THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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

GOLDEN WHEEL TIANDI HOLDINGS COMPANY LIMITED
金輪天地控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01232)

(1) MAJOR TRANSACTION:

PROPOSED ACQUISITION OF THE TARGET COMPANY AND SHAREHOLDER'S LOAN;

AND

(2) NOTICE OF EXTRAORDINARY GENERAL MEETING

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

A letter from the Board is set out on pages 6 to 17 of this circular.

The notice convening the EGM to be held at Unit A, 18/F, @Convoy, 169 Electric Road, Fortress Hill, Hong Kong on Monday, 8 May 2017 at 10:00 a.m. is set out on pages EGM-1 to EGM-3 of this circular. A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the form of proxy enclosed with this circular in accordance with the instructions printed thereon to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the EGM (or any adjournment thereof). The lodging of the form of proxy will not preclude you from attending the EGM and voting in person at the EGM or any adjourned meeting should you so wish.

12 April 2017

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

"Audited Completion Accounts"	the audited Completion Management Accounts
"Balance of Consideration"	initially HK$405,000,000, subject to adjustments
"Board"	the board of Directors
"Company"	Golden Wheel Tiandi Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 1232)
"Completion"	completion of the Proposed Acquisition and the entry into of the Hotel Management Agreement
"Completion Date"	on or before 28 April 2017 or the Extended Completion Date or such other date as the parties to the Sale and Purchase Agreement may mutually agree
"Completion Management Accounts"	the unaudited management accounts of the Target Company covering the period from the date immediately following 31 March 2016 up to (and inclusive of) the Completion Date and duly certified true and correct by a director of the Target Company
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Deed of Tax Indemnity"	the deed of tax indemnity to be entered into among the Purchaser, the Target Company, the Vendor and the Vendor's Guarantor on Completion
"Deposit"	HK$45,000,000
"Director(s)"	the director(s) of the Company
"Earnest Money"	the sum of HK$20,000,000 paid by the Purchaser to the Vendor's solicitors upon the signing of the Heads of Terms

"EGM"	the extraordinary general meeting of the Company to be convened and held for considering and approving, among others, the Proposed Acquisition
"EGM Approval"	has the meaning given to it in the section headed "LETTER FROM THE BOARD – 2. THE SALE AND PURCHASE AGREEMENT – Condition precedent" in this circular
"EGM Approval Date"	has the meaning given to it in the section headed "LETTER FROM THE BOARD – 2. THE SALE AND PURCHASE AGREEMENT – Condition precedent" in this circular
"Enlarged Group"	the Group upon Completion
"Extended Completion Date"	has the meaning given to it in the section headed "LETTER FROM THE BOARD – 2. THE SALE AND PURCHASE AGREEMENT – Condition precedent" in this circular
"Extended EGM Approval Date"	has the meaning given to it in the section headed "LETTER FROM THE BOARD – 2. THE SALE AND PURCHASE AGREEMENT – Condition precedent" in this circular
"Group"	the Company and its subsidiaries
"GWRCL"	Golden Wheel Realty Company Limited, the controlling shareholder (as defined in the Listing Rules) of the Company. As at the Latest Practicable Date, GWRCL directly held 637,985,600 Shares, representing approximately 35.39% of the total issued share capital in the Company
"Heads of Terms"	the heads of terms dated 12 January 2017 entered into by the Purchaser, the Vendor and the Manager in relation to the Proposed Acquisition
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong

"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hotel"	the building located on the Property and owned by the Target Company which is known as Silka West Kowloon, Hong Kong
"Hotel Management Agreement"	the hotel management agreement to be entered into among the Target Company, the Manager, the Company and the Vendor's Guarantor on Completion for the provision of management and other related services by the Manager in respect of the Hotel
"Latest Practicable Date"	7 April 2017, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)
"Manager"	Dorsett Hospitality International Services Limited, a company incorporated in Hong Kong with limited liability
"Net Current Asset Value"	the net current asset value of the Target Company as calculated in accordance with the Sale and Purchase Agreement
"Operating Year"	means from 1 January of a year to 31 December of that year provided that the first Operating Year shall be the period commencing on the Completion Date and ending on 31 December 2017 and provided that the final Operating Year may be less than a full year if the Hotel Management Agreement is terminated early or the expiry of the Term does not end on 31 December of a year
"Owner's Guaranteed Return"	the annual owner's guaranteed gross operating profit in the amount of HK$18,000,000, to be adjusted on a pro rata basis if an Operating Year consists of less than 12 months and subject to adjustment due to a "renovation" or a "force majeure event" each as defined in the Hotel Management Agreement

"PRC"	the People's Republic of China which, for the purposes of this circular, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
"Property"	all that piece or parcel of ground registered in the Land Registry as Kowloon Inland Lot No. 6374 together with the messuages, erections and buildings thereon known as No. 48 Anchor Street, owned by the Target Company
"Proposed Acquisition"	the proposed acquisition by the Purchaser of the entire interest of the Vendor in the Target Company, comprising the Sale Share and the Shareholder's Loan
"Purchaser"	Golden Wheel Jasper Company Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
"RMB"	Renminbi, the lawful currency of the PRC
"Sale and Purchase Agreement"	the agreement dated 3 March 2017 entered into among the Purchaser, the Vendor, the Company and the Vendor's Guarantor in relation to the Proposed Acquisition
"Sale Share"	the one issued ordinary share of US$1.00 of the Target Company, representing the entire issued share capital of the Target Company
"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	ordinary share(s) of US$0.01 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Shareholder's Loan"	the net amount owing by the Target Company to the Vendor (and the Vendor's subsidiaries) as at Completion
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

"Target Company"	Double Advance Group Limited, a company incorporated in the British Virgin Islands with limited liability
"Term"	has the meaning given to it in the section headed "LETTER FROM THE BOARD – 3. THE HOTEL MANAGEMENT AGREEMENT" in this circular
"Undertaking"	has the meaning given to it in the section headed "LETTER FROM THE BOARD – 2. THE SALE AND PURCHASE AGREEMENT – Condition precedent" in this circular
"US$"	the lawful currency of the United States of America
"Vendor"	Dorsett Hospitality International Limited, an exempted company incorporated in the Cayman Islands
"Vendor's Guarantor"	Far East Consortium International Limited, an exempted company incorporated in the Cayman Islands and the shares of which are listed on the Stock Exchange (Stock Code: 35)
"Wong Family"	comprising Mr. Wong Yam Yin, Ms. Hung So Ling, Mr. Wong Kam Fai and Mr. Wong Kam Keung, Barry
%	per cent.

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

Unless otherwise defined, for the purpose of this circular and for the purpose of illustration only, amounts denominated in RMB has been converted into HK$ at the rate of RMB 1 = HK$1.18. Such translations should not be construed as a representation that the amounts in question have been, could have been or could be converted at any particular rate or at all.

GOLDEN WHEEL TIANDI HOLDINGS COMPANY LIMITED
金 輪 天 地 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01232)

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

Non-Executive Directors
Mr. Suwita Janata *(Vice Chairman)*
Mr. Gunawan Kiky

Independent Non-executive Directors
Mr. Hui Yan Moon
Mr. Wong Ying Loi
Ms. Howe Sau Man
Mr. Lie Tak Sen

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

Headquarters and principal place of business in the PRC
33/F, Golden Wheel International Plaza
No. 8, Hanzhong Road
Nanjing PRC

Place of business in Hong Kong
Unit A, 18 Floor, @Convoy
169 Electric Road
Fortress Hill
Hong Kong

12 April 2017

To the Shareholders

Dear Sir or Madam,

(1) MAJOR TRANSACTION:
PROPOSED ACQUISITION OF THE TARGET COMPANY AND SHAREHOLDER'S LOAN;
AND
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING

1. INTRODUCTION

The Company refers to its announcement dated 3 March 2017 in relation to, among others, the Proposed Acquisition.

The purpose of this circular is to provide you with, among other things, (i) major terms of the Sale and Purchase Agreement; (ii) further details of the Proposed Acquisition; (iii) the financial information of the Target Company; (iv) unaudited pro forma financial information of the Enlarged Group; (v) a property valuation report in respect of the Property; and (vi) a notice of the EGM.

2. THE SALE AND PURCHASE AGREEMENT

On 3 March 2017 (after trading hours), the Purchaser (a wholly-owned subsidiary of the Company), the Vendor, the Company and the Vendor's Guarantor entered into the Sale and Purchase Agreement pursuant to which the Purchaser agrees to acquire, and the Vendor agrees to sell, the Sale Share and the Shareholder's Loan, with effect from Completion. The Property on which the Hotel is situated is the Target Company's only major asset. Summarized below are the major terms of the Sale and Purchase Agreement:

(a) Date

3 March 2017

(b) Parties

(i) The Purchaser

(ii) The Vendor

(iii) The Company, as a guarantor in relation to the due and proper performance by the Purchaser of all its obligations (including but not limited to payment obligations) and liabilities under the Sale and Purchase Agreement

(iv) The Vendor's Guarantor, as a guarantor in relation to the due and proper performance by the Vendor of all its obligations (including but not limited to payment obligations) and liabilities under the Sale and Purchase Agreement

(c) Assets to be acquired

Pursuant to the Sale and Purchase Agreement, the Vendor agrees to sell and the Purchaser agrees to purchase (i) the Sale Share, which represents the entire issued share capital of the Target Company; and (ii) the Shareholder's Loan, which represents all the outstanding amounts owing by the Target Company to the Vendor as at Completion. For illustration purpose only, as at 31 December 2016, the Shareholder's Loan amounted to HK$189,604,852, comprising (a) a loan from a fellow subsidiary of the Target Company of HK$242,656,000; and (b) the net amount due from immediate holding company and amount due to a fellow subsidiary of the Target Company of HK$53,051,148 (i.e. HK$108,177,229-HK$55,126,081).

The Target Company is the owner of the Hotel which is known as Silka West Kowloon, Hong Kong.

(d) Consideration

Subject to the adjustment mechanism as described below, the consideration payable by the Purchaser for the Proposed Acquisition shall be HK$450,000,000 and shall be paid in the following manner:

(i) the Deposit (i.e. HK$45,000,000) has been paid by the Purchaser to the Vendor upon signing of the Sale and Purchase Agreement and the Earnest Money has been released and applied towards the payment of the aforementioned deposit; and

(ii) the Balance of Consideration shall be paid by the Purchaser to the Vendor upon Completion.

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

After Completion, the Vendor shall instruct an auditor to audit the Completion Management Accounts and deliver the Audited Completion Accounts to the Vendor and the Purchaser or the Purchaser's solicitors within 90 days from the Completion Date. If there is a difference in the Net Current Asset Value as calculated by reference to the Completion Management Accounts and the Audited Completion Accounts, the Balance of Consideration shall be adjusted upwards or downwards based on the difference in the Net Current Asset Value so calculated. Any excess paid on Completion shall be returned to the Purchaser and any shortfall shall be paid to the Vendor, in each case, without interest and within ten business days after delivery of the Audited Completion Accounts by the auditor. The parties further agree that the amount of the adjustment to the Balance of Consideration shall not exceed HK$15,000,000.

The consideration for the Proposed Acquisition will be funded by the Group's internal resources.

(e) Basis of consideration

The consideration of the Proposed Acquisition was determined on the basis of normal commercial terms and after arm's length negotiation among the parties to the Sale and Purchase Agreement and with reference to, among other things, the fair market value of the Property and the operating assets used to operate the Hotel. The fair market value of the Property as at 17 March 2017 amounted to HK$458,000,000. Please refer to the valuation report prepared by Crowe Horwath (HK) Consulting & Valuation Limited, an independent valuer, set out in Appendix IV to this circular.

(f) Condition precedent

Completion of the Sale and Purchase Agreement is conditional upon approval (the "**EGM Approval**") having been obtained from the Shareholders for the entering into of the Sale and Purchase Agreement and the transactions contemplated thereunder on or before 21 April 2017, provided that the Purchaser shall deliver to the Vendor on or before 14 March 2017 an undertaking (in the form to be mutually agreed) by GWRCL under which GWRCL shall undertake to the Vendor that it will exercise all its voting rights attached to all Shares it holds in the Company in favour of the resolution(s) to be proposed at the EGM (the "**Undertaking**"). If the Purchaser fails to deliver the Undertaking to the Vendor as aforesaid, the Purchaser shall be deemed to be in breach of the Sale and Purchase Agreement, and the Vendor may, at its discretion, terminate the Sale and Purchase Agreement and the Deposit paid shall be forfeited by the Vendor.

If the EGM Approval is not fulfilled on or before 21 April 2017 (the "**EGM Approval Date**") notwithstanding the supply of the Undertaking to the Vendor, the Purchaser shall be entitled to extend the EGM Approval Date by serving no less than five business days written notice to the Vendor informing the Vendor of its intention to extend the EGM Approval Date in which case the EGM Approval Date shall be extended to not later than 8 May 2017 (the "**Extended EGM Approval Date**"). Upon such extension of the EGM Approval Date, the Completion Date shall automatically be extended to on or before 12 May 2017 (the "**Extended Completion Date**"). If the EGM Approval under the aforementioned condition precedent is not fulfilled on the Extended EGM Approval Date, the Purchaser shall be entitled to terminate the Sale and Purchase Agreement and the Vendor shall return the Deposit paid to the Purchaser but without interest, costs or compensation.

In connection with the condition stated above, GWRCL executed the Undertaking in favour of the Vendor on 10 March 2017.

Neither party shall be obliged to complete the sale and purchase of either the Sale Share or the Shareholder's Loan or to enter into the Hotel Management Agreement if the completion of the sale and purchase of the Sale Share and the Shareholder's Loan as well as the entry into the Hotel Management Agreement shall not take place contemporaneously.

(g) Completion

Completion shall take place on the Completion Date. Upon Completion, the Target Company will become an indirect wholly-owned subsidiary of the Company and the Shareholder's Loan will be assigned by the Vendor to the Purchaser.

3. THE HOTEL MANAGEMENT AGREEMENT

Simultaneously on Completion, the Vendor shall procure the Manager and the Purchaser shall procure the Target Company to enter into the Hotel Management Agreement pursuant to which the Manager shall manage and operate the Hotel, on behalf of the Target Company, under the "Silka" and "絲麗" brand and to render customary hotel management services to the Target Company (as an owner of the Hotel upon Completion) in a good and professional manner.

It is expected that the Hotel Management Agreement will be for a term of six years starting immediately after Completion (the "**Term**") subject to early termination as provided in the Hotel Management Agreement.

During the Term, the Target Company shall be entitled to Owner's Guaranteed Return as stated in the Hotel Management Agreement for each Operating Year from the gross operating profits of the Hotel for that Operating Year, which shall first be settled on a pro rata monthly basis and be adjusted subsequently on an annual basis at the end of each Operating Year in the following manner:

(a) if at the end of the Operating Year, the gross operating profits of the Hotel for that Operating Year exceeds the Owner's Guaranteed Return for that Operating Year, then the Manager's management fee for such Operating Year shall be an amount equal to 50% of the gross operating profits (of that Operating Year) in excess of the Owner's Guaranteed Return (for that Operating Year); but

(b) if at the end of the Operating Year, the gross operating profits of the Hotel for that Operating Year is equal to or less than the Owner's Guaranteed Return for that Operating Year, then the Manager shall not be entitled to any management fee for such Operating Year and in the event the gross operating profits of the Hotel is less than the Owner's Guaranteed Return, the Manager shall be required to pay the Purchaser an amount equal to the Owner's Guaranteed Return (to the extent outstanding).

The Hotel Management Agreement will also contain other usual or customary terms and conditions for transactions of similar nature.

4. THE DEED OF TAX INDEMNITY

A Deed of Tax Indemnity is expected to be entered into among the Purchaser, the Target Company, the Vendor and the Vendor's Guarantor on Completion pursuant to which the Vendor and the Vendor's Guarantor will jointly and severally, fully and effectually indemnify and keep fully and effectually indemnified the Purchaser and the Target Company from and against certain tax liabilities of the Target Company occurred and incurred prior to the date of the Deed of Tax Indemnity.

5. FURTHER INFORMATION ON THE PURCHASER, THE VENDOR, THE VENDOR'S GUARANTOR AND THE MANAGER

The Purchaser is a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company and is principally engaged in investment holding.

The Vendor is an exempted company incorporated in the Cayman Islands. It is the sole shareholder of the Target Company and is principally engaged in hotel operation and management, property investment, property development and property trading.

The Vendor's Guarantor is an exempted company incorporated in the Cayman Islands and listed on the Main Board of the Stock Exchange. The principal activities of the Vendor's Guarantor and its subsidiaries are property development, property investment, hotel operations and management, car park operations and facilities management, and securities and financial product investments.

The Manager is a company incorporated under the laws of Hong Kong with limited liability and is principally engaged in the management and operation of hotels in Hong Kong, including the Hotel prior to Completion.

As at the Latest Practicable Date, each of the Vendor and the Manager was a wholly-owned subsidiary of the Vendor's Guarantor.

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

6. FINANCIAL INFORMATION ON THE TARGET COMPANY

Set out below are some of the key financial data of the Target Company prepared in accordance with the Hong Kong Financial Reporting Standards:

(a) Net (loss)/profit before and after taxation

	For the year ended 31 March			For the nine months ended 31 December
	2014	2015	2016	2016
	HK$	*HK$*	*HK$*	*HK$*
Net (loss)/profit before taxation	8,219,799	4,383,989	(850,593)	78,170
Net (loss)/profit after taxation	6,564,593	3,345,142	(1,020,709)	(128,524)

(b) Total assets and net assets

	As at 31 March			As at 31 December
	2014	2015	2016	2016
	HK$	*HK$*	*HK$*	*HK$*
Total assets	301,256,234	313,498,415	320,121,379	325,888,957
Net assets	21,036,300	24,381,442	23,360,733	23,232,209

(c) Liquidity and financial resources

During the three years ended 31 March 2014, 31 March 2015, 31 March 2016 and nine months ended 31 December 2016, the Target Company's operations were financed mainly by cash flows generated internally from business operations and advances from the immediate holding company. The Target Company did not have any outstanding bank borrowings as at 31 March 2014, 31 March 2015, 31 March 2016 and 31 December 2016.

As at 31 March 2014, 31 March 2015, 31 March 2016 and 31 December 2016, cash and bank deposit amount to HK$1,717,365, HK$844,892, HK$599,795 and HK$607,212, respectively.

(d) Capital structure

The share capital of the Target Company as at 31 March 2014, 31 March 2015, 31 March 2016 and 31 December 2016 was the paid up share capital of HK$8 and the retained profits as at 31 March 2014, 31 March 2015, 31 March 2016 and 31 December 2016 were HK$21,036,292, HK$24,381,434, HK$23,360,725 and HK$23,232,201, respectively.

The Target Company did not have any outstanding bank borrowings as at 31 March 2014, 31 March 2015, 31 March 2016 and 31 December 2016.

As at 31 March 2014, 31 March 2015, 31 March 2016 and 31 December 2016, the Target Company had loan from a fellow subsidiary amounted to HK$242,656,000, HK$242,656,000, HK$242,656,000 and HK$242,656,000, respectively.

(e) Significant investment held

Other than holding the Hotel and engaging in hotel operations and management, the Target Company did not hold any significant investment for the years ended 31 March 2014, 31 March 2015, 31 March 2016 and the nine months ended 31 December 2016.

(f) Material acquisitions and disposals of subsidiaries

The Target Company did not have any subsidiary for the years ended 31 March 2014, 31 March 2015, 31 March 2016 and the nine months ended 31 December 2016.

(g) Segment information

The Target Company's operation is solely derived from the hotel operation and management.

(h) Charges on assets

The Target Company did not charge any of its asset for the years ended 31 March 2014, 31 March 2015, 31 March 2016 and the nine months ended 31 December 2016.

(i) Future plans for material investments or capital assets

Other than the operations of the Hotel, the Target Company had no plan for any other material investments or capital assets as at 31 March 2014, 31 March 2015, 31 March 2016 and 31 December 2016.

(j) Gearing ratio

The Target Company's gearing ratio, calculated by dividing the total liabilities by the total assets, is 93.0%, 92.2%, 92.7% and 92.9% as at 31 March 2014, 31 March 2015, 31 March 2016 and 31 December 2016, respectively.

(k) Exposure to fluctuation of exchange rate

For the years ended 31 March 2014, 31 March 2015, 31 March 2016 and the nine months ended 31 December 2016, the Target Company's revenue and costs were denominated in HK$. The Target Company was not exposed to exchange rate risk.

(l) Contingent liabilities

As at 31 March 2014, 31 March 2015, 31 March 2016 and 31 December 2016, the Target Company had no contingent liabilities.

Please refer to Appendix II to this circular for further details on the financial information of the Target Company.

7. PROPERTY VALUATION

Crowe Horwath (HK) Consulting & Valuation Limited, an independent property valuer, has valued the Hotel as at 17 March 2017 and is of the opinion that the market value of the Hotel amounted to HK$458,000,000 as at 17 March 2017.

Set forth below is the reconciliation of the valuation figure of the Hotel with the figure included in the audited financial statements of the Target Company:

	HK$
Net book value of the Hotel as at 31 December 2016 per the Target Company's accountants' report set out in Appendix II to this circular	214,201,318
Movement during the period (unaudited)	N/A
Depreciation charge for the period	681,345
Net book value as at 17 March 2017	213,519,973
Valuation surplus	244,480,027
Valuation of the Hotel as at 17 March 2017 per valuation report set out in Appendix IV to this circular	458,000,000

8. REASONS FOR AND BENEFITS OF THE PROPOSED ACQUISITION

The Company is a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange. The principal business of the Company is investment holding, property development and property leasing. The Group is an integrated commercial and residential property developer, and is principally engaged in commercial and residential property development, property investment and property management in the PRC, including leasing of self-owned properties and sub-lease of rented properties, hotel operations and management in the PRC.

The Target Company is the holding company of the Property and carries on a hotel business at the Hotel. It has engaged the Manager to manage the Hotel as at the Latest Practicable Date.

The Directors consider that the Proposed Acquisition would enhance the Group's hotel operation business segment which is in line with the Group's strategies to further develop new business segments besides the major property development segment.

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

9. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

Upon Completion, the Target Company will become an indirect wholly-owned subsidiary of the Company and its financial results will be consolidated in the financial statements of the Company.

Set out in Appendix III to this circular is the "Unaudited Pro Forma Financial Information of the Enlarged Group" and the basis of preparation thereon.

(a) Earnings

As shown in Appendix III to this circular, assuming Completion had taken place on 31 December 2016, the total earnings of the Enlarged Group shall be increased by HK$18 million (equivalent to approximately RMB16.1 million).

(b) Assets and liabilities

As shown in Appendix III to this circular, assuming Completion had taken place on 31 December 2016, the total assets of the Enlarged Group shall be increased from RMB10,038.6 million to RMB10,076.9 million. Upon Completion, the Property will be accounted for as property, plant and equipment of the Group.

As shown in Appendix III to this circular, assuming Completion had taken place on 31 December 2016, the total liabilities of the Enlarged Group shall be increased from RMB6,109.2 million to RMB6,149.5 million.

10. LISTING RULES IMPLICATIONS

Since one or more of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Proposed Acquisition exceeds 25% but are all less than 100%, the Proposed Acquisition constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

11. EGM

A notice convening the EGM to be held at Unit A, 18 Floor, @Convoy, 169 Electric Road, Fortress Hill, Hong Kong on Monday, 8 May 2017 at 10:00 a.m. is set out on pages EGM-1 to EGM-3 of this circular.

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

To the best knowledge, information and belief of the Directors and after having made all reasonable enquiries, no Shareholders will be required to abstain from voting on the resolution for approving the Proposed Acquisition, the Sale and Purchase Agreement and all transactions contemplated thereunder at the EGM.

Whether or not you are able to attend the meeting, you are requested to complete and return the form of proxy enclosed with this circular in accordance with the instructions printed thereon to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the EGM (or any adjournment thereof). The lodging of the form of proxy will not preclude you from attending the EGM and voting in person at the EGM or any adjourned meeting should you so wish.

12. RECOMMENDATION

The Directors consider that the Proposed Acquisition is on normal commercial terms and that the terms and conditions of the Sale and Purchase Agreement are fair and reasonable and in the interests of the Group and the Shareholders as a whole and would recommend the Shareholders to vote in favour of the relevant resolution to approve the Proposed Acquisition, the Sale and Purchase Agreement and all transactions contemplated thereunder and all other documents that are necessary to effect the Proposed Acquisition.

13. ADDITIONAL INFORMATION

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

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

1. FINANCIAL INFORMATION OF THE GROUP

Financial information of the Group for the three years ended 31 December 2014, and 2015 and 2016 are disclosed in the following documents which are available on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (http://www.gwtd.com.hk/):

- the annual results announcement of the Company for the year ended 31 December 2016 published on 24 March 2017 (http://www.hkexnews.hk/listedco/listconews/SEHK/2017/0324/LTN201703241329.pdf);
- annual report of the Company for the year ended 31 December 2015 published on 20 April 2016, from pages 78 to 191 (http://www.hkexnews.hk/listedco/listconews/SEHK/2016/0420/LTN20160420894.pdf); and
- annual report of the Company for the year ended 31 December 2014 published on 20 April 2015, from pages 73 to 183 (http://www.hkexnews.hk/listedco/listconews/SEHK/2015/0420/LTN20150420793.pdf).

2. STATEMENT OF INDEBTEDNESS

As at the close of the business day of 28 February 2017, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this circular, the indebtedness of the Enlarged Group comprise the following:

	As at 28 February 2017 *RMB'000*
Borrowings	
Secured and unguaranteed:	
Short-term bank loans	628,169
Long-term bank loans	184,047
Sub-total	812,216

	As at 28 February 2017 *RMB'000*
Unsecured and unguaranteed:	
Short-term bank loan	227,040
Short-term former shareholder loan	167,613
Sub-total	394,653
Total borrowings	1,206,869
Senior notes	
Due within 1 year	914,391
Due after 1 year	677,122
Total senior notes	1,591,513
Bonds	
Due after 1 year	135,337
Mortgage loan guarantees provided to banks in favor of the customers	1,330,967
Total Indebtedness	4,264,686

Save as disclosed above or as otherwise mentioned herein, and apart from intragroup liabilities and normal accounts payables in the ordinary course of business, as at 28 February 2017, the Enlarged Group did not have any other debt securities issued and outstanding, and authorized or otherwise created but unissued, and other term loans, other borrowings or indebtedness in the nature of borrowing including liabilities under acceptances or acceptance credits or hire purchase commitments, and any other mortgages and charges, guarantees and material contingent liabilities.

3. FINANCIAL AND TRADING PROSPECT

The Group's principal activities of the subsidiaries are engaged in the commercial and residential property development, property investment, property management, and hotel operations and management. After the Proposed Acquisition, the Group will enhance the hotel operation business segment which is in line the Group's strategies to further develop new business segments besides the major property development segment. The Proposed Acquisition will contribute a stabilized revenue income to the Group, i.e. Owner's Guaranteed Return, during the coming six year after the completion.

Besides the Proposed Acquisition, the Group has acquired two land parcels in Yangzhou City and Gulou District, Nanjing City in November 2016 and January 2017, receptively. In December 2016, the Group has entered a joint venture agreement to develop a land parcel in Jiangning District, Nanjing City.

Looking forward, the Group will be still focusing on and engaging in commercial and residential property development, property investment, property management, and hotel operations and management. The Group is seeking to identify potential land for acquisition on Jiangsu and Hunan Provinces, in order to achieve continuous growth. Furthermore, the Group is also seeking suitable opportunities to acquire hotel operation and management business in both PRC (mainly on Jiangsu and Hunan Provinces) and Hong Kong.

4. WORKING CAPITAL

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

5. MATERIAL ADVERSE CHANGE

As of the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position or prospects of the Group since 31 December 2016 (being the date to which the latest published audited consolidated financial statements of the Group were made up).

Deloitte. 德勤

ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF GOLDEN WHEEL TIANDI HOLDINGS COMPANY LIMITED

Introduction

We report on the historical financial information of Double Advance Group Limited (the "**Target Company**") set out on pages II-5 to II-33, which comprises the statements of financial position as at 31 March 2014, 31 March 2015, 31 March 2016 and 31 December 2016, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows for each of the periods then ended (the "**Track Record Period**") and a summary of significant accounting policies and other explanatory information (together, the "**Historical Financial Information**"). The Historical Financial Information set out on pages II-5 to II-33 forms an integral part of this report, which has been prepared for inclusion in the circular of the Golden Wheel Tiandi Holdings Company Limited (the "**Company**") dated 12 April 2017 (the "**Circular**") in connection with the proposed acquisition of the Target Company.

Directors' responsibility for the Historical Financial Information

The directors of the Target Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in note 2 to the Historical Financial Information, and for such internal control as the directors of the Target Company determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants' responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 "Accountants' Reports on Historical Financial Information in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in note 2 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors of the Target Company, as well as evaluating the overall presentation of the Historical Financial Information.

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

Opinion

In our opinion the Historical Financial Information gives, for the purposes of the accountants' report, a true and fair view of the Target Company's financial position as at 31 March 2014, 31 March 2015, 31 March 2016 and 31 December 2016, and of the Target Company's financial performance and cash flows for the Track Record Period in accordance with the basis of preparation and presentation set out in note 2 to the Historical Financial Information.

Review of stub period comparative financial information

We have reviewed the stub period comparative financial information of the Target Company which comprises the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the nine months ended 31 December 2015 and other explanatory information (the "**Stub Period Comparative Financial Information**"). The directors of the Target Company are responsible for the preparation and presentation of the Stub Period Comparative Financial Information in accordance with the basis of preparation and presentation set out in note 2 to the Historical Financial Information. Our responsibility is to express a conclusion on the Stub Period Comparative Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Stub Period Comparative Financial Information, for the purposes of the accountants' report, is not prepared, in all material respects, in accordance with the basis of preparation and presentation set out in note 2 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page II-5 have been made.

Dividends

We refer to note 11 to the Historical Financial Information which states that no dividends have been paid by the Target Company in respect of the Track Record Period.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
12 April 2017

A. HISTORICAL FINANCIAL INFORMATION

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountants' report.

The Historical Financial Information in this report was prepared based on previously issued financial statements of the Target Company for the Track Record Period (the "**Underlying Financial Statements**"). The Underlying Financial Statements have been prepared in accordance with the accounting policies set out in note 4 to the Historical Financial Information which conform with Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by HKICPA and were audited by us in accordance with Hong Kong Standards of Auditing issued by the HKICPA.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

					Nine months ended	
		Year ended 31 March			**31 December**	
	Notes	**2014**	**2015**	**2016**	**2015**	**2016**
		HK$	*HK$*	*HK$*	*HK$*	*HK$*
					(unaudited)	
Revenue	*5*	39,890,600	34,915,838	26,414,533	20,347,197	20,887,212
Operating costs		(12,260,626)	(11,864,638)	(11,358,591)	(8,814,991)	(9,290,367)
Depreciation		(3,649,831)	(3,567,643)	(3,538,250)	(2,660,538)	(2,625,806)
Gross profit		23,980,143	19,483,557	11,517,692	8,871,668	8,971,039
Administrative expenses		(7,133,270)	(6,294,648)	(4,603,418)	(3,606,708)	(3,070,706)
Finance costs	*6*	(8,627,074)	(8,804,920)	(7,764,867)	(5,832,827)	(5,822,163)
Profit (loss) before taxation		8,219,799	4,383,989	(850,593)	(567,867)	78,170
Income tax expense	*7*	(1,655,206)	(1,038,847)	(170,116)	(168,708)	(206,694)
Profit (loss) and total comprehensive income (expense) for the year/period	*8*	6,564,593	3,345,142	(1,020,709)	(736,575)	(128,524)

STATEMENTS OF FINANCIAL POSITION

	Notes	As at 31 March 2014 HK$	As at 31 March 2015 HK$	As at 31 March 2016 HK$	As at 31 December 2016 HK$
Non-current assets					
Property, plant and equipment	*12*	223,855,297	220,322,174	216,815,924	214,201,318
Utility and other deposits paid		552,536	552,536	552,536	554,662
		224,407,833	220,874,710	217,368,460	214,755,980
Current assets					
Inventories		94,961	100,508	109,923	77,604
Debtors and prepayments	*13*	1,453,293	2,309,513	1,474,698	1,526,756
Amount due from immediate holding company	*14*	73,179,783	88,732,968	99,753,787	108,177,229
Tax recoverable		402,999	635,824	814,716	744,176
Bank balances and cash	*15*	1,717,365	844,892	599,795	607,212
		76,848,401	92,623,705	102,752,919	111,132,977
Current liabilities					
Creditors and accruals	*16*	1,966,214	1,839,668	1,548,358	1,481,543
Amount due to a fellow subsidiary	*14*	32,734,131	41,539,051	49,303,918	55,126,081
Loan from a fellow subsidiary	*17*	242,656,000	242,656,000	242,656,000	242,656,000
		277,356,345	286,034,719	293,508,276	299,263,624
Net current liabilities		(200,507,944)	(193,411,014)	(190,755,357)	(188,130,647)
Total assets less current liabilities		23,899,889	27,463,696	26,613,103	26,625,333
Capital and reserve					
Share capital	*18*	8	8	8	8
Retained profits		21,036,292	24,381,434	23,360,725	23,232,201
Total equity		21,036,300	24,381,442	23,360,733	23,232,209
Non-current liabilities					
Rental deposit received		–	46,000	46,000	50,600
Deferred tax liabilities	*19*	2,863,589	3,036,254	3,206,370	3,342,524
		2,863,589	3,082,254	3,252,370	3,393,124
		23,899,889	27,463,696	26,613,103	26,625,333

STATEMENTS OF CHANGES IN EQUITY

	Share capital *HK$*	Retained profits *HK$*	Total *HK$*
At 1 April 2013	8	14,471,699	14,471,707
Profit and total comprehensive income for the year	–	6,564,593	6,564,593
At 31 March 2014	8	21,036,292	21,036,300
Profit and total comprehensive income for the year	–	3,345,142	3,345,142
At 31 March 2015	8	24,381,434	24,381,442
Loss and total comprehensive expense for the year	–	(1,020,709)	(1,020,709)
At 31 March 2016	8	23,360,725	23,360,733
Loss and total comprehensive expense for the period	–	(128,524)	(128,524)
At 31 December 2016	8	23,232,201	23,232,209
At 1 April 2015	8	24,381,434	24,381,442
Loss and total comprehensive expense for the period (unaudited)	–	(736,575)	(736,575)
At 31 December 2015 (unaudited)	8	23,644,859	23,644,867

STATEMENTS OF CASH FLOWS

	Year ended 31 March			Nine months ended 31 December	
	2014	2015	2016	2015	2016
	HK$	*HK$*	*HK$*	*HK$*	*HK$*
				(unaudited)	
Operating activities					
Profit (loss) before taxation	8,219,799	4,383,989	(850,593)	(567,867)	78,170
Adjustments for:					
Depreciation	3,649,831	3,567,643	3,538,250	2,660,538	2,625,806
Finance cost	8,627,074	8,804,920	7,764,867	5,832,827	5,822,163
Operating cash flows before movements in working capital	20,496,704	16,756,552	10,452,524	7,925,498	8,526,139
Decrease (increase) in inventories	24,059	(5,547)	(9,415)	2,082	32,319
Decrease (increase) in debtors and prepayments	55,499	(856,220)	834,815	1,057,970	(54,184)
Increase (decrease) in creditors and accruals	29,926	(126,546)	(291,310)	426,086	(66,815)
(Decrease) increase in rental deposit received	(39,600)	46,000	–	–	4,600
Cash generated from operations	20,566,588	15,814,239	10,986,614	9,411,636	8,442,059
Hong Kong Profits Tax paid	(2,044,260)	(1,099,007)	(178,892)	–	–
Net cash from operating activities	18,522,328	14,715,232	10,807,722	9,411,636	8,442,059
Investing activities					
Advance to immediate holding company	(30,948,000)	(27,180,000)	(21,098,756)	(16,758,756)	(14,873,558)
Repayment from immediate holding company	13,943,727	11,626,815	10,077,937	7,334,248	6,450,116
Acquisition of property, plant and equipment	(280,378)	(34,520)	(32,000)	(22,702)	(11,200)
Net cash used in investing activities	(17,284,651)	(15,587,705)	(11,052,819)	(9,447,210)	(8,434,642)
Financing activities					
Interest paid	(488,956)	–	–	–	–
Repayments of bank borrowing	(101,656,000)	–	–	–	–
New loan from a fellow subsidiary	101,656,000	–	–	–	–
Net cash used in financing activities	(488,956)	–	–	–	–
Net increase (decrease) in cash and cash equivalents	748,721	(872,473)	(245,097)	(35,574)	7,417
Cash and cash equivalents at beginning of the year/period	968,644	1,717,365	844,892	844,892	599,795
Cash and cash equivalents at end of year/period, represented by bank balances and cash	1,717,365	844,892	599,795	809,318	607,212

B. NOTES TO HISTORICAL FINANCIAL INFORMATION

1. General

The Target Company is a private limited liability company incorporated in the British Virgin Islands. Its immediate holding company is Dorsett Hospitality International Limited ("**DHIL**"), a limited liability company incorporated in the Cayman Islands. The directors consider Far East Consortium International Limited ("**FECIL**") to be the Target Company's ultimate holding company. FECIL is a limited liability company incorporated in the Cayman Islands with its shares listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The addresses of the registered office and principal place of business of the Target Company are Vistra Corporate Service Centre, Wickhams Cay II, Road Town, Tortola, VG 1110, British Virgin Islands and 48 Anchor Street, Tai Kok Tsui, Kowloon, Hong Kong, respectively.

The Target Company is engaged in hotel operations.

The Historical Financial Information are presented in Hong Kong dollars (HK$), which is also functional currency of the Target Company.

2. Basis of preparation and presentation

The Historical Financial Information of the Target Company has been prepared for inclusion in the Circular of the Company in connection with the proposed acquisition of the Target Company.

The Historical Financial Information has been prepared based on the accounting policies set out in note 4 which conform with HKFRSs issued by the HKICPA. In addition, the Historical Financial Information include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange.

The Historical Financial Information have been prepared on a going concern basis because DHIL has agreed to provide adequate funds to enable the Target Company to meet in full its financial obligations as they fall due up to the completion date of proposed acquisition of the Target Company and the Company has agreed to provide adequate funds to enable the Target Company to meet in full its financial obligations as they fall due in the foreseeable future subsequent to the completion of proposed acquisition of the Target Company.

3. Application of Hong Kong Financial Reporting Standards

For the purpose of preparing and presenting the Historical Financial Information for the Track Record Period, the Target Company has consistently applied the HKFRSs, which are effective for the accounting period beginning on 1 April 2016 throughout the Track Record Period.

New and amendments to HKFRSs in issue but not yet effective

The Target Company has not early applied the following new and amendments to HKFRSs that have been issued but not yet effective:

HKFRS 9	Financial Instruments[1]
HKFRS 15	Revenue from Contracts with Customers and the related Amendments[1]
HKFRS 16	Leases[2]
Amendments to HKFRSs	Annual improvements to HKFRSs 2014-2016 Cycle[5]
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions[1]
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts[1]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]
Amendments to HKAS 7	Disclosure Initiative[4]
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses[4]

1 Effective for annual periods beginning on or after 1 January 2018

2 Effective for annual periods beginning on or after 1 January 2019

3 Effective for annual periods beginning on or after a date to be determined

4 Effective for annual periods beginning on or after 1 January 2017

5 Effective for annual periods beginning on or after 1 January 2017 or 1 January 2018, as appropriate

The directors of the Target Company anticipate that the application of the new and amendments to HKFRSs will have no material impact on the Historical Financial Information of the Target Company.

4. Significant accounting policies

The Historical Financial Information have been prepared on the historical cost basis at the end of each reporting period, as explained in the accounting policies set out below.

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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The principal accounting policies are set out below.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the services provided in the normal course of business, net of discounts and related taxes.

Revenue is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Target Company and when specific criteria have been met for each of the Target Company's activities, as described below.

Revenue from hotel operation is recognised when relevant services are provided.

The Target Company's accounting policy for recognition of revenue from operating leases is described in the accounting policy for leasing below.

Leasing

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

The Target Company as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the terms of the relevant lease.

Leasehold land and building

When a lease includes both land and building elements, the Target Company assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Target Company. The entire lease of the Target Company's land and building meets the criteria of finance lease classification and accounted for as property, plant and equipment.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

Retirement benefit costs

Payments to the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

Taxation

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

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

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

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

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

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

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

Property, plant and equipment

Property, plant and equipment including buildings, leasehold land (classified as finance leases) held for use in the production or supply of goods or services, or for administrative purposes less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Impairment on tangible assets

At the end of the reporting period, the Target Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Inventories

Inventories, represent food and beverage, are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in, first-out method.

Financial instruments

Financial assets and financial liabilities are recognised when the Target Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial assets

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

Effective interest method

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

Interest is recognised on an effective interest basis for debt instruments.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in active market. Loans and receivables (including debtors, amount due from immediate holding company and bank balances and cash) are measured at amortised cost using the effective interest method, less any impairment.

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

Impairment of financial assets

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

Objective evidence of impairment could include:

- significant financial difficulty of the counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the counterparty will enter bankruptcy or financial re-organisation.

Objective evidence of impairment for a portfolio of receivables could include the Target Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, observable changes in national or local economic conditions that correlate with default on receivables.

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

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

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

Financial liabilities and equity instruments

Debt and equity instruments issued by the Target Company are classified either as financial liabilities or as equity according to the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

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

Financial liabilities

Financial liabilities (including creditors, amount due to a fellow subsidiary and loan from a fellow subsidiary) are subsequently measured at amortised cost, using the effective interest method.

Effective interest method

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

Derecognition

The Target Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

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

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

5. Revenue and segment information

	Year ended 31 March			Nine months ended 31 December	
	2014	**2015**	**2016**	**2015**	**2016**
	HK$	*HK$*	*HK$*	*HK$*	*HK$*
				(unaudited)	
Hotel room revenue, food and beverage	39,653,000	34,652,638	26,138,533	20,140,197	20,668,712
Others	237,600	263,200	276,000	207,000	218,500
	39,890,600	34,915,838	26,414,533	20,347,197	20,887,212

No revenue from transaction with single external customer is 10% or more of the Target Company's revenue of the reporting period over the Track Record Period.

The Target Company's operations and non-current assets are all located in the Hong Kong with a single reportable segment. Therefore, no further analysis of segment information is presented.

6. Finance costs

	Year ended 31 March			Nine months ended 31 December	
	2014	2015	2016	2015	2016
	HK$	*HK$*	*HK$*	*HK$*	*HK$*
				(unaudited)	
Interest on loan from a fellow subsidiary	7,909,985	8,804,920	7,764,867	5,832,827	5,822,163
Interest on bank borrowing	488,956	–	–	–	–
Amortisation of front-end fee	228,133	–	–	–	–
	8,627,074	8,804,920	7,764,867	5,832,827	5,822,163

7. Income tax expense

	Year ended 31 March			Nine months ended 31 December	
	2014	2015	2016	2015	2016
	HK$	*HK$*	*HK$*	*HK$*	*HK$*
				(unaudited)	
Hong Kong Profits Tax					
Current year/ period	1,473,297	856,828	–	29,923	98,053
(Over)underprovision in prior year	(11,505)	9,354	–	–	(27,513)
	1,461,792	866,182	–	29,923	70,540
Deferred taxation (note 19)	193,414	172,665	170,116	138,785	136,154
	1,655,206	1,038,847	170,116	168,708	206,694

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits during the Track Record Period.

The income tax expense is reconciled to the profit (loss) before taxation per the statements of profit or loss and other comprehensive income as follows:

	Year ended 31 March			Nine months ended 31 December	
	2014	**2015**	**2016**	**2015**	**2016**
	HK$	*HK$*	*HK$*	*HK$*	*HK$*
				(unaudited)	
Profit (loss) before taxation	8,219,799	4,383,989	(850,593)	(567,867)	78,170
Tax at the Hong Kong Profits Tax rate of 16.5%	1,356,267	723,358	(140,348)	(93,698)	12,898
Tax effect of expenses not deductible for tax purpose	295,079	295,079	295,079	250,869	221,309
(Over)underprovision in prior year	(11,505)	9,354	–	–	(27,513)
Others	15,365	11,056	15,385	11,537	–
Income tax expense	1,655,206	1,038,847	170,116	168,708	206,694

Details of the deferred taxation are set out in note 19.

8. Profit (loss) and total comprehensive income (expense) for the year/period

	Year ended 31 March			Nine months ended 31 December	
	2014	**2015**	**2016**	**2015**	**2016**
	HK$	*HK$*	*HK$*	*HK$*	*HK$*
				(unaudited)	
Profit (loss) and total comprehensive income (expense) for the year/period has been arrived at after charging (crediting):					
Auditor's remuneration					
– audit service	84,000	67,000	67,000	50,250	50,250
Directors' remuneration	–	–	–	–	–
Other staff costs	9,066,497	8,727,989	8,837,382	6,962,647	6,561,812
Retirement benefit scheme contributions	401,612	391,208	421,333	300,279	288,313
Total staff costs	9,468,109	9,119,197	9,258,715	7,262,926	6,850,125

9. Five highest paid employees

During the Track Record Period, five highest paid individuals in the Target Company include no directors. Details of the emoluments of these individuals are as follows:

	Year ended 31 March			Nine months ended 31 December	
	2014	**2015**	**2016**	**2015**	**2016**
	HK$	*HK$*	*HK$*	*HK$*	*HK$*
				(unaudited)	
Salaries, allowance, and benefit in kind	1,241,226	1,444,268	1,351,860	951,630	913,869
Retirement benefit scheme contributions	53,802	61,350	62,014	44,858	45,640
	1,295,028	1,505,618	1,413,874	996,488	959,509

The emoluments fell within the following bands:

	Year ended 31 March			Nine months ended 31 December	
	2014	**2015**	**2016**	**2015**	**2016**
				(unaudited)	
Nil to HK$1,000,000	5	5	5	5	5

10. Earning per share

Earning per share has not been presented as its inclusion is not considered meaningful for the purpose of the Historical Financial Information.

11. Dividends

No dividend was paid or declared by the directors of the Target Company during the Track Record Period.

12. Property, plant and equipment

	Hotel property in Hong Kong *HK$*	Furniture and fixtures *HK$*	Office equipment *HK$*	Computer equipment *HK$*	Total *HK$*
COST					
At 1 April 2013	240,000,000	2,190,594	588,856	122,488	242,901,938
Additions	–	194,250	86,128	–	280,378
At 31 March 2014	240,000,000	2,384,844	674,984	122,488	243,182,316
Additions	–	7,760	26,760	–	34,520
At 31 March 2015	240,000,000	2,392,604	701,744	122,488	243,216,836
Additions	–	12,500	19,500	–	32,000
At 31 March 2016	240,000,000	2,405,104	721,244	122,488	243,248,836
Additions	–	–	11,200	–	11,200
Disposals	–	–	(275,285)	(13,900)	(289,185)
At 31 December 2016	240,000,000	2,405,104	457,159	108,588	242,970,851
DEPRECIATION					
At 1 April 2013	14,704,982	622,452	280,755	68,999	15,677,188
Provided for the year	3,208,360	288,939	130,065	22,467	3,649,831
At 31 March 2014	17,913,342	911,391	410,820	91,466	19,327,019
Provided for the year	3,208,360	217,840	126,428	15,015	3,567,643
At 31 March 2015	21,121,702	1,129,231	537,248	106,481	22,894,662
Provided for the year	3,208,360	218,580	100,168	11,142	3,538,250
At 31 March 2016	24,330,062	1,347,811	637,416	117,623	26,432,912
Provided for the period	2,406,270	164,560	50,111	4,865	2,625,806
Eliminated on disposals	–	–	(275,285)	(13,900)	(289,185)
At 31 December 2016	26,736,332	1,512,371	412,242	108,588	28,769,533
CARRYING VALUES					
At 31 March 2014	222,086,658	1,473,453	264,164	31,022	223,855,297
At 31 March 2015	218,878,298	1,263,373	164,496	16,007	220,322,174
At 31 March 2016	215,669,938	1,057,293	83,828	4,865	216,815,924
At 31 December 2016	213,263,668	892,733	44,917	–	214,201,318

The above items of property, plant and equipment are depreciated on a straight-line method at the following rates per annum:

Leasehold land	Over the terms of the lease
Building	Shorter of lease terms of the land or estimated useful life of 50 years
Other assets	10% to 25%

13. Debtors and prepayments

		As at 31 March		As at 31 December
	2014	**2015**	**2016**	**2016**
	HK$	*HK$*	*HK$*	*HK$*
Trade debtors	1,383,060	2,248,109	1,418,813	1,486,613
Prepayments and other receivables	70,233	61,404	55,885	40,143
	1,453,293	2,309,513	1,474,698	1,526,756

The following is an aged analysis of the trade debtors presented based on the invoice dates at the end of the reporting period.

		As at 31 March		As at 31 December
	2014	**2015**	**2016**	**2016**
	HK$	*HK$*	*HK$*	*HK$*
0 – 60 days	1,383,060	1,998,784	792,643	1,310,333
61 – 90 days	–	249,325	176,415	59,970
Over 90 days	–	–	449,755	116,310
	1,383,060	2,248,109	1,418,813	1,486,613

The aging analysis of past due trade debtors based on the due date, are as follows:

	As at 31 March			As at 31 December
	2014	**2015**	**2016**	**2016**
	HK$	*HK$*	*HK$*	*HK$*
1 – 60 days	368,617	464,381	461,603	104,580
61 – 90 days	–	134,993	245,590	72,900
Over 90 days	–	–	80,195	–
	368,617	599,374	787,388	177,480

Rentals is payable upon presentation of demand notes. Hotel room revenue is normally settled by cash or credit card. The Target Company allows credit period ranging from 0 to 60 days to its corporate customers and travel agents customers.

In determining the recoverability of trade debtors, the Target Company considers the subsequent settlement and any change in the credit quality of the debtors from the date credit was initially granted up to the end of each reporting period. There is no concentration of credit risk due to the large and unrelated customer base. The Target Company does not hold any collateral over these balances.

14. Amounts due from/to immediate holding company and a fellow subsidiary

The amounts are unsecured, interest-free and repayable on demand.

15. Bank balances and cash

Cash at banks earns interest at market interest rates.

16. Creditors and accruals

		As at 31 March		As at 31 December
	2014	**2015**	**2016**	**2016**
	HK$	*HK$*	*HK$*	*HK$*
Trade creditors	847,497	889,387	98,505	165,403
Reservation deposit and receipts in advance	378,277	304,978	284,590	388,646
Other payable and accrued charges	740,440	645,303	1,165,263	927,494
	1,966,214	1,839,668	1,548,358	1,481,543

The following is an aged analysis of trade creditors presented based on the invoice date at the end of each reporting period.

		As at 31 March		As at 31 December
	2014	**2015**	**2016**	**2016**
	HK$	*HK$*	*HK$*	*HK$*
Within 60 days	847,497	889,387	98,505	165,403

The average credit period of trade creditors is within 60 days.

17. Loan from a fellow subsidiary

As at 31 March 2014, 31 March 2015 and 31 March 2016 and 31 December 2016, the loan is unsecured, carries interest at Hong Kong Interbank Offered Rate (the "**HIBOR**") plus 3.25%, 3.25%, 2.8% and 2.8% per annum, respectively, with no fixed repayment term.

18. Share capital

	As at 31 March 2014, 2015 and 2016 and 31 December 2016
	US$
Authorised	
50,000 ordinary shares of US$1 each	50,000
Issued and fully paid	
1 ordinary share of US$1	1
Shown in the statements of financial position as	HK$8

19. Deferred tax liabilities

The deferred tax liabilities recognised by the Target Company, and movements thereon during the year/period are as follows:

	Accelerated tax depreciation
	HK$
At 1 April 2013	2,670,175
Charge to profit or loss	193,414
At 31 March 2014	2,863,589
Charge to profit or loss	172,665
At 31 March 2015	3,036,254
Charge to profit or loss	170,116
At 31 March 2016	3,206,370
Charge to profit or loss	136,154
At 31 December 2016	3,342,524

20. Share option schemes

Certain directors and employees of the Target Company were granted share options to subscribe for shares of DHIL and FECIL under the share option schemes adopted by DHIL and FECIL. Their entitlements to the options relate to their services to a number of companies within the DHIL group and/or the FECIL group including the Target Company.

The share option scheme of DHIL was made obsolete upon the privatisation of DHIL on 16 October 2015.

The value of the share options granted to the directors has not been allocated amongst individual companies as the allocation of the services of the directors as director of the Target Company and other group companies is not feasible.

21. Operating lease arrangements

The Target Company as lessor

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

	As at 31 March			As at 31 December
	2014	2015	2016	2016
	HK$	*HK$*	*HK$*	*HK$*
Within one year	79,200	69,000	69,000	75,900

Leases are negotiated and rentals are fixed for a terms ranging from two to three years.

22. Non-cash transaction

Interest expenses on loan from a fellow subsidiary amounting to HK$7,909,985, HK$8,804,920, HK$7,764,867, HK$5,832,827 and HK$5,822,163 were included in current account with the fellow subsidiary during the years ended 31 March 2014, 31 March 2015 and 31 March 2016 and nine months ended 31 December 2015 and 31 December 2016, respectively.

23. Related party transactions

Except as disclosed elsewhere in the Historical Financial Information, during the year/ period, the Target Company had the following transactions with its fellow subsidiaries:

	Year ended 31 March			Nine months ended 31 December	
	2014	2015	2016	2015	2016
	HK$	*HK$*	*HK$*	*HK$*	*HK$*
				(unaudited)	
Nature of transactions					
Management fee expenses	2,206,384	1,957,472	–	–	83,890
Interest expenses	7,909,985	8,804,920	7,764,867	5,832,827	5,822,163

In addition to the above, balances with related companies at the end of the reporting period are disclosed in the statements of financial position and the related notes.

Compensation of key management personnel

Key management personnel represent directors of the Target Company. There was no directors' remuneration during the Track Record Period.

24. Capital risk management

The Target Company manages its capital to ensure it will be able to continue as a going concern while maximising the return to sole shareholder through the optimisation of the debt and equity balances. The Target Company's overall strategy remains unchanged from prior year. The capital structure of the Target Company consists of debt, comprising loan from a fellow subsidiary, and equity attributable to equity holder of the Target Company, comprising issued share capital and retained profits.

The Target Company regularly reviews and manages its capital structure and makes adjustments to the capital structure in light of changes in economic conditions. As part of this review, the management of the Target Company considers the cost of capital and the risks associated with the capital. Based on recommendations of the management of the Target Company, the Target Company will balance its overall structure through issuance of new shares, raising new debts and repayment of existing debts, if necessary.

25. Financial instruments

(a) Categories of financial instruments

		As at 31 March		As at 31 December
	2014	**2015**	**2016**	**2016**
	HK$	*HK$*	*HK$*	*HK$*
Financial assets				
Loans and receivables (including cash and cash equivalents)	76,280,208	91,825,969	101,772,395	110,271,054
Financial liabilities				
Financial liabilities at amortised cost	276,270,394	285,115,520	292,088,720	297,981,460

(b) Financial risk management objectives and policies

The Target Company's financial instruments include debtors, amount due from immediate holding company, bank balances and cash, creditors, amount due to a fellow subsidiary and loan from a fellow subsidiary. The risks associated with these financial instruments include market risk (interest rate risk), credit risk and liquidity risk.

The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

Interest rate risk management

The Target Company is exposed to cash flow interest rate risk in relation to the variable rate loan from a fellow subsidiary which carries interest at HIBOR plus a margin. It is the Target Company's policy to keep its borrowing at floating rate of interests so as to minimise the fair value interest rate risk. The Target Company does not have an interest rate hedging policy. However, the management monitors the related cash flow interest rate risk exposure closely and will consider hedging significant cash flow interest risk exposure should the need arise.

Interest rate sensitivity analysis

The sensitivity analysis considers only variable rate loan from a fellow subsidiary which has significant impact on the financial statements. The analysis is prepared assuming that loan from a fellow subsidiary outstanding at the end of the reporting periods were outstanding for the whole year/period. The sensitivity analysis does not consider the exposure of the bank deposits because the impact is not significant. A 50 basis points increase or decrease is used when reporting interest rate risk internally to key management personnel and represent management's best assessment of the reasonably possible change in the interest rates.

A negative number below indicates a decrease in post-tax profit (an increase in loss for the year/period) where the interest rates had been 50 basis points higher. If the interest rates had been 50 basis points lower, there would be an equal and opposite impact on the post-tax profit/loss for the year/period, and the balances below would be negative.

	Year ended 31 March			Nine months ended 31 December	
	2014	2015	2016	2015	2016
	HK$	*HK$*	*HK$*	*HK$*	*HK$*
				(unaudited)	
Decrease in post-tax profit/increase in loss for the year/period	(1,013,088)	(1,013,088)	(1,213,280)	(909,960)	(909,960)

In management's opinion, the sensitivity analysis is unrepresentative of the interest rate risk as the year end exposure does not reflect the exposure during the year/period.

Credit risk management

At the end of the reporting period, the Target Company's maximum exposure to credit risk which will cause a financial loss to the Target Company in the event of the counterparties failure to discharge their obligations in relation to each class of recognised financial assets as stated in the statements of financial position. In order to minimise the credit risk, the management has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts.

The Target Company has no significant concentration of credit risk over its trade debtors, with exposure spread over a number of counterparties and customers. The management reviews the recoverable amount of each individual trade debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

The Target Company's credit risk is primarily attributable to and concentrated on amount due from immediate holding company. However, the directors of the Target Company consider that the credit risk is minimal taking into account the financial position of the immediate holding company.

The credit risk on bank balances is limited because the counterparties are banks with high credit ratings.

Liquidity risk management

The Target Company is exposed to liquidity risk as the Target Company's current liabilities exceed its current assets by HK$200,507,944, HK$193,411,014, HK$190,755,357 and HK$188,130,647 as at 31 March 2014, 31 March 2015 and 31 March 2016 and 31 December 2016, respectively. DHIL/the Company have agreed to provide adequate funds to enable the Target Company to meet in full its financial obligations as they fall due in the foreseeable future as disclosed in note 2. The directors of the Target Company are of the opinion that the Target Company will be able to procure sufficient funds to finance its working capital requirements.

The Target Company's liquidity requirements for operation is monitored closely by the management to ensure that it maintains sufficient reserve of cash and adequate committed line of funding from major financial institutions to meet its liquidity requirements in the short and long term. The Target Company finances its working capital requirements through funds generated from operations.

The following table details the Target Company's contractual maturity for its financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Target Company can be required to pay. The table includes both interest and principal cash flows.

	Weighted average interest rate	On demand or within one year	Total undiscounted cash flows	Carrying amount
	%	HK$	HK$	HK$
At 31 March 2014				
Non-interest bearing	N/A	33,614,394	33,614,394	33,614,394
Variable interest rate instruments				
– Loan from a fellow subsidiary	3.63	242,656,000	242,656,000	242,656,000
		276,270,394	276,270,394	276,270,394
At 31 March 2015				
Non-interest bearing	N/A	42,459,520	42,459,520	42,459,520
Variable interest rate instruments				
– Loan from a fellow subsidiary	3.63	242,656,000	242,656,000	242,656,000
		285,115,520	285,115,520	285,115,520
At 31 March 2016				
Non-interest bearing	N/A	49,432,720	49,432,720	49,432,720
Variable interest rate instruments				
– Loan from a fellow subsidiary	3.30	242,656,000	242,656,000	242,656,000
		292,088,720	292,088,720	292,088,720
At 31 December 2016				
Non-interest bearing	N/A	55,325,460	55,325,460	55,325,460
Variable interest rate instruments				
– Loan from a fellow subsidiary	3.20	242,656,000	242,656,000	242,656,000
		297,981,460	297,981,460	297,981,460

(c) Fair values of financial instruments

The fair values of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The management of the Target Company consider that the carrying amounts of financial assets and financial liabilities recognised at amortised cost in the Historical Financial Information approximate their fair values.

C. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements of the Target Company have been prepared in respect of any period subsequent to 31 December 2016.

The following is the text of a report received from the reporting accountants, Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong, in respect of the Enlarged Group's unaudited pro forma financial information for the purpose in this circular.

Deloitte. 德勤

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

TO THE DIRECTORS OF GOLDEN WHEEL TIANDI HOLDINGS COMPANY LIMITED

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Golden Wheel Tiandi Holdings Company Limited (the "**Company**") and its subsidiaries (hereinafter collectively referred to as the "**Group**") by the directors of the Company (the "**Directors**") for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma consolidated statement of assets and liabilities as at 31 December 2016 and related notes as set out on pages III-4 to III-9 in Appendix III of the circular issued by the Company dated 12 April 2017 (the "**Circular**"). The applicable criteria on the basis of which the Directors have compiled the unaudited pro forma financial information are described on pages III-4 to III-9 in Appendix III of the Circular.

The unaudited pro forma financial information has been compiled by the Directors to illustrate the impact of the proposed acquisition of equity interest and shareholder's loan of Double Advance Group Limited (the "**Target Company**") on the Group's financial position as at 31 December 2016. As part of this process, information about the Group's financial position has been extracted by the Directors from the Group's financial statements for the year ended 31 December 2016, on which an auditor's report has been published.

Directors' Responsibilities for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the unaudited pro forma financial information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" ("**AG 7**") issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**").

Our Independence and Quality Control

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

Our firm applies Hong Kong Standard on Quality Control 1 "Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements" issued by the HKICPA and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the unaudited pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus" issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the unaudited pro forma financial information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

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

The purpose of unaudited pro forma financial information included in an investment circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 31 December 2016 would have been as presented.

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

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

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

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

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

Opinion

In our opinion:

(a) the unaudited pro forma financial information has been properly compiled on the basis stated;

(b) such basis is consistent with the accounting policies of the Group; and

(c) the adjustments are appropriate for the purposes of the unaudited pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

12 April 2017

A. INTRODUCTION

The following unaudited pro forma financial information of the Group (“**Unaudited Pro Forma Financial Information**”) have been prepared on the basis of the notes set out below for the purpose of illustrating the effects of the Proposed Acquisition, after making pro forma adjustments relating to the Proposed Acquisition that are (i) directly attributable to the Proposed Acquisition; and (ii) factually supportable as if the Proposed Acquisition had been completed as at 31 December 2016.

This Unaudited Pro Forma Financial Information has been prepared for illustrative purpose only and, because of its hypothetical nature, it may not give a true picture of the assets and liabilities of the Group had the acquisition of 100% equity interest of the Target Company been completed as at 31 December 2016 or at any future date. The Unaudited Pro Forma Financial Information should be read in conjunction with other financial information included elsewhere in this circular.

B. UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE ENLARGED GROUP

		Pro Forma adjustments				
	The Group’s assets and liabilities at 31 December 2016	The carrying amount of the Target Company’s identifiable assets and liabilities at 31 December 2016	Consideration for the Proposed Acquisition and the fair value adjustment of the Hotel (as defined below)	Deferred tax recognised on the fair value adjustment of the Hotel	Acquisition costs	Unaudited pro forma consolidated assets and liabilities of the Enlarged Group as at 31 December 2016
	RMB’000	*RMB’000*	*RMB’000*	*RMB’000*	*RMB’000*	*RMB’000*
	Note 1	*Note 2*	*Note 3*	*Note 4*	*Note 5*	
Non-current assets						
Property, plant and equipment	75,427	191,603	218,078			485,108
Investment properties	5,028,622					5,028,622
Interests in joint ventures	278,600					278,600
Goodwill	–		30,047			30,047
Deferred tax assets	41,617					41,617
Available-for-sale investments	108,400					108,400
Utility and other deposits paid	–	496				496
	5,532,666					5,972,890
Current assets						
Properties under development for sale	1,518,783					1,518,783
Completed properties for sale	701,029					701,029
Inventories	–	70				70
Trade and other receivables	335,189	1,366				336,555
Prepayments for leasehold land held for development for sale	81,249					81,249
Amount due from a joint venture	16,164					16,164
Land appreciation tax and income tax prepaid	40,102	666				40,768
Held-for-trading investments	3,697					3,697
Available-for-sale investments	14,088					14,088
Structured bank deposits	325,911					325,911
Restricted bank deposits	678,457					678,457
Cash and cash equivalents	791,238	543	(402,525)		(2,017)	387,239
	4,505,907					4,104,010

		Pro Forma adjustments				
	The Group's assets and liabilities at 31 December 2016	The carrying amount of the Target Company identifiable assets and liabilities at 31 December 2016	Consideration for the Proposed Acquisition and the fair value adjustment of the Hotel (as defined below)	Deferred tax recognised on the fair value adjustment of the Hotel	Acquisition costs	Unaudited pro forma consolidated assets and liabilities of the Enlarged Group as at 31 December 2016
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
	Note 1	*Note 2*	*Note 3*	*Note 4*	*Note 5*	
Current liabilities						
Trade and other payables	418,660	1,326				419,986
Rental received in advance	38,264					38,264
Deposits and prepayments received from pre-sale of properties	1,532,996					1,532,996
Land appreciation tax and income tax liabilities	269,780					269,780
Derivative financial liabilities	51,266					51,266
Bank borrowings – due within one year	872,400					872,400
Senior notes – due within one year	918,905					918,905
Shareholder's loan	–	169,602	(169,602)			–
	4,102,271					4,103,597
Non-current liabilities						
Bank borrowings – due after one year	175,365					175,365
Rental received in advance	12,700	46				12,746
Senior notes	682,668					682,668
Bonds	176,175					176,175
Deferred tax liabilities	959,976	2,989		35,983		998,948
	2,006,884					2,045,902
Net assets	3,929,418					3,927,401

C. NOTES TO THE UNAUDITED PRO FORMA FINANCIAL INFORMATION

1. The financial information of the Group as at 31 December 2016 is based on the Group's financial position as at 31 December 2016, which has been extracted from the consolidated financial statements of the Group for year ended 31 December 2016 included in the annual report of the Company for year ended 31 December 2016.

2. The carrying amount of the identifiable assets and liabilities of the Target Company as at 31 December 2016 is extracted from the accountants' report of the Target Company as set out in the Appendix II to this circular, translated to RMB at HKD1.00 to RMB0.8945, exchange rate provided by the People's Bank of China as of 31 December 2016, and is adopted for the purpose of illustration only and no representation is made that any amounts in HKD have been, could have been, or could be, exchanged at this rate or any other rate or at all.

   The net carrying amount of the Shareholder's Loan in aggregate of HKD189,605,000 (equivalent to approximately RMB169,602,000) as at 31 December 2016 as extracted from the accountants' report included in Appendix II. The net carrying amount of the Shareholder's Loan is the total net balances of loan from a fellow subsidiary, amount due to a fellow subsidiary and amount due from immediate holding company.

3. The acquisition of the Target Company is accounted for as business combination in accordance with International Financial Reporting Standard 3 (Revised) ("IFRS 3") "Business Combinations" and will be accounted for using the acquisition method of accounting.

   For the purpose of preparation of this pro forma financial information and for simplicity, it is assumed that,

   (i) The pro forma fair value adjustment to the property, plant and equipment mainly related to the recognition, on a pro forma basis, of Silka West Kowloon Hotel ("**the Hotel**"). The pro forma values of the Hotel are based on directors' estimation with reference to a valuation carried out by Crowe Horwath (HK) Consulting & Valuation Limited, an independent qualified professional valuer not connected with the Group.

In the opinion of the directors of the Company, the acquisition will enhance the Group's hotel operation business segment which is in line with the Group's strategies to further develop new business segments besides the major property development segment. Accordingly a pro forma fair value of the Hotel amounting to HKD458,000,000 (equivalent to approximately RMB409,681,000) as at 17 March 2017 is recognised for the purpose of the pro forma financial information. The directors of the Company estimate that there is no significant change on the market value of the Hotel from 31 December 2016 to 17 March 2017,

(ii) Except for the Hotel, the carrying amount of the other assets and liabilities of the Target Company as at 31 December 2016 approximate their fair value or other measurement basis as required by IFRS 3 as at 31 December 2016, as applicable; and

(iii) There were no other identifiable assets and liabilities other than those recorded by the Target Company as at 31 December 2016.

The fair value adjustment of the Hotel of HKD243,799,000 (equivalent to approximately RMB218,078,000) is determined based on the a pro forma fair value HKD 458,000,000 (equivalent to approximately RMB409,681,000) as extracted from the property valuation report included in Appendix IV less the carrying amount of the property, plant and equipment of HKD214,201,000 (equivalent to approximately RMB191,603,000) as at 31 December 2016 as extracted from the accountants' report included in Appendix II.

Pursuant to the terms of the Sale and Purchase Agreement, consideration for the Proposed Acquisition is determined based on the net amount of cash consideration of HKD450,000,000 (equivalent to approximately RMB402,525,000). The consideration shall be adjusted upwards or downwards based on the difference in the Net Current Asset Value between the Completion Management Accounts and the Audited Completion Accounts prepared as at the Completion Date so calculated. Any excess paid on Completion shall be returned to the Purchaser and any shortfall shall be paid to the Vendor, in each case, without interest and within ten business days after delivery of the Audited Completion Accounts by the auditor. The adjustment to the consideration shall not exceed HKD15,000,000. The directors of the Company estimate that there will be no significant difference in such Net Current Asset Value, and therefore, no adjustment to the consideration has been made for the purpose of the pro forma financial information.

As set out in the Sale and Purchase Agreement, simultaneously on Completion, the Vendor shall procure the Manager and the Purchaser shall procure the Target Company to enter into the Hotel Management Agreement, of which the draft terms are set out in the Circular. Based on the tentative terms of the Hotel Management Agreement, the management of the Group estimates that the fair value of contingent consideration is insignificant. The fair value of the contingent consideration at Completion is subject to change in facts and circumstances and finalization of the Hotel Management Agreement, and accordingly, the amount of provisional goodwill may be significantly different.

The Group has applied the acquisition method in accordance with IFRS 3 to account for the Proposed Acquisition as if the Proposed Acquisition had been completed on 31 December 2016 and the calculation of pro forma goodwill is as follows:

	RMB'000
Consideration	402,525
Fair value of the identifiable net assets acquired	(372,478)
Goodwill (provisional)	30,047

The pro forma fair values of the identifiable assets and liabilities and goodwill in relation to the Proposed Acquisition are subject to change upon the completion of purchase price allocation at the completion date of the Proposed Acquisition, which may be substantially different from their estimated amounts used in the preparation of this unaudited pro forma financial information.

The Directors have assessed whether there is any impairment on the pro forma goodwill as at 31 December 2016 in accordance with IAS 36 "Impairment of Assets" and concluded that there is no impairment in respect of the pro forma goodwill of the Group as at 31 December 2016. The recoverable amount of the cash generating unit comprising these pro forma goodwill is determined based on value in use calculation. That calculation uses cash flow projections based on a financial budgets approved by the management of the Group. Key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted gross margins and operating expenses, such estimation is based on the unit's past performance and the management's expectations for the market development.

The Directors confirmed that they will apply consistent accounting policies, principal assumptions and valuation methods to assess impairment of the goodwill in subsequent reporting periods in accordance with the requirement of IAS 36.

4. Deferred tax is determined based on the fair value adjustment of the Hotel at the applicable tax rate of 16.5%.

5. The directors of the Company estimate the total acquisition costs payable would be approximately RMB2,017,000.

6. No adjustments have been made to reflect any trading results or other transactions of the Group or the Target Company entered into subsequent to 31 December 2016.

The following is the text of a letter and a valuation certificate prepared for the purpose of incorporation in this circular received from Crowe Horwath (HK) Consulting & Valuation Limited, an independent property valuer, in connection with its opinion of the market value of the Hotel as at 17 March 2017.

Crowe Horwath™

國富浩華（香港）諮詢評估有限公司
Crowe Horwath (HK) Consulting & Valuation Limited
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www.crowehorwath.hk

Date: 12 April 2017

Golden Wheel Tiandi Holdings Co., Ltd.
Unit A, 18/F, @Convoy,
No. 169 Electric Road,
Fortress Hill, Hong Kong

Dear Sirs,

RE: Valuation of Silka West Kowloon Hotel, Hong Kong,
No. 48 Anchor Street, Tai Kok Tsui, Kowloon

In accordance with an instruction for us to value the interests of the above property, which are intended to be acquired by **Golden Wheel Tiandi Holdings Co., Ltd.** (the "**Company**"), we confirm that we have carried out inspection, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of such property interests as at **17 March 2017** (the "**Date of Valuation**") for **public circulation** in respect of the proposed acquisition.

VALUATION BASIS

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

This valuation is complied with the HKIS Valuation Standards published by the Hong Kong Institute of Surveyors ("**HKIS**"), the RICS Valuation – Professional Standards published by the Royal Institution of Chartered Surveyors ("**RICS**") and International Valuation Standards published by the International Valuation Standards Council. We have also complied with all the requirements set out in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**the Listing Rules**").

In view of the nature of the property as a hotel, our valuation has included trade fixtures, fittings, furniture and equipment, the operational arrangements, the market's perception of the trading potential, together with an assumed ability to obtain or renew existing licences, consents and certificates.

VALUATION ASSUMPTIONS

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

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

VALUATION METHODOLOGY

We have valued the property interests by the comparison approach. The property interests valued by the comparison approach consist of comparisons based on prices realized of comparable properties. Comparable properties of similar location and character are selected and then analyzed and carefully weighed against all the respective advantages and disadvantages of each property in order to arrive at a fair comparison of capital values.

SOURCE OF INFORMATION

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

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

Site inspection of the property was carried by Mr. Marco Leung on 10 March 2017. Mr. Leung has about two years of experience in the real property valuation sector. We have inspected the exterior and the interior of the property. We have not inspected those parts of the property which were covered, unexposed or inaccessible and such parts have been assumed to be in reasonable condition. We have not carried out detailed measurements to verify the correctness of the areas in respect of the properties but have assumed that the areas shown on the title documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations.

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

LIMITATION OF LIABILITIES

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

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

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

Our liability for any loss or damage arising out of the action or proceedings aforesaid shall, notwithstanding the preceding provisions, in any event be limited to a sum not exceeding ten (10) times of the amount of our agreed fee(s) for this engagement or HK$500,000, whichever the lower. In no event shall we be liable for consequential, special, incidental or punitive loss, damage or expense (including without limitation, loss of profits, opportunity cost, etc.), even if it has been advised of their possible existence. For the avoidance of doubt our liability shall never exceed the lower of the sum calculated in accordance with the preceding provisions and the sum provided for in this clause.

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

We enclose herewith our valuation certificate.

Yours faithfully,
For and on behalf of
Crowe Horwath (HK) Consulting & Valuation Limited

Leo MY Lo MRICS MHKIS
Managing Director

Note: Mr. Lo is a member of Royal Institution of Chartered Surveyors and a member of the Hong Kong Institute of Surveyors. He has around 15 years' experience in valuing properties in Hong Kong.

VALUATION CERTIFICATE

Property	Description and tenure	Occupancy details	Market value as at 17 March 2017
Silka West Kowloon Hotel, Hong Kong No. 48 Anchor Street, Tai Kok Tsui, Kowloon, Hong Kong The property is registered as Kowloon Inland Lot No. 6374.	The property comprises a 141-room medium tariff hotel completed in 2005. The building is 22 storeys in height plus a basement. Facilities include a cafe on the first floor, parking spaces for tour bus and private car, a loading/ unloading bay as well as a turnaround on the ground level. The registered site area of the property is about 3,840 sqft. The plot ratio gross floor area ("GFA") of the building is about 35,804 sqft (including a plot ratio GFA exempted area of 1,253 sqft due to enlarged lift shaft). The hotel is fully equipped with operating equipment, trade fixtures and fittings, furniture and stocks. The property is held under a government lease for a term of 75 years from 16 March 1953 renewable for another 75 years. The annual government rent is HK$176 per annum.	As informed, the property is currently operating by the vendor.	**HK$458,000,000** (HONG KONG DOLLARS FOUR HUNDRED FIFTY EIGHT MILLION) assuming a sale free from any management contract

Notes:

a) The registered owner of the property is Double Advance Group Limited.

b) Under a proposed hotel management agreement, a related company of the vendor shall remain as the management company of the hotel for a term of six years. Within that six years term, the Company, as the purchaser, shall be entitled to guaranteed gross operating profit of HK$18,000,000 per annum, such that:

   i) If the gross operating profit exceeds the Owner's Guaranteed Return for that operating year, then the manager's management fee for such operating year shall be an amount equal to 50% of the gross operating profit (of that operating year) in excess of the Owner's Guaranteed Return (for that operating year); but

   ii) If the gross operating profit is equal to or less than the Owner's Guaranteed Return for that operating year, then the Manager shall not be entitled to any management fee for such operating year and in the event the gross operating profit of the hotel is less than the Owner's Guaranteed Return, the manager shall be required to pay the purchaser an amount equal to the Owner's Guaranteed Return (to the extent outstanding).

c) The valuation above was assessed on the basis without the management agreement which shall be provided by the vendor. It was assumed the hotel would be run by a reasonably efficient operator, rather than necessarily by the existing operator.

d) The property lies within an area zoned as "Residential (Group E)" as per Draft Mong Kok Outline Zoning Plan No. S/K3/29 gazetted on 31 May 2013.

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTERESTS

(a) Director's and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures

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

Interests in Shares and Underlying Shares of the Company:

Name of Director	Capacity/Nature of Interest	Aggregate number of shares or underlying shares	Approximate % of interest in the issued share capital of the Company[5]
Wong Yam Yin[1]	Interest of a controlled corporation	637,985,600	35.39%
Wong Kam Fai[1]	Interest of a controlled corporation	637,985,600	35.39%
Wong Kam Keung, Barry[1]	Interest of a controlled corporation	637,985,600	35.39%
Tjie Tjin Fung[2]	Interest of a controlled corporation	80,268,950	4.45%
Suwita Janata[3]	Interest of a controlled corporation/Interest of spouse	128,539,400	7.13%
Gunawan Kiky[4]	Interest of a controlled corporation/Beneficial owner	86,118,950	4.77%

Notes:

(1) Shares owned by Mr. Wong Yam Yin, Ms. Hung So Ling, Mr. Wong Kam Fai and Mr. Wong Kam Keung, Barry consist of 637,985,600 Shares held by GWRCL, a company controlled by the Wong Family. Mr. Wong Yam Yin and Ms. Hung So Ling are husband and wife. Mr. Wong Kam Fai and Mr. Wong Kam Keung, Barry are sons of Mr. Wong Yam Yin and Ms. Hung So Ling.

(2) Shares owned by Mr. Tjie Tjin Fung consist of 80,268,950 Shares held by Chun Hung Investments Limited, a company owned by Mr. Tjie Tjin Fung and his family.

(3) Shares owned by Mr. Suwita Janata consist of (i) 80,268,950 Shares held by Golden Era Forever Holding Company Limited, a company wholly owned by Mr. Suwita Janata, and (ii) 48,270,450 Shares held by Golden Joy Forever Holding Company Limited, a company wholly owned by Ms. Julia Oscar. Mr. Suwita Janata is the husband of Ms. Julia Oscar and a brother-in-law of Mr. Wong Yam Yin.

(4) Shares owned by Mr. Gunawan Kiky consist of (i) 80,268,950 Shares held by Fire Spark Holdings Limited, a company owned by Mr. Gunawan Kiky and his family, (ii) 5,850,000 Shares held by Mr. Gunawan Kiky.

(5) As at the Latest Practicable Date, the total number of issued Shares of the Company was 1,802,456,000 Shares.

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

(b) Substantial Shareholders' and Other Persons' Interests in Shares and Underlying Shares

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

Long positions in the Shares and underlying Shares:

Name of Shareholder	Capacity/Nature of Interest	Aggregate number of Shares or underlying Shares	Approximate % of interest in the issued share capital of the Company[4]
Wong Yam Yin[1]	Interest of a controlled corporation	637,985,600	35.39%
Hung So Ling[1]	Interest of a controlled corporation	637,985,600	35.39%
Wong Kam Fai[1]	Interest of a controlled corporation	637,985,600	35.39%
Wong Kam Keung, Barry[1]	Interest of a controlled corporation	637,985,600	35.39%
Suwita Janata[2]	Interest of a controlled corporation/Interest of spouse	128,539,400	7.13%
Oscar Julia[3]	Interest of a controlled corporation/Interest of spouse	128,539,400	7.13%
GWRCL	Beneficial owner	637,985,600	35.39%
The Capital Group Companies, Inc.	Beneficial owner	92,294,000	5.12%

Notes:

(1) Shares owned by Mr. Wong Yam Yin, Ms. Hung So Ling, Mr. Wong Kam Fai and Mr. Wong Kam Keung, Barry consist of 637,985,600 Shares held by GWRCL, a company controlled by the Wong Family. Mr. Wong Yam Yin and Ms. Hung So Ling are husband and wife. Mr. Wong Kam Fai and Mr. Wong Kam Keung, Barry are sons of Mr. Wong Yam Yin and Ms. Hung So Ling.

(2) Shares owned by Mr. Suwita Janata consist of (i) 80,268,950 Shares held by Golden Era Forever Holding Company Limited, a company wholly owned by Mr. Suwita Janata, and (ii) 48,270,450 Shares held by Golden Joy Forever Holding Company Limited, a company wholly owned by Ms. Julia Oscar. Mr. Suwita Janata is the husband of Ms. Julia Oscar and a brother-in-law of Mr. Wong Yam Yin.

(3) Shares owned by Ms. Julia Oscar consist of (i) 48,270,450 Shares held by Golden Joy Forever Holding Company Limited, a company wholly owned by Ms. Julia Oscar, and (ii) 80,268,950 Shares held by Golden Era Forever Holding Company Limited, a company wholly owned by Mr. Suwita Janata. Ms. Julia Oscar is the wife of Mr. Suwita Janata and the younger sister of Mr. Wong Yam Yin.

(4) As at the Latest Practicable Date, the total number of issued Shares of the Company was 1,802,456,000 Shares.

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

3. DIRECTOR'S SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any service contracts with the Enlarged Group (excluding contracts expiring or determinable by the Enlarged Group within one year without payment of compensation, other than statutory compensation).

4. NO 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 or prospects of the Group since 31 December 2016 (being the date to which the latest audited financial statements of the Group were made up).

5. MATERIAL LITIGATION

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

6. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or their respective close associates (as defined in the Listing Rules) had any interest in a business that competed or might compete with the businesses of the Company and its subsidiaries.

7. MATERIAL INTERESTS IN CONTRACTS OR ARRANGEMENTS

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

As at the Latest Practicable Date, none of the Directors or the experts described in section 9 of this appendix had any direct or indirect interest in any assets which have been, since 31 December 2016 (being the date to which the latest published audited financial statements of the Company were made up), acquired or disposed of by, or leased to, any member of the Enlarged Group, or which were proposed to be acquired or disposed of by, or leased to, any member of the Enlarged Group.

8. MATERIAL CONTRACTS

The Enlarged Group had entered into the following contracts (not being contracts entered into in the Enlarged Group's ordinary course of business) within the two years preceding the Latest Practicable Date, which are or may be material:

(a) the purchase agreement entered into among the Company (as issuer), the subsidiary guarantors (being Golden Wheel Diamond Company Limited (金輪鑽石有限公司), Golden Wheel Pearl Company Limited (金輪明珠有限公司), Golden Wheel Jade Company Limited (金輪翡翠有限公司),Golden Wheel Jewel Company Limited (金輪寶石有限公司), Golden Wheel Crystal Company Limited (金輪水晶有限公司), Golden Wheel Amber Company Limited (金輪琥珀有限公司), Golden Wheel Tourmaline Company Limited (金輪碧璽有限公司), Golden Wheel Opal Company Limited (金輪奧寶有限公司); HK Companies: Golden Wheel International Creation Company Limited (金輪國際創建有限公司), Golden Wheel International Corporation Limited (金輪國際興業有限公司), Golden Wheel International Investment Limited (金輪國際投資有限公司), Golden Wheel International Capital Company Limited (金輪國際創富有限公司), Golden Wheel International Billion Limited (金輪國際創億有限公司), Golden Wheel International Wealth Limited (金輪國際創發有限公司), Golden Wheel International Trend Limited (金輪國際創進有限公司) and Golden Wheel International Success Limited. (金輪國際創績有限公司)) (collectively, the "**Subsidiary Guarantors**"), BOCI Asia Limited, The Hongkong and Shanghai Banking Corporation Limited and Haitong International Securities Company Limited on 1 December 2015 in relation to the issue of US$100 million 9.50% senior notes due 2017 by the Company;

(b) the purchase agreement entered into among the Company (as issuer), the Subsidiary Guarantors, BOCI Asia Limited, Haitong International Securities Company Limited, UBS AG Hong Kong Branch, Guotai Junan Securities (Hong Kong) Limited and Huatai Financial Holdings (Hong Kong) Limited on 27 October 2016 in relation to the issue of US$100 million 8.25% senior notes due 2019 by the Company;

(c) the subscription agreement entered into between Nanjing Jade Garden Wheel Reality Company Limited*（南京翡翠金輪置業有限公司）(“**Nanjing Jade**”), a wholly-owned subsidiary of the Company and Xiamen International Bank Co., Ltd.*（廈門國際銀行股份有限公司）(“**Xiamen International Bank**”) with effect date on 30 December 2016, pursuant to which Nanjing Jade has confirmed with Xiamen International Bank for the subscription of 20,000,000 new shares of Xiamen International Bank at a consideration of RMB96 million;

(d) the Heads of Terms;

(e) the supplemental agreement to the Heads of Terms dated 28 February 2017 entered into among the Purchaser, the Vendor and the Manager pursuant to which certain terms of the Heads of Terms are amended; and

(f) the Sale and Purchase Agreement.

9. EXPERTS AND CONSENT

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

Name	Qualification
Deloitte Touche Tohmatsu	Certified Public Accountants
Crowe Horwath (HK) Consulting & Valuation Limited	Independent property valuer

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

As at the Latest Practicable Date, each of the above experts was not beneficially interested in the share capital of any member of the Enlarged Group, nor did it have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Enlarged Group.

10. GENERAL

(a) The registered office address of the Company is at Codan Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

(b) The headquarters and principal place of business of the Company in the PRC is at 33/F, Golden Wheel International Plaza, No. 8, Hanzhong Road, Nanjing, China.

(c) The place of business in Hong Kong of the Company is at Unit A, 18/F, @ Convoy, 169 Electric Road, Fortress Hill, Hong Kong.

(d) The principal share registrar and transfer office of the Company is Codan Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

(e) The Hong Kong share registrar of the Company is Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.

(f) The company secretary of the Company is Ms. Ng Yee Man, Fiona. Ms. Ng is a fellow member of Chartered Association of Certified Public Accountants, and an associate member of the Hong Kong Institute of Certified Public Accountants, the Institute of Chartered Secretaries and Administrators, and the Hong Kong Institute of Chartered Secretaries.

(g) In the event of inconsistency, the English version of this circular shall prevail over the Chinese version.

11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours from 9:00 a.m. to 5:00 p.m., Monday to Friday (except public holidays) at the place of business in Hong Kong of the Company at Unit A, 18/F, @ Convoy, 169 Electric Road, Fortress Hill, Hong Kong from the date of this circular and up to and including the date of the EGM:

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

(b) each of the material contracts referred to in the section headed "8. Material Contracts" in this appendix;

(c) the annual reports of the Company for the two years ended 31 December 2014 and 2015;

(d) the annual results announcement of the Company for the year ended 31 December 2016;

(e) the accountants' report of the Target Company, the text of which is set out in Appendix II to this circular;

(f) the report from Deloitte Touche Tohmatsu, on the unaudited pro forma financial information of the Enlarged Group as set out in Appendix III to this circular;

(g) the property valuation report prepared by Crowe Horwath (HK) Consulting & Valuation Limited as set out in Appendix IV to this circular;

(h) the letters of consent referred to in the section headed "9. Experts and Consent" in this appendix; and

(i) this circular.

GOLDEN WHEEL TIANDI HOLDINGS COMPANY LIMITED
金輪天地控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01232)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the "**EGM**") of Golden Wheel Tiandi Holdings Company Limited (the "**Company**") will be held at Unit A, 18 Floor, @Convoy, 169 Electric Road, Fortress Hill, Hong Kong on 8 May 2017 at 10:00 a.m. or any adjournment thereof for the purpose of considering, and if thought fit, passing with or without modification the following resolution as ordinary resolution of the Company:

ORDINARY RESOLUTION

"**THAT**

(a) the sale and purchase agreement dated 3 March 2017 (the "**Sale and Purchase Agreement**", a copy of which has been produced to this Meeting marked "A" and initialed by the chairman of this meeting for the purpose of identification), entered into among Golden Wheel Jasper Company Limited (the "**Purchaser**"), the Vendor, the Company and Far East Consortium International Limited in relation to the proposed acquisition (the "**Proposed Acquisition**") of the entire share capital of Double Advance Group Limited (the "**Target Company**") and all amounts (the "**Shareholder's Loan**") owing by the Target Company to Dorsett Hospitality International Limited (the "**Vendor**") as at completion of the Proposed Acquisition, pursuant to which, among other things, the Purchaser has conditionally agreed to purchase, and the Vendor has conditionally agreed to sell, the entire share capital in the Target Company and the Shareholder's Loan for a cash consideration of HK$450,000,000 (subject to adjustments) and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified; and

(b) any one director of the Company be and is hereby authorized to do all such further acts and things and to sign and execute all such documents and to take all such steps which is of an administrative nature and ancillary to implementation of the Sale and Purchase Agreement and the transactions contemplated thereunder."

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

Hong Kong, 12 April 2017

Notes:

(1) Any member of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint a proxy or proxies to attend and, on a poll, vote in his stead. A proxy need not be a member of the Company.

(2) In order to be valid, a form of proxy together with a power of attorney or other authority, if any, under which it is signed or certified by a notary or an official copy of that power of attorney or authority, must be deposited at the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or adjourned meeting. Delivery of any instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked. The form of proxy must be signed by the appointor or his attorney authorized in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person duly authorized to sign the same.

(3) To ascertain shareholders' eligibility to attend and vote at the EGM, the register of members will be closed from Tuesday, 2 May 2017 to Monday, 8 May 2017, both days inclusive, during which period no share transfers of the Company will be effected. In order to qualify to attend and vote at the EGM, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Friday, 28 April 2017.

(4) Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, one of the said persons so present being the most, or as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand in the register in respect of the relevant joint holding.

(5) Shareholders are advised to read the circular to the shareholders of the Company dated 12 April 2017 which contains information concerning the resolution to be proposed in this notice.

(6) According to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting of the Company must be taken by poll. Accordingly, the Chairman of the EGM will exercise his power under the articles of association of the Company to demand a poll in relation to the proposed ordinary resolution at the EGM.

As at the date of this notice, the Board consists of Mr. Wong Yam Yin, Mr. Wong Kam Fai, Mr. Wong Kam Keung, Barry, Mr. Tjie Tjin Fung and Mr. Janata David as executive Directors; Mr. Suwita Janata and Mr. Gunawan Kiky as non-executive Directors; Mr. Hui Yan Moon, Mr. Wong Ying Loi, Ms. Howe Sau Man and Mr. Lie Tak Sen as independent non-executive Directors.