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, bank manager, solicitor, professional accountant, or other professional advisers.

If you have sold or transferred all your shares in Global Tech (Holdings) Limited, you should at once hand this circular and the accompanying proxy form to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Global Tech (Holdings) Limited has a primary listing on The Stock Exchange of Hong Kong Limited and a secondary listing on the Singapore Exchange Securities Trading Limited. Shareholders should take note that as The Stock Exchange of Hong Kong Limited is the principal stock exchange on which the shares are listed and the Singapore Exchange Securities Trading Limited is the secondary stock exchange on which the shares are listed, the Company is not required to observe the continuing listing requirements of the Singapore Exchange Securities Trading Limited, provided that (i) it undertakes to release information to the Singapore Exchange Securities Trading Limited and the Singapore shareholders at the same time as such information is required to be released to The Stock Exchange of Hong Kong Limited and the Singapore Exchange Securities Trading Limited and the shareholders in Hong Kong; (ii) it informs the Singapore Exchange Securities Trading Limited of any issue of additional securities in a class already listed on the Singapore Exchange Securities Trading Limited and the decision of The Stock Exchange of Hong Kong Limited; and (iii) comply with such other listing rules as may be applied by the Singapore Exchange Securities Trading Limited from time to time.

GLOBAL TECH (HOLDINGS) LIMITED
耀科國際（控股）有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 143)

VERY SUBSTANTIAL ACQUISITION

Financial adviser to the Company

ALTUS CAPITAL LIMITED

A letter from the Board is set out on pages 5 to 18 of this circular. A notice convening the EGM of the Company to be held at Gloucester Room I, 3/F, The Excelsior Hotel, 281 Gloucester Road, Causeway Bay, Hong Kong on Wednesday, 22 March 2017 at 11:00 a.m. is set out on pages 91 to 92 of this circular.

A form of proxy is also enclosed. Whether or not you intend to attend the meeting, you are advised to complete the form of proxy attached to the notice of the EGM in accordance with the instructions printed thereon and return the same to (i) the Company's head office and principal place of business in Hong Kong at Room 2903 Prosperity Place, 6 Shing Yip Street, Kwun Tong, Kowloon, Hong Kong if you are Shareholders in Hong Kong; or (ii) the office of the Company's share transfer agent in Singapore, Boardroom Corporate & Advisory Services Pte. Ltd. (formerly known as Lim Associates (Pte) Ltd) at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 if you are Shareholders in Singapore, as soon as possible and in any event not later than 48 hours before the time appointed for holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting should you so wish.

3 March 2017

* *For identification purpose only*

CONTENTS

DEFINITIONS

In this circular, unless the context requires otherwise, the expressions as stated below will have the following meanings:–

"Altus Capital"	Altus Capital Limited, a corporation licensed to carry out Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO, being the financial adviser to the Company
"Acquisition"	acquisition of the Sale Share and the benefit of the Target Company Shareholder Loan pursuant to the Sale and Purchase Agreement
"Announcement"	announcement dated 26 January 2017 regarding the (i) very substantial acquisition; and (ii) proposed Rights Issue
"associates"	has the meaning ascribed thereto under the Listing Rules
"Board"	the board of Directors
"Business Day"	a day (other than a Saturday and Sunday) on which banks are generally open for business more than five hours in Hong Kong
"Companies Ordinance"	the Companies Ordinance, Chapter 622 of the Laws of Hong Kong (as amended from time to time)
"Company"	Global Tech (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability and the Shares of which have a primary listing on the Main Board of the Stock Exchange and a secondary listing on the SGX-ST
"Completion"	the completion of the Acquisition
"Consideration"	the consideration in the aggregate sum of HK$318,000,000 (subject to adjustments) to be paid by the Purchaser to the Vendor for the Acquisition
"Controlling Shareholder" or "Road Shine"	Road Shine Developments Limited, a company incorporated in the British Virgin Islands with limited liability and the controlling Shareholder of the Company
"Directors"	director(s) of the Company

"EGM"	the extraordinary general meeting of the Company to be convened to consider and, if thought fit, to approve the Acquisition
''Enlarged Group''	the Group after Completion
"Group"	the company together with its subsidiaries from time to time
''Independent Property Valuer''	Jones Lang LaSalle Limited
"Independent Third Parties"	person(s) or company(ies) who/which is/are not connected with the Company and its connected persons (as defined under the Listing Rules)
"Irrevocable Undertaking(s)"	the irrevocable undertakings given by the Controlling Shareholder (i) to the Company to subscribe for the maximum number of Shares permitted under the Rights Issue; and (ii) to the Company to vote in favour of the ordinary resolution approving the Acquisition at the EGM, both dated 26 January 2017
"Latest Practicable Date"	1 March 2017, being the latest practicable date prior to the printing of this circular for ascertaining certain information herein
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Long Stop Date"	24 March 2017, being the long stop date of the Sale and Purchase Agreement
"New Shareholder's Loan"	the unsecured and interest-free Shareholder's loan amounting to HK$286,200,000 to be granted to the Company by the Controlling Shareholder before the EGM
"PRC"	People's Republic of China
"Property"	the property being the whole of the 15th Floor of Tower II, Admiralty Centre, No. 18 Harcourt Road, Hong Kong, which is legally and beneficially owned by the Target Company
"Purchaser"	Capital Ring Enterprises Limited, a company incorporated in British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company

"Purchaser's Solicitors"	Robertsons or such other firm of Hong Kong solicitors which the Purchaser may from time to time notify to the Vendor in writing as having been appointed to represent the Purchaser in the Acquisition
''Rights Issue''	the proposed issue of one (1) rights Share for every two (2) existing Shares held on the record date at the subscription price of HK$0.170 per rights Share on the terms and subject to the conditions set out in the Underwriting Agreement
"Sale and Purchase Agreement"	the sale and purchase agreement dated 26 January 2017 (after trading hours) entered into between the Purchaser and the Vendor in relation to the Acquisition
"Sale Share"	one (1) share legally and beneficially owned by the Vendor, representing the entire issued share capital of the Target Company as at the date of Completion
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"SGX-ST"	Singapore Exchange Securities Trading Limited
"Share(s)"	ordinary share(s) of HK$0.010 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscription Price"	HK$0.170 per Rights Share under the Rights Issue
"Target Company"	Eagle Faith Investments Limited (鷹信投資有限公司), a company incorporated under the laws of Hong Kong and registered as a Hong Kong company
"Target Company Shareholder Loan"	the sum as at the Completion being advanced by the Vendor to the Target Company by way of shareholder's loan
"Undertaken Shares"	1,374,605,446 Rights Shares agreed to be taken up by Road Shine pursuant to an Irrevocable Undertaking

"Underwriter"	Yicko Securities Limited, a licensed corporation to carry out business in Type 1 (dealing in securities) regulated activity under the SFO, the underwriter of the Rights Issue
"Underwriting Agreement"	the underwriting agreement dated 26 January 2017 and entered into between the Company and the Underwriter in relation to the Rights Issue
"Vendor"	First Choice Properties Limited, a company incorporated under the laws of British Virgin Islands and registered as a Hong Kong company
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"%"	per cent.

GLOBAL TECH (HOLDINGS) LIMITED
耀科國際（控股）有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 143)

Executive Directors:
Mr. HUANG Zhen Qian
Mr. SO Haw Herman

Non-executive Directors:
Mr. DU Jun *(Chairman)*
Mr. LI Xiang Yu
Mr. CUI Ming Hong
Mr. YANG Li Ming

Independent Non-executive Directors:
Mr. WONG Chun Man
Mr. TSE Yung Hoi
Mr. NG Man Kung

Registered office:
P.O. Box 309
Ugland House
George Town
Grand Cayman KY1-1104
Cayman Islands

Head office and principal place of business in Hong Kong:
Room 2903, Prosperity Place
6 Shing Yip Street
Kwun Tong, Kowloon
Hong Kong

3 March 2017

To the Shareholders

Dear Sir or Madam,

VERY SUBSTANTIAL ACQUISITION

INTRODUCTION

Reference is made to the Announcement dated 26 January 2017, the Purchaser (being a wholly-owned subsidiary of the Company) entered into the Sale and Purchase Agreement with the Vendor on 26 January 2017 (after trading hours), pursuant to which the Purchaser has conditionally agreed to acquire the Sale Share in the Target Company, representing its entire issued share capital, and the benefit of the Target Company Shareholder Loan at the Consideration of HK$318,000,000. Upon Completion, the Purchaser will hold 100% of the equity interest in the Target Company and the Target Company will become a wholly-owned subsidiary of the Company.

As one or more of the applicable percentage ratios set forth under Rule 14.07 of the Listing Rules in respect of the Acquisition exceed(s) 100%, the Acquisition constitutes a very substantial acquisition of the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement and shareholders' approval requirements.

* *For identification purpose only*

As no Shareholder has any material interest in the Acquisition and none of the Vendor or its associates holds any Share as at the Latest Practicable Date, no Shareholder is required to abstain from voting at the EGM to approve the Acquisition.

THE PRINCIPAL TERMS OF THE SALE AND PURCHASE AGREEMENT

Date: 26 January 2017 (after trading hours)

Parties:

Purchaser: Capital Ring Enterprises Limited, a wholly-owned subsidiary of the Company

Vendor: First Choice Properties Limited

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, the Vendor and its ultimate beneficial owner are Independent Third Parties.

Purchaser's guarantor: The Company

Assets to be acquired

Pursuant to the Sale and Purchase Agreement, the Purchaser has conditionally agreed to purchase and the Vendor has agreed to sell the Sale Share, representing the entire issued share capital of the Target Company, and the benefit of the Target Company Shareholder Loan. As at the Latest Practicable Date, the total amount of the Target Company Shareholder Loan is approximately HK$114,800,000. Repayment of the Target Company Shareholder Loan provided by the Vendor to the Target Company shall be settled as part of the Consideration and the Target Company Shareholder Loan shall be assigned by the Vendor to the Purchaser.

The Company has agreed to guarantee the payment obligations of the Purchaser under the Sale and Purchase Agreement.

For further information on the Target Company, please refer to the section headed "Information on the Target Company" in this circular.

Consideration and payment methods

The Consideration was arrived at after arm's length negotiation between the Purchaser and the Vendor, after taking into account the location and potential use of and return which can be generated from the Property. In assessing the potential value of the Property, the Group has (i) reviewed the historical sales transactions of properties which (a) have been recently transacted; (b) have comparable area sizes and; (c) are located in the vicinity of the Property; and (ii) consulted the Independent Property Valuer on the valuation and estimated market value of the Property. The estimated market value of the Property was derived using the direct comparison method, which entails comparing the Property directly with other comparable properties which have been recently transacted with appropriate adjustments made, is being adopted by this valuation services provider to estimate the market value of the Property. Based on the valuation report prepared by the Independent Property Valuer as set out in Appendix IV to this circular, the market value of the Property was HK$320,000,000 as at 2 February 2017, therefore the Consideration represents a minimal discount to the appraised market value of the Property.

The Consideration of HK$318,000,000 shall be settled by the Purchaser in cash in the following manner:

(i) as to a sum of HK$31,800,000, the Deposit, was paid by the Purchaser in the following manner:

(I) as to a sum of HK$10,000,000 which was paid to the Vendor's solicitors as stakeholders pending release to the Vendor, or the Purchaser as the case may be, pursuant to the terms of the Sale and Purchase Agreement; and

(II) as to a sum of HK$21,800,000 which was paid to the Purchaser's solicitors as stakeholders pending release to the Vendor, or the Purchaser as the case may be, pursuant to the terms of the Sale and Purchase Agreement; and

(ii) the balance amount of HK$286,200,000, equivalent to 90% of the Consideration (and subject to further adjustments with reference to the net asset value of the Target Company as set out in its financial statements as further elaborated below), shall be paid by the Purchaser at Completion to the Vendor.

The Consideration shall be adjusted according to the value of all the assets of the Target Company (other than the value of the Property) and deducting therefrom an amount equal to the value of all liabilities of the Target Company (other than the Target Company Shareholder Loan and an existing mortgage loan which having received written notice from the Vendor, to be repaid in full by the Purchaser prior to Completion, with an equivalent amount deducted from the Consideration to be payable to the Vendor).

If such aggregate value is positive, the Consideration shall be adjusted upwards by the same amount, and if such aggregate value is negative, the Consideration shall be accordingly adjusted downwards on a dollar for dollar basis.

The adjustments to the Consideration shall initially be calculated using the pro forma accounts of the Target Company which shall be provided to the Group ten Business Days prior to Completion and are intended to measure the net asset value of the Target Company as at the date of Completion. The Consideration shall then be subsequently adjusted if required, according to the agreed-upon accounts of the Target Company, which will be delivered by the Vendor to the Purchaser within one month after the date of Completion.

Adjustments following Completion will only be necessary if there is any difference between the pro forma accounts of the Target Company and the agreed-upon accounts of the Target Company. Any adjustments made at this point shall be settled within 2 months of Completion. Such adjustments made to the Consideration will be changes arising from normal business operations of the Target Company. Based on the latest available management accounts of the Target Company for the month ended 31 January 2017, the expected upward adjustment to the Consideration would be approximately HK$128,000. Further adjustments are expected to be minimal since there are very scarce operations of the Target Company outside of its holding of the Property. On the basis that the cash and cash equivalents held by the Company as at 31 January 2017 amounted to approximately HK$13,000,000, which is significantly higher than the amount of expected upward adjustment to the Consideration, the Directors believe the Company has sufficient funds to finance such Consideration adjustments (if any).

In the case where the Consideration is adjusted downward, which is not expected based on the abovementioned management accounts of the Target Company, the Vendor is legally obligated under the Sale and Purchase Agreement to pay the Purchaser the adjustment amount. Since the adjustment amount will be settled after the payment of Consideration of HK$318,000,000 by the Purchaser to the Vendor, the Directors believe the Vendor will have sufficient financial resources to settle the adjustment amount (if any).

Based on the above, the Directors consider the Consideration to be fair and reasonable.

Conditions precedent

Completion is conditional upon the following conditions being fulfilled and satisfied, at or prior to the Long Stop Date:

(a) the Controlling Shareholder having executed the Irrevocable Undertaking to the Company to vote in favour of the Acquisition at the EGM to be convened by no later than the CP Satisfaction Date (defined below) and the Purchaser providing a certified copy of such duly executed undertaking to the Vendor within two Business Days after the date of Sale and Purchase Agreement; and

(b) the approval of the Acquisition by the Shareholders in accordance with the requirements of the Listing Rules having been obtained or fulfilled on or before 9 March 2017 or such later date as shall be mutually agreed by the Vendor and the Purchaser in writing (the "**CP Satisfaction Date**").

On 26 January 2017, in accordance with (a) above, the Controlling Shareholder has provided the Irrevocable Undertaking to the Company to vote in favour of the ordinary resolution approving the Acquisition at the EGM. As at the Latest Practicable Date, the condition precedent set out in (b) above has not yet been fulfilled, and such condition cannot be waived by either party.

Termination

Upon the termination of the Sale and Purchase Agreement pursuant to the terms of the Sale and Purchase Agreement, all rights and obligations of the parties shall cease to have effect, except that, inter-alia:

(i) If the conditions precedent set out in (a) or (b) are not satisfied by CP Satisfaction Date, the Sale and Purchase Agreement shall be terminated whereupon the total sum of HK$10,000,000 held by the Vendor's solicitors as stakeholders shall be forfeited to the Vendor.

(ii) If the conditions precedent set out in (a) and (b) are satisfied, but the Purchaser fails or refuses to complete the Acquisition on or before the Long Stop Date, the Deposit shall be forfeited to the Vendor as liquidated damages payable by the Purchaser, and the Purchaser shall also indemnify the Vendor on demand against all costs reasonably incurred by the Vendor in relation to the negotiation, preparation, execution and termination of the Sale and Purchase Agreement.

(iii) If the conditions precedent set out in (a) and (b) have been satisfied but the Vendor refuses or fails to complete the Acquisition, the Deposit shall be returned in full (without interest) to the Purchaser and the Vendor shall indemnify the Purchaser on demand against all costs reasonably incurred by the Purchaser in relation to the negotiation, preparation, execution and termination of the Sale and Purchase Agreement.

Other terms

The Purchaser shall be entitled to nominate a nominee (which is directly or indirectly owned by the Company) to be the transferee of the Sale Share and the assignee of the Target Company Shareholder Loan pursuant to the Acquisition on Completion.

Completion

Subject to all of the conditions precedent being satisfied, Completion shall take place on or before the Long Stop Date. Upon Completion, the Purchaser will hold 100% of the equity interest in the Target Company and the Target Company will become an indirect wholly-owned subsidiary of the Company.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is principally engaged in trading of telecommunications products, provision of repair services and investments in financial assets.

Following the acquisition of the majority stake of the Company in December 2015 by Citic Guoan Group (中信國安集團有限公司), a PRC-based conglomerate with operations in, inter alia, telecommunication, energy, property development, property management and asset management, the Company wishes to have a permanent consolidated establishment in Hong Kong which will provide a firm basis for the continuous development of its business and operations.

Currently, the Group has four offices located in Central, Kwun Tong and Tai Kok Tsui. It is expected that the Acquisition will allow the Group to consolidate its business activities and staff into one location enabling improved operational efficiency and minimizing administrative expenses. Communication and collaboration between the staff could be enhanced when they are located in the same office. It will also be easier for the Directors and senior management of the Company to supervise daily operations of the Group. Time and costs will also be saved on transportation of staff and delivery of documents between offices. Following Completion, the Group shall conduct renovation on the Property to prepare it for the gradual relocation of the existing business operations conducted at various of the Group's offices (excluding its principal place of business located in Kwun Tung) to the Property soon upon expiry of their current leases (i.e. between March 2018 and May 2018). If it is permissible under the terms and is reasonable to do so, the Group may consider early termination of these leases, thereby expediting the move to the Property which in turn will reduce or save on rental expenses.

The following table sets out a summary of the Group's existing rental agreements:

	Tenancy 1	Tenancy 2	Tenancy 3 [Note]	Tenancy 4	Tenancy 5
Current usage	Office	Office	Warehouse	Office	Office
Location	Tai Kok Tsui, Kowloon, Hong Kong	Kwun Tong, Kowloon, Hong Kong	Yau Tong, Kowloon, Hong Kong	Kwun Tong, Kowloon, Hong Kong	Central, Hong Kong
Lease expiry date	15 April 2018	31 March 2019	31 Jan 2019	31 May 2018	13 March 2018
Rental per month (HK$)	42,525	120,000	26,000	21,600	80,000
Early termination penalties	Compensate any damages suffered by the landlord	Compensate any damages suffered by the landlord	Compensate any damages suffered by the landlord	Compensate any damages suffered by the landlord	No penalties if 2 months' notice is provided

Note: The Company does not intend to move its operations being carried out at this warehouse to the Property. Only offices will be relocated to the Property.

Prior to the relocation of the Group's principal place of business to the Property, which is expected to occur in or before March 2019, it is intended that approximately 70% of the Property shall be used for the Group's own operations. The remaining 30% of the Property shall be leased out by entering into short term leasing agreements with Independent Third Parties. Accordingly, in the short term, the Group can expect rental income from the Property which will supplement its existing revenue. Currently, there is a master tenancy agreement between the Target Company and the master tenant, which shall be terminated upon Completion with no penalty. Meanwhile, the Vendor confirmed that all sub-leases under the master tenancy agreement had been terminated as at the Latest Practicable Date. As a result, vacant possession of the Property shall be delivered to the Purchaser upon Completion.

Upon the relocation of the Group's principal place of business, the Directors confirm that the Company intends to fully occupy the Property for its own operations by 2019. It is expected that once the Group's offices have been successfully relocated to the Property, the Group can save total rental expenses of approximately HK$3,200,000 each year (based on the sum of the prevailing rental fees as disclosed in the table above (excluding tenancy 3) being paid by the Group under these leases).

Although the Acquisition and the subsequent relocation of the Group's business location may incur additional costs in the short term, such as one-off investment cost, renovation expense, travel and other relocation expenses etc., the Directors consider that the Acquisition will (i) serve to increase the asset base of the Group; and (ii) improve the operational efficiency and minimize the administrative expenses in the long term, as abovementioned. Therefore, the Directors consider the Acquisition is beneficial to the Group's long term goal of continuous growth and is in the best interests of the Company and the Shareholders as a whole.

The Company does not currently have any intention to acquire or dispose of or discontinue any business/assets or have any plans for business expansion following the Acquisition. The Company does not plan to develop and expand into the property investment business upon Completion.

FUNDING OF THE ACQUISITION

The Deposit was funded using the cash reserves of the Group, which predominantly arose from a Shareholder's loan, amounting to HK$50,000,000, granted to the Company by the Controlling Shareholder in 2016. The remaining balance of the Consideration will be settled by the unsecured and interest-free New Shareholder's Loan amounting to HK$286,200,000 granted by the Controlling Shareholder to the Company on or before the date of EGM. The aggregate amount of these two Shareholder's loans from the Controlling Shareholder will be repaid using the proceeds from the Rights Issue. For a brief description, please refer to the section headed "Proposed Rights Issue" below.

Proposed Rights Issue

The proposed Rights Issue is intended to take place after, and is conditional upon, Completion. The Company proposes to raise approximately HK$439,100,000 (before deducting underwriting commission, professional fees and other relevant expenses) by way of the Rights Issue, whereby 2,582,986,966 rights Shares shall be allotted and issued on the basis of one (1) rights Share for every two (2) existing Shares held on the record date.

The Subscription Price of HK$0.170 per rights Share, is payable in full upon application for the rights Shares under the Rights Issue by qualifying Shareholders.

Assuming no new Shares are issued and/or repurchased by the Company on or before the record date, a total number of rights Shares of 2,582,986,966 will be allotted and issued representing:

(i) approximately 50.0% of the Company's existing issued shares as at Latest Practicable Date; and

(ii) approximately 33.3% of the Company's existing issued shares as enlarged by the issue of the rights Shares.

The aggregate nominal value of the rights Shares, of nominal value of HK$0.01 each, will be approximately HK$25,829,870.

The Rights Issue (other than the Undertaken Shares) shall be fully underwritten by the Underwriter and the terms of the Underwriting Agreement were agreed after arm's length negotiation between the Company and the Underwriter.

On 26 January 2017 (after trading hours), the Controlling Shareholder provided an Irrevocable Undertaking to the Company to subscribe for the maximum number of Shares permitted under the Rights Issue. As at the Latest Practicable Date, the Controlling Shareholder is beneficially interested in 2,749,210,892 Shares, representing approximately 53.2% of the existing issued share capital of the Company. In summary, the Controlling Shareholder is committed to accept 1,374,605,446 rights Shares.

For more details, please refer to the section headed "Proposed Rights Issue" of the Announcement.

INFORMATION OF THE VENDOR AND THE TARGET COMPANY

Information of the Vendor

The Vendor is principally engaged in investment holding.

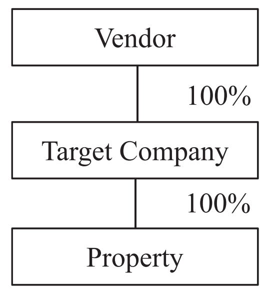
To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendor and its ultimate beneficial owner are Independent Third Parties. There was or is no current or prior written or oral relationship or business or arrangements or transactions or agreements or understanding between each of the Vendor and its related parties and the Company and its connected persons, other than those relating to the Acquisition. As at the Latest Practicable date, none of the Vendor or its associates holds any Shares.

Information of the Target Company

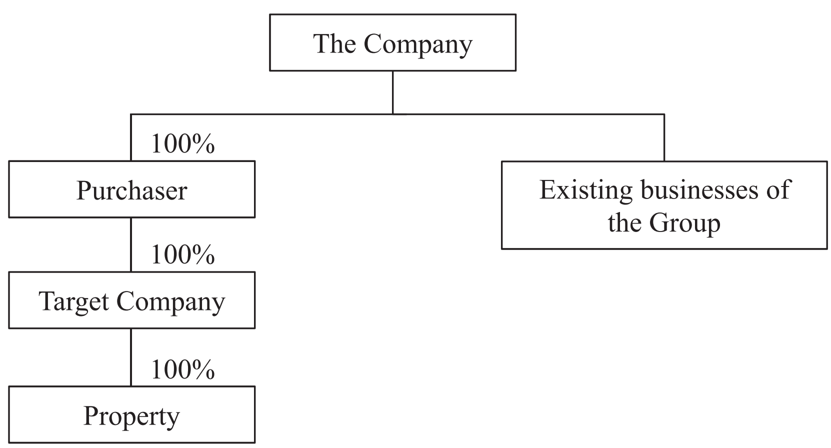
Set out below is the group structure, business and financial information of the Target Company based on the information provided by the Vendor.

Group structure of the Target Company

As at the Latest Practicable date, the Target Company is a company incorporated in Hong Kong and is a wholly-owned subsidiary of the Vendor. Set out below is the shareholding structure of the Target Company before the Acquisition:



Set out below is the shareholding structure of the Target Company upon Completion:



Business of the Target Company

The Target Company is an investment holding company and the legal and beneficial owner of the Property, being the whole of the 15th Floor of Tower II, Admiralty Centre, No. 18 Harcourt Road, Hong Kong. The total quoted gross floor area of the Property, which shall be used as office space, is approximately 10,627 square feet, while the saleable area of the Property is approximately 8,862 square feet. As confirmed by the Vendor, there are no other properties or material assets owned by the Target Company.

Financial information of the Target Company

The financial information of the Target Company, which is prepared in accordance with Hong Kong Financial Reporting Standards, is set out in Appendix II to this circular.

It is noted that in the report prepared by HLB Hodgson Impey Cheng Limited, the independent reporting accountants of the Target Company, which is set out in Appendix II to this circular, there is an "emphasis of matter" paragraph drawing attention to the fact that the Target Company had net current liabilities of approximately HK$97.2 million, HK$100.0 million, HK$102.4 million and HK$117.4 million as at 31 March 2014, 2015 and 2016 and 30 September 2016 respectively.

The Directors have taken this into account and noted that the Target Company's net current liability position is predominantly due to an amount due to the immediate holding company, being the Target Company Shareholder Loan owed to the Vendor, of approximately HK$98.3 million, HK$100.1 million, HK$103.3 million and HK$118.5 million as at 31 March 2014, 2015 and 2016 and 30 September 2016 respectively. As part of the Acquisition, the Target Company Shareholder Loan shall be assigned by the Vendor to the Purchaser.

As at 31 January 2017, the Target Company had net assets of approximately HK$127.6 million.

POTENTIAL ACCOUNTING TREATMENT ON THE GROUP UPON COMPLETION

Upon Completion, the Company will be beneficially interested in the 100% equity interests in the Target Company, which will become an indirect wholly-owned subsidiary of the Company.

After Completion, the Directors' intention is that approximately 70% of the Property shall be used for the Group's own operations before 2019. The remaining 30% of the Property shall be leased out by entering into short term leasing agreements with Independent Third Parties. During this period, the Group would account for the aforesaid two portions separately. The portion that is held for own use by the Group would be classified as property, plant and equipment in accordance to Hong Kong Accounting Standards ("HKAS") 16 "Property, Plant and Equipment" issued by the Hong Kong Institute of Certified Public Accountants and would be stated at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any. The other portion that is held to earn rentals would be classified as investment properties in accordance to HKAS 40 "Investment Properties" and would be measured initially at its cost. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair values of investment properties would be included in profit or loss for the period in which they arise. After 2019, the Directors anticipate that 100% of the Property shall be held for the Group's own use.

There will be no change in the board composition of the Company as a result of the Acquisition and the Company has no intention to appoint any director or senior management of the Vendor/Target Company as Director.

POTENTIAL FINANCIAL EFFECTS ON THE GROUP AS A RESULT OF THE ACQUISITION

Following Completion, the Target Company will become a wholly-owned subsidiary of the Company and the financial results of the Target Company will be consolidated into those of the Enlarged Group. The unaudited pro forma financial information of the Enlarged Group illustrating the financial impact of the Acquisition on the results, assets and liabilities of the Group is set out in Appendix III to this circular.

Assets and liabilities

The audited consolidated total assets and total liabilities of the Group as at 30 September 2016 as extracted from the published annual report of the Company for the year ended 30 September 2016 were approximately HK$78.4 million and approximately HK$80.5 million respectively. Therefore, the Group had a net liability position as at 30 September 2016. Based on the unaudited pro forma financial information of the Enlarged Group as set out in Appendix III to this circular, assuming the Completion had taken place and the Rights Issue had not taken place yet on 30 September 2016, the unaudited pro forma total assets and total liabilities of the Enlarged Group before the Rights Issue would have been approximately HK$373.8 million and approximately HK$375.7 million respectively, and therefore, the Enlarged Group would continue to have a net liability position immediately after the Completion and before the completion of the Rights Issue. The financial position of the Group would be improved from a net liability position to a net asset position after the completion of the Rights Issue due to the increase in cash balance of the Group from proceeds of the Rights Issue. Assuming the Completion, the Rights Issue and the use of proceeds from the Rights Issue in accordance with the plan as stated in the Announcement had all taken place on 30 September 2016, the unaudited pro forma total assets and total liabilities of the Enlarged Group would have been approximately HK$426.2 million and approximately HK$5.7 million respectively.

Earnings

The Group recorded a net loss of approximately HK$25.3 million for the year ended 30 September 2016. Based on the unaudited pro forma financial information of the Enlarged Group in Appendix III to this circular, the Enlarged Group would record a net loss of approximately HK$18.6 million for the year ended 30 September 2016 assuming the Completion had taken place on 1 October 2015. The effect would be the same assuming both the Completion and the Rights Issue had taken place on 1 October 2015.

The Directors do not expect material variation to the aggregate of the remuneration payable to and benefits in kind receivable by the Directors in consequence of the Acquisition.

The Directors draw the attention of the Shareholders to the fact that such pro forma analysis has been prepared for illustrative purposes only, based on their own judgments, estimations and assumptions, and because of its hypothetical nature, it may not give a true picture of the financial position of the Group as at 30 September 2016 or at any future date or the results and cash flows of the Group for the year ended 30 September 2016 or for any future period following the Acquisition and the Rights Issue.

IRREVOCABLE UNDERTAKING TO APPROVE THE ACQUISITION

On 26 January 2017, the Controlling Shareholder provided an Irrevocable Undertaking to the Company to vote in favour of the ordinary resolution approving the Acquisition at the EGM. Since the Controlling Shareholder holds approximately 53.2% of the issued share capital of the Company as at the Latest Practicable Date, this ensures that the Acquisition shall be approved at the EGM.

To the best of the Directors' knowledge, there are no other agreements or arrangements between the Controlling Shareholder and other parties in relation to the Acquisition and the Rights Issue save for (i) the Irrevocable Undertakings provided by the Controlling Shareholder to the Company; and (ii) the New Shareholder's Loan granted by the Controlling Shareholder to the Company.

CHANGE OF THE PRINCIPAL PLACE OF BUSINESS IN HONG KONG

The Company intends that upon relocation of its existing offices to the Property, the principal place of business of the Group in Hong Kong shall be amended to reflect this. A separate announcement will be issued by the Company in this respect as and when this becomes effective.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios set forth under Rule 14.07 of the Listing Rules in respect of the Acquisition exceed(s) 100%, the Acquisition constitutes a very substantial acquisition of the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement and shareholders' approval requirements.

As no Shareholder has any material interest in the Acquisition and none of the Vendor or its associates holds any Share as at the Latest Practicable Date, no Shareholder is required to abstain from voting at the EGM to approve the Acquisition.

EGM

A notice convening the EGM to be held at Gloucester Room I, 3/F, The Excelsior Hotel, 281 Gloucester Road, Causeway Bay, Hong Kong on Wednesday, 22 March 2017 at 11:00 a.m. is set out on pages 91 to 92 of this circular. An ordinary resolution will be proposed at the EGM to approve, if thought fit, the Acquisition.

A form of proxy for use at the EGM is enclosed. Whether or not you are able to attend the EGM in person, you should complete and return the accompanying form of proxy in accordance with the instructions printed thereon to (i) the Company's head office and principal place of business in Hong Kong at Room 2903 Prosperity Place, 6 Shing Yip Street, Kwun Tong, Kowloon, Hong Kong if you are Shareholders in Hong Kong; or (ii) the office of the Company's share transfer agent in Singapore, Boardroom Corporate & Advisory Services Pte. Ltd. (formerly known as Lim Associates (Pte) Ltd) at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 if you are Shareholders in Singapore, as soon as possible but in any event not later than 48 hours before the time appointed for the holding of the EGM. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof, should you so wish.

Pursuant to Rule 13.39(4) the Listing Rules, all votes at the EGM must be taken by poll and the Company will announce the results of the poll in the manner set out in Rule 13.39(5) the Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the ordinary resolution to be proposed at the EGM.

RECOMMENDATION

The Board considers that the Acquisition is on normal commercial terms and that the terms of the Sale and Purchase Agreement are fair and reasonable and in the interests of the Shareholders as a whole. Accordingly, the Board recommends that the Shareholders to vote in favour of the ordinary resolution which will be proposed at the EGM to approve the Acquisition.

GENERAL INFORMATION

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

By Order of the Board of
Global Tech (Holdings) Limited
DU Jun
Chairman

1. AUDITED CONSOLIDATED FINANCIAL INFORMATION OF THE GROUP FOR THE YEARS ENDED 30 SPETEMBER 2014, 2015 AND 2016

The audited consolidated financial statements of the Group (i) for the year ended 30 September 2014 are set out from page 33 to page 69 in the 2014 Annual Report of the Company, which was published on 29 January 2015; (ii) for the year ended 30 September 2015 are set out from page 33 to page 75 in the 2015 Annual Report of the Company, which was published on 6 January 2016; and (iii) for the year ended 30 September 2016 are set out from page 41 to page 111 in the 2016 Annual Report of the Company, which was published on 19 January 2017.

2014 Annual Report

http://www.hkexnews.hk/listedco/listconews/SEHK/2015/0129/LTN20150129310.pdf

2015 Annual Report

http://www.hkexnews.hk/listedco/listconews/SEHK/2016/0106/LTN20160106749.pdf

2016 Annual Report

http://www.hkexnews.hk/listedco/listconews/SEHK/2017/0119/LTN20170119133.pdf

2. INDEBTEDNESS STATEMENT

As at the close of business on 31 January 2017, being the latest practicable date for the purpose of this indebtedness statement, the Enlarged Group had total borrowings amounting to approximately HK$209,760,000, details of which were as follows:

(i) The Target Company had a bank borrowing secured by the Target Company's investment properties and guaranteed by Sun Hing Holdings Limited, amounting to approximately HK$23,422,000.

(ii) The Group had bank borrowings secured by the Group's pledged bank deposits amounting to HK$4,500,000.

(iii) The Target Company had an unsecured amount due to the immediate holding company of the Target Company, being the Vendor, of approximately HK$114,803,000.

(iv) The Group had an unsecured amount due to a former director of the Company amounting to approximately HK$17,035,000.

(v) The Group had an unsecured loan from the immediate holding company of the Company, being Road Shine, amounting to HK$50,000,000.

Save as disclosed above and apart from intra-group liabilities and normal trade payables, the Enlarged Group did not have, as at the close of business on 31 January 2017, any loan capital, issued and outstanding or agreed to be issued, bank overdrafts, loans, charges, debentures or other similar indebtedness, liabilities under acceptances (other than normal trade bills), acceptance credits, mortgages, hire purchase or finance lease commitments, guarantees or other material contingent liabilities.

3. WORKING CAPITAL

The Directors are of the opinion that, after taking into account the Acquisition, proposed Rights Issue and the present available financial resources, its expected internally generated funds and the present available banking facilities of the Enlarged Group, the Enlarged Group will have sufficient working capital for its present requirements and for the period up to 12 months from the date of this circular in the absence of unforeseen circumstances.

4. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

During the year ended 30 September 2016, the Group was principally engaged in the (i) trading of telecommunications products; (ii) provision of repair services; and (iii) investment in financial assets.

Trading of telecommunications products

Revenue of this segment amounted to approximately HK$8.7 million for the year ended 30 September 2016, representing an increase of approximately 49.7% from approximately HK$5.8 million for the year ended 30 September 2015. Such increase was mainly due to the higher demand for telecommunications products for the year ended 30 September 2016. As disclosed in the 2016 Annual Report of the Company, as recorded by the Hong Kong Communications Authority, the monthly mobile data usage in Hong Kong recorded a growth of approximately 1.18 times year-on-year as at March 2016. In addition, all of the four mobile network operators in the local public mobile services market, which the Group operates in, has deployed 4G services utilising Long Term Evolution technology in addition to the existing 3G services, stimulating the demand and trading activities of telecommunication products in the market.

Provision of repair services

Revenue of this segment amounted to approximately HK$94.7 million for the year ended 30 September 2016, representing an increase of approximately 17.0% from approximately HK$80.9 million for the year ended 30 September 2015. Such increase was also mainly attributable to the abovementioned factors, which led to a higher demand for smartphone upgrading/maintenance services.

Investments in financial assets

This segment had revenue amounting to approximately HK$27,000 for the year ended 30 September 2016, as compared to a loss of approximately HK$20,000 for the year ended 30 September 2015. Changes in performance of the segment were mainly attributable to changes in fair value of financial assets held by the Group.

The Group will continue to navigate its existing operations through the challenging and shifting market landscape. However, as part of our long-term efforts to enhance shareholder value and in view of the competitive operating environment of the local telecommunications arena, the Group will seek to broaden its business horizons by pursuing viable investment opportunities. The Board believes that it is in the Shareholders' interest to widen the Group's business scope in the long term, across different sectors and geographical locations, as well as across products and service offerings that may create synergy with the Group's investments.

The Group will continue to review its financial position and existing operations while formulating its long-term business plans and strategies. It will adhere to stringent principles in assessing and managing risks during the course of any such business developments. The management of the Group will continue to review the operating efficiency of the Group.

After Completion, the Enlarged Group will continue to look for opportunities to create Shareholders' value through focusing on existing business to bring further value to Shareholders.

5. BUSINESS AND FINANCIAL REVIEW

Revenue of the Group was approximately HK$103.4 million for the year ended 30 September 2016, representing an increase of approximately 19.3% from approximately HK$86.7 million for the year ended 30 September 2015. Such increase was mainly due to the increase in revenue generated from the provision of repair services from approximately HK$80.9 million for the year ended 30 September 2015 to approximately HK$94.7 million for the year ended 30 September 2016 as a result of higher demand for smartphone upgrading/maintenance services. This services provision segment continued to provide a steady stream of recurrent income to the Group while also complementing the trading business.

The Group recorded a net loss of approximately HK$25.3 million for the year ended 30 September 2016, representing an increase of approximately 8.6% from a net loss of approximately HK$23.3 million for the year ended 30 September 2015. Such increased net loss was mainly due to the increase in administrative expenses, partially offset by the decrease in other operation expenses and increase in gross profit.

The Group operates mainly in Hong Kong, principally with respect to Hong Kong Dollars. As a result, the Group considers the foreign exchange risk to be minimal and therefore does not undertake any major hedging activities.

6. LIQUIDITY AND FINANCIAL RESOURCES

The Group's total non-current assets amounted to approximately HK$8.9 million and HK$9.3 million as at 30 September 2015 and 2016 respectively. The Group maintained its conservative low-inventory policy during the year. As a result, inventories remained at a relatively low level of approximately HK$2.3 million and HK$1.4 million as at 30 September 2015 and 2016 respectively. The Group had net trade receivables of approximately HK$1.3 million and HK$1.1 million as at 30 September 2015 and 2016 respectively.

The Group had bank borrowings secured by the pledged time deposits as at 30 September 2015 and 2016. The bank borrowings carried interest rates at HIBOR plus 2.9% per annum and were denominated in HK$. The amount of bank borrowings repayable remained at similar level at approximately HK$4.5 million as at 30 September 2015 and 2016 and was repayable within one year.

As at 30 September 2016, the Group had an amount due to a former Director which was interest-free, unsecured and repayable on demand, amounting to approximately HK$12.0 million. The Group also had a loan from the immediate holding company, being Road Shine, which was unsecured, non-interest bearing and repayable within one year, amounting to approximately HK$50.0 million as at 30 September 2016. These two loans were denominated in HK$.

The Group's gearing ratio, expressed as a percentage of total borrowings over total assets, increased from approximately 11.3% as at 30 September 2015 to approximately 69.5% as at 30 September 2016. Such substantial increase was due to the drawdown of an interest free and unsecured loan of HK$50.0 million from the Controlling Shareholder in 2016. The Group also had a fixed deposit, which was pledged to secure banking facilities, amounting to approximately HK$5.0 million as at 30 September 2015 and 2016.

The Group's current ratio decreased from approximately 1.84 as at 30 September 2015 to approximately 0.86 as at 30 September 2016, while the liquid ratio decreased from approximately 1.71 as at 30 September 2015 to approximately 0.84 as at 30 September 2016.

The Group's cash and cash equivalents, which were denominated in HK$, increased from approximately HK$14.3 million as at 30 September 2015 to approximately HK$52.9 million as at 30 September 2016. Such substantial increase was mainly due to the drawdown of an interest free and unsecured loan of HK$50.0 million from the Controlling Shareholder in 2016.

7. CAPITAL STRUCTURE

The Company was incorporated in the Cayman Islands on 9 December 1998 as an exempted company with limited liability and its Shares have a primary listing on the Stock Exchange and a secondary listing on the SGX-ST.

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from the prior year. The capital structure of the Group consists of debts (which include variable rate bank borrowings and loan from the immediate holding company), cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves.

The Group will balance its overall capital structure through the payment of dividends, the issuance of new shares as well as the addition of new borrowings.

The Group monitors its capital on the basis of the gearing ratio of bank borrowings and loan from the immediate holding company over total assets. The Group aims to maintain the gearing ratio at a reasonable level. The gearing ratios at the balance sheet dates are as follows:

	2016	2015
	HK$'000	*HK$'000*
Total borrowings *(Note)*	54,500	4,500
Total assets	78,448	39,945
Gearing ratios	69.5%	11.3%

Note: Total borrowings include bank borrowings and loan from the immediate holding company.

Share capital attributable to owners of the Company amounted to approximately HK$51.7 million in deficit as at 30 September 2016.

8. FINANCING ACTIVITIES

On 26 January 2017, the Company proposes to raise approximately HK$439,100,000 (before deducting professional fees and other relevant expenses) by way of the Rights Issue, whereby 2,582,986,966 rights Shares shall be allotted and issued on the basis of one (1) Rights Share for every two (2) existing Shares held on the Record Date. The subscription price of HK$0.170 per rights Share, is payable in full upon application for the rights Shares under the Rights Issue by qualifying Shareholders. For more details of the Rights Issue, please refer to the Announcement dated 26 January 2017.

As at the Latest Practicable Date, save for the abovementioned Rights Issue, the Company has not proposed or conducted any fund raising exercises in the past twelve months immediately.

The Board continues to look for opportunities to attract more investors, extend the shareholders base, provide financial resources to expand existing and/or future businesses, reduce the accumulated loss and improve the flexibility of fund raising.

9. MATERIAL CHANGE

The Directors confirm that there has been no material change in the financial or trading position or outlook of the Group since 30 September 2016, the date to which the latest published audited financial statements of the Company were made up, up to and including the Latest Practicable Date.

10. MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

The Directors confirm that there has been no any material acquisitions and disposals of subsidiaries and affiliated companies since 30 September 2016.

11. EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2015 and 2016, the Group hired 120 employees including the executive Directors. Total staff costs including Directors' remuneration increased from approximately HK$28.0 million for the year ended 30 September 2015 to approximately HK$34.3 million for the year ended 30 September 2016.

Employees' remuneration is determined in accordance with their experiences, competence, qualifications and nature of duties and the current market trend. Apart from the basic salary, discretionary bonus and other incentives may be offered to the employees of the Group to reward their performance and contributions. The emoluments of the Directors are determined by the remuneration committee of the Company having regard to the performance of the individuals and market trend. The Group provides mandatory provident fund scheme for the employees employed under the jurisdiction of the Hong Kong Employment Ordinance.

The following is the text of a report, prepared for inclusion in this circular, received from the independent reporting accountants, HLB Hodgson Impey Cheng Limited.

HLB 國衛會計師事務所有限公司
Hodgson Impey Cheng Limited

31/F, Gloucester Tower
The Landmark
11 Pedder Street
Central
Hong Kong

3 March 2017

The Board of Directors
Global Tech (Holdings) Limited
Room 2903 Prosperity Place
6 Shing Yip Street
Kwun Tong, Kowloon
HONG KONG

Dear Sirs,

We set out below our report on the financial information of Eagle Faith Investments Limited (the "Target Company") comprising the statements of financial position of the Target Company as at 31 March 2014, 2015 and 2016 and 30 September 2016, and the statements of profit or loss and other comprehensive income, the statements of changes in equity and the statements of cash flows of the Target Company for the years ended 31 March 2014, 2015 and 2016 and for the six months ended 30 September 2016 (the "Relevant Periods"), together with the notes thereto (the "Financial Information"), and the comparative statement of profit or loss and other comprehensive income, the statement changes in equity and the statement of cash flows of the Target Company for the six months ended 30 September 2015 (the "Unaudited Comparative Financial Information"), prepared on the basis of presentation set out in Note 3(b) of Appendix II below, for inclusion in the circular of Global Tech (Holdings) Limited (the "Company") dated 3 March 2017 (the "Circular") in connection with the sale and purchase agreement dated 26 January 2017 (the "Agreement") entered into among First Choice Properties Limited (the "Vendor") and Capital Ring Enterprises Limited (the "Purchaser") in relation to the sale and purchase of an aggregate 100% equity interest in the Target Company for a total consideration of HK$318,000,000 (subject to adjustments) (the "Consideration") (collectively referred to as the "Acquisition").

The Target Company is principally engaged in property investment for rental income. The Target Company was incorporated in the Hong Kong with limited liability on 7 December 2007.

The Target Company has adopted 31 March as its financial year and date. The statutory financial statements of the Target Company for the years ended 31 March 2014, 2015 and 2016 were audited by H. H. Lam & Co..

BASIS OF PREPARATION

The directors of the Target Company have prepared the financial statements for the Relevant Periods (the "Underlying Financial Statements") in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the Hong Kong Company Ordinances. The Underlying Financial Statements for the three years ended 31 March 2014, 2015 and 2016 and the six months ended 30 September 2016 were audited by us in accordance with Hong Kong Standards on Auditing issued by the HKICPA.

The Financial Information has been prepared by the directors of the Company for inclusion in the Circular in connection with the Acquisition based on the Underlying Financial Statements, with no adjustments made thereon and in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and the Hong Kong Company Ordinances.

RESPONSIBILITY OF THE DIRECTORS

The directors of the Company are responsible for the contents of the Circular including the preparation of the Financial Information and the Unaudited Comparative Financial Information that give a true and fair view in accordance with HKFRSs and the disclosure requirements of the Listing Rules and the Hong Kong Companies Ordinance, and for such internal control as the directors of the Target Company determine is necessary to enable the preparation of the Financial Information and the Unaudited Comparative Financial Information that are free from material misstatement, whether due to fraud or error.

REPORTING ACCOUNTANTS' RESPONSIBILITY

For the Financial Information for the Relevant Periods, it is our responsibility to form an independent opinion on the Financial Information based on our examination and to report our opinion to you. We examined the relevant financial statements of the Target Company for the Relevant Periods, and carried out such procedures as are necessary in accordance with the Auditing Guideline 3.340 "Prospectuses and the Reporting Accountant" issued by the HKICPA.

For the purpose of this report, we have reviewed the Unaudited Comparative Financial Information for which the directors of the Company are responsible, in accordance with Hong Kong Standard on Review Engagements 2400 "Engagements to Review Historical Financial Statements" issued by the HKICPA. A review consists principally of making enquiries of the Target Company's management and applying analytical procedures to the Unaudited Comparative Financial Information and based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit and therefore provides a lower level of assurance than an audit. Accordingly, we do not express an audit opinion on the Unaudited Comparative Financial Information.

OPINION IN RESPECT OF THE FINANCIAL INFORMATION

In our opinion, for the purpose of this report, the Financial Information for the Relevant Periods give a true and fair view of the financial position of the Target Company as at 31 March 2014, 2015 and 2016 and 30 September 2016 and of the financial performance and cash flows of the Target Company for each of the Relevant Periods.

REVIEW CONCLUSION IN RESPECT OF THE INTERIM COMPARATIVE INFORMATION

Based on our review, which does not constitute an audit, for the purpose of this report, nothing has come to our attention that causes us to believe that the Unaudited Comparative Financial Information is not prepared, in all material aspects, in accordance with the same basis adopted in respect of the Financial Information.

EMPHASIS OF MATTER

Without qualifying our opinion, we draw attention in Note 3(b) of Appendix II of the Financial Information which indicates that the Target Company had net current liabilities of approximately HK$97,195,000, HK$99,982,000, HK$102,392,000 and HK$117,373,000 as at 31 March 2014, 2015 and 2016 and 30 September 2016 respectively. These conditions, along with other matters as set forth in Note 3(b) of Appendix II, indicate the existence of a material uncertainty which may cast significant doubt about the Target Company's ability to continue as a going concern.

I. FINANCIAL INFORMATION

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Year ended 31 March			Six months ended 30 September	
		2014	2015	2016	2015	2016
	Notes	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
					(Unaudited)	
Revenue	*6*	1,488	2,976	4,463	2,232	1,488
Cost of sales		(1,009)	(1,322)	(1,404)	(667)	(704)
Gross profit		479	1,654	3,059	1,565	784
Other revenue	*7*	12	4	–	–	–
Change in fair value on investment properties	*11*	(15,000)	9,000	11,000	23,000	9,000
Administrative expenses		(547)	(520)	(1,394)	(257)	(630)
Finance costs	*8*	(285)	(263)	(239)	(122)	(105)
(Loss)/profit before taxation	*9*	(15,341)	9,875	12,426	24,186	9,049
Taxation	*10*	57	(145)	(215)	(175)	(8)
(Loss)/profit and total comprehensive income for the year/period		(15,284)	9,730	12,211	24,011	9,041
(Loss)/profit and total comprehensive income for the year/period attributable to the owners of the Target Company		(15,284)	9,730	12,211	24,011	9,041

The accompanying notes form an integral part of the Financial Information.

STATEMENTS OF FINANCIAL POSITION

		As at 31 March			As at 30 September
		2014	2015	2016	2016
	Notes	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Non-current assets					
Investment properties	*11*	243,000	252,000	263,000	272,000
Current assets					
Prepayment, deposits and other receivables	*12*	3,583	3,753	4,158	5,309
Tax prepayment		125	125	–	–
Bank balances		1,086	612	455	183
		4,794	4,490	4,613	5,492
Current liabilities					
Accrued charges and other payables	*14*	14	673	12	636
Amount due to the immediate holding company	*13*	98,340	100,136	103,232	118,453
Bank borrowing	*15*	3,635	3,663	3,690	3,705
Tax payables		–	–	71	71
		101,989	104,472	107,005	122,865
Net current liabilities		(97,195)	(99,982)	(102,392)	(117,373)
Total assets less current liabilities		145,805	152,018	160,608	154,627

			As at 31 March		As at 30 September
		2014	**2015**	**2016**	**2016**
	Notes	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Capital and reserves					
Share capital	*16*	–	–	–	–
Reserves		115,707	125,437	137,648	133,517
Total equity		115,707	125,437	137,648	133,517
Non-current liabilities					
Bank borrowing	*15*	29,846	26,184	22,497	20,639
Deferred tax liabilities	*17*	252	397	463	471
		30,098	26,581	22,960	21,110
		145,805	152,018	160,608	154,627

The accompanying notes form an integral part of the Financial Information.

STATEMENTS OF CHANGE IN EQUITY

	Share Capital	Retained earnings	Total
	HK$'000	*HK$'000*	*HK$'000*
At 1 April 2013	–	130,991	130,991
Loss and total comprehensive loss for the year	–	(15,284)	(15,284)
At 31 March 2014 and 1 April 2014	–	115,707	115,707
Profit and total comprehensive income for the year	–	9,730	9,730
At 31 March 2015 and 1 April 2015	–	125,437	125,437
Profit and total comprehensive income for the year	–	12,211	12,211
At 31 March 2016 and 1 April 2016	–	137,648	137,648
Profit and total comprehensive income for the period	–	9,041	9,041
Dividend	–	(13,172)	(13,172)
At 30 September 2016	–	133,517	133,517
At 1 April 2015	–	125,437	125,437
Profit and total comprehensive income for the period	–	24,011	24,011
At 30 September 2015 (Unaudited)	–	149,448	149,448

The accompanying notes form an integral part of the Financial Information.

STATEMENTS OF CASH FLOWS

	Year ended 31 March			Six months ended 30 September	
	2014	**2015**	**2016**	**2015**	**2016**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
				(Unaudited)	
Cash flows from operating activities					
(Loss)/profit before income tax	(15,341)	9,875	12,426	24,186	9,049
Adjustments for:					
Change in fair value on investment properties	15,000	(9,000)	(11,000)	(23,000)	(9,000)
Finance costs	285	263	239	122	105
Operating cash flows before movements in working capital	(56)	1,138	1,665	1,308	154
(Increase)/decrease in prepayment, deposits and other receivables	(3,560)	(170)	(405)	–	(1,151)
Increase/(decrease) in accrued charges and other payables	(1,735)	659	(661)	(159)	624
Increase in amount due to the immediate holding company	8,756	1,796	3,096	520	2,049
Cash generated from operations	3,405	3,423	3,695	1,669	1,676
Income tax refund	–	–	47	125	–
Net cash generated from operating activities	3,405	3,423	3,742	1,794	1,676
Cash flows from financing activities					
Interest paid	(285)	(263)	(239)	(122)	(105)
Repayments of bank borrowing	(3,905)	(3,634)	(3,660)	(1,826)	(1,843)

	Year ended 31 March			Six months ended 30 September	
	2014	**2015**	**2016**	**2015**	**2016**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
				(Unaudited)	
Net cash used in financing activities	(4,190)	(3,897)	(3,899)	(1,948)	(1,948)
Net decrease in cash and cash equivalents	(785)	(474)	(157)	(154)	(272)
Cash and cash equivalents at the beginning of the year/period	1,871	1,086	612	612	455
Cash and cash equivalents at the end of the year/period	1,086	612	455	458	183
Analysis of balances of cash and cash equivalents					
Bank balances	1,086	612	455	458	183

The accompanying notes form an integral part of the Financial Information.

II. NOTES TO THE FINANCIAL INFORMATION

1. GENERAL

The Target Company was incorporated in the Hong Kong with limited liability on 7 December 2007. The registered address of the Target Company is Unit A & B, 10th Floor, United Centre, 95 Queensway, Hong Kong. The principal activity of the Target Company is property investment for rental income.

The immediate holding company of the Target Company is First Choice Properties Limited, a company incorporated in the British Virgin Island.

The Financial Information is presented in Hong Kong Dollars ("HK$"), which is the same as the functional currency of the Company. All values are rounded to the nearest thousand ("HK$'000") except when otherwise indicated.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") AND DISCLOURSES

For the purpose of preparing and presenting the Financial Information for the Relevant Periods, the Target Company has consistently applied all HKFRSs which are effective for the Target Company's financial year beginning on 1 April 2016 consistently throughout the Relevant Periods.

The Target Company has not applied the following new and revised HKFRSs that have been issued but are not yet effective:

HKAS 7 (Amendments)	Disclosure Initiative[1]
HKAS 12 (Amendments)	Recognition of Deferred Tax Assets for Unrealised Losses[1]
HKFRS 2 (Amendments)	Classification and Measurement of Share-based Payment Transactions[2]
HKFRS 4 (Amendments)	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts[2]
HKFRS 9	Financial Instruments[2]
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[4]
HKFRS 15	Revenue from Contracts with Customers[2]
HKFRS 15 (Amendments)	Clarifications to HKFRS 15 Revenue from Contracts with Customers[2]
HKFRS 16	Leases[3]

1 Effective for annual periods beginning on or after 1 January 2017
2 Effective for annual periods beginning on or after 1 January 2018
3 Effective for annual periods beginning on or after 1 January 2019
4 Effective for annual periods beginning on or after a date to be determined

HKFRS 9 Financial Instruments

HKFRS 9 adds to the existing HKFRS 9. HKFRS 9 (As revised in 2014) introduces new impairment requirement for all financial assets that are not measured at fair value through profit or loss and amendments to the previously finalised classification and measurement requirements.

A new "expected loss" impairment model in HKFRS 9 replaces the "incurred loss" model in HKAS 39 "Financial Instruments: Recognition and Measurement". For financial assets at amortised cost or fair value through other comprehensive income, an entity will now always recognise (at a minimum) 12 months of expected losses in profit or loss. For trade receivables, there is a practical expedient to calculate expected credit losses using a provision matrix based on historical loss patterns or customer bases.

HKFRS 9 also introduces additional application guidance to clarify the requirements for contractual cash flows of a financial asset to give rise to payments that are Solely Payments of Principal and Interest ("SPPI"), one of the two criteria that need to be met for an asset to be measured at amortised cost, which may result in additional financial assets being measured at amortised cost.

A third measurement category has also been added for debt instruments – fair value through other comprehensive income which applies to debt instruments that meet the SPPI contractual cash flow characteristic test.

The directors of the Target Company ("Directors") anticipate that the adoption of HKFRS 9 in the future may have significant impact on the Target Company's financial assets and financial liabilities. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 9 until the Target Company performs a detailed review.

HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 "Revenue", HKAS 11 "Construction Contracts" and the related Interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

The Directors anticipate that the application of HKFRS 15 in the future may have significant impact on the amounts reported and disclosures made in the Target Company's financial statements. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 15 until the Target Company performs a detailed review.

HKFRS 16 "Leases"

HKFRS 16, which upon the effective date will supersede HKAS 17 "Leases", introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under HKFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash payments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and these lease liabilities are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, HKAS 17.

In respect of the lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for these two types of leases differently.

The Target Company is in the process of assessing the impact of HKFRS 16 to the financial position and financial position of the Target Company. It is not practicable to provide a reasonable estimate of the effect of the application of HKFRS 16 until the Target Company performs a detailed review.

The Directors do not anticipate that the application of other new and revised HKFRSs will have material impact on the financial position and financial performance of the Target Company.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the Financial Information of the Target Company are set-out below. These policies have been consistently applied to all the period presented, unless otherwise stated.

(a) Statement of compliance

The Financial Information have been prepared in accordance with all applicable HKFRSs, which is a collective term that includes all applicable individual Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the Hong Kong Companies Ordinance.

(b) Basis of preparation

The Target Company's current liabilities exceeded its current assets by approximately HK$97,195,000, HK$99,982,000, HK$102,392,000 and HK$117,373,000 as at 31 March 2014, 2015 and 2016 and 30 September 2016 respectively. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Target Company's ability to continue as a going concern.

After the completion of the Acquisitions, the Purchaser will provide continuing financial support to the Target Company to enable it to continue as going concern and to settle its liabilities as and when they fall due.

Consequently, the Financial Information have been prepared on the Financial Information do not include any adjustments that would result should the Company be unable to operate as a going concern.

The measurement basis used in the preparation of the Financial Information is the historical cost convention.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Target Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these Financial Information is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2, leasing transactions that are within the scope of HKAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 or value in use in HKAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

(c) Investment properties

Investment properties are land and/or buildings which are owned or held under a leasehold interest to earn rental income and/or for capital appreciation. These include land held for a currently undermined future use and property that is being constructed or developed for future use as investment property.

Investment properties are stated in the statement of financial position at fair value, unless they are still in the course of construction or development at the reporting date and their fair value cannot be measured reliably at that time. Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognised in the statement of profit or loss or other comprehensive income.

(d) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Target Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Information and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Target Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Target Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the period

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

(e) Revenue recognised

Revenue is recognised when it is probable that the economic benefits will flow to the Target Company and when the revenue can be measured reliably, on the following bases:

Rental income, including rental invoiced in advance from properties under operating leases, is recognised in profit or loss on a straight-line basis over the term of the relevant leases.

(f) Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Target Company as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct cost incurred in negotiating and arranging an operating lease are added to the carry amount of the leased assets and recognized as an expense on straight-line basis over the lease term.

(g) Other receivables

Other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. An allowance for impairment of other receivables is established when there is objective evidence that the Target Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the allowance is recognised in the profit or loss.

(h) Financial instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

Financial assets are classified into loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for financial assets other than those financial assets classified as at fair value through profit or loss.

Loans and receivables

Loans and receivables (including deposits and other receivables and bank balances) are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or

- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or

- the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Target Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by an entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Target Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Target Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Target Company's own equity instruments.

Other financial liabilities

Other financial liabilities (including accrued charges and other payables, amount due to the immediate holding company and bank borrowing) are subsequently measured at amortised cost using the effective interest method.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liabilities, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis other than financial liabilities classified as at fair value through profit or loss.

Derecognition

The Target Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Target Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Target Company continues to recognise the asset to the extent of its continuing involvement and recognises an associated liability. If the Target Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Target Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

The Target Company derecognises financial liabilities when, and only when, the Target Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(i) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

(j) Borrowings

Borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

(k) Provisions

Provisions are recognised when the Target Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Target Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(l) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Target Company. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably. A contingent liability is not recognised but is disclosed in the notes to the Financial Information. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Target Company. A contingent asset is not recognised but is disclosed in the notes to the Financial Information when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

(m) Related parties

(a) A person, or a close member of that person's family, is related to the Target Company if that person:

(i) has control or joint control of the Target Company;

(ii) has significant influence over the Target Company; or

(iii) is a member of the key management personnel of the Target Company or the Target Company's parent.

(b) An entity is related to the Target Company if any of the following condition applies:

(i) the entity and the Target Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);

(ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);

(iii) both the entity and the Target Company are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Target Company or an entity related to the Target Company. If the reporting entity is itself such a plan, the sponsoring employers are also related to the Target Company;

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Target Company or to the parent of the Target Company.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

4. FINANCIAL INSTRUMENTS

Financial risk management objectives and policies

The Target Company's major financial instruments include deposits and other receivables, bank balances, accrued charges and other payables, amount due to the immediate holding company and bank borrowing. Details of these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

	As at 31 March			As at 30 September
	2014	**2015**	**2016**	**2016**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Financial assets				
Loans and receivables (including bank balances)	4,669	4,364	4,612	5,492
Financial liabilities				
Amortised costs	131,835	130,656	129,431	143,433

Financial risk factors

The Target Company is exposed to a variety of financial risks: market risk, credit risk and liquidity risk, which result from both its operating and investing activities. The Target Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Target Company's financial performance.

Management regularly manages the financial risks of the Target Company. Because of the simplicity of the financial structure and the current operations of the Target Company, no major hedging activities are undertaken by management.

(a) Market risk

Cash flow and fair value interest rate risk

The Target Company considers that there is no significant fair value interest rate risk as the Target Company does not have fixed rate borrowing.

The Target Company is mainly exposed to cash flow interest rate risk in relation to variable rate bank balances and a variable rate bank borrowing carrying prevailing interest rates at Hong Kong Interbank Offered Rate (HIBOR).

The Target Company currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

In the opinion of the Directors, the reasonably possible change in interest rates for bank balances and the variable rate bank borrowing is insignificant. No sensitivity analysis is presented.

(b) Credit risk

The carrying amounts of other receivables included in the statement of financial position represent the Target Company's maximum exposure to credit risk in relation to the Target Company's financial assets. No other financial assets carry a significant exposure to credit risk.

In order to minimise the credit risk, the management of the Target Company has credit approvals and other monitoring procedures to ensure that follow up action is taken to recover overdue debts. In this regards, the Directors consider that the Target Company's credit risk is significantly reduced.

(c) Liquidity risk

The Target Company manages its liquidity risk by regularly monitoring current and expected liquidity requirements and ensuring sufficient cash and cash equivalent to meet the Target Company's liquidity requirements in the short and long term. In addition, the management of the Target Company continuously monitors forecast and actual cash flows and matches the maturity profiles of financial assets and liabilities.

The following table details the Target Company's remaining contractual maturities for its non-derivative financial liabilities. The tables below have been drawn up based on the contractual maturities of the undiscounted financial liabilities including interest that will accrue to those liabilities except when the Target Company is entitled and intends to repay the liability before its maturity.

At 30 September 2016

	Weighted average effective interest rate	Within 1 year	Between 1 and 5 years	Over 5 years	Total contractual undiscounted cash flow	Total carrying amount
		HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Non-derivative financial liabilities						
Accrued charges and other payables	–	636	–	–	636	636
Amount due to the immediate holding company	–	118,453	–	–	118,453	118,453
Bank borrowing	0.9%	3,902	19,511	1,626	25,039	24,344
		122,991	19,511	1,626	144,128	143,433

At 31 March 2016

	Weighted average effective interest rate	Within 1 year	Between 1 and 5 years	Over 5 years	Total contractual undiscounted cash flow	Total carrying amount
		HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Non-derivative financial liabilities						
Accrued charges and other payables	–	12	–	–	12	12
Amount due to the immediate holding company	–	103,232	–	–	103,232	103,232
Bank borrowing	0.8%	3,897	19,485	3,572	26,954	26,187
		107,141	19,485	3,572	130,198	129,431

At 31 March 2015

	Weighted average effective interest rate	Within 1 year	Between 1 and 5 years	Over 5 years	Total contractual undiscounted cash flow	Total carrying amount
		HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Non-derivative financial liabilities						
Accrued charges and other payables	–	673	–	–	673	673
Amount due to the immediate holding company	–	100,136	–	–	100,136	100,136
Bank borrowing	0.8%	3,898	19,490	7,471	30,859	29,847
		104,707	19,490	7,471	131,668	130,656

At 31 March 2014

	Weighted average effective interest rate	Within 1 year	Between 1 and 5 years	Over 5 years	Total contractual undiscounted cash flow	Total carrying amount
		HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Non-derivative financial liabilities						
Accrued charges and other payables	–	14	–	–	14	14
Amount due to the immediate holding company	–	98,340	–	–	98,340	98,340
Bank borrowing	0.8%	3,894	19,467	11,356	34,717	33,481
		102,248	19,467	11,356	133,071	131,835

Capital risk management

The Target Company manages its capital to ensure that entities in the Target Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Target Company consists of debts (which include bank borrowing), bank balances and equity attributable to owners of the Target Company, comprising issued share capital and reserves. The Directors review the capital structure on a continuous basis. As part of this review, the Directors consider the cost of capital and the risks associated with capital.

The Target Company monitors its capital on the basis of the gearing ratio of bank borrowing over total assets. The Target Company aims to maintain the gearing ratio at a reasonable level.

The gearing ratios at the Relevant Periods are as follows:

	As at 31 March			As at 30 September
	2014	**2015**	**2016**	**2016**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Total borrowing	33,481	29,847	26,187	24,344
Total assets	247,791	256,490	267,613	277,492
Gearing ratios	13.51%	11.64%	9.79%	8.77%

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Target Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Fair value of investment properties

The Target Company's investment properties are stated at fair value based on the valuation performed by independent professional valuers. In determining the fair value, the valuers have based on methods of valuation which involve certain estimates. In relying on the valuation reports, the management of the Target Company has exercised its judgement and is satisfied that the methods of valuation are reflective of the current market conditions, as detailed in Note 11. Should there be changes in assumptions due to change in market conditions, the fair value of the investment properties will change in future.

6. REVENUE

	Year ended 31 March			Six months ended 30 September	
	2014	**2015**	**2016**	**2015**	**2016**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
				(Unaudited)	
Rental income	1,488	2,976	4,463	2,232	1,488

7. OTHER REVENUE

	Year ended 31 March			Six months ended 30 September	
	2014	**2015**	**2016**	**2015**	**2016**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
				(Unaudited)	
Sundry income	–	4	–	–	–
Compensation income	12	–	–	–	–
	12	4	–	–	–

8. FINANCE COSTS

	Year ended 31 March			Six months ended 30 September	
	2014	**2015**	**2016**	**2015**	**2016**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
				(Unaudited)	
Interest expenses on bank borrowing	285	263	239	122	105

9. (LOSS)/PROFIT BEFORE TAXATION

(Loss)/profit before taxation has been arrived at after charging/(crediting):

	Year ended 31 March			Six months ended 30 September	
	2014	**2015**	**2016**	**2015**	**2016**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
				(Unaudited)	
Auditors' remuneration	10	11	11	5	–
Directors' emoluments	–	–	–	–	–
Employee benefit expenses	–	–	–	–	–
Retirement benefit costs	–	–	–	–	–
Gross rental income from investment properties	(1,488)	(2,976)	(4,463)	(2,232)	(1,488)
Less: Direct operating expenses from investment properties that generated rental income during the year/period	1,009	1,322	1,404	667	704
	(479)	(1,654)	(3,059)	(1,565)	(784)

10. TAXATION

	Year ended 31 March			Six months ended 30 September	
	2014	**2015**	**2016**	**2015**	**2016**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
				(Unaudited)	
The (credit)/expense comprises:					
Hong Kong Profits Tax:					
Current year/period charge	–	–	149	135	–
Deferred tax:					
Current year/period (credit)/charge	(57)	145	66	40	8
	(57)	145	215	175	8

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profits for the years ended 31 March 2014, 2015 and 2016 and for the six months ended 30 September 2015 and 2016.

The income tax (credit)/expense for the year/period can be reconciled to the (loss)/profit before tax per the statement of profit or loss and other comprehensive income as follows:

	Year ended 31 March			Six months ended 30 September	
	2014	**2015**	**2016**	**2015**	**2016**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
				(Unaudited)	
(Loss)/profit before tax	(15,341)	9,875	12,426	24,186	9,049
Tax at Hong Kong Profits Tax rate of 16.5%	(2,531)	1,629	2,050	3,990	1,493
Tax effect of income not taxable for tax purpose	–	(1,484)	(1,815)	(3,795)	(1,485)
Tax effect of expense not deductible for tax purpose	2,474	–	–	–	–
One-off reduction of profit tax	–	–	(20)	(20)	–
Tax (credit)/charges for the year/period	(57)	145	215	175	8

11. INVESTMENT PROPERTIES

	Fair value			
	As at 31 March			As at 30 September
	2014	**2015**	**2016**	**2016**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
At beginning of the year/period	258,000	243,000	252,000	263,000
Change in fair value	(15,000)	9,000	11,000	9,000
At end of the year/period	243,000	252,000	263,000	272,000

Investment properties with fair value of approximately HK$243,000,000, HK$252,000,000, HK$263,000,000 and HK$272,000,000 as at 31 March 2014, 2015 and 2016 and 30 September 2016 respectively are pledged to a bank as security for general banking facilities extended to the Target Company.

All of the Target Company's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

Property valuations at the end of the years/period were carried out by International Valuation Limited, an independent qualified professional valuers, in respect of the Target Company's investment properties in Hong Kong. The valuers have recent relevant experience in the valuation of similar properties in the relevant locations.

At the end of the reporting period, the management of the Target Company discussed with the independent qualified professional valuers about the appropriate valuation techniques and key inputs for Level 2 fair value measurements.

The valuation reports for the investment properties at the end of the years/period are signed by the respective director of International Valuation Limited, who are members of The Hong Kong Institute of Surveyor. The valuations were performed in accordance with "The HKIS Valuation Standards 2012 Edition" published by The Hong Kong Institute of Surveyors.

The fair value of each investment property is individually determined at the end of each reporting period based on its market value and by adopting direct comparison method. Direct comparison method assumes each of these properties is capable of being sold in its existing state with the benefit of vacant possession and by making reference to comparable sales evidence as available in the relevant markets.

The following tables analysed the investment properties which are measured at fair value at the end of the reporting period into the three-level hierarchy as defined in HKFRS 13 "Fair Value Measurement".

	As at 30 September 2016			
	Fair Value	**Level 1**	**Level 2**	**Level 3**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Recurring fair value measurements:				
Commercial properties	272,000	–	272,000	–

	As at 31 March 2016			
	Fair Value	**Level 1**	**Level 2**	**Level 3**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Recurring fair value measurements:				
Commercial properties	263,000	–	263,000	–

	As at 31 March 2015			
	Fair Value	**Level 1**	**Level 2**	**Level 3**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Recurring fair value measurements:				
Commercial properties	252,000	–	252,000	–

	As at 31 March 2014			
	Fair Value	**Level 1**	**Level 2**	**Level 3**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Recurring fair value measurements:				
Commercial properties	243,000	–	243,000	–

For the commercial properties with Level 2 fair value hierarchy, the fair value was derived using the direct comparison approach based on recent market prices without any significant adjustments being made to the market observable data.

	As at 31 March			As at 30 September	Valuation	Significant unobservable	
	2014	**2015**	**2016**	**2016**	**technique**	**inputs**	**Sensitivity**
	HK$'000	HK$'000	HK$'000	HK$'000			
Investment Properties	243,000	252,000	263,000	272,000	Direct comparison approach	Market unit value, taking into account the differences in location, and individual factor, such as frontage and size, between the comparables and the property.	A significant increase in the market unit value used would result in significant increase in fair value, and vice versa.

12. PREPAYMENT, DEPOSITS AND OTHER RECEIVABLES

	As at 31 March			As at 30 September
	2014	**2015**	**2016**	**2016**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Prepayment	–	1	1	–
Deposits	49	24	24	60
Other receivables	3,534	3,728	4,133	5,249
	3,583	3,753	4,158	5,309

Note:

Other receivable comprised an amount due from UCC Business Centre Company Limited ("UCCBCC") of approximately HK$3,534,000, HK$3,728,000, HK$4,100,000 and HK$5,249,000 at as 31 March 2014, 2015 and 2016 and 30 September 2016, respectively. Mr. Lee is a director of UCCBCC. The amount is interest-free, unsecured and repayable on demand. As at the date of this Circular, the amount was fully settled.

13. AMOUNT DUE TO THE IMMEDIATE HOLDING COMPANY

The amount due to the immediate holding company is unsecured, interest-free and repayable on demand.

14. ACCRUED CHARGES AND OTHER PAYABLES

	As at 31 March			As at 30 September
	2014	**2015**	**2016**	**2016**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Accrued charges	–	661	–	–
Other payables	14	12	12	636
	14	673	12	636

Note:

Other payables comprised amounts due to Sun Hing Holdings Limited and World Frontage Limited of approximately HK$342,000 and HK$246,000 at as 30 September 2016, respectively. Mr. Lee is a director of the Sun Hing Holdings Limited and World Frontage Limited. The amounts are interest-free, unsecured and repayable on demand. As at the date of this Circular, the amounts were fully settled.

15. BANK BORROWING

	As at 31 March			As at 30 September
	2014	**2015**	**2016**	**2016**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Carrying amount of bank borrowing repayable:				
Within one year	3,635	3,663	3,690	3,705
In the second to fifth years, inclusive	18,627	18,777	18,936	19,017
Over five years	11,219	7,407	3,561	1,622
	33,481	29,847	26,187	24,344
Less: amount classified as current liabilities	(3,635)	(3,663)	(3,690)	(3,705)
Amount classified as non-current liabilities	29,846	26,184	22,497	20,639

The bank borrowing was secured by the Target Company's investment properties and rental income and guaranteed by Sun Hing Holdings Limited, which bears interest at 0.6% per annum over 1-month Hong Kong Interbank Offered Rate and is repayable in 180 instalments.

16. SHARE CAPITAL

	Number of shares	Share capital
		HK$
At 31 March 2014, 31 March 2015, 31 March 2016 and 30 September 2016	1	1

The Target Company's paid up capital at 31 March 2014, 2015 and 2016 and 30 September 2016 was HK$1. There was no change in shareholding of the Target Company during the years ended 31 March 2014, 2015 and 2016 and the six months ended 30 September 2016.

17. DEFERRED TAXATION

The movements in the Target Company's deferred tax (assets reversed)/liabilities recognised in the statement of financial position and the movements during the year/period are as follows:

	Accelerated tax depreciation	Tax losses	Total
	HK$'000	*HK$'000*	*HK$'000*
At 1 April 2013	309	–	309
Charge/(credit) for the year *(Note 10)*	51	(108)	(57)
At 31 March 2014 and 1 April 2014	360	(108)	252
Charge for the year *(Note 10)*	52	93	145
At 31 March 2015 and 1 April 2015	412	(15)	397
Charge for the year *(Note 10)*	51	15	66
At 31 March 2016 and 1 April 2016	463	–	463
Charge for the period *(Note 10)*	8	–	8
At 30 September 2016	471	–	471

18. OPERATING LEASES COMMITMENTS

The Target Company as lessor

Property rental income earned was approximately HK$1,488,000, HK$2,976,000, HK$4,463,000, HK$2,232,000 and HK$1,488,000 less outgoings of approximately HK$1,009,000, HK$1,322,000, HK$1,404,000, HK$667,000 and HK$704,000 for the year ended 31 March 2014, 2015 and 2016 and for the six months ended 30 September 2015 and 2016 respectively.

At the end of the reporting period, the Target Company had contracted with tenants for the following future minimum lease payments.

				As at
		As at 31 March		30 September
	2014	**2015**	**2016**	**2016**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Within one year	3,720	4,463	3,720	4,463
In the second to fifth year inclusive	4,463	–	4,463	2,232
	8,183	4,463	8,183	6,695

19. OTHER COMMITMENT

As at 30 September 2016, the Target Company committed to pay an expense of approximately HK$192,000 for comprehensive maintenance services and modernisation works of lift and escalators of its investment properties. The anticipated works will be commenced in 2017.

20. DIVIDENDS

The directors declared a dividend of approximately HK$13,172,000 in respect of the six months ended 30 September 2016 and HK$Nil for year ended 31 March 2014, 2015 and 2016 and the six months ended 30 September 2015.

21. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES

The emoluments of the directors of the Target Company for the Relevant Periods are set out below:

	Salaries allowance And benefits in kind *HK$'000*	Retirement benefits scheme contribution *HK$'000*	Total remuneration *HK$'000*
Years ended 31 March 2014, 2015 and 2016 and six months ended 30 September 2015 (Unaudited) and 2016			
Mr. Lee Kar Fai, Philip ("Mr. Lee")	–	–	–
Million Horse Company Limited	–	–	–
	–	–	–

During the Relevant Periods and six month ended 30 September 2015 (Unaudited), the Target Company did not incur any employee expenses.

22. MATERIAL RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in the financial statements, the Target Company had the following material related party transactions during the year/period:

Transactions

	Year ended 31 March			Six months ended 30 September	
	2014	**2015**	**2016**	**2015**	**2016**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000* (Unaudited)	*HK$'000*
Rental income from UCCBCC	–	2,976	4,463	2,232	1,488
Building management fee to World Frontage Limited	492	492	492	246	246
Management fee to Sun Hing Holdings Limited	504	504	684	342	342

Balances

Details of the balances with related parties at the end of the reporting period are set out in Note 12, 13 and 14.

Key management personnel compensation

No compensation was paid or payable to the key management personnel of the Company for the years ended 31 March 2014, 2015 and 2016 and for the six months ended 30 September 2016.

23. NON-CASH TRANSACTION

During the six months period ended 30 September 2016, the directors of the Target Company declared a dividend of approximately HK$13,172,000 which was settled by netting-off the amount due to the immediate holding company.

24. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Target Company in respect of any period subsequent to 30 September 2016.

Yours faithfully,

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

Ng Ka Wah
Practising Certificate Number: P06417

Hong Kong

2. MANAGEMENT DISCUSSION AND ANALYSIS ON THE TARGET COMPANY

Set out below is the management discussion and analysis of Target Company business and performance for the years ended 31 March 2014, 2015 and 2016 and the six months ended 30 September 2016 (the "**Relevant Periods**"). The financial information of the Target Company is prepared using accounting policies which are materially consistent with those of the Company.

Business review

The Target Company was incorporated in Hong Kong with limited liability on 7 December 2007. It is principally engaged in property investment for rental income, which was the only source of revenue of the Target Company during the Relevant Periods.

For the year ended 31 March 2014, revenue of the Target Company amounted to approximately HK$1,488,000. Net loss after tax of the Target Company amounted to HK$15,284,000, which was mainly due to the loss in fair value change on investment properties of approximately HK$15,000,000.

For the year ended 31 March 2015, revenue of the Target Company amounted to approximately HK$2,976,000, representing an increase of approximately 100.0% as compared to the preceding year due to increase in rental income received. Net profit after tax of the Target Company amounted to approximately HK$9,730,000, representing an increase of approximately 163.66% compared to the preceding year mainly due to the loss in fair value change on investment properties from approximately HK$15,000,000 for the year ended 31 March 2014 to gain in fair value change on investment properties approximately HK9,000,000 for the year ended 31 March 2015.

For the year ended 31 March 2016, revenue of the Target Company amounted to approximately HK$4,463,000, representing an increase of approximately 50.0% as compared to the preceding year due to increase in rental income received. Net profit after tax of the Target Company amounted to approximately HK$12,211,000, representing an increase of approximately 25.50% compared to the preceding year mainly due to the increase in gain in fair value change on investment properties from approximately HK$9,000,000 for the year ended 31 March 2015 to approximately HK11,000,000 for the year ended 31 March 2016.

For the six months ended 30 September 2016, revenue of the Target Company amounted to approximately HK$1,488,000, representing a decrease of approximately 33.3% as compared to the corresponding period in 2015, which was due to the decrease in rental income received. The Directors understand that this decrease in rental income was mainly attributable to the fact that new tenants were not actively sought over this period as the Property was prepared for disposal by the Vendor on a predominately vacant basis. Net profit after tax of the Target Company amounted to approximately HK$9,041,000, representing a decrease of approximately 62.35% compared to the corresponding period in 2015, which was mainly due to the decrease in rental income received as mentioned above and the increase in administration expenses and the decrease in gain in fair value on investment properties from approximately HK$23,000,000 for the six months ended 30 September 2015 to approximately HK$9,000,000 for the six months ended 30 September 2016.

Liquidity and financial resources

During the Relevant Periods, the Target Company mainly financed its operation by bank borrowings and a loan from immediate holding company.

As at 31 March 2014, 2015 and 2016 and 30 September 2016, the current assets of the Target Company amounted to approximately HK$4,794,000, HK$4,490,000, HK$4,613,000 and HK$5,492,000 respectively. Out of which, bank balances, which were denominated in HK$, amounted to approximately HK$1,086,000, HK$612,000, HK$455,000 and HK$183,000 as at 31 March 2014, 2015 and 2016 and 30 September 2016 respectively. The current assets of the Target Company also included other receivables amounting to approximately HK$3,534,000, HK$3,728,000, HK$4,133,000 and HK$5,249,000 as at 31 March 2014, 2015 and 2016 and 30 September 2016 respectively. This refers to rental income due from the master tenant, which sub-leases units of the Property to its existing tenants.

As at 31 March 2014, 2015 and 2016 and 30 September 2016, the Target Company had a bank borrowing secured by the Target Company's investment properties and rental income and guaranteed by Sun Hing Holdings Limited. This bank borrowing, which was denominated in HK$, bears interest at 0.6% per annum over 1-month Hong Kong Interbank Offered Rate and is repayable in 180 instalments. The amount of the bank borrowing repayable within one year amounted to approximately HK$3,635,000, HK$3,663,000, HK$3,690,000 and HK$3,705,000 as at 31 March 2014, 2015 and 2016 and 30 September 2016 respectively; whilst the amount of the bank borrowing repayable more than one year amounted to approximately HK$29,846,000, HK$26,184,000, HK$22,497,000 and HK$20,639,000 as at 31 March 2014, 2015 and 2016 and 30 September 2016 respectively.

The Target Company had net current liabilities of approximately HK$97,195,000, HK$99,982,000, HK$102,392,000 and HK$117,373,000 as at 31 March 2014, 2015 and 2016 and 30 September 2016 respectively. The Target Company had an amount due to the immediate holding company, which was unsecured, interest-free and repayable on demand. The amount due to the immediate holding company, which was denominated in HK$, amounted to approximately HK$98,340,000, HK$100,136,000, HK$103,232,000 and HK$118,453,000 as at 31 March 2014, 2015 and 2016 and 30 September 2016 respectively.

The gearing ratio of the Target Company, which is defined as bank borrowing divided by total assets, was approximately 13.5%, 11.6%, 9.8% and 8.8% as at 31 March 2014, 2015 and 2016 and 30 September 2016 respectively.

Capital structure

During the Relevant Periods, there was no change to the share capital of the Target Company.

Material acquisitions and disposals

The Target Company did not carry out any material acquisitions or disposals during the Relevant Periods.

Contingent liabilities

As at 31 March 2014, 2015 and 2016 and 30 September 2016, the Target Company did not have any significant contingent liabilities.

Exchange rate exposure

The Target Company's reporting currency is HK$. During the Relevant Periods, all the Target Company's transactions were denominated in HK$. The Target Company did not have any exposure to foreign exchange fluctuations and did not use any financial instruments for hedging purpose during the Relevant Periods.

Financial guarantees and charge on assets

Investment properties with fair value of approximately HK$243,000,000, HK$252,000,000, HK$263,000,000 and HK$272,000,000 as at 31 March 2014, 2015 and 2016 and 30 September 2016 respectively are pledged to a bank as security for general banking facilities extended to the Target Company.

Employees and remuneration policies

The Target Company had no employee as at 31 March 2014, 2015 and 2016 and 30 September 2016 respectively. For the years ended 2014, 2015 and 2016 and six months ended 30 September 2016, the Target Company did not incur any employee expenses (including directors' and chief executive remuneration).

Future plans for material investments and acquisition of capital assets

There are no specific plan for material investments or acquisitions of material capital assets.

(A) UNAUDITED PRO FORMA FINANCIAL INFORMATION ON THE ENLARGED GROUP

The following is an illustrative and unaudited pro forma financial information of the Group as enlarged by the Acquisition and the Rights Issue (the "**Unaudited Pro Forma Financial Information**"), comprising the unaudited pro forma consolidated statement of financial position, the unaudited pro forma consolidated statement of profit or loss and other comprehensive income and the unaudited pro forma consolidated statement of cash flows for the Group as enlarged by the Acquisition and the Rights Issue.

As it is intended that the Rights Issue will be undertaken immediately after the Acquisition to repay the Shareholder's loans (which funded the Acquisition), it has been thought appropriate to include the effects of the Rights Issue in this analysis.

The Unaudited Pro Forma Financial Information of the Group has been prepared by the directors of the Company in accordance with Rule 4.29 of the Listing Rules for illustrative purposes only, based on their judgments, estimations and assumptions, and because of its hypothetical nature, it may not give a true picture of the financial position of the Enlarged Group as at 30 September 2016 or at any future date or the results and cash flows of the Enlarged Group for the year ended 30 September 2016 or for any future period following the Acquisition and the Rights Issue.

The Unaudited Pro Forma Financial Information has been prepared using the accounting policies consistent with those of the Group as set out in the published annual report of the Company for the year ended 30 September 2016.

The unaudited pro forma consolidated statement of financial position of the Group as enlarged by the Acquisition and the Rights Issue as at 30 September 2016 is prepared as if the Acquisition and the Rights Issue had taken place on 30 September 2016 and is based on (i) the audited consolidated statement of financial position of the Group as at 30 September 2016, which has been extracted from the annual report of the Company for the year ended 30 September 2016; (ii) the audited statement of financial position of the Target Company as at 30 September 2016 as extracted from the accountants' report thereon as set out in Appendix II to this Circular, after making pro forma adjustments that are (i) directly attributable to the Acquisition and the Rights Issue; and (ii) factually supportable.

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 Group as enlarged by the Acquisition and the Rights Issue for the year ended 30 September 2016 are prepared as if the Acquisition and the Rights Issue had taken place on 1 October 2015 and are based on (i) 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 30 September 2016, which have been extracted from the annual report of the Company for the year ended 30 September 2016; (ii) the audited statement of profit or loss and other comprehensive income and the audited statement of cash flows of the Target Company for the year ended 31 March 2016 as extracted from the accountants' report thereon set out in Appendix II to this Circular, after making pro forma adjustments that are (i) directly attributable to the Acquisition and the Rights Issue; and (ii) factually supportable.

The Unaudited Pro Forma Financial Information should be read in conjunction with other financial information included elsewhere in this Circular.

UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL INFORMATION ON THE ENLARGED GROUP

	Audited consolidated statement of financial position of the Group as at 30 September 2016	Audited statement of financial position of the Target Company as at 30 September 2016		Pro forma adjustments for the Acquisition	Unaudited consolidated statement of financial position of the Enlarged Group after the completion of the Acquisition but before the completion of the Rights Issue as at 30 September 2016		Pro forma adjustments for the Rights Issue	Unaudited consolidated statement of financial position of the Enlarged Group after the completion of the Acquisition and the Rights Issue as at 30 September 2016
	HK$'000	*HK$'000*		*HK$'000*	*HK$'000*		*HK$'000*	*HK$'000*
	(Note 1)	*(Note 2)*	*Notes*			*Notes*		
Non-current assets								
Property, plant and equipment	3,343	–	*5*	225,180	228,523	*11*	10,500	239,023
Investment properties	–	272,000	*4*	49,686	96,506	*11*	4,500	101,006
			5	(225,180)				
Available-for-sale financial assets	5,950	–			5,950			5,950
	9,293	272,000			330,979			345,979
Current assets								
Inventories	1,432	–			1,432			1,432
Trade receivables	1,137	–			1,137			1,137
Prepayment, deposits and other receivable	8,415	5,309			13,724			13,724
Financial assets at fair value through profit or loss	204	–			204			204
Pledged time deposits	5,044	–			5,044			5,044
Cash and bank balances	52,923	183	*3*	286,200	21,306	*8*	422,600	58,706
			4	(318,000)		*9*	(336,200)	
						10	(26,000)	
						11	(15,000)	
						12	(8,000)	
	69,155	5,492			42,847			80,247

	Audited consolidated statement of financial position of the Group as at 30 September 2016	Audited statement of financial position of the Target Company as at 30 September 2016	Notes	Pro forma adjustments for the Acquisition	Unaudited consolidated statement of financial position of the Enlarged Group after the completion of the Acquisition but before the completion of the Rights Issue as at 30 September 2016	Notes	Pro forma adjustments for the Rights Issue	Unaudited consolidated statement of financial position of the Enlarged Group after the completion of the Acquisition and the Rights Issue as at 30 September 2016
	HK$'000	*HK$'000*		*HK$'000*	*HK$'000*		*HK$'000*	*HK$'000*
	(Note 1)	*(Note 2)*	*Notes*			*Notes*		
Current liability								
Trade payables	2,622	–			2,622			2,622
Accrued charges and other payables	23,397	636	*4*	8,000	32,033	*10*	(21,500)	2,533
						12	(8,000)	
Tax payables	–	71			71			71
Bank borrowings	4,500	3,705	*4*	(3,705)	4,500	*10*	(4,500)	–
Loan from/amount due to the immediate holding company	50,000	118,453	*4*	(118,453)	336,200	*9*	(50,000)	–
			3	286,200		*9*	(286,200)	
	80,519	122,865			375,426			5,226
Net current (liabilities)/ assets	(11,364)	(117,373)			(332,579)			75,021
Non-current liabilities								
Bank borrowings	–	20,639	*4*	(20,639)	–			–
Deferred tax liabilities	–	471			471			471
	–	21,110			471			471
Total assets less current liabilities	(2,071)	154,627			(1,600)			421,000
Net (liabilities)/assets	(2,071)	133,517			(2,071)			420,529
Equity capital								
Share capital	51,659	–			51,659	*8*	25,830	77,489
Reserves	(53,730)	133,517	*4*	(133,517)	(53,730)	*8*	396,770	343,040
	(2,071)	133,517			(2,071)			420,529

UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ON THE ENLARGED GROUP

	Audited consolidated statement of profit or loss and other comprehensive income of the Group for the year ended 30 September 2016	Audited statement of profit or loss and other comprehensive income of the Target Company for the year end 31 March 2016		Pro forma adjustments for the Acquisition	Unaudited consolidated statement of profit or loss and other comprehensive income for the Enlarged Group after the completion of the Acquisition but before the completion of the Rights Issue for the year ended 30 September 2016		Pro forma adjustments for the Rights Issue	Unaudited consolidated statement of profit or loss and other comprehensive income of the Enlarged Group after the completion of the Acquisition and the Rights Issue for the year ended 30 September 2016
	HK$'000	*HK$'000*		*HK$'000*	*HK$'000*		*HK$'000*	*HK$'000*
	(Note 1)	*(Note 2)*	*Notes*			*Notes*		
Revenue	103,401	4,463			107,864			107,864
Cost of sales	(75,668)	(1,404)			(77,072)			(77,072)
Gross profit	27,733	3,059			30,792			30,792
Other revenue	584	–			584			584
Change in fair value on Investment properties	–	11,000			11,000			11,000
Selling and distribution expenses	(31)	–			(31)			(31)
Administrative expenses	(53,383)	(1,394)	*6*	(5,502)	(60,279)			(60,279)
Other operating expenses	(73)	–			(73)			(73)
Finance costs	(129)	(239)			(368)			(368)
(Loss)/profit before taxation	(25,299)	12,426			(18,375)			(18,375)
Taxation	–	(215)			(215)			(215)
(Loss)/profit for the year	(25,299)	12,211			(18,590)			(18,590)

	Audited consolidated statement of profit or loss and other comprehensive income of the Group for the year ended 30 September 2016	Audited statement of profit or loss and other comprehensive income of the Target Company for the year end 31 March 2016		Pro forma adjustments for the Acquisition	Unaudited consolidated statement of profit or loss and other comprehensive income for the Enlarged Group after the completion of the Acquisition but before the completion of the Rights Issue for the year ended 30 September 2016		Pro forma adjustments for the Rights Issue	Unaudited consolidated statement of profit or loss and other comprehensive income of the Enlarged Group after the completion of the Acquisition and the Rights Issue for the year ended 30 September 2016
	HK$'000	*HK$'000*		*HK$'000*	*HK$'000*		*HK$'000*	*HK$'000*
	(Note 1)	*(Note 2)*	*Notes*			*Notes*		
Other comprehensive income								
Item that may be reclassified subsequently to profit or loss:								
Exchange difference on translating foreign operations	133	–			133			133
Other comprehensive income for the year, net of tax	133	–			133			133
Total comprehensive (loss)/ income for the year	(25,166)	12,211			(18,457)			(18,457)
(Loss)/profit for the year attributable to owners of the Company	(25,299)	12,211			(18,590)			(18,590)
Total comprehensive (loss)/ income for the year attributable to owners to owners of the Company	(25,166)	12,211			(18,457)			(18,457)

UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF CASH FLOWS OF THE ENLARGED GROUP

	Audited consolidated statement of profit or loss and other comprehensive income of the Group for the year ended 30 September 2016	Audited statement of profit or loss and other comprehensive income of the Target Company for the year end 31 March 2016		Pro forma adjustments for the Acquisition	Unaudited consolidated statement of profit or loss and other comprehensive income for the Enlarged Group after the completion of the Acquisition but before the completion of the Rights Issue for the year ended 30 September 2016		Pro forma adjustments for the Rights Issue	Unaudited consolidated statement of profit or loss and other comprehensive income of the Enlarged Group after the completion of the Acquisition and the Rights Issue for the year ended 30 September 2016
	HK$'000	*HK$'000*		*HK$'000*	*HK$'000*		*HK$'000*	*HK$'000*
	(Note 1)	*(Note 2)*	*Notes*			*Notes*		
CASH FLOWS FROM OPERATING ACTIVITIES								
(Loss)/profit before taxation	(25,299)	12,426	*6*	(5,502)	(18,375)			(18,375
Adjustments for:								
Depreciation	1,396	–	*6*	5,502	6,898			6,898
Bad debts written off	63	–			63			63
Unrealised gain from financial assets at fair value through profit or loss	(27)	–			(27)			(27)
Loss on written off of property, plant and equipment	10	–			10			10
Change in fair value on investment properties	–	(11,000)			(11,000)			(11,000)
Allowance for inventories	58	–			58			58
Reversal of allowance for inventories	(72)	–			(72)			(72)
Written off of inventories	564	–			564			564
Dividend income	(5)	–			(5)			(5)
Interest income	(16)	–			(16)			(16)
Interest expense	129	239			368			368
Operating cash flows before movements in working capital	(23,199)	1,665			(21,534)			(21,534)
Decrease in inventories	290	–			290			290
Decrease in trade receivables	110	–			110			110
Increase in prepayments, deposits and other receivables	(314)	(405)			(719)			(719)
Increase in amount due to the immediate holding company	–	3,096			3,096			3,096

	Audited consolidated statement of profit or loss and other comprehensive income of the Group for the year ended 30 September 2016 HK$'000 (Note 1)	Audited statement of profit or loss and other comprehensive income of the Target Company for the year end 31 March 2016 HK$'000 (Note 2)	Notes	Pro forma adjustments for the Acquisition HK$'000	Unaudited consolidated statement of profit or loss and other comprehensive income for the Enlarged Group after the completion of the Acquisition but before the completion of the Rights Issue for the year ended 30 September 2016 HK$'000	Notes	Pro forma adjustments for the Rights Issue HK$'000	Unaudited consolidated statement of profit or loss and other comprehensive income of the Enlarged Group after the completion of the Acquisition and the Rights Issue for the year ended 30 September 2016 HK$'000
Decrease in trade payables	(1,717)	–			(1,717)			(1,717)
Increase/(decrease) in accrued charges and other payables	15,385	(661)	4	8,000	22,724	10	(21,500)	(6,776)
						12	(8,000)	
Cash (used in)/generated operating activities	(9,445)	3,695			2,250			(27,250)
Profit tax refund	20	47			67			67
Net cash (used in)/generated from operating activities	(9,425)	3,742			2,317			(27,183)
CASH FLOWS FROM INVESTING ACTIVITIES								
Purchase of property, plant and equipment	(1,831)	–			(1,831)	11	(10,500)	(12,331)
Addition of investment properties	–	–			–	11	(4,500)	(4,500)
Dividend received	5	–			5			5
Interest received	16	–			16			16
Increase in pledged time deposits	(14)	–			(14)			(14)
Net cashflow of acquisition of a subsidiary	–	–	7	(317,545)	(317,545)			(317,545)
Net cash used in investing activities	(1,824)	–			(319,369)			(334,369)
CASH FLOWS FROM FINANCING ACTIVITIES								
Interest paid	(134)	(239)			(373)			(373)

	Audited consolidated statement of profit or loss and other comprehensive income of the Group for the year ended 30 September 2016 HK$'000 *(Note 1)*	Audited statement of profit or loss and other comprehensive income of the Target Company for the year end 31 March 2016 HK$'000 *(Note 2)*	*Notes*	Pro forma adjustments for the Acquisition HK$'000	Unaudited consolidated statement of profit or loss and other comprehensive income for the Enlarged Group after the completion of the Acquisition but before the completion of the Rights Issue for the year ended 30 September 2016 HK$'000	*Notes*	Pro forma adjustments for the Rights Issue HK$'000	Unaudited consolidated statement of profit or loss and other comprehensive income of the Enlarged Group after the completion of the Acquisition and the Rights Issue for the year ended 30 September 2016 HK$'000
Increase in loan from the immediate holding company	50,000	–	*3*	286,200	336,200	*9*	(50,000)	–
						9	(286,200)	
Increase in bank borrowings	40,500	–			40,500			40,500
Repayments of bank borrowings	(40,500)	(3,660)			(44,160)	*10*	(4,500)	(48,660)
Net proceed from the Rights Issue	–	–			–	*8*	422,600	422,600
Net cash generated from/(used in) financing activities	49,866	(3,899)			332,167			414,067
Net increase/(decrease) in cash and cash equivalents	38,617	(157)			15,115			52,515
Cash and cash equivalents at the beginning of the year	14,298	612			14,910			14,910
Effect of foreign exchange rate change	8	–			8			8
Cash and cash equivalents at the end of the year	52,923	455			30,033			67,433
Analysis of the balance of cash and cash equivalents								
Cash and bank balances	52,923	455			30,033			67,433

Notes:

1) The amounts were extracted from the audited consolidated statement of financial position of the Group as at 30 September 2016 and 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 30 September 2016 as set out in the Company's annual report dated 19 December 2016.

2) The amounts were derived from the financial information of the Target Company as set out in Appendix II to this circular.

3) The total consideration of HK$318,000,000 will be settled by using the cash reserves of the Group, which predominantly arose from a Shareholder's loan amounting to HK$50,000,000, granted to the Group by the Controlling Shareholder in 2016. The remaining balance of the Consideration will be settled by the unsecured and interest-free New Shareholder's Loan amounting to HK$286,200,000 to be granted to the Group by the Controlling Shareholder. This adjustment is not expected to have a continuing effect on the Enlarged Group.

4) Under HKFRSs, the Acquisition was accounted for as an acquisition of asset and liabilities as the Target Company proposed to be acquired by the Group does not constitute a business. The Group identified and recognised the individual identifiable assets acquired and liabilities assumed. The cost of the Target Company was allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of acquisition. Such a transaction does not give rise to goodwill. The Property acquired are initially recognised at cost and subsequently at fair value.

	Carrying amount	Fair value surplus adjustments	Fair value
	HK$'000	*HK$'000*	*HK$'000*
Investment properties	272,000	49,686	321,686

Pursuant to the sale and purchase agreement dated 26 January 2017 (the "Sale and Purchase Agreement") entered into among First Choice Properties Limited (the "Vendor") and Capital Ring Enterprises Limited (the "Purchaser"), a wholly-owned subsidiary of the Company, in relation to the sale and purchase of an aggregate 100% equity interest in Eagle Faith Investments Limited for a total consideration of HK$318,000,000 in cash.

	HK$'000
Consideration for the Acquisition	
Repayment of the existing bank borrowing on behalf of the Target Company	24,344
Cash consideration to the Vendor	293,656
Directly attributable costs *(Note i)*	8,000
	326,000

	HK$'000
Identifiable assets and liabilities acquired:	
Net assets of the Target Company	133,517
Assignment of shareholder loan of the Target Company *(Note ii)*	118,453
Repayment of bank borrowing of the Target Company	24,344
Fair value surplus adjustments to investment properties on the Acquisition	49,686
	326,000

(i) The adjustment represents the estimated legal and professional fees and other expenses of approximately HK$8,000,000 payable by the Company which is directly attributable to the Acquisition and treated as part of the cost of acquisition. This adjustment is not expected to have a continuing effect on the Enlarged Group.

(ii) Assignment of shareholder loan

Pursuant to the Sale and Purchase Agreement entered into among the Vendor and the Purchaser, repayment of the Target Company Shareholder Loan of approximately HK$118,453,000 provided by the Vendor to the Target Company shall be settled as part of the Consideration and the Target Company Shareholder Loan shall be assigned by the Vendor to the Company.

(iii) The fair values of the identifiable assets and liabilities of the Target Company are assumed to be approximate to that of carrying amounts as of the completion date of Acquisition.

5) This adjustment represents the reclassification of part of investment properties to property, plant and equipment, since the Directors' intention is that approximately 70% of the Property shall be used for the Group's own operations before 2019.

6) This adjustment represents the annual depreciation charge recognised for the Group's own operation property (70% of the Property) in the consolidated statement of profit or loss and other comprehensive income of the Enlarged Group. For the purpose of preparing the Unaudited Pro Forma Financial Information, the estimated useful life of the Group's own operation property are assumed to be the remaining lease term (i.e. 37.9 years). This depreciation charge will have the continuing effect on the financial statements of the Enlarged Group in subsequent years.

7) The net cash outflow of the acquisition of a subsidiary of approximately HK$317,545,000 represents the pro forma cash consideration of HK$318,000,000 (Note 3) less cash and cash equivalents of the Target Company acquired as at 31 March 2016 of approximately HK$455,000, as if the Acquisition had taken place on 1 October 2015. This adjustment is not expected to have a continuing effect on the Enlarged Group.

8) The estimated net proceeds from the Rights Issue of approximately HK$422,600,000 is calculated based on the issue of 2,582,986,966 rights Shares at the subscription price of HK$0.17 per rights Share on the basis of one rights Share for every two existing Shares of the Company held as at the record date, after deducting the estimated underwriting commission and other related expenses of approximately HK$16.5 million to be incurred by the Company. This adjustment is not expected to have a continuing effect on the Enlarged Group.

9) This adjustment represents repayment of shareholder loans by using the proceeds from the Rights Issue. This adjustment is not expected to have a continuing effect on the Enlarged Group.

10) This adjustment represents the repayment of bank borrowings, a former director's loan and other payables of the Group by using the proceeds from the Rights Issue. This adjustment is not expected to have a continuing effect on the Enlarged Group.

11) This adjustment represents the renovation cost for the Property by using the proceeds from the Rights Issue. This adjustment is not expected to have a continuing effect on the Enlarged Group.

12) This adjustment represents the settlement of professional fees and agency fee payable by the Group in connection with the Acquisition by using the proceeds from the Rights Issue. This adjustment is not expected to have a continuing effect on the Enlarged Group.

The following is the text of a report, prepared for inclusion in this circular, received from the independent reporting accountants, HLB Hodgson Impey Cheng Limited.

HLB 國衛會計師事務所有限公司
Hodgson Impey Cheng Limited

31/F, Gloucester Tower
The Landmark
11 Pedder Street
Central
Hong Kong

3 March 2017

The Board of Directors
Global Tech (Holdings) Limited
Room 2903, Prosperity Place
6 Shing Yip Street
Kwun Tong, Kowloon
HONG KONG

Dear Sirs,

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION INCLUDED IN AN INVESTMENT CIRCULAR

TO THE BOARD OF DIRECTORS OF GLOBAL TECH (HOLDINGS) LIMITED

We have completed our assurance engagement to report on the compilation of pro forma financial information of Global Tech (Holdings) Limited (the "**Company**") and its subsidiaries (collectively the "**Group**") by the directors of the Company for illustrative purposes only. The pro forma financial information consists of the unaudited pro forma consolidated statement of financial position as at 30 September 2016, the unaudited pro forma consolidated statement of profit or loss and other comprehensive income for the year ended 30 September 2016, the unaudited pro forma consolidated statement of cash flows for the year ended 30 September 2016 (the "**Unaudited Pro Forma Financial Information**"), and related notes as set out in Appendix III to the circular issued by the Company (the "**Circular**"). The applicable criteria on the basis of which the directors of the Company have compiled the Unaudited Pro Forma Financial Information are described in Appendix III to the Circular.

The Unaudited Pro Forma Financial Information has been compiled by the directors of the Company to illustrate the impact of the very substantial acquisition in relation to the proposed acquisition of 100% equity interest in Eagle Faith Investments Limited (the "**Target Company**") (the "**Acquisition**") and the proposed rights issue of 2,582,986,966 rights shares of HK$0.01 each at HK$0.17 per rights share on the basis of one rights share for every two shares held on the record date (the "**Rights Issue**") on the Group's financial position as at 30 September 2016 and the Group's financial performance and cash flows for the year ended 30 September 2016 as if the Acquisition had taken place at 30 September 2016 and 1 October 2015 respectively. As part of this process, information about the Group's financial position, financial performance and cash flows has been extracted by the directors of the Company from the Group's financial statements for the year ended 30 September 2016, on which an audit report has been published. The information about the Target Company's financial position as at 30 September 2016 and financial performance and cash flow for the year ended 31 March 2016 has been extracted by the directors of the Company from the financial information as set out in Appendix II to the Circular.

DIRECTORS' RESPONSIBILITIES FOR THE UNAUDITED PRO FORMA FINANCIAL INFORMATION

The directors of the Company are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with Rule 4.29 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 ("**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. The firm applies Hong Kong Standard on Quality Control 1 "Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

REPORTING ACCOUNTANTS' RESPONSIBILITIES

Our responsibility is to express an opinion, as required by Rule 4.29(7) 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 accountants plan and perform procedures to obtain reasonable assurance about whether the directors of the Company have compiled the Unaudited Pro Forma Financial Information in accordance with Rule 4.29(1) 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 the Unaudited Pro Forma Financial Information included in an investment circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction 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 event or transaction as at 30 September 2016 or 1 October 2016 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 of the Company 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 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 accountants' judgement, having regard to the reporting accountants' 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:

- the Unaudited Pro Forma Financial Information has been properly compiled on the basis stated;
- such basis is consistent with the accounting policies of the Group; and
- the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to Rule 4.29(1) of the Listing Rules.

Yours faithfully

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

Ng Ka Wah
Practising Certificate Number: P06417

Hong Kong

仲量聯行

Jones Lang LaSalle Limited Valuation Advisory Services
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tel +852 2846 5000 fax +852 2968 1688
Licence No.: C-003464

3 March 2017

The Board of Directors
Global Tech (Holdings) Limited
Room 2903 Prosperity Place
6 Shing Yip Street
Kwun Tong
Kowloon

Dear Sirs,

Re: Valuation of 15th Floor of Tower II, Admiralty Centre, No. 18 Harcourt Road, Hong Kong.

1.1 INSTRUCTIONS

We refer to the instructions received from Capital Ring Enterprises Limited c/o Global Tech (Holdings) Limited ("the Company") for us to provide our opinion of market value of the property interest located at **15th Floor of Tower II, Admiralty Centre, No. 18 Harcourt Road, Hong Kong** ("the Property").

We confirm that we have carried out an external 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 2 February 2017 ("the date of valuation").

1.2 BASIS OF VALUATION

Unless otherwise stated, our valuation has been prepared in accordance with HKIS Valuation Standards 2012 Edition" published by The Hong Kong institute of Surveyors ("HKIS"), the "International Valuation Standards" published by the International Valuation Standards Council ("IVSC") and the "RICS Valuation – Professional Standards 2014" published by the Royal Institution of Chartered Surveyors ("RICS") subject to variation to meet local established law. Unless otherwise stated, our valuations are undertaken as External Valuers as defined in the relevant Valuation Standards.

1.2.1 MARKET VALUE

Our valuation of the property interest is made on the basis of Market Value as defined by IVSC and adopted by HKIS and RICS, set out as:

"the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

1.3 VALUATION ASSUMPTIONS

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

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the property interest nor for any expenses or taxation that may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the Property is free of legal complications and encumbrances, restrictions, outgoings of an onerous nature that could affect its value.

1.4 SOURCE OF INFORMATION

We have obtained relevant information from the Land Registry and accepted advice given to us on matters including particulars of occupancy and all other relevant matters. We have assumed that all information provided to us is correct. However, should it be established subsequently that the details relating to the property interest are incorrect; we reserve the right to adjust the value reported herein.

We have relied on the registered floor plan of the subject development for the floor area of the Property. We have not carried out on-site measurements of the Property to verify the correctness of the floor area of the Property. The dimensions, measurements and areas include in the report are based on information contained in copies of documents available to us and are therefore only approximations for reference purposes.

1.5 MEASUREMENTS

All measurements are carried out in accordance with the "Code of Measuring Practice" booklet published by the HKIS. To suit the local practice, we declare our departure from the "RICS property measurement" published by RICS in May 2015. Unless otherwise stated, we do not physically measure the actual properties or verify the floor areas provided to us, unless we specifically agree in writing to do so, although we make reference to the registered floor plans if available.

1.6 TITLE INVESTIGATION

We have not been provided with copies of the title documents relating to the Property but we have caused searches to be made at the Land Registry. However, we have not examined the original documents to verify ownership or to ascertain the existence of any lease amendments, which may not appear on the copies handed to us. All documents and leases have been used for reference only and all dimensions, measurements and areas are approximate. We have not seen original planning consents and have assumed that the Property have been erected, being occupied and used in accordance with such consents and that there are no outstanding statutory notices.

1.7 PROPERTY INSPECTION

We carried out external inspection of the Property on 4 January 2017. The inspection was conducted by Ms Joan Law, MRICS, Manager of Valuation Advisory Services of Jones Lang LaSalle Limited. We have not conducted formal site and structural surveys and, as such we cannot report that the Property is free from rot, infestation or any other structural defects. We have not carried out building surveys, nor have we inspected those pans of the Property which are covered, unexposed or inaccessible and such parts have been assumed to be in good repair and condition. We do not express an opinion about or advise upon the condition of the parts we had not inspected and this report should not be taken as making any implied representation or statement about such parts. No tests have been carried out to any of the services within the Property.

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

1.8 PLANT AND MACHINERY

Our valuation normally includes all plant and machinery that form part of the building services installations. However, plant, machinery and equipment, which may have been installed wholly in connection with the occupier's industrial and commercial uses, together with furniture and furnishings, tenant's fixtures and fittings, are excluded in our valuation.

1.9 VALUER

This valuation report was prepared by Mr. Cliff Tse, MRICS, MHKIS & RPS(GP), Regional Director, assisted by Ms. Joan Law, MRICS, Manager of the department. Mr. Cliff Tse is a qualified general practice surveyor and has over 20 years of experience in the valuation of properties in Hong Kong.

We confirm that Mr. Cliff Tse and Ms. Joan Law are in the position to provide an objective and unbiased valuation and are competent to undertake the valuation assignment.

1.10 VALUATION CERTIFICATE

Neither the whole nor any part of this report nor any reference thereto may be included in any document, circular or statement without our written approval of the form and context in which it will appear.

Yours faithfully,
For and on behalf of
Jones Lang LaSalle Limited
Cliff Tse
B.Sc.(Hons), FHKIS, MRICS, RPS(GP)
Regional Director
Licence No. E-145551

VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Market Value as at 2 February 2017
15th Floor of Tower II, Admiralty Centre, 16 Harcourt Road, Hong Kong 1,257/227,600th equal and undivided shares of and in Inland Lot No. 8423 ("the Lot")	"Admiralty Centre" (the Development) is a 26-storey commercial building completed in 1980. The Property comprises the whole of 15th Floor of Tower II of the Development. As per sales brochure, the total quoted gross floor area of the Property is about 10,627 sq.ft. (987.27 sq.m.). As scaled from the registered floor plan, the saleable area of the Property is about 8,862 sq.ft. (823.30 sq.m.), The Lot is held under Conditions of Grant No. UB11226 for a term of 75 years from 18 August 1978 and is renewable for a further term of 75 years. The current aggregate annual Government rent payable for the Lot is HK$1,000 per annum.	The Property is currently held for investment purpose and is tenanted; the tenancy agreement was signed on 30 March 2016. The property is leased by the master tenant for a term of 2 years from 01/04/2016 to 31/03/2018 at a rent of HK$371,945 per month which shall be terminated upon Completion. Up to 2 February 2017, the master tenant has subleased less than 20% of the total area of the Property to five sub-tenants with approximate area of 9.2 sq.m., 8.8 sq.m., 7.8 sq.m., 8.8 sq.m. and 8.6 sq.m., which will be expired in October 2017, May 2017, June 2017, September 2017 and September 2017 respectively. The master tenant is UCC Business Centre Company Limited.	HK$320,000,000 (HONG KONG DOLLARS THREE HUNDRED AND TWENTY MILLION)

Notes:

1. As per our recent Land Registry search record on 4 January 2017, the registered owner of the Property is Eagle Faith Investments Limited.

2. According to our recent search of records in the Land Registry, the following major encumbrances were registered against the Property:

   - Deed of Mutual Covenant registered on 27 January 1981 vide Memorial No. UB2014346.

   - Certificate of Compliance from Crown Lands & Survey Office dated 25 September 1980 vide Memorial No. UB2698588.

   - Certificate of Compliance from Registrar General dated 18 July 1085 vide Memorial No. UB2824687.

   - Mortgage in favour of Bank of Communications Co.. Ltd dated 29 February 2008 vide Memorial No. 08032602810499.

   - Assignment of Rentals in favour of Bank of Communications Co., Ltd dated 29 February 2008 vide Memorial No. 08032602810509.

3. The property is located in the Admiralty district, which is a comprehensive development area situated to the east of the Central business district. The locality is characterized by major commercial developments such as Admiralty Centre, United Centre, Lippo Centre, Pacific Place and Far East Finance Centre. All these commercial developments are linked to the eastern fringe of the Central district via an elevated walkway system on the first floor level. The Central Government Offices and Legislative Council Complex are situated in the northern side of Admiralty. Vehicular access to the area is facilitated mostly by Harcourt Road and Queensway, which are east-west bounded thoroughfares.

1. RESPONSIBILITY STATEMENT

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

2. SHARE CAPITAL

Share capital as at the Latest Practicable Date

Authorised:		*HK$*
20,000,000,000	Shares	200,000,000.00
Issued and fully paid:		
5,165,973,933	Shares in issue	51,659,739.33
2,582,986,966	Rights Shares to be allotted and issued under the Rights Issue	25,829,869.66
7,748,960,899	Shares in issue immediately upon completion of the Rights Issue	77,489,608.99

3. DIRECTORS' INTERESTS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

Long position in the Shares

As at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interest or short position in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required (i) 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 in which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register maintained by the Company referred to therein; or (iii) pursuant to the Model Code to be notified to the Company and the Stock Exchange.

4. DIRECTORS' INTERESTS IN ASSETS / CONTRACTS

(i) None of the Directors had any direct or indirect interest in any assets which had been, since 30 September 2016 (being the date to which the latest published audited consolidated financial statements of the Group were made up), acquired, disposed of by, or leased to, or were proposed to be acquired, disposed of by, or leased to any member of the Group.

(ii) Road Shine, being the Controlling Shareholder, has given an Irrevocable Undertakings to the Company to subscribe for the 1,374,605,446 rights Shares it is entitled under the Rights Issue and to vote in favour of the Acquisition at the EGM. Save as disclosed, none of the Directors was materially interested in any contract or arrangement subsisting as at the Latest Practicable Date which is significant in relation to the business of the Group.

(iii) As at the Latest Practicable Date, none of the Directors and their respective close associates (as defined in the Listing Rules) had an interest in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

5. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into any service contract or had an unexpired service contract with the Company which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

6. SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at the Latest Practicable Date, so far as was known to the Directors, the persons (other than a director or chief executive of the Company) who had an interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO were as follows:

(a) Interest in the Shares

Name	Capacity	Number of Shares interested in	Approximate percentage of interest
Road Shine	Beneficial owner	2,749,210,892	53.2%
Guoan (HK) Holdings Limited *(Note)*	Interests in a controlled corporation	2,749,210,892	53.2%
CITIC Guoan Group* *(Note)*	Interests in a controlled corporation	2,749,210,892	53.2%

Note:

Road Shine is held as to 100% by Guoan (HK) Holdings Limited, which in turn is held as to 100% by CITIC Guoan Group*. Under the SFO, each of Guoan (HK) Holdings Limited and CITIC Guoan Group* is deemed to be interested in all the Shares held by Road Shine Developments Limited.

(for identification purpose only)*

7. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation, claim or arbitration of material importance and no litigation, claim or arbitration of material importance was known to the Directors to be pending or threatened against any member of the Group.

8. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) were entered into by members of the Group within the two years immediately preceding and including the Latest Practicable Date and were or might be material:

(i) the Sale and Purchase Agreement; and

(ii) the Underwriting Agreement.

9. EXPERTS AND CONSENTS

The following are the qualifications of the experts who have given their opinions, letters or advices which are contained in this circular:

Name	Qualifications
HLB Hodgson Impey Cheng Limited	Certified Public Accountant
Jones Lang LaSalle Limited	Independent property 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 or report, as the case may be, and reference to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, none of the above experts had any shareholding in any member of the Group nor did they have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, none of the above experts had any direct or indirect interest in any assets which had been, since 30 September 2016 (the date to which the latest published audited financial statements of the Group were made up), acquired, disposed of by or leased to, or were proposed to be acquired, disposed of by or leased to any member of the Group.

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the head office and principal place of business of the Company in Hong Kong at Room 2903 Prosperity Place, 6 Shing Yip Street, Kwun Tong, Kowloon, Hong Kong, from the date of this circular up to and including the date of the EGM:

(i) the memorandum of association and the articles of association of the Company;

(ii) the annual reports of the Company for the years ended 30 September 2015 and 2016;

(iii) the accountants' report of the Target Company issued by HLB Hodgson Impey Cheng Limited set out in Appendix II to this circular;

(iv) the valuation report of the Property by Jones Lang LaSalle Limited set out in Appendix IV to this circular;

(v) the written consents referred to in the paragraph under the heading "Experts and consents" in this Appendix;

(vi) the material contracts disclosed in the paragraph under the heading "Material contracts" in this Appendix; and

(vii) this circular.

11. GENERAL

(i) The registered office of the Company is situated at P.O. Box 309, Ugland House, George Town, Grand Cayman KY1-1104, Cayman Islands and its head office and principal place of business in Hong Kong is at Room 2903, Prosperity Place, 6 Shing Yip Street, Kwun Tong, Kowloon, Hong Kong.

(ii) The Company's branch share registrar and transfer office in Hong Kong is Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong. The Company's share transfer agent in Singapore is Boardroom Corporate & Advisory Services Pte. Ltd. (formerly known as Lim Associates (Pte) Ltd) at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623.

(iii) The company secretary of the Company is Mr. WONG Man Yiu who is a fellow member of both the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants.

(iv) In case of inconsistency, the English text of this circular, the accompanying notice of the EGM and form of proxy shall prevail over its Chinese text.

GLOBAL TECH (HOLDINGS) LIMITED
耀科國際（控股）有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 143)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the "Extraordinary General Meeting") of Global Tech (Holdings) Limited (the "Company") will be held at Gloucester Room I, 3/F, The Excelsior Hotel, 281 Gloucester Road, Causeway Bay, Hong Kong on Wednesday, 22 March 2017 at 11:00 a.m. for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolution as an ordinary resolution of the Company:

"**THAT:**

(a) the acquisition by the Company's subsidiary Capital Ring Enterprises Limited of (i) the entire issued share capital of Eagle Faith Investments Limited and (ii) all amounts due and owing by Eagle Faith Investments Limited to the vendor (First Choice Properties Limited) as at completion of the acquisition of Eagle Faith Investments Limited on terms more particularly set out in the Company's circular dated 3 March 2017 (the "Circular") (a copy of the Circular marked "A" and initialed by the Chairman of the meeting for identification purpose has been tabled at the meeting) (the "Acquisition") be and is hereby approved, confirmed and ratified; and

(b) any one director of the Company, be and is/are hereby authorised for and on behalf of the Company to execute all such other documents and agreements and do all such acts and things as he or they may in his or their absolute discretion consider to be necessary, desirable, appropriate or expedient to implement and/or give effect to the Acquisition and all matters incidental or ancillary thereto."

By Order of the Board
Global Tech (Holdings) Limited
DU Jun
Chairman

Hong Kong, 3 March 2017

Registered office:
P.O. Box 309
Ugland House
George Town
Grand Cayman KY1-1104
Cayman Islands

Head office and principal place of business in Hong Kong:
Room 2903, Prosperity Place
6 Shing Yip Street
Kwun Tong, Kowloon
Hong Kong

* *For identification purpose only*

Notes:

(1) A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, in the event of a poll, vote in his stead. A proxy need not be a member of the Company.

(2) To be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power of attorney or authority, must be deposited with (i) the Company's head office and principal place of business in Hong Kong at Room 2903 Prosperity Place, 6 Shing Yip Street, Kwun Tong, Kowloon, Hong Kong if you are Shareholders in Hong Kong; or (ii) the office of the Company's share transfer agent in Singapore, Boardroom Corporate & Advisory Services Pte. Ltd. (formerly known as Lim Associates (Pte) Ltd) at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 if you are Shareholders in Singapore, as soon as possible but in any event not less than 48 hours before the time appointed for holding the Meeting or any adjourned Meeting (as the case may be).

(3) Completion and return of the form of proxy will not preclude members from attending and voting in person at the meeting or any adjourned meeting should they so wish, and in such event, the form of proxy shall be deemed to have been revoked.

As at the date of this notice, the Board of the Company comprises:

(1) Executive Directors namely Mr. HUANG Zhen Qian and Mr. SO Haw Herman;

(2) Non-executive Directors namely Mr. DU Jun, Mr. LI Xiang Yu, Mr. CUI Ming Hong and Mr. YANG Li Ming; and

(3) Independent non-executive Directors namely Mr. WONG Chun Man, Mr. TSE Yung Hoi and Mr. NG Man Kung.