
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Golden Wheel Tiandi Holdings Company Limited, you should hand this circular and the accompanying proxy form at once to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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



GOLDEN WHEEL TIANDI HOLDINGS COMPANY LIMITED

金輪天地控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01232)

**(1) MAJOR TRANSACTION
PROPOSED DISPOSAL OF THE TARGET COMPANY AND
SHAREHOLDER'S LOAN
(2) PROPOSED RE-ELECTION OF INDEPENDENT
NON-EXECUTIVE DIRECTOR
AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

Capitalised terms used in this cover page have the same meanings as those defined in this circular.

A letter from the Board is set out on pages 6 to 18 of this circular.

A notice convening the EGM to be held at Unit A, 18/F, Lee & Man Commercial Center, 169 Electric Road, Fortress Hill, Hong Kong on Friday, 13 December 2019 at 3 p.m. or any adjournment of such meeting is set out on pages 38 to 40 of this circular. Whether or not you intend to attend the EGM, you are requested to complete and return the accompanying proxy form in accordance with the instructions printed on it and return it to the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment of such meeting (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjournment of such meeting (as the case may be) should you so wish and, in such event, the proxy form previously submitted shall be deemed to be revoked.

22 November 2019

CONTENTS

| | |
|--|-----------|
| DEFINITIONS | 1 |
| LETTER FROM THE BOARD | 6 |
| APPENDIX I – FINANCIAL INFORMATION OF THE GROUP | 19 |
| APPENDIX II – PROPERTY VALUATION REPORT | 23 |
| APPENDIX III – GENERAL INFORMATION | 29 |
| NOTICE OF EGM | 38 |

DEFINITIONS

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

| | |
|-------------------------------------|---|
| “Board” | the board of Directors |
| “Business Day” | a day (not being a Saturday, Sunday, public holiday or any day on which typhoon signal No. 8 or above or black rainstorm warning is hoisted in Hong Kong at any time from 9:00 a.m. to 5:30 p.m.) on which licensed banks are generally open for business in Hong Kong |
| “BVI” | British Virgin Islands |
| “Company” | Golden Wheel Tiandi Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange (Stock Code: 1232) |
| “Completion” | completion of the Proposed Disposal |
| “Completion Adjusted Consideration” | has the meaning given to it in the section headed “Letter from the Board – The Sale and Purchase Agreement – Completion Management Accounts” in this circular |
| “Completion Balance” | the amount payable by the Purchaser to the Vendor at Completion, which shall equal to the initial Consideration for the Proposed Disposal as adjusted by the draft Completion Management Accounts, and deducting the Deposit |
| “Completion Date” | 31 January 2020 or such other date as the Vendor and the Purchaser may mutually agree |
| “Completion Management Accounts” | the management accounts of the Target Company comprising the balance sheet and profit and loss account covering the period from the date immediately following 31 December 2018 up to (and inclusive of) the Completion Date signed and certified as to its correctness by a director of the Target Company nominated by the Vendor |
| “connected person(s)” | has the meaning ascribed to it under the Listing Rules |
| “Consideration” | the consideration for the Proposed Disposal, initially HK\$515,000,000 and subject to adjustments, with the maximum amount being HK\$530,000,000 |

DEFINITIONS

| | |
|-------------------------------|--|
| “Deed of Tax Indemnity” | the deed of tax indemnity to be entered into among the Vendor, the Purchaser and the Target Company on Completion |
| “Deposit” | the sum of HK\$51,500,000 paid by the Purchaser to the Vendor’s solicitors upon the signing of the Sale and Purchase Agreement |
| “Director(s)” | the director(s) of the Company |
| “EGM” | the extraordinary general meeting of the Company to be held at Unit A, 18/F, Lee & Man Commercial Center, 169 Electric Road, Fortress Hill, Hong Kong on Friday, 13 December 2019 at 3 p.m., the notice of which is set out on pages 38 to 40 of this circular, or any adjournment of such meeting, for considering and, if thought fit, approving the Proposed Disposal and the re-election of independent non-executive Director |
| “Existing Facility Agreement” | the facility agreement dated 30 June 2017 (as may be supplemented and amended from time to time) made between the Vendor as borrower and the Existing Lender as lender, pursuant to which the Existing Lender agrees to make available an uncommitted HK\$45,000,000 revolving loan facility to the Vendor and the Company as borrower and an uncommitted HK\$270,000,000 term loan facility to the Vendor as borrower upon and subject to the terms and conditions and for the purposes therein mentioned |
| “Existing Lender” | Hang Seng Bank Limited |
| “Existing Loan” | the loans granted to the Vendor as borrower pursuant to the Existing Facility Agreement as secured by the Existing Securities, including the outstanding amount of the principal sum and any interest accrued thereon |
| “Existing Securities” | all those securities which were provided by the Target Company and/or the Vendor as security for the Existing Loan pursuant to the relevant securities documents |
| “Golden Wheel Realty” | Golden Wheel Realty Company Limited (金輪置業有限公司), a company incorporated in the BVI with limited liability, which is wholly-owned by the Wong Family |

DEFINITIONS

| | |
|------------------------------|--|
| “Group” | the Company and its subsidiaries |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Hotel” | the building located on the Property and owned by the Target Company which is known as Silka West Kowloon Hotel |
| “Hotel Management Agreement” | the hotel management agreement entered into between the Target Company and the Manager in 2017 for the provision of management and other related services by the Manager in respect of the Hotel |
| “Latest Practicable Date” | 18 November 2019, being the latest practicable date prior to the printing of this circular for the purposes of ascertaining certain information contained in this circular |
| “Listing Rules” | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited |
| “Manager” | Dorsett Hospitality International Services Limited, a company incorporated in Hong Kong with limited liability |
| “Net Asset Value” | the net asset value of the Target Company as calculated in accordance with the Sale and Purchase Agreement, which shall equal to current assets minus current liabilities and adjusted by excluding (i) the value of the Property and chattels at and plant and equipment in the Property; (ii) deferred tax asset; (iii) all intra-group loans other than the Shareholder’s Loan; (iv) the Shareholder’s Loan; and (v) deferred tax liability |
| “PRC” | the People’s Republic of China which, for the purposes of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan |
| “Property” | all that piece of parcel of ground registered in the Land Registry as Kowloon Inland Lot No. 6374 together with the messuages, erections and buildings thereon known as No. 48 Anchor Street, owned by the Target Company |

DEFINITIONS

| | |
|-------------------------------|--|
| “Proposed Disposal” | the proposed disposal by the Vendor of its entire interest in the Target Company, comprising the Sale Share and the Shareholder’s Loan |
| “Purchaser” | Anchor Street Investment Limited, a company incorporated in the BVI with limited liability |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “Redemption Amount” | has the meaning given to it in the section headed “Letter from the Board – The Sale and Purchase Agreement – Consideration and adjustment to Consideration” in this circular |
| “Sale and Purchase Agreement” | the agreement dated 11 October 2019 entered into among the Vendor, the Company and the Purchaser in relation to the Proposed Disposal |
| “Sale Share” | the one issued ordinary share of US\$1.00 of the Target Company, representing the entire issued share capital of the Target Company |
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “Share(s)” | ordinary share(s) of US\$0.01 each in the share capital of the Company |
| “Shareholder(s)” | holder(s) of the Share(s) |
| “Shareholder’s Loan” | all amounts owing by the Target Company to the Vendor as at Completion |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Target Company” | Double Advance Group Limited, a company incorporated in the BVI with limited liability |

DEFINITIONS

| | |
|-------------------------|--|
| “Termination Agreement” | a termination agreement to be entered into between the Target Company and the Manager under which (i) the parties shall agree to terminate the Hotel Management Agreement; (ii) the Target Company shall be released from any claim and liability in relation to or arising out of the Hotel Management Agreement; and (iii) the Manager shall agree to deliver vacant possession of the Hotel to the Target Company, all with effect from or prior to the Completion Date |
| “US\$” or “USD” | United States dollars, the lawful currency of the United States of America |
| “Vendor” | Golden Wheel Jasper Company Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of the Company |
| “Wong Family” | comprising Mr. Wong Yam Yin, Ms. Hung So Ling, Mr. Wong Kam Fai and Mr. Wong Kam Keung, Barry |
| “%” | per cent |

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

English names of the PRC entities are the literal translations of their Chinese names and are included for identification purposes only.

LETTER FROM THE BOARD



GOLDEN WHEEL TIANDI HOLDINGS COMPANY LIMITED

金輪天地控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01232)

Executive Directors:

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

Non-executive Directors:

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

Independent Non-executive Directors:

Mr. Wong Ying Loi
Mr. Lie Tak Sen
Mr. Wong Cho Kei, Bonnie
Mr. Li Sze Keung

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

*Headquarters and principal place of
business in the PRC:*

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

*Principal place of
business in Hong Kong:*

Unit A, 18/F
Lee & Man Commercial Center
169 Electric Road
Fortress Hill
Hong Kong

22 November 2019

To the Shareholders

Dear Sir or Madam,

**(1) MAJOR TRANSACTION
PROPOSED DISPOSAL OF THE TARGET COMPANY AND
SHAREHOLDER'S LOAN
(2) PROPOSED RE-ELECTION OF INDEPENDENT
NON-EXECUTIVE DIRECTOR
AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

The Company refers to its announcement dated 11 October 2019 in relation to the Proposed Disposal.

LETTER FROM THE BOARD

Reference is also made to the announcement of the Company dated 13 June 2019 in relation to, among others, the appointment of Mr. Li Sze Keung as an independent non-executive Director, the Chairman of the audit committee of the Board and a member of the nomination committee of the Board to fill a casual vacancy on the Board with effect from 14 June 2019.

The purpose of this circular is to provide you with, among other things, (i) the major terms of the Sale and Purchase Agreement; (ii) further details of the Proposed Disposal; (iii) a property valuation report in respect of the Property; (iv) further details of the proposed re-election of independent non-executive Director; (v) other information as required to be disclosed under the Listing Rules; and (vi) a notice of the EGM.

THE SALE AND PURCHASE AGREEMENT

Date

11 October 2019

Parties

- (1) The Vendor
- (2) The Purchaser
- (3) The Company, as the Vendor's guarantor in relation to the due and punctual performance and observance of the obligations of the Vendor under the Sale and Purchase Agreement

Assets to be disposed of

Pursuant to the Sale and Purchase Agreement, the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to acquire, (i) the Sale Share, which represents the entire issued share capital of the Target Company; and (ii) the Shareholder's Loan, which represents all the outstanding amounts owing by the Target Company to the Vendor as at Completion.

For illustrative purposes only, based on the unaudited management accounts of the Target Company for the eight months ended 31 August 2019, as at 31 August 2019, the amount of the Shareholder's Loan is approximately HK\$179 million.

Neither party shall be obliged to complete the sale and purchase of either the Sale Share or the Shareholder's Loan unless the completion of the sale and purchase of the Sale Share and the Shareholder's Loan shall take place simultaneously.

LETTER FROM THE BOARD

Consideration and adjustment to Consideration

Subject to the adjustment mechanism as described below, the Consideration payable by the Purchaser for the Proposed Disposal shall be HK\$515,000,000 (the consideration of the Shareholder's Loan shall equal to the amount of the Shareholder's Loan and the consideration of the Sale Share shall equal to the balance of the Consideration after deducting the amount of the consideration of the Shareholder's Loan) and shall be paid in the following manner:

- (i) a deposit in the sum of HK\$51,500,000 (the "**Deposit**") has been paid by the Purchaser to the Vendor's solicitors as stakeholder upon the signing of the Sale and Purchase Agreement;
- (ii) the Completion Balance shall be paid by the Purchaser to the Vendor in the following manner:
 - (a) a sum equal to the outstanding amount owing in respect of the Existing Loan and the amount payable to fully release and discharge the Existing Securities (the "**Redemption Amount**") as notified, directed and instructed by the Vendor and/or its solicitors to the Purchaser and/or its solicitors in writing no later than three (3) Business Days before Completion shall be made payable by the Purchaser directly to the Existing Lender for the Vendor to procure and effect the full repayment of the Existing Loan and the full release and discharge of the Existing Securities; and
 - (b) a sum equal to the Completion Balance less the Redemption Amount shall be paid by the Purchaser to the Vendor (or such other entity as the Vendor may direct in writing to the Purchaser no less than three (3) Business Days before Completion) at Completion.

The Completion Balance payable on Completion shall be calculated based on the Net Asset Value and adjustment shall be made in accordance with the draft Completion Management Accounts.

Completion Management Accounts

The Vendor shall deliver to the Purchaser or its solicitors, at least five (5) days prior to the Completion Date, the draft Completion Management Accounts and the initial Consideration shall be adjusted (the "**Completion Adjusted Consideration**") in the following manner:

- (i) if the amount of the Net Asset Value as shown in the draft Completion Management Accounts is a positive figure, by adding to the initial Consideration the amount of the Net Asset Value; or

LETTER FROM THE BOARD

- (ii) if the amount of the Net Asset Value as shown in the draft Completion Management Accounts is a negative figure, by deducting from the initial Consideration the absolute value of the amount of the Net Asset Value.

After Completion, the Vendor shall instruct an auditor to audit the Completion Management Accounts and use its reasonable endeavours to ensure that the auditor will deliver the audited Completion Management Accounts to the Vendor and the Purchaser or the Purchaser's solicitors within 90 days from the Completion Date.

If there is a difference in the Net Asset Value as calculated by reference to the draft Completion Management Accounts and the audited Completion Management Accounts, the Completion Adjusted Consideration shall be adjusted upwards or downwards based on the difference in the Net Asset Value so calculated. Any excess paid on Completion shall be returned to the Purchaser and any shortfall shall be paid to the Vendor, in each case, within ten (10) Business Days after agreement or determination of the audited Completion Management Accounts.

The parties to the Sale and Purchase Agreement agreed that the amount of upward adjustment to the Consideration shall not exceed HK\$15,000,000. There is no limitation on the downward adjustment to the Consideration. Based on the unaudited management accounts of the Target Company for the eight months ended 31 August 2019, as at 31 August 2019, the Net Asset Value of the Target Company amounted to less than HK\$4,000,000. It is agreed between the parties that the final Consideration should be adjusted by the Net Asset Value as shown in the audited Completion Management Accounts, which will be prepared by the Vendor and audited by an independent auditor. The limitation on the upward adjustment to the Consideration provides certainty on the maximum amount of Consideration payable by the Purchaser and receivable by the Group, is agreed on arm's length negotiation between the parties, and represents a fair estimation of the maximum amount of adjustment to the Consideration based on the information available to the Directors as at the date of the Sale and Purchase Agreement.

Basis of consideration

The Consideration was determined on the basis of normal commercial terms and after arm's length negotiation among the parties to the Sale and Purchase Agreement and with reference to, among other things, the fair market value of the Property (which takes into account the operating assets used to operate the Hotel).

The fair market value of the Property as at 15 October 2019 amounted to HK\$508 million. Please refer to the valuation report prepared by CHFT Advisory And Appraisal Ltd., an independent valuer, set out in Appendix II to this circular.

LETTER FROM THE BOARD

The Target Company is a holding company and its major asset is the Property. Subject to the Shareholders' approval of the Proposed Disposal at the EGM, at Completion, the Group would transfer the Target Company, together with the Property, to the Purchaser. On or before the Completion Date, the Hotel Management Agreement would have been terminated, and other assets of the Target Company, including the employees of the Hotel, and intangible assets such as the branding of the Hotel, would not be transferred to the Purchaser. As such, the Consideration was determined with reference to, among other things, the fair market value of the Property as assessed by an independent property valuer, instead of a business valuation of the Target Company.

Based on the above, and having also considered the valuation basis, methodology, assumptions, parameters and inputs adopted by CHFT Advisory And Appraisal Ltd., as set out in its property valuation report in Appendix II to this circular, the Directors considered that the valuation of the Property (and thus the Consideration) is fair and reasonable.

Conditions precedent

Completion of the Sale and Purchase Agreement is conditional upon:

- (a) approval having been obtained from the Shareholders for the entering into of the Sale and Purchase Agreement and the transactions contemplated thereunder at the EGM on or before Completion;
- (b) the Hotel Management Agreement having been terminated and the operation of the Hotel shall have been ceased on or before the Completion Date, as evidenced by the Termination Agreement; and
- (c) certain major warranties (in relation to the Sale Share, the Shareholder's Loan, solvency of the Target Company, and the Property) given by the Vendor under the Sale and Purchase Agreement remaining true, accurate and not misleading in all material respects.

The Vendor and the Company shall use all reasonable endeavours to procure the satisfaction of condition (a) and shall procure the satisfaction of all other conditions, in each case on or before the Completion Date. The Purchaser may at any time waive any of the conditions (except condition (a)) on such terms as it may decide.

According to the Hotel Management Agreement, the Manager is entitled to terminate the Hotel Management Agreement when there is a change of ownership of the Hotel. The Company would not be subject to any penalties or forfeiture of deposits as a result of the termination of the Hotel Management Agreement.

LETTER FROM THE BOARD

If condition (a) is not satisfied on or before the Completion Date:

- (a) the Vendor shall forthwith return the Deposit and any other monies paid (if any) in full to the Purchaser without interest; and
- (b) the Sale and Purchase Agreement shall lapse whereupon the provisions of the Sale and Purchase Agreement (other than various surviving clauses such as clauses on conditions not satisfied, notices and announcements and restrictions on disclosure) shall from such date have no further force and effect and no party shall have any liability under the Sale and Purchase Agreement (without prejudice to the rights of the parties in respect of any antecedent breaches).

If any of the conditions (b) and (c) is not satisfied or waived by the Purchaser on or before the Completion Date, unless the Vendor and the Purchaser otherwise agree in writing, then without prejudice to any other rights and remedies the Purchaser may have (including the right to seek specific performance and/or damages which the Purchaser may sustain by reason of such failure on the part of the Vendor), the Vendor shall itself or procure that the Vendor's solicitors will, within three (3) Business Days after the Purchaser exercising its right to determine the Sale and Purchase Agreement by serving a written notice to such effect on the Vendor, return the Deposit (without interest) to the Purchaser.

Completion

Completion shall take place on the Completion Date. Upon Completion, the Target Company will cease to be an indirect wholly-owned subsidiary of the Company.

Guarantee by the Company

The Company is joined as a party to the Sale and Purchase Agreement to guarantee, by way of a continuing obligation, the due and punctual performance and observance of the obligations of the Vendor under the Sale and Purchase Agreement and other related transaction documents. The Company's guarantee is a continuing guarantee which will remain in force until the Vendor's obligations under the Sale and Purchase Agreement and the transaction documents have been fulfilled.

DEED OF TAX INDEMNITY

A Deed of Tax Indemnity is expected to be entered into among the Vendor, the Purchaser and the Target Company on Completion pursuant to which the Vendor will fully and effectually indemnify the Purchaser and/or the Target Company from and against certain tax liability of the Target Company and related charges, costs and expenses occurred and incurred up to the Completion Date.

LETTER FROM THE BOARD

FURTHER INFORMATION ON THE GROUP, THE VENDOR AND THE PURCHASER

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

As at the Latest Practicable Date, the Vendor is a wholly-owned subsidiary of the Company.

The Purchaser is a company incorporated in the BVI with limited liability and is principally engaged in investment holding business. Based on the information and confirmation provided to the Company by the Purchaser, (i) the Purchaser is indirectly wholly-owned by Weave Co-Living Cayman Limited (“**Weave Co-Living**”); (ii) Mr. Sachin Doshi, through his wholly-owned company, Ridgeway Global Investments Limited, holds 13.79% interest in Weave Co-Living; (iii) the remaining 86.21% interest in Weave Co-Living is owned by Wavellite Gem Investments Ltd, which is wholly-owned by Warburg Pincus (Cayman) Fund XII (the “**Fund**”); and (iv) no limited partner or individual owns 10% or more of the partnership interests in the Fund.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

FINANCIAL INFORMATION ON THE TARGET COMPANY

The Target Company is a company incorporated in the BVI and is principally engaged in investment holding business.

Based on the audited financial statements of the Target Company prepared in accordance with the Hong Kong Financial Reporting Standards, the net profit/(loss) before and after taxation of the Target Company for (i) the year ended 31 March 2017; (ii) the period from 1 April 2017 to 31 December 2017; and (iii) the year ended 31 December 2018 are as follows:

| | For the year ended 31 March 2017 HK\$ | For the period from 1 April 2017 to 31 December 2017 ^(Note) HK\$ | For the year ended 31 December 2018 HK\$ |
|-----------------------------------|---|--|--|
| Net profit/(loss) before taxation | 43,951 | (826,981) | 813,008 |
| Net (loss)/profit after taxation | (210,867) | (997,097) | 1,330,510 |

Note: The Target Company changed its financial year end date from 31 March to 31 December in 2017.

LETTER FROM THE BOARD

Based on the unaudited management accounts of the Target Company for the eight months ended 31 August 2019, the total asset value and net asset value of the Target Company as at 31 August 2019 are approximately HK\$212 million and approximately HK\$27 million, respectively.

PROPERTY VALUATION

CHFT Advisory And Appraisal Ltd., an independent property valuer, has valued the Property and is of the opinion that the market value of the Property amounted to HK\$508 million as at 15 October 2019.

FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL

Upon Completion, the Target Company will cease to be an indirect wholly-owned subsidiary of the Company and the financial results of the Target Company will no longer be consolidated with the results of the Group.

The Directors expect to recognise an unaudited gain of approximately HK\$70 million from the Proposed Disposal after taking into account of (i) the Consideration payable by the Purchaser in connection with the Proposed Disposal; (ii) the Shareholder's Loan as at 31 August 2019 of approximately HK\$179 million; (iii) the unaudited net asset value of the Target Company as at 31 August 2019 of approximately HK\$27 million; (iv) the equity investment cost for the Target Company as at 31 August 2019 of approximately HK\$237 million; and (v) the related transaction expenses payable by the Group in connection with the Proposed Disposal of approximately HK\$2 million. Shareholders should note that the actual amount of gain/loss on the Proposed Disposal to be recorded by the Company will be based on the Net Asset Value of the Target Company upon Completion and might be materially different from the result mentioned above. It should be noted that the aforementioned analysis is for illustrative purposes only and does not purport to represent how the financial position of the Group will be upon Completion.

Based on the Consideration and the unaudited consolidated financial statements of the Group for the six months ended 30 June 2019, it is estimated that upon Completion, the consolidated total asset value of the Group will decrease by approximately HK\$266 million to approximately HK\$17,520 million and the consolidated total liabilities of the Group will decrease by approximately HK\$338 million to approximately HK\$12,014 million.

The Group currently intends to apply the net proceeds from the Proposed Disposal of approximately HK\$513 million (assuming no adjustment is made to the initial Consideration) (i) for repayment of the Existing Loan which amounted to approximately HK\$293 million and the full release and discharge of the Existing Securities at Completion; (ii) as to approximately HK\$120 million for future potential acquisitions or investments of the Group; and (iii) as to approximately HK\$100 million as general working capital of the Group.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the Company had not entered into any agreement, arrangement, understanding, intention or negotiation (concluded or otherwise) about any potential acquisitions or investments of the Group.

REASONS FOR AND BENEFITS OF THE PROPOSED DISPOSAL

The Group is an integrated commercial and residential property developer, and is principally engaged in property development, property leasing and hotel operation in the PRC.

As at the Latest Practicable Date, the Group has three hotels under operations. The Target Company is the holding company of the Property and carries on one of the hotel businesses of the Group at the Hotel. The Group acquired the Target Company together with the Property in May 2017 at a consideration of HK\$450 million and other related cost of the acquisition amounted to approximately HK\$7 million.

The Group's new hotel in Changsha, namely Golden Wheel Hampton by Hilton, commenced its operations in April 2019. In June 2019, its occupancy rate had already reached 80% which was considered a very good result for a brand new hotel.

As at 30 June 2019, the Group's three hotels, namely the Hotel, Golden Wheel Hampton by Hilton in Changsha and Golden Wheel Atour Hotel in Nanjing, had a total number of hotel rooms of 456. The average room occupancy rate of these three hotels during the six months ended 30 June 2019 was over 90%.

Since August 2019, the average price per room of the Hotel has reduced to less than HK\$300 per night from the highest of HK\$640 per night during the six months ended 30 June 2019. The occupancy rate of the Hotel was also reduced to around 80%.

The Directors consider that the Proposed Disposal provides a good opportunity for the Group to realise its investment in the Property and the Hotel which are located in Hong Kong and enhance the liquidity of the Group for further development of its hotel business in the PRC. Following the Completion, the Group currently intends to only focus on its hotel operation business in the PRC, mainly in Jiangsu and Hunan provinces.

The Directors consider that the transactions contemplated by the Sale and Purchase Agreement are carried out in the ordinary course of business and are on normal commercial terms. As the terms of the Sale and Purchase Agreement were arrived at after arm's length negotiations among the parties thereto, the Directors are of the view that the terms of the Sale and Purchase Agreement are fair, reasonable and in the interests of the Company and its Shareholders as a whole.

LETTER FROM THE BOARD

LISTING RULES IMPLICATIONS

Since one of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Proposed Disposal exceeds 25% but is less than 75%, the Proposed Disposal constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

GENERAL

Completion of the Proposed Disposal is subject to the fulfilment of the conditions precedent to the Sale and Purchase Agreement. The Proposed Disposal may or may not proceed. Shareholders and potential investors should exercise caution when dealing or contemplating dealing in the Shares or other securities (if any) of the Company.

PROPOSED RE-ELECTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR

Reference is made to the announcement of the Company dated 13 June 2019 in relation to, among others, the appointment of Mr. Li Sze Keung as an independent non-executive Director, the Chairman of the audit committee of the Board and a member of the nomination committee of the Board to fill a casual vacancy on the Board with effect from 14 June 2019. Pursuant to code provision A.4.2 of the Corporate Governance Code and Corporate Governance Report set out in Appendix 14 to the Listing Rules and Article 83(3) of the articles of association of the Company, directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after appointment. Accordingly, Mr. Li is subject to re-election at the EGM.

The biographical details of Mr. Li are set out below.

Mr. Li, aged 41, is a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants, an Associate Member of The Taxation Institute of Hong Kong and a Certified Tax Adviser of The Taxation Institute of Hong Kong.

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

LETTER FROM THE BOARD

Mr. Li has over 15 years of experience in providing tax advisory and compliance services to local and multinational corporations. Mr. Li has wide experience in serving a wide spectrum of clients including trading companies and financial or professional services firms. He has extensive experience in various tax advisory and investment projects, and regularly represents clients in handling tax-related matters.

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

Mr. Li was the director of AVIC Joy General Aviation (HK) Limited which was incorporated in Hong Kong and was dissolved by deregistration under section 751 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) in March 2018. Mr. Li has confirmed that AVIC Joy General Aviation (HK) Limited has never commenced business since its incorporation, and it was solvent at the time when it was being dissolved by voluntary deregistration.

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

Pursuant to the appointment letter entered into between Mr. Li and the Company, Mr. Li has been appointed as an independent non-executive Director for a term of one year commencing from 14 June 2019 and will be subject to retirement by rotation and re-election in accordance with the articles of association of the Company. Either the Company or Mr. Li may terminate the appointment letter by giving not less than one month's notice in writing to the other. Pursuant to the terms of the appointment letter, Mr. Li is entitled to an annual emolument of HK\$144,000 which has been determined by the Board with reference to his qualifications, experience, responsibilities to be undertaken, and the prevailing market level of remuneration of similar position.

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

LETTER FROM THE BOARD

EGM

A notice convening the EGM to be held at Unit A, 18 Floor, Lee & Man Commercial Center, 169 Electric Road, Fortress Hill, Hong Kong on Friday, 13 December 2019 at 3 p.m. or any adjournment of such meeting is set out on pages 38 to 40 of this circular.

Pursuant to Rule 13.39(4) of the Listing Rules (except for administrative matters) and the articles of association of the Company currently in force, any vote of the Shareholders at a general meeting must be taken by poll. An announcement on the poll vote results will be published by the Company after the EGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

To the best knowledge, information and belief of the Directors and after having made all reasonable enquiries, no Shareholders will be required to abstain from voting on the resolutions for approving the Proposed Disposal, the Sale and Purchase Agreement and all transactions contemplated thereunder, and the proposed re-election of independent non-executive Director at the EGM.

A proxy form for use in connection with the EGM is accompanied with this circular. Whether or not you intend to attend the EGM, you are requested to complete and return the accompanying proxy form in accordance with the instructions printed on it and return it to the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment of such meeting (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjournment of such meeting (as the case may be) should you so wish and, in such event, the proxy form previously submitted shall be deemed to be revoked.

CLOSURE OF REGISTER OF MEMBERS

For determining the Shareholders' eligibility to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, 10 December 2019 to Friday, 13 December 2019, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify to attend and vote at the EGM, all transfers of Shares accompanied by the relevant Share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Monday, 9 December 2019.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors consider that (i) the Proposed Disposal is on normal commercial terms and that the terms and conditions of the Sale and Purchase Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole; and (ii) the proposed re-election of independent non-executive Director is fair and reasonable and is in the interests of the Company and the Shareholders as a whole, and would recommend the Shareholders to vote in favour of the resolutions to approve the Proposed Disposal, the Sale and Purchase Agreement, all transactions contemplated under it and all other documents that are necessary to effect the Proposed Disposal, and the proposed re-election of independent non-executive Director.

ADDITIONAL INFORMATION

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

By order of the Board
Golden Wheel Tiandi Holdings Company Limited
Wong Yam Yin
Chairman

1. FINANCIAL INFORMATION OF THE GROUP

Financial information of the Group for the three years ended 31 December 2016, and 2017 and 2018 are disclosed in the following documents which are available on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.gwtd.com.hk>):

- (i) annual report of the Company for the year ended 31 December 2018 published on 17 April 2019, from pages 94 to 280

(<https://www1.hkexnews.hk/listedco/listconews/sehk/2019/0417/ltn20190417437.pdf>);

- (ii) annual report of the Company for the year ended 31 December 2017 published on 17 April 2018, from pages 92 to 241

(<https://www1.hkexnews.hk/listedco/listconews/sehk/2018/0417/ltn20180417385.pdf>);
and

- (iii) annual report of the Company for the year ended 31 December 2016 published on 19 April 2017, from pages 84 to 203

(<https://www1.hkexnews.hk/listedco/listconews/sehk/2017/0419/ltn201704191373.pdf>).

2. STATEMENT OF INDEBTEDNESS

As at the close of the business day of 30 September 2019, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this circular, the indebtedness of the Group comprise the following:

| | As at 30 September 2019 RMB'000 |
|---|--|
| Borrowings | |
| Secured and guaranteed: | |
| Short-term bank loans | 2,215,672 |
| Long-term bank loans | <u>1,314,819</u> |
| Sub-total | <u><u>3,530,491</u></u> |
| Unsecured and unguaranteed: | |
| Short-term bank loan | <u>85,005</u> |
| Sub-total | <u>85,005</u> |
| Total borrowings | <u><u>3,615,496</u></u> |
| Senior notes | |
| Due within 1 year | 1,175,513 |
| Due after 1 year | <u>2,557,348</u> |
| Total senior notes | <u>3,732,861</u> |
| Lease liabilities | |
| Due within 1 year | 43,483 |
| Due after 1 year | <u>252,593</u> |
| Total lease liabilities | 296,076 |
| Mortgage loan guarantees provided to banks in favor of the customers | <u>332,787</u> |
| Total indebtedness | <u><u>7,977,220</u></u> |

Save as disclosed above or as otherwise mentioned herein, and apart from intra-group liabilities and normal accounts payables in the ordinary course of business, as at 30 September 2019, the Group did not have any other debt securities issued and outstanding, and authorised or otherwise created but unissued, and other term loans, other borrowings or indebtedness in the nature of borrowing including liabilities under acceptances or acceptance credits or hire purchase commitments, and any other mortgages and charges, guarantees and material contingent liabilities.

3. FINANCIAL AND TRADING PROSPECT

The principal activities of the Group are commercial and residential property development, property leasing, and hotel operation.

As at the Latest Practicable Date, the Group has three hotels under operations. The Target Company is the holding company of the Property and carries on one of the hotel businesses of the Group at the Hotel. After the Proposed Disposal, the Group will enhance its hotel operation business segment in the PRC to further develop this business segment besides the major property development segment. The Proposed Disposal will enhance the liquidity of the Group for business development and reduce the gearing level of the Group.

Besides the hotel operation business, starting from the second half of 2016, the Group has been actively participating in public auctions to acquire good quality land that can meet the Group's development strategy. In the second half of 2019, two projects, namely Wuxi Golden Wheel Lakeside Orchid Garden and Nanjing Golden Wheel Binary Star Plaza, are expected to be completed and delivered. In addition, the Group has scheduled to launch the pre-sale of two projects, namely Nanjing Golden Wheel Cuiyong Hua Ting and Wuxi Golden Wheel Starry Plaza, in the second half of 2019. The Group will continue to look for good development opportunities and invest in the areas that it is familiar as well as projects that can generate reasonable return.

For the leasing business, contributed by the Group's new shopping malls which were opened in the second half of 2017 and the first half of 2019, together with the continual increase in overall rental rate, the Group is confident that recurring rental income will continue to achieve a reasonable growth in the second half of 2019. The Group's strategy is to continue building up its investment property portfolio so as to maintain a stable return to the Shareholders.

Looking forward, the Group will still be focusing on and engaging in commercial and residential property development, property leasing, and hotel operation. The Group will continue to carry out its core strategy: "Focusing on the development and operation of projects that are physically connected to metro stations or other transportation hub", and continue to acquire more projects that are connected to high-speed rail or subway which have comparatively lower risk and potentially higher return.

4. WORKING CAPITAL

The Directors, after due and careful enquiry, are of the opinion that, taking into consideration the financial resources available to the Group, including the Group's internally generated funds, available banking facilities, successful refinancing of existing banking facilities and successful additional financing provided through successful issuance of new senior notes, the Group will have sufficient working capital for at least 12 months from the date of this circular.

The following is the text of a letter and valuation report prepared for the purpose of incorporation in this circular received from CHFT Advisory And Appraisal Ltd., an independent property valuer appointed by the Company, in connection with its valuation as at 15 October 2019 of the Property.



華坊諮詢評估有限公司
CHFT ADVISORY AND APPRAISAL LTD.

華坊諮詢評估有限公司
CHFT ADVISORY AND APPRAISAL LTD.
香港上環文咸東街 40 號 15 樓 1502 室
1502, 15/F, 40 Bonham Strand, Sheung Wan, HK
電話 Main +852 2301 4080
傳真 Fax +852 2301 4988

Date of Report: 22 November 2019

The Board of Directors

Golden Wheel Tiandi Holdings Company Limited

Unit A, 18/F,
Lee & Man Commercial Center,
169 Electric Road,
Fortress Hill, Hong Kong

Dear Sir/Madam,

Re: Valuation of Silka West Kowloon Hotel Hong Kong (the “Property”) for Golden Wheel Tiandi Holdings Company Limited

In accordance with an instruction from Golden Wheel Tiandi Holdings Company Limited (the “**Company**”) to appraise the value of the Property, we confirm that we have carried out inspection, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing our opinion of the market value of the Property interests as at 15 October 2019 (the “**Date of Valuation**”) for the purpose of incorporation in the circular of the Company only.

Valuation Basis and Considerations

Our valuation is carried out on a market value basis, which is defined 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”.

This valuation complies with “The HKIS Valuation Standards (2017 Edition)” published by The Hong Kong Institute of Surveyors (“HKIS”), the “International Valuation Standards” published by the International Valuation Standards Council as well as the requirements set out in Chapter 5 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

In view of the nature of the Property as a hotel, our valuation has included trade fixtures, fittings, furniture and equipment, the operational arrangements, together with an assumed ability to renew existing licence(s) and certificate(s).

Valuation Assumptions

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

No allowance has been made in our valuation neither for any charges, mortgages or amounts owing on the Property interests nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the Property is free from encumbrances, restrictions and outgoings of onerous nature which could affect its value.

Valuation Methodology

We have applied direct comparison method of valuation whereby comparisons based on prices of comparable properties have been made. Comparable hotel properties in Hong Kong with similar character are analysed and carefully weighed against all respective advantages and disadvantages of each property in order to arrive at the fair comparison of value.

Direct comparison method is considered the best method of valuation if relevant comparable properties are available. This method rests on the wide acceptance of the market transactions as the best indicator and pre-supposes that evidence of relevant transactions in the market place can be extrapolated to similar properties, subject to allowances for variable factors.

Source of Information and Title Investigation

We have caused a land search of the Property at the Land Registry. We have not, however, searched the original documents to verify ownership or any amendment which did not appear on the copies handed to us. All documents have been used for reference only.

We have relied to a considerable extent on information given by the Company, in particular, but not limited to statutory notices, easements, room configuration, historical performance, tenancies/licences, etc.. We have taken every reasonable care both during inspecting the information provided to us and in making relevant enquiries.

Site inspection of the Property was carried on 23 October 2019 by Mr. Alex Leung, MHKIS. We have inspected the exterior as well as certain interior parts of the Property. We have not inspected those parts of the Property which are covered, unexposed or inaccessible and such parts have been assumed to be in reasonable condition. We have not carried out detailed measurements to verify the correctness of the floor areas. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations.

In the course of our inspection, we did not notice any serious defects. However, we have not carried out any structural survey or any tests on the building services. Therefore, we are not able to report whether the Property is free of rot, infestation or any other structural defects. We have not carried out investigations on the site to determine the suitability of the ground conditions, the services, etc. for redevelopment. We have not carried out any investigation into past or present uses, either of the Property or of any neighbouring land, to establish whether there is any contamination or potential for contamination to the Property from these uses or sites, and have therefore assumed that none exists.

Limitation of Liabilities

We have had no reason to doubt the truthfulness and accuracy of the information provided to us by the Company. We have also sought confirmation from the Company that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to arrive an informed view, and we have no reason to suspect that any material information has been withheld.

The responsible valuer is in a position to provide an objective and unbiased valuation and is competent to undertake the valuation assignment. Our findings and conclusion of value of the Property in this report are valid only for the stated purpose and at the Date of Valuation, and for the sole use of the Company. We or our personnel shall not be required to give testimony or attendance in court or to any government agency by reason of this report, and the valuer accepts no responsibility whatsoever to any other person.

Our liability for loss or damage shall be limited to such sum as we ought reasonably to pay having regard to our responsibility for the same on the basis that all other consultants and specialists, where appointed, shall be deemed to have provided to the Company contractual undertakings in respect of their services and shall be deemed to have paid to the Company such contribution as may be appropriate having regard to the extent of their responsibility for such loss or damage.

Our liability for any loss or damage arising out of the action or proceedings aforesaid shall, notwithstanding the preceding provisions, in any event be limited to ten times of our agreed fee or HK\$500,000, whichever is the lower. In no event shall we be liable for consequential, special, incidental or punitive loss, damage or expense (including without limitation, loss of profits, opportunity cost, etc.), even if it has been advised of their possible existence. For the avoidance of doubt our liability shall never exceed the lower of the sum calculated in accordance with the preceding provisions and the sum provided for in this clause.

The Company is required to indemnify and hold us and our personnel harmless from any claims, liabilities, costs and expenses (including, without limitation, attorney's fees and the time of our personnel involved) brought against, paid or incurred by us at a time and in any way based on the information made available in connection with our engagement except to the extent that any such losses, expenses, damages or liabilities are ultimately determined to be the result of gross negligence, misconduct, willful default or fraud of our engagement team in conducting its work. This provision shall survive even after the termination of this engagement for any reason.

We have valued the Property in Hong Kong dollars (HK\$) and enclose herewith the valuation report.

Yours faithfully,

For and on behalf of

CHFT Advisory And Appraisal Ltd.

Alex PW Leung MHKIS

Senior Director

Note: Mr. Alex PW Leung is a member of the Hong Kong Institute of Surveyors. He has over 20 years' post-qualified property valuation experience in Hong Kong.

VALUATION REPORT

| Property | Description and Tenure | Occupancy Details | Market Value as at the Date of Valuation |
|---|--|--|---|
| <p>Silka West Kowloon Hotel Hong Kong, No. 48 Anchor Street, Tai Kok Tsui, Kowloon, Hong Kong</p> <p>The property is registered as Kowloon Inland Lot No. 6374.</p> | <p>The Property comprises a 141-room medium tariff hotel completed in 2005. The building is 22 storeys in height plus a basement. There are a restaurant on the first floor; and parking spaces for a private car, a tour bus, a loading/unloading bay as well as a turnaround on the ground level.</p> <p>The registered site area of the property is about 3,840 sqft. The plot ratio gross floor area ("GFA") of the building is about 35,805 sqft (including a GFA exempted area of 1,253 sqft due to enlarged lift shaft).</p> <p>The hotel is fully equipped with operating equipment, trade fixtures and fittings, furniture and stock.</p> <p>The property is held under a government lease for a term of 75 years from 16 March 1953 renewable for another 75 years. The annual government rent is HK\$176 per annum.</p> | <p>As informed, the Property is currently subject to a hotel management agreement for a term of 6 years from 12 May 2017. As per the instruction from the Company, we have assumed the management agreement had been terminated in our valuation.</p> <p>The restaurant had been leased for a term of 3 years from 15 May 2019 to 14 May 2022. The current monthly rent is HK\$45,000 or a turnover rent, inclusive of management fee, rates, air-conditioning charges and government rent. Both the contractual parties have the right to terminate the agreement by a 6 months' notice after the expiry of first 12 months or a payment in lieu.</p> <p>The Property is also subject to a licence agreement for a radio base station. As informed, the licence agreement is on a short-term basis.</p> | <p>HK\$508,000,000 (HONG KONG DOLLARS FIVE HUNDRED AND EIGHT MILLION)</p> |

Notes

- a) The registered owner of the Property is Double Advance Group Limited via an Assignment dated 25 September 2008.
- b) As informed by the Company, Double Advance Group Limited is a wholly-owned subsidiary of the Company.

- c) As per a recent Land Registry's record, the Property is subject to the following encumbrances:
- i) A mortgage in favour of Hang Seng Bank Limited for all monies registered by memorial no. 17062202540064 dated 16 June 2017; and
 - ii) Tenancy agreement re portion of 1/F of Silka West Kowloon Hotel in favour of Loyal Rise Capital Limited for 4 years from 5 October 2017 to 4 October 2021 registered by memorial no. 17121202100088 dated 16 November 2017.
- d) As informed by the Company, the above registered tenancy agreement had been terminated by a 3-month notice of termination served by the then tenant in October 2018 without involving any penalty, and a new tenancy had started in May 2019.
- e) The Property lies within an area zoned as "Residential (Group E)" under Approved Mong Kok Outline Zoning Plan No. S/K3/32 dated 18 October 2016.
- f) In our valuation, we have considered hotel transactions in the last two years in Kowloon, other than Tsim Sha Tsui, which is the prime business and tourism hub. All the comparable hotels are superior to the Property in term of location.

| Date of Transaction | Comparable Hotels | No. of Room | Price (HK\$ million) | Price Per Room |
|----------------------------|---|--------------------|-----------------------------|-----------------------|
| Jul 2019 | Goodrich Hotel, 92-94 Woosung Street, Yau Ma Tei | 56 | \$330 m | \$5,892,857 |
| Jul 2019 | H1 Hotel, 423 Reclamation Street, Mong Kok | 50 | \$328 m | \$6,560,000 |
| Dec 2018 | Inn Hotel Hong Kong, 60 Portland Street, Yau Ma Tei | 199 | \$1,100 m | \$5,527,638 |
| Jan 2018 | Bridal Tea Hotel, 8 Anchor Street, Tai Kok Tsui | 49 | \$180 m | \$3,673,469 |

Adjustments have been made for the differences between the comparable hotels and the Property for the factors of time of sale, location, view, size, age/conditions, provision of shop, food and beverage, and other facilities.

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 and the Target Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make this circular or any statement herein misleading.

2. DISCLOSURE OF INTERESTS

(a) Director's and chief executives' interests and short positions in Shares, underlying Shares and debentures

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules, were as follows:

Interests in Shares and underlying Shares:

Long positions

| Name of Director | Capacity/Nature of interest | Aggregate number of Shares or underlying Shares | Approximate % of interest in the issued share capital of the Company ⁽¹⁾ |
|-------------------------------|---|---|---|
| Wong Yam Yin ⁽²⁾ | Interest of a controlled corporation | 705,985,600 | 39.17% |
| Wong Kam Fai | Interest of a controlled corporation ⁽²⁾ | 705,985,600 | 39.17% |
| | Beneficial owner ⁽³⁾ | 520,000 | 0.03% |
| | Total: | 706,505,600 | 39.20% |
| Wong Kam Keung, Barry | Interest of a controlled corporation ⁽²⁾ | 705,985,600 | 39.17% |
| | Beneficial owner ⁽³⁾ | 520,000 | 0.03% |
| | Total: | 706,505,600 | 39.20% |
| Tjie Tjin Fung ⁽⁴⁾ | Interest of a controlled corporation | 80,268,950 | 4.45% |
| Suwita Janata ⁽⁵⁾ | Interest of a controlled corporation/ Interest of spouse | 128,539,400 | 7.13% |
| Gunawan Kiky ⁽⁶⁾ | Interest of a controlled corporation | 86,118,950 | 4.77% |

Notes:

- (1) The total number of issued Shares as at the Latest Practicable Date (that was, 1,802,456,000 Shares) had been used for the calculation of the approximate percentage.
- (2) Shares owned by Mr. Wong Yam Yin, Ms. Hung So Ling, Mr. Wong Kam Fai and Mr. Wong Kam Keung, Barry consist of 705,985,600 Shares held by Golden Wheel Realty, a company controlled by the Wong Family. Mr. Wong Yam Yin and Ms. Hung So Ling are husband and wife. Mr. Wong Kam Fai and Mr. Wong Kam Keung, Barry are sons of Mr. Wong Yam Yin and Ms. Hung So Ling.
- (3) Shares are jointly owned by Mr. Wong Kam Fai and Mr. Wong Kam Keung, Barry.
- (4) Shares owned by Mr. Tjie Tjin Fung consist of 80,268,950 Shares held by Chun Hung Investments Limited, a company owned by Mr. Tjie and his family.
- (5) Shares owned by Mr. Suwita Janata consist of (i) 80,268,950 Shares held by Golden Era Forever Holding Company Limited, a company wholly owned by Mr. Suwita Janata, and (ii) 48,270,450 Shares held by Golden Joy Forever Holding Company Limited, a company wholly owned by Ms. Julia Oscar. Mr. Suwita Janata is the husband of Ms. Julia Oscar and a brother-in-law of Mr. Wong Yam Yin.
- (6) Shares owned by Mr. Gunawan Kiky consist of (i) 80,268,950 Shares held by Fire Spark Holdings Limited, a company owned by Mr. Gunawan and his family, and (ii) 5,850,000 Shares held by Mr. Gunawan.

Interests in debentures of the Company:

| Name of Director | Capacity/Nature of interest | Currency of Debentures | Aggregate amount of debentures bought | Amount of debentures in same class in issue |
|-----------------------|---|------------------------|---------------------------------------|---|
| Wong Yam Yin | Interest of a controlled corporation ⁽¹⁾ | USD | 6,100,000 | 400,000,000 |
| Wong Kam Fai | Interest of a controlled corporation ⁽¹⁾ | USD | 6,100,000 | 400,000,000 |
| Wong Kam Keung, Barry | Interest of a controlled corporation ⁽¹⁾ | USD | 6,100,000 | 400,000,000 |
| Gunawan Kiky | Beneficial owner | USD | 3,900,000 | 400,000,000 |
| Lie Tak Sen | Beneficial owner | USD | 2,000,000 | 400,000,000 |
| Wong Ying Loi | Beneficial owner | USD | 400,000 | 400,000,000 |

Note:

- (1) These debentures are jointly owned by Mr. Wong Yam Yin, Ms. Hung So Ling, Mr. Wong Kam Fai and Mr. Wong Kam Keung, Barry in a sum of USD6,100,000 respectively, which are held by Golden Wheel Realty, a company controlled by the Wong Family.

Save as disclosed above and to the best knowledge of the Directors, as at the Latest Practicable Date, none of the Directors or chief executives of the Company had registered an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code set out in Appendix 10 to the Listing Rules.

(b) Substantial shareholders' and other persons' interests in Shares and underlying Shares

As at the Latest Practicable Date, the interests and/or short positions of the persons in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO or which would fall to be disclosed to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO were as follows:

Long positions in the Shares and underlying Shares:

| Name of shareholder | Capacity/Nature of Interest | Aggregate number of Shares or underlying Shares | Approximate percentage of interest in the issued share capital of the Company ⁽¹⁾ |
|------------------------------------|---|---|--|
| Wong Yam Yin ⁽²⁾ | Interest of a controlled corporation | 705,985,600 | 39.17% |
| Hung So Ling ⁽²⁾ | Interest of a controlled corporation | 705,985,600 | 39.17% |
| Wong Kam Fai | Interest of a controlled corporation ⁽²⁾ | 705,985,600 | 39.17% |
| | Beneficial owner ⁽³⁾ | 520,000 | 0.03% |
| | | Total: 706,505,600 | 39.20% |
| Wong Kam Keung, Barry | Interest of a controlled corporation ⁽²⁾ | 705,985,600 | 39.17% |
| | Beneficial owner ⁽³⁾ | 520,000 | 0.03% |
| | | Total: 706,505,600 | 39.20% |
| Suwita Janata ⁽⁴⁾ | Interest of a controlled corporation/Interest of spouse | 128,539,400 | 7.13% |
| Oscar Julia ⁽⁵⁾ | Interest of a controlled corporation/Interest of spouse | 128,539,400 | 7.13% |
| Golden Wheel Realty ⁽²⁾ | Beneficial owner | 705,985,600 | 39.17% |

Notes:

- (1) The total number of issued Shares as at the Latest Practicable Date (that was, 1,802,456,000 Shares) had been used for the calculation of the approximate percentage.
- (2) Shares owned by Mr. Wong Yam Yin, Ms. Hung So Ling, Mr. Wong Kam Fai and Mr. Wong Kam Keung, Barry consist of 705,985,600 Shares held by Golden Wheel Realty, a company controlled by the Wong Family. Mr. Wong Yam Yin and Ms. Hung So Ling are husband and wife. Mr. Wong Kam Fai and Mr. Wong Kam Keung, Barry are sons of Mr. Wong Yam Yin and Ms. Hung So Ling.
- (3) Shares are jointly owned by Mr. Wong Kam Fai and Mr. Wong Kam Keung, Barry.
- (4) Shares owned by Mr. Suwita Janata consist of (i) 80,268,950 Shares held by Golden Era Forever Holding Company Limited, a company wholly owned by Mr. Suwita Janata, and (ii) 48,270,450 Shares held by Golden Joy Forever Holding Company Limited, a company wholly owned by Ms. Julia Oscar. Mr. Suwita Janata is the husband of Ms. Julia Oscar and a brother-in-law of Mr. Wong Yam Yin.
- (5) Shares owned by Ms. Julia Oscar consist of (i) 48,270,450 Shares held by Golden Joy Forever Holding Company Limited, a company wholly owned by Ms. Julia Oscar, and (ii) 80,268,950 Shares held by Golden Era Forever Holding Company Limited, a company wholly owned by Mr. Suwita Janata. Ms. Julia Oscar is the wife of Mr. Suwita Janata and the younger sister of Mr. Wong Yam Yin.

Save as disclosed above and to the best knowledge of the Directors, as of the Latest Practicable Date, no person had an interest or a short position in the shares or the underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and no person was directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company, or of any other company which is a member of the Group, or in any options in respect of such share capital.

3. DIRECTOR'S SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with the Group which was not expiring or determinable by the Group within one year without payment of compensation, other than statutory compensation.

4. MATERIAL LITIGATION

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

5. COMPETING INTERESTS

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

6. MATERIAL INTERESTS IN CONTRACTS OR ARRANGEMENTS

None of the Directors was materially interested in any contract or arrangement entered into by any member of the Group which was subsisting at the Latest Practicable Date and which was significant in relation to the business of the Group.

As at the Latest Practicable Date, none of the Directors or the expert described in section 8 of this appendix had any direct or indirect interest in any assets which have been, since 31 December 2018 (being the date to which the latest published audited financial statements of the Company were made up), acquired or disposed of by, or leased to, any member of the Group, or which were proposed to be acquired or disposed of by, or leased to, any member of the Group.

7. MATERIAL CONTRACTS

The following contracts (not being contracts in the ordinary course of business of the Company) have been entered into by members of the Group within two years immediately preceding the Latest Practicable Date which are or may be material:

- (a) the purchase agreement dated 11 January 2018 entered into among the Company, certain subsidiaries of the Company, BOCI Asia Limited, Haitong International Securities Company Limited, Guotai Junan Securities (Hong Kong) Limited, The Hongkong and Shanghai Banking Corporation Limited and Zhongtai International Securities Limited as initial purchasers in relation to the issue of US\$200 million 7.00% senior notes due 2021 by the Company, details of which are set out in the announcement of the Company dated 11 January 2018;
- (b) the agreement dated 26 April 2018 entered into between Nanjing Sapphire Golden Wheel Realty Company Limited* (南京藍寶金輪置業有限公司), an indirect wholly-owned subsidiary of the Company, and Nanjing Municipal Bureau of Land and Resources* (南京市國土資源局) to acquire the land use rights of a land parcel in Nanjing City, Jiangsu Province for a consideration of RMB114,166,891.00, details of which are set out in the announcement of the Company dated 26 April 2018;

- (c) the leasing and operational management contract dated 8 June 2018 entered into between Golden Wheel Business Management Corporation Limited* (南京金輪商業管理股份有限公司) (“**Nanjing Golden Wheel Business Management**”), a wholly-owned subsidiary of the Company, and Changsha City Land Auction Company Limited* (長沙市土地拍賣有限公司), pursuant to which Nanjing Golden Wheel Business Management shall (i) lease the underground commercial space in five stations on Changsha Metro Line 4 (the “**Stations**”) for a term of ten years at a rental payment of RMB1,968,100 for the initial year (and to be increased by 5% every three years); and (ii) be responsible for the sub-leasing, operation and property management of the Stations, details of which are set out in the announcement of the Company dated 11 May 2018;
- (d) the share transfer agreement dated 17 July 2018 entered into between Golden Wheel International Merit Limited (金輪國際創佳有限公司), an indirect wholly-owned subsidiary of the Company, and Wuxi Equity Exchange* (無錫產權交易所) in relation to the acquisition of the entire equity interest in Wuxi City Yi Zhong Property Development Company Limited* (無錫市益眾房地產開發有限公司), for a total consideration of approximately RMB210,000,000, details of which are set out the announcement of the Company dated 17 July 2018;
- (e) the purchase agreement dated 25 February 2019 entered into among the Company, certain subsidiaries of the Company, BOCI Asia Limited, Haitong International Securities Company Limited, The Hongkong and Shanghai Banking Corporation Limited, Guotai Junan Securities (Hong Kong) Limited, Founder Securities (Hong Kong) Capital Company Limited, Orient Securities (Hong Kong) Limited and Zhongtai International Securities Limited as initial purchasers in relation to the further issue of US\$160 million 7.00% senior notes due 2021 by the Company, details of which are set out in the announcement of the Company dated 25 February 2019;
- (f) the agreement dated 16 April 2019 entered into between Golden Wheel International Harvest Limited* (金輪國際創豐有限公司), an indirect wholly-owned subsidiary of the Company, and Nanjing Bureau of Planning and Natural Resources* (南京市規劃和自然資源局) in relation to the acquisition of the land use rights of a land parcel in Nanjing City, Jiangsu Province for a consideration of RMB950,000,000, details of which are set out in the announcement of the Company dated 29 March 2019;
- (g) the purchase agreement dated 20 September 2019 entered into among the Company, certain subsidiaries of the Company, BOCI Asia Limited, Guotai Junan Securities (Hong Kong) Limited, Founder Securities (Hong Kong) Limited and Orient Securities (Hong Kong) Limited as initial purchasers in relation to the further issue of US\$40 million 7.00% senior notes due 2021 by the Company, details of which are set out in the announcement of the Company dated 20 September 2019; and
- (h) the Sale and Purchase Agreement.

8. EXPERT AND CONSENT

The following is the qualification of the expert who has given opinion or advice contained in this circular:

| Name | Qualification |
|----------------------------------|-----------------------------|
| CHFT Advisory And Appraisal Ltd. | Independent property valuer |

The above expert has given and has not withdrawn its written consent to the issue of this circular, with the inclusion of its report, letter and opinion as set out in this circular and references to its name in the form and context in which they appear respectively.

As at the Latest Practicable Date, the above expert was not beneficially interested in the share capital of any member of the Group, nor did it 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.

9. GENERAL

- (a) The registered office address of the Company is at Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.
- (b) The headquarters and principal place of business of the Company in the PRC is at 33/F, Golden Wheel International Plaza, No. 8, Hanzhong Road, Nanjing, China.
- (c) The principal place of business in Hong Kong of the Company is at Unit A, 18/F, Lee & Man Commercial Center, 169 Electric Road, Fortress Hill, Hong Kong.
- (d) The principal share registrar and transfer office of the Company is Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.
- (e) The Hong Kong share registrar of the Company is Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (f) The company secretary of the Company is Ms. Lee Wai Yan. Ms. Lee is an associate member of both The Institute of Chartered Secretaries and The Hong Kong Institute of Chartered Secretaries.
- (g) In the event of inconsistency, the English version of this circular shall prevail over the Chinese version.

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the principal place of business of the Company in Hong Kong at Unit A, 18/F, Lee & Man Commercial Center, 169 Electric Road, Fortress Hill, Hong Kong during normal business hours on any business day (Saturdays excluded) from the date of this circular up to and including the date of the EGM:

- (a) the memorandum and articles of association of the Company;
- (b) each of the material contracts referred to in the section headed “7. Material Contracts” in this appendix;
- (c) the annual reports of the Company for the two years ended 31 December 2017 and 2018;
- (d) the property valuation report prepared by CHFT Advisory And Appraisal Ltd. as set out in Appendix II to this circular;
- (e) the letter of consent referred to in the section headed “8. Expert and Consent” in this appendix; and
- (f) this circular.

NOTICE OF EGM



GOLDEN WHEEL TIANDI HOLDINGS COMPANY LIMITED

金輪天地控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01232)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of Golden Wheel Tiandi Holdings Company Limited (the “**Company**”) will be held at Unit A, 18 Floor, Lee & Man Commercial Center, 169 Electric Road, Fortress Hill, Hong Kong on 13 December 2019 at 3 p.m. or any adjournment of such meeting for the purposes of considering and, if thought fit, passing the following resolutions, with or without modification, as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. “**THAT** the sale and purchase agreement dated 11 October 2019 (the “**Sale and Purchase Agreement**”, a copy of which has been produced to the EGM marked “A” and initialled by the chairman of the EGM for identification purposes) entered into among Golden Wheel Jasper Company Limited (the “**Vendor**”), the Company and Anchor Street Investment Limited (the “**Purchaser**”) in relation to the proposed disposal (the “**Proposed Disposal**”) of the entire share capital of Double Advance Group Limited (the “**Target Company**”) and all amounts (the “**Shareholder’s Loan**”) owing by the Target Company to the Vendor as at completion of the Proposed Disposal, pursuant to which, among other things, the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to acquire, the entire share capital in the Target Company and the Shareholder’s Loan for a cash consideration of HK\$515,000,000 (subject to adjustments, and the maximum consideration is HK\$530,000,000) and the transactions contemplated under it be and are hereby approved, confirmed and ratified; and any one director of the Company be and is hereby authorised to take all steps and acts and things and to sign and execute all documents, instruments and agreements (including the affixation of the Company’s common seal) deemed by the director to be incidental to, ancillary to or in connection with the Sale and Purchase Agreement and the transactions contemplated under it.”

NOTICE OF EGM

2. “**THAT** Mr. Li Sze Keung be re-elected as an independent non-executive director of the Company.”

By order of the Board
Golden Wheel Tiandi Holdings Company Limited
Wong Yam Yin
Chairman

Hong Kong, 22 November 2019

Notes:

- (1) Any member of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint a proxy or proxies to attend and, on a poll, vote in his stead. A proxy need not be a member of the Company.
- (2) In order to be valid, a proxy form together with a power of attorney or other authority, if any, under which it is signed or certified by a notary or an official copy of that power of attorney or authority, must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting or adjourned meeting. Completion and return of any instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked. The proxy form must be signed by the appointor or his attorney authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person duly authorised to sign the same.
- (3) To ascertain shareholders' eligibility to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, 10 December 2019 to Friday, 13 December 2019, both days inclusive, during which period no transfer of shares of the Company will be effected. In order to qualify to attend and vote at the EGM, all transfers of shares of the Company accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Monday, 9 December 2019.
- (4) Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, one of the said persons so present being the most, or as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand in the register in respect of the relevant joint holding.
- (5) Shareholders are advised to read the circular to the shareholders of the Company dated 22 November 2019 which contains information concerning the resolutions to be proposed in this notice.

NOTICE OF EGM

- (6) According to Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, any vote of Shareholders at a general meeting of the Company must be taken by poll. Accordingly, the chairman of the EGM will exercise his power under the articles of association of the Company to demand a poll in relation to the proposed ordinary resolutions at the EGM.
- (7) References to time and dates in this notice are to Hong Kong time and dates.

As at the date of this notice, the Board of Directors of the Company consists of Mr. Wong Yam Yin, Mr. Wong Kam Fai, Mr. Wong Kam Keung, Barry, Mr. Tjie Tjin Fung, and Mr. Janata David as Executive Directors; Mr. Suwita Janata and Mr. Gunawan Kiky as Non-executive Directors; Mr. Wong Ying Loi, Mr. Lie Tak Sen, Mr. Wong Cho Kei, Bonnie and Mr. Li Sze Keung as Independent Non-executive Directors.