
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Golden Wheel Tiandi Holdings Company Limited, you should at once hand this circular, together with the enclosed 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.

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.

This circular appears for information purpose only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Company nor is it a solicitation of any vote or approval in any jurisdiction. Neither this circular nor any copy thereof may be released into or distributed directly or indirectly in the United States or any other jurisdiction where such release or distribution might be unlawful. This circular does not constitute an offer to sell or the solicitation of an offer to buy any securities in the United States or any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No securities may be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. Any public offering of securities to be made in the United States will be made by means of a prospectus. Such prospectus will contain detailed information about the company making the offer, its management, as well as financial statements. The Company does not intend to make any public offering of securities in the United States.



GOLDEN WHEEL TIANDI HOLDINGS COMPANY LIMITED

金輪天地控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1232)

- (1) PROPOSAL FOR RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE
NEW SHARES AND TO REPURCHASE SHARES;
(2) PROPOSED RESTRUCTURING INVOLVING, AMONG OTHERS,
(A) THE SCHEME
(B) CONNECTED TRANSACTION – ISSUE OF NEW NOTES AND
PROVISION OF FINANCIAL ASSISTANCE
(C) CONNECTED TRANSACTION – ISSUE OF NEW SHARES
UNDER SPECIFIC MANDATE
(D) CONNECTED TRANSACTION AND VERY SUBSTANTIAL DISPOSAL;
(3) PROPOSED SHARE CONSOLIDATION AND
CHANGE IN BOARD LOT SIZE
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

Financial adviser to the Company



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



INCU Corporate Finance Limited

A letter from the Independent Board Committee containing its recommendation to the Independent Shareholders is set out on pages 49 to 50 of this circular. A letter from Independent Financial Adviser, containing its advice to the Independent Board Committee and the Independent Shareholders, is set out on pages 51 to 97 of this circular.

A notice convening the AGM to be held at Units 1203B, 1204–1205, 12/F, World-Wide House, 19 Des Voeux Road Central, Central, Hong Kong at 10:30 a.m. on Friday, 16 May 2025 is set out on pages AGM-1 to AGM-6 of this circular. Whether or not you are able to attend the AGM, please complete the form of proxy enclosed in accordance with the instructions printed thereon and return it to the Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as practicable, but in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM, or any adjournment thereof (as the case may be), should you so wish and in such event, the form of proxy shall be deemed to be revoked.

31 March 2025

CONTENTS

	<i>Pages</i>
DEFINITIONS	1
EXPECTED TIMETABLE	11
LETTER FROM THE BOARD	13
LETTER FROM THE INDEPENDENT BOARD COMMITTEE	49
LETTER FROM THE INDEPENDENT FINANCIAL ADVISER	51
APPENDIX I — DETAILS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED AT THE AGM	I-1
APPENDIX II — EXPLANATORY STATEMENT ON REPURCHASE MANDATE	II-1
APPENDIX III — FINANCIAL INFORMATION OF THE GROUP	III-1
APPENDIX IV — FINANCIAL INFORMATION OF THE ISSUER GROUP	IV-1
APPENDIX V — UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP	V-1
APPENDIX VI — MANAGEMENT DISCUSSION AND ANALYSIS OF THE REMAINING GROUP	VI-1
APPENDIX VII — VALUATION REPORT	VII-1
APPENDIX VIII — GENERAL INFORMATION	VIII-1
NOTICE OF ANNUAL GENERAL MEETING	AGM-1

DEFINITIONS

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

“Accrued Interest”	all accrued and unpaid interest (excluding any default or penalty interest) on such Existing Debt Instruments held by the Scheme Creditors up to (but excluding) 30 June 2024, which is expected to be US\$94,611,941 (subject to final determination of the Scheme Creditors’ claims by the chairperson of the Scheme Meeting)
“Ad Hoc Group”	the ad hoc group of holders of the Existing Debt Instruments or investment managers or investment advisers to such holders who are advised by the advisers of the Ad Hoc Group as constituted from time to time in accordance with the RSA
“AGM”	the annual general meeting of the Company to be held at Units 1203B, 1204–1205, 12/F, World-Wide House, 19 Des Voeux Road Central, Central, Hong Kong on Friday, 16 May 2025 at 10:30 a.m., the notice of which is set out on pages AGM-1 to AGM-6 of this circular, or any adjournment of such meeting
“Announcement”	the announcement of the Company dated 24 January 2025 in relation to the Proposed Restructuring involving, among others, the issue of New Notes, provision of financial assistance, the issue of New Shares under Specific Mandate, the Transfer, the Share Consolidation and the Change in Board Lot Size
“Articles” or “Articles of Association”	the articles of association of the Company as amended from time to time
“Board”	the board of Directors
“Business Day”	a day (other than a Saturday, Sunday and any day on which a tropical cyclone warning no. 8 or above is hoisted, “extreme condition” caused by super typhoons or on which a “black” rainstorm warning is issued between 9:00 a.m. and 5:00 p.m.) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours

DEFINITIONS

“business day”	any day which is not a Saturday, Sunday, legal holiday or other day on which banking institutions in the City of New York, London, the PRC and/or Hong Kong are authorised or required by law or governmental regulation to close
“BVI”	the British Virgin Islands
“Cayman Islands Companies Act”	the Companies Act (As Revised) of the Cayman Islands
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Change in Board Lot Size”	the proposed change in board lot size of the Shares for trading on the Stock Exchange from 2,000 Existing Shares to 8,000 Consolidated Shares
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Company”	Golden Wheel Tiandi Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1232)
“connected person”	has the meaning ascribed to it in the Listing Rules
“Consolidated Share(s)”	the ordinary share(s) of US\$0.10 each in the share capital of the Company upon the Share Consolidation becoming effective
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules and, in the context of this circular, refers to the Wong Family
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Excluded Assets”	collectively, (i) the shares in Xiamen International Bank Company Limited; (ii) a specific self-use office space; and (iii) six specified car parks, which are held by the Issuer Group as at the Latest Practicable Date

DEFINITIONS

“Existing Debt Instruments”	the Existing Notes and the Existing Loan
“Existing Loan”	the facility entered into by the Company as guarantor in respect of a US\$50,000,000 term loan facility made by certain financial institutions as lenders, of which the aggregate principal amount of US\$40,000,000 is outstanding as at the date of the RSA
“Existing Notes”	the New York law-governed 10.0% senior notes due April 2025 issued by the Company, of which the aggregate principal amount of US\$466,662,503 is outstanding as at the date of the RSA
“Existing Principal Amount”	the outstanding principal amount of the Existing Debt Instruments held by the Scheme Creditors at the Record Time
“Existing Shares”	ordinary share(s) of US\$0.01 each in the existing share capital of the Company before the Share Consolidation becomes effective
“General Rules of HKSCC”	General Rules of HKSCC published by the Stock Exchange and as amended from time to time
“GFA”	gross floor area
“Golden Wheel Diamond”	Golden Wheel Diamond Company Limited (金輪鑽石有限公司), a company incorporated in the BVI with limited liability and a subsidiary of the Company prior to RED
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of the Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited, a wholly owned subsidiary of Hong Kong Exchanges and Clearing Limited
“HKSCC Operational Procedures”	the operational procedures of the HKSCC, containing the practices, procedures and administrative or other requirements relating to HKSCC’s services and the operations and functions of the systems established, operated and/or otherwise provided by or through HKSCC (including FINI and CCASS) as from time to time in force

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong High Court”	the High Court of Hong Kong and any court capable of hearing appeals therefrom
“Hong Kong Scheme”	the scheme of arrangement proposed by the Company to be effected pursuant to sections 670, 673 and 674 of the Companies Ordinance, for the purpose of implementing the Proposed Restructuring as contemplated under the RSA and the Term Sheet
“Hong Kong Scheme Effective Date”	the date on which the Hong Kong sanction order is filed with the registrar of companies in the Hong Kong pursuant to section 673 of the Companies Ordinance at which time the Hong Kong Scheme shall become effective in accordance with its terms
“Independent Board Committee”	an independent board committee comprising the independent non-executive Directors to advise the Independent Shareholders as to the fairness and reasonableness of the issue of New Notes, provision of financial assistance, issue of New Shares and the Transfer and the transactions contemplated thereunder
“Independent Financial Adviser”	INCUB Corporate Finance Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activities under the SFO and the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in relation to the issue of New Notes, provision of financial assistance, issue of New Shares and the Transfer and the transactions contemplated thereunder
“Independent Shareholders”	the Shareholders other than (i) any Shareholder who has a material interest in the issue of New Notes, provision of financial assistance, issue of New Shares and the Transfer and the transactions contemplated thereunder and (ii) any close associate of such Shareholder referred to in (i)

DEFINITIONS

“Issue Mandate”	a general and unconditional mandate to the Directors to exercise the power to allot, issue or otherwise deal with Shares (including any sale or transfer of Treasury Shares out of treasury) of up to a maximum of 20% of the total number of Shares in issue (excluding any Treasury Shares) as at the date of the passing of the relevant resolution
“Issuer”	Mega Drive Company Limited, a company incorporated in the BVI with limited liability and a subsidiary of the Company prior to RED incorporated for the purpose of holding the Issuer Group
“Issuer Group”	the Issuer and the Issuer Subsidiaries
“Issuer Subsidiaries”	the subsidiaries of the Issuer. For the avoidance of doubt, this excludes other companies which Golden Wheel International Investment Limited is interested in prior to the Proposed Restructuring other than Nanjing Jade Golden Wheel Realty Company Limited* (南京翡翠金輪置業有限公司)
“Latest Practicable Date”	28 March 2025, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Longstop Date”	means 31 December 2025 or such later date as may be agreed between the Company and the Majority Scheme Creditors in accordance with the Scheme
“Majority Ad Hoc Group”	the member(s) of the Ad Hoc Group holding more than 50% of the aggregate outstanding principal amount of the Existing Debt Instruments held by the Ad Hoc Group at the relevant time
“Majority Scheme Creditors”	means Scheme Creditors holding in aggregate more than 50% in value of the aggregate principal amount of the voting scheme claims held by all Scheme Creditors, who are voting (either in person or by proxy) at the relevant time

DEFINITIONS

“Management Service Agreements”	the proposed management service agreements between the Company, certain property manager(s) designated by the Company and the company holding the relevant Specified Asset described in the section headed “The issue of New Notes and provision of financial assistance – Management service agreements” in this circular
“Net Cash Proceeds”	with respect to any Specified Asset, the cash proceeds generated from operations (including, among others, any rental income) or disposal in connection with such Specified Asset that is attributable to and actually received by the Issuer and/or its subsidiaries net of fees, expenses and other amounts under the terms of the Scheme
“New Notes”	the new notes in the expected aggregate principal amount of US\$506,662,503 to be issued by the Issuer as restructuring consideration under the Scheme
“New Notes Subsidiary Guarantor(s)”	means Golden Wheel Diamond, Golden Wheel Pearl Company Limited, Golden Wheel International Corporation Limited, Golden Wheel International Creation Company Limited, Golden Wheel International Investment Limited, Golden Wheel Jade Company Limited, Nanjing Golden Wheel Real Estate Development Company Limited* (南京金輪房地產開發有限公司), Nanjing Pearl Golden Wheel Realty Company Limited* (南京明珠金輪置業有限公司) and Nanjing Jade Golden Wheel Realty Company Limited* (南京翡翠金輪置業有限公司)
“New Shares”	the new Shares representing in aggregate approximately 14.50% of all the issued ordinary shares of the Company on an enlarged basis to be issued by the Company as restructuring consideration under the Scheme
“Participating Creditor(s)”	an initial Participating Creditor or an additional Participating Creditor under the terms of the RSA, but excludes any initial Participating Creditor or additional Participating Creditor that has exercised its right to terminate the RSA in accordance with its terms

DEFINITIONS

“Performance Guarantee”	the performance guarantee provided by the Company under the proposed Management Service Agreements as described in the section headed “The issue of New Notes and provision of financial assistance – Management Service Agreements” in this circular
“PRC”	the People’s Republic of China, and for the purpose of this circular, excluding Hong Kong, the Macao Special Administrative Region and Taiwan
“Project Loan”	loan facility to be entered into between the Company and a financial institution and secured by among others, the GW International Plaza of which the aggregate outstanding principal amount is no more than HK\$272 million as of the RED
“Proposed Restructuring”	a consensual restructuring of the indebtedness of the Company and the Subsidiary Guarantors, to be conducted materially in the manner envisaged by, and materially on the terms set out in, the Term Sheet and which includes for purposes of this circular, the Scheme, the issue of New Notes, provision of financial assistance, the issue of New Shares under a Specific Mandate and the Transfer
“Record Time”	the time designated by the Company for the determination of claims of the Scheme Creditors for the purposes of voting at each Scheme Meeting
“Remaining Group”	the Group excluding the Issuer Group but including the Excluded Assets upon completion of the Proposed Restructuring
“Repurchase Mandate”	a general and unconditional mandate to the Directors to enable them to repurchase Shares of up to a maximum of 10% of the total number of Shares in issue (excluding any Treasury Shares) as at the date of the passing of the relevant resolution

DEFINITIONS

“Restructuring Effective Date” or “RED”	the day on which the restructuring consideration will be distributed to the Scheme Creditors, all the Existing Debt Instruments will be cancelled and all guarantees and securities granted in connection with the Existing Debt Instruments will be released, and with all the conditions precedent of the proposed restructuring of the Existing Debt Instruments under the terms of the Scheme have been satisfied or waived (as applicable)
“RSA”	the restructuring support agreement dated 21 November 2024 entered into by, among others, the Company, the initial Participating Creditors named therein as amended, supplemented and/or restated from time to time, including by accession or cessation of parties thereto
“Scheme”	the scheme of arrangement in Hong Kong (and/or other applicable jurisdictions), for the purpose of implementing the Proposed Restructuring as contemplated under the RSA and the Term Sheet
“Scheme Creditors”	as at the Record Time (A) persons who have a beneficial interest as principal in the Existing Notes held in global form through the relevant clearing systems; and/or (B) persons who have a legal interest as principal in the Existing Notes; and/or (C) persons with a legal or beneficial interest as principal under any Existing Loan documents
“Scheme Effective Date”	(i) the Hong Kong Scheme Effective Date and/or (ii) the date on which any Scheme (other than the Hong Kong Scheme) shall become effective in accordance with its terms
“Scheme Meeting”	a meeting of the Scheme Creditors whose claims against the Company are (or will be) the subject of the Scheme to vote on that Scheme convened pursuant to an order of the court (and any adjournment of such meeting)
“Securities Act”	the U.S. Securities Act of 1933, as amended from time to time
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented and/or otherwise modified from time to time

DEFINITIONS

“SGX-ST”	Singapore Exchange Securities Trading Limited
“Share Consolidation”	the proposed consolidation of every ten (10) issued and unissued Shares of par value of US\$0.01 each in the share capital of the Company into one (1) Consolidated Share of par value of US\$0.10 each
“Shareholder(s)”	holder(s) of Shares in the Company
“Shares”	the Existing Share(s) and/or the Consolidated Share(s) as the case may be
“Specific Mandate”	the specific mandate to be granted by the Independent Shareholders at the AGM to issue the New Shares
“Specified Asset(s)”	means the asset(s) listed in the section headed “The Transfer - Information on the Specified Assets” in this circular
“sq.m.”	square meter
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	in relation to a company, has the meaning ascribed to it under the Listing Rules, whether incorporated in Hong Kong or elsewhere
“Subsidiary Guarantors”	certain subsidiaries of the Company being guarantors under the Existing Notes
“Takeovers Code”	the Code on Takeovers and Mergers published by the Securities and Futures Commission of Hong Kong as amended from time to time
“Term Sheet”	the Term Sheet at Schedule 6 to the RSA, a redacted copy of which is attached as Appendix to the announcement of the Company dated 21 November 2024
“Transfer”	the proposed transfer of the Issuer Group (which holds the Specified Assets) by the Group for the benefit of the Scheme Creditors pursuant to the Scheme and in connection with the Proposed Restructuring
“Treasury Shares”	has the same meaning as defined in the Listing Rules, as amended from time to time

DEFINITIONS

“United States”	The United States of America, its territories and possessions and all areas subject to its jurisdiction
“US\$”	United States dollar, the lawful currency of the United States of America
“Valuation Report”	a valuation report of the relevant property interest prepared by the Valuer dated 31 March 2025, the text of which is set out in Appendix VII to this circular
“Valuer”	Valtech Valuation Advisory Limited, an independent valuer engaged by the Group
“WFOE(s)”	means Nanjing Golden Wheel Real Estate Development Company Limited* (南京金輪房地產開發有限公司), Nanjing Pearl Golden Wheel Realty Company Limited* (南京明珠金輪置業有限公司) and Nanjing Jade Golden Wheel Realty Company Limited* (南京翡翠金輪置業有限公司)
“Wong Family”	Mr. Wong Yam Yin (王欽賢), Mr. Wong Kam Fai (王錦輝), Mr. Wong Kam Keung, Barry (王錦強) and Ms. Hung So Ling (洪素玲)
“%”	per cent

* for identification purpose only

Unless otherwise indicated, in this circular, translation of amounts in HK\$ into RMB have been made at the rate of HK\$1.07 to RMB1.00, HK\$ into US\$ have been made at the rate of HK\$7.78 to US\$1.00 and RMB into US\$ have been made at the rate of RMB7.19 to US\$1.00 for illustration purpose only. No representation is made that any amount in HK\$ could have been or could be converted at such respective rates or at all.

In this circular, if there is any inconsistency between the Chinese names and their English translations of the entities or enterprises established in the PRC or Indonesia, the Chinese names shall prevail.

References to time and dates in this circular are to Hong Kong time and dates.

EXPECTED TIMETABLE

The expected timetable for the Share Consolidation and the Change in Board Lot Size is set out below. The expected timetable is subject to the results of the AGM and is therefore for indicative purpose only. Any change to the expected timetable will be announced under a separate announcement by the Company as and when appropriate. All times and dates in this circular refer to Hong Kong local times and dates.

Event	Time	Date 2025
Latest time and date for lodging transfer documents in order to qualify for attending and voting at the AGM	4:30 p.m.	Monday, 12 May
Closure of register of members for determining the entitlement to attend and vote at the AGM (both dates inclusive)		Tuesday, 13 May to Friday, 16 May
Latest time and date for lodging forms of proxy for the AGM	10:30 a.m.	Wednesday, 14 May
Record date		Friday, 16 May
Expected time and date of the AGM	10:30 a.m.	Friday, 16 May
Announcement of the poll result of the AGM		Friday, 16 May

The following events are conditional on the fulfillment of the conditions for the implementation of the Share Consolidation and the Change in Board Lot Size as set out in this circular.

Effective date of the Share Consolidation		Tuesday, 20 May
First day for free exchange of existing share certificates for new share certificates of the Consolidated Shares		Tuesday, 20 May
Commencement of dealings in the Consolidated Shares	9:00 a.m.	Tuesday, 20 May
Original counter for trading in the Existing Shares in board lots of 2,000 Existing Shares (in the form of existing share certificates) temporarily closes	9:00 a.m.	Tuesday, 20 May

EXPECTED TIMETABLE

Event	Time	Date 2025
Temporary counter for trading in the Consolidated Shares in board lots of 200 Consolidated Shares (in the form of existing share certificates) opens	9:00 a.m.	Tuesday, 20 May
Original counter for trading in the Consolidated Shares in board lots of 8,000 Consolidated Shares (in the form of new share certificates) re-opens	9:00 a.m.	Tuesday, 3 June
Parallel trading in the Consolidated Shares (in the form of new share certificates and existing share certificates) commences	9:00 a.m.	Tuesday, 3 June
Designated broker starts to stand in the market to provide matching services for the sale and purchase of odd lots of the Consolidated Shares	9:00 a.m.	Tuesday, 3 June
Designated broker ceases to stand in the market to provide matching services for the sale and purchase of odd lots of the Consolidated Shares	4:00 p.m.	Monday, 23 June
Temporary counter for trading in the Consolidated Shares in board lots of 200 Consolidated Shares (in the form of existing share certificates) closes	4:10 p.m.	Monday, 23 June
Parallel trading in Consolidated Shares (in the form of new share certificates and existing share certificates) end	4:10 p.m.	Monday, 23 June
Last day of free exchange of existing share certificates for new share certificates for the Consolidated Shares		Wednesday, 25 June



GOLDEN WHEEL TIANDI HOLDINGS COMPANY LIMITED

金輪天地控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1232)

Board of Directors:

Executive Directors:

Mr. Wong Yam Yin (*Chairman*)
Mr. Wong Kam Fai (*Vice Chairman,*
Chief Executive Officer)
Mr. Wong Kam Keung, Barry
(*Standing Vice President*)
Mr. Tjie Tjin Fung (*Vice Chairman*)

Non-executive Directors:

Mr. Suwita Janata (*Vice Chairman*)
Mr. Gunawan Kiky

Independent Non-executive Directors:

Mr. Wong Cho Kei, Bonnie
Mr. Li Sze Keung
Mr. Chan Chi Wai
Ms. Wong Lai Ling

Registered Office:

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

**Headquarters and Principal Place
of Business In China:**

33/F, Golden Wheel International Plaza
No. 8, Hanzhong Road
Nanjing, China

Place of Business in Hong Kong:

Flat 712, 7/F, Block B
Sea View Estate
8 Watson Road
Fortress Hill, Hong Kong

31 March 2025

To the Shareholders

Dear Sir or Madam,

- (1) **PROPOSAL FOR RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE
NEW SHARES AND TO REPURCHASE SHARES;**
(2) **PROPOSED RESTRUCTURING INVOLVING, AMONG OTHERS,**
(A) **THE SCHEME**
(B) **CONNECTED TRANSACTION – ISSUE OF NEW NOTES AND
PROVISION OF FINANCIAL ASSISTANCE**
(C) **CONNECTED TRANSACTION – ISSUE OF NEW SHARES
UNDER SPECIFIC MANDATE**
(D) **CONNECTED TRANSACTION AND VERY SUBSTANTIAL DISPOSAL;**
(3) **PROPOSED SHARE CONSOLIDATION AND
CHANGE IN BOARD LOT SIZE
AND**
(4) **NOTICE OF ANNUAL GENERAL MEETING**

LETTER FROM THE BOARD

INTRODUCTION

Reference is made to the Announcement.

The purpose of this circular is to provide you with information reasonably necessary to enable you to make an informed decision on whether to vote for or against the ordinary resolutions to be proposed at the AGM, including, among other things, (i) the re-election of Directors; (ii) the grant of general mandates to the Directors to issue new Shares and to repurchase Shares and to grant an extension thereof; (iii) further details of the Proposed Restructuring, Share Consolidation and Change in Board Lot Size and the transactions contemplated thereunder; (iv) the letter of recommendation from the Independent Board Committee to the Independent Shareholders; (v) the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; (vi) the financial information of the Group and the Issuer Group; (vii) the notice of AGM; and (viii) other information as required under the Listing Rules.

RE-ELECTION OF DIRECTORS

In accordance with Article 84 of the Articles of Association and the corporate governance code set out under Appendix C1 to the Listing Rules and pursuant to the relevant Directors' wishes, Mr. Suwita Janata, being a non-executive Director, Mr. Li Sze Keung and Ms. Wong Lai Ling, both being independent non-executive Directors shall retire from office by rotation. Mr. Wong Cho Kei, Bonnie has informed the Board that he will not offer himself for re-election at the AGM in order to devote more time on his other personal and business endeavours and he intends to resign effective 31 March 2025. Pursuant to Article 83(3) of the Articles of Association, the Board appointed Mr. Chan Chi Wai as an independent non-executive Director with effect from 28 March 2025 and Mr. Chan Chi Wai shall hold office only until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election at the AGM. A separate announcement dated 28 March 2025 is issued by the Company in relation to the aforesaid resignation and appointment. Mr. Wong Cho Kei, Bonnie has confirmed that he has no disagreement with the Board and there is no matter that needs to be brought to the attention of the Shareholders or the Stock Exchange relating to his resignation. Mr. Suwita Janata, Mr. Li Sze Keung, Ms. Wong Lai Ling and Mr. Chan Chi Wai being eligible, offer themselves for re-election as Directors at the AGM.

The nomination committee of the Company had assessed and reviewed the appropriateness of the re-election of the Directors at the AGM. Mr. Li Sze Keung, Ms. Wong Lai Ling and Mr. Chan Chi Wai have confirmed to the Company their independence based on the independence criteria as set out in Rule 3.13 of the Listing Rules. Having considered the requirements and obligations of the independent non-executive Directors, including the independence criteria to be taken into account in assessing their independence under Rule 3.13 of the Listing Rules, the nomination committee of the Company, which is responsible for, amongst other matters, assessing the independence of the independent non-executive Directors, is satisfied that Mr. Li Sze Keung, Ms. Wong Lai Ling and Mr. Chan Chi Wai continues to be independent.

LETTER FROM THE BOARD

The biographical details of the Directors proposed to be re-elected at the AGM which are required to be disclosed under the Listing Rules are set out in Appendix I to this circular.

GENERAL MANDATES TO ISSUE NEW SHARES AND TO REPURCHASE SHARES

At the annual general meeting of the Company held on 29 May 2024, general mandates were given to the Directors: (i) to exercise the powers of the Company to repurchase Shares up to a maximum of 10% of the total number of Shares (excluding Treasury Shares) in issue as at the date thereof and (ii) to allot, issue and deal with Shares (including any sale or transfer of any Treasury Shares out of treasury) not exceeding 20% of the total number of Shares (excluding Treasury Shares) in issue as at the date thereof. Such mandates will lapse at the conclusion of the AGM.

An ordinary resolution will be proposed at the AGM for the Shareholders to consider and, if thought fit, grant the Repurchase Mandate to the Directors. The Repurchase Mandate would continue in force until the conclusion of the next annual general meeting of the Company or until the Repurchase Mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting, whichever is the earlier. Separate ordinary resolution will also be proposed at the AGM for the Shareholders to consider and, if thought fit, grant the Issue Mandate (representing a general mandate to allot, issue and deal with a maximum of 359,804,000 Shares (including any sale or transfer of any Treasury Shares out of treasury) on the basis that no further Shares are issued or repurchased prior to the AGM) by way of a general mandate to the Directors and extending the Issue Mandate by adding to it the number of Shares repurchased by the Company under the Repurchase Mandate.

The explanatory statement required under Rule 10.06(1)(b) of the Listing Rules to be included in this circular is set out in Appendix II to this circular.

THE PROPOSED RESTRUCTURING

As set out in the Announcement, the Company proposed to implement the Proposed Restructuring through the Scheme. As at the Latest Practicable Date, holders representing approximately 94.10% of the aggregate outstanding principal amount of the Existing Debt Instruments have acceded to the RSA. By such accession, the Participating Creditors have undertaken to take all such actions as are necessary to, among other things, vote in favour of the Scheme in respect of the aggregate outstanding principal amount of the Existing Debt Instruments held by them at the Record Time at the Scheme Meeting.

The Proposed Restructuring involves, among others, (a) the Scheme, (b) the issue of New Notes and provision of financial assistance, (c) the issue of New Shares under a Specific Mandate, and (d) the Transfer.

LETTER FROM THE BOARD

The Proposed Restructuring is conditional upon the following conditions being satisfied or waived prior to or on the RED:

- (a) the obtaining of all relevant regulatory, corporate and any other third party approvals or other consents (including any necessary shareholders approval that may be required under the Listing Rules applicable for a very substantial disposal transaction) as are necessary for the Proposed Restructuring to take effect, including without limitation,
 - (i) approval in-principle or conditional approval for the listing and quotation of the New Notes on the SGX-ST or another internationally recognized exchange;
 - (ii) listing approval or conditional listing approval and unconditional shareholders' approval for the New Shares to be issued; and
 - (iii) any board approvals of the Company and its subsidiaries that may be required to consummate the Proposed Restructuring;
- (b) the settlement in full of all professional fees associated with the Proposed Restructuring that the Company is obligated to pay under the terms of the Scheme;
- (c) payment of the consent fee to the Participating Creditors in accordance with the terms of the RSA;
- (d) each major restructuring document being in agreed form;
- (e) the Company announcing the date set for the RED;
- (f) compliance by the Company with the terms of the Term Sheet in all material aspects; and
- (g) the satisfaction of each of the other conditions precedent contained in the scheme documents relating to the Scheme (including but not limited to the sanction of the Scheme (with or without modification) by the relevant court) and the occurrence of the Scheme Effective Date.

Conditions (a), (c), (d), (e) and (f) can be waived by the Company and the Majority Ad Hoc Group. Conditions (b) and (g) cannot be waived. The Company will not waive Condition (a).

The RED shall occur within 10 business days after the above conditions having been satisfied or waived (as applicable), and in any event on or prior to the Longstop Date.

As at the Latest Practicable Date, none of the conditions above had been satisfied or waived (as applicable).

LETTER FROM THE BOARD

THE SCHEME

Restructuring consideration

As part of the restructuring consideration and in exchange for the discharge and release of the Group's obligations under the Existing Debt Instruments in accordance with the Scheme, New Notes and New Shares will be issued to the Scheme Creditors on the RED.

Under the Proposed Restructuring, the proposed value of each Scheme Creditor's entitlement for the purpose of distribution of the restructuring consideration and the corresponding restructuring consideration are as follows:

	The value of each Scheme Creditor's entitlement	Form of restructuring consideration
1	The Existing Principal Amount	New Notes will be issued in an aggregate principal amount equal to the Existing Principal Amount held as at the Record Time
2	The Accrued Interest	New Shares will be issued and allocated pro rata to the Accrued Interest of the Existing Debt Instruments held as at the Record Time

Status

An order dated 12 March 2025 has been granted by the Hong Kong High Court to convene the Scheme Meeting for the purpose of Scheme Creditors considering and, if thought fit, approving (with or without modification) the Scheme. The sanction hearing at which the Hong Kong High Court will determine whether or not to sanction the Scheme is scheduled to be held on 24 June 2025.

Information on the existing debt under the Scheme and debtholders

The Scheme Creditors comprise the persons who hold beneficial interests as principal (or, with respect to the Existing Loan, legal and beneficial interest) the following instruments as at the Record Time for the Scheme:

- (a) facility entered into by Golden Wheel Bright Jade Company Limited^{Note} as the borrower and the Company as guarantor, among others, in respect of a US\$50,000,000 term loan facility made by certain financial institutions as lenders with the maturity date (after extension) being 31 October 2022, of which the aggregate principal amount of US\$40,000,000 is outstanding as at the date of the RSA (i.e. the Existing Loan); and

Note: Golden Wheel Bright Jade Company Limited was a subsidiary of the Company at the time of entering into the facility. However, following the appointment of receivers and the Group's lost of control, Golden Wheel Bright Jade Company Limited and its subsidiaries ceased to be subsidiaries of the Company as an accounting treatment.

LETTER FROM THE BOARD

- (b) the New York law-governed 10.0% senior notes due April 2025 issued by the Company, of which the aggregate principal amount of US\$466,662,503 is outstanding as at the date of the RSA (i.e. the Existing Notes).

As at the Latest Practicable Date, the Wong Family was interested in Existing Notes of approximately US\$14,471,929, Mr. Suwita Janata was interested in Existing Notes of approximately US\$215,333 and Mr. Gunawan Kiky was interested in Existing Notes of approximately US\$4,385,999. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the Latest Practicable Date and except for the Wong Family (including the company controlled by it, Golden Wheel Realty Company Limited), Suwita Janata and Gunawan Kiky, each of the Scheme Creditors was independent of (i) the Company; and (ii) connected persons of the Company. The Company does not expect that any additional creditors to be included in the Scheme (if any) would be a connected person of the Company.

Accordingly, the Wong Family, Mr. Suwita Janata and Mr. Gunawan Kiky (including companies owned by them) and other Scheme Creditors will be issued New Notes and New Shares as part of the Scheme as further discussed below. Based on their respective interests in Existing Notes discussed above, assuming the Share Consolidation becomes effective and subject to final determination of the Scheme Creditors' claims by the chairperson of the Scheme Meeting, the Wong Family, Mr. Suwita Janata and Mr. Gunawan Kiky are expected to be allotted and issued a total of 967,786 New Shares, 14,400 New Shares and 293,306 New Shares, respectively, under the Scheme^{Note}.

THE ISSUE OF NEW NOTES AND PROVISION OF FINANCIAL ASSISTANCE

The issue of New Notes

Subject to the occurrence of the RED, the Issuer will issue the New Notes in an aggregate principal amount equal to the outstanding principal amount of the Existing Debt Instruments held by the Scheme Creditors as at the Record Time, which is expected to be US\$506,662,503.

The Issuer is a company incorporated in the BVI and wholly owned by the Company. As part of the Proposed Restructuring, (i) the Company proposed to transfer the entire equity interest of the Specified Assets as at the RED to Golden Wheel Diamond as an asset holding company, and in return Golden Wheel Diamond will allot and issue its shares to the Company; and (ii) the Company will then transfer 95% of the interest of Golden Wheel Diamond held by it to the Issuer, and in return the Issuer will allot and issue its shares to the Company. Golden Wheel Diamond will be owned as to 95% by the Issuer and 5% by the Company. Under the terms of the Term Sheet, in the event that the RED has not occurred by 30 September 2025, the Company shall procure that an amount equal to 95% of the Net Cash Proceeds generated from

Note: To clarify, the estimated number of Shares to be issued to each of the Wong Family, Mr. Suwita Janata and Mr. Gunawan Kiky as disclosed in the Announcement have been revised in this circular based on the latest estimations as at the Latest Practicable Date.

LETTER FROM THE BOARD

GW Binary Star and GW New Metro during the period from 1 October 2025 to the RED be deposited in a designated account on or prior to the RED solely for the repayment of the New Notes.

In the event that all assets of the Issuer Group are disposed of within the 5 years tenor period of the New Notes and all relevant Net Cash Proceeds are insufficient for full redemption of the New Notes, then any outstanding principal amount of the New Notes shall be cancelled, all accrued and unpaid interest on the New Notes shall be waived under the terms of the New Notes (for further details, please refer to item (c) in the paragraph headed ‘Designated Account, Cash Sweep and Mandatory Redemption’ below). Otherwise, in the event that the Issuer fails to redeem the New Notes within the 5 years tenor period, it would constitute an event of default under the New Notes and holders of the New Notes may claim against the Issuer and the Issuer Group in accordance with the terms of the New Notes and related security documents including the guarantees and collateral mentioned below. The Remaining Group has no obligations in respect to the repayment of the New Notes, notwithstanding its undertaking to pay the Issuer as described in the paragraph headed “Company’s undertaking for repayment of Project Loan” below, which is expected to be a source of fund for the Issuer to repay the New Notes. The Remaining Group’s obligation to pay the Issuer under such undertaking will only be triggered when certain triggering events occurs or if any Net Cash Proceeds generated from GW International Plaza are used for repayment of the Project Loan (for further details, please refer to page 26 of this circular).

The following is a summary of the principal terms of the New Notes.

Issuer	:	The Issuer
Original Issue Date	:	Expected to be the RED
Total Issue Size	:	US\$506,662,503, being the expected outstanding principal amount of the Existing Debt Instruments held by all Scheme Creditors as at the Record Time
Tenor	:	5 years from the original issue date
Interest	:	The New Notes will bear interest from and including the RED or from the most recent interest payment date to which interest has been paid or duly provided for, payable annually in arrears, at 1% per annum, either in cash or in kind at the election of the Issuer, subject to the terms of the New Notes.

LETTER FROM THE BOARD

New Notes Subsidiary Guarantees : The New Notes Subsidiary Guarantors shall guarantee the obligations of the Issuer under the New Notes. The Issuer and the relevant New Notes Subsidiary Guarantor shall use reasonable endeavors to complete any registration or procure the completion of any registration in the PRC (to the extent required) with respect to such guarantees to be provided.

Collateral : The New Notes shall initially be secured by the following collateral on a *pari passu* basis:

- first ranking security over all shares of the Golden Wheel Diamond held by the Company and the Issuer as of the RED
- first ranking security over all shares of the New Notes Subsidiary Guarantors held by the Issuer or another New Notes Subsidiary Guarantor
- first ranking mortgage over GW Binary Star and GW New Metro

On the RED, the Issuer shall cause Golden Wheel International Corporation Limited, Golden Wheel International Creation Company Limited and Golden Wheel International Investment Limited to enter into pledge agreements with a collateral agent to pledge their respective shares in Nanjing Golden Wheel Real Estate Development Company Limited* (南京金輪房地產開發有限公司), Nanjing Pearl Golden Wheel Realty Company Limited* (南京明珠金輪置業有限公司) and Nanjing Jade Golden Wheel Realty Company Limited* (南京翡翠金輪置業有限公司) and cause Nanjing Golden Wheel Real Estate Development Company Limited* (南京金輪房地產開發有限公司) and Nanjing Pearl Golden Wheel Realty Company Limited* (南京明珠金輪置業有限公司) to enter into pledge agreements with a collateral agent to pledge their respective interest in GW New Metro and GW Binary Star to secure the New Notes.

LETTER FROM THE BOARD

**Designated Account,
Cash Sweep and
Mandatory
Redemption**

:

- (a) 95% of the Net Cash Proceeds generated from the Specified Assets on or after the RED, including those from the operations of and disposal of the Specified Assets, shall be deposited into a designated offshore bank account as soon as reasonably practicable and within 90 days of receipt of such Net Cash Proceeds by any member of the Issuer Group, subject to compliance with applicable laws, rules, regulations, policies or measures and the receipt of all relevant regulatory, judicial and/or governmental approvals (as applicable). The Issuer shall procure to remit the remaining 5% of the Net Cash Proceeds to the Company for repayment of the Project Loan for so long as the Project Loan remains outstanding. After the full repayment of the Project Loan and release of the mortgage over GW International Plaza, the Company may use the remaining 5% of the Net Cash Proceeds at its sole discretion.

- (b) Any Net Cash Proceeds in the designated account shall, within 45 days after such proceeds have been deposited into the designated account in accordance with (a) above (such 45-day period, the “**Allocation Period**”), be used to: (1) pay the principal of and/or interest on, the New Notes, in each case, that has become due and payable or will become due and payable during the Allocation Period, or (2) redeem the New Notes at a redemption price equal to 100% of the principal amount of the New Notes redeemed plus accrued and unpaid interest on the New Notes redeemed up to but excluding the relevant redemption date in accordance with the terms of the New Notes, to the effect that upon such allocation, the Net Cash Proceeds in the designated account shall be reduced to zero; provided, however, that the Issuer may, but shall not be obligated to, use such Net Cash Proceeds in accordance with this paragraph (b) if the total Net Cash Proceeds in the designated account as of the beginning of the Allocation Period does not exceed RMB17 million or its US\$ equivalent.

LETTER FROM THE BOARD

- (c) After (i) all funds in the designated account and the required proportion of all Net Cash Proceeds that have not been deposited in the designated account have been used for the payment of interest on and principal of the New Notes or redemption of the New Notes in accordance with the terms of the New Notes; and (ii) disposal of all assets in the Issuer Group (including but not limited to the Specified Assets but excluding the equity interest in the Issuer Subsidiaries and Excluded Assets), any outstanding principal amount of the New Notes shall be cancelled, all accrued and unpaid interest on the New Notes shall be waived and no New Notes shall remain outstanding.

Optional Redemption : The Issuer may at its option redeem the New Notes at any time, in whole or in part, at a redemption price equal to 100% of the principal amount of the New Notes plus accrued and unpaid interest up to but excluding the relevant redemption date of the New Notes redeemed.

Events of Default : The events of default under the New Notes are expected to include, default in the payment of principal of the New Notes, default in the payment of interest on any Notes, defaults in the performance of or breaches any other covenant or agreement under the terms of the New Notes and default by the Company of the guarantee provided by the Company, subject to qualifiers, thresholds and carve-outs to be agreed.

Corporate Governance and Excluded Assets : The Ad Hoc Group shall be entitled to nominate three directors to the board of the Issuer and each Issuer Subsidiary and a legal representative to each Issuer Subsidiary incorporated in the PRC. For so long as the New Notes are outstanding, the nominated directors shall be entitled to certain rights to, among others, supervise the relevant asset manager in connection to the daily operation of and any sale, transfer or other disposition of one or more Specified Assets on or after the issue date of the New Notes by the Issuer and Issuer Subsidiaries, as well as certain rights to monitor cash sweep, redemption or repurchase of the New Notes by the Issuer and Issuer Subsidiaries.

LETTER FROM THE BOARD

The directors nominated by the Ad Hoc Group can be replaced annually through a voting mechanism where holders of at least 10% of the outstanding principal amount of the New Notes may nominate candidates. All holders of the New Notes will then vote to elect three Noteholder Directors from a candidate pool, which includes both new nominees and existing directors. The three candidates with the highest votes will be appointed as directors.

The Company shall be entitled to appoint one director to the board of each of the Issuer and Issuer Subsidiaries. The board of directors of each of the Issuer and Issuer Subsidiaries shall comprise four directors and the quorum for a meeting of such board is three.

In the event that the New Notes is fully redeemed or otherwise cancelled, the nomination rights of the Ad Hoc Group will immediately terminate and the composition of the directors to the board of each of the Issuer and Issuer Subsidiaries may be changed in accordance with applicable laws and their respective constitutional documents.

The Excluded Assets (or the right of use or other economic interest in the Excluded Assets) have been disposed of or pledged to or may be disposed of or pledged to third parties. The Issuer Group shall not be entitled to any economic interest in the Excluded Assets, and shall not be liable for any cost or expenses (including any tax payment or tax liability) related to the disposal or release of the Excluded Assets.

Transfer Restrictions : The New Notes and the New Notes Subsidiary Guarantees will not be registered under the Securities Act or any securities law of any state or other jurisdiction of the United States, and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

LETTER FROM THE BOARD

- Ranking of the New Notes** : The New Notes are general obligations of the Issuer and are guaranteed by the New Notes Subsidiary Guarantors on a senior basis, subject to certain limitations. The New Notes will (a) rank senior in right of payment to obligations of the Issuer expressly subordinated in right of payment to the New Notes; (b) rank at least *pari passu* in right of payment with all unsecured, unsubordinated indebtedness of the Issuer (subject to any priority rights of such unsecured, unsubordinated indebtedness pursuant to applicable law); and (c) be effectively subordinated to the other secured obligations, if any, of the Issuer to the extent of the value of the assets serving as security therefor (other than certain collateral securing the New Notes).
- Listing** : The Issuer will apply for the listing and quotation of the New Notes on the SGX-ST or another internationally recognized exchange.

Management Service Agreements

In connection to the Scheme, the Company shall enter into a management service agreement for a period of three years in relation to managing each Specified Asset. Each of these three management service agreements will be entered into between the Company, with a property manager (which may be an affiliate of the Company or an independent third party designated by the Company) and the company holding the relevant Specified Asset on or prior to the RED. Pursuant to the Management Service Agreements, the Company shall provide a performance guarantee (the “**Performance Guarantee**”) that prior to the sale of such Specified Asset, the annual rental income generated from such Specified Asset for each fiscal year ending after the RED shall be no less than 70% of the rental income of the Specified Assets for the fiscal year ending on or immediately before the RED (the “**Guaranteed Income Amount**”). If the actual annual rental income generated from such Specified Asset for a fiscal year is less than the Guaranteed Income Amount, the Company shall pay the shortfall amount to the relevant holding company of such Specified Asset within 10 days after the finalization of the audit report for such fiscal year of such holding company. The audit report for a fiscal year for each company holding a Specified Asset shall be finalized within 30 days after the end of such fiscal year. The Performance Guarantee constitutes financial assistance provided by the Company to the Issuer Group.

The Performance Guarantee is not for a fixed period but instead will continue until the sale of the Specified Assets and as long as the Management Service Agreements subsist. If the Management Service Agreements expire, the parties will negotiate on whether the Management Service Agreements (including the Performance Guarantee) should be renewed. The historical annual rental income of the Specified Assets for the years ended 31 December 2023 and 2024 was approximately RMB56 million and RMB55 million, respectively.

LETTER FROM THE BOARD

If the actual annual rental income for such Specified Asset for a fiscal year is at least 10% higher than the rental income of the Specified Assets for the fiscal year ending on or immediately before the RED, the relevant holding company of such Specified Asset shall pay an incentive to the property manager equal to 10% times the result of the actual annual rental income of the Specified Assets minus the rental income of the Specified Assets for the fiscal year ending on or immediately before the RED. Notwithstanding the foregoing, the Company shall not be responsible for any negative impact on rental income by any force majeure event (i.e. events that prevent the relevant party from performing its obligations by any reason beyond such party's control which is expected to include, among others, acts of God, flood, pandemic, epidemic, war (whether declared or undeclared), terrorism, riot, rebellion and civil commotion).

The company holding the relevant Specified Asset shall have the right to terminate the relevant Management Service Agreements in order to facilitate the sale of a Specified Asset or when the Performance Guarantee is breached.

The duration of the Management Service Agreements of three years was arrived at after arm's length negotiations between the Company and the Ad Hoc Group taking into account, among others (i) expected timeline for disposal of the Specified Assets within three years; and (ii) flexibility to change the property manager taking into account the performance of the existing property manager and then circumstances. Having considered that shorter Management Service Agreements (including the Performance Guarantee) relative to the tenor of the New Notes is beneficial to the Group and provides it with greater flexibility, the Directors (including the independent non-executive Directors after considering the advice from the Independent Financial Adviser) consider the terms of the Management Service Agreements are fair and reasonable.

Company's undertaking for repayment of Project Loan

There is an existing loan facility entered into between the Company and financial institution which is secured by, among others, a mortgage over GW International Plaza. It is proposed that a new loan facility will be entered into between the Company and the financial institution prior to the RED (i.e. the Project Loan) to refinance such existing loan facility. Prior to entering into the Project Loan, the Company will continue to repay the existing loan facility with the Group's internal resources. In accordance with the Scheme, the Company will also provide an undertaking to the Scheme Creditors in connection with the Project Loan.

Pursuant to such undertaking, the Company will repay, refinance or extend or procure the repayment, refinancing or extension of the Project Loan in full and procure the release of all security interest on the GW International Plaza granted to secure the Project Loan within 36 months after the RED.

In the event that (a) the Company fails to repay, refinance or extend or procure the repayment, refinancing or extension of the Project Loan within 36 months after the RED such that the security interest on the GW International Plaza granted for the benefit of the Project Loan is not fully released within such period, or (b) the GW International Plaza has been

LETTER FROM THE BOARD

disposed of by the Project Loan lender as a result of an enforcement action (each of (a) and (b), a “**Triggering Event**”), the Company shall remit or procure the remittance of an amount equal to, in the case of (a), any amount that remains payable under the Project Loan or, in the case of (b), the amount of Net Cash Proceeds from disposal of the GW International Plaza used to repay the Project Loan, to the designated account within 10 business days after the occurrence of a Triggering Event, provided that if the aggregate amount outstanding under the Project Loan is equal to or less than RMB50 million at the end of the 36th month after the RED in the case of (a), the Company shall have a 6-month grace period to repay, refinance or extend or procure the repayment, refinancing or extension of the Project Loan in full and procure the release of the security interest on the GW International Plaza granted to secure the Project Loan.

On each anniversary of the issue date of the New Notes, in the event that any Net Cash Proceeds generated from GW International Plaza are used for repayment of the Project Loan during the 12-month period immediately preceding such anniversary, the Company shall pay or procure the payment of an amount equal to 95% of such amount to the Issuer during the 12-month period immediately preceding such anniversary. This amount will be used for repayment of the principal and/or interest on the New Notes. The Company undertakes to procure that at least 90% of the net proceeds generated from a certain project held by the Group will be used to repay the Project Loan.

THE ISSUE OF NEW SHARES

Subject to the occurrence of the RED, the Company will issue the New Shares to the Scheme Creditors allocated pro rata to the Accrued Interest held by the Scheme Creditors as at the Record Time, which is expected to be US\$94,611,941 (subject to final determination of the Scheme Creditors’ claims by the chairperson of the Scheme Meeting).

A total of 305,196,000 New Shares (or 30,519,600 New Shares assuming the Share Consolidation becomes effective) is expected to be issued representing approximately 16.96% of the existing issued share capital of the Company as at the Latest Practicable Date and approximately 14.50% of the issued share capital of the Company as enlarged by the allotment and issue of the New Shares.

The New Shares have an aggregate nominal value of US\$3,051,960 prior to the Share Consolidation and market value of HK\$18,311,760 based on the closing price of HK\$0.060 per Share as quoted on the Stock Exchange on the date of the Announcement.

Issue price of the New Shares

Pursuant to the Scheme, the Company will issue the New Shares to Scheme Creditors at an issue price of approximately HK\$2.418 per New Share. Given that the amount of Accrued Interest is contingent upon the final determination of the Scheme Creditors’ claims by the chairperson of the Scheme Meeting, and whereas the number of New Shares remains fixed, the issue price may be subject to adjustment based on said determination.

LETTER FROM THE BOARD

Such price represents:

- (i) a premium of approximately 3,620.0% to the closing price of HK\$0.065 per Share as quoted on the Stock Exchange on the date of the RSA;
- (ii) a premium of approximately 3,930.0% to the closing price of HK\$0.060 per Share as quoted on the Stock Exchange on the date of the Announcement;
- (iii) a premium of approximately 3,800.0% to the average closing price of approximately HK\$0.062 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares immediately preceding the date of the Announcement;
- (iv) a premium of approximately 3,930.0% to the average closing price of approximately HK\$0.060 per Share as quoted on the Stock Exchange for the ten consecutive trading days of the Shares immediately preceding the date of the Announcement;
- (v) a premium of approximately 4,142.11% to the average closing price of approximately HK\$0.057 per Share as quoted on the Stock Exchange for the thirty consecutive trading days of the Shares immediately preceding the date of the Announcement;
- (vi) a premium of approximately 3,620.0% to the closing price of approximately HK\$0.065 per Share as quoted on the Stock Exchange on the Latest Practicable Date; and
- (vii) a premium of approximately HK\$2.474 to the Group's audited net liabilities per Share of approximately HK\$-0.056, which is calculated based on the audited consolidated net liabilities attributable to owners of the Company of approximately RMB93,396,000 (equivalent to approximately HK\$99,933,720) as at 31 December 2024 extracted from the annual results announcement of the Company for the year ended 31 December 2024 divided by 1,799,020,000 issued Shares as at the Latest Practicable Date.

The issue price of New Shares was determined after arm's length negotiation between the Company and the Ad Hoc Group having considered, and with reference to, among others, (i) the issuance of New Shares representing approximately 14.50% of all the issued ordinary shares of the Company on a fully diluted basis being accepted as one of the feasible ways of implementing the Proposed Restructuring; and (ii) the amount of Accrued Interest which is expected to be settled by in exchange for the issue of New Shares.

The net price per New Share after the deduction of the relevant expenses incidental to the Scheme is estimated to be approximately HK\$2.41 per Share.

The issue of the New Shares is to set off all Accrued Interest in accordance with the Scheme. As such, no proceeds will be received by the Company from the issue of the New Shares.

LETTER FROM THE BOARD

Based on the above reasons, the Board (including the independent non-executive Directors after considering the advice from the Independent Financial Adviser) believes that the terms of the Proposed Restructuring (including the Scheme, issue of New Notes, provision of financial assistance, issue of New Shares and the Transfer) including the relevant bases and premiums to the market price of the New Shares, are fair and reasonable.

Specific Mandate

The New Shares will be issued under the Specific Mandate to be sought from the Shareholders at the AGM. The issue of the New Shares is conditional upon, among others, the passing of the necessary resolutions by the Independent Shareholders at the AGM and the Listing Committee of the Stock Exchange granting the listing of, and the permission to deal in, the New Shares.

Conditions to the issue of New Shares

The issue of New Shares is conditional upon the following conditions being satisfied:

- (a) the conditions precedent to the Proposed Restructuring having been satisfied (or waived);
- (b) the passing of necessary resolutions by the Independent Shareholders at the AGM approving the issue of New Shares and the transactions contemplated thereunder; and
- (c) the granting of the approval for the listing of and permission to deal in the New Shares by the Listing Committee of the Stock Exchange.

The issue of New Shares will not occur if any of the conditions above is not satisfied. As at the Latest Practicable Date, none of the conditions has been satisfied.

Completion date

The New Shares shall be allotted and issued in accordance with the Scheme on the RED.

Application for listing

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the New Shares.

Ranking of the New Shares

The New Shares, when allotted and issued, will be free of all encumbrances and rank *pari passu* in all respects with the Shares in issue on the date of allotment and issue of the New Shares.

LETTER FROM THE BOARD

Effects on the shareholding structure of the Company

The table below illustrates the shareholding structure of the Company: (a) as at the Latest Practicable Date; (b) assuming immediately upon the Share Consolidation becoming effective; and (c) assuming the Share Consolidation becoming effective and immediately upon the allotment and issue of the New Shares. The table further assumes that there is no other change in the issued share capital of the Company or the interests of the connected persons of the Company in the Existing Notes from the date of this circular up to the date of the issue of the New Shares.

	As at the Latest Practicable Date		Immediately upon the Share Consolidation becoming effective		Assuming the Share Consolidation becoming effective and immediately upon the allotment and issue of the New Shares	
	<i>Number of Shares interested</i>	<i>Approx. %</i>	<i>Number of Shares interested</i>	<i>Approx. %</i>	<i>Number of Shares interested</i>	<i>Approx. %</i>
Wong Family ^{Notes 1 & 5}	736,475,600	40.94	73,647,560	40.94	74,615,346	35.46
Tjie Tjin Fung ^{Note 2}	80,268,950	4.46	8,026,895	4.46	8,026,895	3.81
Suwita Janata ^{Notes 3 & 5}	128,539,400	7.14	12,853,940	7.14	12,868,340	6.12
Gunawan Kiky ^{Notes 4 & 5}	86,360,950	4.80	8,636,095	4.80	8,929,401	4.24
Other Shareholders	767,375,100	42.66	76,737,510	42.66	105,981,618	50.37
	1,799,020,000	100.00	179,902,000	100.00	210,421,600	100.00

Notes:

- (1) Shares owned by the Wong Family consist of:
 - (i) 706,785,600 shares held by Golden Wheel Realty Company Limited, a company controlled by Mr. Wong Yam Yin and his family. Mr. Wong Yam Yin and Ms. Hung So Ling are husband and wife. Mr. Wong Kam Fai and Mr. Wong Kam Keung, Barry are sons of Mr. Wong Yam Yin and Ms. Hung So Ling. Mr. Wong Yam Yin, Mr. Wong Kam Fai, Mr. Wong Kam Keung, Barry are each executive Directors; and
 - (ii) 29,690,000 Shares jointly owned by Mr. Wong Kam Fai and Mr. Wong Kam Keung, Barry.
- (2) Shares owned by Mr. Tjie Tjin Fung consist of 80,268,950 shares held by Chun Hung Investments Limited, a company owned by Mr. Tjie Tjin Fung and his family.
- (3) Shares owned by Mr. Suwita Janata consist of:
 - (i) 80,268,950 shares held by Golden Era Forever Holding Company Limited, a company wholly owned by Mr. Suwita Janata, and

LETTER FROM THE BOARD

- (ii) 48,270,450 shares held by Golden Joy Forever Holding Company Limited, a company wholly owned by Ms. Julia Oscar. Mr. Suwita Janata is the husband of Ms. Julia Oscar and a brother-in-law of Mr. Wong Yam Yin.
- (4) Shares owned by Mr. Gunawan Kiky consist of:
 - (i) 80,268,950 shares held by Fire Spark Holdings Limited, a company owned by Mr. Gunawan Kiky and his family, and
 - (ii) 6,092,000 shares held by Mr. Gunawan Kiky.
- (5) The number of New Shares actually received by the Wong Family, Mr. Suwita Janata and Mr. Gunawan Kiky will be subject to final determination of the Scheme Creditors' claims by the chairperson of the Scheme Meeting. To clarify, the number of Shares of the Wong Family, Mr. Suwita Janata, Mr. Gunawan Kiky and other Shareholders assuming the Share Consolidation becoming effective and immediately upon the allotment and issue of the New Shares as disclosed in the Announcement have been revised in this circular based on the latest estimations as at the Latest Practicable Date.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the Latest Practicable Date, based on the disclosure of interests filings on the Company that were publicly available on the Disclosure of Interests Online (DION) System, except for the Wong Family (including company which it controls, Golden Wheel Realty Company Limited) and Mr. Suwita Janata, no other Scheme Creditor had reported any notifiable interest in 5% or more of the shares of the Company under Part XV of the SFO.

THE TRANSFER

As part of the Proposed Restructuring, the Issuer Subsidiaries (which hold the Specified Assets) will be transferred to the Issuer by the Group. The Issuer will allot and issue its shares to the Company. No proceeds will be received by the Group from the Transfer. As the Transfer is for purposes of facilitating the Proposed Restructuring, the Directors (including the independent non-executive Directors after considering the advice from the Independent Financial Adviser) believe that the terms of the Proposed Restructuring (including the Scheme, issue of New Notes, provision of financial assistance, issue of New Shares and the Transfer) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Pursuant to the Scheme, the Ad Hoc Group shall be entitled to nominate three directors to the board of directors of the Issuer and each Issuer Subsidiary and a legal representative to each Issuer Subsidiary established in the PRC. The Company will be entitled to nominate one director to the board of directors of each of the Issuer and Issuer Subsidiaries with each of such boards comprising four directors.

Immediately after the appointment of the directors nominated by the Ad Hoc Group, the Company will cease to control the board of the Issuer and the Issuer Subsidiaries. Therefore, despite the Company continuing to be indirectly interested in 100% of the Issuer immediately after the Transfer, the members of the Issuer Group will cease to be subsidiaries of the Company as an accounting treatment and the financial results of the Issuer Group (excluding the Excluded Assets) will no longer be consolidated into the financial statements of the Company.

LETTER FROM THE BOARD

To provide greater flexibility to the Group in determining a cost-effective transfer of the Excluded Assets at a later stage after considering relevant legal and tax implications rather than being constrained by the timetable of the Proposed Restructuring by finalising arrangements while negotiating with creditors at this stage, the Excluded Assets are not expected to be transferred out of the Issuer Group prior to or immediately after the completion of the Transfer.

Under the terms of the Scheme, the Issuer Group shall not be entitled to any economic interest in the Excluded Assets, and shall not be liable for any cost or expenses (including any tax payment or tax liability) related to the disposal or release of the Excluded Assets. Upon completion of the Transfer, the Remaining Group will continue to be entitled to any economic interest in the Excluded Assets and responsible for any cost or expenses (including any tax payment or tax liability) related to the Excluded Assets.

However, other than the above terms in relation to the economic interest and costs and expenses in relation to the Excluded Assets, the terms of the Scheme does not expressly address all other potential events in relation to the Excluded Assets such as whether there is right to claim upon event of default of the New Notes or right to request for transfer of proceeds upon disposal. The Directors believe that based on the above term concerning the entitlement of the economic interest, (i) holders of the New Notes will not be able to claim against the Excluded Assets if an event of default under the New Notes occurs; and (ii) the Remaining Group has the right to request the Issuer Group for the transfer of net proceeds from the disposal of the Excluded Assets to the Remaining Group. Based on the above, as agreed by the auditors of the Company, any income generated from and expenses incurred by the Excluded Assets will be treated as respective receipt and payment on behalf of the Group by the Issuer Group. In addition, as agreed by the auditors of the Company, the Excluded Assets will be consolidated in the statements of financial position of the Remaining Group as a part of other financial assets, property, plant and equipment and investment properties, respectively. As at 31 December 2024, the aggregate book value of all of the Excluded Assets was approximately RMB159 million comprising approximately RMB91 million for the shares in Xiamen International Bank Company Limited, approximately RMB10 million for the office for self-use purpose by the Remaining Group and approximately RMB58 million for the six specified car parks.

Other than the shares in Xiamen International Bank Company Limited held for investment purposes which have been transferred to the Remaining Group as at the Latest Practicable Date, the remaining Excluded Assets, being the office for self-use purpose by the Remaining Group and the six specified car parks, are expected to continue to be operated by the Remaining Group. When the Company determines that it is appropriate to rent out or dispose of the Excluded Assets still held by the Issuer Group, the Company will make a necessary signing, payment and other arrangements with the tenant(s)/purchaser(s), the relevant member of the Issuer Group and, if necessary, the other directors of the relevant entity who were not nominated by the Company. Under the terms of the New Notes, each of the directors nominated by the Ad Hoc Group (and any of their successors appointed by the holders of the New Notes in accordance with the terms of the New Notes) shall undertake, and each of the members of the Issuer Group shall procure, to the extent applicable or not prohibited by applicable law, to facilitate and approve, to the greatest extent possible, the sale, transfer or disposal by the relevant subsidiary of any interest

LETTER FROM THE BOARD

in the Excluded Assets. Currently, the rental income generated from the aforesaid car parks are paid directly into the bank accounts of the Remaining Group and this practice is expected to continue after RED. To the extent possible and in compliance with applicable laws, the net proceeds from the disposal of the Excluded Assets after the RED are expected to be paid directly into the bank accounts of the Remaining Group, or otherwise, the Issuer Group will ensure that such amounts are remitted to the Remaining Group after the disposal.

As agreed by the auditors of the Company, considering the Remaining Group is entitled to substantially all the economic benefits from the Excluded Assets, the Remaining Group has control over the Excluded Assets and can consolidate Excluded Assets in its consolidated financial statements for accounting purposes given the following reasons:

- (i) Under the terms of the Scheme, the Issuer Group shall not be entitled to any economic interest in the Excluded Assets, and shall not be liable for any cost or expenses (including any tax payment or tax liability) related to the disposal or release of the Excluded Assets. Thus, the Remaining Group shall be entitled to all the economic interest in the Excluded Assets substantially as agreed in the Scheme.
- (ii) The shares of Xiamen International Bank Company Limited held for investment purposes have already been transferred to the Remaining Group as at the Latest Practicable Date, and therefore the Remaining Group has direct control of the Excluded Assets.
- (iii) Regarding a specific self-use office space and six specified car parks, though the Remaining Group does not have the legal ownership of these Excluded Assets, the Remaining Group substantially controls these assets for the following reasons:
 - (a) As noted above, under the terms of the Scheme, the Issuer Group is not entitled to the economic interest in the Excluded Assets, including the self-use office space occupied by the Remaining Group and the six specified car parks. It is thus reasonable to expect that all the economic benefits will flow to the Remaining Group.
 - (b) The office space is currently used by the Remaining Group. As at the Latest Practicable Date, (i) the Issuer Group has entered into carpark use rights transfer agreements (停車場使用權轉讓協議) transferring the relevant rights for use of five of the specified car parks to the Remaining Group; and (ii) the Group has entered into an agreement to rent out the remaining car park to an independent third party and the Remaining Group has already received the equivalent amount of the rental in advance. Thus in practice, the Issuer Group will have certain limitations on its use of the Excluded Assets and/or the Remaining Group will be entitled to the rental from the six specified car parks.

LETTER FROM THE BOARD

To further validate the economics interests of the Excluded Assets, the auditors will conduct the audit procedures for each of the end of financial year of the Remaining Group and whenever necessary, including (i) examining the share certificate of the shares in Xiamen International Bank Company Limited; (ii) verifying the ownership of the shares with Xiamen International Bank Company Limited; (iii) performing a physical inspection on the self-use office space and the six specified car parks; and (iv) reviewing the relevant agreements relating to the six specified car parks.

Although the Company controls the Excluded Assets for accounting purposes, the Remaining Group's control over the specific self-use office space and six specified car parks as a legal matter may not be as effective as that of the Issuer Group, which has direct ownership of such Excluded Assets. Furthermore, the terms of the Scheme do not expressly provide for how the Excluded Assets will be controlled and operated by the Remaining Group or specify the approval process for the Issuer Group's dealings in the Excluded Assets, including whether a unanimous board resolution of the relevant member of the Issuer Group is required for such dealings. Taking into account that (i) the Company will nominate one director to the board of directors of each of the Issuer and Issuer Subsidiaries enabling it to monitor their operations and access relevant information and thus seek appropriate legal action to protect the Remaining Group's interest in case the Excluded Assets are being disposed without the Company's consent; (ii) it is agreed under the terms of the Scheme that the Issuer Group shall not be entitled to any economic interest in the Excluded Assets and thus holders of the New Notes will not be able to claim against the Excluded Assets if an event of default under the New Notes occurs; (iii) as at the Latest Practicable Date, the shares in Xiamen International Bank Company Limited have been transferred to the Remaining Group while the remaining Excluded Assets are being used and/or operated by the Remaining Group with such practice (including arrangement of the payment of rental income generated directly into the bank accounts of the Remaining Group) continuing after RED; and (iv) as explained above, the Remaining Group has the right to request the Issuer Group for the transfer of net proceeds from the disposal of the Excluded Assets to the Remaining Group, the Directors consider that there are sufficient safeguards in relation to the Excluded Assets despite the Company ceasing to control the board of directors of the members of the Issuer Group.

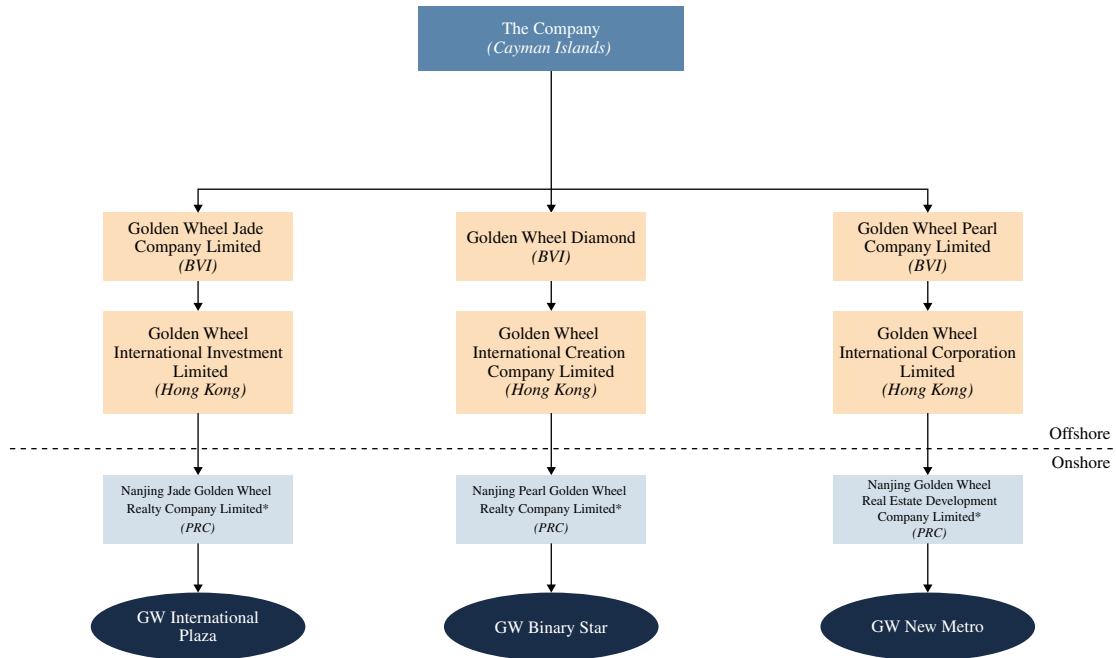
The Transfer is conditional upon, among others, the passing of the necessary resolutions by the Independent Shareholders at the AGM and the satisfaction or waiver (as applicable) prior to or on the RED of the other conditions to the Proposed Restructuring as disclosed in the section headed "The Proposed Restructuring" in this circular.

LETTER FROM THE BOARD

Information on the Issuer Group

The following diagram illustrates a simplified shareholding structure of the Issuer Group as of the Latest Practicable Date and after the Proposed Restructuring:

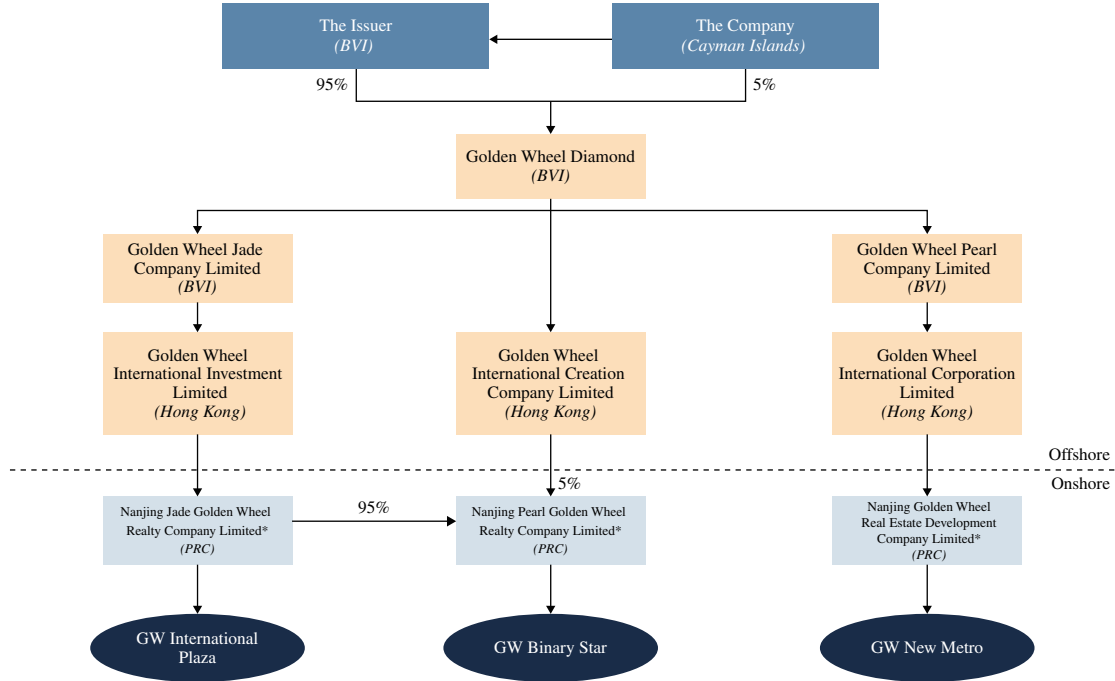
As at the Latest Practicable Date



* Unless specified in percentage, the shareholding represents 100% ownership.

LETTER FROM THE BOARD

After the Proposed Restructuring



* Unless specified in percentage, the shareholding represents 100% ownership.

Notes:

- (1) The Issuer, Golden Wheel Diamond, Golden Wheel Jade Company Limited, Golden Wheel Pearl Company Limited are each companies incorporated in the BVI and principally engaged in investment holding.
- (2) Golden Wheel International Investment Limited, Golden Wheel International Creation Company Limited and Golden Wheel International Corporation Limited are each companies incorporated in Hong Kong and principally engaged in investment holding.
- (3) Nanjing Jade Golden Wheel Realty Company Limited* (南京翡翠金輪置業有限公司) is a company established in the PRC and principally engaged in property development and property leasing.
- (4) Nanjing Pearl Golden Wheel Realty Company Limited* (南京明珠金輪置業有限公司) is a company established in the PRC and principally engaged in property development and hotel operation.
- (5) Nanjing Golden Wheel Real Estate Development Company Limited* (南京金輪房地產開發有限公司) is a company established in the PRC and principally engaged in property development and property leasing.
- (6) Prior to the Proposed Restructuring, Golden Wheel International Investment Limited is also interested in certain other companies including but not limited to Zhuzhou Golden Wheel Real Estate Development Company Limited* (株洲金輪房地產開發有限公司) and Changzhou Peiling Real Estate Development Company Limited* (常州市沛凌房地產開發有限公司) which will not form part of the Issuer Group after the completion of the Proposed Restructuring.
- (7) GW International Plaza, GW Binary Star and GW New Metro are each a Specified Asset, details of which are set out in the paragraph headed "Information on the Specified Assets" below.

LETTER FROM THE BOARD

The Issuer Group will continue to operate its businesses and its owned properties will be held for development, sale or investment purposes after the Transfer. The shares of members of the Issuer Group and/or assets of the Issuer Group may be sold after the Transfer so the cash generated from the operations of the Issuer Group and disposal of its assets (including the Specified Assets but excluding the Excluded Assets) can be used to repay the New Notes in accordance with the terms of the New Notes and the Scheme.

Information on the Specified Assets

The specified assets of the Issuer Group for purposes of the Proposed Restructuring are the following initial assets held by three project companies (the “**Specified Assets**”):

Project	Name of project company	Ownership by the Group	GFA as at 31 December 2024 (sq.m.)	Description
GW International Plaza (金輪國際廣場商場)	Nanjing Jade Golden Wheel Realty Company Limited	100%	28,055.81	A shopping mall (-1–5F) located in 8 Hanzhong Road, Gulou District, Nanjing City, Jiangsu Province, the PRC
GW Binary Star (金輪雙子星廣場)	Nanjing Pearl Golden Wheel Realty Company Limited	100%	35,881.09	A shopping mall (-1–3F) and a hotel (4–16F) located in Shuanglong Avenue, Jiangning District, Nanjing City, Jiangsu Province, the PRC
GW New Metro (金輪新都匯)	Nanjing Golden Wheel Real Estate Development Company Limited	100%	18,356.30	A shopping mall (-1–4F) located in 1118 Shuanglong Avenue, Jiangning District, Nanjing City, Jiangsu Province, the PRC

LETTER FROM THE BOARD

Financial information of the Issuer Group

Set out below is the summary of certain key financial information of the Issuer Group, excluding the Excluded Assets, for each of the years ended 31 December 2022, 2023 and 2024:

	For the year ended 31 December		
	2022	2023	2024
	(unaudited) RMB'000	(unaudited) RMB'000	(unaudited) RMB'000
Revenue	91,369	96,490	95,272
Loss before taxation	107,440	111,955	379,062
Loss after taxation	91,940	89,705	291,562

The total assets, total liabilities and net assets of the Issuer Group as at 31 December 2024 according to its management accounts and excluding the Excluded Assets were approximately RMB2,631 million, RMB418 million and RMB2,213 million, respectively.

Financial effects of the Transfer and the Proposed Restructuring

In accordance with Scheme, the Issuer Group shall not be entitled to any economic interest in the Excluded Assets, and shall not be liable for any cost or expenses (including any tax payment or tax liability) related to the disposal or release of the Excluded Assets. After the Transfer, the Group will continue to be entitled to any economic interest in the Excluded Assets and responsible for any cost or expenses (including any tax payment or tax liability) related to the Excluded Assets.

Upon completion of the Transfer, the members of the Issuer Group will cease to be subsidiaries of the Company as an accounting treatment. As such, the financial information of the Issuer Group (excluding the Excluded Assets) will cease to be consolidated into the consolidated financial statements of the Group. As agreed by the auditors of the Company, the Issuer Group will be classified as financial assets at fair value through other comprehensive income in the consolidated financial statements of the Company.

Earnings

Upon the completion of the Transfer, it is expected to record an unaudited gain on deconsolidation of the Issuer Group (excluding the Excluded Assets) for the year ended 31 December 2024 in the amount of approximately RMB1,483 million to the Group, calculated with reference to the difference between (i) the aggregate outstanding principal amount of the Existing Debt Instruments of approximately US\$507 million (approximately RMB3,642 million) as at 31 December 2024; (ii) the net asset value of the Issuer Group (excluding the Excluded Assets) of approximately RMB2,213 million as at 31 December 2024; (iii) fair value of 5% of net assets of the Issuer Group (excluding the Excluded Assets) of approximately RMB104 million as at 31 December 2024; and (iv) the estimated taxation and transaction cost associated

LETTER FROM THE BOARD

with the Transfer of approximately US\$7 million (approximately RMB50 million). The actual gain as a result of the Transfer to be recorded by the Group is subject to audit and will be determined as at the date of the completion of the Transfer.

Assets and liabilities

Upon the completion of the Proposed Restructuring, the Company will be fully discharged of the Group's obligations under the Existing Debt Instruments in accordance with the Scheme. The book value of the Company's liabilities that is expected to be discharged and released upon the Scheme becoming effective is approximately RMB4,322 million, calculated with reference to the sum of (i) the aggregate outstanding principal amount of the Existing Debt Instruments of approximately US\$507 million (approximately RMB3,642 million) as at the date of the Announcement; and (ii) the Accrued Interest of approximately US\$95 million (approximately RMB680 million).

Having taken into account the unaudited net assets value of the Issuer Group (excluding the Excluded Assets) of approximately RMB2,213 million as at 31 December 2024, it is estimated that upon completion of the Transfer, the total assets and total liabilities of the Group will be decreased by approximately RMB2,527 million and RMB4,691 million, respectively, and net assets of the Group will be increased by approximately RMB2,164 million.

Sufficiency of assets and operations of the Group after the Transfer

As at 31 December 2024, the Group had a total land bank of GFA of approximately 708,311 sq.m., including approximately 149,079 sq.m. of completed but unsold properties, approximately 32,319 sq.m. of own used properties, approximately 121,350 sq.m. of completed investment properties, approximately 185,720 sq.m. of properties under development and approximately 219,843 sq.m. of properties developed by joint venture and associate entities.

After the Transfer, the Group will continue to be engaged in property development, property leasing and hotel operation. Based on the total land bank as at 31 December 2024 and after the Transfer, the Group's total land bank is estimated to be approximately 646,124 sq.m. comprising 20 completed projects and 1 project under development. The Remaining Group's property development projects are expected to be financed by its operations and investing activities with its internal funds, borrowings from banks and other parties and proceeds from sales and pre-sales of its developed properties. The total assets of the Group after the Transfer will amount to approximately RMB5,592 million, assuming the Transfer had completed on 31 December 2024. Such figure was derived from the annual results announcement of the Company for the year ended 31 December 2024 and adjusted to take into account the effects of the Transfer on the assumption that it had been completed on 31 December 2024. Based on the above, the Directors are of the view that the Group has a sufficient level of assets and operations of sufficient value under Rule 13.24(1) of the Listing Rules after the Transfer.

LETTER FROM THE BOARD

INFORMATION ON THE COMPANY AND THE GROUP

The Company is an investment holding company, and its subsidiaries established in the PRC are primarily engaged in property development, property leasing and hotel operation.

The Company was incorporated in 2012 and based in Nanjing with a primary focus on the Chinese market, and has successfully extended its operations to eight cities spanning two provinces, including Nanjing, Yangzhou, Suzhou, Wuxi, Changzhou and Lianyungang in Jiangsu Province, as well as Changsha and Zhuzhou in Hunan Province. Adhering to the corporate culture of “making life more enjoyable through people-oriented principle, prudent yet enterprising spirit, integrity and pragmatism”, the Company, as a builder, is full of enthusiasm and eager to create a harmonious, healthy and enjoyable life for people.

REASONS FOR AND BENEFITS OF THE POSSIBLE TRANSACTIONS IN CONNECTION WITH THE PROPOSED RESTRUCTURING

In recent years, the real estate market and financial landscape have undergone constant change, presenting significant challenges to sales and financing overall, as well as testing the cash flows of companies, including the Group’s cash flows. In 2021 and 2022, the international political and economic situation was complex and volatile, coupled with the resurgence of the pandemic in many regions of the PRC, the domestic economy has taken a hard hit, especially in the segments of property development, property leasing and hotel operation which are the main businesses of the Group. In 2023, the sales of the real estate industry remained sluggish after a short boom in the first quarter, and the real estate market continued to decline thereafter. Although there is noticeable support from the central government policies to loosen regulations, the effect on the recovery of the real estate environment is limited in the short term. As a result of various challenges in the past few years, the business environment has been tough for real estate developers and operators in the PRC, including the Group. The Group’s revenue has dropped approximately 10.2% from approximately RMB2,660 million in 2022 to approximately RMB2,388 million in 2023, and the downward trend continued from approximately RMB2,388 million in 2023 to approximately RMB796 million in 2024. The financial position of the Group has worsened due to heavy debt structure established in the past. The Group’s gearing ratio (calculated by dividing the interest-bearing liabilities net of bank deposits and cash by the total equity) as at 31 December 2022, 2023 and 2024 was approximately 233.2%, 387.3% and 2,069.3%, respectively.

Due to the multiple uncertainties relating to going concern, the auditors of the Company had issued a disclaimer of opinion regarding the consolidated financial statements of the Group for the years ended 31 December 2022 and 2023. Over the past two years, the Group failed to repay certain bank loans and interest on the Existing Notes, causing defaults. By the end of 2023, the Group also failed to pay accumulated interest on the Existing Notes and redeem a portion of their principal, triggering further defaults. The continuous disclaimer of opinion, along with the deteriorating financial position, has significantly hindered the Group’s access to financing and refinancing from financial institutions.

LETTER FROM THE BOARD

Over the past months, the Company and its professional advisors have engaged in constructive dialogue with the Ad Hoc Group, being certain holders of the Existing Debt Instruments, with respect to the Proposed Restructuring. The Proposed Restructuring will alleviate the Company from the pressure of its offshore indebtedness, help the Company stabilise the position of the Group and formulate a long-term financially viable solution for the Group in the context of the recent period of unprecedented volatility in the market. It will also protect the legitimate rights and interests of creditors. On 21 November 2024, the Company entered into RSA with, among others, the initial Participating Creditors. As set out in the annual results announcement of the Group for the year ended 31 December 2024, as at 31 December 2024, the Group had audited amount attributable to senior notes of approximately RMB3,355 million and bank loans of approximately RMB706 million of which (i) approximately RMB489 million was classified as current liabilities and (ii) RMB217 million was classified as non-current liabilities. Further details of the indebtedness situation of the Company as at 31 December 2024 are set out in the annual results announcement of the Group for the year ended 31 December 2024 issued on 28 March 2025.

No net proceeds will be received by the Group from the distribution of the restructuring consideration (i.e. the issue of the New Notes and New Shares) or the Transfer. As mentioned previously, the Proposed Restructuring seeks to address the Existing Debt Instruments, comprising the Existing Notes and the Existing Loan, with an aggregate outstanding principal amount of approximately US\$506,662,503 as at the Latest Practicable Date thereby reducing the overall liquidity pressure of the Group, enhancing its net asset value and improving the financial position of the Company. Details of the creditors of such indebtedness are set out in the section headed “The Scheme – Information on the existing debt under the Scheme and debtholders” in this circular.

In addition, under the Proposed Restructuring, the Company will receive the remaining 5% of Net Cash Proceeds for repayment of the Project Loan and after release of the mortgage over GW International Plaza, the Company may use the remaining 5% of the Net Cash Proceeds at its sole discretion (for details, please refer to the section headed “The issue of New Notes and provision of financial assistance – The issue of New Notes – Designated Account, Cash Sweep and Mandatory Redemption” in this circular). Thus, taking into account above, and that (i) the historical annual rental income of the Specified Assets for the years ended 31 December 2023 and 2024 was approximately RMB56 million and RMB55 million, respectively; and (ii) the Company’s substantial experience in the real estate industry, the Company is also willing to provide the Performance Guarantee (which is estimated to be maximum amount of approximately RMB39 million) relating to the annual rental income generated from such Specified Asset for each fiscal year ending after the RED until the sale of such Specified Asset.

LETTER FROM THE BOARD

Having regard to the aforementioned, the Directors (including the independent non-executive Directors after considering the advice from the Independent Financial Adviser) believe that the terms of the Proposed Restructuring (including the Scheme, issue of New Notes, provision of financial assistance, issue of New Shares and the Transfer) are on normal commercial terms, fair and reasonable, and the Proposed Restructuring is in the interests of the Company and the Shareholders as a whole.

PROPOSED SHARE CONSOLIDATION AND CHANGE IN BOARD LOT SIZE

The Board also proposes to implement the Share Consolidation on the basis that every ten (10) issued and unissued Shares of par value of US\$0.01 each in the share capital of the Company will be consolidated into one (1) Consolidated Share of par value of US\$0.10 each.

Effects of the Share Consolidation

As at the Latest Practicable Date, the authorised share capital of the Company is US\$30,000,000 divided into 3,000,000,000 Shares of US\$0.01 each, of which 1,799,020,000 Shares have been allotted and issued as fully paid or credited as fully paid. Upon the Share Consolidation becoming effective, on the basis that the Company does not allot, issue or repurchase any Shares prior thereto, the authorised share capital of the Company shall become US\$30,000,000 divided into 300,000,000 Consolidated Shares of US\$0.10 each, of which 179,902,000 Consolidated Shares will be in issue. Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank *pari passu* in all respects with each other. Other than the expenses to be incurred in relation to the Share Consolidation, the implementation of the Share Consolidation will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders. The Board believes that the Share Consolidation will not have any material adverse effect on the financial position of the Company.

Conditions Precedent to the Share Consolidation

The Share Consolidation shall be conditional upon:

- (i) the passing of an ordinary resolution by the Shareholders to approve the Share Consolidation at the AGM;
- (ii) the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Consolidated Shares upon the Share Consolidation becoming effective; and
- (iii) the compliance with all relevant procedures and requirements under the laws of the Cayman Islands (if applicable) and the Listing Rules to effect the Share Consolidation.

As at the Latest Practicable Date, none of the conditions above had been fulfilled. The Share Consolidation is expected to become effective on Tuesday, 20 May 2025 subject to the fulfillment of the above conditions.

LETTER FROM THE BOARD

Listing Application

An application will be made by the Company to the Stock Exchange for the listing of, and the permission to deal in, the Consolidated Shares in issue and to be issued upon the Share Consolidation becoming effective.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange upon the Share Consolidation becoming effective, as well as compliance with the stock admission requirements of the HKSCC, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time.

All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS established and operated by HKSCC. Except for the Existing Notes and the New Notes, no part of the equity or debt securities of the Company is listed or dealt in on any other stock exchanges other than the Stock Exchange and no such listing or permission to deal in is being or is currently proposed to be sought.

None of the Existing Shares are listed or dealt in on any other stock exchange other than the Stock Exchange, and at the time when the Share Consolidation becomes effective, the Consolidated Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

PROPOSED CHANGE IN BOARD LOT SIZE

Currently, the Shares are traded on the Stock Exchange in the board lot size of 2,000 Shares. The Board proposes to change the board lot size for trading from 2,000 Existing Shares to 8,000 Consolidated Shares per board lot upon the Share Consolidation becoming effective.

Based on the closing price of HK\$0.065 per Share (equivalent to the theoretical closing price of HK\$0.65 per Consolidated Share) as at the Latest Practicable Date, (i) the value per board lot of 2,000 Existing Shares is HK\$130; (ii) the value of each board lot of 2,000 Consolidated Shares would be HK\$1,300 assuming the Share Consolidation becoming effective; and (iii) the estimated value per board lot of 8,000 Consolidated Shares would be HK\$5,200 on the assumption that the Change in Board Lot Size had also become effective.

For the avoidance of doubt, if the Share Consolidation is not approved at the AGM, the proposed Change in Board Lot Size will not become effective and the Shares will continue to be traded on the Stock Exchange in board lot of 2,000 Shares.

LETTER FROM THE BOARD

OTHER ARRANGEMENTS

Fractional entitlement to Consolidated Shares

Fractional Consolidated Shares will be disregarded and will not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefits of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Shares regardless of the number of existing share certificates held by such holder.

Odd lots arrangement and matching services

In order to facilitate the trading of odd lots (if any) of the Consolidated Shares, the Company has appointed One China Securities Limited as an agent to provide matching service, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares from Tuesday, 3 June 2025 to Monday, 23 June 2025 (both days inclusive). Shareholders who wish to take advantage of this service should contact Ms. Carmen Wong of One China Securities Limited at 2/F., Cheong K. Building, 86 Des Voeux Road Central, Central, Hong Kong or at telephone number (852) 3188 2676 during normal business hours (i.e. 9:00 a.m. to 4:00 p.m., Monday to Friday during such period).

Further announcement(s) will be made by the Company to inform the Shareholders of the odd lot arrangement as and when appropriate.

Holders of odd lots of the Consolidated Shares should note that the matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Shareholders who are in any doubt about the odd lots matching arrangement are recommended to consult their own professional advisers.

Free exchange of Consolidated Shares' certificates

Subject to the Share Consolidation becoming effective, the Shareholders may during the period from Tuesday, 20 May 2025 to Wednesday, 25 June 2025 (both days inclusive) submit the existing share certificates in the colour of orange for the Shares to the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong to exchange, at the expense of the Company, for new share certificates in the colour of yellow for the Consolidated Shares.

Thereafter, certificates of the Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such other amount as may from time to time be specified by the Stock Exchange) by the Shareholders for each share certificate for the Shares submitted for cancellation or each new share certificate issued for the Consolidated Shares, whichever is higher.

LETTER FROM THE BOARD

After 4:10 p.m. on Monday, 23 June 2025, existing share certificates for the Shares will only remain effective as documents of title and may be exchanged for certificates for Consolidated Shares at any time but will not be accepted for delivery, trading and settlement purposes.

Adjustments in relation to other securities of the Company

The Share Option Scheme adopted by the Company on 10 December 2012 expired on 10 December 2022. As at the Latest Practicable Date, there are no outstanding share options entitling the holders thereof to subscribe for any Existing Share under the Share Option Scheme.

The Company has no derivatives, options, warrants, other securities or conversion rights or other similar rights which are convertible or exchangeable into Shares as at the Latest Practicable Date.

REASONS FOR THE SHARE CONSOLIDATION AND THE CHANGE IN BOARD LOT SIZE

Pursuant to Rule 13.64 of the Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the issuer may be required either to change the trading method or to proceed with a consolidation or splitting of its securities. The “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 and updated in September 2024 (the “**Guide**”) has further stated that market price of the shares at a level less than HK\$0.10 will be considered as trading at extremity as referred to under Rule 13.64 of the Listing Rules. It has also stated in the Guide that taking into account the minimum transaction costs for a securities trade, the expected board lot value should be greater than HK\$2,000.

As at the Latest Practicable Date, the closing price is HK\$0.065 per Share, with a board lot size of 2,000 Shares, which are trading under HK\$2,000 per board lot. For the purpose of complying with the trading requirements pursuant to the Listing Rules, implementing the Proposed Restructuring and reducing transaction and registration costs incurred by the Shareholders and investors of the Company, the Board proposes the Share Consolidation and the Change in Board Lot Size. It is expected that the Share Consolidation and the Change in Board Lot Size will bring about a corresponding upward adjustment in the trading price per board lot of the Consolidated Shares on the Stock Exchange, which will reduce the overall transaction and handling costs of dealings in the Shares. The Board considers that the Share Consolidation and the Change in Board Lot Size would maintain the trading amount for each board lot at a reasonable level in order to attract more investors.

The Board believes that the Share Consolidation and the Change in Board Lot Size will not have any material adverse effect on the financial position of the Group nor result in change in the relative rights of the Shareholders. In view of the above reasons, notwithstanding the potential costs and impact arising from the creation of odd lots to Shareholders, the Directors are of the view that the Share Consolidation and the Change in Board Lot Size are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

Other corporate actions and fundraising activities in the next twelve months

As at the Latest Practicable Date and except for the Proposed Restructuring, (i) the Company has no intention to carry out other corporate actions in the next 12 months which may have an effect of undermining or negating the intended purpose of the Share Consolidation; and (ii) the Company does not have any other plan, arrangement, understanding or intention on any fund raising activities in the next 12 months. However, the Board cannot rule out the possibility that the Company will conduct equity fund raising exercises when suitable fund raising and/or investment opportunities arise in order to support future development of the Group. The Company will make further announcement in this regard in accordance with the Listing Rules as and when appropriate.

EQUITY FUNDRAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not carried out any equity fund raising activities in the past 12 months immediately before the Latest Practicable Date.

LISTING RULES IMPLICATION

As at the Latest Practicable Date, the Wong Family was interested in Existing Notes of approximately US\$14,471,929, Mr. Suwita Janata was interested in Existing Notes of approximately US\$215,333 and Mr. Gunawan Kiky was interested in Existing Notes of approximately US\$4,385,999. The Wong Family controlled the exercise of approximately 39.29% voting rights at the general meetings of the Company with Mr. Wong Kam Fai and Mr. Wong Kam Keung, Barry who jointly controlled in addition the exercise of approximately 1.65% voting rights at the general meetings of the Company. Mr. Wong Yam Yin, Mr. Wong Kam Fai and Mr. Wong Kam Keung, Barry are each executive Directors and Mr. Suwita Janata and Mr. Gunawan Kiky are each non-executive Directors. Thus, Mr. Wong Yam Yin, Mr. Wong Kam Fai, Mr. Wong Kam Keung, Barry, the Wong Family, Mr. Suwita Janata and Mr. Gunawan Kiky are each connected persons of the Company under Chapter 14A of the Listing Rules. In turn, due to their interest in the Scheme as Participating Creditors directly or interest in Participating Creditors, each of the issue of New Notes, provision of financial assistance, issue of New Shares and the Transfer constitutes a connected transaction for the Company and is subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The issue of the New Notes is conditional upon, among others, the passing of the necessary resolution by the Independent Shareholders at the AGM. The provision of the Performance Guarantee under the proposed Management Service Agreements constitutes financial assistance provided by the Company to the Issuer Group under Rule 14.04(1)(e) of the Listing Rules. As the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the Performance Guarantee exceeds 25% but is less than 75%, the provision of the Performance Guarantee also constitutes a major transaction for the Company pursuant to Rule 14.06(3) of the Listing Rules.

LETTER FROM THE BOARD

The issue of New Shares will be issued under the Specific Mandate to be sought from the Shareholders at the AGM. The issue of New Shares is conditional upon, among others, the Listing Committee of the Stock Exchange granting the listing of, and the permission to deal in, the New Shares.

As the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the Transfer exceeds 75%, the Transfer also constitutes a very substantial disposal for the Company pursuant to Rule 14.06(4) of the Listing Rules.

BOOK CLOSURE

The register of members of the Company will be closed from Tuesday, 13 May 2025 to Friday, 16 May 2025 (both days inclusive) for determining the identity of the Shareholders entitled to attend and vote at the AGM.

Shareholders are reminded that in order to be entitled to attend and vote at the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 12 May 2025.

AGM

A notice convening the AGM to be held at Units 1203B, 1204–1205, 12/F, World-Wide House, 19 Des Voeux Road Central, Central, Hong Kong on Friday, 16 May 2025 at 10:30 a.m. is set out on pages AGM-1 to AGM-6 of this circular. A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published at the website of the Stock Exchange at www.hkex.com.hk. Whether or not you intend to attend the AGM, you are requested to complete the enclosed form of proxy and indicate voting instruction in accordance with the instructions printed thereon and return it to the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time for the holding of the AGM (i.e. by 10:30 a.m. on Wednesday, 14 May 2025) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM or any adjournment thereof.

VOTING AT THE AGM

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of the Shareholders at general meetings must be taken by poll except where the chairman, 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.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the Wong Family, Mr. Suwita Janata and Mr. Gunawan Kiky was interested in 736,475,600 Shares, 128,539,400 Shares and 86,360,950 Shares, representing approximately 40.94%, 7.14% and 4.80% of the issued share capital of the Company, respectively. The Wong Family, Mr. Suwita Janata and Mr. Gunawan Kiky (including companies controlled by them) are each interested in the Existing Notes and will be issued New Notes and New Shares as part of the Scheme. Accordingly, each of Mr. Wong Yam Yin, Mr. Wong Kam Fai, Mr. Wong Kam Keung, Barry, Mr. Suwita Janata and Mr. Gunawan Kiky, as a Director, has abstained from voting on (and has not been counted in the quorum for) the relevant Board resolutions for approving the issue of New Notes, provision of financial assistance, issue of New Shares and the Transfer. In addition, each of the Wong Family, Golden Wheel Realty Company Limited, Mr. Suwita Janata, Golden Era Forever Holding Company Limited, Golden Joy Forever Holding Company Limited, Mr. Gunawan Kiky and Fire Spark Holdings Limited are required to and will abstain from voting on the resolutions to be proposed at the AGM for approving the issue of New Notes, provision of financial assistance, issue of New Shares and the Transfer.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries and except for the Wong Family, Mr. Suwita Janata and Mr. Gunawan Kiky (including the above companies controlled by them) in relation to the resolutions approving the issue of New Notes, provision of financial assistance, issue of New Shares and the Transfer, no Shareholder is required to abstain from voting for the resolutions at the AGM.

Except for Mr. Wong Yam Yin, Mr. Wong Kam Fai, Mr. Wong Kam Keung, Barry, Mr. Suwita Janata and Mr. Gunawan Kiky in relation to the resolutions approving the issue of New Notes, provision of financial assistance, issue of New Shares and the Transfer, none of the Directors has a material interest in the above matters and none of the Directors is required to abstain from voting on the board resolutions in relation to the issue of New Notes, provision of financial assistance, issue of New Shares, the Transfer, the Share Consolidation and the Change in Board Lot Size.

THE INDEPENDENT BOARD COMMITTEE AND THE INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee, comprising Mr. Wong Cho Kei, Bonnie, Mr. Li Sze Keung, Ms. Wong Lai Ling and Mr. Chan Chi Wai, being all the independent non-executive Directors, has been established to advise the Independent Shareholders in respect of the issue of New Notes, provision of financial assistance, issue of New Shares, the Transfer and the transactions contemplated thereunder, and to advise the Independent Shareholders on how to vote at the relevant resolutions at the AGM.

INCUB Corporate Finance Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the issue of New Notes, provision of financial assistance, issue of New Shares, the Transfer and the transactions contemplated thereunder.

LETTER FROM THE BOARD

ADDITIONAL INFORMATION

Your attention is drawn to the letter from the Independent Board Committee set out on pages 49 to 50 of this circular which contain its recommendation to the Independent Shareholders in respect of the Transfer. Your attention is also drawn to the letter from the Independent Financial Adviser set out on pages 51 to 97 of this circular which contains its advice to the Independent Board Committee and the Independent Shareholders in respect of the aforesaid regards.

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

RECOMMENDATION

The Directors consider that the Proposed Restructuring, including the issue of New Notes, provision of financial assistance, issue of New Shares, the Transfer, the Share Consolidation and the Change in Board Lot Size are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. The Directors (including the independent non-executive Directors) are also of the opinion that the other proposals referred to in this circular are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolutions to be proposed at the AGM.

WARNING

Completion of the transactions set out in this circular is subject to the fulfilment or waiver of the conditions precedent as set out in this circular. The transactions set out in this circular may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company. If they are in any doubt, they should consult their professional advisers.

On behalf of the Board
Golden Wheel Tiandi Holdings Company Limited
Wong Yam Yin
Chairman

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Set out below is the text of a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the issue of New Notes, provision of financial assistance, issue of New Shares and the Transfer, which has been prepared for the purpose of inclusion in this circular.



GOLDEN WHEEL TIANDI HOLDINGS COMPANY LIMITED

金輪天地控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1232)

31 March 2025

To the Independent Shareholders

Dear Sir or Madam,

- (1) PROPOSED RESTRUCTURING INVOLVING, AMONG OTHERS,
(A) THE SCHEME
(B) CONNECTED TRANSACTION – ISSUE OF NEW NOTES AND PROVISION
OF FINANCIAL ASSISTANCE
(C) CONNECTED TRANSACTION – ISSUE OF NEW SHARES UNDER
SPECIFIC MANDATE
(D) CONNECTED TRANSACTION AND VERY SUBSTANTIAL DISPOSAL;
(2) PROPOSED SHARE CONSOLIDATION AND
CHANGE IN BOARD LOT SIZE; AND
(3) NOTICE OF ANNUAL GENERAL MEETING**

We refer to the circular dated 31 March 2025 of the Company to the Shareholders (the “Circular”), of which this letter forms part. Capitalised terms used herein shall have the same meaning as those defined in the Circular unless the context otherwise requires.

We have been appointed as the members of the Independent Board Committee to advise the Independent Shareholders as to whether the issue of New Notes, provision of financial assistance, issue of New Shares, the Transfer and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole and to recommend how the Independent Shareholders should vote at the AGM.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

INCU Corporate Finance Limited has been appointed as the Independent Financial Adviser to advise us and the Independent Shareholders in these regards. Details of the advice of the Independent Financial Adviser, together with the principal factors it has taken into consideration in giving its advice, are contained in its letter set out on pages 51 to 97 of the Circular. Your attention is also drawn to the letter from the Board and the additional information set out in the appendices to the Circular.

Having taken into account the principal reasons and factors considered by, and the advice of, the Independent Financial Adviser, we are of the opinion that the issue of New Notes, provision of financial assistance, issue of New Shares, the Transfer and the transactions contemplated thereunder, though not in the ordinary and usual course of business of the Group, are on normal commercial terms, in the interests of the Company and the Independent Shareholders as a whole, and the terms of which are fair and reasonable insofar as the Company and the Independent Shareholders are concerned. Accordingly, we recommend the Independent Shareholders to vote in favour of the resolutions to be proposed at the AGM to approve the issue of New Notes, provision of financial assistance, issue of New Shares, the Transfer and the transactions contemplated thereunder.

Yours faithfully,

Independent Board Committee

**Mr. Wong Cho Kei,
Bonnie**

Independent
Non-executive
Director

Mr. Li Sze Keung

Independent
Non-executive
Director

Ms. Wong Lai Ling

Independent
Non-executive
Director

Mr. Chan Chi Wai

Independent
Non-executive
Director

LETTER FROM INDEPENDENT FINANCIAL ADVISER

The following is the text of a letter of advice from INCU Corporate Finance Limited, which has been prepared for the purpose of incorporation into this circular, setting out its opinion to the Independent Board Committee and the Independent Shareholders in connection with the issue of New Notes, provision of financial assistance, issue of New Shares and the Transfer and the transactions contemplated thereunder.



INCU Corporate Finance Limited
Unit 1402, 14/F, Winsome House,
73 Wyndham Street,
Central, Hong Kong

31 March 2025

*To: The Independent Board Committee and
the Independent Shareholders of
Golden Wheel Tiandi Holdings Company Limited*

Dear Sirs or Madams,

**PROPOSED RESTRUCTURING INVOLVING, AMONG OTHERS,
(A) THE SCHEME
(B) CONNECTED TRANSACTION – ISSUE OF NEW NOTES AND
PROVISION OF FINANCIAL ASSISTANCE
(C) CONNECTED TRANSACTION – ISSUE OF NEW SHARES UNDER
SPECIFIC MANDATE
(D) CONNECTED TRANSACTION AND VERY SUBSTANTIAL DISPOSAL**

INTRODUCTION

We refer to our appointment as the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the issue of New Notes, provision of financial assistance, issue of New Shares and the Transfer and the transactions contemplated thereunder (together as the “**Transactions**”), details of which are set out in the letter from the board (the “**Letter from the Board**”) contained in the circular of the Company dated 31 March 2025 (the “**Circular**”), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

As set out in the Announcement, the Company proposed to implement the Proposed Restructuring through the Scheme. As at the Latest Practicable Date, holders representing approximately 94.10% of the aggregate outstanding principal amount of the Existing Debt Instruments have acceded to the RSA. By such accession, the Participating Creditors have undertaken to take all such actions as are necessary to, among other things, vote in favour of the Scheme in respect of the aggregate outstanding principal amount of the Existing Debt Instruments held by them at the Record Time at the Scheme Meeting. The Proposed

LETTER FROM INDEPENDENT FINANCIAL ADVISER

Restructuring involves, among others, (a) the Scheme; (b) the issue of New Notes and provision of financial assistance; (c) the issue of New Shares under the Specific Mandate; and (d) the Transfer.

In addition to the Proposed Restructuring, the Board proposed (i) to implement the Share Consolidation on the basis that every ten (10) issued and unissued Shares of par value of US\$0.01 each in the share capital of the Company will be consolidated into one (1) Consolidated Share of par value of US\$0.10 each; and (ii) to change the board lot size for trading from 2,000 Existing Shares to 8,000 Consolidated Shares per board lot upon the Share Consolidation becoming effective.

As at the Latest Practicable Date, the Wong Family was interested in Existing Notes of approximately US\$14,471,929, Mr. Suwita Janata was interested in Existing Notes of approximately US\$215,333 and Mr. Gunawan Kiky was interested in Existing Notes of approximately US\$4,385,999. The Wong Family controlled the exercise of approximately 39.29% voting rights at the general meetings of the Company with Mr. Wong Kam Fai and Mr. Wong Kam Keung, Barry who jointly controlled in addition the exercise of approximately 1.65% voting rights at the general meetings of the Company. Mr. Wong Yam Yin, Mr. Wong Kam Fai, Mr. Wong Kam Keung, Barry are each executive Directors and Mr. Suwita Janata and Mr. Gunawan Kiky are each non-executive Directors. Thus, Mr. Wong Yam Yin, Mr. Wong Kam Fai, Mr. Wong Kam Keung, Barry, the Wong Family, Mr. Suwita Janata and Mr. Gunawan Kiky are each connected persons of the Company under Chapter 14A of the Listing Rules. In turn, due to their interest in the Scheme as Participating Creditors directly or interest in Participating Creditors, each of the issue of New Notes, provision of financial assistance, issue of New Shares and the Transfer constitutes a connected transaction for the Company and is subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The issue of the New Notes is conditional upon, among others, the passing of the necessary resolution by the Independent Shareholders at the AGM. The provision of the Performance Guarantee under the proposed Management Service Agreements constitutes financial assistance provided by the Company to the Issuer Group under Rule 14.04(1)(e) of the Listing Rules. As the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the Performance Guarantee exceeds 25% but is less than 75%, the provision of the Performance Guarantee also constitutes a major transaction for the Company pursuant to Rule 14.06(3) of the Listing Rules. The issue of New Shares will be issued under the Specific Mandate to be sought from the Shareholders at the AGM. The issue of New Shares is conditional upon, among others, the Listing Committee of the Stock Exchange granting the listing of, and the permission to deal in, the New Shares.

As the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the Transfer exceeds 75%, the Transfer also constitutes a very substantial disposal for the Company pursuant to Rule 14.06(4) of the Listing Rules.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

As at the Latest Practicable Date, the Wong Family, Mr. Suwita Janata and Mr. Gunawan Kiky was interested in 736,475,600 Shares, 128,539,400 Shares and 86,360,950 Shares, representing approximately 40.94%, 7.14% and 4.80% of the issued share capital of the Company, respectively. The Wong Family, Mr. Suwita Janata and Mr. Gunawan Kiky (including companies controlled by them) are each interested in the Existing Notes and will be issued New Notes and New Shares as part of the Scheme. Accordingly, each of Mr. Wong Yam Yin, Mr. Wong Kam Fai, Mr. Wong Kam Keung, Barry, Mr. Suwita Janata and Mr. Gunawan Kiky, as a Director, has abstained from voting on (and has not been counted in the quorum for) the relevant Board resolutions for approving the issue of New Notes, provision of financial assistance, issue of New Shares and the Transfer. In addition, each of the Wong Family, Golden Wheel Realty Company Limited, Mr. Suwita Janata, Golden Era Forever Holding Company Limited, Golden Joy Forever Holding Company Limited, Mr. Gunawan Kiky and Fire Spark Holdings Limited are required to and will abstain from voting on the resolutions to be proposed at the AGM for approving the issue of New Notes, provision of financial assistance, issue of New Shares and the Transfer.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries and except for the Wong Family, Mr. Suwita Janata and Mr. Gunawan Kiky (including the above companies controlled by them) in relation to the resolutions approving the issue of New Notes, provision of financial assistance, issue of New Shares and the Transfer, no other Shareholder is required to abstain from voting for the resolutions at the AGM.

Except for Mr. Wong Yam Yin, Mr. Wong Kam Fai, Mr. Wong Kam Keung, Barry, Mr. Suwita Janata and Mr. Gunawan Kiky in relation to the resolutions approving the issue of New Notes, provision of financial assistance, issue of New Shares and the Transfer, none of the Directors has a material interest in the above matters and, none of the Director is required to abstain from voting on the board resolutions in relation to the issue of New Notes, provision of financial assistance, issue of New Shares, the Transfer, the Share Consolidation and the Change in Board Lot Size.

INDEPENDENT BOARD COMMITTEE

An Independent Board Committee comprising all the independent non-executive Directors, namely Mr. Wong Cho Kei, Bonnie, Mr. Li Sze Keung, Ms. Wong Lai Ling and Mr. Chan Chi Wai, has been established to advise the Independent Shareholders regarding the Transactions and as to whether each of the Transactions are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole, taking into account our recommendation.

We, INCU Corporate Finance Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in these regards.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

We have not acted as an independent financial adviser and not provided any other services to the Company during the past two years. As at the Latest Practicable Date, we were not aware of any relationships or interests between us and the Company or any other parties that could reasonably be regarded as hindrance to our independence as defined 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 respect of the Transactions. We are not associated with the Company, its subsidiaries, its associates or their respective substantial shareholders or associates or any other parties to the Transactions, and accordingly, are eligible to give independent advice and recommendations on the Transactions. Apart from normal professional fees payable to us in connection with this appointment as the Independent Financial Adviser, no arrangement exists whereby we will receive any fees from the Company, its subsidiaries, its associates or their respective substantial shareholders or associates or any other parties that could reasonably be regarded as relevant to our independence.

BASIS OF OUR OPINION

In formulating our opinion and recommendations, we have relied on the statements, information, opinions and representations relating to the operations, financial condition and prospects of the Group contained or referred to in this Circular and/or provided to us by the Company and the management of the Group. We have assumed that such information and any representation made to us were true, accurate and complete in all material respects as at the Latest Practicable Date and considered that the information we have received is sufficient for us to reach our advice and recommendation as set out in this letter and to justify our reliance on such information. The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, opinions expressed by them in this Circular have been arrived at after due and careful consideration and there are no other material facts not contained in this Circular, the omission of which would make any such statement made by them that contained in this Circular misleading in all material respects. We have no reason to doubt the truth or accuracy of the information provided to us, or to believe that any material information has been omitted or withheld.

Our review and analyses were based upon, among others, the information provided by the Group including this Circular, financial information of the Group for the year ended 31 December 2024 provided by the management of the Company and as set out in the Appendix V to the Circular (the “**Financial Information 2024**”) and certain published information from the public domain, including but not limited to, the annual report of the Company for the year ended 31 December 2023 (the “**Annual Report 2023**”). We have also discussed with the Directors and the management of the Company in respect of the reasons for and benefits of the Transactions. We have not, however, for the purpose of this exercise, conducted any in-depth independent investigation into the businesses, affairs and financial positions of the Group nor have we carried out any independent verification of the information supplied.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion and recommendation to the Independent Board Committee and the Independent Shareholders in respect of the Transactions, we have taken into account the following principal factors and reasons:

1. Background and financial information of the Group

(a) Background of the Group

The Company is an investment holding company, and its subsidiaries established in the PRC are primarily engaged in property development, property leasing and hotel operation.

As stated in the Letter from the Board, the Company was incorporated in 2012 and based in Nanjing with a primary focus on the Chinese market, and has successfully extended its operations to eight cities spanning two provinces, including Nanjing, Yangzhou, Suzhou, Wuxi, Changzhou and Lianyungang in Jiangsu Province, as well as Changsha and Zhuzhou in Hunan Province. Adhering to the corporate culture of “making life more enjoyable through people-oriented principle, prudent yet enterprising spirit, integrity and pragmatism”, the Company, as a builder, is full of enthusiasm and eager to create a harmonious, healthy and enjoyable life for people.

(b) Financial performance of the Group

Set out below is a summary of the financial performance of the Group for the two financial years ended 31 December 2023 (“FY2023”) and 31 December 2024 (“FY2024”) respectively as extracted from the Annual Report 2023 and Financial Information 2024:

	FY2023 <i>approximately</i> <i>RMB'000</i> (audited)	FY2024 <i>approximately</i> <i>RMB'000</i> (audited)
Revenue		
Property development	2,134,213	569,405
Property leasing	147,080	126,613
Hotel operation	106,227	100,358
Total revenue	2,387,520	796,376
Gross profit/(loss)	71,354	(27,382)
Loss before taxation	(859,939)	(777,176)
Loss for the year attributable to the owners of the Company	(1,035,100)	(823,936)

LETTER FROM INDEPENDENT FINANCIAL ADVISER

The revenue of the Group was approximately RMB796.38 million for FY2024, representing a decrease of approximately RMB1,591.14 million or 66.6%, as compared with the revenue of approximately RMB2,387.52 million for FY2023. The revenue of the property development business accounted for approximately 89.4% and 71.5% of the total revenue of the Group for FY2023 and FY2024 respectively. The decrease in revenue was mainly due to the decrease in revenue of property development resulted from the weak economic recovery and the decline in the real estate market in the PRC leading to the decrease in sale of properties of the Group.

The Group recorded gross loss of approximately RMB27.38 million for FY2024 as compared with the gross profit of approximately RMB71.35 million for FY2023. The gross loss of the Group for FY2024 was mainly due to the gross loss from the property development of the Group as a result of the reduction of sales prices in order to boost sales volume and increase impairment loss of inventory.

The loss attributable to the owners of the Company decreased by approximately RMB211.16 million or 20.4% from approximately RMB1,035.10 million for FY2023 to approximately RMB823.94 million for FY2024. Such decrease was mainly due to combined effect of (i) the decrease in revenue as mentioned above; (ii) the increase in loss from change in fair value of investment properties of approximately RMB335.02 million; (iii) the decrease in finance costs of approximately RMB251.21 million; and (iv) the decrease in net amount of other income, expenses, gains and losses of approximately RMB 146.02 million.

(c) Financial position of the Group

Set out below is the consolidated statement of financial position of the Group as at 31 December 2023 and 31 December 2024 respectively as extracted from the Annual Report 2023 and Financial Information 2024:

	As at 31 December 2023 <i>approximately RMB'000 (audited)</i>	As at 31 December 2024 <i>approximately RMB'000 (audited)</i>
Non-current assets		
Property, plant and equipment	460,541	412,869
Investment properties	4,181,858	3,726,537
Interests in associates	84,960	54,435
Interests in joint ventures	430,247	413,990
Other financial assets	142,164	165,855
Restricted bank deposits	24,333	9,355
Deferred tax assets	53,594	77,790
Total non-current assets	5,377,697	4,860,831
Current assets		

LETTER FROM INDEPENDENT FINANCIAL ADVISER

	As at 31 December 2023 <i>approximately</i> RMB'000 (audited)	As at 31 December 2024 <i>approximately</i> RMB'000 (audited)
Properties under development for sale	1,106,666	1,289,595
Completed properties for sale	2,399,091	1,165,005
Contract assets	434	836
Trade and other receivables	499,181	595,582
Land appreciation tax and income tax prepaid	52,700	80,444
Restricted bank deposits	352,708	28,413
Cash and cash equivalents	209,263	97,876
Total current assets	4,620,043	3,257,751
Total assets	9,997,740	8,118,582
Current liabilities		
Trade and other payables	2,486,183	1,892,970
Contract liabilities	437,395	184,584
Rental received in advance	23,802	27,696
Lease liabilities	52,344	42,866
Bank loans	699,265	489,041
Current taxation	495,336	589,878
Senior notes	3,304,806	3,354,557
Financial guarantee contracts	280,976	306,983
Total current liabilities	7,780,107	6,888,575
Non-current liabilities		
Lease liabilities	97,600	83,242
Bank loans	326,400	217,368
Deferred tax liabilities	826,816	739,700
Total non-current liabilities	1,250,816	1,040,310
Total liabilities	9,030,923	7,928,885
Net current liabilities	(3,160,064)	(3,630,824)
Net assets	966,817	189,697
Current ratio	0.59	0.47
Debt to asset ratio	86.0%	95.4%
Gearing ratio	387.3%	2,069.3%

LETTER FROM INDEPENDENT FINANCIAL ADVISER

As shown in the above table, non-current assets of the Group decreased by approximately RMB516.87 million or 9.6% from approximately RMB5,377.70 million as at 31 December 2023 to approximately RMB4,860.83 million as at 31 December 2024. The decrease in non-current assets was mainly due to the decrease in the fair value of the investment properties.

The current assets of the Group decreased by approximately RMB1,362.29 million or 29.5% from approximately RMB4,620.04 million as at 31 December 2023 to approximately RMB3,257.75 million as at 31 December 2024. The decrease in current assets was mainly due to (i) the sale of completed properties by the Group to generate revenue leading to the decrease in the amount of completed properties for sale; and (ii) the decrease in revenue as discussed above leading to the decrease in cash and cash equivalents.

The current liabilities of the Group decreased by approximately RMB891.53 million or 11.5% from approximately RMB7,780.11 million as at 31 December 2023 to approximately RMB6,888.58 million as at 31 December 2024. Such decrease was mainly due to the settlement of trade and other payables during FY2024.

The non-current liabilities of the Group decreased by approximately RMB210.51 million or 16.8% from approximately RMB1,250.82 million as at 31 December 2023 to approximately RMB1,040.31 million as at 31 December 2024. Such decrease was mainly due to the decrease in deferred tax liabilities and the settlement of certain bank loans during FY2024.

The senior notes of approximately RMB3,354.56 million in the financial statements of the Group as at 31 December 2024 represent the Existing Notes, which were issued in 2022 with original principal amount of approximately US\$494.67 million and interest rate of 10% per annum payable semi-annually and have matured as at the Latest Practicable Date. As at 31 December 2024, the Group failed to repay an accumulated interest of approximately US\$94.6 million on the senior notes and failed to redeem 45% of the principal amount of the senior notes.

Due to the decrease in non-current assets and current assets as discussed above, the net assets of the Group of approximately RMB966.82 million as at 31 December 2023 decreased to approximately RMB189.70 million as at 31 December 2024. The debt to asset ratio of the Group, which was calculated by total indebtedness minus contract liabilities divided by total assets, increased from approximately 86.0% as at 31 December 2023 to approximately 95.4% as at 31 December 2024 and the gearing ratio, which was calculated by dividing the interest-bearing liabilities net of bank deposits and cash by the total equity, increased from approximately 387.3% as at 31 December 2023 to approximately 2,069.3% as at 31 December 2024.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

According to the our discussion with the auditors of the Company, the auditors of the Company have indicated material uncertainty relating to going concern of the Group in respect of the financial statements of the Group for FY2024 after considering the following events:

- (i) Included in the current liabilities, the bank loans are cross-defaulted bank loans with an aggregate carrying amount of approximately RMB335,962,000 as of 31 December 2024, which became repayable on demand. Those cross-defaulted bank loans were secured by the Group's assets with an amount of approximately RMB2,063,972,000 and the related banks have the right to sell, transfer or otherwise dispose of any of those assets if the Group cannot repay the loans upon request. As at Latest Practicable Date, the Group continues to be in cross-default and the banks have not demanded immediate repayment of these bank loans;
- (ii) As at 31 December 2024, the Group failed to repay an accumulated interest of US\$91,907,000 (equivalent to approximately RMB660,660,000) on the senior notes during FY2024 and failed to redeem 45% of the principal amount of approximately US\$494,667,000 (equivalent to approximately RMB3,354,557,000) of the senior notes during FY2024. Such non-payment has caused an event of default itself. As at the Latest Practicable Date, the senior notes together with the financial guarantee contracts related to other defaulted bank loans of approximately RMB306,983,000 were undergoing a consensual restructuring of the Group's indebtedness;
- (iii) As at 31 December 2024, the Group had investment properties, completed properties for sale and properties under development for sale of approximately RMB3,726,537,000, RMB1,165,005,000 and RMB1,289,595,000, respectively. The current volatility in the real estate industry may place increasing difficulty for the Group and may undermine the Group's ability to generate sufficient cash flows from its future operations to meet its financing obligations and the Group's ability to renew existing facilities or source new funding.

In view of these circumstances, the Directors have given consideration to the future liquidity of the Group and its available sources of finance in assessing whether the Group will have sufficient financial resources to continue as a going concern. As discussed with the management of the Company, the Directors have reviewed the Group's cash flow projections prepared by the management, which covers a period of at least 18 months from 31 December 2024. Certain plans and measures have been taken to mitigate the liquidity pressures and to improve its financial position which include, but not limited to, the following:

- (i) the Company has entered into the RSA and proposed to implement the Proposed Restructuring;
- (ii) the management was also negotiating with the lenders of the borrowings and creditors for the extension of repayments of those borrowings and trade and other payables to a date when the Group has adequate working capital to serve the repayments; and

LETTER FROM INDEPENDENT FINANCIAL ADVISER

- (iii) the Group was working diligently to assess and improve its liquidity position. In order to generate sufficient cash flows to meet its obligations, the Group will continue its efforts to obtain additional funds by equity financing and long-term debt financing to finance the Group's working capital and the repayment of existing debts when they fall due and formulate and closely monitor business strategy for the Group to generate cash flows from its existing operations including expediting sales of properties and investment properties, and collection of receivables, while maintaining more stringent cost control measures of containment of discretionary capital expenditures.

After considering that (i) the Group was in net current liabilities position as at 31 December 2024; (ii) the Group has failed to meet the repayment schedules and/or loan covenants of the Existing Loan and Existing Notes leading to an event of default; (iii) other than the Existing Loan and Existing Notes, the Group had other bank loans and trade payables to be repaid and under negotiation; (iv) the auditors of the Company have indicated material uncertainty relating to going concern of the Group in respect of the financial statements of the Group for FY2024; (v) the cash and cash equivalents of Group of approximately RMB97.88 million as at 31 December 2024 was not sufficient to cover the total bank borrowings and senior notes amounted to approximately RMB4,060.97 million as at 31 December 2024; (vi) the financial effect of the Proposed Restructuring as further discussed in the section headed "11. Financial effects of the Transfer and the Proposed Restructuring" below in this letter; (vii) limited fund raising alternatives available to the Group as discussed in the section headed "12. Reasons for and benefits of the possible transactions in connection with the Proposed Restructuring" below in this letter; and (viii) all outstanding principal amount of the New Notes shall be cancelled and all accrued and unpaid interest on the New Notes shall be waived under the terms of the New Notes if all assets of the Issuer Group (including the Specified Assets) are disposed within the 5 years tenor period of the New Notes, we concur with the view of the Directors that the Proposed Restructuring could assist the Company to stabilise the financial position and formulate a long-term financially viable solution for the Group from the pressure of its indebtedness.

2. The Proposed Restructuring

As set out in the Announcement, the Company proposed to implement the Proposed Restructuring through the Scheme. As at the Latest Practicable Date, holders representing approximately 94.10% of the aggregate outstanding principal amount of the Existing Debt Instruments have acceded to the RSA. By such accession, the Participating Creditors have undertaken to take all such actions as are necessary to, among other things, vote in favour of the Scheme in respect of the aggregate outstanding principal amount of the Existing Debt Instruments held by them at the Record Time at the Scheme Meeting.

The Proposed Restructuring involves, among others, (a) the Scheme; (b) the issue of New Notes and provision of financial assistance; (c) the issue of New Shares under a Specific Mandate; and (d) the Transfer.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

The Proposed Restructuring is conditional upon the following conditions being satisfied or waived, prior to or on the RED:

- (a) the obtaining of all relevant regulatory, corporate and any other third party approvals or other consents (including any necessary shareholders approval that may be required under the Listing Rules applicable for a very substantial disposal transaction) as are necessary for the Proposed Restructuring to take effect, including without limitation,
 - (i) approval in-principle or conditional approval for the listing and quotation of the New Notes on the SGX-ST or another internationally recognized exchange;
 - (ii) listing approval or conditional listing approval and unconditional shareholders' approval for the New Shares to be issued; and
 - (iii) any board approvals of the Company and its subsidiaries that may be required to consummate the Proposed Restructuring;
- (b) the settlement in full of all professional fees associated with the Proposed Restructuring that the Company is obligated to pay under the terms of the Scheme;
- (c) payment of the consent fee to the Participating Creditors in accordance with the terms of the RSA;
- (d) each major restructuring document being in agreed form;
- (e) the Company announcing the date set for the RED;
- (f) compliance by the Company with the terms of the Term Sheet in all material aspects; and
- (g) the satisfaction of each of the other conditions precedent contained in the scheme documents relating to the Scheme (including but not limited to the sanction of the Scheme (with or without modification) by the relevant court) and the occurrence of the Scheme Effective Date.

Conditions (a), (c), (d), (e) and (f) can be waived by the Company and the Majority Ad Hoc Group. Conditions (b) and (g) cannot be waived. The Company will not waive Condition (a).

The RED shall occur within 10 business days after the above conditions having been satisfied or waived (as applicable), and in any event on or prior to the Longstop Date.

As at the Latest Practicable Date, none of the conditions above had been satisfied or waived (as applicable).

LETTER FROM INDEPENDENT FINANCIAL ADVISER

3. The Scheme

(a) *Restructuring consideration*

As part of the restructuring consideration and in exchange for the discharge and release of the Group's obligations under the Existing Debt Instruments in accordance with the Scheme, New Notes and New Shares will be issued to the Scheme Creditors on the RED.

Under the Proposed Restructuring, the proposed value of each Scheme Creditor's entitlement for the purpose of distribution of the restructuring consideration and the corresponding restructuring consideration are as follows:

	The value of each Scheme Creditor's entitlement	Form of restructuring consideration
1	The Existing Principal Amount	New Notes will be issued in an aggregate principal amount equal to the Existing Principal Amount held as at the Record Time
2	The Accrued Interest	New Shares will be issued and allocated pro rata to the Accrued Interest of the Existing Debt Instruments held as at the Record Time

(b) *Status*

An order dated 12 March 2025 has been granted by the Hong Kong High Court to convene the Scheme Meeting for the purpose of Scheme Creditors considering and, if thought fit, approving (with or without modification) the Scheme. The sanction hearing at which the Hong Kong High Court will determine whether or not to sanction the Scheme is scheduled to be held on 24 June 2025.

(c) *Information on the existing debt under the Scheme and debtholders*

The Scheme Creditors comprise the persons who hold beneficial interests as principal (or, with respect to the Existing Loan, legal and beneficial interest) the following instruments as at the Record Time for the Scheme:

- (i) the Existing Loan, being the facility entered into by Golden Wheel Bright Jade Company Limited ^(Note) as the borrower and the Company as guarantor, among others, in respect of a US\$50,000,000 term loan facility made by certain financial institutions as lenders with the maturity date (after extension) being 31 October 2022, of which the aggregate principal amount of US\$40,000,000 is outstanding as at the date of the RSA; and

LETTER FROM INDEPENDENT FINANCIAL ADVISER

- (ii) the Existing Notes, being the New York law-governed 10.0% senior notes due April 2025 issued by the Company, of which the aggregate principal amount of US\$466,662,503 is outstanding as at the date of the RSA.

Note: Golden Wheel Bright Jade Company Limited was a subsidiary of the Company at the time of entering into the facility. However, following the appointment of receivers and the Group's lost of control, Golden Wheel Bright Jade Company Limited and its subsidiaries ceased to be subsidiaries of the Company in accordance with its accounting treatment.

As at the Latest Practicable Date, the Wong Family was interested in Existing Notes of approximately US\$14,471,929, Mr. Suwita Janata was interested in Existing Notes of approximately US\$215,333 and Mr. Gunawan Kiky was interested in Existing Notes of approximately US\$4,385,999. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the Latest Practicable Date and except for the Wong Family (including the company controlled by it, Golden Wheel Realty Company Limited), Suwita Janata and Gunawan Kiky, each of the Scheme Creditors was independent of (i) the Company; and (ii) connected persons of the Company. The Company does not expect that any additional creditors to be included in the Scheme (if any) would be a connected person of the Company.

Accordingly, the Wong Family, Mr. Suwita Janata and Mr. Gunawan Kiky (including companies owned by them) and other Scheme Creditors will be issued New Notes and New Shares as part of the Scheme as further discussed below. Based on their respective interests in Existing Notes discussed above, assuming the Share Consolidation becomes effective and subject to final determination of the Scheme Creditors' claims by the chairperson of the Scheme Meeting, the Wong Family, Mr. Suwita Janata and Mr. Gunawan Kiky are expected to be allotted and issued a total of 967,786 New Shares, 14,400 New Shares and 293,306 New Shares, respectively, under the Scheme.

4. The issue of New Notes and provision of financial assistance

(a) The issue of New Notes

Subject to the occurrence of the RED, the Issuer will issue the New Notes in an aggregate principal amount equal to the outstanding principal amount of the Existing Debt Instruments held by the Scheme Creditors as at the Record Time, which is expected to be US\$506,662,503.

The Issuer is a company incorporated in the BVI and wholly-owned by the Company. As part of the Proposed Restructuring, (i) the Company proposed to transfer the entire equity interest of the Specified Assets as at the RED to Golden Wheel Diamond as an asset holding company, and in return Golden Wheel Diamond will allot and issue its shares to the Company; and (ii) the Company will then transfer 95% of the interest of Golden Wheel Diamond held by it to the Issuer, and in return the Issuer will allot and issue its shares to the Company. Golden Wheel Diamond will be owned as to 95% by the Issuer and 5% by the Company. Under the terms of the Term Sheet, in the event that the RED has not occurred by 30 September 2025, the Company shall procure that an amount equal to 95% of the Net Cash Proceeds generated from

LETTER FROM INDEPENDENT FINANCIAL ADVISER

GW Binary Star and GW New Metro during the period from 1 October 2025 to the RED be deposited in a designated account on or prior to the RED solely for the repayment of the New Notes.

As stated in the Letter from the Board, in the event that all assets of the Issuer Group are disposed of within the 5 years tenor period of the New Notes and all relevant Net Cash Proceeds are insufficient for full redemption of the New Notes, then any outstanding principal amount of the New Notes shall be cancelled, all accrued and unpaid interest on the New Notes shall be waived under the terms of the New Notes (for further details, please refer to item (c) in the paragraph headed “Designated Account, Cash Sweep and Mandatory Redemption” under the principal terms of the New Notes below). Otherwise, in the event that the Issuer fails to redeem the New Notes within the 5 years tenor period, it would constitute an event of default under the New Notes and holders of the New Notes may claim against the Issuer and the Issuer Group in accordance with the terms of the New Notes and related security documents including the guarantees and collateral mentioned below. The Remaining Group has no obligations in respect to the repayment of the New Notes, notwithstanding its undertaking to pay the Issuer as described in the paragraph headed “(c) Company’s undertaking for repayment of Project Loan” below, which is expected to be a source of fund for the Issuer to repay the New Notes. The Remaining Group’s obligation to pay the Issuer under such undertaking will only be triggered when certain triggering events occurs or if any Net Cash Proceeds generated from GW International Plaza are used for repayment of the Project Loan.

The following is a summary of the principal terms of the New Notes:

Issuer	: The Issuer
Original Issue Date	: Expected to be the RED
Total Issue Size	: US\$506,662,503, being the expected outstanding principal amount of the Existing Debt Instruments held by all Scheme Creditors as at the Record Time
Tenor	: 5 years from the original issue date
Interest	: The New Notes will bear interest from and including the RED or from the most recent interest payment date to which interest has been paid or duly provided for, payable annually in arrears, at 1% per annum, either in cash or in kind at the election of the Issuer, subject to the terms of the New Notes.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

**New Notes
Subsidiary
Guarantees** : The New Notes Subsidiary Guarantors shall guarantee the obligations of the Issuer under the New Notes.

The Issuer and the relevant New Notes Subsidiary Guarantor shall use reasonable endeavors to complete any registration or procure the completion of any registration in the PRC (to the extent required) with respect to such guarantees to be provided.

Collateral : The New Notes shall initially be secured by the following collateral on a *pari passu* basis:

- first ranking security over all shares of the Golden Wheel Diamond held by the Company and the Issuer as of the RED
- first ranking security over all shares of the New Notes Subsidiary Guarantors held by the Issuer or another New Notes Subsidiary Guarantor
- first ranking mortgage over GW Binary Star and GW New Metro

On the RED, the Issuer shall cause Golden Wheel International Corporation Limited, Golden Wheel International Creation Company Limited and Golden Wheel International Investment Limited to enter into pledge agreements with a collateral agent to pledge their respective shares in Nanjing Golden Wheel Real Estate Development Company Limited* (南京金輪房地產開發有限公司), Nanjing Pearl Golden Wheel Realty Company Limited* (南京明珠金輪置業有限公司) and Nanjing Jade Golden Wheel Realty Company Limited* (南京翡翠金輪置業有限公司) and cause Nanjing Golden Wheel Real Estate Development Company Limited* (南京金輪房地產開發有限公司) and Nanjing Pearl Golden Wheel Realty Company Limited* (南京明珠金輪置業有限公司) to enter into pledge agreements with a collateral agent to pledge their respective interest in GW New Metro and GW Binary Star to secure the New Notes.

* For identification purpose only

LETTER FROM INDEPENDENT FINANCIAL ADVISER

- Designated Account, Cash Sweep and Mandatory Redemption** : (a) 95% of the Net Cash Proceeds generated from the Specified Assets on or after the RED, including those from the operations of and disposal of the Specified Assets, shall be deposited into a designated offshore bank account as soon as reasonably practicable and within 90 days of receipt of such Net Cash Proceeds by any member of the Issuer Group, subject to compliance with applicable laws, rules, regulations, policies or measures and the receipt of all relevant regulatory, judicial and/or governmental approvals (as applicable). The Issuer shall procure to remit the remaining 5% of the Net Cash Proceeds to the Company for repayment of the Project Loan for so long as the Project Loan remains outstanding. After the full repayment of the Project Loan and release of the mortgage over GW International Plaza, the Company may use the remaining 5% of the Net Cash Proceeds at its sole discretion.
- (b) Any Net Cash Proceeds in the designated account shall, within 45 days after such proceeds have been deposited into the designated account in accordance with (a) above (such 45-day period, the “**Allocation Period**”), be used to: (1) pay the principal of and/or interest on, the New Notes, in each case, that has become due and payable or will become due and payable during the Allocation Period, or (2) redeem the New Notes at a redemption price equal to 100% of the principal amount of the New Notes redeemed plus accrued and unpaid interest on the New Notes redeemed up to but excluding the relevant redemption date in accordance with the terms of the New Notes, to the effect that upon such allocation, the Net Cash Proceeds in the designated account shall be reduced to zero; provided, however, that the Issuer may, but shall not be obligated to, use such Net Cash Proceeds in accordance with this paragraph (b) if the total Net Cash Proceeds in the designated account as of the beginning of the Allocation Period does not exceed RMB17 million or its US\$ equivalent.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

- (c) After (i) all funds in the designated account and the required proportion of all Net Cash Proceeds that have not been deposited in the designated account have been used for the payment of interest on and principal of the New Notes or redemption of the New Notes in accordance with the terms of the New Notes; and (ii) disposal of all assets in the Issuer Group (including but not limited to the Specified Assets but excluding the equity interest in the Issuer Subsidiaries and Excluded Assets), any outstanding principal amount of the New Notes shall be cancelled, all accrued and unpaid interest on the New Notes shall be waived and no New Notes shall remain outstanding.

Optional Redemption : The Issuer may at its option redeem the New Notes at any time, in whole or in part, at a redemption price equal to 100% of the principal amount of the New Notes plus accrued and unpaid interest up to but excluding the relevant redemption date of the New Notes redeemed.

Events of Default : The events of default under the New Notes are expected to include, default in the payment of principal of the New Notes, default in the payment of interest on any Notes, defaults in the performance of or breaches any other covenant or agreement under the terms of the New Notes and default by the Company of the guarantee provided by the Company, subject to qualifiers, thresholds and carve-outs to be agreed.

Corporate Governance and Excluded Assets : The Ad Hoc Group shall be entitled to nominate three directors to the board of the Issuer and each Issuer Subsidiary and a legal representative to each Issuer Subsidiary incorporated in the PRC. For so long as the New Notes are outstanding, the nominated directors shall be entitled to certain rights to, among others, supervise the relevant asset manager in connection to the daily operation of and any sale, transfer or other disposition of one or more Specified Assets on or after the issue date of the New Notes by the Issuer and Issuer Subsidiaries, as well as certain rights to monitor cash sweep, redemption or repurchase of the New Notes by the Issuer and Issuer Subsidiaries.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

The directors nominated by the Ad Hoc Group can be replaced annually through a voting mechanism where holders of at least 10% of the outstanding principal amount of the New Notes may nominate candidates. All holders of the New Notes will then vote to elect three Noteholder Directors from a candidate pool, which includes both new nominees and existing directors. The three candidates with the highest votes will be appointed as directors.

The Company shall be entitled to appoint one director to the board of each of the Issuer and Issuer Subsidiaries. The board of directors of each of the Issuer and Issuer Subsidiaries shall comprise four directors and the quorum for a meeting of such board is three.

In the event that the New Notes is fully redeemed or otherwise cancelled, the nomination rights of the Ad Hoc Group will immediately terminate and the composition of the directors to the board of each of the Issuer and Issuer Subsidiaries may be changed in accordance with applicable laws and their respective constitutional documents.

The Excluded Assets (or the right of use or other economic interest in the Excluded Assets) have been disposed of or pledged to or may be disposed of or pledged to third parties. The Issuer Group shall not be entitled to any economic interest in the Excluded Assets, and shall not be liable for any cost or expenses (including any tax payment or tax liability) related to the disposal or release of the Excluded Assets.

Transfer Restrictions : The New Notes and the New Notes Subsidiary Guarantees will not be registered under the Securities Act or any securities law of any state or other jurisdiction of the United States, and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

- Ranking of the New Notes** : The New Notes are general obligations of the Issuer and are guaranteed by the New Notes Subsidiary Guarantors on a senior basis, subject to certain limitations. The New Notes will (a) rank senior in right of payment to obligations of the Issuer expressly subordinated in right of payment to the New Notes; (b) rank at least *pari passu* in right of payment with all unsecured, unsubordinated indebtedness of the Issuer (subject to any priority rights of such unsecured, unsubordinated indebtedness pursuant to applicable law); and (c) be effectively subordinated to the other secured obligations, if any, of the Issuer to the extent of the value of the assets serving as security therefor (other than certain collateral securing the New Notes).
- Listing** : The Issuer will apply for the listing and quotation of the New Notes on the SGX-ST or another internationally recognized exchange.

(b) Management Service Agreements

In connection to the Scheme, the Company shall enter into a management service agreement for a period of three years in relation to managing each Specified Asset. Each of these three management service agreements will be entered into between the Company, with a property manager (which may be an affiliate of the Company or an independent third party designated by the Company) and the company holding the relevant Specified Asset on or prior to the RED. Pursuant to the Management Service Agreements, the Company shall provide a performance guarantee (the “**Performance Guarantee**”) that prior to the sale of such Specified Asset, the annual rental income generated from such Specified Asset for each fiscal year ending after the RED shall be no less than 70% of the rental income of the Specified Assets for the fiscal year ending on or immediately before the RED (the “**Guaranteed Income Amount**”). If the actual annual rental income generated from such Specified Asset for a fiscal year is less than the Guaranteed Income Amount, the Company shall pay the shortfall amount to the relevant holding company of such Specified Asset within 10 days after the finalization of the audit report for such fiscal year of such holding company. The audit report for a fiscal year for each company holding a Specified Asset shall be finalized within 30 days after the end of such fiscal year. The Performance Guarantee constitutes financial assistance provided by the Company to the Issuer Group.

The Performance Guarantee is not for a fixed period but instead will continue until the sale of the Specified Assets and as long as the Management Service Agreements subsist. If the Management Service Agreements expire, the parties will negotiate on whether the Management Service Agreements (including the Performance Guarantee) should be renewed. The historical annual rental income of the Specified Assets for FY2023 and FY2024 was approximately RMB56 million and RMB55 million, respectively.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

If the actual annual rental income for such Specified Asset for a fiscal year is at least 10% higher than the rental income of the Specified Assets for the fiscal year ending on or immediately before the RED, the relevant holding company of such Specified Asset shall pay an incentive to the property manager equal to 10% times the result of the actual annual rental income of the Specified Assets minus the rental income of the Specified Assets for the fiscal year ending on or immediately before the RED. Notwithstanding the foregoing, the Company shall not be responsible for any negative impact on rental income by any force majeure event (i.e. events that prevent the relevant party from performing its obligations by any reason beyond such party's control which is expected to include, among others, acts of God, flood, pandemic, epidemic, war (whether declared or undeclared), terrorism, riot, rebellion and civil commotion).

The company holding the relevant Specified Asset shall have the right to terminate the relevant Management Service Agreement in order to facilitate the sale of a Specified Asset or when the Performance Guarantee is breached.

The duration of the Management Service Agreements of three years was arrived at after arm's length negotiations between the Company and the Ad Hoc Group taking into account, among others (i) expected timeline for disposal of the Specified Assets within three years; and (ii) flexibility to change the property manager taking into account the performance of the existing property manager and then circumstances. Having considered that shorter Management Service Agreements (including the Performance Guarantee) relative to the tenor of the New Notes is beneficial to the Group and provides it with greater flexibility, the Directors consider the terms of the Management Service Agreements are fair and reasonable.

We have obtained the list of the tenancy agreements of the Specified Assets as provided by the management of the Company. For our due diligence purpose, we have reviewed sample copies of the tenancy agreements of the Specified Assets, which were selected based on the materiality of the annual rental income as set out in the list of tenancy agreements of the Specified Assets. The samples under review represent top 5 tenancy agreements of each Specified Assets (i.e., 15 samples in total). We are of the view that the selection basis and sample copies reviewed are fair and representative in view of materiality. From our sample review, we note that, except for one sample, all of the sample tenancy agreements under review have lease period of five to ten years. Out of the 15 samples that we have reviewed, except for three samples ending in 2026 and one sample ending in 2027, all of the sample tenancy agreements will expire beyond 2027. However, as discussed with the Directors, the occupancy rate of the Specified Assets in terms of the GFA has been over 85% as at 31 December 2023 and 31 December 2024. Therefore, the Directors expected those tenancy agreements would be renewed or replaced by new lease based on their experience. Based on the Company's substantial experience in real estate industry and the stable historical annual rental income of the Specified Assets of approximately RMB56 million and RMB55 million for FY2023 and FY2024, respectively, the Company is willing to provide the Performance Guarantee, (which is estimated to be maximum amount of approximately RMB39 million) relating to the annual rental income generated from such Specified Asset for each fiscal year ending after the RED until the sale of such Specified Asset.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

After reviewing the selected samples of tenancy agreements and considering (i) the going concern issue of the Group as discussed in the section headed “1. Background and financial information of the Group” above in this letter; (ii) limited fund raising alternatives available to the Group as discussed in the section headed “12. Reasons for and benefits of the possible transactions in connection with the Proposed Restructuring” below in this letter; (iii) the historical occupancy rate of the Specified Assets over 85% as at 31 December 2023 and 31 December 2024; (iv) the stable historical rental income of the Specified Assets of approximately RMB56 million and RMB55 million for FY2023 and FY2024 respectively; and (v) the Performance Guarantee forms part of the Proposed Restructuring, which aims to relief the financial pressure on the Group, the Performance Guarantee is fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

(c) Company’s undertaking for repayment of Project Loan

There is an existing loan facility entered into between the Company and financial institution which is secured by, among others, a mortgage over GW International Plaza. It is proposed that a new loan facility will be entered into between the Company and the financial institution prior to the RED (i.e. the Project Loan) to refinance such existing loan facility. Prior to entering into the Project Loan, the Company will continue to repay the existing loan facility with the Group’s internal resources. In accordance with the Scheme, the Company will also provide an undertaking to the Scheme Creditors in connection with the Project Loan.

Pursuant to such undertaking, the Company will repay, refinance or extend or procure the repayment, refinancing or extension of the Project Loan in full and procure the release of all security interest on the GW International Plaza granted to secure the Project Loan within 36 months after the RED.

In the event that (a) the Company fails to repay, refinance or extend or procure the repayment, refinancing or extension of the Project Loan within 36 months after the RED such that the security interest on the GW International Plaza granted for the benefit of the Project Loan is not fully released within such period, or (b) the GW International Plaza has been disposed of by the Project Loan lender as a result of an enforcement action (each of (a) and (b), a “**Triggering Event**”), the Company shall remit or procure the remittance of an amount equal to, in the case of (a), any amount that remains payable under the Project Loan or, in the case of (b), the amount of Net Cash Proceeds from disposal of the GW International Plaza used to repay the Project Loan, to the designated account within 10 business days after the occurrence of a Triggering Event, provided that if the aggregate amount outstanding under the Project Loan is equal to or less than RMB50 million at the end of the 36th month after the RED in the case of (a), the Company shall have a 6-month grace period to repay, refinance or extend or procure the repayment, refinancing or extension of the Project Loan in full and procure the release of the security interest on the GW International Plaza granted to secure the Project Loan.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

On each anniversary of the issue date of the New Notes, in the event that any Net Cash Proceeds generated from GW International Plaza are used for repayment of the Project Loan during the 12-month period immediately preceding such anniversary, the Company shall pay or procure the payment of an amount equal to 95% of such amount to the Issuer during the 12-month period immediately preceding such anniversary. This amount will be used for repayment of the principal and/or interest on the New Notes. The Company undertakes to procure that at least 90% of the net proceeds generated from a certain project held by the Group will be used to repay the Project Loan.

5. Our assessment on the terms of the New Notes

In assessing the fairness and reasonableness of the terms of the New Notes, including the interest rate and term to maturity, we have conducted independent search for the issue and subscription of new notes/bonds, which (i) are announced by the company that are listed on the Stock Exchange; (ii) the term to maturity shall be at least one year; (iii) are as part of a debt restructuring exercise; (iv) are not involved in any acquisition transactions; and (v) the new notes/bonds are not convertible into any equity securities. Based on these criteria and the public information available on the Stock Exchange's website, to the best of our endeavours, we have identified an exhaustive list of a total of 5 debt restructuring transactions that involved issue and subscription of new notes/bonds (the “**Comparable Transactions**”) during the period from 24 January 2023 to the date of the Announcement (the “**Comparable Period**”), representing approximately two years prior to the date of the Announcement. We consider that the Comparable Period is appropriate (a) to reflect the prevailing market conditions and sentiments in the Hong Kong capital market; (b) to provide a general reference of the recent issue and subscription of new notes/bonds being conducted by the companies listed in Hong Kong that were under debt restructuring; and (c) to generate a reasonable and meaningful number of samples for the purpose of our analysis. We also consider that the terms of the Comparable Transactions were determined under similar market conditions and sentiment, and hence represent fair and representative samples and provide a general reference of this type of transaction in the market. Therefore, we consider them to be an appropriate basis to assess the fairness of the terms of the New Notes.

Set out below is the analysis of the Comparable Transactions:

Date of announcement	Stock code	Company name	Connected transactions (Yes/No)	Principal amount	Interest rate	Term to maturity (years)
13 December 2024	813	Shimao Group Holdings Limited	Yes	US\$600,000,000	2.00%	9.5
20 August 2024	1638	Kaisa Group Holdings Ltd.				
		– Tranche A	No	US\$400,000,000	5.00% to 6.50% (Note 1)	3.0

LETTER FROM INDEPENDENT FINANCIAL ADVISER

Date of announcement	Stock code	Company name	Connected transactions (Yes/No)	Principal amount	Interest rate	Term to maturity (years)
		– Tranche B	No	US\$600,000,000	5.25% or 6.25% (Note 1)	4.0
		– Tranche C	No	US\$1,000,000,000	5.50% or 6.50% (Note 1)	5.0
		– Tranche D	No	US\$1,200,000,000	5.75% or 6.75% (Note 1)	6.0
		– Tranche E	No	US\$1,800,000,000	6.00% or 7.00% (Note 1)	7.0
		– Tranche F	No	Depends on the allocation among the scheme creditors	6.25% or 7.25% (Note 1)	8.0
18 July 2024	3377	Sino-Ocean Group Holding Limited	Yes	Up to US\$2,200,000,000	3.00%	3.0 to 8.0 (Note 2)
2 July 2023	3883	China Aoyuan Group Limited				
		– Aoyuan New Notes	No	US\$500,000,000	5.50%	8.0
		– Aoyuan Perpetuals	No	US\$1,600,000,000	nil to 9.00% (Note 3)	perpetual
		– Add Hero Notes (Tranche A)	No	US\$650,000,000	7.50%	3.0 to 6.0 (Note 4)
		– Add Hero Notes (Tranche B)	No	US\$500,000,000	8.00%	7.0
		– Add Hero Notes (Tranche C)	No	US\$650,000,000	8.80%	8.0

LETTER FROM INDEPENDENT FINANCIAL ADVISER

Date of announcement	Stock code	Company name	Connected transactions (Yes/No)	Principal amount	Interest rate	Term to maturity (years)
28 March 2023	1918	Sunac China Holdings Limited				
		– Tranche A	No	US\$500,000,000	5.00%	2.0
		– Tranche B	No	US\$500,000,000	5.25%	3.0
		– Tranche C	No	US\$1,000,000,000	5.50%	4.0
		– Tranche D	No	US\$1,500,000,000	5.75%	5.0
		– Tranche E	No	US\$1,500,000,000	6.00%	6.0
		– Tranche F	No	US\$1,000,000,000	6.25%	7.0
		– Tranche G	No	Up to US\$1,000,000,000	6.50%	8.0
		– Tranche H	No	Remaining restructuring consideration	6.50%	9.0
				Maximum	9.00%	perpetual
				Minimum	2.00%	2.0
24 January 2025	1232	The Company	Yes	US\$506,662,503	1.00%	5.0

Notes:

- The interest rates of the notes of Kaisa Group Holdings Ltd. vary due to (i) whether all interest with respect to such interest payment period is paid in cash or whether any portion of interest with respect to such interest payment period is paid in kind; and/or (ii) whether the original maturity is extended or not (if applicable).
- The notes of Sino-Ocean Group Holding Limited would be redeemed under the agreed repayment schedule from 36 months to 96 months after the issue date (subject to extension up to 120 months after the issue date upon the occurrence of deferral triggering events (if any)).
- The interest rates of the perpetual notes of China Aoyuan Group Limited will increase under the agreed schedule according to the terms of the notes.
- The tranche A of the “Add Hero Notes” of China Aoyuan Group Limited would be redeemed in accordance the following schedule:
 - principal amount of US\$150 million plus accrued and unpaid interest thereon will be redeemed 3 years from the issue date;
 - principal amount of US\$200 million plus accrued and unpaid interest thereon will be redeemed 5 years from the issue date; and
 - principal amount of US\$300 million plus accrued and unpaid interest thereon will be redeemed 6 years from the issue date.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

Based on the above information, we note that:

- (i) the interest rate of the Comparable Transactions ranged from 2.00% to 9.00%; and
- (ii) the term to maturity of the Comparable Transactions ranged from 2 years to perpetual.

Among the Comparable Transactions, there are two connected transactions, which are the new notes/bonds issued by Shimao Group Holdings Limited and Sino-Ocean Group Holding Limited. The new notes issued by Shimao Group Holdings Limited have an interest rate of 2.00% per annum and a tenor of 9.5 years while the new notes issued by Sino-Ocean Group Holding Limited have an interest rate of 3.00% per annum and shall be repaid within 3 to 8 years after issue date (subject to extension up to 10 years after issue date upon the occurrence of deferral triggering events (if any)).

In addition, among the Comparable Transactions, we note that there were haircuts in the total restructuring consideration of the restructuring proposal of Shimao Group Holdings Limited, Kaisa Group Holdings Ltd. and China Aoyuan Group Limited. However, we consider that any haircut in the restructuring consideration in a restructuring case depends on the arm's length negotiation between the listed company and its creditors. The structure of the restructuring proposal may differ on a case-by-case basis. The above Comparable Transactions analysis aims to provide a general reference of the recent issue and subscription of new notes/bonds being conducted by the companies listed in Hong Kong that were under debt restructuring. As such, the haircut amount in the restructuring consideration is not included in the Comparable Transactions analysis.

After considering that (i) the Proposed Restructuring, which the issue of the New Notes forms part of, is a long-term financially viable solution to relieve the Group's financial pressure; (ii) according to the terms of the New Notes, if all assets of the Issuer Group (including the Specified Assets) are disposed within the 5 years tenor period of the New Notes, all outstanding principal amount of the New Notes shall be cancelled and all accrued and unpaid interest on the New Notes shall be waived under the terms of the New Notes, regardless whether the net proceeds from the disposal are lower than the outstanding principal amount and accrued and unpaid interest of the New Notes, as further discussed in the section headed "12. Reasons for and benefits of the possible transactions in connection with the Proposed Restructuring" below in this letter; (iii) the issue price of the New Shares in the Proposed Restructuring represents a very high premium to the closing price of the Shares as further discussed in the section headed "6. The issue of New Shares" below in this letter; and (iv) the interest rate of the New Notes is below that of the Comparable Transactions and the term to maturity of the New Notes is within the range of the term to maturity of the Comparable Transactions, regardless Comparable Transactions to either connected persons or independent third parties, we consider that the terms of the New Notes are fair and reasonable.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

6. The issue of New Shares

Subject to the occurrence of the RED, the Company will issue the New Shares to the Scheme Creditors allocated pro rata to the Accrued Interest held by the Scheme Creditors as at the Record Time, which is expected to be US\$94,611,941 (subject to final determination of the Scheme Creditors' claims by the chairperson of the Scheme Meeting).

A total of 305,196,000 New Shares (or 30,519,600 New Shares assuming the Share Consolidation becomes effective) is expected to be issued representing approximately 16.96% of the existing issued share capital of the Company as at the Latest Practicable Date and approximately 14.50% of the issued share capital of the Company as enlarged by the allotment and issue of the New Shares.

The New Shares have an aggregate nominal value of US\$3,051,960 prior to the Share Consolidation and market value of HK\$18,311,760 based on the closing price of HK\$0.060 per Share as quoted on the Stock Exchange on the date of the Announcement.

(a) Issue price of the New Shares

Pursuant to the Scheme, the Company will issue the New Shares to Scheme Creditors at an issue price of approximately HK\$2.418 per New Share (equivalent to approximately HK\$24.18 per New Share after the Share Consolidation becoming effective). Given that the amount of Accrued Interest is contingent upon the final determination of the Scheme Creditors' claims by the chairperson of the Scheme Meeting, and whereas the number of New Shares remains fixed, the issue price may be subject to adjustment based on said determination. The issue price of the New Shares represents:

- (i) a premium of approximately 3,620.00% to the closing price of HK\$0.065 per Share as quoted on the Stock Exchange as at the Latest Practicable Date;
- (ii) a premium of approximately 3,620.00% to the closing price of HK\$0.065 per Share as quoted on the Stock Exchange on the date of the RSA;
- (iii) a premium of approximately 3,930.00% to the closing price of HK\$0.060 per Share as quoted on the Stock Exchange on the date of the Announcement;
- (iv) a premium of approximately 3,800.00% to the average closing price of approximately HK\$0.062 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares immediately preceding the date of the Announcement;
- (v) a premium of approximately 3,930.00% to the average closing price of approximately HK\$0.060 per Share as quoted on the Stock Exchange for the ten consecutive trading days of the Shares immediately preceding the date of the Announcement;

LETTER FROM INDEPENDENT FINANCIAL ADVISER

- (vi) a premium of approximately 4,142.11% to the average closing price of approximately HK\$0.057 per Share as quoted on the Stock Exchange for the thirty consecutive trading days of the Shares immediately preceding the date of the Announcement; and
- (vii) a premium of approximately HK\$2.474 to the Group's audited net liabilities per Share of approximately HK\$0.056, which is calculated based on the audited consolidated net liabilities attributable to owners of the Company of approximately RMB93,396,000 (equivalent to approximately HK\$99,933,720) as at 31 December 2024 extracted from the Financial Information 2024 divided by 1,799,020,000 issued Shares as at the Latest Practicable Date.

The issue price of New Shares was determined after arm's length negotiation between the Company and the Ad Hoc Group having considered, and with reference to, among others, (i) the issuance of New Shares representing approximately 14.50% of all the issued ordinary shares of the Company on a fully diluted basis being accepted as one of the feasible ways of implementing the Proposed Restructuring; and (ii) the amount of Accrued Interest which is expected to be settled by in exchange for the issue of New Shares.

The net price per New Share after the deduction of the relevant expenses incidental to the Scheme is estimated to be approximately HK\$2.41 per Share.

The issue of the New Shares is to set off the Accrued Interest in accordance with the Scheme. As such, no proceeds will be received by the Company from the issue of the New Shares.

(b) Specific Mandate

The New Shares will be issued under the Specific Mandate to be sought from the Shareholders at the AGM. The issue of the New Shares is conditional upon, among others, the passing of the necessary resolutions by the Independent Shareholders at the AGM and the Listing Committee of the Stock Exchange granting the listing of, and the permission to deal in, the New Shares.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

(c) *Conditions to the issue of New Shares*

The issue of New Shares is conditional upon the following conditions being satisfied:

- (i) the conditions precedent to the Proposed Restructuring having been satisfied (or waived);
- (ii) the passing of necessary resolutions by the Independent Shareholders at the AGM approving the issue of New Shares and the transactions contemplated thereunder; and
- (iii) the granting of the approval for the listing of and permission to deal in the New Shares by the Listing Committee of the Stock Exchange.

The issue of New Shares will not occur if any of the conditions above is not satisfied. As at the Latest Practicable Date, none of the conditions has been satisfied.

(d) *Completion date*

The New Shares shall be allotted and issued in accordance with the Scheme on the RED.

(e) *Application for listing*

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the New Shares.

(f) *Ranking of the New Shares*

The New Shares, when allotted and issued, will be free of all encumbrances and rank *pari passu* in all respects with the Shares in issue on the date of allotment and issue of the New Shares.

7. Our assessment on the issue price of the New Shares

In assessing the fairness and reasonableness of the issue price of the New Shares, we have primarily taken into account (i) the financial position of the Group, which has been discussed in the section headed “1. Background and financial information of the Group” above in this letter; (ii) the historical Shares price performance; and (iii) the market comparables in respect of recent issue of new shares of listed companies as discussed below.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

(a) Review on the historical price of the Shares

We have reviewed the chart illustrates the historical daily closing price of the Shares as quoted on the Stock Exchange during the period commencing from 24 January 2024 (being the approximately twelve months prior to the date of the Announcement) up to and including the date of the Announcement (the “**Review Period**”). We consider that the Review Period is adequate as it represents a reasonable period to reflect a general overview of the recent price movement of the Shares. The following chart sets out the daily closing prices of the Shares on the Stock Exchange during the Review Period:

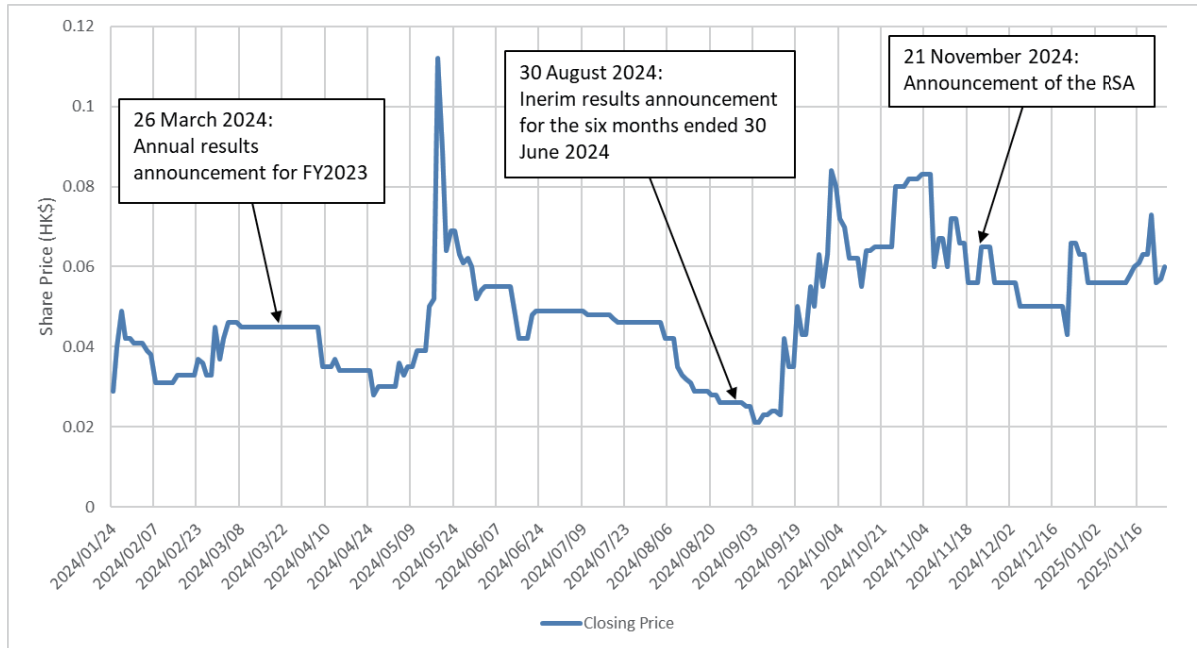


Chart 1: Historical closing price of the Shares during the Review Period

Source: website of the Stock Exchange (www.hkex.com.hk)

LETTER FROM INDEPENDENT FINANCIAL ADVISER

During the Review Period, the closing price of the Shares has been fluctuated between the lowest of HK\$0.021 per Share on 3 September 2024 and 4 September 2024 and the highest of HK\$0.112 per Share on 20 May 2024, with an average closing price of HK\$0.048 per Share. As advised by the Directors, they are not aware of any specific reasons for the aforesaid closing price fluctuation of the Shares during the Review Period. The issue price of approximately HK\$2.418 per New Share is out of the range of but represents a very high premium over the daily closing prices of the Shares during the Review Period, which is approximately 4,937.5% over the average closing price of the Shares during the Review Period.

(b) Comparison with recent issue of new shares of listed companies

We have conducted independent search for the issue of new shares, which (i) the issuers are listed on the Stock Exchange, of which the shares were not in prolonged suspension on the date of the relevant announcement; (ii) involved issue of new shares under specific mandate as part of a debt restructuring exercise; (iii) were not part of consideration in merger and acquisition and were not issued under the conversion of convertible securities or share scheme; and (iv) excluded issues and subscription of A shares and domestic shares that are not trading on the Stock Exchange. Based on these criteria and the public information available on the Stock Exchange's website, to the best of our endeavours, we have identified an exhaustive list of a total of 6 transactions of issue of new shares (the “**Comparable Issue of New Shares**”) during the Comparable Period. We consider that the Comparable Period is appropriate (a) to reflect the prevailing market conditions and sentiments in the Hong Kong stock market; (b) to provide a general reference of the recent issue of new shares being conducted by the companies listed in Hong Kong that were under debt restructuring; and (c) to generate a reasonable and meaningful number of samples for the purpose of our analysis. We also consider that the Comparable Issue of New Shares were determined under similar market conditions and sentiment, and hence represent fair and representative samples and provide a general reference of this type of transaction in the market. Therefore, we consider them to be an appropriate basis to assess the fairness of the issue price of the New Shares.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

Set out below is the analysis of the Comparable Issue of New Shares:

Date of announcement	Stock code	Company name	Connected transactions (Yes/No)	Premium/(discount) of issue price over/(to) the closing price on the date of the respective announcement	Premium/(discount) average closing price for the last five consecutive trading days prior to the date of the respective announcement
29 November 2024	1638	Kaisa Group Holdings Ltd.	No	(45.65)%	(47.09)%
28 November 2024	1011	China NT Pharma Group Company Limited	Yes	6.45%	13.79%
31 October 2024	1628	Yuzhou Group Holdings Company Limited	No	1,499.25%	1,541.20%
25 January 2024	39	China Beidahuang Industry Group Holdings Limited	No	14.94%	21.07%
31 May 2023	6908	HG Semiconductor Limited	No	(57.67)%	(48.05)%
15 March 2023	1566	CA Cultural Technology Group Limited	No	(78.39)%	(77.63)%
			Maximum	1,499.25%	1,541.20%
			Minimum	(78.39)%	(77.63)%
			Average	223.16%	233.88%
			Median	(19.60)%	(16.65)%
24 January 2025	1232	The Company	Yes	3,930.00%	3,800.00%

LETTER FROM INDEPENDENT FINANCIAL ADVISER

As set out in the above table,

- (i) the premium/(discount) of the issue price over/to the closing price on the date of the respective announcement of the Comparable Issue of New Shares ranged from a discount of approximately 78.39% to a premium of approximately 1,499.25%, with an average of a premium of approximately 223.16% and a median of a discount of approximately 19.60%; and
- (ii) the premium/(discount) of the issue price over/to the average closing price for the last five consecutive trading days prior to the date of the respective announcement of the Comparable Issue of New Shares ranged from a discount of approximately 77.63% to a premium of approximately 1,541.20%, with an average of a premium of approximately 233.88% and a median of a discount of approximately 16.65%.

Among the Comparable Issue of New Shares, only the issue of new shares by China NT Pharma Group Company Limited is connected transaction. The issue price of the New Shares is higher than the premium of the new shares issued by China NT Pharma Group Company Limited, which is approximately 6.45% and 13.79% over the closing price on the date of the respective announcement and the average closing price for the last five consecutive trading days prior to the date of the respective announcement respectively.

The premium of the issue price of the New Shares is higher than the maximum premium of the issue price of the Comparable Issue of New Shares over the closing price on the date of the respective announcement and the average closing price for the last five consecutive trading days prior to the date of the respective announcement, regardless the Comparable Issue of New Shares is connected transaction or not. Therefore, the premium of the issue price of the New Shares is more favourable than the Comparable Issue of New Shares.

As the Accrued Interest is expected to be settled by in exchange for the issue of New Shares, we consider that the issue of the New Shares with the abovementioned issue price is in the interests of the Company and the Shareholders as a whole.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

8. Effects on the shareholding structure of the Company

The table below illustrates the shareholding structure of the Company: (a) as at the Latest Practicable Date; (b) assuming immediately upon the Share Consolidation becoming effective; and (c) assuming the Share Consolidation becoming effective and immediately upon the allotment and issue of the New Shares. The table further assumes that there is no other change in the issued share capital of the Company or the interests of the connected persons of the Company in Existing Notes from the Latest Practicable Date up to the date of the issue of the New Shares.

	As at the Latest Practicable Date		Immediately upon the Share Consolidation becoming effective		Assuming the Share Consolidation becoming effective and immediately upon the allotment and issue of the New Shares	
	<i>Number of Shares interested</i>	<i>Approx. %</i>	<i>Number of Shares interested</i>	<i>Approx. %</i>	<i>Number of Shares interested</i>	<i>Approx. %</i>
Wong Family (<i>Notes 1 & 5</i>)	736,475,600	40.94	73,647,560	40.94	74,615,346	35.46
Tjie Tjin Fung (<i>Note 2</i>)	80,268,950	4.46	8,026,895	4.46	8,026,895	3.81
Suwita Janata (<i>Notes 3 & 5</i>)	128,539,400	7.14	12,853,940	7.14	12,868,340	6.12
Gunawan Kiky (<i>Notes 4 & 5</i>)	86,360,950	4.80	8,636,095	4.80	8,929,401	4.24
Other Shareholders	767,375,100	42.66	76,737,510	42.66	105,981,618	50.37
	1,799,020,000	100.00	179,902,000	100.00	210,421,600	100.00

Notes:

- (1) Shares owned by the Wong Family consist of:
 - (i) 706,785,600 shares held by Golden Wheel Realty Company Limited, a company controlled by Mr. Wong Yam Yin and his family. Mr. Wong Yam Yin and Ms. Hung So Ling are husband and wife. Mr. Wong Kam Fai and Mr. Wong Kam Keung, Barry are sons of Mr. Wong Yam Yin and Ms. Hung So Ling. Mr. Wong Yam Yin, Mr. Wong Kam Fai, Mr. Wong Kam Keung, Barry are each executive Directors; and
 - (ii) 29,690,000 Shares jointly owned by Mr. Wong Kam Fai and Mr. Wong Kam Keung, Barry.
- (2) Shares owned by Mr. Tjie Tjin Fung consist of 80,268,950 shares held by Chun Hung Investments Limited, a company owned by Mr. Tjie Tjin Fung and his family.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

- (3) Shares owned by Mr. Suwita Janata consist of:
- (i) 80,268,950 shares held by Golden Era Forever Holding Company Limited, a company wholly owned by Mr. Suwita Janata; and
 - (ii) 48,270,450 shares held by Golden Joy Forever Holding Company Limited, a company wholly owned by Ms. Julia Oscar. Mr. Suwita Janata is the husband of Ms. Julia Oscar and a brother-in-law of Mr. Wong Yam Yin.
- (4) Shares owned by Mr. Gunawan Kiky consist of:
- (i) 80,268,950 shares held by Fire Spark Holdings Limited, a company owned by Mr. Gunawan Kiky and his family; and
 - (ii) 6,092,000 shares held by Mr. Gunawan Kiky.
- (5) The number of New Shares actually received by the Wong Family, Mr. Suwita Janata and Mr. Gunawan Kiky will be subject to final determination of the Scheme Creditors' claims by the chairperson of the Scheme Meeting. The number of Shares of the Wong Family, Mr. Suwita Janata, Mr. Gunawan Kiky and other Shareholders assuming the Share Consolidation becoming effective and immediately upon the allotment and issue of the New Shares as disclosed in the Announcement have been revised in the Circular based on the latest estimations as at the Latest Practicable Date.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the Latest Practicable Date, based on the disclosure of interests filings on the Company that were publicly available on the Disclosure of Interests Online (DION) System, except for the Wong Family (including company which it controls, Golden Wheel Realty Company Limited) and Mr. Suwita Janata, no other Scheme Creditor had reported any notifiable interest in 5% or more of the shares of the Company under Part XV of the SFO.

Although the issue of the New Shares will dilute the shareholding of the existing Shareholders, the issue of the New Shares forms part of the Proposed Restructuring to refinance the Group's indebtedness. The shareholding of the Shareholders other than Wong Family, Mr. Tjie Tjin Fung, Mr. Suwita Janata and Mr. Gunawan Kiky will increase from 42.66% as at the Latest Practicable Date to 50.37% upon the Share Consolidation becoming effective and the completion of the issue of the New Shares, while the shareholding of Wong Family, Mr. Tjie Tjin Fung, Mr. Suwita Janata and Mr. Gunawan Kiky will decrease as set out in the above table.

After considering that (i) the number of New Shares only represents approximately 16.96% of the existing issued share capital of the Company as at the Latest Practicable Date and approximately 14.50% of the issued share capital of the Company as enlarged by the allotment and issue of the New Shares; (ii) the Accrued Interest will be settled by the issue of the New Shares, which will reduce the liabilities of the Group; and (iii) the premium of the issue price of the New Shares is more favourable than the Comparable Issue of New Shares as discussed in the section headed "7. Our assessment on the issue price of the New Shares" above in this letter, we consider that the dilution effect to the existing Shareholders is acceptable.

9. The Transfer

As part of the Proposed Restructuring, the Issuer Subsidiaries (which holds the Specified Assets) will be transferred to the Issuer by the Group. The Issuer will allot and issue its shares to the Company. No proceeds will be received by the Group from the Transfer.

Pursuant to the Scheme, the Ad Hoc Group shall be entitled to nominate three directors to the board of directors of the Issuer and each Issuer Subsidiary and a legal representative to each Issuer Subsidiary established in the PRC. The Company will be entitled to nominate one director to the board of directors of each of the Issuer and Issuer Subsidiaries with each of such boards comprising four directors.

Immediately after the appointment of the directors nominated by the Ad Hoc Group, the Company will cease to control the board of the Issuer and the Issuer Subsidiaries. Therefore, despite the Company continuing to be indirectly interested in 100% of the Issuer immediately after the Transfer, the members of the Issuer Group will cease to be subsidiaries of the Company as an accounting treatment and the financial results of the Issuer Group (excluding the Excluded Assets) will no longer be consolidated into the financial statements of the Company.

To provide greater flexibility to the Group in determining a cost-effective transfer of the Excluded Assets at a later stage after considering relevant legal and tax implications rather than being constrained by the timetable of the Proposed Restructuring by finalising arrangements while negotiating with creditors at this stage, the Excluded Assets are not expected to be transferred out of the Issuer Group prior to or immediately after the completion of the Transfer.

Under the terms of the Scheme, the Issuer Group shall not be entitled to any economic interest in the Excluded Assets, and shall not be liable for any cost or expenses (including any tax payment or tax liability) related to the disposal or release of the Excluded Assets. Upon completion of the Transfer, the Remaining Group will continue to be entitled to any economic interest in the Excluded Assets and responsible for any cost or expenses (including any tax payment or tax liability) related to the Excluded Assets.

However, other than the above terms in relation to the economic interest and costs and expenses in relation to the Excluded Assets, the terms of the Scheme does not expressly address all other potential events in relation to the Excluded Assets such as whether there is right to claim upon event of default of the New Notes or right to request for transfer of proceeds upon disposal. The Directors believe that based on the above term concerning the entitlement of the economic interest, (i) holders of the New Notes will not be able to claim against the Excluded Assets if an event of default under the New Notes occurs; and (ii) the Remaining Group has the right to request the Issuer Group for the transfer of net proceeds from the disposal of the Excluded Assets to the Remaining Group. Based on the above, as agreed by the auditors of the Company, any income generated from and expenses incurred by the Excluded Assets will be treated as respective receipt and payment on behalf of the Group by the Issuer Group. In addition, as agreed by the auditors of the Company, the Excluded Assets will be consolidated in the statements of financial position of the Remaining Group as a part of other financial assets,

LETTER FROM INDEPENDENT FINANCIAL ADVISER

property, plant and equipment and investment properties, respectively. As at 31 December 2024, the aggregate book value of all of the Excluded Assets was approximately RMB159 million comprising approximately RMB91 million for the shares in Xiamen International Bank Company Limited, approximately RMB10 million for the office for self-use purpose by the Remaining Group and approximately RMB58 million for the six specified car parks.

Other than the shares in Xiamen International Bank Company Limited held for investment purposes, which have been transferred to the Remaining Group as at the Latest Practicable Date, the remaining Excluded Assets, being the office for self-use purpose by the Remaining Group and the six specified car parks, are expected to continue to be operated by the Remaining Group. When the Company determines that it is appropriate to rent out or dispose of the Excluded Assets still held by the Issuer Group, the Company will make a necessary signing, payment and other arrangements with the tenant(s)/purchaser(s), the relevant member of the Issuer Group and, if necessary, the other directors of the relevant entity who were not nominated by the Company. Under the terms of the New Notes, each of the directors nominated by the Ad Hoc Group (and any of their successors appointed by the holders of the New Notes in accordance with the terms of the New Notes) shall undertake, and each of the members of the Issuer Group shall procure, to the extent applicable or not prohibited by applicable law, to facilitate and approve, to the greatest extent possible, the sale, transfer or disposal by the relevant subsidiary directly or indirectly holding the Specified Assets of any interest in the Excluded Assets. Currently, the rental income generated from the aforesaid car parks are paid directly into the bank accounts of the Remaining Group and this practice is expected to continue after RED. To the extent possible and in compliance with applicable laws, the net proceeds from the disposal of the Excluded Assets after the RED are expected to be paid directly into the bank accounts of the Remaining Group, or otherwise, the Issuer Group will ensure that such amounts are remitted to the Remaining Group after the disposal.

According to the Letter from the Board, as agreed by the auditors of the Company, considering the Remaining Group is entitled to substantially all the economic benefits from the Excluded Assets, the Remaining Group has control over the Excluded Assets and can consolidate Excluded Assets in its consolidated financial statements for accounting purposes given the following reasons:

- (i) under the terms of the Scheme, the Issuer Group shall not be entitled to any economic interest in the Excluded Assets, and shall not be liable for any cost or expenses (including any tax payment or tax liability) related to the disposal or release of the Excluded Assets. Thus, the Remaining Group shall be entitled to all the economic interest in the Excluded Assets substantially as agreed in the Scheme;
- (ii) the shares of Xiamen International Bank Company Limited held for investment purposes have already been transferred to the Remaining Group as at the Latest Practicable Date, and therefore the Remaining Group has direct control of the Excluded Assets; and

LETTER FROM INDEPENDENT FINANCIAL ADVISER

(iii) regarding the specific self-use office space and six specified car parks, though the Remaining Group does not have the legal ownership of these Excluded Assets, the Remaining Group substantially controls these assets for the following reasons:

- (a) as noted above, under the terms of the Scheme, the Issuer Group is not entitled to the economic interest in the Excluded Assets, including the self-use office space occupied by the Remaining Group and the six specified car parks. It is thus reasonable to expect that all the economic benefits will flow to the Remaining Group; and
- (b) the office space is currently used by the Remaining Group. As at the Latest Practicable Date, (i) the Issuer Group has entered into carpark use rights transfer agreements (停車場使用權轉讓協議) transferring the relevant rights for use of five of the specified car parks to the Remaining Group; and (ii) the Group has entered into an agreement to rent out the remaining car park to an independent third party and the Remaining Group has already received the equivalent amount of the rental in advance. Therefore, the Issuer Group will have certain limitations on its use of the Excluded Assets and/or the Remaining Group will be entitled to the rentals from the six specified car parks.

To further validate the economics interests of the Excluded Assets, the auditors of the Company will conduct the audit procedures for each of the end of financial year of the Remaining Group and whenever necessary, including (i) examining the share certificate of the shares in Xiamen International Bank Company Limited; (ii) verifying the ownership of the shares with Xiamen International Bank Company Limited; (iii) performing a physical inspection on the self-use office space and the six specified car parks; and (iv) reviewing the relevant agreements relating to the six specified car parks.

Although the Company controls the Excluded Assets for accounting purposes, the Remaining Group's control over the specific self-use office space and six specified car parks as a legal matter may not be as effective as that of the Issuer Group, which has direct ownership of such Excluded Assets. Furthermore, the terms of the Scheme do not expressly provide for how the Excluded Assets will be controlled and operated by the Remaining Group or specify the approval process for the Issuer Group's dealings in the Excluded Assets, including whether a unanimous board resolution of the relevant member of the Issuer Group is required for such dealings. Taking into account that (i) the Company will nominate one director to the board of directors of each of the Issuer and Issuer Subsidiaries enabling it to monitor their operations and access relevant information and thus seek appropriate legal action to protect the Remaining Group's interest in case the Excluded Assets are being disposed without the Company's consent; (ii) it is agreed under the terms of the Scheme that the Issuer Group shall not be entitled to any economic interest in the Excluded Assets and thus holders of the New Notes will not be able to claim against the Excluded Assets if an event of default under the New Notes occurs; (iii) as at the Latest Practicable Date, the shares in Xiamen International Bank Company Limited have been transferred to the Remaining Group while the remaining Excluded Assets are being used and/or operated by the Remaining Group with such practice (including arrangement of the

LETTER FROM INDEPENDENT FINANCIAL ADVISER

payment of rental income generated directly into the bank accounts of the Remaining Group) continuing after RED; and (iv) as explained above, the Remaining Group has the right to request the Issuer Group for the transfer of net proceeds from the disposal of the Excluded Assets to the Remaining Group, the Directors consider that there are sufficient safeguards in relation to the Excluded Assets despite the Company ceasing to have control over the Issuer Group. The Transfer is conditional upon, among others, the passing of the necessary resolutions by the Independent Shareholders at the AGM and the satisfaction or waiver (as applicable) prior to or on the RED of the other conditions to the Proposed Restructuring.

The Issuer Group will continue to operate its businesses and its owned properties will be held for development, sale or investment purposes after the Transfer. The shares of members of the Issuer Group and/or assets of the Issuer Group may be sold after the Transfer so the cash generated from the operations of the Issuer Group and disposal of its assets (including the Specified Assets but excluding the Excluded Assets) can be used to repay the New Notes in accordance with the terms of the New Notes and the Scheme.

For the shareholding structure of the Issuer Group as at the Latest Practicable Date and after the Proposed Restructuring, please refer to the section headed “THE TRANSFER – Information on the Issuer Group” in the Letter from the Board.

Although no proceeds will be received by the Group from the Transfer and the Excluded Assets will remain in the Issuer Group after Proposed Restructuring, after considering that:

- (i) the Transfer and the arrangement of the Excluded Assets under the terms of the New Notes form part of the Proposed Restructuring that would improve the Group’s financial position after the Proposed Restructuring as set out in the unaudited pro forma financial statements of the Remaining Group in the Appendix V to the Circular;
- (ii) given the material uncertainty relating to going concern of the Group indicated by the auditors of the Company, the Company has limited financing alternatives as further discussed in the section headed “12. Reasons for and benefits of the possible transactions in connection with the Proposed Restructuring” below in this letter;
- (iii) the Company could receive 5% of the net proceeds from the disposal of the Specified Assets, which can be used at its sole discretion, and all outstanding principal amount of the New Notes shall be cancelled and all accrued and unpaid interest on the New Notes shall be waived under the terms of the New Notes if all assets of the Issuer Group (including the Specified Assets) are disposed within the 5 years tenor period of the New Notes;
- (iv) the Net Cash Proceeds in respect of the Specified Assets will be deposited into the designated account under the terms of the New Notes while the rental income generated from and the net proceeds from the disposal of the Excluded Assets will be deposited into bank accounts of the Remaining Group;

LETTER FROM INDEPENDENT FINANCIAL ADVISER

- (v) under the terms of the Scheme and the New Notes, the Company shall be entitled to appoint one director to the board of each of the Issuer and Issuer Subsidiaries, which will allow the Company to monitor the Issuer Group's operations and access relevant information to protect the Remaining Group's interest; and
- (vi) under the terms of the Scheme and the New Notes, the Issuer Group shall not be entitled to any economic interest in the Excluded Assets and the directors nominated by the Ad Hoc Group shall procure to facilitate and approve the future sale, transfer or disposal of the Excluded Assets (if any),

we consider that the economic interest in the Excluded Assets by the Remaining Group will be safeguarded and the Transfer (including the arrangement of the Excluded Assets) is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

(a) Information on the Specified Assets

The Specified Assets for purposes of the Proposed Restructuring are the following initial assets held by three project companies:

Project	Name of project company	Ownership by the Group	GFA as at 31 December 2024 (sq.m.)	Description
GW International Plaza (金輪國際廣場商場)	Nanjing Jade Golden Wheel Realty Company Limited	100%	28,055.81	A shopping mall (-1-5F) located in 8 Hanzhong Road, Gulou District, Nanjing City, Jiangsu Province, the PRC
GW Binary Star (金輪雙子星廣場)	Nanjing Pearl Golden Wheel Realty Company Limited	100%	35,881.09	A shopping mall (-1-3F) and a hotel (4-16F) located in Shuanglong Avenue, Jiangning District, Nanjing City, Jiangsu Province, the PRC
GW New Metro (金輪新都匯)	Nanjing Golden Wheel Real Estate Development Company Limited	100%	18,356.30	A shopping mall (-1-4F) located in 1118 Shuanglong Avenue, Jiangning District, Nanjing City, Jiangsu Province, the PRC

LETTER FROM INDEPENDENT FINANCIAL ADVISER

(b) Financial information of the Issuer Group

Set out below is the summary of certain key financial information of the Issuer Group, excluding the Excluded Assets, for the year ended 31 December 2022 (“FY2022”), FY2023 and FY2024:

	FY2022	FY2023	FY2024
	<i>approximately</i>	<i>approximately</i>	<i>approximately</i>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(unaudited)	(unaudited)	(unaudited)
Revenue	91,369	96,490	95,272
Loss before taxation	(107,440)	(111,955)	(379,062)
Loss after taxation	(91,940)	(89,705)	(291,562)

We note that the Issuer Group recorded loss before taxation of approximately RMB379.06 million for FY2024, representing an increase of approximately RMB267.10 million or 238.6%, as compared with that of approximately RMB111.96 million for FY2023. According to financial statements of the Issuer Group as set out in the Appendix IV to the Circular, such increase in loss was mainly due to the increase in fair value loss of investment properties of approximately RMB261.00 million for FY2024.

According to the Letter from the Board, the unaudited total assets, total liabilities and net assets of the Issuer Group as at 31 December 2024 according to its management accounts and excluding the Excluded Assets were approximately RMB2,631 million, RMB406 million and RMB2,213 million, respectively.

According to the Valuation Reports, the fair value of the Specified Assets as at 31 December 2024 was approximately RMB2,606.70 million.

10. Valuation of the Specified Assets

The Company has engaged the Valuer to conduct valuation on the Specified Assets and the Valuation Reports as set out in the Appendix VII to the Circular.

(a) Qualifications of the Valuer

For our due diligence purpose, we have reviewed and enquired into (i) the terms of engagement of the Valuer with the Company; (ii) the Valuer’s background and qualification in relation to the preparation of the Valuation Reports; and (iii) the steps and due diligence measures taken by the Valuer for conducting the Valuation Reports. From the information provided by the Valuer and based on our discussion with them, we understand that the Valuer was established in Hong Kong since 2018 and comprises a team of professional individuals with wide range of valuation experience across various sectors, including biomedicine, cryptocurrency and digital assets, internet and media, securities and asset management,

LETTER FROM INDEPENDENT FINANCIAL ADVISER

consumer goods, heavy industry, utilities, infrastructure, shipping, forestry, the mineral industry, education, and non-profit organizations. The responsible officers are members of various professional bodies (or charter holders of their programs), such as RICS (MRICS), HKICPA (CPA), CFA Institute (CFA Charter) and GARP (FRM), with solid finance and accounting background. As confirmed by the Valuer, the Valuer is independent to the Group. Therefore, we are satisfied with the Valuer's qualification for preparation of the Valuation Reports.

(b) Valuation methodology

In assessing the valuation of the Specified Assets, we have reviewed the Valuation Reports and upon our further discussion with the Valuer, we agree with the Valuer to adopt direct comparison method, which involves the analysis of recent market evidence of similar properties to compare with the subject under valuation, in arriving the appraised value of the Specified Assets as there is sufficient market evidence close to the valuation date with same usage at surrounding location which provide a strong support and reference to the valuation.

We have reviewed and discussed the basis and assumptions adopted in the Valuation Reports. During the course of our discussion with the Valuer, we understand that the Valuer has performed the following steps to evaluate the market value of the Specified Assets:

- (i) perform on-site inspections to the Specified Assets;
- (ii) review the legal opinion in respect of the validity of the titles to the Specified Assets;
- (iii) review the building ownership certificates of the Specified Assets; and
- (iv) market research of available market comparables for the valuation of the Specified Assets.

For our due diligence purpose, we have obtained and reviewed (i) the underlying calculation of the valuation of the Specified Assets as provided by the Valuer; (ii) the quotation of the market comparables as set out in the underlying calculation of the valuation; (iii) the building ownership certificates of the Specified Assets; and (iv) the site visit photos of the Specified Assets taken by the Valuer. From our review of the market comparables, the selection of the market comparables was based on the location, usage and condition which shared the most similarities with the Specified Assets. We are of the view that the selection criteria of the market comparables used in the valuation of the Specified Assets are fair and reasonable.

We have discussed with the Valuer and understand that appropriate adjustments to the unit rate of the market comparables have been made by the Valuer taking into account factors such as differences in age of the property, location, area, floor, building condition and pedestrian flow. In order to assess the fairness and representative of the adjustments applied to the transaction comparables, we have reviewed the quotation of the market comparables and the adjustments to the unit rate in the underlying calculation of the valuation of the Specified Assets, which the general basis of adjustments of such attributes is that downward adjustments would be made to

LETTER FROM INDEPENDENT FINANCIAL ADVISER

the unit rate of the market comparables if it is superior to the Specified Assets in terms of the aforesaid attributes and vice versa. We understand from the Valuer that such adjustment factors were commonly adopted for valuation of properties and the Valuer has used their professional judgement and experience in valuing similar properties to assign different weightings to the factors when applying adjustments. After taking into account the aforementioned adjustments, the Valuer had adopted unit rates, depends on the floor level, ranged (i) from RMB52,000 per sq. m. to RMB104,000 per sq. m. for the valuation of retail portion of Golden Wheel International Plaza; (ii) from RMB23,000 per sq. m. to RMB46,000 per sq. m. for the valuation of the retail portion of Golden Wheel Binary Star Plaza; (iii) from RMB8,200 per sq. m. to RMB46,000 per sq. m. for the valuation of the hotel portion of Golden Wheel Binary Star Plaza; and (iv) from RMB20,500 per sq. m. to RMB41,000 per sq. m. for the valuation of retail portion of Golden Wheel New Metro. The unit rate adopted by the Valuer for each Specified Assets is within the range of the market comparables of each Specified Assets.

Based on our review of the Valuation Reports and discussion with the Valuer regarding, among others, (i) the scope of work and experiences of the Valuer; (ii) the reasons and appropriateness of adopting the direct comparison method for the valuation of the Specified Assets; (iii) the basis, assumptions and methodology adopted in the Valuation Reports; and (iv) the valuation work performed by the Valuer, we consider that the valuation performed by the Valuer as well as the basis, assumptions and methodology adopted in the Valuation Reports are appropriate.

11. Financial effects of the Transfer and the Proposed Restructuring

In accordance with the Scheme, the Issuer Group shall not be entitled to any economic interest in the Excluded Assets, and shall not be liable for any cost or expenses (including any tax payment or tax liability) related to the disposal or release of the Excluded Assets. After the Transfer, the Group will continue to be entitled to any economic interest in the Excluded Assets and responsible for any cost or expenses (including any tax payment or tax liability) related to the Excluded Assets.

Upon completion of the Transfer, the members of the Issuer Group will cease to be subsidiaries of the Company as an accounting treatment. As such, the financial information of the Issuer Group (excluding the Excluded Assets) will cease to be consolidated into the consolidated financial statements of the Group. As agreed by the auditors of the Company, the Issuer Group will be classified as financial assets at fair value through other comprehensive income in the consolidated financial statements of the Company.

(a) Earnings

Upon the completion of the Transfer, it is expected to record an unaudited gain on deconsolidation of the Issuer Group (excluding the Excluded Assets) for FY2024 in the amount of approximately RMB1,483 million to the Group, calculated with reference to the difference between (i) the aggregate outstanding principal amount of the Existing Debt Instruments of approximately US\$507 million (approximately RMB3,642 million) as at 31 December 2024; (ii)

LETTER FROM INDEPENDENT FINANCIAL ADVISER

the net asset value of the Issuer Group (excluding the Excluded Assets) of approximately RMB2,213 million as at 31 December 2024; (iii) fair value of 5% of net assets of the Issuer Group (excluding the Excluded Assets) of approximately RMB104 million as at 31 December 2024; and (iv) the estimated taxation and transaction cost associated with the Transfer of approximately US\$7 million (approximately RMB50 million). The actual gain as a result of the Transfer to be recorded by the Group is subject to audit and will be determined as at the date of the completion of the Transfer.

(b) Assets and liabilities

Upon the completion of the Proposed Restructuring, the Company will be fully discharged of the Group's obligations under the Existing Debt Instruments in accordance with the Scheme. The book value of the Company's liabilities that is expected to be discharged and released upon the Scheme becoming effective is approximately RMB4,322 million, calculated with reference to the sum of (i) the aggregate outstanding principal amount of the Existing Debt Instruments of approximately US\$507 million (approximately RMB3,642 million) as at the Latest Practicable Date; and (ii) the Accrued Interest of approximately US\$95 million (approximately RMB680 million).

Having taken into account the unaudited net assets value of the Issuer Group (excluding the Excluded Assets) of approximately RMB2,213 million as at 31 December 2024, it is estimated that upon completion of the Transfer, the total assets and total liabilities of the Group will be decreased by approximately RMB2,527 million and RMB4,691 million, respectively, and net assets of the Group will be increased by approximately RMB2,164 million.

(c) Sufficiency of assets and operations of the Group after the Transfer

As at 31 December 2024, the Group had a total land bank of GFA of approximately 708,311 sq.m., including approximately 149,079 sq.m. of completed but unsold properties, approximately 32,319 sq.m. of own used properties, approximately 121,350 sq.m. of completed investment properties, approximately 185,720 sq.m. of properties under development and approximately 219,843 sq.m. of properties developed by joint venture and associate entities.

After the Transfer, the Group will continue to be engaged in property development, property leasing and hotel operation. Based on the total land bank as at 31 December 2024 and after the Transfer, the Group's total land bank is estimated to be approximately 646,124 sq.m. comprising 20 completed projects and 1 project under development. The Remaining Group's property development projects are expected to be financed by its operations and investing activities with its internal funds, borrowings from banks and other parties and proceeds from sales and pre-sales of its developed properties. The total assets of the Group after the Transfer will amount to approximately RMB5,592 million, assuming the Transfer had completed on 31 December 2024. Such figure was derived from the Financial Information 2024 and adjusted to take into account the effects of the Transfer on the assumption that it had been completed on 31 December 2024. Based on the above, the Directors are of the view that the Group has a sufficient level of assets and operations of sufficient value under Rule 13.24(1) of the Listing Rules after the Transfer.

12. Reasons for and benefits of the possible transactions in connection with the Proposed Restructuring

According to the Letter from the Board, in recent years, the real estate market and financial landscape have undergone constant change, presenting significant challenges to sales and financing overall, as well as testing the cash flows of companies, including the Group's cash flows. In 2021 and 2022, the international political and economic situation was complex and volatile, coupled with the resurgence of the pandemic in many regions of the PRC, the domestic economy has taken a hard hit, especially in the segments of property development, property leasing and hotel operation which are the main businesses of the Group. In 2023, the sales of the real estate industry remained sluggish after a short boom in the first quarter, and the real estate market continued to decline thereafter. Although there is noticeable support from the central government policies to loosen regulations, the effect on the recovery of the real estate environment is limited in the short term. As a result of various challenges in the past few years, the business environment has been tough for real estate developers and operators in the PRC, including the Group. The Group's revenue has dropped approximately 10.2% from approximately RMB2,660 million in 2022 to approximately RMB2,388 million in 2023, and continued to decrease to approximately RMB796 million in 2024. The financial position of the Group has worsened due to heavy debt structure established in the past. The Group's gearing ratio (calculated by dividing the interest-bearing liabilities net of bank deposits and cash by the total equity) as at 31 December 2022, 2023 and 2024 was approximately 233.2%, 387.3% and 2,069.3%, respectively.

Due to the multiple uncertainties relating to going concern, the auditors of the Company had issued a disclaimer of opinion regarding the consolidated financial statements of the Group for FY2022 and FY2023. Over the past two years, the Group failed to repay certain bank loans and interest on the Existing Notes, causing defaults. By the end of 2023, the Group also failed to pay accumulated interest on the Existing Notes and redeem a portion of their principal, triggering further defaults. The continuous disclaimer of opinion, along with the deteriorating financial position, has significantly hindered the Group's access to financing and refinancing from financial institutions. Over the past months, the Company and its professional advisors have engaged in constructive dialogue with the Ad Hoc Group, being certain holders of the Existing Debt Instruments, with respect to the Proposed Restructuring. The Proposed Restructuring will alleviate the Company from the pressure of its offshore indebtedness, help the Company stabilise the position of the Group and formulate a long-term financially viable solution for the Group in the context of the recent period of unprecedented volatility in the market. It will also protect the legitimate rights and interests of creditors. On 21 November 2024, the Company entered into RSA with, among others, the initial Participating Creditors.

No net proceeds will be received by the Group from the distribution of the restructuring consideration (i.e. the issue of the New Notes and New Shares) or the Transfer. The Proposed Restructuring seeks to address the Existing Debt Instruments, comprising the Existing Notes and the Existing Loan, with an aggregate outstanding principal amount of approximately US\$506,662,503 as at the Latest Practicable Date thereby reducing the overall liquidity pressure of the Group, enhancing its net asset value and improving the financial position of the Company.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

In addition, under the Proposed Restructuring, the Company will receive the remaining 5% of Net Cash Proceeds for repayment of the Project Loan and after release of the mortgage over GW International Plaza, the Company may use the remaining 5% of the Net Cash Proceeds at its sole discretion. Thus, taking into account the above, and that (i) the historical annual rental income of the Specified Assets for FY2023 and FY2024 was approximately RMB56 million and RMB55 million, respectively; and (ii) the Company's substantial experience in the real estate industry, the Company is also willing to provide the Performance Guarantee (which is estimated to be maximum amount of approximately RMB39 million) relating to the annual rental income generated from such Specified Asset for each fiscal year ending after the RED until the sale of such Specified Asset.

We have reviewed the Financial Information 2024 and discussed with the management of the Company in respect of fund raising alternatives available to the Group. Given the net current liabilities position and the going concern issue of the Group as discussed in the section headed "1. Background and financial information of the Group" above in this letter, there were limited fund raising alternatives available to the Group. In particular, the Group would be very difficult to obtain debt financing after the default repayment of Existing Loan and Existing Notes that triggered cross-defaults of other bank loans. The Group also have difficulties to propose attractive terms and offers to carry out equity fund raising activities such as rights issue or open offer given the material uncertainty of going concern of the Group. Therefore, the Proposed Restructuring is the feasible solution to the Group to settle the Accrued Interest and to extend the repayment of the Existing Principal Amount, which will allow the management of the Company more time to seek for other financing alternatives and to recover the financial position of the Group from the sale of properties.

As discussed with the management of the Company, in the event that all assets of the Issuer Group (including the Specified Assets) are disposed of within the 5 years tenor period of the New Notes, all outstanding principal amount of the New Notes shall be cancelled and all accrued and unpaid interest on the New Notes shall be waived under the terms of the New Notes, regardless whether the net proceeds from the disposal are lower than the outstanding principal amount and accrued and unpaid interest of the New Notes. Apart from the 95% of the net proceeds towards the repayment of the New Notes, the Company could also receive 5% of the net proceeds from the disposal after the repayment of the Project Loan and release of the mortgage over GW International Plaza, which can be used at its sole discretion. Otherwise, in the event that the Issuer fails to redeem the New Notes within the 5 years tenor period, although it would constitute an event of default under the New Notes and the holders of the New Notes may claim against the Issuer and the Issuer Group in accordance with the terms of the New Notes, the Remaining Group has no obligations in respect to the repayment of the New Notes.

After considering (i) the financial effect of the Proposed Restructuring as further discussed in the section headed "11. Financial effects of the Transfer and the Proposed Restructuring" in

LETTER FROM INDEPENDENT FINANCIAL ADVISER

this letter above; (ii) limited fund raising alternatives available to the Group as discussed above; and (iii) the fact that all outstanding principal amount of the New Notes shall be cancelled and all accrued and unpaid interest on the New Notes shall be waived if all assets of the Issuer Group (including the Specified Assets) are disposed within the 5 years tenor period of the New Notes, we consider that the reasons for and the benefits of the Proposed Restructuring are justifiable and the Proposed Restructuring is in the interests of the Company and the Shareholders as a whole.

RECOMMENDATION

Having considered the abovementioned principal factors and reasons, in particular, that:

- (i) the Group was in net current liabilities position and auditors of the Company have indicated material uncertainty relating to going concern of the Group in respect of the financial statements of the Group for FY2024;
- (ii) the Company has limited fund raising alternatives;
- (iii) the financial position of the Group will be improved after the Proposed Restructuring;
- (iv) the interest rate of the New Notes is below that of the Comparable Transactions and the term to maturity of the New Notes is within the range of the term to maturity of the Comparable Transactions;
- (v) the issue price of the Shares represents a significant premium to the historical closing price of the Shares, which is more favourable than the Comparable Issue of New Shares; and
- (vi) the reasons for and benefits of the Proposed Restructuring,

we are of the view that the issue of New Notes, provision of financial assistance, issue of New Shares and the Transfer and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable so far as the Company and the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

Accordingly, we advise the Independent Board Committee to recommend the Independent Shareholders to vote in favour of the resolution to approve the issue of New Notes, provision of financial assistance, issue of New Shares and the Transfer and the transactions contemplated thereunder.

Yours faithfully,

For and on behalf of

INCU CORPORATE FINANCE LIMITED

Gina Leung

Managing Director

Psyche So

Associate Director

Ms. Gina Leung is a licensed person registered with the SFC and a responsible officer of INCU Corporate Finance Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. She has over 20 years of experience in the corporate finance industry and has participated in the provision of independent financial advisory services for various transactions involving companies listed in Hong Kong.

Ms. Psyche So is a licensed person registered with the SFC and a responsible officer of INCU Corporate Finance Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. She has over eight years of experience in the corporate finance industry and has participated in the provision of independent financial advisory services for various transactions involving companies listed in Hong Kong.

Set out below are details of the Directors who will retire at the AGM and, being eligible, will offer themselves for re-election as Directors at the AGM.

Mr. Suwita Janata

Mr. Suwita Janata, aged 74, is a non-executive Director and a vice chairman of the Board. He joined the Group in 2002.

Mr. Suwita Janata was appointed as a Director on 26 April 2012. Mr. Suwita Janata is an Indonesian Chinese. He commenced his career as an entrepreneur by establishing his own trading company in the 1970s. Mr. Suwita Janata and his family members established PT Golden and Mitra Property in Indonesia in August 2009 to engage in property development business in Indonesia.

Mr. Suwita Janata is/has been involved in various associations, including being:

- the former executive chairman of Chinese Committee of Indonesia Chamber of Commerce (West Java)*;
- the former head of the Indonesia Chamber of Commerce (West Java), Commerce Division*;
- an advisory council member of Indonesia Bandung Yayasan Dana Welfare Foundation*; and
- a member of the supervisory committee of Indonesia Bandung Minnan Gonghui*.

Mr. Suwita Janata is the father of Mr. Janata David (a former executive Director) and the husband of Ms. Julia Oscar. Ms. Julia Oscar is the sister of Mr. Wong Yam Yin (an executive Director) and the aunt of Mr. Wong Kam Fai (an executive Director) and Mr. Wong Kam Keung, Barry (an executive Director).

Save as disclosed above, Mr. Suwita Janata does not (i) hold any directorship in other public listed companies of which are listed on any securities market in Hong Kong or overseas in the past three years nor does he have any other major work experience; (ii) hold other positions with the Company and other members of the Group; and (iii) have any relationship with any Directors, senior management or substantial or Controlling shareholders of the Company.

As at the Latest Practicable Date, within the meaning of Part XV of the SFO, Mr. Suwita Janata and his family were interested in (i) 80,268,950 Shares held by Golden Era Forever Holding Company Limited, a company wholly-owned by Mr. Suwita Janata, and (ii) 48,270,450 Shares held by Golden Joy Forever Holding Company Limited, a company wholly-owned by his spouse, Ms. Julia Oscar, which, in aggregate, represented approximately 7.14% of the issued share capital of the Company; and (ii) debentures of the Company in the amount of US\$215,333.

Mr. Suwita Janata renewed his appointment letter with the Company for a term of two years commencing from 16 January 2023 and will be subject to retirement by rotation and re-election in accordance with the Articles of Association. Either the Company or Mr. Suwita Janata may terminate the said appointment letter by giving not less than three months' notice in writing to the other. Pursuant to the terms of his appointment letter, Mr. Suwita Janata is entitled to an annual emolument of HK\$288,000 which has been determined by the Board with reference to his qualification, experience, responsibilities to be undertaken, and the prevailing market level of remuneration of similar position.

Save as disclosed above, there are no other matters in relation to Mr. Suwita Janata's re-election that need to be brought to the attention of the Shareholders and there is no other information that should be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

Mr. Li Sze Keung (李思強)

Mr. Li, aged 46, is an independent non-executive Director, the chairman of the audit committee of the Company and a member of the nomination committee of the Company. He joined the Group in 2019. Mr. Li is a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants.

Mr. Li obtained his Bachelor of Business Administration (Honours) degree in Accountancy from the City University of Hong Kong in November 2001. Mr. Li joined PricewaterhouseCoopers as Senior Consultant of the Tax Department in June 2004 and was promoted to the position of Manager in October 2007. He left PricewaterhouseCoopers in February 2009 to join RSM Nelson Wheeler as Manager of the Tax Services Department, and became a Senior Manager of the Tax Services Department from January 2010 to October 2011. Mr. Li was a Senior Manager of the Tax Department in Ernst & Young from December 2011 to May 2012. Mr. Li has been the director of The Concord Consulting Service Limited since 2012.

Mr. Li has over 17 years of experience in providing tax advisory and compliance services to local and multinational corporations. Mr. Li has wide experience in serving a wide spectrum of clients including trading companies and financial or professional services firms. He has extensive experience in various tax advisory and investment projects, and regularly represents clients in handling tax-related matters.

Save as disclosed in this circular, as at the Latest Practicable Date, Mr. Li did not (i) hold any other major appointments and professional qualifications; (ii) hold any directorships in any other listed companies in the last three years; and (iii) hold any other positions with the Company or other members of the Group.

As at the Latest Practicable Date, Mr. Li was not interested in any Shares within the meaning of Part XV of the SFO and did not have any relationships with any Directors, senior management, substantial shareholders (having the meaning ascribed to it under the Listing Rules) or controlling shareholders of the Company.

Mr. Li renewed his appointment letter with the Company for a term of one year commencing from 1 August 2024 and will be subject to retirement by rotation and re-election in accordance with the Articles of Association. Either the Company or Mr. Li may terminate the said appointment letter by giving not less than one month's notice in writing to the other. Pursuant to the terms of the appointment letter, Mr. Li is entitled to an annual emolument of HK\$144,000 which has been determined by the Board with reference to his qualification, experience, responsibilities to be undertaken, and the prevailing market level of remuneration of similar position.

Save as disclosed above, there is no other information required to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules, and there is no other matter relating to the re-election of Mr. Li that needs to be brought to the attention of the Shareholders.

Ms. Wong Lai Ling (王麗玲)

Ms. Wong, aged 57, is an independent non-executive Director and a member of the audit committee, remuneration committee and nomination committee of the Company. Ms. Wong was appointed as a Director on 27 May 2022. She has wide experience in real estate investment and in operating business of real estate agency, money lending and car park operations. Ms. Wong holds an estate agent's licence (individual) issued by the Estate Agents Authority. Ms. Wong is the director of (i) Parton Parking Limited, a company founded by her and engages in car park operations in Hong Kong; (ii) Polycom Limited, a company founded by her and is a real estate agency licensed under the Estate Agents Authority; and (iii) Eve International Enterprise Limited, a company founded by her and engages in property investment. Since 2013, Ms. Wong has also been a manager of CNUFI Finance Company Limited, a company licensed as a money lender under the Companies Registry, which engages in money lending business. Ms. Wong was also involved in various association, including:

- the founding president and the third vice president of the Hong Kong Asia Youth Association from 2014 to 2017;
- the treasurer of the Wanchai District Association (Community Volunteers) from 2013 to 2014;
- the Director of World Federation of Chinese Association of Industry and Commerce in 2014;
- a member of the Friends of The Community Chest Wanchai District Committee from 2014 to 2016;

- a member of the council of Overseas Xiamen Fraternal Association in 2015; and
- vice chief officer of the social affairs department of the General Association of Xiamen (H.K.) Ltd from 2015 to 2019.

Save as disclosed above, Ms. Wong does not (i) hold any directorship in other public listed companies of which are listed on any securities market in Hong Kong or overseas in the past three years; (ii) have other major appointments and professional qualifications; and (iii) hold other positions with the Company and other members of the Group. Ms. Wong does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Ms. Wong did not have any interests in the Shares within the meaning of Part XV of the SFO. Pursuant to the appointment letter entered into between Ms. Wong and the Company, Ms. Wong has been appointed as an independent non-executive Director for a term of one year commencing from 27 May 2022 and will be subject to retirement by rotation and re-election in accordance with the articles of association of the Company. Either the Company or Ms. Wong may terminate the appointment letter by giving not less than one month's notice in writing to the other. Pursuant to the terms of the appointment letter, Ms. Wong is entitled to an annual emolument of HK\$144,000 which has been determined by the Board with reference to her qualifications, experience, responsibilities to be undertaken, and the prevailing market level of remuneration of similar position.

Save as disclosed above, there is no other information required to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules, and there is no other matter relating to the re-election of Ms. Wong that needs to be brought to the attention of the Shareholders.

Mr. Chan Chi Wai (陳志偉)

Mr. Chan, aged 68, will be appointed as an independent non-executive Director as well as a member of the remuneration committee and a member of the audit committee of the Company with effect from 28 March 2025. Following Mr. Wong Cho Kei, Bonnie's resignation, Mr. Chan, will be re-designated from a member of the remuneration committee of the Company to the chairman of the remuneration committee of the Company with effect from 31 March 2025.

Mr. Chan has been the deputy managing director of Fengnin International Limited (汎年國際有限公司) since 1985, which has provided him with extensive experience in international trade, sales and wholesale of chemical raw materials, electronic components and other products, as well as real estate development, for over 39 years. Mr. Chan graduated from University of Washington in 1983 with a bachelor's degree in Electrical Engineering and has been elected as a Fellow of the prestigious Institute of Electrical and Electronics Engineers (IEEE).

Mr. Chan was also involved in various associations, including:

- a standing committee member of All-China Federation of Returned Overseas Chinese* (中華全國歸國華僑聯合會);
- a member of the Election Committee of the Hong Kong Special Administrative Region;
- an executive vice president of Hong Kong Federation of Overseas Chinese Associations (香港僑界社團聯合會);
- a standing committee member of The 13th Xiamen's Political Consultative Conference* (第十三屆廈門市政協);
- a standing committee member of Guangdong Provincial Overseas Chinese Association* (廣東省歸國華僑聯合會);
- a standing committee member of Jiangxi Overseas Chinese Society* (江西海外聯誼會);
- a standing committee member of Xiamen of Overseas Chinese Society* (廈門海外聯誼會);
- a consultant of Beijing Overseas Chinese Association* (北京市歸國華僑聯合會);
- a consultant of Guangzhou City Overseas Chinese Association* (廣州市歸國華僑聯合會);
- an executive director of Jimei University* (集美大學);
- a vice president of The Hong Kong Overseas Chinese General Association* (香港華僑華人總會);
- a chairman of Hong Kong Qiao Ai Foundation Limited (香港僑愛基金);
- an executive director of Hong Kong Federation of Fujian Associations* (香港福建社團聯合會);
- a vice chairman of The General Association of Xiamen (H.K.) Limited* (香港廈門聯誼總會);
- an executive vice president of Fujian Province HKCPPCC Member Association Limited* (福建省港區政協委員聯誼會);

- an executive vice president of Guangzhou Overseas Chinese Federation Hong Kong Association* (廣州僑聯香港聯誼會);
- a deputy chairman of the board of supervisors of Hong Kong Chan Clan General Association* (香港陳氏宗親總會); and
- a founding president and president of Xiamen No. 6 High School Hong Kong Alumni Association* (廈門六中香港校友會).

Save as disclosed above, as at the Latest Practicable Date, Mr. Chan did not hold (i) any directorships in any other listed companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; (ii) any other major appointments and professional qualifications; and (iii) any other positions with the Company or other members of the Group. Save as disclosed above, as at the Latest Practicable Date, Mr. Chan did not have any relationships with any directors, senior management, substantial shareholders or controlling shareholders of the Company nor any position in the Company or any of its subsidiaries.

As at the Latest Practicable Date, Mr. Chan was interested in a total of 4,000 shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), representing approximately 0.0002% of the issued share capital of the Company.

Pursuant to the appointment letter to be entered into between Mr. Chan and the Company, Mr. Chan will be appointed as an independent non-executive director of the Company for a term of one year commencing from 28 March 2025 and will be subject to retirement by rotation and re-election in accordance with the articles of association of the Company. Either the Company or Mr. Chan may terminate the appointment letter by giving not less than one month's notice in writing to the other. Pursuant to the terms of the appointment letter, Mr. Chan is entitled to an annual emolument of HK\$115,200 which has been determined by the Board with reference to his qualifications, experience, responsibilities to be undertaken, and the prevailing market level of remuneration of similar position.

Save as disclosed above, there is no other information required to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules, and there is no other matter relating to the re-election of Mr. Chan that needs to be brought to the attention of the Shareholders or the Stock Exchange.

APPENDIX II EXPLANATORY STATEMENT ON REPURCHASE MANDATE

This appendix serves as an explanatory statement to the Shareholders as required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the AGM in relation to the granting of the proposed Repurchase Mandate.

REASONS FOR SHARE REPURCHASES

Whilst the Directors do not presently intend to repurchase any Shares, they believe that the flexibility afforded by the Repurchase Mandate would be beneficial to the Company and the Shareholders. Trading on the Stock Exchange is sometimes volatile. In the event that the Shares are traded at a discount to their underlying value, the ability of the Company to repurchase Shares would be beneficial to the Shareholders who retain their investment in the Company since this may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of net assets and/or earnings per Share. The Repurchase Mandate will only be exercised when the Directors believe that Share repurchases will benefit the Company and the Shareholders.

SHARE CAPITAL

As at the Latest Practicable Date, (i) the total issued share capital of the Company is US\$17,990,200 divided into 1,799,020,000 fully paid-up Shares in issue; and (ii) the Company had no treasury shares.

Subject to the approval of the Repurchase Mandate, the exercise of the Repurchase Mandate would enable the Company to repurchase up to a maximum of 179,902,000 Shares, assuming that there are no issues of new Shares or any Shares which may be allotted and issued pursuant to the exercise of any options which have been or may be granted under the Share Option Scheme, or Share repurchases, from the Latest Practicable Date to the date of the AGM.

SOURCE OF FUNDS FOR SHARE REPURCHASES AND IMPACT OF REPURCHASES

Share repurchases by the Company must be funded out of funds legally available for such purpose in accordance with the Articles of Association, the Cayman Islands Companies Act, the applicable laws and regulations of the Cayman Islands and the Listing Rules. A listed company is prohibited from repurchasing its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time. Subject to the foregoing, any Share repurchase by the Company may be made out of the profits, the share premium account of the Company or the proceeds of a fresh issue of Shares made for the purpose of the repurchase or, if authorised by the Articles of Association and subject to the Cayman Islands Companies Act, out of capital and, in the case of any premium payable on the repurchase, out of either or both of the profits of the Company or the share premium account of the Company or, if authorised by the Articles of Association and subject to the Cayman Islands Companies Act, out of capital.

As compared with the financial position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2024 (being the date to which the latest published audited accounts of the Group were made up), the Directors do not consider that there would be a material adverse impact on the working capital or gearing position of the Company in the event that the Repurchase Mandate is exercised in full. The Directors expect to exercise such mandate if and to such extent only as they are satisfied that the exercise of such mandate will not have any material adverse impact.

IMPLICATIONS UNDER THE TAKEOVERS CODE AND MINIMUM PUBLIC FLOAT

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of Rule 32 of the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interests, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge of the Directors, the Wong Family controlled the exercise of approximately 39.29% voting rights at the general meetings of the Company with Mr. Wong Kam Fai and Mr. Wong Kam Keung, Barry jointly controlled in addition the exercise of approximately 1.65% voting rights at the general meetings of the Company.

In the event that the Directors exercise in full the power to repurchase Shares pursuant to the Repurchase Mandate, the interests of the Wong Family would be increased to approximately 43.65% of the issued share capital of the Company, while the additional personal interests of Mr. Wong Kam Fai and Mr. Wong Kam Keung, Barry would be increased to approximately 1.83% of the issued share capital of the Company. Such increases will give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors have no intention to repurchase any Shares to the extent that it will trigger the obligations under the Takeovers Code to make a mandatory offer.

The Listing Rules prohibit a company from making repurchases on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital of that company remains in public hands. The Directors have no present intention to exercise the power to repurchase Shares to the extent that the aggregate amount of the Shares in the public hands would be reduced to less than such prescribed minimum percentage.

SHARE PRICES

The highest and lowest prices per Share at which the Shares were traded on the Stock Exchange during each of the previous months immediately preceding (and including) the Latest Practicable Date were as follows:

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2025		
January	0.073	0.056
February	0.081	0.06
March (up to the Latest Practicable Date)	0.074	0.061
2024		
March	0.046	0.037
April	0.045	0.028
May	0.112	0.03
June	0.055	0.042
July	0.049	0.046
August	0.046	0.025
September	0.063	0.021
October	0.084	0.055
November	0.083	0.056
December	0.066	0.043

SHARE REPURCHASES MADE BY THE COMPANY

The Company had not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months immediately preceding the Latest Practicable Date.

UNDERTAKING

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates, has present intention to sell any Shares to the Company in the event that the Repurchase Mandate is granted by the Shareholders.

The Directors will exercise the power of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules, the Articles of Association, and the applicable laws of the Cayman Islands.

As at the Latest Practicable Date, no core connected person of the Company has notified the Company that he has a present intention to sell any Shares to the Company nor has any such core connected person undertaken not to sell any Shares held by him to the Company in the event that the Repurchase Mandate is granted by the Shareholders.

APPENDIX II EXPLANATORY STATEMENT ON REPURCHASE MANDATE

The Directors confirm that neither this explanatory statement nor the Repurchase Mandate has any unusual features.

The Company may cancel such repurchased Shares or hold them as Treasury Shares, subject to market conditions and the Group's capital management needs at the relevant time of the repurchases.

For any Treasury Shares deposited with CCASS pending resale on the Stock Exchange, the Company will adopt appropriate measures to ensure that it does not exercise any Shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in the Company's own name as Treasury Shares, which may include approval by the Board that (i) the Company would not (or would procure its broker not to) give any instructions to Hong Kong Securities Clearing Company Limited to vote at general meetings for the Treasury Shares deposited with CCASS; and (ii) in the case of dividends or distributions, the Company will withdraw the Treasury Shares from CCASS, and either re-register them in its own name as Treasury Shares or cancel them, in each case before the record date for the dividends or distributions.

1. FINANCIAL INFORMATION OF THE GROUP

Details of the financial information of the Group for each of the three financial years ended 31 December 2022, 2023 and 2024 are disclosed in the following documents which have been published on the websites of the Stock Exchange (www.hkexnews.hk) and of the Company (<https://www.gwtd.com.hk>), and can be accessed at the website addresses below:

The annual report of the Company for the financial year ended 31 December 2022, please see: <https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0420/2023042000633.pdf> (pages 132 to 286)

The annual report of the Company for the financial year ended 31 December 2023, please see: <https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0425/2024042501268.pdf> (pages 129 to 283)

The annual results announcement of the Company for the financial year ended 31 December 2024 is expected to be published on the aforesaid websites on the Latest Practicable Date.

2. INDEBTEDNESS STATEMENT

As at the close of business on 31 January 2025, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular, the Group had outstanding indebtedness as summarized below:

Borrowings

As at the close of business on 31 January 2025, the Group had total outstanding borrowings of approximately RMB4,049 million, further details are set out below:

	<i>RMB' million</i>
Bank borrowings	
Secured with guarantee	457
Secured without guarantee	233
Unsecured with guarantee	8
Unsecured without guarantee	5
	<hr/>
Senior notes	
Secured with guarantee	3,346
	<hr/>
	<hr/> <hr/> 4,049

The Group's bank borrowings and senior notes were secured by certain property, plant and equipment, investment properties, financial assets measured at fair value through profit or loss, properties under development for sales, completed properties for sale of the Group as well as a share pledge of a majority of the Group's subsidiaries incorporated outside the PRC; and were guaranteed by certain subsidiaries of the Company and the Company.

Lease liabilities

The Group measures the lease liabilities at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rates. At the close of business on 31 January 2025, the Group had total lease liabilities of approximately RMB126 million.

Guarantees

At the close of business on 31 January 2025, the Group had given corporate guarantee of RMB306 million to a bank in respect of borrowing facilities of the former subsidiary, Golden Wheel Bright Jade Company Limited.

Disclaimer

Save as disclosed above and apart from intra-group liabilities and normal trade payables in the ordinary course of business, at the close of business on 31 January 2025, the Group did not have other loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans, debt securities issued and outstanding, and authorised or otherwise created but unissued and term loans of other borrowings, indebtedness in the nature of borrowings, liabilities under acceptances (other than normal trade bills) or acceptance credits, debentures, mortgages, charges, finance leases or hire purchase commitments, which are either guaranteed, unguaranteed, secured or unsecured, guarantees or other material contingent liabilities.

3. WORKING CAPITAL

The Directors have reviewed the Group's working capital forecast for the 18 months period ending 30 June 2026. After due and careful consideration, and taking into account (1) the relief of substantial financial burden as a result of the completion of the Proposed Restructuring; (2) the cash flows to be generated from the operating and financing activities; and (3) the available cash on hand, the Directors are of the opinion that the Group will have sufficient working capital to meet its current operating needs and to repay its financial obligations as and when they fall due for at least the next twelve (12) months from the date of this circular. Such opinion is dependent on the outcome of whether the Proposed Restructuring can be successfully proceeded. The Company has obtained the relevant confirmation as required under Rule 14.66(12) of the Listing Rules.

4. FINANCIAL AND BUSINESS PROSPECTS OF THE GROUP

Upon completion of the Proposed Restructuring, the Group will continue to be principally engaged in property development, property leasing and hotel operation.

Due to the increasingly difficult economic conditions and financial instability, the Group expected the property industry will continue to struggle and remain weak in the coming years, means that the Group's business will still be facing a lot of challenges in 2025.

The Group will continue to accelerate property sales and recover sales proceeds, while maintaining stricter cost control measures to reduce capital expenditures as appropriate and strive to ensure timely delivery of properties. With its prudent financial management, the Group will maintain competitiveness for future development and expansion.

Spanning thirty years, we will compose a new poem. 2025 is a new beginning and a new opportunity. We are very grateful to all employees, creditors and shareholders for their continued understanding, cooperation and support for the company's various decisions and measures. Under the guidance of the PRC government's full rescue efforts to "stop the decline and stabilize the property market", the Group believes that the market will slowly improve, and the Company will actively search for suitable projects and opportunities to lay the foundation for the Company's future development.

The following is the text of a report in relation to unaudited combined financial information of the Issuer Group received from Prism Hong Kong Limited, Certified Public Accountants, Hong Kong, which has been prepared for the purpose of inclusion in this circular.



**INDEPENDENT REPORTING ACCOUNTANT’S REVIEW REPORT ON UNAUDITED
COMBINED FINANCIAL INFORMATION OF THE ISSUER GROUP**

**TO THE BOARD OF DIRECTORS OF GOLDEN WHEEL TIANDI HOLDINGS
COMPANY LIMITED 金輪天地控股有限公司**

(incorporated in Cayman Islands with limited liability)

Introduction

We have reviewed the accompanying unaudited combined financial information set out on pages IV-4 to IV-9, which comprises the unaudited combined statements of financial position of Mega Drive Company Limited (the “**Issuer**”), Golden Wheel Jade Company Limited, Golden Wheel Diamond Company Limited, Golden Wheel Pearl Company Limited, Golden Wheel International Investment Limited, Golden Wheel International Creation Company Limited, Golden Wheel International Corporation Limited, Nanjing Jade Golden Wheel Realty Company Limited, Nanjing Pearl Golden Wheel Realty Company Limited and Nanjing Golden Wheel Real Estate Development Company Limited (collectively referred to as the “**Issuer Group**”) with the businesses of investment holdings and property leasing of GW International Plaza, GW Binary Star and GW New Metro and a hotel operation as at 31 December 2022, 2023 and 2024, and the unaudited combined statement of profit or loss and other comprehensive income, the unaudited combined statements of changes in equity and the unaudited combined statements of cash flows for the three years ended 31 December 2022, 2023 and 2024 (the “**Relevant Periods**”) and other explanatory notes (the “**Unaudited Combined Financial Information**”). The Unaudited Combined Financial Information has been prepared solely for the purpose of inclusion in the circular to be issued by Golden Wheel Tiandi Holdings Company Limited (the “**Company**”) in connection with the transfer of the Issuer Group in accordance with Rule 14.68(2)(a)(i)(A) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Directors' Responsibility for the Unaudited Combined Financial Information

The directors of the Company are responsible for the preparation and presentation of the Unaudited Combined Financial Information of the Issuer Group in accordance with the basis of preparation and presentation set out in note 2 to the Unaudited Combined Financial Information and Rule 14.68(2)(a)(i) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The directors of the Company are also responsible for such internal control as management determines is necessary to enable the preparation of the Unaudited Combined Financial Information that is free from material misstatement, whether due to fraud or error. The Unaudited Combined Financial Information does not contain sufficient information to constitute a complete set of financial statements as defined in International Accounting Standard 1 (Revised) "Presentation of Financial Statements" or an interim financial report as defined in International Accounting Standard 34 "Interim Financial Reporting" issued by the International Accounting Standards Board.

Reporting Accountant's Responsibility

Our responsibility is to express a conclusion on this Unaudited Combined Financial Information based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" ("HKSRE 2410") and with reference to Practice Note 750 "Review of Financial Information under the Hong Kong Listing Rules for a Very Substantial Disposal" issued by the Hong Kong Institute of Certified Public Accountants. HKSRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the Unaudited Combined Financial Information, taken as a whole, is not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial information in accordance with HKSRE 2410 is a limited assurance engagement, consists of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with Hong Kong Standards on Auditing. Accordingly, we do not express an audit opinion on this Unaudited Combined Financial Information.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the Unaudited Combined Financial Information of the Issuer Group for the Relevant Periods is not prepared, in all material respects, in accordance with the basis of preparation and presentation set out in note 2 to the Unaudited Combined Financial Information.

Material Uncertainty Related to Going Concern

We draw attention to note 2 to the Unaudited Combined Financial Information which states that the Issuer Group's current liabilities exceeded its current assets by RMB7,381,000 as at 31 December 2024. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Issuer Group's ability to continue as a going concern. Our conclusion has not been modified in respect of this matter.

Prism Hong Kong Limited

Certified Public Accountants

Chin Wang Leung

Practising Certificate Number: P07806

Hong Kong, 31 March 2025

APPENDIX IV FINANCIAL INFORMATION OF THE ISSUER GROUP

UNAUDITED COMBINED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME OF THE ISSUER GROUP

	2022 RMB'000	2023 RMB'000	2024 RMB'000
Revenue	91,369	96,490	95,272
Cost of sales	<u>(47,685)</u>	<u>(61,068)</u>	<u>(56,895)</u>
Gross profit	43,684	35,422	38,377
Changes in fair value of investment properties	(62,000)	(89,000)	(350,000)
Other income, expenses, gains and losses	(10,311)	(12,117)	(15,018)
Selling and marketing expenses	(6,786)	(884)	(987)
Administrative expenses	<u>(55,089)</u>	<u>(38,678)</u>	<u>(46,651)</u>
Loss from operations	(90,502)	(105,257)	(374,279)
Finance costs	<u>(16,938)</u>	<u>(6,698)</u>	<u>(4,783)</u>
Loss before taxation	(107,440)	(111,955)	(379,062)
Income tax	<u>15,500</u>	<u>22,250</u>	<u>87,500</u>
Loss and total comprehensive expense for the year	<u><u>(91,940)</u></u>	<u><u>(89,705)</u></u>	<u><u>(291,562)</u></u>
Attributable to:			
Equity shareholder of the Company	(87,343)	(85,219)	(276,984)
Non-controlling interests	<u>(4,597)</u>	<u>(4,486)</u>	<u>(14,578)</u>
Total comprehensive expense for the year	<u><u>(91,940)</u></u>	<u><u>(89,705)</u></u>	<u><u>(291,562)</u></u>

APPENDIX IV FINANCIAL INFORMATION OF THE ISSUER GROUP

UNAUDITED COMBINED STATEMENTS OF FINANCIAL POSITION OF THE ISSUER GROUP

	2022 RMB'000	2023 RMB'000	2024 RMB'000
Non-current assets			
Property, plant and equipment	287,152	263,218	245,692
Investment properties	2,810,000	2,721,000	2,371,000
Restricted bank deposits	1,404	1,519	1,519
	<u>3,098,556</u>	<u>2,985,737</u>	<u>2,618,211</u>
Current assets			
Completed properties for sale	3,405	1,455	–
Trade and other receivables	3,188	8,066	2,632
Restricted bank deposits	108	154	4
Cash and cash equivalents	11,217	12,988	9,981
	<u>17,918</u>	<u>22,663</u>	<u>12,617</u>
Current liabilities			
Trade and other payables	14,627	18,508	19,998
	<u>14,627</u>	<u>18,508</u>	<u>19,998</u>
Net current assets/(liabilities)	<u>3,291</u>	<u>4,155</u>	<u>(7,381)</u>
Total assets less current liabilities	<u>3,101,847</u>	<u>2,989,892</u>	<u>2,610,830</u>
Non-current liabilities			
Deferred tax liabilities	507,913	485,663	398,163
	<u>507,913</u>	<u>485,663</u>	<u>398,163</u>
NET ASSETS	<u>2,593,934</u>	<u>2,504,229</u>	<u>2,212,667</u>
CAPITAL AND RESERVES			
Issued capital	–*	–*	–*
Reserves	2,464,237	2,379,018	2,102,034
	<u>2,464,237</u>	<u>2,379,018</u>	<u>2,102,034</u>
Total equity attributable to equity shareholders of the Company	2,464,237	2,379,018	2,102,034
Non-controlling interests	129,697	125,211	110,633
	<u>129,697</u>	<u>125,211</u>	<u>110,633</u>
TOTAL EQUITY	<u>2,593,934</u>	<u>2,504,229</u>	<u>2,212,667</u>

* Less than RMB1,000

APPENDIX IV FINANCIAL INFORMATION OF THE ISSUER GROUP

UNAUDITED COMBINED STATEMENTS OF CHANGES IN EQUITY OF THE ISSUER GROUP

	Attributable to owners of the Company							
	Issued capital	Property		Surplus	Retained		Non-controlling	
	reserve	Special revaluation reserve	reserve	reserve	earnings	Total	interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2022	—*	67,032	16,631	88,390	2,379,527	2,551,580	134,294	2,685,874
Loss and total comprehensive expense for the year	—	—	—	—	(87,343)	(87,343)	(4,597)	(91,940)
Balance at 31 December 2022	—*	67,032	16,631	88,390	2,292,184	2,464,237	129,697	2,593,934
Loss and total comprehensive expense for the year	—	—	—	—	(85,219)	(85,219)	(4,486)	(89,705)
Balance at 31 December 2023	—*	67,032	16,631	88,390	2,206,965	2,379,018	125,211	2,504,229
Loss and total comprehensive expense for the year	—	—	—	—	(276,984)	(276,984)	(14,578)	(291,562)
Balance at 31 December 2024	—*	67,032	16,631	88,390	1,929,981	2,102,034	110,633	2,212,667

* Less than RMB1,000

APPENDIX IV FINANCIAL INFORMATION OF THE ISSUER GROUP

UNAUDITED COMBINED STATEMENTS OF CASH FLOWS OF THE ISSUER GROUP

	2022 <i>RMB'000</i>	2023 <i>RMB'000</i>	2024 <i>RMB'000</i>
Operating activities			
Cash generated from operations	2,712	8,503	5,951
Tax paid	<u>(13,083)</u>	<u>(7,007)</u>	<u>(9,394)</u>
Net cash (used in)/generated from operating activities	<u>(10,371)</u>	<u>1,496</u>	<u>(3,443)</u>
Cash generated from the investing activities			
Interest received from bank deposits	<u>1,929</u>	<u>246</u>	<u>420</u>
Net (decrease)/increase in cash and cash equivalents	(8,442)	1,742	(3,023)
Cash and cash equivalents at 1 January	19,275	11,217	12,988
Effect of foreign exchanges rates changes	<u>384</u>	<u>29</u>	<u>16</u>
Cash and cash equivalents at 31 December	<u><u>11,217</u></u>	<u><u>12,988</u></u>	<u><u>9,981</u></u>

NOTES TO THE UNAUDITED COMBINED FINANCIAL INFORMATION OF THE ISSUER GROUP**1. GENERAL INFORMATION**

Mega Drive Company Limited (the “**Issuer**”) is a wholly-owned subsidiary of Golden Wheel Tiandi Holdings Company Limited (the “**Company**”) and is a limited company incorporated in British Virgin Islands (“**BVI**”). After the proposed restructuring, the issuer holds 95% equity interest of Golden Wheel Diamond Company Limited, a company incorporated in BVI. Golden Wheel Diamond Company Limited is engaged in investment holding of two BVI limited liability companies, namely Golden Wheel Jade Company Limited and Golden Wheel Pearl Company Limited, and a Hong Kong limited liability company, namely Golden Wheel International Creation Company Limited. Each of these two BVI companies holds a limited liability company in Hong Kong engaged in investment holding, which are Golden Wheel International Investment Limited and Golden Wheel International Corporation Limited. These three Hong Kong subsidiaries hold three property companies located in the People’s Republic of China, which are Nanjing Jade Golden Wheel Realty Company Limited, Nanjing Pearl Golden Wheel Realty Company Limited and Nanjing Golden Wheel Real Estate Development Company Limited, respectively (collectively referred to as the “**Issuer Group**”).

Under the terms of the restructuring support agreement, the Issuer Group shall not be entitled to any economic interest in (i) the shares in Xiamen International Bank Company Limited; (ii) a specific self-use office space; and (iii) six specified car parks (collectively referred to as the “**Excluded Assets**”), and shall not be liable for any cost or expenses (including any tax payment or tax liability) related to the disposal or release of the Excluded Assets. Upon completion of transfer of the Issuer Group, the Issuer Group will then be principally engaged in the investment holding, property leasing of GW International Plaza, GW Binary Star and GW New Metro and a hotel operation.

The Unaudited Combined Financial Information is presented in Renminbi (“**RMB**”), which is the functional currency of the Company.

2. BASIS OF PREPARATION AND PRESENTATION OF THE UNAUDITED COMBINED FINANCIAL INFORMATION

The Unaudited Combined Financial Information has been prepared in accordance with paragraph 14.68(2)(a)(i)(B) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and solely for the purposes of inclusion in this circular. It does not contain sufficient information to constitute a complete set of financial statements as defined in International Accounting Standard 1 “Presentation of Financial Statements” issued by the International Accounting Standards Board nor an interim financial report as defined in International Accounting Standard 34 “Interim Financial Reporting” and should be read in conjunction with the annual results announcement of the Company for the year ended 31 December 2024.

The Unaudited Combined Financial Information has been prepared in accordance with the relevant accounting policies adopted by the Company and its subsidiaries as set out in the respective annual reports or annual results announcement of the Company for the years ended 31 December 2022, 2023 and 2024 (“**Relevant Periods**”). Except for the new and amendments to International Financial Reporting Standards which have been applied to the Unaudited Combined Financial Information as and when they became effective, all the relevant accounting policies have been consistently applied to all the periods presented.

The directors of the Company consider presenting Unaudited Combined Financial Information, on an as if basis, of businesses of investment holding, property leasing and hotel operation would illustrate clearly the Unaudited Combined Financial Information of the Issuer Group for the Relevant Periods to the shareholders of the Company. Accordingly, the financial information of the Issuer Group has been prepared on a combined basis, as if the Transfer had been completed at the beginning of the Relevant Periods.

APPENDIX IV FINANCIAL INFORMATION OF THE ISSUER GROUP

The Unaudited Combined Financial Information of the Issuer Group has been prepared on the going concern basis which assumes the realisation of assets and satisfaction of liabilities in the ordinary course of business, notwithstanding the Issuer Group's current liabilities exceeded its current assets by RMB7,381,000 as at 31 December 2024. Nevertheless, the Directors are confident that the Issuer Group will be able to meet its financial obligations as shareholders will provide continual financial support and adequate funds to the Issuer Group to meet its liabilities as and when they fall due. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Issuer Group's ability to continue as a going concern and therefore the Issuer Group may not be able to realise its assets and discharge its liabilities in the normal course of business.

Should the Issuer Group be unable to continue in business as a going concern, adjustments would have to be made in the financial information to write down the values of the assets to their net realisable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effect of such adjustments has not yet been reflected in the Unaudited Combined Financial Information.

The following is the text of a report in relation to the unaudited pro forma financial information of the Remaining Group received from Prism Hong Kong Limited, Certified Public Accountants, Hong Kong, which has been prepared for the purpose of inclusion in this circular.



INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

To the directors of Golden Wheel Tiandi Holdings Company Limited

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Golden Wheel Tiandi Holdings Company Limited (the **"Company"**) and its subsidiaries (hereinafter collectively referred to as the **"Group"**) by the directors of the Company (the **"Directors"**) for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma consolidated statement of financial position as at 31 December 2024, the unaudited pro forma consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2024, the unaudited pro forma consolidated statement of cash flows for the year ended 31 December 2024 and related notes as set out on pages V-5 to V-15 of the circular in connection with transfer (the **"Transfer"**) of Mega Drive Company Limited, Golden Wheel Jade Company Limited, Golden Wheel Diamond Company Limited, Golden Wheel Pearl Company Limited, Golden Wheel International Investment Limited, Golden Wheel International Creation Company Limited, Golden Wheel International Corporation Limited, Nanjing Jade Golden Wheel Realty Company Limited, Nanjing Pearl Golden Wheel Realty Company Limited and Nanjing Golden Wheel Real Estate Development Company Limited (collectively referred to as the **"Issuer Group"**) with the businesses of investment holdings and property leasing of GW International Plaza, GW Binary Star and GW New Metro and a hotel operation issued by the Company dated 31 March 2025 (the **"Circular"**). The applicable criteria on the basis of which the Directors have compiled the unaudited pro forma financial information are described on pages V-14 to V-15 of the Circular.

The unaudited pro forma financial information has been compiled by the Directors to illustrate the impact of the Transfer on the Group's financial position as at 31 December 2024 and the Group's financial performance and cash flows for the year ended 31 December 2024 as if the Transfer had taken place at 31 December 2024 and 1 January 2024 respectively. As part of this process, information about the Group's financial position, financial performance and cash flows has been extracted by the Directors from the Group's consolidated financial statements for the year ended 31 December 2024, on which an audit report has been published.

Directors' Responsibilities for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the unaudited pro forma financial information in accordance with paragraph 29 of Chapter 4 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”).

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Management (“**HKSQM**”) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant's Responsibilities

Our responsibility is to express an opinion, as required by paragraph 29(7) of Chapter 4 of the Listing Rules, on the unaudited pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus” issued by the HKICPA. This standard requires that the reporting accountant plans and performs procedures to obtain reasonable assurance about whether the Directors have compiled the unaudited pro forma financial information in accordance with paragraph 29 of Chapter 4 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

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

The purpose of unaudited pro forma financial information included in an investment circular is solely to illustrate the impact of the Transfer on unadjusted financial information of the Group as if the Transfer had occurred or had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Transfer at 31 December 2024 or 1 January 2024 would have been as presented.

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

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

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

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

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

Opinion

In our opinion:

- (a) the unaudited pro forma financial information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the unaudited pro forma financial information as disclosed pursuant to paragraph 29(1) of Chapter 4 of the Listing Rules.

Prism Hong Kong Limited

Certified Public Accountants

Chin Wang Leung

Practising Certificate Number: P07806

Hong Kong, 31 March 2025

UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP

The unaudited pro forma financial information of Golden Wheel Tiandi Holdings Company Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) excluding Mega Drive Company Limited, Golden Wheel Jade Company Limited, Golden Wheel Diamond Company Limited, Golden Wheel Pearl Company Limited, Golden Wheel International Investment Limited, Golden Wheel International Creation Company Limited, Golden Wheel International Corporation Limited, Nanjing Jade Golden Wheel Realty Company Limited, Nanjing Pearl Golden Wheel Realty Company Limited and Nanjing Golden Wheel Real Estate Development Company Limited (collectively referred to as the “**Issuer Group**”) with the businesses of investment holdings and property leasing of GW International Plaza, GW Binary Star and GW New Metro and a hotel operation (the “**Remaining Group**”) (“**Unaudited Pro Forma Financial Information**”) has been prepared by the directors of the Company in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and solely for the purpose to illustrate (a) the financial position of the Remaining Group as if the transfer of the Issuer Group to the scheme creditors (the “**Scheme Creditors**”) pursuant to the restructuring support agreement dated 21 November 2024 entered into between the Company and the Hong Kong Scheme Creditors and any other creditors of the Company whose claims against the Company and the Subsidiary Guarantors (the “**Transfer**”) had been completed on 31 December 2024; and (b) the financial results and cash flows of the Remaining Group as if the Disposal had been completed on 1 January 2024.

The unaudited pro forma consolidated statement of financial position of the Remaining Group has been prepared based on the audited consolidated statement of financial position of the Group as at 31 December 2024 which has been extracted from the Group’s published annual results announcement for the year ended 31 December 2024, after taking into account the pro forma adjustments relating to the Transfer that are (i) clearly shown and explained; (ii) directly attributable to the Transfer and not relating to future events or decisions; and (iii) factually supportable, as explained in the accompanying notes, as if the Transfer had been completed on 31 December 2024.

The unaudited pro forma consolidated statement of profit or loss and other comprehensive income and the unaudited pro forma consolidated statement of cash flows of the Remaining Group are prepared based on the audited consolidated statement of profit or loss and other comprehensive income and the audited consolidated statement of cash flows of the Group for the year ended 31 December 2024, which have been extracted from the Group’s published audited annual results announcement for the year ended 31 December 2024, after taking into account the pro forma adjustments relating to the Transfer that are (i) clearly shown and explained; (ii) directly attributable to the Transfer and not relating to future events or decisions; and (iii) factually supportable, as explained in the accompanying notes, as if the Transfer had been completed on 1 January 2024.

The Unaudited Pro Forma Financial Information has been prepared by the directors of the Company based on certain assumptions, estimates and uncertainties for illustrative purposes only and because of its hypothetical nature, the Unaudited Pro Forma Financial Information may not purport to predict what the financial position of the Remaining Group would have been if the Transfer had been completed on 31 December 2024 or at any future dates, or what the financial results and cash flows of the Remaining Group for the year ended 31 December 2024 or for any future periods would have been if the Transfer had been completed on 1 January 2024.

The Unaudited Pro Forma Financial Information should be read in conjunction with the financial information of the Group included elsewhere in the circular. Reference is made to the Company's circular dated 31 March 2025.

APPENDIX V**UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF THE REMAINING GROUP****Unaudited Pro Forma Consolidated Statement of Financial Position of the Remaining Group***As at 31 December 2024*

	The Group as at 31 December 2024	Pro forma adjustment				The Remaining Group as at 31 December 2024
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	
	<i>Note 1</i>	<i>Note 2a</i>	<i>Note 2b</i>	<i>Note 2c</i>		
Non-current assets						
Property, plant and equipment	412,869	(245,692)	–	–	167,177	
Investment properties	3,726,537	(2,371,000)	–	–	1,355,537	
Interests in associates	54,435	–	–	–	54,435	
Interests in joint ventures	413,990	–	–	–	413,990	
Other financial assets	165,855	–	104,010	–	269,865	
Restricted bank deposits	9,355	(1,519)	–	–	7,836	
Deferred tax assets	77,790	–	–	–	77,790	
	<u>4,860,831</u>	<u>(2,618,211)</u>	<u>104,010</u>	<u>–</u>	<u>2,346,630</u>	
Current assets						
Properties under development for sale	1,289,595	–	–	–	1,289,595	
Completed properties for sale	1,165,005	–	–	–	1,165,005	
Contract assets	836	–	–	–	836	
Trade and other receivables	595,582	(2,632)	–	–	592,950	
Land appreciation tax and income tax prepaid	80,444	–	–	–	80,444	
Restricted bank deposits	28,413	(4)	–	–	28,409	
Cash and cash equivalents	97,876	(9,981)	–	–	87,895	
	<u>3,257,751</u>	<u>(12,617)</u>	<u>–</u>	<u>–</u>	<u>3,245,134</u>	

APPENDIX V
**UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF THE REMAINING GROUP**

	The Group as at 31 December 2024	Pro forma adjustment			The Remaining Group as at 31 December 2024
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	<i>Note 1</i>	<i>Note 2a</i>	<i>Note 2b</i>	<i>Note 2c</i>	
Current liabilities					
Trade and other payables	1,892,970	(19,998)	49,670	(660,660)	1,261,982
Contract liabilities	184,584	–	–	–	184,584
Rental received in advance	27,696	–	–	–	27,696
Lease liabilities	42,866	–	–	–	42,866
Bank loans	489,041	–	–	–	489,041
Current taxation	589,878	–	–	–	589,878
Senior notes	3,354,557	–	(3,354,557)	–	–
Financial guarantee contracts	306,983	–	(287,536)	(19,447)	–
	<u>6,888,575</u>	<u>(19,998)</u>	<u>(3,592,423)</u>	<u>(680,107)</u>	<u>2,596,047</u>
Net current (liabilities)/assets	<u>(3,630,824)</u>	<u>7,381</u>	<u>3,592,423</u>	<u>680,107</u>	<u>649,087</u>
Total assets less current liabilities	<u>1,230,007</u>	<u>(2,610,830)</u>	<u>3,696,433</u>	<u>680,107</u>	<u>2,995,717</u>
Non-current liabilities					
Lease liabilities	83,242	–	–	–	83,242
Bank loans	217,368	–	–	–	217,368
Deferred tax liabilities	739,700	(398,163)	–	–	341,537
	<u>1,040,310</u>	<u>(398,163)</u>	<u>–</u>	<u>–</u>	<u>642,147</u>
NET ASSETS/(LIABILITIES)	<u>189,697</u>	<u>(2,212,667)</u>	<u>3,696,433</u>	<u>680,107</u>	<u>2,353,570</u>

APPENDIX V
**UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF THE REMAINING GROUP**

	The Group				The Remaining Group
	as at				as at
	31 December				31 December
	2024	Pro forma adjustment			2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	Note 1	Note 2a	Note 2b	Note 2c	
CAPITAL AND RESERVES					
Share capital	112,883	–	–	21,939	134,822
Reserves	(206,279)	(2,102,034)	3,585,800	658,168	1,935,655
Total (deficiency)/equity attributable to equity shareholders of the Company	(93,396)	(2,102,034)	3,585,800	680,107	2,070,477
Non-controlling interests	283,093	(110,633)	110,633	–	283,093
TOTAL EQUITY	189,697	(2,212,667)	3,696,433	680,107	2,353,570

APPENDIX V
**UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF THE REMAINING GROUP**
**Unaudited Pro Forma Consolidated Statement of Profit or Loss and Other Comprehensive
Income of the Remaining Group**
For the year ended 31 December 2024

	The Group for the year ended 31 December 2024	Pro forma adjustment		The Remaining Group for the year ended 31 December 2024
	<i>RMB'000 Note 1</i>	<i>RMB'000 Note 3a</i>	<i>RMB'000 Note 3b</i>	<i>RMB'000</i>
Revenue	796,376	(95,272)	–	701,104
Cost of sales	(823,758)	56,895	–	(766,863)
Gross loss	(27,382)	(38,377)	–	(65,759)
Changes in fair value of investment properties	(468,186)	350,000	–	(118,186)
Other income, expenses, gains and losses	(17,952)	15,018	1,136,532	1,133,598
Selling and marketing expenses	(32,506)	987	–	(31,519)
Administrative expenses	(149,500)	46,651	–	(102,849)
(Loss)/profit from operations	(695,526)	374,279	1,136,532	815,285
Finance costs	(67,268)	4,783	–	(62,485)
Share of profits of associates	1,875	–	–	1,875
Share of losses of joint ventures	(16,257)	–	–	(16,257)
(Loss)/profit before taxation	(777,176)	379,062	1,136,532	738,418
Income tax	1,534	(87,500)	–	(85,966)
(Loss)/profit for the year	(775,642)	291,562	1,136,532	652,452

APPENDIX V
**UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF THE REMAINING GROUP**

	The Group for the year ended 31 December 2024 RMB'000 Note 1	Pro forma adjustment RMB'000 Note 3a RMB'000 Note 3b		The Remaining Group for the year ended 31 December 2024 RMB'000
Attributable to:				
Equity shareholders of the Company	(823,936)	276,984	1,151,110	604,158
Non-controlling interests	48,294	14,578	(14,578)	48,294
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
(Loss)/profit for the year	<u><u>(775,642)</u></u>	<u><u>291,562</u></u>	<u><u>1,136,532</u></u>	<u><u>652,452</u></u>
Other comprehensive expense for the year (after tax and reclassification adjustments):				
Item that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of financial statements of the entities with functional currencies other than RMB, net	<u>(1,684)</u>	<u>–</u>	<u>–</u>	<u>(1,684)</u>
Other comprehensive expense for the year	<u><u>(1,684)</u></u>	<u><u>–</u></u>	<u><u>–</u></u>	<u><u>(1,684)</u></u>
Total comprehensive (expense)/income for the year	<u><u>(777,326)</u></u>	<u><u>291,562</u></u>	<u><u>1,136,532</u></u>	<u><u>650,768</u></u>
Attributable to:				
Equity shareholders of the Company	(825,620)	276,984	1,151,110	602,474
Non-controlling interests	48,294	14,578	(14,578)	48,294
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total comprehensive (expense)/income for the year	<u><u>(777,326)</u></u>	<u><u>291,562</u></u>	<u><u>1,136,532</u></u>	<u><u>650,768</u></u>

Unaudited Pro Forma Consolidated Statement of Cash Flows of the Remaining Group
For the year ended 31 December 2024

	The Group for the year ended 31 December 2024	Pro forma adjustment		The Remaining Group for the year ended 31 December 2024
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	<i>Note 1</i>	<i>Note 3a</i>	<i>Note 3c</i>	
Operating activities				
Cash generated from/(used in) operations	21,389	(5,951)	–	15,438
Tax paid	(36,924)	9,394	–	(27,530)
Net cash (used in)/generated from operating activities	<u>(15,535)</u>	<u>3,443</u>	<u>–</u>	<u>(12,092)</u>
Investing activities				
Interest received from bank deposits	5,038	(420)	–	4,618
Purchase of property, plant and equipment	(11,692)	–	–	(11,692)
Addition to investment properties	(22,445)	–	–	(22,445)
Proceeds received from disposal of property, plant and equipment	17	–	–	17
Proceeds received from disposal of investment properties	44,482	–	–	44,482
Net cash generated from/(used in) investing activities	<u>15,400</u>	<u>(420)</u>	<u>–</u>	<u>14,980</u>

APPENDIX V
**UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF THE REMAINING GROUP**

	The Group for the year ended 31 December 2024 RMB'000 Note 1	Pro forma adjustment RMB'000 Note 3a RMB'000 Note 3c		The Remaining Group for the year ended 31 December 2024 RMB'000
Financing activities				
Advance from associates and joint ventures	324	–	–	324
Repayment to associates and joint ventures	(118)	–	–	(118)
Proceeds from bank loans	55,695	–	–	55,695
Repayment of bank loans	(387,871)	–	–	(387,871)
Interest paid	(44,201)	–	–	(44,201)
Debt restructure cost paid	–	–	(48,900)	(48,900)
Withdrawal of deposits pledged for bank loans	314,850	–	–	314,850
Capital injection from non-controlling interests	980	–	–	980
Capital element of lease rentals paid	(42,841)	–	–	(42,841)
Interest element of lease rentals paid	(8,232)	–	–	(8,232)
Net cash used in financing activities	<u>(111,414)</u>	<u>–</u>	<u>(48,900)</u>	<u>(160,314)</u>
Net (decrease)/increase in cash and cash equivalents	(111,549)	3,023	(48,900)	(157,426)
Cash and cash equivalents at 1 January 2024	209,263	(12,988)	–	196,275
Effect of foreign exchanges rates changes	<u>162</u>	<u>(16)</u>	<u>–</u>	<u>146</u>
Cash and cash equivalents at 31 December 2024	<u><u>97,876</u></u>	<u><u>(9,981)</u></u>	<u><u>(48,900)</u></u>	<u><u>38,995</u></u>

Notes:

1. The amounts are extracted from the audited consolidated statement of financial position as at 31 December 2024, audited consolidated statement of profit or loss and other comprehensive income and audited consolidated statement of cash flow of the Company for the year ended 31 December 2024 as set out in the published annual results announcement of the Company.
2. The following pro forma adjustments have been made to the unaudited pro forma consolidated statement of financial position of the Remaining Group, assuming the Transfer had taken place on 31 December 2024:
 - (a) The adjustment represents the exclusion of assets and liabilities of the Issuer Group to be transferred as at 31 December 2024.

The amounts are extracted from the financial information of the Issuer Group as set out in Appendix IV.

The assets and liabilities of the Issuer Group excludes the following assets, including (i) the shares in Xiamen International Bank Company Limited; (ii) a specific self-use office space; and (iii) six specified car parks (the “**Excluded Assets**”) and as a result, the Excluded Assets are eventually consolidated in the Remaining Group.

- (b) The adjustment represents the gain on the transfer of the Issuer Group as if the Transfer was completed on 31 December 2024:

RMB’000

Consideration

The existing principal and financial guarantee amounts	3,642,093
--	-----------

Less:

Net assets of the Issuer Group as at 31 December 2024	(2,212,667)
---	-------------

Fair value of 5% of net assets of the Golden Wheel Diamond Company Limited and its subsidiaries (hereafter collectively referred to as “ Issuer Subsidiaries ”) as at 31 December 2024	104,010
---	---------

Estimated transaction cost directly attributable to the Transfer of approximately US\$6,910,000	(49,670)
---	----------

Gain on the Transfer	1,483,766
----------------------	-----------

- (c) The adjustment represents the outcome of the issue of new shares as if the Transfer was completed on 31 December 2024:

RMB’000

Consideration

The accrued interest and financial guarantee amounts	680,107
--	---------

Less:

The issue of new shares	(21,939)
-------------------------	----------

Increase in share premium	658,168
---------------------------	---------

3. The following pro forma adjustments have been made to the unaudited pro forma consolidated profit and loss and statement of comprehensive income and unaudited pro forma consolidated cash flows of the Remaining Group, assuming the Transfer had taken place on 1 January 2024:

- (a) The adjustment represents the exclusion of income and expenses of the Issuer Group to be transferred as at 1 January 2024.

The amounts are extracted from the financial information of the Issuer Group as set out in Appendix IV.

The income and expenses of Issuer Group excluded the income and expenses related to the Excluded Assets and as a result, the income and expenses of Excluded Assets are eventually consolidated in the Remaining Group.

- (b) The adjustment represents the gain on the transfer of the Issuer Group as if the Transfer was completed on 1 January 2024:

RMB'000

Consideration

The Existing Principal Amount	3,585,651
-------------------------------	-----------

Less:

Net assets of the Issuer Group as at 1 January 2024	(2,504,229)
---	-------------

Fair value of 5% of net assets of the Issuer Subsidiaries as at 1 January 2024	104,010
--	---------

Estimated transaction cost directly attributable to the Transfer of approximately US\$6,910,000	(48,900)
---	----------

Gain on the Transfer	1,136,532
----------------------	-----------

- (c) The adjustment represents the estimated legal and professional fee attributable to the Transfer of approximately US\$6,910,000.
4. For the purpose of the Unaudited Pro Forma Financial Information of the Remaining Group, where applicable, US\$ has been converted into RMB at the rate of US\$1.00 to RMB7.1884 for balances included in unaudited pro forma consolidated statement of financial position of the Remaining Group as at 31 December 2024, and the rate of US\$1.00 to RMB7.0770 for amounts included in the unaudited pro forma consolidated statement of comprehensive income and the unaudited pro forma consolidated statement of cash flows of the Remaining Group for the year ended 31 December 2024 respectively.
5. The above adjustments are expected to have a continuing effect on the unaudited pro forma consolidated statement of profit or loss and other comprehensive income and unaudited pro forma consolidated statement of cash flows of the Remaining Group.

Upon completion of the Transfer, the Remaining Group will continue to carry out its existing businesses and there will be no change to the principal business of the Remaining Group. The following is based on the assumption that the Transfer took place on 31 December 2022 (with a total of 305,196,000 new Shares having been issued by the Company), the financial impact of Existing Debt Instruments was eliminated, the Issuer Group was deconsolidated and the investment in the Issuer Group was reclassified as an other financial asset thereafter. On this basis, the management discussion and analysis on the Remaining Group for the years ended 31 December 2022, 2023 and 2024 is set out below.

BUSINESS REVIEW

The Remaining Group has three business segments, namely, (i) property development; (ii) property leasing; and (iii) hotel operation for the years ended 31 December 2022, 2023 and 2024. The review of each business segment of the Remaining Group is set out below.

As stated in the letter from the Board of this circular, the Issuer Group will continue to operate its businesses and its owned properties will be held for development, sale or investment purposes after the Transfer. The shares of members of the Issuer Group and/or assets of the Issuer Group may be sold after the Transfer so the cash generated from the operations of the Issuer Group and disposal of its assets (including the Specified Assets but excluding the Excluded Assets) can be used to repay the New Notes in accordance with the terms of the New Notes and the Scheme.

FINANCIAL REVIEW

Revenue

Property development

For the year ended 31 December 2022, the Remaining Group recorded approximately 59.4% increase in segment revenue, from approximately RMB1,506 million for the year ended 31 December 2021 to approximately RMB2,401 million.

For the year ended 31 December 2023, the Remaining Group recorded approximately 11.2% decrease in segment revenue, from approximately RMB2,401 million for the year ended 31 December 2022 to approximately RMB2,132 million.

For the year ended 31 December 2024, the Remaining Group recorded approximately 73.4% decrease in segment revenue, from approximately RMB2,132 million for the year ended 31 December 2023 to approximately RMB568 million.

Property leasing

For the year ended 31 December 2022, the Remaining Group recorded approximately 15.5% decrease in segment revenue, from approximately RMB153 million for the year ended 31 December 2021 to approximately RMB129 million.

For the year ended 31 December 2023, the Remaining Group recorded approximately 29.5% decrease in segment revenue, from approximately RMB129 million for the year ended 31 December 2022 to approximately RMB91 million.

For the year ended 31 December 2024, the Remaining Group recorded approximately 21.3% decrease in segment revenue, from approximately RMB91 million for the year ended 31 December 2023 to approximately RMB72 million.

Hotel operation

For the year ended 31 December 2022, the Remaining Group recorded approximately 19.1% decrease in segment revenue, from approximately RMB47 million for the year ended 31 December 2021 to approximately RMB38 million.

For the year ended 31 December 2023, the Remaining Group recorded approximately 78.9% increase in segment revenue, from approximately RMB38 million for the year ended 31 December 2022 to approximately RMB68 million.

For the year ended 31 December 2024, the Remaining Group recorded approximately 8.9% decrease in segment revenue, from approximately RMB68 million for the year ended 31 December 2023 to approximately RMB62 million.

Loss Attributable to owners of the Remaining Group

For the years ended 31 December 2022, 2023 and 2024, the Remaining Group recorded a loss attributable to owners of the Remaining Group of approximately RMB739 million, RMB774 million and RMB393 million, respectively.

FINANCIAL RESOURCES REVIEW**Liquidity and Financial Resources**

The Remaining Group primarily funded its operation by, amongst others, internal funds, borrowings from banks and other parties and proceeds from sales and pre-sales of its developed properties. As at 31 December 2022, 2023 and 2024, the Remaining Group had bank and cash balances of approximately RMB182 million, RMB196 million and RMB88 million, respectively. As at 31 December 2022, 2023 and 2024, the gearing ratios of the Remaining Group, which is calculated at interest-bearing borrowings divided by net asset value, were approximately 26.2%, 19.7% and 29.8%, respectively.

As at 31 December 2022, 2023 and 2024, the Remaining Group's cash and bank balances were denominated in the following currencies:

	As at 31 December		
	2022	2023	2024
	<i>RMB'million</i>	<i>RMB'million</i>	<i>RMB'million</i>
HK\$	16	12	4
RMB	164	183	82
US\$	2	1	2

The borrowings of the Remaining Group as at 31 December 2022, 2023 and 2024 included interest-bearing borrowings of approximately RMB1,625 million, RMB1,026 million and RMB706 million, respectively. All interest-bearing borrowings were secured and denominated in RMB.

As at 31 December 2022, 2023 and 2024, the maturity profile of the long and short-term borrowings of the Remaining Group was as follows:

	As at 31 December		
	2022	2023	2024
	<i>RMB'million</i>	<i>RMB'million</i>	<i>RMB'million</i>
Bank borrowings			
– Within one year (<i>Note</i>)	1,364	699	489
– After one year but within two years	225	137	188
– After two years but within five years	36	190	29

Note: Bank loans with a repayment on demand clause are included in the “Within one year” time band in the above maturity analysis.

There is generally no material seasonality of the borrowing requirements of the Group.

The effective interest rates for the bank borrowings as at 31 December 2022, 2023 and 2024 ranged from 4.6% to 12%, 4.25% to 12% and 3.19% to 12%, respectively.

As at 31 December 2022, 2023 and 2024, the long and short term borrowings of the Remaining Group which remained outstanding were denominated in the following currencies:

	As at 31 December		
	2022	2023	2024
	<i>RMB'million</i>	<i>RMB'million</i>	<i>RMB'million</i>
HK\$	1,014	592	341
RMB	611	434	365

The Remaining Group is exposed to interest rate risk which arises primarily from bank balances and borrowings. As at 31 December 2022, 2023 and 2024, the interest-bearing borrowings balance of the Remaining Group charged at variable interest rate were approximately RMB1,617 million, RMB872 million and RMB568 million, respectively. As at 31 December 2022, 2023 and 2024, the interest-bearing borrowings balance of the Remaining Group charged at fixed interest rate were approximately RMB8 million, RMB154 million and RMB138 million, respectively.

Charge of Assets

At 31 December 2022, 2023 and 2024, the following assets were pledged to banks to secure banking facilities granted to the Remaining Group:

	As at 31 December		
	2022	2023	2024
	<i>RMB'million</i>	<i>RMB'million</i>	<i>RMB'million</i>
Property, plant and equipment	52	49	239
Investment properties	2,376	2,331	3,023
Financial assets measured at fair value through profit or loss	198	131	155
Properties under development for sale	1,663	1,049	1,594
Completed properties for sale	209	1,303	406
Restricted bank deposits	314	314	–

Funding and treasury policy

For the years ended 31 December 2022, 2023 and 2024, the Remaining Group primarily financed its operations and investing activities with its internal funds, borrowings from banks and other parties and proceeds from sales and pre-sales of its developed properties. The Directors believe that the Remaining Group has sufficient resources to satisfy its capital expenditure and working capital requirements. The Remaining Group regularly reviewed its major funding positions to ensure that it has adequate financial resources in meeting its financial obligations.

Capital and Other Commitments

As at 31 December 2022, 2023 and 2024, the Remaining Group had contracted but not provided for capital and other commitments of approximately RMB355 million, RMB371 million and RMB280 million, respectively.

Currency Exposure and Management

During the years ended 31 December 2022, 2023 and 2024, the Remaining Group's receipts were mainly denominated in RMB. The Remaining Group's payments were mainly made in RMB. As the business activities of the Remaining Group are mainly in the PRC, most of the Remaining Group's staff costs and operational costs were settled in RMB. As such, fluctuation of the RMB exchange rate will have an impact on the Remaining Group's profitability. Except for the above, the Remaining Group's exposure to foreign exchange risk is principally due to its US\$ and HK\$ denominated debts and bank deposits in foreign currencies, mainly US\$ and HK\$. The Remaining Group will closely monitor movements of RMB, US\$ and HK\$ and, if necessary, consider entering into foreign exchange forward contracts with reputable financial institutions to reduce potential exposure to currency fluctuations. During the years ended 31 December 2022, 2023 and 2024, the Remaining Group did not enter into any foreign exchange forward contract or any other financial instruments for hedging purpose.

Significant Investments, Material Acquisitions and Disposals

As at 31 December 2022, 2023 and 2024, the Remaining Group's major investment was its equity investment in the shares of Xiamen International Bank Company Limited, which were unlisted equity shares of Xiamen International Bank Company Limited with a carrying value of approximately RMB198 million, RMB131 million and RMB155 million, respectively.

Pursuant to a shareholders' agreement dated 25 June 2022, all shareholders of Jiangsu Shanghao Real Estate Development Co., Ltd. reached the consensus that Nanjing Metro Real Estate Investment Co., Ltd., a wholly-owned subsidiary of the Remaining Group, obtained the control of Jiangsu Shanghao Real Estate Development Co., Ltd.. As at 31 December 2022, the Remaining Group consolidated Jiangsu Shanghao Real Estate Development Co., Ltd. as a

subsidiary. Details of which are set out in note 37 to the “Consolidated Financial Statements” contained in the 2022 annual report of the Company.

On 9 December 2022, the Remaining Group received a demand notice from a bank requesting immediate repayment of the certain bank loans and payment of related interests and had defaulted the payment. On 10 July 2023, the Remaining Group received a notification informing the Company that receivers have been appointed by the bank as joint and several receivers and managers over (i) all the issued shares of the Success Seeker Limited, Winner Year Company Limited and Golden Wheel Bright Jade Company Limited (hereafter referred as the “**Bright Jade Group**”); and (ii) all of the Bright Jade Group’s assets. In the opinion of the Directors, the Remaining Group was considered to have lost control on the Bright Jade Group, as the Remaining Group has no further involvement in the relevant activities of the Bright Jade Group nor any ability to affect the return thereof. Details of which are set out in note 40 to the “Consolidated Financial Statements” contained in the 2023 annual report of the Company.

Save as aforesaid or otherwise disclosed herein, the Remaining Group did not have any significant investments, material acquisition and disposal of subsidiaries and associated companies during the years ended 31 December 2022, 2023 and 2024.

Employees and Remuneration Policy

As at 31 December 2022, 2023 and 2024, the Remaining Group employed 412, 419 and 420 employees respectively. The Remaining Group remunerated its employees based on their performance, experience and prevailing industry practice; and granted bonus to motivate valued employees. A share option scheme was adopted on 10 December 2012 (which expired on 10 December 2022) for the purpose of providing incentives and rewards to, among others, employees of the Group to recognise their contributions. The Remaining Group provided internal and external training to enrich the knowledge and skills of the employees.

Financial Guarantees

As at 31 December 2022, 2023 and 2024, the Remaining Group did not have any guarantee in existence. As at 31 December 2022, 2023 and 2024, the Remaining Group had contingent liabilities amounting to approximately RMB55 million, RMB9 million and RMB19 million.

Future plans for material investments or capital assets

As at the Latest Practicable Date, the Remaining Group did not have any plans for material investments and capital assets.

The following is the text of a valuation report, prepared for the purpose of incorporation in this document received from Valtech Valuation Advisory Limited, an independent valuer, in connection with its valuation as at 31 December 2024 of the Specified Assets.



Valtech Valuation Advisory Limited

Room 2106, 21/F, Futura Plaza
111–113 How Ming Street, Kwun Tong, Hong Kong
T: +852 2388 9262
F: +852 2388 2727
www.valtech-valuation.com

31 March 2025

The Board of Directors

Golden Wheel Tiandi Holdings Company Limited

Level 33, Golden Wheel International Plaza
No.8 Hanzhong Road
Nanjing City, Jiangsu Province
The People's Republic of China

Dear Sirs/Madams,

1. INSTRUCTIONS

In accordance with the instructions of Golden Wheel Tiandi Holdings Company Limited (the “Company”) to value the property interest (the “Property”) held by Company located in the People's Republic of China (the “PRC”), we confirm that we have conducted site inspection, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the Property as at 31 December 2024 (the “Valuation Date”).

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

2. BASIS OF VALUATION

The valuation is our opinion of the market value (“Market Value”) which we would define as intended to mean the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably prudently and without compulsion.

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

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

3. VALUATION METHODOLOGY

Direct comparison method is adopted based on the principle of substitution, where comparison is made based on prices realized on actual sales and/or asking prices of comparable properties. Comparable properties of similar size, scale, nature, character and location are analysed and carefully weighed against all the respective advantages and disadvantages of each property in order to arrive at a fair comparison of market value.

Direct comparison method is considered to be the most appropriate way to assess the market value of the property when there is sufficient market evidence close to the valuation date with same usage at surrounding location which provide a strong support and reference to the valuation.

4. VALUATION CONSIDERATIONS

In valuing the property interest, we have complied with all the requirements contained in Chapter 5 and Practice Note 12 to the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited and the International Valuation Standards 2024.

5. VALUATION ASSUMPTIONS

Our valuation has been made on the assumption that the Property would be sold in the open market in their existing state, with the benefit of vacant possession, without the benefit of deferred term contract, leaseback, joint venture, management agreement or any similar arrangements which could affect the value of the Property.

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

All dimensions, measurements and areas are approximations. No on-site measurement has been conducted. Appropriate adjustments are made in comparing the relevant costs. We have had no reason to doubt the truth and accuracy of the information provided to us by the Company. We have also sought confirmation from the Company that no material factors have been omitted

from the information supplied. We consider that we have been provided with sufficient information to arrive at an informed view, and have no reason to suspect that any material information has been withheld.

We have also assumed that the Property have been constructed, occupied and used in full compliance with, and without contravention of all ordinances, except only where otherwise stated. We have further assumed that, for any use of the Property upon which this report is based, all required licenses, permit, certificates, and authorisations have been obtained.

6. TITLE INVESTIGATION

We have been shown copies of various documents relating to the Property. However, we have not examined the original documents to verify the existing titles to the Property or any amendment which does not appear on the copies handed to us. We have relied considerably on the information given by the Company's PRC legal advisers, Jiangsu Zhong Mingjing (Zhenjiang) Law Firm (江蘇鐘山明鏡(鎮江)律師事務所), concerning the validity of the titles to the Property.

7. LIMITING CONDITIONS

We have conducted on-site inspections to the Property on February 2025 by Ms Son Liping (宋麗萍)(registered China Real Estate Appraiser).

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

Should it be discovered that contamination, subsidence or other latent defects exists in the Property or on adjoining or neighboring land or that the Property had been or are being put to contaminated use, we reserve right to revise our opinion of value.

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

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

We do not accept a liability for any interpretation which we have placed on such information which is more properly the sphere of the legal advisers of the Company, nor have we verified the correctness of any information supplied to us concerning the Property.

We hereby confirm that Valtech Valuation Advisory Limited and the undersigned have no pecuniary or other interest that could conflict with the property valuation of the Property or could reasonably be regarded as being capable of affecting our ability to give an unbiased opinion.

8. REMARKS

We have valued the property interest in Renminbi (RMB).

We enclose herewith the “Summary of Values” and the “Valuation Details”.

Yours faithfully,
For and on behalf of
Valtech Valuation Advisory Limited

Peggy Y. Y. Lai
MHKIS, MRICS, R.P.S.(GP), BSC
Senior Associate Director

Ms. Peggy Y.Y. Lai is a Registered Professional Surveyor (GP) with over 18 years’ experience in valuation of properties in HKSAR, Macau SAR, United Kingdom, Canada, mainland China and the Asia Pacific Region. Ms. Lai is a Professional Member of The Royal Institution of Chartered Surveyors, a Member of The Hong Kong Institute of Surveyors as well as a Member of China Institute of Real Estate Appraisers and Agents in the PRC.

Encl.

SUMMARY OF VALUES

No.	Property	Fair Value as at 31 December 2024 RMB
1.	The retail portion of Golden Wheel New Metro, 1118 Shuanglong Avenue, Jiangning District, Nanjing City, Jiangsu Province, the PRC	424,000,000
2.	The retail portion of Golden Wheel International Plaza, 8 Hanzhong Road, Gulou District, Nanjing City, Jiangsu Province, the PRC	1,450,000,000
3.	The retail and hotel portion of Golden Wheel Binary Star Plaza, Shuanglong Avenue, Jiangning District, Nanjing City, Jiangsu Province, the PRC	732,700,000
Total		2,606,700,000

VALUATION DETAILS

No.	Property	Description and tenure	Particulars of occupancy	Market Value
				as at 31 December 2024 RMB
1.	The retail portion of Golden Wheel New Metro, 1118 Shuanglong Avenue, Jiangning District, Nanjing City, Jiangsu Province, the PRC	<p>The property comprises a shopping mall located at Levels B1–L4 of the podium of a composite development known as Golden Wheel New Metro completed in around 2014.</p> <p>The total GFA of the property is approximately 18,356.30 sqm.</p> <p>The land use rights of the property have been granted to the Group for a term expiring on 19 July 2049 for commercial use and 19 July 2074 for residential use.</p>	As at the Date of Valuation, according to the tenancy information provided by the Group, portions of the property with gross floor area of approximately 13,300 sq.m. were leased to various tenants at a total monthly rent of about RMB928, 000 with the latest expiring on 10 June 2031 excluding management and property fee while the remaining is vacant.	424,000,000 (Renminbi Four Million and Twenty Four Million Only)

Notes:

- i. Pursuant to a State-owned Land Use Right Certificate - Certificate Ning Jiang Guo Yong (2011) No. 17103, the land use rights of the property with a site area of 9,217.6 sq.m. have been granted to Nanjing Golden Wheel Real Estate Development Company Limited for a term commencing from 19 July 2049 and expiring on 17 July 2074 for commercial and residential uses.
- ii. Pursuant to 6 sets of Building Ownership Certificates, the building ownership of the property are vested in Nanjing Golden Wheel Real Estate Development Company Limited for commercial uses. The details of the certificates are summarized as below:

Reference Number	Unit	GFA (sq.m.)	Usage
Ning–Jiangnan–JN00233145	–101	2,091.78	Commercial
Ning–Jiangnan–JN00233133	101	1,578.61	Commercial
Ning–Jiangnan–JN00233134	102	1,486.71	Commercial
Ning–Jiangnan–JN00233135	201	4,348.8	Commercial
Ning–Jiangnan–JN00233136	301	4,424.69	Commercial
Ning–Jiangnan–JN00233137	401	4,416.71	Commercial
Total:		18,356.30	

- iii. In undertaking our valuation of the property, we have made reference to various market comparable. All comparable are have the same usage with the property (i.e. commercial) and situated in close proximity or similar location to the Property, with offering dates closely aligned to the Valuation Date.

Details of selected comparable are listed below:

Property:	Shop at Golden Wheel Star Centre (金輪星際中心)	Shop at Jin Jiu Hui (金九匯)	Shop at Zhong Shan Sheng Shi (鐘山盛世)
Gross Floor Area (<i>sq.m.</i>):	70.00	116.00	119.81
Offering Price:	RMB3,000,000	RMB6,300,000	RMB5,150,000
Usage:	Retail	Retail	Retail
Unit Rate on GFA (<i>sq.m.</i>):	RMB42,857	RMB54,310	RMB42,985
Total Adjustments:	-6.44%	-25.16%	-1.99%
Adjusted Unit Rate (<i>RMB/m²</i>):	RMB40,095	RMB40,648	RMB42,129

We have compared the factors and made adjustments on asking discount, location, size and condition. Downward adjustment on price as asking discount is made to reflect to negotiation. Location adjustment is made based on transportation condition, pedestrian flow, distance to downtown. A downward adjustment on unit rate is made for increase in size to reflect the marketability and affordability of the total amount, and vice versa. Further discount on the condition is made to reflect the difference between subject property and the comparable on building age, design, grading and decoration.

After making the above due adjustments, the adjusted unit rate at ground floor is at RMB41,000/sq.m..

- iv. We have been provided with a legal opinion by the Group's PRC legal adviser, regarding the legal title of the property, which contains, inter alia, the followings:
- a The property is legally held by Nanjing Golden Wheel Real Estate Development Company Limited;
 - b Nanjing Golden Wheel Real Estate Development Company Limited is entitled to transfer, lease, mortgage or dispose of the property freely in the market;
 - c The property is subject to mortgage with the maximum pledged amount up to RMB140,000,000 up to 31 January 2028; and
 - d The property could be transferred, leased and disposal after obtaining written consent from the mortgagee.

VALUATION DETAILS

No.	Property	Description and tenure	Particulars of occupancy	Market Value
				as at 31 December 2024 RMB
2.	The retail portion of Golden Wheel International Plaza, 8 Hanzhong Road, Gulou District, Nanjing City, Jiangsu Province, the PRC	<p>The property comprises a shopping mall located at levels B1–L5 of the podium of a composite development known as Golden Wheel International Plaza completed in around 2008.</p> <p>The total GFA of the property is approximately 28,055.81 sqm.</p> <p>The land use rights of the property have been granted to the Group for a term expiring on 5 October 2034 for commercial and office uses.</p>	As at the Date of Valuation, according to the tenancy information provided by the Group, portions of the property with gross floor area of approximately 18,400.00 sq.m. were leased to various tenants at a total monthly rent of about RMB2,764,000 with the latest expiring on 2 November 2031 management and property fee while the remaining is vacant.	1,450,000,000 (Renminbi One Billion Four Hundred and Fifty Million Only)

Notes:

- i. Pursuant to 6 sets of State-owned Land Use Right Certificates, the land use rights of the property with total site area of 6,907.5 sq.m. have been granted to Nanjing Jade Golden Wheel Realty Company Limited for a term expiring on 5 October 2034 for commercial and office uses. Details are as below:

Reference Number	Site Area (sq.m.)
Ning Gu Guo Yong (2009) No.11260	260.8
Ning Gu Guo Yong (2009) No.11262	371.8
Ning Gu Guo Yong (2009) No.11263	316.2
Ning Gu Guo Yong (2009) No.11264	5,224.1
Ning Gu Guo Yong (2009) No.11265	358.4
Ning Gu Guo Yong (2009) No.11279	376.2
Total:	6,907.5

- ii. Pursuant to 6 sets of Building Ownership Certificates, the building ownership of the property are vested in Nanjing Jade Golden Wheel Realty Company Limited for commercial uses. The details of the certificates are summarized as below:

Reference Number	Unit	GFA (sq.m.)	Usage
Ning-Gu Chu-358801	-101	5,224.10	Commercial
Ning-Gu Chu-358805	101-102	4,288.89	Commercial
Ning-Gu Chu-358808	201-202	4,861.79	Commercial
Ning-Gu Chu-358809	301-302	5,101.73	Commercial
Ning-Gu Chu-358810	401-402	5,042.21	Commercial
Ning-Gu Chu-358811	501	3,537.09	Commercial
Total:		28,055.81	

- iii. In undertaking our valuation of the Property, we have made reference to various market comparable. All comparable are have the same usage with the property (i.e. commercial) and situated in close proximity or similar location to the Property, with offering dates closely aligned to the Valuation Date.

Details of selected comparable are listed below:

Property:	Shop at Chang Jiang Hua Fu (長江華府)	Shop at Lamb Skin Lane (羊皮巷)	Shop at Yin Cheng Hui (銀城匯)	Shop at Guangzhou Road (廣州路)
Gross Floor Area:	145.77	105.00	80.00	160.00
Offering Price:	RMB12,300,000	RMB15,800,000	RMB10,800,000	RMB14,800,000
Usage:	Retail	Retail	Retail	Retail
Unit Rate on GFA (<i>sq.m.</i>):	RMB84,380	RMB150,476	RMB135,000	RMB92,500
Total Adjustments:	15.83%	-28.00%	-19.00%	8.00%
Adjusted Unit Rate (<i>RMB/m²</i>):	RMB97,737	RMB108,343	RMB109,350	RMB99,900

We have compared the factors and made adjustments on asking discount, location, size and condition. Downward adjustment on price as asking discount is made to reflect to negotiation. Location adjustment is made based on transportation condition, pedestrian flow, distance to downtown. A downward adjustment on unit rate is made for increase in size to reflect the marketability and affordability of the total amount, and vice versa. Further discount on the condition is made to reflect the difference between subject property and the comparable on building age, design, grading and decoration.

After making the above due adjustments, the adjusted unit rate at ground floor is at RMB104,000/sq.m..

- iv. We have been provided with a legal opinion by the Group's PRC legal adviser, regarding the legal title of the property, which contains, inter alia, the followings:
- a The property is legally held by Nanjing Jade Golden Wheel Realty Company Limited;
 - b Nanjing Jade Golden Wheel Realty Company Limited is entitled to transfer, lease, mortgage or dispose of the property freely in the market;
 - c The property is subject to two mortgages with the maximum permitted debt amount up to RMB350,000,000 and RMB230,000,000 both up to 9 October 2030; and
 - d The property could be transferred, leased and disposal after obtaining written consent from the mortgagee.

VALUATION DETAILS

No.	Property	Description and tenure	Particulars of occupancy	Market Value
				as at 31 December 2024 RMB
3.	The retail and hotel portion of Golden Wheel Binary Star Plaza, Shuanglong Avenue, Jiangning District, Nanjing City, Jiangsu Province, the PRC	<p>The property comprises a shopping mall located at levels B1–L4 and a hotel at levels L4–L16 (except for lobby at level 1) of a composite development known as Golden Wheel Binary Star Plaza completed in around 2019.</p> <p>The total GFA of the property is approximately 35,881.09 sqm.</p> <p>The land use rights of the property have been granted to the Group for a term expiring on 15 November 2053 for hotel use.</p>	As at the Date of Valuation, according to the tenancy information provided by the Group, portions of shopping mall of the property with gross floor area of approximately 11,700 sq.m. were leased to various tenants at a total monthly rent of about RMB457,100 with the latest expiring on 31 October 2034 excluding management and property fee while the remaining is vacant.	<p>732,700,000 (Renminbi Seven Hundred Thirty Two Million and Seven Hundred Thousand Only)</p> <p><i>Breakdown:</i> <i>Retail Portion:</i> 497,000,000</p> <p><i>Hotel Portion:</i> 235,700,000</p>

Notes:

- Pursuant to the State-owned Land Use Right Certificate – Ning Jiang Guo Yong (2013) No.40885, the land use rights of the property with total site area of 9,588.20 sq.m. have been granted to Nanjing Pearl Golden Wheel Real Estate Development Company Limited for a term expiring on 15 November 2053 for hotel use.
- Pursuant to the Building Ownership Certificate – Su (2020) Ning Jiang No.0008840, the building ownership of the property with total gross floor area of 35,881.09 sq.m. are vested in Nanjing Pearl Golden Wheel Real Estate Development Company Limited for commercial service (hotel) use.
- In undertaking our valuation of the Property, we have made reference to various market comparable. All comparable are have the same usage with the property (i.e. commercial or serviced apartment) and situated in close proximity or similar location to the Property, with offering dates closely aligned to the Valuation Date.

Details of selected comparable are listed below:

Commercial:

Property:	Shop at Wanke Xing Yao Du Hui (萬科星耀都匯)	Shop at Zhong Shan Sheng Shi (鐘山盛世)	Shop at Jin Yu Lan Wan (金城藍灣)
Gross Floor Area:	76.94	119.81	365.00
Offering Price:	RMB3,650,000	RMB5,150,000	RMB16,000,000
Usage:	Commercial (retail)	Commercial (retail)	Commercial (retail)
Unit Rate on GFA (<i>sq.m.</i>):	RMB47,440	RMB42,985	RMB43,836
Total Adjustments:	2.06%	6.92%	2.06%
Adjusted Unit Rate (<i>RMB/m²</i>):	RMB48,417	RMB45,959	RMB44,739

We have compared the factors and made adjustments on asking discount, location, size and condition. Downward adjustment on price as asking discount is made to reflect to negotiation. Location adjustment is made based on transportation condition, pedestrian flow, distance to downtown. A downward adjustment on unit rate is made for

increase in size to reflect the marketability and affordability of the total amount, and vice versa. Further discount on the condition is made to reflect the difference between subject property and the comparable on building age, design, grading and decoration.

Hotel (Apartment)

Address	Apartment at Zhong Liang Yue Tian Di (中樞悅天地)	Apartment at Zhong Hai Long Wan U-live (中海龍灣U-live)	Apartment at Golden Wheel Star Centre (金輪星際中心)
Gross Floor Area:	74.57	39.00	45.00
Offering Price:	RMB550,000	RMB470,000	RMB492,000
Usage:	Commercial (apartment)	Commercial (apartment)	Commercial (apartment)
Unit Rate on GFA:	RMB7,376	RMB12,051	RMB10,933
Total Adjustments:	-2.80%	-19.00%	-19.00%
Adjusted Unit Rate (RMB/m ²)	RMB7,170	RMB9,762	RMB8,856

We have compared the factors and made adjustments on asking discount, location, size and condition. Downward adjustment on price as asking discount is made to reflect to negotiation. Location adjustment is made based on transportation condition, convenience of commercial service, distance to downtown. A downward adjustment on unit rate is made for increase in size to reflect the marketability and affordability of the total amount, and vice versa. Further discount on the condition is made to reflect the difference between subject property and the comparable on building age, design, grading, decoration and environmental condition.

After making the above due adjustments, the adjusted unit rates are RMB46,000 per sq.m. for retail and RMB9,000 per sq.m. for serviced apartment (hotel)

- iv. We have been provided with a legal opinion by the Group's PRC legal adviser, regarding the legal title of the property, which contains, inter alia, the followings:
 - a The property is legally held by Nanjing Pearl Golden Wheel Realty Company Limited;
 - b Nanjing Pearl Golden Wheel Realty Company Limited is entitled to transfer, lease, mortgage or dispose of the property freely in the market; and
 - c The property is free from any mortgages or third parties' encumbrances.

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 inquiries, 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. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, and save as those disclosed in the Company's annual results announcement for the year ended 31 December 2024, specifically (i) under the pressures of declines in cash recovery rates, debt maturity and a significant decrease in contracted sales in 2024, the Group has to relieve cash flow pressure through price-off promotions, assets sales and debt restructuring leading to total contracted sales of approximately RMB641.7 million for the year ended 31 December 2024 (2023: 940.7 million); (ii) revenue decreased by approximately 66.6% from approximately RMB2,387.5 million for the year ended 31 December 2023 to approximately RMB796.4 million for the year ended 31 December 2024, primarily due to the decrease in revenue generated from property sales; and (iii) for the year ended 31 December 2024, the Group recorded a fair value loss on investment properties of RMB468.2 million (2023: RMB133.2 million) mainly caused by the decrease of rental income generated by the Group's existing operating investment properties and the falling market price, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2024, being the date to which the latest published audited accounts of the Group were made up.

3. DISCLOSURE OF INTERESTS**(a) Interest of Directors**

As of the Latest Practicable Date and in accordance with the records of the Company maintained in accordance with the SFO and the Listing Rules, the interests and short positions of the Directors or chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, including interests and short positions which the Directors and the chief executives of the Company are taken and deemed to have under such provisions of the SFO, or which are required to be and are recorded in the register required to be kept under Section 352 of the SFO or as otherwise

notified to the Company and the Stock Exchange pursuant to the Model Code are as follows:

Long positions in the Shares:

Name of Director	Capacity/ Nature of interest	Number of Shares	Approximate % of the total issued share capital of the Company ⁽¹⁾
Wong Yam Yin ^(Note 2)	Interest of a controlled corporation	706,785,600	39.29%
Wong Kam Fai	Interest of a controlled corporation ^(Note 2)	706,785,600	39.29%
	Beneficial owner ^(Note 3)	29,690,000	1.65%
	Total:	736,475,600	40.94%
Wong Kam Keung, Barry	Interest of a controlled corporation ^(Note 2)	706,785,600	39.29%
	Beneficial owner ^(Note 3)	29,690,000	1.65%
	Total:	736,475,600	40.94%
Tjie Tjin Fung ^(Note 4)	Interest of a controlled corporation	80,268,950	4.46%
Suwita Janata ^(Note 5)	Interest of a controlled corporation/Interest of spouse	128,539,400	7.14%
Gunawan Kiky ^(Note 6)	Interest of a controlled corporation	86,360,950	4.80%

Notes:

- (1) The calculation is based on the total number of 1,799,020,000 Shares in issue as at the Latest Practicable Date.

- (2) Shares owned by Mr. Wong Yam Yin, Ms. Hung So Ling, Mr. Wong Kam Fai and Mr. Wong Kam Keung, Barry consist of 706,785,600 shares held by Golden Wheel Realty Company Limited, a company controlled by Mr. Wong Yam Yin and his family (the “**Wong Family**”). Mr. Wong Yam Yin and Ms. Hung So Ling are husband and wife. Mr. Wong Kam Fai and Mr. Wong Kam Keung, Barry are sons of Mr. Wong Yam Yin and Ms. Hung So Ling.
- (3) Shares are jointly owned by Mr. Wong Kam Fai and Mr. Wong Kam Keung, Barry.
- (4) Shares owned by Mr. Tjie Tjin Fung consist of 80,268,950 shares held by Chun Hung Investments Limited, a company owned by Mr. Tjie Tjin Fung and his family.
- (5) Shares owned by Mr. Suwita Janata consist of (i) 80,268,950 shares held by Golden Era Forever Holding Company Limited, a company wholly owned by Mr. Suwita Janata, and (ii) 48,270,450 shares held by Golden Joy Forever Holding Company Limited, a company wholly owned by Ms. Julia Oscar. Mr. Suwita Janata is the husband of Ms. Julia Oscar and a brother-in-law of Mr. Wong Yam Yin.
- (6) Shares owned by Mr. Gunawan Kiky consist of (i) 80,268,950 shares held by Fire Spark Holdings Limited, a company owned by Mr. Gunawan Kiky and his family, and (ii) 6,092,000 shares held by Mr. Gunawan Kiky.

Interests in debentures of the Company

Name of Director	Capacity/Nature of Interest	Currency of Debentures	Aggregate amount of debentures bought	Amount of debentures in same class in issue
Wong Yam Yin	Interest of a controlled corporation ^(Note 1)	US\$	1,976,760	466,662,503
	Beneficial owner ^(Note 2)	US\$	<u>12,495,169</u>	466,662,503
		Total	<u><u>14,471,929</u></u>	
Wong Kam Fai	Interest of a controlled corporation ^(Note 1)	US\$	1,976,760	466,662,503
	Beneficial owner ^(Note 2)	US\$	<u>12,495,169</u>	466,662,503
		Total	<u><u>14,471,929</u></u>	

Name of Director	Capacity/Nature of Interest	Currency of Debentures	Aggregate amount of debentures bought	Amount of
				debentures in same class in issue
Wong Kam Keung, Barry	Interest of a controlled corporation ^(Note 1)	US\$	1,976,760	466,662,503
	Beneficial owner ^(Note 2)	US\$	<u>12,495,169</u>	466,662,503
		Total	<u>14,471,929</u>	
Suwita Janata	Beneficial owner	US\$	215,333	466,662,503
Gunawan Kiky	Beneficial owner	US\$	4,385,999	466,662,503

Notes:

- (1) These debentures in a sum of US\$1,976,760 are held by Golden Wheel Realty Company Limited, a company controlled by the Wong Family.
- (2) These debentures are jointly owned by the Wong Family.

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

(b) Substantial Shareholders

As at the Latest Practicable Date, so far as was known to the Directors and chief executive of the Company, the following person, other than a Director or chief executive of the Company, had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in

5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

Long position in the Shares

Name of shareholder	Capacity/Nature of interest	Number of Shares	Approximate % of the total issued share capital of the Company ⁽¹⁾
Golden Wheel Realty Company Limited ⁽²⁾	Beneficial owner	706,785,600	39.29%
Hung So Ling ⁽²⁾	Interest of a controlled corporation/Interest of spouse	706,785,600	39.29%
Oscar Julia ⁽³⁾	Interest of a controlled corporation/Interest of spouse	128,539,400	7.14%

Notes:

- (1) The calculation is based on the total number of 1,799,020,000 Shares in issue as at the Latest Practicable Date.
- (2) Shares owned by Mr. Wong Yam Yin, Ms. Hung So Ling, Mr. Wong Kam Fai and Mr. Wong Kam Keung, Barry consist of 706,785,600 shares held by Golden Wheel Realty Company Limited, a company controlled by the Wong Family. Mr. Wong Yam Yin and Ms. Hung So Ling are husband and wife. Mr. Wong Kam Fai and Mr. Wong Kam Keung, Barry are sons of Mr. Wong Yam Yin and Ms. Hung So Ling.
- (3) Shares owned by Ms. Julia Oscar consist of (i) 48,270,450 shares held by Golden Joy Forever Holding Company Limited, a company wholly owned by Ms. Julia Oscar, and (ii) 80,268,950 shares held by Golden Era Forever Holding Company Limited, a company wholly owned by Mr. Suwita Janata. Ms. Julia Oscar is the wife of Mr. Suwita Janata and the younger sister of Mr. Wong Yam Yin.

Save as disclosed above, as at the Latest Practicable Date, so far as is known to the Directors or chief executive of the Company, no person (other than a Director or chief executive of the Company) had, or was taken or deemed to have interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

4. DIRECTORS' SERVICE CONTRACTS

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

5. DIRECTORS' INTEREST IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors or their respective close associate is or was interested in any business apart from the Group's business, that competes or is likely to compete, either directly or indirectly, with the Group's business.

6. INTEREST IN ASSETS OR CONTRACTS

As at the Latest Practicable Date, there is no contract or arrangement subsisting in which any of the Directors is materially interested and which is significant in relation to the business of the Group.

As at the Latest Practicable Date, none of the Directors had any direct or indirect interests in any assets which had been, since 31 December 2024, the date of which the latest published audited consolidated financial statements of the Group were made up, acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

7. LITIGATION

As at the Latest Practicable Date, and to the best of the knowledge of the Directors (i) the Group continues to be in cross-default of certain bank loans (as discussed in note 1 contained in the annual results announcement of the Group for the year ended 31 December 2024) but such banks have not demanded immediate repayment of these bank loans or otherwise waivers have been obtained by the Group from the relevant banks; and (ii) the Existing Notes continue to be in default but the Existing Notes holders have not exercised their rights to require immediate redemption of the Existing Notes or payment of interest.

As at the Latest Practicable Date, and except as noted above, no 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 by or against any member of the Group.

8. EXPERTS

The following are the qualifications of the experts or professional advisers who have given opinion or advice contained in this circular:

Name	Qualification
INCU Corporate Finance Limited	A corporation licensed to carry out Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser
Prism Hong Kong Limited	Certified Public Accountants under the Professional Accountants Ordinance (Cap. 50 of the Laws of Hong Kong) and Registered Public Interest Entity Auditor under the Accounting and Financial Reporting Council Ordinance (Cap. 588 of the Laws of Hong Kong)
Valtech Valuation Advisory Limited	Independent valuer

Each of the above experts has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter, advice, report and/or references to its names, in the form and context in which they are respectively included. The letter from each of the above experts is given as at the date of this circular for incorporation in this circular.

As at the Latest Practicable Date, each of the above experts did not have any shareholding in any members of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group, nor did it have any interest, direct or indirect, in any assets which had, since 31 December 2024, the date of which the latest published audited consolidated financial statements of the Group were made up, been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

9. MATERIAL CONTRACTS

Save for the RSA, the Company and its subsidiaries have not entered into any material contracts (being contracts not entered into in the ordinary course of business) within two years immediately preceding the Latest Practicable Date.

10. MISCELLANEOUS

- (a) The headquarters of the Company is located at 33/F, Golden Wheel International Plaza, No. 8, Hanzhong Road, Nanjing, China. The registered office of the Company is located at Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The place of business of the Company in Hong Kong is located at Flat 712, 7/F, Block B Sea View Estate, 8 Watson Road, Fortress Hill, Hong Kong.
- (b) Ms. Li On Lok (李安樂女士) was appointed as the Company's company secretary on 1 November 2022. Ms. Li is an associate member of The Hong Kong Chartered Governance Institute, a member of The Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants.
- (c) The branch share registrar and transfer office of the Company is Computershare Hong Kong Investor Services Limited, Shops 1712–1716, 17/F, Hopewell Centre, No. 183 Queen's Road East, Wanchai, Hong Kong.
- (d) This circular is prepared in both English and Chinese. In the event of inconsistency, the English text of this circular shall prevail over the Chinese text.

11. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Company (<https://www.gwtd.com.hk>) and the Stock Exchange (www.hkexnews.hk) from the date of this circular for at least 14 days and including the date of the AGM:

- (a) the annual reports of the Company for each of the years ended 31 December 2022 and 2023;
- (b) annual results announcement of the Company for the year ended 31 December 2024;
- (c) the material contracts referred to in the sub-section headed “9. Material Contracts” in this appendix;
- (d) the written consents of the experts as referred to in the sub-section headed “8. Experts” in this appendix;
- (e) the letter from the Independent Board Committee, the text of which is set out on pages 49 to 50 of this circular;
- (f) the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, the text of which is set out on pages 51 to 97 of this circular;

- (g) the report on review of the financial information of the Issuer Group, the text of which is set out in Appendix IV to this circular;
- (h) the report on the unaudited pro forma financial information of the Remaining Group, the text of which is set out in Appendix V to this circular;
- (i) the Valuation Report, the text of which is set out in Appendix VII to this circular; and
- (j) this circular.

NOTICE OF ANNUAL GENERAL MEETING



GOLDEN WHEEL TIANDI HOLDINGS COMPANY LIMITED

金輪天地控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1232)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting (the “**AGM**”) of Golden Wheel Tiandi Holdings Company Limited (the “**Company**”) will be held at Units 1203B, 1204–1205, 12/F, World-Wide House, 19 Des Voeux Road Central, Central, Hong Kong at 10:30 a.m. on Friday, 16 May 2025 for the purpose of considering and, if thought fit, passing with or without amendments, the following resolutions as ordinary resolutions. Unless otherwise stated, capitalised terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 31 March 2025 (the “**Circular**”):

ORDINARY RESOLUTIONS

1. To receive, consider and adopt the audited consolidated financial statements of the Company and its subsidiaries, the directors’ report and the auditor’s report for the year ended 31 December 2024.
2. (a) To re-elect the following persons as directors of the Company (“**Directors**”), each as a separate resolution:
 - (i) to re-elect Mr. Suwita Janata as a non-executive Director;
 - (ii) to re-elect Mr. Li Sze Keung as an independent non-executive Director;
 - (iii) to re-elect Ms. Wong Lai Ling as an independent non-executive Director;
and
 - (iv) to re-elect Mr. Chan Chi Wai as an independent non-executive Director.
- (b) To authorise the board of Directors (the “**Board**”) to fix the remuneration of the Directors for the year ending 31 December 2025.
3. To re-appoint Prism Hong Kong Limited as auditor of the Company for the ensuing year and to authorise the Board to fix its remuneration.

NOTICE OF ANNUAL GENERAL MEETING

4. “**THAT:**

- (a) subject to paragraph (c) of this resolution below, the exercise by the Directors during the Relevant Period (as defined in paragraph (c) of resolution No. 5 below) of all powers of the Company to issue, allot and deal with additional shares in the capital of the Company (the “**Shares**”) (including any sale or transfer of Treasury Shares out of treasury) and to make or grant offers, agreements and options (including bonds and debentures/securities convertible into Shares) which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution above shall authorise the Directors during the Relevant Period (as defined in paragraph (c) of resolution No. 5 below) to make or grant offers, agreements and options (including bonds and debentures/securities convertible into Shares) to subscribe for Shares which would or might require the exercise of such power after the end of the Relevant Period (as defined in paragraph (c) of resolution No. 5 below);
- (c) the aggregate number of Shares issued, allotted and dealt with and agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as defined hereinafter), or (ii) the exercise of the rights of subscription or conversion under the terms of any securities of the Company which carry the right to subscribe or are convertible into Shares, or (iii) the exercise of options which may be granted under any share option scheme of the Company, or (iv) an issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company from time to time, shall not exceed 20% of the total number of Shares in issue (excluding Treasury Shares) as at the date of the passing of this resolution provided that if any subsequent consolidation or subdivision of Shares is effected, the maximum number of Shares that may be issued pursuant to the approval in paragraph (a) above as a percentage of the total number of issued Shares immediately before and after such consolidation or subdivision shall be the same and such maximum number of Shares shall be adjusted accordingly; and

“**Rights Issue**” means an offer of Shares open for a period fixed by the Directors to holders of Shares or any class of shares (other than any holders of Treasury Shares) on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, or in any territory applicable to the Company).”

NOTICE OF ANNUAL GENERAL MEETING

5. “**THAT:**

- (a) subject to paragraph (b) of this resolution below, the exercise by the Directors during the Relevant Period (as defined in paragraph (c) of this resolution below) of all powers of the Company to repurchase securities of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of Shares repurchased by the Company pursuant to paragraph (a) of this resolution above during the Relevant Period (as defined in paragraph (c) of this resolution below) shall not exceed 10% of the total number of Shares in issue (excluding Treasury Shares) as at the date of passing of this resolution provided that if any subsequent consolidation or subdivision of Shares is effected, the maximum number of Shares that may be purchased pursuant to the approval in paragraph (a) above as a percentage of the total number of issued Shares immediately before and after such consolidation or subdivision shall be the same and such maximum number of Shares shall be adjusted accordingly; and
- (c) for the purpose of resolutions No. 4 and 5, “**Relevant Period**” means the period from the passing of resolutions No. 4 and 5 until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company; or
 - (ii) the revocation or variation of resolutions No. 4 or 5 by an ordinary resolution of shareholders of the Company in general meeting.”

6. “**THAT** conditional upon resolutions No. 4 and 5 above being passed, the total number of Shares which shall have been repurchased by the Company under the authority granted to the Directors as mentioned in resolution No. 5 above (up to the maximum of 10% of the total number of issued Shares (excluding Treasury Shares) as stated in resolution No. 5 above) shall be added to the total number of Shares that may be allotted, issued or otherwise dealt with, or agreed conditionally and unconditionally to be allotted, issued or otherwise dealt with, by the Directors pursuant to resolution No. 4 above.”

NOTICE OF ANNUAL GENERAL MEETING

7. **“THAT:**

- (a) the RSA (including the Term Sheet) and the transactions contemplated thereunder be and are hereby unconditionally approved, confirmed and ratified in all respects;
- (b) the proposed issue of the New Notes and the transactions contemplated thereunder, the details of which are set out in the Circular, be and are hereby unconditionally approved and confirmed;
- (c) the proposed Management Service Agreements and the transactions contemplated thereunder (including the provision of the Performance Guarantee), the details of which are set out in the Circular, be and are hereby unconditionally approved and confirmed;
- (d) conditional upon the Stock Exchange granting the listing of, and permission to deal in the New Shares, the Directors be and hereby granted a specific mandate to allot and issue the New Shares, the details of which are set out in the Circular, such specific mandate being additional to and not prejudicing or revoking any general or specific mandate(s) which has/have been from time to time be granted to the Directors by the Shareholders;
- (e) the Transfer and the transactions contemplated thereunder, the details of which are set out in the Circular, be and are hereby unconditionally approved and confirmed; and
- (f) any one Director be and is hereby authorised to do all such things and acts and sign, ratify or execute all documents (whether under common seal or not) which he/she considers necessary, desirable or expedient to implement or to give effect to any matters relating to the RSA (including the Term Sheet), the issue of New Notes, the Property Management Agreements (including the provision of the Performance Guarantee), the issue of New Shares, the Transfer and the transactions contemplated thereunder, and to agree to such variations, amendments or waivers as are, in his/her opinion, in the interests of the Company and its shareholders.”

NOTICE OF ANNUAL GENERAL MEETING

8. “**THAT** subject to and conditional upon (i) the compliance with all relevant procedures and requirements under the laws of the Cayman Islands (where applicable) and the Listing Rules to effect the Share Consolidation (as defined below), and (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares (as defined below) arising from the Share Consolidation, with effect from the second Business Day immediately following the day of passing of this resolution, being a day on which the shares of the Company are traded on the Stock Exchange:
- (a) every five (5) existing issued and unissued ordinary shares of par value of US\$0.01 each in the authorised share capital of the Company (the “**Share(s)**”) be consolidated into one (1) ordinary share of par value of US\$0.10 each (the “**Consolidated Share(s)**”) and such Consolidated Share(s) shall rank *pari passu* in all respects with each other and have the rights and privileges and be subject to the restrictions in respect of ordinary shares contained in the memorandum and articles of association of the Company (the “**Share Consolidation**”);
 - (b) all fractional Consolidated Shares resulting from the Share Consolidation will be disregarded and will not be issued to holders of the same but all such fractional Consolidated Shares will be aggregated and, if possible, sold and retained for the benefit of the Company in such manner and on such terms as the Directors may think fit; and
 - (c) any one Director be and hereby authorised to approve, sign and execute such documents and do and/or procure to be done any and all acts, deeds and things which in his/her opinion may be necessary, desirable or expedient to effect and implement this resolution.”

On behalf of the Board
Golden Wheel Tiandi Holdings Company Limited
Wong Yam Yin
Chairman

Hong Kong, 31 March 2025

Registered Office:

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Place of Business in Hong Kong:

Flat 712, 7/F, Block B
Sea View Estate
8 Watson Road
Fortress Hill
Hong Kong

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (1) A member of the Company entitled to attend and vote at the AGM is entitled to appoint in written form one or, if he is the holder of two or more Shares, more proxy(ies) to attend and vote instead of him. A proxy need not be a member of the Company.
- (2) In order to be valid, the instrument appointing a proxy must be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer or attorney duly authorised to sign the same, and must be delivered to the office of the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, not less than forty-eight (48) hours before the time appointed for holding the AGM (i.e. by 10:30 a.m. on Wednesday, 14 May 2025) or any adjournment thereof.
- (3) For determining the entitlement of the Shareholders to attend and vote at the AGM, the register of members will be closed from Tuesday, 13 May 2025 to Friday, 16 May 2025 (both days inclusive) during which period no transfer of shares will be registered. In order to be eligible for attending and voting at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 12 May 2025.
- (4) Completion and return of the form of a proxy shall not preclude a member of the Company from attending and voting at the AGM or any adjournment thereof.
- (5) In the case of joint holders of Shares, any one of such persons may vote at the AGM, either personally or by proxy, in respect of such Shares as if he was solely entitled thereto, but if more than one of such joint holders are present at the meeting in person or by proxy, that one of the said persons so present whose names stands first on the register of members of the Company in respect of such Share shall alone be entitled to vote in respect thereof.
- (6) With regard to resolution No. 4 above, the Directors wish to state that they have no immediate plans to issue any new Shares pursuant to the general mandate to be granted under resolution No. 4 above.
- (7) If Typhoon Signal No. 8 or above, or a “black” rainstorm warning or “extreme conditions” announced by the Government of Hong Kong is/are in effect any time after 8:00 a.m. on the date of the AGM, the meeting will be postponed. The Company will publish an announcement on the website of the Company at <https://www.gwt.com.hk> and on the website of the Stock Exchange at www.hkexnews.hk to notify Shareholders of the date, time and venue of the rescheduled meeting.
- (8) References to time and dates in this notice are to Hong Kong time and dates.
- (9) In case of discrepancy between the English version and the Chinese version of this notice of the AGM, the English version shall prevail.

As at the date of this notice, the Board comprises Mr. Wong Yam Yin, Mr. Wong Kam Fai, Mr. Wong Kam Keung, Barry and Mr. Tjie Tjin Fung as Executive Directors; Mr. Suwita Janata and Mr. Gunawan Kiky as Non-Executive Directors; Mr. Wong Cho Kei, Bonnie, Mr. Li Sze Keung, Mr. Chan Chi Wai and Ms. Wong Lai Ling as Independent Non-Executive Directors.