

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

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

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東方企控集團有限公司
ORIENTAL ENTERPRISE HOLDINGS LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 18)

**DISCLOSEABLE AND CONNECTED TRANSACTION:
DISPOSAL OF PROPERTIES
AND
NOTICE OF GENERAL MEETING**

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



英皇融資有限公司
Emperor Capital Limited

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

A letter from the Independent Board Committee to the Independent Shareholders is set out on pages 10 to 11 of this circular. A letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 12 to 24 of this circular.

A notice convening the General Meeting to be held at 4th Floor, Oriental Media Centre, 23 Dai Cheong Street, Tai Po Industrial Estate, Hong Kong on Tuesday, 21 June 2022 at 11:00 a.m. is set out on pages 37 to 38 of this circular.

Whether or not you are able to attend the General Meeting in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the registered office of the Company at Oriental Media Centre, 23 Dai Cheong Street, Tai Po Industrial Estate, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the General Meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the General Meeting or at any adjourned meeting should you so wish.

The following precautionary measures will be taken by the Company at the General Meeting to prevent the spread of the novel coronavirus (COVID-19): (i) compulsory temperature checks; (ii) compulsory wearing of surgical face masks; and (iii) no provision of refreshments or corporate gifts. Any person who does not comply with the precautionary measures may be denied entry to the General Meeting venue. Shareholders are encouraged to appoint the chairman of the General Meeting as their proxy to vote on the relevant resolution at the General Meeting as an alternative to attending the General Meeting in person.

Further announcement will be made by the Company if the General Meeting cannot be held as scheduled due to the social distancing measures then in place.

31 March 2022

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DEFINITIONS

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

“associate”	has the meaning ascribed thereto under the Listing Rules
“AUD”	Australian dollars, the lawful currency of Australia
“Board”	the board of the Directors
“Chairman”	Mr. Ching-fat MA, the Chairman of the Board and an executive Director
“close associate”	has the meaning ascribed thereto under the Listing Rules
“Company”	Oriental Enterprise Holdings Limited, a company incorporated in Hong Kong with limited liability which shares are listed on the main board of the Stock Exchange
“connected person”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Properties pursuant to the SPA
“Emperor Capital” or “Independent Financial Adviser”	Emperor Capital Limited, a corporation licensed to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the SPA and the Disposal
“General Meeting”	the general meeting of the Company to be held at 4th Floor, Oriental Media Centre, 23 Dai Cheong Street, Tai Po Industrial Estate, Hong Kong on Tuesday, 21 June 2022 at 11:00 a.m., and any adjournment thereof
“Group”	the Company and its subsidiaries

DEFINITIONS

“GST”	tax imposed on goods and services sold or consumed in Australia
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	an independent Board committee comprising Mr. Yau-nam CHAM, Mr. Ping-wing PAO and Mr. Yat-fai LAM (all of whom are independent non-executive Directors) to advise the Independent Shareholders in relation to the SPA and the Disposal
“Independent Shareholders”	Shareholders other than the Chairman, the Vice Chairman and their respective associates
“Latest Practicable Date”	25 March 2022, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Properties”	three commercial and retail buildings in Australia owned by the Vendor, which details are set out in the section headed “Sale and Purchase Agreements” in the “Letter from the Board” of this circular
“Purchaser”	Bayside Pacific Developments Pty Ltd., a company incorporated in Australia with limited liability and wholly-owned by Mr. Alexander MA
“Roma”	Roma Appraisals Limited, the independent property valuer appointed by the Company
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) in the issued share capital of the Company
“Shareholder(s)”	shareholder(s) of the Company

DEFINITIONS

“SPA”	three sale and purchase agreements, all dated 21 January 2022, entered into between the Vendor and the Purchaser in relation to the sale and purchase of the Properties, and each amended by a deed of variation dated 28 February 2022
“sq. m.”	square metre(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	ORO Group Pty Ltd., a company incorporated in Australia with limited liability and a wholly-owned subsidiary of the Company
“Vice Chairman”	Mr. King-ho MA, the Vice Chairman of the Board and an executive Director
“%”	per cent

For the purpose of this circular, the translation of AUD into HK\$ is based on the approximate exchange rate of AUD1.00 = HK\$5.6042. Such translation should not be construed as a representation that the amount in question has been, could have been or could be converted at any exchange rate or at all.

LETTER FROM THE BOARD



東方企控集團有限公司
ORIENTAL ENTERPRISE HOLDINGS LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 18)

Executive Directors:

Mr. Ching-fat MA, *BBS, Chairman*
Mr. King-ho MA, *Vice Chairman*
Mr. Shun-chuen LAM, *Chief Executive Officer*

Registered Office:

Oriental Media Centre
23 Dai Cheong Street
Tai Po Industrial Estate
Hong Kong

Non-executive Director:

Mr. Dominic LAI

Independent Non-executive Directors:

Mr. Yau-nam CHAM
Mr. Ping-wing PAO, *JP*
Mr. Yat-fai LAM

31 March 2022

To the Shareholders

Dear Sir or Madam,

**DISCLOSEABLE AND CONNECTED TRANSACTION:
DISPOSAL OF PROPERTIES
AND
NOTICE OF GENERAL MEETING**

Reference is made to the announcements issued by the Company on 21 January 2022 and 28 February 2022 in relation to the Disposal.

The purpose of this circular is to provide you with, among other things, (i) further information with regard to the SPA and the Disposal; (ii) the recommendation of the Independent Board Committee as regards the Disposal; (iii) the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders regarding the Disposal; (iv) the valuation report prepared by Roma in respect of the Properties; (v) general information of the Group; and (vi) the notice of the General Meeting.

LETTER FROM THE BOARD

SALE AND PURCHASE AGREEMENTS

The principal terms of the SPA are set out below:

Date of original agreements: 21 January 2022

Date of deeds of variation: 28 February 2022

Parties: Vendor: ORO Group Pty Ltd., a wholly-owned subsidiary of the Company.

Purchaser: Bayside Pacific Developments Pty Ltd., a company wholly-owned by Mr. Alexander MA (a director of the Vendor and a nephew of the Chairman and the Vice Chairman). The Purchaser is a property investment company and Mr. Alexander MA is a businessman whose principal business focus is property investment in Australia at the moment.

Properties: Collectively,

- (i) a 2-storey commercial and retail building located at 2 Short Street, Double Bay, New South Wales, Australia, with a net lettable area of approximately 770 sq. m.;
- (ii) a 2-storey commercial and retail building located at 29, 31 and 33 Bay Street, Double Bay, New South Wales, Australia, with a net lettable area of approximately 674 sq. m.; and
- (iii) a 2-storey commercial and retail building located at 35, 37 and 39 Bay Street, Double Bay, New South Wales, Australia, with a net lettable area of approximately 773.8 sq. m.

The Properties are fully leased to various tenants as at the date hereof. The average monthly rental income generated by the Properties for the period from 1 April 2021 to 30 September 2021 was AUD161,000 (approximately HK\$902,000) plus GST. The latest lease expiry date is August 2025.

LETTER FROM THE BOARD

Consideration: The aggregate consideration for the purchase of the Properties is AUD38,000,000 (approximately HK\$212,960,000) and is payable by the Purchaser to the Vendor in the following manner:

- (i) a sum of AUD3,800,000 (approximately HK\$21,296,000), representing 10% of the consideration was paid on 21 January 2022; and
- (ii) the balance of AUD34,200,000 (approximately HK\$191,664,000) shall be paid upon completion of the SPA.

The consideration was determined on the basis of normal commercial terms and after arm's length negotiation between the Vendor and the Purchaser with reference to the preliminary valuation of the Properties of AUD35,900,000 (approximately HK\$201,191,000) as at 31 December 2021 conducted by Roma.

Conditions precedent: Completion of the Disposal is conditional on (i) the approval of the Independent Shareholders having been obtained in respect of the entering into of the SPA and the Disposal within six months from the date the SPA was first entered into; and (ii) sale and purchase of all the Properties taking place simultaneously.

If the Independent Shareholders approval is not obtained within six months from the date the SPA was first entered into, the Vendor shall have the right to terminate the SPA and no party shall have any liability towards the other under the SPA after refund of the deposit to the Purchaser.

Completion: Subject to satisfaction of the conditions set out above, completion of the SPA shall take place within six months from the date of the SPA was first entered into.

FINANCIAL EFFECTS OF THE DISPOSAL AND PROPOSED USE OF PROCEEDS

The carrying amount of the Properties as at 31 March 2021 was approximately AUD35,072,000 (approximately HK\$196,551,000). Based on the consideration of AUD38,000,000 (approximately HK\$212,960,000) and the associated estimated direct cost and other relevant expenses and taxes of the Disposal of approximately AUD1,384,000 (approximately HK\$7,756,000), the Group is expected to record a gain on the Disposal of approximately AUD1,544,000 (approximately HK\$8,653,000). The exact amount of gain on the Disposal to be recorded in the consolidated financial statements of the Group for the year ending 31 March 2023 is subject to audit. It will be calculated based on the net book value of the Properties as at the date of completion of the Disposal, net of any incidental expenses, and therefore may differ from the estimated amount of gain set out above.

LETTER FROM THE BOARD

The net profit/(loss) of the Vendor (which principal business is holding and leasing of the Properties) for each of the year ended 31 March 2020 and 31 March 2021 are set out below:

	For the year ended 31 March			
	2021		2020	
	<i>AUD</i>	<i>HK\$</i> <i>(approximately)</i>	<i>AUD</i>	<i>HK\$</i> <i>(approximately)</i>
(a) Net profit/(loss) before tax	2,392,000	13,405,000	(4,435,000)	(24,855,000)
(b) Net profit/(loss) after tax	1,657,000	9,286,000	(3,288,000)	(18,427,000)

As part of the use of proceeds and return to the Shareholders, subject to completion of the Disposal, the Board will pay a special dividend of not less than HK2 cents per Share to the Shareholders. Assuming a special dividend of not less than HK2 cents per Share will be paid, the total amount of dividend payout shall be not less than HK\$47,958,358 based on 2,397,917,898 Shares in issue, which represents approximately 23.4% of the net proceeds from the Disposal. The remaining net proceeds are intended to be used for general working capital of the Group.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Company is an investment holding company and is the holding company of the Group. The Group is principally engaged in publication of newspapers, money lending and property investment businesses. The Vendor is a wholly-owned subsidiary of the Company and is principally engaged in the business of property investment in Australia.

While the Properties are fully leased out at the moment, the rental income was adversely affected as a result of the anti-pandemic policies of the local government. The average monthly rental income attributable to the Properties dropped from approximately AUD169,000 (approximately HK\$947,000) plus GST for the year ended 31 March 2020 to AUD141,000 (approximately HK\$790,000) plus GST (after deducting statutory concession) for the year ended 31 March 2021. Despite the fluctuation in the rental market and the uncertainty of the anti-pandemic policies of the local government, the value of the Properties has appreciated, benefitting from the booming Australian real estate market in the past few years. The Properties were acquired by the Group between 2005 and 2012 at the total acquisition cost of approximately AUD25,583,000 (approximately HK\$143,372,000). The consideration under the SPA represents a premium of approximately AUD12,417,000 (approximately HK\$69,588,000) above the acquisition cost. The Disposal gives the Group a good opportunity to realise the capital gain in the investment and also enables the Company to share the return with the Shareholders.

The Directors (including the independent non-executive Directors who have taken the advice of the Independent Financial Adviser) are of the view that the terms of the SPA, which have been agreed after arm's length negotiations, are on normal commercial terms or better and such terms are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

LISTING RULES IMPLICATIONS

As some of the applicable percentage ratios calculated by reference to Rule 14.07 of the Listing Rules in respect of the Disposal exceed 5% but are less than 25%, the Disposal constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules.

The Purchaser is a connected person of the Company as it is wholly-owned by Mr. Alexander MA, a director of the Vendor. The Disposal therefore constitutes a connected transaction for the Company under the Listing Rules and is subject to Independent Shareholders' approval. None of the Directors have any material interest in the Disposal but for good corporate governance, both the Chairman and the Vice Chairman, being uncles of Mr. Alexander MA, have abstained from voting on the Board resolution approving the Disposal.

The Independent Board Committee comprising all the independent non-executive Directors has been established to advise the Independent Shareholders as to whether the terms of the SPA and the Disposal are fair and reasonable and in the interest of the Company and the Shareholders as a whole, and to advise the Independent Shareholders as to how to vote at the General Meeting. Emperor Capital has been appointed as the independent financial adviser to provide advice and recommendation to the Independent Board Committee and the Independent Shareholders in this respect.

GENERAL MEETING

Set out on pages 37 to 38 of this circular is the notice of the General Meeting. A form of proxy for use at the General Meeting is also enclosed. Whether or not you are able to attend the General Meeting in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the registered office of the Company at Oriental Media Centre, 23 Dai Cheong Street, Tai Po Industrial Estate, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the General Meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the General Meeting or at any adjourned meeting should you so wish.

In accordance with Rule 13.39(4) of the Listing Rules, all votes of the Shareholders shall be taken by poll at the General Meeting except where the chairman of the General Meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.

Further announcement will be made by the Company if the General Meeting cannot be held as scheduled due to the social distancing measures then in place.

For good corporate governance, the Chairman and the Vice Chairman, both being uncles of Mr. Alexander MA, and their respective associates, which together hold 1,793,637,284 Shares as at the Latest Practicable Date (representing approximately 74.8% of the entire issued share capital of the Company), will abstain from voting on the resolution approving the SPA and the Disposal. Save as aforesaid, to the best of knowledge, information and belief of the Directors, having made all reasonable enquiries, no other Shareholders are materially interested in the Disposal who are required to abstain from voting on the resolution to be proposed at the General Meeting.

LETTER FROM THE BOARD

An announcement will be made by the Company following the conclusion of the General Meeting to inform the Shareholders of the results of the General Meeting.

RECOMMENDATION

The Directors (including the independent non-executive Directors who have taken the advice of the Independent Financial Adviser) consider that the terms of the SPA are fair and reasonable; and the entering into of the SPA and the Disposal are in the ordinary and usual course of business of the Group, on normal commercial terms, and in the interest of the Company and the Shareholders as a whole. Accordingly, the Directors (including the independent non-executive Directors) recommend the Independent Shareholders to vote in favour of the resolution approving the SPA and the Disposal at the General Meeting.

ADDITIONAL INFORMATION

Your attention is also drawn to the letter from the Independent Board Committee, the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, the additional information set out in the Appendices to this circular and the notice of the General Meeting.

Yours faithfully,
For and on behalf of the Board
Ching-fat MA
Chairman



東方企控集團有限公司
ORIENTAL ENTERPRISE HOLDINGS LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 18)

31 March 2022

To the Independent Shareholders

Dear Sir or Madam,

**DISCLOSEABLE AND CONNECTED TRANSACTION:
DISPOSAL OF PROPERTIES**

We refer to the circular issued by Oriental Enterprise Holdings Limited dated 31 March 2022 (the “**Circular**”), of which this letter forms part. Capitalised terms used herein shall have the same meanings as defined in the Circular unless the context otherwise requires.

We have been appointed by the Board to form the Independent Board Committee to advise you as to the fairness and reasonableness of the terms of the SPA and the Disposal and to recommend whether or not you should approve the SPA and the Disposal as set out in the Circular. Emperor Capital has been appointed as the independent financial adviser to advise you and us in this regard. Details of their advice, together with the principal factors and reasons they have taken into consideration in giving their advice, are set out on pages 12 to 24 of the Circular. Your attention is also drawn to the letter from the Board in the Circular and the additional information set out in the Appendices thereto.

Having considered the terms of the SPA, the advice of Emperor Capital and the other information contained in the letter from the Board, we consider that (i) the entering into of the SPA is in the ordinary and usual course of business of the Group, on normal commercial terms and in the interests of the Company and the Shareholders as a whole and (ii) the terms of the SPA are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Accordingly, we recommend you to vote in favour of the ordinary resolution to be proposed at the General Meeting to approve the SPA and the Disposal.

Yours faithfully,
The Independent Board Committee of
Oriental Enterprise Holdings Limited

Mr. Yau-nam CHAM
Independent
non-executive Director

Mr. Ping-wing PAO, JP
Independent
non-executive Director

Mr. Yat-fai LAM
Independent
non-executive Director

LETTER FROM EMPEROR CAPITAL

The following is the text of a letter of advice from Emperor Capital to the Independent Board Committee and the Independent Shareholders in respect of the SPA and the Disposal which has been prepared for the purpose of inclusion in this circular.



英皇融資有限公司
Emperor Capital Limited

31 March 2022

To the Independent Board Committee and the Independent Shareholders of Oriental Enterprise Holdings Limited

Dear Sirs,

DISCLOSEABLE AND CONNECTED TRANSACTION DISPOSAL OF PROPERTIES

INTRODUCTION

We refer to our appointment as the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the SPA and the Disposal, details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in the circular of the Company dated 31 March 2022 (the “**Circular**”), of which this letter forms a part. Terms used in this letter shall have the same meanings as those defined in the Circular unless the context requires otherwise.

As stated in the announcement of the Company dated 21 January 2022 in respect of the SPA and the Disposal, on 21 January 2022, the Vendor, a wholly-owned subsidiary of the Company, entered into three sale and purchase agreements with the Purchaser, pursuant to which the Vendor agreed to sell, and the Purchaser agreed to purchase, the Properties at an aggregate consideration of AUD38,000,000 (approximately HK\$212,960,000).

As one or more of the applicable percentage ratios calculated by reference to Rule 14.07 of the Listing Rules in respect of the Disposal exceed 5% but are less than 25%, the Disposal constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules.

The Purchaser is a connected person of the Company as it is wholly-owned by Mr. Alexander MA, a director of the Vendor. The Disposal therefore constitutes a connected transaction for the Company under the Listing Rules and is subject to Independent Shareholders’ approval.

LETTER FROM EMPEROR CAPITAL

The Board currently comprises three executive Directors, one non-executive Director and three independent non-executive Directors. The Independent Board Committee, comprising Mr. Yau-nam CHAM, Mr. Ping-wing PAO, *JP* and Mr. Yat-fai LAM, being all the independent non-executive Directors, has been established to advise the Independent Shareholders in respect of the terms of the SPA and the Disposal. We have been appointed by the Company as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this respect and such appointment has been approved by the Independent Board Committee.

Emperor Capital Limited ("**Emperor Capital**") is not connected with the Directors, chief executive or substantial shareholders of the Company or any of their respective associates and therefore is considered suitable to give independent advice to the Independent Board Committee and the Independent Shareholders. As at the Latest Practicable Date, we were not aware of any relationships or interest between Emperor Capital and the Company nor any other parties that could reasonably be regarded as a hindrance to Emperor Capital's independence to act as the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the SPA and the Disposal. In the last two years, there was no engagement between the Company and Emperor Capital. Apart from normal professional fees payable to us in connection with this appointment of us as the independent financial adviser, no arrangement exists whereby Emperor Capital will receive any fees or benefits from the Company or the Directors, chief executive or substantial shareholders of the Company or any of their respective associates, and we are not aware of the existence of or change in any circumstances that would affect our independence. Accordingly, we consider that we are eligible to give independent advice on the SPA and the Disposal.

Our role is to provide you with our independent opinion and recommendation as to (i) whether the SPA and the Disposal were entered into in the ordinary and usual course of business and on normal commercial terms; (ii) whether the terms of the SPA are fair and reasonable so far as the Independent Shareholders are concerned and whether they are in the interests of the Company and the Shareholders as a whole; and (iii) how the Independent Shareholders should vote in respect of the relevant resolution to approve the SPA and the Disposal at the General Meeting.

BASIS OF OUR OPINION

We have performed relevant procedures and steps which we deemed necessary in forming our opinions to the Independent Board Committee and the Independent Shareholders. These procedures and steps include, among other things, review of relevant agreements, documents as well as information provided by the Company and verified them, to an extent, with the relevant public information, statistics and market data, industry guidelines and regulations as well as information, facts and representations provided, and the opinions expressed, by the Company and/or the Directors and/or the management of the Group. The documents reviewed include, but are not limited to, the

LETTER FROM EMPEROR CAPITAL

SPA, the announcements of the Company dated 21 January 2022 and 28 February 2022 in relation to the SPA and the Disposal, the annual report of the Company for the financial year ended 31 March 2021 (the “**2021 Annual Report**”), the interim report of the Company for the six months ended 30 September 2021 (the “**2021 Interim Report**”), the valuation report prepared by the independent valuer, Roma Appraisals Limited (the “**Valuer**”), on the valuation of the Properties (the “**Valuation Report**”) and the Circular. We have assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its management and/or the Directors, which have been provided to us.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in the Circular have been arrived at after due and careful consideration and there are no other facts not contained in the Circular, the omission of which would make any statement of the Circular misleading.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent verification of the information included in the Circular and provided to us by the Directors and the management of the Group, nor have we conducted any form of an in-depth investigation into the business, affairs, operations, financial position or future prospects of the Group, the Vendor or their respective substantial shareholders, subsidiaries or associates (if applicable). In addition, we have not considered the taxation implication on the Group or the Shareholders as a result of the Disposal.

PRINCIPAL FACTORS TAKEN INTO CONSIDERATION

In formulating our opinion in respect of the Disposal, we have considered the following principal factors and reasons.

1. Information of the Group

The Company is an investment holding company and is the holding company of the Group. The Group is principally engaged in publication of newspapers, money lending and property investment businesses. The Vendor is a wholly-owned subsidiary of the Company and is principally engaged in the business of property investment in Australia.

LETTER FROM EMPEROR CAPITAL

Set out below is a summary of the audited financial information of the Group for the two years ended 31 March 2020 and 2021, and the unaudited financial information of the Group for the six months ended 30 September 2020 and 2021, as extracted from the 2021 Annual Report and the 2021 Interim Report, respectively.

	For the six months ended 30 September		For the year ended 31 March	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2021 HK\$'000 (audited)	2020 HK\$'000 (audited)
Revenue				
– Publication of newspapers	338,555	317,808	652,166	776,982
– Money lending business	15,373	9,082	21,081	15,458
– All other segments	16,395	9,851	26,372	30,574
	370,323	336,741	699,619	823,014
Total revenue				
	370,323	336,741	699,619	823,014
Profit/(loss) for the period/year				
	70,749	87,351	212,831	(11,567)

According to the 2021 Annual Report, the revenue of the Group for the year ended 31 March 2021 was approximately HK\$699.6 million, representing a year-on-year decrease of approximately 15.0%. The profit for the year ended 31 March 2021 of the Group was approximately HK\$212.8 million, compared with a loss of approximately HK\$11.6 million recorded for the year ended 31 March 2020. The strong profit growth was mainly due to (i) the decline in production costs and operating expense; (ii) the exchange gain on Australian Dollar and the increased fair value of investment properties; and (iii) the Group received support subsidies from the governments of Hong Kong and Australia.

Meanwhile, according to the 2021 Interim Report, the Group recorded a total revenue of approximately HK\$370.3 million for the six months ended 30 September 2021 as compared to approximately HK\$336.7 million for the corresponding period in the previous year, representing an increase of approximately 10.0%. The profit for the six months ended 30 September 2021 was approximately HK\$70.7 million, representing a decrease of approximately HK\$16.7 million or approximately 19.0% as compared to the corresponding period in 2020 of approximately HK\$87.4 million. As stated in the 2021 Interim Report, the main reasons for such decrease in profit were the absence of government support subsidies and the decrease in exchange gain. However, the adjusted profit of the Company (excluding the above two factors) for the six months ended 30 September 2021 would be approximately HK\$70.6 million, an increase of approximately HK\$43.2 million or approximately 157.9% as compared with the same period in 2020.

LETTER FROM EMPEROR CAPITAL

Set out below is a summary of the consolidated assets and liabilities of the Group as at 30 September 2021 as extracted from the 2021 Interim Report:

	As at 30 September 2021 <i>HK\$'000</i> <i>(unaudited)</i>
Total assets	
– Non-current assets	962,844
– Current assets	1,054,956
Total Liabilities	
– Non-current liabilities	70,672
– Current liabilities	123,697
Net current assets	931,259
Net assets	1,823,431
Equity attributable to owners of the Company	1,816,078

As at 30 September 2021, the non-current assets of the Group mainly comprised of (i) property, plant and equipment of approximately HK\$455.0 million; (ii) investment properties of approximately HK\$471.9 million; (iii) leasehold land of approximately HK\$20.1 million; (iv) financial asset at fair value through profit or loss of approximately HK\$8.8 million; (v) loans and interest receivables of approximately HK\$2.8 million; and (vi) deferred tax assets of approximately HK\$4.2 million. Meanwhile, the Group's current assets, which amounted to approximately HK\$1,055.0 million as at 30 September 2021, mainly consisted of (i) inventories of approximately HK\$53.9 million; (ii) trade receivables of approximately HK\$71.3 million; (iii) loans and interest receivables of approximately HK\$302.7 million; (iv) other debtors, deposits and prepayments of approximately HK\$15.4 million; (v) taxation recoverable of approximately HK\$6.4 million; and (vi) cash and cash equivalent of approximately HK\$605.3 million.

As at 30 September 2021, the Group's non-current liabilities of approximately HK\$70.7 million were entirely attributable to the Group's deferred tax liabilities. Meanwhile, the current liabilities of the Group, which amounted to approximately HK\$123.7 million as at 30 September 2021, mainly comprised of (i) trade payables of approximately HK\$11.6 million; (ii) other creditors, accruals and deposits received of approximately HK\$76.0 million; (iii) contract liabilities of approximately HK\$8.7 million; (iv) taxation payable of approximately HK\$19.5 million; and (v) borrowings of approximately HK\$7.9 million.

As at 30 September 2021, the consolidated net current assets and net assets of the Group were approximately HK\$931.3 million and HK\$1,823.4 million respectively. The Group's current ratio, which was calculated by dividing its current assets with its current liabilities, was approximately 8.5 as at 30 September 2021.

LETTER FROM EMPEROR CAPITAL

2. Information of the Purchaser, the Vendor and the Properties

2.1 Information of the Purchaser

The Purchaser is a company incorporated in Australia with limited liabilities and is wholly-owned by Mr. Alexander MA, a director of the Vendor, and hence a connected person of the Company.

2.2 Information of the Vendor

The Vendor is a wholly-owned subsidiary of the Company and is principally engaged in the business of property investment in Australia.

The net profit/(loss) of the Vendor (which principal business is holding and leasing of the Properties) for each of the year ended 31 March 2020 and 31 March 2021 are set out below:

	For the year ended 31 March			
	2021		2020	
	AUD'000	HK\$'000	AUD'000	HK\$'000
	<i>(approximately)</i>		<i>(approximately)</i>	
(a) Net profit/(loss) before tax	2,392	13,405	(4,435)	(24,855)
(b) Net profit/(loss) after tax	1,657	9,286	(3,288)	(18,427)

2.3 Information of the Properties

Set out below is summary of the Properties:

- (i) a 2-storey commercial and retail building located at 2 Short Street, Double Bay, New South Wales, Australia, with a net lettable area of approximately 770 sq. m.;
- (ii) a 2-storey commercial and retail building located at 29, 31 and 33 Bay Street, Double Bay, New South Wales, Australia, with a net lettable area of approximately 674 sq. m.; and
- (iii) a 2-storey commercial and retail building located at 35, 37 and 39 Bay Street, Double Bay, New South Wales, Australia, with a net lettable area of approximately 773.8 sq. m.

The Properties are fully leased to various tenants as at the date hereof. The average monthly rental income generated by the Properties for period from 1 April 2021 to 30 September 2021 was AUD161,000 (approximately HK\$902,000) plus GST. The latest lease expiry date is August 2025.

3. Reasons for and benefits of the Disposal

The Company is an investment holding company and is the holding company of the Group. The Group is principally engaged in publication of newspapers, money lending and property investment businesses.

Reason of the Disposal

As disclosed in the Letter from the Board, the rental income generated from the Properties was adversely affected as a result of the anti-pandemic policies of the local government. The average monthly rental income attributable to the Properties dropped from approximately AUD169,000 (approximately HK\$947,000) plus GST for the year ended 31 March 2020 to AUD141,000 (approximately HK\$790,000) plus GST (after deducting statutory concession) for the year ended 31 March 2021.

The Letter from the Board further disclosed that despite the fluctuation in the rental market and the uncertainty of the anti-pandemic policies of the local government, the value of the Properties has appreciated, which mainly benefits from the booming Australian real estate market in the past few years.

Having considered all of the foregoing, the Directors consider that the terms of the SPA are fair and reasonable which have been agreed after arm's length negotiations, are on normal commercial terms or better and such terms are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

Use of proceeds

As disclosed in the Letter from the Board, it is estimated that the net proceeds arising from the Disposal would be approximately AUD36,616,000 (approximately HK\$205,203,000), after deducting the associated estimated direct cost and other relevant expenses and taxes related to the Disposal of approximately AUD1,384,000 (approximately HK\$7,756,000).

Subject to the then business, financial and cash flow position of the Group at the completion of the Disposal and assuming the Disposal shall have been approved by the Independent Shareholders at the General Meeting, the Board will pay a special dividend of not less than HK2 cents per Share to the Shareholders. Assuming a special dividend of not less than HK2 cents per Share will be paid, the total amount of dividend payout shall be not less than approximately HK\$47,958,358 based on 2,397,917,898 Shares in issue, which represents approximately 23.4% of the net proceeds from the Disposal. The remaining net proceeds will be retained for general working capital of the Group.

LETTER FROM EMPEROR CAPITAL

Taking into account that (i) the Disposal is a good opportunity to realise the capital gain in the Properties; (ii) the consideration for the Disposal of AUD38,000,000 (approximately HK\$212,960,000), which represents (a) a premium of AUD2,100,000 (approximately HK\$11,769,000), or approximately 5.8%, to the aggregate market value of the Properties of AUD35,900,000 (approximately HK\$201,191,000) as indicated by the Valuer as at 31 December 2021; and (b) a premium of approximately AUD12,417,000 (approximately HK\$69,588,000), or approximately 48.5%, as compared to the original acquisition cost; (iii) the possible distribution of special dividend would be beneficial to Shareholders; (iv) the decrease in rental income generated from the Properties despite the Properties are fully leased out at the moment; and (v) the Disposal would not have a substantial adverse impact on the Group as the rental income generated from the Properties does not represent a major proportion in its revenue, we concur with the Directors that the Disposal is on normal commercial terms, is fair and reasonable so far as the Independent Shareholders are concerned, and in the interests of the Company and the Shareholders as a whole.

4. The SPA

Set out below are the principal terms of the SPA:

4.1 *Subject matter*

Pursuant to the SPA, the Vendor agreed to sell, and the Purchaser agreed to purchase, the Properties at an aggregate consideration of AUD38,000,000 (approximately HK\$212,960,000).

4.2 *Consideration*

The aggregate consideration for the purchase of the Properties is AUD38,000,000 (approximately HK\$212,960,000) and is payable by the Purchaser to the Vendor in the following manner:

- (i) a sum of AUD3,800,000 (approximately HK\$21,296,000), representing 10% of the consideration was paid on 21 January 2022; and
- (ii) the balance of AUD34,200,000 (approximately HK\$191,664,000) shall be paid upon completion of the SPA.

The consideration was determined on the basis of normal commercial terms and after arm's length negotiation between the Vendor and the Purchaser with reference to the preliminary valuation of the Properties of AUD35,900,000 (approximately HK\$201,191,000) as at 31 December 2021 conducted by the Valuer.

4.3 *Conditions precedent*

Completion of the Disposal is conditional on (i) the approval of the Independent Shareholders having been obtained in respect of the entering into of the SPA and the Disposal within six months from the date the SPA was first entered into; and (ii) sale and purchase of all the Properties taking place simultaneously.

LETTER FROM EMPEROR CAPITAL

If the Independent Shareholders approval is not obtained within six months from the date the SPA was first entered into, the Vendor shall have the right to terminate the SPA and no party shall have any liability towards the other under the SPA after refund of the deposit to the Purchaser.

4.4 Completion

Subject to satisfaction of the conditions set out above, completion of the SPA shall take place within six months from the date the SPA was first entered into.

5. Assessment of the consideration

As the consideration has made reference to the valuation of the Properties, in order to assess the fairness and reasonableness of the consideration, we have reviewed and considered the Valuation Report prepared by the Valuer which states that the valuation of the market value of the Properties was approximately AUD35,900,000 (approximately HK\$201,191,000) as at 31 December 2021.

We have performed the works as required under Note 1(d) to Rule 13.80 of the Listing Rules and paragraph 5.3 of the Corporate Finance Adviser Code of Conduct in respect of the Valuation Report, which included (i) assessment of the Valuer's experience in valuing properties similar to the Properties; (ii) obtaining information on the Valuer's track records on other property valuations; (iii) inquiry on the Valuer's current and prior relationship with the Group and other parties to the SPA; (iv) review of the terms of the Valuer's engagement, in particular its scope of work, for the assessment of the valuation of the Properties; and (v) discussion with the Valuer regarding the bases, methodology and assumptions adopted in the Valuation Report.

5.1 Valuer

For our due diligence purpose, we have reviewed and enquired into the qualifications and experience of the Valuer in relation to the preparation of the Valuation Report. We understand that Mr. Frank F. Wong ("**Mr. Wong**"), the director of the Valuer and the signor of the Valuation Report, is a Chartered Surveyor, Registered Valuer, Member of the Australasian Institute of Mining & Metallurgy and Associate of Chartered Institute of Plumbing and Heating Engineering with over 23 years of valuation, transaction advisory and project consultancy experience of properties in Hong Kong and 15 years of experience in valuation of properties worldwide including Australia. We have obtained information on the Valuer's track records on other property valuations and noted that the Valuer had been the valuer for similar properties in Australia. As such, we are of the view that the Valuer and Mr. Wong are qualified, experienced and competent in performing property valuations and providing a reliable opinion in respect of the valuation of the Properties.

LETTER FROM EMPEROR CAPITAL

We have also enquired with the Valuer as to their independence from the Group and the Vendor and were given to understand that the Valuer is an independent third party of the Group and its connected persons including the Purchaser. The Valuer also confirmed to us that they were not aware of any relationship or interest between themselves and the Group or any other parties that would reasonably be considered to affect their independence to act as the independent valuer for the Company. The Valuer confirmed to us that apart from normal professional fees payable to them in connection with their engagement for the valuation, no arrangements exist whereby they will receive any fee or benefit from the Group and its connected persons including the Purchaser.

Furthermore, we noted from the engagement letters entered into between the Company and the Valuer that the scope of work was appropriate for the Valuer to form opinions required to be given and there were no limitations on the scope of work which might adversely impact the degree of assurance given by the Valuer.

5.2 Valuation basis

We have reviewed the Valuation Report and understand that it was carried out on the basis of (i) 100 % interest of the Properties and exclusive of GST; and (ii) market value which is defined by the International Valuation Standard Council and adopted by the Royal Institution of Chartered Surveyors 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”*. During the course of our discussion with the Valuer, we have not identified any major factors which would lead us to cast doubt on the fairness and reasonableness of the valuation methodology and the principal basis and assumptions adopted in arriving at the valuation of the Properties. Since no unusual matters had come to our attention that led us to believe that the Valuation Report was not prepared on a reasonable basis, we believe that the valuation fairly represents the fair value of the Properties and forms a fair and reasonable basis for our further assessment on the consideration.

5.3 Valuation methodologies

We have discussed with the Valuer on the methodology adopted in valuing the fair value of the Properties as at 31 December 2021 and noted they had valued the Properties by the direct comparison approach by assuming sale of the Properties in its existing state with the benefit of vacant possession and by making reference to relevant market evidences.

LETTER FROM EMPEROR CAPITAL

Based on our interview with the Valuer, we understand that (i) direct comparison approach is universally considered as the most accepted valuation approach for valuing most forms of property; (ii) the Valuer had analysed recent market transaction evidences of properties with similar usage, location and size ("**Comparable Properties**") of the Properties; (iii) the Comparable Properties represent an exhaustive list to the best of the Valuer's knowledge; (iv) relevant adjustments were made by the Valuer to reflect the difference between the Comparable Properties and the Properties in terms of attributes including but not limited to age, size, floor level, location, orientations, building quality, layout and ancillary facilities; and (v) where appropriate, the valuation was cross-checked by the income approach by capitalising the term income generated from the existing tenancies and the reversionary income with consideration of the achievable market rent after expiry of existing tenancies. Accordingly, we agree with the Valuer that the direct comparison approach, cross-checked by income approach where appropriate, was appropriate for the valuation of the Properties and we concurred with the Valuer that the selection of Comparable Properties used in the valuation of the Properties and the basis of the adjustments made are fair and reasonable.

We note that the Valuer did not carry out physical site inspections owing to the anti-pandemic international travel and quarantine measures and policies imposed by the governments. Nevertheless, alternative procedures have been adopted for the inspection purposes of the valuation of the Properties as disclosed in the Valuation Report. We have discussed with the Valuer on such approach and the Valuer is of the view that the alternative procedures do not have any material impact on the valuation of the Properties.

In the course of the valuations, the Valuer has relied to a very considerable extent on the information provided by the Group and have accepted advice given to them on matters such as identification of the properties, occupation particulars, floor/site areas, planning approvals or statutory notices, easements, building age and all other relevant matters. We noted from the Valuation Report that the Valuer has no reason to doubt the truth and accuracy of the information provided to them by the Group and they have relied on the Company's confirmation that no material facts have been omitted from the information provided. The Valuer considered that they have been provided with sufficient information for them to reach an informed view.

5.4 Valuation assumptions

According to the Valuation Report, the valuation of the Properties was made on the assumptions that the owner sells the Properties in the open market as at the valuation date in its existing state without the benefit of deferred term contracts, leasebacks, joint ventures, management agreements or any similar arrangements which would serve to affect the market value of the Properties. In addition, no account has been taken of any option or right of pre-emption concerning or affecting the sale of the Properties and no allowance has been made in the valuation for any charges, mortgages or amounts owing on the Properties nor for any expenses or taxation which may be incurred in effecting a sale. The Valuer further assumed that no allowance has been made for the Properties to be sold in one lot or to a single purchaser. Unless otherwise stated, the Valuer has assumed that the Properties are free from encumbrances, restrictions and outgoings of an onerous nature which could affect the market value. Based on our discussion with the Valuer, we are of the view that the adoption of the above key assumptions is reasonable and relevant and they are in line with market practice.

LETTER FROM EMPEROR CAPITAL

After taken into account of the above, we consider that the methodology, together with the underlying bases, and assumptions are fair and reasonable and that the Valuation Report is an appropriate reference for determining the valuation of the Properties.

5.5 Section conclusion

Given the consideration is higher than the valuation of the fair value of the Properties of AUD35,900,000 (approximately HK\$201,191,000) as at 31 December 2021 as stated in the Valuation Report which represents a premium of approximately 5.8%, we consider that the consideration is on normal commercial terms, is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

6. Financial effects of the Disposal

6.1 Earnings

As disclosed in the Letter from the Board, the Vendor, which principal business is holding and leasing of the Properties, recorded a net profit after taxation of approximately AUD1,657,000 (approximately HK\$9,286,000) for the year ended 31 March 2021. The average monthly rental income attributable to the Properties was approximately AUD141,000 (approximately HK\$790,000) plus GST (after deducting statutory concession) for the year ended 31 March 2021. Upon the completion of the Disposal, the Vendor will no longer hold the Properties and hence, the Group will no longer share the rental income and the profit attributable to the Properties.

6.2 Net Asset Value

The carrying amount of the Properties as at 31 March 2021 was approximately AUD35,072,000 (approximately HK\$196,551,000) and the associated estimated direct cost and other relevant expenses and taxes of the Disposal are approximately AUD1,384,000 (approximately HK\$7,756,000). The Group is expected to record a gain on the Disposal of approximately AUD1,544,000 (approximately HK\$8,653,000). Shareholders should note that the exact amount of gain on the Disposal to be recorded in the consolidated financial statements of the Group for the year ending 31 March 2023 is subject to audit.

It should be noted that the aforementioned analyses are for illustrative purpose only and do not purport to represent how the financial performance and position of the Group will be upon completion.

LETTER FROM EMPEROR CAPITAL

RECOMMENDATION

Having considered the principal factors and reasons referred to above, we considered that the entering into of the SPA and the Disposal gives the Group a good opportunity to realise the capital gain in the investment.

We are of the view that the entering into of the SPA and the Disposal are conducted in the ordinary and usual course of business of the Group. We are also of the view that the SPA and the Disposal are on normal commercial terms, are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend the Independent Shareholders to vote in favour of the resolution approving the SPA and the Disposal at the General Meeting. We also recommend the Independent Shareholders to vote in favour of the resolution relating to the SPA and the Disposal at the General Meeting.

Yours faithfully,

For and on behalf of

Emperor Capital Limited

Pearl Chan

Executive Director

Mark Chan

Managing Director

Ms. Pearl Chan is a licensed person and has been a responsible officer of Emperor Capital Limited registered with the SFC to carry out Type 6 (advising on corporate finance) regulated activity under the SFO since 2005 and has over 20 years of experience in corporate finance.

Mr. Mark Chan is a licensed person and has been a responsible officer of Emperor Capital Limited registered with the SFC to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO since 2018 and 2016 respectively and has over 10 years of experience in corporate finance.

The following is the full text of a letter and valuation report prepared for the purpose of incorporation in this circular received from Roma Appraisals Limited, an independent qualified property valuer, in connection with the valuation of the Properties as at 31 December 2021 to be disposed by the Group in Australia. Unless otherwise defined, terms used in this Appendix shall have the same meanings as those set out in this circular.



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31 March 2022

The Board of Directors
Oriental Enterprise Holdings Limited
Oriental Media Centre,
23 Dai Cheong Street,
Tai Po Industrial Estate,
Hong Kong

Dear Sirs,

**Re: Property valuation of three properties situate in Double Bay, New South Wales
2028, Australia**

INSTRUCTIONS, PURPOSE AND VALUATION DATE

In accordance with your instructions for us to assess the market value of the three properties held by and to be disposed by Oriental Enterprise Holdings Limited (the “**Company**”) and/or its subsidiaries (together with the Company referred to as the “**Group**”) situated in the Commonwealth of Australia (“**Australia**”), we confirm that we have made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion on the market value of the properties as at 31 December 2021 (the “**Valuation Date**”) for public documentation purpose.

VALUATION STANDARDS

Our valuation has been prepared in accordance with the RICS Valuation — Global Standards (effective from 31 January 2020) published by the Royal Institution of Chartered Surveyors (“**RICS**”) and the “International Valuation Standards” (effective from 31 January 2020) published by the International Valuation Standards Council (“**IVSC**”). This valuation also complied with the requirements set out in Chapter 5 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited published by the Stock Exchange of Hong Kong Limited.

VALUATION BASIS

Our valuation was carried out on the basis of market value which is defined by IVSC and adopted by RICS 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 is on the basis of 100% interest of the properties and exclusive of GST.

VALUATION METHODOLOGY

We have valued the properties by the direct comparison approach by assuming sale of the subject property being valued in its existing state with the benefit of vacant possession and by making reference to relevant market evidences. Recent market transaction evidences of properties with similar characteristics to the subject properties were analyzed, and adjustments were made to reflect the differences of the characteristics between the comparable properties and the subject properties. Direct comparison approach is universally considered as the most accepted valuation approach for valuing most forms of property. Where appropriate, the valuation was cross checked by the income approach by capitalizing the term income generated from the existing tenancies and the reversionary income with consideration of the achievable market rent after the expiry of existing tenancies.

VALUATION ASSUMPTIONS

Our valuation has been made on the assumptions that the owner sells the properties in the open market as at the Valuation Date in its existing state without the benefit of deferred term contracts, leasebacks, joint ventures, management agreements or any similar arrangements which would serve to affect the market value of the properties. No account has been taken of any option or right of pre-emption concerning or affecting the sale of the properties. No allowance has been made in our valuation for any charges, mortgages or amounts owing on the properties nor for any expenses or taxation which may be incurred in effecting a sale. No allowance has been made for the properties to be sold in one lot or to a single purchaser. Unless otherwise stated, we have assumed that the properties are free from encumbrances, restrictions and outgoings of an onerous nature which could affect the market value.

SOURCE OF INFORMATION

In the course of our valuation, we have relied to a very considerable extent on the information provided by the Group and have accepted advice given to us by the Group on matters such as identification of the properties, occupation particulars, floor/site areas, planning approvals or statutory notices, easements, building age and all other relevant matters which could affect the market value of the properties. All documents have been used for reference only. We have no reason to doubt the truth and accuracy of the information provided to us which is material to the valuation. We have also been advised that no material facts have been omitted from the information supplied. We consider that we have been provided with sufficient information to reach an informed view of valuation, and have no reason to suspect that any material information has been withheld.

TITLE INVESTIGATION

We have been provided with copies of Certificate of Title in respect of the title ownership of the properties. However, we have not scrutinised all the original documents to verify ownership or to ascertain the existence of any amendments. All legal documents disclosed in this valuation report, if any, are for reference only. We assume no liability for any existing or potential legal matters in relation to the title of the properties.

INSPECTION AND INVESTIGATIONS

Due to the anti-pandemic international travel and quarantine measures and policies imposed by the governments, we are not able to carry out physical site inspection but we have been provided with recent photographs and video tours of the exterior, interior and surrounding environment of subject properties. As agreed with the Group upon the instruction of this valuation, our consideration and assumptions in relation to the condition of the properties will rely on such photographs, videos, information and advices as provided by the Group.

According to the information and advices provided by the Group, no structural survey has been made in respect of the properties and we have not been advised that any serious defects have been noticed. We are not able to report whether the properties are free from rot, infestation or any other structural defects but we have not been advised that any of such exists. We have assumed the structure of the properties have been maintained in reasonably good condition for the purpose of valuation. We have not been advised of any environmental concerns such as existing or potential contamination or any form of hazard, and therefore we assumed none of such exists.

We are not able to carry out on-site measurement to verify the floor and site areas of the properties but we have assumed the information shown on the documents handed to us are correct. Except as otherwise stated, all dimensions, measurements and areas reported in this valuation report are based on information contained in the documents provided to us and are therefore approximations.

REMARK

We hereby confirm that our firm, the undersigned and our valuers involved in this valuation assignment possess necessary expertise and experience to undertake this valuation assignment, and have no present or prospective interests which could conflict with our position in providing an objective and unbiased opinion of valuation.

This valuation report should be used only in its entirety and should not be used for any purposes other than the intended purpose as stated above. Neither the whole nor any part of this report or any reference made hereto may be included in any published documents, circular or statement or publish in any way without our prior written approval or consent. We do not accept liability to any third party or for any direct or indirect consequential losses or loss of profits as a result of this valuation.

CURRENCY

Unless otherwise stated, all monetary figures stated in this valuation report are in Australian Dollar (“AUD”), the lawful currency of Australia.

Our valuation summary and valuation certificates are attached hereto.

Yours faithfully,
For and on behalf of
Roma Appraisals Limited

Frank F. Wong

BA (Business Admin in Acct/Econ) MSc (Real Est)

MRICS Registered Valuer MAusIMM ACIPHE

Director

Note: Mr. Frank F. Wong is a Chartered Surveyor, Registered Valuer, Member of the Australasian Institute of Mining & Metallurgy and Associate of Chartered Institute of Plumbing and Heating Engineering with over 23 years of valuation, transaction advisory and project consultancy experience of properties in Hong Kong and 15 years of experience in valuation of properties in the PRC as well as relevant experience in the Asia-Pacific region, Australia and Oceania-Papua New Guinea, Thailand, France, Germany, Poland, the United Kingdom, the United States, Abu Dhabi (UAE), Ukraine and Jordan.

This valuation is assisted by Mr. Alex C.Y. Ma, a Registered Valuer and member of Royal Institution of Chartered Surveyors with over 9 years of property valuation and consultancy experience in Hong Kong, Macau and the PRC as well as Australia, the United Kingdom, the United States and Singapore.

VALUATION SUMMARY

PROPERTIES HELD FOR INVESTMENT TO BE DISPOSED OF BY THE GROUP IN AUSTRALIA

No.	Property Address	Market value in existing state as at 31 December 2021
1.	2 Short Street, Double Bay, New South Wales 2028, Australia	AUD7,500,000
2.	29, 31 and 33 Bay Street, Double Bay, New South Wales 2028, Australia	AUD9,000,000
3.	35, 37 and 39 Bay Street, Double Bay, New South Wales 2028, Australia	<u>AUD19,400,000</u>
	Total:	<u><u>AUD35,900,000</u></u>

Properties held for investment to be disposed of by the Group in Australia

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 December 2021
1.	2 Short Street, Double Bay, New South Wales 2028, Australia	<p>The property comprises a 2-storey commercial and retail building erected on a parcel of generally triangular shaped freehold land.</p> <p>As per information provided by the Group, the site of the property has an area of approximately 615.6 sq. m. and the building has a total net lettable area of approximately 770 sq. m..</p> <p>The lower level of the building is occupied for retail use and the upper level is for office use.</p> <p>The building was constructed circa early 1900's with major improvements and additions circa 1980's and 1990's.</p>	As at the Valuation Date, the property is fully leased to various tenants for office and retail uses. The total rental income is AUD42,579 plus GST per month. The latest lease expiry date is July 2024 with options to renew.	AUD7,500,000 (Seven Million Five Hundred Thousand Australian Dollars)

Notes:

- Pursuant to a New South Wales Certificate of Title in respect of the property provided by the Group, the registered proprietor is New Pacific Holdings Pty Limited (now changed name to ORO Group Pty Ltd, a wholly owned subsidiary of the Company); the registered plan number is Lot 10 in Deposited Plan 880983 and the Local Government Area is Woollahra.
- The property situates on the southern side of Short Street with street frontages on Gum Tree Lane and Goldman Lane, setting behind from Bay Street which is a shopping precinct of Double Bay. The immediate vicinity is predominated by low rise commercial and retail buildings and low density residential housings. Double Bay is a high-end eastern Sydney suburb situates about 4km from the central business district.
- Pursuant to the Land Zoning Map of Woollahra Local Environmental Plan 2014, the property falls within an area zoned "B2 Local Centre", i.e. larger business centres that provide a range of retail, business, entertainment and community functions.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 December 2021
2.	29, 31 and 33 Bay Street, Double Bay, New South Wales 2028, Australia	<p>The property comprises a 2-storey commercial and retail building erected on three parcels of adjacent generally rectangular shaped freehold land.</p> <p>As per information provided by the Group, the sites of the property have a total area of approximately 455 sq. m. and the building has a total net lettable area of approximately 674 sq. m..</p> <p>The lower level of the building is occupied for retail use and the upper level is for office use.</p> <p>The building was constructed circa late 1800's with recent major improvements and upgrades.</p>	<p>As at the Valuation Date, the property is fully leased to various tenants for commercial and restaurant/bar uses. The total rental income is AUD46,297 plus GST per month. The latest lease expiry date is October 2023 with options to renew.</p>	<p>AUD9,000,000 (Nine Million Australian Dollars)</p>

Notes:

- Pursuant to three New South Wales Certificates of Title in respect of the property provided by the Group, the registered proprietor is ORO Group Pty Ltd (a wholly owned subsidiary of the Company); the registered plans numbers are Lots B, C and D in Deposited Plan 162727 and the Local Government Area is Woollahra.
- The property situates on the eastern side of Bay Street which is a shopping precinct of Double Bay. The immediate vicinity is predominated by low rise commercial and retail buildings and low density residential housings. Double Bay is a high-end eastern Sydney suburb situates about 4km from the central business district.
- Pursuant to the Land Zoning Map of Woollahra Local Environmental Plan 2014, the property falls within an area zoned "B2 Local Centre", i.e. larger business centres that provide a range of retail, business, entertainment and community functions.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 December 2021
3.	35, 37 and 39 Bay Street, Double Bay, New South Wales 2028, Australia	<p>The property comprises a 2-storey commercial and retail building erected on 3 parcels of adjacent generally rectangular shaped freehold land.</p> <p>As per information provided by the Group, the sites of the property have a total area of approximately 765 sq. m. and the building has a total net lettable area of approximately 773.8 sq. m..</p> <p>The lower level of the building is occupied for retail use and the upper level is for office use. The building provides 10 rear car parking spaces.</p> <p>The building was constructed circa early 1900's with recent major improvements and upgrades.</p>	<p>As at the Valuation Date, the property is fully leased to various tenants for retail and office uses. The total rental income is AUD96,975 plus GST per month. The latest lease expiry date is August 2025 with options to renew.</p>	<p>AUD19,400,000 (Nineteen Million Four Hundred Thousand Australian Dollars)</p>

Notes:

- Pursuant to three New South Wales Certificates of Title in respect of the property provided by the Group, the registered proprietor is ORO Group Pty Ltd (a wholly owned subsidiary of the Company); the registered plans numbers are Lot A in Deposited Plan 162727 (35 Bay Street), Lots A and B in Deposited Plan 371452 (37 & 39 Bay Street) and the Local Government Area is Woollahra.
- The property situates on the eastern side of Bay Street which is a shopping precinct of Double Bay. The immediate vicinity is predominated by low rise commercial and retail buildings and low density residential housings. Double Bay is a high-end eastern Sydney suburb situates about 4km from the central business district.
- Pursuant to the Land Zoning Map of Woollahra Local Environmental Plan 2014, the property falls within an area zoned "B2 Local Centre", i.e. larger business centres that provide a range of retail, business, entertainment and community functions.

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, the interests and short positions, if any, of each Director and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executive of the Company were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or otherwise required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules (“**Model Code**”), to be notified to the Company and the Stock Exchange, were as follows:

Interests in the Company

Name of Director	Capacity	Number of Shares	Notes	Approximate percentage of shareholding
Ching-fat MA	Founder of a discretionary trust	1,547,851,284	(i)	64.55%
	Interest of controlled corporation	149,870,000	(ii)	6.25%
King-ho MA	Interest of controlled corporation	95,916,000	(iii)	4.00%

Notes:

- (i) Mr. Ching-fat MA is the founder of the Ocean trust, and Conyers Trustee Services (BVI) Limited, as the trustee of the Ocean Trust, indirectly holds 57.3% interest in Magicway Investment Limited and the entire issued share capital of Ever Holdings Limited. Magicway Investment Limited and Ever Holdings Limited in turn hold 1,222,941,284 Shares and 324,910,000 Shares respectively. Mr. Ching-fat MA, as the founder of the Ocean Trust, is deemed to be interested in the same parcel of Shares comprised in the trust assets of the Ocean Trust under the SFO.

- (ii) Mr. Ching-fat MA holds the entire issued share capital of Perfect Deal Trading Limited, which in turn holds 149,870,000 Shares. Mr. Ching-fat MA is deemed to be interested in the same parcel of Shares held by Perfect Deal Trading Limited under the SFO.
- (iii) Mr. King-ho MA holds the entire issued share capital of Prosper Time Trading Limited, which in turn holds 95,916,000 Shares. Mr. King-ho MA is deemed to be interested in the same parcel of Shares held by Prosper Time Trading Limited under the SFO.

Interests in associated corporation

Name of Director	Name of associated corporation	Capacity	Number of ordinary shares	Approximate percentage of shareholding
Ching-fat MA	Magicway Investment Limited	Beneficial owner	260	26.00%
King-ho MA	Magicway Investment Limited	Beneficial owner	167	16.70%

Save as disclosed above, none of the Directors or the chief executive of the Company had, as at the Latest Practicable Date, any 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) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or otherwise required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

As at the Latest Practicable Date, each of the following Directors is a director of the following companies, each of which has an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

- (a) Mr. Ching-fat MA is a director of Ocean Greatness Limited, Marsun Holdings Limited, Magicway Investment Limited, Ever Holdings Limited and Perfect Deal Trading Limited; and
- (b) Mr. King-ho MA is a director of Ocean Greatness Limited, Marsun Holdings Limited, Magicway Investment Limited, Ever Holdings Limited and Perfect Deal Trading Limited.

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which have, since 31 March 2021, the date to which the latest published audited accounts of the Company were made up, been acquired or disposed of by or leased to or are proposed to be acquired or disposed of by or leased to any member of the Group.

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

3. SERVICE CONTRACTS

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

4. COMPETING INTERESTS

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

5. QUALIFICATIONS AND CONSENT OF EXPERTS

The following sets out the qualifications of the experts who have given, or agreed to inclusion of, its opinion or advice in this circular:

Name	Qualification
Emperor Capital	a corporation licensed to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO
Roma	independent property valuer

Each of Emperor Capital and Roma has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter or report (as the case may be) and references to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, each of Emperor Capital and Roma:

- (a) did not have any shareholding, either directly or indirectly, in any member of the Group;
- (b) did not have any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and
- (c) did not have any interest, either directly or indirectly, in any assets which have, since 31 March 2021, the date to which the latest published audited accounts of the Company were made up, been acquired or disposed of by or leased to or are proposed to be acquired or disposed of by or leased to any member of the Group.

6. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 March 2021, the date to which the latest published audited accounts of the Company were made up.

7. DOCUMENT AVAILABLE FOR INSPECTION

Copy of the SPA is available for inspection on the website of the Stock Exchange (hkexnews.hk) and the website of the Company (oeh.on.cc) from the date of this circular up to and including the date of the General Meeting.

8. GENERAL

The English text of this circular shall prevail over the Chinese text.

NOTICE OF GENERAL MEETING



東方企控集團有限公司
ORIENTAL ENTERPRISE HOLDINGS LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 18)

NOTICE IS HEREBY GIVEN that a general meeting (the “**General Meeting**”) of Oriental Enterprise Holdings Limited (the “**Company**”) will be held at 4th Floor, Oriental Media Centre, 23 Dai Cheong Street, Tai Po Industrial Estate, Hong Kong on Tuesday, 21 June 2022 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:

ORDINARY RESOLUTION

“THAT:

- (a) the entering into of the SPA (as defined in the circular of the Company dated 31 March 2022 (the “**Circular**”), of which this notice forms part), a copy of which has been produced to this meeting marked “A” and signed by the chairman of this meeting for identification purpose, by the Vendor (as defined in the Circular) and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified in all respects; and
- (b) any director(s) of the Company be and is/are hereby authorised for and on behalf of the Company to execute (and, if necessary, affix the common seal of the Company in accordance with the articles of association of the Company to) any documents, instruments and agreements and to do any such acts or things as may be deemed by him/her/them in his/her/their absolute discretion to be necessary or incidental to, ancillary to or in connection with the SPA and the transactions contemplated thereunder and (to the extent permitted by the applicable law, regulations and rules, including the Listing Rules (as defined in the Circular)) to approve and/or make immaterial amendments and modifications (including extension or relaxation of time period or constraints) to the terms and conditions thereof as such director(s) may deem necessary and in the interests of the Company and its shareholders to do so.”

By order of the board of
Oriental Enterprise Holdings Limited
Ka-bong WONG
Company Secretary

Hong Kong, 31 March 2022

NOTICE OF GENERAL MEETING

Notes:

1. A member of the Company entitled to attend and vote at the General Meeting may appoint another person as his/her/its proxy to attend and vote instead of him/her/it. A member of the Company who is the holder of two or more shares may appoint more than one proxy to represent him/her/it and attend and vote on his/her/its behalf at the General Meeting. A proxy need not be a member of the Company. In addition, a proxy or proxies representing either a member of the Company who is an individual or a member of the Company which is a corporation shall be entitled to exercise the same power on behalf of such member of the Company which he/she/they represent as such member of the Company could exercise.
2. In order to be valid, the instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly 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 authorised to sign the same. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof, it shall be assumed, unless the contrary appears, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the facts.
3. The register of members of the Company will be closed from Friday, 17 June 2022 to Tuesday, 21 June 2022, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for attending the General Meeting, all transfers accompanied by the relevant share certificates must be deposited at the Company's share registrar, Tricor Friendly Limited of Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration no later than 4:30 p.m. on Thursday, 16 June 2022.
4. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be deposited at the Company's registered office at Oriental Media Centre, 23 Dai Cheong Street, Tai Po Industrial Estate, Hong Kong, not less than 48 hours before the time appointed for holding the General Meeting or any adjournment thereof.
5. Delivery of an instrument appointing a proxy will not preclude a member of the Company from attending and voting in person at the meeting and in such event, the instrument appointing a proxy shall be deemed to have been revoked.
6. Where there are joint holders of any share of the Company, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she/it were solely entitled thereto, but if more than one of such joint holders be present at the General Meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
7. In the event that a typhoon signal no.8 (or above) or a black rainstorm warning is in effect at any time from 9:00 a.m. to 11:00 a.m. on the day of the General Meeting, the General Meeting will be automatically postponed to Wednesday, 22 June 2022 at the same time and same venue. Shareholders may call the Company's hotline at (852) 3600-0000 to enquire about the arrangement of the General Meeting.
8. Further announcement will be made by the Company if the General Meeting cannot be held as scheduled due to the social distancing measures then in place.