floor of the Bank of America Tower to the Tenant for its office use at market rent.

Accordingly, taking into account (i) that it has been the Group's intention to utilise the 20th Floor and 21st Floor of the Bank of America Tower as its head office in Hong Kong, which shall help mitigate its exposure to future rental expenditure increment; (ii) the inability of the Group to utilise the entire 20th Floor and 21st Floor of the Bank of America Tower based on its current circumstances; (iii) on the basis of the limitation of the Group as mentioned in item (ii) above, the initial approach from the Tenant, a controlling shareholder of the Company, in respect of the Proposed Tenancies would enable the Group to separate its core business and back-office functions; (iv) the Premises, being the surplus office capacity and car parking spaces, will be idle immediately after the expiration of the current tenancies on 30 April 2019 in the event that the Proposed Tenancies are not proceeded with; and (v) the initial approach by the Tenant about its renting willingness, we are of the view it is justifiable that the Group has not proactively approached any other parties in respect of the potential tenancies of the Premises. In addition, with the expected date of commencement of 1 May 2019, the Proposed Tenancies shall allow the Group to lease out the Premises and in return securing an additional and stable stream of rental income immediately after expiration of the current tenancies, which shall be recognised under the property investment segment, being the Group's primary revenue contributor, and ultimately enhance returns to the Shareholders.

In light of the foregoing, we are of the view that the entering into of the Proposed Tenancies is in the interests of the Company and the Independent Shareholders as a whole.

3. Principal terms of the Proposed Tenancies

Set out below in Table 1 is a summary of the principal terms of the Proposed Tenancies.

Table 1: A summary of the principal terms of the Proposed Tenancies

Landlords : Landlord 1 – Sunny Bright Development Limited 新利輝發展有限公司, an indirect wholly-owned subsidiary of the Company; and
Landlord 2 – Sunny Success Development Limited 新利成發展有限公司, an indirect wholly-owned subsidiary of the Company.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

- Tenant : China Great Wall AMC (International) Holdings Company Limited 中國長城資產(國際)控股有限公司, a controlling shareholder of the Company.
- Premises : Premises 1A – Portion of 20th Floor of Bank of America Tower with saleable area of approximately 6,028 sq. ft.;
- Premises 1B – Carpark BA21 on the 4th Floor of Bank of America Tower;
- Premises 2A – Portion of 21st Floor of Bank of America Tower with saleable area of approximately 6,028 sq. ft.; and
- Premises 2B – Carpark BA22 on the 4th Floor of Bank of America Tower.
- Premises 1A and 2A are proposed to be used for office use, and Premises 1B and 2B are proposed to be used for car parking use.
- Monthly Rent : in respect of Premises 1A and 1B, HK\$662,580.00 per calendar month, exclusive of rates, government rent and the Service Charges; and
- in respect of Premises 2A and 2B, HK\$664,580.00 per calendar month, exclusive of rates, government rent and the Service Charges.
- Service Charges : in respect of Premises 1A and 1B, air-conditioning and management charges of HK\$35,327.50 per calendar month, which will be adjusted proportionately according to the actual amount of service charges chargeable to the relevant premises by the building manager; and
- in respect of Premises 2A and 2B, air-conditioning and management charges of HK\$35,327.50 per calendar month, which will be adjusted proportionately according to the actual amount of service charges chargeable to the relevant premises by the building manager.
- Commencement : The Proposed Tenancies will commence on the Commencement Date following the Landlords' acceptance of the Tenant's offers of the Proposed Tenancies.

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In compliance with Chapter 14A of the Listing Rules, the Landlords will accept the Tenant's offers only if the Independent Shareholders approve the Proposed Tenancies at the Special General Meeting. If the approval is not granted on or before 30 April 2019 (or such later date as may be set by mutual agreement between the Landlords and the Tenant in writing prior to that date), the Tenant's offers will lapse automatically.

- Term of Proposed Tenancies : Commencing on the Commencement Date and expiring on 31 December 2021, both dates inclusive.
- Rent-free Period : The Tenant shall not be entitled to any rent-free period.
- Deposit payable by the Tenant : in respect of Premises 1A and 1B, HK\$2,093,722.50; and in respect of Premises 2A and 2B, HK\$2,099,722.50.

In assessing the fairness and reasonableness of the principal terms of the Proposed Tenancies, we have primarily focused our assessment on the determination of the Monthly Rents and the Service Charges, details of which are set out below respectively.

3.1 Assessment of the determination of the Monthly Rent

As advised by the Management, the Monthly Rents to be payable by the Tenant under the Proposed Tenancies were arrived at after arm's length negotiations between the Landlords and the Tenant with reference to the Valuation Report.

In assessing the fairness and reasonableness of the Monthly Rents, we have primarily relied upon the comparison with the appraised monthly rents of comparable premises based on the Valuation Report, while reference has also been made to the comparison with rental yield in respect of comparable transactions previously conducted by the Group with independent third parties.

Comparison with the appraised monthly rents of comparable premises

In assessing the fairness and reasonableness of the Monthly Rents, we have reviewed the Valuation Report and discussed with the Independent Valuer regarding, among others, its experiences and the principal bases and assumptions adopted in the valuation. Based on our interview with the Independent Valuer, we learnt that the Independent Valuer possesses experience in performing valuations on office buildings and car parking spaces in Hong Kong. In particular, based on the information made available to us, the professional responsible for signing off the Valuation Report has over 19 years of experience in the real estate market. The Independent Valuer confirmed that it is an independent third party to the Company, the Tenant and their respective connected persons as at the Latest Practicable Date. In addition, we have reviewed the terms of the engagement letter of the Independent Valuer with respect to the

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Valuation Report and noted that the scope of work is appropriate to the opinion required to be given and we are not aware of any limitation on the scope of work which might have an adverse impact on the degree of assurance given by the Valuation Report.

During our review, we noted that the valuation on the Premises was conducted based on the key assumptions that the Premises were leased out for a fixed term of three years from 25 January 2019 (the “**Valuation Date**”) without any rent-free period. The market rent is exclusive of rates, government rent and management charges, and the Premises are leased out without any decorations. As advised by the Independent Valuer, the aforementioned assumptions are in line with market practice.

In obtaining the appraised monthly market rents of Premises 1A and Premises 2A, the Independent Valuer has adopted direct comparison method by making reference to the existing tenancies of the Premises leased to third parties and monthly rents of other comparable premises (the “**Office Premises Comparables**”) registered in the Land Registry. The Independent Valuer has identified the Office Premises Comparables principally based on the criteria that (a) such premises are (i) located in the same district as Premises 1A and Premises 2A; and (ii) of similar nature, grading and age as Premises 1A and Premises 2A; and (b) the relevant tenancies were agreed approximately within the two years preceding the Valuation Date. Adjustments to the unit rental rates of the Office Premises Comparables are made to reflect the differences in the characteristics of the tenancies and/or the underlying premises as compared to those of Premises 1A and Premises 2A. As confirmed by the Independent Valuer, the Office Premises Comparables in respect of Premises 1A and Premises 2A represent the exhaustive list of relevant comparables to their best understanding.

It is noted that the Independent Valuer has relied upon Memfus Wong Property Information Centre as the source of rental information on the Office Premise Comparables. According to its official website (<http://www.mwpic.com.hk/>), established in 1988, Memfus Wong Property Information Centre provides analysed information of property transactions registered with the Land Registry in Hong Kong to Sing Tao Daily for publication purpose, as well as a broad client base comprising, among others, surveyors firm, real estate developers, property agents, agencies and management companies as well as governmental departments. In light of the foregoing, we are of the view that the source of information on the Office Premises Comparables is reliable and the Office Premises Comparables are fair and reasonable.

On the other hand, in respect of the appraised monthly market rents of Premises 1B and Premises 2B, the Independent Valuer has adopted direct comparison method by making reference to the monthly rents of comparable car parking spaces (the “**Car Parking Space Comparables**”) available for lease in the market. The Independent Valuer has identified the Car Parking Space Comparables based on the criteria that (a) such car parking spaces are located in the same district as Premises 1B and Premises 2B; and (b) the offers of leases for such car parking spaces were available as at the Valuation Date, and then applied corresponding adjustments to the unit rental rates of those Car Parking Space Comparables to reflect the differences in the characteristics of the premises as compared to Premises 1B and Premises 2B. As confirmed by the Independent Valuer, the Car Parking Space Comparables represent the

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exhaustive list of relevant comparables to their best understanding. We were given to understand that the Independent Valuer has relied upon Wilson Parking (<https://www.wilsonparking.com.hk/>) and Sing Tao Daily (<http://std.stheadline.com/>) as the sources of the rental information on the Car Parking Space Comparables. Based on our research conducted from the public domain, each of Wilson Parking and Sing Tao Daily has long establishment history and extensive footprints across the globe. With over 35 years of establishment, Wilson Parking is a parking consultant, manager and operator which operates in aggregate 400 car parks, and has achieved critical International Organization for Standardization certifications in areas including, among others, quality management and customer satisfaction; whereas founded in 1938 and owned by Sing Tao News Corporation Limited, Sing Tao Daily is a Chinese language newspaper launched in Hong Kong which is available in 16 overseas editions sold in over 100 cities worldwide. Taking into account the above, we consider that the sources of information on the Car Parking Space Comparables are reliable and the Car Parking Space Comparables are fair and reasonable.

As confirmed by the Independent Valuer, in appraising the market rents of the Premises, it has complied with the HKIS Valuation Standards 2017 as published by the Hong Kong Institute of Surveyors, the RICS Valuation – Global Standards 2017 as published by the Royal Institution of Chartered Surveyors and the International Valuation Standards 2017. During the course of our review of the Valuation Report and discussions with the Independent Valuer, we have not identified any major factors that have caused us to doubt the fairness and reasonableness of the principal bases and assumptions adopted in the valuation.

As advised by the Independent Valuer, direct comparison method was considered as the most appropriate approach in conducting the valuation on the monthly market rents of the Premises given the availability of the market information on the Office Premises Comparables and the Car Parking Space Comparables. The Independent Valuer further advised that it is a normal market practice to value the market rents of office premises and car parking spaces in Hong Kong using the direct comparison method. Based on our independent research, it is noted that direct comparison method has been adopted for valuing assets including properties of other listed companies in Hong Kong. We have further enquired with the Independent Valuer as to whether any other valuation approaches have been considered, and were advised that as compared to the direct comparison method, other approaches such as capitalisation approach would be less desirable and less appropriate as it would require more variables to be involved during the course of valuation, which would in turn require a higher degree of subjective judgement. In addition, we have attempted to make reference to the official statistics of average rents of offices in Hong Kong (the “**Official Statistics**”) as issued by the Rating and Valuation Department of the Hong Kong government (<https://www.rvd.gov.hk/>) in March 2019 in order to cross-check the results arrived at by the Independent Valuer. Yet, it is noted that the statistics in the relevant report were computed and recorded solely by the grades of office as well as the districts in which the private offices are located. Unlike the direct comparison method adopted by the Independent Valuer, under which relevant adjustments have been made as previously mentioned, computation of the Official Statistics was not tailor-made for the Premises and hence, no consideration of the potential differences between the characteristics of the Premises and other grade A offices within the same district has been taken into account in arriving at the

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Official Statistics. Notwithstanding the above, considering (i) the advantages and appropriateness of the direct comparison method for the purpose of appraising the monthly market rents of the Premises; (ii) the inappropriateness of other common valuation methods such as capitalisation approach; (iii) that as independently verified by us, direct comparison method has been adopted by some of the listed companies in Hong Kong for valuing properties; and (iv) details of our assessment of the fairness and reasonableness of other aspects of the Valuation Report as set out in this sub-section, we are of the view that it is justifiable to primarily rely upon the direct comparison method in appraising the corresponding monthly market rents.

Based on the above, we consider that the bases and methodologies adopted in arriving at the appraised monthly market rents of the Premises are fair and reasonable.

Pursuant to the terms of the Proposed Tenancies, (a) based on the saleable area of approximately 6,028 sq. ft. of each of Premises 1A and Premise 2A, (i) the Monthly Rent in respect of Premises 1A and 1B in the amount of HK\$662,580.00 per calendar month implies a monthly rent of approximately HK\$108.99 per sq.ft. in respect of Premises 1A and HK\$5,580.00 in respect of Premises 1B; and (ii) the Monthly Rent in respect of Premises 2A and Premises 2B in the amount of HK\$664,580.00 per calendar month implies a monthly rent of approximately HK\$109.32 per sq.ft. in respect of Premises 2A and HK\$5,580.00 in respect of Premises 2B. Based on the Valuation Report, (a) the adopted monthly rents of the Office Premise Comparables range from HK\$93.5 per sq.ft. to HK\$156.4 per sq.ft, and the adopted monthly rents of the Car Parking Space Comparables range from HK\$4,300 to not less than HK\$8,300; and (b) the appraised monthly market rents of Premises 1A, Premises 1B, Premises 2A and Premises 2B as of the Valuation Date are approximately HK\$108.99 per sq.ft., approximately HK\$109.32 per sq.ft., approximately HK\$5,580.00 and approximately HK\$5,580.00, respectively. Accordingly, considering that the Monthly Rent in respect of each of the Premises (a) falls within the corresponding range of adopted monthly rents of the Office Premise Comparables or the Car Parking Space Comparables (as the case may be); and (b) equals to the corresponding appraised monthly rent, we are of the view that the determinations of the Monthly Rents are fair and reasonable.

Comparison with the rental yield of comparable transactions conducted with independent third parties

In addition to the Valuation Report, we have compared the rental yield in respect of the Premises as computed based on the Monthly Rents with the rental yields in respect of other comparable investment properties underlying the tenancy agreements recently entered into between the Group with independent third parties. Accordingly, we have initially requested for all agreements recently entered into by the Group with independent third parties in relation to the tenancies of directly comparable grade A office premises immediately preceding the date of the Letters of Offer, and obtained an exhaustive list of two sets of sample agreements having met the aforesaid selection criteria (the “**Sample Agreement(s)**”). It is noted that each set of the Sample Agreements comprises the initial tenancy agreement as executed in 2013 and three renewal agreements executed subsequently at different stages, with the expiry date of the term

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of tenancy to be in April 2019 according to the latest renewal agreement. Based on our review, it is noted that for each of the Proposed Tenancies in respect of (i) Premises 1A and Premises 1B (the “**Rental Yield 1**”); and (ii) Premises 2A and Premises 2B (the “**Rental Yield 2**”), the underlying rental yield is generally comparable to the corresponding rental yield underlying each of the Sample Agreements. Further, for reference purpose only, each of the Rental Yield 1 and the Rental Yield 2 is generally comparable to the rental yield of the tenancies in respect of all investment office properties owned by the Group as at the date of the Letters of Offer.

Accordingly, taking into account that (i) the Monthly Rent in respect of each of the Premises (a) falls within the corresponding range of adopted monthly rents of the Office Premise Comparables or the Car Parking Space Comparables (as the case may be); and (b) equals to the corresponding appraised monthly rent; and (ii) each of the Rental Yield 1 and the Rental Yield 2, as computed based on the corresponding Monthly Rent, is generally comparable to the corresponding rental yield underlying (a) each of the Sample Agreements; and (b) the tenancies in respect of all investment office properties of the Group, we are of the view that the determinations of the Monthly Rents are fair and reasonable.

3.2 Assessment of the determination of the Service Charges

Pursuant to the terms of the Letters of Offer, the Service Charges in respect of each of Premises 1A and Premises 1B, as well as Premises 2A and Premises 2B, amount to HK\$35,327.50 per calendar month respectively, and will be adjusted proportionately according to the actual amount of service charges chargeable to the relevant premises by the management company/building manager during the term of the Proposed Tenancies, which is expected to commence on 1 May 2019. As advised by the Management, the Service Charges in the amount of HK\$35,327.50 per calendar month for Premises 1A and Premises 1B, as well as for Premises 2A and Premises 2B, to be payable by the Tenant under the Proposed Tenancies were arrived at after arm’s length negotiations between the Landlords and the Tenant with reference to the expected service charges to be charged by the management company/building manager to each of the Landlords in respect of such premises from 1 April 2019 onwards, subject to adjustments during the term of the Proposed Tenancies.

In this regard, we have reviewed the confirmation from the relevant building manager which indicates the monthly service charges currently charged/expected to be charged to the Landlords from 1 April 2019 in respect of each of the 20th Floor of the Bank of America Tower, Premises 1B, the 21st Floor of the Bank of America Tower and Premises 2B. Based on our review of the relevant document provided by the management office of Bank of America Tower, with effect from 1 April 2019, there will be an expected increment of approximately 6% in the monthly service charge in respect of each of the aforementioned premises, and the Service Charges in the amount of HK\$35,327.50 per calendar month pursuant to the terms of the Proposed Tenancies in respect of (a) Premises 1A and Premises 1B equal to the aggregate of (i) the expected proportionate service charges for Premises 1A with a saleable area of approximately 6,028 sq.ft. as computed based on the expected service charges in respect of the entire 20th Floor of the Bank of America Tower; and (ii) the expected service charges in respect of the Premises 1B to be chargeable to the Landlord 1 from 1 April 2019 onwards; and (b)

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Premises 2A and Premises 2B equal to the aggregate of (i) the expected proportionate service charges for Premises 2A with a saleable area of approximately 6,028 sq.ft. as computed based on the expected service charges in respect of the entire 21st Floor of the Bank of America Tower; and (ii) the expected service charges in respect of Premises 2B to be chargeable to the Landlord 2 from 1 April 2019 onwards.

As such, considering that (i) the Service Charges in the amount of HK\$35,327.50 per calendar month in respect of each of Premises 1A and Premises 1B, as well as Premises 2A and Premises 2B, respectively were calculated with reference to the respective expected service charges to be chargeable by the relevant management company/building manager during the term of the Proposed Tenancies on a dollar-to-dollar basis; and (ii) the Service Charges shall be adjusted proportionately according to the actual amount of service charges chargeable to the relevant premises by the management company/building manager, we are of the view that the determination of the Service Charges are fair and reasonable.

3.3 Assessment of the determination of other principal terms

We have also conducted analyses on the fairness and reasonableness of other principal terms under the Proposed Tenancies by comparing such corresponding terms under the Sample Agreements, including the term of the tenancies, the absence of renewal option, the rent-free period and the deposit payable by the tenant.

With respect to the renewal option, based on our review, it is noted that there is no such provision under the Proposed Tenancies, whereas the tenants underlying the Sample Agreements were entitled to an option which allows it to renew the underlying premises for two years by providing prior written notice to the Group. On the basis that such renewal of the tenancy would be triggered at the discretion of the tenant, we are of the view that the absence of renewal option represents a term being more favourable to the Group than that offered to the independent third parties under the Sample Agreements.

With respect to the term of the tenancies, it is noted that the terms of the proposed tenancies underlying all component tenancy agreements of each set of the Sample Agreements range from three months to two years. Taking into account, as discussed above, the absence of the provision of renewal options under the Proposed Tenancies against the renewal options in respect of a further term of two years granted to the tenants underlying the Sample Agreements, which are exercisable at the tenants' discretion, we are of the view that term of the Proposed Tenancies of approximately 2.67 years, which slightly exceeds the corresponding range of the Sample Agreements, is justifiable.

With respect to the rent-free period, it is noted that the absence of the rent-free period under the Proposed Tenancies is in line with the terms of each of the Sample Agreements.

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With respect to the deposit payable by the tenant, we were given to understand that the deposit payable by the Tenant in respect of each of (i) Premises 1A and Premises 1B; and (ii) Premises 2A and Premises 2B equals to the aggregate of the corresponding Monthly Rent and the Service Charge payable by the Tenant for three months. Based on our review, it is noted that the aforesaid determination basis of the deposit payable by the Tenant is in line with that underlying each of the Sample Agreements.

In light of the foregoing, we are of the view that the terms of the Proposed Tenancies are normal commercial terms, are fair and reasonable and in the interests of the Company and the Independent Shareholders as a whole.

4. Assessment of the determination of the proposed Annual Caps

Set out below summaries the proposed Annual Cap in respect of the Proposed Tenancies for each of the three financial years ending 31 December 2019, 2020 and 2021.

Table 2: Summary of the proposed Annual Caps

	For the year ending 31 December 2019 HK\$	For the year ending 31 December 2020 HK\$	For the year ending 31 December 2021 HK\$
Proposed Annual Caps	11,182,520.00 (Note 1)	16,858,566.00	16,951,831.00

Note 1: The proposed Annual Cap for the financial year ending 31 December 2019 is estimated on the assumption that the Proposed Tenancies will commence on 1 May 2019.

With reference to the Letter from the Board, the amount of each proposed Annual Cap is calculated by aggregating (i) the Monthly Rents; and (ii) the Service Charges per calendar month (under the assumption that there will be a 10% increment in the service charges in each of the years starting from 1 January 2020 and 1 January 2021) payable by the Tenant in each financial year throughout the term of the Proposed Tenancies. We have, in this regard, reviewed the calculations of the proposed Annual Caps and noted that the proposed Annual Caps were arrived at based on the aforesaid bases, with the calculation of the proposed Annual Cap for the year ending 31 December 2019 having accounted for the eight-month period commencing from 1 May 2019 and ending on 31 December 2019 only.

In addition, we have enquired with the Management regarding the bases for assuming an increment of 10% in the service charges in each of the years starting from 1 January 2020 and 1 January 2021 when determining the proposed Annual Caps. As advised by the Management, the monthly service charges in respect of each of the 20th Floor of the Bank of America Tower, Premises 1B, the 21st Floor of the Bank of America Tower and Premises 2B were raised by the

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management company/building manager by approximately 4% in July 2017, and, as previously mentioned in the sub-section headed “3.2 Assessment of the determination of the Service Charges” in this letter, are expected to be further raised by approximately 6% with effect from 1 April 2019. Taking into account the consecutive upward adjustments made to the underlying service charges in respect of the Premises within less than two years of the expected Commencement Date and the increasing trend of such underlying adjustment rates, we are of the view that it is justifiable to factor in a buffer of 10% per annum in the calculations of the proposed Annual Cap for each of the two financial years ending 31 December 2020 and 2021 in order to allow for any potential growths in the service charges in respect of the Premises over such period.

Taking into consideration that the proposed Annual Caps were determined with reference to (i) the Monthly Rents and the Service Charges, determinations of which are considered to be fair and reasonable as previously mentioned in the section headed “3. Principal terms of the Proposed Tenancies” of this letter; and (ii) a potential increment of 10% in the Service Charges in each of the financial years starting from 1 January 2020 and 2021 which serves as a reasonable buffer in light of the previous upwards adjustments made to the service charges in respect of the Premises, we are of the view that the determination of the proposed Annual Caps is fair and reasonable.

5. Annual review requirements under the Listing Rules

Pursuant to the Listing Rules, continuing connected transactions are subject to, among others, the following annual review requirements:

- (a) the independent non-executive directors must review the continuing connected transactions every year and confirm in the annual report whether the transactions have been entered into:
 - (i) in the ordinary and usual course of business of the listed issuer’s group;
 - (ii) on normal commercial terms or better; and
 - (iii) according to the agreement governing them on terms that are fair and reasonable and in the interests of the listed issuer’s shareholders as a whole.
- (b) the auditors of the Company must provide a letter to the listed issuer’s board of directors confirming whether anything has come to their attention that causes them to believe that the continuing connected transactions:
 - (i) have not received the approval of the listed issuer’s board of directors;
 - (ii) were not, in all material respects, in accordance with the pricing policies of the listed issuer’s group if the transactions involve the provision of goods or services by the listed issuer’s group;

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- (iii) were not entered into, in all material respects, in accordance with the relevant agreement governing the transactions; and
- (iv) have exceeded the cap; and
- (c) the listed issuer must promptly notify the Stock Exchange and publish an announcement if the independent non-executive directors and/or auditors of the listed issuer cannot confirm the matters as required will not be able to confirm the matters set out in paragraphs (a) and/or (b) respectively.

Given the above requirements for continuing connected transactions as stipulated under the Listing Rules, we are of the view that there are adequate measures in place to monitor the Proposed Tenancies (including the proposed Annual Caps) and thus the interest of the Independent Shareholders would be safeguarded.

RECOMMENDATIONS

Having taken into consideration the factors and reasons as stated in this letter, we are of the view that the Proposed Tenancies are conducted in the ordinary and usual course of business of the Group, and the terms of the Proposed Tenancies (including the proposed Annual Caps) are on normal commercial terms, fair and reasonable, and in the interests of the Company and the Independent Shareholders as a whole. Accordingly, we recommend the Independent Shareholders, as well as the Independent Board Committee to advise the Independent Shareholders, to vote in favour of the relevant resolution to be proposed at the Special General Meeting to approve the Proposed Tenancies (including the proposed Annual Caps).

Yours faithfully,
For and on behalf of
Lego Corporate Finance Limited

Gary Mui
Chief Executive Officer

Note: Mr. Gary Mui is a licensed person registered with the Securities and Futures Commission and a responsible officer of Lego Corporate Finance Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. He has over 20 years of experience in the finance and investment banking industry.

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**Interests of Directors and Chief Executive**

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

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

Interests of Substantial Shareholders

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

Name	Capacity/Nature of Interest	Number of Shares held	Approximate percentage of the issued share capital⁽³⁾
China Great Wall Asset Management Co., Ltd. ⁽¹⁾	Interest in a controlled corporation	1,174,018,094 (L)	74.89%
China Great Wall AMC (International) Holdings Company Limited ^(1, 4, 5, 6)	Interest in a controlled corporation	1,174,018,094 (L)	74.89%
Great Wall Pan Asia (BVI) Holding Limited ⁽¹⁾	Beneficial owner	1,174,018,094 (L)	74.89%
Central Huijin Investment Ltd. ⁽²⁾	Interest in a controlled corporation	155,000,000 (L)	9.89%
China Construction Bank Corporation ⁽²⁾	Interest in a controlled corporation	155,000,000 (L)	9.89%
Wan Tai Investments Limited ⁽²⁾	Beneficial owner	155,000,000 (L)	9.89%

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

Notes:

- (1) Great Wall Pan Asia (BVI) Holding Limited is a wholly-owned subsidiary of China Great Wall AMC (International) Holdings Company Limited which, in turn, is wholly-owned by China Great Wall Asset Management Co., Ltd.. Under the SFO, China Great Wall AMC (International) Holdings Company Limited and China Great Wall Asset Management Co., Ltd. are deemed to be interested in all the Shares owned by Great Wall Pan Asia (BVI) Holding Limited.
- (2) Central Huijin Investment Ltd. directly holds 57.31% of China Construction Bank Corporation which, in turn, indirectly owns 100% of Wan Tai Investments Limited. Wan Tai Investments Limited is therefore a controlled corporation of China Construction Bank Corporation and Central Huijin Investment Ltd. pursuant to section 316 of the SFO.

- (3) Approximate percentage was calculated based on the 1,567,745,596 ordinary Shares in issue as at the Latest Practicable Date.
- (4) Mr. Chen Zenan, the Chairman of the Board and a non-executive Director, is a director of China Great Wall AMC (International) Holdings Company Limited.
- (5) Mr. Huang Hu, an executive Director, is a director of China Great Wall AMC (International) Holdings Company Limited.
- (6) Mr. Meng Xuefeng, an executive Director, is an employee of China Great Wall AMC (International) Holdings Company Limited.

3. OTHER INTERESTS

As at the Latest Practicable Date:

- (1) none of the Directors had any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group (a) since 31 December 2017, being the date to which the latest published audited consolidated financial statements of the Group were made up; or (b) since 15 March 2019, being the date on which the preliminary annual results announcement for the year ended 31 December 2018 was published;
- (2) no contract or arrangement in which any of the Directors was materially interested, directly or indirectly, and which was significant in relation to the business of the Group subsisted;
- (3) none of the Directors had any existing or proposed service contracts with any member of the Group other than contracts expiring or determinable by the employer within one (1) year without payment of compensation (other than statutory compensation); and
- (4) none of the Directors or their respective close associate(s) was interested in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

4. LITIGATION

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

5. 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 (a) since 31 December 2017, being the date to which the latest published audited consolidated financial statements of the Group were made up; or (b) since 15 March 2019, being the date on which the preliminary annual results announcement for the year ended 31 December 2018 was published.

6. EXPERT AND CONSENT

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

Name	Qualification
Lego Corporate Finance Limited	A corporation licensed to carry out Type 6 (advising on corporate finance) regulated activities under the SFO

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

As at the Latest Practicable Date, the Expert:

- (a) did not have any shareholding, directly or indirectly, in any member of the Group and did not have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and
- (b) did not have any direct or indirect interest in any assets which had been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group (a) since 31 December 2017, the date to which the latest published audited consolidated financial statements of the Group were made up; or (b) since 15 March 2019, being the date on which the preliminary annual results announcement for the year ended 31 December 2018 was published.

7. GENERAL

- (a) The company secretary of the Company is Ms. Zheng Yuanyuan. She passed the National Judicial Examination of the People’s Republic of China and obtained the Legal Profession Qualification Certificate in 2002. She acquired bar qualification in the New York State of the United States in 2008 and was qualified as a practicing solicitor in Hong Kong in 2015.

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

8. DOCUMENTS AVAILABLE FOR INSPECTION

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

- the Letters of Offer dated 8 March 2019.

NOTICE OF SPECIAL GENERAL MEETING



長城環亞控股有限公司*

GREAT WALL PAN ASIA HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 583)

NOTICE IS HEREBY GIVEN that the special general meeting (the “**Meeting**”) of Great Wall Pan Asia Holdings Limited (the “**Company**”) will be held at Room 2, United Conference Centre, 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong on Tuesday, 30 April 2019 at 3:00 p.m. for the purpose of considering and, if thought fit, passing, with or without amendment, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. “**THAT** approval be and is hereby given for the Letters of Offer (as defined in the circular of the Company dated 4 April 2019 issued in respect thereof (“**Circular**”)) (copies of which are produced to the Meeting marked “A” and signed by the chairman of the Meeting for identification purposes) given by the Tenant (as defined in the Circular) to the Landlords (as defined in the Circular) in respect of the Premises (as defined in the Circular), the entering into of the Proposed Tenancies (as defined in the Circular) (the principal terms of which are as set out in the Letters of Offer) between the Landlords and the Tenant, the transactions thereunder and the proposed Annual Caps (as defined in the Circular); and any director of the Company (“**Director**”) be and is hereby authorised to approve, sign and execute any agreements and documents and to take any actions in connection with the Letters of Offer, the Proposed Tenancies and the Annual Caps, and any Director(s) be and is/are hereby authorised to take all such action and to execute any agreements, deeds, instruments and any other documents, under hand or under seal, and to make all such arrangements as he/she/they may consider to be appropriate, necessary or desirable to give effect to or in connection with the Letters of Offer, the Proposed Tenancies and the transactions thereunder, and the proposed Annual Caps and, subject to and in accordance with the applicable law and regulations, to approve and make such immaterial variation, amendment, supplement or waiver of immaterial matters relating thereto in the interests of the Company and its shareholders as a whole.”
2. To re-elect Mr. Chen Zenan as a non-executive Director.
3. To re-elect Ms. Liu Yan as an independent non-executive Director.

By Order of the Board
Great Wall Pan Asia Holdings Limited
Chen Zenan
Chairman

Hong Kong, 4 April 2019

* *For identification purpose only*

NOTICE OF SPECIAL GENERAL MEETING

Notes:

1. Resolutions at the Meeting will be taken by poll pursuant to the Company's Bye-Laws and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") (except where the chairman of the Meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands) and the results of the poll will be published on the websites of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the Company in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the Meeting convened by the above notice is entitled to appoint not more than two persons (who must be individuals) as his/her proxies to attend and vote on his/her behalf. A proxy need not be a shareholder of the Company.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorised in writing, or if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney so authorised.
4. Where there are joint registered holders of any share, any one of such persons may vote at the above meeting, either personally or by proxy, in respect of such share(s) as if he/she were solely entitled thereto; but if more than one of such joint holders be present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share(s) shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands will for this purpose be deemed joint holders thereof.
5. A form of proxy for the Meeting is enclosed. In order to be valid, the completed and signed form of proxy together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority, must be delivered to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 3:00 p.m. on Sunday, 28 April 2019 (or if the Meeting is adjourned, not less than 48 hours before the time appointed for the holding of the adjourned Meeting). Completion and delivery of the form of proxy will not preclude a shareholder of the Company from attending and voting in person at the Meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. For determining the entitlement to attend and vote at the Meeting, the register of members of the Company will be closed from Wednesday, 24 April 2019 to Tuesday, 30 April 2019, both dates inclusive, during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the meeting, all duly completed and signed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Tuesday, 23 April 2019.
7. In accordance with Chapter 14A of the Listing Rules, Great Wall Pan Asia (BVI) Holding Limited and its associates are required to abstain from voting on resolution numbered 1.
8. Unless otherwise defined in this notice of Meeting, capitalised terms used herein shall have the same meanings ascribed to them in the circular of the Company dated 4 April 2019.
9. Shareholders of the Company are advised to read the circular to the shareholders of the Company dated 4 April 2019 which contains further information in respect of the resolutions as set out in this notice.