
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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

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



Y. T. REALTY GROUP LIMITED
渝太地產集團有限公司[#]

(Incorporated in Bermuda with limited liability)

(Stock Code: 75)

MAJOR TRANSACTION

**ACQUISITION OF LAND USE RIGHTS IN
MEISHAN TIANFU NEW DISTRICT, SICHUAN PROVINCE, THE PRC**

Capitalised terms used on this cover page and the contents page have the same meanings as defined in the section headed “Definitions” in this circular, unless the context requires otherwise.

A letter from the Board is set out on pages 4 to 10 of this circular.

The Acquisition is exempted from Shareholders’ approval as it constitutes a Qualified Property Acquisition under the Listing Rules. This circular is being despatched to the Shareholders for information purpose.

[#] For identification purposes only

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	4
APPENDIX I — FINANCIAL INFORMATION OF THE GROUP	I-1
APPENDIX II — GENERAL INFORMATION	II-1

DEFINITIONS

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

“Acquisition”	acquisition of land use rights of the Land Parcels through the Auction
“Announcement”	the announcement of the Company dated 5 July 2022 in relation to the Acquisition
“Auction”	the public auction held by Meishan Tianfu New District Government Service and Public Resource Transaction Service Center as appointed by Sichuan Tianfu New District Meishan Management Committee Planning and Natural Resources Bureau* (四川天府新區眉山管理委員會規劃和自然資源局) at which the Land Parcels were offered for sale
“Bidders”	collectively, the First Bidder and the Second Bidder, each a “Bidder”
“Board”	the board of Directors
“Company”	Y. T. Realty Group Limited, a company incorporated in Bermuda with limited liability with Shares listed on the Main Board of the Stock Exchange (Stock Code: 0075)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	RMB241,970,000 (equivalent to approximately HK\$283,492,000), being the total bid price submitted by the Bidders for the Acquisition
“Director(s)”	the director(s) of the Company
“First Bidder”	四川圓中康養城置業發展有限公司 (Sichuan Yuanzhong Kangyangcheng Zhiye Development Co. Ltd.*), a company incorporated in the PRC, an indirect non-wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Independent Third Party(ies)”	person(s) or company(ies) which is/are independent of and not connected with the Company and its connected persons
“Land Parcels”	collectively, the 6 parcels of land described under the section headed “Letter from the Board — 2. The Acquisition” in this circular

DEFINITIONS

“Land Use Rights Grant Contracts”	collectively, five sets of land use rights grant contracts entered into between Meishan Municipality Pengshan District Natural Resources and Planning Bureau as transferor and the First Bidder as transferee in relation to the Acquisition of five parcels of land numbered 2021(TP) — 21, 2021(TP) — 22, 2021(TP) — 23, 2021(TP) — 24, and 2021(TP) — 28, and one set of land use rights grant contract entered into between Meishan Municipality Pengshan District Natural Resources and Planning Bureau as transferor and the Second Bidder as transferee in relation to the Acquisition of one parcel of land numbered 2021(TP) — 25, all dated 18 July 2022, each a “Land Use Rights Grant Contract”
“Latest Practicable Date”	23 August 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Meishan Municipality Pengshan District Natural Resources and Planning Bureau”	眉山市彭山區自然資源和規劃局 (Meishan Municipality Pengshan District Natural Resources and Planning Bureau*), a bureau under the local government of Meishan Municipality and a PRC Governmental Body within the meaning of Rule 19A.04 of the Listing Rules
“Meishan Tianfu New District Government Service and Public Resource Transaction Service Center”	眉山天府新區政務服務和公共資源交易服務中心(Meishan Tianfu New District Government Service and Public Resource Transaction Service Center*)
“Mu”	a mu under《中華人民共和國法定計量單位使用方法》(the Method of Uniform Legal Measures in the People’s Republic of China*)
“percentage ratios”	has the meaning ascribed to it under the Listing Rules
“PRC” or “Mainland China”	the People’s Republic of China which, for the purpose of this circular only, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Second Bidder”	四川圓中潤恒置業發展有限公司 (Sichuan Yuanzhong Runheng Zhiye Development Co. Ltd.*), a company incorporated in the PRC, an indirect non-wholly-owned subsidiary of the Company
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of the Company of HK\$0.1 each
“Shareholder(s)”	the holder(s) of the Shares
“sqm”	square metres

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Working Days”	the statutory working days in the PRC
“%”	per cent

The English names of Chinese entities and locations marked with “” are translations of their Chinese names and are included in this circular for identification purposes only, and should not be regarded as their official English translation. In the event of any inconsistency, the Chinese name prevails.*

For the purpose of this circular, amounts denominated in RMB have been translated into HK\$ at an exchange rate of RMB1: HK\$1.1716. No representation is made that any amounts in RMB and HK\$ can be or could have been converted at the relevant dates at the above rates or at any other rates at all.

LETTER FROM THE BOARD



Y. T. REALTY GROUP LIMITED 渝太地產集團有限公司[#]

(Incorporated in Bermuda with limited liability)

(Stock Code: 75)

Executive Directors

WONG Hy Sky (former English name: Huang Yun)

(Chairman and Managing Director)

YUEN Wing Shing

LIU Jie

YANG Shengxian

Registered office

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Principal place of business in Hong Kong

25th Floor, China Resources Building

26 Harbour Road

Wanchai

Hong Kong

26 August 2022

Independent Non-executive Directors

NG Kwok Fu

LUK Yu King, James

LEUNG Yu Ming, Steven

To the Shareholders

Dear Sir or Madam,

MAJOR TRANSACTION

ACQUISITION OF LAND USE RIGHTS IN MEISHAN TIANFU NEW DISTRICT, SICHUAN PROVINCE, THE PRC

1. INTRODUCTION

Reference is made to the Announcement.

On 5 July 2022, the Bidders were notified by Meishan Tianfu New District Government Service and Public Resource Transaction Service Center that the Bidders had successfully bid the land use rights of the Land Parcels at a total consideration of RMB241,970,000 (equivalent to approximately HK\$283,492,000) through the Auction. The Land Use Rights Grant Contracts were entered into between Meishan Municipality Pengshan District Natural Resources and Planning Bureau and each of the Bidders respectively on 18 July 2022.

The purpose of this circular is to provide you with, among other things, further information on the Acquisition and other information as required under the Listing Rules.

[#] For identification purposes only

LETTER FROM THE BOARD

2. THE ACQUISITION

The principal terms and conditions of the Land Use Rights Grant Contracts are summarized below:

Date	:	18 July 2022
Parties	:	<i>In respect of five parcels of land numbered 2021(TP) — 21, 2021(TP) — 22, 2021(TP) — 23, 2021(TP) — 24, and 2021(TP) — 28</i> (i) Meishan Municipality Pengshan District Natural Resources and Planning Bureau, as transferor; and (ii) the First Bidder, an indirect non-wholly-owned subsidiary of the Company, as successful bidder and transferee <i>In respect of one parcel of land numbered 2021(TP) — 25</i> (i) Meishan Municipality Pengshan District Natural Resources and Planning Bureau, as transferor; and (ii) the Second Bidder, an indirect non-wholly-owned subsidiary of the Company, as successful bidder and transferee
Location of the Land Parcels	:	The Land Parcels comprise six parcels of land numbered 2021(TP) — 21, 2021(TP) — 22, 2021(TP) — 23, 2021(TP) — 24, 2021(TP) — 25, and 2021(TP) — 28 for residential and commercial uses, located at Jinjiang Town, Tianfu New District, Meishan Municipality, Sichuan Province, the PRC* (中國四川省眉山市天府新區錦江鎮)
Total site area	:	101,965.1 sqm (approximately 152.95 Mu)
Duration of the land use rights	:	70 years for residential use and 40 years for commercial use
Consideration and payment terms	:	RMB241,970,000 (equivalent to approximately HK\$283,492,000) payable in cash

The first installment, representing 50% of the Consideration, in the amount of RMB120,985,000 (equivalent to approximately HK\$141,746,000) is payable before 17 August 2022.

The second installment, representing the remaining 50% of the Consideration, in the amount of RMB120,985,000 (equivalent to approximately HK\$141,746,000) is payable before 20 December 2022.

As at the Latest Practicable Date, RMB120,985,000 (equivalent to approximately HK\$141,746,000) has been paid by the Bidders.

LETTER FROM THE BOARD

Meishan Municipality Pengshan District Natural Resources and Planning Bureau is entitled to charge an interest for installment payments on the amount of the second and any subsequent installment at the loan interest rate announced by the People's Bank of China on the date of payment of the first installment.

If the Bidders fail to pay the Consideration on time, the Bidders will be liable to pay 0.1% of the overdue portion for each day of delay as liquidated damages.

The Consideration equals to the total bid price of the Land Parcels submitted by the Bidders at the Auction, which was accepted and confirmed as a result of the successful bidding of the Land Parcels by the Bidders at the Auction conducted in accordance with the relevant PRC laws and regulations. The total bid price of the Land Parcels was determined after taking into account (i) the base bid price of RMB241,970,000 (equivalent to approximately HK\$283,492,000) set by Meishan Tianfu New District Government Service and Public Resource Transaction Service Center; (ii) prevailing property market conditions in the vicinity of Jinjiang Town, Tianfu New District, Meishan Municipality, the PRC* (中國四川省眉山市天府新區錦江鎮); and (iii) the location, land use conditions and development potential of the Land Parcels as a whole.

The Consideration will be entirely funded by the internal resources of the Group.

Transaction Service Fee : The Bidders shall pay the transaction service fee in the total amount of approximately RMB4,165,000 (equivalent to approximately HK\$4,880,000) to a designated account of the relevant local government department, which was paid on 5 July 2022.

LETTER FROM THE BOARD

Planning conditions

: The First Bidder shall construct: -

- (a) a resort hotel, waterfront eco-resort and residential project with a total construction area of 40,622.50 sqm on the land parcel numbered 2021 (TP) — 21, with a plot ratio between 1.0 and 2.0, the building height not exceeding 120 metres and building height of residential building not exceeding 80 metres, a building density not exceeding 40%, a ratio of green space of not lower than 15%, a plot ratio of compatible residential land of not more than 30%, and a gross floor area of residential building area of not more than 12,186 sqm;
- (b) a waterfront eco-resort, wellness and residential project with a total construction area of 34,912 sqm on the land parcel numbered 2021 (TP) — 22, with a plot ratio between 1.0 and 2.0, the building height not exceeding 120 metres and building height of residential building not exceeding 80 metres, a building density not exceeding 40%, a ratio of green space of not lower than 15%, a plot ratio of compatible residential land of not more than 30%, and a gross floor area of residential building area of not more than 10,473 sqm;
- (c) residential housing with a total construction area of 57,581.46 sqm on the land parcel numbered 2021 (TP) — 23, with a plot ratio between 1.0 and 2.0, the building height not exceeding 80 metres, a building density not exceeding 22%, a ratio of green space of not lower than 35%, a gross floor area of residential building area of not more than 40,307 sqm, and a plot ratio of compatible commercial land of not more than 30%;
- (d) a waterfront eco-resort, wellness and residential project with a total construction area of 44,798.74 sqm on the land parcel numbered 2021 (TP) — 24, with a plot ratio between 1.0 and 2.0, the building height not exceeding 100 metres and building height of residential building not exceeding 80 metres, a building density not exceeding 40%, a ratio of green space of not lower than 15%, a plot ratio of compatible residential land of not more than 30%, and a gross floor area of residential building area of not more than 13,439 sqm; and

LETTER FROM THE BOARD

- (e) residential housing with a total construction area of 19,024.58 sqm on the land parcel numbered 2021 (TP) — 28, a plot ratio between 1.0 and 2.0, the building height not exceeding 80 metres, a building density not exceeding 22%, a ratio of green space of not lower than 35%, with a gross floor area of residential building area of not more than 13,317 sqm, and a plot ratio of compatible commercial land of not more than 30%.

The First Bidder shall also construct surrounding municipal roads on the land parcel numbered 2021 (TP) — 23, and surrounding municipal roads and municipal green area on the land parcel numbered 2021 (TP) — 28, and the ownership thereof shall vest in Sichuan Tianfu New District Meishan Management Committee* (四川天府新區眉山管理委員會).

The Second Bidder shall construct residential housing with a total construction area of 4,194.60 sqm on the land parcel numbered 2021 (TP) — 25, with a plot ratio between 1.0 and 1.2, the building height not exceeding 80 metres, a building density not exceeding 22%, a ratio of green space of not lower than 35%, a gross floor area of residential building area of not more than 3,775 sqm, and a plot ratio of compatible commercial land of not more than 10%.

If any of the Bidders fails to satisfy any planning parameters imposed under the relevant Land Use Rights Grant Contract (for instances, plot ratio and building density), the relevant Bidder will be liable to pay liquidated damages, which are computed as follows:

$$\frac{(A - B)}{A} \times C$$

A = The planning parameter as stipulated under the relevant Land Use Rights Grant Contract which the relevant Bidder fails to comply

B = The actual parameter of the completed building structure(s)

LETTER FROM THE BOARD

(A — B) = The difference between the parameter as stipulated under the relevant Land Use Rights Grant Contract which the relevant Bidder fails to comply and the actual parameter of the completed building structure(s)

C = the Consideration in relation to the relevant parcel of land being the subject matter of the relevant Land Use Rights Grant Contract

Delivery of the Land Parcels : The Land Parcels will be delivered before 30 August 2022 on an as-is basis, in accordance with the subsisting land use conditions.

Commencement and completion of construction works : Construction works shall commence on the Land Parcels before 29 August 2023 and shall be completed before 28 August 2026.

If the Bidders fail to commence or complete the construction according to the agreed schedule, the Bidders will be liable to pay 0.1% of the Consideration for each day of delay as liquidated damages.

3. REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is principally engaged in property businesses, including property investment and property development, and has considerable experience in the property market.

The Acquisition offers an opportunity for the Group to further expand its property development business in the PRC and to further capture the benefits from the PRC property market. The Land Parcels are situated at the Meishan Direct Management District, Tianfu New District, Sichuan Province, which is within the potential development area of the south expansion of the Chengdu Economic Circle, the 1-hour economic circle of Chengdu, and the intersection of Tianfu New District and Meishan District's half-hour economic circle. The prime location provides a favourable condition for the development of the Land Parcels. Also, with the unique high-quality ecological and cultural tourism resources of the Huanglongxi Plate, the area is expected to become another salubrious living area in the city.

The Directors are of the view that the Acquisition is in the ordinary and usual course of business of the Group and that the terms of the Acquisition are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

4. FINANCIAL EFFECTS OF THE ACQUISITION ON THE GROUP

Immediately upon completion of the Acquisition, it is expected that the Group's assets would increase by approximately HK\$288.4 million, based on the Consideration paid for the Acquisition and the transaction service fee, which would be offset by the decrease in cash and bank balances of approximately HK\$288.4 million. The Acquisition is not expected to have any material effect on the total assets, total liabilities and earnings of the Group.

LETTER FROM THE BOARD

5. LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition is more than 25% but all are less than 100%, the Acquisition constitutes a major transaction for the Company under Chapter 14 of the Listing Rules.

As the Group's principal business activities include property development, the Company is regarded as a Qualified Issuer under Rule 14.04(10B) of the Listing Rules, and the Acquisition, being acquisition of governmental land in the PRC from a PRC Governmental Body (as defined under the Listing Rules) through an auction undertaken for development purpose in the ordinary and usual course of business of the Group, constitutes a Qualified Property Acquisition under Rule 14.04(10C) of the Listing Rules, and is subject to the reporting, announcement and circular requirements but exempt from shareholders' approval requirement pursuant to Rule 14.33A of the Listing Rules.

6. INFORMATION ON THE PARTIES

The Group

The Group is principally engaged in property businesses, including property investment and property development, and has considerable experience in the property market.

The Bidders

Each of the Bidders is a company incorporated in the PRC, an indirect non-wholly-owned subsidiary of the Company, and is principally engaged in property development.

Meishan Municipality Pengshan District Natural Resources and Planning Bureau

Meishan Municipality Pengshan District Natural Resources and Planning Bureau is a bureau under the local government of Meishan Municipality and a PRC Governmental Body within the meaning of Rule 19A.04 of the Listing Rules. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Meishan Municipality Pengshan District Natural Resources and Planning Bureau and its ultimate beneficial owner(s) are Independent Third Parties.

7. ADDITIONAL INFORMATION

Your attention is drawn to the financial and general information as set out in the appendices to this circular.

Yours faithfully,
For and on behalf of
Y. T. Realty Group Limited
Wong Hy Sky
Chairman and Managing Director

1. FINANCIAL INFORMATION OF THE GROUP

The audited consolidated financial statements of the Group, together with the accompanying notes, for each of the three years ended 31 December 2019, 2020 and 2021 are disclosed in the annual reports of the Company for the financial years ended 31 December 2019 (pages 52-111), 31 December 2020 (pages 55-142), and 31 December 2021 (pages 67-160) respectively, and are incorporated by reference into this circular.

The said annual reports of the Company are available on the Company's website at www.ytrealtygroup.com.hk and website of the Stock Exchange at www.hkexnews.hk through the links below:

Annual report for the year ended 31 December 2019 (published on 9 April 2020):
<https://www1.hkexnews.hk/listedco/listconews/sehk/2020/0409/2020040900358.pdf>

Annual report for the year ended 31 December 2020 (published on 14 April 2021):
<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0414/2021041400345.pdf>

Annual report for the year ended 31 December 2021 (published on 12 April 2022):
<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0412/2022041200421.pdf>

2. STATEMENT OF INDEBTEDNESS

As at the close of business on 30 June 2022, being the latest practicable date for the purpose of this statement of indebtedness prior to printing of this circular, the Group had secured and guaranteed interest-bearing bank borrowings with outstanding principal of approximately HK\$934.8 million, and outstanding interest payable of approximately HK\$1.5 million.

The interest-bearing bank borrowings were secured by the pledge of (i) the entire equity interest of a wholly-owned subsidiary of the Group; (ii) the 67% equity interest of a non wholly-owned subsidiary of the Group; (iii) the properties under development of the Group with an aggregate carrying amount of approximately HK\$5,340.7 million; and (iv) the construction in progress of the Group with an aggregate carrying amount of approximately HK\$141.4 million, and guaranteed by certain third parties.

The interest-bearing bank borrowings bore fixed rates interest with contractual interest rates ranging from 8% to 9% per annum.

As at 30 June 2022, the Group had secured and guaranteed interest-bearing other borrowings and secured and unguaranteed interest-bearing other borrowings with outstanding principal of approximately HK\$1,596.2 million and HK\$864.3 million, respectively. As at 30 June 2022, the Group also had outstanding interest payable for interest-bearing other borrowings of approximately HK\$14.4 million.

The interest-bearing other borrowings were secured by the pledge of (i) the 80% equity interest, the 67% equity interest and the 53.1% equity interest of certain non wholly-owned subsidiaries of the Group; (ii) share charge in respect of the entire equity interest of certain wholly-owned subsidiaries of the Group; (iii) the properties under development of the Group with an aggregate carrying amount of HK\$4,933.5 million; (iv) the investment properties of the Group with an aggregate carrying amount of HK\$801.3 million; and (v) the construction in progress of the Group with an aggregate carrying amount of HK\$26.8 million. The guaranteed interest-bearing other borrowings were guaranteed by the Company, certain subsidiaries and a third party.

The interest-bearing other borrowings bore fixed rates interest with contractual interest rates ranging from 8% to 15% per annum.

As at 30 June 2022, the Group had provided financial guarantees of approximately HK\$3,852.5 million in favour of certain banks in respect to mortgage facilities granted by the related banks relating to the mortgage loans arranged for certain purchasers of properties of subsidiaries of the Group.

As at 30 June 2022, the Group had unsecured and unguaranteed lease liabilities of approximately HK\$0.3 million related to leases of an office property of the Group.

Save as aforesaid, and apart from intra-group liabilities, normal trade and retention payables and other payables in the ordinary course of business, as at the close of business on 30 June 2022, the Group did not have any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgages, charges, hire purchase commitments, guarantees or any material contingent liabilities.

3. WORKING CAPITAL

The Directors are of the opinion that taking into account the existing cash and bank balances, available loan facilities, cash flow from operations of the Group and the effect of the Acquisition, the Group will have sufficient working capital for its present requirements and for at least 12 months from the date of publication of this circular.

The Company has obtained the relevant confirmation as required under Rule 14.66 (12) of the Listing Rules.

4. FINANCIAL AND TRADING PROSPECT OF THE GROUP

For 2022, it is anticipated that the global economy will be volatile and challenging. The continuous threat of COVID-19 and its variants, increase in interest rates in the United States and many major economies to curb inflation, disruption in supply chain due to the pandemic and regional geopolitical tension will undermine economic recovery. It is difficult to predict when the global economy can resume its normal pace. However, many countries may be willing to adopt flexible and accommodative monetary policies and fiscal stimulus to provide liquidity in the event of extreme economic downturn.

In Mainland China, where the Group has its core property business, it is expected that the economy will be stable with growth as the pandemic has been under control. It is expected that the central government will continue its effort to provide accommodative monetary policy and fiscal stimulus to support economic growth. In recent years, the effort of the central government to deleverage the over-expanded property market has created short-term impact and slowed down the property sales and certain property developers encountered liquidity issues. However, support measures by local governments are evident in recent months to ease the downturn of the property market. It is expected that the property market will remain resilient in the long run.

For the United Kingdom, where the Group has property investment operations, the economy will be affected by various factors such as the uncertain development of the pandemic, rising inflation, higher interest rate, etc. The pace of recovery has been uneven across different economic and property sectors. It is anticipated that property market in London will still be more resilient as compared to other regions in the United Kingdom as London is the major business hub in Europe and preferred location of international investment.

Amid the challenging and volatile economic conditions, the Group will adopt a cautious and proactive approach for its core business and investment, and to look for business opportunities in property markets with stable and long-term economic prospects. The Group remains positive about the overall and long-term economic prospect and the property market of Mainland China. The Group will continue its efforts for its property business in Mainland China for sustainable development of the Group and enhance the returns for our Shareholders in the long run.

1. RESPONSIBILITY STATEMENT

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

2. INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVES IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ASSOCIATED CORPORATIONS

Save as disclosed below, as at the Latest Practicable Date, none of the Directors and chief executives of the Company had any interests and short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required, pursuant to (a) Divisions 7 and 8 of Part XV of the SFO, to be notified to the Company and the Stock Exchange (including interests and short positions which he/she is taken or deemed to have under such provisions of the SFO); or (b) section 352 of the SFO, to be entered in the register required to be kept by the Company referred to therein; or (c) the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules to be notified to the Company and the Stock Exchange:

Long positions in Shares

Name of Director	Capacity	Number of Shares held	Total number of Shares held	Approximate percentage of total issued Shares as at the Latest Practicable Date
Wong Hy Sky	Interest of controlled corporation	79,772,000 (Note)		
	Beneficial owner	<u>88,000,000</u>	167,772,000	20.98%
Ng Kwok Fu	Beneficial owner	50,000		
	Interest of spouse	<u>40,000</u>	90,000	0.01%

Note: Mr. Wong Hy Sky (“**Mr. Wong**”) was deemed to be interested in 79,772,000 shares in the Company by virtue of his indirect control of Hong Kong Petrochemical Industrial Group Limited (“**HK Petrochemical**”) which owned those shares. HK Petrochemical was a wholly owned subsidiary of Ever Lead Developments Limited (“**Ever Lead**”), and Ever Lead was in turn a wholly owned subsidiary of Joybeam Global Limited (a company wholly owned by Mr. Wong).

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

3. DIRECTORS' COMPETING INTERESTS

As at the Latest Practicable Date, as far as the Directors were aware, none of the Directors or their respective close associates (as if each of them was treated as a controlling shareholder under Rule 8.10 of the Listing Rules) had any interest in a business which competes or is likely to compete, whether directly or indirectly, with the business of the Group.

4. DIRECTORS' INTEREST IN CONTRACTS AND ASSETS OF THE GROUP

Saved as disclosed above, as at the Latest Practicable Date,

- (a) none of the Directors was materially interested in any contract or arrangement subsisting as at the Latest Practicable Date which was significant in relation to the business of the Group; and
- (b) none of the Directors had any direct or indirect interest in any asset which had been, since 31 December 2021, being the date to which the latest published audited consolidated financial statements of the Company were made up, acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

5. MATERIAL CONTRACTS

The following are contracts entered into by the members of the Group within the two years immediately preceding the date of this circular and which is or may be material:

- (a) the sale and purchase agreement dated 4 September 2020 entered into amongst Radiant Luck Investments Limited (an indirect wholly-owned subsidiary of the Company) ("**Radiant Luck**") as purchaser, Magical Round Investment Limited as vendor, and Lo Wan as vendor's guarantor, in relation to the acquisition by Radiant Luck of the entire issued share capital of Great Giant Investment Limited, which indirectly holds 67% of the interests in seventeen plots of land with an aggregate site area of approximately 653,061.88 sqm located in Jinjiang Town, Pengshan District in Meishan, Sichuan Province, the PRC* (中國四川省眉山市彭山區錦江鎮) for a consideration of HK\$30,000,000 payable in cash;
- (b) the sale and purchase agreement dated 5 August 2021 entered into amongst Sunrise Metro Limited (an indirect wholly-owned subsidiary of the Company) ("**Sunrise Metro**") as vendor, and Prospect Capital International Limited as purchaser in relation to the disposal by Sunrise Metro of the entire issued share capital of and the shareholder's loan owing by Solent Ventures Limited, which indirectly holds the entire interest in a commercial building located at 5, 6 and 7 Vere Street and 10 Chapel Place (also known as 1 Chapel Place), London, W1G 0BG, the United Kingdom for a total consideration of HK\$235 million receivable in cash; and

- (c) the sale and purchase agreement dated 20 January 2022 entered into amongst Radiant Luck as purchaser, Fortune Day Ventures Limited as vendor, and Huang Keli as vendor's guarantor, in relation to the acquisition by Radiant Luck of the entire issued share capital of Golden Honour Global Limited, which indirectly holds 53.6% of the interests in the fourteen plots of lands with an aggregate site area of approximately 558,408.08 sqm located at the east side of Changle Road and the west side of Binjiang Avenue and the Jiangkou Street, Pengshan District in Meishan, Sichuan Province, the PRC* (中國四川省眉山市彭山區長樂路以東、濱江大道以西及江口街道) for a consideration of HK\$230,000,000 payable in cash.

6. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, there has been no material adverse change in the financial or trading position of the Group since 31 December 2021, being the date to which the latest published audited consolidated financial statements of the Company were made up.

7. MATERIAL LITIGATION

As at the Latest Practicable Date, none of the members of the Group was engaged in any litigation or claim of material importance and, so far as the Directors were aware, there was no litigation or claim of material importance pending or threatened against any member of the Group.

8. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered or proposed to enter into a service contract with any member of the Group which would not expire or was not determinable by the relevant member of the Group within one year without payment of compensation (other than statutory compensation).

9. GENERAL

- (a) The registered office of the Company is situated at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and the principal place of business of the Company in Hong Kong is situated at 25th Floor, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong.
- (b) The company secretary, Mr. Tong Wui Tung, who is a practising solicitor in Hong Kong and a partner of Ronald Tong & Co.
- (c) The branch share registrar and transfer office of the Company in Hong Kong is Tricor Abacus Limited of 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (d) The English text of this circular shall prevail over the Chinese text in case of inconsistency

10. DOCUMENTS ON DISPLAY

Copies of the Land Use Rights Grant Contracts will be available on the websites of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.ytrealtygroup.com.hk) from the date of this circular up to and including the date which is 14 days from the date of this circular.