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**GOOD VISION DEVELOPMENT
LIMITED**

高偉發展有限公司

(Incorporated in Hong Kong with limited liability)



WAH HA REALTY COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 278)

JOINT ANNOUNCEMENT

**(1) REPORT ON PROFIT WARNING
(2) NO CHANGE IN THE ADVICE OF THE INDEPENDENT
FINANCIAL ADVISER
(3) LEVEL OF ACCEPTANCE ON THE SECOND CLOSING DATE
AND
(4) EXTENSION OF THE OFFER IN
RELATION TO
THE VOLUNTARY UNCONDITIONAL CASH OFFER BY
EDDID CAPITAL LIMITED AND MAXA CAPITAL LIMITED
ON BEHALF OF
GOOD VISION DEVELOPMENT LIMITED
FOR ALL THE ISSUED SHARES IN WAH HA REALTY COMPANY LIMITED
HELD BY THE OFFER SHAREHOLDERS**

Joint Financial Advisers to the Offeror in relation to the Offer



Independent Financial Adviser to the Company in relation to the Offer



References are made to (i) the composite offer document and response document (the “**Composite Document**”) jointly issued by Good Vision Development Limited (the “**Offeror**”) and Wah Ha Realty Company Limited (the “**Company**”) dated 26 April 2023 in relation to, among other things, the voluntary unconditional cash offer by Eddid Capital Limited and Maxa Capital Limited on behalf of the Offeror for all the issued Shares held by the Offer Shareholders; (ii) the profit warning announcement (the “**Profit Warning Announcement**”) made by the Company dated 28 April 2023; (iii) the announcement jointly issued by the Offeror and the Company dated 2 May 2023 (the “**Second Announcement**”) regarding the Profit Warning Announcement in accordance with Practice Note 2 of the Takeovers Code; and (iv) the announcement jointly issued by the Offeror and the Company dated 17 May 2023 regarding the level of acceptance and the extension of the Offer.

Unless otherwise defined herein or the context requires otherwise, capitalised terms used herein shall have the same meanings as those defined in the Composite Document.

(1) **REPORT ON PROFIT WARNING**

It is noted that the profit warning included in the Profit Warning Announcement constitutes a profit forecast (the “**Profit Estimate**”) under Rule 10 of the Takeovers Code and must be reported on by the Company’s auditor and financial adviser pursuant to Rule 10.4 of the Takeovers Code.

The Profit Estimate has been reported on by PricewaterhouseCoopers (“**PwC**”), the auditor of the Company, and Grande Capital, the independent financial adviser to the Company in relation to the Offer.

PwC has reported that, so far as the accounting policies and calculations are concerned, the Profit Estimate has been properly compiled based on the unaudited consolidated management accounts of the Group for the year ended 31 March 2023 and is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in the interim financial statements of the Company for the six months ended 30 September 2022 as set out in the interim report of the Company for the six months ended 30 September 2022. Grande Capital, after the discussion with the Directors of the Company of the bases adopted by the Directors to prepare the Profit Estimate, is satisfied that the Profit Estimate has been made by the Board with due care and consideration. The letters from PwC and Grande Capital have been lodged with the Executive (as defined in the Takeovers Code) and the texts of which are set out in the appendices to this joint announcement.

Each of PwC and Grande Capital has given and has not withdrawn its consent to the issue of this joint announcement with the inclusion of its letter and references to its name in the form and context in which they appear in this joint announcement.

(2) **NO CHANGE IN THE ADVICE OF THE INDEPENDENT FINANCIAL ADVISER IN RELATION TO THE OFFER**

As disclosed in the Composite Document, the Independent Financial Adviser had been appointed for the purpose of advising the Independent Board Committee and the Offer Shareholders in relation to the Offer. The Independent Financial Adviser had opined that the terms of the Offer are fair and reasonable so far as the Offer Shareholders are concerned. The Independent Financial Adviser advised the Independent Board Committee to recommend the Offer Shareholders to accept the Offer.

The Independent Financial Adviser has confirmed to the Board that the information contained in the Profit Warning Announcement and this joint announcement does not affect its advice in relation to the terms and conditions of the Offer and as to the acceptance of the Offer as set out in the section headed “Letter from the Independent Financial Adviser” in the Composite Document as its opinion was formed together with other factors contained in the Composite Document, which remain unchanged from the Latest Practicable Date

and up to the date of this joint announcement, and accordingly, there is no change in its advice.

(3) LEVEL OF ACCEPTANCE ON THE SECOND CLOSING DATE

As at 4:00 p.m. on Thursday, 25 May 2023, the Offeror had received 71 valid acceptances in respect of a total of 46,905,069 Offer Shares (the “**Acceptance Shares**”), representing approximately 38.78% of the total issued Shares as at the date of this joint announcement. Before the commencement of the Offer Period, the Offeror and the Offeror Concert Parties were interested in 82,368,480 Shares, representing approximately 68.10% of the total issued Shares. Taking into account the Acceptance Shares and the Shares already owned by the Offeror and the Offeror Concert Parties (without double counting in respect of acceptance tendered by certain Offeror Concert Parties who are Offer Shareholders), the Offeror and the Offeror Concert Parties are interested in an aggregate of 112,030,029 Shares, representing approximately 92.62% of the total issued Shares as at the date of this joint announcement.

Save as disclosed above, neither the Offeror nor any of the Offeror Concert Parties has:

- (i) held, controlled or had direction over any Shares and rights over Shares immediately before the commencement of the Offer Period;
- (ii) acquired or agreed to acquire any Shares or rights over Shares since the commencement of the Offer Period and up to the date of this joint announcement; or
- (iii) borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company since the commencement of the Offer Period and up to the date of this joint announcement.

(4) EXTENSION OF THE OFFER

As stated in the Second Announcement, the Company will issue an announcement in compliance with Rule 10.4 of the Takeovers Code together with an update (if any) on the advice of the Independent Financial Adviser in view of the Profit Warning Announcement as soon as possible.

The incumbent Closing Date of the Offer is Thursday, 25 May 2023. Taking into account the additional information set out above, the Offeror has decided to extend the Closing Date from Thursday, 25 May 2023 to Thursday, 8 June 2023.

Other than the extension above, all other terms of the Offer as set out in the Composite Document and the Form of Acceptance remain unchanged. Offer Shareholders are advised to consider carefully the information contained in the Composite Document, the Profit Warning Announcement and this joint announcement before deciding whether or not to accept the Offer.

The revised expected timetable set out below is indicative only and may be subject to changes. Further announcement(s) will be made in the event of any changes to the timetable as and when appropriate. All the time and date references contained in this joint announcement, the Composite Document and the accompanying Form of Acceptance refer to Hong Kong local time and dates.

Offer open for acceptance Wednesday, 26 April 2023

Closing Date of the Offer (*Notes 1 and 4*) Thursday, 8 June 2023

Latest time and date for acceptance of the Offer on the Closing Date (*Notes 2 and 4*) on Thursday, 8 June 2023 4:00 p.m.

Announcement of the results of the Offer as at the Closing Date to be posted on the website of the Stock Exchange on Thursday, 8 June 2023 no later than 7:00 p.m.

Latest date for posting of remittances for the amounts due in respect of valid acceptances received under the Offer on or before 4 : 00 p.m. on the Closing Date (*Notes 3 and 4*) Monday, 19 June 2023

Notes:

- (1) The Offer, which is unconditional in all respects, will close for acceptances at 4 : 00 p.m. on Thursday, 8 June 2023 unless the Offeror revises or extends the Offer in accordance with the Takeovers Code. The Offeror has the right under the Takeovers Code to extend the Offer until such date as it may determine subject to compliance with the Takeovers Code (or as permitted by the Executive in accordance with the Takeovers Code). The Offeror will issue an announcement in relation to any extension of the Offer no later than 7:00 p.m. on Thursday, 8 June 2023, which announcement will state the next Closing Date, if applicable.
- (2) If you wish to accept the Offer, you should ensure your duly completed and signed Form of Acceptance and the relevant documents arrive at the Registrar by no later than the prescribed time. If you choose to deliver the documents by post, you should consider the timing requirements for postage. Beneficial owners of the Offer Shares who hold their Offer Shares in CCASS directly as an investor participant or indirectly via a broker or custodian participant should note the timing requirements for causing instructions to be made to CCASS in accordance with the General Rules of CCASS and CCASS Operational Procedures. Acceptances of the Offer are irrevocable and are not capable of being withdrawn, except in the circumstances as set out in the section headed “Right of Withdrawal” on page I-7 of Appendix I to the Composite Document.
- (3) Remittances in respect of the cash consideration (after deducting the seller’s ad valorem stamp duty in respect of acceptances of the Offer) payable for the Offer Shares tendered under the Offer will be despatched to those Offer Shareholders accepting the Offer (to the address specified on the relevant Form of Acceptance) by ordinary post at their own risk as soon as possible, but in any event within seven (7) Business Days following the date of receipt by the Registrar of all the relevant documents to render the acceptance under the Offer complete and valid.
- (4) If there is a tropical cyclone warning signal number 8 or above, or a black rainstorm warning: (a) in force in Hong Kong at any local time before 12:00 noon but no longer in force after 12:00 noon on the latest date for acceptance of the Offer and the latest date for posting of remittances for the amounts due under the Offer in respect of valid acceptances, the latest time for acceptance of the Offer will remain at 4:00 p.m. on the same Business Day and the latest date for the posting of remittances will remain on the same Business Day; and (b) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the latest date for acceptance of the Offer and the latest date for posting of remittances for the amounts due under the Offer in respect of valid acceptances, the latest time for acceptance of the Offer will be rescheduled to 4:00 p.m. on the next following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m. and the posting of remittances will be the next following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m.

Save as the notes disclosed above, if the latest time for acceptance of the Offer does not take effect on the date and at the time stated above, other dates mentioned in the expected timetable above may be affected.

Further announcement on the results of the Offer will be made on Thursday, 8 June 2023 in accordance with Rule 19.1 of the Takeovers Code.

The Offeror and the Company will notify Shareholders by way of announcement(s) of any change to the expected timetable as soon as possible.

CONTINUED SUSPENSION OF TRADING

Trading in the Shares has been suspended with effect from 9:00 a.m. on 15 September 2022. The resumption of trading in the Shares is subject to the Company's satisfaction of all resumption guidance set out by the Stock Exchange, remediation of the issues causing the trading suspension and full compliance with the Listing Rules. The trading in the Shares remains suspended until further notice.

WARNING

This joint announcement is made in compliance with the Takeovers Code. The Directors make no recommendation as to the fairness or reasonableness of the terms of the Offer or as to the acceptance of the Offer. Shareholders and potential investors of the Company are reminded to read the Composite Document, especially the letter from the Independent Board Committee and the letter from the Independent Financial Adviser together with any update including the Profit Warning Announcement and this joint announcement, and consider their recommendations and advice in connection with the Offer. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares. Persons who are in doubt as to the action they should take should consult their professional advisers.

By order of the board of directors of
Good Vision Development Limited
高偉發展有限公司
Cheung Lin Wee
Director

By order of the board of directors of
Wah Ha Realty Company Limited
華廈置業有限公司
Cheung Kee Wee
Chairman

Hong Kong, 25 May 2023

As at the date of this joint announcement, the directors of the Offeror are Messrs. Cheung Kee Wee, Cheung Lin Wee and Cheung Ying Wai, Eric.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Group), and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Directors in their capacity as Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the Board comprises Messrs. Cheung Kee Wee, Cheung Lin Wee and Cheung Ying Wai, Eric as executive Directors, Mr. Ng Kwok Tung as non-executive Director and Messrs. Chan Woon Kong, Chan Wing Tat and Kok Lap Seng as independent non-executive Directors.

All the Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Offeror and the Offeror Concert Parties), and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the directors of the Offeror in their capacity as directors of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

In case of inconsistency, the English text of this joint announcement shall prevail over its Chinese text.

APPENDIX I – LETTER FROM PRICEWATERHOUSECOOPERS

The following is the text of a letter received from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this joint announcement.



羅兵咸永道

The Board of Directors
Wah Ha Realty Company Limited
Room 2500, Dominion Centre
43-59 Queen's Road East
Wanchai, Hong Kong

25 May 2023

Dear Sirs,

Wah Ha Realty Company Limited (the “Company”)

Profit Estimate for the Year Ended 31 March 2023

We refer to the estimate of the consolidated profit attributable to equity holders of the Company for the year ended 31 March 2023 (the “**Profit Estimate**”) in connection with the following profit warning statement made by the Company in its announcement dated 28 April 2023.

“Based on the Board’s preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended 31 March 2023 (the “**YR 2023**”) and other information currently available to the Company, the profit attributable to equity holders of the Company for the year ended 31 March 2023 is expected to decline by about 50% as compared to HK\$38.98 million for the year ended 31 March 2022 (the “**YR 2022**”).”

Directors’ Responsibilities

The Profit Estimate has been prepared by the directors of the Company based on the unaudited consolidated management accounts of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 March 2023.

The Company’s directors are solely responsible for the Profit Estimate.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

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

Reporting Accountant's Responsibilities

Our responsibility is to express an opinion on the accounting policies and calculations of the Profit Estimate based on our procedures.

We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 500, *Reporting on Profit Forecasts, Statements of Sufficiency of Working Capital and Statements of Indebtedness* and with reference to Hong Kong Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* issued by the HKICPA. Those standards require that we plan and perform our work to obtain reasonable assurance as to whether, so far as the accounting policies and calculations are concerned, the Company's directors have properly compiled the Profit Estimate in accordance with the bases adopted by the directors and as to whether the Profit Estimate is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group. Our work is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Accordingly, we do not express an audit opinion.

Opinion

In our opinion, so far as the accounting policies and calculations are concerned, the Profit Estimate has been properly compiled based on the unaudited consolidated management accounts of the Group for the year ended 31 March 2023 and is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in the interim financial statements for the six months ended 30 September 2022 as set out in the interim report of the Company for the six months ended 30 September 2022.

Yours faithfully,

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong

APPENDIX II – REPORT FROM GRANDE CAPITAL LIMITED

25 May 2023

Wah Ha Realty Company Limited
Room 2500, Dominion Centre
43-59 Queen’s Road East
Wanchai, Hong Kong

Attn: The Board of Directors

Dear Sirs,

We refer to the profit warning announcement of Wah Ha Realty Company Limited (the “**Company**”) dated 28 April 2023 (the “**Announcement**”). Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

We refer to the estimate of the consolidated profit attributable to equity holders of the Company for the year ended 31 March 2023 (the “**Estimate**”) in connection with the following profit warning statement made by the Company in the Announcement:

*“Based on the Board’s preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended 31 March 2023 (the “**YR 2023**”) and other information currently available to the Company, the profit attributable to equity holders of the Company for the year ended 31 March 2023 is expected to decline by about 50% as compared to HK\$38.98 million for the year ended 31 March 2022 (the “**YR 2022**”).”*

The Estimate was compiled by the Directors based on the unaudited management accounts of the Group for the year ended 31 March 2023. The Company’s directors are solely responsible for the Estimate.

The Estimate is regarded as a profit forecast pursuant to Rule 10 of the Code on Takeovers and Mergers (the “**Takeovers Code**”) and is required to be reported on in accordance with Rule 10 of the Takeovers Code.

We have considered the letter on the Estimate dated 25 May 2023 issued by PricewaterhouseCoopers, the auditor of the Company (the “**Reporting Accountants**”), to you. The Reporting Accountants are of the opinion that, so far as the accounting policies and calculations are concerned, the Estimate has been properly compiled in accordance with the bases adopted by the Directors as set out in the Announcement and is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in the interim financial statements for the six months ended 30 September 2022 as set out in the interim report of the Company for the six months ended 30 September 2022. We have also discussed with the management of the Company in relation to the bases adopted and have reviewed the underlying calculations in arriving at the Estimate.

Based on the above, we are satisfied that the Estimate has been made by the Directors with due care and consideration.

This report is provided to the Company solely for the purpose of complying with Note 1(c) to Rules 10.1 and 10.2 and Rule 10.4 of the Takeovers Code and for no other purpose. We do not accept any responsibility to any person(s), other than the Company, in respect of, arising out of, or in connection with this report. This report is not to be quoted or referred to, in whole or in part, nor shall this report be used for any purposes, without our prior written consent.

Yours faithfully,
For and on behalf of
Grande Capital Limited

Alan Chung Erica Mak
Responsible Officer Responsible Officer